



## **The fastest and most private accountless exchange**

No registration  
50% profit sharing  
Propose and vote

This document is for informational purposes only and does not constitute an offer or solicitation to sell shares or securities in Flyp.me, Flypme or any related or associated company and platform.

This document provides a comprehensive overview of Flyp.me, its business model, mission, features, benefits, innovations, tokens distribution and use of funds raised through the fundraiser (sometimes called “ICO” or “Crowdsale”).

## **Abstract**

A crypto-to-crypto exchange that is truly private and doesn't require any registration can enable trading for users who are conscious about their privacy and the safety of their funds.

By providing 50% profit sharing, enabling participatory policy-making, rewarding adoption of the exchange and fostering permissionless innovation via its API, Flyp.me can rebalance the power between users of an exchange and the exchange itself.

Available immediately, the exchange can be accessed on the Flyp.me website.

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# Introduction

Multiple organisations – including the World Economic Forum – have published research predicting the rise of blockchain adoption and its role as an emerging technology disrupting major industries worldwide. In particular, Moody's Investors Service<sup>1</sup> has identified financial institutions as having 7 of the top 25 blockchain use cases including trade finance, peer-to-peer transactions and international payments.

Since the beginning of 2017, cryptocurrencies and tokens have grown from 771 to 1,104 (+43%)<sup>2</sup> and their market cap has spiked from \$16 billion to \$143 billion driven by an increase in institutional and retail investors. Exchanges have seen their combined volumes (and consequently profits) increase rapidly to \$8 billion on 18<sup>th</sup> August 2017. Such growth in capital inflow, diversification across multiple cryptos and retail investors' interest create demand for a crypto to crypto exchange that is not only fast and private, but also easy-to-use and visually appealing.

While merchants are adopting payments in cryptocurrencies, they are mostly confined to accepting Bitcoin thus limiting their ability to seize the increasing user base of other cryptos, now worth more than \$60 billion combined. This fast developing space is where Flyp.me's mission and value proposition play a significant role through its permissionless API for multi-currency payments, profit sharing and participatory policy-making, including proposing and voting for new features.

## The team

Flyp.me is the brainchild of the current team at HolyTransaction, the first web wallet to support Ethereum, one of the first multi-currency wallets and the oldest still active. Holy Transaction has experienced growth of +3,000% in the first 6 months of 2017.

Francesco Simonetti, CEO of Flyp.me and HolyTransaction, has been active in the crypto community since 2013 after founding the Bitcoin meet up in Rome. He is a founding member of the Blockchain Education Network Italia – a non-profit organization born to promote the growth and diffusion of blockchain technology – co-founder of the Bitcoin Foundation Italia and of Assobit.

Currently, 6 professionals from different backgrounds work at Flyp.me full-time and others are contracted part-time, when and if needed. Considering the nature of our business, we don't deem it safe to publish the full list of team members, because this can expose them to the risk of personal attacks and possible corruption from external actors.

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<sup>1</sup> Moody's Investor Services: Credit Strategy – Blockchain Technology: Robust, Cost-effective Applications Key to Unlocking Blockchain's Potential Credit Benefits, 2016 [https://www.moody.com/research/Moodys-Blockchain-can-bring-benefits-to-the-financial-industry-and-PR\\_352414](https://www.moody.com/research/Moodys-Blockchain-can-bring-benefits-to-the-financial-industry-and-PR_352414)

<sup>2</sup>Coinmarketcap, 2017 <https://coinmarketcap.com/assets/views/all/>

# Current issues with exchanges

All but one exchange require different tiers of personal information to be able to trade – including email, full name, passport picture and proof of address. Revealing this information greatly decreases the privacy of users and exposes them to risks such as targeted crime, fraud and identity theft.

Additionally, the majority of exchanges require crypto to be deposited in the exchange's account before the user can perform a transaction. This slows down the process for the user.

Exchanges share several downsides including but not limited to:

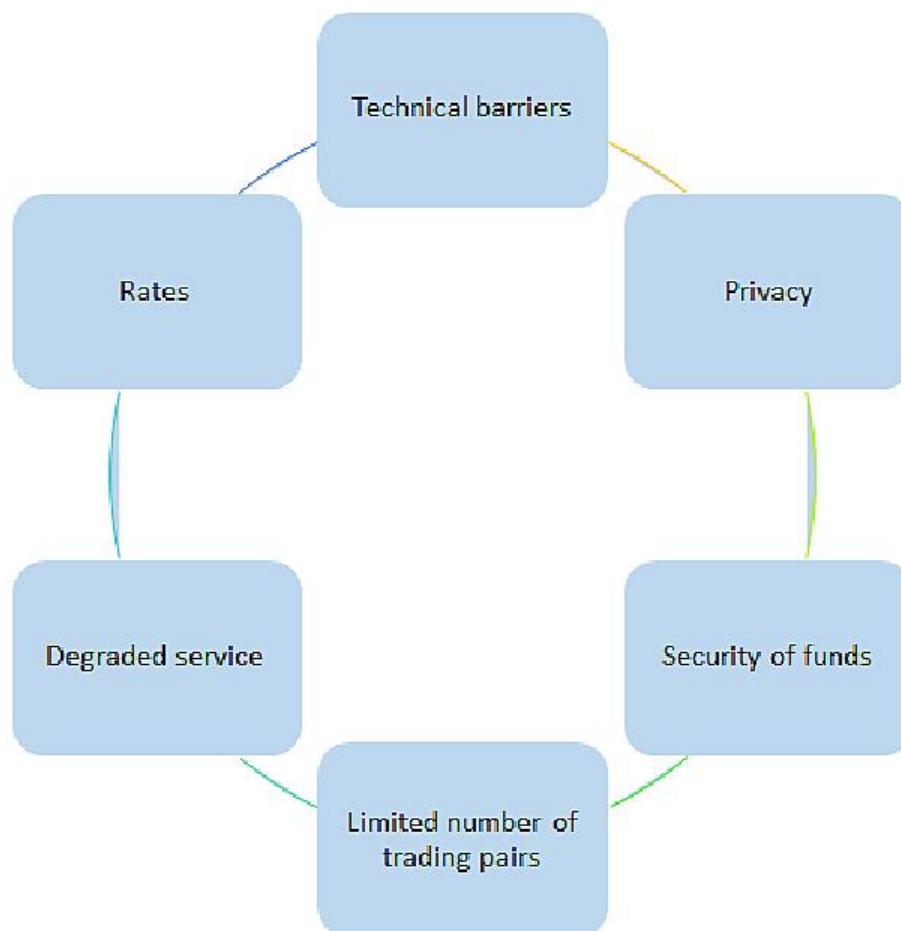


Figure 1: Current issues

## Technical barriers

Most exchanges require a medium to high level of technical knowledge and understanding of exchange dynamics and are not being designed to cater to the growing number of entry-level users.

## Privacy

While some exchanges claim to respect users' privacy by not requesting any information that is unnecessary, they obtain information about users through other means – including web analytics, customer service software, marketing automation platforms and email marketing services. This is often called identity inference through digital fingerprinting<sup>3</sup>.

Through these means data is willingly stored and shared with third parties:

- Users' location information including IP address, GPS and other sensors that may, for example, allow the service provider to access information on nearby devices, Wi-Fi access points and mobile towers.
- Users' operating system, browser ID, browsing activity, and other information about how they interacted with the exchange or with other websites.
- The language they speak, which ads they'll find most useful, the people who matter most to them online and which YouTube videos they might like.
- Those services might also be able to link users' transactions to their name, email address, telephone number or credit card.
- Device-specific information such as hardware model, operating system version, unique device identifiers, and mobile network information.
- Log information including details of how they used their service, such as search queries, telephony log information, calling-party number, forwarding numbers, time and date of calls, duration of calls, SMS routing information and types of calls, cookies that may uniquely identify their browser or the user activity on the web, including their ads\_ids and other unique identifiers.

## Security of funds

Funds need to be deposited in the exchange's account address prior to the user being able to trade. This means more time is needed to perform an exchange due to the waiting time for deposits. Also, the user's funds are at greater risk because they are held by an exchange which controls the user's private keys.

## Limited number of trading pairs

Tradable crypto pairs are limited to the ones offered by each exchange. Depending on which pair a user wants to trade, it is necessary to use a different exchange which requires longer to either set up or access as opposed to using a single service.

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<sup>3</sup>Steven Goldfeder, Harry Kalodner, Dillon Reisman, Arvind Narayanan: When the cookie meets the blockchain: Privacy risks of web payments via cryptocurrencies, 2017 <https://arxiv.org/pdf/1708.04748.pdf>

## Degraded service

Partial or complete outages frequently affect exchanges, individually and simultaneously. Often, the resulting degraded services, affect several user types including API and website users.

## Rates

Trading pair rates and withdrawal fees differ greatly from exchange to exchange resulting in a lack of choice for users unless they have accounts on multiple exchanges.

## Flyp.me exchange overview

Flyp.me is the fastest and most private crypto-to-crypto exchange which doesn't require any registration. The only information needed to use the exchange is the user's crypto address so that Flyp.me has the correct input and output to perform and finalize the transaction.

Only minimal trust is needed since Flyp.me doesn't hold users' funds nor the private keys. Flyp.me sends the amount exchanged back to the user as soon as the user's transaction is confirmed on the blockchain. This is because Flyp.me keeps its own reserve funds for each cryptocurrency and token supported which enable the exchange to happen instantly.

Flyp.me's competitive exchange rates are determined the moment the deposit is sent, unlike other exchanges. This guarantees users get the precise amount of cryptocurrencies and tokens they have requested at the exact time they send the order. The exchange rates applied are based on the average rates of other exchanges, market depth of the chosen pair and reserve funds.

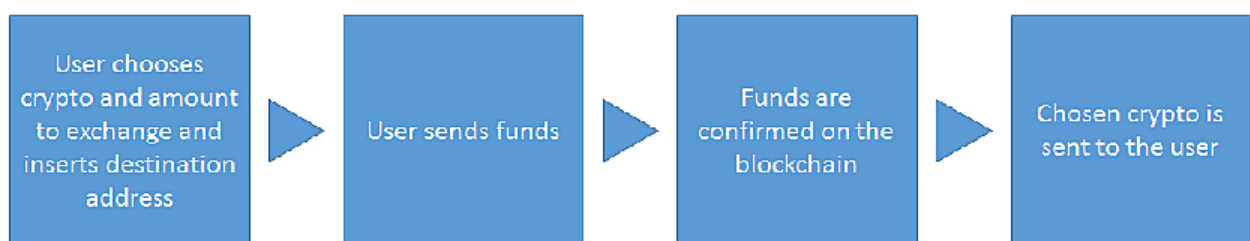


Figure 2: User journey

# Flyp.me business model

The exchange of cryptocurrencies and tokens is one of only a few business models in the crypto space that makes a consistent and reliable profit, regardless of the pricing or performance of any specific crypto and token in the market.

Over the last few months this space has seen increasing interest with record level of users and trading volumes, which greatly impacted the performance of all exchanges due to complete or partial outages. Considering the recent levels of volatility in the crypto market, slow or unresponsive exchanges can have devastating consequences for traders. Moreover, the growing number of entry-level users acquiring crypto is in need of exchange services which don't require a medium to high level of technical knowledge.

Flyp.me solves these and other problems by providing an exchange service that is easy-to-use and visually appealing while leveraging a number of other exchanges to perform transactions and secure the best rates for different trading pairs. Exchanges via Flyp.me are so fast because Flyp.me keeps its own reserve funds for each cryptocurrency and token supported which enable the exchange to happen instantly.

Flyp.me's revenue is driven by exchange rates charged on Flyp.me and through the strategic partners that are integrating the Flyp.me API to accept multi-currency payments.

Current exchange rates, while being competitive, are not final. They will be decided following the ICO and voted by FYP Token owners to find an optimum balance between driving the adoption of Flyp.me and maximizing the generation of profits.

Flyp.me operates in the countless exchange industry which currently sees an average of €250 million traded monthly. This is set to increase exponentially as the market matures.

The table below is for exemplary purposes only and does not constitute a prospectus. Please refer to the Terms of Token Sale <https://flyp.me/saleterms.pdf> and ToS <https://flyp.me/tos>.

Sample scenarios of business growth and sustainability					
Description	%	2018	2019	2020	2021
World foreseen Monthly Market in Euro (*)		500,000,000	750,000,000	1,000,000,000	1,250,000,000
<b>Flyp.me foreseen Market Share</b>	10% - 35%	<b>50,000,000</b>	<b>112,500,000</b> <b>0</b>	<b>225,000,000</b>	<b>437,500,000</b>
Exchange rate earned by Flyp.me (**)	2%	1,000,000	2,250,000	4,500,000	8,750,000
<b>Monthly amount distributed to Token Owners (***)</b>	50%	<b>500,000</b>	<b>1,125,000</b>	<b>2,250,000</b>	<b>4,375,000</b>

\* Market-Sector Volume data: <https://www.coindesk.com/3-reasons-the-global-cryptocurrency-exchange-market-is-maturing/>

\*\* Exchange rates applied are just an example and numbers do not include fees from API's use and other possible revenue streams.

\*\*\* FYP Tokens number will remain fixed. After the ICO, no additional FYP tokens will be created for any reason whatsoever.

# Flyp.me benefits and features

In line with its mission of becoming the leading accountless exchange, Flyp.me has built-in profit sharing mechanisms, adoption-based rewards, a permissionless API and participatory policy-making including proposing and voting for new features. Available immediately, the exchange can be accessed on the Flyp.me website.

Flyp.me is built on six main pillars:

- Accountless experience
- Uncompromised privacy
- Fastest speed
- Profit sharing
- Participatory policy-making
- Transparency and accountability
- Permissionless API

## Accountless experience

Flyp.me doesn't require any registration, email or identity verification, doesn't store users' IP address and doesn't track their activities in any way. Flyp.me doesn't hold users' funds beyond the time of the transaction being executed.

## Uncompromised privacy

Flyp.me doesn't request and doesn't obtain information about users including through means such as web analytics, customer service software, marketing automation platforms and email marketing services. Unlike other exchanges, Flyp.me will not give away data voluntarily to any third party.

Private by design, Flyp.me stores input and output address of every exchange and the amount changed. After the ICO, Flyp.me will anonymize these logs on a periodical basis, in accordance with applicable regulations. This is part of Flyp.me's "data minimisation" strategy.

To detect if the servers are under attack for any reason, Flyp.me keeps user agent, IP, access URL and referrer URL. These logs are purged on a weekly basis.

## Fastest speed

Flyp.me is committed to delivering the fastest crypt-to-crypto exchange while providing an easy-to-use service which removes all technical barriers. Flyp.me performs and finalizes exchanges as fast as the time it takes for the cryptocurrency chosen to confirm safely on the blockchain.

Flyp.me has reduced to the minimum the number of clicks required to perform transactions and removed unnecessary Javascript animations to ensure the site's performance is at its highest.



## **Profit sharing**

A system has been designed to distribute 50% of profits from the fees generated by the exchange referred as the payout.

Every three months, the profits will be distributed to FYP Token owners in proportion to their ownership of Tokens. The payout will be sent in ETH by default. However, Token owners will be able to request payouts in other cryptos supported by Flyp.me.

Following the first two payouts, the timing of the payout will be voted by the Token owners in line with Flyp.me's commitment to participatory policy-making.

All costs incurred in the running of Flyp.me will be covered by the funds raised during the Presale and ICO. Therefore, until Presale and ICO funds have been used, the profits will be equal to the revenue. Please read "Use of funds" section for more details.

Following the end of the ICO, Token ownership will be freely transferable on the market.

## **Participatory policy-making**

Participatory policy making is an approach to the overall goal of facilitating the inclusion of individuals or groups in the design of policies via consultative or participatory means to achieve accountability, transparency and active membership.

The FYP Token grants entitles its owner to propose and vote for key decisions. Each and every FYP Token is divisible, equal to each other and has exactly the same qualities and properties. Following the ICO, no additional FYP Tokens will be created.

Proposing will incur a "symbolic" FYP pledge which will subsequently be redistributed to the users of the exchange. There will be a set time frame to upvote any given proposal following which the most upvoted proposals will be evaluated by the Flyp.me team before commencing a formal voting phase.

The number of votes held is proportional to the number of FYP Tokens owned. Any FYP owner can vote for additional cryptocurrencies and tokens, features and decisions.

## **Transparency and accountability**

Flyp.me will publicly disclose aggregated costs and allow FYP Token owners with more than 200,000 FYP to audit costs, volumes and related information to certify them for the wider community. In the eventuality that no FYP Token owner requests to perform an audit, Flyp.me will use the services of an independent auditor yearly.

## **Permissionless API**

Flyp.me has built a permissionless API to enable businesses and developers anywhere to integrate Flyp.me with services such as e-commerce sites, multicurrency wallets, brick and mortar points of sale, crypto startups at ICO stage and crypto-specific media.

The Flyp.me team believes in the freedom to explore new technologies without seeking prior approval and by providing a permissionless API allows not only faster implementation but also experimentation and permissionless innovation.

Following the ICO, the team will implement modules for popular coding languages to enable developers to build applications using the programming language of their choice.

## Innovations

Flyp.me aims to promote innovation within the crypto space and will prioritize R&D in the latest technology improvements with a focus on decentralized asset platforms, 2nd layer solutions for cryptocurrency networks to allow transactions to be securely routed across multiple peer-to-peer networks and atomic exchanges. These improvements will ultimately increase efficiencies and cut costs.

The Flyp.me team also believes that through the promotion of innovation, the Flyp.me community will become stronger and more committed. This will also help the growth of the user base and drive an increase in the exchanged volumes while enabling new interesting models of interaction and platform governance.

### Decentralized asset platforms

Flyp.me will integrate decentralized asset platforms in order to provide an even higher level of privacy for users and downsize the reserve funds needed to run Flyp.me in its current form. Additionally, as the hosting of decentralized exchanges is distributed through nodes, there is no risk of server downtime.

### 2<sup>nd</sup> layer solutions

Flyp.me will adopt 2<sup>nd</sup> layer solutions which enable instant off-chain transfer of the ownership of different cryptocurrencies and tokens, without the need of a trusted third party. These systems utilize bidirectional payment channels consisting of multi-signature addresses.

The priority will be the implementation of the Lightning Network for sending and receiving funds for the exchanges performed on Flyp.me so that they will be instant, without the need to wait for confirmations.

### Atomic exchanges

Flyp.me will research and develop atomic exchanges in order to reduce costs and enable decentralized cross-chain trading.

### Cryptographic auditing

Flyp.me envisage implementing state of the art cryptographic auditing methods to provide maximum transparency and accountability. These include proof of reserves, volumes and profits<sup>4</sup> to avoid any potentially fraudulent activity.

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<sup>4</sup>Olalonde: Proof of Solvency, 2017 <http://github.com/olalonde/proof-of-solvency>

## Adoption-based rewards

To reward active membership and increase adoption of Flyp.me, the FYP Tokens pledged to propose changes to Flyp.me and a percentage of FYP Tokens owned by Flyp.me will be distributed to exchange users.

## FYP tokens distribution

The Flyp.me Token (FYP) is an ERC-20 token and its initial distribution will be in the form of a Presale and an ICO. In the process, Flyp.me will create a number of FYP Tokens according to the contributions made during the Presale and ICO and the ratio applied for the creation of FYP Tokens. Contributions to the Presale and ICO are accepted in BTC, ETH, LTC, DOGE, DASH, FAIR, GAME, DCR, ZEC, SYS, PPC, BLK, GRC.

FYP Tokens will be distributed at the end of the ICO. No additional FYP Tokens will be created after the end of the ICO.

**Presale Phase I:** 10th July 2017 (15.00 UTC), +21% bonus, 1 ETH = 4840 FYP

**Presale Phase II:** 21st July 2017 (15.00 UTC), +15% bonus, 1 ETH = 4600 FYP

**Presale Phase III:** 6th September 2017 (15.00 UTC), +12.5% bonus, 1 ETH = 4500 FYP

### ICO begins

28th September 2017 (15.00 UTC)

+10% bonus before Soft-Cap, 1 ETH = 4400 FYP

+5% bonus before Hidden-Hard-Cap, 1 ETH = 4200 FYP

### ICO ends

21st October 2017 (15.00 UTC)

If Hidden-Hard-Cap is reached, the ICO will end 3 (three) hours after the Hidden-Hard-Cap threshold is reached. The exact time for beginning and closing of the ICO period, as for the time of the countdown closing, will be determined in blocks' numbers of the Ethereum Blockchain. The exact block number for start and end of the ICO will be communicated before the ICO commences. The three-hour countdown when the Hidden-Hard-Cap is reached is counted in 700 blocks.

The Soft-Cap will be disclosed as the ICO goes live. The Hidden-Hard-Cap will be revealed as soon as it will be reached and will trigger the 3 (three) hours countdown that will definitely end the ICO. Flyp.me will publish a hash of the Hard-Cap, so that anyone can check the Hard-Cap hasn't been changed.

The percentage of FYP Tokens assigned to Flyp.me itself is variable depending on whether the Soft-Cap and Hidden-Hard-Cap are reached by the end of the ICO (as detailed below).

- If the Soft-Cap is not reached, 50% of FYP Tokens will be assigned to Flyp.me and 50% to the Contributors.
- If the Soft-Cap is reached but the Hidden-Hard-Cap is not, 40% of FYP Tokens will be assigned to Flyp.me and 60% to the Contributors.
- If the Hidden-Hard-Cap is reached, 30% of FYP Tokens will be assigned to Flyp.me and 70% to the Contributors.

In order to make Flyp.me more sustainable during its evolution, the FYP Tokens assigned to Flyp.me itself and retained by the Company are inversely proportional to the participation to the Token sale. In other words, the more contributions to the FYP Tokens sale, the less FYP Tokens will be available to Flyp.me. This mechanism and logic, besides making the project more stable and sustainable, will further ignite Flyp.me's participatory policy-making model.

Between 0.3% and 0.7% of FYP Tokens assigned to Flyp.me will be reserved for bounty programs to encourage early adoption, platform engagement and word-of-mouth. The percentage of FYP Tokens allocated for bounty programs will vary according to the amount of funds raised during the ICO.

## Use of funds

Funds will be distributed across reserve funds and business funds, in relation to the amount raised.

Please note that the profits generated by those FYP Tokens allocated to Flyp.me will be reinvested in the Flyp.me service, its roadmap and to increase further its reserve funds.

### **Reserve funds:**

Between 50% and 35% of the funds raised.

### **Business funds:**

Between 50% and 65% of the funds raised.

- Engineering and security (25%)
- R&D (20%)
- Legal services (10%)
- Communications and marketing (25%)
- Business development and strategic partnerships (20%)

## Engineering

The primary duty of Flyp.me is to ensure the seamless functionality of its service. In order to do so, Flyp.me will retain the original team and, according to its needs, further expand its engineering operations. This will cover maintenance, new features and proposals to scale, expand and further develop the project and its infrastructure and to improve its efficiencies, perform code auditing and security reviews.

High-priority new features include implementing new cryptocurrencies, decentralized asset platforms and modules for popular programming languages. Additionally, Flyp.me will

implement a proposing and voting platform for key decisions and will develop cryptographic auditing.

Flyp.me currently partners with HolyTransaction SA, an R&D company based in Luxemburg which created one of the first multi-currency wallets and the oldest still active.

## **R&D**

Flyp.me will prioritize R&D in the latest technology improvements with a focus on decentralized asset platforms, 2<sup>nd</sup> layer solutions for cryptocurrency networks to allow transactions to be securely routed across multiple peer-to-peer networks, atomic exchanges and cryptographic auditing. These improvements will ultimately increase efficiencies and cut costs. The development team of Flyp.me has a strong commitment to leveraging the latest technological advantages of cryptocurrencies and reducing barriers to adoption for people.

## **Legal services**

Flyp.me has consulted with law firms which advised the company on the legal framework concerning the operations of Flyp.me and its ICO, across different jurisdictions. Flyp.me will contract specialist law firms in regards to regulatory and licensing frameworks as well as other matters.

## **Communications and marketing**

Flyp.me collaborates with marketing communication professionals both locally and remotely to ensure access to the best talent pool with specialist support across a number of disciplines and industries.

Flyp.me will promote the autonomous running of meetups across as many locations as possible providing meetup organisers with operational templates and focused themes to be adapted depending on geo-specific needs. We believe that building a strong community and providing outstanding support will be key to growing and retaining Flyp.me's user base as well as increasing volumes.

## **Business development and strategic partnerships**

Flyp.me's efforts in business development will be focused on growing existing business areas and identifying new opportunities. High growth will be boosted further by leveraging strategic partnerships enabled by Flyp.me's permissionless API including:

- E-commerce sites and brick and mortar points of sale that want to accept payments in different cryptocurrencies through a plug and play application.
- Crypto startups that want to accept a number of cryptos for their Presale and ICO funding.
- Multicurrency wallets that want to allow in-wallet crypto-to-crypto exchanges.
- Crypto data aggregators (e.g. ethereumwisdom) and crypto-specific media that want to allow countless crypto-to-crypto exchanges.

# Roadmap

Flyp.me will be constantly developed, upgraded and expanded. Code reviews and security audits will be continuously done to ensure the highest level of security, efficiency and stability.

The next steps in Flyp.me's development are geared towards increasing volumes and profits, improving the Flyp.me community and governance and R&D in bleeding edge technology.

## **To increase volumes and profits:**

- Implement and add new cryptocurrency pairs;
- Integrate decentralized asset platforms;
- Implement API modules for popular programming languages to enable developers to build apps using the coding language of their choice;
- Integrate with more exchanges;
- Interconnect with other services such as multicrypto/multiasset Point of Sale and Wallet services;
- Localize UI and other assets;
- Improve trading engine;
- Design new accountless mechanics (e.g. limitless exchanges);
- Launch mobile apps (e.g. Android).

## **To improve the Flyp.me community and governance:**

- Finalize system for profit distribution;
- Deploy participatory policy-making mechanism;
- Implement additional proprietary platform for proposing and voting for key decisions;
- Develop cryptographic auditing.

## **R&D in bleeding edge technology:**

- Adopt technological improvements like 2<sup>nd</sup> layer solutions;
- Atomic exchanges.