# Xeonbit

## THE PRIVATE DIGITAL CURRENCY AND THE BLOCKCHAIN SOLUTION FOR GLOBAL PAYMENTS

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# CONTENT

## BACKGROUND

The development of blockchain-based cryptocurrencies has completely changed the financial industry. More people are adopting digital currencies as a form of investment or as a medium of exchange, i.e. means of payment.

Since creator of Bitcoin Satoshi Nakamoto published his whitepaper in 2009, hundreds of cryptocurrencies have been developed.

As one of the industry leaders in technology adoption, Xeonbit is positioned to increase the adoption of cryptocurrencies by specifically encouraging improving the speed of payment processing.

## INTRODUCTION

### The Banks

One of the key advantages of banking system is that it enhances the speed of transactions. Today, the banking industry is constantly seeking and exploring ways to improve and quicken the speed of transaction without increasing its cost. With the swift progression in technology and innovation growth, the world has seen a quicker transition of former eras up till our Information Age and it is more evident today as we make another transition.

### The Market

Payment processing is currently dominated by non-cryptographic avenues. However, blockchain technology offer an opportunity to perform these transactions faster and more secured manner. The payments in a blockchain ecosystem are properly encrypted and the transactions are controlled by smart contracts. These smart contracts allow the secure transfer of funds preventing any possibility of fraud.~

## MARKET'S NEED

### Problem

Satoshi Nakamoto's intention when he published the paper was the creation of a cryptocurrency that would appreciate in value. A look at the first few cryptocurrencies shows an increase in value. However, this is not the case with most of the new alt-coins developed.

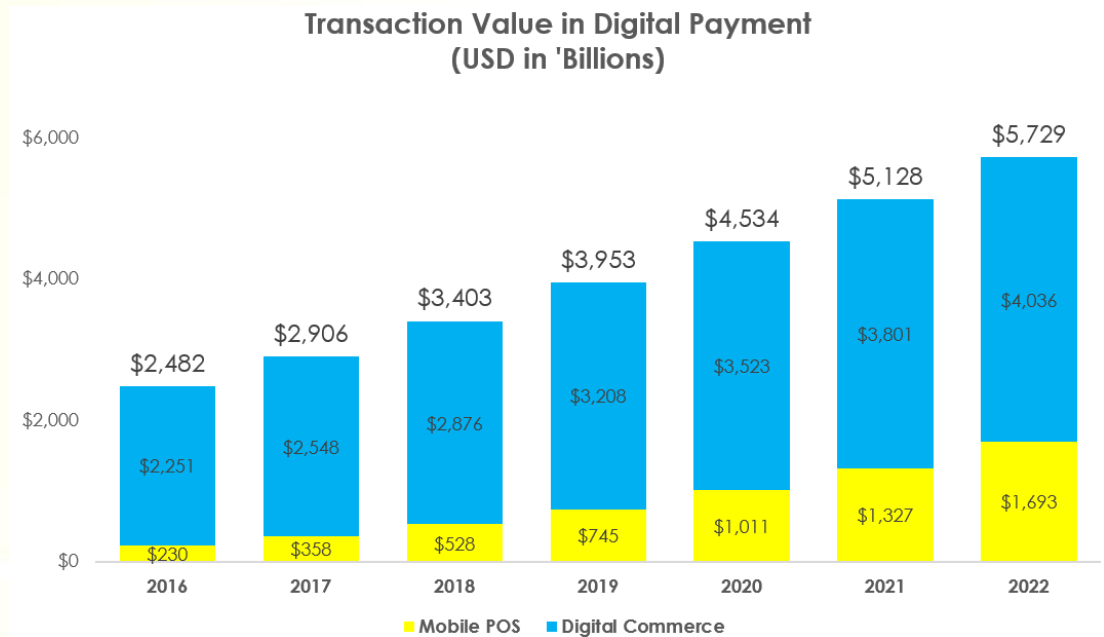There are a few problems in the market now:

a) **Regulations by authorities:** Governments and regulatory bodies have begun making plans to try and control the cryptocurrency market. This goes against the nature of cryptocurrency.

b) **Lack of confidentiality:** One loophole that regulatory bodies use is that the digital ledgers are open to the public. In some cases, they use the public keys to track the transactions that have been made. This breaches the confidentiality feature that blockchain technology originally was designed for.

c) **Problem with adoption:** it is a great challenge for the public to adopt cryptocurrencies when they are restrictive. For a modern alt-coin to appeal to investors and users in the cryptocurrency market, it needs to address these two issues.

### Arresting the issues:

a) **Proof-of-work:** there is a need to ensure that the value of a cryptocurrency grow. Instead of using the popular proof-of-stake architecture, the **proof-of-work** architecture should be adopted to provide the best solution. One of the reasons why Bitcoin keeps appreciating is because it still relies on the proof-of-work architecture. *However, the algorithms must be improved to increase the speed of the transactions to increase its efficiency in the application of both payment processing and remittance.*

b) **Security:** providing privacy based on the notion of anonymous transactions without any obligations to cooperate with third parties. This will enhance the demand of a cryptocurrency.

c) **Confidentiality:** the issue of confidentiality can be solved by going back to the essence of cryptocurrencies. These currencies are based on the cryptographic information. The anonymity of the users is provided by pseudonyms and encryption of the ledger. However, public keys can be used to give a general idea of the transactions made by a user. A solution is to find a way to assign the public keys in a different way to make transactions untraceable. This will dictate true confidentiality of transactions conducted on a blockchain network.

## Digital Payment

**Transaction Value in Digital Payment (USD in 'Billions)**
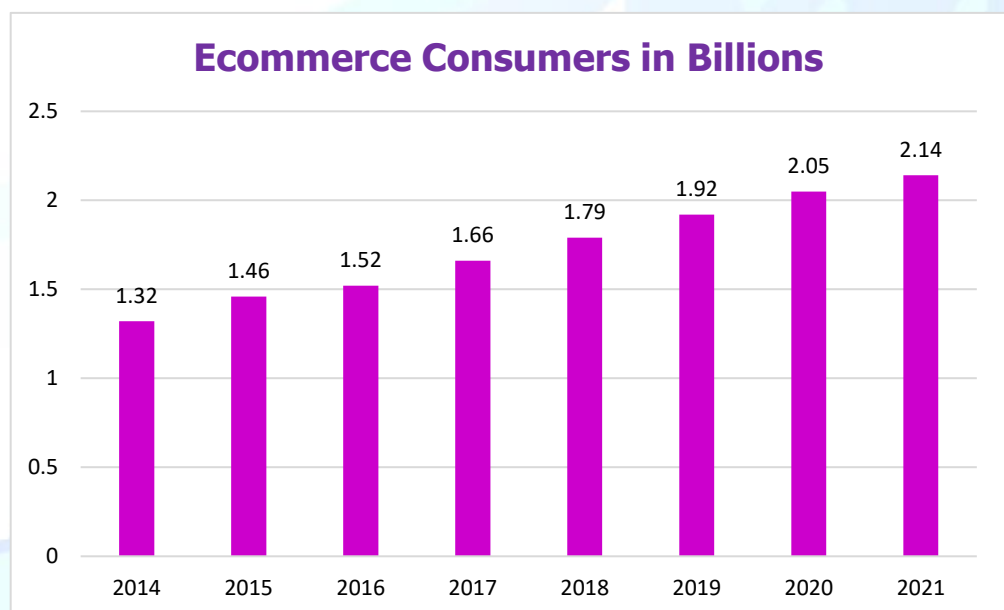


*"The future of money is digital currency."*

In terms of market size, the rate of electronic payments has risen steadily over the past 3 years and is expected to continue its projected growth. Total Transaction Value in the Digital Payments segment amounts to US$3,403,168 million ($3.4 Trillion) in 2018. And the Transaction Value is expected to show an annual growth rate (CAGR 2018-2022) of 13.9%, reaching over USD 5.7 Trillion. This is market has enormous potential for growth.

## Potential in eCommerce

**Ecommerce Consumers in Billions**

2017 eCommerce revenues to note:

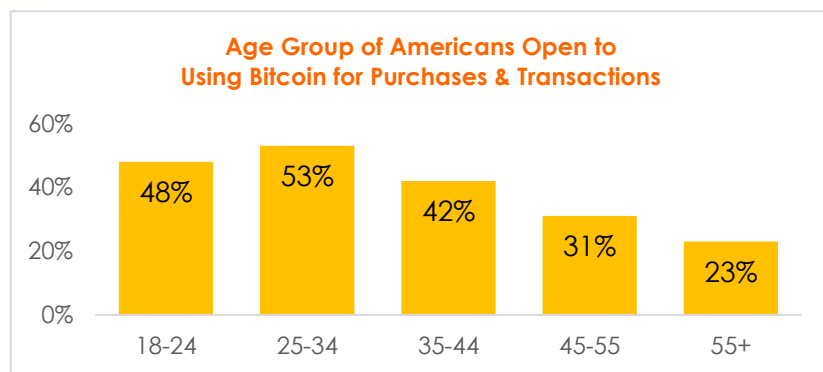**Alibaba**: Within China is $18.92 Billion and International revenue at $2.11 Billion USD.

**eBay**: Net revenue of $9.6 Billion USD.

**Amazon**: Net sales of $178 Billion USD.

Among the notable eCommerce platforms includes Lazada (Singapore), Q10 (China), and what not.

At the meantime, cryptocurrencies make up only a small percentage of the electronic payments. However, as more people become aware of the benefits and blockchain systems get better adapted to completing payments, the market share of the electronic payments industry not only is expected to rise, but also increasingly become part of consumers' core consideration as mode of payment.

## WHAT THE WORKFORCE THINK

**Age Group of Americans Open to Using Bitcoin for Purchases & Transactions**

| Age Group | Percentage |
|-----------|-----------|
| 18-24 | 48% |
| 25-34 | 53% |
| 35-44 | 42% |
| 45-55 | 31% |
| 55+ | 23% |

Source: LendEDU Survey 2017

*The young working age group is the driving factor in the uptake of cryptographic purchases*

The young working age group contributes substantially being the driving factor in the uptake of cryptographic purchases.
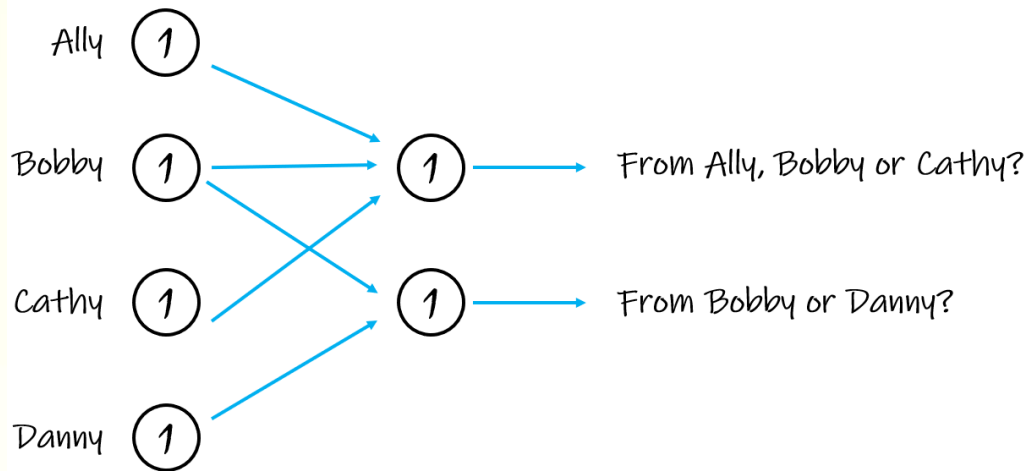
In the United States, around 48 percent of those between 18-24 years, 53 percent of those between 25-34 years and 42 percent of those between 35-44 years are expected to be willing to use Bitcoin and other cryptocurrencies as the medium for making purchases and remitting transactions. It is an optimistic figure even if it is just 30%. If there are just 30% of the workforce willing to adopt cryptocurrencies as a means of payments, the crypto market can safely expect a stronger demand in cryptocurrency and its gradual integration into our daily considerations.

If **Xeonbit** is used as a means of completing these online transactions, then the currency can quickly become one of the most preferred. All we need to do is to ensure that the currency has value, liquidity and it can perform swift transactions.
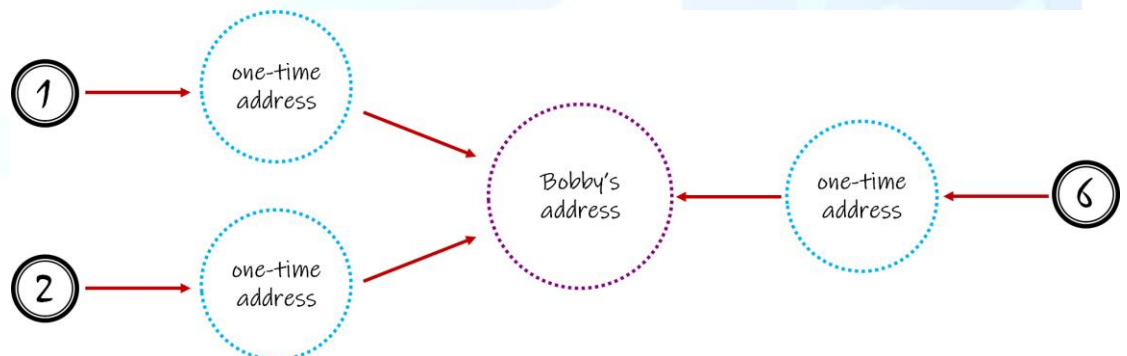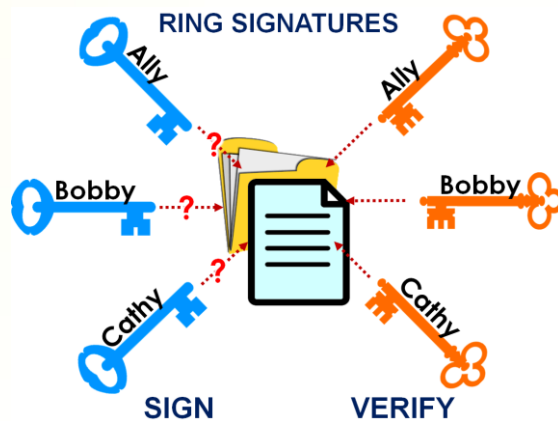
## UNTRACEABILITY

Uses a special technology called "ring signatures" which shuffles users' public keys in order to eliminate the possibility to identify a particular user. Payments are still anonymous by default. Each transaction uses multiple cryptographic signatures controlling multiple outputs to mix with the outputs of the sender. An observer cannot tell which outputs are controlled by which party providing untraceability for everyone included in the ring signature.

## UNLINKABLE



A user can display his receiving address publicly yet all payments made to this address cannot be linked to it. This is accomplished with the use of one time use stealth addresses for every single transaction.

## SECURITY



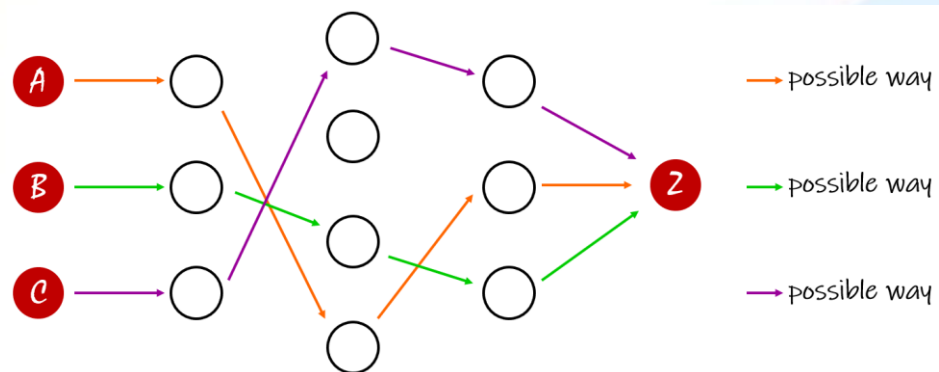RING SIGNATURES

Ally — Bobby — Cathy

SIGN          VERIFY

Like any other digital currency **Xeonbit** is cryptographically secured. Though, the peculiarity of algorithm consists in tremendous computational and electric capabilities that a hacker would need to even try to steal your funds. To put it in a nutshell, your wallet is unbreakable.

## PRIVACY

Besides other features, privacy is basically provided with the idea of anonymous transactions without any obligations to cooperate with third parties.

## ANALYSIS RESISTANT



A
B
C
2

→ possible way
→ possible way
→ possible way

**Xeonbit's** blockchain analysis resistance results from unlink-ability, which was achieved by using a modified version of the Diffie-Hellman exchange protocol that generates multiple one-time public addresses that can only be simply gathered by the message receiver, but hardly analysed by confused foreigners inside the block explorer.

## MOBILE-FRIENDLY

Around 1-2 MB scratchpad allows **Xeonbit** to run efficiently on mobile devices alongside regular laptops and desktops.
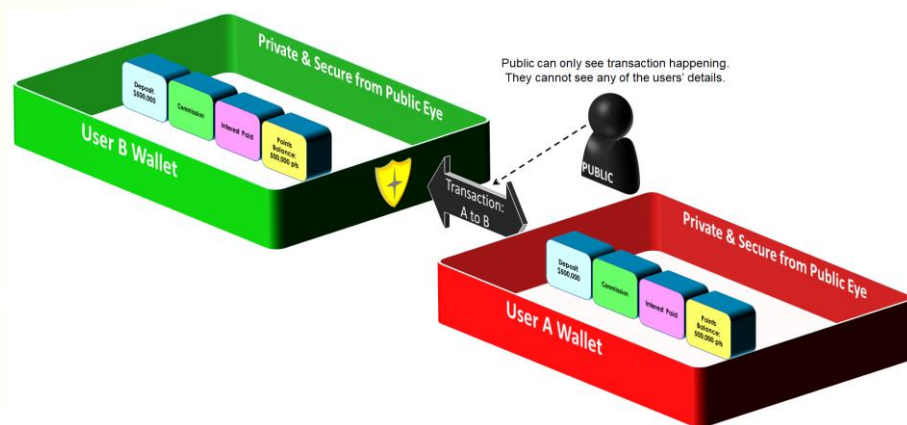
## BLOCKCHAIN PRUNING FOR SCALABILITY

Pruning allows the blockchain to stay small and not outgrow devices with limited storage. This feature also improves anonymity by reducing age-based attacks.

## FAST SYNCING

Speed Besides other features, quickly synchronise the block data. Instead of processing the entire block-chain one link at a time, and replay all transactions that ever happened in history, fast syncing downloads the transaction receipts along the blocks, and pulls an entire recent state database.
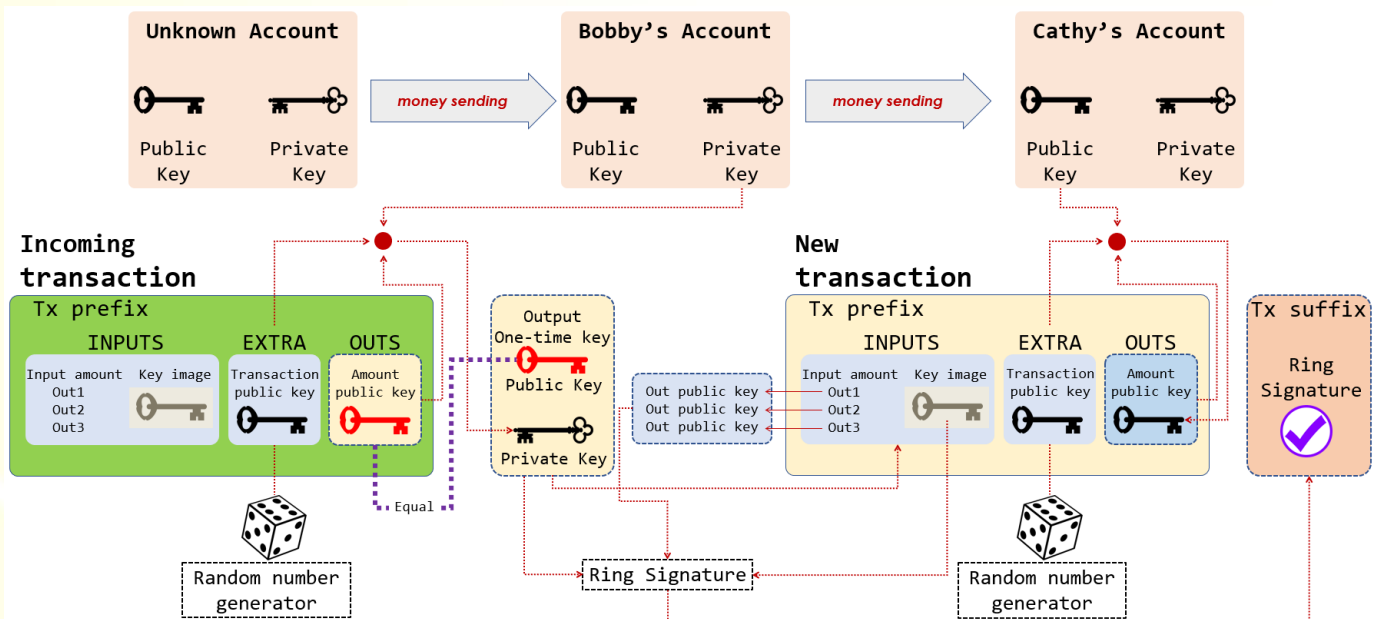
## XEONBIT SPECIFICS

Through the use of shuffling rings, **Xeonbit** is untraceable, making is more desirable in comparison to most other blockchain. With the use of pseudonym and the shuffling of public keys, it is nearly impossible to determine the identity of anyone on the platform.



The enhanced cryptography of the platform coupled with ring signatures ensures that no one can inspect outgoing transactions to determine the balance of the individual. This is unique feature added to the blockchain.

The platform also provides additional benefits like cryptocurrency mining that is not based on the stake that a miner has. This provides two distinct methods of earning revenue. You can mine **Xeonbit**.

*Ring signatures shuffle the public keys of users to make it harder to identify users using the transactions listed in the ledger*

The first unique aspect of **Xeonbit** is the use of ring signatures that shuffle the public keys of users to make it harder to identify users using the transactions listed in the ledger. Additionally, the digital wallet is cryptographically secured to against breach by hackers, and other nefarious individuals. The transactions have also been built in a way that allows users to be anonymous with no third-party obligations.

The blockchain features the Diffie-Hellman protocol that creates a public access that allows one-time addresses that cannot be gathered by external parties wishing to analyse the blockchain. This guarantees the anonymity of the transactions from outside analysis by government and regulatory bodies, ensuring the safety of your financial records.

**Xeonbit** also has three features that make it more effective for commercial payment processing and remittance as opposed to other proof-of-work blockchains.

1. One is the quick-syncing feature that synchronises the transaction blocks faster to make it more effective for fast remittance and real-time payment processing.

*Efficiency in block size*

2. The 1-2MB size allows **Xeonbit** to work on user-friendly devices like laptops, desktops, and phones. This makes it easier to use the cryptocurrency for day-to-day transactions.

3. The blockchain can be pruned to ensure it does not outgrow the limited storage household devices have. Additionally, it reduces the susceptibility of the blockchain to age-based cyberattacks.

Some information about **Xeonbit** Blockchain

PoW algorithm: CryptoNight

Max supply: ~18.4 million

Block reward: smoothly varying

Block time: 240 seconds

Difficulty: retargets at every block

**Xeonbit** has unlimited potential and can be utilised in various ways.

## E-WALLET

It can be used as an e-wallet for online transactions due to the quick processing time. The e-wallet is portable allowing users to easily complete transactions using their phones or laptops. This convenience has been seen in the Google PAY platform that relies solely on mobile technology. **Xeonbits** is simply an improvement of the platform using blockchain technology to make it more secure.

## PAYMENT

*Wealth is only meaningful if you can use it to purchase things.*

Wealth is only meaningful if you can use it to purchase things. The final purpose of **Xeonbit** is as use as an e-commerce payment transaction platform.

Most e-commerce sites are subject to repeated hacks by phishers and hackers. Hackers seek access to the system while phishers look for payment information that can be used for online credit card fraud and identity theft. Fortunately, **Xeonbit** offers security against such intents.

It is more effective than other blockchain networks as well. This is due to the changing public keys that allows different product and service providers to protect their identity even within the blockchain. This gives the blockchain superior anonymity and security over other blockchain network.

## ROAD MAP

| -Launch of Marketplace<br>-Mobile App | - Launch of Payment Gateway<br>-Enhance Security | - Develop and Launch ATMs<br>-Integrate direct payment | -Private conference<br>-Major presence through regional expansion<br>-Integration of Proof of Stake with Proof of Work |
|---|---|---|---|
| **Q2 2019** | **Q3 2019** | **Q4 2019** | **1H 2020** |

## CONCLUSION

**Xeonbit** is the one of the first private digital currency for secure payments. It is an essential and a beneficial thing for investors and adopters to be able to make payments in partnering merchant stores. Withdrawals can also be made in specific ATMs that allow the exchange of coins to fiat currencies on demand. Since there is no central authority, the transaction costs will be much lower. Owning **Xeonbit** will allow investors and adopters to become one of the first on the next generation cryptocurrency revolution. Many users will be attracted by the low transaction fees, security and the ease of use of the digital currency. For the first time, users will truly be their own bank.