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White Paper



PHOENEX

Exchange. Reborn.

Disclaimer

The white paper prepared by PHOENEX team is for elaboration, description and for informational purposes only presented to potential participants of the platform and those interested to contribute to its development. It is not an offer or a solicitation to buy or sell any securities or to invest in any financial instrument. Certain disclosures, approximations, and financial information contained in the white paper constitutes forward-looking statements. Such forward-looking statements carry risks and uncertainties, which may cause actual outcomes to differ significantly from the initial estimations. The information and graphical contents contained in the white paper should not be construed as a guarantee and is subject to change with prior notification.

Abstract

PHOENEX is a semi-decentralized exchange built for real-time, trustless, highspeed trading experience with integrated blockchain settlement features. Users login using their email address or phone number and added layer of security with deposits and withdrawals done through the blockchain without limit, while a centralized layer enables users to trade at high speeds without waiting for transactions to mine, create multiple orders and cancel orders instantly without gas costs.

Challenges

Suboptimal architecture

Many of the existing cryptocurrency exchanges today are built on the fly without much of careful planning. They often take the simplest approach to get the system up and running, without taking into consideration the compounding load as traffic grows. Furthermore, layers of security that some exchanges integrate in the system add to the complexity resulting to slower trade speeds and delays in relaying information to the user interface. The flaws in the system create a ripple effect which ultimately leads to poor customer experience.

For a cryptocurrency exchange to have a long-term success, it must be built with end users in mind, taking into account the right level of security, speed, efficiency, and scalability.

Lacks portfolio tracker

All cryptocurrency exchanges today have one thing in common: they all lack the option where users can see their buy price alongside the current price. Our team believes this is one critical aspect that every exchange must have.

This becomes especially handy for long term hodlers. Using this view, they can quickly check how much they gained or lost in just a quick glance without having to move from one tab to another just to compare their buy price and the current price.

Poor customer service quality

A comprehensive understanding of investors and traders' wants and needs is paramount in running a successful exchange. Their time and money are at stake and slight delays in attending to customer incidents can be very costly for both parties.

PHOENEX Exchange is built with end users in mind. In line with this, incidents raised by users will be handled promptly by people who have first-hand knowledge about the system and excellent customer service skills.

Challenges

Expensive fees

Exchange fees can be very expensive, from trading fees to withdrawal fees, especially to small investors and traders who only wish to get some returns on their investment. Moreover, some established cryptocurrency exchanges can charge ridiculous amount in order for a token to be listed in their system. All of these seems widely accepted in the cryptocurrency space and it seems reasonable too.

After all, running an exchange is expensive and ICOs can be immensely profitable. However, we believe that charging high exchange fees and listing fees has the tendency to scare away investors and traders, and high-quality, bootstrapped projects and at the same time arouses temptation to list low-quality projects in the desire for more revenue.

Complex listing process

Listing requirements and process of many well-known exchanges are often tedious and despicably difficult to accomplish. The process can take weeks or months without guarantee of actually getting listed. Unfortunately, project developers and owners have no control over it and they are at the whim of the exchange.

PHOENEX transforms this process and only requires vital information from the project team. Service level agreements will be signed off to maintain quality and timely engagement between our exchange and project team.



Our Solution

PHOENEX Exchange platform will use a two-pronged approach when it comes to security. The platform does not require KYC and users only need their email address and private key to be able to start trading. The non-critical components of the trading process will be housed centrally while deposits and withdrawals will be broadcasted to the network. Using this approach, PHOENEX has the agility of a centralized exchange, at the same time the transparency of a decentralized exchange.

The exchange platform will incorporate a portfolio tracker where users can see at a quick glance the buy price, current price, volume, equivalent value in ethereum, and dollar, and last but not the least the percentage gain/loss. This way, day traders and hodlers alike will no longer have to navigate from one tab to another just to compare their buy price to the market price, and most importantly to check whether they are gaining or losing money. PHOENEX is built with the end users in mind. Customer service has a defined service level agreement and standard across time zones.

Our fees are competitive and relatively low compared to other established exchanges. In addition, using PHOENEX Token to pay for fees entails big discount. Lastly, new token listing process is agile and streamlined. Project teams do not have to wait for weeks or months to know the result of their listing application.



Revenue Model

PHOENEX revenue will come from the following sources:

| Source | Description |
|-----------------|--|
| Exchange Fee | PHOENEX Exchange will charge a 0.15% fee per trade. Some variations to the percentage will be introduced subsequently, e.g. volume-based tiering, maker-taker, zero fee promotions, etc. |
| Margin Fee | A fee or interest will be charged on the borrowed amount. |
| Withdrawal Fee | A small fee will be charged for withdrawals. |
| Listing Fee | PHOENEX Exchange will select innovative coins or tokens to be listed in the exchange and charge a small fee to cover only for operations costs but will not charge more for profit. |
| Advertising Fee | Listed coins or tokens can advertise and promote their company in the exchange platform for a fee. |
| Other Fees | The platform may charge fees for other services we offer |



PHOENEX Token (PHNEX)

PHOENEX (PHNEX) is a standard ERC-20 compliant token created through Ethereum Smart Contract. Wallets that support Ethereum such as MyEtherWallet, ImToken, Metamask, Parity, Mist, and Ethereum Wallet can be used to receive, store, and send PHOENEX tokens.

The PHOENEX token is not a security token. It is classified as payment or utility tokens which will be used in the PHOENEX Exchange application as exchange fees, withdraw fees, new coin or token listing fees, advertising fees, etc.

PHOENEX Tokens will be used as currency on the PHOENEX Exchange platform along with Ethereum and Bitcoin. PHOENEX Tokens do not represent company shares or give rights to profit sharing. As mentioned above, PHOENEX Token is utility token, therefore there is no guarantee of future value of the PHOENEX Token and will be solely up to the market and community to decide same.

Limited Supply of Tokens

The total number of minted tokens is 37 billion PHOENEX Tokens. All unsold tokens will be burned. Tokens allocated to founders, developers, and advisors are locked in for one year.

No Presale or Private Sale

We opted not to conduct a Presale or Private sale to offer every participants equal terms to all Token Sale which will lead to a more stable token pricing rate when listed on cryptocurrency exchanges.

Discount Scheme

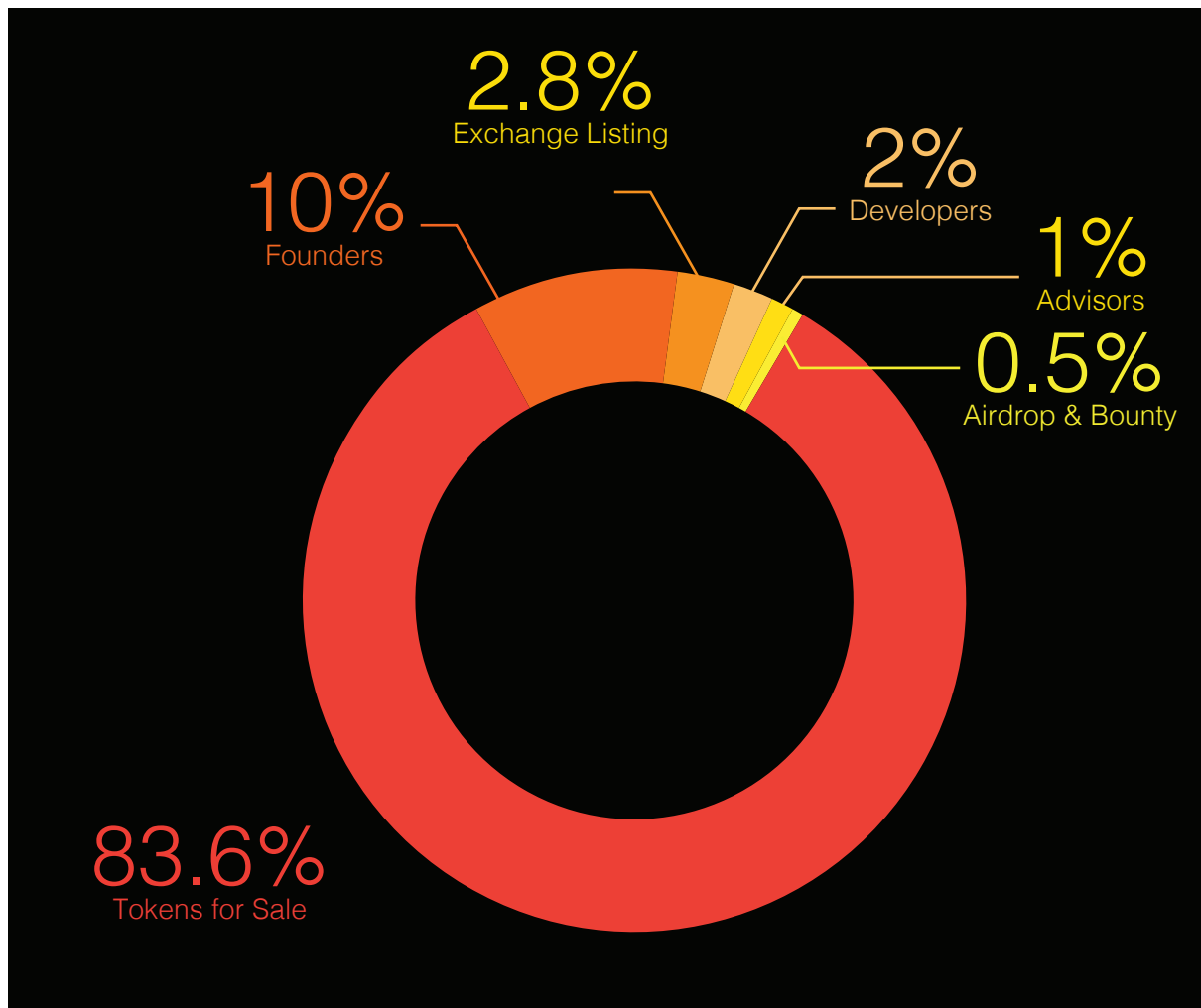
Use PHOENEX Token to pay for fees to receive huge discount:

| | |
|----------|-----|
| 1st Year | 50% |
| 2nd Year | 25% |
| 3rd Year | 10% |
| 4th Year | 0% |

Token Buy Back Plan

Every quarter, we will use 10% of our proceeds to buy back PHOENEX Tokens and destroy them, until 50% of all PHOENEX Tokens are removed from circulation.

Token Distribution



83.6%

of the tokens is allocated for the Token Sale and will be distributed to the community.

10%

of the tokens is allocated for the founders with one year lock in period.

2.8%

of the tokens is allocated for exchange listings.

2%

of the tokens is allocated for the developers with one year lock in period.

1%

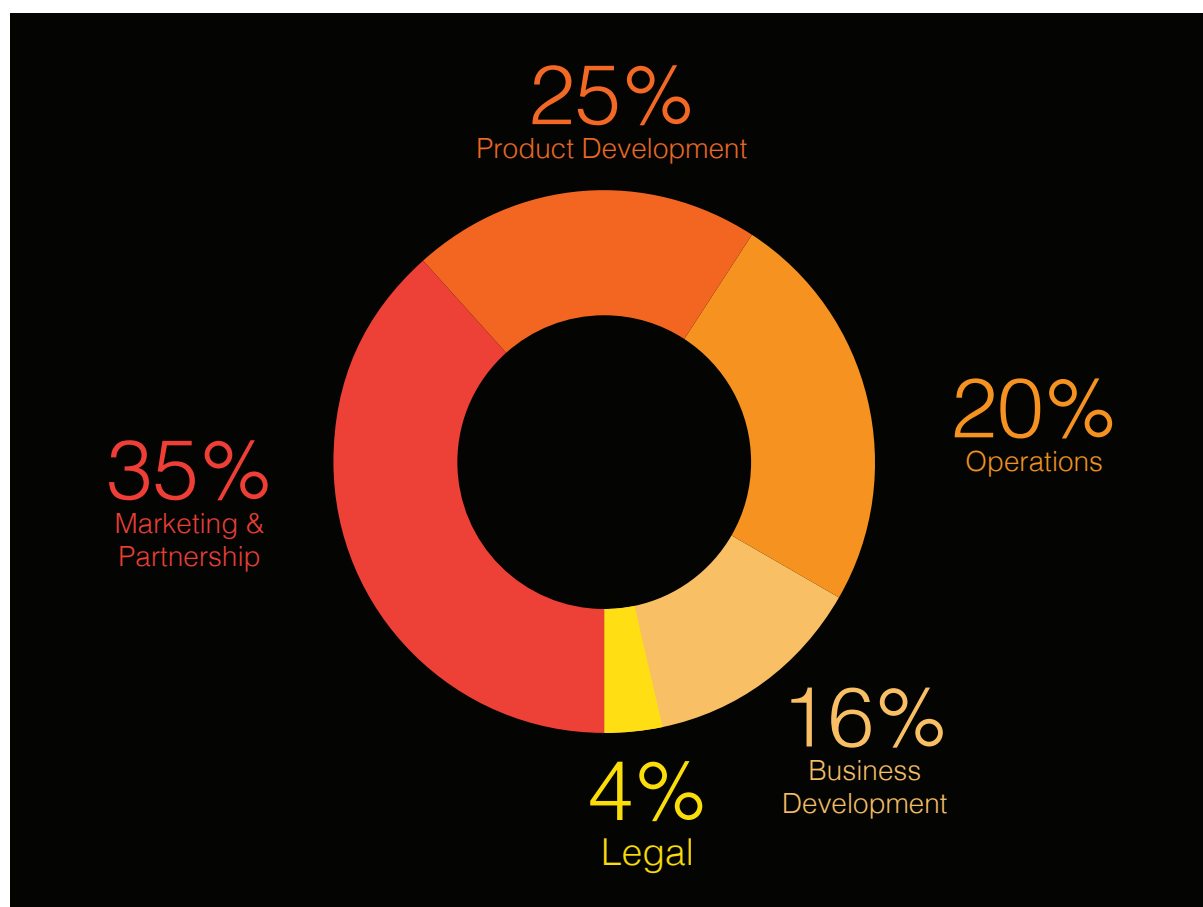
of the tokens is allocated for the advisors with one year lock in period.

0.5%

of the tokens is allocated for airdrop and rewards for bounty and marketing campaigns which will be distributed during the token sale period.



Funds Allocation



- 35% Marketing & Partnership**
Costs for branding, marketing campaigns, advertisers, and encouraging publishers to write articles about PHOENEX exchange. Also includes costs of partnerships with other cryptocurrency exchanges and establishments.
- 25% Product Development**
Costs for building the PHOENEX exchange based on Ethereum blockchain, transaction layer, and user layer including upgrading and maintenance of the system.
- 20% Operations**
Costs for recruiting, training, office space, salaries, budget for management, and other miscellaneous expenses.
- 16% Business Development**
Costs for developing direct sales teams in key geographic areas and professional associations to grow pool of clients across continents.
- 4% Legal**
Costs for establishing a legal organization for the company to support in ongoing operational, marketing, and business development activities, and serve as consultant for potential changes in legislations related to cryptocurrency.

Token Sale Details

ATTENTION: Citizens of North Korea, Iraq, and USA
are NOT allowed to participate.

Token Sale Period:

November 24 8 PM (GMT+8) to
December 24 2018 11:59 PM (GMT+8)

Token Standard: Ethereum ERC-20

Unsold Tokens: To be Burned

Soft Cap: 1000 ETH

Hard Cap: 2000 ETH

Cost of 1 PHOENEX Token (bonuses not yet included in the costing):

| Round | Duration | Tokens per ETH |
|-------|------------------------------|------------------|
| 1 | Week 1 (Nov 24 - Nov 30) | 15,500,000 PHNEX |
| 2 | Week 2 (Dec 1 - Dec 7) | 14,500,000 PHNEX |
| 3 | Week 3-4 (Dec 8 - Dec 24) | 14,000,000 PHNEX |

Payment accepted: **Ethereum only**

Min/Max Personal Cap: **0.01 ETH / no limit**

Presale or Private Sale: **None**

Token Sale Distribution Method: **Automatic/Selfdrop**

Token Sale Bonus: **Available**

| Purchase Amount | Bonus Tokens % |
|-----------------|----------------|
| > = 1 Ethereum | 1% |
| > = 3 Ethereum | 3% |
| > = 5 Ethereum | 5% |
| > = 7 Ethereum | 7% |
| > = 9 Ethereum | 9% |
| > = 11 Ethereum | 11% |
| > = 13 Ethereum | 13% |

Token Sale Bonus Distribution Method: **Automatic/Selfdrop**

Know Your Customer (KYC): **None**



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