

BITHUB

DIGITAL ASSET EXCHANGE

WHITEPAPER 1.0



The Purpose of BitHub

BitHub is a project aimed to create a more reliable digital currency exchange that encourages a wider range of investors and individuals to make the most of growing cryptocurrency markets. By providing one of the most innovative centralized cryptocurrency and digital asset exchanges to date, we will provide investors and currency buyers with a safe way to leverage new investment vehicles for a variety of fiscal health reasons.

Through an initial coin offering (ICO) featuring our BHT cryptocurrency, we will raise capital to test and secure the exchange and provide value to initial investors. Between 5% and 10% of the initial capital will be allocated to further research and development of a decentralized exchange model to open our offering to an even greater number of potential consumers.

Understanding Today's Market

Blockchain technology and its application to currency, first popularized through Bitcoin by building on the gamification of money through a wide range of existing digital tokens, is making a significant impact on the global market as well as leading economies.

Digital currencies are shifting how banks, businesses, and individuals raise, spend, trade, and invest their money. The promise of individual currencies and their relative value depend both on the system behind their development as well as their application — including the ability to be used across platforms or in exchanges.

A centralized exchange with its own coinage provides a safe model for investors to work with multiple cryptocurrencies, diversifying their portfolio for greater protection and potential gains.

BitHub sees trading as the most prominent vehicle for generating revenue within the digital currency ecosystem, as a wide range of institutions, financial houses, and retail traders looking for secure places to store their fiat currency and convert it to a variety of crypto options.

When looking at daily cryptocurrency trading volume for the most recent quarter, projections put it at an average of above \$3.8 billion, which both represents a significant growth but is a small blip compared to common markets such as NASDAQ and FOREX.

The excitement and growth potential are there, but something is holding people back from investing and trading in a significant way.

We believe that a straightforward way to enter the market and start finding value is still needed, and the shortest path to providing entrance and feasibility is a better digital asset exchange. So, we've put together the BitHub Exchange, to be powered by BHT.

The Challenge Facing Today's Traders and Investors

The total cryptocurrency market continues to reach new, all-time highs and will slowly push even higher as more companies adopt crypto and blockchain technologies. In August, this cap topped \$150 billion, and there's little reason to expect that increased excitement and interest will translate into a significant drop. Plus, further investment by major technology brands and financial institutions is working to limit the possibility of any significant bubble in the crypto space.

So, why are current exchanges themselves struggling to meet the demand of traders, while also experiencing a significantly limited volume of traders and investors?

After a comprehensive review of the market, we've found that today's exchanges are far too expensive, inefficient, unsecure, and difficult to use.

Most exchanges are built with a small audience in mind — typically limited by geography — so they miss out on the majority of potential growth. Customers have a challenging time understanding these restrictions until they attempt to partake in the market, and then are turned away. As this process repeats, they become disinterested in a market that does not seem friendly or usable.

Other top complaints include a considerable time delay in trade execution without reasonable explanation or support so that funds are lost and

opportunities are missed on a regular basis. A lack of compliance with standards and best practices are limiting exchanges' abilities to remain stable and keep costs low. As these issues grow, traders feel less secure, and exchanges face potential defectors when threats outside the market impact cryptocurrencies.

In short, exchanges make it difficult to be a trader, and their uncertainty dissuades a sizeable number of potential traders and potential revenue for the exchange itself.

Why? That's not clear to us. What is clear, though, is that exchanges can do better. And that's exactly what BitHub has set out to do.

The Solution to Exchange Issues and Traders' Cold Feet

Your Introduction to BitHub

BitHub is creating a cryptocurrency service and exchange platform that supports trading of cryptocurrencies as well as ICO underwriting support with an aim to solve the issues created by other exchanges.

We start by utilizing 0.08% to 0.19% trading fees in order to maximize the profit and viability of traders while protecting market liquidity and allowing cryptocurrencies to perform at their true peak. As a user's trade volume increase, they move into lower-fee brackets.

We fully support their ability to trade quickly and efficiently. Our exchange can process up to a million orders per second, supporting the real-time nature of today's common trading environments.

BitHub will become a leader in crypto exchanges by supporting the popular demand for high-frequency trading platforms that already exist in the world.

In addition to that support, BitHub will address concerns of today's ICOs, especially token liquidity, by supporting the underwriting process and allowing the tokens to spread as soon as they move past the initial stage. Lessons learned from our investors, advisors, experts, and during our own ICO will guide the

development of future services and support so new ICO tokens can be vetted and added on a regular basis.

The BitHub exchange will initially support these cryptocurrencies:

- **Bitcoin (BTC)**
 - BTC/USD
- **Ethereum (ETH)**
 - ETH/USD
 - ETH/BTC
- **Litecoin (LTC)**
 - LTC/USD
 - LTC/BTC
- **BitHub Token (BHT)**
 - BHT/USD
 - BHT/BTC
 - BHT/ETH
 - BHT/LTC

Expanding support will allow us to continually increase the value we provide to customers while empowering traditional supply and demand network effects, creating a cycle that reinforces liquidity, revenue, and value. This will insulate the exchange even if the overall token market becomes more volatile.

Friendly

By offering 0.08% to 0.19% trading fees for spot and margin trading, traders will be able to focus on growing these markets and expanding the viability of new cryptocurrencies across the globe.

You get to keep costs low and ensure that you get paid. The more you trade, the greater your potential for returns and the larger share you keep. So, our system will encourage continued use, powering the exchange and incentivizing its selection above other exchanges in the marketplace.

Intelligent

What's the most difficult part of today's exchanges? Understanding the platform before you even try to make a trade. So, BitHub has reworked the concept from the ground up to make a clear user interface and reporting tool suite that you can use to understand the trade and the market right within your dashboards.

It's stable, clear, intelligent and will feel familiar to seasoned traders as well as anyone who has worked with cloud enterprise and small business software in recent years. Our testers have called it quick, simple, sophisticated, and easy-to-use on their favorite devices.

At the end of the day, we just want it to be easy for you to trade and monitor your performance, as well as review your overall wallet.

Guaranteed

BitHub is built using today's best practices, including a 100% reserve guarantee. That means investors and traders know where we stand. Plus, we'll provide online and offline wallet addresses for public audits, support a transparent design that removes the potential for fraud or embezzlement of traders' funds.

Secure

The underlying BitHub engine will make use of today's top security protocols including offline multisig wallets. By blending offline and online wallet uses, we can ensure that your trades are quick but also minimize threats and risks. The multi-layered wallet structure also helps us protect you by keeping trader accounts secure even if a single HSM is breached.

Wallets and accounts tied to BitHub will require two-factor authentication to access and rely on industry-leading encryption and transport security to reduce the likelihood of loss, theft, or abuse. We've instituted a security-first approach in the exchange as well as all other infrastructure, network, and applications we use.

Plus, 98% of customer funds will be kept offline, in cold storage, so that they cannot be breached in the event of an exchange intrusion.

Support

BitHub provides 24/7 customer service and assistance. If you need help, we've got specialists ready to assist you. Just contact us via phone call or email with a maximum response time of 20 minutes.

Plus, we offer a wide range of digital support tools and guides to help you understand our features, new coinage, basic market metrics, and requirements you may have. As we grow, we'll expand the range of topics we cover as well as the languages we support.

There's no reason to be left in the lurch. Welcome to the new era of user-friendly exchanges.

The Future Is Decentralized

Safety concerns and potential don't go away at launch. That's why we're already looking at what's next and how we can securely move traders and exchanges to safer avenues.

BitHub plans to invest in the technology and expertise required to build out a decentralized cryptocurrency exchange after the successful launch of the BitHub exchange and BHT cryptocurrency. This move will allow us to take advantage of anticipated benefits of a more robust blockchain while increasing support for real-time, high-frequency trading at even greater volumes.

In Summary

BitHub will offer the first global cryptocurrency exchange with a 0.08% to 0.19% trading fee structure that supports and rewards high-frequency trading. We'll also provide other incentives for traders as their activity in the exchange increases. Our platform will be a natural extension of today's excitement while supporting new investors who have stricter risk tolerance, thanks to high-quality services and smart coinage inclusion.

Our Business Model

The BitHub business model is direct and simple. We provide a currency that can be used in our exchange to purchase other cryptocurrencies. We take a small percent on all trades executed on our platform. As individual trade volumes increase, we reduce our fee structure and allow traders to generate greater revenue.

At launch we will provide complete wallet management and 24/7 customer support to make it easy for our traders to move their coinage as desired. We'll also facilitate their efforts with the latest data from a variety of industry sources.

We'll also provide Algorithmic Trading support utilizing the FIX, WebSocket, and REST APIs. This will be supported by our ecosystem's bandwidth and capabilities, facilitating high volumes of trade from many different traders. Our goal is to make it easy to encourage the use of algorithms and other advanced trading vehicles to cement ourselves as a leader in the space and a top-tier service provider.

In the same light, BitHub will work to generate high levels of trust and return for our investors. To encourage investment initially, we will follow this monthly payment formula:

Monthly Payment = (20% x BitHub Last Month Fee Revenue x Tokens You Own) / Total Tokens

As the ecosystem matures, we plan to provide new features and benefits for our traders, and potentially for our investors. Our current roadmap of additional BitHub services includes:

- Expansion of BTC Options
- Inclusion of BTC Futures
- Margin trading based on multiple cryptocurrencies

As the overall cryptocurrency market becomes more mature and stable, we expect additional countries to support more trading vehicles. When these are deemed to be viable, safe, and approved by regulatory bodies, we hope to introduce them.

Cryptocurrency Futures and Options

In the cryptocurrency space, futures and options follow traditional securities, commodities, and other transactions usage.

An options contract will work as an agreement between buyer and seller to give the purchaser of the option the right to buy or sell a specific asset — in this case Bitcoin or other cryptocurrencies — at a later date at an agreed upon price. Futures owners have an obligation to buy or sell a specific quantity of the asset at a specific price on a specific date.

When it comes to Bitcoin and crypto futures, the trader is fixing the price that they want to buy or sell a certain number of coins at a specific point in the future.

The BitHub user interface will provide a look at futures based on pre-determine dates in an Order Book, showing lows and highs among recent trades. Futures charts and options summary will be available within a unified dashboard.

From the BitHub perspective, we'll be facilitating each future and option as a traditional investment vehicle and contract. The BitHub ecosystem will use existing trading best practices, records management, and contract management to facilitate all activities.

Growing Our Base

BitHub will pursue a significant user base by providing high-quality support and an intuitive exchange that makes users feel safe, secure, and in control of their financial future.

We believe that marketing and other efforts must rest on a solid foundation of customer support, so our acquisition strategy relies on providing support and showcasing ease-of-use to existing traders as well as in established avenues of discovery.

As it stands, the crypto ecosystem is relatively closed and insular, so entrants need to gain a foothold with existing traders. Our backgrounds provide us with direct access to industry veterans from Silicon Valley and Wall Street as well as a smart pipeline of leads.

International growth occurs via a proven model that is affordable to all players. By sticking with a smart and simple revenue structure, we can lower the barrier to entry and allow new markets, technologies, and traders to find a home with BitHub.

BHT ICO from BitHub

BitHub, the digital asset exchange, would like to share information with you and invite you to participate in our upcoming ICO. Support the growth of the exchange and the BHT cryptocurrency to ensure stronger development and greater returns.

BitHub will offer the BitHub Token and use the token symbol BHT. Our tokens are based on the Ethereum ERC20 token standard and will have a total of 150 million tokens issued. The total pre-sale BHT supply for the ICO will be 5%, or 7,500,000.

The BHT token crowdsale will begin with pre-sale on Jan 10, 2018 at 00:00 GMT. The initial rate will be set at 5 BHT = 1 USD, and BitHub will offer a variety of pre-sale bonus rates as well:

- 5,000 BHT = 5% Bonus
- 12,500 BHT = 10% Bonus
- 25,000 BHT = 20% Bonus
- 50,000 BHT = 25% Bonus
- 125,000 BHT = 30% Bonus
- 250,000 BHT = 35% Bonus
- 1,000,000 BHT = 40% Bonus

The BitHub exchange is scheduled to go live in Q3 of 2018. The BHT token can be traded on the exchange once we are online. We're also in talks with some number of other exchanges to list BHT right after the BitHub crowdsale is ended.

The Purpose of the ICO

Funds raised in the BitHub ICO will be used for the development of BitHub and BHT, and for ongoing expenses required to support the growth of the BitHub ecosystem. We will spend more than 60% of funds directly on initial development and support, while the remainder will be used for marketing, legal consulting, outside services, and initial liquidity.

The BitHub founders will be responsible for the efficient use of funds resulting from any sale of tokens from the BHT Reserve.

BHT Benefits

Taking part in our ICO and purchasing BHT provides you with a stake in us and our value. You will receive a share of BitHub revenue, as we pay out a percentage of all revenue generated by BitHub to BHT holders in amounts appropriate to your share of total tokens.

As previously noted, the monthly payment formula will be:

Monthly Payment = (20% x BitHub Last Month Fee Revenue x Tokens You Own) / Total Tokens

The nature of our business allows us to collect fees in a variety of digital currencies so that you will receive compensation in those same currencies. Essentially this allows you to treat holding BHT the same as holding a passive income portfolio. We ensure that it is diverse across leading, proven digital currencies.

Payments occur monthly, and at the time of the payment you will be allowed to keep the BHT in your

wallet on the BitHub exchange or move it to an ERC20-compatible address that is linked to your BitHub wallet. Each monthly payment is the equivalent of 20% of the previous month's fee revenue multiplied by your BHT token amount, divided by the total number of BHT tokens.

Compliance and More

The goal of this report and all the communications you will receive from BitHub is to be transparent and highlight the integrity we bring to the marketplace. We strive to be honest and direct in our dealings, while also ensuring that we comply with the laws and regulations in each of the markets we serve.

As BitHub moves to a global presence, we will provide clarity for each jurisdiction and support the information or other requirements our customers need to ensure they understand their place and security in the global market.

We cannot control the global market or local laws, so we will focus on operations where they are legal and compliant. If areas decide to halt exchanges like BitHub, we will provide customers in that region with the tools and support they need to protect their investment. As new regulations arise, we will ensure that our software and services are compliant within the constraints of the law.

To protect you individually, BitHub plans to monitor and record any and all suspicious trading activity. If we feel that a group or individual is attempting to use BitHub or our BHT in a criminal enterprise or for illegal activities, we will work with authorities to ensure

they are held to account. Our mission is to provide a safe place for traders who operate legally, so BitHub will create relationships with law enforcement and disclose information from our exchange when legally obligated to do so.

We want to thank you for reading this report, especially our compliance section because quality service that is safe is at the heart of what we do at BitHub. If you would like to learn more, you should contact us directly at [**hello@bithubhq.com**](mailto:hello@bithubhq.com).