PhoenixconnectCryptocurrency

 Whitepaper Decentralized Trade and Barter contains certain forward-looking statements.

PhoenixConnect Barter Blockchain Platform

Abstract

The Barter Platform represents a transformative vision of the future of commerce, with the goal of removing the greatest pain points in the lives of sellers and buyers of goods and services. Providing unique interfaces, tools and automation features for traders of goods and services, commerce will be redefined by Phoenixconnect. Users will more easily participate in barter as means of trade, while also allowing traditional buying and selling, and adding a system of incentives and leverage to traders and users in unique ways. It will build up a new form of trading community around the Exchange and Marketplace, and bring value to the entire cryptocurrency ecosystem.

THE FIVE KEY COMPONENTS OF A Phoenixconnect

A Phoenixconnect generally has the following five components:

1. **CRYPTOGRAPHY** Use of a variety of cryptographic techniques including cryptographic oneway hash functions, Merkle trees and public key infrastructure (private-public key pairs)
2. **P2P NETWORK**Network for peer discovery and data sharing in a peer-to-peer fashion
3. **CONSENSUS MECHANISM** Algorithm that determines the ordering of transactions in an adversarial environment (i.e., assuming not every participant is honest)
4. **LEDGER** List of transactions bundled together in cryptographically linked 'blocks'
5. **VALIDITY RULES** Common set of rules of the network (i.e., what transactions are considered valid, how the ledger gets updated, etc.)

What is Barter?

Barter is a system of exchange where goods or services are directly exchanged for other goods or services without using a medium of exchange, such as money.

Types of Barter

The modern trade and barter industry includes four major sectors;

retail barter exchange platforms (mutual peer-to-peer credit clearing systems),

corporate barter systems (who perform larger company barter transactions),

countertrade (usually between sovereign governments and targeted on import & export of commodities), and complementary currency systems (local/community currencies).

Barter Economy

The total annual volume of transactions combined sectors are difficult to determine since most barter platforms are privately-held and don't report their transactional volume.

 However, IRTA (The International Reciprocal Trade Association) estimates the annual volume to be 12-14 billion dollars. Over 65% of the corporations listed in the New York Stock Exchange are presently using Barter to reduce surplus inventory and bolster sales and to ensure that production facilities run at near capacity. The U.S. Department of Commerce estimates that 20 to 25% of world trade is now barter, and corporate barter is now a 20 billion dollar industry. Barter continues to carve out an important place in the U.S. and world economy. The key to the growth of the barter industry in the last thirty-five years results from the shift from one-on-one trading to third-party trading and the subsequent development of sophisticated internet-based software to maximize trading opportunities while also providing quality accounting and reporting functionality. Due to the global financial downturn, many governments have recognized the economic benefit of increased commerce that barter systems provide. In addition, most governments have followed the U.S. model and accepted barter transactions as a viable alternative form of commerce and therefore consider barter transactions as a taxable event (see the U.S.'s TEFRA legislation of 1982). Lastly, the fundamental benefit that attracts businesses to a barter retail model is the principle of maximizing/utilizing ones unused capacity, be it unused time or unused inventory. Barter solutions are predicated on the goal of increasing revenues of its participants without displacing their existing cash business.

Difficulties in Barter

The five main difficulties found in barter system are as follows:

1. Double Coincidence of Wants

 2. Lack of a Standard Unit of Account

3. Impossibility of Subdivision of Goods

 4. Lack of Information

 5. Production of Large and Very Costly Goods not Feasible These difficulties are overcome by

1. Universal Token - Smart Contract blockchain based.

2. A decentralised currency replacing a traditional trade dollar (Phoenixconnect Coin)

 3. Combination of Token &PHX

4. Rating Based Reputation

5. Automation - Trader Facilitation, 3D Printing, Drone Delivery, Autosell

Currency of the Platform

What is Phoenixconnect (PHX)?

Phoenixconnect (PHX) is a currency that has been developed to replace trade dollars in traditional Barter Systems. As the "Sharing Ecosystem" grows, so does the decentralized market. Phoenixconnect aims to change way the way we trade, by introducing Barter on the Blockchain.

A Barter Currency has been re-invented on a blockchain, decentralized, secure and widely available in the form of PHX, replacing a Trade Dollar. Trade Dollars are just like cash and for that matter are based on regular currency, but in current Barter Systems they are controlled and issued by a central party.

PHX is traded on multiple cryptocurrency exchanges right across the globe.

Barter Platform by Phoenixconnect

Barter Platform by Phoenixconnect Company ... Shaping the Future of Commerce

The great thing about this Barter service vs. current systems that rely on a line of credit and debt system is that your PHX can go up in value, so instead of being in debt your are potentially going to make money by holding PHX, or cash out, in 30+ currencies across exchanges.

Benefits of Barter Platform

1. Convert slow moving stock, downtime, spare capacity or vacant seats into extra sales

2. Gain new customers, who generate increased sales income

3. Move excess stock or utilise downtime

4. Free up cash to pay existing expenses

5. Increase profits from introduction of new business

6. You don't have to purchase from the same business that purchases from you

7. You can spend with anyone locally, nationally and internationally

8. You can sell now and buy later, or buy now and sell later

9. You can use Phoenixconnect as capital to trade, even before making a sale With the Barter Platform, you will be able to promote your company to thousands of local, national and international businesses who are all potential customers.

Every new customer brought to you by the Phoenixconnect community brings new income on top of what you're already receiving, which will help to increase your profit margins.

Masternodes

is a cryptocurrency full node or computer wallet which possesses the entire copy of the associated blockchain in real-time.

Masternodes are always up and running so that transactions can be processed without hitches at any time.

Purpose of MasternodesThe functions of masternodes are different from that of normal nodes, and some of these functions are highlighted below:

Facilitate instant transactions.

Instrumental in the governance and management of the blockchain through active participation of users in the voting process(es).

Make it possible to undertake budgeting and treasury accountability. ii. How Crave Incorporates Masternodes Crave masternodes can run on any port, and multiple masternodes can use the same IP address.

Monitoring is available in the Crave wallet to check on the status of masternodes and transactions. Along with this, multiple cold wallet addresses are allowed for maximum transactional security.

The required collateral to set up a masternode is 5000 phoenixconnectcoin.

A masternode can be stopped at any time, and the coins then become unlocked to the operator to use as they wish

Masternode Reward System Phoenixconnect

masternode reward system follows the payment logic described below.

Global List: Every masternode running for over 8000 seconds is available on a decentralized global list.Its position on this list depends on the time since the last payment was made according to the network.Eligible new masternodes joining the network, restarted masternodes, and the masternodes last receiving payment are placed at the end of the global list.Over time, masternodes migrate toward the top of the list until they enter the selection pool.

Selection Pool: The selection pool is estimated as the top 10% of the global list. If there are 1000 total masternodes waiting in the global list queue, the first 100 masternodes will be available for the block reward. The selection pool has no order, so the chance of a masternode receiving a reward is determined by probabilities.

Probabilities: Once in the selection pool, masternode reward selection is based upon probabilities determined by block hash entropy and randomness. Each masternode in the pool should have a chance of receiving a payment at each block

Barter Platform

Barter Platform- Secured by the Blockchain The Barter Platform will include the framework and libraries required to build server and client applications that communicate with the Phoenixconnect blockchain and Barter side-chains. It will be the base that the exchange and marketplace are built upon.

Phoenixconnect Internal Exchange

Phoenixconnect Internal Exchange Barter tokens will be internally exchanged on the Barter Platform with an Exchange module that could extend support for more currencies other than PHX in the future. Avoiding direct exchange from cryptocurrencies other than PHX into the Barter tokens, so Barter Tokens will be used internally, and PHX externally on other exchanges, such that PHX holders and miners/stakers/masternodes will benefit.

An internal exchange would allow users trade other coins for PHX or Barter Tokens. Using Barter Tokens allows us to create various token types, representing goods or services and more fine grained types, such as vouchers, tickets, and coupons.

The internal exchange is used for conversion to PHX and back to other Barter tokens, thus PHX would act as the intermediary. Part of the reason to have PHX and Barter tokens is the idea that people will be less likely to trade tokens on the open market and will use an internal exchange instead,and buy and sell those for PHX in the internal exchange. Barter tokens are meant to be used, we don't want and it doesn't make a lot of sense to hold a Barter token for example,

for a service that offers a discount, when that discount may expire.

With a Barter token you can program a token to expire someday and return to sender if unused. That's just one scenario. With PHX people will speculate and hold/trade on the open market across exchanges.

The Phoenixconnect Marketplace

The Phoenixconnect Marketplace, built upon the Barter Platform, will be a cross platform application which allows users to barter and sell goods and services to one another. Traders will act as facilitators between barters which have no direct closure.

The Marketplace will provide value to the entire crypto-currency and blockchain ecosystem by providing a unique way to buy/sell/barter goods and services.

The Marketplace is intended to make buying and selling, and bartering an enjoyable experience, and take the pain of dealing with issues such as closing chained deals, and shipping goods, away from the inexperienced trader - the average user, and move the burden to experienced and savvy traders, with incentives for both.

Barter tokens issued will allow traders to bootstrap the system as the currency used internally by the market. Often there will be cases when trying to close a chain of barters isn't immediately possible. To give incentives for sellers to post items up for barter, traders may pay a storage holding fee to sellers to hold the items on their behalf.

Consider the following scenario:

Jane wants to sell an item on the Marketplace. She uses the application on her phone to take a picture and add details about the item, and posts it up with a price in PHX to sell, but is also willing to barter, but there is nothing she is interested in initially. It may be weeks or never happen that she wants something another person is willing to barter, and there may be no one interested in paying PHX directly. She also doesn't really know how to chain barters together to complete a deal.

Jim, comes along and reviews the items in the Marketplace and sees value in the item, but does not want to buy the item out right because there is no chain of barters or a customer ready to buy that item. So, Jim pays Jane from his Barter token supply a small fee to hold the item on his behalf, and takes temporary ownership of the item. This fee may be daily, weekly, or monthly etc…, as negotiated between Jane and Jim. Jane and Jim now have a contract that Jane cannot sell or barter that item herself, but will use Jim's skills as a trader to close the chain of barters.

Jim then proceeds to work on a chain of barters, and negotiates the shipping issues on behalf of Jane. Jim takes on the pain of selling and bartering away from Jane, and Jane makes a small fee just for participating in the Marketplace in this way. Jim is a savvy trader, and believes he can close the deal in a week. He sets the expiry date on the contract, so that if he doesn't complete a deal, the item will return to Jane as full ownership again, and Jane is able to negotiate with other traders or barter/sell directly again. However, Jim manages to find a chain of barters that will work, and negotiates with couriers to handle shipping of the items to the respective buyers. The chain of barters can be short or long, depending on the market. Over time, business savvy traders will use the Marketplace as a means to acquire assets that they don't actually have to ship to themselves or another location for storage. They can use the sellers as storage for the assets, paying a small fee to the seller. This acts as a form of leverage for them and allows them to build up an inventory without actually having to take possession of the asset. Instead, they create contracts with the sellers to store the asset on their behalf for a specified period of time.

This system would see some people also trading storage space in exchange for Barter Tokens and PHX.

For example, one may rent out garage space in exchange for Barter tokens and PHX to someone local who is seeking a place to store their motorcycle for the winter. For a user with many items to sell,

the Phoenixconnect Marketplace will become a place where they can quickly post many items, and not have to think about negotiation directly with buyers. The system provides a means where they can "fire and forget" about having to deal with shipping issues. As the system grows, manufacturers of goods will also join in, selling their goods through the Marketplace and relying on the trading community to negotiate the sales, storage, and shipping of those goods. This will provide a unique opportunity to the entire commerce ecosystem. Eventually, traders may build bots and use machine learning to negotiate deals between users without human intervention. Although the human component will always play a role, these would add to the toolset for traders to use to develop online businesses trading PHX, Barter tokens, and digital or physical assets

Future Business Development

Promotion and Adoption of the Phoenixconnect & Platform

A proposal has come up in our planning and development discussions, we would use some of the funds we rise to set up masternodes to put into the development wallets. First release of Masternodes will be with PoW onlyand PoS. Between the 3 core developers hold just under 15% of the coins. At most we could have 100masternodes of a theoretical 500 (roughly 200 MN max) so we may could be close to >50% as a group.

We are looking at a standpoint of decentralization. Even if we say we have no intention of influencing a vote, there is always the possibility of someone using their position to steer things to their advantage. But the same goes for the development fund as a 10% fee on the rewards.

Our vision for automating barter, and disrupting EBay, Craigslist, Amazon and ecommerce entirely, is bold in scope and will provide a means for automation of the sales and barter of goods and services. Annual figures 2016 Amazon Sales - $107.01 B Ebay Sales - $13.1 B

1. When an item is purchased, user records it, eventually with 3D scanning via phone/Kinect/etc….

2. Item is recorded on the Blockchain, for obvious reasons now, like insurance etc... (see Trov), but we could also set a price at which item is up for sale, like a minimum price the potential seller would be willing to sell an item.

3. Items therefore, if you think about it, can sell themselves.

4. DAO can see items desired, build them (3D printing etc) and market them, all without exposing any personal details or requiring human intervention.

5. Other users can see what is desired, and of course, use that to create products and services, and/or generate DAOs for very specific things Features would include Autosell, Automatic Delivery via Transport ie Uber, then drones when available.

DAOs will perform crowdfunding and crowdsourcing. Putting many pieces together to redefine commerce entirely. Allowing investors to invest in a new product or service, or simply unique one off items/services that normally would never be made. DAOs don't need to turn a profit, always, just enough to operate, because, well, it's not a greedy person. That's to say, the DAOs serve the public and may be non-profit. Imagine a world where everything is 3D scanned, even automatically when you buy it or bring it into your location, so that your entire home is automatically inventoried, and scanned, and you set a value on that asset, such that it automatically goes up for sale for that value, and you someday just get a notification, months or years later, that someone wants to barter or buy that item from you, and you choose whether you want to sell/barter it, and everything else is taken care of. In a few hours a courier shows up and picks the item up and delivered to wherever. You don't care, it's taken care of. Shipping is automatically resolved for you. This is the ultimate vision of Phoenixconnect , and will be the end goal of future versions.

Phoenixconnect is Creating a New and Fair

"Proof of Stake" & "Proof of Work"

Hybrid Blockchain Technology.

Phoenixconnect (PHX) has been developed to replace Barter Trade Dollars in traditional Barter Platforms. As the "Sharing Economy" grows, so does the decentralized market. Phoenixconnect aims to change way the way we trade & barter.

PoW/PoS Hybrid

Phoenixconnect currently uses a Proof-of-Work model for securing the network, but we also implementing an additional layer using a unique Proof-of-Stake model, which is already done development.

Proof of Stake

Proof-of-stake (PoS) is a method by which a cryptocurrency blockchain network aims to achieve distributed consensus. While the proof-of-work (PoW) method asks users to repeatedly run hashing algorithms or other client puzzles to validate electronic transactions,[1] proof-of-stake asks users to prove ownership of a certain amount of currency (their "stake" in the currency).

04 / 21 / 2014 Proof-of-stake – Wikipedia

Facts in Support

In Proof-of-Stake, those "guarding" the coins are always those who own the coins (although several cryptocurrencies do allow or enforce lending the staking power to other nodes). Adding Proof-of-Stake (PoS) to the Phoenixconnect blockchain improves the security and reliability of the chain. While other cryptocurrencies that move to PoS or a hybrid of PoW and PoS, the staking rewards increase and overshadow the rewards of PoW miners. We see a disadvantage in this type of transition. In the Proof-of-Work model, the miners are transferring energy (use of electricity to solve mathematical problems) to produce coins.

There is a direct correlation in energy spent, difficulty, and liquidity of the coin for mining to be successful.

A coin with a strong or consistent mining community is usually a coin that enjoys good liquidity. There are effects of large mining pools or opportunity miners that are affecting the stability of PoW coins.

Miners or pools that switch or seek out the most profitable coins at any given time, shift large amounts of mining efforts to different coins at intervals that are most profitable to the coin, and affect the consistency and stability of the blockchains of coins.

During these shifts of mining power to other coins or pools, there develops a gap or hole in the mining power to generate new coins. These gaps can have an effect of retarding the timing of the blockchain, reducing the availability or liquidity of a coin.

This is where Proof-of-Stake helps fill in the shifts of mining efforts.

The Phoenixconnect

Difference Phoenixconnect is not just going to be another altcoin with a Proof-of-Stake that has large wallet holders that overshadow the rewards of miners. Phoenixconnect is implementing a PoS that complements PoW and has inflationary controls that will affect large and small wallet holders equally.

The Phoenixconnect anti-inflationary controls is derived from the staking difficulty calculation. Just as PoW has a difficulty to adjust the amount of work required to generate new coins, the difficulty of staking increases the difficulty of generating rewards through staking. The difficulty will also have breakpoints to reduce the staking rewards as the amount of coins that are staking increase.

The nonlinear algorithm used for the staking reward adjustment is still under testing for the best match for the growth of the coin and the markets it will support.

For example:

based on a PoS reward of 1 Phoenixconnect per 1000 Phoenixconnect on a weekly staking period. If the difficulty raises by a factor of 100, the Phoenixconnect reward may be reduced to 0.1 Phoenixconnect for the same period. As the weight of more and more of the coin supply is staking in wallets and not used for transactions, the staking rewards will adjust to reduce the growth of the money supply and protect from inflationary growth. This will assist in maintaining value in the coin primarily by PoW mining (energy spent on creating coins), and the PoS portion as contributory to maintain stability in the blockchain.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

A forward-looking statement is a statement that does not relate to historical facts and events.

The forward-looking statements are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable.

 These statements appear in a number of places in this whitepaper and include statements regarding Phoenixconnect 's intent, belief or current expectations with respect to Phoenixconnect 's financial position, business strategies, plans and prospects and future prospects of the industry. In many cases, but not all, forward-looking statements can be identified by forward-looking terms such as "aim", "believe", "could", "estimate", "expect", "intend", "may", "might", "outlook", "plan", "possibility", "potential", "probably", "project", "risk", "seek", "should", "target", "will" and similar terms. These forward-looking statements are based on current estimates and assumptions that Phoenixconnect makes to the best of its present knowledge and are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, Phoenixconnect 's actual results may vary materially from those currently anticipated.

Potential risks and uncertainties include, without limitation:

• Phoenixconnect 's ability to develop and launch the Phoenixconnect barter platform;

• risks associated with meeting users' expectations regarding the functionality of the Phoenixconnect platform;

• risks associated with Phoenixconnect 's business and operations;

• risks associated with an unestablished public market;

• risks associated with restriction of transfer of Phoenixconnect tokens;

• risks associated with a user's inability to access their Phoenixconnect wallets;

• risks associated with the compromise of a user's credentials;

• Phoenixconnect 's reliance on it Own blockchain as the base of the Phoenixconnect platform;

• risks associated with insufficient interest in the Phoenixconnect platform or blockchain technologies;

• Phoenixconnect's ability to continuously adapt its business model to meet market needs;

• risks associated with competitive technologies;

• risks associated with security weaknesses;

• risks associated with the new and untested technology underlying the Phoenixconnect platform;

• risks associated with large volume transactions occurring through the Phoenixconnect platform on the blockchain network;

• Phoenixconnect 's ability to effectively protect its intellectual property;

• risks associated with meeting regulatory obligations in the countries in which Phoenixconnect intend to operate;

• risks associated with unfavorable legal or regulatory actions;

• risks associated with the fact that Phoenixconnect tokens will not be legal tender of any jurisdiction

• risks associated with tax treatment of Phoenixconnect coins. Given these risks and uncertainties that may cause the actual future results, performance or achievements of Phoenixconnect to be materially different from that expected, expressed or implied by the forward-looking statements in this whitepaper, undue reliance must not be placed on these statements. These forward-looking statements are applicable only as of the date of this whitepaper. Phoenixconnect disclaims any obligation to update, or to announce publicly any revision to, any of the forward-looking statements contained in this whitepaper to reflect future actual events or developments. Phoenixconnect reserves the right to update this whitepaper at any time. Please visit Phoenixconnect.io

Marketing

We consider marketing to be essential to our business.

We are targeting people that never used cryptocurrencies before, and that means solving issues of PR, trust, and fear of uncertainty in the market. Those are challenges that no blockchain company cracked before, and even though it will likely be a joint effort, we need to work hard to reach our market. Our marketing team will operate on two levels and will therefore be split in two. One team will assist mobile operators so they can promote Telcoin to their users and potential customers, while another team will build brand affinity directly with consumers.

Team Core &Business Team based on:

1. Customer Service
2. Legal and Compliance
3. Finance and Liquidity
4. Account Management
5. Marketing

	Abdelali Ouhman **Chief Data Officer (CDO)** My practice is centred on advancing my clients' business interests, particularly when it comes to Phoenixconnect technology I advise on both litigious and non-contentious matters. Being in a management role, I have a passion for assisting entrepreneurs and companies in growing and sustaining their businesses&CEO of aftrade LTD about 10 year Experience in managing e-commerce company.
	Lorena Zel (CryptoRose)**Chief Operational Officer(COO)**Telecom regulatory expert. And 6years experience in public &human resources, labor law, finance, organizational structure private sector. Adviser with BlockOnix and Exocoin

	Anna Maria **Chief Marketing Officer (CMO)** Head of Communications at Phoenixconnect, I work closely with some of the brightest minds in the FinTech industry. I am responsible for managing company's external communications and serve as the key contact for the media and event organisers.
	Abdelhamid Alaoud (CryptoMoneyMaker) **Advisor and – Marketing Director** Digital marketing expert with 12 years of experience as a marketing consultant, creating content and building various types of high-ROI campaigns to maximize brand awareness, professional Forex trader. Led marketing campaigns for exocoin, steneum,tenX,adviser with blockonix (bitindia)
	Gordon Hill **Blockchain Developer** Jeremy has extensive experience as a Full Stack .NET Developer. At the beginning of 2013 he learned about the disruptive capabilities of Bitcoin and has been hooked on the possibilities of Blockchain Technology ever since. As an active contributor to the blockchain sphere he has been responsible for tailoring solutions to specific clients' needs, porting innovative developments between cryptocurrencies.
	David Bailey **Web designer** Dan is a veteran user interface and user experience designer with more than a decade of professional experience working for globally recognized brands in the field of hotel chains and software startups. A Bootstrap master, he joined the cryptocurrency field in 2014 and has since worked with teams of all sizes and aspects over the last years. At Phoenix he takes care of delivering innovative application interfaces.

	Wei Guo **Advisor and Investor** Founding Partner of PhoenixConnect. Invested in over 200 startups in Silicon Valley. He was recognized under Venture Capital & Big Money Startups categories of the Forbes 30 Under 30.
	Xiahong Lin **Technical Advisor and Investor** Founding Partner PhoenixConnect. Worked at Twitter, Tencent. Six years of crypto industry experience.
	Xiahong Lin **Community** SungHwan has over 21 years of IT, Security and Business Excellence(LEAN) experience. He was a globally experienced and highly accomplished ISIT & Project Executive with a success in key leadership roles for one of the world's top multinational CPG companies. Breadth of experience across both small-scale operations and larger developed businesses bringing a unique combination of entrepreneurial and corporate skills.
	Soyoung Kim **Community** Soyoung is passionate about using arts & humanities to pursue the building of bridges across cultures. Having localised some of the world's best-selling video games,she has also helped various online and offline communities to grow by motivating and bringing people together and is working to do the same within the PhoenixConnect.

References

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