

CXN

NETWORK

A powerful mix of CeFi and DeFi at the core of market-driven deployment

CXN Network's Whitepaper, Public Draft V1, June 20, 2020

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1. INTRODUCTION

CXN Network is a tech company, which aims to implement solutions in various industries in response to available and viable market opportunities. The leverage of Blockchain and other components of the fourth industrial revolution is at the core of our operations, and the implication of our operational models is we could deploy centralized and decentralized products in any industry (Blockchain, Telecommunication, E-commerce, etc) as long as the growth potential indicator is positive.

Our mission is to build robust platforms, which can withstand any amount of influx, cast off any security threat, and stand the test of time(as regards positive users' experience and feedbacks). To boot, we strive to make CXN Network one of the largest, tech-solution companies in the **world** in terms of safety, quality products, trust, active support system, and simplified user interface.

At the inception, the primary target is the financial-inclusion markets (exchange, lending, personal financial management, crowdsourcing, staking, point-of-sale system, etc) upon the discovery of viable market opportunities presented by this domain. As a result, our first product will be released with a tactical approach, which inherently grows its influence and is tailored to the target.

2. CXN TOKEN

CXN token is the token created by CXN Network and it will serve as the means of access to the services offered by us. CXN will run natively on the Ethereum Blockchain. In the section of value proposition, more on the utility of the CXN token will be discussed.

2.1. Defi, Value Proposition, Staking and Deflationary Model

Basically, CXN token will be the means of access to the services offered by CXN Network, and its utility will be reflected in its value. At CXN Network, we will keep creating utility around our native token. Definitely, it is a long journey, but is already here and we look forward to lots of exciting product optimizations and deployments ahead:

Defi, Staking and Deflationary Model: This model is value-centric, promote **HODL** (holding) and encourages staking. When a transaction (address-to-address) is done around the native token, CXN, 7% is incurred. Of the incurred amount (7%), a proportion will be allocated to the staking pool, which will be distributed to the users who stake their CXN, and a proportion will be permanently burned. The wallet will be built to implement this functionality, and the essence of this approach is to remarkably reduce the circulating supply and marshal a tokenomics, with a significant upside potential.

Discount on the Transaction Fees: Users have the option to pay the transaction fees on the platforms with the CXN tokens, and while doing this, they will enjoy a 50% discount during the adoption phase. This will create a demand for the token as the platform gains adoption.

Internal Fund Transfer: Users would enjoy a 50% discount on their withdrawal fees while transferring funds to other users. All the CXN tokens generated through this source will be subsequently burned, and this will create a demand (at the heart of reduced circulating supply) for the token as the products gain adoption.

Mobile Data and Broadcast-Satellite-Service Subscription: Through the app, users will be able to subscribe to data-service and broadcast-satellite-service providers with their CXN tokens. This is definitely a form of utility and would create a demand around our native token.

Voting Right: Some decisions will be thrown to our community and CXN token will give our community members a voting right.

Listing of New Tokens and Coins: Listing fees will be paid in CXN tokens – another form of utility, another form of demand!

Access to the Services Offered by Future Products: CXN tokens will be the tender on the subsequent platforms released by the CXN Network in the future.

2.3. Token Structure and Distribution

Token Structure

Name:	CXN Network
Symbol:	CXN
Standard used:	ERC 20
Blockchain:	Ethereum
Total supply:	300,000,000
Public sale:	33.3%
Team:	10%
Uniswap Liquidity:	17%
Staking Bonus:	9.7%
Marketing and Partnership:	30%
Token type:	Utility

Pre-sale Fund Allocation

Uniswap Liquidity and Buyback:	75%
LID Partnership:	5%
Marketing and Development:	20%

3. WALLET

One of our first products is an independent wallet, which allows people to store, spend, and safeguard their crypto assets. Security and very simple UI (User Interface) are at the core of the wallet implementation. Also, it will have some functionalities, which allow people to swap between assets (at the core of a low price slippage and instant confirmation), and spend their crypto assets via our POS (Point of Sale) system.

At first, the supported assets are BTC, ETH, BNB and CXN. While we improve the wallet, we will keep adding support for other crypto-currencies and crypto-tokens. From the wallet, users can contribute to the liquidity pool to earn passive income and stake their CXN for profit.

There are two kinds of wallet usage:

1. **Basic:** This abstracts away some technical functionalities, and is beginner friendly. Users will have access to their private key, password phrase and the necessary details for an absolute wallet control.
2. **Advanced:** This feature is designed for more technical users as they can add more tokens with contract addresses and perform other advanced operations

4. SAVINGS, LENDING AND INVESTING

This always gets us excited as a huge financial inclusion is involved here. This implementation will allow users to manage their personal finances by saving, locking, and lending. To boot, it will connect them to huge markets (Blockchain, Agric, Real Estate, etc). Through the platform, users will be able to collaborate with other users to fund collateral-backed businesses, and earn as a result.

Savings:

Fiats are backed by government power and people's faith, and are very prone to system mismanagement. As a result, this feature will allow users to save in supported fiats and crypto assets as a leverage against inflation while they benefit from the upside potential.

Locking:

Financial discipline is key to stability. With this feature, user will be able to save in bits or bulk, set a target, and lock their funds for a period of time. Upon maturity, the funds will be released. The temptation to request a withdrawal before the maturity date will attract a discouraging fee, and the aim is to enforce financial discipline.

Lending:

Users will be able to lend other users fiats while other users use their locked fiats or crypto assets as a collateral. Also, users can borrow directly from the CXN network. The users here are not limited to individuals as institutions and family houses could leverage this facet to long on their asset while they still have access to capital.

Crowdfunding and Investing:

The platform will connect businesses (Agric, Real Estate, Blockchain, etc) and users. This allows users to collaborate, invest, earn and leverage.

5. EXCHANGE

Increase in the acceptability of cryptocurrencies around the globe has led to the creation of more exchanges with diverse features. However, certain problems still persist while ineffective dispute resolution services (at the core of fiat gateway) are yet to be addressed. As a result, our first exchange is being built upon the shortcomings (tailored to the current and future market needs) of the existing platforms while the users' sensitive, financial information and privacy are cherished. It is a digital-to-digital, digital-to-fiat, peer-to-peer exchange, which connects buyers and sellers to transact seamlessly. It is integrated with lots of market-driven features at the heart of actual consumers' interest, and while we do this, simple and complex procedures (which provide a safe environment for users' activities) are implemented.

5.1 Problems Overview

Lack of an All-in-one Platform in the Industry:

There is a rich market, to which very few exchanges are paying little attention, and that is the non-crypto-digital assets (Gift Cards, Paypal, Alipay, etc) market. We believe it will grow exponentially in the future. However, the existing solutions fall short of the users' expectation. Also, digital-to-fiat exchange difficulty is a serious issue plaguing the industry as users often need to use two or more exchanges (controlled by two or more different parties) if they want to redeem their digital assets for fiats and vice versa. Although, in some cases, one exchange is being leveraged, a string of intermediaries is usually involved, and this often comes with usurious charges.

Limited Platform Features

When a product is built around just any interest (either digital-to-digital or digital-to-fiat or both), it is best to integrate virtually all the facets, which make users' transactions simple, easy, cheap and fast. However, this is not the case with many already existing platforms as this requires extensive study and understanding of the actual market needs. Although lots of developers are technically sound, very few ones do their due diligence before deploying their products to the public. They just want to do it because other people are doing it!

Complex User Interface

Most exchanges have complex user interface, and this makes it difficult for beginners to access and understand. As a consequence, this has made active participation in cryptocurrency trading and normal exchange difficult for them.

Security

Security is one of the major problems facing exchanges as some have recorded security breaches and stolen funds over the past years; an insecure way to safeguard and exchange coins and tokens would be a bad means if cryptocurrencies were to get to the masses – “security and new technology adoption go alongside”.

High Transaction Charges

Almost all exchanges charge traders and normal users for transaction fees. While this is normal, most charge outrageous fees (withdrawal, trading, and deposit, in some cases), which greatly affect the traders' outputs and sadden ordinary persons (who just want to exchange their digital assets). However, these fees are significantly different from the actual miners' fees.

Poor Support System

Poor customer-support service is one of the challenges facing the users. This spans from slow-to-treat dispute resolution requests to unanswered support tickets, and can cause a big loss (which upsets frustration) on the part of the users as crypto markets are currently very volatile. Besides, all users want their issues to be resolved very fast. Hence, they crave much better alternatives.

3.2 Solutions and Exchange Features

The Deployment of an All-in-one Platform:

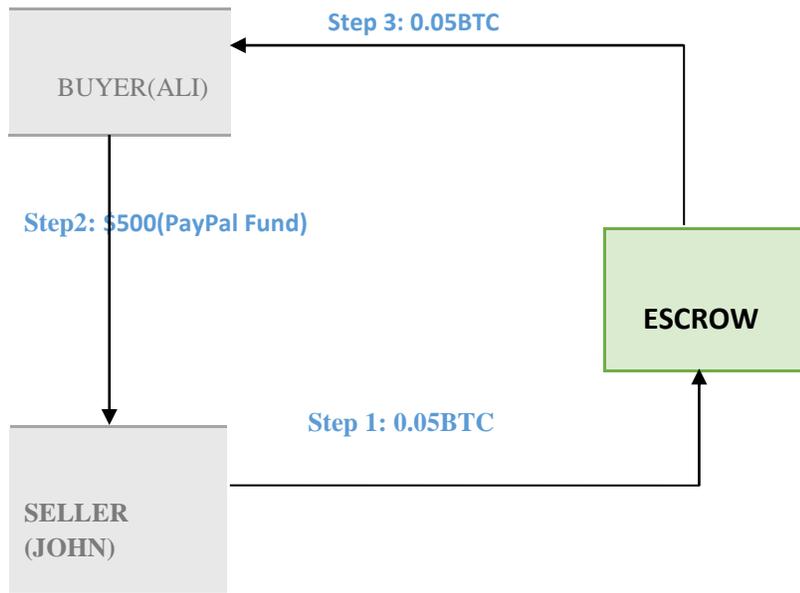
The exchange is being built as a platform, which allows users to multi-transact at a single place at very low transaction fees. It features two kinds of services and three kinds of exchange facets:

Services:

- 1) **Escrow service:** This service is currently being offered by only a few exchanges in the industry. While it intrinsically employs a peer-to-peer model, the exchange lends a settlement mechanics to ensure both parties fulfil the terms of the trade. When the advert is created and the trade is open, the seller's or buyer's (depending on the kind of transaction) digital fund is held in escrow until the trade is settled. However, if there is any form of dispute, the support team would have it resolved. The advantage of this service is that it reduces the number of financial intermediaries. To boot, this is a relatively long process but offers unique facets in its entirety:

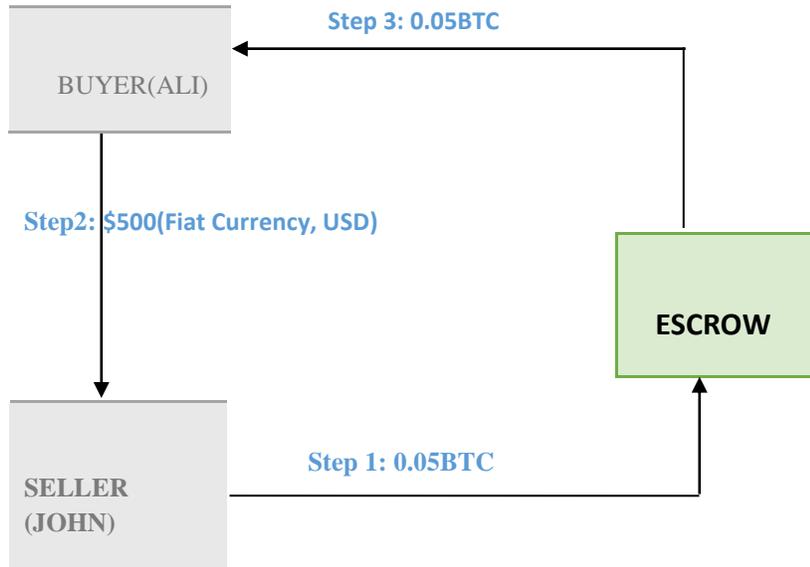
Facets:

- a) **Non-crypto digital assets and crypto digital assets:** With this feature, users can convert their non-crypto digital assets (Gift Cards, PayPal Funds, AliPay, etc) to crypto digital assets (BTC, ETH, CXN, etc) and vice-versa using escrow services. At first, we are supporting just BTC, ETH and our native token, CXN. As time stretches, we will be supporting other crypto assets.



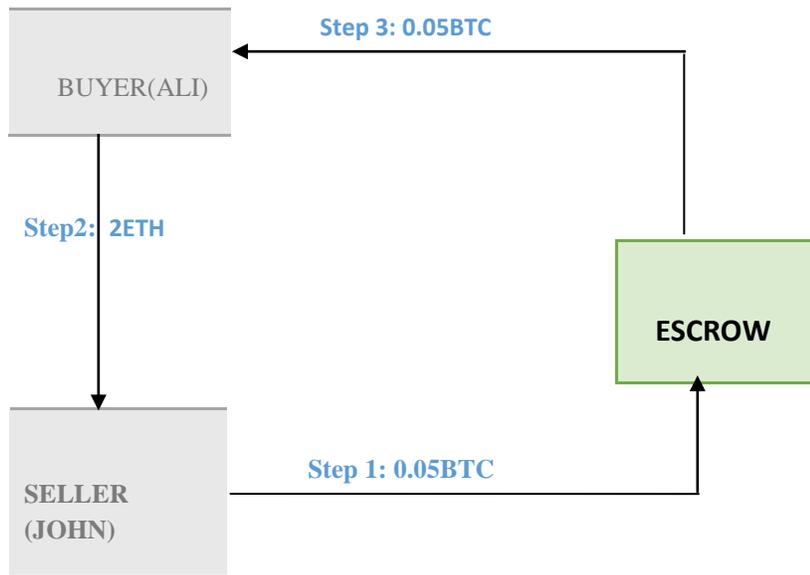
The same thing applies to a typical seller.

- b. Crypto digital assets and fiat currencies:** With this feature, the users can convert their crypto digital assets (BTC, ETH, CXN, etc) to all fiat currencies (Yen, USD, CAD, Yuan, etc) and vice-versa using escrow services. At first, we are supporting just BTC, ETH and our native token, CXN. As time stretches, we will be supporting other crypto assets.



Note: Same thing applies to a typical seller

- c. **Crypto digital assets and other crypto digital assets:** With this feature, users can convert their crypto digital assets (BTC, ETH, CXN, etc) to crypto digital assets (LTC, XRP, etc) and vice-versa using escrow services. At first, we are supporting just BTC, ETH and our native token, CXN. As time stretches, we will be supporting other crypto assets.



Note: The same thing applies to a typical seller.

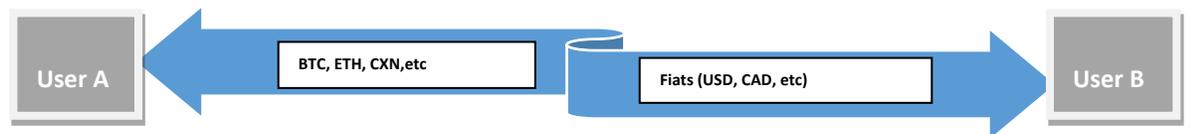
- d. **Instant Swap:** This service is offered, singly, by a large chunk of the exchange markets. It is a relatively short process as the transaction is instant, and the mechanics is couched in its name; it encompasses both digital-to-fiat and digital-to-digital exchange.

Facets:

- a) **Crypto digital assets and other crypto digital assets:** With this feature, users can exchange their crypto digital assets (BTC, ETH, CXN, etc) for other crypto digital assets (XLM, XRP, LTC, MTF, etc) with ease



b) Crypto digital assets and fiat currencies: With this feature, users can exchange their crypto digital assets (BTC, ETH, CXN, etc) for fiat currencies (CAD, USD, KSH, etc) with ease.



Ample Integrations

The platform's flexibility around multiple usage options makes it a good fit for the current and future market needs. These are some (but not all) of the features:

- ❖ **Direct purchase to any wallet:** The exchange allows the users to make purchase directly to any wallet without undergoing the stress inherent in a manual withdrawal. As this addresses trust issues while we build credibility around our operational models, it has a significance of expediting instant transactions (in case of urgency)
- ❖ **Reputation scores:** The users build reputation scores (as time stretches and their transaction volume, in the context of time, increases) based on the feedbacks of other users, with whom they transact. This allows them to build trust. This is important for the escrow system.

- ❖ **Customer base control:** Buyers, sellers and market makers can control their customer base as each time an advert is created, a unique link is created alongside. This could be sent to any user (with whom they want to transact) on any platform (Facebook, Instagram, Twitter, etc). This restricts your customers only to your trade base. *You work for it, so you should earn it!*
- ❖ **Price re-negotiation:** The users can re-negotiate price after a trade has been initiated and can agree to the new price while using the escrow services.
- ❖ **Peer-to-peer chat system:** This is supported to ensure both parties keep in touch during the period of their transaction. Also, it plays a significant role during price re-negotiation
- ❖ **Multiple payment methods:** The users can transact with multiple payment methods (bank transfer, Western Union, MoneyGram, In-person deposit, BTC, ETH, PayPal, AliPay, Gift Card, Perfect Money, etc)
- ❖ **Stop loss:** In a bid to harness efficiency (on the end of the users) and maximize outputs (at the heart of satisfaction around transactions), there is an incorporation of custom trading rules (**Stop Loss, Good till Cancel**, etc) into the platform.
- ❖ **Push notification:** Cryptocurrency market is very volatile and most traders always want to keep an eye on the market. As a result, we have implemented different push notifications to make trading easier for the traders by keeping them abreast of the changes in the markets. The push notifications allow:
 - To set price alerts for different coins and tokens
 - To receive alerts when order is executed or partially filled
 - To receive price-change alerts
 - To create alerts for prices below or above your price of choice, etc
- ❖ **Low transaction fees:** As a user, your output is always awesome since the transaction fee is seemingly insignificant.

Advanced Security

Cryptocurrency exchanges handling users' funds and data have to be secure. To make the exchange secure and ensure absolute safety of the users' funds, a multi-factor, dynamic, and authentication mechanism - to sensitive operations like withdrawal, etc - is adopted. To boot, wallets on the platform have adopted multiple security levels of storage solution in line with their storage scale, and have utilized cold storage and encrypted databases. We have stored the micro-withdrawal wallets in the private network architecture, which has multi-layer firewall on the basis of security isolation. Thus, financial safety on the platform is taken diligently with utmost professionalism.

Unlimitedly High Performance and Worldwide Presence

The exchange is a powerful and reliable platform built to withstand present and future cryptocurrency markets. Our exchange server is powerful and dynamic and is able to handle millions of transactions per second (in response to the present and future market demands). Therefore, we can guarantee that there will be no delay or lag throughout the whole core order processing when the market booms. The server is located in global regions, Asia, America, Europe, Australia, Africa and more, and there will be a fast server response wherever the users are.

Active 24/7 Customer Support Services

At CXN Network, we value our users and will put in place 24/7, professional and friendly customer support team members, who are ready to attend to our users' needs at any time of the day, without any delay. We will offer customer services through different means including webpage, hotline, e-mail and social media. As the number of users grows, so does the customer support team grow pro rata.

High Liquidity

The truth be told, "Liquidity is the lifeblood of any exchange". Our first market target is the African and Asian markets, and while we keep penetrating markets, the liquidity responds inherently positively, with a remarkable surge.

6. THE POINT-OF-SALE SYSTEM

The POS system allows merchants to accept cryptocurrencies and cryptotokens at their stores, and users to easily spend their digital assets. There are two kinds of facets under this system:

1. Web-based facet: As the suggest, it allows users to spend their digital assets while using web-based services
2. Terminal facet: This allows people to spend their digital assets at physical stores.

7. ROADMAP

BEFORE PRE-SALE

Q2 2018

- Team Formation
- Research around Market Opportunities

Q3 – Q4 2018

- Recruitment of More Team Members
- The Exchange Development Begins

(Q1 - Q4 2019) – (Q1- Q3 2020)

- Exchange Development Progresses

PRE-SALE

- Pre-sale (September, 2020)

POST PRE-SALE

Q3 2020

- Staking (September, 2020)

- Listing on Uniswap (September, 2020)
- Public Launch of the Alpha Version of the Exchange (September, 2020)
- Listing of the CXN Token on the Alpha Version (web-based) of the Exchange (September, 2020)

(Q4 2020) – (Q1 2021)

- The launch of COX

Q1 2021

- The launch of the Beta Version of the Exchange (web-based)
- An All-in-one Mobile App (Android and IOS) Powering:
 - The Exchange
 - Savings and Investment Facet
 - Lending Facet
- Partnerships for Fiat Integration (On+off Ramps)

Q2 2021

- Wallet Launch (with fiat on+off ramps)

Future

- The Launch of the POS System
- Business Expansion
- Strategic Partnerships
- Team Expansion
- Platform's Optimization

