



Velareum P2P Exchange

<https://www.Velareum.com>

Whitepaper
V 2.0

Table of Content

Introduction	3
Problems	3
Solution	3
Product	5
Velareum ERC20 ICO/STO Counter	5
Velareum P2P Exchange	6
Benefits	6
Cryptocurrency P2P Exchange Market	7
Revenue Model	8
Platform Value Proposition	8
Velareum Stable Coin (VELS)	9
Trust	9
Proof-of-Solvency	9
Creation, Redemption and Transfer	10
Allocation	10
ICO	10
ICO Roadmap	10
Burn	11
Decentralized Exchange	11
Management Team	11
Market Risk Examples	11
Risks	12
Security is Paramount	12
Market Competition	12

Introduction

Velareum is P2P cryptocurrency exchanges that allow individuals to buy and sell cryptocurrency peer to peer in a safe environment. The platform connects buyers and sellers through an escrow system that is safe, enabling platform users to buy and sell cryptocurrency fast. The Velareum platform supports the widest possible payment methods, and users can transact using more than 50 of the world's common languages.

Importantly, Velareum is an ICO trading tool that features a dedicated ICO tokens counter. Any active ICO can list its tokens on this counter for users from every country to participate (as long as the local statutes, laws and regulations allow).

Because of these unique features of the Velareum exchange, it is projected to be most profitable just two years after its launch.

The Velareum platform is powered by the Velareum Stable Coin (VELS). Holders of the token have a raft of benefits that include using the coin to take part in the ICO that the platform will list. In addition, Velareum has put up an ICO benchmarking platform. As such, individuals can list and advertise their projects here using the VELS coin.

Problems

- ❖ Certain restrictions keep ICO tokens away from investors in certain locations
- ❖ Major centralized exchanges have all experienced hackings or hacking attempts at some point. As such, most users have little trust for these exchanges.
- ❖ Major exchanges levy many charges on deposits and withdrawals. The levies raise the cost of exchanging crypto.
- ❖ All major cryptocurrency exchanges only operate in English and a few other major languages.
- ❖ Exchanges have compromised their security because they store coins within their platforms.

Solution

There are two areas to the Velareum P2P Platform:

Solution 1:

Velareum P2P Exchange

Users on Velareum platform can exchange cryptocurrency for fiat and vice-versa. The platform charges a flat withdraw fee for the amount deposited; all other succeeding transactions is free.

Further advantages are

- **Unique escrow arrangement.** The Velareum P2P Exchange platform brings more convenience and safety in the P2P cryptocurrency trading industry. Velareum incorporates a unique escrow arrangement that protects both the seller and buyer ensuring that everyone can trade worry-free.

- **Trade in a language of their choice.** Velareum give traders the ability to trade in a language of their choice, making the process easy to understand. As the Velareum platform uses static content, the webpage can be translated into various languages and will only need updating periodically. For now - when a person requires a language other than English, they simply select the language of choice and the web page is automatically translated for them as Velareum has integrated Google translator on the back-end, however after the ICO Velareum plans to use in- house translators.
- Buyers and Sellers set their price.
- Buyers and Sellers can trade in their local currency.
- **Private.** Our P2P exchange site offers high resistance to transaction censorship and is private, secure and cheap to use. Because you are connecting to another person via P2P on our site, your transactions are made in a private and secure way that gives you peace of mind.
- **Trade cryptocurrency locally.** We provide the fastest and easiest way to buy and sell cryptocurrency locally, with a reputation-based system and arbitration.
- **You decide.** Create your own trade based on the amount of cryptocurrency you want to buy or sell, your country or region and payment method.
- **Transactions completed in minutes.** Velareum P2P Exchange makes the payment process automated; now you don't have to wait for days to receive your Crypto Currency or Money from your buyer. Make the transaction through Velareum and it will be completed in minutes.
- **Decentralized Network.** P2P transactions mean you are connecting directly with other digital currency or cash owners to share digital content. There is no central server, just distributed "nodes" sharing information and files. If one server goes down then your transaction is secure as it does not reside on one server, rather distributed over the network.
- **Secure transactions.** The Velareum Exchange allows secure transactions as all payments are verified before being released from escrow. This means we do not store cryptocurrency and as a result, there is no fear of hacking.
- **Multi-currency** - Trade Bitcoin, Ethereum, and much more on this platform.
- The platform goes over and above the ensuring of security of information and wealth. The exchange supports the widest possible array of payment options and currencies. In addition, users can buy, sell, and invest in ICO/STO on the Velareum dedicated ERC20 counter using local currencies.

Solution 2:

The Velareum ERC20 ICO/STO Counter

Velareum is building the biggest possible community of crypto investors. It is building a platform that can eliminate all geographical barriers that currently impede investment in ICO/STO and now ICO/STO can list their token on the Velareum ERC20 Counter.

Further advantages are

- **Velareum user friendly interface.** Ease of use allows ICO/STO backers to navigate the various functions using many languages. The platform supports more than 50 popular languages of the world and some 300 currencies making it one of the most convenient cryptocurrency platform's online.

- **Eliminates restrictions.** Buying tokens has never been easier as anyone anywhere can invest in ICO/STO of their choice (as long as there is no conflict with existing laws and regulations).
- **Reach the hard cap.** This solution helps ICO/ STO to attain their hard cap.
- **Use local currency.** You can now buy ICO/ STO ERC20 Tokens from the Velareum Platform using your local currency without having to convert into crypto currency first!
- **300 payment methods.** It is now possible to use over 300 payment methods to purchase ICO/STO from the ERC20 counter on the Velareum Platform.
- **Privacy** - As you are using P2P, only limited information will need to be passed through our site so that your money can be transferred securely.
- **Easy to use** - Can use Cash or any payment method the seller / buyer is willing to accept Online transactions are fast and safe as cryptocurrency are protected in escrow accounts.
- **Receive currency instantly.** You receive your currency instantly upon receipt of payment.
- **Protection from DDoS attacks.** DDoS attacks can make protecting assets on an exchange difficult; however as the Velareum platform is decentralized it cannot translate into loss of the Velareum platform user's digital assets.

Product

The Velareum platform is an online digital exchange that is a first of its kind as buyers and sellers can not only trade their cryptocurrency, but the platform can also be used to purchase ICO/STO tokens. It allows users to buy and sell cryptocurrency from anywhere in the world.

Key Features

- The Velareum P2P platform is the first and only digital exchange that offers an ICO/STO counter.
- The ICO/STO ERC20 Token Counter can be used without any restrictions based on Buyers location to buy into ICO of their choice
- ICO/STO Buyers can use their local currency or choose any form of payment from over 300 different payment methods on the Velareum platform.
- ICO publishers can list their ongoing ICO/ STO.
- The ICO/STO token buyer does not pay any transaction charges.

If an ICO investor from Singapore wants to invest in an ICO he would currently have to:

1. Buy BTC with his SGD
2. Then transfer the BTC to his own BTC wallet address
3. From his BTC addresses send to the ICO publisher address.

In each of the three processes above, the investor loses part of the capital he intended to invest in the ICO.

Velareum ERC20 ICO/STO Counter

An ICO publisher can list their project on the platform after completing the due-diligence process.

An ICO investor selects the ICO/STO project they want to invest in, selects the quantity of token they want to buy, selects their choice payment method from the list of payment methods available, including

local currency, then the price is given in local currency. If approved, local bank details will be given to the investor. As soon as the investor makes payment to the local bank account, the token will be credited into his ERC20 wallet on Velareum Exchange. This is free, and Velareum does not charge the investor.

Note: After Velareum concludes its ICO round, all investors will be able to use VELS (Velareum Stable Coin) to purchase any ICO/STO listed on Velareum platform. This process is unique to Velareum!

Velareum P2P Exchange

Velareum is a P2P Cryptocurrency Exchange that enables individuals to buy and sell cryptocurrency Peer to Peer in a safe Environment.

The platform connects buyers and sellers through an escrow system that is safe, enabling platform users to buy and sell cryptocurrency fast.

The Velareum platform supports the widest possible payment methods, and users can make a transaction using more than 50 of the world's common languages.

Key Features

- Velareum is fully decentralized, allowing users to buy and sell cryptocurrency peer-to-peer (P2P) in a more secure environment compared to any of the existing exchanges. Its decentralized nature makes it safer from unauthorized platform access.
- Velareum connects buyers to cryptocurrency sellers through an escrow system.
- The platform enables sellers to set a price and select any from among the many payment methods that Velareum supports.
- **Secure.** When a buyer commits to buy crypto from a trader, the seller's crypto is kept in the escrow and is released only after the seller has received the funds.
- It offers diverse payment methods including local currencies.
- Offers arbitration and user ratings which help prevent scams.
- User-friendly platform where users can trade in a language of their choice.
- Escrow links buyers and sellers in a safe trading space.
- Users trade cryptocurrency in a language of their choice.
- As the funds go peer to peer on a decentralized platform, then funds are not stored on the platform and so client's funds and data aren't susceptible to hacking.

Benefits

These seven features provide Velareum platform users with numerous benefits. Importantly, it offers a convenient process for any investor that is interested in buying ICO tokens. Some other great benefits of the platform to the average trader include:

Secure Transactions

When a buyer and a seller complete a trade on Velareum, it undergoes a verification by peers on the platform before the money in Escrow is released to the trader. The arrangement acts as a guarantee that ensures that all parties to the trade end up with a secure transaction. Importantly, Velareum does not hold any digital currencies on its platform. Traders and buyers alike should not worry about losing their funds due to hacking.

Velareum has a robust security system in place, and is constantly reviewed. The Velareum Peer to Peer Exchange is decentralized with 2-factor authentication, SMS verification, and heavily-encrypted servers, with DDoS protection.

Users Can Deploy Trade Management

Users Can Deploy Trade Management in Velareum, meaning every user is in complete control of his or her transaction. You are free to set among other things, the volume of trade, the price of the cryptocurrency you want to buy or sell, and the preferred payment method.

Simplified Investment Process in ICO Projects since the ICO craze began; the financial world and other segments of the world's economy have collectively invested more than US\$25 billion into various projects. In most of these ventures, the process of getting money in has been nothing short of a torturous exercise.

First, you have to sign up to an exchange. Then, link up your bank account or provide credit/debit card information to the exchange so that you can buy either Bitcoin or Ethereum using Fiat. Finally, you then have to transfer these cryptocurrency to the address of the ICO project.

In most instances, the volatile nature of cryptocurrency and the nature of transactions with these coins have led to losses of many kinds. Velareum has designed a process that not only makes the process of investing in ICO fast but also simple, safe and secure.

The Velareum, platform plans a raft of benefits of the VELS tokens to its users. These include:

- Using VELStokens to buy ICO listed on the Velareum Platform.
- Referral Payment. Users will receive referral tokens when they introduce new users to the Velareum platform or signup for Velareum Services.
- Community Development: In a way of giving back to the community, Velareum will from time to time award tokens to selected communities for usage of the Velareum services like the Exchange.
- ICO investors will be able to use Velareum Stable Coin (VELS) to buy any ICO listed on the Velareum Platform
- Global Payments. Velareum Stable Coin (VELS) will be a global payment for any crypto trading on the Velareum platform; this means that you can use your Velareum Stable Coin to trade against any coin listed on the Velareum Exchange.

People that plan to buy the token should know that it will be possible after the ICO to convert the VELS into fiat directly without first converting it to Bitcoin or Ethereum as is the case with many other tokens.

The founders plan to enlist the token within one month after the conclusion of the ICO. This date will be announced by the end of the ICO.

Cryptocurrency P2P Exchange Market

It is expected that the total cryptocurrency capitalisation by January 2020 will be more than US\$4.5 trillion. Such a huge figure points to an equally large amount of value in cryptocurrency exchanged every day. The daily volume is now fluctuating around US\$50 billion each day.

The world is moving steadily towards solutions that the blockchain technology can offer. Such a transition means more cryptocurrency will emerge as even more solutions appear. This trend will increase the amount of currency that exchanges clear each day. Already, the top ten exchange platforms are doing US\$150,000,000 with even bigger prospects of increasing this turnover.

In the P2P industry the current market leader LocalBitcoins had a turnover in 2018 of US\$27,000,000 of trading in Bitcoin only. However, Velareum will also include transactions from ICO/STO also, something no other P2P Crypto Exchange yet offers. Also with the example of the market leader LocalBitcoins, which only offers Bitcoin to trade, Velareum currently offers Bitcoin, Ethereum. Velareum will add up to 50 different crypto currencies with the investment it receives.

Basing the calculation of income on the 1% the platform charges for trading, the daily income for the Velareum platform may surpass US\$ 73,972 that exchanges like LocalBitcoins are currently earning.

Revenue Model

Velareum revenue will come from the following sources:

Source	Description
Withdrawal Fee	Velareum may charge a small fee for withdrawals
Listing Fee	Velareum will select innovative coins and tokens to be listed on the exchange, there may be a fee associated with those listings.
Peer to Peer Fee	If you trade on Peer to Peer Velareum will charge a 1% Flat fee per trade.

Platform Value proposition

The ERC20 ICO/STO Counter Aside from Bitcoin, which is the most widely traded coin, most P2P exchanges are offering only a handful of other alt coins and are not listing any ICO tokens.

Velareum taps into a unique solution as it offers ICO publishers the opportunity to list and sell its tokens on the Velareum ERC20 ICO/STO Counter.

This service enables ICO investors to buy ICO/ STO in their local currency (in local fiat), crypto currency or choose from a wide variety of different payment methods.

Function	Year 1	Year 2	Year 3	Year 4
Total ICO	1	5	15	30
Average Token Supply	100,000,000	500,000,000	1,500,000,000	3,000,000,000
Average Token Price	SGD 0.01	SGD 0.01	SGD 0.01	SGD 0.01
Amount Raised	SGD 1,000,000	SGD 5,000,000	SGD 15,000,000	SGD 30,000,000
Charge for Listing (SGD 5,000 each)	SGD 5,000	SGD 25,000	SGD 75,000	SGD 225,000
Raised Service Charge (5%)	SGD 50,000	SGD 250,000	SGD 750,000	SGD 1,500,000
Total Income from Listing	SGD 55,000	SGD 275,000	SGD 825,000	SGD 1,725,000

*Amount Raised = Average Token Price x Average Token Supply

*Total Income from Listing = Raised Service Charge + Charge for Listing

Note: SGD-Singapore Dollar

Full-Platform Customer Support

- Web browser
- Android client, IOS client
- HTML5 Mobile, PC client

Velareum Stable Coin (VELS)

The VELS dollar is a cryptographic token that is

1. issued by a Velareum Limited,
2. strictly pegged 1:1 to the Singapore dollar, and
3. built on the Ethereum network according to the ERC20 standard for tokens.

The VELS dollar is a stable value coin that combines the creditworthiness and price stability of the Singapore dollar with the technological advantages of a cryptocurrency and the oversight of Singapore regulators. As an ERC20 compliant token, the VELS dollar can be transferred on the Ethereum network. VELS dollars are created at the time of withdrawal from the Velareum platform and redeemed or “destroyed” at the time of deposit into the Velareum platform.

We will issue our token coin, called the Velareum Stable Coin. A strict limit of 300MM VELS will be created. VELS will run natively on the Ethereum blockchain with ERC20.

Trust

Building a viable stable coin is as much of a trust problem as it is a computer science one. While Bitcoin created a system based on cryptographic proof instead of trust, a fiat-pegged stable coin requires both due to its reliance on a centralized issuer.

A desirable outcome in a system that relies (at least in part) on trust requires oversight. In the context of a stable coin, we submit that the issuer must be licensed and subject to regulatory supervision. From this, transparency and examination become requirements of the system, ensuring its integrity and engendering market confidence. We propose Velareum Limited, as the issuer of the VELS dollar. Velareum operates under the direct supervision and regulatory authority of the Singapore Department of Financial Services and is subject to the Singapore Banking Law and other applicable Singapore laws and regulations.

Proof-of-Solvency

One desirable outcome of a stable coin is convergence between the tokens issued and the Singapore dollars exchanged for their creation. The amount of tokens issued and in circulation can be observed on the blockchain; however, verifying the underlying Singapore dollar balance to demonstrate proof-of-solvency requires examination by a trusted party. For assurance, we propose that the audit committee of the board of directors of Velareum engage an independent registered public accounting firm to regularly examine and attest to the underlying Singapore dollar balance in accordance with the attestation standards.

Creation, Redemption, and Transfer

A simple and elegant mechanism for creation and redemption is necessary to promote use ability and encourage adoption. We achieve this by allowing Velareum customers to create and redeem VELS dollars on the Velareum platform.

VELS dollars are created at the time of withdrawal from the Velareum platform. Velareum customers may exchange Singapore dollars for VELS dollars at a 1:1 exchange rate by initiating a withdrawal of VELS dollars from their Velareum account to any Ethereum address they specify. The Singapore dollar amount of VELS dollars is debited from a customer's Velareum account balance at the time of withdrawal.

VELS dollars are redeemed or "destroyed" at the time of deposit into the Velareum platform. Velareum customers may exchange VELS dollars for Singapore dollars at a 1:1 exchange rate by depositing VELS dollars into their Velareum account. The Singapore dollar amount of VELS dollars is credited to a customer's Velareum account balance at the time of deposit. The VELS dollar can be transferred on the Ethereum network.

Smart Contract Address

[0x30e39d0a38db74ac783f42c13dde1ea06e858992](#)

Allocation

%	Amount (VELS)	Participant
50%	150,000,000	ICO
40%	120,000,000	Founding Team
10%	30,000,000	Angel Investors

ICO

The ICO will be done in BTC and ETH on multiple platforms around the world.

ICO Roadmap

All times below are Singapore Standard Time (SST), UTC+8 hours.

Date	Task
2019-06-14	Confirmed start of the Velareum Project
2019-06-16	Initial draft whitepaper completed, circulated to potential angel investors
2019-06-28	Announce Velareum ICO Plan and release whitepaper to general public
2019-07-08	ICO Starts
2019-08-01	ICO finishes or whenever the coins are sold out
2019-08-06	Velareum.com release V1.0 go live, active trading begins

ICO will start from 3PM July 08th; investors can purchase VELS tokens in 3 stages on a first-come, first-served basis until 150,000,000 tokens are sold. As each new stage starts, the price will increase.

Investors will receive VELS tokens within 5 working days after the ICO finishes. The detailed schedule is as below:

ICO Stage	Stage 1	Stage 2	Stage 3
SST/GMT +8	15:00 July 08 th to 14:59 July 16 th	15:00 July 16 th to 14:59 July 24 th	15:00 July 24 th to 14:59 August 01 st

Burn

Every quarter, we will destroy VELs based on the trading volume on our crypto-to-crypto platform until we destroy 50% of all the VELs. All transactions will be on the blockchain. We eventually will destroy 150MM VELs, leaving 150MM VELs remaining.

Decentralized Exchange

In the future, Velareum will build a decentralized exchange, where VELs will be used as one of the key base assets as well as gas to be spent.

Funds Usage

- 35% of the funds will be used to build the Velareum platform and perform upgrades to the system, which includes team recruiting, training, and the development budget.
- 50% will be used for Velareum branding and marketing, including continuous promotion and education of Velareum and blockchain innovations in industry mediums. A sufficient budget for various advertisement activities, to help Velareum become popular among investors, and to attract active users to the platform.
- 15% will be kept in reserve to cope with any emergency or unexpected situation that might come up.

Management Team

The core founding management team consists of Wall Street executives, professionals and technologists with profound knowledge of the market structure and regulation, and in-depth experience in the research and development of institutional large-order matching systems and trading infrastructure. With an average of more than 10-years of professional experience, the team has significant entrepreneurial, quant-trading, business management and strategic planning expertise across traditional finance and internet industries. The team is striving to build a transparent, efficient and resilient global digital asset trading platform.

Market Risk Examples

In the collateralization method, market risk exists because the price of the asset being used as collateral can move in an adverse direction to the price of the asset it's backing/pegging. This would cause the total value of the collateral to become less than the total value of the issued asset and make the system insolvent. This risk is mitigated by the custodian closing the position before this happens that is, when the collateral price equals the pegged asset price then the collateral is liquidated (sold on the open market) and the position is closed. A great approach, with merit, and used in many liquid markets across the traditional banking and financial markets. However, as we saw from the global financial crisis, situations can arise in which the acceleration of such events causes a "liquidity crunch" and thus the collateral is unable to be liquidated fast enough to meet trading obligations, subsequently creating losses. With the cryptocurrency markets being so small and volatile, this type of event is much more likely. Additionally, the overall approach suffers from

other liquidity and pricing constraints since there must be a sufficient supply of users posting collateral for the creation of the pegged-assets to exist in the first place.

In the derivatives approach, the price of the asset is pegged through entering one of several derivatives strategies, such as: swap strategies, covered and naked options strategies, various futures and forwards strategies. Each strategy has their own strengths and weaknesses, the discussion of which we won't engage in here. To summarize, each of these pegging processes themselves have similar "market risk" characteristics as the aforementioned collateralization method. It should be noted that the two methods are not mutually exclusive and often paired in a specific trading, hedging, or risk management function at legacy system financial institutions.

Finally, understand that we believe some combination of the above approaches may become a secure, reliable, and generally risk free process for backing/pegging assets however, at this point in time; this is not a direction we feel is feasible to take to ensure liquidity and price stability. Further, we believe that a reserve based approach will always be in existence and complement these other approaches as the entire industry grows. As advances in technology continue, we will evaluate and incorporate any benefits available while maintaining the guarantee of 100% redeem ability.

Risks

There are many risks involved in running an exchange. We understand this and have the skills, experience, and leadership to overcome them.

Security is Paramount

Many crypto exchanges have failed due to poor security procedures. Most security breaches could have been prevented by taking simple precautions to protect critical resources. Our team has developed Velareum with security as the foremost concern in their minds. We strive to ensure that we have followed all the industry best practices when it comes to securing infrastructure and data including ISO/IEC 27001:2013 and the Cryptocurrency Security Standard (CCSS).

Market Competition

We know this will be an ultra competitive space. There are probably hundreds, if not thousands of teams wanting, planning or doing exchanges. Competition will be fierce. But in this age; this is a common risk in any decent concept/startup or mature company. The question is: given our team, track record, experience, industry resources, and product.

“Do you believe we stand a better chance than the rest of the pack? If yes, then please join our ICO”