

WHITE PAPER – 2020



LEOcoin Foundation

LC4

Digital Currency Whitepaper

LEOcoin's new privacy settings

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LC4 - The Upgrade (Finite Scarcity)

Executive Summary:

The new LEOcoin version 4.0 (LC4) is powered by the Ethereum platform and is an ERC20 Token, with thousands of nodes to support the protocol and provide consensus and security (same as the last version).^{[1][2]} The purpose of the upgrade is to reduce LEOcoin total supply from 1 Billion LEO to a finite 21 million LC4, the same as Bitcoin. Existing LEOcoins version 3.0 (LEO) will be converted to LEOcoin Version 4.0 (LC4). The conversion will be swapped at 1 LC4 equals to 47.6190 existing LEOcoins.

The LEOcoins in circulation will always remain at 21 Million (LC4) and this will create a correlation with Bitcoin which is the largest cryptocurrency in the world and have the same supply. The LEOcoin community (holders) will set the value of LEOcoin in the future with new members joining the community by acquiring the coins from existing holders. So, the value of coins will rise with the expansion of the LEOcoin community. It will create a psychological effect on existing LEOcoin ecology as coins finite and scarce.

Together, we can lift the LEOcoin (LC4) to a higher level with a stable and globally supported underlying network and a growing decentralised application layer on top. This offers you every opportunity to integrate LEOcoin into your everyday lives and use it as an integral part of your business activities.

The core objective of LEOcoin's approach is the desire to make a currency for entrepreneurs, businesses of all shapes and sizes. This whitepaper sets out how LEOcoin works, and our vision for the future of digital currency.

LC4 will be a pioneering blockchain platform that will employ innovative methods for facing the challenges within blockchain networks and it will be technically more advanced than previous iterations.

The era of decentralized and distributed ledger money has begun. The power will be in everyone's hands.

Introduction:

Bitcoin will always be one of the most innovative developments in the history of financial transactions. Bitcoin, as the first decentralised digital asset, proved that it is possible for something intangible, with no issuer and no backing, to have a trillion-dollar market.

The popularity of Bitcoin as a payment network and a new kind of money not only attracted by Fintech pundits, but also traders and investors looking to exchange fiat money to digital assets in hopes of making a profit as prices advance. Because of the demand for digital assets, Bitcoin's existing concepts had been used as a reference to develop more cryptocurrencies that contributed to the creation of many marketplaces that allow trading in digital currencies.

Projects like ETH, EOS, and TRON are also major contributors in the expansion of the cryptocurrency space. By enabling developers to create their own coins through a main network (mainnet), these projects are responsible for paving the way for new cryptocurrencies to emerge.

What is blockchain Technology?

Companies around the world have been developing solid applications using the Blockchain technology. The financial sector, including banks and other payment processing institutions, have begun exploring ways to incorporate the technology into their systems to improve efficiency, security, and speed of transactions and information.

The skyrocketing prices have brought the global attention to the technology as institutions, companies and individuals around the world desire to tap into the benefits of the technology. Extreme high accuracy, proven security and the ability to verify information especially monetary transactions and secure online payments and money transfers are just a few by-products of the Blockchain revolution.

There are not only the companies that have been reaping the benefits of this technology

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but also individuals have had much to gain as well. Data from leading job sites in the United States show an increasing number of Blockchain related jobs. The jobs tripled in 2019 indicating that the industry is growing at a fast pace of about 257% from December 2017.

A cryptocurrency is a digital or virtual currency that uses cryptography (encryption) for security and is based on blockchain technology. The term "blockchain technology" typically refers to the transparent, trust-less, publicly accessible ledger that allows us to securely transfer the ownership of units of value using public keys.

The technology uses a decentralised consensus to maintain the network, which means it is not centrally controlled by a bank, corporation, or government. In fact, the larger the network grows and becomes increasingly decentralised, the more secure it becomes. Thus, it is not issued by any central authority, rendering it, theoretically, immune to centralised interference or manipulation.

The potential for blockchain technology is not limited to cryptocurrency. It has gained much attention and utility in a variety of industries including financial services, charities and non-profits, the arts, and e-commerce.

What is Ethereum?

Ethereum is a global, decentralised, encrypted peer-to-peer (P2P) computing platform. Its network enables you to run decentralised applications (DAPPs), employ smart contracts, integrate into a payment network and access its open ledger (blockchain).

The Ethereum network is one of the most innovative and disruptive developments in the crypto industry, with thousands of nodes to support the protocol and provide consensus and security. With its native Solidity programming language, Ethereum provides a platform solution for transfers of tokenized assets. Numerous second layer applications are built upon the underlying blockchain by the largest development community in the field, to drive the distributed ledger technology (DLT) forward. LEOcoin is also a part of this international technological movement.

What is LEOcoin?

LEOcoin is a peer-to-peer digital currency and an open-source software project. LEOcoin creation and transfer is based on an open-source protocol and is not controlled by a central authority. LEOcoin started in 2014 as an altered version of Litecoin and for two years used scrypt- Jane as a POW and POS algorithm with a modified nFactor.

In July 2016, LEOcoin switched to sole POS procedure. This made the LEOcoin network more secure and, over time, created new LEOcoins without consuming large amounts of energy.

In summer 2017, LEOcoin moved to a technically improved chain (LEOcoin2). This blockchain used the X11 hashing algorithm and POS as a coin creation mechanism. In the spring of 2019, the LEOcoin development team started the migration to the Ethereum platform.

By joining the Ethereum network, LEOcoin can access smart contracts technology and second-layer software, as well as decentralised application developments. For now, LEOcoin is a straightforward, utility token, with its community and user base. By app development, we will, over the course of the next few years, add new functionality that will enable the LEOcoin Foundation to grow the use, value and stability of LEOcoin.

Benefits of a decentralised Ethereum Platform for LEO:

LEOcoin is now more secure than ever, as it runs on the Ethereum layer that is supported by thousands of nodes. This makes it much harder to be 'attacked', hacked or affected by issues with its blockchain or the transactions. Its new benefits also include:

- Increased development potential due to the smart contract features
- Faster adoption of LEOcoin, due to the ERC20 standard employed by exchanges and in wallets, as the ERC20 standard makes LEOcoin easier for their teams to audit and check its code.
- Multiple cross-platform wallet and payment solutions to choose from.
- Sharing in scalability and side-channel technology developed by the Ethereum

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community.

- A third party cannot make any changes to data.

What is ERC20 Token?

ERC20 is the Ethereum token standard which is used for Ethereum smart contracts. Developed in 2015, ERC-20 defines a common list of rules that an Ethereum token has to implement, giving developers the ability to program how new tokens will function within the Ethereum ecosystem. LC4 will also be developed on the Ethereum blockchain.

ERC-20 tokens are tokens designed and used solely on the Ethereum platform. They follow a list of standards so that they can be shared, exchanged for other tokens, or transferred to a crypto-wallet. LC4 is a full ERC20 token on the Ethereum blockchain.

This means that it can be used in smart contracts and potentially with all other extensions and future development of the Ethereum platform. Not only does this make our development more efficient, but it also offers the LEOcoin community access to the combined new developments on the Ethereum blockchain, its programming language and second layer applications that helps put distributed ledger technology into the mainstream.

Having LEOcoin as part of the Ethereum ecosystem will make it easier for third parties to integrate LEOcoin into their systems. Examples of such third parties include exchanges, wallet creators, payment solutions providers, and so on.

- With no central point of failure and secured using cryptography, applications are well protected against hacking attacks and fraudulent activities.
- A large choice of Ethereum wallets capable of supporting ERC20 tokens like the new LEOcoin.
- Uniform and fast transaction confirms the transaction more efficiently.

There are six unique functions that ERC-20 expounds for the sake of other tokens

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within the Ethereum network. These are relatively basic functionality issues and threats, including the process in which these tokens are transferred across the network and how Ethereum users can be granted access to information regarding a particular token.

The benefits of using ERC-20 tokens include convenience and liquidity. Since the ERC20 regulations present a proper blueprint for developers to follow, it is easier for them to come up with tokens instead of starting from a blank sheet.

There are far too many obstacles and gaps to fill in when creating tokens with specific functions from scratch. Aside from the token-creating process, there are also other tasks that developers need to spend considerable time in, which are creating safe wallets and applying for token listing on exchanges.

There is also the threat of transferring tokens through broken contracts, which make the transaction process tedious and prone to hacks.

Why we choose Ethereum ERC20 token standard as our main token?

To better understand the Ethereum ERC20 token standard, it is essential to know why it is difficult to create new applications and currencies in the original Bitcoin Blockchain. The Bitcoin Blockchain has some problems that make it a bad choice. These problems are highlighted below.

1. Bitcoin Blockchain is not a more general-purpose program:

What distinguishes Bitcoin from not being a more general-purpose program is its design as a monetary system. Therefore, the ledger of the account balance is its internal program state. This means we can easily set up a new Bitcoin wallet but writing a program that calculates and distributes the tokens on top of that wallet is difficult.

2. Security Issues:

Talking of security, Bitcoin cannot be referred to as a Turing-complete scripting system. A Turing-complete scripting system can find answers to any computable problem when

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given enough time and memory. In general, two things are required: firstly, the ability to repeat or ignore instructions when certain conditions are met, and secondly, the ability to store data as a variable. One of the main reasons why Bitcoin is not a Turing-complete system is because it does not support programming loops as a security measure. The programming loops can activate a DOS (denial of service) attack because the attacker can tell the miners to make infinite loops

3. Longer Block time (Slow Confirmation):

Finally, the block time of Bitcoin is too long for a cryptocurrency. At 10 minutes per block, transactions could take over an hour to clear and then be verified after they are few blocks deep within the chain.

LEOcoin Upgrade:

The innovation that has been carried out by technology in this modern age, it is no exaggeration to say, transcends human imagination. Ideas are spread, cross-fertilised, re-combined and are coming back in exponential and crazy ways, and it's going to become even crazier in years to come.

The only permanent thing in life today is change. Technology is changing every part of our daily lives. One of the most important aspects of human life that has received considerable attention of technology is the financial sector; technology is revolutionizing the way financial transactions are being done all over the world via the introduction of cryptocurrency into the financial market.

So, for security, innovation, using demand and supply metrics and factors, the LEOcoin upgrade is essential. Anyone holding the previous LEOcoins on an external desktop or mobile wallets (Atomic Wallet, MEW or Trust Wallet etc.), can perform the upgrade to the new LEOcoin (LC4) tokens.

To accomplish simply and securely, visit <https://upgrade2lc4.leocoin.org>. More information about the Upgrade and LEOcoin can be found on the official LEOcoin website

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<https://www.leocoin.org/>. The conversion will be swapped at 1 LC4 equals to 47.6190 existing LEOcoins.

LEOcoin Wallets

LEOcoin can be kept, stored, spent, by using popular ERC20 wallets, like, Mist, MEW, Atomic or MetaMask, wallets that offer support for LEOcoin4.

Users can now select the wallet of their choice and enhance its usability and allow storage on cold wallet solutions, like Ledger or Trezor, or other similar devices, to keep their LEOcoins and other ERC20 tokens safe and secure.

Due to the wide availability of Ethereum wallets for mobile devices and tablets, payments, trading, and transfer of LEOcoin are getting easier and more available for both entrepreneurs and consumers.

LEOcoin Exchanges

LEOcoin is being traded on several exchanges since 2015, and this will continue. Several exchanges have assisted in the migration of LEOcoin into a genuine ERC20-token that allows trading, deposit, and withdrawal from and to Ethereum addresses.

Now adding LEOcoin trading pairs has become easier for exchanges to do, ^[1]_[SEP] by implementing the already existing Ethereum procedures. It is to be expected that new big exchanges will decide to list LEOcoin pairs and enable their users to become part of our community. Using LEOcoin's smart contract features will help to connect the way you do your business not only with payment functions but also with communication and customer relations

LEOcoin Foundation

The LEOcoin Foundation will focus on expansion of LEOcoin community now by building a robust ecosystem for LEOcoin. For this, LEOcoin foundation will build partnerships with

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leading third-party services of cryptocurrency industry including top exchanges, payment solutions, wallet providers and many more. LEOcoin Foundation is also working on a disruptive merchant program which will help build largest merchants' community for LEOcoin.

What Is Coin Burning?

Coin burning – as the name suggest – is a process of intentionally 'burning' or eliminating the coins by rendering it unusable. This is done by sending a portion of the coins to an '**eater address**', which is often referred to as a 'black hole' since the private keys to that address are not obtainable by anyone. Therefore, any coins sent to an eater address are unrecoverable and cannot be used again. Forever. These coins are effectively taken out of circulation and is publicly recorded and verifiable on the blockchain.

Proof-of-burn or burning of coins/tokens by sending them to an unspendable address is applied to different cryptocurrencies. This is purposely done to create an economic scarcity so that the token/coin holders benefit from it.

This is designed because rules in certain countries like the USA discourage different cryptos to hand out direct dividends as rewards to their token holders

Therefore, another way of rewarding their investors is by creating a scarcity of supply, hence driving the demand up which is bound to reflect in price appreciation of each token or coin that the investor is holding. The cryptocurrency exchange Binance employs this burn of BNB tokens every quarter.

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Technical Specifications LC4 Contract Address:

- 0xa83aF809975619477Af73B179e05e04A1CcEA953

Explorers:

- Etherscan.io

(<https://etherscan.io/token/0xa83aF809975619477Af73B179e05e04A1CcEA953>)

- Ethplorer.io

(<https://ethplorer.io/address/0xa83af809975619477af73b179e05e04a1ccea953>)

Total Supply = 21,000,000 LC4

Decimals: 8