



VEXEL

OTC DESK PLATFORM

INVESTMENT MEMORANDUM



What is OTC cryptocurrency trading?

As cryptocurrency markets evolve, over-the-counter (OTC) trading has become an increasingly popular means by which market participants can exchange large amounts of cryptocurrency anonymously.

In traditional financial markets, OTC brokers facilitate the exchange of securities that are not listed on formal centralized exchanges, such as the New York Stock Exchange. The over-the-counter trade relies on a dealer network facilitated by OTC brokers who negotiate directly with buyers and sellers over a computer network or the phone.

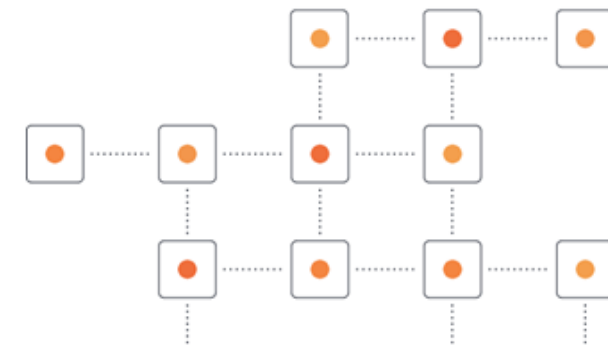
In cryptocurrency markets, OTC trades are also facilitated by OTC brokers who negotiate directly with the buyer and seller. The job of an OTC broker is to find buyers and sellers for a trade. The main difference between a centralized exchange-based trade and an over-the-counter trade lies in the anonymity provided by an OTC desk. OTC desks do not provide a public order book listing all trades, which allows large sums to be moved quietly without the potential to disrupt markets.

Why to trade over-the-counter?

Liquidity on cryptocurrency exchanges is often low or volatile, thus making it difficult to exchange large amounts when needed. If a large buy or sell order appears on a centralized exchange's order book, it is unlikely to get filled immediately at the price requested. The order may even be broken up into smaller orders at different prices, an unfavorable phenomenon called price slippage. OTC brokers eliminate slippage and provide liquidity to cryptocurrency markets by matching buyers and sellers through their developed networks at a mutually agreed fixed price.

OTC desks also provide anonymity that is often impossible to achieve on a centralized exchange. For example, if a large buy order of 1,500 BTC is placed on an exchange such as Coinbase, this could alert other traders and move the price of the asset. The anonymity of a large over-the-counter trade prevents such unwanted price movements.

Centralized exchanges also make it difficult to trade large amounts due to order limits or the lack of fiat on-ramps. OTC desks enable customizable direct trades between buyers and sellers, without the restrictions present on exchanges.

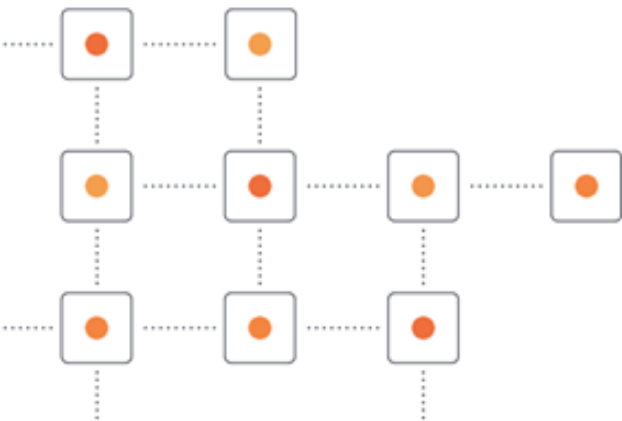
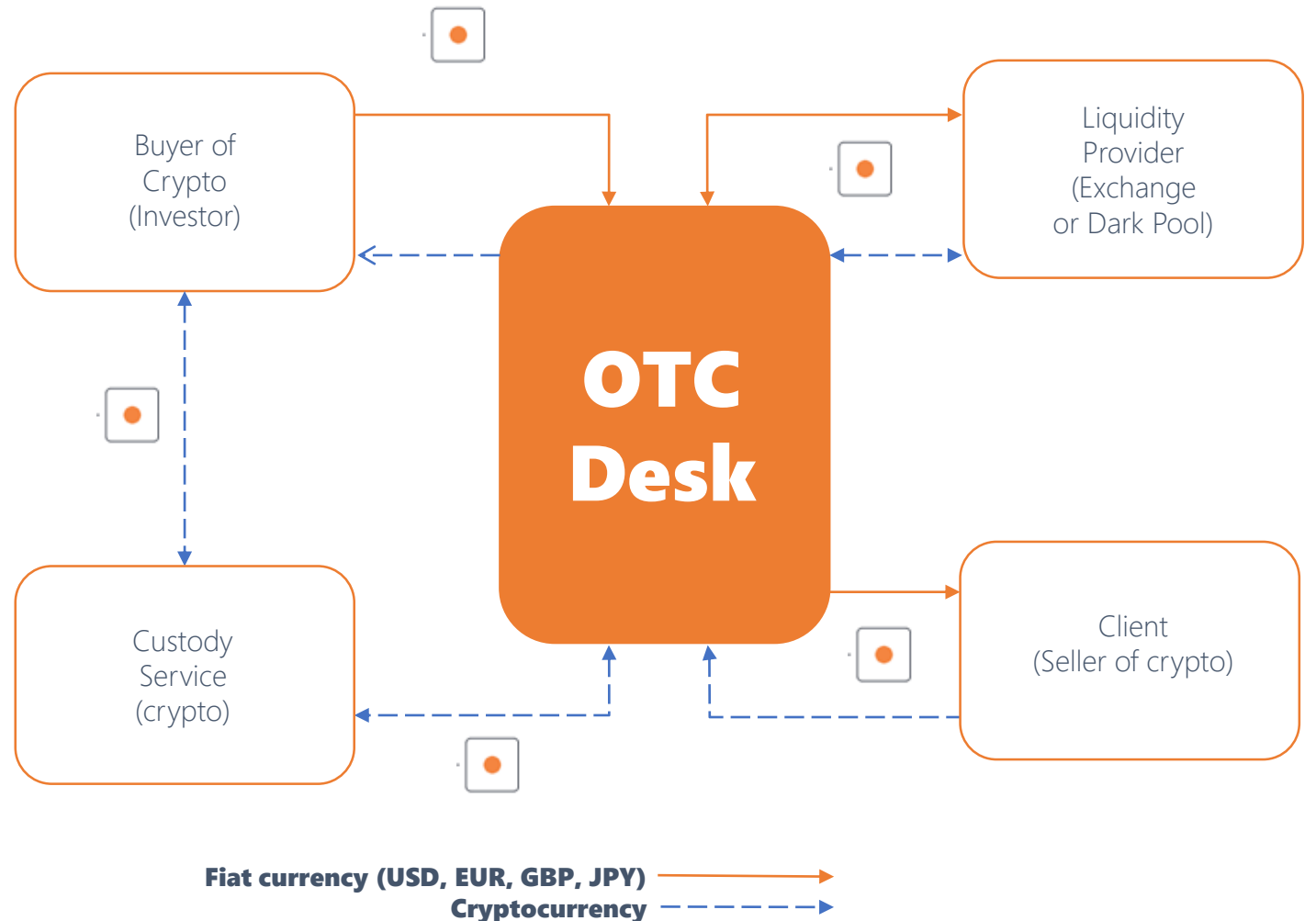


How does the OTC trade work?

OTC trading of cryptocurrency assets is the most promising area in offering clients an easy and clear way of investment in a digital currency.

The Client does not need to interact with cryptocurrency exchanges and engage in trading, as well as there is no need to ensure the safety of funds independently in case of providing custody service.

Income in this area is from 0.25 to 5% from the successfully closed transaction depending on market conditions and customer needs.



Vexel OTC Desk Platform

Cryptocurrency trading allows earning on a cryptocurrency even at the moment of relative stability in the market, since the rates of Bitcoin and other digital assets still experience daily fluctuations.

Trading on exchanges requires constant monitoring of a large amount of data, evaluation of the proposed transactions, and some experience in the field of financial trading. In addition, on large exchanges with high activity there is a danger to overlook a successful combination.

Trading with Vexel, you can always see the best rate in one click - on the platform's website or directly on your smartphone screen. The account will make for you all the necessary analysis and just show you the amount you get by making an exchange at the moment you choose.

We offer deeper liquidity and a private, more personalized service to institutions and high net-worth individuals needing to fill large orders that might be too disruptive if placed on open markets at the exchanges.

Whether you are trading blocks of \$100,000, €10,000,000, or 2,000 Bitcoin, the OTC desk will provide you with execution and settlement services that are discrete, secure and ultra-competitive.

Key Facts About Vexel

- Annual turnover - over \$26 million
- 18 million conversions per year
- Average earnings - 1%



How Vexel works

Create Vexel

Get a unique number and code, 34 characters, which will be the key to your anonymous account in the Vexel system.

Refill, withdraw, store

You can replenish your account with any amount, withdraw part of the funds, or simply leave the cryptocurrency for storage, waiting for a favorable rate for its sale.

Enter/withdraw money

Deposit any amount in the currency convenient for you and exchange it for Bitcoin or any other currency.

Change the currency or split Vexel

Just change the currency on your account at the time of the favorable rate, divide your account into several parts, and create a portfolio of different cryptocurrencies.



Our Advantages

Why would you bother with Vexel OTC trading when there's a huge variety of traditional cryptocurrency exchanges offering simple fiat-to-crypto transactions?

There are several reasons why large-volume traders might consider going OTC.

Better prices.

The traditional (on-exchange) cryptocurrency market is still in its infancy and there may not always be sufficient liquidity available on exchanges to process large trades. As a result, placing a substantial trade through a traditional exchange could move the price of a cryptocurrency in an unfavorable direction before your trade could be completed - this is known as slippage. Instead of being completed at a single price, large orders can end up being spread over several smaller orders, with the price of each order often increasing. OTC trading allows traders to access one price for a single buy order.

Avoid low trading limits.

Most traditional exchanges place a limit on the maximum amount a user can trade per day as well as on the amount that can be withdrawn from an account in a 24-hour period. These limits can also vary based on such factors as the transaction methods used, the level of account verification completed, and how long the user has been trading with the platform. In many cases, they may be insufficient to meet the needs of large-scale traders.

Quicker trading times.

Depending on the liquidity available, large trades can take days to be completed on a traditional exchange. Using OTC trading can guarantee faster processing times.

Use a trusted broker.

There have been numerous examples of traditional cryptocurrency exchanges being targeted by, and all too frequently falling victim to, hacking attacks. Placing OTC trades through a trusted broker allows you to avoid this risk.



Vexel App for iOS and Android

Vexel Wallet is the only official application licensed in the EU to work with cryptocurrencies.

Vexel.is is a unique tool that combines the functionality of a cryptocurrency exchange, a payment service, and an online wallet.

Buy cryptocurrency unnoticeably, transfer, withdraw, and store funds safely, get profit from money exchange, and pay for services - all through one platform.

For your convenience, the website, mobile application, and Telegram bot are available.



Vexel Services

A Trusted Bridge for OTC

With its over-the-counter services, Vexel has established a secure and regulated link between the traditional financial world and emerging digital assets market.

Varying Scale OTC Transactions

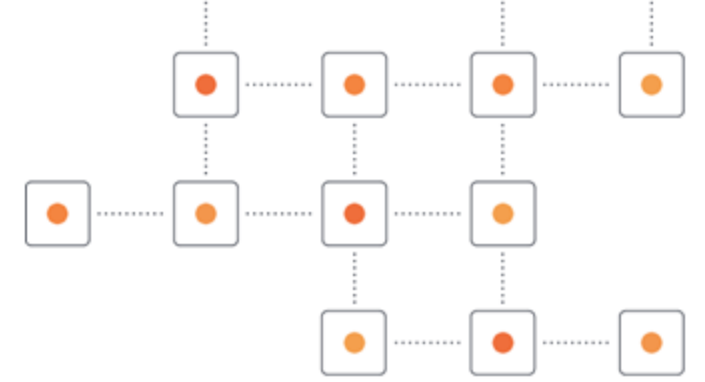
Our trading desk can execute block transactions from just \$1,000 up to \$100m, across a wide selection of digital assets.

Same-Day Settlement

Vexel offers 24/7 same-day settlement for OTC trading, aided by powerful banking relationships and an extensive network of liquidity providers.

Other Digital Asset Services

Contact us for a free consultation on wholesale digital asset acquisition and liquidation, or to discuss other matters like compliance, conversions, and crowdfunding.



Full asset support

In addition to OTC Bitcoin trading, the Vexel OTC desk can support all fiat currencies and digital assets currencies listed on Vexel:

Fiat currencies:

- US Dollars (USD)
- Euros (EUR)
- British pound sterling (GBP), and
- Japanese Yen (JPY)

Digital assets:

- Bitcoin
- Bitcoin Cash
- Litecoin, and
- DASH

Vexel Features

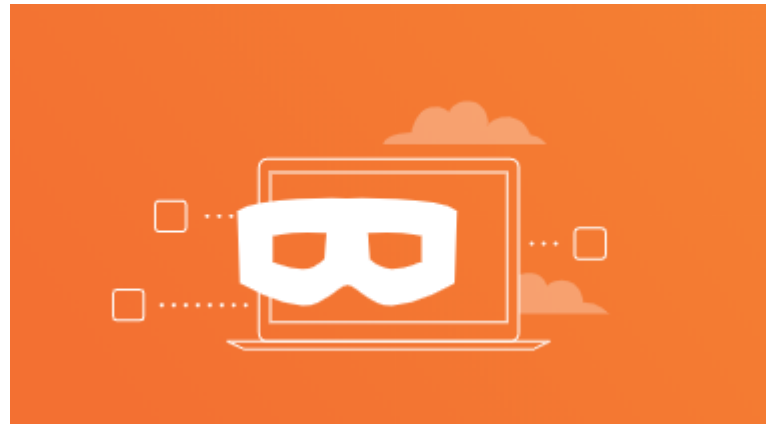
SECURITY

Vexel is protected by a unique combination of 34 characters, and password protection and two-factor authentication are also available.



ANONYMITY

Working with Vexel does not require registration; your Vexel is a number and code, and there is no other data in the system.



FUNCTIONALITY

Vexel allows you to perform any operations with cryptocurrency, in its functionality the service has no analogues in Russia and the world.



Vexel

Crypto Asset Custodial Services



REGULATED CUSTODIAN

Vexel is registered in Ireland and is subject to strict supervision by the EU financial authorities.

All fiat and crypto customer assets deposited with Vexel are backed by mandatory capital reserves as a regulated entity.

ASSET PROTECTION

Vexel uses a unique combination of 34 characters ensuring that your crypto assets remain secure and will be available to meet investor redemption and verification requirements.

Our custody model protects custodied assets by ensuring that they are never commingled with assets held in customer trading accounts.

VERIFICATION & REPORTING

Verify your custody account balance and holdings 24/7 with personalized access through Vexel's Custody Services.

Receive regular and auditable consolidated reporting, including market and performance valuations for your asset portfolio.

Requirements for Implementation

Strong bank partner for processing SWIFT, SEPA transactions, or internal transfers (if an investor or a seller has an account in the same bank)

Currency Accounts: (USD, EUR, GBP, JPY)

License on crypto exchange

License on crypto wallet

Compliance department

Crypto tracing software

OTC desk software

Custody solution

Small marketing department

Competitors & Partners



Strong Competitors:

- Circle (Volume 2bln\$/month)
- Huobi
- Coinbase

Strong Partners:

- Binance
- Kraken
- Dgroup (Bitfinex Shareholders)
- FXopen

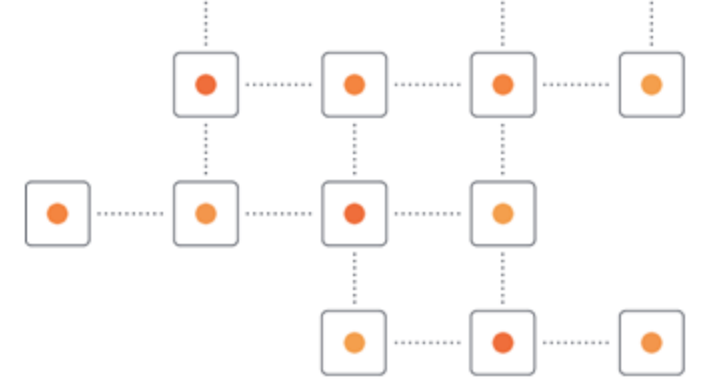


Project monetization

- Vexel will provide an opportunity to buy cryptocurrencies, cryptocurrency pairs and will earn 1.0% of the total amount of sales of cryptocurrencies and other digital instruments.
- The platform will get profit by selling the technology of data exchange with other cryptocurrency exchanges using the API technologies and developer services (SDK) for additional tools that expand the trading functionality.
- Integration of the possibility for carrying out transaction models and obtaining standard deductions from such transactions will also generate revenue for the platform.



Marketing Strategy based on the Ansoff Matrix



Strategy option	Opportunity	Description	Key sources of company growth
Penetration strategy	Likely	The company has every chance to implement this strategy. Market penetration requires the creation of a recognizable brand and cryptocurrency, value for customers of the service, and an aggressive advertising company in all channels of promotion	<p>Listed in order of priority:</p> <ol style="list-style-type: none"> 1. Development and implementation of an aggressive advertising campaign in all promotion channels 2. Supporting the company with opinion leaders on specialized resources 3. Supporting the company in the traditional media 4. Affiliate marketing
Market development strategy	Possible	Access to adjacent financial markets is an excellent source of growth. The company has all the resources and capabilities to implement it	
Product development strategy	Impossible	The company does not have the resources to introduce new categories of services. Extension is not recommended.	
Diversification strategy	Impossible	The company has excellent growth opportunities in the current markets through its current services. Diversification is not advisable.	

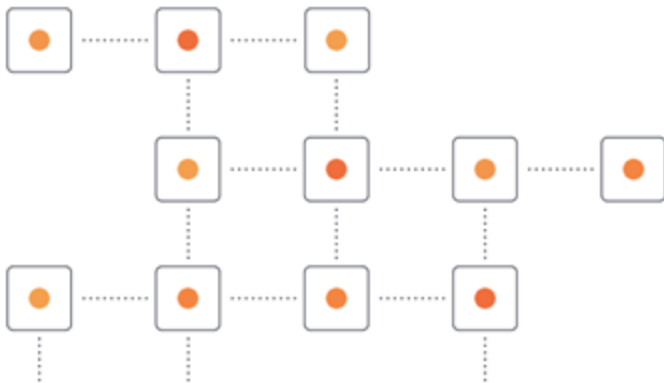
Customer Acquisition

Existed customers of Vexel

**Existed customers of the bank
(if required to the bank)**

New customers involved by Google, Facebook

New customers involved by trustable introducers



Project Effectiveness

Client friendly interface

Secure safekeeping

Licensed activity

**One of the best
modern blockchain
technologies**

**Strong business
relationship**



Volume and Structure of Investments

Our company

would like to make a partnership with a reputable bank.

What we offer?

We offer to make a crypto related project together with your bank. We will be happy to do all the organizational work as well as technical development of the product and integration with a banking system.

What you will get?

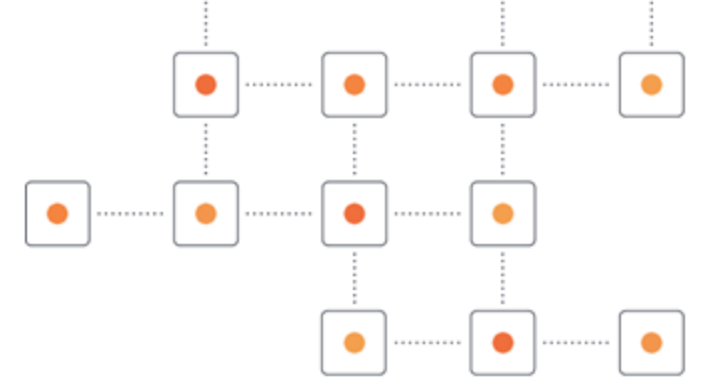
You will get a finalized solution for your needs as well as the needs of your clients.

We have

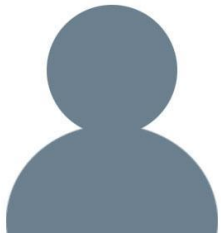
at this stage most of the IT infrastructure as well as a licensed legal entity with accounts in the European digital banking.

We already

have prepared a very broad estimation of the resources required and it is around 1,5m EU required.



Project Team



Arthur Dzhaliyov

Founder, Co-founder

Trading, Blockchain, IT development.

The Vexel.is Project. It was possible to achieve the payback of the project in the first month of its launch; it showed profitability during the bearish mood in the cryptocurrency market, at the moment has the turnover of 1.5-3m \$/month.



Andrey Dybov

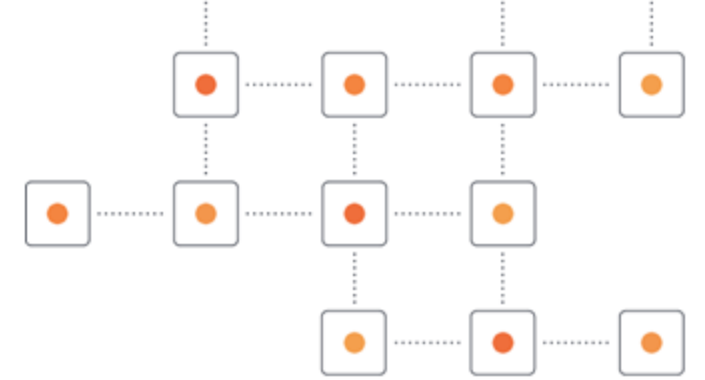
Operational Director (COO)

Marketing, IT, Finance, Blockchain, Project management, and business development.

Andrey has been in IT business since 2010, was engaged in the development and market launch of projects of various directions, from telecommunications to the cryptocurrency market.

The Vexel.is Project, Digital Currency Exchange, AY Security, Bank Monarch, Dr. Web, The Walt Disney Company.

MBA with Finance specialization.



Juliet Su

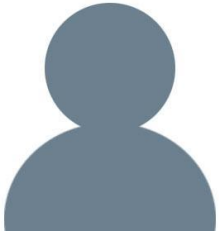
Marketing Director

PR and marketing / International business development / Investment / Sales / Blockchain.

Juliet has a strong marketing and sales background at one of the biggest Chinese investment holding company based in Russia, and 15-years of experience of business with China.

Graduated from the Saint-Petersburg State University, Master's Degree in the Chinese philology.

Project team



Artyom Avdeev

Core Dev.

Driven and motivated Product Owner and Project Manager with 2 years of experience of collaborating with sales leaders, tech leaders and CEOs, Ex. Junior Android Developer.

EscrowSpace Technologies (provides various solutions for deals and payments in cryptocurrencies) - present, Founder & Managing Director.

ChronoPay (Payment Service Provider) - Team Lead / Project manager (contract).

PALMINA Invest (Boutique Investment Firm) - IT Consultant (contract).



Dmitry Gurin

Technical Director (CTO)

System administration, technical management, application design and development, blockchain, customer support.

Medsovet.info, Vexel.is, Prestashop, development of workflow management system for the Special Technology Center.

Technical Director at Vexel.is. Design and development of vexel.is from scratch - back-end, front-end, analysis, technical support.



Vladimir Golubev

Lawyer



CONTACTS



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