



Easter Egg

XFER

A decentralised, multi-sector
blockchain platform

Payments, Remittance, Gifting, Rewards and Loyalty

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Abstract

Blockchain is considered by many as one of the most important inventions after the internet. However, a piece of technology is only as good as the number of people who adopt it. Even though Blockchain technology was introduced to us 9 years ago, it still affects only a few million people when compared to the 3.7 billion internet users (close to 50% of the world population).

Although Bitcoin, the first distributed blockchain implementation, was supposed to be a 'A Peer-to-Peer Electronic Cash System', its volatility deters its mainstream adoption. So, there arises a need for stable tokens (digital currency), backed by an underlying fiat (legal tender), to gain confidence of the masses, which can eventually make it the de facto platform for every day financial transactions.

Introducing XFER

A transactional platform which brings the best of both worlds - stable tokens backed by fiat reserves and the benefit of decentralisation. The Easter Egg application will implement payments, remittance, gifting, rewards and loyalty on the XFER blockchain. By 2020, Easter Egg hopes that they can affect at least 5% of the world population through the XFER platform.

Introduction

Bitcoin was created to become 'an electronic payment system based on cryptographic proof instead of trust, allowing any two willing parties to transact directly with each other without the need for a trusted third party'. But with the immense popularity of bitcoin and due to the gradual rise of its value, it is used more as a store-of-value now and it is yet to realise its full potential as a global currency.

Most exchange-listed cryptocurrencies and tokens today are subjected to a high degree of volatility due to speculation by traders. This makes it very hard for them to be used as mutual exchanges-of-value between actors. This instability in value made a strong case for stable tokens, of which there are two major examples -

1. USDT by Tether: Each USDT token is backed by an equivalent amount of United States Dollars (USD) held in a reserve account by the private company Tether Limited.

2. Digix: Each token is backed by an equivalent amount of gold, which is stored in reserves by a dedicated precious metal storage custodian.

In both the examples above, the value of these stable tokens are redeemable in full or in part, by exchanging the token for its underlying asset. But in both these cases, the stable token is subject to the same fluctuations as the underlying asset. In case of Tether, it is fiat and in the case of Digix, it is gold.

Stable tokens bestow trust in the people who are transacting. Backing the tokens with fiat reserves and providing an abstraction from the platform below can help users adopt the system confidently.

The XFER blockchain has both XFER tokens which are tradable on exchanges and stable tokens which are pegged to the local fiat. Stable tokens are of two types:

1. Pegged tokens
2. Custom tokens (user-generated)

The pegged tokens are pegged to the local currency and is backed by an equivalent amount of fiat held in a reserve account in the respective countries. An example of a pegged token is SGD XFER or INR XFER, which is pegged to Singaporean Dollar or the Indian Rupee respectively. These tokens are created when the fiat is exchanged for these tokens in the system. The tokens are sent to a burn address whenever these tokens leave the XFER blockchain (by getting converted to fiat).

The total amount of pegged tokens in a particular country is equal to the total number of fiat held by the liquidity provider in a reserve account in that specific country. For example, the total number of SGD XFER in the system will be equal to the total amount of Singaporean Dollars held in an audit-ready account by Easter Egg Pte Ltd, Singapore (the liquidity provider).

Custom tokens are user-generated tokens. The value of these tokens are mapped to the pegged tokens in the respective countries. The purpose of the tokens might be loyalty, rewards, coupons etc. For example Baskin Robbins in Singapore might want to run its own loyalty program and can generate a token called BR XFER which may be equal to 1 SGD XFER. Note that the user-generated tokens are not backed by fiat reserves. Companies or entities who would want to create custom tokens are governed by a rule engine by which these companies/entities can create, distribute and assign values to these tokens.

The plan is also to build 5 important applications over the XFER blockchain platform - Payments, Remittances, Gifting, Rewards and Loyalty - so that transactions can happen on the platform, right away. XFER is an open platform and users are invited to build on it.

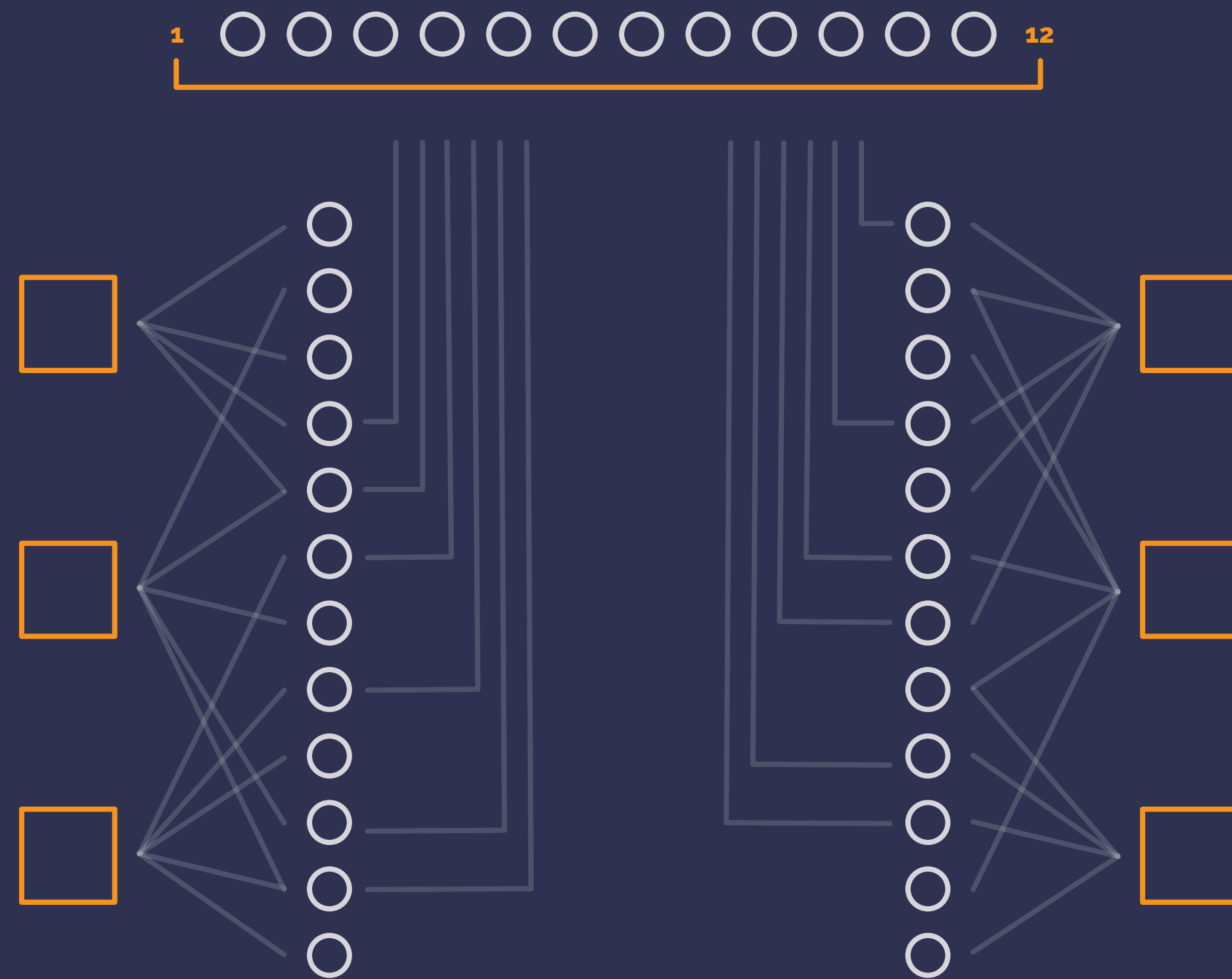


XFER

• platform overview

The design of the XFER platform is optimised for rapid execution, clearing and settlement. The role of the blockchain is to issue, exchange, compute and enforce mutual exchange-of-value across various pegged and custom tokens across actors, entities and geographies. There may also be several side chains that expressly maintain certain corridors and certain popular swaps, for certain tokens that require higher throughput, or for specific integrations with other chains, where either Easter Egg would add value or the partner would add value to Easter Egg. However, the initial version will presume high throughput for the use-cases envisioned.

The system will be able to handle high volumes of transactions. Clearing and settlement of pegged and custom tokens occur over the XFER blockchain via the clearinghouse and settlement framework and the final delivery of value will happen over fiat if the actor wants to bank the pegged tokens whenever the actor deems fit. The blockchain taps into the liquidity reserve pool through a rule engine to maintain an equilibrium between the chain state and the pool.



Nodes

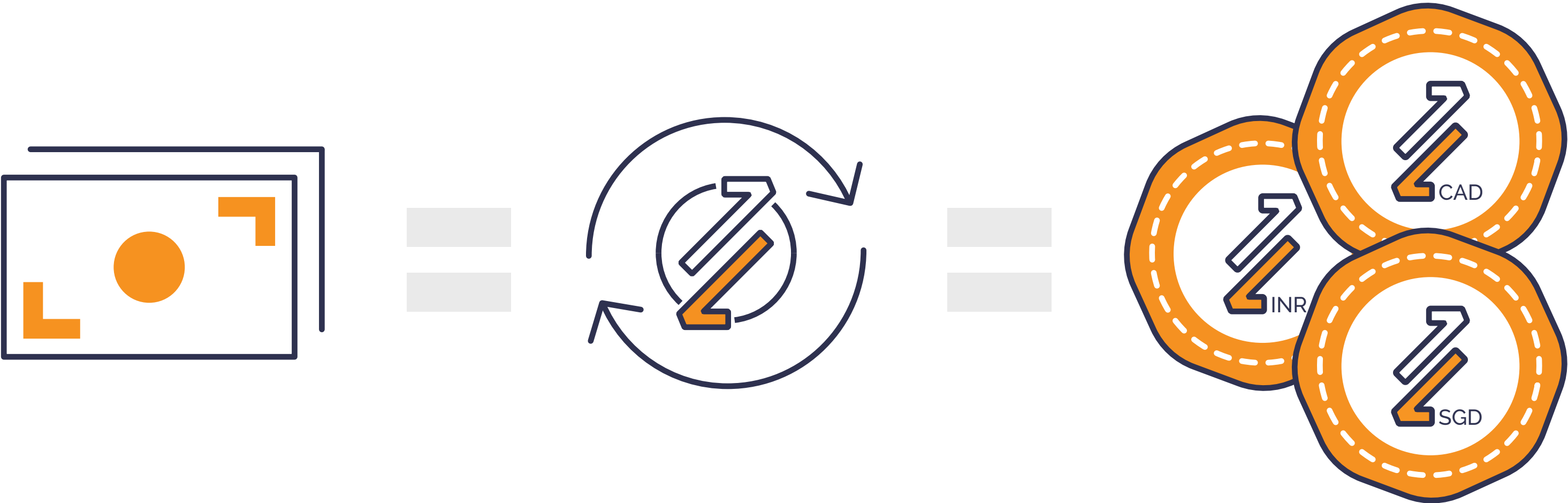
 Delegates

Consensus

The XFER blockchain uses Delegated Proof-of-Stake (DPoS) as the consensus mechanism. An election system driven by the stakeholders will choose the delegates who would generate the blocks within the system. The chosen delegates are slotted randomly into specific slots before each round of consensus. In each round, N delegates are chosen to forge by means of an election by stakeholders. Each stakeholder may vote for up to N delegates, and the weight of the vote is directly proportional to the amount of XFER held by the stakeholder. All active delegates in the round will earn a block reward on forging a valid block. Apart from this, there will be a round fee which will be split, among all the active participants in that round. The round fee is the transaction fees distributed at the closure process.

Liquidity Provider

Since the XFER platform can generate pegged tokens, this would mean there is a liquidity provider or a set of liquidity providers on the XFER platform. To start with, Easter Egg Pte Ltd., will act as the sole liquidity provider with two audit firms, who will do periodic audits of the fiat accounts and publish it on the blockchain. The pegged tokens will be generated and distributed by the liquidity provider, as and when fiat is received from a counter-party. Work is already in place to add more liquidity providers to the XFER platform and slowly ensure that Easter Egg Pte Ltd., is not the only liquidity provider on the platform, thus making it truly decentralised.



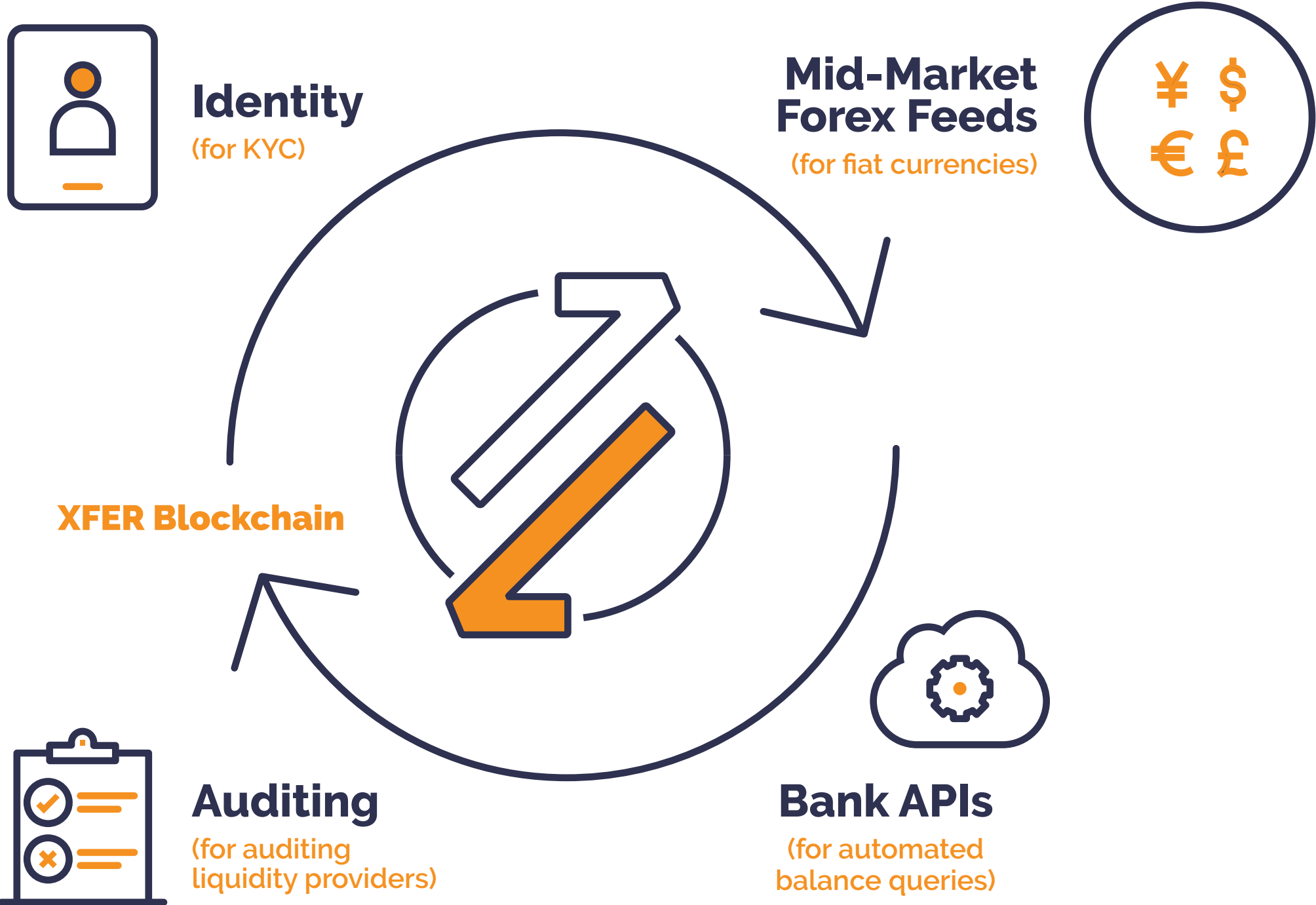
Common Infrastructure

The XFER platform will include common infrastructure in the following forms, to begin with:

- 1. Sidechains
- 2. Oracles

The following common infrastructure will be available in the very near future:

- 1. Identity (for KYC)
- 2. Mid-market forex feeds (for fiat currencies)
- 3. Auditing (for auditing liquidity providers)
- 4. Bank APIs (for automated balance queries)



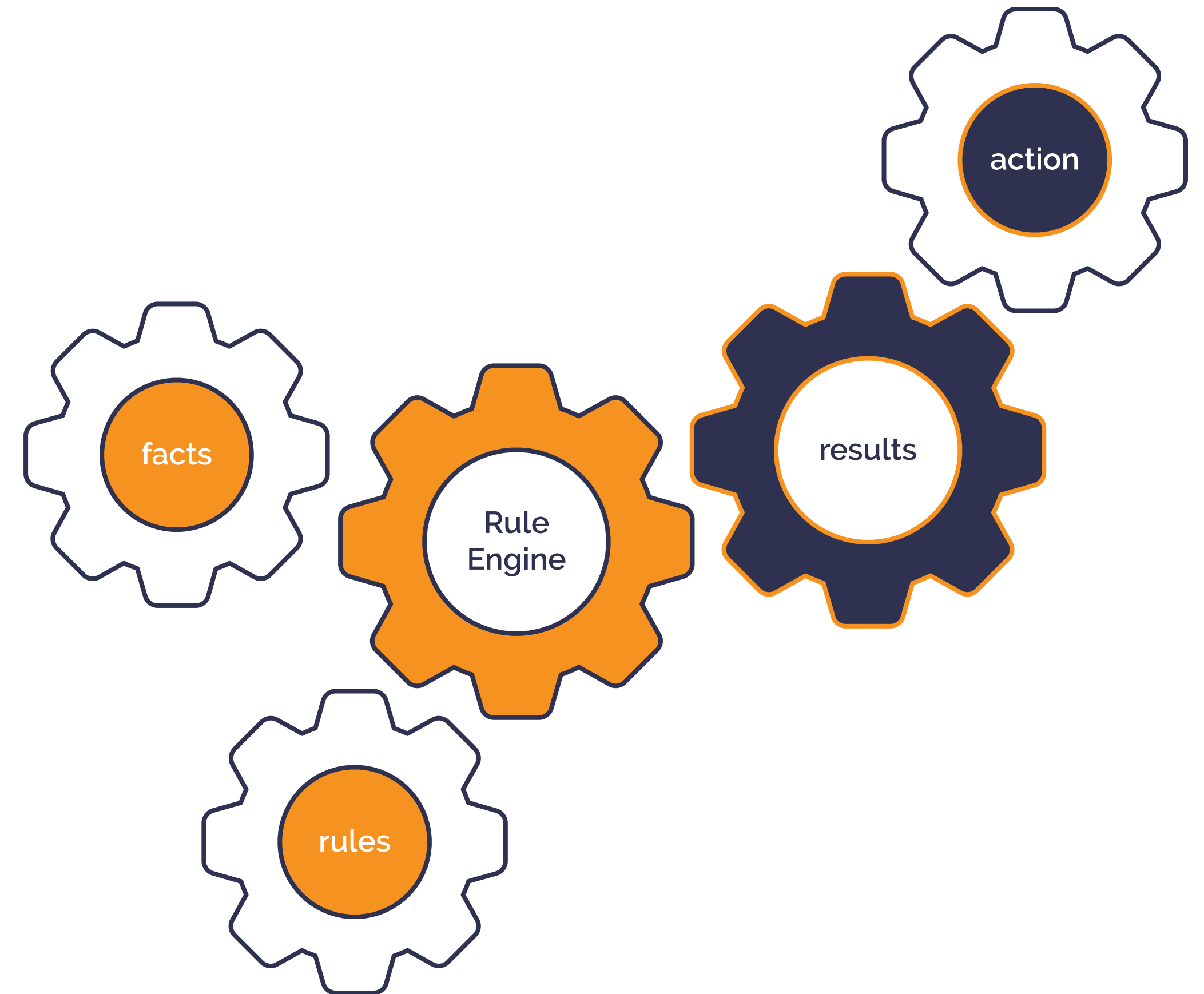
Rule Engine

A business rule engine allows non-programmers like business owners to add or change business logic in a business process management (BPM) system. A business rule is a statement that describes a business policy or procedure. The XFER Rule Engine (XRE) helps our partners create business rules with an easy 'if this, then that' interface for their custom tokens.

Following are two sample use-cases:

1. If an ice cream chain like Baskin Robbins comes up with its own loyalty program and offers loyalty points in the form of BRXFER, they can define the following business rules:
 - a. If 100 SGD XFER is spent by a customer (by transferring to the Baskin Robbins wallet), 1% of that (1 BRXFER) is created and sent to the source (customer's wallet).
 - b. 1 BRXFER can be used to redeem against 1.5 INR XFER whenever the customer wishes to. For example, if the customer has 10 BRXFERs, he can redeem it against a bill of INR 100 and pay only INR 85.
2. If a corporate wants to instantly reward its employees based on speed-of-task execution, the same can be implemented using the XRE. A simple example would be: Complete a particular task in 3 days and get 100 SGD XFER. If the same task is completed in 5 days, the employee only gets 50 SGD XFER. And the employee does not get anything if he/she takes more than a week to complete the task. The rules are added to the system and rest of the transactions are automated on the XFER platform.

These are just couple of examples which can use the rule engine to automate business logic. Providing partners to create their own tokens and define their processes with a easy-to-use interface opens up a lot of opportunities for businesses to come on board the XFER platform.



XFER: One platform that serves many sectors

What is common to P2P payment, remittance, gifting, loyalty and rewards?

The common theme that runs across them is the fact that it distills down to a 'transfer of value' from one entity to another. This 'transfer of value' can be regular fiat when it comes to P2P payment and remittance, digital voucher in the case of gifting and redeemable points in the case of loyalty and rewards.

A digital voucher or redeemable points is just metadata on top of a fiat payment. It all distills down to three things: transfer of value between peer-to-peer, peer-to-partner or partner-to-peer.

When the sectors are examined from a vantage point of transfer of value, they can be unified through a fundamental unit of exchange that can shapeshift into a relevant unit, based on the use-case.

Pegged and custom tokens can take the following forms:

<FIAT>XFER:

Pegged tokens are one of the fundamental units of exchange on the XFER blockchain. A unit of pegged XFER is always pegged to the originating fiat currency. For example, <FI-AT>XFER generated for Canada will be **CADXFER** and those generated for India will be **INRXFER**. 1 unit of **CADXFER** will guarantee a value of 1 Canadian Dollar. A clearinghouse is used to convert one type of <FIAT>XFER to another when it crosses borders. <FI-AT>XFER is employed to serve P2P payment and remittance use-cases.

<PARTNER>XFER:

These are custom tokens that can be used only at a particular partner. Think of it as a voucher. For example, if someone likes to gift their friend at TGIF®, they could pay \$100 which would be sent to their friend as a digital TGIF voucher worth \$100. The friend could walk into TGIF and redeem the \$100 for goods. The settlement between their friend and TGIF happens over the blockchain in the form of **TGIFXFER**. TGIF can bank the **TGIFXFER** which will be settled as fiat to TGIF. <PARTNER>XFER is employed to serve gifting and loyalty use-cases.

<CATEGORY>XFER:

These are pegged or custom tokens that can be used across partners in a particular category. Easter Egg already has a network of 300 partners, across 4 categories in 3 cities, across 2 countries. In each category, there are multiple partners. A <CATEGORY>XFER can be used at any partner in a particular category. For example, if a person sends \$10000 as remittance from abroad to his/her aged parents, they can even ensure their parents get regular health checkups and send \$8000 as <FIAT>XFER that will be banked, and the rest (\$2000) as **HEATLHXFER** that can only be redeemed for healthcare services with partners in the healthcare category. There have been instances of this use-case in the Philippines and Indonesia already. A lot of people sending money from abroad to these countries, are sending part of it straight to the grocers so that the family is fed.

In all these cases, the pegged and custom tokens, in whatever form, will never be shown to the user. Pegged and custom tokens are used on the blockchain to settle transfer of values between counter-parties. Users will see all transactions only as fiat, vouchers or points - all in one, unified application.

Easter Egg's view on mutual exchange of value

Today, users in various markets are at different stages of adoption of cryptocurrencies and hence, are at different levels of comfort when making transfers of value over cryptocurrencies. Also, since cryptocurrencies are subject to high volatility due to low liquidity, there are concerns even among high frequency users of cryptocurrency-based payments.

The XFER system and its underlying tokens are opaque to the user for now. When a user makes a transfer of value, be it remittance, peer-to-peer payment, partner payment or a voucher on the platform, the user is presented only with the base currency of origin, while the system handles the heavy lifting of relevant token generation and clearing and settlement of tokens between counter-parties.

This method instills a sense of confidence in the user while introducing a robust and versatile payments and settlement system between counter-parties.

As and when certain markets reach higher levels of comfort making payments directly with cryptocurrencies, it would be possible, in the future, to expose certain tokens as means of storing and transferring value.

Remittance Use-Case

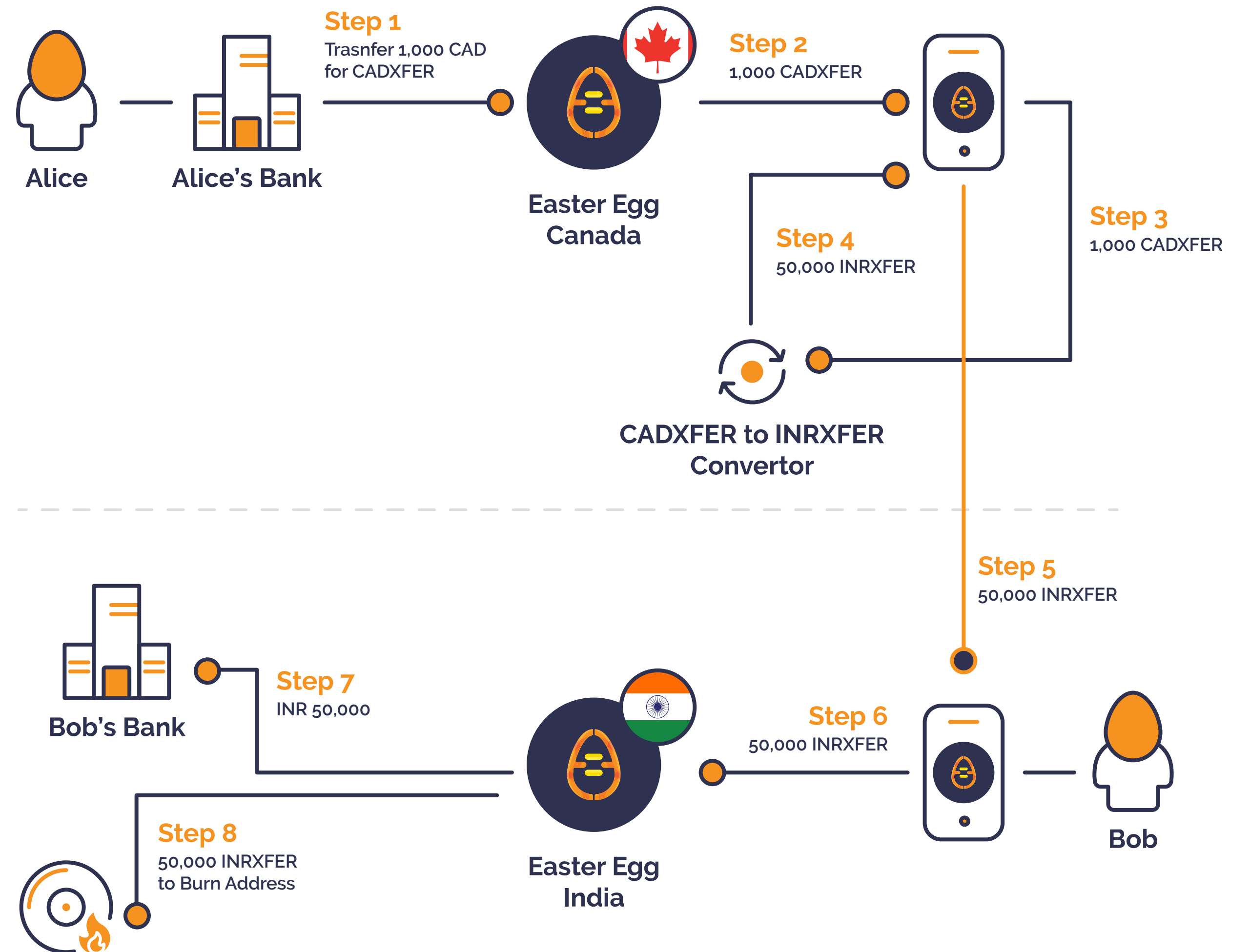


Alice exchanges 1000 CAD for 1000 CADXFERS. The 1000 CADXFERS are backed by 1000 Canadian dollars held by Easter Egg Canada entity. 1000 CADXFERS show up in the user's wallet. Note that Alice can use these CADXFERS at one of the partner outlets or can send this money to Bob, who is in India. All she needs to do is just select Bob on her contact list and transfer 1000 CAD to him in India. The 1000 CADXFERS are converted to 50000 INRXFERS (considering the exchange engine provides a conversion of 1 CADXFER = 50 INRXFER) and is backed by INR 50000 in the reserve account of Easter Egg India.

Note that Easter Egg uses Bitcoin as the payment rail to take advantage of transfer speeds and arbitrage on the Canada - India corridor.

The 1000 CADXFERS are sent to a burn address. The 50000 INRXFERS shows up in Bob's wallet. Bob has the option to spend it at one of the partner outlets or decide to 'Bank' it. If Bob chooses to Bank, the 50000 INRXFERS are sent to the burn address and the INR 50000 is sent to Bob's account.

A sample flow of the remittance use-case, and how tokens are generated, cleared and settled between two parties while transferring across boundaries is represented in the diagram below:



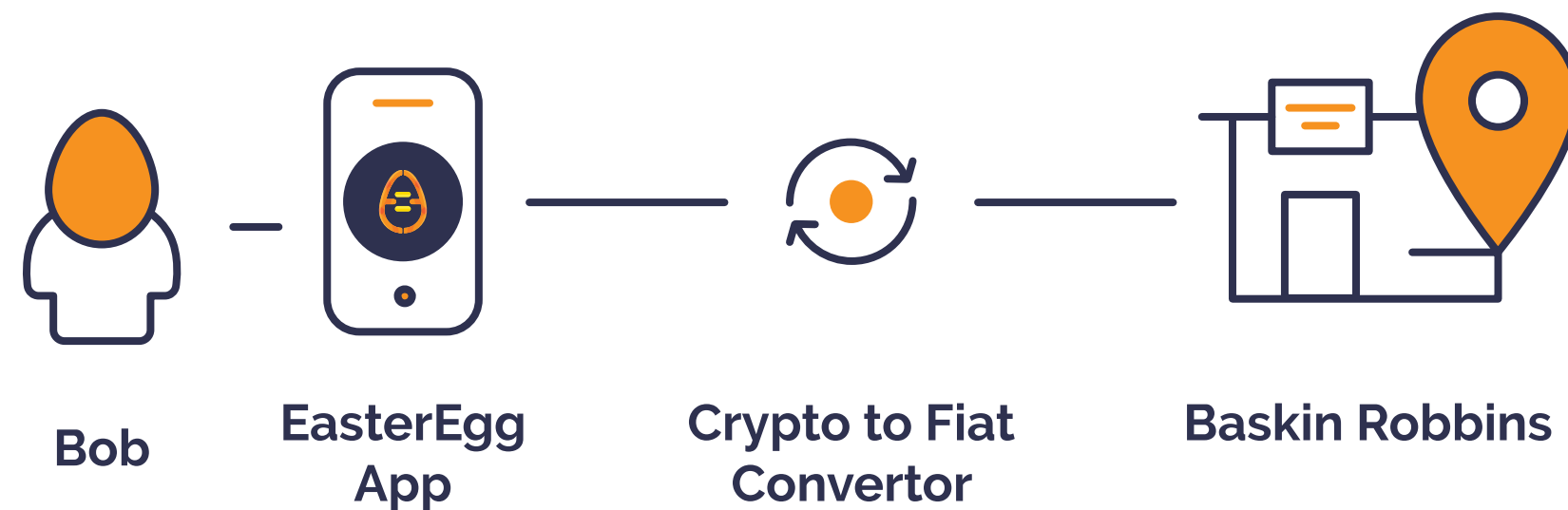
Payments Use-Case



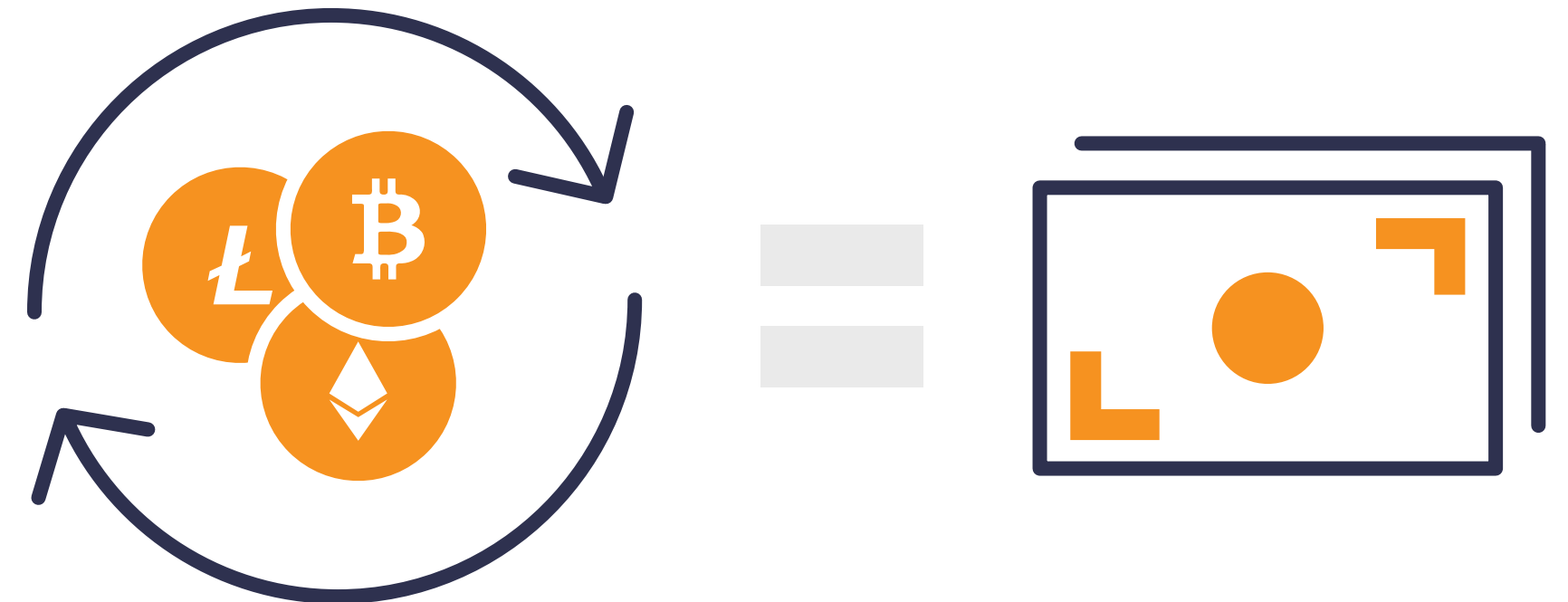
Each user on the XFER platform has a wallet, which allows him to store XFER tokens. Both vanilla XFER tokens and stable XFER tokens (pegged and custom) can be stored in this wallet.

The customer has the option to convert his XFER tokens to pegged XFER tokens (like CADXFER) and use it at any of the partner outlets. In the next phase, they will also provide the user other cryptocurrencies like Bitcoin and Ether to start with, which can be converted to CADXFER to be used in any of the partner outlets.

Note that only the pegged XFER (CADXFER if the user is from Canada) is backed with Canadian Dollars by the Easter Egg Canada entity. The user's wallet always shows the total value in the local currency and is abstracted from the XFERs. If the user chooses to have other cryptocurrencies like Bitcoin or Ether, those are shown in terms of Bitcoin and Ether. The user is provided an option to pay for anything from his pegged XFER wallet or through any of the other cryptocurrencies (automatically converted to XFERs in real time) that are supported.



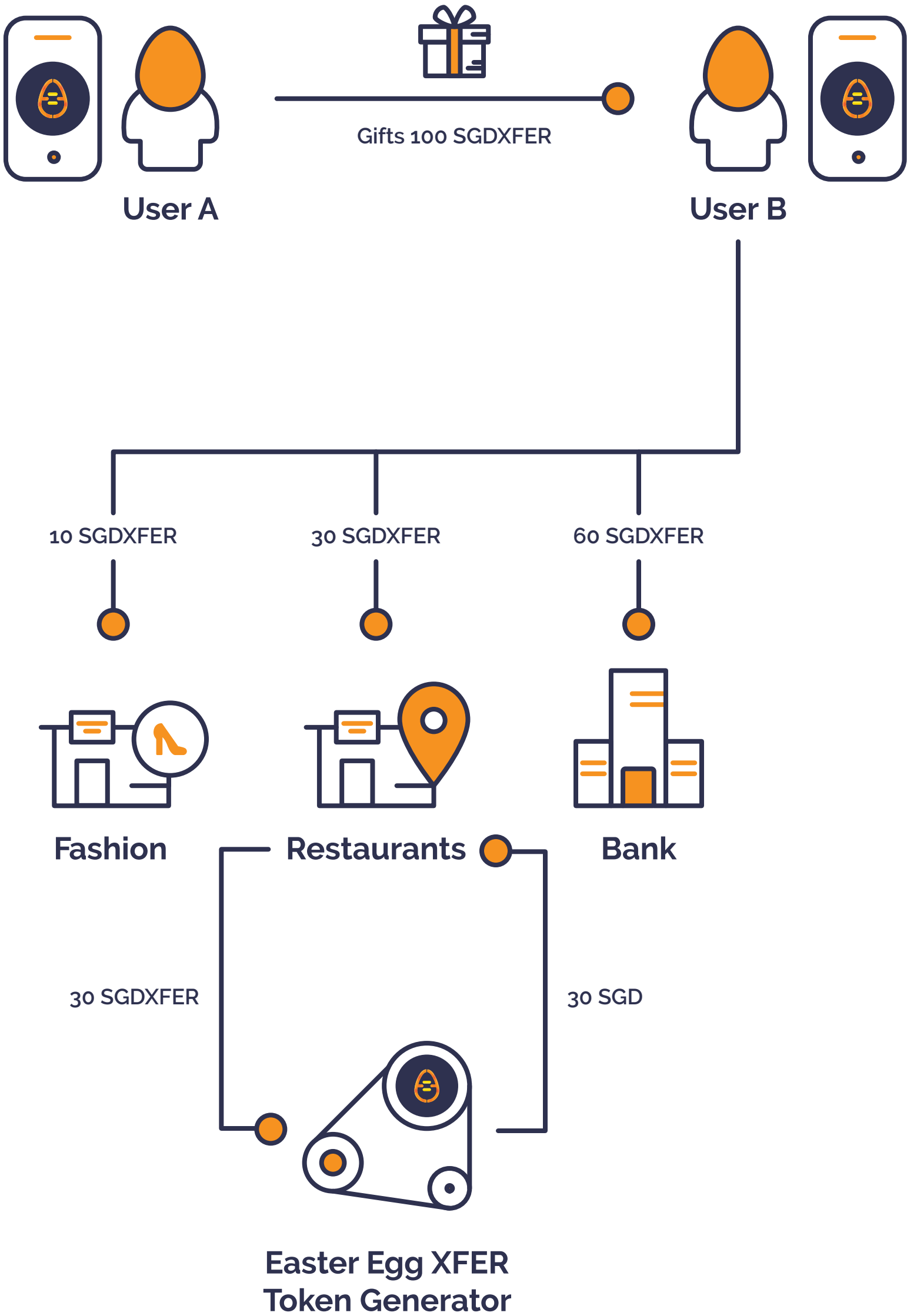
Once the user transfers CADXFERS to a vendor, the vendor can either bank it or choose to use it for his own payments to other vendors. The stability of the pegged tokens gives the confidence for the user to keep it as CADXFERS as it is completely backed by the underlying fiat (Canadian Dollars).



3 Gifting Use-Case

Customers on the Easter Egg platform can send gifts to friends and family around the globe. The receiver of the gift will be able to redeem the gift at any of the partner outlets or at only specific outlets, based on how the sender of the gift intends the receiver to redeem it.

The sender can just send a generic voucher for 100 SGD XFERs and the receiver can choose to redeem 30 SGD XFERs at a restaurant, 10 SGD XFERs for shoes and bank the remaining 60 SGD XFERs. The vendors are credited with respective SGD XFERs and they can choose to bank it or as in the previous case, use it for their vendor payments. Once the SGD XFERs are banked by the vendor, the same is sent to the burn address.



Loyalty & Re-engagement Use-Case

4

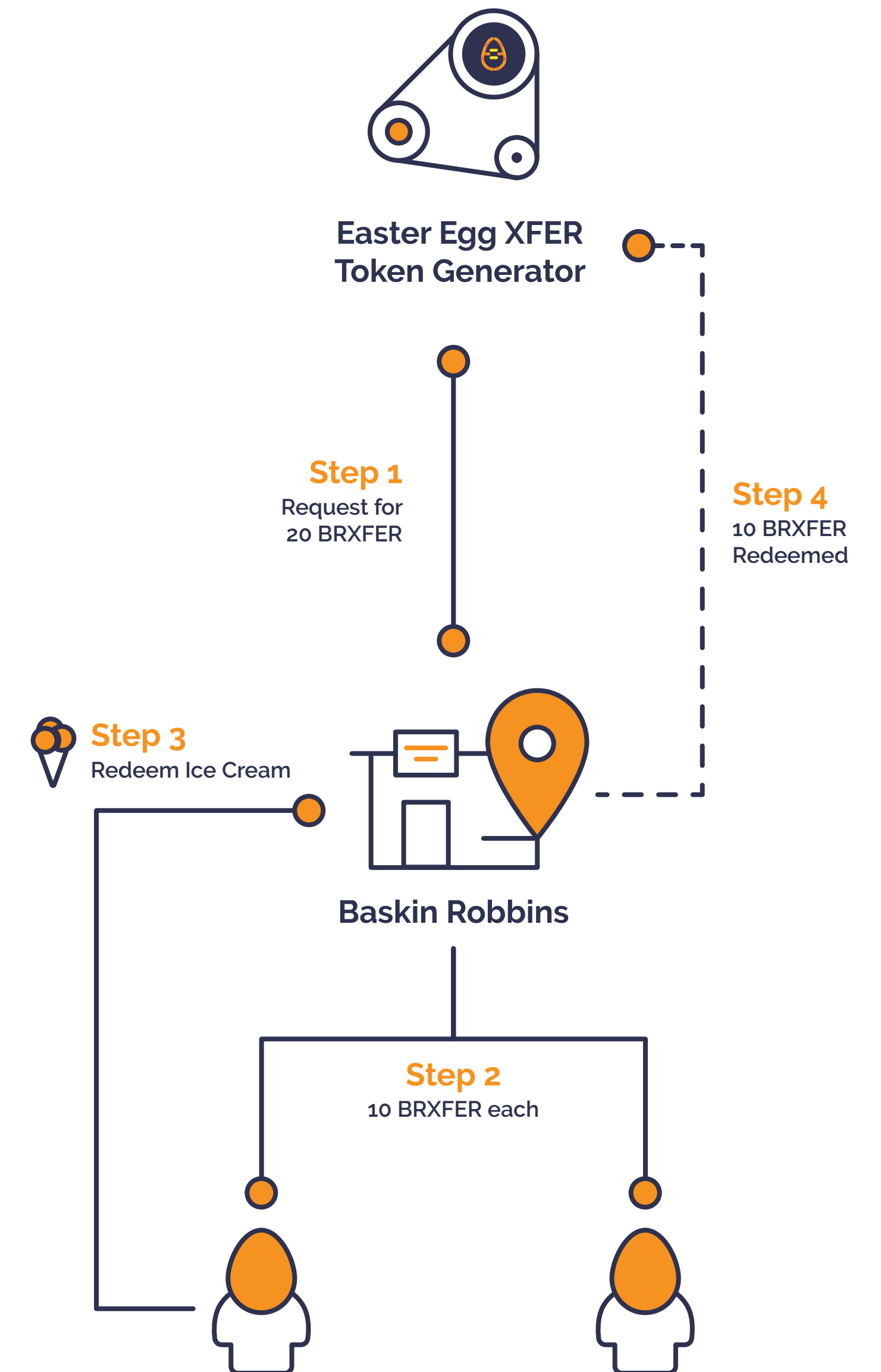
Having launched the gifting platform, there were increased requests from Easter Egg's vendors to help them re-engage with their customer base. Simply put, the vendors wanted the capability to send gifts to their customers to get them back to their outlet. The other requirement was for the customers to earn points on every transaction at the venue and to be able to use those points later to redeem them against a bill.

Let's consider a simple use-case of Baskin Robbins (BR) wanting to run a re-engagement campaign with 1000 customers. BR can generate 1000 x 10 BRXFERS on the Easter Egg platform and automatically send it to their 1000 customers. All these happen seamlessly through the Easter Egg platform with a click of a button. When customers redeem their 10 BRXFERS against a \$100 spend at the venue, 10 BRXFERS is adjusted against the bill and they will only have to pay \$90. The 10 BRXFERS that was generated is sent to a burn address.

Note that there is a detailed rule engine to define minimum bill value against redemption, the outlets these points are valid at, what time of the day the points are valid and several other parameters, which are validated when the redemption happens. For example, the BRXFERS might be valid only in certain outlets for Baskin Robbins in a particular city or could be valid country-wide. Consider an enterprise which has BR outlets, Coffee Shops, Fashion Stores. They can chose to make the BRXFER valid across all their brands.

This is a very easy way for the vendors to retain and re-engage with their customers through the Easter Egg Platform.

The loyalty points generation can also be completely automated through the Easter Egg Rule Engine. The vendor can incentivise every incoming payment with a rule-based loyalty reward points to the source wallet. For example if there is 100 SGD XFER coming from Alice to the Baskin Robbins vendor wallet, 1% of this money can be automatically rewarded as BRXFER. 1 BRXFER is automatically added to the source wallet and can be redeemable at a later date, based on the set of rules that can be coded through the rule engine.

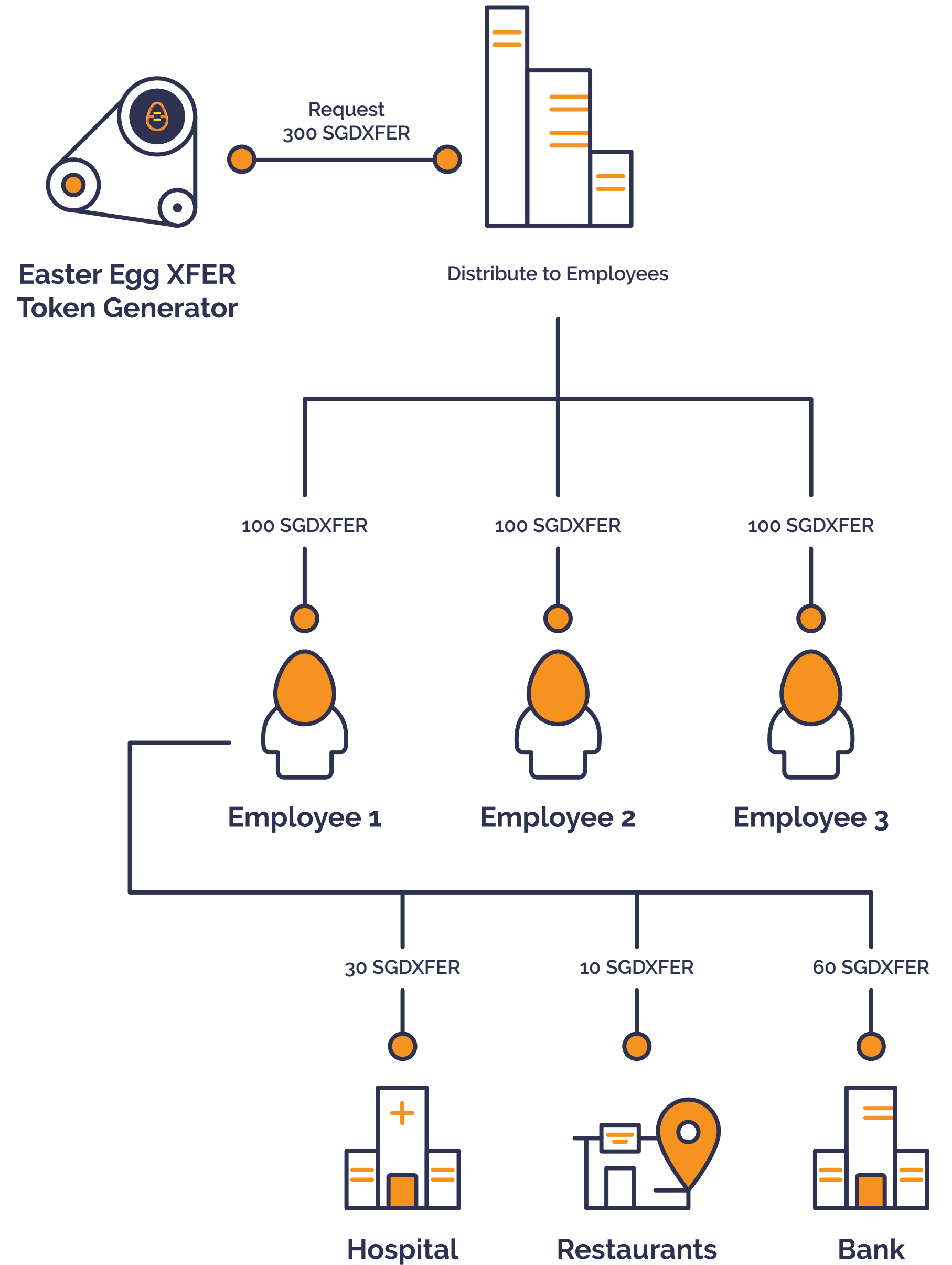


Rewards Use-Case

5

Corporates are looking for ways to reward their employees. These could be instant gratification for exceptional performances, milestone achievements, promotions, or just reward them on their Birthdays and Wedding Anniversaries. The Easter Egg platform provides an easy and seamless way for the corporates to do just that by generating SGD XFER tokens and distributing it to their employees for any of the above instances. The employees can then use these tokens to redeem it at any of the partner outlets or simply convert it to fiat by banking it.

In the next phase, the plan is to integrate the XFER Rule Engine for task-based incentives. A simple example would be for the project manager to create a task for 'User Authentication' module and assign it to a developer in the team. The project manager can chose '1 Beer' as the incentive for completing a module in a project. As soon as the issuer of the reward (Project Manager) confirms that the module is completed, the beer is automatically credited to the developer.



Digital wave

• Bold move from cash to cashless

Most of the developing nations, from South America, Africa and Asia, are taking bold steps to move from a cash to a cashless society. The high penetration of mobile and internet in these nations are enabling the their governments to work closely with fintech companies to help transition from a cash-based society to a digital payments society.

Two big economies, India and the Philippines, have implemented a demonetisation program, which would help their societies to leapfrog into a financial sector that will increasingly become technology enabled. This is furthered bolstered by the steps China has been taking to become a more fintech services-oriented country.

India has taken some bold steps in the last 3 years in areas of financial inclusion and digital payments. This has been backed by the Reserve Bank of India (RBI), National Payments Corporation of India (NPCI) and the Government of India (GoI). All of these government organisations are working closely with each other to push the Digital India mandate.

During India's demonetisation move, a leading payment application hit approximately 5 million transactions in a single day. The traffic on the website increased by 700% and the volume of the money added in the wallet increased by 1000%. The installation of the application also increased up to 300% post demonetisation.

The Indian financial regulator, RBI has been instrumental in enabling the development of the fintech sector and espousing a cautious approach in addressing concerns around consumer protection and law enforcement. The key objectives of the regulator has been to create an environment for unhindered innovations by fintech, expand the reach of banking services for the unbanked population, regulate an efficient electronic payment and provide alternative options for the consumers.

The narrative is similar in the Philippines as well. The Central Bank of Philippines has been progressive yet cautious in its approach to fintech. In the Philippines, fintech companies and banks are working hand-in-hand through partnerships and collaborations wherever they see synergies. The Philippines has also seen a rise in cryptocurrency-based startups that enable remittances and microlending.

Fintech-enablement in developing economies has been seen primarily across payments, lending, security/biometrics and wealth management.

Phase 1 Remittance (1/7)

Of all the use-cases, remittance is one that's more a user's need than a want. By addressing a need and offering a superior solution to users, Easter Egg believes that their platform will end up becoming a necessity for them. Moreover from a fintech standpoint, this use-case becomes all the more important for India (as it is a huge remittance hub) and the market is untapped so far.

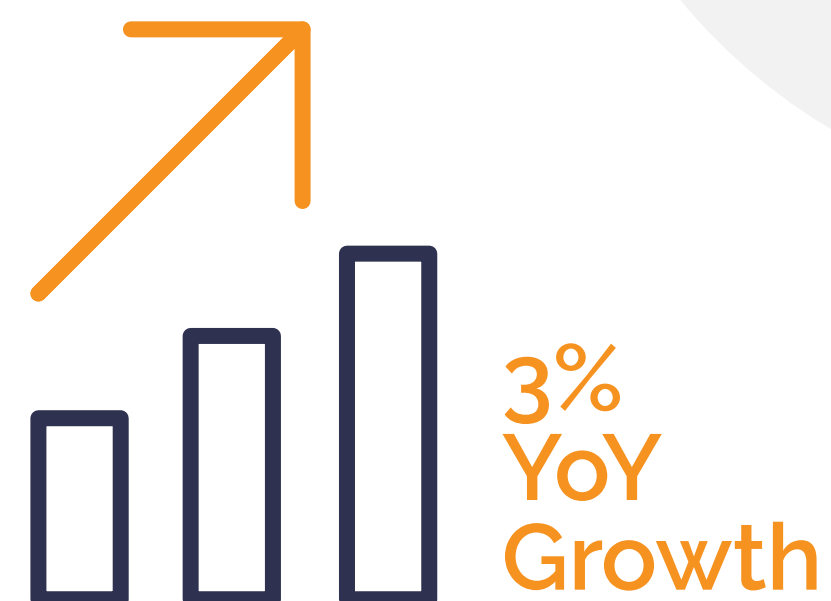
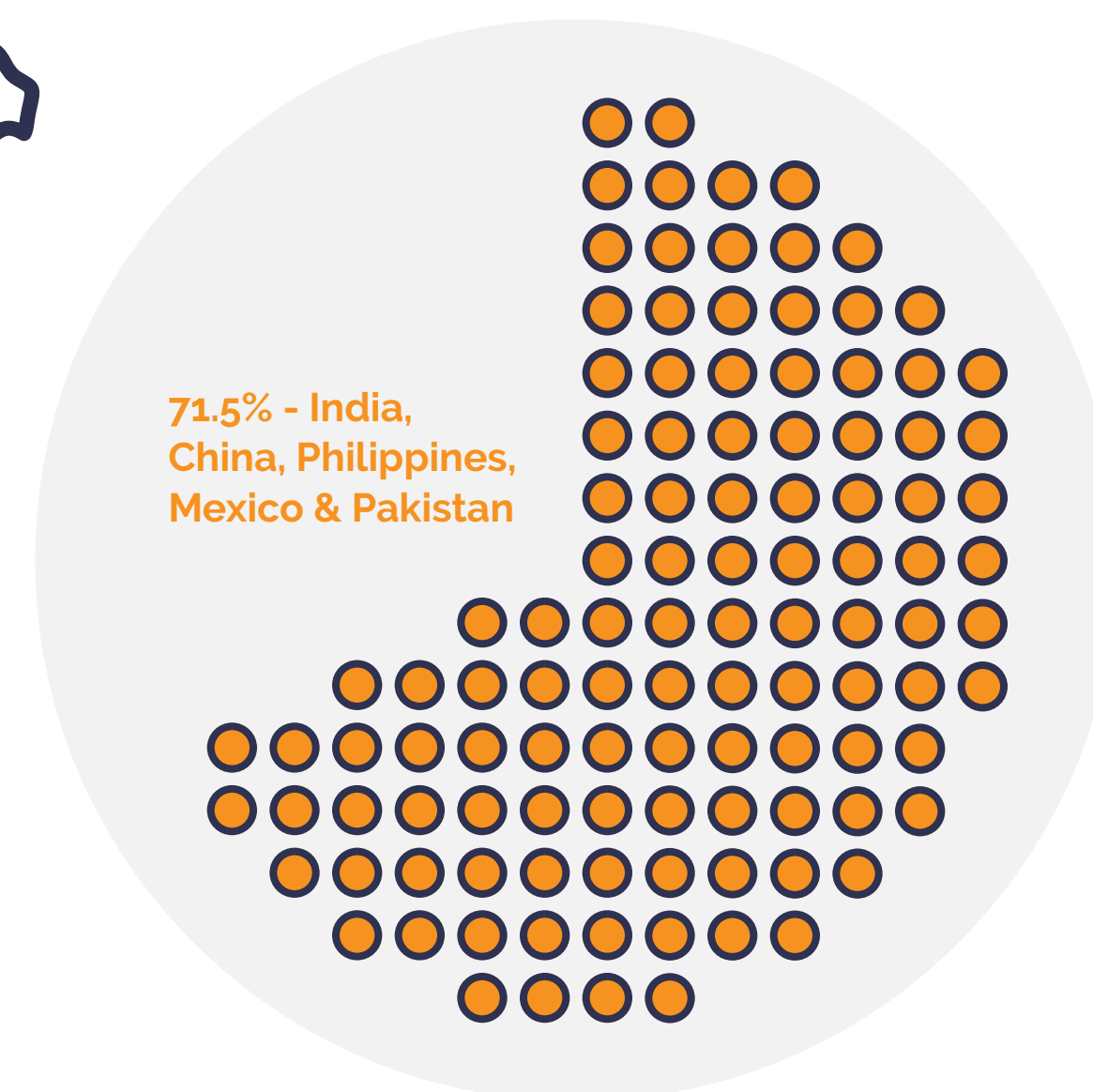
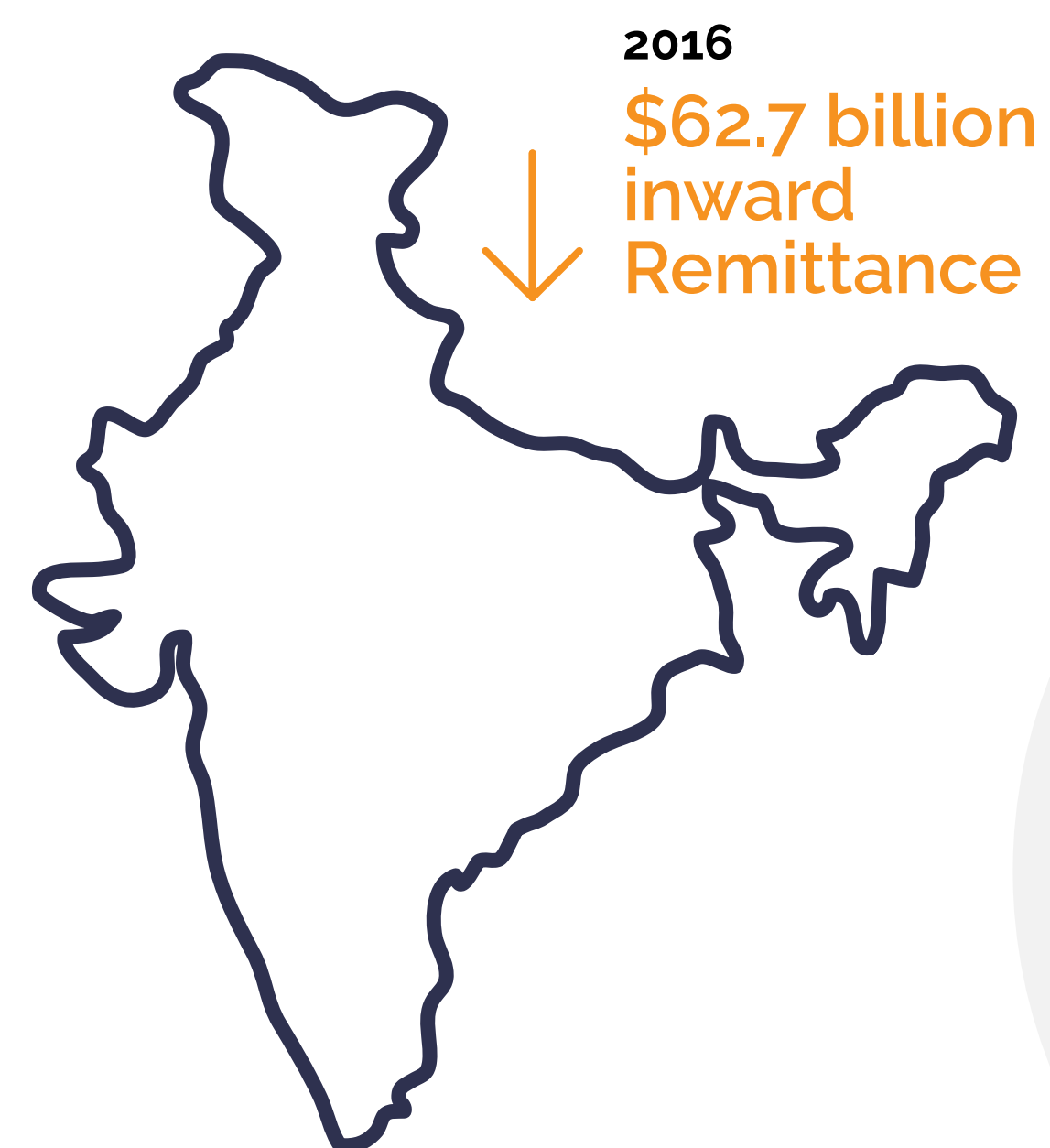
International Remittance is an industry, which is estimated to be worth \$600 billion for 2016. India is the leader in this list with \$62.7 billion inward remittance in the year. That amounts to a 10.5% share of global inward international remittance, the highest for any country in the world. The Indian states of Kerala, Punjab and Goa account for over 40% of all inward international remittances coming into the country.

Out of the \$600 billion remitted, a staggering \$429 billion is remitted only to developing countries (India, China, Philippines, Mexico and Pakistan). That amounts to 71.5% of all the remittances conducted globally.

This market is estimated to increase by 3% year-on-year - a per annum growth of \$18 billion in dollar terms. A study found that 80% of all remittances are received by 23 countries, led by India, China, Philippines, Mexico and Pakistan.

In the decade between 2007 and 2016, India surpassed China to become the top receiving country for remittances. In 2007, India was on the second spot, behind China, with \$37.2 billion in remittances as compared to \$38.4 billion for China.

2016
\$600 Billion
Remitted Globally



Phase 1 Remittance (2/7)

The study said **Asia is the highest originating region with 77 million migrants; with 48 million remaining within the region. Over the past decade, remittances to Asia and the Pacific increased by 87 per cent, reaching \$244 billion, while migration grew by only 33 per cent in comparison.**

Asia remains the main remittance-receiving region, with 55 per cent of the global flows and 41 per cent of total migrants. It is projected that an estimated \$6.5 trillion in remittances will be sent to low and middle-income countries between 2015 and 2030.

The study added that the amount of money the migrants send to their families in developing countries has risen by 51 per cent over the past decade — far greater than the 28 per cent increase in migration from these countries.

This dramatic increase in the amount of money migrants send home to their families in developing countries, is helping lift millions out of poverty and attain the Sustainable Development Goals (SDG).

The Global Average of Remittance fee worldwide is 7.45% for the Q1 of 2017 with the South Asian region having the lowest average remittance cost of 5.4%. In perspective, **out of the \$187.1 billion remitted to the 4 South Asian countries (India, China, Philippines and Pakistan), an astounding \$10.1 billion is spent only on remittance fees across all channels (digital or physical).**



Phase 1 Remittance (3/7)

For India, the remittance fee for 2016, staying true to the average was \$3.38 billion.

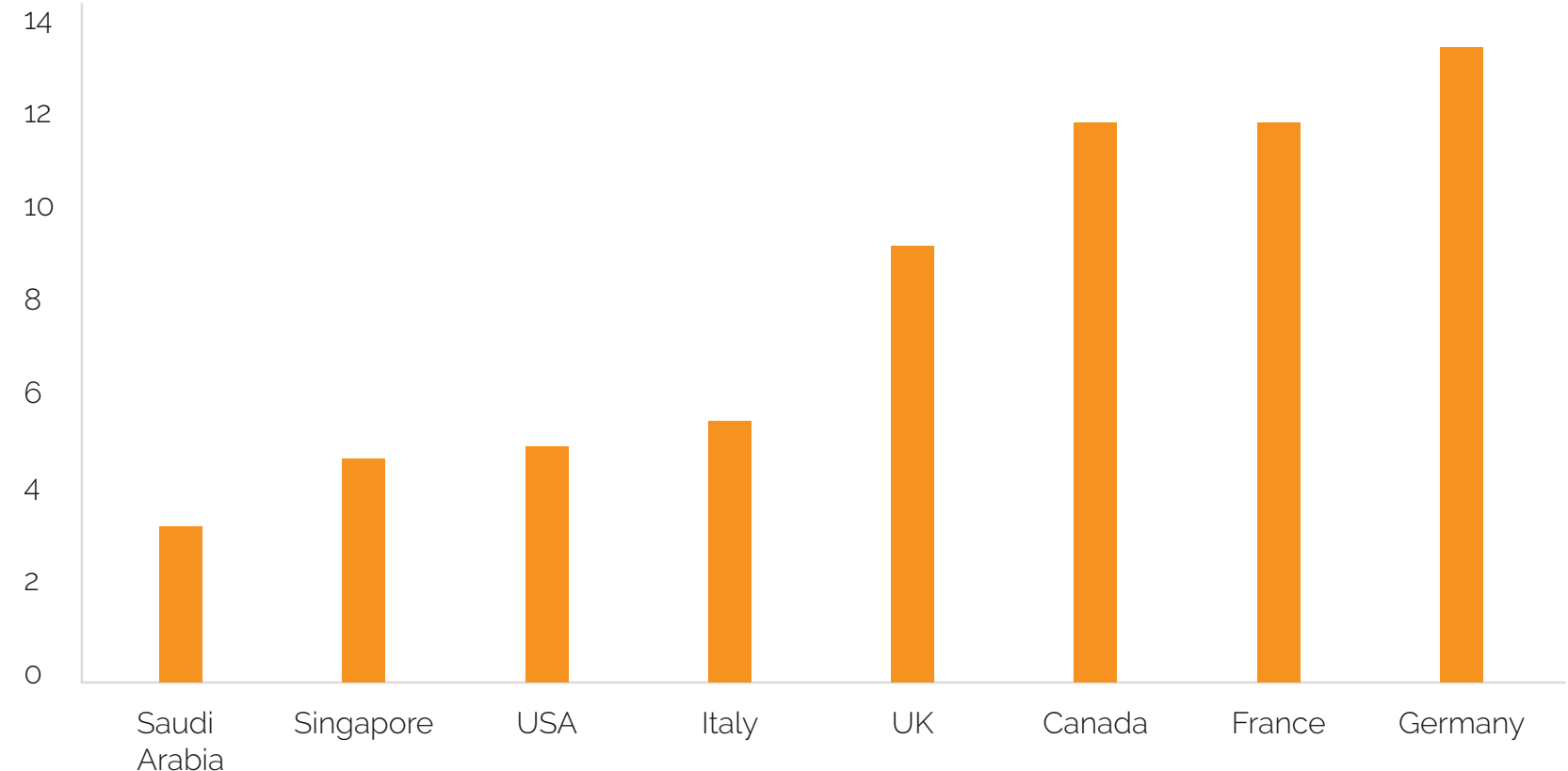
The current standard options available for inward international remittance into India are outlined in the table below:-

Option	Time taken	Percentage	Adoption Levels
Bank Transfers (S.B / D.B)*	10 minutes / 1 day to 4 days	Free/Fixed \$15 to \$45 which depends on the bank	Low (High value, time and banking options considered)
Online Money Transfer	4 to 96 hours	Depends on the source country	High (Primarily from white collar workers)
Online – Offline (Agent based)	Same day to 7 days	Slab-based flat fee	Very High (Primarily by the blue-collared workers especially in the UAE-India corridor)

* Same bank/Different bank

As compared to the above, crypto-based remittance will decrease the time taken for an end-to-end transaction for any corridor to under 2 hours at a fee, which would be less than half the current average remittance fee.

Easter Egg also ran some numbers on the current cost of remitting \$200 into India and this is what was found:



Phase 1 Remittance (4/7)

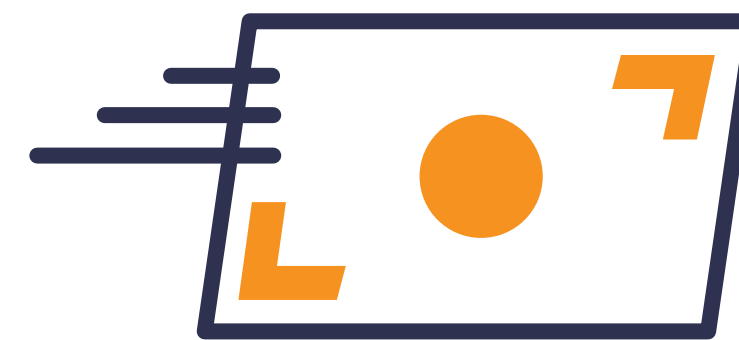
As per a report by the World Bank, Canada is one of the countries on the higher side of the remittance fee (11%) which surpasses the average of South Asian transfers and is much higher than the global average (7.45%).

The cheapest options from Canada to India, charge a fee of \$4 for a transfer of \$200 and this gradually increases as the source cost increases.

Crypto-based remittance will decrease the time taken for an end-to-end transaction for any corridor to under 2 hours at a fee, which would be less than half the current average remittance fee.

The other important factor that drove Easter Egg to consider remittance as the first use-case is the fact that there exists arbitrage opportunities across corridors in Bitcoin prices. This arbitrage advantage will be passed on to the users and with that, the clearinghouse will be able to offer a much superior exchange rate to them as compared to the mid-market exchange rate used by other remitters.

Easter Egg is different in its approach to cryptocurrency-based remittance as compared to other players in the space, since they are focused on offering better rates to people who already have access to banks. They are not focusing on people who are unbanked like most of the other players in the remittance space. By doing this, they will be able to keep operating costs low since they do not require physical tellers or agents in each corridor to facilitate the last mile.



Phase 1

Remittance (5/7) - Competition Analysis

An analysis was done on competition in the remittance space, of some of the biggest remittance firms, who operate across corridors worldwide. Then it was mapped across 4 parameters: cost of transfer, time taken for transfer, mode of transfer and ease of access.

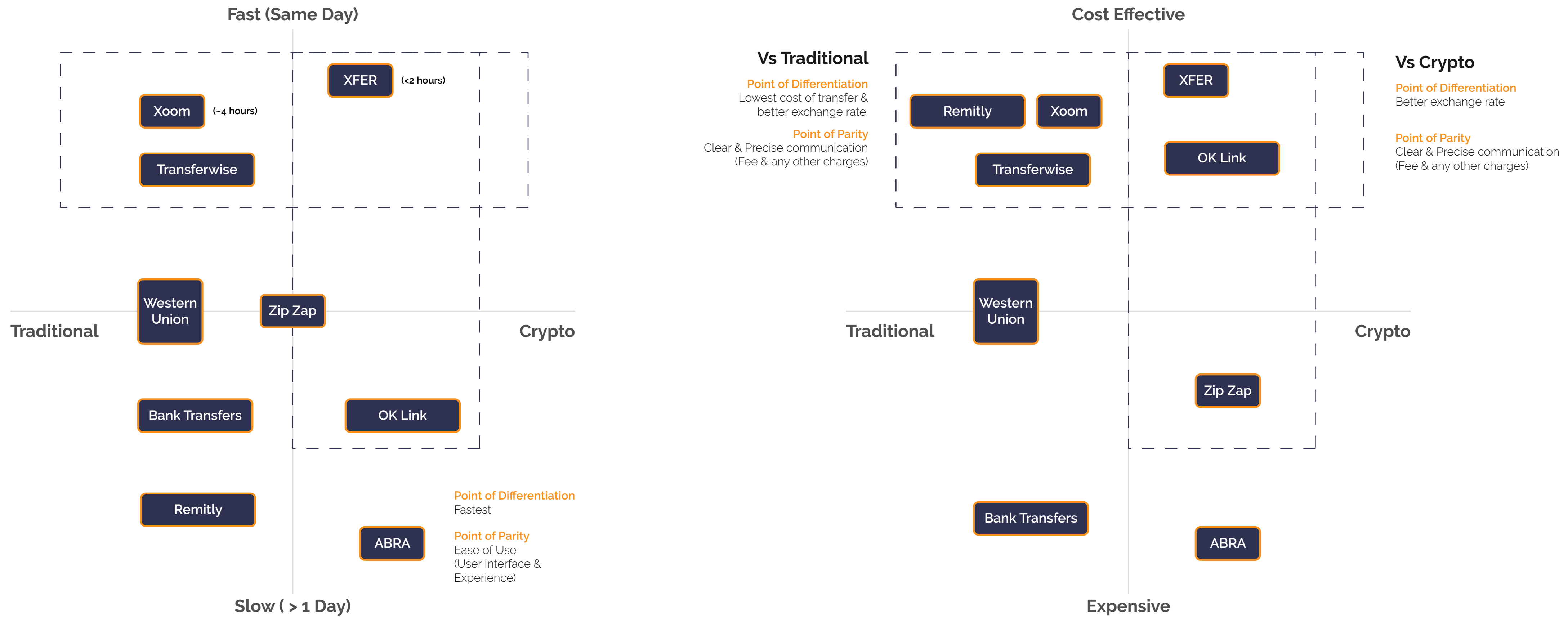
In the traditional remittance space, the firms stack up like this:

Firm Name (\$200 transfer)	Cost of Transfer (Avg)	Time Taken for Transfer	Mode of Transfer	App/Web Service
Western Union	\$3 fixed + fx fees	1 to 5 business days (Depending on type)	Online (Cash Pickup + Bank)	Strong Web Presence /No app remittance
Transfer Wise	Minimum of \$2.7 or 0.9% of transaction + fx	4 hours to 4 business days (Depending on type)	Online	Both app and web support
Xoom	Fixed fee upto \$1000 + fx	4 hours (Fastest)	Online (Cash + Bank)	Both app and web support
Generic Bank Transfer	15\$ + fx fees	1 to 5 business days	Online	Depends (Usually both support)
Remitly	Fixed fee upto \$1000 + fx	3 to 5 days	Online	Both app and web support

The same analysis was done for crypto-based remittance firms and this was the result:

Firm Name	Cost of Transfer (Avg)	Time Taken for Transfer	Mode of Transfer	Market Penetration /App and Web
ABRA	Only using a teller, there is a fee. Else it is free	India data not visible	Online (Cash Pickup using tellers)	Only App
OK Link	Different for different corridors (0.1 for India)	2 days	Online (Only bank)	Mostly Web. No app for India transfers
Zipzap	Fixed \$4.95 + memberships	1 business day	Online (Only bank)	Both app and web support

Phase 1 Remittance (6/7) - Competition Analysis



Phase 1

Remittance (7/7) - Competition Analysis

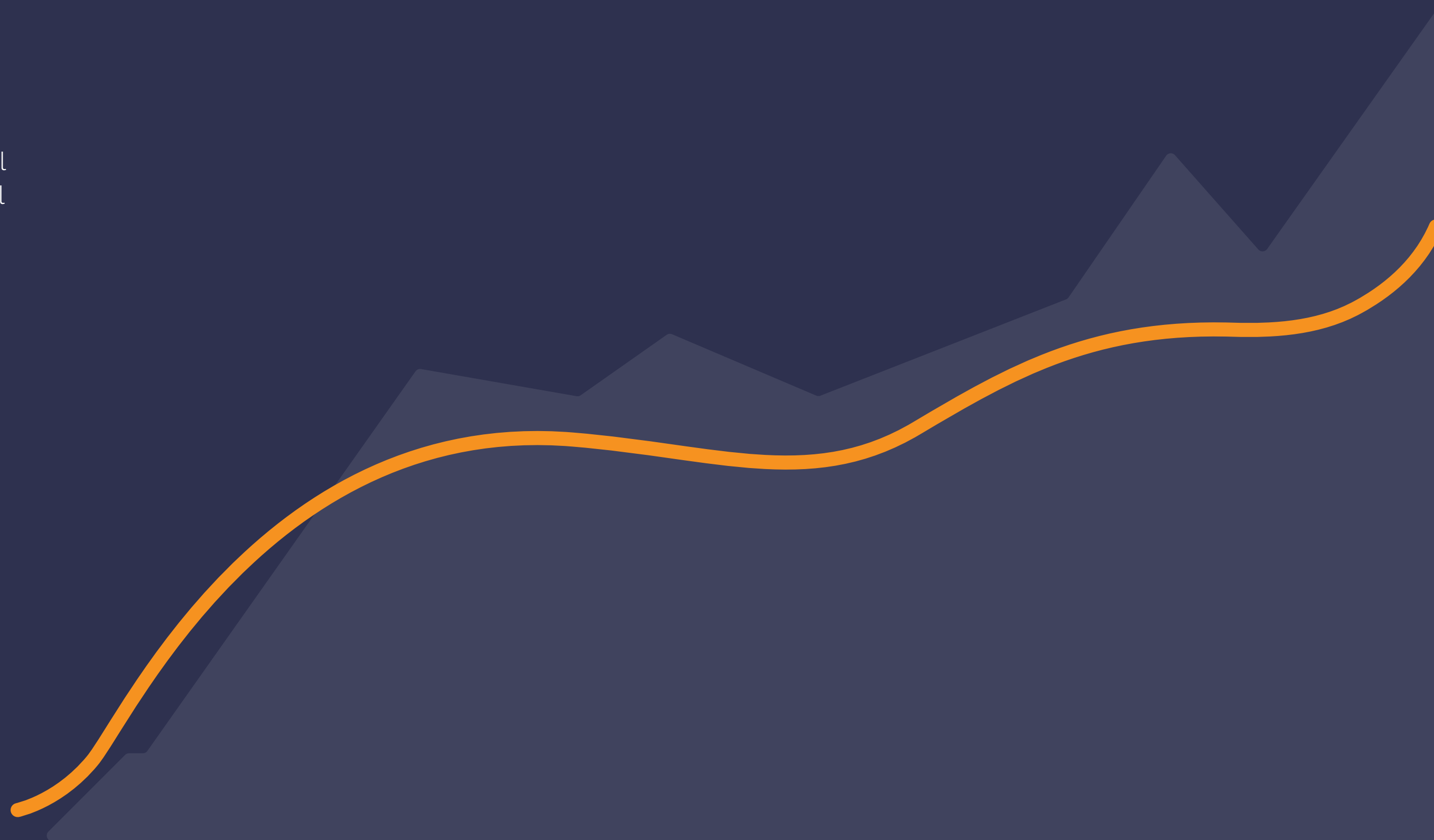
From the analysis, the perfect crypto-based remittance service should have the following, irrespective of the corridor it serves. It should:

- Be easy to use (should be at par with traditional remittance firms)
- Should have no hidden fees (should excel as compared to traditional remittance firms)
- Should be instant (should excel as compared to traditional remittance firms)
- Should not involve tellers on both sides (should excel as compared to some crypto-based remittance firms)

Easter Egg Transfer remittance service is going live by factoring all the 4 points of comparison above. They aim to be that perfect crypto-based remittance service.

Liquid Reserve Pool

At any given point in time, a liquid reserve pool - a combination of fiat and Bitcoin - is maintained to facilitate low spreads for clearinghouse swaps and to maintain reserves to match the total value of pegged tokens issued in the system. The platform, at all times, reflect the current outstanding (unpaid) pegged tokens balance of all actors.

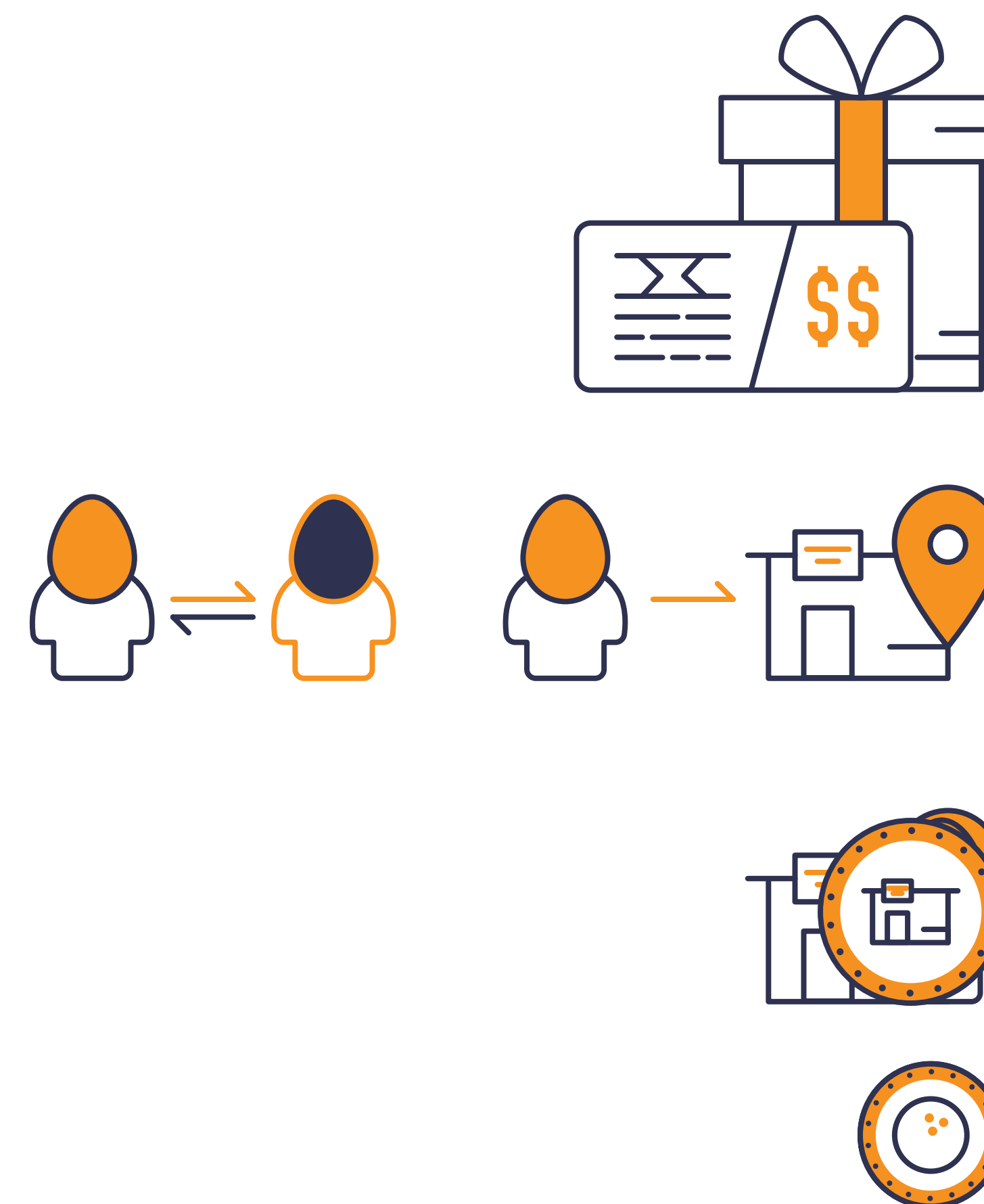


Phase 2 Gifting, P2P Payments, Loyalty & Rewards

In Phase 2, Easter Egg plans to port the transaction layer of the existing gifting platform to use <partner>XFER and <category>XFER tokens. This will give their users the flexibility to conduct P2P payments, gift each other at partner locations, receive loyalty and reward credits, all on one single application. In Phase 2 they will also target P2P micro payments within a country.

In India and Singapore, where Easter Egg is live, they are targeting a combined digital gifting market size of \$5.3 billion. This will only increase as they take their offering to more countries.

Phase 2 of the offering, rolling out XFER tokens to the existing infrastructure will be carried out in the first quarter of 2018 and will go live by the second quarter of 2018. This will involve a massive overhaul of the existing user interface and experience, to bring in all the offerings on one unified application.



The Strength

Easter Egg is incorporated in Singapore, one of the globally recognised financial hubs in the world. The Monetary Authority of Singapore that oversees all monetary and fintech policies is very forward-looking and breeds innovation in this space. Singapore is globally connected and recognised, which would greatly assist in business development and expansion to Europe and the Americas.

They have been live as a mobile phone application called Easter Egg Gifting for the last six months and they have 300 partners across India and Singapore with a proven model in the gifting category that has grown to 7000 users across 6 countries with a combined revenue of USD \$30,000, achieved with very little marketing.

The Easter Egg blockchain Proof-of-Concept is ready and additional functionality is being added. They are on schedule to go-live with the beta product for remittance in October 2017. The first corridor to go live would be the Canada-India corridor. All necessary licences in Canada, to operate as a money service business, have been obtained and the remittance infrastructure is being tested currently.



Conclusion

What Easter Egg realised from their journey in gifting is, that gifting is just metadata on payment. When a person gifts someone, they are actually adding metadata to payment in the form of a good or service. They also received a lot of feedback from their users that led them to believe that they can add value to the payments business by looking beyond gifting and developing a fundamental unit of exchange. This fundamental unit of exchange, XFER, will handle all types of transfers of value such as remittance, vouchers, loyalty, peer-to-peer and peer-to-partner payments.

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