



ibitx

Global Crypto-Currency
Trading Platform

FACT SHEET IBITX SOFTWARE INC

Company: IBITX Software Inc

OTC Markets Symbol: IBXS

Incorporated: Brooklyn, New York

Operation: Philippines

Industry: Software, Crypto Currency Exchange and ICO Crowd Sale

The Company

IBITX Software Inc. (OTCMRKT: IBXS) is a Brooklyn New York incorporated software development company with global operations in the Philippines. IBITx Software has built a proprietary Crowd Sale and Exchange Platform for Crypto-Currency trading.

The product is called IBITx.com, a currency exchange and ICO crowds sale platform, which matches initial currency offerings for those interested in buying currencies in a single platform for offerings, as well as a match bargain trading system for post-ICO trading of available crypto and virtual currencies registered on the platform. The platform can be licensed to institutional investors which connect all together from their own private networks and exchanges to the main product market, IBITx.com



The platform is one of the first crypto exchanges to integrate both Crowd Sales and Crypto Currencies FIAT exchange platforms.



The software that runs IBITX is currently operating on a three-tier market for trading currencies



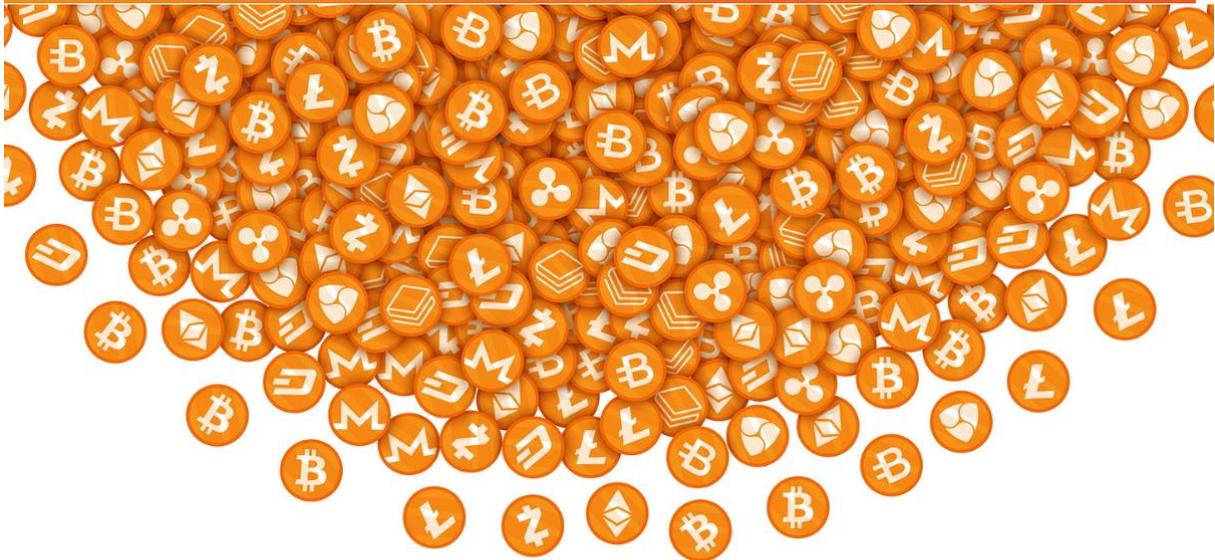
The software centralizes the role of clearing and settlement, escrow, accounts, investors, brokers, and listed Currencies

The Market

The total market capitalization (market cap) of crypto-currencies continues to grow, recently Bitcoin surpassed **\$170 billion** and hitting a fresh, record high September 2017. This record high continued to an **over \$300 billion** market cap, which currently as of March 1st 2018 is at \$180 billion and rising. This figure represents a more than 850% increase from their value of \$17.7 billion at the start of 2017. As of March 1st 2018, the main 30 crypto-currencies out of 1600 crypto currencies tracked globally, make up a market capital value of over \$421 Billion USD with 24 hour total volumes exceeding \$9 billion in trading, with a total market capital value of all crypto currencies expected to exceed \$1 trillion within second quarter 2018.



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CRYPTOCURRENCY
BUY AND SELL CRYPTOCURRENCIES

According to Forbes Magazine, the crypto market is growing for several reasons, a steady supply of Initial Coin Offerings (ICOs), a rising number of funds that trade crypto-currencies and the sustained interest of investors are all contributing to this trend. One of the most important aspects of the rising market in ICO's and trading of Crypto Currencies is to have a trading exchange or market to "Offer" the new currencies and "Trade" such currencies amongst speculators.

With the growing market of both the ICO market and Crypto-Currency mining, users have access Crypto-Currencies they would like to sell for cash currency and Investors and speculators want to purchase those currencies on a secure and diverse platform. The present daily volumes within the market and rising marketplace confirm the growing liquidity and need for stable software systems as exchanges.

The Product: The evolution of Crypto-Currency Marketplaces IBITx

With the maturity of the crypto-currency and virtual currency markets, important developments have been in the institution of:

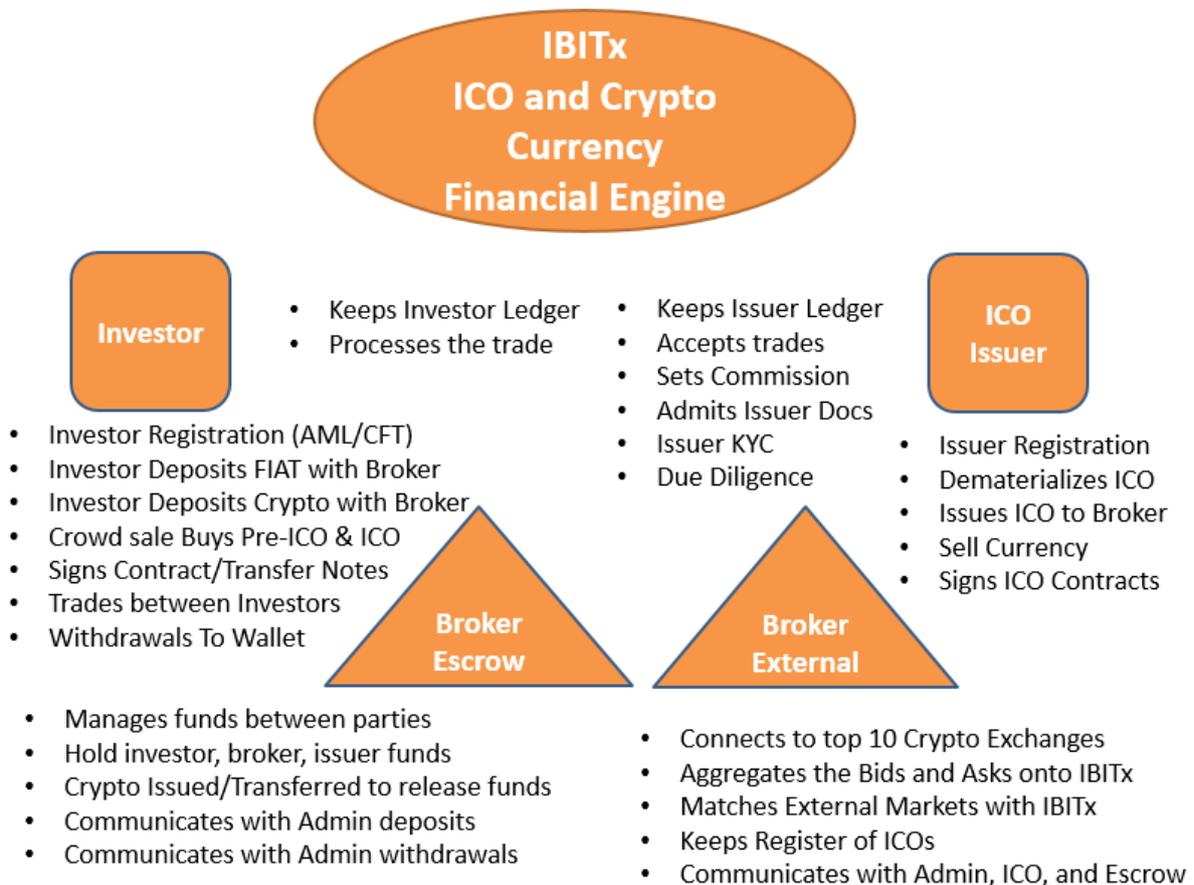
1. Sophisticated best practices
2. Disclosure Practices and documentation
3. ICO and secondary market access (liquidity for illiquid markets)
4. Security
5. Self-regulatory integration with brokers and traditional finance partners
6. Licensing platforms for ICO origination and trading
7. Third-party access for outside parties (analysis and researchers)
8. A move to standardised reporting
9. Virtual Roadshows and ICO promotion groups
10. Valuation and Models to define the utility/use of the Coins

IBITx has adapted the model for digital assets that best suits the top 10 advancements within the industry to apply best practices to define and be a leader in the new financial market of ICO's and Crypto currencies.

By building a platform that has integrated common practices to avert systemic risk in the financial markets related to representations, security risk, and marry these aspects with responsible "financial institutions" who operate in conjunction with the platform, the issuers of the coins, and the investors.

Many of the global financial market concerns of anti-money laundering regulations, client and investor adequacy, security of the platform, and reporting of developments of the issuers are integrated into a multi-currency duality of best practices online.

The Future of Initial Coin Offerings



There are so many reasons why tomorrow's ICO platforms will need to offer a level of sophistication that can fulfil the needs of a rich ecosystem, that is, it's pretty easy to make the prediction that most of the platforms that will not survive, especially financial ROI-based one. It will be hard to compete for attention when a competitor's platform offers a vibrant virally adopted ecosystem – a recipe for attracting in participants from less versatile platforms (lame platforms). But competitive forces aside, here are a number of considerations that we hope to drive for the potential of the ICO markets:

1. Serious professional investors will require quality infrastructure, best practices, etc.

This is why IBITx partners with “brokers” to act as account opening agents for the appropriate AML, KYC, and custodial services of funds and digital assets. Dependence on third party software wallets, untested ICO platforms that have insecurities, and unregulated providers needs to be thwarted within the industry to provide stability to the mature “institutional” investors who will provide the liquidity and stability to the market aside from just the “crowd sale” of the coins.

However, it is important to also ensure the crowd sale function for the public at large is incorporated into the offering mechanism, to ensure a balanced and open transparent landscape of “coin” users and “investors” as a marketplace.

The market also needs to be open for the Coins, therefore, the coins that are offered allow for “mature” and “new” concepts to be offered thus placing like in a movie, the “majors” with the “indies” per se. In doing this, a set standard is required of “useful” and “required” disclosures, along with track records and due diligence. These have been built into the IBITx Platform to insure the ICO’s will meet minimum scrutiny of regulators.

2. With the linkages to institutional back office custodial and regulatory support, regulators can become more comfortable with the standard of the offerings and thus built rules that cater to “standards” which are not unlike some of their own existing securities market regulations.
3. Third-party analysts, researchers, and public relations that will be able to tap into the platform, much as is done for the public equity marketplace and crowd funding. Academic researchers might be a good first adopter for whatever data can expose, there is a dearth of start-up and new coin information to analyse.
4. Fraud prevention algorithms will need good infrastructure and “flags” where by the mechanisms in place can do some of the work for the investors and institutions.
5. Analytics and trend analysis will be high-value items to many parties, which are likely managed initially internally by the exchange platform to perfect the best dashboards and compatibility with the marketplace, but will be released in versions from the contribution of experts who have beta access to the data.
6. To service a large base of people on given platforms, the analytics need to also comprise of “needs analysis” and “behavioural” preferences internal and external that enable the platform itself to behave as a match-maker. When there are too many participants there is seemingly too much noise, much of which the market is already experiencing the in vast number of ICO’s in the market place. The match making platform is the key of wading through the noise and offering “smart” options for the target investor. This is one form of algorithmic innovation, people and organizations matching to work together.

The fundamental structure exists within the proprietary code of the IBITx software system, with developments and releases that focus on the processes outlined as a “must” in the new generation of Crypto-Currency exchanges.

The combination of group think and the maturity from “dartboards” to microscopic targeting and analysis eases concerns and opens up a platform for “development” of the industry versus stagnation of one trading platform to another.

The fact that there are many new crypto-currency exchanges developing has also shown the disparity in one market over another market. Not one solution has offered a market for trading as well as an opportunity to integrate with multiple exchanges and private markets, where by the aggregate of the all markets needs to be achieved.

How does IBITx achieve this?

Firstly we must understand the overall market, to expect individuals to act like a professional trading firm is a lot to ask of individual investors, as it is for institutions even in the traditional sense. Therefore, there need the ability for:

1. A centralised market place,
2. Private market places, and,
3. Integration to the other markets for purposes of arbitration and liquidity.

These three components make up the cornerstones of the IBITx software system, its overall market strategy, and regulatory stability in the future.



IBITx partner Financial Service Provider intends to set-up accounts at all Wallets available for receiving and sending Currencies and Coins.



IBITx is a team of veteran financing and technology professionals dedicated to the creation of a new efficient capital markets.



Our purpose is to help grow each Virtual Currency's liquidity and investor base, with transparency and Governance

The Centralised Market Place (IBITx.com)

The centralised market place is “the market” as we know it. This is where investors and institutional buyers are match-making with Coin offerings on the ICO platform, but also the secondary market system.

The secondary market is split into three main boards, the standard “new secondary” market for alternative coins, the coins who have survived the first year of their offering and trading as a maturing mid-market coin, and those who have lasted 2 years or more as “mature” trading coins with existing following and trading records across multiple platforms.

This platform has a “designated broker” who is responsible for the application and review of investors on the platform and new coin offerings on the platform, assure the anti-money laundering and client knowledge is properly collected for full disclosure and responsibility to the market.

At this point in time, this is a self-regulatory organization (SRO) within the marketplace. For the most part, due to the regulation of the broker or financial service provider within that jurisdiction, the platform operates as an “internal” software for match making.

The Broker/Financial Service provider within the centralised market maintain the integrity of the system and processes, as well as the data the market is providing to a standard best practice of existing equity markets.

Investors and traders therefore can go and sign-up at www.ibitx.com, and know that the process for application is reviewed by a competent compliance process. In this case, the partnership is with a New Zealand FSP, who essentially sets up the account opening process.

The Security of Centralised Systems (IBITx Process)

Once an account is opened, funds are deposited with the FSP as a custodian, as are the digital assets. The central depository system is “offline” from the exchange itself. The reason why the depository and the exchange are separated is for “Security” purposes.

Differentiating Factors

IBITX Platform is built to handle any virtual currency and Initial Coin Offering, where by all of the competitors are limited to a handful of crypto-currency user groups.



IBITX completes only the “record” of the trade on the system, a proprietary Virtual Currency



Escrow service completes the transaction “offline” to enable full security to both the seller and buyer of currency

Where many exchanges have centralised the custodial and deposit taking services as a prepaid system into their exchange portal, it is the reason why hacking risks are so high.

When individuals deposit funds (cash or fiat currency) and digital assets (crypto-currency) with the financial service provider, the digital assets are placed into cold storage until “requested” to come out of the system.

This means the exchange is essentially a “ledgering” system or software of which trades are completed on a daily basis, but nobody can “hack the exchange” and take out funds or steal crypto currencies. They could “damage” data, which is backed up continually, and therefore can be recovered without “theft” occurring.

By placing a request for “withdrawal” in the software system, a physical action is taken by the

Financial Service Provider to “add” or “transfer” to the respective investors “wallet” or “bank account” directly, and this is then digitally referenced within the exchange ledgering system.

The separation of these key aspects makes the system “safer” than many of the alternative markets. All withdrawal details are “locked” in the system, and therefore, the information that users entered to withdraw funds in at the point of sign-up is also stored offline so that at the point in time of

withdrawing digital assets or funds, the transfer goes into an approved account without error or security risk of hacking the transfer or the location of the request.

This closed system separating the “process” from the “software” allows for the decentralised currencies to actually work with a centralised standard for security purposes at the time of transacting. The hybrid of using two centralised processes to “transact” in decentralised systems actually removes some of the risk adherent in the decentralised world of crypto-currencies and blockchain.

What appears as one “interface” to all users, is a sophisticated grouping of processes to protect the end users.

Self-Controlling Liquidity through Private Market Places

Not every financial institution is going to want to depend on the integrity of “our” financial service provider over their own “internal” processes and best practices.

Too much concentration in “one” self-regulatory entity increases the systemic risk of the market place and exposure for institutional investors and their clients.



Therefore, IBITx also “licenses” the software system and market infrastructure product as a “Software as a Services” (SAS), of which a Broker, Bank, or even “Country” could have their own IBITx based “Crypto-currency exchange”.

This essentially acts as an exchange no-different to the IBITx exchange (www.ibitx.com) but branded as the brokers exchange and market for their internal clients to trade within. The Private Market operates within the same processes and best practices of IBITx’s designated SRO, but does so without exposing their investors to IBITx general ledger.

This means, that internally the private market place is basically a matched bargaining system with custody and settlement done internally. What do we know about private markets, the challenge is liquidity! This is why, the Financial Institution partner can run a “private market place” for their clients, but can also maintain membership to the IBITx global system.

People can trade what is offered on their private system, customised to the market regulations and preferences of the institution, but also be able to place clients bids and asks or ICOs into a global platform for liquidity with the anonymity of being “the private market place” client.

Therefore, 100s of crypto currencies market places can be run globally using the IBITx software who independently operate within their own jurisdiction, with their own client base, with their own offerings and still access a global market of hundreds of brokers and exchanges all in one “IBITx” market.

This combines the localised and private market places for security and “client ownership” of institutions meeting their needs, while still providing a global market for liquidity.

In this fashion, the individual markets can also develop and improve upon the technology and their own uses of blockchain for decentralised offerings but using a “centralised” method of ledgering and arbitrage to in effect “build a global market”.

IBITx and their institutional clients all connect to a single platform called IBITx.com, which acts as a general market place for Crypto-Currency trading.

The white label licenses connect to IBITx market to allow for active bids and liquidity within their own market place based on prepaid trading. The IBITx financial service providers have various crypto-currency wallets and accounts within existing Crypto Currency exchanges, which in addition to the private market and aggregator, allow for an institutional currency exchange across multiple exchange platforms.

The combination of multiple private markets, a general market, and linkage between the various existing crypto-currency exchanges solves the liquidity issue as the market develops.

Integration to other markets

The genius of the hybrid centralised and decentralised market places, and Private Market Places is that the individual brokers can set-up their own accounts within any exchange in the world. They can use these "other exchanges" to put bids and asks within the centralised system. Therefore, brokers can become members of multiple exchanges such as Coinbase, Bittrex, Kraken, eToro, Poloniex, etc, of which they can "post" the asks within their own Private Exchanges that investors see, without exposing their investors to "all the other markets" directly.

This maintains ownership of the client for the financial service providers, which also gives the client security of not being exposed, and arbitrage opportunities for the broker from multiple markets to their own "private market."

Therefore, the financial service provider and clients are only ever as exposed for the "small" ledgered amount of shares being traded "outside" of the private market place, while everything else is contained within the financial service providers private market, and custodial responsibilities. This is a "process" and is part of the best practices of the IBITx business processes which is enforced by the company for users of the software under license.

First Institutional Aggregator of Private Markets

The IBITx Software system is built with the future in mind, focusing mainly on Institutional Investment into Crypto-Currency.

The platform is licensed to Broker Dealers and Institutions to deploy custom private currency exchanges that link to the first functional aggregator of Institutional Crypto Currency trades and ICO offerings.

Most brokerage houses and institutions want to have the ability to set-up a software system which allows them to monitor and advise their own clients, to not expose their clients to outside exchanges, softwares, and risks, and to maintain the client relationship.

By installing a custom white label version of IBITx, the Broker can sign up clients on their own Internal Platform controlling their client and client funds while linking to the IBITx aggregator and general marketplace. Essentially creating one of the first Inter-broker and general market hybrid exchange systems, through the consolidation of brokers, stock exchanges and financial institutions will provide a depth of the market for crypto-currencies.

Unique Anti-Money Laundering and KYC

The IBITx Platform follows a mainstream institutional “Know Your Client” qualification process and has incorporated anti-money laundering regulations into the sign-up process of investors. This insures the institutional license holders and brokers utilising the system do not fall foul of the regulators who have granted them their financial service provider licensing within the jurisdiction they operate.

What does this achieve for the institutional and individual market place?

- Liquidity
- Security
- A self-regulatory framework
- Stakeholder ownership and control of investors for financial service providers linked to markets



IBITX Business Strategy and Development

- Sign-up Forex Traders, Brokers and Financial Institutions globally to run their own private market places (of which we integrate to IBITx.com) (Over 100,000 potential private trading institutions and businesses globally.)
- Contact all 20+ other exchanges and inform them we will be bringing them institutional accounts of brokers who use our platform that we want our clients to be their clients too, and continue integration to new exchanges and market platforms.
- Partnering with Wallet Providers and development teams
- Partnering with Crypto-Currency development and Blockchain Software Firms.
- Potential ICOs to go on our main system. Of which we have a user agreement for.
- Blockchain and Crypto currency developers to offer services to our clients to build new ICOs or become professionals who can promote and post new ICOs on our platform.

Current Development

We are in the process of building an advanced mobile app and exchange tracking system for real-time spot price.



Revenue Sources

IBITx's revenue will come from:

Licensing Fees, licensing of the platform will be a major source of fees, as broker's and institutions license their own private markets connected to the IBITx Platform.

Exchange Fee initially will charge a 0.2% fixed fee per trade. Other variations will be subsequently introduced, including maker-taker, volume based tiers for private market aggregator services.

Withdrawal Fee is charged a small fee for withdrawals due to the cost of verification, transfer, and administration.



Crypto-Currency Development and ICOs Fees, of which IBITx intends on assisting firms to build their own Crypto-Currencies to ICO on the platform, as an all in one solution provider.

Listing Fee's whereby IBITx will select innovative coins and other assets to be listed on the exchange, there may be a fee associated with those listings.

Large Block Trades will be a commission based service fees, where by working with institutional brokers and platform providers IBITx can facilitate larger transactions across global platforms on a trade by trade basis.

Revenue Share partnership commissions, as IBITx will support integration into other trading platforms, wallets, transaction processors, cloud mining, and Institutions who will give partner and affiliate based commissions.

Management

CEO

Rose Marie D. Araos, MBA, BSc Information Technology, age 26 , has held numerous executive positions with Asia and internationally based IT and Financial Markets over a span in excess of 9 years specializing in design thinking and innovative solutions for tech transformation and disruptive business models and best practices for financial software, financing, tax and accounting systems.

Ms. Araos, has extensive experience in various fields of Financing, Financial Markets, and administration and documentation within the Financial Markets both as a professional and as a seasoned systems and web developer. Rose Marie D. Araos, developed iBITx as a Cypto-Currency software trading platform from her experience working within the Financial Markets. The system was developed from 2014 to 2017 and has launched in the Beta as the world leading system integrating the financial markets knowledge, accounting, compliance, governance, transparency, and efficiency.

Ms. Araos studied for a Masters in Business Administration from Coumban College Philippines and has Bachelor of Science in Information Technology from Gordon College Philippines, having been



nominated as Senior Programmer of the Year, Cum Laude, Dean's List, and consistently Ranked in the top 5 for Society of Scholars.

CFO

Mr. Eduardo Encio, Age 57, with a BSc in Commerce and Major in Accounting, has been in the Banking Sector for over 30 years with 12 years in an executive management role. From February 2004 to present has acted as the Branch Manager of CTBC Bank managing, planning, organizing, and running business operations, profitability, and generation programs.

In maximizing deposit investment relationships with existing clients is ideal for the iBITx virtual currency exchange growth strategy. Aug 1992 to September 1995 Mr. Encio worked for Union Bank ensuring as a Branch Accountant and Front Desk specialist that the bank advanced the business relationships with existing clients and ensured the branch operating efficiency and quality service delivery consistent with the established bank policies and procedures. From August 1984 to August 1992 for InterBank (The International Corporate Bank) as the resident transaction controller. Taking control of the pre-review/post audit and ensuring all branch transactions are in accordance with the Bank, BSP, and AMLA existing policies and procedures. With the strong compliance background, Mr. Encio is the back bone of procedures, governance, and transparency within the iBITx exchange projects.