



## All Coins. One Platform.

An in-depth solution to solve the liquidity problem

STeX.Exchange is the first totally publicly owned crypto-exchange, where one hundred percent of operating profits from commissions are proportionally distributed among all shareholders of STE tokens.

Revision 2.17

<https://stex.exchange>

# Contents

1. The Problem	2
2. The Solution	3
3. The Technology	6
4. Market Analysis	7
5. Competitors	11
6. Road Map	18
7. STE Token Holder Benefits	20
8. ICO	21
9. Future STE Prices	26
10. Legalization	28
11. Use of ICO Funds	29
12. The STE Smart Contract: ERC20 Standard	30
13. The Team	33
14. The Project	36
15. Risk Disclosure	39
16. FAQ: How it Works	43

# 1

## The Problem

The cryptocurrency world has experienced such an enormous and explosive growth in recent years that no existing crypto exchange is capable of managing it. One coin is trading on one exchange - another coin is on another, but there is no one single place for all coins. STeX is providing that one place with a platform to trade all existing coins, we know exactly how to make this a reality.

### 1.1 The liquidity problem

Many coins and tokens suffer from one big problem – a lack of liquidity. This leads to enormous implications for active traders/investors. No known exchange shows the calculations about available volume at a specific price, this is valuable information for high net investors. Without this information, a reasonably large investor cannot make a truly informed decision. The scourge of the modern exchange is terrible liquidity. This is exactly where we deploy our private algorithms and technical solutions - to solve this problem.



Have you tried to switch between coins, following trends in emerging tokens ?

### 1.2 Missed opportunities

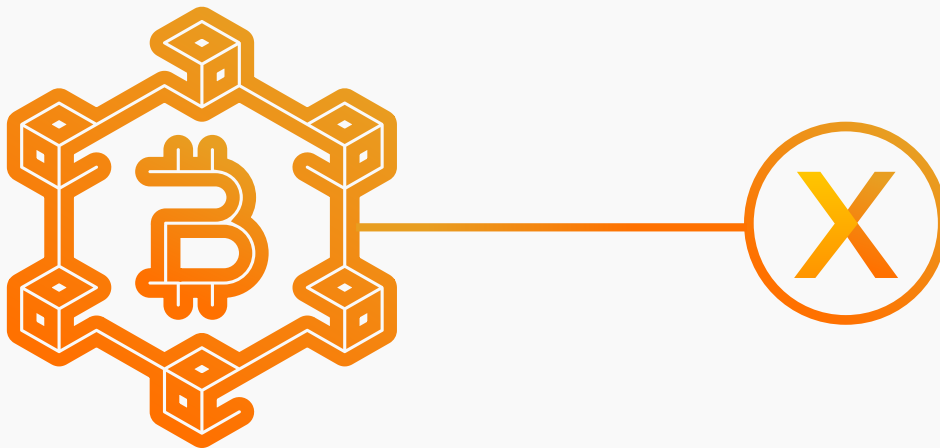
Imagine, you have *coin A* and a nice opportunity to sell it at a profit and at the same time, you wish to invest in a new promising token - *coin B*. The only problem: they are traded (or have the best rates) in different exchanges. To take advantage of the opportunity you must finish the first trade, then transfer your assets from one exchange to another - wasting days and (the world is fast nowadays, remember?) potentially missing the brilliant opportunity to raise money - all because of current market insufficiency.

# The Solution

## 2.1 Solving the liquidity problem

With our unique HFT algorithms, originally developed to work on traditional stock exchanges, we can solve this problem: providing access to all trading possibilities from one trading platform and one trading account - in the blink of an eye.

### 2.1.1 Liquidity aggregation



One of our solutions to solve the liquidity problem is to aggregate offers from many other exchanges in one place. Big orders will be executed on STeX at better prices thanks to the automatic collection of all of the best offers from various exchanges.

### 2.1.2 Liquidity pool creation (collected on ICO)

One of the main reasons to collect more funds during ICO is the ability to strengthen the project's own liquidity pool. This means that a significant amount of cryptocurrency will be available as bid and ask offers on the STeX exchange from the very beginning - with fast execution, managed by STeX's proprietary market-making algorithms.

## 2.1.3 Market-makers

On top of that, STeX will be offering direct access through fast API protocols to those who want to become market-makers on the STeX exchange, allowing them to trade without any commissions, along with some other benefits listed in Section 7. For all such trades, commissions will be taken from a counterparty willing to buy or sell at the offered price.



## 2.1.4 Out-of-the-box MM for every user

On top of the aforementioned which we believe is able to provide more than enough liquidity - we are also going to make it quick and easy for every user on STeX to contribute and profit from the already installed market-making algorithm. Several pre-defined presets for different strategies will be available and ready to use - all you need to do is to specify the amount that you wish to invest in this strategy and express your market view, if any (optional).



**If any two coins are listed on STeX, you can trade one against the other directly**

## 2.2.1 Built-in cross rate support

Our special A2A decentralized technology gives STeX the ability to support hundreds of thousands of cross rates simultaneously - an ability no other exchange has at the moment. More importantly, this means full featured support - including a much wider variety of trading abilities such as; trailing stop loss orders, take profit orders, charts and much more. All of the features you find on STeX will be available across any trading pair, too.

**No more missed opportunities! Switch between any altcoin immediately and pick up all of the profits!**

# Technology

## 3.1 Decentralization

STeX's own cloud cluster is physically hosted in many countries to prevent the possibility of downtime due to real-world/technological attack or failure.

## 3.2 Crypto-security

All STeX systems are encrypted and cannot be accessed without proper authorisation from STeX.

The project's main funds - including user's funds - are stored in cold wallets, not vulnerable to online attacks.

## 3.3 Speed

Superfast cloud processing core - internal trades are completed in the blink of an eye.

## 3.4 Horizontal scaling

Our A2A decentralized technology allows us to support thousands of cross rates simultaneously.

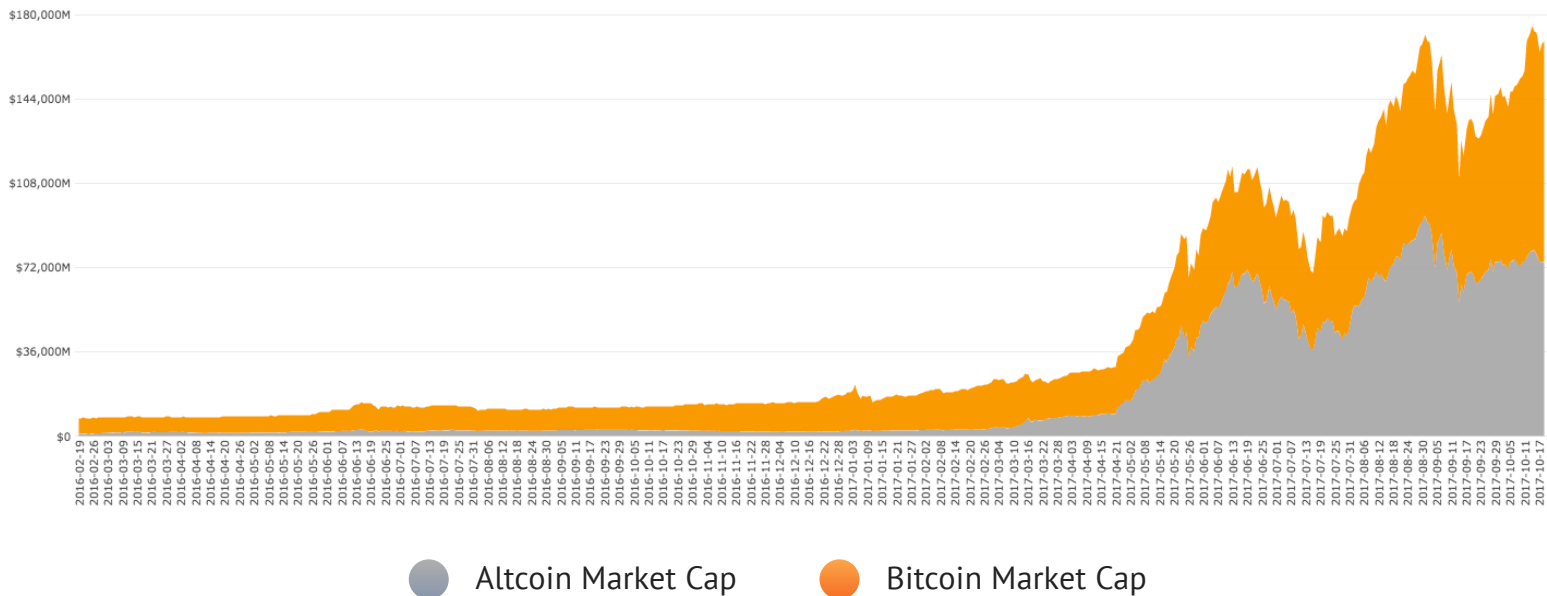


**Behind our system lie years of experience in trading on the world's largest stock exchanges and countless hours developing trading algorithms for private hedge-funds and brokers.**

This unique combination of understanding end-user needs, knowledge of how to build infrastructure capable of delivering services to millions of users, teamed with sophisticated HTF market-making algorithms - ensures that the project will be successful while being difficult to imitate, if someone wishes to compete.

# Market analysis

## Cryptocurrency Market Caps (Historical) coin.dance



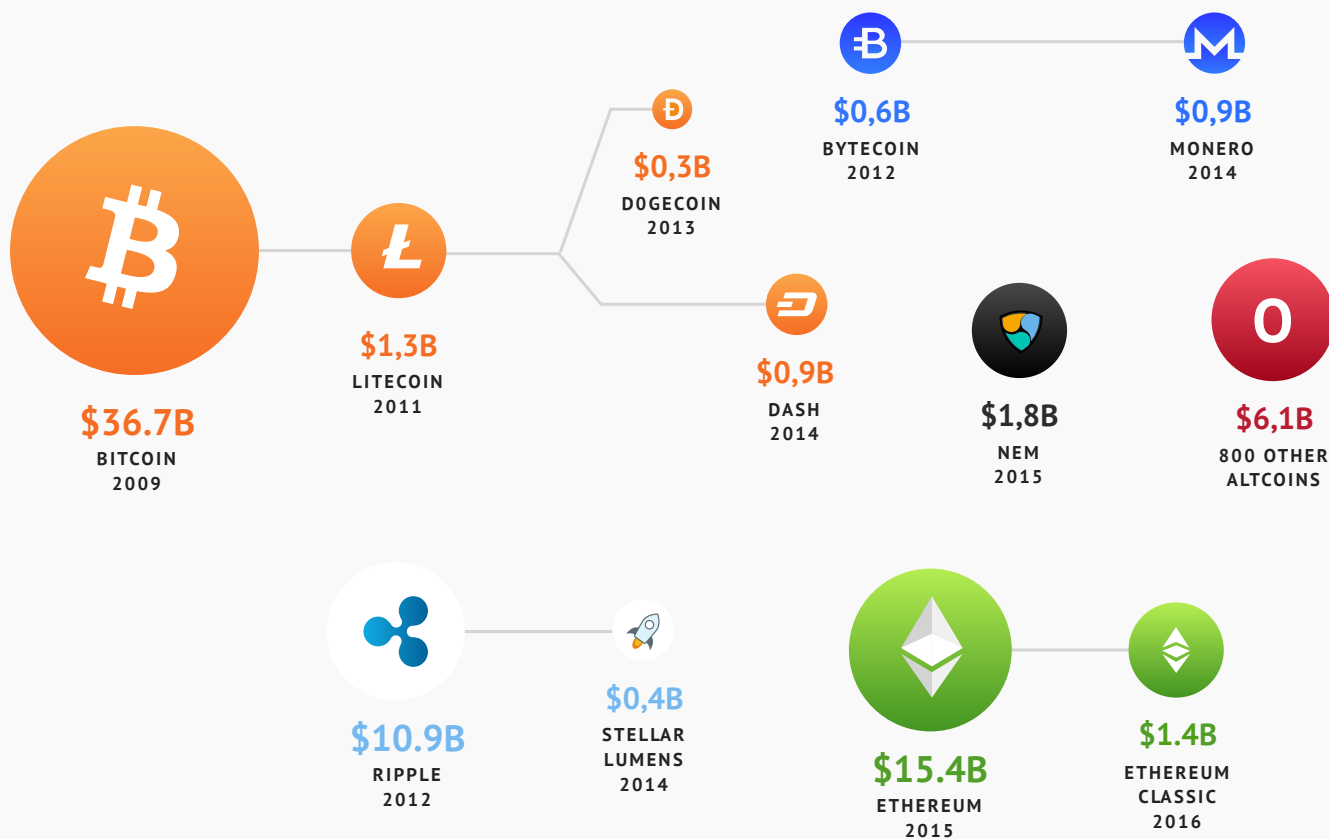
Since 2012, the cryptocurrency market has been picking up speed, ramping up exponentially within the past 3 years.

### 4.1 Current metrics

At the time of writing the market capitalization for all cryptocurrencies is at \$168.72 billion and there are approximately 330k confirmed transactions per day, with some predicting a possible increase to a \$200 billion market cap by the end of 2017.

As of October 2017 between \$1 and \$4 billion is traded through cryptocurrency exchanges daily. While it is difficult to pinpoint exactly how many traders are currently out there, a global cryptocurrency benchmarking study by the Cambridge Centre for Alternative Finance representing roughly 75% of the industry, estimates that there are at least 3 million people actively trading Bitcoin today - while data from other sources, such as Coinbase and ARK Research, estimate that there are between 10-14 million Bitcoin owners worldwide.

# The Cryptocurrency Universe



Altcoins now account for around 50% of the the worldwide cryptocurrency market capitalization. As of January 1st 2017, the Altcoin market cap was at around \$2.18 billion, rising 34 times to \$74.39 billion as of October 2017. The Bitcoin market cap rose to \$94.34 billion from \$16.28 billion - rising just under 6 times in the same period.

The market continues to evolve. It now requires a single platform that will allow high liquidity for a variety of crypto assets as well as efficiently provide an inter-operable trading environment - saving on time and compounding fees from multi-step trades. We plan to satiate this need by offering 10,000 trading pairs across the top 100 cryptocurrencies at launch on one platform - all with the lowest rates available.



## 4.2 Projections

While it is extremely difficult to predict the growth of the cryptocurrency market, 2017 has been a demonstrative year in the growth potential of cryptocurrencies as inventive blockchain solutions, innovative DAOs and awareness of smart contract applications in the real world continue to drive momentum.

According to an analyst at Saxo Bank, the Bitcoin market cap could hit 1.75 trillion in 10 years, with its price reaching \$100,000. The estimate is that cryptocurrencies will account for 10% of the average daily trade volume of all fiat trade by 2027. Foreign exchange ADV currently stands at \$5 trillion and we can follow growth estimates to assume that cryptocurrencies could account for \$500 billion by that time.

In the next section we illustrate projected cryptocurrency commissions over time following the expert's self-proclaimed 'conservative' estimation.

**Average daily trading volume in 2017:** \$2.1 Billion

**Projected daily trading volume in 2027:** \$500 Billion

## 4.3 STeX market share (optimistic, realistic & worst case scenarios)

We expect to acquire of at least 5% of the cryptocurrency exchange market in the first year of operations and become one of the 10 biggest cryptocurrency exchanges. Based on the above projections for daily trade volume, we have listed the estimated return on a purchase of 1,000 STE after **1 Year** of STeX's release, with a pessimistic, realistic and optimistic market share.

All below calculations are based on the assumption that STeX will be able to collect commissions at the rate of 0.2% for 50% of all transactions on stex.exchange. From this amount, 50% will be deducted in favor of the affiliate program, user rebate scheme, or other corporate actions targeted at user base growth and loyalty programs.

In other words, we took the industry average commission rate and deducted 75% for possible tier structure rebates, discounts, affiliate programs and free trades etc.

What is left is used in our calculations below. We also estimate variable costs to be 0.01% from the volume of transactions and fixed expenses to be no more than 100 ETH per day. We do not use market size correction, but you should keep in mind that 5% of the market with current trading volumes equals 1% of the market in case it grows in volume fivefold, which is expected by most experts in a year or two.

This means that the STeX Project's commissions will be the same, even with a lower share of the future market - if the market itself gets bigger. For the purpose of this calculation we use a total supply of 50,000,000 STE. If you expect the STeX ICO to be hard-capped, you should divide all resulting numbers by 2 or use <https://stex.exchange/stecalculator> directly.

### 4.3.1 Optimistic Scenario + + +

By acquiring 5% of the currency-exchange market (if it stays on the current volume of transactions) STeX will be collecting and distributing 0.00805 ETH for every 1,000 STE tokens on a daily basis, or 0.2455 ETH for every 1,000 STE tokens on a monthly basis, or 2.94 ETH for every 1,000 STE tokens annually. Expected STE price is 58 ETH for 1000 STE (based on a P/E ratio of 20).

### 4.3.2 Realistic Scenario +

By acquiring 2% of the currency-exchange market (if it stays on the current volume of transactions) STeX will be collecting and distributing 0.00292 ETH for every 1,000 STE token on a daily basis, or 0.089 ETH for every 1,000 STE tokens on a monthly basis, or 1.066 ETH for every 1,000 STE tokens annually. Expected STE price is 21 ETH for 1000 STE (based on a P/E ratio of 20).

### 4.3.3 Worst Case Scenario —

For the worst case scenario, we calculated the break-even point for the project using the assumptions mentioned above. If the project gets no more than 0.3% of the cryptocurrency exchange market, it will have no commissions to distribute among STE holders. However, there are enough contingency funds to keep it in operation for several years in 'survival mode' and we have many backup strategies to rectify a situation like this.

# 5

## Competitors

**Through the extensive and ongoing analysis of either direct competitors, similarly featured platforms or exchanges with the highest trading volume for the last 6 months - we have been able to gain insight into what works for successful exchanges and what the expectation and community feedback is regarding desired features, incorporating these into the STeX development cycle to stay competitive and relevant.**

This undertaking has given us great understanding of the perceived 'ideal trading platform', allowing us to work towards perfecting our offering and meeting the crypto community's needs.

### **5.1 List of competitors**

From our own collective experience as traders and from research into product whitepapers, public opinion and promotional materials - we have narrowed down what we think are the most relevant strengths, weaknesses, threats and differentiators (USPs) for each of our competitors.

The list collated here is a mix of decentralized, hybrid and centralized exchanges with varying service offerings and product features.

Some of the most compelling features of the fastest growing and most innovative cryptocurrency exchanges of recent times - include being decentralized/offering 'trustless' trading, having a high liquidity pool or access to fast order processing.

Unfortunately, many of these features are seemingly mutually exclusive across competing exchanges. We are proud to be working closely with industry experts and the growing STeX community alike, to incorporate these much desired features into one system for the STeX project.

## 5.1.1 Top 10 analysis: jurisdiction, number of coins, number of pairs, fiat D/W, AML/limits, commissions



Hybrid - Combining the speed centralized exchange with the secure account management of a decentralized one.

**No. of coins:** 100  
**Trading Pairs:** 10,000  
**Fiat Deposit / Withdrawal:** No  
**AML Limits:** None  
**Deposit Fees:** No  
**Withdrawal Fees:** No  
**Trading Fees:** 0.2%

### Strengths

- Speed & security
- All trading pairs, one platform
- Best rates, aggregated from other exchanges

### Weaknesses

- Our contingency funds and 'survival mode' will have to be deployed if we are unable to gain significant market share

### Threats

- If the crypto market stagnates or declines
- If crypto/exchanges face worldwide regulation

### Differentiators

- Exchange aggregation
- Token holder dividends
- Lowest rates, highest liquidity

### EtherDelta (Decentralized)

**Jurisdiction:** Blockchain  
**No. of coins:** 148  
**Trading Pairs:** 667  
**Fiat Deposit / Withdrawal:** No  
**AML Limits:** None  
**Deposit Fees:** 0.0001 - 0.0003 ETH  
**Withdrawal Fees:** 0.0001 - 0.0002 ETH  
**Trading Fees:** 0.0002 - 0.0003 ETH

#### Strengths

- Transparency
- No registration required
- Secure & limitless

#### Weaknesses

- High trading costs
- Non-instant trades
- Thin order books

#### Threats

- Fees and features not competitive with other exchanges
- No innovative technology to boost liquidity

#### Differentiators

- Trustless trading
- Open source and verifiable

### KYBER NETWORK (Decentralized)

**Jurisdiction:** Singapore  
**No. of coins:** 'Popular and high volume coins'  
**Trading Pairs:** Supporting many arbitrary pairs will require many funds in reserve.  
**Fiat Deposit / Withdrawal:** No  
**AML Limits:** KYC Compliant  
**Deposit Fees:** N/A (P2P transactions)  
**Withdrawal Fees:** N/A (P2P transactions)  
**Trading Fees:** No

#### Strengths

- Good advisory board/partnerships
- Proxy / cross chain payment

#### Weaknesses

- Requires high participation from reserve providers to enable high liquidity.
- Q1 2018 Initial release features only 5-10 tokens from a single central reserve

#### Threats

- Rogue reserve managers
- Unknown and off-chain policing process

#### Differentiators

- Trustless
- Instant on-chain order fulfilment

## 5.1.1 Top 10 analysis: jurisdiction, number of coins, number of pairs, fiat D/W, AML/limits, commissions

### BINANCE (Centralized)

**Jurisdiction:** China  
**No. of coins:** 35  
**Trading Pairs:** 64  
**Fiat Deposit/ Withdrawal:** No  
**AML Limits:** 2 BTC daily limit for non-verified accounts, 50 BTC daily limit for accounts enhanced verification.  
**Deposit Fees:** No  
**Withdrawal Fees:** 0 - 0.6%  
**Trading Fees:** 0.01%

#### Strengths

- Strong online community
- Solid team with track record
- No fiat (bypassing current legislation)

#### Threats

- Change in legislations

#### Weaknesses

- Limited pairing
- No stop loss
- Low trade volume

#### Differentiators

- Trustless
- Fast order fulfilment thanks to innovative infrastructure

### BITTREX (Centralized)

**Jurisdiction:** USA  
**No. of coins:** 200  
**Trading Pairs:** 537  
**Fiat Deposit/ Withdrawal:** No  
**AML Limits:** Two account types. Limits are between 3 BTC and 100 BTC depending on level of identity verification, enhanced requiring public record verification and scans for proof of address.  
**Deposit Fees:** No  
**Withdrawal Fees:** No  
**Trading Fees:** 0.25% of trading profits

#### Strengths

- Holders of New York's 'bitlicense' (legally compliant with local legislation)
- Extensive trading pairs
- Easy to use

#### Threats

- Loss of user base from bad PR

#### Weaknesses

- Mixed user experience
- Service restrictions to some regions
- Long verification

#### Differentiators

- Algorithmic trading

### BITFINEX (Centralized)

**Jurisdiction:** Taiwan  
**No. of coins:** 20  
**Trading Pairs:** 44  
**Fiat Deposit/ Withdrawal:** No - Pressure from Taiwanese banks  
**AML Limits:** Limitless fiat withdrawals are AML, KYC and CTF compliant requiring government ID and proof of address.  
**Deposit Fees:** No  
**Withdrawal Fees:** No  
**Trading Fees:** 0 - 0.2%

#### Strengths

- OTC services
- Margin/leveraged trading
- Mobile app

#### Threats

- Multiple hacks reducing user confidence in service

#### Weaknesses

- Limited tokens and pairs offered
- Slow/expensive fiat depositing option
- Restrictions on some countries

#### Differentiators

- Variety of order types

### OKCOIN (Centralized)

**Jurisdiction:** China  
**No. of coins:** 5  
**Trading Pairs:** 15  
**Fiat Deposit/ Withdrawal:** Yes  
**AML Limits :** \$50,000 maximum daily cap requiring photo id and proof of residence for higher tiers. \$10,000 or more in deposits may be subject to enhanced due diligence checks.  
**Deposit Fees:** No  
**Withdrawal Fees:** 0.01%, minimum \$15  
**Trading Fees:** 0.05 - 0.2%

#### Strengths

- Advanced security measures
- Advanced order types
- Good liquidity

#### Threats

- Legislation change in China
- Allegations of price/volume manipulation

#### Weaknesses

- Limited tokens and pairs offered
- Limited support internationally

#### Differentiators

- Leverage management tools

## 5.1.1 Top 10 analysis: jurisdiction, number of coins, number of pairs, fiat D/W, AML/limits, commissions

### BITSTAMP (Centralized)

**Jurisdiction:** Slovenia / UK  
**No. of coins:** 4  
**Trading Pairs:** 12  
**Fiat Deposit/ Withdrawal:** Yes  
**AML Limits:** No limit requiring proof of ID and residence, conforming to AML legislation in the regions in which it operates.  
**Deposit Fees:** No  
**Withdrawal Fees:** No  
**Trading Fees:** 0.25 - 0.1%

#### Strengths

- No trading or d/w limits
- Mobile application
- Fast service

#### Threats

- May fail to retain users as more competitive exchanges enter the market

#### Weaknesses

- Limited tokens and pairs offered
- Mixed user reviews
- High fees

#### Differentiators

- The oldest and most stable exchange

### COINBASE (Centralized)

**Jurisdiction:** USA  
**No. of coins:** 3  
**Trading Pairs:** 9  
**Fiat Deposit/ Withdrawal:** Yes  
**AML Limits:** \$10,000 maximum daily cap, with greater limit allowances requiring photo id, proof of address and government ID.  
**Deposit Fees:** Yes  
**Withdrawal Fees:** Yes  
**Trading Fees:** 1% Fixed

#### Strengths

- Current largest Bitcoin broker
- Fast fiat conversion

#### Threats

- Strict conformity to governmental legislation and traditional banking systems

#### Weaknesses

- Limited tokens and pairs offered
- Very stringent KYC/AML procedures

#### Differentiators

- High liquidity in ETH, BTC and LTC markets

### KRAKEN (Centralized)

**Jurisdiction:** USA  
**No. of coins:** 25  
**Trading Pairs:** 73  
**Fiat Deposit/ Withdrawal:** Yes  
**AML Limits:** 3 tiers of withdrawal limits based on clearing different 'tiers' of verification, ranging from \$20k-\$200k monthly, requiring photo id, government id and proof of address for the highest tier.  
**Deposit Fees:** Yes, in some cases  
**Withdrawal Fees:** Yes  
**Trading Fees:** 0 - 0.26%

#### Strengths

- Holders of New York's 'bitlicense' (legally compliant with local legislation)
- Extensive trading pairs
- Easy to use

#### Threats

- Loss of user base from bad PR

#### Weaknesses

- Mixed user experience
- Service restrictions to some regions
- Long verification

#### Differentiators

- Algorithmic trading

### EIDOO (Hybrid)

**Jurisdiction:** Switzerland  
**No. of coins:** Bitcoin, Ethereum  
**Trading Pairs:** Undisclosed  
**Fiat Deposit/ Withdrawal:** Yes  
**AML Limits:** Must conform to AML / KYC regulations.  
**Deposit Fees:** Competitive  
**Withdrawal Fees:** Competitive  
**Trading Fees:** Competitive

#### Strengths

- Embedded token system (funding)
- User-friendly wallet app

#### Threats

- Many partnerships and 3rd parties will be relied on to provide full functionality, any of which could fail or halt services

#### Weaknesses

- A 'jack of all trades' solution that doesn't have pro-spec exchange functionality

#### Differentiators

- Combined wallet & exchange features
- Cross-chain trades

## 5.2 Comparison with STeX

	Margin Trading Futures	Derivative	Hedge Funds	Trading Pairs	Liquidity	Pros	Cons	
<b>STEX</b> Hybrid	●	●	●	●	>10000	Highest possible	<ul style="list-style-type: none"> <li>- Lowest possible bid/ask spreads in the industry</li> <li>- Bid/ask size automatic calculation</li> <li>- Stop/limit/conditional orders</li> <li>- Best prices available across other exchanges</li> <li>- 100% dividend distribution among all token holders</li> </ul>	<ul style="list-style-type: none"> <li>- Restricts US and Hong Kong citizens because of SEC and SFC regulation</li> </ul>
<b>KYBER NETWORK</b> Decentralized	●	●	●	●	n/a	Good	<ul style="list-style-type: none"> <li>- High Liquidity</li> <li>- Fast exchange</li> <li>- Good team and advisory board</li> </ul>	<ul style="list-style-type: none"> <li>- Requires good participation from reserve providers to enable high liquidity</li> <li>- Limited tokens on release</li> </ul>
<b>BINANCE</b> Decentralized	●	●	●	●	64	Industry Average	<ul style="list-style-type: none"> <li>- Fast order processing</li> <li>- Multi-language support</li> <li>- All major coins available</li> </ul>	<ul style="list-style-type: none"> <li>- Lower trade volume comparatively</li> <li>- Few available order types</li> </ul>
<b>ETHERDELTA</b> Decentralized	●	●	●	●	325	Low	<ul style="list-style-type: none"> <li>- Limitless trading</li> <li>- No registration/censorship protection</li> </ul>	<ul style="list-style-type: none"> <li>- Low liquidity</li> <li>- Lacks advanced features</li> </ul>
<b>BITSQUARE</b> Decentralized	●	●	●	●	60	Industry Average	<ul style="list-style-type: none"> <li>- Supported by crypto community</li> <li>- Several payment options available</li> <li>- Focus on privacy</li> </ul>	<ul style="list-style-type: none"> <li>- Low trading volumes</li> <li>- Slow transaction speed</li> <li>- Not designed for active trading</li> <li>- User experience mostly aimed at coders/devs</li> </ul>
<b>QVOLTA</b> Decentralized	●	●	●	●	4	Industry Average	<ul style="list-style-type: none"> <li>- Low trading volumes</li> <li>- Liquidity will be low until exchange picks up momentum</li> </ul>	<ul style="list-style-type: none"> <li>- Well designed platform</li> <li>- Low commissions</li> <li>- Fast conversions</li> </ul>
<b>SPECTRE</b> Decentralized	●	●	●	●	n/a	Good	<ul style="list-style-type: none"> <li>- Transparent environment</li> <li>- Strong personnel</li> <li>- Broker-less trading</li> </ul>	<ul style="list-style-type: none"> <li>- Liquidity is dependant upon ICO soft-funding target being reached</li> <li>- Does not facilitate 'coin-to-coin' trades</li> <li>- Reliability on Ethereum blockchain (transaction speeds)</li> </ul>
<b>EIDOO</b> Hybrid	●	●	●	●	n/a	Good	<ul style="list-style-type: none"> <li>- Multi-currency/asset wallet</li> <li>- Debit Card accepted</li> <li>- Supports all ERC20 tokens</li> </ul>	<ul style="list-style-type: none"> <li>- Lack of focus - an 'all-in-one' platform that may have missing exchange functionality for pro traders</li> </ul>
<b>BITTREX</b> Centralized	●	●	●	●	537	Below Average	<ul style="list-style-type: none"> <li>- Large number of trading pairs</li> <li>- High volumes</li> </ul>	<ul style="list-style-type: none"> <li>- Long verification/support ticket time</li> <li>- Mixed user reviews</li> </ul>
<b>BITFINEX</b> Centralized	●	●	●	●	44	Industry Average	<ul style="list-style-type: none"> <li>- High USD Liquidity</li> <li>- Low Fees</li> <li>- All order types and margin trading</li> </ul>	<ul style="list-style-type: none"> <li>- Not a transparent company</li> <li>- Reputation loss due to hack</li> </ul>
<b>OKCOIN</b> Centralized	●	●	●	●	13	Industry Average	<ul style="list-style-type: none"> <li>- Easy layout and functionality</li> <li>- Good liquidity</li> <li>- Futures &amp; leverages on LTC/BTC</li> </ul>	<ul style="list-style-type: none"> <li>- The Chinese crypto market is under increased scrutiny/regulatory changes</li> </ul>
<b>BITSTAMP</b> Centralized	●	●	●	●	12	Below Average	<ul style="list-style-type: none"> <li>- Good reputation</li> <li>- Easy and quick to use</li> </ul>	<ul style="list-style-type: none"> <li>- Supports only BTC/FIAT trades</li> <li>- Negative user experiences reported</li> <li>- Higher fees if you are trading low</li> <li>- Hacked Jan 2015</li> </ul>
<b>COINBASE</b> Centralized	●	●	●	●	9	Industry Average	<ul style="list-style-type: none"> <li>- Newbie friendly</li> <li>- Integrated debit/credit cards</li> </ul>	<ul style="list-style-type: none"> <li>- Major user privacy violations</li> <li>- Puts investors before customers</li> </ul>
<b>KRAKEN</b> Centralized	●	●	●	●	73	Industry Average	<ul style="list-style-type: none"> <li>- High liquidity in EUR markets</li> <li>- Margin trading supported</li> </ul>	<ul style="list-style-type: none"> <li>- Slight volume lag in BTC/USD</li> <li>- Weak support for mobile platforms</li> <li>- No "advanced" orders (stop-loss etc.)</li> <li>- Has uptime problems when market gets hot</li> </ul>

## 5.3 Competitive Advantages

The STeX system is built in such a way as to enable it to co-exist with other exchanges, creating a symbiotic relationship where a 3rd party exchange will benefit from STeX's utilization of its markets, through its own fee structure.

We are therefore not in direct competition with traditional crypto exchanges and actually help to strengthen their trading volume and liquidity. One hundred percent of STeX commissions go to token holders, making our project the first truly 'publicly-owned' exchange. Of that amount, 20% is first distributed to STE holders that have never sold their tokens - providing incentive for ICO participants to treat their STE as any other long-term investment with ongoing dividends. This factor, combined with the limited availability of STE in issuance, we hope, will allow STE to grow in value and be less susceptible to market manipulation.

### STeX.exchange provides:

- Real-world financial instruments never before seen in crypto exchanges
- The highest liquidity of any cryptocurrency exchange
- The best rates available, aggregating from all major exchanges
- 10,000 cross rates between the top 100 coins of Q1 2018
- Access to advanced order types and intuitive trade automation tools
- 'Trustless' trading - our exchange managers have 0 access to your account funds
- The ability to participate in the platform and receive 100% dividends monthly, paid in ETH

A proven track record across our team/advisory board and a historical competence in providing market leading products prove our competence around complex issues of scalability, security and data management - all of which have been addressed as part of an extensive R&D process over the past 18 months.

Here, we illustrate a direct comparison between STeX and Binance, whose success in gaining market share through optimization of user experience, integration of high performance order settlement technology and promotions for zero fees has earned them significant market share within a short time span, something we are looking to emulate with our offering.

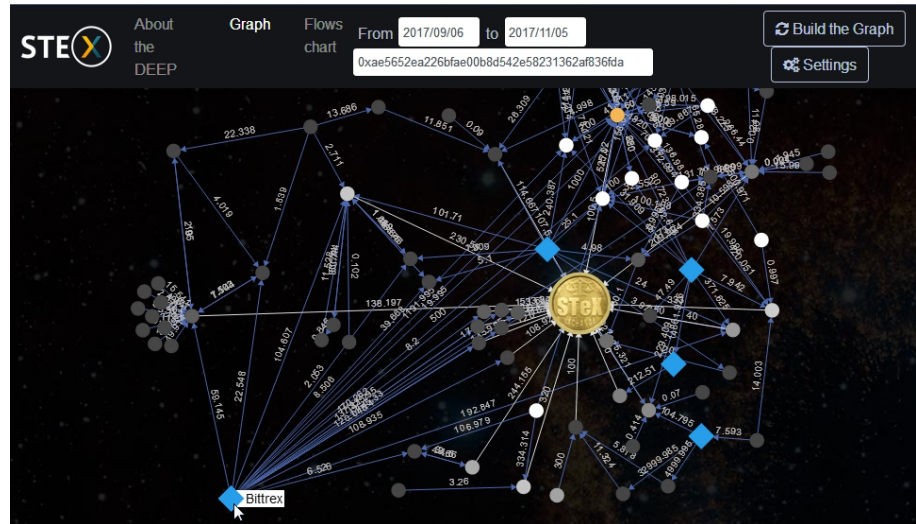


# Direct comparison with Binance

	<b>Binance</b>	<b>STeX</b>	<b>Evaluation</b>
<b>Founders / team members</b>	Successful entrepreneurial experience, a wide network in the crypto community	Successful entrepreneurial experience, has done large-scale systems, traditional financial background	On par
<b>Investor dividends</b>	20% of quarterly profit is used to buy-back and burn tokens at current market price	100 % of the monthly profit distributed among token holders as dividend (ETH)	STeX - clear winner
<b>Worldwide availability</b>	Available worldwide	Available worldwide	On par
<b>Currencies</b>	Dozens of tokens supported	100 most popular tokens	STeX - winner
<b>Trading fees discount</b>	Reduce trading fees by 50% using token	Special commission-free order types for all users	STeX - winner
<b>Financial instruments</b>	No	Futures, margin trading, etc	STeX - clear winner
<b>Liquidity</b>	Good	Exchange aggregation patterns, liquidity excellent	STeX - winner
<b>Multilingual</b>	Language support for all major languages	All major languages will be supported	On par
<b>Exchange</b>	Has been operating for three months	December beta version, 2018 Q1 full release	Binance

# Road Map

August, 2017  
STE token Presale

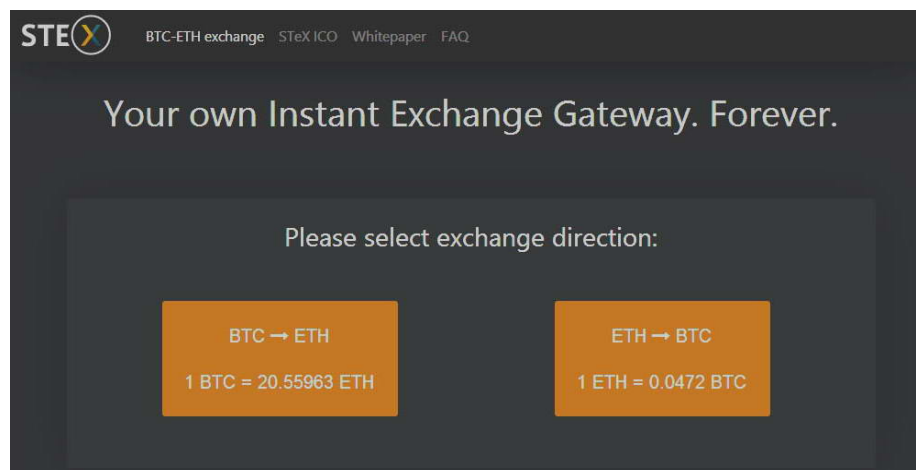


We have already created a new concept of exchange system and basic market-making algorithms, differentiating our project from any other in the current market. The key advantage of the STeX platform are our HFT algorithms - uniquely positioning us to provide more liquidity on a coin-to-coin exchange than has ever been seen from a single platform. The result of which for the end user will be much narrower spreads between buy and sell offers, and the ability to trade much larger amounts from a single trading account. Our DEEP blockchain visualizer and AML/KYC investigation tool was released on August, 23rd - [deep.stex.exchange](https://deep.stex.exchange)

September, 2017  
Presale hard capped  
at 15,000 ETH

Presale reached the maximum limit of 15,000 ETH, 14 hours and 15 minutes before the expiration time, leaving many late participants behind.

October, 2017  
Modules development



A separate module of the STeX system was developed and released as a fully functional additional service at [gateway.SteX.exchange](https://gateway.SteX.exchange) - an Instant Exchange Gateway. An improved whitepaper was published and official explainer videos have been released. All systems are revised and corrected according to advisors and community feedback.

**November, 2017**  
**STE token ICO**



High speed API, internal algorithms and protocols are ready. Main ICO starts.

**December, 2017**  
**Alpha development**



Within the next two months the system's core with all the algorithms will be ready and tested under load. At this stage we will also invite users to test our trading terminal.

**January, 2018**  
**STE become tradable on STeX exchange**



Right after STE becomes transferrable after the end of the ICO, it will be listed on the STeX Exchange and become tradable in Ether as STE/ETH.

**February, 2018**  
**Front-end Production**



First users are using the STeX trading interface.

**Q2, 2018**  
**Beta release**



A user-friendly web-based client with the highest level of security access control - taken from real world trading terminals - will provide instant access to the biggest choice of coins and tokens with worldwide best bid & ask. The key concept is this - you'll need just one account to get access to thousands of markets and trading pairs at the lowest rates. Behind the scenes is a fully automated system that takes care of all details. You can choose either segregated storage under your full control and protection or a common account - giving you maximum flexibility and leverage.

**Q3, 2018**



Additional trading and investment services.

7

# STE Token Holder Benefits



Holders of STE tokens have no obscure perks or advantages and have no other reason to hold STE, except one;

**The one hundred percent distribution of trading commissions.**

We are the first cryptocurrency exchange and probably the first ICO ever to distribute 100% dividends among token holders. With STeX, 100% of collected commissions for the trades on the exchange are distributed (excluding expenses) between STE holders, and this is not a benefit that will lessen over time - it will stay with you for as long as you hold your STE.

Even if at some point the project is forced to re-engineer the method of such distributions due to legal requirements, the main principle will remain unchanged; 100% of the commissions - excluding expenses - will be distributed. From the start, distribution will be in ETH. Later, we have plans to implement multi-currency accounting for dividend distribution, with the possibility to keep and withdraw in multiple currencies, or to automatically convert dividends to any cryptocurrency of choice.

If you compare the STeX project to any other cryptocurrency exchange, you will find that STeX has the most fair, simple and effective set of benefits for all its supporters, simply because of its 100% publicly-owned nature.

For any ICO subscribers - even if you join at a later stage with relatively high prices - the main advantage will be a growing demand on STE tokens from new STeX users (because of commissions rebate and distribution policy) combined with the commission distribution itself.

# STeX ICO



The ICO structure has been designed to give the best opportunities to anyone who would like to participate from the very beginning, providing maximum flexibility and control for the participants.

## 8.1. Controls

Every ICO participant can interact with our smart-contract at any stage of the ICO by sending ETH in the amount greater than 0.1 ETH, to get STE at the current price with default parameters according to the rules described in 8.2. and 8.3.

Besides, participants can change the settings of their contribution by sending the amount less than 0.1 ETH from the same Ethereum address, to our smart-contract - encoding the instruction in the amount of the transaction:

To set up the maximum STE purchase price and/or your bet during the auctions, you should enter your Ethereum address at <https://stex.exchange/ico> and follow the instructions. All transactions in the amount less than 0.1 ETH will be rejected by our smart-contract, but your orders encoded in such a transaction will be applied to an unprocessed part of your contribution, from the next ICO stage/auction.

After each ICO stage/auction - if the next stage starting price is greater than the maximum price that you specified, and/or the total ICO supply of STE has already been distributed - the amount of ETH you sent to our smart contract before, will be sent back to the Ethereum address of which it was received (excluding processing fee of 0.01 ETH per transaction).

Please note that if you send your desired amount of ETH to our smart-contract without encoding any orders in it, then it will be processed with the following default settings:

- maximum purchase STE price = 9.99 ETH;
- auction bet = 105% from starting price ( It's + 5% to the min. price);

## **8.2 ICO Main event**

The price of STE during the main ICO event will remain at 0.002 ETH per 1 STE token during the first 8 hours. We define 1 hour as the amount of 3600/13.6 of the new blocks added to blockchain in the Ethereum network. The countdown on our website will help you to understand the current stage of the ICO.

The main ICO event will take place for only 8 hours. The exact time for the commencement of the STeX ICO main event will be published on the STeX.EXCHANGE website closer to ICO date, and a countdown timer will be displayed on the home page.

All transactions confirmed during the 8 hour period from the start of the ICO will be filled with STE in an order of arrival without limitation until the total number of STE tokens dedicated to ICO main event distribution (5,000,000 STE) has been distributed.

All the transactions processed in the Ethereum network blocks with a number greater than the announced closing block, and/or transactions processed after the main event's amount of STE has already been distributed - will take part in the rolling auctions, unless the current auction starting price is greater than the user-specified price limit.

## **8.3 Blind auctions**

After the end of the main event, a separate blind auction will take place every 24 hours or less. The starting price for the first auction will be 2.5 ETH per 1000 STE.

On every auction, the top 40% of the highest price offers will be filled at user-defined prices. Also, the top 10% of the biggest lots will be filled with the starting price for that day, which will increase by 5% each day. The amount of STE to be distributed on every auction will be 0.6% of undistributed ICO tokens for the first day and will be corrected according to the previous auction closing method. Each auction will be closed by a deadline, which is defined as a number of new blocks from the beginning of the auction, so duration of an auction will be roughly 24 hours. Please check <https://etherscan.io/chart/blocks> for more details. Alternatively, each auction can be closed when the amount of the ETH received reaches the limit defined as:

$$\text{Starting Price} * \text{Current Auction's STE} \\ \text{Distribution Limit} * 3$$

In case the previous auction was closed by the deadline, the next auction's STE supply will be decreased by 10%. In case the previous auction was closed by funds cap, the next auction's STE supply will be increased by 30%. Please note that these values, as well as the other, including the exact duration of the ICO stages mentioned in chapter 8 may be adjusted during the ICO.

You can compete with others by setting a higher price for any STE amount, or set a sufficient amount of STE that you wish to buy at the starting price. Any transaction bigger than 50% of the current auction's distribution limit will be filled at the starting price of the current auction.

Upon closing of the current auction, a new auction begins immediately, and all transactions that were not filled in the current auction, are taking part in the new auction, if the new starting price does not exceed the maximum price limit defined by a participant.

Participants can interact with the smart-contract by sending orders right from their Ether wallet like MEW or any other. They can change their current bid, maximum purchase price or initiate withdrawal from the auction system, that will be processed after the end of the current auction for all unfilled amount. Such transactions are cheap and will cost around \$0.10 each. All instructions can be

Let's look at an example of how this could happen: For day 1, the starting price will be 2.50 ETH per 1,000 STE. So, if you want a small amount, make your bid a little bit higher than today's price and see if this is filled by the end of the auction. On the other hand, if you are a big investor, put a significant amount of the ETH in your bid and if you are within the top 10% of the largest bids of that day's auction, your bid will be filled at the starting price of 2.50 ETH per 1,000 STE.

## In this scenario we have the following bids:

No:	ETH Amount	PRICE per 1,000 STE
1	1	2.5
2	2	2.55
3	0.5	2.5
4	0.5	2.6
5	10	2.5
6	0.5	2.5
7	0.5	2.6
8	0.7	2.5
9	0.5	2.55
10	30	2.5

Example of an auction scenario



In this case, bid No:10 for 30 ETH will be filled at the price of 2.50 ETH per 1,000 STE because it falls within the top 10 % of largest quantity bids. Plus, bid numbers 4, 7, 2 and 9 will be filled according to the entered price because they are within the top 40% of bids with the highest price.

For the auction No:2, the starting price will be 2.625 ETH per 1,000 STE (5% higher than yesterday's price), and so on. Please note that the described settings are adjustable and can be tuned during ICO to provide better opportunities for the participants and the project itself.

After the end of the 8 hours period any Ether received by our smart contract will be held until the first auction will begin after 16 hours from the end of the 8 hours main event. During this 16 hours period you can change your bets and maximum price you are willing to pay, or even initiate a withdrawal of unfilled amount using Ethereum orders as described on our website. The special online order generator will help you to encode your instruction.



## 8.4 Hard cap and total Ether raised

The hard-cap is 47,586,030 STE to be sold, and in case of high demand during the main ICO event, a minimum of 95,172 ETH will be collected during the ICO.

**Since the auction prices are set by the users, the exact amount of ETH collected using the auction system cannot be calculated precisely.**

# Future STE Prices

Fundamentally, the price of STE will depend on the current and future amount of collected commissions, which is linked to the trade volume on the STeX Exchange, as well as from administration efficiency. As there are so many factors involved in calculating the future price of STE - many of which have to be estimated such as the future cryptocurrency market volume and the STeX project's share in this market - we have created an online STE Price Calculator - [stex.exchange/stecalculator](https://stex.exchange/stecalculator) that allow you to make an analysis according to your own vision of the future cryptocurrency exchange market.

STE, unlike many other tokens, has true internal value. Because of this it will have strong price support from future investors looking to buy STE in the expectation of dividends from the platform's exchange commissions. On top of that, we have two additional features that will be supporting the STE price after the end of the ICO:

## 9.1 A special 20% bonus in commission earnings for original STE buyers

This 20% bonus is distributed among original STE holders, who have never sold their tokens. Therefore, in a scenario where more people sell their STE in the open market, a fewer number of STE holders who never sold them is left and the greater their share of that 20% will be. This is something that cannot be reversed and is only attributed to holders of untraded STE tokens, thus the per-token share of that reserved 20% will only ever increase over time.

The takeaway from this is the following: it is better to never sell STE and watch your dividends grow.

## 9.2 Market-making algorithm

The STeX market-making algorithm hold an amount of ETH and STE in order to make STE trading easy on STeX. This provides liquidity, so that small orders cannot shift the STE price dramatically due to an insufficient amount of counter-orders in the system. This system does not guarantee against an STE price drop due to large amounts of selling orders, but is a huge support for the price and a good defence against the typical 'pump-and-dump' tactics of crypto-raiders.

### The STE token calculator

Please make a prediction of the future cryptocurrency market trading volume, STeX Exchange market share and business conditions, as well as your STE amount and purchase price.

Daily Market Trading Volume (ETH):	18000000
Market Share (%):	5
Commission (%):	0.2
Fixed Costs (ETH):	100
Variable Costs (%):	0.01
Total STE supply(after burning):	50000000
P/E ratio:	20
Your STE amount:	1000
ETH/FIAT rate:	300
Your STE purchase price:	ICO, 2 ETH for 1000 STE

[Click Here To CALCULATE](#)

Please use  
<https://stex.exchange/stecalculator>  
to make your own projection.

# Legalization



Smart Token Exchange Ltd was incorporated in Saint Vincent and the Grenadines, due it being the fastest jurisdiction in which to incorporate that kind of business. However, to be able to make fiat deposits and withdrawals, we need to incorporate legal entities in the EU, USA and many other countries, and get all the necessary licenses according to the local laws and regulations.

**We expect this process to be completed in 3-5 years from launch. Many procedures must be in place including well trained staff to fit regulators requirements.**

# Use of ICO Funds

Below is the intended use of funds collected during the ICO. It is based on the assumption that at least 150,000 ETH will be collected. Final proportions may differ due to the fixed costs in some cases.

- 25%** - Liquidity pool
- 15%** - Research, development and infrastructure
- 10%** - Legalization
- 20%** - Project marketing (partnership program, bounty program, special promotion campaigns, corporate promotional activities)
- 15%** - ICO marketing (partnership program, bounty program, special promotion campaigns, existing agreements)
- 10%** - Presale participants
- 5%** - Contingency fund



- Liquidity pool
- Project marketing
- Research & development
- ICO marketing
- Legalization
- Presale participants
- Contingency fund

# ERC20 Standard Smart Contract

We have designed the STE token in such a way that it can fully support the whole life cycle of our DAO.

## 12.1 Maximum STE supply

STeX Exchange smart contract tokens - known as STE - have a limited supply of no more than 100,000,000 STE and represent a share in future commissions (excluding expenses) distribution on the STeX Exchange.

## 12.2 Founders stake

After the ICO, founders will receive a 30 % stake in the project in the form of STE tokens. After the tokens are allocated to the founders, all tokens that are not sold will be destroyed, which is calculated by the following formula: This is the provision of the token's contract:

Tokens for Destruction = General Supply - Presale Sum - ICO Amount - Founder's Tokens.

## 12.3 STE token pre-ICO distribution:

### Public ownership:

2% – Key investor/advisor (no more than 2,000,000 STE)

15,036,000 – Presale Participants

1,125,000 – Advisors

1,388,285 – Partnership and Bounty program

### Owned by SteX project:

1,248,078 – SteX bounty wallet (1,136,363.63636363)

52,344,634 – SmartTokenExchangeCrowdsale Main Contract

30% – Issued to Founders

## 12.4 STE token ICO distribution:

**Total available amount of 53,592,712 STE will be distributed as follows:**

**ICO event** – Up to 47,586,030 STE

**2%** ICO Bounty program (from ICO supply, no more than 951,721 STE)

**2%** Advisers (from ICO supply, no more than 951,721 STE)

**2%** Key investor/adviser (from total supply, no more than 2,000,000 STE)

**2%** Key team member options (from total supply, no more than 2,000,000 STE)

**2%** STE market-making pool (from total supply, up to 2%, no more than 2,000,000 STE). Please note that STE market-making pool and team members' options pool (before execution) is excluded from commission distribution). Undistributed tokens will be burned, if more than 30% of maximum supply (30,000,000 STE) was sold and the ICO is closed.

**On top of that, 30% from total final supply will be issued for the founders (no more than 30,000,000 STE)**



## 12.5 Commission distribution

We plan a monthly distribution of commissions from the project's activities excluding expenses, so that you can receive your reward on Monday every month, just to make our Mondays a little more pleasant.

We also aim to be completely transparent and publish a detailed report quarterly on our progress, income and expenses. Our contract ensures the distribution of profits is made proportionally to the number of tokens you hold, relative to the total supply. So, if you own 12% of our tokens, then you will receive 12% of the exchange's profits.

## 12.6 STE transfer restrictions

**12.6.1** To protect STE prices from falling at the beginning of free trading on STeX exchange, all STE transfers are restricted till the end of the ICO.

**12.6.2** Additionally, Founders, Advisors and Angel Investors are restricted from STE transfers for 6 months from the end of the ICO.

**12.6.3** Additionally, any STE token holders that received their STE without sending ETH for our smart contract (like bounty program participants) are restricted from STE transfers for 6 months from the end of the ICO.

**12.6.4** All STE tokens - regardless of the amount - that were obtained during Presale or ICO by sending ETH to our smart contract, can be transferred without limitation right after the end of the ICO.

From launch, STE will be listed on the STeX exchange and will be available for purchase or sale online at current market prices.

## 12.7 STE smart contract code



STE smart contract code is open-source  
and available on GitHub.

<https://github.com/stex-exchange/stetoken>



# The Team

**We are trading professionals with years of experience in developing sophisticated trading algorithms for private hedge funds and brokers. We have profound understanding of all the needs of professional traders and we are not satisfied by what we can get out of the current market state in cryptocurrency exchange and trading.**

We are a strong and experienced team both in technical terms and in building successful startups. Each member has a unique character trait that, when combined together with those of other members, creates a perfect synergy. This ensures that the probability of our success is very high. We have years of demonstrable experience in this field and are eager to put that to use in the ambitious STeX project.



**Nicholas  
Prays**

CEO and CTO

36 years old. A founder of the renowned KeyCAPTCHA ([www.keycaptcha.com](http://www.keycaptcha.com)) which was a candidate for buyout by Google, Nick worked as a technical director, architect and a team lead. Since its creation in October 2010 KeyCAPTCHA project has had 99.99% uptime up to the present. It has more than 40 million users a month and protects more than 20,000 sites from spammers around the globe. KeyCAPTCHA is being used by well-known companies such as TeamViewer, ESET, BinDB, Bethesda (publisher of Fallout, Doom, Elder games), SamMobile (one of the world's largest portals about smartphones).

A computer genius. Started programming when he was nine years old. Programming Languages: C++ (GNU C, Watcom), C#, Assembler x86 (including x64, SSE, MMX), Python, PHP, JavaScript, Transact SQL, SQL, ECLiPSe Prolog, MQL (4,5), Delphi, HTML5, CSS3.

Database management systems: MS SQL, MySQL, PostgreSQL, MongoDB, Cassandra, LevelDB, CouchDB. Including working with large volumes of data.

Web servers: Nginx, Apache. Virtualization: Microsoft Azure, VMWare, HYPER-V. Other skills: NoSQL, MapReduce, Django and other Python frameworks, NodeJS, jQuery, Bootstrap, Blockchain, Neural Networks, Parallel computing, Big Data, Data Mining.

Large experience in developing cross-platform applications for Windows, Mac, Linux and mobile applications for Android and iPhone.

Has experience in the design and implementation of highly loaded systems (horizontal scaling - millions of users per day). Deep knowledge in the development of cryptocurrency inter-exchange arbitration systems. Highly experienced in management of large databases (billions of records, hundreds of gigabytes).

From 2013 until present, Nick has been working on lead generation service in VK social network (Electron(NodeJS) + Python(Django) + MySQL). As well as optimizing high load systems to work with databases having billions of entries in social graphs.



**Ivan  
Mityaev**

CFO Compliance and  
Legal Department

43 years old. CFO, Compliance and Legal Department, experience in crisis management, building successful startups and marketing. In the last 10 years Ivan developed many projects from websites network to vast variety of stock trading instruments for private companies, including backtesters, statistical analysis tools and so on. Managed online retail distribution networks for various businesses from 2008-2016. Ivan catches the gist on the fly, is absolutely balanced emotionally and has the ability to focus on multiple tasks simultaneously and find non-standard solutions.

Expert in market-making activities, development of HFT algorithms, stress testing of trading systems, bias-free backtesting, practical knowledge of statistics, quantitative trading methods, profound technical analysis, deep understanding of market cycles, value and growth investor, algo-trader, php, c++ programmer.

Although Ivan does not tend to be a public person, some of his webinars on statistical trading and practical use of genetic evolutionary algorithms in developing trading systems can be found on Youtube.



**Maksim  
Vladykin**

CPO and  
Project Manager

Maxim is the person who will be responsible for timing, resources and the projects' risks. This is where he can be trusted - due to having over 12 years experience in this field. It is important to note that all the projects for which Max was responsible were all delivered on time and became profitable.

36 years old, project manager. He possesses the unique ability to systematize and sort out any chaos. He managed development teams for companies in various fields; from web studios to the banking sector. He is the co-founder of KeyCAPTCHA service. Max has known Nikolas Prays for 21 years and during this period an unprecedented level of mutual understanding has developed between the two.

In KeyCAPTCHA, Max served as CBDO and Product manager. From the significant achievements in the project, one can note the entry into the largest Russian accelerator IIDF as well as buyout negotiations with Google.

Max also managed the development of a large banking software with distributed database, which was successfully implemented and operated in 4 regions of Russia, located at a distance of 4000 km from each other.

Expert: Team building, Project management, Scrum, Lean Startup, Help Desk, Risk management, Team motivation, Conflict resolution.

# The Project



**The key concept is this - you'll need just one account to get access to thousands of markets and trading pairs at the lowest rates. Behind the scenes is a fully automated system that takes care of all details. You can choose either segregated storage under your full control and protection or a common account - giving you maximum flexibility and leverage.**

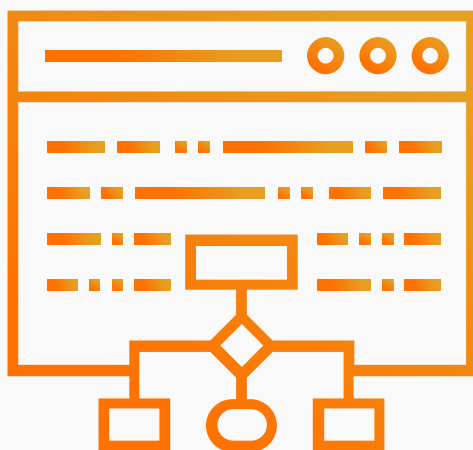
Our idea is simple yet extremely complex at the same time. We are going to bring the full force and scope of traditional financial market instruments to cryptocurrency. Liquidity. Cross-rates. Futures. Leverage. Options. An out-of-the-box, all in one trading platform for Investors and Managers.

**More importantly, we will bring freedom to traders by providing them with the tools to choose any role they desire in this new reality.**

Whether you want a simple coin-to-coin exchange or intraday trading - we will provide planet-wide best rates for thousands of trading pairs - as well as much better liquidity than has ever been seen before. Our sophisticated arbitrage algorithms and unique platform architecture make sure of it.

A user-friendly web-based interface with the highest level of security access control, taken from real-world trading terminals, will provide instant access to the biggest choice of coins and tokens with worldwide best bid & ask prices.

We are going to bring futures and options to cryptocurrency trading. If you are new to financial markets - this provides a more professional and effective way of trading securities than direct-trade, because of built-in leverage. With futures you can open a position in a coin - covering just a fraction of it as a deposit - and still keep 100% of the profits.



Open your own asset management business in just one click - or choose one to invest in. Scan the market for successful traders and managers with your own criteria - or set your own rules to attract investors - in a fully secured and protected platform. The business model is simple and more secure than most known blockchain-based projects.

A project that needs to succeed in a new field is always risky. On the other hand, the fundamentals of the STeX platform are not new ideas, we are just focusing on providing an excellent - and in many aspects unique - service which we anticipate will be in high demand for its unique combination of features. This project will be profiting from commissions - and is not even reliant on current coin rates, because it will stay afloat even if the market drops.

## Post-ICO stage



We expect to get hold of at least 5% of the cryptocurrency exchange market in the first year of operations and become one of the 10 biggest cryptocurrency exchanges. Please see the Whitepaper and the STE price calculator for details. All token holders will be rewarded monthly, receiving 100% of the projects' collected commissions to their ETH accounts.

Apart from the internal potential value of the project itself, there is an opportunity to sell STE tokens for a much higher price in the open market due to high demand and subsequent rise in value.

Despite the fact that this project should one day become a fully regulated structure in the real world, we wish to provide the most advantages for those who operate in a totally new reality of electronic assets.

That's why we let token holders to get back full amount of commissions, and even more - to become market-makers, professional asset managers or passive investors without the need of programming or any other special knowledge, with STeX's ready to use out-of-the-box platform. This policy is not going to change in the future - we will be looking to provide maximum advantage to our token holders for free, instead of trying to maximize real-money output through our legal structure. If it is possible from a legal point of view, this structure may even be a non-commercial organization or trust.

**Our aim is to end up with a publicly-controlled structure that serves the crypto community's needs.**

# Risk Disclosure

**You should consider major risks that can ruin this project at any stage.**

**If one day cryptocurrencies and tokens become extinct without any next-generation electronic money solution, this project will most probably be closed, losing most of its value. Yes, that much is clear: if you expect cryptocurrencies to vanish, you should not support this project. We will not survive in a world without Bitcoin, Ethereum or similar free-float e-money solutions. But we'll still be fine if instead of Bitcoin some new breed will emerge. Some other risks to consider, as described below, are:**

**15.1 Principal risk:** Investing in the start-up STeX project will put the entire amount of your investment at risk. There are many situations in which the STeX project may fail completely or you may not be able to get back your contribution partially or entirely. In these situations, you may lose the entire amount of your investment. For investments in start-ups like SteX, a total loss of capital is a highly likely outcome. Investing in start-ups involves a high level of risk and you should not invest any funds unless you are able to bear the entire loss of the investment.

**15.2 Returns risk:** The amount of return on investment, if any, is highly variable and not guaranteed. Some start-ups may be successful and generate significant returns, but many will not be successful and will only generate small returns, if any at all. Any returns that you may receive will be variable in amount, frequency and timing. You should not invest any funds in which you require a regular, predictable and/or stable return.

**15.3 Returns delay:** We expect the STeX project to become profitable in 2018. However, there is no guarantee that it will happen for sure. In some possible market conditions, any returns may take several years to materialize. You should not participate in the STeX project with any funds in which you require a return within a certain timeframe.

**15.4 Liquidity risk:** In case of unsuccessful beginning of the operational activity, or for any other unforeseen reasons, it may be difficult to sell your STE tokens. Furthermore, there may be restrictions on the resale of the securities you purchase and your ability to transfer them in your country of residence because of emerging regulation or some other reasons. You should not contribute to the STeX project any funds in which you require the ability to withdraw, cash-out, or liquidate within a certain period of time.

**15.5 Instrument risk:** You should consider technological, legal and infrastructural risks of the STeX project token itself, because it is based on a third-party decentralized solution known as Ethereum network, which is not controlled and cannot be controlled by the project management team or yourself. You should take the time to understand the nature of the instrument that you are contributing to.

**15.6 Minority stake:** As a smaller stake STE holder you may have less or no voting rights or ability to influence the direction of the project, compared to larger stake token holders or the management team. In some cases, this may mean that your STE tokens are treated less preferentially than those of larger stake STE holders. Some benefits for STE holders may be available only for users with a certain minimum amount of STE tokens.

**15.7 Valuation risk:** Unlike buying a share in publicly traded companies that are valued publicly through market-driven stock prices, the valuation of start-up projects like STeX is difficult to perform. The issuer is setting the initial price for STE tokens and you may risk overpaying for your stake. The price you pay for your STE may have a material impact on your eventual return, if any at all. Please consider the fact that STE has never been traded on the open market and there is no market-confirmed price guidance for it.

**15.8 Failure risk:** Investments in start-up projects are speculative and these projects often fail. Unlike an investment in a mature business where there is a track record of revenue and income, the success of a start-up project often relies on the development of a new product or service that may or may not find a market. You should be able to afford and be prepared to lose your entire contribution.

**15.9 Revenue risk:** The project is still in an early phase and just beginning to implement its business plan. There can be no assurance that it will ever operate profitably. The likelihood of achieving profitability should be considered in light of the unforeseen problems, expenses, unexpected difficulties, complications and delays usually encountered by similar projects in their early stages of development.



The STeX project may not be successful in attaining the objectives necessary for it to overcome these risks and uncertainties.

**15.10 Funding risk:** The project may require funds in excess of its existing cash resources to fund operating expenses, develop new products, expand its marketing capabilities and finance general and administrative activities. Due to market conditions at the time the project needs additional funding, it is possible that the project will be unable to obtain additional funding when it needs it, or the terms of any available funding may be unfavorable. If the project is unable to obtain additional funding as and when needed, it could be forced to delay its development, marketing and expansion efforts and, if it continues to experience losses, potentially cease operations.

**15.11 Disclosure risks:** The STeX project is at an early stage and is only able to provide limited information about its business plan and operations because it does not have fully developed operations or a long trading history. Besides, the STeX project is not providing some critical information regarding its business, technological and financial affairs to participants to protect its know-how and exact business model from the competitors. Therefore, there might not be enough information for you to make an educated judgement about the project's future outcomes.

**15.12 Personnel risks:** A participation in a start-up like STeX is also an investment in the management of the project. Being able to execute on the business plan is often an important factor in whether the business is viable and successful. You should be aware that a portion of your investment will fund the compensation of the project's employees, including its management, public supporters and promoters, or earlier contributors. You should carefully review any disclosure regarding the project's use of proceeds. You should also carefully consider the experience and expertise of the management team and make your own judgement about their level of competence.

**15.13 Fraud risks:** It is possible that certain people involved in the project may commit fraud or create the conditions for a future act of fraud. If such fraud occurs, then your total contribution may be lost.

You should carefully review any disclosures regarding the project's management team and make your own assessment of the likelihood of any potential fraud.

**15.14 Growth risk:** For a start-up to succeed, it will need to expand significantly. There can be no assurance that it will achieve this expansion. Expansion may place a significant strain on the project's management, operational and financial resources.

To manage growth, the project will be required to implement operational and financial systems, procedures and controls. It also will be required to expand its finance, administrative and operations staff. There can be no assurance that the project's current and planned personnel, systems, procedures and controls will be adequate to support its future operations. The project's failure to manage growth effectively could have a material adverse effect on its business, results of operations and financial condition.

**15.15 Competition risk:** The STeX project may face competition from other upcoming or existing companies, some of which might have received more funding than the start-up has. One or more of the project's competitors could offer services similar to those offered by the project at significantly lower prices, which would cause downward pressure on the prices the project would be able to charge for its services. If the project is not able to charge the prices it anticipates charging for its services, there may be a material adverse effect on the project's results of operations and financial condition.

**15.16 Market demand risk:** While the STeX project believes that there will be customer demand for its products, there is no assurance that there will be broad market acceptance of the project's offerings. There also may not be broad market acceptance of the STeX project's offerings if its competitors should offer products which are preferred by prospective customers. In such an event, there may be a material adverse effect on the STeX project's results of operations and financial condition, and the project may not be able to achieve its goals.

**15.17 Control risks:** Because the project's founders, directors and executive officers are among the project's largest STE holders, they can exert significant control over the project's business and affairs and have actual or potential interests that may depart from yours. The STeX project's founders, directors and executive officers own or control a significant percentage of the project. Such persons will have significant influence over corporate actions.

**The foregoing risks do not purport to be a complete explanation of all the risks involved in acquiring STE tokens. Each participant is urged to seek their own independent legal advice and read the relevant documents before making a determination whether to participate in the STeX project.**



# FAQ: How it Works

1

## Which wallet should I use to store STE tokens?

STE is an ERC20 token issued on Ethereum blockchain. Token holders can easily store and manage their STE tokens using existing Ethereum clients including official Ethereum wallets like MyEtherWallet, Metamask, Parity, Mist or Ledger (hardware wallet).

2

## Can I participate in the crowdsale without creating an Ethereum address?

No, because STE is a token issued on Ethereum blockchain, so you need to have an Ethereum address to receive and store your STE tokens. You can use any Ethereum wallet: MyEtherWallet, Metamask, Parity, Mist or Ledger.

3

## Can I participate in the crowdsale from my exchange wallet?

Don't send currencies from an exchange! If you do so, you may not be able to retrieve your tokens.

4

## Can I buy STE tokens with BTC or other cryptocurrency instead of ETH?

No, we accept ETH payment ONLY! DO NOT send funds from exchanges like Coinbase, Poloniex. Only from your personal wallets. STE tokens will be sent immediately from smart-contract to the wallet from which the ETH arrived.

5

## **Can U.S. or Hong Kong citizens participate in the token sale event? What about residents of other countries?**

No, as far as we know residents of the United States can't participate in the STE token distribution because of US laws. You can participate in the STeX ICO if you are neither a Hong Kong or U.S citizen or permanent resident of the United States, nor have a primary residence or domicile in the United States, including Puerto Rico, the U.S. Virgin Islands, and any other overseas territories of the United States.

Additionally, as we have no ability to check participants residency because of blockchain technology used in the Ethereum network, and/or their country regulations, final decision about legal ability to join this project as a STE token holder must be made by participants themselves.

6

## **Will tokens be available on the exchanges after the ICO ends?**

Yes - right after ICO has ended, STE will become tradable at STeX exchange and later on some other exchanges.

7

## **There is no address (registered business address)?**

Our legal department is finishing incorporation process. We will publish all the details as soon as it will be finished.

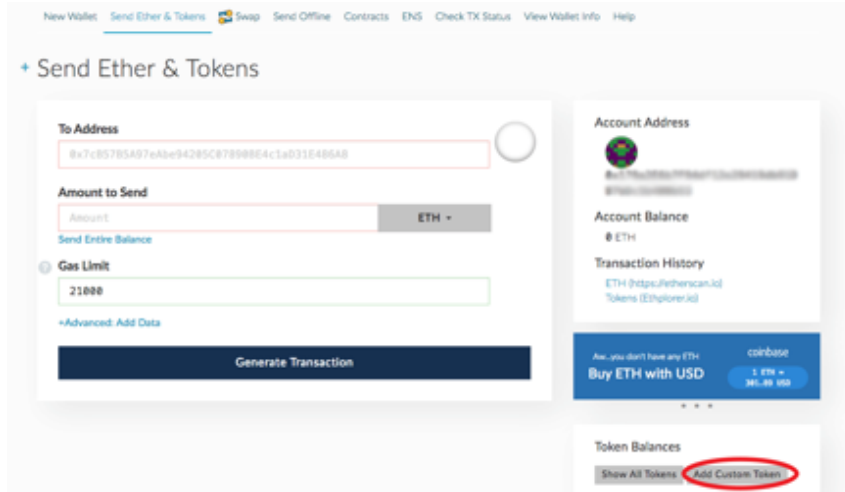
8

## **How to add STE tokens to MyEtherWallet?**

Your STE tokens are on your wallet as soon as you send ETH to our contract address, you just cannot see them.

Some wallet managers cannot show tokens, but if you access your wallet from another wallet manager using the same private keys, you'll be able to see STE on your balance.

- To make STE viewable on MyEtherWallet:  
Push on the “Add Custom Token” button

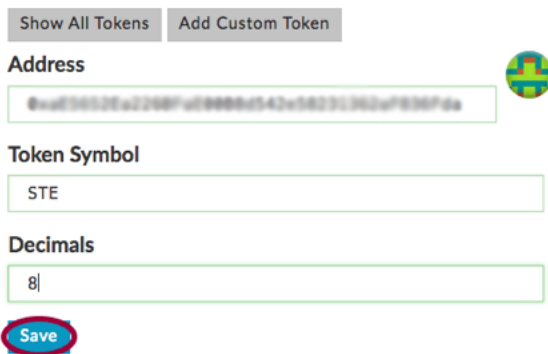


- Fill the form and push on the “Save” button

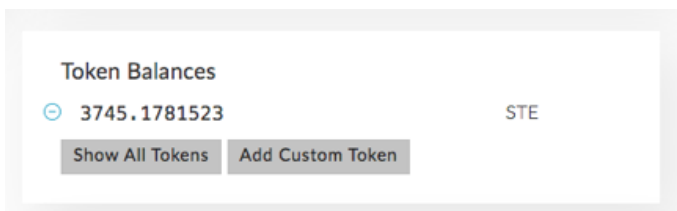
**Address:** 0xaE56\*\*\*\*\*6Fda

**Symbol:** STE

**Decimals:** 8



- Now you can see STE balance in MyEtherWallet!



## 9 What if you won't sell all tokens?

Unsold extra tokens are burned after the ICO if >30% was sold.  
Please see whitepaper for details.



[stex.exchange](https://stex.exchange)