



Q2/Q3 UPDATE

VELOX IS RESTRUCTURING

At the beginning of Quarter 2, Velox experienced a rapid period of growth and recognition, evident by our bitcointalk thread attracting over 5000 replies and our telegram group growing to over 1700 members. This amazing feat not only has its pros, but also inevitable call for adjustment to cater for the also rapidly growing call for regulation in the Crypto sphere. Both of these vital factors had forced the team to make vital changes unintended for originally months to come, causing delays from our original roadmap. After a unanimous team decision to undergo a complete restructure of the Velox Project's developments, the team has been able to concrete minor compliance issues as well as improved scalability, making the Velox Project vision and direction better than ever!

The following aspects, elements or interests of the Velox Project have been subject to restructuring, modification and/or change and are explained throughout this update:

- New update policy
- VLX Exchange
- Compliance & Legal
- New VLX Markets (Coming Soon)
- CoinsMarkets Update
- VeloxCoin Update
- VeloxBolt Update
- Coin Burn Completed
- Bounty Campaign Paused
- Whitepaper & Roadmap Update
- Team Restructure

All points covered throughout this update will be further covered and finalized during early Q3 2018.



Q2/Q3 UPDATE

1. NEW UPDATE POLICY

The Velox Project team apologizes deeply for the last two months of brief and lack of updates to our beloved community and supporters. Due to the legal circumstances to ensure the restructure was completed as quickly and in the most efficient way possible, as well as prevent complication, we were able to release extremely limited information until it had been complete.

As result, since the project has now completed its restructuring plan and has overcome challenges posed in Q2, the Core team have obligated to give the community an update on all project progress every Monday from this update forward. Violation of this policy on our end will result in burning of founder reserve.

We are dedicated to providing our community with the maximum information we are able to provide, though due to the legal nature of the previous months, we have been extremely limited as to what we provide to prevent consequence further down the path. We can guarantee that something like this is not possible for the future, it is a brighter path for the Velox Project ahead!

Next page: VLX Exchange



2. VLX Exchange

To enable our development team to continue the main focus of the VeloxBolt platform at full capacity, The VLX Exchange will begin closing its operations as of Q3 2018, and will no longer be operational as of September 31st 2018. The VLX Exchanges' level of compliance due to recent regulatory changes globally has also factored into the decision to close the exchange and move to public markets.

At this point in time, the exchange is undergoing a full audit to ensure there are absolutely no discrepancies in the data transmitted on the exchange, compared against the blockchain. This audit is purely to ensure all finances are completely accounted for, and will not include user data.

Since VLX will NOT be a valued/traded coin until we are listed on another exchange, users will be permitted to withdraw their VLX until the official closure on September 31st. Bitcoin, Litecoin & Dogecoin will remain unavailable for withdrawal until August 5 2018, the expected date in which the audit will be completed and reviewed by involved parties. Users will be able to withdraw instantly and without issues between this date (August 5 2018) and September 31 2018, in which following will be the complete closure of the platform and redirection to our main project site.

The whitepaper will be updated with the new plan to fulfill the promise of an open-source version of the code. More information regarding the whitepaper update is included further in the update.

Next page: Compliance & Legal

3. Compliance & Legal

Sparked by the rapid growth, the Velox Project increased in regulatory concerns from both invested, neutral and opposing parties, mainly in regard to the legal position in which Velox stands in the growingly regulated industry of Digital Currency & Asset Exchanges as well as the broader digital currency space. While legal issues throughout the month of June were growing, the outstanding efforts from the legal department of our advisory board has enabled us to mitigate any potential issues down the road early in their tracks, and return back to the main focus of VeloxBolt. Changes to our legal position to mitigate this issue mainly involved factors including though not specifically in relation to the availability of team information, financial and money transmission concerns, as well as the CoinsMarkets exchange theft, which is addressed later on in this update.

Due to the changes made in our restructuring to comply with all regulatory changes made since the projects birth, the VLX Exchange will be completely closed by September 1st 2018, after the exchange has completed final phases of audit, and all user funds are confirmed to be withdrawn. The complete procedure will be available shortly following this update and more information can be found on the previous page.

The team is glad to officially state that the Velox Project and its developments remains in compliance with all regulation globally thanks to the assistance from the Legal Advisory Board during June 2018.

Next page: New VLX Markets + CoinsMarkets Update



4. New VLX Markets (Coming Soon)

Following the VLX Coin Swap to ERC20 (covered in this update), the Velox Project will be replacing the trading functionalities offered by the exclusive VLX Exchange with already existing semi-centralized, anonymous and/or decentralized crypto currency & digital asset exchanges. This objective is already underway and will be announced in further detail in conjunction with the VLX ERC20 Coin Swap timeline.

5. CoinsMarkets Update

After thorough discussion throughout the duration of the CoinsMarkets situation, the CoinsMarkets wallet that currently holds an estimate of 875,000 VLX will not be included in the migration to ERC20 unless we receive response to our countless attempts to communicate with their exchange, which has been unsuccessful as of this update. This decision has been made due a variety of factors, though majorly reasoned due to CoinsMarkets being publicly deemed fraudulent, and displays no intention of releasing majority of held altcoins, including VLX, back to its holders.

CoinsMarkets, as of this update, control approximately 875,000 VLX. Unfortunately, unless we have response or communication from CoinsMarkets to organize refund to holders, there is no possible way for the VLX Team to recover these coins from the wallet nor include them in the upcoming token swap, since they must be sent to the official swap address to comply with transparency conditions.

This decision will not be revoked or changed unless circumstances change anytime after the time of this update.

Next page: [VeloxCoin Update](#)



6. VeloxCoin Update

Factoring and taking into account the VLX Exchange, legal & compliance, CoinsMarkets, VeloxBolt and vNovum development, the VeloxCoin will be taking its next step, becoming an ERC20 token, in the second last step toward eventually evolving to its own blockchain to power an important aspect of the VeloxBolt platform.

Since our legal and technical review, VeloxCoin has now not only been deemed to be the share or token to represent the VeloxBolt revenue or performance but also act as the key to decentralized funds on the VeloxBolt exchange for ERC20 tokens, Bitcoin/Altcoins, and other blockchain technologies. At this point, we can not describe specific details in regard to technology or how it will be used until the official whitepaper update, though we can state that this is a giant step forward for VeloxBolt, making the propose exchange additionally unique and intuitive. The only information we are able to disclose at this time is that despite recent changes, our new proposals have still not yet been proposed (as far as we are aware) in the decentralized cryptocurrency exchange space, and that ZeroNet technology will still remain as a major element of the exchange infrastructure.

VeloxCoin [VLX] will announce an official coin swap date to ERC20 and will also incorporate staking support at the same original average of 13% per year interest once transitioned to ERC20 technology.

More information will follow throughout Q3 and will be completely covered in the project whitepaper update.

Next page: VeloxBolt Update + Coin Burn Completed + Bounty Paused



10. Whitepaper & Roadmap Update

During Q3, the official VLX Whitepaper and Roadmap will be updated in accordance to the project restructure. All changes being made to the VeloxCoin & VeloxBolt sub-projects will be included in complete detail upon publishing. The Velox Project Roadmap will also include a much more accurate representation of the Velox timeline in accordance to the changes made regarding both technology and upcoming/past project additions, changes and modifications.

Next page: Team Restructure

11. Team Restructure

At the beginning of 2018, the planned team size and expected intake of new team members was deemed appropriate for the gauge of interest and expected growth (steady long term incline) expected during 2018. This expectation was well noticeably undermined by the beginning of Quarter 2 in which at the time the team comprised of two core developers, two marketing specialists and one managing representative.

It was quite clear that at the beginning of Quarter 2, the project had received an incredible though overwhelming amount of attention and interest that caused the project to begin allocating limited resources inefficiently, causing the project to fall behind on the publicly and privately intended deadlines. This unexpected growth forced the team to take necessary measures to facilitate for this growth in the future without mainly interfering with or undermining the expected the resource utilization as well as complying with the legal obligations required to allow the project to continue in the foreseeable future.

In order to sustain rapid interest and growth to maximize the accuracy of achieving project deadlines while complying with the ongoing change in regulation that only directly applies to the Velox Project. The VLX Team will be divided into three sectors, Core, Official and Advisory, information about these teams are as follows:

VLX Core Team

The core team will be responsible for the overall management, oversight and integrity of the work completed by the Official team for their department. The Core team will also be responsible for all decisions made to the project involving the changes or additions required to improve or maintain project objectives...

Continued next page



Q2/Q3 UPDATE

The Velox Team has, by unanimous vote, has made the decision in which once all endeavors have achieved the complete implementation of decentralized technology into all Velox sub-projects, all core team members and majority of the official team members have agreed to become publicly recognized as the team responsible for the maintenance and improvement of Velox technologies **going forward**.

In light of the above, the original decision by the Core Team to remain in an anonymous public representation until the aforementioned objectives are complete, has not been changed. The original Velox Project Founder, Jonathan (also recognized as alias "linOsspice") will remain as the only official public spokesperson on behalf of the entire team and project operations. This decision has been made not only by the core team, but also with additional consideration from Official and Advisory team recommendation.

The Velox Project Core Team comprises of the team members directly involved in the Velox Project prior to June 1st 2018.

VLX Official Team

The Official team will be allocated to complete objectives set publicly and privately that are in direct relation to their department. This decision has been made specifically in order to achieve improve the accuracy in which project deadlines are met, as well as increase the analysis of performance based on each department. Each department and the team comprised is as follows:

Development

Prior to June 1st 2018, the VLX Project comprised of two (2) core developers. These team members are now the official members of the Core Development Team, responsible for overlooking and approving contribution made by team members specifically involved in the Development department of the Official Team...

Continued next page



Q2/Q3 UPDATE

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The Development team is the only department responsible for the development of the technical aspects of the project, including though not limited to:

- VeloxBolt
- VeloxCoin [VLX]
- vNovum

The Development team as of this announcement will not be directly involved in the closing and closure process of the VLX Temporary Exchange.

The Velox Project Official Development Team will comprise of four (4) full-time programmers and two (2) part-time developers. The Velox Project has also established strong relationship with several freelance individuals & contract developers in the unlikely circumstance scenario of at least two (2) members of the Velox Team being temporarily incapable of fulfilling allocated objectives or responsibilities.

Marketing & Community Engagement

Prior to June 1st 2018, the VLX Project comprised of two (2) marketing developers. These team members are now the official members of the Core Marketing Team, responsible for overlooking and approving contribution made by team members specifically involved in the Marketing & Community Engagement department of the Official Team.

All team members involved in the development, improvement and maintenance of the Velox Project public brand and reputation represent this department. All work and official decisions made by the members apart of this team are overlooked and approved by the official core team before being put into effect, unless explicitly stated otherwise by the Core Team.

This team is expected to grow and change as the project grows, up until the VeloxBolt platform release. Following VeloxBolt release, this team will undergo final necessary changes to comprise the official marketing team lead by the core marketing team. This team will not be changed from this point forward unless reasonably justified and agreed upon unanimously by the Core Team.

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Q2/Q3 UPDATE

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VLX Advisory Board

Prior to June 1st 2018, the Velox Project was in the process of finalizing the details to create the Velox Project Advisory Board.

The Velox Project advisory board consists of professionals from varying industries and are indirectly involved with the project objectives and operations.

The Velox Advisory board comprises of 3 dominant categories of advisory professionals:

- Development: Reviews and advises development progress and provides information to improve development when necessary
- Legal: Provides feedback and assistance in order to maintain compliant operations in all areas.
- Marketing: Analyses and provides relevant information regarding public relations and in depth analysis of marketing campaigns both ongoing and planned.

The advisory board serves as an unbiased review and approval of works by the Velox Project to ensure the highest of standard in all areas.

Next Page: Thank you



Q2/Q3 UPDATE

Thank you

We again would like to thank all members of the VLX community for your ongoing support, we look forward a bright and fruitful 3rd Quarter!

We will soon post in depth information regarding each process involved in completing the points covered in this update.

Join the Discussion on Telegram: [@veloxproject](#)
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