

Initial Exchange Offering of LEO Tokens

For Use on iFinex Trading Platforms, Products, and Services

05.08.2019

NOTE:

TOKENS WILL NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO U.S. PERSONS AND OTHER PROHIBITED PERSONS. SEE IMPORTANT CONSIDERATIONS ON PAGE 1 OF THIS WHITE PAPER.

TERMS OF PURCHASE ARE SET FORTH IN THE TOKEN PURCHASE AGREEMENT. THIS WHITE PAPER IS FOR INFORMATIONAL PURPOSES ONLY AND IS QUALIFIED IN ITS ENTIRETY BY THE TERMS INCLUDED IN THE TOKEN PURCHASE AGREEMENT.

CRYP2NOVA

Archived copy · cryp2nova.com

IMPORTANT CONSIDERATIONS

IMPORTANT: This document is confidential and by accepting delivery of this document, you agree to keep confidential all information contained herein. The document is a marketing document and is not intended to be legally binding. Nothing in this document shall be deemed to constitute a prospectus of any sort or a solicitation for investment, nor does it in any way pertain to an offering or a solicitation of an offer to buy any securities in any jurisdiction. The information in this document does not constitute a recommendation by any person to purchase LEO tokens or any other cryptographic token or currency and neither the Issuer (Unus Sed Leo Limited) nor iFinex Inc. has authorized any person to make any such recommendation.

Restricted Persons. The sale of LEO tokens is not directed at, and each purchaser of LEO tokens will be required to represent, among other things, that they are not: (a) a citizen, resident (tax or otherwise) of, a person located or domiciled in, or any entity organized in or owned by certain persons in (i) the United States (including any U.S. Person pursuant to the U.S. Securities Act of 1933 (as amended)), (ii) Canada, (iii) any jurisdiction listed by the Financial Action Task Force as high-risk or with strategic deficiencies; (iv) Cuba, Democratic People's Republic of Korea (North Korea), Iran, Pakistan, Syria, the Government of Venezuela or Crimea or (v) any jurisdiction for or in which the sale of LEO tokens, or any offer or solicitation in respect of LEO tokens, would require registration or licensing not obtained by the Issuer or otherwise would be unlawful or which restricts or licenses the activities of the kind that can be accessed or used with LEO tokens; or (b) a person under the age of 18 years (any such person falling under (a) and (b) a "Restricted Person"). In addition, each purchaser of LEO tokens will be required to represent that such purchaser is outside of the United States at the time of agreeing to purchase the tokens, was outside of the United States at the time any offers to sell or any offers to buy the token were reviewed, and will be outside of the United States at any time that such purchaser performs its obligations under the Token Purchase Agreement. Consequently, you must make your own assessment as to your ability to purchase LEO tokens pursuant to laws applicable to you and to confirm that you are not a Restricted Person. No registration or other action has been or will be taken in any jurisdiction that would, or is intended to, permit the sale of LEO tokens in any country or jurisdiction where registration or other action for that purpose is required. None of the Issuer or iFinex or any of their respective agents or representatives, is making any representation to any potential purchase of LEO tokens as to the legality of a purchase of LEO tokens by such purchaser under the laws applicable to such purchaser.

Purchaser Sophistication. LEO tokens are speculative and involve a high degree of risk and uncertainty The sale of LEO tokens is aimed solely at persons who have sufficient knowledge and understanding of blockchain and cryptographic tokens and other digital assets, smart contracts, storage mechanisms (such as digital or token wallets) blockchain-based software systems and blockchain or distributed ledger technology, to be able to evaluate the risks and merits of a purchase of LEO tokens and are able to bear the risks thereof, including loss of all amounts paid and loss of LEO tokens purchased. Potential purchasers must further make their own independent assessment, after making such investigations as they consider necessary, of the merits of, and their suitability for, purchasing any LEO tokens and should

Archived copy · cryp2nova.com

consult their accounting, legal and tax representatives and advisers in order to evaluate the economic, legal and tax consequences of purchasing LEO tokens.

Forward-Looking Statements. Certain statements contained in this document may constitute forward-looking statements or speak to future events or plans. Such forward-looking statements or information involve known and unknown risks and uncertainties, which may cause actual events to differ materially. No reliance should be placed on any such forward-looking statements or information.

Private Presentation. This White Paper is being delivered only to selected persons, and not through any general solicitation or general advertising. You may not, nor are you authorised to, deliver or disclose the contents of this document to any other person. No person is authorized to provide any information or to make any representation not contained in this White Paper or in the Token Purchase Agreement. No person or entity other than the Issuer is authorized to sell, resell, or distribute the LEO tokens on behalf of the Issuer, iFinex, or any of their affiliates. Purchasers of LEO tokens, or any interest therein, from any person or entity other than the Issuer are not entitled to rely upon this White Paper or the Token Purchase Agreement.

Risk Factors. Purchasing the LEO tokens entails risks and purchasers could lose their entire purchase amount. Certain risks are described in the Token Purchase Agreement.

CRYP2NOVA

Archived copy · cryp2nova.com

Table of Contents

- Abstract
- Introduction
- Why iFinex
  - Ethos - Unus Sed Leo
  - Strong foundations for a sustainable future
    - Our Collective
    - Independent Infrastructure
    - An Unrivalled Portfolio
      - Current Projects
      - Bitfinex
      - Ethfinex Trustless
      - Nectar
      - Forthcoming Projects
      - Bitfinex Derivatives
      - eosfinex
      - iFinex IEO Platform
      - A Licensed & Regulated Security Token Exchange
      - Dazaar
      - Betfinex
      - Digital Assets on Lightning Network
      - µFinex
  - A history of doing right by our customers
- The Ifinex Initial Exchange Offering
  - LEO Tokenomics
  - How to Participate
- Conclusion
- Contact

Archived copy · cryp2nova.com

Abstract

iFinex Inc. (iFinex), a privately-held financial technology company incorporated in the British Virgin Islands, operates virtual currency trading platforms under the business name Bitfinex, and provides numerous other cryptocurrency and cryptoasset-related products and services. This whitepaper introduces the initial offering of a new utility token, LEO, for use on Bitfinex and other iFinex trading platforms. LEO has been created with the iFinex and crypto community at heart and in mind. LEO presents a sizeable opportunity for existing iFinex users and those who wish to use iFinex's platforms and services. A special purpose subsidiary of iFinex intends to sell up to USDt 1 billion worth of LEO tokens.

This document will outline in detail why we proudly invite friends of iFinex who meet the qualification requirements included in the Token Purchase Agreement to purchase LEO tokens, what this entails, and how it is a natural extension of our community ethos.

Introduction

iFinex started its operations in 2012, initially operating under the Bitfinex brand, making it one of the longest-standing exchanges in the industry. Since then iFinex, through its trading platforms, has become one of the best-known and recognized companies in the cryptocurrency space with a community of passionate entrepreneurs, idealists and technologists that have together created one of the best growth stories in our industry.

Our guiding principle has always been innovation for progress. We are known for building industry first products and tools that accelerate the blockchain promise of freedom and scalability set out in the original Bitcoin WhitePaper, "Bitcoin: A Peer-to-Peer Electronic Cash System," released in 2008.

We also believe the best innovation and biggest progress comes from opening our doors to the community, which is why we are dedicated to education and open-source development within the cryptocurrency space.

Developing for innovation is a critical element of progress within cryptocurrencies, but driving adoption is equally important. We maintain that the best chance of increasing adoption of cryptocurrency is fiat currency cash flow—increasing the speed and ease by which fiat currencies can be exchanged for cryptocurrency in a legally-compliant manner. We do not dispute that the end goal of cryptocurrencies is to displace the place of fiat in our lives, but we believe that achieving these goals will only be possible after the ecosystem has

Archived copy · cryp2nova.com

developed and matured. Moreover, investment from outside the industry needs to reach the many vital projects that are working hard to improve and scale the technology.

For this reason, Bitfinex fights to defend the use of an independent fiat gateway. We are humbled and incredibly grateful that so many of our customers and community members share our approach and ethos and have actively supported us through times of adversity.

Here we share an opportunity to stand together, united in our vision for the future of crypto.

Why iFinex

Ethos - Unus Sed Leo

Our company motto, Unus Sed Leo, is a Latin citation from Aesop's fable, "The Sow and the Lioness." The fable (in short) details how a sow brags about how many children she has and then asks the lioness if she only had one child. The lioness replies "One, but a lion."

This ethos of quality over quantity and individual strength extends across several elements of iFinex, from being a privately-owned company to our recruitment and operational infrastructure. It is also an ideal that binds together persons linked to our company, from team members to shareholders, from communities to individual supporters.

Strong foundations for a sustainable future

Our ethos of independence and quality extends into the very fabric of our company, from our collectively individual team to our operational infrastructure.

Our Collective

CRYP2NOVA

The team has grown organically over the past seven years to a headcount of just over 100 people as of May 1, 2019. While we have been fortunate to attract hundreds of inbound applications per month—often without active roles advertised—we do not waver from our policy of quality over quantity. We only select those candidates of the highest calibre that share our passion and vision to lead the financial revolution.

Whilst the industry in which we operate is renowned for extreme and often unpredictable fluctuations, our core infrastructure remains the same. The combination of a highly motivated and hard-working team, with carefully-designed internal processes, has been the backbone of our success over the years. It has enabled us to comfortably and effectively adapt to differing levels of market demands despite housing a team a fraction of the size of some competitors.

Archived copy · cryp2nova.com

Our highly efficient structure has also meant that, during times of low market activity, we have not had to reduce personnel count. The best innovation requires the best talent, and reducing numbers would have stifled the development of industry leading products that keep us consistently at the forefront.

Much like the decentralised promise of blockchain, we strongly believe in the power of a distributed team. Operating remotely, scattered across the globe, we are stronger through our diversity. Having a hive of different minds from different cultures that can both challenge and collaborate with each other is the key to creating world class innovation.

We are as distributed as we are diverse, but we are all united under the same vision. We work together towards the same goal, we help and look out for each other, and we celebrate our success together without ego. We believe in what we do and grow together, never more so than in the face of adversity.

The Development Team

It often surprises people to learn that the iFinex development team comprises a mere 25 developers, as of May 1, 2019 (from 5 in 2016).

It is without exaggeration that we believe we have the most talented team in the world. This small collective is responsible for the sophisticated tools loved and used by our customers on a daily basis.

Encouraging a culture of experimentation and learning has led to product development from scratch that would otherwise have necessitated outsourcing, a process we avoid in order to ensure the highest quality of products and services. A good example of this is the forthcoming Bitfinex Derivatives platform, which has been completely designed and developed by the Bitfinex team. By keeping the development in house, we were able to match the unrivaled standards of the rest of the platform, creating a customisable, scalable, and reliable solution at a fraction of the cost of outsourcing.

Independent Infrastructure

Continuing our ethos of strength through independence, we have drastically limited the use of third party solutions, operating largely through self-built infrastructure. In January 2019, we migrated from Amazon Web Services onto a dedicated, self designed datacenter with premium hardware that is best suited to high volume trading. This is of fundamental importance for two key reasons:

- *Control*—Having control of the core infrastructure means we are able to design it to best suit the needs of our customers. It also keeps us in control of future hardware

Archived copy · cryp2nova.com

and software upgrades, so they can take place in a safe and efficient manner at convenient times according to market movements.
- *Trust*—Our dedicated servers are built to high safety standards and mean that our customers need to trust only us with their data, subject to applicable laws and standards. Including third parties, or storing data via the cloud, necessitates customers trusting unknown entities with their privacy.

We have also designed and built independent infrastructure to help our team provide the best service to our customers. Examples include:

- A new and more efficient KYC/AML/CTF/sanctions process, built as a standalone platform that can be reused across multiple projects.
- A streamlined ticketing/customer support center. Here we took an existing open-source solution and customized it according to our extensive customer inquiry experience while ensuring that we gave back to the original open-source repository with new code submissions.
- Advanced reporting tools that are open-source and have markedly more features available than comparable products.

An Unrivalled Portfolio

iFinex has proven itself as a home for innovation, with a diverse portfolio of products that adopt many different aspects of blockchain technology without compromising on quality.

Below is a summary of iFinex's significant markets and products, as well as a brief look at projects in our pipeline:

Current Projects

Bitfinex

Founded in 2012, Bitfinex is a cryptocurrency trading platform providing advanced services for digital currency traders and liquidity providers. Bitfinex is one of the world's most advanced cryptocurrency trading platforms, and one of the largest exchanges by volume for trading bitcoin against the U.S. dollar. For the 24 months ended March 31, 2019, Bitfinex had the largest share of such trading as reported by data.bitcoinity.org.

Ethfinex Trustless

Ethfinex Trustless was the first product developed and launched using on-chain settlement and enabling self-custodial trading, whilst at the same time directly linking into the Bitfinex order-books. With full control of assets, no deposits and withdrawals, and a direct connection to the Bitfinex order books, it has become one of the largest exchanges making settlements on the Ethereum blockchain.

Archived copy · cryp2nova.com

Nectar

Nectar (NEC) was one of the first examples of an exchange native token. It was created as part of Ethfinex's path to decentralisation, providing those that contribute to the platform with a proportional stake in the long-term success of the exchange.

Forthcoming Projects

Bitfinex Derivatives

From its expected June 2019 launch, qualified Bitfinex account holders will be able to trade a new hedging product through a derivatives wallet. The product will have USDt-based collateral (unavailable in the rest of the market), up to 100x leverage and isolated margin for individualized risk level.

eosfinex

eosfinex is the first exchange project built on EOS.IO software, and also the industry's first fully on-chain, fully transparent and scalable exchange ecosystem. It is currently available in beta with the full exchange due to launch in June 2019.

iFinex IEO Platform

The iFinex IEO platform will allow qualified persons with a Bitfinex or Ethfinex account to contribute to pre-vetted token sales directly from her personal exchange wallet. Projects that successfully raise capital on this platform are subsequently listed on the two exchanges, as permitted by applicable law, and token sale participants receive their subscribed tokens in their exchange wallets. The first token sale is scheduled for June 2019.

A Licensed & Regulated Security Token Exchange

This venture will introduce an exchange platform combining the existing securities market with the distributed ledger technology ecosystem, under the regulations emerging from some of the world's most important financial hubs. Through the digitization of securities, the exchange will be designed to bring liquidity and transferability to assets. It will allow wider investor audiences to partake in previously inaccessible opportunities and brings wholly new assets to market. This exchange will only be available to customers permitted under applicable regulations and will not be available to U.S. customers.

Dazaar

Dazaar is conceived as the next generation marketplace, enabling anyone to share and retrieve large data sets on a decentralised, open-source, free, and encrypted network, without

Archived copy · cryp2nova.com

borders. This not-for-profit venture will be open to anyone and easy to extend. It is scheduled to launch within the coming months.

Betfinex

Betfinex will use Bitfinex technology to build what may be the most secure, performant, cost-effective, and user-friendly and legally-compliant betting exchange in the world. It will combine state-of-the-art betting APIs with high performance physical hardware to set new standards in betting exchange connectivity. Offering superior connectivity in tandem with industry-leading matching technology will, for the first time in online betting, provide customers with an experience comparable to that of a low latency FX exchange.

Digital Assets on Lightning Network

Lightning is a decentralized network using smart contract functionality in the blockchain to enable instant payments across a network of participants. iFinex has joined with a number of other companies and individuals to help develop and finalize the support for digital assets on Lightning Network. Ideally, digital assets developed and introduced by iFinex, including the LEO token, will be among the first digital assets launched on the Lighting Network.

µFinex

µFinex will be a modular and fully open-source framework of tools, libraries, and protocols that will be available for download and use. It will be a pure P2P ecosystem of instruments designed to be used for exchange and, eventually, for derivatives products. Our objective is that µFinex tools, libraries and protocols will be extremely lightweight and capable to run on any hardware (from Raspberry PIs to mainframes). This project is the ultimate form and vision for the iFinex ecosystem.

As with any business plan, the foregoing projects are subject to change without notice and may not be implemented as described or at all. Further information about current projects of iFinex entities can be found at bitfinex.com/rm-2019-05.pdf . Neither this information nor any other information available at www.bitfinex.com is or forms a part of this white paper.

Significant Commercial Success

iFinex has been a highly profitable entity. It has proven its business acumen through enviable commercial results and has remained profitable irrespective of market fluctuations.

The following tables set forth selected consolidated financial data of iFinex for the years ended December 31, 2017 and 2018. Financial data are unaudited, presented in U.S. dollars, and have been derived from our accounting records, but have not been prepared in accordance with the generally accepted accounting principles of any jurisdiction. Instead, information is presented in accordance with principles, and reflects all adjustments necessary in the view of iFinex, for the fair statement of results of operations for these periods. Historical results are not necessarily indicative of our results in any future period. Furthermore, these consolidated results are not

Archived copy · cryp2nova.com

indicative of the financial position of the LEO token issuer, which is a newly formed entity with limited assets and no business operations.

	2017	2018
Gross Profit[1]	333.5M	418.2M
Expenses	6.8M	14M
Net Profit	326M	404M
Team Size	35-60	60-90
Dividends to Shareholders[2]	245.959M	261.669M

A history of doing right by our customers

Our 'Unus sed leo' ethos means we stand and move boldly and bravely, doing everything in our power to do right by our customers and the community at large in the face of adversity.

Bitfinex Hack

On the 2nd August 2016, Bitfinex suffered a hack, depleting the exchange of 119,756 BTC. To call this a huge loss is a gross understatement, and many exchanges would—and in similar circumstances did—throw in the towel in the face of seemingly insurmountable odds. Instead, the entire Bitfinex team remained united and worked together to find a solution to both save the platform and make everyone whole in under a year.

Bitfinex took a unique approach, allocating the losses across all accounts and crediting specially-designed BFX tokens to customers at a ratio of 1 BFX to 1 dollar lost. Bitfinex honoured its commitment to repay the losses. Within eight months of the security breach, all BFX token holders had their tokens redeemed at 100 cents on the dollar, or had exchanged their tokens, directly or indirectly, for shares of the capital stock of iFinex Inc. All BFX tokens were redeemed and destroyed through this process.

Additionally, Bitfinex created a tradable Recovery Right Token (RRT) for BFX holders that converted BFX tokens into shares of iFinex. The benefit to RRT holders was that, in the event of any retrieval of the stolen property, and after any outstanding or unconverted BFX token holders

[1] Includes revenues consolidated in accordance with iFinex accounting principles, including revenues derived from the operation of Ethfinex, which will be excluded from the calculation of gross revenues for iFinex's repurchase commitment.
[2] Dividends distributed refers to the quarters in which revenues generating dividends were accrued. LEO tokens are not capital shares or other interests in iFinex and are not entitled to any dividends.

Archived copy · cryp2nova.com

had been reimbursed, recovered funds would be distributed to RRT holders, at up to 1 dollar per RRT.

Bitfinex continues to pursue multiple strategies for recovery. It is collaborating with law enforcement to track and seize the stolen Bitcoins as soon as they reach any exchange or business. This approach bore some fruit in February 2019,[3] when Bitfinex was able to restore almost 28 BTC, thanks to ongoing collaboration with the U.S. government. In addition, the company is working with industry leaders to create a procedure to offer the hacker the chance to safely and privately refund the majority of the stolen funds while keeping a percentage of them as reward for collaborating in finally resolving this issue. There can be no assurance that these or any other strategies will be successful.

Crypto Capital

In early 2015, Bitfinex established a relationship with a payment processor known as Crypto Capital. Bitfinex strengthened its relationship with Crypto Capital in the immediate aftermath of a service disruption initiated by a U.S. correspondent bank. In late summer 2018, Crypto Capital represented to Bitfinex that funds in its custody had been the subject of a partial government seizure, although they were expected to be released shortly. By the end of 2018, Bitfinex grew concerned that Crypto Capital might fail to return funds held there, and began negotiating a credit facility for a secured, revolving line of credit on commercially-reasonable terms.

BitFinex is actively working in various jurisdictions around the world to expedite the return of these funds, and is confident in the future success of these efforts, although there is no certainty that BitFinex will be able to recover these funds. Nevertheless, the credit facility provides a stop-gap measure in order for Bitfinex to cover operational shortfalls.

The Ifinex Initial Exchange Offering

The summary below describes the principal terms of the LEO tokens. Certain of the terms and conditions described below are subject to important limitations and exceptions. Prospective purchasers should review the entire Token Purchase Agreement, available from the Issuer, including the risk factors stated therein. The summary below is qualified in its entirety by reference to the actual text of the Token Purchase Agreement. Capitalized terms not defined herein shall have the meaning ascribed to such term in the Token Purchase Agreement.

ISSUER	Unus Sed Leo Limited, a British Virgin Islands company limited by shares, formed for the purpose of issuing LEO tokens.

[3] See Bitfinex recovers part of the stolen BTC https://medium.com/bitfinex/bitcoins-returned-to-bitfinex-by-u-s-government-51fe84e8bb12. The linked information is not a part of this white paper.

Archived copy · cryp2nova.com

TOKEN	LEO, a utility token at the heart of the iFinex ecosystem.
PURCHASER ELIGIBILITY	As set forth in the Token Purchase Agreement.
PURCHASE PRICE	1 USDt per Token. The Issuer may accept other forms of consideration in its discretion.
LISTING	Bitfinex will open a LEO:USDt market for peer-to-peer trading following the conclusion of the sale of tokens.
MAXIMUM AMOUNT OF SALE	Issuer may sell a maximum of USDt 1 billion worth of LEO tokens.
USE OF PROCEEDS	Proceeds may be used for working capital and general business purposes, including capital expenditures, operating expenses, repayment of indebtedness and other recapitalization activities.
SALES DOCUMENTATION	Purchase and sale of the LEO tokens shall be on the terms and conditions set forth in a Token Purchase Agreement.
TOKEN DISTRIBUTION	Up to 1 billion Tokens will be issued by the Issuer. The Tokens will be sold in a private offering outside of the United States without the means of general solicitation or general advertising. Any Tokens that remain issued may be sold in the manner and times determined by the Issuer in its sole discretion.
LOCK-UP	None.

CRYP2NOVA

Archived copy · cryp2nova.com

COMMERCIAL USES	Reductions of fees and other discounts on BitFinex and EthFinex, as described more fully herein, as well as similar fee reductions and/or other features and benefits for future iFinex trading platforms, products, and services.
REPURCHASE AND BURN COMMITMENTS	• On a monthly basis, iFinex and its affiliates will buy back LEO from the market equal to a minimum of 27% of the consolidated gross revenues of iFinex (exclusive of Ethfinex) from the previous month, until no tokens are in commercial circulation. Repurchases will be made at then-prevailing market rates. LEO tokens used to pay fees may also be used to satisfy this repurchase commitment. • In addition to the above, an amount equal to at least 95% of recovered net funds from Crypto Capital (described more fully herein) will be used to repurchase and burn outstanding LEO tokens within 18 months from the date of recovery. • Further, an amount equal to at least 80% of recovered net funds from the BitFinex hack will be used to repurchase and burn outstanding LEO tokens within 18 months from the date of recovery.
TAX CONSEQUENCES	Prospective purchasers should consult their tax advisers as to the tax consequences of participating in the distribution and owning, using, and transacting in LEO tokens.

LEO Tokenomics

Burning

On a monthly basis iFinex and its affiliates will buy back an amount of LEO from the market equal to a minimum of 27% of the consolidated gross revenues of iFinex from the previous month, in perpetuity until no tokens are in commercial circulation. Repurchases will be made at

Archived copy · cryp2nova.com

then-prevailing market rates. LEO tokens used to pay fees may also be burned. This excludes Ethfinex and its sub-products, as Ethfinex launched a native platform token (NEC) in 2017, to which part of its revenues are already allocated.

In addition to the standard burning periods, based on company revenues, iFinex will have the following additional burning events:

Recovered funds from Crypto Capital

- iFinex and its subsidiaries will use an amount equal to 95% of the recovered net funds from Crypto Capital (described above) to redeem and burn a corresponding amount of outstanding LEO tokens. Net recoveries will be calculated by iFinex in good faith and will be net of legal costs, operational and recovery costs, governmental charges, and reserves for contingent costs.
- iFinex and its subsidiaries may make repurchases in multiple transactions over time in its judgment so long as it completes the repurchases within 18 months from the day of the recovery. For example, if iFinex recovers $250m by October 2019, the deadline for the relative repurchase / burning commitment (of $250m LEO equivalent) will be April 2021. It is expected that smaller recovered amounts would be utilized for repurchases within a shorter time frame but that larger recoveries may be utilized throughout the 18-month period to offer protection from sudden market spikes and will result in a Volume Weight Average Price (VWAP).

Recovered Bitcoins From the Bitfinex Hack

- iFinex and its subsidiaries will use an amount equal to at least 80% of the recovered net funds from the Bitfinex hack (described above) to repurchase and burn outstanding LEO tokens. Net recoveries will be calculated by iFinex in good faith and will be net of RRT redemptions, legal costs, operational and recovery costs, governmental charges, and reserves for contingent costs.
- iFinex and its subsidiaries may complete the repurchase/burning commitment (of such amount) within 18 months from the date of the recovery. This period offers protection from sudden market spikes and will result in a VWAP. For example, a partial recovery of 60,000 BTC at the current market price (1 BTC = approximately $5,000), would bring in $300m. After deducting $30m (for the current outstanding RRTs), $270m would remain. Assuming that $270m was recovered net funds, iFinex would use at least 80% (i.e., at least $216m) to burn LEO tokens.

Utility

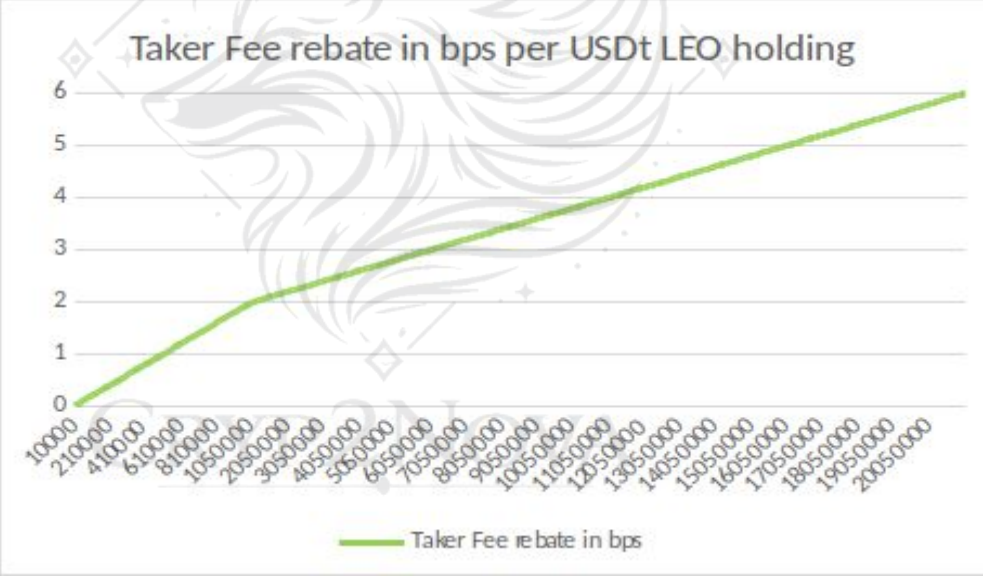
LEO will be the utility token at the heart of the iFinex ecosystem. Token holders will experience benefits across the entire portfolio and are expected to obtain benefits from future projects, products, and services, whether or not detailed within this white paper.

Archived copy · cryp2nova.com

Initial benefits[4] available to LEO token holders include:

BITFINEX TAKER FEE REDUCTION

- All levels of LEO holders' taker fees will be reduced by 15%[5] over all crypto-to-crypto pairs (including crypto-to-stablecoin).
    - Taker fees will be reduced by an additional 10% over all crypto-to-crypto pairs (including crypto-to-stablecoin) for traders with on average > 5,000 USDt in LEO tokens in their account during the previous month (calculated using every day in the month).
    - LEO holding traders can also reduce taker fees by up to 6bps (=0.06%) on all trading pairs (including crypto-to-fiat), to a floor of the minimum taker fee of 2.5bps. For LEO holdings valued =< 1m USDt (on average) in the previous month, taker fees are reduced by 0.02 bps per 10,000 USDt increment. For LEO holdings valued above 1m USDt (on average) in the previous month, taker fees are reduced by 0.01bps per 50,000 USDt increment. The maximum taker fee reduction is thus reached at holding of 21m USDt in LEO (on average) in the previous month. Any reduction resulting in a taker fee below the 2.5bps minimum will not be applied. (Monthly averages are calculated using every day in the month.)



    - Up to 25% of trading fees will be deducted first in LEO, if the trader holds LEO tokens.
    - Traders can buy any fee tier in LEO for 30 days, for an amount of LEO equal to 75% of the delta between the average fees that would be generated in one month by that tier and the current trader tier, in USDt equivalent. Once 30 days has passed, the normal fee schedule will be applied.

[4] iFinex reserves the right to implement all described fee reductions and discounts within 3 months of the closing of the LEO token sale.
[5] Reduction applies to all Bitfinex and Ethfinex fees.

Archived copy · cryp2nova.com

    - Fee reductions are subject to change in Bitfinex's discretion due to changes in fee schedules or otherwise.

BITFINEX LENDING FEE REDUCTION

- P2P financing lenders will get a fee discount equal to 0.05% for every 10,000 USDt in LEO tokens held (on average) in the trader's account during the previous month (calculated using every day in the month).
- The maximum discount is capped at 5%.
- Fee reductions are subject to change in Bitfinex's discretion due to changes in fee schedules or otherwise.

BITFINEX CRYPTO AND FIAT WITHDRAWALS AND DEPOSITS FEE DISCOUNT

- LEO holders will receive up to a 25% crypto withdrawal and deposit fee discount.
- Holders of > 50m USDt worth of LEO tokens (on average) in the previous month (calculated using every day in the month) are able to withdraw 2m USD fiat per month without additional fees. Also, the additional fee will be reduced to 2% (instead of 3%) on any withdrawal above 2m USD fiat monthly.
- Fee reductions are subject to change in Bitfinex's discretion due to changes in fee schedules or otherwise.

BITFINEX DERIVATIVES TAKER FEE REDUCTION (FORTHCOMING)

- Taker fees will be reduced by 0.01 bps for every 10,000 USDt in LEO tokens held (on average) in the trader's account during the previous month (calculated using every day in the month). The maximum discount is capped at 2bps.
- Fee reductions are subject to change in Bitfinex's discretion due to changes in fee schedules or otherwise.

OTHER IFINEX TRADING PLATFORMS, PRODUCTS, AND SERVICES

- eosfinex will make similar discounts available for holders of LEO tokens.
- Future iFinex trading platforms, products, and services expect to make similar fee reductions and/or other features and benefits available to LEO token holders.

How to Participate

By receiving this whitepaper you are part of an exclusive cohort personally invited to participate in a private token sale.

The private token sale will take place until **2019-05-11**. If fewer than 1 billion USDt tokens are sold by private token sale, the Issuer may thereafter sell remaining tokens at times and in a manner it deems appropriate in its sole discretion, consistent with applicable law.

To register your interest please contact **leo@bitfinex.com**.

Archived copy · cryp2nova.com

Conclusion

We hope this whitepaper has done justice to the exciting opportunity ahead of us.

We are truly humbled by the ongoing support from the community and the strength of belief in iFinex. We remain united and strong and, through our first IEO, we welcome our friends to join us as we grow.

As ever, we promise to continue to drive innovation for progress, relentlessly pursue quality, and, above all else, do right by the community.

Unus Sed Leo.

Contact

leo@bitfinex.com

CRYP2NOVA

Archived copy · cryp2nova.com