bincentive

White Paper | Version 2.2

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EXECUTIVE SUMMARY

The year 2017 may well be regarded as the year where cryptocurrency and blockchain applications became mainstream. With innovations that make purchases secure, lower transaction fees, mitigate identity theft, provide universal access, leverage a decentralized network, and have widespread recognition the cryptocurrency landscape has grown in excess of $150 billion. After the initial surge, 2018 has exhibited a much different market landscape with a smaller market cap and more stable Bear Market.

Exponential growth of this industry has forced traditionally cautious investment institutions, venture funds and individual investors alike to expand their investment portfolios into the crypto industry. (Notable examples include: Apple Co-Founder Steve Wozniak's activity with EQUI Global crypto fund and Fidelity Insurance Hedge fund activities)

However, even with improved government regulations (banning scam ICOs, protecting investors, and revisiting restrictive regulatory laws, etc.), the aggressive growth rate has created a perplexing investment environment that continues to grow in complexity with each passing day.

We propose **Bincentive**, an **Inter-Exchange Smart Investment Ecosystem**. Our revolutionary ecosystem connects **Artificial Intelligence (AI), Big Data, Mirror Trading, Personal Hedge Fund,** and **Blockchain Technology**. This innovative platform allows individual members (investment clients) to connect with financial experts, introduces profit sharing, and creates a bridge from crypto assets to all financial products.

Bincentive Highlights

- **Convenient:** Members (Investment Clients) can make confident trades without expert knowledge or experience; simply mirror expert trading signals.
- **Automated:** No need to make manual trades; experts can send signals directly to exchanges through the Bincentive system to make contracted trades 24/7.
- **Fair:** Trading experts now have the ability to choose their own remuneration terms; Investment clients can choose the Trading Expert and Smart Contract that best matches their needs. Both benefit from our profit sharing system.
- **Flexible:** Investors decide when to invest and when to stop. Change your financial expert and strategies at any time without incurring penalties.
- **Transparent and Trustworthy:** Evaluate financial performance of trading experts with the help of transparent and unbiased data, built on blockchain technology.
- **Secure:** Smart Contracts and our patent protected systems ensure that the members' personal funds are always in their hands. Furthermore, traders can share their trading signals with investment clients while retaining their trading strategy intellectual property ownership.
- **Intelligent:** Bincentive's AI risk prediction and recommendation system connects investment clients with the best experts that match their individual investment strategies.
- **Incentivized:** Bincentive offers a value creation ecosystem in the token economy; it generates profits and purchases reward tokens from coin markets for various incentive programs.

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DISCLAIMER

The sale ("Token Sale") of the Bincentive Utility Token ("BCNT"), the exchange medium for participants on the Bincentive platform as detailed in this whitepaper (the "Whitepaper") is only intended for, made to or directed at, only certain persons. Moreover, this Whitepaper is not a prospectus or offer document of any sort and is not intended to constitute an offer of securities of any form, units in a business trust, units in a collective investment scheme or any other form of investment, or a solicitation for any form of investment in any jurisdiction. No regulatory authority has examined or approved of any of the information set out in this Whitepaper. This Whitepaper has not been registered with any regulatory authority in any jurisdiction.

By accessing and/or accepting possession of any information in this Whitepaper or such part thereof (as the case may be), you represent and warrant to Bincentive Inc. (an Offshore Company in the Samoa with Incorporation No.: 82925, and an Operation Center located in Taipei, Taiwan) (the "Token Issuer") that:

a. **you are not located in the United States of America and you are not a citizen, resident (tax or otherwise) or green card holder of, or domiciled in, the United States of America unless you are a U.S. Qualified Person (as defined herein);**

b. **you are not located in the People's Republic of China and you are not a citizen or resident (tax or otherwise) of, or domiciled in, the People's Republic of China;**

c. **you are not located in a jurisdiction where the Token Sale is prohibited, restricted or unauthorized in any form or manner whether in full or in part under its laws, regulatory requirements or rules;**

d. **you agree to be bound by the limitations and restrictions described herein; and**

e. **you acknowledge that this Whitepaper has been prepared for delivery to you so as to assist you in making a decision as to whether to purchase the Bincentive BCNT.**

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1. INTRODUCTION

The concepts of **crypto assets** and **blockchain** have been present for a long time, however, it was only until recently that mainstream implementation has taken place. Since implementation, cryptocurrency trading has become the **most popular application and business model** of blockchain technology to date. In the past few years, the rapidly increasing types of crypto currencies, cryptocurrency exchanges, and related derivative trading service have given rise to a **booming cryptocurrency market**. One such example is Binance, a global leader in currency exchanges, has forecasted a profit of $1 billion at the end of 2018. Nevertheless, this is only the beginning as cryptocurrency (token) market value of the entire blockchain market is less than $800 billion (less than 1% of the global stock exchange market) with no limit to future growth in sight.

In response to the rapid growth of the cryptocurrency trading market many experts and professional investment institutions have introduced **quantitative trading methodologies** into the crypto asset trading market. Various mature and complex trading strategies, social trading communities, big data investment signal prediction solutions, automated algorithm trading solutions, artificial intelligence robo advisors, and decision-making systems have gradually been embedded into this emerging investment market, creating a vast ocean of quantitative investment methodologies.

Most cryptocurrency investors do not have the same investment experience, knowledge or quantitative investment tools that professional investment institutions possess. Therefore, major cryptocurrency exchanges provide various investment tools, wealth management robot software, and mirror trading investment mechanisms in hopes of improving users' investment performance. However, **the current market lacks** an investment platform that provides a protected environment for crypto investors and **profit-sharing service** across the various crypto exchanges. **Bincentive** provides a solution to those challenges and redefines the crypto trading environment by creating a **smarter, more transparent ecosystem**.

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Bincentive is an open, decentralized platform which can provide investors with historical performance statistics for AI trading algorithms and any participating trading experts. Built on blockchain technology, all transactions are **transparent** and all data can be **guaranteed to be unaltered**. Based upon performance metrics, investors can choose a specific professional trading expert to mirror and their strategies will be applied directly to investor's own trades. The professional trading experts determine their own compensation terms and Bincentive members can choose one that best fits their investment strategy. The **Bincentive Ecosystem** will be able to help investment clients improve their investment returns, increase the profitability of professional investment experts and the revenue of exchanges, creating a **win-win situation** for the entire ecosystem.

Bincentive's ecosystem growth is initially sustained by utilizing **50% of the Token Sale** for its **Value Creation System** which is a marketing fund for generating the incentive resource. Our Smart Trading platform is a large-scale ecosystem that can be expanded to an Escrow Mutual Fund model and traditional financial markets. Lastly, we built up an AI system that helps investors predict risk and make recommendations.

Note:

BCNT (Bincentive Token) is not only a utility token, used in activating the smart contract between the member (investment client) and trading expert, but also the profit sharing cryptocurrency payment for trading experts. Furthermore, BCNT is the reward token for our incentive programs: Q-DApp Bounty, Reputation Incentive, Referral Incentive, and Trading Incentive.

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2. MARKET BACKGROUND & TRENDS

The rise of Bitcoin and other crypto assets has led to an evolution in the concept of financial investments as well as the process through which these investments are made. In the past, all investments were inherently tied to a physical entity and managed by large organizations. Digital currencies such as Bitcoin and Ethereum (ETH) are not tied to physical assets, and can be easily bought, traded, and sold directly by holders through many online exchange centers.

These advantages have led to a massive growth and resulted in more than 1,600 different digital currencies being publicly traded today[2], with dozens more each week. While traditional securities such as stocks can be evaluated based upon the financial performance of the parent company, the metrics used to evaluate crypto assets are less established.

To solve this problem, trading experts have created complex **quantitative or intelligent trading strategies** (from statistical model analysis, machine learning, to deep reinforcement learning) that can predict the currency price or arbitrage based upon massive data sets (Big Data). These professional traders hope to capitalize on the idea that numbers and raw data are superior to humans who rely on intuition and market investment experience.

Despite having a solution, the cryptocurrency environment still suffers from two systemic problems – **complexity and trust** in conducting business. These deficiencies create a disadvantageous situation for all parties involved in the crypto asset ecosystem: **investors, trading experts, and exchange centers**.

2.1 CHALLENGES FOR INVESTORS

As it stands, the current crypto market framework lacks many rules, regulations, and best practices. It is heavily weighted in favor of traditional investment institutions that have resources and investment experience to navigate through this ambiguous crypto investment market. To be competitive, an investor has many hurdles to overcome, chief among them: **market complexity, choosing an effective financial advisors, data security, and service reliability**.

MARKET COMPLEXITY

As the total number of investment options grow, the complexity and level of difficulty in selecting the best investment also increases in stride. Both new and experienced investors require a generous amount of knowledge in order to trade effectively. Information gathering may be difficult and often times overwhelming. Keeping up with the latest crypto currencies,

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ICOs, understanding market sentiment, and differences between various exchanges can be more than an investor can handle alone. Often, these same investors are compelled to use robo advisor or simply rely on intuition or popular news media outlets. These methodologies do, however, come with disadvantages.

CHOOSING FINANCIAL ADVISORS

With the growing number of digital currencies and exchanges, the number of robo advisors and professional financial advisors have also increased in response. While many expert traders are regulated, there are significant disparities in rules and regulations which leave investors vulnerable and creates a lack of trust and integrity. Many criteria can be considered in choosing a financial advisor, but a study from Qualtrics has revealed performance and trustworthiness[3] to be the principle deciding factors.

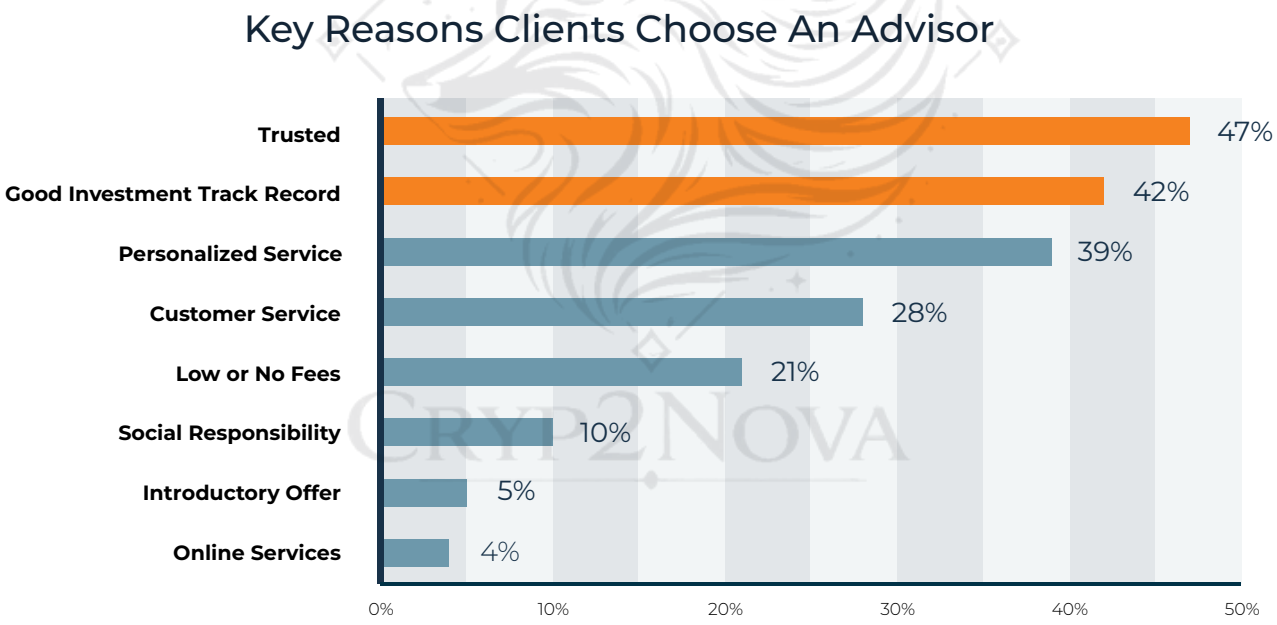


Figure 1: Qualtrics Survey – More than 300 wealth management clients indicated that "trust" and "good investment track record" are among the key reasons clients choose an advisor

However, the current market **does not offer** any tools or services that provide a comprehensive comparison between the performance records of one trading expert to another.

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DATA SECURITY

The question of financial investment institutions also comes into play for the independent investor. Most traditional financial investment institutions are built on centralized systems, which creates a single point failure and potentially exposes investor accounts to 3rd parties. Similarly, financial advisors' performance information stored on central servers carry the risk of being manipulated and are not always completely transparent.

SERVICE RELIABILTY

Many financial investment companies require upfront service fees that are convoluted and do not always yield results. The Bincentive solution offers a transparent platform where investors have the power to pick and choose the services with historical performance data that generate results.

2.2 CHALLENGES FOR TRADING EXPERTS

Cryptocurrency trading (investment) experts seeking to profit off of their knowledge have their own set of challenges with the increasingly complex market environment. The biggest of these are: fair compensation, intellectual property (IP) ownership, and developing trust.

FAIR COMPENSATION

Currently, the market is structured with trading experts earning a nominal fee as opposed to receiving compensation that is proportional to the amount they have earned for their investors. Take for example the e-Toro platform, which allows cryptocurrency trading experts to showcase their investment strategies and allows investors to mirror them. Under this arrangement professional traders receive a fixed 2% commission regardless of how much their strategies earn for their followers (until the funds they manage surpasses $500,000 USD)[4].

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INTELLECTUAL PROPERTY (IP)

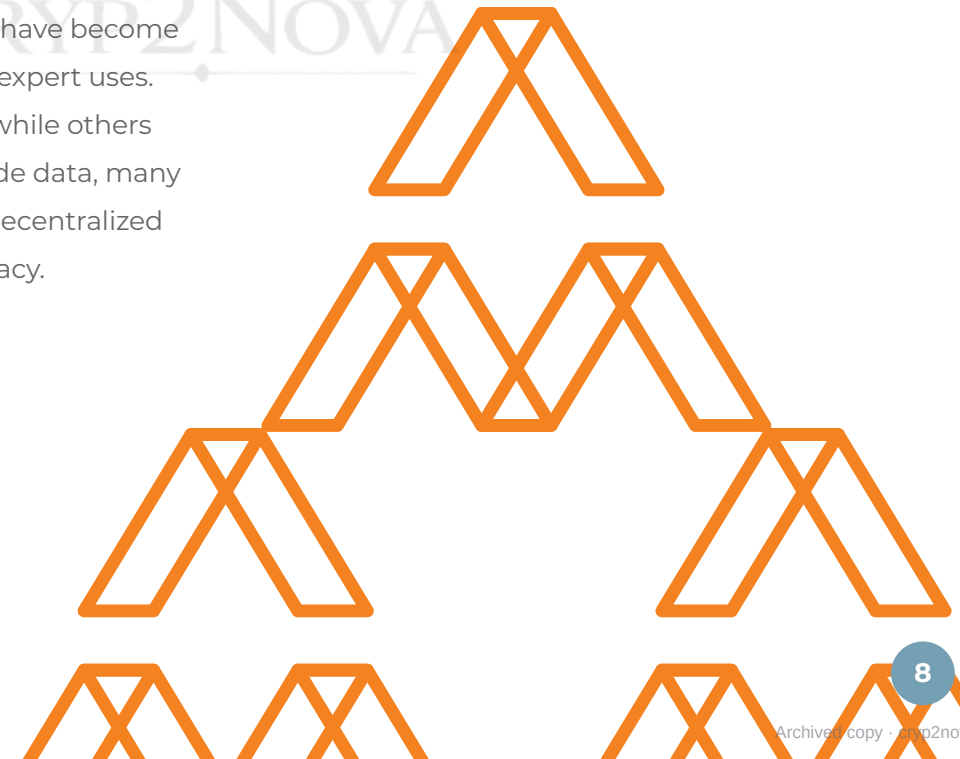
Experts who have developed their own investment strategies and quantitative trading algorithms retain their intellectual property (IP) ownership. With the current trading signal marketplace, however, the question of who retains IP ownership rights for algorithms developed using platform tools is a debatable issue. The argument could lean in either direction, trading expert or marketplace. Similarly, it is not clear whether algorithm creators can legally recreate their signals-based designs on other platforms.

DEVELOPING TRUST

Currently, the crypto asset trading market lacks a definitive way to track historic performance data, which makes it difficult to build investor trust. The problem has been further compounded by an increasingly complex market. As new platforms appear, offering expert traders and/or their algorithms a chance to profit off their knowledge, lines have become drawn between the services each expert uses. Some provide performance data, while others do not. Among services that provide data, many do not leverage the benefits of a decentralized blockchain model to ensure accuracy.

2.3 CHALLENGES FOR EXCHANGE CENTERS

The growth of crypto currencies has also generated a surge in the number of crypto exchanges over the past few years. As of July 2018, CoinMarketCap indicates that there are over 200 exchanges offering services to investors[2]. Continuous additions of new exchanges into the crypto market create a situation for investors and expert traders, both have an increasingly difficult time differentiating one from another.



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3. THE BINCENTIVE SOLUTION

Bincentive seeks to solve the inherent problems of a complex crypto trading marketplace. We have created an Inter-Exchange **Smart Trading Ecosystem** that redefines the process of making investments and providing smart trading services. Leveraging **Blockchain** and **Smart Contract Technology**, **Bincentive** is able to connect members directly with trading experts and offer tailor-made and automated trading services. This **Ecosystem Platform** can be utilized by both members (investment clients) and expert traders, creating an ideal environment for mirror trading and crowd investments. All trade information is stored securely on our blockchain platform, allowing members to view impartial and accurate historical performance data for each expert before deciding to utilize their services.

Bincentive's Mission

- **Empower average investors**, lacking financial expertise, to make confident investment decisions.
- Allow **members** to maintain **control of member personal funds** at all times and provide flexibility and change in investment strategy at any time without incurring penalties.
- **Simplify the investment process** while **providing a secure environment**.
- Help trading experts connect with members (investment clients) and collect a **self-defined remuneration** amount appropriate for the service value they offer.
- Make trading expert performance data readily available and create a **completely transparent trading environment**.
- Assist in growing the crypto trading market by helping to **increase the trade volume** of crypto-exchanges.

3.1 BINCENTIVE ECOSYSTEM ARCHITECTURE

Bincentive provides a platform for traditional trading experts, quantitative traders, and AI trading engine providers via Quasi-Decentralized Apps **(Q-DApps)**, offering their professional trading services. Members (investment clients) interested in their trading services can connect directly with them. Each trading service provider also determines their own terms and conditions where members will have to agree to in order to subscribe to their services. All agreed upon transactions will be done via smart contract ensuring that all terms are processed automatically without fail.

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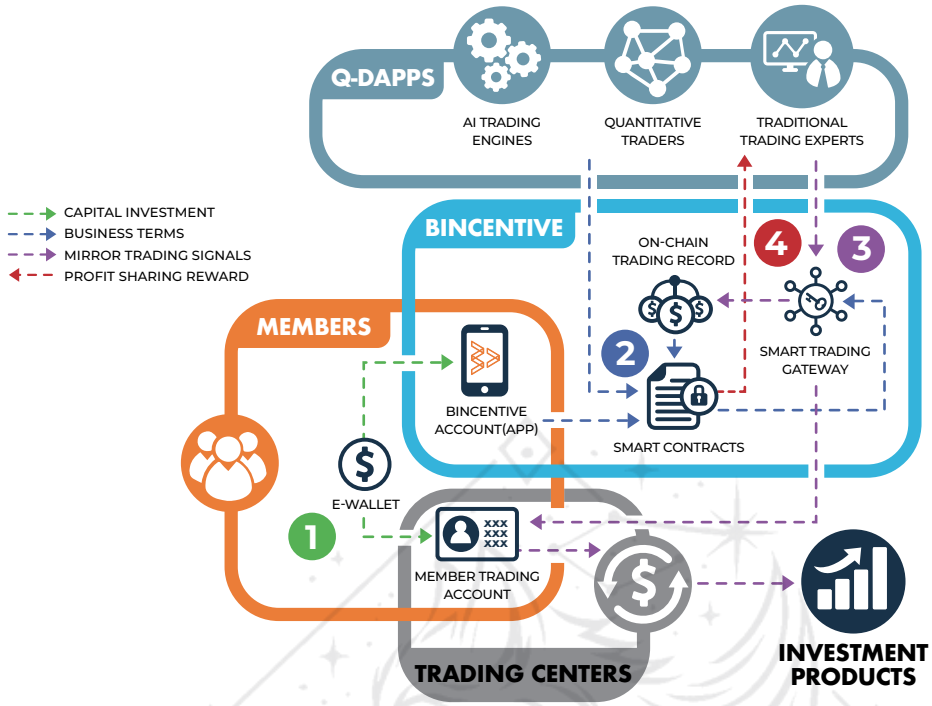


Figure 2: Trusted & Secure Service Model

Members deposit and withdraw their investment capital (crypto asset) in their trading accounts in exchanges. The Bincentive system starts when a member signs a **smart contract** with a **trading expert (Q-DApp)** the member chooses to mirror. Upon signing the contract, a minimum reward token amount (BCNT) will be transferred to the Bincentive system **Trading Reward Escrow**. This minimum token amount (BCNT) is based on the historical performance of the Q-DApp and the terms and conditions the expert defines. For example, if a member has a portfolio worth $100, the performance of this Q-DApp generates 40% profit, and the Q-DApp charges 25% of the profit amount, then the amount (BCNT) transferred to Trading Reward Escrow is:

($100 * 0.4) * 0.25 = $10

(Results are expected across a given time period defined by the Q-DApp)

After the expected token amount (BCNT) is transferred to the Escrow, Bincentive's **patent protected Smart Trading Gateway** will execute the Q-DApp's trading signals on the member portfolio. Once the contract reaches the end of its duration, the exact fees will be calculated based on the true performance of the Q-DApp.

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Throughout this fully automated process, member resources are never accessed by the Bincentive System or trading experts, ensuring that their investments (crypto assets) are secure in their own hands. This is made possible by a combination of Bincentive's Smart Contracts and Smart Trading Gateway.

The system overview below helps to illustration the Bincentive ecosystem architecture, which consists of three main service components: Q-DApps, Smart Contracts, and the Smart Trading Gateway.

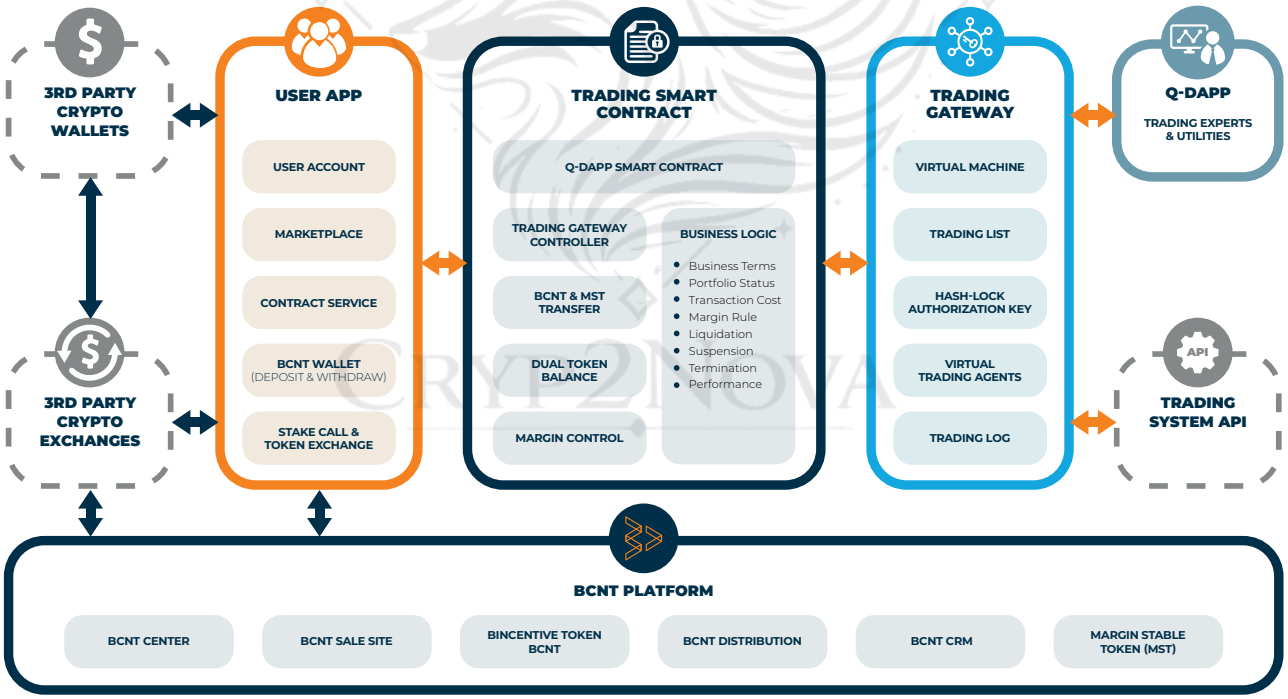


Figure 3: System Overview

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Q-DAPP (QUASI-DECENTRALIZED APP)

From the Bincentive perspective, expert traders, quantitative traders, and AI trading engines all fall into the same category of groups capable of providing crypto asset trading signals and retaining their trading intellectual property ownerships. We have defined this cluster as Q-DApps (Quasi-Decentralized App).

Q-DApps are key service modules in Bincentive ecosystem, acting similar to an App within the Apple AppStore or Android AppStore (Google Play). Bincentive works in much the same way. Developers (trading experts) configure their Q-DApps and add them on our platform which allows those experts to access a larger market of potential users (investment members).

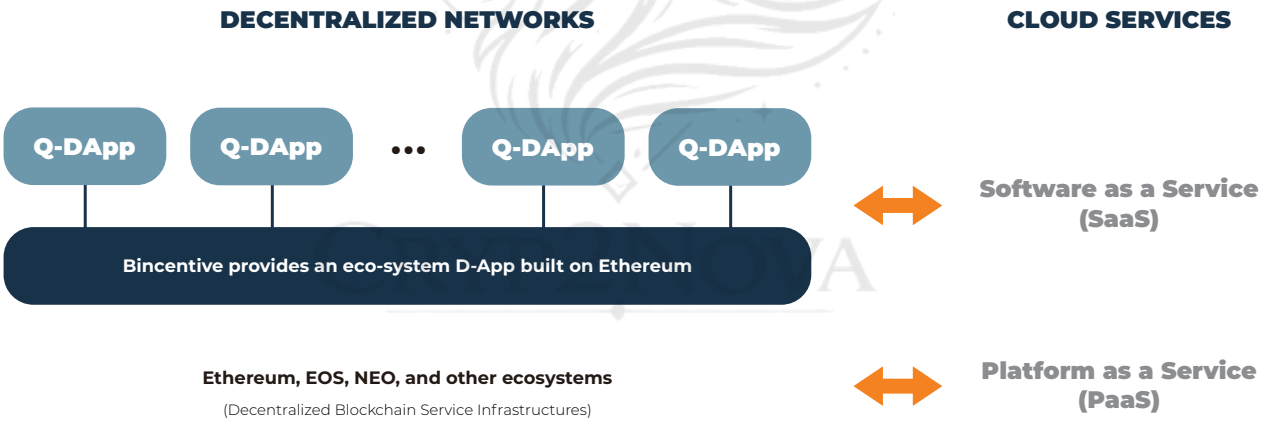


Figure 4: Quasi-Decentralized Apps used in Bincentive Quantitative Crypto Trading

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Trading experts (traditional traders, quantitative traders, and AI trading engine providers) can create various Q-DApps based on different trading strategies, reward policies, and business terms. These Q-DApps are verified through a qualification process and are fully tested before entering the Bincentive investment environment. Once in service, Q-DApps use the Smart Trading Gateway APIs which allow them to transfer signal commands to buy and sell members' crypto assets. Simultaneously, data on trading records are actively collected. As part of our profit sharing platform, investors that utilize these Q-DApps will also share in a portion of the earned profits.

DUAL TOKEN SYSTEM: BCNT & MST

To ensure that Q-DApp providers receive the service fees paid by members within Bincentive's ecosystem (defined by Q-DApp providers' performance and agreed-upon terms), members must purchase BCNT on the Exchanges to stake as service fees. BCNT has no other functions other than serving as service fee stake.

Think of the Bincentive ecosystem as an arcade machine: a member needs to first insert a token for a chance to win. Before subscribing to any Q-DApps, a member needs to first go to an exchange center to buy Bincentive utility tokens. In our case, this can be any crypto exchange trading Bincentive's token – BCNT. Alternatively, members can purchase BCNT directly from the Bincentive website.

Unlike an actual arcade where the value of a token is fixed, the value of BCNT will fluctuate with changes in the cryptocurrency market. After a member signs a contract with a Q-DApp and the agreed upon BCNT value is transferred to the Trading Reward Escrow using a trading smart contract, it is possible that the value of BCNT increases or decreases during the duration of the contract.

If members or Q-DApp providers prefer to avoid the risks associated with BCNT's value fluctuation, Bincentive offers an alternative token whose value is fixed to the BCNT value at the exact time of the agreement – **MST (Margin Stable Token)**. This way, both members and Q-DApp providers can avoid the risk of changing currency value due market changes.

Notes:

The MST value is tied to the value of the USD, however, it is only used internally by Bincentive and is not a tradable cryptocurrency.

When defining a trading smart contract, Q-DApps can decide whether to accept BCNT, MST, or both. If choosing to work with MST, BCNT will automatically be converted to MST at the signing of the contract.

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SMART CONTRACTS (MARGIN & TRADING)

Bincentive offers an automated service mechanism that provides a mutual trust system for member clients and Q-DApp providers (trading experts) in the mirror trading process. All mechanisms are built on Ethereum Smart Contracts, including our master BCNT Margin Smart Contract (for margin management) and trading smart contracts (for Q-DApps). The Master BCNT Margin Smart Contract controls reward deposit margin transfers among all member accounts and Q-DApp trading smart contracts under the dual token model.

Notes:

The margin contract is an ERC20 contract with added features such as ERC865. ERC865 serves two purposes: (1) Improve user, namely member, experience. With ERC865 users do not need to own any Ether in order to start investing. (2) Create a conversion between BCNT token and internal margin stable token (MST), an atomic and single-step operation which eliminates any need for a third party presence during the conversion.

Also, the BCNT margin smart contract and trading smart contracts are built as upgradable contracts from day one. More advanced features are expected to be added in the future.

Trading with smart contracts makes **correct and automated** processing of payments possible. In short, smart contracts are digital contracts built on blockchain technology. At their core, they provide the same purpose as traditional contracts: they act as a ledger where involved parties define the terms and conditions of an agreement. The strength of a smart contract lies in its ability to self-execute once it electronically determines the conditions are met.

In our case, Q-DApp providers define their own terms in customizable trading smart contracts. They tell Bincentive members the duration of time they will provide their automatic trading services and how much they expect to be compensated for their services.

Bincentive supports both pre-pay flat rates and post-pay profit sharing. If an expert trader chooses the latter option, the trading reward deposit shall be transferred from the subscribing member's account to an Escrow account within the trading smart contract. Trading reward payment will remain in Escrow until the terms of the contract are met.

When the smart contract reaches the end of its duration, trading reward payment is automatically triggered and the agreed upon amount is released from the Escrow to the respective parties.

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SMART TRADING GATEWAY

Where smart contracts make the automatic processing of transactions possible, Bincentive's Smart Trading Gateway automates the delivery trading signals from Q-DApps to the member's account (in exchange centers) via authorized trading API. This is the heart of the Bincentive ecosystem.

After a smart contract has been established between a Q-DApp and a Bincentive member, the Smart Trading Gateway will begin processing trade signals from the contracted expert through Q-DApp API integration. The Smart Trading Gateway will transmit these signals directly to the crypto exchange centers and make the corresponding trades with the member's account. This is made possible by allowing members to link their exchange accounts and Bincentive user account.

This system will be responsible for generating the trading logs and tracking strategy performance. It will also track the performance of each exchange – this is defined as success or failure to buy an asset. The Smart Trading Gateway will also collect data on transaction costs, allowing the trading gateway to have a view of trading results without revealing traders' strategies.

With the support of special service architecture in Smart Contracts and the Smart Trading Gateway, Q-DApp providers are able to provide mirror trading services without ever directly accessing member funds. Funds will always remain securely in members individual exchange accounts.

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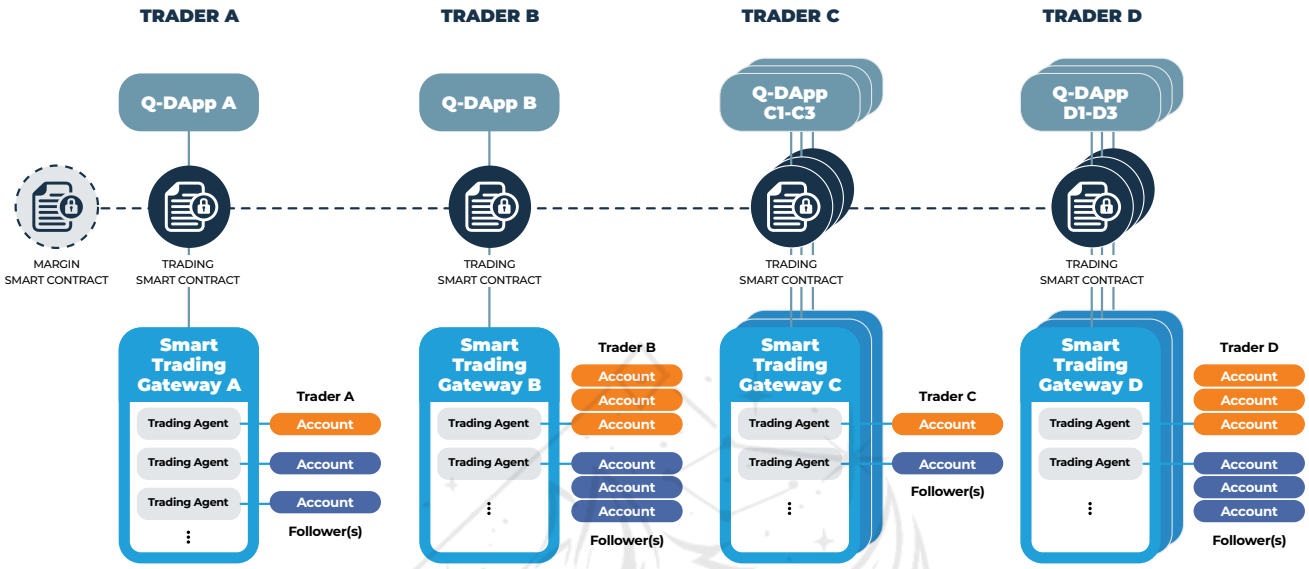


Figure 5: Q-DApp Crowd Trading

The above illustration presents the decentralized nature of the platform which allows each Q-DApp to have its own “Smart Trading Gateway”, through which trade signals and the individual member exchange account information is transmitted to the trading center of choice.

Each Q-DApp may also have multiple accounts with different exchanges. This may be due to certain exchanges having lower fees, geographic restrictions, or limited availability of currencies. Because of these complex factors, we have required each Q-DApp make trades through the Bincentive system.

Notes:

Trader C provides an example in which a Q-DApp may have multiple strategies for different currency trades. In this case, multiple Smart Trading Gateway segments will be generated for each strategy and the respective number of members mirroring Trader C.

Trader D illustrates a scenario in which a Q-DApp has multiple exchange accounts and multiple strategies.

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The one of a kind architecture provides independent account management, complete accuracy of data collection, unparalleled security, and investor control. Traditional investments methods such as hedge funds or crowd-investments involve pooling money into a single, centralized fund. This makes it difficult for an investor to withdraw, modify their strategy, or change their currency portfolio. Centralized systems come with the added issue of having a single point of failure, creating significant security concerns. Under the Bincentive infrastructure, members have complete control over their investment, which is supported by independent architecture. This provides members the flexibility to choose different strategies, different exchanges, or different portfolios, at any time.

This unique Bincentive infrastructure, along with the Smart Trading Gateway, are both patent protected.

3.2 GROUPS WITHIN THE BINCENTIVE ECOSYSTEM

There are three major entities represented in the Bincentive ecosystem:

- **Q-DApp Providers:** traditional trading experts, crypto quantitative traders, and AI trading engine solution provider
- **Members:** private investment clients seeking financial services of a Q-DApp providers
- **Exchanges:** partnered crypto exchanges

Each vital entity is interconnected through our Ecosystem, allowing for trust, transparency, and a secure platform to perform investment trades.

Q-DAPP PROVIDERS

Trading experts, Quantitative Traders, and AI Trading Engine providers **(Q-DApps)** desiring to join the Bincentive ecosystem undergo a comprehensive qualification process confirming their expertise and reliability. This process includes allocating a small sum of Bincentive resources to test the provider's Q-DApp strategies in real trades. The results of these tests will give members the ability to view historical investment data on the Q-DApp's success.

Upon successfully qualification, an initial investment of the Q-DApp on its own algorithm is executed. There is no minimum amount required, and is merely done to show the Q-DApp is successful enough to invest its own funds.

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When Q-DApps services are publicly launched, providers define their own remuneration terms and conditions that users need to agree on in order to mirror their strategies. The most basic of these terms include:

- **Minimum Investment Requirement**
- **Contract Duration**
- **Remuneration Type:** pre-paid flat rate or post-pay profit sharing
- **Remuneration Amount:** Paid in BCNT
- **Remuneration Currency:** BCNT or MST (Marginal Stable Token)
- **Member Reputation (Rating) Requirement**

Members considering a Q-DApp's services will refer to specific historical performance data generated during the qualifying tests. Upon employing a Q-DApps' service, data will be generated by the Q-DApp's performance records. All generated data is recorded on blockchain technology, ensuring transparency, trust, and reliability.

Information collected and shared with members include:

- **Service Period Time**
- **Volume Weight Average Return and Ratio (Accumulated & Recent Month)**
- **Sharpe Ratio (Accumulated & Recent Month):** Average of excess return / Standard deviation of excess return
- **Cost Analysis:**
  - Transaction Cost (Trading Exchanges, Smart Contract, BCNT/MST Exchange, & Stake Calls)
  - Failure Rate of Buy and Sell
  - Time Delay

Bincentive provides Q-DApps with an API allowing them to transfer direct signal commands for buying and selling crypto assets with investors. No further data is required, ensuring complete Intellectual Property protection for Q-DApp providers. For traditional trading experts, we provide a user friendly interface for manual inputs when initiating buying and selling trade signals. The Smart Trading Gateway goes further in allowing commands executed by financial experts to simultaneously execute for all following members with no signal delays.





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MEMBERS

New members are always welcome to join Bincentive, provided they have an existing account with their crypto exchange of choice. If purchasing BCNT through an exchange rather than purchasing directly from our website, users will also need to have an online cryptocurrency wallet in order to transfer funds to their Bincentive account.

When creating a Bincentive account, members have the choice of customizing their investment experience. Some options include:

- **Preferred investment level of risk**
- **Wallet and exchange account API keys**
- **Bincentive token preference:** BCNT or MST

Once a member account has been created, the member will need to purchase BCNT tokens in order to start trading. Users can acquire BCNT in one of two ways: (1) purchase BCNT directly from the Bincentive webpage or (2) purchase from any BCNT listed exchange center.

Members ready to make investments can begin by searching through the available list of Q-DApps and narrow down to the ones that best matches their risk profile. Filter functions will be available to assist in simplifying the process, these include:

- **Risk Tolerance**
- **Currencies Type**
- **Service Period**
- **Number of Followers (Members for each Q-DApp)**
- **Follower Average Performance**
- **Q-DApp Performance** – based on Q-DApp self-investment performance

When a suitable Q-DApp is chosen and smart contract has been approved (by both member and trading expert), expected fees, based upon estimated profit from historical data, will be transferred to the Bincentive Escrow. If members enter into contracts with a Q-DApp opting for a post-pay share of profits, the exact fees will be calculated and correctly distributed from Escrow (as defined in the trading smart contract). Fees can be higher if Q-DApp performance exceeds expectation. In this case, the system will activate a stake call for the member to deposit more reward tokens. Similarly, if the predicted fees surpass the actual calculated amount, members will be refunded the difference. If members do not make any profit, fees transferred to Escrow will be returned in full.

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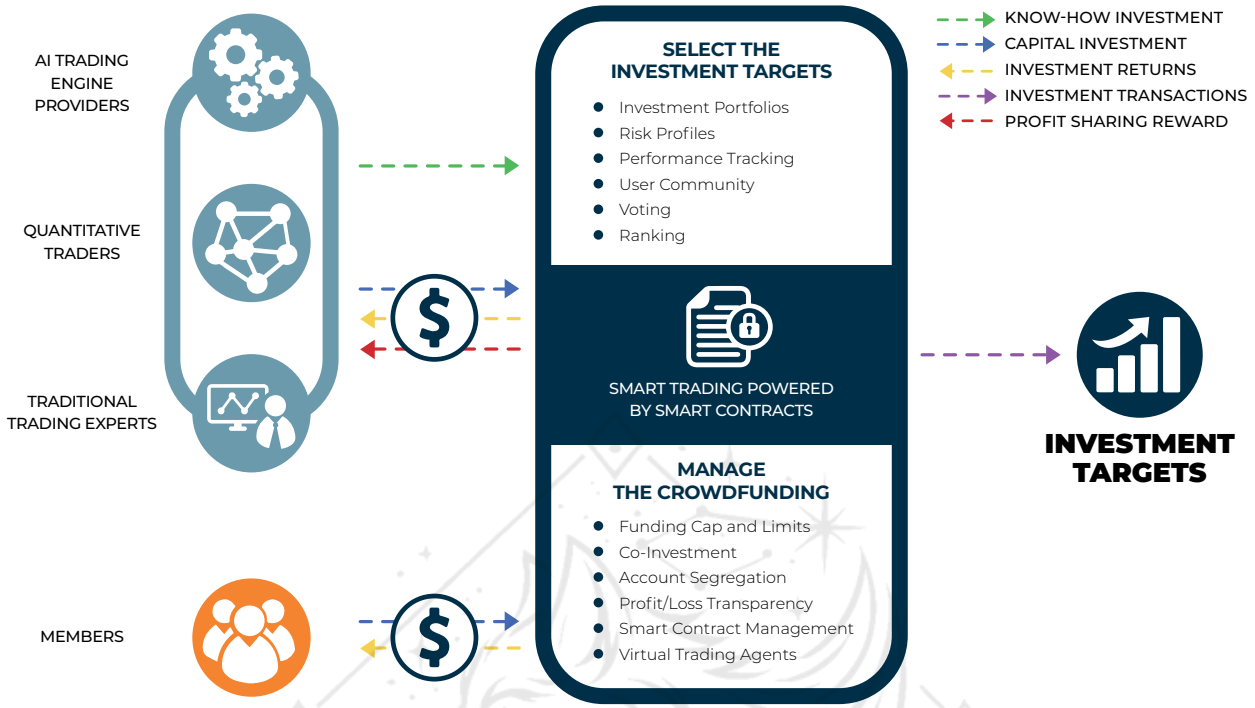


Figure 6: Crowd Investment Business Model

During the executing of the contract, members can view their personal trading performance with full transparency at any time. Members can also monitor trading performance of the Q-DApp's individual account, as well as other members following the same Q-DApp.

In addition to monitoring trading performance, members can also configure auto termination parameters, and cancel the contract at any time. If the Q-DApp decides on a post-pay profit sharing remuneration, the member will be returned an amount based on how much the Q-DApp earned up to the moment of cancellation. There are no penalties. However, if losses are incurred, all funds would be directly returned from Escrow in the trading smart contract.

While no monetary penalties are incurred when a member cancels a contract, it will be noted on his account profile. As with other profit-sharing platforms, Q-DApps can choose to reject members from accessing their services if the member reputation has fallen below acceptable threshold (due to frequent cancellations).

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EXCHANGES

Crypto exchanges seeking to take part in the Bincentive ecosystem will also undergo a security evaluation before becoming eligible to join. A particular emphasis will be on system architecture, stability and security. To uphold Bincentive's strict level of security and performance there will be a preference for exchanges that provide secured and stable transaction APIs for mirror trading and data verification (deposit and withdraw APIs are not required).

Bincentive will support as many exchanges as possible in an attempt to give members the flexibility to invest in any available cryptocurrency.

3.3 ESTABLISHING A COMMUNITY

Bincentive members also take an active role in shaping our ecosystem. A review system enables members to share their personal experience working with individual Q-DApps. Additionally, forums are available for members to share knowledge and trends. These information services will also be built on blockchain technology to ensuring unbiased and genuine information.

While we truly believe the Bincentive system has the power to change how investments are made on a global level, the strength of our system will be stem from the community within our ecosystem.

BCNT INCENTIVE PROGRAM

Bincentive also has a BCNT CRM system to support incentive programs that reward members, these include:

- **Performance Incentive:** A BCNT bonus will be offered to Q-DApps with good performance
- **Reputation Incentive:** A BCNT bonus will be offered to members with a great social reputation
- **Referral Incentive:** A BCNT bonus will be provided to members who refer new people to the ecosystem
- **Trading Incentive:** A BCNT bonus will be rewarded to users who trade in particularly large volumes

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3.4 TRADING EXPERT & MEMBER RECRUITMENT

Part of the challenge of creating an ideal trading environment is attracting the highest level of talent and ideal members. Here at Bincentive we have accomplished this by creating a stable ecosystem with ideal conditions for both trading experts and members to thrive and succeed in their investment goals.

RECRUITING TRADING EXPERTS (Q-DAPP PROVIDERS)

Bincentive utilizes four main approaches in the recruitment of trading experts to our ecosystem:

- **HatchQ:** Through our HatchQ program, rewards are given to top performing Q-DApp providers; this incentivizes the highest performing Q-DApp providers to join the ecosystem for a chance to earn those rewards
- **Partnerships with Exchange Centers:** Popular trading services and the largest Exchanges in all markets provide access to large population of potential Q-DApp providers
- **Collaboration with Crypto Quant Marketplace Providers:** Leveraging crypto quant marketplace for existing base of experts *(Companies such as Hyperquant, which utilizes crypto trading bots to provide members with investment advice, and e-Toro, which connect human trading experts with investors, have both established pools of potential Q-DApp providers)*
- **Referral Program for Mirror Trading Communities:** An incentive program for the Bincentive community to refer their favorite high-performing Q-DApp providers

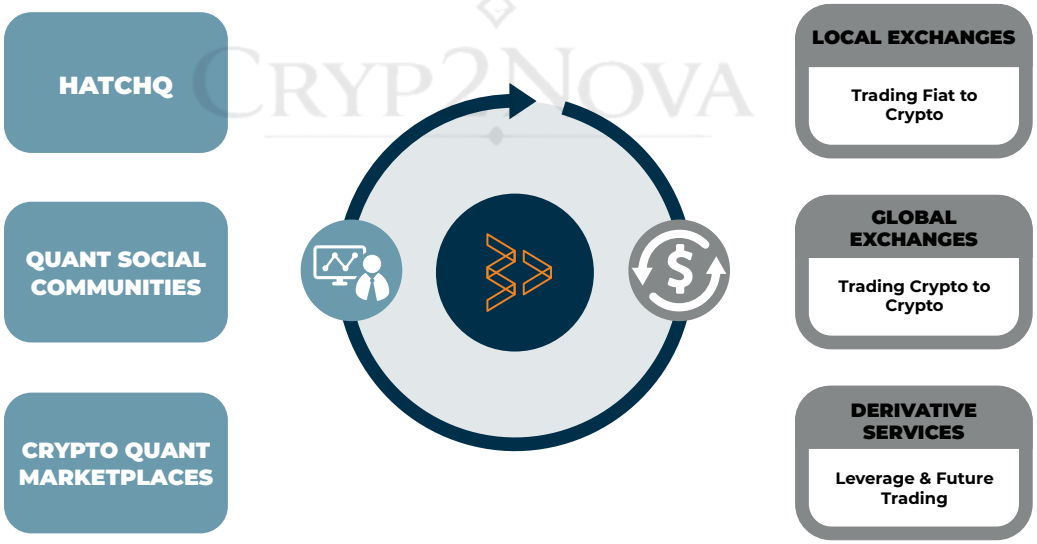


Figure 7: Potential Partners

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RECRUITING MEMBERS

To attract members or investors to the Bincentive ecosystem, we employ similar strategies that include:

- **Bincentive Member Referral Program:** Monetary rewards for users referring new members to the ecosystem
- **Joint Promotions with Crypto Exchanges:** Mutually beneficial marketing campaigns with existing crypto exchanges with existing pools of potential members
- **Engagement with Blockchain Communities:** Marketing within blockchain communities to promote the benefits of Bincentive services



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3.5 RISK MANAGEMENT & SECURITY

The success of Bincentive ecosystem relies heavily on risk management and information security. With the increasing threats of the cyber world, building a highly secure cryptocurrency platform is one of our chief concerns.

Bincentive has established a robust risk management framework to identify and address financial, legal/regulatory, technological, operational, business and strategic risks faced by the company. The Bincentive senior leadership group reviews the effectiveness of the firm's risk controls, and any breaches of risk tolerance or policies.

The cybersecurity and Risk Management framework has been established to implement the necessary procedures and tools in order to manage and mitigate cyber risks. This framework covers and strengthens the following domains:

- **Protection:** Internally developed and implemented safeguards ensure the delivery and integrity of critical infrastructure services including:
  - Network Segregation
  - Identity Management and Access controls
  - Deep Learning Malware Protection for Zero-Day Attacks
  - Intrusion Detection System (IDS)
  - Data Loss Prevention (DLP)
  - General Data Protection Regulation (GDPR)
  - Cryptocurrency Security Standard (CCSS)
- **Detection:** Our systems feature continuous security monitoring that identifies any cybersecurity event
- **Response:** In the unlikely event a cybersecurity intrusion occurs, our cyber threat unit takes immediate procedural action with incident management, escalation, and response to neutralize the cyber threat.
- **Recovery:** After the cyber threat has been neutralized, we immediately move into recovery mode; restoring critical infrastructure services impaired in a cybersecurity event. Our procedures include Business Continuity Management (BC/BCP) and Disaster Recovery (DR) setup
- **Anticipation:** Bincentive risk management and security teams are constantly looking for ways to anticipate emergent threats, and to proactively place counter-measures in before threats arise.

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4. BUSINESS MODEL

Our objective at Bincentive is not only to deliver a high quality Ecosystem and build a community based on trust and transparency, but to create a lasting platform that will grow and evolve with the changing market.

REVENUE STREAMS

Bincentive offers Q-DApps two options of receiving remuneration from members:

- **Post-pay profit sharing**
- **Pre-paid flat rate**

Bincentive also **charges Q-DApps a 30% fee** based on the profit the Q-DApp earns when completing a contract. For example:

- A Q-DApp decides to charge a 25% commission on the profits he earns a Bincentive member
- Q-DApp's strategy earns Bincentive member $200 (Gross Profit)
- Q-DApp collects 25% of $200 (Gross Profit)
- Bincentive takes 30% of this value

Bincentive will charge Q-DApps **only on contracts which deliver positive returns**. As the ecosystem increases in size, additional revenue will come from partnerships with exchanges; commission fees will be charged for trading transactions made through our system.

BUSINESS EXPANSION

While the current revenue structure is focused around personal funds for crypto assets, we have two major plans for expanding our business.

Our first expansion plan includes providing an alternative investment option defined as an **Escrow Mutual Fund** for crypto. In this model, members join a crowdfund where the total pool of funds is invested together, leveraging the large volume to drive lower trading fees.

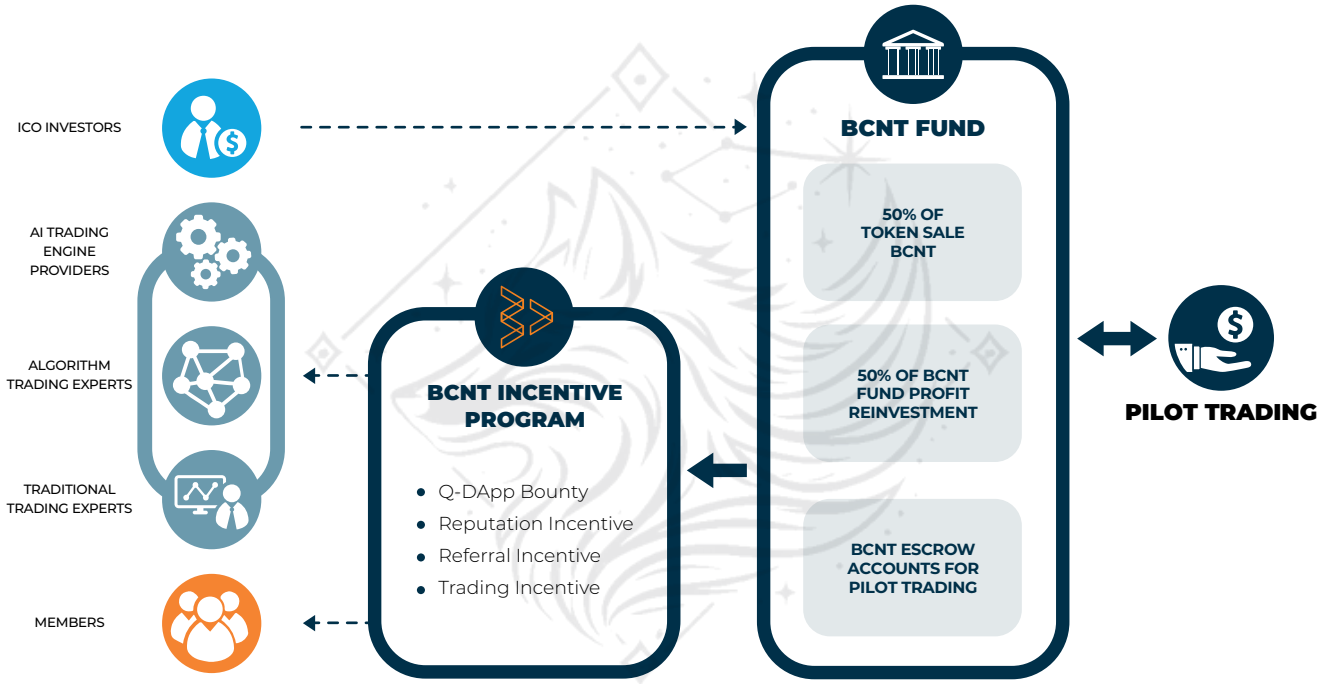
The second phase of growth is considerably more ambitious. Bincentive ecosystem expands to **include support for traditional financial products**. This allows opens opportunities to the $500+ trillion-dollar market of stock, futures, commodities, foreign exchange, and OTC derivatives. The process would be identical to crypto asset trading. Our crypto trading expert (Q-DApp provider) is synonymous with stock trading experts and the crypto exchange is equivalent to a commodity seller that facilitates trades.



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VALUE CREATION SYSTEM: BCNT FUND

Bincentive is an ecosystem; for its long-term growth and sustainability, it has to properly manage its economy and incentivize all entities within the ecosystem. Bincentive does not adopt traditional mining as incentive, instead, we use the **BCNT Fund (Marketing Fund)** to: **(1) recruit and test Q-DApp providers, (2) continuously generate profit for incentive programs, and (3) create momentum for growth of the Bincentive member community**.



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Figure 8: Value Creation System: BCNT Fund Management

The BCNT fund is initially derived from **37.5% of the total BCNT**. This marketing fund will be used as the seed money to grow the Bincentive ecosystem. A small portion of this resource will be allocated to the testing and qualification of new Q-DApps, pilot trading to generate performance data and guarantee the credibility of the approved Q-DApps. Additionally, this capital will provide funds for the growth of the BCNT Incentive Program as well. 50% of the total profit of the BCNT Fund will be used for purchasing BCNT from coin markets to supply these incentive rewards.

As the Bincentive ecosystem grows, another 50% of total profit of the BCNT Fund will be reinvested into the BCNT Fund for generating more marketing resources.

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5. BUSINESS LINE OF SIGHT

ROAD MAP

The figure below maps out our major milestones with expected completion dates:

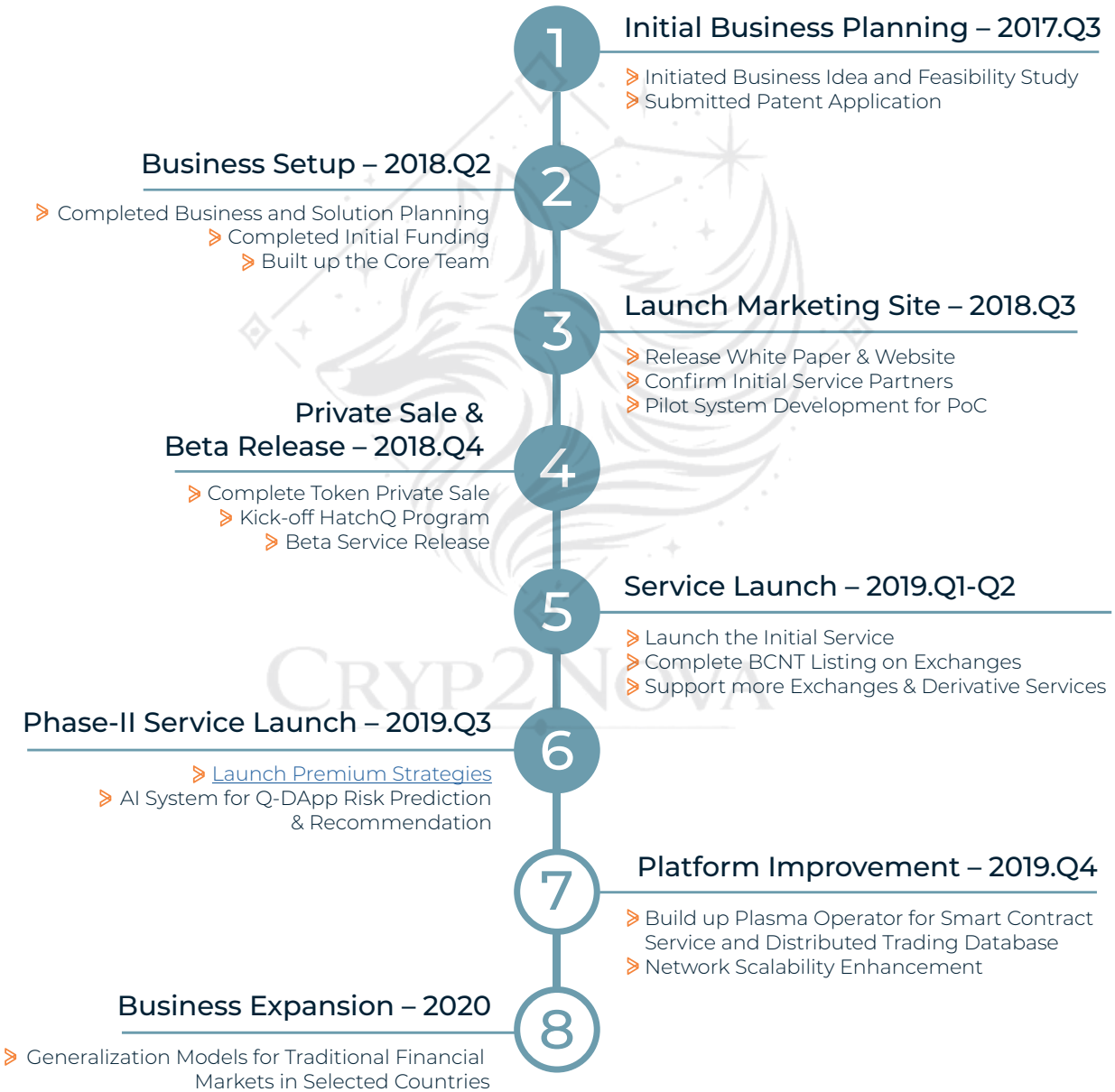


Figure 9: Bincentive Road Map

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6 MILESTONE 6: PREMIUM STRATEGIES

In Q3 2019, Bincentive will introduce premium strategies that will enable premier members to access, along with an insurance reserve, more investment options including tier-one crypto hedge funds. Read more about our premier exclusive service here.

7 MILESTONE 7: PLASMA OPERATOR FOR SMART CONTRACT AND DECENTRALIZED SMART TRADING DATABASE

One limitation to the two current largest block chains, Bitcoin and Ethereum, is the number of total transactions that can be processed at any given time. To circumvent this limitation **Ethereum Plasma**, a "derivative" blockchain connected to the "main" Ethereum chain, allows transactions to be completed within its own chain and only sends successfully completed transactions to the public Ethereum chain. As a result, **data processing speeds are increased** and **transactions costs are reduced**. In addition to efficiency gains, Plasma continues to provide the **same level of security** as its parent blockchain, Ethereum.

Smart contracts on Ethereum Plasma will have reduced transaction costs, scaled up service capacity, improved data processing speed, and enhanced security. Smart gateway trading data streams on Ethereum Plasma or EOS infrastructure solutions will also see the same benefits. Our aim is to have full implementation in **Q3 of 2019**.

8 MILESTONE 8: GENERALIZATION MODELS FOR TRADITIONAL FINANCIAL MARKETS IN SELECTED COUNTRIES

Bincentive hopes to launch phase 3 of our services by 2020. Phase 3 incorporates traditional security investments. The system would be functionally the same, with the exception that signals would be applied on security investments instead of cryptocurrency. More details regarding this will be available at a later date.

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6. TOKEN SALE

The Bincentive ecosystem and its utility token (BCNT) is based on the Ethereum blockchain. The distribution of BCNT will have three phases: private sale, pre-sale, and public listing. Participants seeking to contribute towards the development of Bincentive can do so by sending Ether currency to the designated address. Investors will receive their tokens after each successful stage. Bincentive will build a token sale whitelist, enrollment, and BCNT exchange service site for all investors after each selling stage.

Bincentive's token release will comprise of two token types, BCNT and BCNP. Advantageous pricing and early release of these tokens are outlined in the following:

The first token, BCNT, is the official mirror trading utility token. Members' desiring to participate in mirror trading services will need to purchase and withdraw BCNT using USDT on the Bincentive service website. Initially, BCNT is offered at a fixed USDT price until the completion of the token exchange listing (please refer to Bincentive's website for BCNT pricing).

Bincentive's second token, BCNP, is a premier token offered only during public pre-sale and as a reward airdrop token (please refer to Bincentive's website for BCNP pricing). BCNP is priced lower than BCNT to encourage token pre-sale, but does not offer a withdrawal exchange.

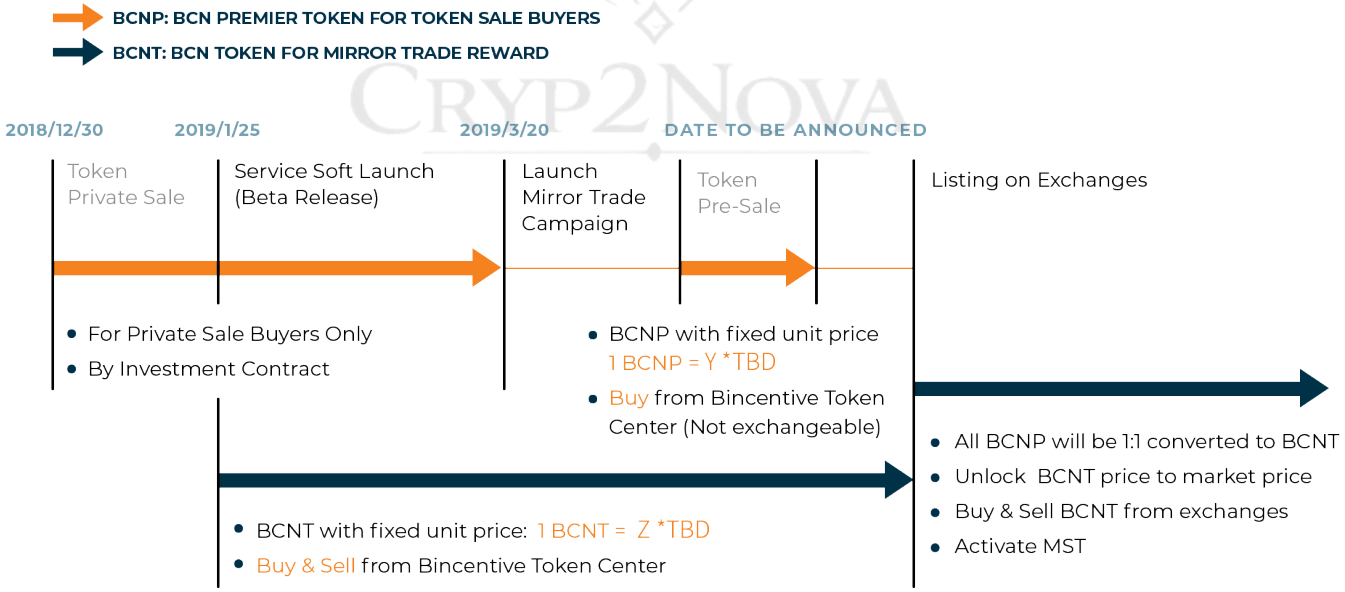


Figure 10: Dual Token Release Plan

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Upon completion of exchange listing, all presale BCNP will be automatically converted to BCNT at a 1:1 ratio. Trades of BCNT will occur on listing exchanges and price of BCNT will reflect market demand.

Bincentive's private token release sale is conducted in US dollars; formal subscription agreements are required to complete token sales. Private sale subscribers will need to complete transfer of subscription amount within the subscription defined deadline. The subscribed BCNT will be distributed to the private sale subscribers within two months after BCNT listing on exchanges.

6.1 BCNT ALLOCATION

BCNT will be distributed among the Bincentive team and token sale contributors in the following percentages:

- **25% of BCNT** will be held by the Bincentive initial investors, team, and partners
- **25% of BCNT** will be held by token sale contributors. (Potential Members)
- **50% of BCNT** will be reserved for the BCNT fund

BCNT for token sale contributors will be distributed across three phases: private token sale, pre-sale, and exchange listing sale. Bincentive will begin listing on different global exchanges in the next 5 years. BCNT sold during listing will be distributed gradually. The amount of BCNT that will be sold during each phase is as follows:

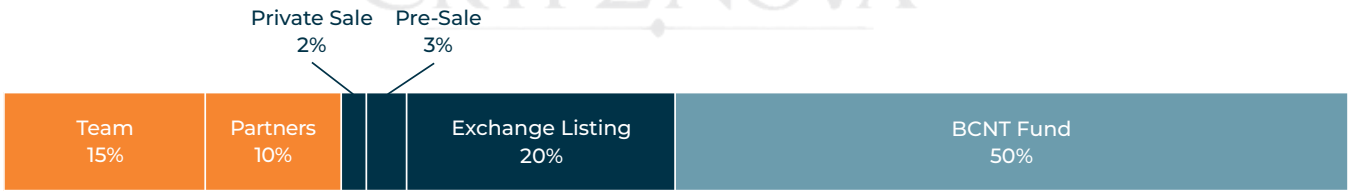


Figure 11: BCNT Token Distribution Plan

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6.2 TOKEN SALE PLAN

	PRIVATE SALE*	PRE-SALE	EXCHANGE LISTING
Fundraising Hard Cap	20,000,000 BCNT	30,000,000 BCNT	200,000,000 BCNT
Price	X *TBD	Y *TBD	INITIAL LISTING PRICE Z *TBD
Percentage	2%	3%	20%

** Private sale investors' tokens will be locked for 60 days after listing to exchanges, accruing interest as compensation.*

Table 1: Token Sale Plan

Unsold tokens will be reserved in BCNT Fund to support the Pilot Trading and Incentive Program.

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7. TEAM

7.1 BUSINESS MEMBERS



CHAO-MING CHO, PH.D.

FOUNDER & CEO

- Dr. Cho is a professional entrepreneur, collaborating with domain experts in Cloud Services, Big Data, Machine Learning, Deep Reinforcement Learning, Quantitative Trading, Crypto-currency Derivative Services, Blockchain (Smart Tokenization), and Smart Contract applications to provide innovative SaaS and FinTech services. He is also the Founder and CEO of Gridow Inc., an Enterprise Video SaaS provider, and RhemaTech Inc. Prior to establishing Gridow and RhemaTech, he was the EVP at AsiaCast (Broadband Satellite Internet Access provider).
- Ph.D., Digital Communications, Stochastic Model Detection and Estimation, Electrical Engineering Dept., State University of New York at Stony Brook, USA.
- Multimedia Cloud Application related patents (5) and Blockchain related patents applied (3)



JOHN LIU

VICE PRESIDENT, PRODUCT MANAGEMENT

- Mr. Liu is a senior professional with 15+ years of experience in quantitative trading, mobile app development, full stack service platform DevOps, blockchain applications, and ICO and crypto trading services. Prior to joining Bincentive, he was Senior Product Manager at Grace Intelligent Blockchain Co., Ltd, founder and CEO of two start-up mobile app companies, Fixed Income Trader at CDIB, Taiwan, and Trading Programmer at Grand Cathy Securities.
- B.S. Economics, National Taiwan University.



STEVE CHEN

VICE PRESIDENT, BUSINESS DEVELOPMENT

Steven serves as an expert voice on preserving wealth for multi-family offices and ultra high net worth clients and institutions around the world. He is previously the MD of UK top 100 hedge fund in UK for its entire Asian portfolio managing. He is also the Board Member of Platinum Circle and Global Asset and Wealth initiate (GAW).

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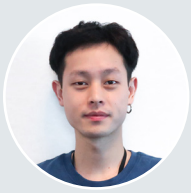
ZORA CHEN
DIRECTOR OF MARKETING



JASMINE CHANG
TRADER SUPPORT
TECHNICAL MANAGER



ANN TSOU
DIRECTOR, CUSTOMER SERVICE



KENNY WONG
TRADER SUPPORT
TECHNICAL MANAGER



JASON HSU
CLIENT COMMUNITY
TECHNICAL MANAGER

7.2 ADVISORS



SIMON CHANG
INVESTOR



HANK HUANG
COINFUL CEO



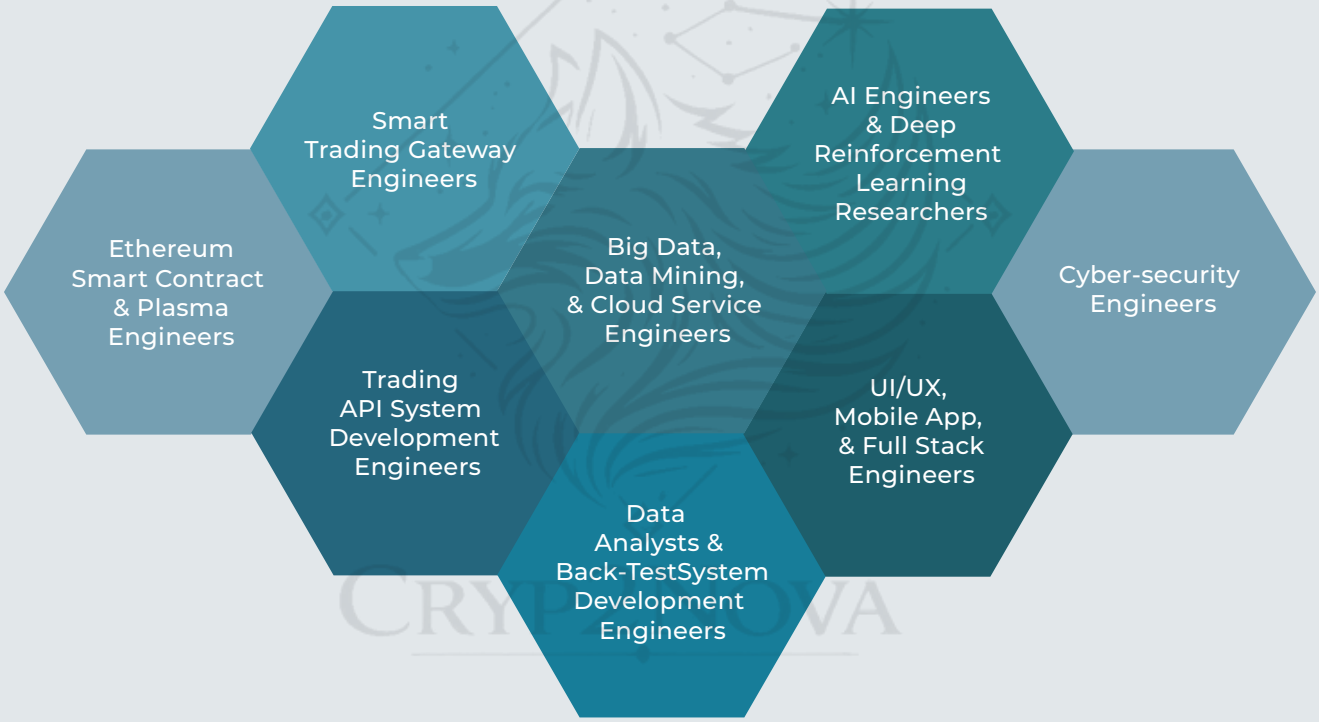
DAVID HUANG
CHAIRMAN, BITPOINT APEC



WILLE YANG
ELAND CEO

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7.3 ENGINEER TEAM



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4. e-Toro: https://www.etoro.com/en/popular-investor/

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