



# Lite Paper



PROVIDING THE WORLD'S FIRST CENTRAL BANK FOR THE BLOCKCHAIN

# XOV solves market volatility

## The need for currency stabilisation in the cryptocurrency ecosystem

The cryptocurrency markets are still in their infancy, with increasing numbers of ICOs every year. This will result in the ecosystem becoming fragmented, to the point that in the future many of these projects will fail as liquidity is moved to those with solid fundamental values, rather than being used as a speculative investment based on price. Because of this investment speculation, currencies fluctuate in what is known as a 'pump and dump', sometimes using price manipulation on a co-ordinated scale.

The markets may start to rationalise in the future when projects merge or are acquired. It is difficult to define the intrinsic value of a cryptocurrency without any underlying asset base, and difficult to pin it against FIAT currencies as these are valued on GDP.

Blockchain solutions can add real value when they have 'real world' applications. Obstacles to mass adoption of cryptocurrency in mainstream markets, as an acceptable form of payment for goods and services is its volatility in price. This is a barrier to progression. Price volatility is also a risk to currency holders in retaining value.

When Bitcoin was hard forked in 2010, its value was 7 cents. More recent values place it at between \$8,000 and \$17,000, with frequent fluctuations. Bitcoin tends to be the fallback position for many investors after making profits in the altcoin markets, or as a safe haven for large amounts of cryptocurrency assets because according to historical performance, it has usually increased in price in the long term. There is no guarantee that this will continue. Because Bitcoin has the largest market capitalisation and is the fallback position for many, it is used as a value benchmark for other currencies.

Bitcoin, whilst enjoying the most market capitalisation, and having the most stability in the markets, is a poor currency to use for constant price stabilisation or for benchmarking. Bitcoin was not designed for this purpose.

The XOV project aims to solve these problems by design, providing a currency network with financial controls that stabilise the currency, and reduce the volatility. Only by achieving this can we begin to convince mainstream merchants to adopt cryptocurrency as a stable form of payment for goods and services, and to have real world value.



### Problems that XOV fixes

- Price volatility in cryptocurrency
- Extreme trading conditions
- Loss of confidence in the market
- Links to the real world by creating intrinsic value

# The world's first Central Bank for the blockchain

## The XOV vision

The XOV project will produce the world's first cryptocurrency Central Bank for the blockchain by using a range of financial controls that control the circulating supply of currency.

This will provide a stable currency that everyone has the confidence in using, that retains an intrinsic value and provides a platform for global merchants, Governments and other currency networks to connect with. Our project goes further than being a bank.

The need for currency stabilisation is now, but this need is becoming more urgent as the cryptocurrency ecosystem expands.

## Project deliverables

The XOV Central Bank concept has been developed and a project team has been assembled. The project team have been consulting with academics, and have received some support for the merits of this concept and its feasibility. Little did we realise that our project was originally undervalued due to its potential as a major market disrupter, due to its groundbreaking nature. Following this we undertook a revaluation of the project and identified the following steps for its progression.

### Research and Development

This phase of our project is about working with the world's finest economics, financial and blockchain consultants, to produce a blueprint for the success of our project. We have a hybrid model utilising economics and technical expertise to deliver our world class product. Once our blueprint is ready, we will undertake protection of our solution so that this can be licensed in the future. This phase has already begun with engagement with consultants and academia.

We have appointed Demelza Hays as part of our research project. Demelza is qualified in Economics and is a Researcher at the Imperial College London Centre for Global Finance and Technology working under the supervision of Dr Michael Hanke and Professor Kirilenko. She is currently researching in the field of cryptocurrency.



### Ground-breaking

- The world's first Central Bank for the blockchain ecosystem
- The potential of this project has been identified as a 'market disrupter'
- Underpinned by the finest academic research and consultancy to ensure its success
- Ability to connect to merchants on a mass adopting scale

### The role of a Central Bank

- An independent authority that conducts monetary policy, and provides financial services including economic research
- Determines interest rates, and directs money supply to achieve



# Applying real and artificial intelligence

## Project deliverables

### Development of our White Paper

This phase of our project is about publishing the results of our research, and providing details of the central banking infrastructure concept in more detail. This document provides the platform for the ongoing development of our solution.

### Advisory Board

Once the White Paper is completed, we will appoint a number of experts to an Advisory Board. These will comprise academics and consultants. The Advisory Board will play an integral part in the running of the XOV Central Bank.

To minimise any potential for currency manipulation, the Advisory Board will operate according to clear accountability and operational protocols. These protocols will be developed as part of XOVnet.

### Development of XOVnet

The development of our solution comes together with XOVnet. This is the technical aspect of our solution and the backbone of the Central Banking infrastructure that will provide the currency regulation and facilitation of payment transfers and financial products.



### Hybrid control model

- The fusion of the Advisory Board and XOVnet creates an unparalleled solution to market
- Connects economics and blockchain technical knowledge bases together

# Digital banking services

## Banking services (front-end delivery)

XOV's primary role as a Central Bank is to regulate the circulation of currency, but the Bank will also offer traditional banking facilities as part of its service, and some of these will be delivered in partnership with other projects.

The provision of our bank accounts will be in the form of a secure XOY wallet application available in Windows, Linux, Mac and Web. We will be offering a self-serve account application process through the wallet application.

### Branch network

XOV will be operating a decentralised branch network that is governed by the XOY Central Bank. These branches will deliver a vital role in the circulation of the XOY currency.

### Private Banking

XOV will be offering a private banking service to high net worth individuals as a place to keep their cryptocurrency assets in safe storage. This will provide a 'vaulting' service, an arrangement to pay interest on the currency, value stabilisation, and payment card and credit facility.

### Current accounts and savings

XOV will provide a current account to individuals with a savings account for those who wish to earn interest on their XOY currency for instant access. For higher interest rewards, our customers can agree to deposit their currency for a longer period of time with our branch network.

### Loans

XOV will provide a loans facility to its customer that is transacted via the wallet application.



### Digital banking for the digital age

- Secure wallets and transaction security
- Ability to use traditional banking services
- Earn interest on your money without loss of crypto-value

# Technical specifications

## The XOVnet backbone

The technical specification of the XOVnet backbone cannot fully be disclosed due to intellectual property rights issues.

### Coin supply notes

XOV will be operating as a Central Bank and therefore the coin supply and circulation will operate in a different way to conventional cryptocurrency networks. This is a design feature of the backbone. A high coin supply is required for futureproofing given the scale of the use of XOV currency with merchants and customers, and the high pre-mine will be used to provide the Central Bank with its XOV reserves, required to support the circulating supply.

### Masternodes

Tier 2 Masternodes will be operated by the XOV Masternode community, and Tier 1 Masternodes will be operated by the XOV Central Bank. The entry level for Tier 2 Masternodes will be released at the time of release.

Currency Symbol	XOV
Currency Name	Xovercoin
Hashing Algorithm	Neoscrypt
Tier 2 Masternode interest	Fixed by agreement
Tier 1 Masternode Interest	Fixed by agreement
Wallet applications	Windows, Mac, Linux, Web, Tor



### Centralised/decentralised hybrid network

- XOV utilises a centralised/decentralised network model with XOV owned and community owned assets
- The XOVnet backbone powers the Central Banking system

# Regulation and compliance

## Digital banking in an uncertain global regulatory environment

The requirement for a Central Bank and its customers to comply with regulatory requirements vary according to where the service is based and used. This will be an evolutionary feature of the cryptocurrency ecosystem. Regulation is used to protect the interests of customers and investors.

XOV has undertaken to make its account application process fully transparent by requiring our customer to voluntarily apply their data according to their own legal jurisdiction. This means that where a customer is legally required to provide information, they will be required to provide it. For those customers who are not legally required to provide information, their account will be anonymous.



# Networked security

## Security

### **XOV Reserves**

XOV will hold a large amount of capital reserve at its disposal. This will comprise a mix of hot and cold wallets to ensure security of the XOVnet. The vault will include security features that are developed by leading security engineers. Our security protocol will not be released to the public.

### **Tier 1 Masternodes (XOVernode network)**

The Tier 1 Masternode is controlled by the XOV Bank to ensure that a high level of security is maintained at all times. The Masternodes will be hosted on multiple servers across the globe and be protected against DDOS attacks and have regular offsite wallet backups. The XOVernode is also able to vault its collateral to the XOV Central Bank as and when needed.

### **Wallet**

The XOV wallets will be protected with leading security standards that protect our customer. For best protection the customer will be advised to secure their own devices used for wallet interactions.



### **Security by design**

- Multi-tiered security network to protect funds

### **What is a Masternode?**

- Masternode is simply a cryptocurrency full node or computer wallet that keeps the full copy of the blockchain in real-time
- Some of the special functions that these nodes perform are: increasing privacy of transactions, doing instant transactions, participating in governance and voting, and enable budgeting and treasury system in cryptos



# Roadmap

A plan for the future of stable digital banking



## Q1 2018

Project commencement  
Central Bank concept created and proved in principle  
Seed Funding Round - Token Sale  
Release of Lite Paper



## Q2 2018

Research and Development  
Release of White Paper  
ICO Pre-Sale Round



## Q3 2018

Advisory Board appointments  
Development of XOVnet  
ICO Main Sale

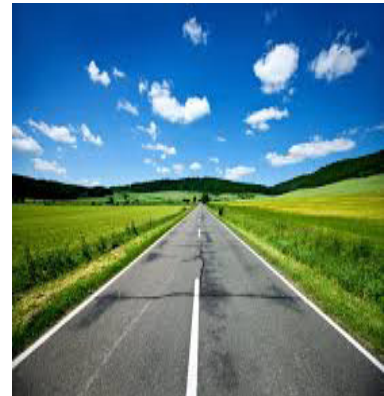


## Q4 2018/Q1 2019

XOVnet Release:  
- Full banking services  
- Wallet applications  
- Tier 1 and Tier 2 Masternodes



## Q2-Q4 2019 - XOVnet 2.0



# Legal information

## **XOV Token Sale**

The information provided in this document is not intended for distribution to, or use by, any person or entity in the United States or the Republic of Singapore, or in any jurisdiction or country where such distribution or use would be contrary to any law or regulation, or which would subject the XOVercoin (XOV) development company and/or entity creating the XOVercoin (XOV) tokens (including their affiliates) or any of their products or services to any registration, licensing or other authorization requirement within such jurisdiction or country. You are only allowed to purchase XOVercoin (XOV) tokens if and by buying XOVercoin (XOV) tokens you covenant, represent, and warrant that you are neither a US citizen or permanent resident of the United States, or a citizen or a permanent resident of the Republic of Singapore, nor do you have a primary residence or domicile in the united states or Singapore, including Puerto Rico, the US Virgin Islands, and any other possessions of the United States. In order to buy XOVercoin (XOV) tokens and by buying XOVercoin (XOV) tokens you covenant, represent, and warrant that none of the owners of the company, of which you are an authorized officer, are US citizen or permanent resident of the united states, or a citizen or a permanent resident of the republic of Singapore nor do you have a primary residence or domicile in the united states, or the republic of Singapore including Puerto Rico, the US Virgin Islands, and any other possessions of the united states. Should this change at any time, you shall immediately notify the creator of XOVercoin (XOV) tokens. Creator of XOVercoin (XOV) tokens shall reserve the right to refuse selling XOVercoin (XOV) tokens to anyone who does not meet criteria necessary for their buying, as set out hereunder and by the applicable law. In particular, the creator of XOVercoin (XOV) tokens may refuse selling XOVercoin (XOV) tokens to US citizens, permanent residents of the united states, or a citizen or a permanent resident of the republic of Singapore and those users who do not meet eligibility criteria established by the creator of XOVercoin (XOV) tokens from to time in its sole discretion. This document must be read in conjunction with the Terms and Conditions of our Token Sale available on the XOVercoin website.

The information contained on the XOVercoin website and in any marketing information included this document does not give any guarantee that the project or any part thereof will be achievable. The purpose of the token sale is to raise finance to develop research and develop the product to meet its project deliverables.

This document is (C) Copyright Xovercoin.com 2018. All rights reserved. Reproduction in whole or part is strictly prohibited. Version 1.0. March 2018.