

Bitroom Whitepaper

Version 1.0

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Project Background

1. Exchange Platform tokens with High Currency Returns

2018 was a turbulent year for crypto-currencies. The value of mainstream coins like BTC and ETH dropped off the proverbial cliff. The market mourned, investor confidence sagged, and risk aversion took over. Still, platform tokens prices of the major exchanges have been rising. The reason may be that investors understand the concept of platform tokens attached to an exchange's value. Tokens generated by platforms directly reflect their value. The exchanges used by investors are an application of platform tokens. Most exchanges launched their own tokens after trading all their strengths. The more the exchange develops, the more its token can rise. As shown in the chart below, the return on platform tokens of the first-line exchanges led by BNB is considerable.

Currency	ICO date	ICO price	Token price	Token price rate of return	Highest price	Highest returns
BNB	2017.07	\$0.10	\$23.15	23050%	\$25.18	25000%
HT	2018.02	\$1.50	\$2.36	57%	\$6.10	300%
OKB	2018.03	\$1.25	\$1.58	26%	\$6.68	430%
BTMX	2018.07	\$0.016	\$0.10	519%	\$0.12	650%
FT	2018.05	\$0.014	\$0.166	1086%	\$1.25	8800%

Therefore, an exchange that truly provides quality services and projects should inevitably bring good returns to users. As the world's first membership cryptocurrency exchange, Bitroom is committed to giving back to its members with high returns.

2. ICOs and IEOs have not built consensus between projects and the community

Initial Coin Offerings (ICO) are a means of fundraising based on emerging digital tokens. For some time, these crypto-currencies have existed with minimal supervision. Consequently, projects have become more random, with the project parties issuing tokens unconditionally, leading to any number of serious problems.

First, some projects rely on white papers to raise funds online, though only 8% of fundraising projects have landed successfully on the exchange. The remaining 92% have evaporated, posing great risks for investors. Secondly, 80% of the crypto currency that has landed on major exchanges is in a damaged state and many investors have lost their money and suffered heavy losses. In just two or three years, the ICO bubble continued inflating, until, in early 2018, it officially burst, though it later resumed.

Initial Exchange Offerings (IEO) are an exchange-driven token-issuing mechanism. In 2019, major exchanges began following the success of the Binance IEO model, triggering a small bull market boom. While it does not enjoy the process of financing subscription, it does not have the part ICOs and airdrop promotions, and can be listed and traded directly on cryptocurrency exchanges. Investors need not face the risk of participating in fundraising projects that fail to make it to the market or just fade away. It has increased the visibility of the project side and brought good returns to investors. However, with the high-frequency launch of the IEO project, one a month or more, its drawbacks have gradually emerged: though exchanges and project parties fly the IEO banner and attract traffic, the quality of projects have been uneven. Many projects that have passed the audit have been slow to make progress. Projects are cancelled following slow technical progress and false team information. In addition, with exchanges acting as both auditor and fundraiser, they lack the objectivity to produce professional, third-party evaluations to assess the quality of their projects. The exchange has simply reviewed the data submitted by the project party.

Once the project party fakes or exaggerates its publicity information, the user is the most direct victim. On the one hand, for some high-quality projects, the user can't participate in the fundraising at the IEO stage, nor can they take advantage of the bonuses after the official opening trade. At the same time, following some project launches, the price will suddenly

reached a plateau and then there is a fall-off, with a steep decline, causing a large number of users to suffer heavy losses in the secondary market.

Therefore, neither ICOs nor IEOs have led to greater consensus between projects and the investor community, leaving the market still in need of innovation.

Bitroom — World's first membership-based cryptocurrency exchange

1. Bitroom Introduction

Bitroom is the world's first membership-based cryptocurrency exchange.

Adhering to the original intention of promoting the consensus between the project and investors, mutual benefit and mutual win situation, the first "membership" model, to provide users with safe and convenient digital asset exchange services. By selecting and introducing quality blockchain projects around the world, we are committed to providing our members with a richer market investment option, better experience and more opportunities for high returns.

2. Bitroom Features

- Member Priority

Bitroom will select and introduce high-quality blockchain projects around the world, and is committed to providing members with better market investment options, better experience and more opportunities for high returns. On the Bitroom exchange, every member has an equal opportunity to participate in the investment of early quality projects. Bitroom will protect the member's investment income and returns most of the platform's revenue to the members.

- Open and Transparent

To win the trust of the community, Bitroom is committed to creating an open and transparent cryptocurrency exchange. This includes:

- transparency of platform token issuance;
- transparency of platform tokens, both in circulation and in holdings;
- transparency of platform trading and mining;
- transparent mining of platform Proof of Stake (PoS) and Delegated Proof of Stake (DPoS) nodes.

3. Member Benefits

Upon joining Bitroom, you will be entitled to the following membership benefits:

- Early investment opportunities for quality projects
- Early high-quality project investment fixed income guarantees
- Platform trading fees shared with members
- PoS and DPoS node mining returns

4. Conditions of Membership.

Users become members, with all relevant membership benefits, once they hold a certain minimum amount of platform tokens.

ITO Platform token Distribution Method

1. ITO — Introduction

The core Bitcoin concept is based on the building of consensus between a project party and the decentralized investor community. The transaction status and the amount of money held are necessarily open and transparent. Bitcoin earnings are owned simultaneously by long-term holders and the community. Thus, the success or failure of a project depends on

their ability to reach consensus. Failure to do so can result from a wrong choice of ICO versus IEO tokens. Or it might be a lack of transparency by the project side in its use of funds raised. This can lead to loss of community trust and ultimately confrontation.

The Bitroom team believes in Bitcoin. In order to reach a consensus between a project and the community, Bitroom has innovatively created the Model of Initial Trust Offering (ITO).

Under the ITO model, the project party publicly and transparently raises funds from the community on the blockchain. The project party then announces a fundraising address and a Token distribution address, with all funds raised sent to that address.

Token distributions are all transferred through the same distribution address, Fundraising is carried out on the blockchain, Each transaction and the number of positions at each address can be publicly queried. After fundraising is completed, the project party will return 80% of the money to the community as income. This operation is likewise visible on the blockchain. Each return is visible on the blockchain, as is each return operation. The remaining 20% of the funds raised will be used to support the project to move forward.

It can be seen that each step of the ITO model is open and transparent and that each move by the project party and the community, both, is well documented in the blockchain, thus enhancing mutual trust. After the platform closes, the project side will return 80% of funds raised to the community, with the remaining 20% to be used by the project side for promoting project development. ITO is a great innovation, with real capacity to bring about consensus between the project side and the community.

Bitroom's platform tokens will be distributed in the form of ITO.

2. ITO Characteristics

- Open and Transparent

Initial Trust Offering (ITO) mainly includes three important aspects: fundraising, token distribution, and funds returned. Each part is carried out on the blockchain. There, each behavior of the project party and the community is well documented, making the transaction

process auditable, traceable, and non-tamperable. In other words, truly open and transparent.

- 80% of funds raised returned to user community

ITO's funding derives from the investor community. In order to consolidate the trust system with the community, 80% of the funds raised will be returned to the community and 20% will be used to cover the project side's development and operation costs. In this way, the project side and the community are no longer in opposition. Instead, a real consensus has been reached.

- Verifiability

Bitcoin innovatively proposed the Proof of Work (PoW) mechanism to verify the activities of Bitcoin miners, thus providing Bitcoin a reward. In the ITO process, data such as transaction information in the blockchain are public and transparent, and the blockchain browser is the address for querying blockchain transaction records. Community members can use it to view their own transaction information as well as other stored blockchain information.

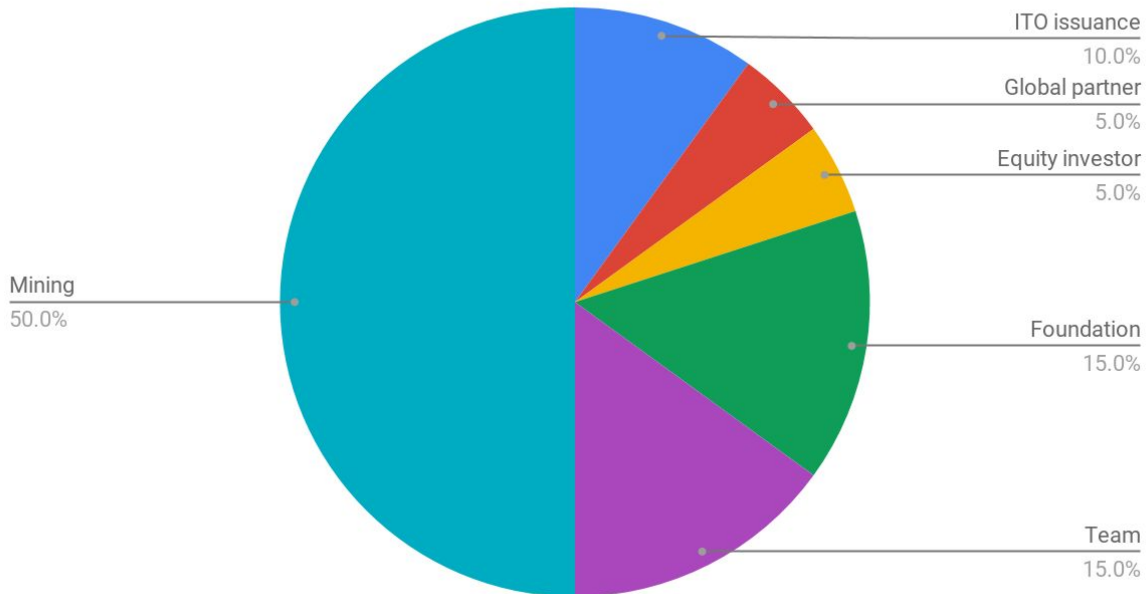
Platform token Issuance Rules

1. Platform token allocation

Tokens issued by the Bitroom exchange are **Bitroom Tokens (BMT)**. Total BMT distribution is a constant one billion, and it will never increase issue. BMT is a decentralized blockchain

digital asset as well as a standard token of ERC 20 based on Ethereum blockchain.

BMT TOKEN ALLOCATION



	Rate	Amount	Lock mode
Equity investor	5%	50,000,000	Linear unlock after 4 years, unlocked within 2 years
Global partner	5%	50,000,000	Linear unlock after 1 year, unlocked within 4 years.
ITO issuance	10%	100,000,000	No lock-up
Foundation	15%	150,000,000	Linear unlock after 4 years, unlocked within 2 years
Team	15%	150,000,000	Linear unlock after 1 year, unlocked within 4 years
Mining	50%	500,000,000	Transaction mining, PoS and DPos

2. ITO distribution

A total of 100,000,000 BMT is used for distribution during the ITO phase.

74,565,864 BMT is allocated as ITO.

3,000,000 BMT is assigned to Launchpad.

22,434,136 BMT is allocated to marketing, partners, airdrops, etc.

3. ITO rules

- ITO is carried out on the main Ethereum network. The fundraising address is unique and public, as is the BMT distribution address. Community users send a certain amount of ETH to the fundraising party using their wallet addresses. After receiving

the ETH, the fundraising party calculates the total amount of BMT to be distributed, according to the real-time BMT unit price and the total amount of ETH collected.

- The BMT distribution address is used to distribute the corresponding BMT total to the community user's wallet address.
- The BMT unit price is the benchmark USDT price. ETH is used as the fundraising currency in order to have transaction data records on the main Ethereum network. The price of ETH to USDT will be calculated in real time according to the ETH/USDT transaction in Binance currency transactions.
- The BMT price is based on the Incremental Bidding Model through a series of 1000 stages, or rounds. In the first stage, 1 BMT = 0.05 USDT; in the last stage, 1 BMT = 0.2022 USDT. The price of each stage increases by 0.14%. At the same time, the supply in the first stage was 2,000 BMT, while the supply in the final stage has grown to 393,022 BMT. The supply in each stage increases by 0.53% in the same period, with a final total supply of 74,565,864 BMT.
- When a community user enters a certain amount of ETH into the fundraising address, the current BMT unit price and supply amount will be calculated according to the above formula, thereby determining the total amount of BMT to be distributed. The corresponding total BMT will be allocated via the BMT distribution address to the wallet address of the community user.
- When the 1000 ITO stages are completed, 80% of the total fundraising will be returned to the community and the remaining 20% to the project side.
- ITO stops when fundraising is completed or ITO lasts longer than 90 days

4. Fundraising allocation rules

The 1000 ITO stages produce a total of 74,565,864 BMT.

The funds are allocated accordingly:

	Rate	Lock mode
Believers	20%	After the end of the ITO, will be linearly unlocked within 3 months
KOL	10%	Assigned after ITO
Communicators	10%	Assigned after ITO
Bitroom Members	10%	After the end of the ITO, the distribution will be completed within 6 months
Project Side	20%	After the end of the ITO, will be linearly unlocked within 6 months
Market Value Maintenance	30%	Unlocks after each ITO round

4.1 Believers

- “Believers” refers to those who have a strong belief in the Bitroom exchange at an early stage, and participate in ITOs and hold BMTs for a long time. All BMT holders are considered Believers.
- 20% of the total fundraising will be awarded to Believers, with a total value of up to 2,399,439 USDT.
- Believers’ rewards will be paid out in equal parts over a three-month period at the end of the ITO, which means that rewards will be distributed to Believers on an average of every day over those three months. After the ITO, the platform will provide a real-time recording system to record each user’s ITO balance.
- Every day during the rewards period, we will record and publish the award-winning addresses at 00:00. The number of BMTs held by each Ethereum address will determine the number of daily rewards. If the Ethereum address holds less than 90% of the ITO balance, it will permanently lose its subsequent award eligibility. At the end of the 3-month allocation period, any remaining funds will be incorporated into the member rewards section.
- Each Ethereum address participating in the ITO, as well as the positions and transactions, will remain open and transparent in order to verify the identity of the Believer.

4.2 KOL

- KOL are defined as Key Opinion Leaders with the ability to influence others to participate in the ITO. To become KOLs, Participants apply and pass a review.
- 10% of the total ITO fundraising will be awarded as a reward to KOL, with a value of up to 1,199,720 USDT.
- Participants can become KOLs by applying and submitting their ETH wallet addresses to the Bitroom exchange. Participants send 10 BMT from their ITO addresses to that of the KOL. The KOL will receive 10% of the participant's purchase amount as a reward. At the end of the ITO, the Bitroom exchange tallies the total number of ITO participants recruited by the KOL. The KOL is rewarded with 10% of the transmitted participant’s total purchases.
- The transaction records and positions of KOLs and participants on the Ethereum main network will remain transparent and verifiable.

4.3 Communicators

- The main function of the Communicators is to spread the concept of Bitroom as the world's first membership-based cryptocurrency exchange, propose innovative Initial Token Offerings (ITO), and attract more community users to participate in ITOs or in Bitroom's ecological construction. Any community user can be a Communicator.
- 10% of the total fund will be awarded to Communicators, with a value of up to 1,199,720 USDT.
- In order to qualify as a Communicator, the participant will send 50 BMT through Ethereum's main network, of which 10 BMT will be sent directly to the Communicators and 40 BMT will be sent to a fixed ERC 20 wallet address. Once the ITO is completed, the platform will destroy all BMTs at that address. The same address will only be transmitted once.
- During the ITO phase, Bitroom will provide real-time recording of the total number of the Communicators' transmitted users. After completion of the ITO, Bitroom will reward the Communicators in stages, with one stage per week. 10% of the total fundraising will be divided according to the number of Participants invited by the Communicator.
- In order to verify the relationship between the Communicators and the Participants, all transaction records between them will remain open and transparent.

4.4 Bitroom members

- Bitroom always adheres to the principle of serving members. By giving back most of the total fundraising to members, we are deeply engaged in bonding with our members to build consensus.
- 10% of total fundraising will be awarded to Platform Members up to a value of 1,199,720 USDT.
- Users become members by holding a certain amount of platform tokens. In order to verify membership, any member's platform tokens can be publicly queried on the Ethereum main network.
- The Platform Member Rewards Section will be fully distributed within 6 months after the end of the ITO phase.

4.5 Project Side

- 20% of the total fundraising will be allocated to the Project Side for project development, operation, and maintenance.
- The Project Side rewards section will be linearly unlocked within 6 months of the end of the ITO phase.

4.6 Market Value Maintenance

- 30% of a project's total fundraising will be used for market value maintenance.
- Funds for market value maintenance will be released after the end of each round of the ITO phase

5. Trading Mining Rules

After Bitroom opens an official transaction, it starts trading mining. The trading mining part distributes 50% of the total BMT Tokens from the mining part.

100% of the Bitroom platform's daily transaction fee income is returned to all trading users with the equivalent BMT. It's publically available on the platform on the day it's settled.

80% of Bitroom platform daily transaction fee income (including all income from BTC/ETH/EOS/BMT, etc.) is distributed to all members. It's publically available on the platform on the day it's settled.

6. PoS + DPoS node mining rules

Bitroom will introduce some powerful institutions and companies as super nodes. They will contribute DPoS mining, be responsible for community management, recommend high-quality blockchain projects, etc., all with super node mining revenue.

At the same time, Bitroom has introduced the PoS mechanism to let more community users participate in its ecological construction and enjoy its PoS mining revenue.

Platform Roadmap

2019.05

Website comes online

2019.06

The ITO phase begins and begins trading

2019.07

Add a trading pair and start trading mining

2019.08

PoS+DPoS node mining begins