

# LINKEY

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BLOCKCHAIN WORLD BANK

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**WHITEPAPER**

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## **1. Abstract**

Linkey Blockchain World Bank (simple as Linkey), is the first decentralized financial services institution supplies professional digital asset related product in the world. Based on the advanced public chain and community of technicians and financial elites from the world, Linkey provides comprehensive, safe, convenient and professional asset management and value-added services to customers. Linkey covers the business scope like savings, investment banking, insurance trust, futures, investment management and wealth management of the digital asset area and promotes the development of digital asset investment.

With abundant digital financial services, Linkey provides a safe, convenient and decentralized one-stop digital asset investment management program. Customers can join the lower risk business, like saving and deposit in traditional bank; otherwise, customers can also invest financial products with low to medium level risk; even more, future products, private funds and ICO related products with high risk and profits are also supplied to customers. Through the comprehensive digital asset investing services, customers can choose and allocate their digital asset investment plan freely, which will greatly enhance the professional and effectiveness of their digital asset investment.



Fig1. Diagram of Linkey' s Financial Ecology

## 2. Background

### 2.1 Development of Digital Asset

The concept of block chain was firstly introduced by Satoshi Nakamoto when his article titled *Bitcoin: A Peer to Peer Electronic Cash System* was published in 2008. Soon in January 2009, he discovered the founding block with the first version of the software which included this idea: "The Times 03/Jan/2009 Chancellor on brink of second bailout for banks." Like the charm, this idea opened the era of block chain and digital asset.

Thanks to the huge development prospects of block chain technology, it has gained popular attention and support. As a basic support technology, block chain gradually became independent and has been applied to a variety of scenarios, i.e., the emergence of a variety of digital asset based on this concept (such as Litecoin, dog coins, Swiss

coins, etc.). at the same time, all kinds of general / Professional public-linked platforms (such as Ethereum, NEO, IPFS, etc.) also developed rapidly.

Currently, projects based on block chain technology have evolved from the initial digital asset to finance, development tools, storage, transactions, data, environmental protection and even artificial intelligence. Deloitte's latest report shows that the total number of block chain projects in the world has exceeded 90,000, but there are still a lot of issues in the vertical area that need to be brought to light by block chain technology.

## **2.2 Problems of Digital Asset Investment**

Despite the growth of block chain technology in the number of projects that have sprung up and the fact that it is still at a rapid development stage, various issues in the block chain field have been exposed along with its high-speed brutal growth, such as the fraud of ICO ( which is the short form of initial coin offering ) and various types of false projects. Great damage has been done to the growing digital asset market, which has deeply disturbed the future of the block chain and the upcoming investors.



Fig.2. The Status of Blockchain Development

### 2.2.1 Digital Asset Investment with High Risk

Since the block chain has not yet been supervised (its technical features are also designed to reduce supervision), the ICO of block chain project also walks away from existing laws and regulations. Without any restrictions, ICO of the block chain project can only rely on the self-discipline of the project party. Unfortunately, human nature is always flawed and it is unrealistic to be self-discipline under no regulatory supervision. The bottomless expropriation status of block chain field is revealed by various running away with money activity and valueless virtual coins publishing in numerous block chain projects.

In addition to the chaotic financing, block chain projects generally issue tokens. After the soaring of bitcoin, the digital asset market is advocated to have hundreds of earnings. But the reality is cruel. Bitcoin has plummeted after soaring. Explosive appreciation is hard to see in today's world. Instead, after the tokens passed ICO and can be

transacted, the projects party pulled up the price intentionally for cashing and then left, without any responsibility for the token holders or the projects.

Although there are also high-quality and responsible projects that continue to push forward the development of the block chain, overall, the current digital asset market is extremely turbulent, and the return on ordinary investors is not high while the risk is infinite.

### **2.2.2 Participants Lack of Knowledge**

The lack of supervision lies not only in block chain projects, but also in the entire digital asset market, where investors receive only simple identity audits. This is a KYC (Know Your Customer) which has no substantive significance. The almost unlimited access mechanism allows a large number of groups with no risk management awareness or even investment experience. Joining the crisis in the digital asset market, most of the existing investors are unable to identify and analyze the authenticity and prospect of the block chain project.

However, not only are individual investors unprofessional in the digital asset market, even traditional financial practitioners cannot be described as professional because the conventional assessment

indicators and quantitative strategies are often ineffective here due to the emerging and specific nature of the block chain field.

The group of investors with extremely low average professionalism is one of the main reasons for the chaos in the current block chain field.

### **2.2.3 High Cost for Individual Investors**

Apart from the risk of the market itself, the most important thing is to decentralize in the block chain design. This design takes into account the cost of the contract execution, which is the transfer fee. In the early days, fees were almost negligible when the value of a single digital asset was not high. However, when the price of digital currencies (such as bitcoin) soared, the original transfer fees would inflate into considerable transaction costs. The rising transaction costs greatly limit the freedom of participants in personal digital asset market to trade. At the same time, the original important application scenario of digital asset—payment, has also been greatly constrained, even to the point where it cannot be done without modifying the rules, and these will further restrict the development of the block chain industry.



## **2.2.4 Difficult for appreciation on High Volume Digital Currency Asset**

After explosive growth, the digital asset market is still on a smaller scale compared to the traditional financial markets. At the same time, because of the immense ICO generates a large number of tokens, most of the funds are distracted by them. Due to the lack of fast and stable circulation channels, the entire digital asset market can't develop to a certain depth. High volume digital asset assets cannot be quickly transferred and realize value increasing. If one wants to transfer high volume digital asset assets without significant impact on the market, he/she needs to conduct long-term trading operations, which is very difficult for investors to accept and at the same time constricted the appreciation of high volume assets in the currency market.

## **2.2.5 Lack of Investment Channel**

The holders of digital asset assets have very limited investment channels, and they are often exposed only to the extreme risky ICO and currency speculation in the exchange. How to connect the digital asset with the real economy is a problem that has been explored in the block chain industry. Although a lot of innovations and attempts have been made, it is still difficult for individual investors to have access to new

investment channels until the potential risks brought by decentralization are completely detected and controlled.

The scarcity of investment scenarios traps the unprofessional investors in the crippling digital asset market, which severely reduces the life cycle of investors. The return chance of investors is very small. Potential new investors become conservative and hesitate. The shrinking trading market eventually brought about a negative impact on the development of the block chain industry.

### **2.3 Vision of LINKEY**

Linkey's mission is to bring appropriate digital asset financial products and services to all investors through block chain technology and professional communities, to explore and build a decentralized stable digital asset financial ecology through block chain technology and to protect and guide block chain investors to avoid risks and realize asset appreciation, and ultimately to help to change the chaos of the block chain industry and digital asset market.

Linkey will greatly enhance the professional level of investment in the existing digital asset market. Through a series of smart contract-based financial products and smart financial community services, Linkey investors are no longer fully exposed to risks. What's more, it also

provides better investment, circulation, and inheritance channels for digital asset assets. In return, the Linkey investors who get profits will also feedback the society, which can create a virtuous cycle financial ecology. Linkey is also a very innovative system which will not stick to the existing product and service design in the future. It embraces all innovations that are beneficial to the development of investors and blockchains, and continues to enhance and stabilize its professionalism, authority and influence in the digital asset market.

### **3. LINKEY**

Since bitcoin, a block chain-based digital asset appeared, people have kept innovating the application scenarios for block chains. Various block chain projects have mushroomed from the initial decentralized currency to applications for specific scenarios, i.e., high level ETHlend for borrowing, IPFS for storage and underlying public-linked R&D such as Ethereum, NEO. The ICO and block chain division mechanism has brought great convenience to the financing of block chain projects and the participation of ordinary people. Before this, the soaring prices of digital currencies attracted a large number of people who are optimistic about the future of the block chain and to participate in this feast.

It's a pity that after explosive growth the digital asset world has begun to cool at this time. Various types of valueless currency projects

have greatly hurt investors. Countries in the world have begun to notice the craziness of blockchains and started to take regulatory measures. The original bright blockchain becomes extremely dangerous now and may eat up all the wealth of investors. As a result, these negative environmental changes are killing investors' enthusiasm and confidence in the blockchain.

Although the current block chain is in chaos, this does not change the fact that block chain has great development prospects. Decentralization and digital asset in the future will once again greatly liberate people's productivity. Based on this, we can assert that block chain and digital asset have continuous and strong investment value now and in the future, although it is no longer an era of gold.

Linkey is a shining light in this troubled world of block chains for investors to explore the value of the road and to guide the confused digital asset investment. By building its own block chain financial platform and integrating a series of financial services, Linkey has built a stable digital asset ecosystem that integrates the wisdom of the community in which Linkey investors will no longer be directly exposed to block chain investment risks and provide them with the urgently needed digital asset enhancement services. Using its tokens as the subject, Linkey provides digital asset services by digital currencies to

circumvent the regulatory risks of governments from all over the world, which allows itself to implement its own philosophy without worrying and to bring maximum value to investors.

Next, we will introduce Linkey in more detail from two perspectives: decentralized digital asset financial platforms and professional digital asset investment service agencies.

### **3.1 Decentralized Digital Asset Financial Platform**

For traditional financial institutions, the financial products they design and provide often fail to maximize the interests of investors due to the influence of centralized policies and the will of the leadership. At the same time, in the activities of traditional financial institutions, investors' funds must be escrowed by third parties and pay high hosting costs for this purpose due to regulatory needs. Relying on block chain technology, the Linkey platform will no longer require third-party funds for supervision. This advantage allows Linkey to reduce indirect expenses when it conducts financial activities, allowing investors to obtain greater returns.

Decentralization allows investors to have the opportunity to participate in financial product design. Linkey can consider more for investors when designing its own financial products. At present, we are

planning investment products with different levels of risk, bringing rich choices to investors with different risk preferences. Our products are divided into three major categories: low-risk savings and payments, medium-risk insurance and funds, and high-risk futures and options.

### **3.1.1 Saving and Payment Method**

#### *3.1.1.1 Savings: With Idle Money, Many Littles Makes A Mickle*

No wallet or exchange had promised that the deposits of investors generate interests before Linkey. The appreciation of investors' digital assets was merely realized through transactions or investment. The tremendous risks of the digital asset market, however, may lead to incredible loss even if investors are involved. It was a matter of luck whether the digital asset assets of an investor appreciate or depreciate if the investor did not engage in transactions. The external impact and earnings would also be zero since the assets were idle in the investor's personal account, which would be a great waste of such a resource.

In Linkey, the Linkey Coins of an investor deposited in the platform are managed by the community. Such community acts like the bank which absorbs idle coins in the platform to offer loans internally, or exchange them into ETHs according to current exchange rate and invest in legally permitted aspects outside. In comparison with regular investors

and their small-amount investments, the professional investors of the platform and their large-amount investments have more stable profitability and stronger size effect. Most investment incomes will be returned to investors as interests, and the remaining will be used as the operational and reserve funds of the community.

People around the world all have easy access to Linkey Coins, which means that Linkey Coins can be invested in any place where they are trusted and their values are recognized. Decentralized investment may become free from geopolitics and focus on looking for and studying valuable investment opportunities.

#### *3.1.1.2 Payment: The Continuous Source of Energy for Linkey*

Cash flow is extremely important for anyone who wishes to have more dynamic digital asset, and payment transaction serves as one of the core elements that enable rapid capital movement. As a result, not only is the Linkey platform capable of raising and circulating idle funds like what banks do, the settlement function that guarantees the energy of digital asset is also greatly supported. Investors may swipe their cards to make transactions with merchants who accept Linkey Coins or ETH payment. To ensure transaction rate, Lightning Network is introduced to the Linkey platform to support high concurrency scenarios. Known as a decentralized currency, there will be no price problems resulted from

exchange rate wherever an investor makes a payment in the world with Linkey Coins. Meanwhile, no extra fees will be charged for such settlement so that investors will be free from the concern of paying high service charge for small-amount payment.

Saving and payment not only solve the issue of idle digital asset, but also provides continuous and brisk demand for Linkey Coins.

### **3.1.2 Insurance and Capital Fund**

#### *3.1.2.1 Insurance: Making digital asset A Shield*

For investors, digital asset is a double-edged sword for them to struggle against others in the capital market of digital asset as they hold their assets today. It brings significant returns, and it brings incredible losses too. Traditional insurance business finds it difficult to provide regular services for digital asset assets and owners because of the particularity of digital asset and its highly undulant market whether from the perspectives of benefits or supervision.

A digital asset-based insurance is designed by Linkey platform from the perspectives of capital financing and risk management in order to increase the use values of digital asset assets. The community will design the following but not limited to products such as personal insurance, property insurance, liability insurance, and credit and guarantee



insurance, entirely covering the complicated insurance needs of digital asset investors.

The insurance products of Linkey will be completely based on the construction of block chain: Customer information is stored with IPFS service, and smart contract is employed to construct a brand new insurance service system. Thanks to the block chain technology, the insurance models of Linkey will be completely different from traditional ones :

1. Decentralization indicates that the insurance businesses of Linkey are not produced for lucrative purposes. The adjustments of each cash pooling for claims are accessible to each policy holder so that they may intuitionistically analyze the risk levels of insurance products;
2. Decentralization also opens the insurance products of Linkey to investors around the world. The capacious sales channels mean that Linkey will have enormous cash pooling for claims to provide strong safeguard for policy holders as long as the products are reasonably designed;
3. For customers, insurance products are shifting from absolutely centralized and spatially anchored patterns to point-to-point products, so that the claims can be automatically paid from the

cash pooling by the smart contract as long as the claim conditions in the contract are triggered regardless of time or wherever you are;

4. With IPFS, the storage and archiving range of policy holders' information can be expanded by Linkey, including but not limited to accidents, health data entries, routine data and relevant certifications. Customer data that can never be lost or tampered will provide reliable applications that are independent from third-party supervision such as identity recognition, privacy and security for the insurance businesses of digital asset, so that the risks of insurance fraud in Linkey platform can be greatly decreased.

The insurance businesses of Linkey serve as the protective shield for digital asset assets which are only invasive. With Linkey insurance products, a shield that is originated from digital asset assets themselves is provided as investors fight in the fierce market.

### *3.1.2.2 Fund: Professional Value Appreciation for Investors*

Most investors entered the market and are involved in the exchange due to the tempting handsome profit and demonstration effect because of the lack of access system for investors in the digital asset market. They are ill-informed of the basic knowledge and operational laws of the

market. Now that the explosive growth is a bygone and risks are becoming increasingly higher, investors who have no abilities and energy to control risks are almost lamb to the slaughterhouse.

Linkey gathers the wisdom of elite fund managers of the community and provides investment options with higher returns yet lower risks in comparison with savings for investors and designs professional digital asset fund products for them. The all-weather digital asset market and Linkey platform without any geographic limitations provide immense transaction space and customer groups for Linkey funds, and they will obtain a Sharp Ratio that is far higher than that of individual investors due to size effect.

The volume of funds in Linkey platform will be much smaller than the volume of savings, hence more flexible management ways, and higher tolerance against risks. Investors can garner more benefits in high-risk transactions. All these fund-based activities will be organized and planned by the fund elites of Linkey community who guarantee to provide the most professional fund management for investors. Lastly, the funds raised by Linkey platform will be managed by block chain in trust, avoiding unnecessary oversight fees for investors and maximizing their gains.

### **3.1.3 Futures and Options : Let Risk Manage Risk**

At the moment, the value of digital asset is not so much related to its corresponding products and teams because of the participation of an unprecedented scale of speculators. What's more, the currency value of certain teams keeps dropping simply because they are working hard in their products while the currency value of some "air projects" keep increasing because of capital speculation.

High-quality project resource is always scarce in spite of a chaotic market. Scarceness leads to options, and options lead to costs and risks. Given the circumstance that there aren't too many high-quality digital asset derivatives, even the best investors cannot make the most precise decisions because the future is unpredictable and everyone is exposed to risks.

Futures and share options are the most needed financial derivatives in today's digital asset market because of the following reasons :

1. With the futures transaction of digital asset, the open biddings of different investors towards futures contract may effectively reflect the expectation of the investors about the project. Also, investors can constantly adjust their opinions about how they used to view the project development with the successive sales of

standard contracts so that the futures price of digital asset can dynamically reflect the changes of the project development. Such dynamic price discovery and pre-adjustment mechanisms can provide reasonable basis for the project leader to make development decisions. With the price discovery function, the development and competition of the project can be promoted, the fluctuation of digital asset can be effectively alleviated, and the currency price can better conform with the expectation of project development;

2. Even though futures are able to stabilize the market to a certain extent, Linkey still believes that the market is in need of perfect options transaction as a counterbalance mechanism so that the market can be further stabilized. One of the features of options is being optional, so that you would earn much when you choose right and wouldn't loss heavily the other way around, which is different from futures, because you don't have to execute your rights. With the existence of so many options investors known as volatile arbitragers, the volatility of the market will be suppressed.

Linkey is designing the transaction functions of futures and options in order to further stabilize the financial market of digital asset and make the currency price more reasonable and predictable :

1. Linkey develops standard contracts with the standards for digital asset futures developed by the community (including currency type, quality, quantity and price etc.) by establishing a self-owned futures market, so that shoddy behaviors in today' s market can be effectively avoided and the quality of transactions can be improved, and the transaction cost can be reduced. The contract performance of all trading parties can be better guaranteed as Linkey establishes a margin system, an initial margin to be paid, maintenance marginal requirements, and it lowers the probability of violation by increasing violation costs.
2. The contract of digital asset futures is seen as the subject matter of options, and the American style option is adopted for rights exercising, namely the buyer may exercise the rights at the date of contract expiration or any trading day before. Linkey has designed rules and regulations according to international practices while its own risk-control system is maintained such as real-value option contract may automatically apply for rights exercising at the date of expiration, the rights exercising matching principle that is randomly and evenly extracted, capital and positions inspection before rights exercising, hedge choice such as two-way positions of options as well as futures positions after the rights exercising of options.

Based on community research, Linkey will gradually open the transaction of futures and options of digital asset that are deemed qualified. When the market of the futures and options of digital asset of Linkey matures, it may provide additional help to stabilize the digital asset market.

### **3.1.4 Asset Trust Based on Blockchain**

In traditional asset trust, the asset trustee accepts the entrustment of an investor and takes care of the assets, and provides relevant financial services such as investment liquidation, financial accounting, asset valuation, investment supervision, information disclosure and account checking etc. The main steps of asset trust include signing a trusteeship contract, opening an account, valuating the value, liquidating the capital, supervising the investment, disclosing information and checking the account. The process is fairly complicated and involves a high degree of manual participation. The main risks of asset trust include legal risks, operational risks and reputational risks.

The consortium block chain is used as the model for Linkey to realize the online signing of trusteeship contract, operate the asset according to the indexes of investment supervision, control and follow the smart contract process of trusted assets, valuate data storage and update structuralization and automation processes, so that entire process

starting from asset issuing, trading, trust, circulation to supervision can be based on block chain. The specific design is shown as follows :

1. Linkey divides the nodes of block chain into the following types, including asset manager, asset trust, exchange and registration and clearing company (any third-party information provided is classified as this type) as well as supervisor;
2. As for data security, each node shall encrypt the transactions with the public key of the receiver (mostly the asset trustee) when sending transactions and sign them with private key of the sender.
3. As for business process reengineering, the most complicated process out of all asset trust business processes would be valuation of the trusted products because the accounting subjects and titles of trusted products can be updated in each valuation. As a result, the data logging in each block shall be upgraded;
4. The accounting subjects and titles shall be upgraded with the staging tree of ETH.
5. As for the consensus mechanism, the bookkeeping of asset trust at the trustees shall be kept as the asset trustee. In view of business continuity, the blocks of the block chain of asset trust business shall still remain the node known as the asset trustee. So, which asset trustee may generate block? We may develop selection



algorithm and consensus mechanism according to the status quo of the business.

6. As for the use of smart contract, the open-source ETH block chain platform can be chosen as the technological platform in view of the development status quo of block chain technology and the implementing efficiency as the block chain of asset trust business, and block chain can be technologically modified according to the needs of business. The contracts and agreements, and even the transactions and information disclosure can be done online, automated and intelligentized among consignors, managers and trustees with smart contract.

The manual cost and procedures for digital asset trust are greatly reduced by Linkey with block chain, bringing convenience and reducing cost for the asset trust activities of investors.



Fig.3. Procedures of Linkey's asset trust

## **3.2 Professional Digital Asset Investment Services**

Digital asset market is very similar to the traditional financial market in terms of investor types, which consist of a large number of individual investors and institutional investors. Linkey's financial trading platform satisfies the needs of individual investors, but individual investors require more because they have larger funds and need more professional and customized services.

In order to fully cover the trading subjects of digital asset market, Linkey provides financial services of such market for institutional investors, including consultant and sale for ICO and private fund.

### **3.2.1 Consultant and Sale for ICO**

Since it comes into being, block chain has developed its own unique financing way: whitepaper. However, due to the growth of participants and the disturbance of air projects, the financing of block chain projects has entered a white-hot stage, and the whitepaper alone cannot make the project stand out in the fierce competition. A good project requires more than a white paper before its successful ICO. Generally speaking, in the case that the sponsor is not familiar with the digital asset market, if it wants to sell its currency, it will take a lot of human and financial resources. If the currency does not sell well, it will affect the project's

fund arrangement plans. Especially, most of the sponsors are start-ups, and they do not have sufficient funds to engage in such work. Besides, although many institutions provide ICO consignment services, due to lack of efficient supervision, sometimes they just disappear, which severely affects the sponsor's reputation and the ICO results.

In order to alleviate the dilemmas of block chain project financing, based on community intelligence, Linkey provides ICO consulting and sales services in the digital asset market. Linkey can provide a complete set of ICO solutions to premium sponsors :

1. Research report and feasibility analysis report for technology/market segmentation;
2. Professional technology/business audit and whitepaper compiling;
3. Promotion and sales: four common cooperation ways: exclusive sales, tender for purchase, sales by proxy and sponsorship & marketing;
4. Finance design: including financial audit, financial system design, and internal financial control;
5. Project compliance: Clarifying historical evolution and ensuring that everything is in line with the laws and regulations of the competent region.

Benefiting from Linkey's professional ICO services, block chain sponsors can focus on technological and business innovations and will not be troubled by project running and financing issues, thus accelerating the development of block chain. In the meantime, Linkey not only serve for the sponsors, but also offers valuable reference for ordinary digital asset investors based on its intelligent financial communities' selection of projects

### **3.2.2 Private Fund**

As for professional asset management, Linkey launches a fund for all investors, which belongs to public placement. Similar to the traditional financial market, the digital asset market has investors with different anti-risk ability and value. Among them, high-net-worth investors with high anti-risk ability are a core target group of Linkey services.

Based on community voting, outstanding fund managers are selected to form the digital asset Private Fund Division in the Linkey's intelligent financial community, who are responsible for designing new digital-currency private funds. As private funds own more specific target investors, Linkey team will probably customize investment service products for customers so that the risks and gains of the portfolios will satisfy the customers' special investment requirements.

Similar to the traditional private funds, Linkey Private Fund also has some entry and exit limits, as shown below :

1. Limited by the fund size and investor quantity, Linkey private fund has a threshold Linkey Coins to isolate ordinary investors with weak risk tolerance. With the increase of Linkey's ecological inflation, future private funds may have higher thresholds;
2. Linkey private fund has at least one-year lockup period during which the investors cannot withdraw capital arbitrarily. If they want to do so, they shall follow the contract clauses to ensure the stability and fluidity of the capital. If encountering such investors, Linkey can effectively restrict their short-sighted behavior.

Compared to Linkey Public Fund, Linkey Private Fund can offer the following benefits for high-net-worth investors :

1. Through the lockup period, private fund manager boasts more authority in managing private funds compared to public funds and achieves more flexible investment management during such period. They do not have to prepare some money in a current account in response to the customers' redemption of public funds. In this way, the overall investment gains of the funds are increased;

2. Private fund boasts higher entry threshold and more reasonable investors. Their partnership can effectively reduce the fluidity risk of the private fund, and bring more benefits to the investors;
3. Private fund boasts simple structure and flexible operation mechanism, and owns more freedom in terms of daily management and investment decision-making;
4. Private fund generally employs financial leverage, which reaches up to several times or even dozens of times. In special circumstances, the leverage will be higher. Through such operation, the capital size can be largely expanded so as to break through the limitations of insufficient investment capital and acquire more benefits.

Therefore, Linkey's financial services have basically covered current investors of digital asset markets and met their needs. Yet, this is just a beginning. In the future, Linkey will follow the development of digital asset market and develop more financial products and services in line with the needs of digital asset market so as to better serve the investors of Linkey financial ecosystem and create more value for them.

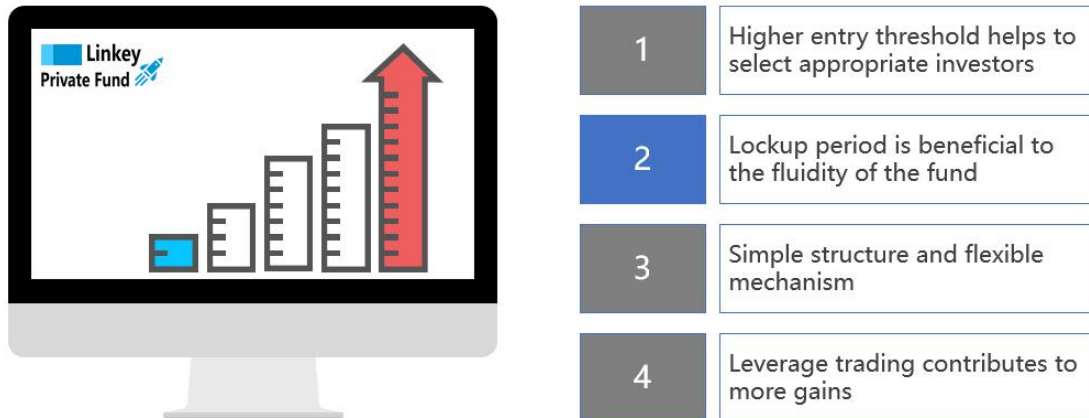


Diagram of advantages of Linkey Private Fund

### 3.3 Intelligent Financial Community for Digital Asset

Intelligent Financial Community is a core part of Linkey, which is operated based on block chain to serve for the planning, design and implementation of all Linkey products.

Linkey Intelligent Financial Community mainly consists of financial elites from all over the world. It also welcomes the participation of outstanding talents from all industries. Linkey considers that, a community is an embracing land that incorporates all kinds of talents. The community intelligence is not only reflected in the depth of finance, but also in its breath. Only in this way can the community stand fast in the changing digital assetmarket.

Linkey Intelligent Financial Community sets up branches on the basis of its financial eco-business. The rotating chairman mechanism is

adopted in the management, while an oblate structure is utilized within the branches. Thus, the community will become more flexible, agile and innovative; its executive force and efficiency can be increased, and its instruction flow complexity can be reduced.

### **3.3.1 Community Access System**

Linkey Intelligent Financial Community has a huge demand for talents. At the very beginning, the sponsor and the financial experts will be the first batch of community members. In order to guarantee the quality of the community, the candidate recommendation system and voting access system will be adopted. If recommended by a community member, a candidate will be included on the voting list. Later, other randomly-selected community members will vote for/against the candidate. After winning a certain number of votes, the candidate will be allowed to officially join in the Linkey Intelligent Financial Community.

### **3.3.2 LINKEY Token**

Linkey, as a blockchain financial service institution, is publishing our own public chain to implement the core of decentralize. The linkey chain is fully design, implement and optimize for financial services usage. The token of Linkey is named as Linkey and symbolled as LKY. It is a native generated token of Linkey, which is specially designed for Linkey



blockchain network and services to integrate related resources, maintain the operation of intelligent financial community and support the distributed applications and transactions on Linkey platform.

The original Linkey token will be issued as ERC-20 standard token based on Ethereum network. After the release of the stable publish chain, all the original Linkey ERC-20 standard token will be exchanged to the new Linkey token, LKY, in a 1:1 ratio. All the corresponding value and rights of Linkey will transfer to the new token.

LKY will be used for the following purposes :

1. Rewards to the computation contributors to maintain the functionality and stability of the Linkey blockchain network.  
Computation contribution includes: nodes in Linkey blockchain network, transaction verification and smart Intelligent contract execution.
2. Construct a relatively stable Linkey financial ecosystem. Through the floating mechanism of the exchange rate set by the smart financial community, reducing the fluctuation of the token and the credit risk of Linkey financial ecosystem, provides a relatively safe investment port to investors. In addition, having a stable benchmark value makes LKY more applicable to real economy, and finally connect the Linkey ecosystem to real economy.

3. LKY is the proof of stake in Linkey ecology, it can not only bring stable platform benefits (ex. Interest of savings after the proper banking product release) to the investors who hold it, but also a voting interest for investors to participate in the development of Linkey ecology, financial products, implementation of customized services and community membership. The community decision voting mechanism is not fixed, start with the LKY/10 rule. The change of voting decision should be initiated by the community and contributors, triggering an external vote when the voting quota exceeded 75% of the total number of community and contributors. During the public voting under the voting rule generated from community, the first voting rule will replace the old one. In addition to the voting of development of Linkey ecology, LKY can also use for product launch voting.
4. Rewards for other non-community members, such as Linkey volunteers, winner of competition and others.

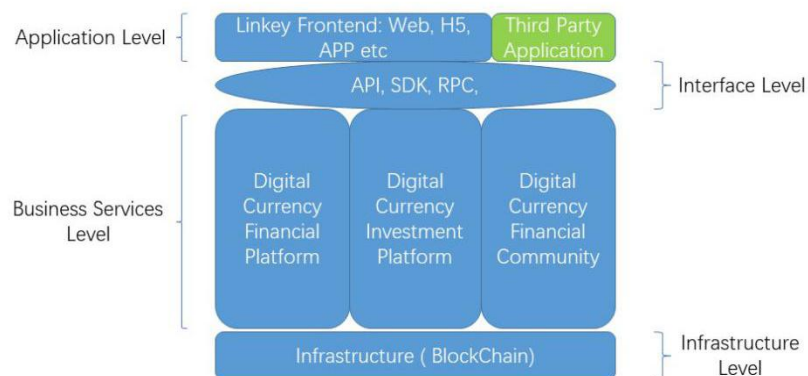
Linkey token, LKY, will be issued a finite number, totaling 0.195 billion globally, 50 million initially, and the Convertibility ratio is 1ETH=4000LKY, And the allocation plan is as follow:

- Private Coin Offering : 40%
- Mining : 20%

- Team : 19.5%
- Technology Rewards : 10.5%
- Community Rewards : 10%
- Issue plan : 50 million in advance circulation, 10 million released every six months and totally released in seven years, the first release time is June , 2018.

### 3.4 System Architecture

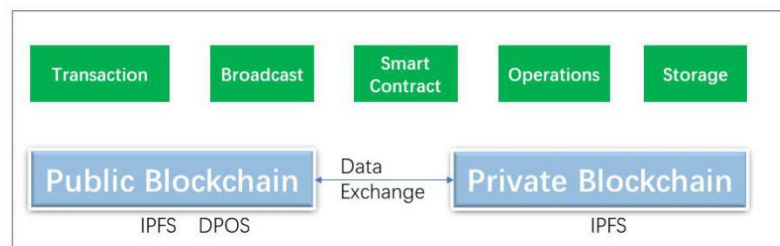
#### 3.4.1 Architecture Introduction



The whole Linkey platform is constructed by following level:

Application Level, Interface Level, Business Service Level and Infrastructure Level. In application level, the frontend of platform and Dapps will be hold; Interface level is providing service interfaces, including but not limited to API, RPC, SDK etc, it helps the platform and third parties to implement more services to customers; business service

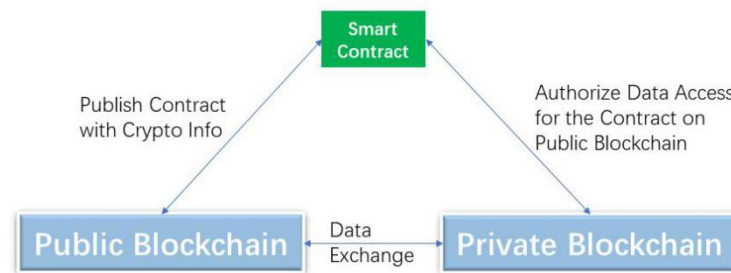
level is the place where holding the core services and functionalities of platform; and infrastructure level supports the whole platform and implemented by blockchain technology.



In the infrastructure level, couples of technologies are used. First, two set of blockchain technologies are involved, public blockchain and private blockchain, and used in different scenarios. Most functionalities of Linkey will be run on public chain, and all the data on it will be public. And private blockchain is operated by large institutions and Linkey to store the private related information. Both of the data storage function in public and private blockchain will be implemented by IPFS, and public blockchain will use DPOS to ensure the stability and correctness.

In public blockchain, transactions, storage and broadcast can be operated directly by users. All the related data and records can be verified on public blockchain. But some functions need public blockchain and private blockchain to work together, like Smart Financial Contract and other operations. For instance, when create a smart contract, it can be created on public blockchain like the contract creation on Ethereum

network, but also can create smart contract with some private data for some specific scenarios like mortgage contract, insurance contract and etc.



The creation of smart contract with private information is described as following. When publish a specific smart contract, the contract will be published on public blockchain without private information, meanwhile the private blockchain will mark and authorize the related private data with the corresponding contract. Once the contract being triggered, contract and data in public blockchain and private blockchain will be merged together and transfer to proper institution to be executed. During the start to the end of the process, only the participants in the contract and proper authorized organization can access the whole information of the contract.

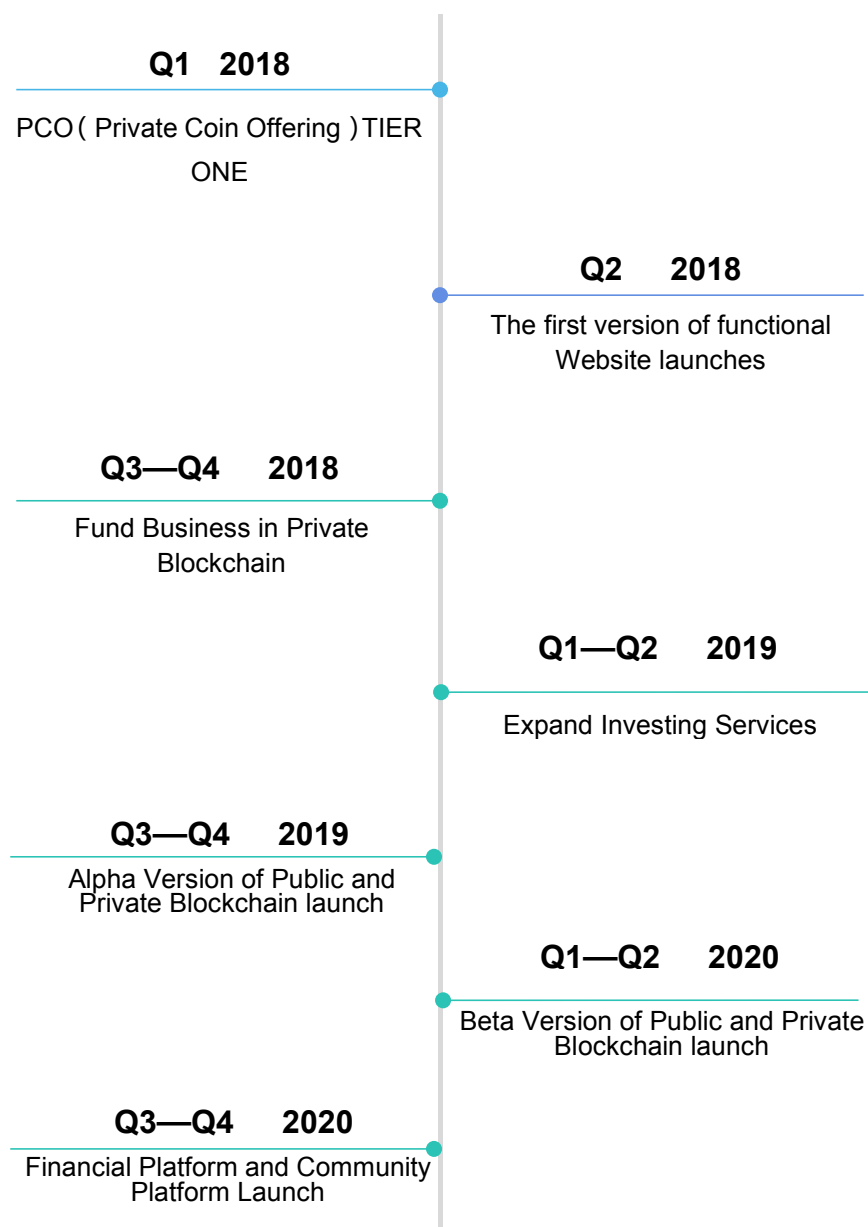
### 3.4.2 Innovations

Based on the design of combination of public blockchain and private blockchain, more systems and products in current financial system can

be blockchained, such as the creation, operation and redemption of funds. With the protection of private data and supervision of authorities, all the operations can be running properly automatically and fully recorded. It also helps Linkey to implement more financial products.

## 4. Road Map

Based on the existing resources, the road map of Linkey is planned as following:



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