



Abstract

A cryptocurrency is a digital asset designed as an alternative medium-of-exchange and store of value that uses cryptography to secure transactions, control the creation of additional units, and to verify the transfer of assets and value. Cryptocurrencies are predominantly decentralized in nature. Transactions are validated by network nodes and recorded in a public data structure in the form of a distributed ledger commonly known as a Blockchain. The first, (and most common) cryptocurrency created was Bitcoin. Bitcoin was created in 2008 in the aftermath of the global subprime financial crisis of 2007, by an anonymous person (or group) called Satoshi Nakamoto. The inevitable failure of subprime lending markets caused the cataclysmic failure of global financial systems. This catalyst created the perfect storm in which a digital asset would thrive. The core purpose behind the technology was to create a censorship-resistant, decentralised process of transferring value which is recorded on an immutable, distributed ledger to take back custody of one's finances, removing the reliance on intermediaries such as depository and central banks (the same institutions who were ultimately responsible for the collapse of the global financial system. The effects of which are still felt around the world today). Over the last 13 years, the Cryptoverse has grown exponentially. Mass adoption of Blockchain technology seems continually more inevitable with the aggressive pace of innovation, mammoth increase in real-world application, increased accessibility, and over a decade of battle-testing. Today there are thousands of cryptocurrencies in existence. The second most prominent is Ethereum. Ethereum pioneered the next stage in the evolution of the Cryptoverse, successfully implementing the 'Smart Contract' on its native Blockchain. Smart contracts were first proposed in 1996 by computer scientist Nick Szabo, famous for inventing a virtual currency a full decade before the invention of Bitcoin. In his original essay published in 1996 named "Smart Contracts: Building Blocks for Digital Markets" Szabo described a Smart Contract as "a set of promises, specified in digital form, including protocols within which the parties perform on these promises." Since then, Smart Contracts have come to be known as one of the most crucial computer systems innovations in existence. For his contributions to the field, Szabo is known as the Father of Smart Contracts. Smart contracts reinvented what we perceived to be the theoretical limit of cryptography, subsequently revolutionising Blockchain technology. BITSEC is designed to leverage the smart contract ecosystem on Binance Smart Chain in order deliver unparalleled value to our community and the whole cryptoverse.



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1. Introduction

BITSEC is a BEP20 utility token running on the Binance Smart Chain (BSC), turning into a coin with almost zero gas fees and basically instantaneous exchanges. The Binance Smart Chain (BSC) can be explained as a blockchain acting together with the Binance Chain. BSC offers smart contract functionality and compatibility with the Ethereum Virtual Machine (EVM). The aim of the BITSEC project is to marry Fiat and cryptocurrency and bridge the gap between cryptocurrency and the finance world. The token introduces 0% tax on each transaction to encourage micro transactions and therefore encourage its long-term holding. Tokenomics is set up in a way to reward holders as we head to the moon. BITSEC has already done what most cryptocurrency projects only dream to achieve in 30 years. The future is today, and we are now ready for it".

2. Overview

BITSEC is poised to answer the long-standing question of how to make seamless payments using cryptocurrency. Our token is designed to work in the real economy just like FIAT. We have developed a system where your crypto will automatically enable you to make payments easily in various online platforms. Ours is not a dream but a reality that we are currently living. Currently BITSEC has the following utilities and the platforms are fully functional

1. Incentivize liquidity provision on [https:// bitswap.finance/](https://bitswap.finance/)
2. Payment method for mobile recharge, Data and utility bills (Electricity, pay TV, water etc) in more than 190 countries worldwide in partnership with more than 600 technology companies.
3. Shopping in more than 1400 retail outlets worldwide
4. Pay for insurance and Amazon Gift cards used for shopping on Amazon
5. Payment method for leading betting companies worldwide.
6. Powers one of the biggest cryptocurrency sports betting platforms <https://sportybit.io/>



3. Who We Are

We are Crypto Expert Group in collaboration with Crypto Heavy Lifters pseudonym Satoshi Junior. We have endeavored to bring you Bitcoin 2.0 – BITSEC. We are midwifing the birth of something great that will transform the world of cryptocurrency. We are determined to simplify cryptocurrency payments within the wild west of crypto, making passive income as simple as possible and empowering communities through digital assets. We have taken extra time and care to provide the right token for our community. Our aim is to provide a safe haven for our investors and make it the forefront of what we do.

4. The Community's Currency

In an economy where individuals trade value with each other, nothing matters more than our community. Success depends on the shared strength of the individuals who belong to the community. In this way, everyone is motivated to work together in order to achieve their common goals. We are creating a community held together by thousands, of interconnected people. We want to intentionally use the power of community to create a varied and ever-growing talent pool built into the BITSEC ecosystem. Our BITSEC3X system is designed to grow our community and create a big movement that will shock the universe. BITSEC3X is also designed to help our community generate passive income and be empowered financially.



5. Sports Betting & Gaming

BITSEC powers one of the biggest sports betting platform in the world known us <https://sportybit.io/>. This Sports betting platform has unique features that will ensure massive success. Some of these features are:

- 1.Refer any user and earn \$1 the first time they deposit at least \$10. Works for both direct referrals and indirect referrals
 - 2.Refer a user and earn 5% of all the staked amount whether they win or lose the bet. Works for both direct and indirect referrals (Indirect referrals are referrals referred by your referrals)
 - 3.Rewarding the highest loser in a particular match or matches
- The global sports betting market size was valued at USD 66.98 billion and sportbit.io is determined to control at least 2% of this huge industry by the end of the year 2022. This will give BITSEC massive capitalization and huge value appreciation.



6. Education

By the beginning of the 2nd quarter of the year 2022 the BITSEC ecosystem will unveil an online academy that will completely transform how education is delivered. The online education portal will bring to you all the necessary courses to help you succeed in the current 4th industrial revolution. All courses will be paid via BITSEC.

7. Our Values

Usability – The BITSEC ecosystem is designed to provide real world use cases for cryptocurrency

Decentralized – Our ecosystem provides fully decentralized applications that are fully automated and immune to third party interference

Simplicity – All our systems have user friendly interfaces and are easy to use.

8. The Issuances

Utility tokens

This section focuses on the issuance of utility and security tokens, which differ in how they are issued, due to underlying legal requirements. A utility token provides access to a blockchain protocol, DApp, and/or can be exchanged for another type of product or service. These methodologies can differ depending on the accessibility to the public.

I. ICO (Initial Coin Offering):

An initial coin offering (ICO) is the cryptocurrency industry's equivalent to an initial public offering (IPO). Where the purchase and sale of tokens is completed directly between issuer and buyer. A company looking to raise money to create a new coin, app, or service launches an ICO as a way to raise funds. Interested investors can buy into the offering and receive a new cryptocurrency token issued by the company. This token may have some utility in using the product or service the company is offering, or it may just represent a stake in the company or project.

ICOs also retain at least two important structural differences from IPOs. First, ICOs are largely unregulated, meaning that government organizations like the Securities and Exchange Commission (SEC) do not oversee them. Secondly, due to their decentralization and lack of regulation, ICOs are much freer in terms of structure than IPOs.

ICOs can be structured in a variety of ways. In some cases, a company sets a specific goal or limit for its funding, which means that each token sold in the ICO has a pre-set price and that the total token supply is static. In other cases, there is a static supply of ICO tokens but a dynamic funding goal-this means that the distribution of tokens to investors will be dependent upon the funds received (i.e. the more total funds received in the ICO, the higher the overall token price). Still, others have a dynamic token supply which is determined according to the amount of funding received. In these cases, the price of a token is static, but there is no limit to the number of total tokens (save for parameters like ICO length).

II. Initial Exchange Offering (IEO):

When issued via a centralized exchange, which places the tokens for sale for buyers to acquire, this is known as an Initial Exchange Offering (IEO). IEOs are a recent development in the rapidly evolving digital asset space. IEOs are similar to ICOs in that they are initial offerings of digital assets (e.g., coins or tokens) to raise capital. However, IEOs are touted as an innovation on ICOs because they are offered directly by online trading platforms on behalf of companies-usually for a fee-to provide immediate trading opportunities for digital assets.

III. Initial DeX Offering (IDO): If the public issuance is created through a decentralized exchange, the issuer has no control on the result of the issuance, this is therefore classified as an Initial DeX (decentralized exchange) Offering (IDO).

An IDO is a new type of decentralized and permissionless Initial Coin Offering, which opens up a new method of fundraising in the Cryptoverse. This type of decentralized asset depends on liquidity pools where traders and investors can swap tokens such as BNB/BITSEC and USDT/BITSEC. IDOs are generally referred to as the successor to other funding models (above). Offering better liquidity at all price levels due to its mechanics.

Unlike other fundraising methods, IDOs are generally considered a fair way to launch a project by avoiding issues such as pre-mines, which is an issuance system that favours project founders and community members. BITSEC decided to issue the utility token via an IDO as it meets our fundamental values which include being peer-to-peer, fair, and decentralized in nature.

Security tokens

Before understanding what, a security token is, we must first understand the characteristics of a security. A security token is a representation of a security, which is a fungible, negotiable financial instrument that holds characteristics such as monetary value. There are primarily three types of securities:

1. An equity security represents ownership held by shareholders in a legal entity (a company, partnership, or trust), realized in the form of share capital, which includes shares of both common and preferred stock.
2. A debt security represents borrowed money that must be repaid. Characteristics are size, yield (interest rate), maturity and renewal (redemption) date.
3. Hybrid securities, combine characteristics of both debt and equity securities, e.g., equity warrants, convertible bonds, among others. Securities have been in existence for hundreds of years. In the last century, these were first issued in paper format, then more recently, digitally. The latest innovation can be represented in the form of tokens issued on a blockchain. A Security Token Offering is issued to the public, and since it represents the existence of securities, it must be compliant with the regulatory and legal framework of securities in the jurisdiction in which they are issued. For instance, this means that if a company is issuing security tokens in Germany, the issuance will have to comply with the same legislation as the issuance of securities in Germany. This complicates matters as not all countries have a uniformed regulatory framework. Ultimately, STOs follow the same guidelines as the issuance of any security, and this makes the issuance of this type of tokens incredibly cumbersome, heavily regulated, with high barriers to entry due to the know-how needed to perform them from a regulatory, legislation and technological perspective. Nevertheless, STOs offer unique characteristics similar to traditional capital markets. The added benefit of using blockchain technology ensures asset tokenization also retains the characteristics of the native blockchain. These include immutability, transparency, auditability, and traceability in a network which is live 24 hours a day, 7 days a week, 365 days a year. Generally speaking, a token is basically the representation of something else; every token represents a proportional part of a digitized asset. This also means that the owner of the token possesses the associated ownership rights and/or other types of economic rights established by the individual company performing the asset tokenization. The procedure which determines whether an issuance meets the requirements of securities law generally refers to the SEC's (Securities & Exchange Commission) Howey Test⁶. Whilst the Howey analysis is specific to US legislation, it is a globally recognized standard for determining whether a transaction qualifies as an investment contract. A consequence of qualifying as a security, means that underlying asset must to adhere to the Securities Act of 1933 and the Securities Exchange Act of 1934 (if you were an asset domiciled in the US).

9. Tokenomics

- Total supply:21,000,000
- Team and Advisory.....500,000
- Circulating supply.....6,888,000
- The remaining BITSEC will be released into the Ecosystem systematically from the year 2024 after the next Bitcoin halving

10. Road Map

- January to April 2021 = Inception and research of the project
- May to October 2021 = Coding of the infrastructure and coin development
- October to November 2021 = Launch of the DeX and Listing of BITSEC
- bitsec3x.com - launched on February 2022
- Sports Betting - sportybit.io launched in March 2022
- Education - Launching in July 2022
- NFT - Launching in Dec 2022
- Ecommerce - launching in January 2023



USEFUL LINKS



Bitsec.exchange



<https://bitswap.finance/>



www.bitsec3x.com



www.sportybit.io



<https://twitter.com/bitseecoin>



Telegram

<https://t.me/NxSm29uE0rAwNmZk>



https://www.youtube.com/channel/UCiQvsRvH3S_wBGUYF5u6ahw



BITSEC

"the biggest utility Token"