



VITES

# 1 Abstract

Freelance workforce growth is accelerating and has outpaced overall U.S. workforce growth by three times since 2014. Work is changing rapidly due to the impacts of automation, and freelancers are better equipped for the future due to more frequent reskilling, and as per the research by [freelanceunion.com](http://freelanceunion.com), 57%<sup>2</sup> of the American workforce would be freelance based by 2027. Despite significant growth recorded by this marketplace and mass adoption by skilled professionals from all around the world, freelancers and employers are still facing issues which is making freelancing a difficult working environment. Freelancers are facing issues such as a quarter of their earning being deducted in commission while they still have to wait for around two weeks once their orders have been accepted. Chargebacks, Unjust Account Suspension, Outdated and ineffective Review, and Rating models are some of the issues faced by freelancers.

Vites is a modern age freelance marketplace created with the aim to resolve all such issues faced by traditional freelance industry and enable seamless, risk-free connectivity between freelancers and buyers at minimal costs. It serves as a state-of-the-art peer-to-peer marketplace for offering and hiring services without involving a middleman and allow them to create potential long-term collaborations with freelancers getting a fair share for their efforts while buyer getting quality work at optimal rates.

The aim of the Vites Ecosystem is to facilitate people from all walks of life, whether an individual needing assistance in his normal day work; a startup looking for cost effective but quality solutions; or an established business aiming to source out some of their workload. Being an existing cryptocurrency, Vites Coin is striving to fully harness the innovation offered by revolutionary blockchain technology and will serve as a true replacement for the traditional freelance platforms. The added features of blockchain i.e. transparency, immutability, scalability accessibility would not only allow automated organization of the platform, but also allows to add trust among the parties.

This white paper gives a detailed description of how we aim to facilitate freelancers and employers, Vites platform associated products and solutions, and introduces the payment gateway i.e. Vites Coin within Vites ecosystem. It strives to inform our readers how we are using our teams' expertise to provide blockchain based and smart contracts secured freelance services at minimal costs.

1. Research by [Payoneer.com](http://Payoneer.com)
2. Freelancing report by [Freelance Union](http://Freelance Union)

## - Table of Content -

1	Abstract	2
3	Introduction to the Vites Ecosystem	5
4	Our Vision	6
5	Our Mission	6
6	Background	7
7	Industry Overview	7
8	Future forecast of the freelance marketplace	10
9	Vites competitors and their profit distribution models	11
10	Challenges Vites aim to solve	12
10.1	Massive fee charged by middlemen	12
10.2	Slow payment processing	12
10.3	Outdated dispute resolution	13
10.4	Poor review and rating model	13
10.5	Unjust suspension of user accounts	13
10.6	Lacking voice and video calling feature	13
11	Vites solutions	14
11.1	Minimal fee	14
11.2	Smart contract powered dispute resolution	15
11.3	Instant payment processing	15
11.4	No more charge backs	15
11.5	Trusted review and rating model	15
11.6	Transparent arbitration	16
11.7	Voice, video and conference calling	16

V I T E S

12	Key features Vites Platform	17
12.1	Peer to peer service hiring	17
12.2	Blockchain profile	17
12.3	Smart explorer	17
12.4	Smart reviews	18
12.5	A platform for the unbanked	18
12.6	Blockchain deployed reviews	18
12.7	Smart contracts — an escrow you can trust	18
12.8	Cryptocurrency as a payment method	18
13	Vites smart contracts technical overview	19
14	Getting started with Vites Platform	21
15	Vites coin	23
15.1	Algorithm: Nist5	23
15.2	Proof of Stake functionality	23
15.3	Specifications	24
15.4	Utility of Vites coin /additional features	26
16	Vites community building strategies	27
16.1	Word of mouth marketing	27
16.2	Strategic alliances and merchant agreements	27
16.3	Attracting and convincing merchants	27
16.4	Referral programs	28
16.5	Press releases	28
16.6	Social media management and communities	28
17	Vites Team	28
18	Glossary	29
19	Disclaimer	30
20	Risks And Uncertainties	32

## 3 Introduction to the Vites Ecosystem

Vites Ecosystem is a modern age freelance marketplace created with the aim to resolve issues faced by traditional freelance industry and enable seamless, risk-free connectivity between freelancers and buyers at minimal costs. The Vites Ecosystem serves as a state-of-the-art peer-to-peer marketplace for offering and hiring services without involving a middleman who normally deducts around the quarter of an order amount i.e. 20% from the seller/freelancer and 5% from the buyer. Using Vites platform, buyers and companies can develop potential collaborations with freelancers and acquire services at far better rates which previously would be impossible.

The aim of Vites Ecosystem is to facilitate people from all walks of life, whether an individual needing assistance in his normal day work; a startup looking for cost-effective but quality solutions; or an established business aiming to source out some of their workload. Being an existing cryptocurrency, Vites is striving to fully harness the innovation offered by revolutionary blockchain technology and will serve as a true replacement for traditional freelance platforms. The added features of blockchain i.e. transparency, immutability, scalability accessibility would not only allow the automated organization of the platform but also allows to add trust among the parties.

The Vites platform—the blockchain network on which Vites Coin is deployed on— is more than a common digital currency. It is a currency backed by an entire community of freelancers, buyers, startups, companies and virtually any individual from the community having the potential of delivering or receiving a task. Our goal is to create a community of individuals whom all share the same philosophy of change with regards to the global freelance market.

# Vites Ecosystem





## OUR VISION

### 4 Vision

We envision an ecosystem which facilitates people from all walks of life, whether an individual needing assistance in his normal day work; a startup looking for cost-effective but quality solutions; or an established business aiming to source out some of their workload. Moreover, our vision is to provide a currency that not only relies on market demand and supply hype for driving its value but has a real-world utility in the form of being accepted as the payment method in the Vites Platform and across the network of Vites associated merchants worldwide.

### 5 Mission

Our mission is to become the leading freelance marketplace by providing a solution to issues faced by both buyers and sellers in modern-day gig economy and provide a real-world utility to the Vites Coin by building a complete ecosystem. The Vites project has a strong focus on providing actual utility and low barriers for new adopters. Vites will push its adoption primarily through its namesake Vites platform, which will essentially be a digital economy where you can earn or spend the Vites cryptocurrency.

## 6 Background

The global freelance economy has been growing by leaps and bounds in the recent years, enabling the world to be a global marketplace where employers and resources both get an equal chance of success. Employers avail the opportunity to tap the right pool of human resource from anywhere in the world, while the freelancers have the liberty to get hired with the help of technology-driven tools irrespective of their location. Organizations tap into the competitive global market and select a competent resource from many fields including marketing and communication, design, business consulting, or programming and software development. The biggest advantage for employers is in terms of the cost-effectiveness of remote working and the affordability of resource options from a foreign market. Freelancers cost businesses less to retain than hiring a full-time employee, and, in most cases, freelancers do not get benefits such as insurance and paid leave. They can be hired on a job-by-job basis and let go without the risk of being hit with a wrongful termination lawsuit. And, because freelancers are usually hired for a very specific task, they are already specialists in their fields and do not require training to complete the job.

In the section below we discuss the current industry overview, forecast for coming years and the current competition:

## 7 Industry overview

Payoneer—a leading payment processor for freelancers all across the world— set out to capture the state of affairs for freelancers worldwide in regards to demographics and income. With the goal of helping freelancers navigate the rapidly evolving professional landscape, we surveyed over 21,000 freelancers from 170 countries to determine how they operate and what rates they charge. This survey will be of interest to freelance marketplaces, industry analysts and many others, but most of all for the freelancers who make this economy thrive. We utilized this survey to compare average hourly rates, better understand what drives competition, and find new ways to increase income. Some of the key findings of this report are:

- The worldwide average hourly rate charged by freelancers is \$19, well above the average hourly salary in most of the countries where the freelancers we surveyed are based. The freelance scene is young – over 50% of the respondents are under the age of 30.
- At the same time, older freelancers earn more than their younger counterparts. Freelancers with advanced degrees earn more than those with high school and bachelor's degrees.
- Regardless of their own location, more than two-thirds of freelancers work for clients based in North America, and half of them work for clients based in Europe. Over 80% of the professionals surveyed focus on 1 to 3 jobs at a time.



- Almost half of the freelancers have an average work week of 30-50 hours. Freelancers providing Finance, Management & HR services work the most hours a week. Key Findings

- Freelancers providing Legal services charge more than any other service (\$28 per hour) but work the fewest hours per week. Freelancers who work in the field of IT & Programming have the highest levels of job satisfaction.

- Nearly three-quarters of freelancers find projects via online marketplaces.

- The preferred social media channel to promote the freelancers' work is Facebook, utilized by

54% of the respondents.

On global scale because of its huge population and a very promising and emerging IT Industry, India ranks as the leading number of freelancers as 24% of global online workers reside in this country. In addition, the Indian workforce is considered highly competitive due to their better education levels and higher technical knowledge.

Bangladesh is the second most popular freelancing destination comprising of 16% chunk of the total pie. The major focus of freelancers in Bangladesh is towards sales, marketing support, creative and multimedia, software development and technology. The USA stands third by contributing to over 8% of the global gig economy. According to a report published by Upwork and Freelancers Union called "Freelancing in America: 2017" (FIA), over one-third of the workforce is currently comprised of self-employed individual while India's workforce has a reported 15 million freelancers. The report further suggests these numbers are expected to grow rapidly in the coming years. The study report estimates 57.3 million Americans are freelancing (36 percent of the U.S. workforce) and contribute approximately \$1.4 trillion annually to the economy, an increase of almost 30% since last year (2016). And by 2020, it is predicted more than 40% of the US workforce will become independent workers, while the same report also reveals by 2027, majority of the workers will freelance by 2027. The U.S. freelance workforce is growing faster than the overall U.S. workforce, outpacing overall U.S. workforce growth at a rate 3x faster since 2014. It numbered 53 million in 2014 and grew to 57.3 million this year (8.1 percent growth since 2014) while the U.S. workforce grew from 156 million to 160 million in the same timeframe (2.6 percent growth). [Freelancer in America, upwork.com]

Pakistan stands at 4th position due to a rising numbers of qualified graduates who are working by freelancing their expertise. Higher education institutes produce a humongous count of 600 thousand graduates annually from varying fields of business, computer science, and software engineering. Philippines follows Pakistan in the freelancing rankings contributing 6% in the global outsourcing market.

These stats are encouraging and shows the future of Freelance and Online services industry has a great potential for continued growth. Taking into consideration the ever-growing number of populations worldwide and the resources/work they would be needing; the online services and freelance industry is expected to grow further and deploying such industry on blockchain is bound to yield significant results.

Another study by Freelancers Union reveals overall freelancers have contributed \$21 billion to the



UK economy with more than 1.4 million active British freelancers working across all sectors. This has grown 14% in the past decade. The report further states 78% of the UK public think freelancing and flexible working help promote a good work/life balance while 72% think freelancing has a positive effect on family life. The survey further gives details of the leading industries and terming marketing as the most leading service.

### **KEY STATISTICS THAT EXPLAIN THE GIG ECONOMY**

- 1.** 86 percent of professional freelancers choose freelancing. – The 2016 Field Nation Freelancer Study
- 2.** 36 percent of US population i.e. 57.3 million freelanced according to a 2017 survey
- 3.** By 2027, more than half of American workers — 58 percent — will have had some experience as independent contractors. – MBO Partners Looking Forward: What Will the Independent Workforce Look Like In 2027?
- 4.** Not only are executives looking to hire experienced contractors. 63 percent of full-time executives would switch to become a contractor, given the opportunity. – The White-Collar Gig Economy: Four On-Demand Workforce Trends According to Today's Business Leaders, Mavenlink
- 5.** 20 percent of organizations globally with more than 1,000 employees have a workforce that is made up of 30 percent or more contingent workers. – Global Contingent Workforce Study, EY
- 6.** 26 percent of U.S. employees say they are somewhat likely or likely to become a freelancer or independent contractor. – Happy in the Home Office, Freelancers Embrace the Gig Economy, ReportLinker
- 7.** One-third of professionals globally say that work-life balance is becoming more difficult. Excessive overtime and a lack of flexibility are among the top reasons people leave jobs. 24 percent say they would take a 10 percent pay cut to be able to telecommute. – Work-life Challenges Across the Generations, EY
- 8.** 81 percent of working parents say work-life balance is more important than pay when looking for a new job. 70 percent have thought about leaving a job because it doesn't offer flexibility. – Working Parents in 2017: What They Want at Work, Flexjobs
- 9.** 50 percent of U.S. jobs are compatible with remote work arrangements, and 80 percent of the workforce says they would like to work remotely at least part time. Yet only 7 percent of employers make flexible work available to most employees. – GlobalWorkplaceAnalytics.com
- 10.** 94 percent of workers are open to non-traditional forms of work. – Gig Responsibly: The Rise of NextGen Work, Manpower Group
- 11.** 44 percent of business leaders say the top socio-economic driver of changes in industry is the "changing nature of work, flexible work." – The Future of Jobs Report, World Economic Forum

# 8 Future forecast of the freelance marketplace

57.3M people freelance



The majority of workers will freelance by 2027



Millennials are leading the way

47%

of Millennial workers freelance, more than any other generation



Source Upwork.com

Freelancers contribute an estimated **\$1.4 Trillion** annually in freelance earnings to our economy



More income sources are better

Freelancers think having diversified income is more secure than one employer (63% agree)



Tech is enabling freelancing

71%

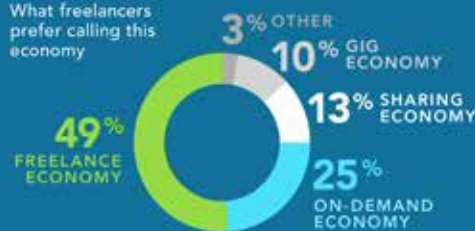
of freelancers say the amount of work they obtained online increased over the past year



Source Upwork.com

Don't call this the gig economy

What freelancers prefer calling this economy



Top drivers and barriers to freelancing

DRIVERS

- Freedom
- Flexibility
- Earning extra money

BARRIERS

- Income predictability
- Finding work
- Benefits

Freelancers are preparing for the future



55%

FREELANCERS

% who reskilled within the last 6 months

30%

OTHERS

Source Upwork.com

## 9 Vites competitors and their profit distribution models

The current centralized freelance platforms have a simple pay structure. The platform takes a cut of all payments. Some charge a flat rate on all transactions, while others charge variable rates depending on the type of work. Here's a quick breakdown of the fees of the major platforms:

- **Upwork:** 20% up to \$500, 10% up to \$10,000, 5% over \$10,000 per client
- **Codeable:** 15%
- **Fiverr:** 20% from seller (\$1 for a \$5 gig) 5% from a buyer
- **Freelancer.com:** 13% (3% to employers, 10% to freelancers)
- **TopTal:** Undisclosed. High hourly rates of \$65–200

These fees can quickly add up. For a small \$500 freelance project on Upwork, the fees will already be at \$100 before the PayPal fees are added. For large \$100,000 project on Codeable, the fee would be \$15,000 for just a single gig.

The payment options are pretty similar for all the platforms, with most accepting credit cards, PayPal, or bank transfers, and paying freelancers via PayPal, Payoneer, and bank transfers. None of the major platforms accept or payout in cryptocurrency yet. There are some smaller startups that accept cryptocurrency payments such as XBTFreelancer, a 100% Bitcoin-based freelancer platform. But these projects haven't really taken off, with only a few projects posted a day in all categories.



# CHALLENGES VITES AIM TO SOLVE

While the demand for freelance work is growing worldwide, so is the competition. Setting and negotiating rates can often be challenging. Despite their popularity, these freelance marketplaces have struggled to solve a number of ongoing problems. Making prompt and efficient payments to millions of freelancers in hundreds of different countries is proving to be a real challenge. Ensuring the quality of work delivered to clients is another major headache, as is helping new freelancers get started on a platform.

Having a middleman to execute this duty comes at prices:

### 10.1 Massive fee charged by middleman

Traditional platforms such as Fiverr and Upwork etc. charge a seller 20% of their earning while the buyer has to pay 5% extra as commission, which means, around one-quarter of the order activity is taken as commission. Also, while withdrawing the earned money a seller has to pay 2-4% extra fee depending on the payment processor.

### 10.2 Slow Payment Processing

In most freelance platforms, the payment process is extremely inefficient. You need to wait for at least two weeks in order to be enabled to withdraw your money if you are a seller on Fiverr. Similarly, on Upwork even when you have waited for a fortnight to be able to release your payment if you are withdrawing your money to a local bank account or another payment processor, you have to pay an extra fee which again lowers your total earning.

### 10.3 Outdated Dispute Resolution

It has been reported in a various instance where sellers (service providers) were deprived of their earning only because the buyer had placed an unjust dispute. Chargebacks after months of successful delivery of a service activity, buyer taking a service and threatening to leave unjust reviews, and poor dispute resolution is a major problem faced by freelancers.

### 10.4 Poor review and rating Model

In traditional platforms, while there is a strict penalty (lower ratings, gig placement, and ranking) for a seller, the buyer gets away even if he/she tries to manipulate the rating system and blackmail/pres-surize a service provider for extra service (something that doesn't come under the original Scope of work). Moreover, as these platforms are in charge of the rules in how the rating calculated and how they are displayed, in case of a bad and unjust review for a seller can be devastating.

### 10.5 Unjust Suspension of user accounts

Unjust suspension of account because of manipulated buyer complaints, IP address matching and faulty algorithms detecting normal chat as an attempt of outside communication.

The rating is the key element for the freelancers as this is what the employer does the evaluation when making the employment, and that needs years of time to cultivate upon the platform. These rating data is owned by the platform and can't be shared among other platforms.

### 10.6 Lacking voice and video calling feature

Majority of the platforms today lacks voice and video calling feature because of which a buyer and seller has to rely on the chat. This may cause serious problems and misunderstanding





Vites Ecosystem will incorporate freelance based services to its platform and allow its users to avail quality services directly at their home or office—without the need of hiring an employee physically or bidding a contract through third party. The platform will protect interests of its users through deployment of the transactional activities on \*blockchain and trustless \*smart contracts. It will provide a user-friendly marketplace where buyers interested looking for a respective service can hire freelancers from any part of the world at minimal costs. Accordingly, freelancers will have the opportunity to add their profession and special skills they possess and can use their abilities to help create an income.

### 11.1 Minimal Fee

As in traditional platform a freelancer has to pay 20% as commission fee and another 2-4% as payment processor fee vs, order activities happening at Vites Freelance marketplace are charged at 9% only for the seller. Our platform will start with payment in Vites only. At a later stage when other coins are added as payment partners, the percentages change. We will then charge 12% fees for whatever currency and 6% fees if they offer the assignments with Vites. It is noted, unlike traditional platforms where a buyer also has to pay up to 5% fee for placing an order, Vites Platform for buyer is absolute-ly free.

## 11.2 Instant Payment Processing

Sixteen percent of freelancers want faster payments from their freelance work. This makes sense, as getting paid online can be a major headache. With Upwork, you need to wait for a client to approve a payment, then wait a further five days just for the funds to be available in your account, then you have to wait again for the payment to be processed into your bank account. It can easily take weeks for a freelancer to receive the money. Similarly, on Fiverr you have to wait at least 14 days after the payment has been cleared by the buyer. Using our Vites Platform, we have ensured we will release earnings after fee deductions in approx 7 days. As soon as an order has been completed and cleared (by the \*smart contracts), payment will be processed. We intend to look at the possibilities for instant payment at a later stage.

## 11.3 \*Smart Contract powered dispute resolution

In our pursuit of utilizing blockchain technology to its fullest potential, all order activities between buyer and sellers would be protected by Smart Contracts—modern cryptographic contracts, where unlike traditional contracts, use cryptography for security and provide trustless settlement of payment in a peer to peer manner. Thus, for normal order activities, payment settlement would be automated through the smart contracts. However, when cases are referred by Smart Contracts to be mediated manually, we would create an Arbitration process where a dispute would first get arbitrated by a Vites representative and the freelancer or seller would have further option to file for arbitration through Dispute Resolution Committee which will consist of representatives from Vites managerial team, Vites Advisory Board, and Highly ranked experienced freelancers from Vites Platform.

## 11.4 No more charge backs

Normally in freelance services marketplace, chargebacks are done directly by buyer/client banks due to credit card stealing or some time these buyers do it with dishonest intent to get free work. Vites platform through \*blockchain and \*smart contracts ensure all transactions are done in a trustless manner without relying on centralized banks or third-party institutions. As a result, no freelancer would be deprived of their hard-earned money due to malign intentions of dishonest buyers. Furthermore, as mentioned earlier, the quality of the service would be ensured by usage of \*smart contracts.

## 11.5 Trusted review and rating model

Unlike traditional freelance platforms which are prone to rating manipulation, a \*snapshot of all order activities on Vites Platform would be recorded permanently on an immutable \*blockchain. This will give visibility of the new buyer of what service has the freelancer been hired in past, what was the total duration, net amount for the order activity and final rating and review. Similarly, all such features would be available for a freelancer to look into Buyer Profile making sure they know their past record and are satisfied of not being hired by scammers or someone who just want to hire them and get away with it—not giving them the amount the freelancer earned.



## 11.6 Transparent arbitration

Instead of permanently suspending a freelancer for breaching Vites Terms of Service, there will be a warning count system that will be privately added to a freelancer or a buyer profile (not visible for public). The maximum warning count is 3 while at every warning count, the user will get a penalty depending on severity of the breach they have committed.

Moreover, all order activities would be monitored by \*smart contracts and it would be ensured no unjust suspension of account is done ever. However, in case a person has committed a serious breach of Terms of Service even after 3 breaches, his/her account would be restricted and the user would be allowed to withdraw their earnings. For every count being given to a user, he/she would be presented with the proof and if he/she further wants to dispute, they would be allowed to file a dispute which the Arbitration Committee would review.

## 11.7 Voice, video and conference calling

In order to remove the doubts and ambiguities among a seller and buyer for a respective gig, they would be allowed to communicate via Voice, Video or Conference Calling feature once an order has been placed on a respective seller's gig. This feature would allow thorough communication between buyers and sellers and as result provide opportunities for sellers to better comprehend their clients requirements, and as a result, deliver better services. This option can be used at an additional fee.

\* Everything marked with a star can be seen as 'blockchain features' and is optional. The possibilities of implementing these blockchain features are further being explored.

## 12 Key features Vites Platform



### 12.1 \*Peer to peer service hiring

Vites Platform provides a job marketplace built on blockchain allows customers to find quality services from across the globe. Instead of hiring through third parties who take a big share for providing the right talent, a buyer can directly hire a professional freelancer in a peer to peer manner.

### 12.2 \*Blockchain Profile

Freelancers can create profiles just like LinkedIn, but unlike LinkedIn, it will be purely based on user performance and activities across the Vites Platform. All user data would be recorded on blockchain permanently, and anyone aiming to transact with the user would be able to check this blockchain based profile which will add trust and enhance the possibility of potential collaboration.

### 12.3 Smart Explorer

Vites Platform will allow users to intelligently look for their required services using its Smart Explorer Search Feature. A buyer aiming to hire a freelancer for a respective order activity would need to enter his/her query alongside preferences such as Budget, Deadline, Expertise of the Freelancers and geographical locations etc. This way, the buyer would be presented with smart results that correspond to his preferences and would make the hiring process efficient and effective.

## 12.4 Smart Reviews

In order to ensure authenticity of the reviews, they will be linked to the smart contracts where a buyer and a seller would be allowed only to add Review/Rating once a real order activity has been executed. Unlike traditional freelancing platforms where only rating and a review is shown, reviews on Vites Platform would show duration of the service, total amount reserved for the order activity and nature of the work so that manipulation of paid reviews can be eliminated.

## 12.5 A platform for the Unbanked

Abig percentage of the world's population today, especially those living in under developed and emerging economies lack access to banking, which means they can't use freelancing platforms. Vites will resolve this through acceptance of leading cryptocurrencies and enabling wallets to be used for placing orders in the Vites Platform.

## 12.6 \*Blockchain Deployed Reviews

A snapshot of all order activities and reviews is recorded on blockchain which is a distributed, transparent and immutable ledger ensuring the data is accessible to everyone forever, without any one having the authority to manipulate it.

## 12.7 \*Smart Contracts — An escrow you can trust

Vites will create smart contracts for users in its platform which would serve as a working agreement between the two parties thus eliminating the prerequisite of trust and allows everyone to operate with confidence

Many freelancers find clients online, which means they don't have any direct, personal relationship with one another. Without a degree of trust, freelancers fret about payment viability and job posters worry about the quality of the final product. By allowing Vites smart contracts, freelancers can set predetermined benchmarks for a project, and those checkpoints can be assigned a payment. In this way, freelancers don't have worry about being compensated for work performed, and job posters have a level of quality control over the final product.

## 12.8 Cryptocurrency as a payment method

Instead of relying on traditional currencies where a buyer has to pay the debit card company a commission for placing an order, pay governmental taxes for foreign currency transactions, Vites Platform allows payment in cryptocurrencies. A buyer aiming to hire a service would need to send their funds to a Smart Contract which would serve as an Escrow and would release freelancer his earning once the order has been executed successfully.

\* Everything marked with a star can be seen as 'blockchain features' and is optional. The possibilities of implementing these blockchain features are further being explored.



# VITES SMART CONTRACTS

Smart contracts protocol of Vites facilitates secure payments and fair decisions. Rather than opting for traditional escrow, Vites smart contracts will be configured to release a certain amount of funds to a freelancer when they have completed a certain task. Similarly, it ensures clearing and settlement happens in a trustless manner and instantly.

## Working of Vites Smart Contracts

Vites smart contracts will offer a way to verify and order transactions in a distributed ledger, a record of consensus validated and held within a network of separate nodes. Entries can be altered but not deleted from the blockchain. All transactions will have an auditable trail and a traceable digital fingerprint.

To demonstrate the concept, let's try to implement a simple payroll contract which executes itself without any 3rd party institutions. Suppose we want to create a very basic payment contract, which works on time based, one to one model, with the following key requirements:

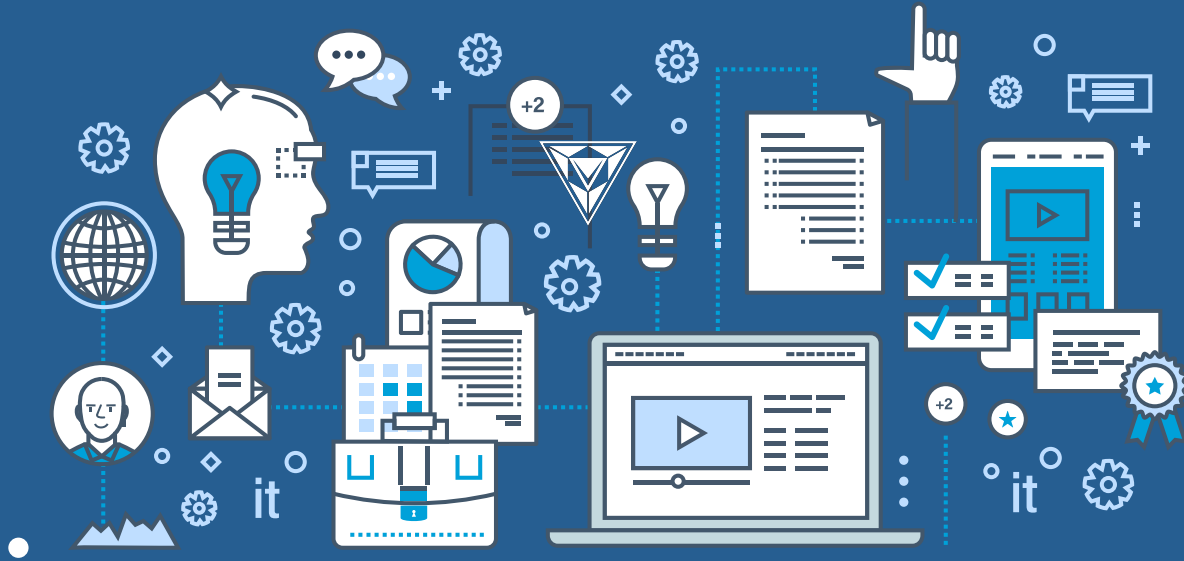
1. The employee needs to know if the employer has enough capital to fund the contract agreements.
2. The employer needs to know if the employee is capable of delivering the vision of the project.
3. Both the roles should have chances to evaluate if they are in a good fit within a trial period.

If something doesn't work well, a contract makes them eligible choose to terminate the contract, so as to avoid potential losses in either monetary or time.

## Flows of contract rules

- The employer can create a smart contract on Vites Platform where a user-friendly interface would be provided to make the configurations
- Once employer deposited funds into the smart contract, it will proceed to the handshake stage where there is a URL of the freelancer Profile and gig containing the address of this contract, to share to the employee to review this contract.
- With the shared URL Profile, employee can review the periods of the contracts and the available funds deposited.
- Once confirmed(signed) the contract, the contract starts with the trial period, in which payment requests are disabled. From now on, the deposited fund can only be transferred to the employee's account address or held in the Vites Smart Contracts.
- Once trial period passed, the employee can request payment whenever needed and get paid immediately based on the current time and the length of the contract period.
- In case of a dispute, the employee and employer can arbitrate. If they still don't reach to a potential conclusion, Smart Contracts release this amount to the Vites Wallet from where the Arbitration Committee decides based on the merit of the order activity.
- Alternatively, after the trial period, employer can authorize the contract completed to transfer the total payment to the contractor before the contract end time. This is meant to incentivize the contractor to deliver the quality work faster.
- The contract will mark ended when all the fund deposits were paid to the employee.

\* Everything marked with a star can be seen as 'blockchain features' and is optional. The possibilities of implementing these blockchain features are further being explored.



Vites Platform allows three type of accounts:

- **Seller i.e. Freelancer**

Seller is the user providing services and needs to create a seller profile.

- **Buyer**

A buyer is the user who wants to avail service of some freelance service provider.

- **Company**

A corporate account allows team members to manage projects where sub accounts would have the authority to communicate while the main account would be able to transact only.

A typical signup process is needed to be eligible to start using the platform. However, for an order activity higher than USD 100, both freelancer and buyer need to perform a Know Your Customer (KYC) process, where they would upload their identity documents. Once the KYC has been executed, there won't be any restriction and users would be able use the platform seamlessly.

### **Gig Creation**

In order to be able to get work online, a seller may need to create a simple gig or advertisement for the services he wants to offer. A user will have the option to create up to 10 Gigs at a time, and offer any service of their liking. It is important to note here though, Vites won't allow or encourage any such service that relates to human right violation, child pornography or adult content, and any gig attempt of this nature would be removed from the platform and the user would be given a warning.



## Searching for Talent:

A buyer needing a respective service can choose from a huge array of gigs available at different categories mentioned on the platform or directly insert the key words in Smart Search Bar. The search bar will present a list of relative gigs from which a buyer can directly place an order or re-quest for chat and negotiate a custom order with the freelancer.

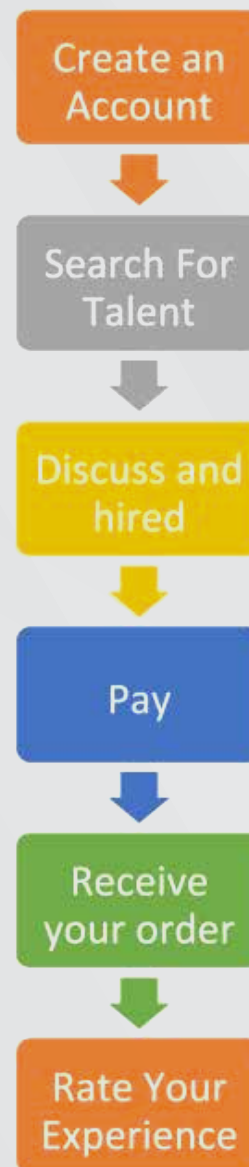
## Communicate and Place Order

Once the user has found a gig of his liking, he would be able to chat and further discuss the project with the freelancer. If the buyer is satisfied and the seller gig is active for order placement, the buyer can make the payment and place an order.

### For Freelancer



### For Buyers





Vites Coin is a deployed modern age cryptocurrency using sophisticated NIST5 algorithm and achieves consensus through Proof of Stake consensus model. It will serve as the native cryptocurrency of the Vites Freelance marketplace and enable order placement through atomic swap conversion of leading cryptocurrencies in the Vites Platform. It eliminates the role of intermediary from payment process by providing a peer-to-peer payment service, that uses cryptographic medium of exchange designed for market participants who wish to settle their financial claims via alternative means of payment.

The Vites Coin is open source, this means the code of the coin can be accessed by anyone at any time and suggestions for improvement can be made by the community. The decision to make the coin open source was made to encourage advancement and innovation without hindrance, as well as community involvement.

### 15.1 Algorithm: Nist5

The Nist5 hashing algorithm is a fairly new algorithm seeing more and more mainstream adoption through cryptocurrencies such as Electra and Bulwark. The Nist5 algorithm is a technology combining several finalists from the NIST hashing competitions over the years.

It consists of:

- Blake
- Grostl
- JH
- Keccak
- Skein

### 15.2 Proof of Stake Functionality

Consensus in traditional cryptocurrencies such as Bitcoin or Ethereum is achieved through a mechanism called Proof of Work (PoW) by requiring generated blocks to contain a proof that the node which generated the block solved a computational hard task. This process of achieving consensus plays a vital role in security and authenticity of the transactions and avoid double spending and fraud.

However, in recent few years, it has recorded some significant issues such as massive amount of electricity consumption by the mining machines, expensive computing machinery, and the risk of 51% attack. Furthermore, as the computing power required to carry out the cryptographic calculations only ever increases as the difficulty increases, thus consuming greater amounts of electricity.

In order to keep the system running and achieve consensus mechanism, Vites uses an alternative consensus mechanism called Proof of Stake (PoS) where consensus is achieved through minting or delegation instead of mining.

This is the backbone of the Vites financial ecosystem as it provides the decentralized capability of validating transactional activities. It facilitates trust in user's peer to peer activities i.e. Vites products and services across the globe and third-party products across many different domains. Validation of transactions is done in an energy efficient manner through showing a proof of owning coins. Anyone holding a particular stake of Vites Coin can use the Proof of Stake system as by connecting their wallet with our blockchain and earn lucrative rewards given on the website in detail.

## Vites Coin Incentivized Staking

- You download a wallet from our website
- Staking ROI is between 10-20 % per year, this is not a fixed ROI as the staking needs to be done correctly

### Here are the steps:

- Leave your balance in your wallet for min 8 hours
- After 8 hours, wallet will start staking. Using your total coins, you will have the staking weight
- The higher the weight the faster the rewards
- Every balance having coins and is staking will split in two after staking giving you more chances to find a block
- If you move the balance (use the coins), your coins will not be mature anymore and they will need another 8 hours to get mature

## 15.3 Specifications

Time until all coins are mined: At current PoS rate 1,5- 2 years. But within- or after the first year we are re-adjusting the PoS rate to a significant lower ROI. And we're going to explore the benefits of adding masternodes. All the changes within- or after the first year will be for the health of the project.

Staking rewards are 10% annual. If you stake your coins more frequently, you can even gain up to 20% annually with the gained compounding interest.



VITES

## SPECS INFORMATION



Ticker: VITES

PoS algorithm: Nist5

Block time:  $\pm$  2,5 minutes

Block size: 8 MB

Block rewards: 10-20% year one

Difficulty: re-target 60 minutes

Confirmation time: 10 blocks ( $\pm$  25 minutes)

Stake maturity: 30 blocks ( $\pm$  75 minutes)

Minimum age to stake: 8 hours

PoS Period: Infinite

## 15.4 Utility of Vites Coin/additional features

These days most cryptocurrencies serve solely as speculative assets, out of which most essentially just focus on being Bitcoin but faster, cheaper, anonymous or to feature some kind of other gimmick. This leads to a significant lack of real-world utility which could and most definitely should come from the use of blockchain technology. Cryptocurrencies can only be adopted as a proper currency if they are usable in many different ways and are easy for newer and less tech savvy users to obtain and utilize.

The Vites project has a strong focus on providing actual utility and low barriers for new adopters. Vites Coin will push its adoption primarily through Vites Freelance platform, Vites Gateway for E-commerce and associated merchants, and provide a digital economy where you can earn or spend the Vites Coins.

Below given is some of the methods where Vites Coin would serve as medium of payment:

- 1. Vites Freelance Platform:** For hiring freelance services.
- 2. Peer to peer marketplace:** Vites P2P Marketplace will serve as an online utility providing platform for the VITES Holders, allowing buyers and sellers in a seamless, risk free environment. Vites Marketplace will be a C2C e-commerce platform offering global merchandise. In addition, Vites Marketplace will also have functionalities similar to OLX or eBay and provide global merchandise to buyers and sellers worldwide. Vites Marketplace not only connects B2C, i.e. Buyer to customers, but also allow buyer to buyer functionality by enabling them to sell or purchase quickly at a very low fee.
- 3. VitesEX:** Vites also plans to develop a fully functional Exchange for the platform which will allow peer to peer exchange of virtual currencies with Vites.
- 4. Vites Pay: A Payment Gateway:** Vites Pay would allow Vites holders to make direct payments for their day to day spending needs such as shopping at stores, booking hotels, transportation based services and buying air tickets, etc. Vites Pay also allows Vites Holders to send their Vites to friends, family or anyone, use it as a remittance without massive fee or deductions. One of the ways Vites Pay will be applied is by releasing a plugin for Woocommerce and Shopify. Many people in crypto who are "web developer" can then boost the worldwide adoption.
- 5. Burning program:** Of the Vites with which transaction costs are paid on the platform, a part of the circulation will be removed from time to time. This will be realized through a coin burn.
- 6. Dividends program:** Vites is looking to create a model where Vites will pay a (big) part of the profits per month/quarterly to the holders of the coin.



### VITES COMMUNITY BUILDING STRATEGIES

#### 16.1 Word of mouth marketing

This means when you are apprised by someone you trust directly. Having already being in the market for years, we know when users are staking or holding VITES Coin, they are committed to the cause. As it says there is no marketing better than the word of mouth, we are at a huge advantage because of our already developed network and this will help us grow in the longer run.

#### 16.2 Strategic alliances and merchant agreements

Vites will also partner with key merchandisers around the world from time to time, as it is beneficial for both the parties and helps in enhancing acceptability of the coin.

#### 16.3 Attracting merchants

One of the most important aspects for a cryptocurrency is: marketing it so well users and holders have a place to spend it. We know our target group and have the best strategies in place, to convince even those who are not aware of the crypto. We already have made concrete steps in this regard and our community driven services are inspired by this vision. We aim to get the VITES Coin accepted as a payment solution in online shops to get their attention. We aim to be bringing merchants the customers and increasing their sales while reducing their payment fees. The rest is a matter of persistence and we make it as easy as possible to get them started.

## 16.4 Referral Programs

In addition to the large-scale paid marketing pushes, a rewarding referral program has been implemented, giving bonuses to those who refer new users to the exchange. Not only are existing users rewarded for a referral, but the new users are also given a sign-up bonus for being referred by a current user.

## 16.5 Press Releases

Press releases are a tried-and-true method of getting your message out there. We have professional content and copy writers in the team for writing press releases and add those to leading crypto news sites such as cointelegraph.com.

## 16.6 Social Media Management and Communities

We know an essential part of any successful cryptocurrency marketing plan is social media and community management. We have dedicated social media managers and moderators who would help the core team in moderating social channels such as Facebook, Twitter, Telegram, Reddit and Bitcoin talk etc.

# 17 Vites Team

The team consists of people with different positions. Vites team has:

- 3 Project Coordinators
- 6 Developers/Coders
- 4 Website/App Developers
- 5 Graphic Designers
- 1 Visual Designer
- 2 Marketing Coordinators
- 2 Content Writers
- 1 Functional Analyst/Tester
- 3 Social Media Managers
- 2 Advisors



Vites also has an extensive team of community managers and user support agents. You can view the team on the website. Vites has chosen to display only the persons on the website who have given permission for this.



## 18 Glossary

**PoW:** An algorithm, which requires miners to prove through distributed consensus

**Vites Coin:** The native coin within the Vites Platform and Vites Ecosystem

**PoS:** Proof of stake is a typical computer algorithm through which a cryptocurrency achieves their distributed consensus at a lower cost and in a more energy efficient way.

**Trustless:** User's don't have to send their coins to us. Private keys would be reserved with the respective users.

**Cryptocurrency:** a digital currency in which encryption techniques are used to regulate the generation of units of currency and verify the transfer of funds, operating independently of a central bank.

**Blockchain:** A blockchain is a continuously growing list of records, called blocks, which are linked and secured using cryptography.

**Wallet:** A cryptocurrency wallet is a software program that stores private and public keys and interacts with various blockchain to enable users to send and receive digital currency and monitor their balance.

**API:** A set of programming libraries and functions that allow outsiders to interact with a given system infrastructure.

**Exchange:** a community established exchange rate, assigning value to a given activity or service

**Atomic Swap:** It allows any user on one blockchain to 'swap' his asset with a peer he has never met on a completely different chain





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VITES

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