

WHITE PAPER

BitValve.com

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1. Executive summary

Although we have witnessed a growth of the industry of buying and selling cryptocurrencies in the recent years, the industry is still in its infancy. Moreover, the existing Peer to Peer cryptocurrency exchanges, often have relatively high fees, support a limited number of cryptocurrencies and do not allow crypto-to-crypto trading. Furthermore, the existing exchanges have very basic and difficult to understand user experience design (UX) and user interface design (UI), lack support for iPhone and Android apps, have weak information security, offer expensive or non-existent dispute resolution support, are based on slow and rigid processes, cover limited payment methods, and have limited availability.

Since there are only two major P2P Exchanges in the market, professional traders and casual users are left with no alternative option for an overall better Peer to Peer trading experience.

In BitValve, we will create a P2P Exchange platform, with key advantages that will change the way people trade Peer to Peer, by combining all the advantages of the current exchanges and addressing the disadvantages that keep the market from reaching its full potential. The Platform will target not only professional traders, but also normal users who just want to exchange their coins for fiat or for other cryptos in a quick, cheap and efficient way.

Our idea is that every person in the world would be able to access, buy and sell, their favourite cryptocurrency by using any payment method available, whether it is fiat or cryptocurrency, and trading directly with other users. The Platform will ensure the security of the transaction by acting as a trusted escrow service. Furthermore, the Platform will have a positive effect on the countries that are currently facing a financial crisis, such as Venezuela, by giving their people the option for alternative, decentralized and instant trading.

This White Paper contains a detailed explanation of the Platform and the associated BTV tokens. The Company's team hopes you will enjoy reading it.

2. Introduction

Below, we discuss our vision for the Project (Section 2.1), the problem which the Platform aims to solve (Section 2.2), and our solution (Section 2.3).

2.1 Vision

Our vision is to make the Platform among the largest P2P cryptocurrency exchange platforms in the world. To achieve this, the Company will be guided by three major goals, namely, (i) making the global exchange of cryptocurrencies affordable, accessible, fast, easy and secure; (ii) increasing the trust in exchanging cryptocurrencies through P2P technologies; and (iii) providing traders of cryptocurrencies with a “one-stop shop” solution allowing them to trade with cryptocurrencies in the most efficient way.

2.2 Problem the Platform aims to solve

Cryptocurrencies are usually exchanged through centralized or decentralized cryptocurrency exchanges. In centralized cryptocurrency exchanges, a third party assists the users of the exchanges with conducting their transactions. In decentralized cryptocurrency exchanges (also known as P2P exchanges), there are no such third parties.

Decentralized exchanges are usually more secure than centralized exchanges because trades occur directly between users. Nevertheless, the existing decentralized cryptocurrency exchanges have significant drawbacks, such as relatively high fees, support a limited number of cryptocurrencies, do not enable crypto-to-crypto trading, have basic UX design and UI design, lack support for iPhone and Android apps, have weak information security, offer expensive or non-existent dispute resolution support, are based on slow and rigid processes, cover limited payment methods, and have limited availability.

The slow and rigid processes are often a result of forcing users to undergo complex KYC procedures. The weak information security is caused by various factors, including, but not limited to, the lack of 3FA authentication and the use of outdated security procedures. The reason for the relatively high fees is likely to be the oligopoly in the field of decentralized cryptocurrency exchanges. The expensive and/or non-existent dispute resolution support provided by many decentralized cryptocurrency exchanges can be explained with exchanges' lack of sufficient knowledge and expertise in the field of online dispute resolution. The limited availability is a logical outcome of the lack of mechanisms (such as the use of onion networks) preventing third parties from blocking the access to decentralized cryptocurrency exchanges. The lack of support of a large number of cryptocurrencies, iPhone and Android apps, and crypto-to-crypto trading can be explained with the complexity associated with the implementation of such features, whereas the reason for the basic UX design and UI design is likely to be a result of the underestimation of the importance of sophisticated UX/UI designs.

2.3 Our solution

The Platform aims to utilize the benefits of decentralized exchanges, while, at the same time, eliminate the drawbacks of the current decentralized exchanges:

Up to 50% less fees

Professional Traders who will pay the commission using their BTV Tokens will pay 50% less commission fees than the current competitor exchanges. Traders without BTV Tokens will pay 20% less commission fee, payable in any cryptocurrency.

Multi Cryptocurrency Support

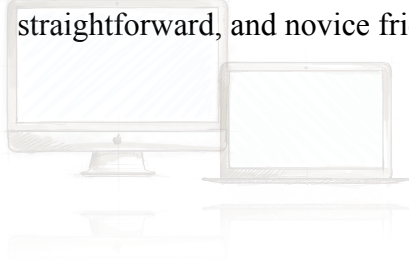
BitValve will be the only P2P exchange that will support many cryptocurrencies for trading. Those will include, for example, Bitcoin, Ethereum, Bitcoin Cash, and Litecoin. We will add new cryptocurrencies monthly, according to the market demands.

Crypto to Crypto Trading

BitValve platform will also allow Crypto to Crypto trades. We will provide our traders with the option to trade one cryptocurrency for another. Since the Platform will support many cryptocurrencies in user's wallets, the Crypto to Crypto trade will be made entirely and securely through the Platform. As an example, a user will be able to "Sell 1 Ethereum for 418 Ripple".

Unique UX and UI designs

Our exclusive website design will offer a better user experience for BitValve traders. Our goal is to design and develop a platform that will be easy to use, trouble free, straightforward, and novice friendly.



Official Mobile Apps

BitValve's official mobile applications for iOS and Android will provide traders with instant and uninterrupted platform access. Users will be able to act and respond on trades from anywhere by using any device with our secure applications.



Enhanced Security and Availability

BitValve will implement latest security measures and techniques, thus ensuring security of the trade transactions. The Platform will also become available in the Onion network in order to ensure anonymous and uninterrupted access.



24/7 Support and Dispute Resolution

BitValve's support team will be available 24/7 on live chat, email, telegram and BitcoinTalk to ensure the best trouble free experience for its traders. Dispute resolution will be handled by law professionals at no or affordable cost.



Our platform compared to others

There are currently 2 major P2P cryptocurrency exchanges on the market. Below, we compare the features of those exchanges with the features that the Platform will support.

	PLATFORM 1	PLATFORM 2	BITVALVE
Escrow Fee	1%	1%	0.5%
Cryptocurrencies	1	1	Multiple
Crypto to fiat trading	✓	✓	✓
Crypto to crypto trading	✗	✗	✓
Easy to use Interface	✗	✗	✓
Mobile Apps	✗	✗	✓
KYC optional	✗	✓	✓
Security level	Medium	Medium	High
Dispute Resolution	Expensive	Expensive	Affordable
24/7 Support	✗	✗	✓

3. The Platform

Section 3 discusses two important aspects of the Platform, namely, the operation of the Platform (Section 3.1) and the BTV token (Section 3.2).

3.1 The operation of the Platform

The operation of the Platform can be described in seven mandatory steps required for buying or selling cryptocurrencies and five optional steps. While a user willing to buy or sell cryptocurrencies needs to complete all seven mandatory steps, the user may or may not complete one or more of the optional steps. The table below indicates all mandatory steps.

Abbreviation	Name of mandatory step	Description of the mandatory step
M1	Accessing the Platform	User accesses the Platform by using his desktop computer or the iOS/Android application associated with the Platform.
M2	Registering an account	User registers an account on the Platform and gets a user profile.
M3	Posting a trade offer (M3a) or accepting a trade offer (M3b)	User posts a trade offer or accepts a trade offer which has already been published by another user.

M4	Clarifying details regarding the trade transaction	After (i) the offer posted by a user is accepted by another user or (ii) the user accepts an offer published by another user, the parties are able to exchange messages in order to clarify various details of the transaction, e.g., clarifying the date when the escrowed funds will be released and sending requests for conducting the transaction in an urgent manner.
M5	Initiating the transaction	After both parties agree to initiate the transaction, the transaction will be initiated.
M6	Placing the funds in an escrow	The cryptocurrency funds of one of the parties are placed in an escrow automatically.
M7	Releasing the funds in the escrow and collecting a commission fee	When the party whose cryptocurrency funds are placed in an escrow confirms that the other party has complied with its payment obligation, the funds in the escrow will be released to the other party. Before releasing the funds, the Platform will charge a commission amounting to 0,8% if the user who posted the trade offer does not apply BTV tokens or 0,5% if the user who posted the trade offer applies BTV tokens.

The table below indicates all optional steps.

Abbreviation	Name of optional step	Description of the optional step
O1	Adding additional information and adjusting profile settings	<p>Users will be able to add various information in their user profiles, including, but not limited to, information about their business activities.</p> <p>Besides, users will be able to adjust their profile settings by, for example, (i) saving their bank account information in order to trade by using a one-click functionality, (ii) adding a preferred payment method, and (iii) changing the language of their profile.</p>
O2	Going through a KYC procedure	<p>Although users will not be required to go through a KYC procedure, they will be strongly incentivized to do so. More specifically, if they go through such a procedure, a “KYC verified” badge will appear on their profile page. The badge will increase the trust in the services offered by the users holding it. In addition, users holding the badge will be entitled to priority customer support, lower dispute resolution fees, and the right to create a trader page using a BitValve subdomain (e.g., trader.bitvalve.com).</p>
O3	Using a live chat support	<p>The general customer support team will provide general text chat support on a 24/7 basis. Any specific issues will be referred to the backend support team. The Company may later start providing customer support by phone.</p>

O4	Trading by SMS/Email	The Platform will allow traders to trade by using SMS messages or emails.
O5	Dispute resolution	In the initial stages of the operation of the Platform, the Company will resolve at no cost any disputes arising out of transactions conducted through the Platform. Afterwards, the Company will start charging affordable fees for resolving such disputes.

3.2 BTV token

The BTV token will be created on an Ethereum platform which follows the ERC-20 protocol. ERC-20 protocol is a widely used protocol for blockchain developers across the world. ERC-20 includes a list of rules which Ethereum tokens should implement.

The BTV tokens will be blockchain assets having value which can be received and sent to any person with a valid wallet address. The BTV tokens will be available for trading on various cryptocurrency exchanges.

If a user would like to pay Platform's exchange fees by using BTV tokens, the average market value of the BTV tokens will be applied for payment purposes.

4. Technical overview

This section examines the technology and the security of the Platform and the associated BTV tokens (Section 4.1) as well as the smart contract used for conducting BTV token transactions (Section 4.2).

4.1 The technology and the security of the Platform and the associated BTV tokens

The Platform will be developed by using Linux, Apache HTTP Server, MySQL, and PHP stack. Linux is a family of open-source and free software operating systems. The term “Apache HTTP Server” refers to an open-source cross-platform web server developed and maintained by developers working under the auspices of the Apache Software Foundation. MySQL is an open-source relational database management system with proven reliability, performance, and ease-of-use. The term “PHP stack” can be defined as a web platform used to run dynamic web sites and servers by using the server-side scripting language Hypertext Preprocessor (“PHP”).

The servers hosting the Platform and the servers storing the Platform cryptocurrency wallets will be hosted in Zurich, Switzerland. Switzerland is deemed to be a crypto-friendly jurisdiction. However, the Platform wallets will be stored on servers different than the servers hosting the Platform. This will ensure that, if an attacker succeeds to compromise the servers hosting the Platform, he will not be able to compromise the Platform wallets associated with the BTV tokens. It is worth clarifying the term “Platform wallet”. In comparison with other platforms, the Platform will not require users willing to exchange cryptocurrencies to create external cryptocurrency wallets. Instead, users will be able to use their Platform wallets to receive and send all cryptocurrencies supported by the Platform.

The servers used for hosting the Platform and storing Platform wallets will have strong Firewall protection which will protect them against networking attacks. Furthermore, the Platform will have strong anti-DDoS defence systems protecting it from denial-of-service attack (“DoS”)

attacks, such as Ping of Death (PoD) attacks, SYN flood attacks as well as advanced distributed bandwidth attacks that exceed 2Gbits per second. DoS attacks are attacks preventing legitimate users from accessing the service by using various methods (e.g., by sending excessive messages aiming to block the operation of a server). Ping of Death (PoD) attacks are attacks conducted by sending ping commands with the aim to affect the operation of the attacked servers. Ping is a software utility used to verify that a particular IP address exists and is able to accept requests. SYN flood attacks are conducted by sending “SYN” (synchronize) requests to a server with the aim to utilize enough server resources to make the server unable to respond to legitimate traffic.

The MySQL servers hosting the Platform will be residing in a filesystem using a strong encryption. This will secure users’ information, including, but not limited to, bank account information, trade transactions, and messages sent and/or received by them through the Platform.

4.2 The smart contract used for conducting token transactions

The smart contract used for conducting BTV token transactions will be based on the open software platform Ethereum. It uses blockchain technology that enables developers to deploy and build decentralized applications. The Ethereum platform, the first blockchain platform to implement the smart contract concept, uses a scripting language which allows developers to create smart contracts by utilising the expressive power of modern programming languages.

A smart contract is a computer protocol allowing the verification, facilitation, and enforcement of contracts without the involvement of third parties. Smart contracts reduce the costs related to contractual transactions because they eliminate intermediaries.

5. Our team and advisors

The BitValve team and advisors include experts who are committed to making BitValve a tremendous success. Below, we list our team (Section 5.1) and advisors (Section 5.2).

5.1 Our team



Konstantinos Berios

Founder & Backend Engineer

An IT specialist who has made important contributions to businesses in sectors including iGaming, blockchain, Internet Service Providers (ISPs), and system administration. Kostas was responsible for the secure operation of servers holding millions of dollars in Cryptocurrencies and Fiat. Some of those businesses became widely recognized and respected business ventures. Kostas spends most of his time developing innovative technologies that will make a positive difference in the world.



Julien Gionis

Branding

Julien Gionis is the founder of StudioJugi, an award winning design studio specialised in brand identity systems and visual design for brands, companies, and professionals looking to take their businesses to the next level. His work relies on clarity through simplicity, merging strategy with world-class design. Julien's work has been recognized through prestigious international design awards and published in numerous international books & magazines.



Nikiforos Kollaros

UI/UX Designer

Nikiforos Kollaros is a visual designer based in Athens, Greece. Holder of a BA(Hons) degree from Middlesex University of London, and awarded with a First Class degree. His works are featured in various design websites, publications and blogs. His first working steps were as a Co-Founder in one of the most promising design agencies in Greece.

**John Markostamos***Full Stack Engineer*

John Markostamos is a full stack engineer based in Athens, Greece. Holder of a bachelor's degree in computer systems engineering from University of Piraeus. John has over 7 years of experience in frontend and backend technologies such as HTML, PHP, along with Javascript and jQuery, and has been involved in numerous technology projects.

**Ben Kaufman***Smart Contract Developer*

Ben Kaufman is a Blockchain and cryptocurrencies expert with great knowledge on decentralized systems architecture, smart contract and Dapps development and cryptocurrency infrastructure mechanisms.

He has 5 years of experience coding web, mobile, desktop and server side applications.

He develops smart contracts and Dapps using Solidity and Vyper. He teaches people about Blockchain and help companies and individuals in the industry.

5.2 Advisors

**Dr Daniel Dimov***Legal Advisor*

Dr. Daniel Dimov is an Internet law expert based in Belgium. Daniel is a fellow of the Internet Corporation for Assigned Names and Numbers (ICANN) and an arbiter with the Asian International Arbitration Centre. He did traineeships with the European Commission (Brussels), European Digital Rights (Brussels), and the Institute for EU and International law "T.M.C. Asser Institute" (The Hague). Daniel received a PhD in law from the Center for Law in the Information Society at Leiden University, the Netherlands. He has a Master's Degree in European law (The Netherlands) and a certificate in Public International Law from The Hague Academy of International law.



Simon Zenios

Corporate Law & ICO Expert

Simon Zenios is an experienced corporate lawyer and ICO expert. He holds a bachelor's degree in law from the University of Nicosia in Cyprus. Furthermore, he keeps a close tie with the University of Nicosia since it happens to be among the leading universities in the world when it comes to cryptocurrencies and blockchain technologies. Additionally, he holds certifications from high standard organizations when it comes to law and security.



Anthony Manfre

ICO Advisor

Anthony is a corporate finance expert, with extensive experience in start-ups, investments and cryptocurrencies. He has been working for over a decade at Commonwealth Bank as a Corporate Analyst and Relationship Executive. Anthony has a bachelor's degree from University of Sydney in business, accounting and finance.

6. Road Map

The Company will be guided by the following road map when working on the Project. The dates in the road map are indicative and are subject to changes as decided by the Company. In case the Company changes the estimated dates, the Company will update this White Paper accordingly.

Estimated Date	Step
Q4 2018	Idea development & Market analysis WhitePaper drafting Launch of the BitValve.com Website ANN Thread on Bitcointalk forum
Q1 2019	Launch of the pre-ICO Development of the MVP Launch of the ICO Development and Distribution of the BTV tokens
Q2 2019	Development and Testing of the Platform Official Launch of BitValve.com P2P Exchange
Q3 2019	Development and Release of the iOS and Android apps

7. Token metrics

The following table contains all the information for the BitValve Token (BTV) metrics. Following the table, there is an explanation of the BTV sale for the pre-ICO and the ICO.

	PRE ICO	ICO	TOTAL
Date	Jan 2019	Mar 2019	-
Soft Cap	-	-	-
Hard Cap	\$330.000	\$2.470.000	\$2.800.000
Token Sale	1.650.000	12.350.000	14.000.000
Token Sale %	8.25%	61.75%	70%
Token Bonus	40%	10-20%	-
Lockup Period	2 months	-	-
Token Price	\$0.20		
Total Supply	20.000.000 BTV		




Sale of BTV tokens through the pre-ICO

Proceeds from the pre-ICO will be used primarily to develop the Demo and ensure a successful ICO. The pre-ICO will be executed on a first-come, first-served basis up until the total sum of the collected funds reaches USD 330,000. Therefore, the Company cannot guarantee that all interested participants will be able to participate in the pre-ICO. Investors willing to participate in the pre-ICO need to create an account on the website www.BitValve.com and make their investments in BTC, Bitcoin Cash (“BCH”) and ETH. All investors participating in the pre-ICO will receive a bonus of 40%. This means that, if an investor makes an investment amounting to 10 BTC in the pre-ICO, his investment will be deemed to be an investment of 14 BTC for the purpose of calculating the number of BTV tokens to be issued to that investor.

Sale of BTV tokens through the ICO

The purpose of the ICO is to collect funds required for the development and the successful launch of the final product, i.e., the Platform and the associated BTV token. In comparison with other ICOs, the Company needs a rather reasonable financial sum to complete the Project and, therefore, the maximum cap of the ICO is set at USD 2.8 million.

Investors participating in the ICO will be entitled to bonuses of up to 20%, depending on the time when they make their investments. More specifically, the following bonus rules will apply:

-  **First Period 01/03-08/03/2019:** investors who invest within the time period of 7 days commencing on the date of the launch of the ICO will get a bonus of 20%;
-  **Second Period 08/03-15/03/2019:** investors who invest within the time period of 7 days following the expiration of the First Period will get a bonus of 10%;
-  **Third Period 15/03-22/03/2019:** investors who invest within the time period of 7 days following the expiration of the Second Period will get a bonus of 5%;

4 Fourth Period 22/03-29/03/2019: investors who invest within the time period of 7 days following the expiration of the Third Period will not get any bonus.

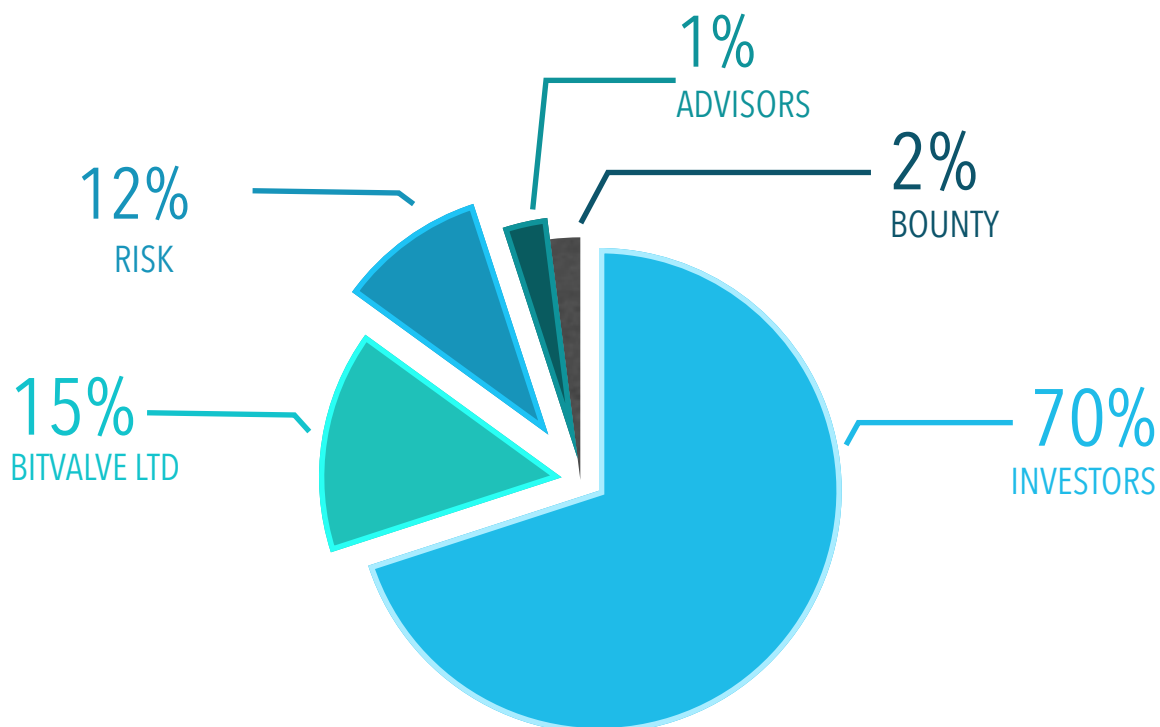
For example, if an investor invests 10 BTC on the first day of the ICO, his investment will be regarded as an investment of 12 BTC for the purpose of calculating the number of BTV tokens to be issued to that investor.

Investors willing to participate in the ICO will be able to do so by creating an account on the website www.BitValve.com and using BTC, BCH and ETH. The minimum investment amount will be USD 20 (10 BTV).

In the case of unsold BTV Tokens, after the end of the ICO, those will be “burned”.

The allocation of BTV tokens

All BTV tokens will be distributed into five major groups, namely, Investors, BitValve Ltd, Risk Mitigation, Advisors and Bounty, which will get the following percentage of the total number of BTV tokens:

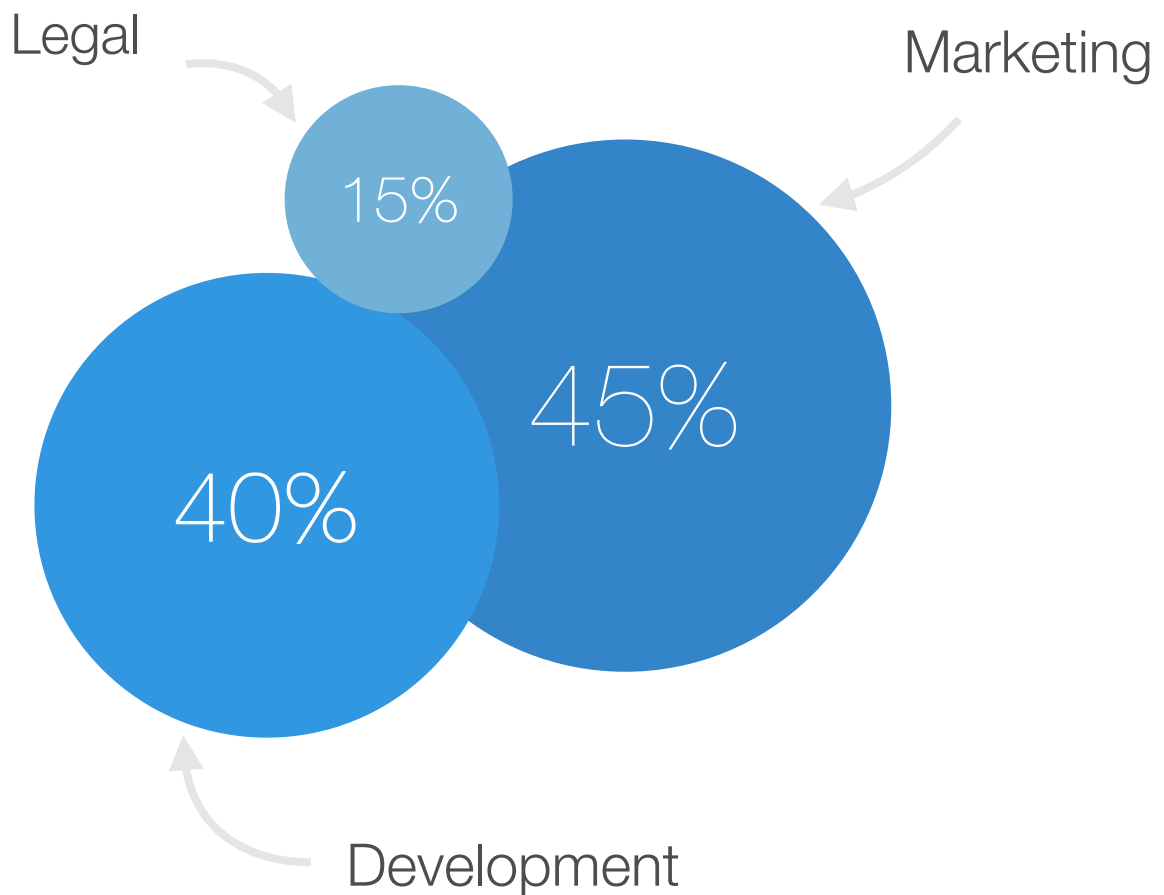


- 1 Investors:** Investors will receive a large portion (70%) of all BTV tokens because the financial resources provided by them will be of utmost importance for (i) the launch of the ICO and (ii) the development of the Platform and the associated BTV token.
- 2 BitValve Ltd:** BitValve Ltd will receive 15% of all BTV tokens in exchange for setting up, organising and managing the Project.
- 3 Risk Mitigation:** 12% of all BTV tokens will be stored for risk mitigation purposes. The Tokens will be traded only if extra funding is really mandatory.
- 4 Advisors:** Some of the advisors will receive 1% of all BTV tokens for providing advice in relation to the Project, such as business, marketing, technological, and legal advice.
- 5 Bounty:** 2% of all BTV tokens will be used to reward influencers who have spread information about the pre-ICO and the ICO through various channels including, without limitation, social networks, online news, and blog posts.

Use of the funds gathered from the Initial Coin Offering

The launch of the ICO and the development of the Platform and the associated BTV token requires significant investment. Therefore, the Company will launch a pre-ICO and ICO aiming to collect funds necessary for completing the Project. The amount of the funds raised through the pre-ICO and the ICO will be shown on the website www.BitValve.com and the website will be updated on a real-time basis.

The funds collected through the pre-ICO and ICO will be used for the following purposes: (i) 45% of the funds will be used for marketing purposes; (ii) 40% will be used for development and operational purposes; and (iii) 15% will be used for covering the expenses for legal work related to the Project, including, but not limited to, preparing and submitting trademark and copyright applications. The figure below shows these three portions.



IMPORTANT NOTICE: Some countries restrict investors from investing in preliminary initial coin offerings and initial coin offerings. All investors are strongly advised to (i) inform themselves about the rules applying to investments in preliminary initial coin offerings and initial coin offerings and (ii) comply with those rules.

8. Risk factors

THIS SECTION IS NOT AND DOES INTEND TO BE A COMPLETE DESCRIPTION OF ALL RISKS ASSOCIATED WITH THE PURCHASE OF BTV TOKENS. THERE MAY BE RISKS OF WHICH THE COMPANY IS NOT AWARE OR WHICH THE COMPANY DOES NOT CONSIDER TO BE MATERIAL.

Prospective purchasers of BTV tokens should conduct their independent investigation and analysis with regard to BTV tokens, the Company, and other relevant market and economic factors as they consider appropriate to evaluate the risks and the merits of their purchase.

The Company and its directors hereby disclaim any responsibility for providing purchasers of BTV tokens with advice about the risks and considerations associated with the purchase of such tokens.

Prospective purchasers of BTV tokens are solely responsible for determining that, notwithstanding the substantial and clear risks associated with the purchase of BTV tokens, the purchase of BTV tokens is suitable and appropriate for them. To make such a determination, prospective purchasers of BTV tokens are advised to obtain professional advice including, but not limited to, legal, business, technological, and investment advice.

Prospective purchasers of BTV tokens should make their decisions of whether or not to purchase BTV tokens on the basis of their own judgments and advice from their professional advisors.

Prospective purchasers of BTV tokens who are not capable of evaluating the risks and the merits of purchases of BTV tokens should not buy BTV tokens. Prospective purchasers of BTV tokens

who do not have sufficient resources to bear the possible losses resulting from the purchase of BTV tokens shall not buy BTV tokens. It should be pointed out that such losses may amount to 100% of the invested amounts.

Prospective purchasers of BTV tokens are hereby made aware that the value of BTV tokens may fluctuate and they may not be able to get back their investments if they sell their BTV tokens on the secondary market (if there is such a secondary market).

Forward looking statements

This White Paper contains forward looking statements that reflect the current expectations of the directors of the Company. Such forward looking statements often include words, such as “will”, “estimate”, “hope”, “intend”, “believe”, “expect”, “plan”, “may”, “would”, “anticipate”, “predict” and the negative of these words, that identify forward-looking statements. Any forward looking statements included in this White Paper or other Company’s documents are made with respect to future events on the basis of the information available to the directors of the company at the time when the statements were made. Such forward looking statements are subject to uncertainties and risks that can cause actual results to differ significantly from those stated in the forward looking statements. The directors of the Company hereby disclaim any responsibility for updating or revising any forward looking statements included in this White Paper or other Company’s documents.

Management risk

The activities, objections, and operations of the Company may be negatively affected if one or more of the officers or directors of the Company leaves the Company.

Liquidity of BTV tokens

There is no secondary market for BTV tokens as of the date of this White Paper. Although the Company hopes that such a secondary market will develop after the launch of the Platform and

the associated BTV tokens, the Company cannot guarantee that a secondary market for the BTV tokens will ever appear.

Changes in the applicable laws

Certain jurisdictions may adopt laws, rulings, regulations which affect the Company, the Platform, and the BTV tokens in an adverse manner. The Company cannot guarantee that such laws, ruling, and regulations will not adversely affect the Company, the Platform, and the BTV tokens.

Prospective purchasers of BTV tokens should be aware of the risks related to the regulatory frameworks governing the activities of the Company. Such risks may include, for example, risk of sanctions resulting from unclear laws.

Start-up companies

The Company is a newly emerged business venture. Start-up companies face a high degree of uncertainty. Also, they have high rates of failure due to various reasons, such as limited cash flows lack of operating history, unexpected technological issues, business plans containing unrealistic or unfounded assumptions, and the existence of much stronger competitors.

The markets in which start-up companies operate may experience rapid technological and regulatory changes which may make some start-ups uncompetitive and uneconomical before or after generating any revenues. Also, many start-ups fail because their services or products are found to be uncompetitive, ineffective, unsafe, and unreliable and, as a result, their services or product do not achieve any market acceptance. The degree of market acceptance of a product or service launched by a company depends upon a number of factors, some of which are beyond the control of that company.

Start-up companies may need to compete with well-established companies that have more financial, human, and technological resources. Start-up companies may not be able to successfully compete with well-established companies.

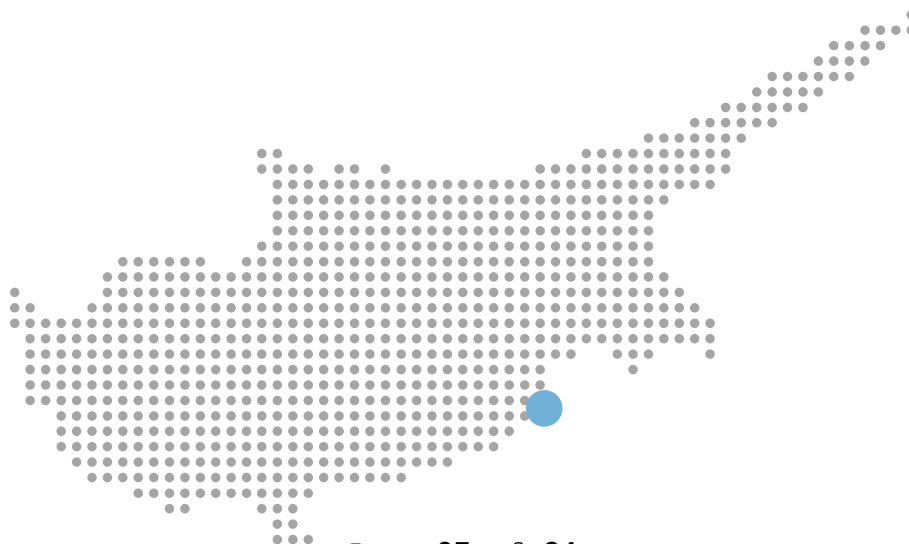
Start-up companies may face financial difficulties and other hardships in case their directors and/or officers, leave, die, or become incapacitated. This is because such businesses are usually small and very dependent on the contributions of their staff.

Any forward-looking statements, projections, forecasts, or plans may be affected by many uncertainties, risks, changing circumstances, and other considerations that may cause such forward-looking statements, projections, forecasts, or plans to differ from the actual operations, results, performance, plans, and opportunities. Such uncertainties, risks, changing circumstances, and other considerations may include, but are not limited to, technological changes, the commencement of legal proceedings, the adoption of new regulatory frameworks, new judicial or administrative decisions, inability to hire skilled team members, changing economic conditions, receiving insufficient funding, changing levels of business and consumer spending, accounting issues, management issues, and failure to secure intellectual property rights.

9. Miscellaneous

9.1 Information about the Corporation in Cyprus

BitValve Ltd, a private company limited by shares, is currently being incorporated in Cyprus. The registration number of BitValve Ltd will become publicly available as soon as possible. The team of the Company decided to register the Company in Cyprus, one of the 28 EU countries.



Cyprus is a popular location for registering companies in Europe because it:

- (i) Has one of the lowest tax rates in Europe (12,5%).
- (ii) Has concluded many international treaties allowing companies to avoid double taxation.
- (iii) Cyprus is a European Union country and benefits from the EU legal framework.
- (iv) Has a well-developed business legal framework, which is similar to the UK common law.
- (v) Offers simple and easy company incorporation procedures.
- (vi) Has excellent IT and telecommunications infrastructure.
- (vii) Is strategically located at the crossroad between Europe, Asia, Middle East, and Africa.
- (viii) Offers abundance of highly skills professionals (e.g., accountants, lawyers, IT specialists).

10. Legal Notice

This white paper (the “White Paper”) has been issued by BitValve Ltd (*Registration in progress*) (the “Company”) and should be read in conjunction with the terms of the BitValve token sale (the “Terms”).

This White Paper aims to provide prospective buyers of tokens issued by the Company with valuable information about the project “BitValve” (the “Project”). The information allows such prospective buyers to make their own decision as to whether or not to purchase BitValve tokens (“BTV tokens”). This White Paper also outlines the business objectives of the Company as well as the issue by the Company of BTV tokens.

The content of the White Paper is provided exclusively for informational purposes and, more particularly, for the purposes of explaining Company’s approach of providing a blockchain-based platform.

The Company has put reasonable efforts to ensure that, as of the date of this White Paper: (i) the information in this White Paper is accurate and up to date; (ii) the White Paper does not contain any misleading statements. No assurance, representation, warranty or undertaking is made as to the accuracy of the White Paper after the date of this White Paper.

This White Paper includes industry and market information. The Company collected such information from studies, academic articles, internal surveys, reports, and publicly available information. Although the Company believes that such studies, academic articles, internal surveys, reports, and publicly available information are reliable, the Company does not make any assurance as to the completeness and accuracy of such information.

This White Paper does not constitute an invitation or an offer, or any other sale or purchase of assets, securities, or shares of the Company. This White Paper has not been approved, examined, reviewed, authorized, or verified by any governmental authority. The information in this White Paper may not be sufficiently comprehensive and should not be deemed to establish a contractual relationship.

The information in the White Paper does not constitute financial, investment, tax, legal, or other professional advice. The Company does not guarantee the completeness, accuracy, and reliability of the information in this White Paper.

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BTV token holders will not be entitled to a percentage of the profits of the Company and will not participate in any profit-sharing schemes organized by the Company.

The Company may restrict the publication of this White Paper and the offering of BTV tokens to certain jurisdictions. Any buyer and prospective buyer of BTV tokens is responsible for complying with any applicable laws and regulations.

Buyers and prospective buyers of BTV tokens are wholly responsible for finding information about the legal requirements and the consequences of disposing, holding, and purchasing BTV tokens and any applicable taxes and exchange control regulations in countries of their respective domicile, residence, and/or citizenship. Buyers and prospective buyers of BTV tokens are responsible for reading the White Paper and the Terms and making sure that the White Paper and the Terms are acceptable to them.

Prospective buyers of BTV tokens shall proceed with the purchase of BTV tokens only if they have read, understood, and accepted the Terms. Each prospective buyer of BTV tokens shall acknowledge that it made an independent decision to purchase BTV tokens and that, when making such a decision, it is not relying on the Company or entities related to or associated with the Company. The Company recommends prospective buyers of BTV tokens to seek their own tax, investment, legal or other advice before purchasing BTV tokens.

The purchase of BTV tokens is associated with risks that could lead to a loss of part or the entire purchase amount. The purchase of BTV tokens involves a high degree of risk and is speculative in nature. The Company does not undertake, represent, or warrant that BTV tokens are free of defects and malware or will meet the expectations of a prospective buyer. Prospective buyers of BTV tokens shall proceed with the purchase of BTV tokens only if they are able to afford a complete loss and fully understand the potential impact and consequences of purchasing BTV tokens. Prospective buyers of BTV tokens shall not proceed with purchasing BTV tokens unless they are aware of the risks inherent in the purchase of such tokens.

The Company does not: (i) provide any recommendations or advice with regard to BTV tokens; (ii) endorse such tokens; (iii) accept any liability or responsibility for the use of this White Paper by any person in violation of any local regulatory requirements related to the distribution of the White Paper or any applicable rules related to the offer of BTV tokens.

BTV tokens will not be available to entities or individuals that reside in the People's Republic of China and the United States of America. Persons based in the People's Republic of China or the United States of America that participate in the sale of BTV tokens by providing inaccurate or false information breach the Terms and shall be required to forfeit their BTV tokens and indemnify the Company in respect of any losses and/or damages suffered as a result of such a breach in accordance with the indemnification provisions of the Terms.

The statements in this White Paper are made on the basis of the law currently applicable in Cyprus and are subject to legislative changes in the laws of Cyprus.

The Company reserves the right to modify, supplement, or amend this White Paper at any time and for any reason.

11. Definitions

Android: a mobile operating system created by Google with the aim to be used mainly on touchscreen mobile devices;

Apache HTTP Server: an open-source cross-platform web server developed and maintained by developers working under the auspices of the Apache Software Foundation;

BCH: Bitcoin Cash

BTC: Bitcoin

BTV Token: virtual tokens to be issued on the basis of a smart contract developed by the Company;

ETH: Ethereum

Dos attacks: denial-of-service attack, i.e., attacks preventing legitimate users from accessing the service by using various methods;

iOS: a mobile operating system developed and maintained by Apple Inc.;

KYC: Know Your Customer;

LTC: Litecoin;

MySQL: open-source relational database management system with proven reliability, performance, and ease-of-use;

OTP: one-time password token;

PHP: Hypertext Preprocessor;

PHP stack: a web platform used to run dynamic web sites and servers by using the server-side scripting language PHP;

Ping: software utility used to verify that a particular IP address exists and is able to accept requests

Platform wallet: a cryptocurrency wallet integrated in the Platform which allows a user of the Platform to receive and send all cryptocurrencies supported by the Platform;

The Demo: The demo version of the Platform;

The Ethereum platform: a blockchain platform implementing the smart contract concept and using a scripting language which allows developers to create smart contracts by utilizing the expressive power of modern programming languages

The Platform: the BitValve P2P cryptocurrency exchange platform;

PoD: ping of death attacks, i.e., attacks conducted by sending ping commands with the aim to affect the operation of the attacked servers;

P2P: peer-to-peer;

Smart contract: a computer protocol allowing the verification, facilitation, and enforcement of contracts without the involvement of third parties

SYN flood attacks: attacks conducted by sending “SYN” (synchronize) requests to a server with the aim to utilize enough server resources to make the server unable to respond to legitimate traffic;

The Company: BitValve Ltd, a company registered in Cyprus with company number: *(Registration in progress)*.

The ICO: The initial coin offering organized by the Company with regard to the Project;

The Platform: the BitValve P2P cryptocurrency exchange platform;

The pre-ICO: the preliminary coin offering organized by the Company with regard to the Project;

The Project: the project “BitValve”;

The Terms: the terms of the BitValve token sale;

UI: user interface design;

UX: user experience design;

The White Paper: this white paper;

3FA: three-factor authentication;