



# Coin**FLEX** **IFO**

Guidelines

***CoinFLEX is a crypto futures exchange dedicated to creating futures and other derivatives markets for cryptocurrency. We have received extensive customer feedback about the difficulties in valuing, trading and investing in some of the large blockchain projects that have not launched yet.***

- **Trust:** OTC markets that exist have substantial counterparty risks, primarily for buyers investing in pre-launched coins on secondary OTC trades. If the coin sky rockets in price, there is a large risk that the sellers will not deliver.
- **Access:** Usually the ability to buy SAFTs trade secondary issuances OTC is limited in access, to high net worth individuals or funds. This is in part because there are substantial legal, administrative and operational costs in actually carrying out these trades.
- **Transparency:** Almost all OTC trades for unlaunched blockchains are carried out entirely in the dark, with zero transparency around pricing, size and historical trades.

***CoinFLEX is aiming to solve this with the creation of the Initial Futures Opening, or IFO.***

## **BUYING PRE OPEN**

Any KYC'ed user of CoinFLEX will be able to buy an IFO at a specific price, prior to the open, which is the launch of trading of the futures contract. The user will need to have a specific amount of USDT and FLEX Coin, specified a few days prior to the IFO, and will be able to purchase these Futures prior to launch.

Limited number of buyers can buy pre open. Only a specified number of KYC'ed buyers can buy pre Opening of the contract and it will only become available to purchase at a fixed date. Once the initial purchase is over, the futures contract will launch for trading shortly after that.

## **ENSURING DELIVERY AND TRUST IN THE FUTURES CONTRACT**

Because the risk to the upside is inherently greater with these prelaunched blockchains, we margin shorts aggressively, effectively giving them far less than 1X leverage. This is in order to ensure that no matter what happens, we will retain the ability to make good on and honour the contract, even if the blockchain soars in demand and becomes very popular.