



LESFEX :  
DIGITAL ASSETS EXCHANGE

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## ABSTRACT

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Lesfex is a CryptoCurrency exchange designed to provide innovative but straightforward trading features to investors from all levels of experience.

Lesfex is a platform that will expose CryptoCurrency, Crypto-trading and Blockchain assets to the general public via a well-designed user interface and easy-to-understand crypto-trading technology. Lesfex presents a functional token, LFX, to facilitate more straightforward and more successful exchanges together with easy to use tools. The Lesfex platform will allow investors to learn pre and post-trade sessions using critical technical indicators, data, analysis, community strategies, and baseline analysis.

This innovative approach to trade is something that is not currently found in today's overcrowded CryptoCurrency space. Also, users can unlock high-end features and benefit from discounts at different rates and lower transaction fees by using the LFX token on the platform.

Our goal is to build and expand a trading platform that supports both new and well-established Cryptocurrencies providing users with a growing selection of trading opportunities.

Users can purchase these LFX tokens through our Token Sale programs. The following whitepaper will outline and explain the company, LFX token, and why we believe every CryptoCurrency and Blockchain lover/enthusiast will want to come on board.



## Mission

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To completely revolutionize the future of digital asset exchange trading, we are fusing Forex and Blockchain technologies to provide everyone with a better trading experience.

Lesfex will be every trader/investor's first choice, which will maintain the Lesfex competitive advantage.



# 1. Introduction

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The Lesfex platform is an already existing CryptoCurrency exchange designed to provide simple but innovative trading features to investors from all levels of experience. Our goal is to build a trading platform that supports both new and well-established Cryptocurrencies providing users with a growing selection of trading opportunities. The Lesfex team of professionals are very selective in analyzing which projects to welcome to the trading community. Conducting compliance audits on all new coin launches will be our method of ensuring that our users have the information they need to have a secure trading experience.



## 2.MARKET ANALYSIS& POTENTIAL

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A brief history which shows the rise and fall of bitcoin and cryptocurrency in general due to their volatility will help us understand the overall market value of cryptocurrency and its future projections.

The First month of 2017, Bitcoin graced a value of \$900+ while the entire cryptocurrency market capitalization was \$17 billion. Bitcoin's price was seen to drastically increase in the space of 1 year and three months (15 months) to about \$20,000 in value while the total crypto market cap went as high as \$830Billion.

This translates to a peak 1,955% gain for Bitcoin and 4,578% for the total cryptocurrency market cap. Despite Bitcoin having been created nine years ago and the remarkable growth that the entire crypto market has seen since it is believed by experts and enthusiasts that cryptocurrencies are still in their infant stages.

The long-term market sentiment of cryptocurrencies continues to be very bullish as mass adoption has yet to take place while the price kept plummeting at several occasion as we can see from the dip experienced in Jan – Feb 2018.

Estimates show the crypto adoption rate at approximately 3.5% as of November 2017. Given the above figures, one can only imagine the potential for cryptocurrency as more interest builds up.

Further statistics shows over 300 new coins worth \$1Million market cap in 2017.



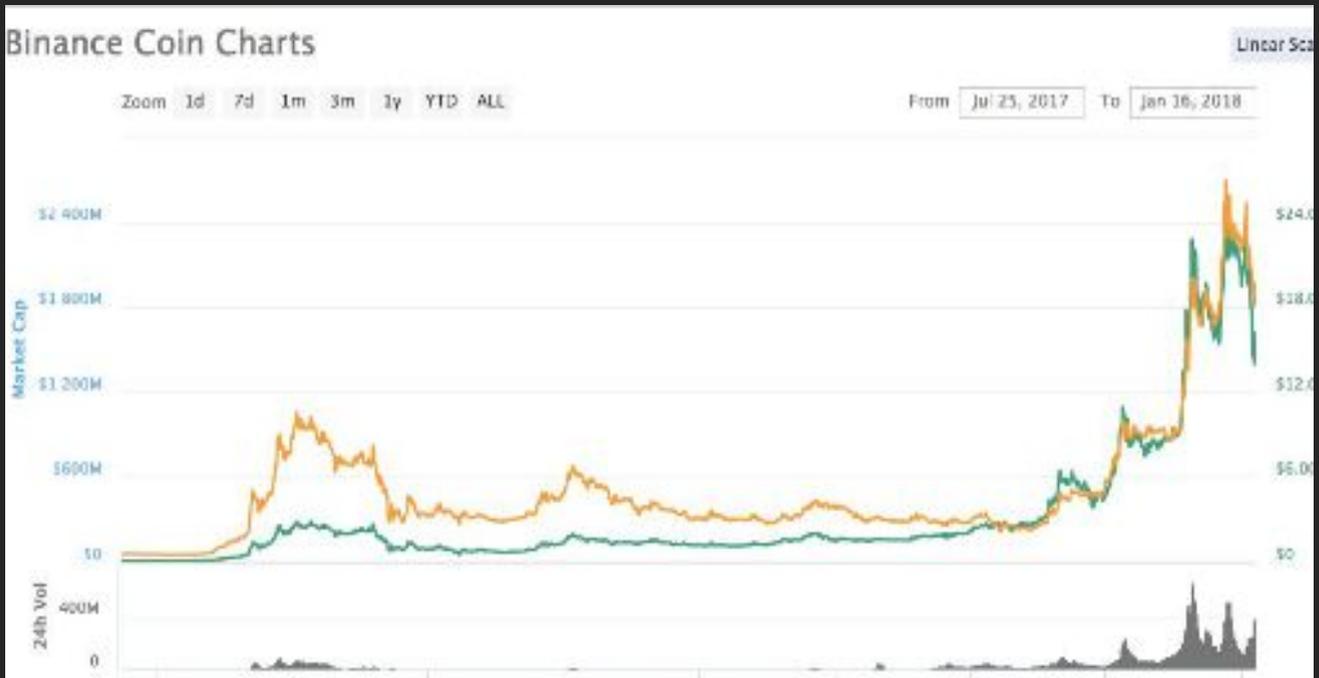
# OPPORTUNITIES:

Looking at the volume of new coins being introduced into the market, it demonstrates that there are many upcoming projects with ICO's which will need to get listed on exchanges to make the token tradable, and here Lesfex is poised to serve the market.



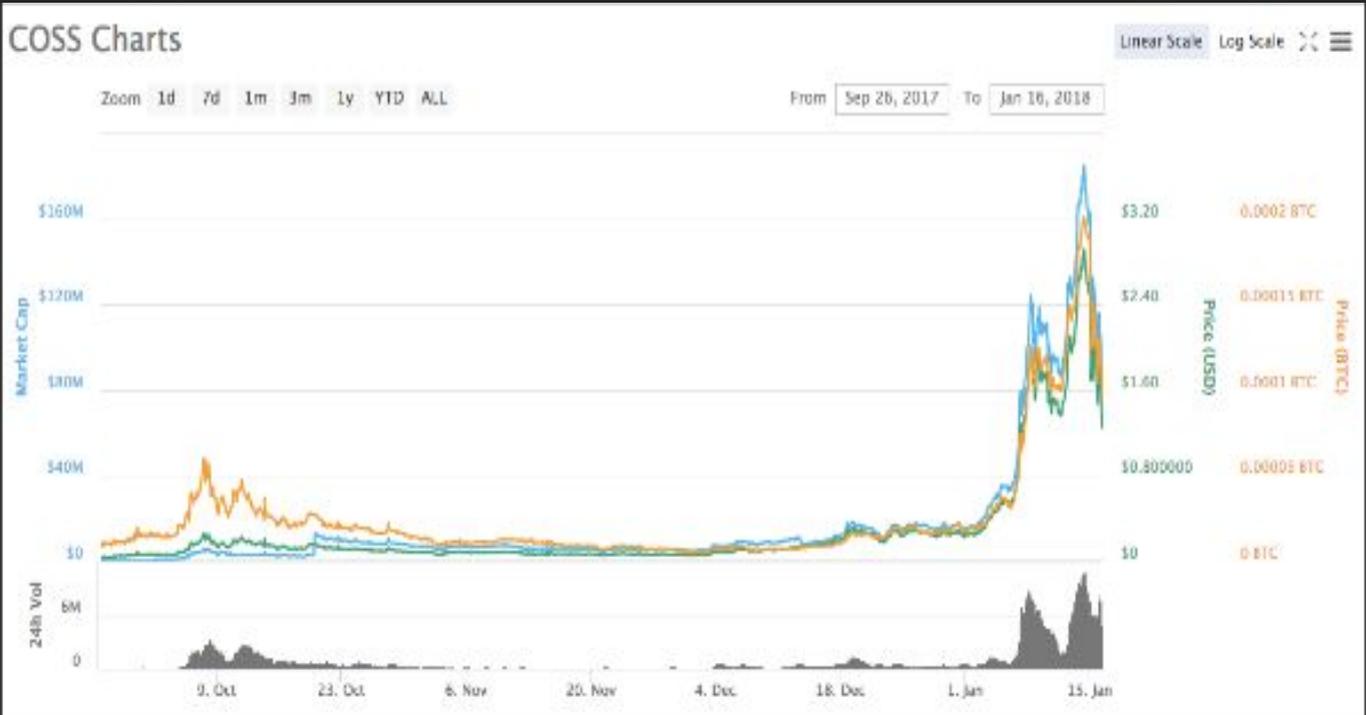
# BRIEF HISTORY OF TOKEN EXCHANGES

We will take three Cryptocurrency exchanges into consideration. BINANCE, COSS & KUCOIN.



**BINANCE** is a token exchange project which entered the market with an ICO price of \$0.1 USD per token. The ICO successfully raised \$15 Million in its token sales and has achieved an all-time high price of \$23.64.

# COSS



COSS is a token exchange project which entered the market with an ICO price of 0.01531 USD per token. The ICO successfully raised \$3.2 Million in its token sales and has achieved an alltime high price of \$2.87.

# KUCOIN



**KUCOIN is a token exchange project which entered the market with an ICO price of \$0.197 USD per token. The ICO successfully raised \$17 Million in its token sales and has achieved an all-time high price of \$20.61.**

## 2.1 EXCHANGE PROBLEMS & SOLUTIONS

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### PROBLEMS:

- 1. Poor Customer Support experience :** The Lesfex team of professionals comprises of knowledgeable investors and long/short term traders with first-hand experience of the level of customer service on several exchange platforms such as Bittrex, volume trades consequently, distressed customers are left stranded when requesting for customer service support. Some of these exchanges leave customers stranded with their problems for weeks and even months without any response
- 2. Market Manipulation:** In recent times, Crypto trading has had its fair share of high-level investors who succeeded in manipulating the Crypto market for personal gain. This is demonstrated by massive pumps and dumps of coins leaving inexperienced crypto traders with no inside information and of course, massive losses. This market manipulation stands as an enormous barrier to free, fair and transparent trading on the platform.
- 3. Security** The recent hack events and cyber intrusion cases have led to the loss of Cryptocurrencies worth several million in USD. A recent hack case was the South Korea's Coinrail which lost approximately £28m of virtual currency after a reported cyber intrusion on their exchange platform. With more exchanges being developed by the day, it leaves investors and crypto enthusiast to question the security measures put in place by these exchanges to protect their company and user funds. From findings, it is obvious most exchanges keep a significant portion of their funds offline in cold storage and hold about 3% or more of their funds in a hot wallet which by our standard is considered insufficient.



## 2.1 EXCHANGE PROBLEMS & SOLUTIONS

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### PROBLEMS:

**4. Lack of market information for research :** Most exchanges do not provide its users with necessary information regarding its crypto-assets. For example; rarely does an exchange explain their crypto assets or coins listed on them. Most crypto exchanges enlist coins and alternative currencies without attaching brief information about these token projects or how the asset works. This leaves the users/investors and traders with little or no information about the exchange's assets. This is very crucial as it would allow for an informed trading market instead of an impulsive market driven primarily by emotion and lack of information

**5. High Transaction fees:** This is a major problem being faced by many traders as the cost of carrying out trades and several transactions are relatively high and at some point, users cannot trade in low volumes due to the cost of transaction

**6. High Cost of Coin-listing on exchanges:** Most Cryptocurrency exchanges do not publicly advertise their listing fees but, it is believed that the cost of listing a coin on most popular and highly liquid exchanges runs in thousands of US dollars and in some cases millions. The bigger the exchange, the higher the price that must be paid for tapping into its liquidity pool and its army of existing users. According to Business Insider reports, there are ICO founders who claim to have been asked for between \$50,000 and \$1 million for having their token listed. Exchanges such as Binance and other top exchanges have been accused of charging very high for listing coins on their exchange. With this excessive listing fee, it is almost impossible for new genuine projects and coins to be listed on exchanges.



## LESFEX SOLUTIONS:

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- 1. 24/7 Skilled Customer Support:** Our highly skilled and trained customer service team will ensure that Live support is available 24/7 to assist users and answer any type of questions or solve any queries or issues they may have.
- 2. Limit Manipulation by scrutinizing coins before listing:** We will limit the market manipulation of pump and dump schemes by properly scrutinizing coins that are interested in listing on our exchange to ensure they are not prime for such actions.
- 3. Security:** We will implement security standards more developed than the standards set by traditional banking systems, stock markets and forex markets. All data will be encrypted with a regular change of keys, restriction of access to keys directly, storing every key on hardware security modules, application of the two Factor Authentication (2FA), and, regular change of password. We will employ the cold wallet storage technology to ensure all virtual funds are appropriately secured. For long-term investors, we would advise that they don't leave their coin on exchanges. We want to provide a more viable alternative to this as LesFex and, by using our cold wallet storage, these investors will have their funds protected and secured better than they could manage by themselves



## LESFEX SOLUTIONS:

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**4. Develop an inside informationhub:** We will develop an information hub within the LesFex exchange platform which will provide traders with the necessary tools and information to research coins, projects, whitepapers, and key team members before investing into any of these Altcoins.

**5. Lowtransaction fees:** We will bring down the cost of transactions and trading on our platform by introducing the LFX token. Users will be able to carry out transactions and low volume trades with the low fees being paid in the LFX token.

**6. HighCost ofCoin-listing on exchanges:** To get a new coin listed, it needs to register an account on Lesfex. Following that, buy an amount of LFX Token to pay listing fee and, Lesfex will provide a listing request form. Once the form has been submitted, LFX would be charged from the balance. Lesfex will filter project quality through the listing request form, after the application has satisfied the appropriate conditions. The coin would be listed within 7 working days. If the project does not, the LFX token would be refunded.



## 3.LESFEX EXCHANGE

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Lesfex is a CryptoCurrency exchange designed to provide simple but innovative trading features to investors from all levels of experience. Our goal is to build a trading platform that supports both new and well-established Cryptocurrencies and providing users with a growing selection of trading opportunities.

### 3.1 Features

**OPEN AND TRANSPARENT:** The Lesfex Exchange has been developed by the Octanox (OTX) team of experts. It is designed to give back to the Octanox community by offering reduced fees to everyone who has supported this project as an investor. Octanox welcomes everyone to use the lower fees advantage for becoming part of the investor's community. The Lesfex team is aware that is not possible to gain trust and build a reputation quickly consequently, will strive each and every day to earn respect and trust.

**STABILITY AND INSURANCE:** Lesfex uses very simple but advanced digital trading tools. Our system is constantly upgraded and tested to ensure that we are meeting the industry's best standards. Blockchain experts have built a highly secured platform preventing any and all types of malicious attacks that could affect our community of traders. With the fast advance of Blockchain technology, our team will be vigilant in providing and maintaining a stable and secure platform.

**24 HOUR SUPPORT:** For non-stop and fast trading sessions, we count on a highly skilled customer service team. Live support will be available 24/7 to assist users and answer any types of questions. In addition, feedback from the community is very important to continually improve the platform in every aspect. For this matter, all suggestions sent to the support team will be reviewed and taken into consideration.



## 3.LESFEX EXCHANGE

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Other features include;

- > Simple and secure authentication for KYC/AML compliance
- > Extremely scalable connectivity and trading engine
- > 24/7 Platform trading
- > Multi-language support to attract global clientele
- > Trading of any digital asse



## 3.2 Competitive Advantage

Although the existing stock markets stagnated in the early 2000s with traditional commercial tools and a lack of support. Lesfex will break the stock market's vision in the cryptographic space. We will not only propose the easiest to use system, but also the most powerful one. This system can help both the new and experienced to make more informed exchanges. By reducing the poor decisions made by investors, this increases the likelihood of success. In this section, we will be comparing our features to existing platforms such as Binance, Coss and Kucoin.

### FEATURE COMPARISON

Feature	 Lesfex	 Binance	 COSS	 KuCoin
In exchange advertisement payment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Coin listing payment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
As trading pair	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Coin listing vote	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



### 3.3 Lesfex Cold Storage

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Lesfex plans to develop and create a hardware portfolio for users who securely store different Cryptocurrencies in cold storage – a hardware wallet is an electronic device designed to keep private keys in a secure offline configuration.

The digital signatures and private keys that users need to transact or transfer with will be stored in this wallet. By using ancillary physical hardware, no one can hack an account or wallet as the keys are not online to be stolen. Also, we have designed a feature that can integrate the Lesfex Hardware Wallet directly to the exchange. This will allow users to seamlessly log into the exchange utilizing high-quality fingerprint sensor technology.

Integrating cold storage wallets directly with the exchange brings a new layer of security and exploits next-generation 3FA technology.



## 3.4 Lesfex Security Audit

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The Octanox team asked Coinspect to audit Lesfex CryptoCurrency Exchange. Coinspect performed a black-box penetration test of the web application during one week in April 2018. As a baseline for testing, the OWASP Application Security Verification Standard 3.0 was used and the security verification level applied was ASVS Level 1. Additionally, manual and automated techniques were used to test the application, its infrastructure and business logic.

### Critical Risk

**Negative Withdrawal Amount Increments Balance** The application allows users to make negative transfers and increase the amount of CryptoCurrency available to them for exchange operations.

### High Risk

**Lack of Cross-Site Request Forgery Protections.** No safeguard against Cross-site request forgery attacks was implemented, so very sensitive actions (such as token transfers) were vulnerable to this type of attack. Octanox team fixed this issue.



## 3.4 Lesfex Security Audit

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### Medium Risk

**Reflected Cross-site Scripting.** The application was filtering most of the user input correctly except for one particular variable that was found to be vulnerable. Octanox team fixed this issue.

### Directory Browsing Enabled:

Some non-critical paths were found to allow Directory Browsing of its files and folders. Octanox team fixed this issue.

### Insecure Cookie Handling

Session cookies were not protected using the Secure attribute to ensure they are always transmitted over an encrypted channel. Octanox team fixed this issue.

**No OOB/2FA Confirmation Required to Perform Withdrawals** Coinspect recommends implementing Out-of-Band (email, SMS, etc) or 2-Factor Authentication to confirm sensitive actions such as fund transfers.



## 3.4 Lesfex Security Audit

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### Low Risk

**TLS 1.0 is Insecure:** Although it is common practice to support TLS version 1.0, it is vulnerable to several well-known attacks.

### Weak Password Policy:

A weak or non-existent password policy was used for account passwords. Octanox team fixed this issue.

### Change Password Does Not Terminate Sessions

Upon changing the password a user should be prompted to terminate all other existing sessions. This is the only way a user may log-off an attacker that obtained the user's previous password and prevent the attacker from maintaining access. Octanox team fixed this issue.

### No Subresource Integrity for Third-Party Scripts

Most of the JavaScript code used by the application is loaded from third-party sites, the use of Subresource Integrity is recommended. Octanox team partially fixed t



## 3.5 An Existing Platform

Unlike most of the ICO projects currently in the market having no existing platform or project backing them, Lesfex beats them all. Lesfex is an already established CryptoCurrency exchange platform which is fully functional. The EPP scheduled to begin by August 2018 is just a means to extend part ownership to interested individuals and partners.

### BUY OTX

Balance: 0.00000000 BTC

Price	0.00000000	BTC
Amount	0.00000000	OTX
Sub Total	0.00000000	BTC
Total	0.00000000	BTC

**Buy**

Discounted Fee: 0%  
Original Fee: 0.1%

### SELL OTX

Balance: 0.00000000 OTX

Price	0.00000000	BTC
Amount	0.00000000	OTX
Sub Total	0.00000000	BTC
Total	0.00000000	BTC

**Sell**

Discounted Fee: 0%  
Original Fee: 0.1%

### BUY ORDERS

TOTAL: 0.00100000 BTC

PRICE	OTX	BTC
0.00000001	100000.00000000	0.00100000

### SELL ORDERS

TOTAL: 52956.94470640 OTX

PRICE	OTX	BTC
0.00000935	30000.00000000	0.28050000
0.00000940	7524.00000000	0.07072560
0.00000945	7524.00000000	0.07110180
0.00000946	2476.20000000	0.02342485
0.00001000	500.00000000	0.00500000



## 4.LFX TRADING TOOLS

### 4.1 Lesfex Risk Strategy System

How can users manage trading risks on our exchange platform?

Our exchange platform has been designed to help users curb losses which may result from their trades and also help users manage their risks. Lesfex has made this possible! With the click of a button, exchange users can apply the Lesfex Risk Strategy System to their current position and further customize their profit and risk thresholds. With this feature, users will not only be able to limit downside exposure while setting a threshold to lock in profits, but they can easily specify how much of their position should be sold off when a limit is reached. Risk management and capital preservation are keys to success in this industry and, we believe that the LesFex Risk Strategy System will be advantageous to traders and investors alike. Premium strategies with enhanced customizability will be available to LFX token holders, enabling them to refine the Lesfex Risk Strategy System and tools further to suit their individual needs.

### 4.2 Lesfex Automatic trade Assistant

Lesfex Automatic Trading Assistant compiles individual data, which include the status, composition of the portfolio and positions of current assets to create individual comparisons with market data and signaling data. This unique compilation of information limits and also prevents the commercial tool from competing with other commercial users who simultaneously initiate the automatic assistance of the Lesfex merchant. Individualized signals that help automated business assistants can limit conflicting signals and help people behave better in an industry that is highly competitive. Improved, simple, accurate and customizable configurations will be available for Token LFX holders.



## 4.LFX TRADING TOOLS

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### 4.3 Order books and time and sales

The Lesfex platform will provide users with the traditional and robust tools they are accustomed to, including order books, depth charts and time and sales, also known as the trade record. Live market data is highly essential to any trader's arsenal and can enable individuals to participate in markets by applying their strategies in addition to using the Lesfex tool suite to enhance their trading and investment plans



## 5.LFX TOKEN

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Lesfex (LFX) token is a token of the Lesfex Exchange platform developed to make it a project friendly exchange that aims to help existing CryptoCurrency projects and new upcoming projects.

### TECHNOLOGY:

The technology base of LFX applying Smart Contract from Ethereum– the second largest CryptoCurrency in the world having its market capitalization close to Bitcoin’s market cap.

The algorithm LFX uses are ERC20 – (ERC20 is also the algorithm used by ETH, belongs to Bancor Network – the project holding the record of ICO selling with the price of over \$152.3Millions). With the use of this algorithm, LFX has the strong point of being able to perform optimally with easy transactions, while also being affordable and anonymous. Moreover, LFX has a system of private wallet and can be directly applied on the Blockchain wallet from ETH.

### 5.1 LFX Token Features

Token Name: Lesfex

Ticker: LFX

Algorithm: ERC20

Total token: Depends on Token Sale

Company Token: 30% from Sold token



## 5.2 LFX Usage and Value

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### LFX Usage:

The LFX token is built to power and support the complete and optimal functioning of the Lesfex platform. LFX token can be used in the following ways;

- 1. Advertisement Payment:** Lesfex will provide an advertisement service for Cryptocurrency projects as options will be made available for customers to advertise their projects on the main Exchange landing page. This is a great way to promote their projects to the Lesfex users. Also customers will be able to use the press release service, and the advertisement service which will accept payment in LFX only.
- 2. Coin Listing Payment:** To get a new coin listed, it needs to register an account on Lesfex. After that, buy an amount of LFX Token to pay the listing fee, and Lesfex will provide listing request form. After the form submitted, LFX would be charged from balance. Lesfex will filter project quality through listing request form after the application is eligible the coin would be listed within seven working days. If the project is not eligible, LFX token would be refunded.
- 3. Trading Pair:** The Lesfex token would be market based for Altcoins increasing the trading volumes for LFX. An example of these pairs are BTC/LFX, XRP/LFX, XLM/LFX, LFX/USDT, and others.



## 5.2 LFX Usage and Value

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### LFX Usage:

**4. E-Commerce Platform:** Lesfex tokens will be used for payment in the Lesfex E-Commerce platform. The Lesfex E-Commerce Platform allows members to list and sell products on-line incorporating a user protection system called the 'SES -Smart Escrow System' designed to protect consumer funds from unexpected irregularities and illegal schemes.

**5. E-Commerce Merchant Programme:** The company and members will source products allowing merchants who are accepted via the company KYM (Know Your Merchant) to accept LFX adding to the value of both the programme and the LFX token.

### Token Value

It is expected that as LFX token gains more users on the exchange platform due to its utility, its value will automatically increase

### Token Supply:

Supply will decrease over time. Lesfex will keep 20% trading revenue to buyback tokens. Tokens will be burned every 6 months.



## 5.2 LFX Usage and Value

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### LFX.

This section aims to further show why the value of LFX will increase and still remain stable.

>Cryptocurrency marketis still very young, vibrant and growing.

>Lesfex will be a project friendly exchange. Nowadays its hard and expensive to get a coin listed on Exchanges with the price range being around 5 - 20 BTC yearly to get listed on major exchanges, LFX would be used for coin listing payment and some part would be burned.

> So many upcoming cryptocurrency projects and ICO will need an exchange platform



## 6.LESFEX E-Commerce Platform

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Lesfex will have its own E-Commerce Platform allowing members to participate in the Global market for the purchase and selling of goods. E-Commerce offers members a whole range of opportunities, from marketing opportunities to generating more sales/income whilst also offering customers a round the clock, convenient service, that again will boost the positioning and value of Lesfex.

Linked to this is an incentivised Merchant development programme designed to accelerate and expand the Merchant participation level.

1. **Lesfex tokens** will be used for payment in the Lesfex E-Commerce platform.
2. **Lesfex E-Commerce Platform** has a user protection system called SES -Smart Escrow System.
3. **SES** will protect consumer funds from unexpected irregularities and illegal schemes
4. **Lesfex tokens** are frozen once an order is submitted and then security code is provided to consumer.
5. **SES security code** is retained by the consumer and presented to merchant upon delivery or collection of goods.
6. **SES will unlock** code once presented by merchant for payment.
7. **SES support team** will provide member, consumer and merchant support to handle any issues that may occur.



## 7.LFX TOKEN SALE

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The Lesfex Token Sale will be made available for everyone interested on a personal basis. The Token Sale will begin in August, 2018 with a starting price of \$0.01 to \$0.06 and will last all through to Mid-December 2018.

The program will be split into 2 phases as shown below;

Phase 1 – Pre Sale (30 September - 27 October)

Phase 2 – Public Crowdsale ( 3 Nov - 30 Nov)

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30 September - 6 October 0.03 USD

17 November - 23 November 0.09 USD

7 October - 13 October 0.04 USD

24 November - 30 November 0.1 USD

14 October - 20 October 0.05 USD

21 October - 27 October 0.06 USD

3 November - 9 November 0.07 USD

10 November - 16 November 0.08 USD

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12:00AM EST, ALL Price slated for durations expires. No exception. LFX would be tradeable on Exchange after a week since Token Sale ends.



# 8.ROADMAP

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## Q2 2017

- Team Recruited
- Platform Architecture Completed
- Starting Platform Development

## Q1 2018

- Team Expansion
- Platform Architecture arranged
- Starting Platform Development

## Q2 2018

- Market Research
- Marketing Strategy Developed
- Lesfex Security Audit by Coinspect
- Crowdfund Platform Development

## Q3-Q4 2018

- Starting ERP
- ERP Ends
- Creating Lesfex Token
- Trading Promotion
- Merchants Program
- E-Commerce Development

## Q1 2019

- E-Commerce Platform Beta Release
- Lesfex Android Application
- Features Deployment
- New Roadmap



## 9. DISCLAIMER

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Respective participants of the LFX Token Sale - should carefully evaluate all risks and uncertainties associated with the Company, its business and operations, the LFX tokens, the LFX Token Sale and all information set out in this White Paper before any purchase of LFX tokens. Potential risks include;

- Ø Regulations and compliance risks
- Ø Blockchain network congestion
- Ø Highly speculated trading price risks
- Ø Tokens may be non-refundable
- Ø Technological development risks
- Ø Attempted attacks on token smart contracts
- Ø Cryptocurrency market price volatility

If any of such risks and uncertainties develop into actual events, the business, financial condition, results of operations and prospects of the Company could be materially and adversely affected.

