



## **VFIN Exchange**

# **Crypto trading and investing reinvented**

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# Disclaimer and abstraction

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The purpose of this Whitepaper is to present VFIN Exchange and its security token offering profit participation rights to potential investors who want to participate in the upcoming Security Token Offering (“STO”) of the VFIN Exchange company. The information set forth below should not be considered exhaustive and does not imply any elements of a contractual relationship. Its sole purpose is to provide relevant and reasonable information to potential token holders in order for them to determine whether to undertake a thorough analysis of the company with the intent of acquiring VFIN Tokens.

Nothing in this Whitepaper shall be deemed to constitute a prospectus of any sort of a solicitation for investment. The document is not composed in accordance with, and is not subject to, laws or regulations of any jurisdiction which are designed to protect investors.

Certain statements, estimates, and financial information contained within this Whitepaper constitute forward-looking, or pro-forma statements, and information. Such statements or information involve known and unknown risks and uncertainties which may cause actual events or results to differ materially from the estimates or the results implied or expressed in such forward-looking statements.

# Abstract

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Blockchain and crypto became from mere far-fetched trends some 10 years ago to concepts that have proven their ability to revolutionize multiple industries in ways no one could have imagined. Many people today compare them to the emergence of the Internet, which marked the beginning of our current digital era that changed our lives forever. Cryptocurrency trading and investing is skyrocketing today and the adoption of the novel concepts is increasing dramatically.

As a result, cryptocurrency exchanges are rising in popularity. There are nearly 500 solutions on the market today that offer a broad spectrum of trading and investing options, as well as financial and payment services. Some of these became international companies with thousands of employees and gigantic revenues, operating on multiple continents.

However, current cryptocurrency exchanges are not without their issues - security breaches, questionable legal compliance, illiquidity events, reports of fraud, stolen funds, lacking user experience and support and high fees are just a handful of the problems many people today perceive with existing solutions. Even some of the market leaders are under heavy scrutiny of regulators and have been the target of hacker attacks or bad user feedback, making many people question their entry into the crypto market.

The VFIN project creates a comprehensive cryptocurrency ecosystem for trading, investing and financial services bridging the gap between fiat and crypto that solves the main issues with existing crypto exchange solutions and expands on their current functionality scope. The project adopts multiple interaction and incentive mechanisms that will change the way users interact with cryptocurrency exchanges.

The mission of VFIN is to drive cryptocurrency adoption to new heights by making investing in and trading of crypto, as well as crypto-to-fiat and fiat-to-crypto services much more accessible, transparent, easy to understand and cost-efficient.

# Industry overview

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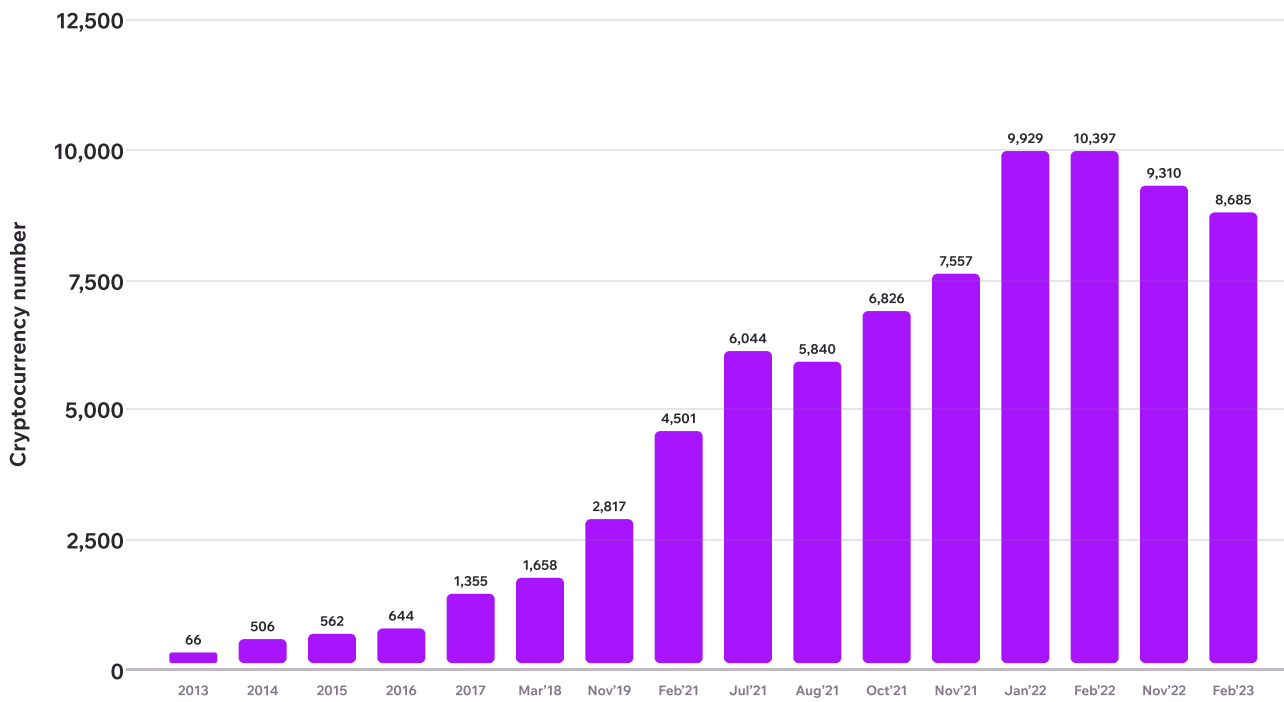
## The rise of crypto adoption

*Between 2012 and 2022, the price of Bitcoin has increased by over 540,000%*

Crypto has taken the world by storm - over the last decade, it became from a mere far-fetched concept deemed to be just another passing trend to a whole new industry with more use cases and implementation possibilities than most people could have imagined during its early days.



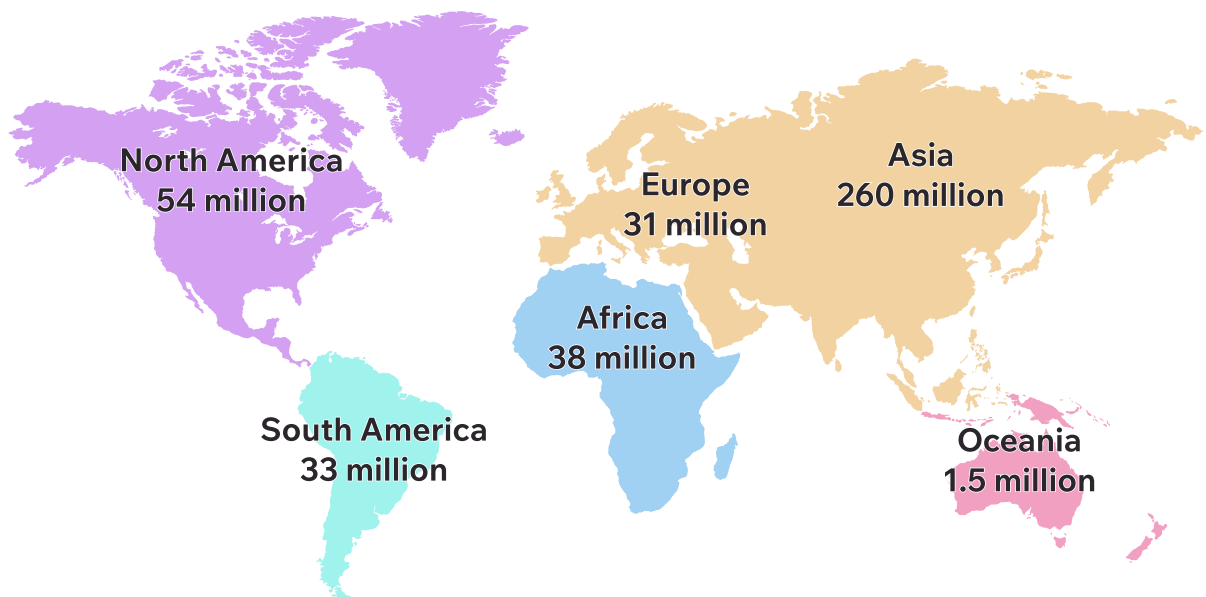
The market cap of cryptocurrencies increased from mere 6 billion in 2016 to its all-time high of nearly 3 trillion in November 2021. The recent drop is attributed to the turmoil in the likes of the crash of LUNA, the collapse of the FTX exchange and the turmoil in the global economy.



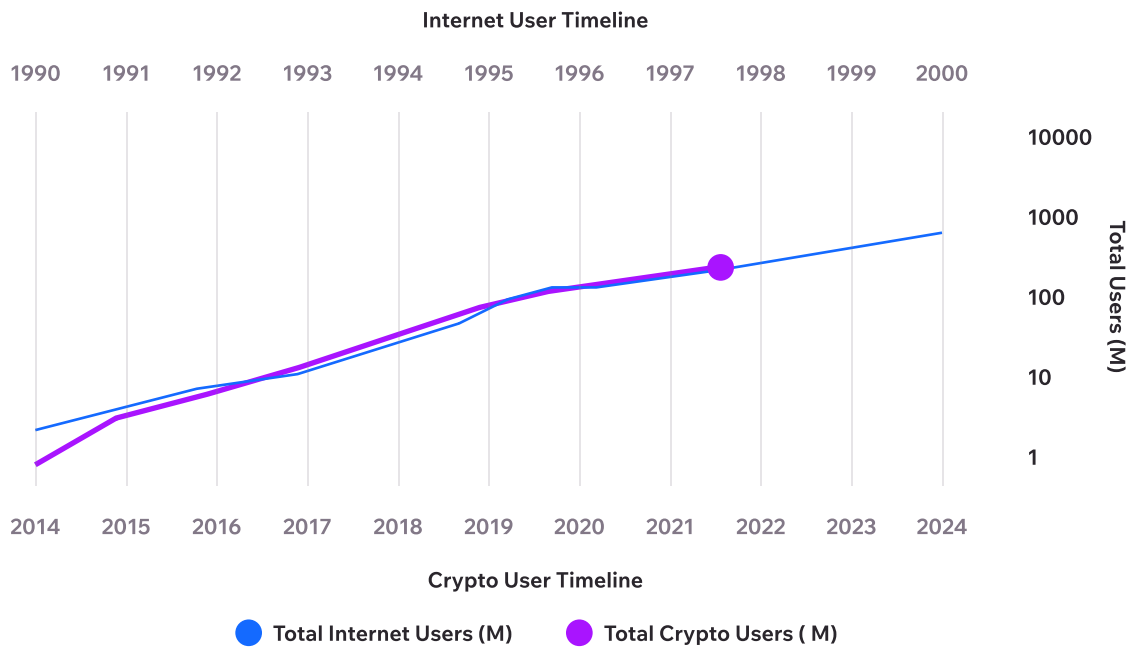
Total number of cryptocurrencies between 2013 and 2023. Over the span of the last 10 years, the number of cryptos increased around 150 times.

Today, we can say with certainty that crypto has gone mainstream. As of 2023, there are more than 420 million people who own or use at least one cryptocurrency. The rate of adoption is quite close to how the Internet was received back in its early days from the 90s and the early 2000s.

### OVER 420+ MILLION CRYPTO OWNERS WORLDWIDE



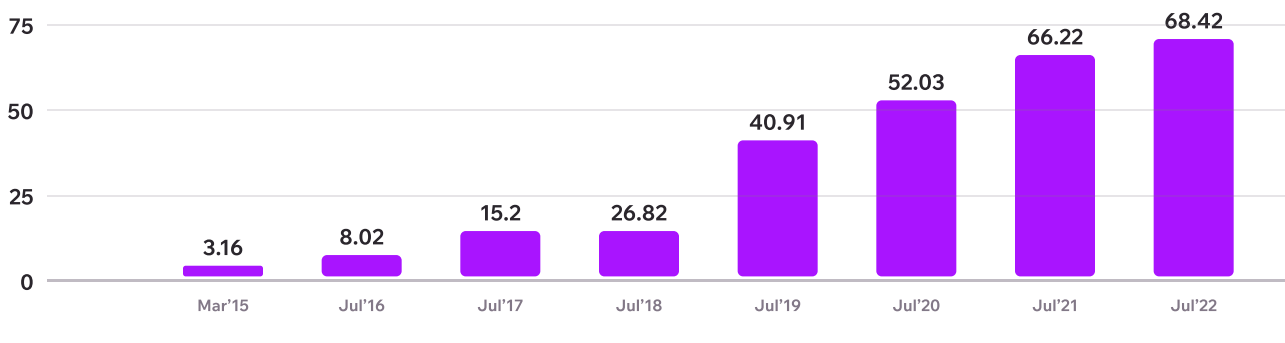
## Internet vs. Crypto Adoption



Cryptocurrencies are often compared to the Internet when it comes to the question how revolutionary the concept is. The statement is also supported by data - in the chart above you can see the close correlation in the rate of adoption of cryptocurrency users and the adoption of the Internet as it was over the last decade of the previous century. Both concepts are analyzed during their infant stage, which ensures that the comparison has a high degree of validity.

Hundreds of some of the world's leading brands across multiple industries today including Wikipedia, Microsoft, AT&T, Tesla, Burger King, Twitch and Shopify, to name a few, accept cryptocurrency payments. A survey conducted by Zogby Analytics in the US showed that 36% of small and mid-sized businesses accepted cryptocurrencies, while 59% of those companies purchased digital currency for their own use as well. Furthermore, more than 85% of US merchants are already prioritizing the inclusion of crypto payments. Data shows that accepting crypto can lead to a higher ROI of more than 300%, bring up to 40% new customers in and increase the CLV (customer lifetime value), as transactions of cryptocurrency spenders are considerably higher than average.

**Nearly 70 million people globally use blockchain wallets to store and encrypt their crypto. The number of crypto wallets worldwide has grown at a rate of 1,271.97% since 2016.**



Number of blockchain wallet users 2015 - 2021 in millions.

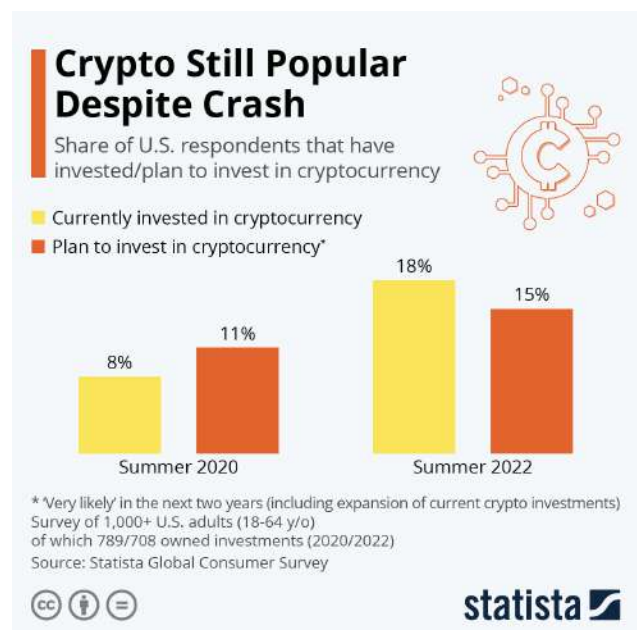
## Cryptocurrency exchanges and trading

*Approximately \$112 billion is traded in cryptocurrency per day. There are around 500 exchanges for cryptocurrency trading.*

About 21% of American adults have owned cryptocurrency as of 2022. Millennials and younger generations believe that cryptocurrencies and specifically Bitcoin offer a better investment alternative to more traditional options like precious metals (e.g gold). Taking into account the high entry barriers to the leading investment options (real estate), only stocks and bonds are the current rivals of cryptos on the investment landscape.

Even the price crash in 2021 when Bitcoin fell to \$18,000 USD was not enough to slow down the interest in cryptos as an alternative investment vehicle.

Despite the fact that the price of Bitcoin decreased by more than 3 times compared to its all time high in a matter of weeks, the interest in crypto investments among US responders not only remained high, but even increased compared to 2 years earlier.





Buying crypto is made easier with exchanges, which is why they are the go-to for individuals who want to own and trade these digital assets. The rising interest in cryptocurrencies, as well as their rapidly increasing numbers are calling for a higher number of exchanges where these can be listed and traded on. Centralized exchanges (CEX) were the first to provide the needed infrastructure to facilitate cryptocurrency trading and continue to remain the market leaders in terms of transactional volume.

### Top crypto exchanges by volume

Binance is the world's dominant crypto exchange



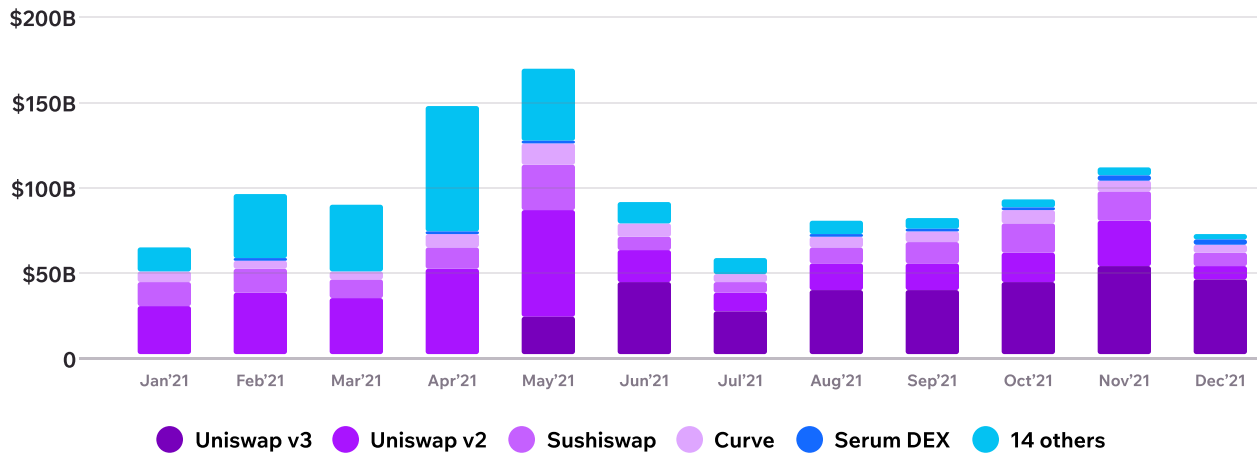
The leading centralized exchanges and their trading volume in billion USD (modified).

***In 2019, there were nearly 140 million accounts on cryptocurrency exchanges.***

The rising number of exchanges, combined with the fairly recent collapse of FTX, several infamous hacks on other exchanges which led to loss of funds, as well as concerns about illiquidity and lawsuits are raising the awareness of an apparent issue - it is becoming increasingly difficult for potential investors to choose a trustworthy solution for crypto trading and investing.

Several years after the emergence of the first centralized exchanges, decentralized exchanges (DEX) made their way into the scene. They offered a whole new spectrum to the way crypto is traded by remaining faithful to one of the main advantages of blockchain technology — decentralization.

## DEX volume



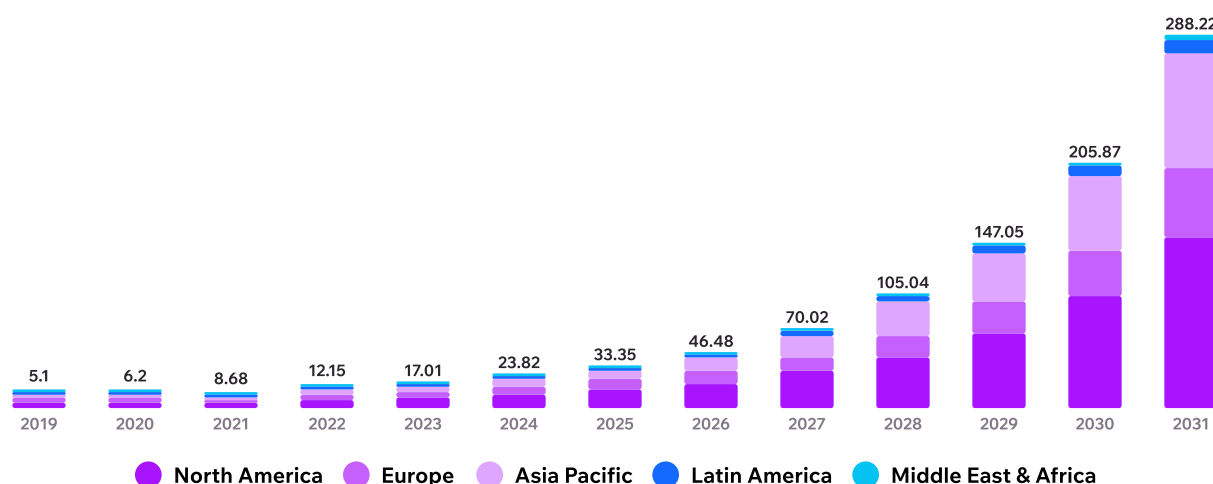
Decentralized exchanges trading volume. According to The Block, trading volume on DEX is still inferior to CEX - the dex-to-centralized exchange spot volume ratio remained under 10% throughout 2021.

## Metaverse and NFTs

*Forbes named both Web3 and the Metaverse as two of the top ten trends everybody must be ready for in 2023.*

After Meta announced multibillion investments in the Metaverse, the question whether the concept is here to stay became obsolete. Now it is only a matter of how fast metaverse concepts will start to penetrate our daily digital lives.

## Metaverse Market Size, By Region, 2019—2031 (USD Billion)



The Metaverse market size between 2019-2031. The market is expected to grow at a CAGR 39.3% over the forecast period.

Interestingly enough, NFTs and Metaverse concepts are making their way into cryptocurrency exchanges. Binance already supports an NFT launchpad, yields NFT gift boxes and other rewards to its users and has already listed multiple tokens of Metaverse projects. The potential use cases do not stop there.

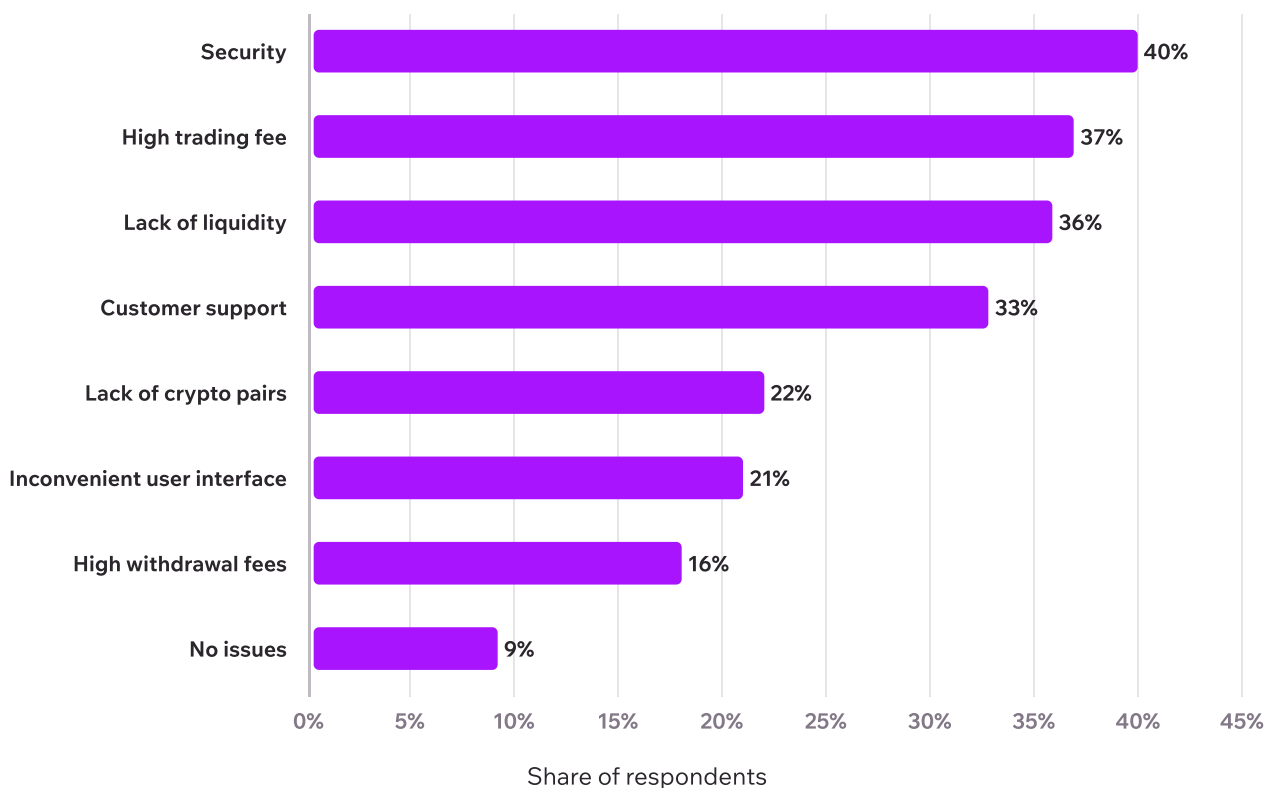
## Issues and challenges with current exchanges

Both centralized and decentralized exchanges have issues that stem from their inherent design and characteristics. In some isolated cases, the problems come from fraudulent behavior or loopholes in the legal or technical implementation of the exchange. One thing is clear though — exchanges are both the bread and the butter of the crypto market and without them, the adoption of crypto will slow down dramatically.

**Issue:** The cryptocurrency market was shocked more than once by security breaches, stolen funds or even complete meltdowns of some of the leading players on the market. Here are some of the cases that every crypto investor who has been involved in crypto for years would recognize.

- The collapse of FTX led to a dramatic decline in the overall market capitalization of cryptocurrencies. This means that the whole market could collapse if leading players like Binance were to fail.
- Even some of the world’s leading crypto exchanges are vulnerable to hacker attacks. KuCoin got hacked for \$300 million USD in 2020. Luckily, nearly 80% of the funds were recovered. However, this raised the question of security on exchanges and made us rethink the methodologies we use to store cryptocurrency assets.
- Binance and BNB were under several investigations by the SEC. While no decisive action was taken, the price of BNB dropped considerably nearly every time there were uncertainties surrounding the market leader. This was another factor that increased the popularity of the idea to keep crypto funds outside of exchanges where they can be frozen temporarily if the exchange faces liquidity issues.

**Issue:** Traders are raising multiple concerns when it comes to exchanges:



The biggest problems that cryptocurrency traders see in currently available exchanges. Merely 9% of responders claim they have no issues with existing exchanges.

- **Security:** We already touched upon the aspect of security. Exchange users have lost up to this date millions if not billions of funds. This requires a much more thorough approach from a technical perspective when it comes to cybersecurity and data protection when designing the technical infrastructure of crypto exchanges, including proper education of both staff and users.
- **High trading fees:** Current exchanges require fairly high deposit and trading fees. Additionally, withdrawals can sometimes take long and can be denied. This is among the biggest concerns of traders and investors.
- **Lack of liquidity:** The illiquidity events have called for an increased oversight from legal authorities and are making headlines, which scares potential cryptocurrency investors as the trust in exchanges is undermined.
- **Lack of customer support:** Complaints of delayed deposits are among the most frequent support requests, yet in many cases they remain ignored. Users end up in the FAQ section after going around in circles trying to contact a support agent and are kept in the dark most of the time.
- **Limited trading options:** Many smaller exchanges rarely offer all trading pairs that investors are looking for.
- **Inconvenient UI / UX:** Exchanges often have a cluttered UI with too many options and an non-intuitive UX, which causes many inexperienced investors to find difficulties in performing even basic actions, such as reaching the spot trading panel.
- **High withdrawal fees:** Some exchanges charge high withdrawal fees, which makes it impractical for users who are left with no other choice but to pay them.

**Issue:** A big potential issue with many exchanges today is the danger of illiquidity. In the past this has caused temporary freezing of users' funds, which instantly creates panic among traders. This in turn has forced many cryptocurrency owners to turn to cold storage or digital wallets that reside outside the exchange, which further makes the issue worse as exchanges are faced with a higher probability of outflows. However,

nearly two thirds of people are still keeping their funds on exchanges, which signifies the need to ensure that breaches should be prevented by constantly improving the level of security, as well as introducing new methodologies for storage of funds.

**Issue:** Many investors are still on the fence when it comes to buying their first crypto. The two key reasons for that are their fear of hacking or fraud and lack of knowledge. When it comes to the latter, while some exchanges offer an easy registration and onboarding process, as well as some learning resources to get started, the issue still remains.

**Issue:** Very few market players today offer advanced user interaction functionalities and implement only a handful of retention strategies. There is a lot of unexplored potential in this area, which could be utilized by exchanges to increase the customer lifetime value (CLV) of their users.

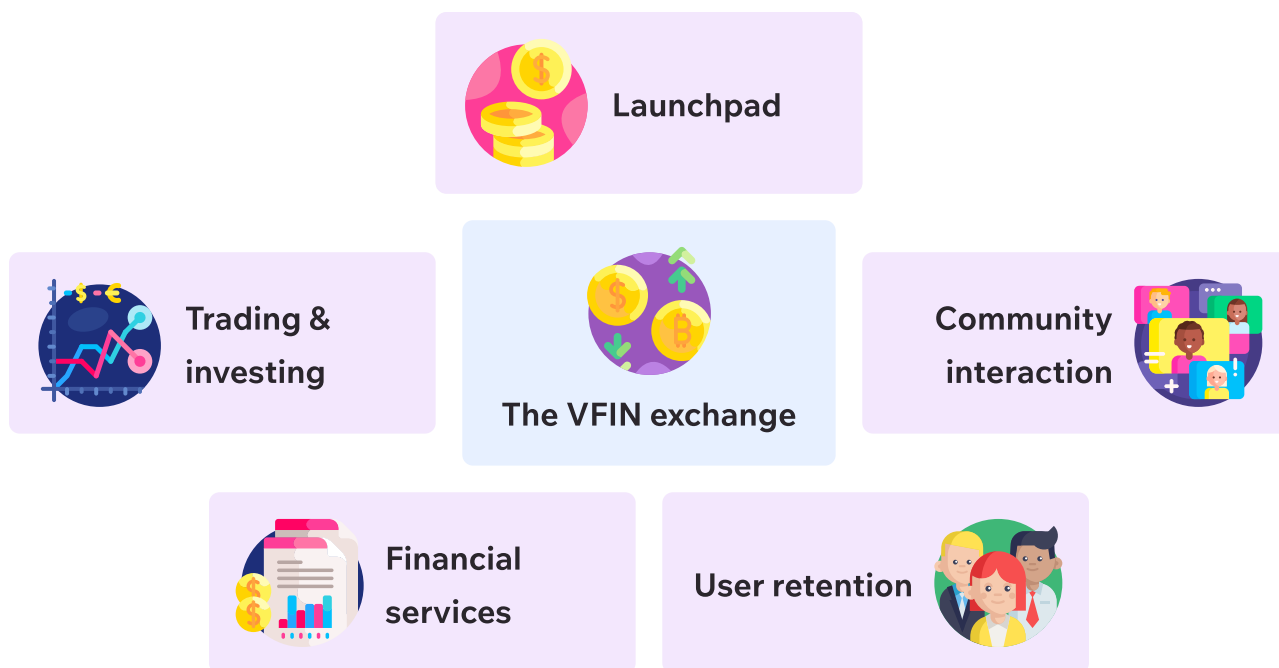
# The solution

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The VFIN project creates a **full-fledged crypto exchange** available on web and mobile that is the first to integrate some of the latest concepts within the cryptocurrency industry, bringing investing and trading of cryptocurrencies to a whole new level. We are planning on creating more than just an exchange, but a whole crypto ecosystem that will drive the **adoption of crypto concepts** to new heights through the introduction of a variety of **incentive mechanisms, Web3 concepts and financial services** that bridge the gap between fiat and crypto.

The VFIN exchange will provide all functionalities for trading which leading exchanges are currently offering packed within a **seamless UI and intuitive UX** that even a complete beginner can understand right off the bat. Beyond that, VFIN will introduce a wide array of gamification options and incentive mechanisms, making the process of trading and investing much more fun, engaging and worthwhile. Last but not least, the exchange will offer some of the lowest deposit, trading and withdrawal fees, making it a great choice for **day traders and long-term investors** alike.

## The VFIN ecosystem



After successfully completing our fundraising round through the VFIN security token, we will introduce the **ZFIN utility token** and list it on our exchange with various trading pairs to leading cryptos. The ZFIN token will have a wide array of different use cases such as **discounted payment of fees**, the scope of which will expand as we introduce new functionalities as the ecosystem unfolds its full potential. The token will also be used for **governance**, allowing holders to vote on further ecosystem developments.

## Security standards

We are committed towards operating in line with the latest standards in **compliance, security and data privacy**. For us, ensuring the utmost degree of all of these aspects is nothing less than a must. As a result, we will implement cutting-edge technologies when designing our security infrastructure and adopt various methodologies such as training procedures and informational campaigns for our staff members, partners and users.

We believe that ensuring transparent compliance standards is only possible through a **high degree of decentralization** — instead of doing everything in-house and thus be the sole or main party responsible, we will instead prioritize the appointment of **multiple external third parties** who are not affiliated with the VFIN exchange. All companies will be among the best and most reputable service providers in their sector and will be publicly disclosed so that we can guarantee **100% transparency**. These partners include KYC (Know Your Customer), AML (Anti Money Laundering), as well as auditing companies.

## Storage of funds

We will implement novel technologies aimed at protecting the funds of investors through **multi-layered authentication systems for private key storage**. Furthermore, we will also employ **cold storage** to a considerable percentage of the funds in order to minimize the negative effect of a successful hacker attack. Last but not least, we are planning on acquiring various **insurance services**, which should protect the investors' funds and further minimize the dangers of loss due to theft and the resulting illiquidity events, should our security be compromised.



In line with our vision for a high degree of decentralization, we believe that the storage of funds can only be as flawless as the intentions of the party holding them — regardless of all security mechanisms implemented. As a result, we will employ several **external third parties** with high reputation who will be responsible for **independent auditing of our storage** at regular intervals. The VFIN exchange will not be affiliated with these parties, who will be appointed by a separate oversight board. All of these audits will be made publicly available.

## Our vision

Over the last several years, we have been testing every crypto exchange on the market and we have been collecting a large amount of user feedback. After tirelessly looking for improvements that we can offer to our users, which go beyond what is currently being offered on the market, we identified **3 key points** where we decided to focus our efforts: ease of use, multiple interaction possibilities and low fees.

**Ease of use:** Next to the aspect of security, ease of use was the biggest concern of exchange users. Many are not aware of what for example the spot trading tab does, how margin trading works, how to easily access the history of deposits and withdrawals, how to properly place orders or what even an order book is. When asked about how a centralized exchange exactly matches the orders, two thirds of responders were not able to give a correct answer. We will solve this issue by designing the most **intuitive UI and UX** possible and provide a variety of help features, learning resources and an interactive onboarding process. We performed thousands of user tests so far and have already identified the areas we need to focus on, which will be at the core of our UI / UX designers' efforts.

Another concern raised by users is the lack of fiat currency options when trading crypto pairs, forcing users to first swap to stable coins. On the VFIN exchange, our users will be able to trade with any fiat currency of their choice directly.

**Low fees:** Many users complained of high fees that, when taken separately, seem negligible, but together they added up to a considerable amount of costs pushing the break-even point further up for traders and investors. Withdrawal and trading fees are common on leading platforms and they can sometimes go as high as 4%. We are committed towards keeping **the costs for users well below the industry average**, with special conditions during the first year after the launch in order to increase our user base as quickly as possible.

**Interaction possibilities:** Many users complained that they feel bored when they are on the exchange and would definitely look to spend more time on the web or mobile app if they had additional interaction options of various kinds. As a result, we are planning on implementing multiple additional modules in the VFIN exchange that will provide the needed **interaction between the users**.



### Market problem

- ⊗ Security breaches
- ⊗ Illiquidity events
- ⊗ High fees
- ⊗ Unintuitive UI / UX
- ⊗ Unreliable support
- ⊗ No transparency
- ⊗ Limited interaction possibilities
- ⊗ Lack of informational resources



### The VFIN exchange

- ✓ Web and mobile app
- ✓ Audited storage of funds
- ✓ Easy UI / UX
- ✓ High security standards
- ✓ Solid liquidity
- ✓ Low deposit, withdrawal, trading fees
- ✓ Multiple trading functionalities
- ✓ Multiple interaction possibilities

Our ultimate goal is to make cryptocurrency trading and investing **accessible and easy to understand for everyone**, build up on the functionalities of existing exchanges, especially in terms of interaction possibilities, make it easier for users by lowering the fees below the industry average and facilitate a widespread crypto adoption through the introduction of multiple payment possibilities in the future.

# Functionality scope

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We will separate the functionalities in **several key categories** — trading and investing-related, which are more focused specifically on the functionalities related to buying and selling cryptos, user-orientated, which are more tailored towards the interaction possibilities and user retention mechanisms of the VFIN exchange, financial and payment services and others.

## Trading and investing functionalities

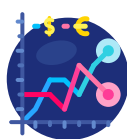
Next to the **basic functionalities** any exchange should cover such as multiple payment methods for deposits, advanced charting, history of transactions, deposits and withdrawals, as well as basic and advanced spot trading, we will implement the following functionalities:



Exchange



Spot trading



Advanced charting



Margin trading



Derivatives



Earn



Trading bots



Investment packages



Automated investing



NFT marketplace



Copy trading



Goals tracking



AI trading

## Margin trading

We will offer the possibility for **margin trading**, essentially allowing users to borrow directly from the VFIN exchange in order to invest. Users will have to agree to specific conditions before they can use the margin trading module and supply a collateral that is proportionate to a specific percentage of the amount they are planning to invest.

## Derivatives

More advanced traders can also make use of our **derivatives such as futures**, which are financial instruments allowing for users to close contracts on the purchase or sale of a specific asset in the future at predefined terms. Derivatives will be offered under specific conditions that traders have to agree with before they are allowed access to the module.

## Earn module

We will further provide various ways for users to earn passively through **staking** of multiple leading cryptos at some of the highest percentages on the market, liquidity farming and others. Users will have a separate dashboard where they will be able to see the current balance of tokens used in the **Earn module**, what past rewards they have acquired, whether their tokens are subject to lock-up periods and more.

## Trading automation

**Advanced trading automation** through bots will allow users to have predefined actions automatically executed whenever a certain event occurs. This goes far beyond the traditional automation possibilities that the spot trading module would offer like stop losses. Additionally, we are planning on introducing the possibility for advanced traders and coders to implement their **own solutions** and even make them available to other users against a fee directly on the exchange.

## Investment packages and automated investing

Crypto newbies who are just starting out are often confronted with a variety of different trading pairs, which makes them feel overwhelmed. As a result, we designed the option of investment packages, which allows the investor to **choose from different investment bundles** that are balanced in different ways between risk-return ratios. An investor looking for a higher risk but more potential returns can opt for a package that has multiple altcoins in it, while another investor who is more risk-averse might go for a

more BTC / ETH orientated bundle. We will also offer packages for long-term holders which will prioritize options that can be staked so that they generate returns continuously over time. The **automated investing feature** will provide the user with the option of specifying how much money they can afford to invest over a specific timeframe. The investor can then either select one of the available packages or define the options and the exchange will continuously increase their holdings in line with their budget and goals.

## NFT marketplace

We will offer the possibility for users to **sell and buy single NFTs and NFT collections**. Users can connect their preferred wallet and import their NFTs, which can then be sold via an auction, at a fixed price or in mystery boxes.

## Copy trading

Copy trading allows users to **copy the portfolios and strategies of more experienced users**. This feature is usually available on traditional stock trading platforms, but is fairly rare among the leading crypto exchanges. Advanced traders can also monetize this, as they will be able to offer their insights against a fee to other users who want to access the information. The trading portfolios can also be promoted on the newsfeed, resulting in some great synergy effects between the two concepts.

## Goals tracking

Users will be able to **define goals and track their progress towards them**, as well as get estimations and visualizations of these in the forms of different charts. For example, by setting a specific goal such as to increase the BTC holdings to 1 BTC over the next 12 months, the user will immediately see a calculation on how much they have to deposit on average per month in order to achieve their target. They would also get simple suggestions such as to invest more during periods of below average market prices (e.g if the price is considerably lower than the 200 day moving average). We are planning on providing a **full-fledged goal tracking dashboard** where users can track their short and long-term goals, as well as have some more basic personalized suggestions that are derived from an automated analysis of their previous activity.

## AI trading

We are currently working on a full-fledged AI trading module with advanced analysis capabilities, as well as fully automated buy and sell recommendations.

# Interaction functionalities

The interaction possibilities that VFIN will offer will be one of the **core USPs** of the project. Our thorough analysis of the user base on current exchanges has confirmed that there is a considerable demand for more interaction options such as newsfeeds and even Metaverse concepts. We will excel in providing our traders and investors with a much broader scope than just the traditional trading options they already have on existing solutions.



**Newsfeed**



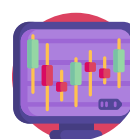
**Academy**



**Games**



**Gamification**



**Trading  
competitors**



**Metaverse**

## Newsfeed

Few exchanges today are offering a newsfeed where users can see information that might interest them, share their trading achievements or interact with other users. We believe this is both essential for forming a strong trading community and for increasing the interaction possibilities on the exchange. VFIN will provide a **newsfeed functionality** similar to social networks with moderated content that will be specifically focused on investing, trading and cryptocurrencies.

## Gamification program

The gamification program will **reward traders and investors for their contribution to the exchange** — for every order they place, an automatic equivalent to the fee paid will be calculated in virtual points. Users will then advance in the ranks and get access to better rewards and even permanently lower trading fees.

There will be a **wide array of incentives** related to the gamification program — from exclusive early access to new trading pairs to token rewards, cosmetic rewards from the Metaverse, reduced trading fees to others.

## Academy

The Academy will be a separate area on the exchange, which will provide access to a variety of **learning resources** on important topics every crypto trader and investor should be aware of. Our user tests have allowed us to identify the biggest knowledge gaps that current users of cryptocurrency exchanges have — we will prioritize creating learning programs around these topics. The lessons will be structured in different tiers and difficulties and will **award cosmetic prizes upon their completion**. Users with the highest scores in the Academy will also get additional unique rewards such as lower trading fees or exclusive early access to trading pairs that are about to be listed on the exchange. We will use different formats, including articles, infographics and videos.

Additionally, there will be an interactive learning module that will allow users to **complete tests on the platform** — for example, after going through a simple quiz with 10 multiple questions, the user will then be redirected to the chart module where they will be asked questions as they are shown different trading patterns. They will then be able to directly answer the questions based on what they see on the screen.

At a later stage, once we launch the ZFIN utility token, we will implement a **Learn-to-Earn** principle, rewarding users with small token drops for completing milestones in the Academy.

## Trading competitions

We will hold various **trading competitions** on the exchange that will range from beginners to more advanced users with different prizes such as no fee trading for a year, exclusive 1 on 1 learning programs and even cash and crypto prizes in leading cryptos like BTC.

## Metaverse: avatars and skins

We want to create a one of a kind experience on the VFIN exchange, which will make the exchange unique and more than just another platform where you can trade or invest in crypto. We envision the integration of a **full-fledged Metaverse experience** directly on the exchange, which will provide users with a variety of interaction possibilities, avatars and skins they can use in the interaction with others on the platform, titles, profile frames and much more.



Users will be able to showcase their earned skins or other items in the Metaverse module. Additionally, we will support a wide array of external assets that are cross-compatible with the Ethereum blockchain.

## Virtual games

We will also implement the possibility for users to participate in a **variety of games in the Metaverse** where they can showcase their digital items. As mentioned before, users will also be able to import them in VFIN by connecting their wallet directly on the exchange.

## User retention strategies



Sign up bonuses



Virtual trading



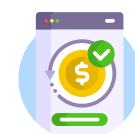
Gift boxes



Interactive onboarding



Referral program



Cashback

### Sign-up bonuses

We will provide various sign-up bonuses for new users ranging from **crypto, NFTs, cosmetic rewards and others**. Specific bonuses will be awarded to the user but unlocked only after completing certain milestones such as a specific amount of fees spent through placing orders. Bonuses are known to greatly increase the motivation of users after sign-up and to encourage their first deposit, as this is usually the requirement to be eligible to receive it. They are utilized with great results from betting and gambling websites, as well as several trading platforms on the market.

### Interactive onboarding

We will create a **step-by-step sign-up and onboarding process** that is easy to follow for every user, even if they have zero prior experience with cryptocurrencies. We have

collected a large amount of user data and we managed to identify the key points where users seem to struggle the most with current exchanges.

The user will be able to initiate the Onboarding mode at any time, even after they have completed it. It will work as a **fully interactive lesson** — every module on the exchange will have an explanation in this mode, allowing the user to find out exactly what every tab is doing and how they can utilize it to its fullest potential. The user will be guided through pop-ups and highlighting while the rest of the screen is overlaid to specifically focus their attention. We are planning on also integrating a **video series** for each module that will further help users if they are still having difficulties understanding how the modules work. If the user stops the Onboarding in progress, it will be saved for them for later to be continued from where they left off.

To top off the onboarding process and make sure traders and investors have as few questions left open as possible, we will also have a list of **frequently asked questions** to every specific section at the bottom of the page.

## Virtual trading

Virtual trading will provide users with the possibility to trade and invest with a **free virtual currency**. This is a well-known feature on stock trading platforms that is not utilized by crypto exchanges. It provides an easy gateway for users not only to get into trading and investing, but to also get to know the user interface and the user experience flow on the exchange before committing towards a deposit.

The virtual trading module will be a mirrored view of the normal interface - everything will be identical, with the only difference being that the currency used will be fictional and will have no value.

## Referral program

Users referring others will get the rank of Ambassadors and be rewarded with various prizes including bonuses in the form of cryptos like **BTC or ETH**. They will also get additional bonus loyalty points, which will contribute towards their gamification rank.

## Cashback

We will periodically initiate cashbacks to users, the percentage of which will be variable and based on their previously paid **trading fees** on the VFIN exchange.

## Gift boxes

Users will also receive gift boxes for completing certain challenges - both from the gamification program and from random events — which will contain a **variety of surprises** inside them.

# Financing and payment functionalities



**VFIN debit card**



**Borrowing**



**VFIN wallet**



**Lending**

The financing and payment functionalities include a variety of payment services such as a **debit card** supported by a variety of merchants around the globe, **borrowing and lending, the VFIN wallet** and more. All of these functionalities will be implemented at a later stage of the project development, following the successful completion of the first project development phases focused on the development of the exchange and its positioning as one of the leading crypto exchanges on the market.

## VFIN debit card

The VFIN debit card will enable us in **bridging the gap between crypto and fiat** as fast and as efficiently as possible in the foreseeable future. There are already thousands of merchants who accept cryptocurrency payments - we will cooperate with some of the leading companies in the scene to enable PoS payments directly at stores or online. Holders will further be able to convert their crypto to fiat directly and withdraw it at supported ATM partners. Die VFIN debit card will be available in physical form, as well as digitally in the VFIN Wallet.

## VFIN wallet

We are planning on creating a **digital wallet** similar to ApplePay, which will add a higher degree of convenience and flexibility when it comes to crypto payments. The VFIN Online Banking function in the VFIN Wallet will additionally allow users to transfer and receive fiat and cryptocurrencies to banks and VFIN wallet users, scan deposit slips with reference numbers or QR codes and make payments.

## Borrowing and lending

**Borrowing and lending** services will enable users to borrow from the VFIN exchange against a locked collateral. At a later stage, users will also be able to lend and borrow between each other (P2P) under terms they have specified.

## Launchpad

We will provide a launchpad feature, allowing **new tokens** to be submitted directly through the exchange and raise funds in the process. All projects will be screened carefully before they are listed on the Launchpad. Users with higher gamification ranks will get exclusive access to a percentage of the token distribution of new projects. This is an advanced feature that will be implemented at the later stages of the development of the VFIN exchange.

## Further functionalities and features

There are many additional functionalities that are standard on any exchange, however, we would like to attenuate some of these as we believe that even the current market leaders are falling short in terms of customer expectations.

### Reliable support

Everyone is familiar with the multiple steps that need to be taken in order to get through the standardized FAQ sections and chatbots before an actual support agent is contacted.

We want to ensure that users always have access to an expert if they have a question surrounding their deposit, withdrawal or any problem they are encountering. We are planning on providing **24/7 chat support in multiple languages** that will be handling the inquiries directly in real time.

### Solid liquidity

Liquidity is the bread and butter of every exchange. Ensuring its stability will be one of our top priorities. We will maintain at least a 1 to 1 ratio between the net value of our customers' assets and the funds we have available in storage. Our regular audits by

multiple reputable third parties that will be regularly published will confirm the current equilibrium.

### **Instant order execution**

To ensure top-tier trading experience, we will strive for **near-zero order execution** times. We are planning on developing our matching engine according to the latest technological standards so that the order book can assign the buy and sell orders as quickly as possible. This will be one of the foremost functionalities we will implement so that we can ensure its flawlessness through an extensive testing phase before we launch it officially.

# Gamification

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We will design a gamification program that will reward users based on the **amount of fees** they have paid through their actions on the VFIN exchange. Users will get access to **ranks, multiple cosmetic options (badges, statuses), discounts within the ecosystem, NFT drops** and many more.

Participants in the gamification program will also have access to exclusive content from the Academy module. Their access will depend on their current rank, with higher ranks getting more content compared to lower ranks.

Rank hierarchy	
Novice	<p>The user has collected 10,000 cashback points.</p> <p>Rewards:</p> <ul style="list-style-type: none"><li>• 10% discount on all fees</li><li>• Unique profile frame, badge and title</li><li>• Random mystery box drops every month</li></ul>
Intermediate	<p>The user has collected 25,000 cashback points.</p> <p>Rewards:</p> <ul style="list-style-type: none"><li>• 20% discount on all fees</li><li>• Unique profile frame, badge and title</li><li>• Random mystery box drops every month</li><li>• Access to additional learning resources in the Academy for free</li></ul>
Advanced	<p>The user has collected 50,000 cashback points.</p> <p>Rewards:</p> <ul style="list-style-type: none"><li>• 30% discount on all fees</li><li>• Unique profile frame, badge and title</li><li>• Random mystery box drops every week</li><li>• Access to additional learning resources in the Academy for free</li><li>• Access to our Trading Signals Community</li><li>• 1 on 1 trading training program</li></ul>

# Subscriptions

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We will provide 4 subscription tiers that will **yield varying rewards** and functionalities to users. The subscription will be due monthly, with 30% discounts if paid annually.

	NFT marketplace	Margin trading	Derivatives trading	5 chart indicators	Unlimited indicators	Copy trading	AI trading
LEVEL 1 FREE	✓	✗	✗	✗	✗	✗	✗
LEVEL 2 10 CHF	✓	✓	✓	✓	✗	✗	✗
LEVEL 3 25 CHF	✓	✓	✓	✓	✓	✓	✗
LEVEL 4 45 CHF	✓	✓	✓	✓	✓	✓	✓

The subscription plans and the functionalities they would give access to are subjective to changes.

To incentivize early adopters, all users who register during the first three months after the exchange launch will be eligible for a **FREE LEVEL 3** subscription for the whole first year.

# The VFIN token

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VFIN is a security token based on the ERC1400 standard on the Ethereum blockchain. The token will yield **profit sharing rights** to its holders that will amount to 30% of the net profit derived from the operational model of the exchange such as trading fees and token listings. VFIN token holders who have reached the needed threshold of tokens will also get access to preferential conditions on the exchange such as **lower NFT minting fees and reduced trading fees**.

The VFIN token holders will be rewarded with dividends **proportionally to their current stake** in the circulating supply of the token. For example, if the token holder has 5% of all tokens currently in circulation, he or she will get 5% share of the total dividend payouts. Selling the tokens instantly forfeits the rights to the profit sharing rights. The payouts will commence in CHF.

We will implement a gradually **decreasing profit participation** structure, which will translate in diminishing profit share percentage over time as the exchange starts to ramp up more fees. Despite the reducing percentage, we expect the net profit to increase by a larger margin, essentially resulting in a **higher absolute value** in CHF paid out annually.

Dividend payouts	
Years 0-3	30% of net profit
Years 3-5	25% of net profit
Years 5-7	20% of net profit
Years 7-8	15% of net profit
Years 8-9	10% of net profit
After year 10	5% of net profit



# The ZFIN token

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ZFIN will be a **utility token** that will be launched at the later stages of the project development during phase 2 (more info on the development phases in the next chapter).

The **ZFIN Utility Token** will be based on its own blockchain network and will offer several functionalities. These include the creation of flexible smart contracts, direct payments and various payment services for businesses and merchants. With the launch of ZFIN, the VFIN project will establish itself as a decentralized ecosystem for blockchain projects of all kinds. The token will be the central means of payment within the ecosystem.

The token is envisioned to also primarily be used to pay for **trading fees on the VFIN exchange at a discount of 25%**. This discount will stack with the gamification rank discounts, allowing users to essentially reach an overall reduction of 55% in all fees charged on the exchange.

In Phase 3, the token will assume additional unique utility use cases related to the **financing and payment functionalities**, such as payment for borrowing and lending services, requesting the VFIN debit card and others.

# Development phases

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The VFIN ecosystem will unfold in **3 distinct phases**, each consecutive one building upon the successful implementation of the functionalities we are going to target in the previous phase. The timeframe at which the phases will be completed will vary and will depend on the overall funding we manage to acquire via the crowdsale of the VFIN token. If the funding through the STO is sufficient, we will start with Phase 1 and if the exchange is generating enough returns, we will move towards its expansion to Phase 2 and Phase 3 consecutively.

## Phase 1

The goal of the first phase is to secure the needed **backbone infrastructure of the exchange** consisting of all necessary functionalities to position the VFIN exchange as a prominent player on the cryptocurrency market. In phase 1 we will introduce the basic trading and investing functionalities, interaction possibilities, as well as implement all user retention strategies.

Phase 1 target functionalities	
Trading and investing	<ul style="list-style-type: none"><li>• Exchange</li><li>• Spot trading</li><li>• Earn</li><li>• Investment packages</li></ul>
Interaction	<ul style="list-style-type: none"><li>• Newsfeed</li><li>• Gamification</li><li>• Academy</li><li>• Trading competitions</li></ul>
User retention	<ul style="list-style-type: none"><li>• Sign-up bonuses</li><li>• Interactive onboarding</li><li>• Virtual trading</li><li>• Referral program</li><li>• Cashback</li><li>• Gift boxes</li></ul>

## Phase 2

The second phase extends upon phase one and introduces **additional trading and investing functionalities including AI trading**, advanced interaction possibilities and marks the launch of the **ZFIN utility token** and the token launchpad.

Phase 2 target functionalities	
Trading and investing	<ul style="list-style-type: none"><li>• Advanced charting</li><li>• Margin trading</li><li>• Derivatives</li><li>• Automated investing</li><li>• NFT marketplace</li><li>• Copy trading</li><li>• Goals tracking</li><li>• AI trading</li></ul>
Interaction	<ul style="list-style-type: none"><li>• Metaverse</li><li>• Games</li></ul>
Further functionalities	<ul style="list-style-type: none"><li>• Launchpad</li><li>• Launch of the blockchain network and the ZFIN utility token</li></ul>

## Phase 3

Phase 3 specifically focuses on the implementation of the **financing and payment functionalities**, extending the scope of the VFIN ecosystem beyond just cryptocurrency trading and Web3 concepts.

Phase 3 target functionalities	
Financing and payment functionalities	<ul style="list-style-type: none"><li>• VFIN debit card in physical and digital form in the VFIN Wallet</li><li>• VFIN wallet and VFIN online banking</li><li>• Borrowing and lending</li></ul>

# Token Sale

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VFIN will have a total supply of 27.708.333 tokens, which is finite and will never increase in the future. 80% of that supply is distributed on the STO sale. Any unsold tokens from these 80% will be burned at the end of the crowdsale.

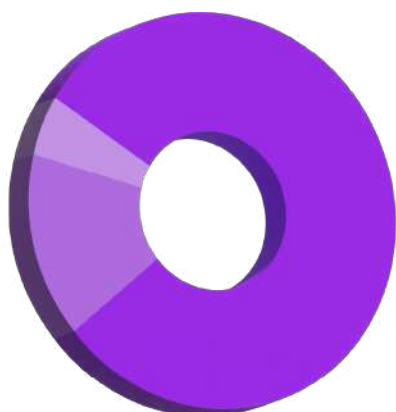
All investors will have to undergo a KYC (Know Your Customer) process. All investments above \$10.000 are also subjective to AML (Anti Money Laundering) laws.

General terms	
Token name	VFIN
Total supply	27.708.333 VFIN
Total for sale	22.166.666 VFIN (80% of the initial supply)
Flat currencies accepted	CHF
Cryptocurrencies accepted	Bitcoin (BTC), Ether (ETH)
STO price	1,00 CHF
Hard cap	20.000.000 CHF

	Private sale	Pre-sale	Main sale
Dates	01.06.2024 - 31.07.2024	01.08.2024 - 30.09.2024	01.10.2024 - 30.11.2024
Hard cap in VFIN	7.500.000 VFIN	6.666.666 VFIN	8.000.000 VFIN
Hard cap in CHF	6.000.000 CHF	6.000.000 CHF	8.000.000 CHF
Price	0,80 CHF (20% discount)	0,90 CHF (10% discount)	1,00 CHF

## Token distribution

The initial token supply of VFIN will be distributed as follows:



Crowdsale: 80%

Will be dedicated to the STO.

Team & Advisors: 15%

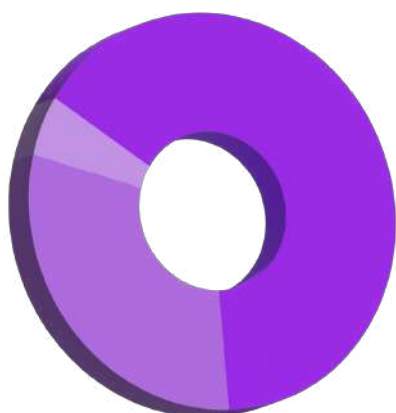
Will be reserved for the team & advisors of the project.

Liquidity: 5%

Will be used for liquidity purposes such as token listings on exchanges.

## Funds distribution

The funds raised through the crowdsale will be used as following:



Development: 65%

We will dedicate two thirds of the funds towards the technical development and design of the VFIN Exchange. The scope of functionalities we will implement will depend on the total funding we manage to acquire. We will prioritize the core functionalities we have planned for the first launch of the exchange, which will be essential to secure the further development of the project.

Marketing: 30%

Will be reserved for marketing purposes and positioning the VFIN Exchange firmly on the market among all other leading crypto exchanges.

Legal costs: 5%

Will be dedicated to cover any legal costs incurred in the process of bringing the project to life.

# Roadmap

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Timeline	Milestones
September 2023	<ul style="list-style-type: none"><li>• Official release of the whitepaper</li><li>• Website, dashboard and smart contract development</li><li>• Marketing preparation</li></ul>
October 2023	<ul style="list-style-type: none"><li>• Smart contract audit</li><li>• Start of negotiations with investors (VCs, Angel investors, private investors)</li></ul>
June 2024	<ul style="list-style-type: none"><li>• Start of the private sale</li><li>• Initiation of the marketing strategy</li></ul>
August 2024	<ul style="list-style-type: none"><li>• Start of the pre-sale</li></ul>
October 2024	<ul style="list-style-type: none"><li>• Start of the main sale</li></ul>
November 2024	<ul style="list-style-type: none"><li>• Conclusion of the main sale</li><li>• Listing of the VFIN token</li><li>• Start of the UX / UI design</li><li>• Start of the technical development</li></ul>
January 2025	<ul style="list-style-type: none"><li>• MVP / Prototype of the exchange</li></ul>
Q1 2025	<ul style="list-style-type: none"><li>• Alpha version of the exchange</li></ul>
Q2 2025	<ul style="list-style-type: none"><li>• Official launch of the VFIN Exchange</li><li>• Start of the mobile app development</li></ul>
Q3 2025	<ul style="list-style-type: none"><li>• Development and implementation of further functionalities</li></ul>
Q4 2025	<ul style="list-style-type: none"><li>• First dividend payout to VFIN token holders</li><li>• Completion of phase 1</li></ul>

# Team

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**Graziano Gasparrini**

Founder & CEO

- Passionate cryptocurrency trader and enthusiast with deep understanding of cryptocurrency and blockchain markets

# Advisory board

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**Dimitri Haußmann**

**Blockchain advisor**

- Founder of one of the leading agencies for blockchain development in D-A-CH.
- Over ten successful ICOs with a total funding of >\$450M.
- Vast experience in the technical development of complex projects.
- Active on the cryptocurrency / blockchain markets for over 5 years,



**Martin Slavchev**

**Strategy advisor**

- Strategy advisor and project manager for over 10 successful ICOs.
- Extensive experience in blockchain and cryptocurrency concepts such as ICOs, STOs, DeFi, NFTs, Metaverse and dApps.
- Passionate cryptocurrency trader and enthusiast with deep understanding of cryptocurrency and blockchain markets.



**Fabian Klein**

**Marketing advisor**

- Marketing advisor, project and community manager for five successful ICOs.
- Extensive experience in PR, marketing and community building.
- Passionate cryptocurrency trader and enthusiast with deep understanding of cryptocurrency and blockchain markets.



# Risks and concerns

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## Risks of cyber attack

Hackers are focused on finding and exploiting potential weaknesses. Attacks also extend to the open source algorithms of smart contracts running on blockchain.

## Risks of fluctuating gains

We warn you that we do not guarantee that the project will achieve the same returns stated in this Whitepaper.

## Regulatory risks of blockchain industry

Governments of many countries are still in the process of studying blockchain technology, and some countries impose restrictions (for example, the United States, China, South Korea). New laws that might come into force in the future could significantly affect the activities of blockchain projects, including VFIN exchange. We warn you that such laws can significantly limit and even stop the project activity, we are not responsible for the negative consequences associated with the possible regulation of the industry in the future.

## Risk of not being listed on exchanges

We do not guarantee that there will be an opportunity to exchange VFIN on exchanges. The decision ultimately resides within the exchange and whether they are willing to list VFIN or not.