FLEX Coin Whitepaper

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Usage and Purpose of FLEX

FLEX Coin is the token that powers the CoinFLEX exchange. We detail the different uses and functions below.

Discounted Fees

Anyone who owns FLEX coins can get a 50% reduction on trading fees if they opt to pay with FLEX. These fees will be rebated once a day, simultaneously debiting FLEX from any account that has opted in.

Example 1		Example 2	
An account has traded 10,000 USDT in the last 24 hours and paid 3 USDT in fees		An account has traded 1,000,000 USDT in the last 24 hours and paid 300 USDT in fees	
would be credited 3 USDT and debited the equivalent of 1.5 USDT in FLEX coins.		would be credited 300 USDT and debited the equivalent of 150 USDT in FLEX coins.	

Any user can also buy and sell amounts (including fractional amounts) of FLEX Coins on the exchange's FLEX/USDT orderbook.

FLEX Coins can also be staked for lower trading fees and other benefits on the exchange.

Issuance through Trade Driven Mining

FLEX Coins will be paid to traders on the platform based on their daily "Taker" volume. We qualify any volume where the order is removing liquidity from the orderbook by trading against an existing order and is considered a "taker". The amount of FLEX that a user is awarded is equal to the amount of coins we issue that day, multiplied by the user's taker volume that day, divided by the total amount of Qualifying Volume on the platform. Qualifying Volume includes volumes in the following markets:

- XBT/USDT Futures
- CoinFLEX may add or remove qualifying markets at our discretion

We are excluding spot volumes and stablecoin-to-stablecoin futures volumes from the "total volume" figures as we want to incentivise and focus activity around the crypto-to-stable futures pairs.

Calculation Example

Daily Rate x (User's Taker Volume / Qualifying Platform Volume) = Number of Coins issued to User for the day.

Example |

if it is April (first month) and so the Daily Rate is 233,333 (see Issuance Schedule), and a user is a taker on $1 million worth of XBT futures and the total volume that day was $40 million between XBT, BCH and ETH futures combined, then:

233,333 x (1 million / 40 million) = 5833.325

The user will receive 5833.325 FLEX Coins that day.

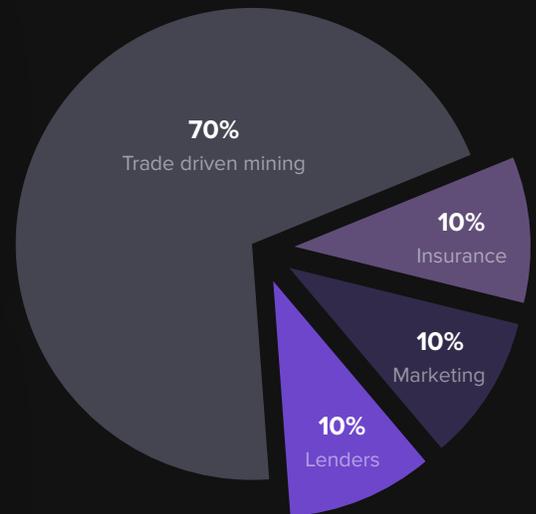## Total Supply

The supply of FLEX Coins will be capped at 100 million coins, issued over a 2 year period.

Issuance Schedule

Yearly Issuance

Year	Trade Driven Mining	Lenders/Basis	Marketing	Insurance
1	55,000,000	10,000,000	5,000,000	10,000,000
2	15,000,000		5,000,000	

Issuance Rate Changes

Months	Issued per Month	Issued per Day
Jul 4, 2019 - Oct 3, 2019	7,000,000	233,333
Oct 4, 2019 - Dec 26, 2019	5,000,000	166,666
Dec 27, 2019 - Mar 26, 2020	4,000,000	133,333
Mar 27, 2020 - Jun 25, 2020	2,333,370	77,779
Jun 26, 2020 - Jul 2, 2021	1,232,880	41,096
Jul 3, 2021	34,399	34,399

70%
Trade driven mining

10%
Insurance

10%
Marketing

10%
Lenders

Lending Product

CoinFLEX will reserve 10 Million FLEX Coins towards lenders on an upcoming Lending/Basis trading product we will launch. Anyone who has funds actively deployed in the lending product will earn FLEX Coins every day for the first 12 months post the launch of that product. The FLEX Coins will be distributed pro rata based on the amount the user has deployed out of the overall total funds deployed via this product.

Insurance Fund

CoinFLEX will reserve 10 Million FLEX Coins to contribute to the insurance fund. Any FLEX Coins reserved for the insurance fund will be available to be used and spent in any system loss scenario to aim to prevent users from losing funds from an unsuccessful liquidation.

Marketing and Referrals

In addition to the Trade Driven Mining, CoinFLEX will issue 10 Million coins over the first 2 years for marketing and referrals. These will be used for trading contests, new customer / affiliate rewards and other rewards / uses targeted towards growth of the user base. The 5 Million issued each year will be made available on an every six month basis (2,500,000 per six months) and ones that are unavailable will be time locked.

Burn

CoinFLEX will burn FLEX Coins with 20% of company profits every day until CoinFLEX has spent 500 Million US Dollar (equivalent) on buying and burning FLEX Coins.

Privileges for holding FLEX

CoinFLEX plans to add other privileges and special features over time to users who hold FLEX Coins.

No Private Sale

The FLEX Coin issuance is not an ICO and if anyone claims they can sell you a "pre allocation", they are misleading or defrauding you. No coins will be issued to CoinFLEX's shareholders, employees or founders. Shareholders are allowed to purchase or earn FLEX Coins along the same terms as any other user. Employees and management cannot earn FLEX Coins through trading. Employees and management are allowed to purchase FLEX Coins but will be subject to a 90 day hold before being able to sell FLEX Coins.