



LOCALCOIN

whitepaper

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Digital Access: Info@localcoin.is

Web: <http://localcoin.is>

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LocalCoin

LocalCoin is the true democratic decentralized ecosystem where everyone is free to do what they want and how they want. LocalCoin is not a company or a person, it is a community of people who shares the same libertarian values and freedom.

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EXECUTIVE SUMMARY

LocalCoin is a Network of High Performance, User Friendly Decentralized Blockchain Technologies.

With cryptocurrencies having appreciable growth over the past year, it's reasonable to deduce that they assure sustainability and profitability. **LOCALCOIN** is a simple, safe and secure financing and trading platform powered by blockchain technology.

This document presents an application structure for **LOCALCOIN**, a decentralized ecosystem that aims to shape the future of the decentralized cryptocurrency market. To optimize the financing cycle and open access to an organized decentralized platform, LocalCoin presents a contracting mechanism between enthusiasts, investors, and entrepreneurs.

LocalCoin comes to the market at a crucial time. Our vision is to become world's leading bitcoin and blockchain technology provider. We believe consensus technology has the power to do for economics what the internet did for information. LocalCoin looks to extend the innovation of the blockchain to all industries that rely upon the internet to provide their services. Whether its banking, stock exchanges, lotteries, voting, music, auctions or many others services at a fraction of the cost incurred by their more traditional, centralized counterparts.

We plunged into this market to create a decentralized autonomous organization that allows you to run your own cryptocurrency exchange website based upon the blockchain decentralized platform (The DAO) with a few clicks of a button.

With the sustainable development of the decentralized blockchain technology, LocalCoin will provide significant support for more new projects, to the management as well as circulation of blockchain assets, and make efforts to improve and promote the ecological status of the cryptocurrency market.

INTRODUCTION

What is a decentralized blockchain system?

A decentralized blockchain system is one which requires multiple parties to make their own independent decisions. In such a decentralized system, there is no single centralized authority that makes decisions on behalf of all the parties. Decentralization describes the design of a network that isn't managed by a central party. Instead, peer-to-peer interaction drives the network, as no third party is needed!

Why is decentralization necessary?

Decentralization avoids the abuse of power from central authorities. However, this comes at the cost of every participant taking on some responsibility themselves. Decentralization creates a reliable administration and improves local development, better ensures the rights of the participants, and better protect crypto enthusiasts into the community.

The current Decentralized market - Setback

Cryptocurrency trading comes with risks, but traders should not face any other risks than those they are already willing to take. Due to the lack of security, transparency, and efficiency that centralized exchanges have demonstrated, a strong demand for decentralized exchanges have surfaced.

NOT ALL DECENTRALIZED EXCHANGES ARE CREATED EQUAL

Currently, most decentralized exchanges operate as a guarantee for a democratic system. They promise security, control and global marketplace. However, they all have common setbacks such as lack of trust and transparency, Low liquidity levels, low volume, Inefficient, slow transaction speed and mostly not user friendly.

Challenge: Trust and transparency

Throughout history middlemen have suffered a common fate. Markets like to be efficient and middlemen get replaced with more efficient alternatives. The current decentralized market lacks integration, trust and transparency as well as efficiency. Furthermore, it does not incentivize further green energy generation capacity investments.

Blockchain promised to help cut down the middlemen. However, cryptocurrency exchanges which are centralized have broken this promise. One of cryptocurrencies main characteristic is decentralization, with no central body controlling it. The world started believing in cryptocurrencies given that governments and banks were controlling and manipulating fiat

currencies

In came centralized exchanges which control cryptocurrencies similarly to how central bodies control fiat currencies. The hacks, the manipulation and the charges for listing a token have brought back the evils of the traditional banking system.

Challenge: Poor Navigation and User Interface

Most notably, decentralized exchanges are clumpy and unintuitive, leading to errors in placing orders. For a beginner, trading can be difficult, but even with popular decentralized exchanges, trading is cumbersome. Users have been known to place incorrect orders because of poor interface and difficulty of navigating the system. This acts as a barrier to adoption and lead to loss of funds.

Mission and Vision

LocalCoin's ultimate aim is to transform the way decentralized market operate. We do so by providing a technologically more efficient, transparent and reliable solution, making use of a public blockchain ledger and smart contracts.

Our Vision is to be become world's leading bitcoin and blockchain technology provider through a community of community of people who shares the same libertarian values and freedom.

OUR SOLUTION: LOCALCOIN

When we think of the decentralized market in this way, our role become one of shaping and correcting these defaces, in areas relevant to us, our investors and the crypto community at large.

LocalCoin Platform

LocalCoin was designed to provide a full-service platform to launch a decentralized bank, decentralized trading, social networks and prediction markets through its unique offering. The key feature of LocalCoin is that it has brought decentralization to a new level; our platform is not only decentralized at a technical level but also with surefire strategy.

To achieve this, LocalCoin allows users to freely set their own smart contracts and exchange digital assets on their terms in an open source, secure, fast and truly decentralized process directly on the blockchain. Our goal is not to compete with other exchanges, but rather to start from where their offerings end.

LocalCoin seeks to enable Investors to trade confidently and operate their own platforms on LocalCoin at a reduced cost.

What makes LocalCoin different?

LocalCoin is owned and run by everyone. We built a decentralized community and technologies that enable you to build a trustworthy reputation on your online journey. Besides meeting the ideological criteria for a decentralized exchange, LocalCoin is **user friendly, democratic and rewarding**.

Efficient and Speedy decentralized transaction processing

We utilize three types of transactions within the platform:

1. Local transaction between different accounts of the same cryptocurrency
2. Same protocol-based transaction created off the same protocol but between different currencies.
3. Cross-chain transactions of different coins with different protocol

Multi-Purpose Super Wallet

LocalCoin utilize a super wallet that supports asset management, self-service transactions, payment, secure chat, social media and more.

User Experience

Few things are more critical for widespread adoption than a successful user experience. As mentioned earlier, an attractive and usable UI (User Interface) is often overlooked by the majority of blockchain technology projects. In recognizing this, LocalCoin has entrusted its frontend design to one of the best design company in the industry. Traders will be able to use and experience a great, intuitive UI.

Democracy

A decentralized system must be responsive to the needs of a decentralized community without surrendering the ideals of decentralization. To achieve this, LocalCoin uses a decentralized governance voting system.

Network growth through rewards

While many U.S. consumers are shopping with their mobile phones¹, few make mobile payments. Deloitte's "2016 Holiday Survey" found that only one in four mobile phone users make mobile payments using a retailer app, and even fewer (13 percent) use mobile wallets for in-store payments. However, according to Points' "State of Mobile Wallet Loyalty and Engagement in 2016" study, 94 percent of consumers would use mobile wallets more frequently if they could earn and redeem loyalty.

Depending on their personal lifestyles and preferences, consumers participate in a variety of loyalty programs offered by coffee shops, supermarkets, drug stores, hotels, airlines, and other retailers. One study suggests that 72 percent of consumers participate in between one and five loyalty programs. With multiple memberships, it can be difficult for customers to keep track of the various rewards points, remember to bring membership cards and coupons to the stores, or even recall that they are members of a particular loyalty program.

To help consumers manage their loyalty accounts more easily and boost customer engagement, retailers are increasingly offering mobile apps with the ability to track and redeem points, make mobile payments, receive location-based offers, and provide added convenience and utility. Other features include the ability to add multiple retailers' loyalty cards and keep track of several rewards programs in one place.

LocalCoin has an advanced referral program built directly into its software. Financial networks derive their value primarily from their network effect: more people on the same network increases the value of that network for everyone. LocalCoin capitalizes on this by rewarding those who sign up new users, and does so in a fully transparent and automated way.

No More Addresses

In LocalCoin, we have separated the permissions from the identity. Hence, as an exchange you don't need to ever deal with addresses again. In fact, you actually cannot possibly use

an address because they only define so called authorities that can control the funds (or the account name). This should greatly simplify integration as you don't need to store thousands of addresses and their corresponding private keys.

What does our token (LLC) stand for?

Our token serves as reward for users who decide to invest early on a project before acceptance into the community. These pre-investments can only be made with our LocalCoin token. Therefore, LocalCoin tokens are necessary to later get 25% more tokens on the pre investments of ICOs made via our platforms. If the project goes live, the user can invest with other different tokens.

LOCALCOIN BUSINESS CASE

We will begin with ecosystem creation after the token sale, due to the unique regulatory framework to be implemented.

The platform will grow through by providing greater transparency and simplicity to the market and delivering value unavailable today, due to market inefficiencies. With focus on growth, it is paramount to create the best experience for the LocalCoin platform user. The LocalCoin team is engaging qualified project developers in the field, developing market price based projects with a professional team to be expanded upon entering new markets.

We have secured our first Investors who are testing out the BETA platform. LocalCoin continues working on increasing the platform's project pipeline and more partnerships will be announced after the token sale



Essential Features

Decentralized Bank

No one can block your wallet or request your ID, Fully anonymous banking facility.

Decentralized chat

Blockchain based fully encrypted decentralized personal and group chats.

OTC Trading

Over-the-counter (OTC) or off-exchange trading is done directly between two parties, without the supervision of an exchange. It is contrasted with exchange trading, which occurs via exchanges. A stock exchange has the benefit of facilitating liquidity, providing transparency, and maintaining the current market price. In an OTC trade, the price is not necessarily published for the public.

ICO Accelerator

Start your own ICO. You can issue your own token and list it for trading in just 5 min.

Untraceable Transactions

Fully private accounts with no tracing. Your personal chain is encrypted and no-one can see your transactions.

Mining

Everyone can mine LLC by running a full node to support the network.

Social Network

Blockchain based and fully encrypted decentralized Social network. Forget about Facebook, google or twitter tracking, blocking or annoying ads. True democracy supported by blockchain network

Decentralized trading

From day one, you can trade with others without limits. 100k Transaction per second. Block generated every 2 seconds.

White Label - Decentralized autonomous organization

Running your own cryptocurrency exchange website based upon the blockchain decentralized platform (The DAO) with a few clicks of a button.

High performance

A liquidity-ready trading platform to help you launch a cryptocurrency exchange business within 2 weeks. Over 1500 coins, fiat gateways, stable coins and unmatched security and localizations — all included, without investing heavily in development and infrastructure. LocalCoin is one of the fastest blockchain existed on the market*

Top-notch technology

We made the best of what BitShares had to offer and built better-designed platform. Powered by Graphene, it can process more than 100k transactions every second which is much more than Bitcoin or Ethereum.

Ready-made, customizable UI

Go with the original LocalCoin layouts with improved design. All tailored to your brand identity and regularly updated by our team. You can also provide deeper customization if needed.

Scalability

Increase your revenues by implementing new crypto and fiat gateways as well as fees. You can do it in house or let LocalCoin do all the heavy lifting on a one-time payment or revenue-sharing basis.

Professional product team

A team of 50+ blockchain and cryptocurrency experts is working every day to improve the platform. We are constantly rolling out new gateways to let users' trade world's most wanted coins. Rest assured we'll have you covered from the moment your exchange goes live.

Flexible engagement models

We've come up with 3 transparent engagement models, each with a different level of control and risk. You can start small and then switch to a more high-profit model as your business grows.

TECHNOLOGY OVERVIEW

LocalCoin's technology is a highly promising technology that is sure to shake things up in the real world, which allows data and value transfer across different blockchain and existing commercial systems, drastically improving options for traders and exchanges. In the coming two years, this cross-chain technology is sure to push the decentralized value transfer service forward

Decentralized Consensus Technology

Consensus is the mechanism by which organizations of people decide upon unitary rational action. While not considered technology in the traditional sense, consensus "technology" is the basis of democratic governance and the coordination of free market activity first coined by Adam Smith as the "Invisible Hand." The process of consensus decision-making allows for all participants to consent upon a resolution of action even if not the favored course of action for each individual participant. Bitcoin was the first system to integrate a fully decentralized consensus method with the modern technology of the internet and peer-to-peer networks in order to more efficiently facilitate the transfer of value through electronic communication. The proof-of-work structure that secures and maintains the Bitcoin network is one manner of organizing individuals who do not necessarily trust one another to act in the best interest of all participants of the network. The LocalCoin ecosystem employs Delegated Proof of Stake in order to find efficient solutions to distributed consensus decision making.

Master Node Mining Functionality

LocalCoin incorporate a masternode mining functionality on its platform. Masternode is simply a computer wallet that keeps the full copy of the blockchain in real-time. In return, the Masternode will receive crypto coins as a reward. They are different because they perform many other tasks apart from just keeping the full blockchain and relaying transactions. In this case, everyone can mine LLC by running a Masternode to support the network.

Masternodes performs tasks such as

- Doing instant transaction
- Participating in voting and governance.
- Enhancing privacy of transaction
- Enable treasury system and budgeting

POS blockchain are underpinned by Masternodes. These computers process transactions on the blockchain and rewarded with coins from the blocks being created. In a queuing system, nodes sit on the blockchain, and when they reach a certain position in this queue, they can be selected, at random, to be rewarded for participating within the network.

What is Delegated Proof of Stake?

Delegated Proof of Stake (Also known as DPoS) is a consensus algorithm maintaining irrefutable agreement on the truth across the network, validating transactions and acting as a form of digital democracy. It uses real-time voting combined with a social system of reputation to reach consensus. Every token holder can exercise a degree of influence about what happens on the network.

DPoS is not only a democratic system, but also effective and efficient. The selection of block producers allows for the transactions to be validated in a matter of seconds, rather than the 10 minutes it takes the proof of work system employed by Bitcoin.

How it works

To understand what a masternode is, you must first understand how cryptocurrencies increase their circulating supply.

Think of a blockchain project like a country, and its masternodes as states. If I think that a country is going to do well compared to others, I might want to invest in that country, perhaps even buy a state. Buying that state lets me benefit from the overall economy of that country, as well as participate in forming the legislature that arises to govern the country.

To own a masternode, you have to put down a certain amount of the coin it is tied to as collateral, more often than not, that collateral is then “locked” for a duration of time. Since you have both committed collateral and agreed not to sell that collateral for a period of time, your masternode will generate more revenue than a traditional node.

Proof of Node

By staking at least 5000 localcoins in the node, the owner becomes part of a community with a shared desire to maintain a commoncloud and the value of the coin. These nodes actually do work, in that they validate, secure, and grow the blockchain for the coin, and so these minted coins are payment for that.

Everyone running masternodes will be sitting pretty if the entire cryptocurrency market continues to surge up in unison.

If all coins are worth significantly more in ten years than they are now, then running masternodes will end up being very profitable for everyone who took the leap with one pretty much regardless of which crypto you chose. With a common cloud of nodes owned independently, localcoin network will be on its way to be the most decentralized DAO and DEX ever.

Witness node requirements

1. Minimum balance of 5000 LLC and the lifetime subscription.
2. If your balance goes lower than 5000 LLC, your witness node will become inactive, even if you have enough votes.

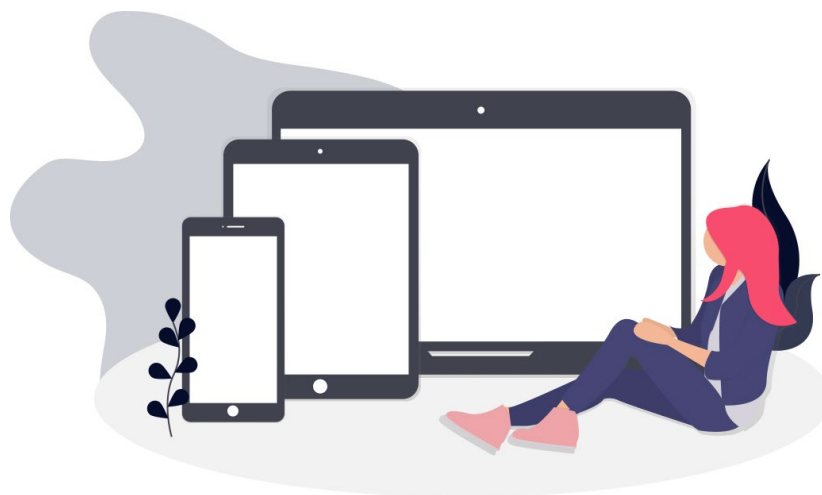
3. If your node goes offline it will become inactive even if you have 5000 LLC balance and enough votes - keep your node running at all-time 24/7.

If the balance of your masternode account goes lower than 5000, your node will stop mining until your LLC balance reaches 5000 or more. There will be multi user functionality but each node must have a different user ID so each user will get a node reward for supporting a CommonCloud.

LocalCoin Trading Terminal

LocalCoin Online Trading Terminal for brokers is a cutting edge trading technology for online broker-dealers and trading firms. Rich functionality, speed and excellent usability available from any web browser and any device.

LocalCoin Trader is built on HTML5 technology bringing responsive design, advanced features and usability to the web. From one screen to a dozen, our online trading terminal adjusts to any number of displays.



Zero Trading fee

On LocalCoin, there is no trading fees apart from the network ridiculously low commission. All you pay is fixed network fees just to push your transactions into the blockchain.

High performance

A Blockchain-based system that handles 100,000 transactions per second, with no cryptocurrency close to that. LocalCoin technology will greatly enhance the performance of existing DEXs and bring disruptive changes to the digital asset exchange.

Stealth mode

Zero-knowledge super-secure transactions ('unknown' sent 'n' 'unknown' to 'unknown'). That means you can place blind transactions from your account to a secret account that cannot be viewed via any block explorer.

Maximum security

We don't have access to your account, simply because it is only you who hold secret key to it. There no way centralized trading platforms can compete with decentralization, full encryption, total anonymity, cold storage, rigorous access management.

Why Use LocalCoin Trading Terminal?

- **White Label:** The Trading Terminal was designed to be a 100% white label software. It is intuitive and very easy to customize and launch a branded the platform.
- **Customizable:** The platform has unlimited custom dashboards and widget Designer module to create unique trading experience for your traders. No programming skills required.
- **Online Trading Simulator:** Test strategies, Enhance team skills, give rewards and train people with an online trading simulator with options trading simulator included.

USER FRIENDLY APPLICATION

One of the major issues with decentralized exchanges has been usability. It is understandable that user experience was not top of mind for a DEX that was building the first iteration of such a disruptive concept.

How it works

- You submit a (buy/sell) request to a relay that hosts an order book
- An interested party on the other end digitally signs it and creates a counterorder
- Both orders are then sent to a smart contract on a blockchain, which executes the transaction and transfers crypto assets to users' wallets.

Decentralized exchanges let you stay in control of your assets at all times. They provide a personal key and allow you to retract funds from a smart contract (be you a buyer or a seller) should you suddenly decide not to proceed with a transaction.

Unlike centralized exchanges, DEXs let users have control over their crypto assets at all times: they give out personal keys and allow a buyer (or a seller) to retract their funds from a smart contract should they change their mind and decide not to proceed with a transaction.

Key Features

Live Charts

The advanced charts feature built-in technical indicators with the ability to create new indicators and drawing tools for trend lines, Fibonacci, text, and shapes.

Customizable Layout

With color options and logo. Drag-and-drop feature while the platform resizes dynamically. Compatible with multi-screen desktops.

Options Trading

Multi-leg option orders to build complex options strategies. P&L and Probability Calculator. Customizable options chain layout. View Greeks for each leg and implied volatility.

Risk Management

Get real-time alerts and define high-priority issues. Configurable order routing and stop loss. Real-time margin calculations.

THE TOKEN ECONOMY

TOKEN INFO

Name: LocalCoin

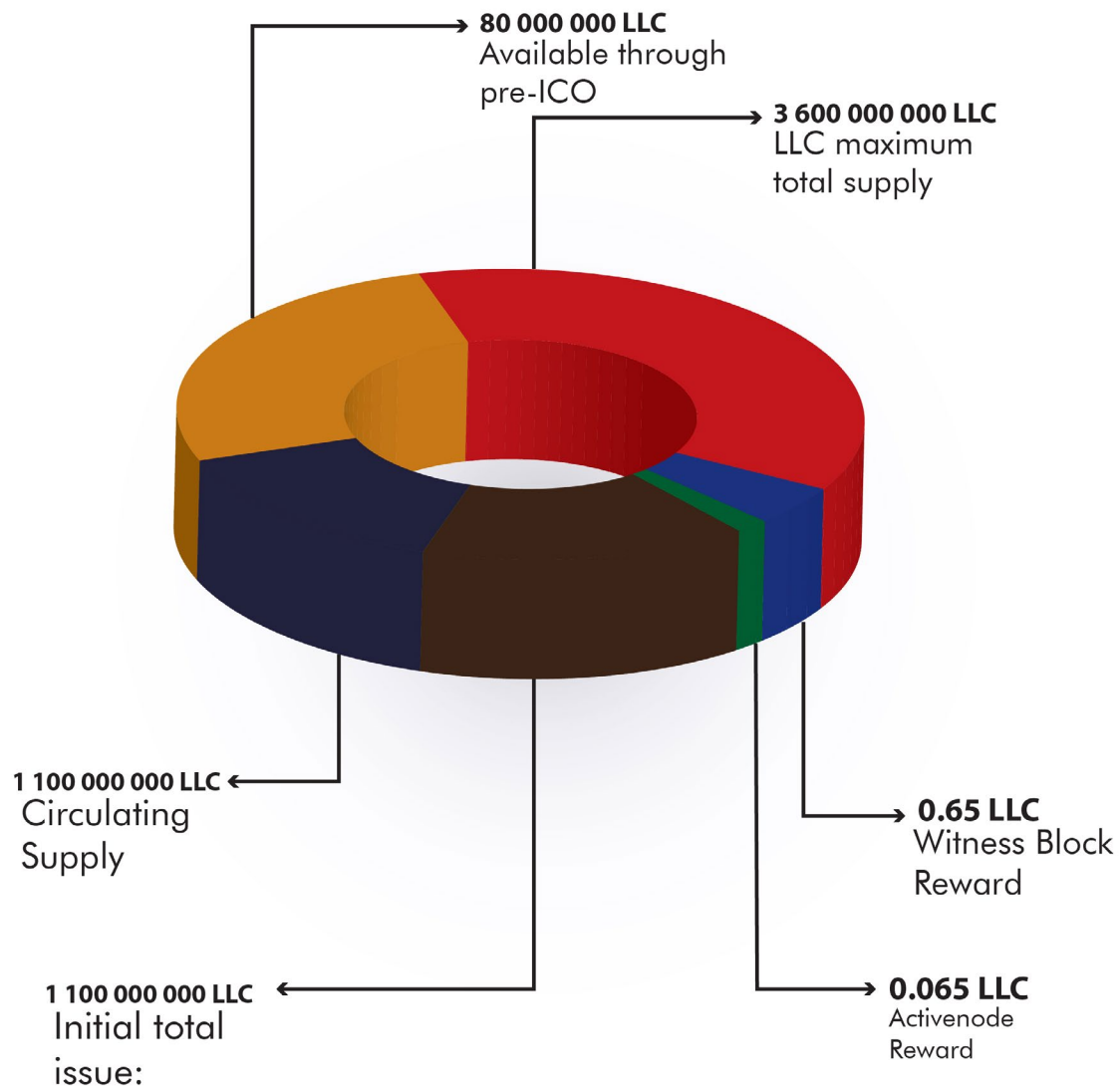
Token Symbol: LLC

Timestamping scheme: Delegated Proof of Stake and Proof-of-node

Transparency: Open source

Block time: 2 seconds

Initial 1 LLC ICO price: \$ 0.5 US Dollar (USD)



FUND DISTRIBUTION

10% (10 000 000 LLC)

Air-Drop Automatically paid into the very first 100 000 registered accounts.

10% (10 000 000 LLC)

Bounty Program allocated to bounty program for community engagement

80% (80 000 000 LLC)

Public Crowd sale no maximum allocation to investors through entire crowd sale without burn of unsold

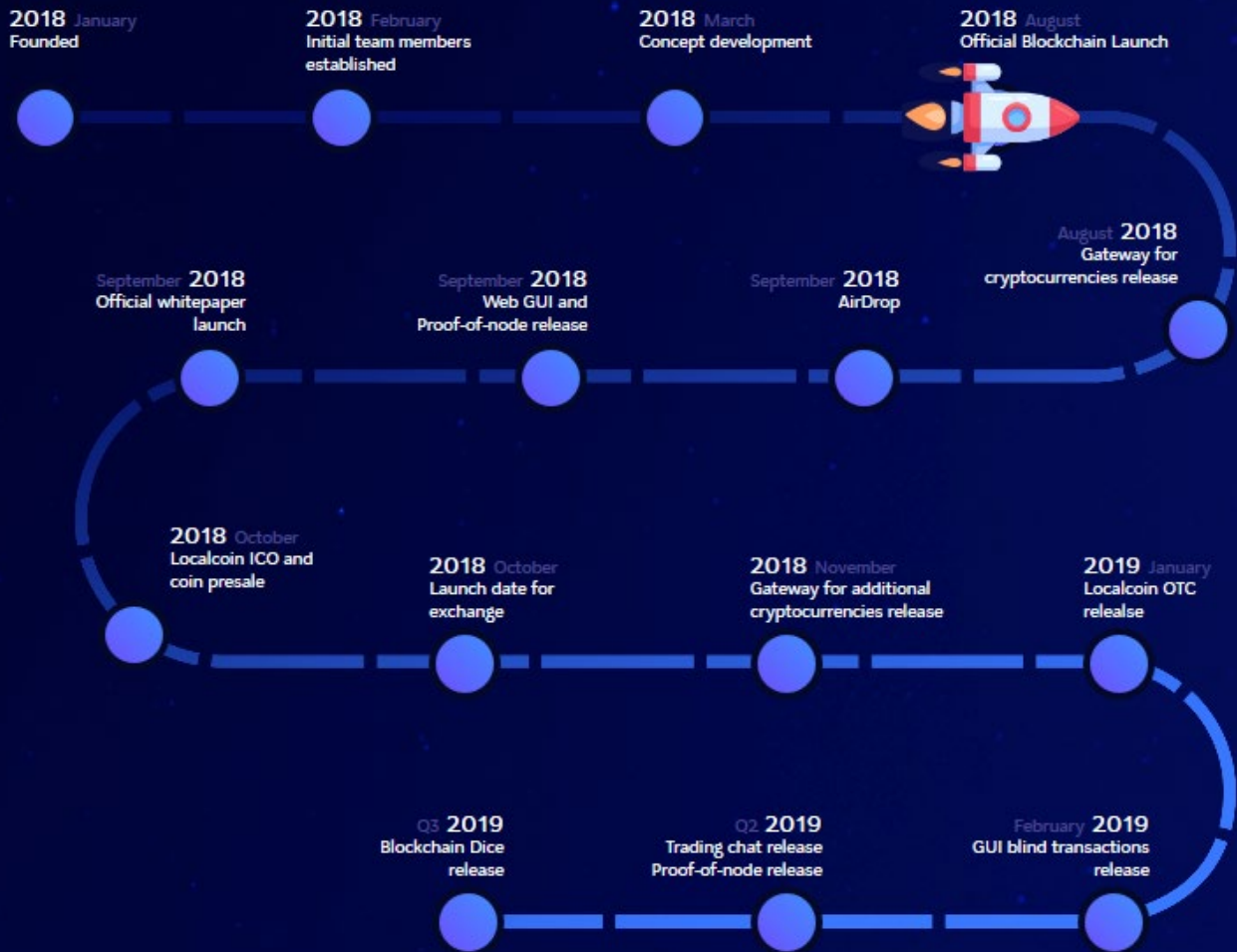
1 000 000 000 LLC

Development team allocated to the development team (frozen by contract for 1

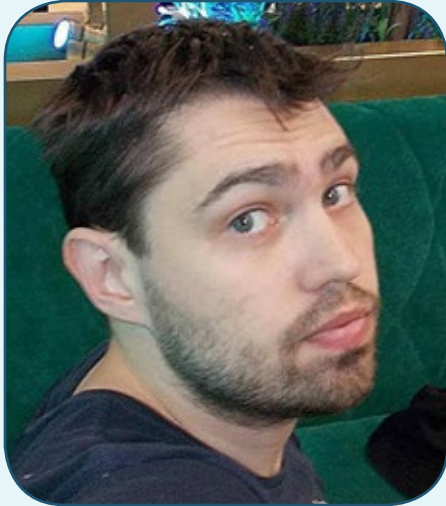


ROAD MAP

Road map



OUR TEAM



He is been around for 14 years in the IT-industry predominantly in web-development sector. Worked for MTS, Gazprom, Mail.ru, Volkswagen.

Hobby: *Crossfit, Musik, Online Gaming*

Dmitry Khorushko

Dev Team Leader



Over 8 years of experience creating graphical interfaces and supporting design systems of huge projects. Alexey is an expert in Photoshop, Sketch, Figma, Animate. He has quantifiable knowledge and experience in color balance, composition and technical features of developing products.

Alexey Sinkevitch

Art Director, Graphic, Web, UI/UX Designerr



Pauvel has established his creative prowess in the industry through amazing HTML markup templates he has created in the past. He works with JQuery to create exceptional animation effects and also updates and modified existing css and js code. Over the years, he has created adaptive & responsive layouts for web applications.

Pavel Kryakvin

Frontend developer



Igor Biliba is an ardent coder with extensive experience working with top PHP and mobile developers. He uses Yii2, AngularJS, MySQL(InnoDB), Redis, Sphinx. Rarely SailsJS, MongoDB- to create sophisticated APIs and diverse applications with high load optimisation. He has worked with yii2 for about 4 years and yii1 for 5 years. He graduated from Belarusian State University of Radiotechnics and Electronics.

Igor Biliba

Backend developer



Junior Quality Assistant with two years experience in IT and project management. Great at maintaining accurate quality control log, developing reports for management and creating presentations for departmental managers. He also specializes in software quality control.

Yura Lov

QA



Pavel Works with clients to optimize their customer service processes. He coordinates client's projects by setting goals and objectives, as well as monitoring their implementation.

He audits projects, handles negotiation and develops client base. His process includes clarification of requirements, project evaluation, design, preparation of technical specifications and implementation.

Pavel Bokach

Customer relationship manager



In 2017, he graduated as a systems engineer in BSUIR Minsk. From 2014 to 2016, he was engaged in the development of mobile applications, from 2016 he is developing blockchain projects on Ethereum, BitShares platforms.

Hobbies: He loves traveling, playing the guitar, reading a good book.

Nikita Kunevich

Backend developer



Specialist in the development of front-end websites and mobile applications using HTML, CSS, JavaScript. He has extensive experience in building client architecture.

Vlad Portnoy

Frontend



Experience in developing an analytical system Mastermind, hi-load projects for Tikkurila.

Leela

Hobby: *Learning new frameworks, hiking*

Yegor Shevchik

Frontend/Backend



Lilla

Strategic Stress Relief Manager



Zoya Mikhalevska

Product Manager



Eugeny Maspanoff

Backend Developer



Alex Nikitin

Backend Developer



Sergio Shishpor

Web-designer



Alexandros Vasilios

Investor

DISCLAIMER

This white paper represents work in progress and illustrates the intent of LocalCoin to develop, launch and market certain products. The implementations of these products are built on new technologies, and it is expected that significant changes will be continually required to meet the evolving requirements of the market's and customer's demands

The Company hereby disclaims all responsibility for any loss or damage arising from or relating to your use of any Services (including, but not limited to, risk of losses due to trading or due to factors beyond its control regarding the viability of any specific blockchain network) or your failure to understand the risks involved in Token use generally or your use of our Services. The Company further disclaims all responsibility for any loss or damages arising from or relating to any cyber-attacks (including without limitation the theft of your personal information), unprecedented surges in trading volume, any disruption or shut down of the Services, or other technical difficulties with respect to the Services.

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