bitqy™

The official cryptocurrency of bitqyck, Inc.™

per valorem coeptis

Whitepaper v1.0

TABLE OF CONTENTS

Introduction to Cryptocurrency	3
Plan & Purpose for bitqy	6
The bitqy Coin Constitution	7
Ethereum	8
bitqy Rewards	11
qyckwallet™	11
tradebq™	12
Mining and Security	12
Compliance	12
The Future of bitqy	13

INTRODUCTION TO CRYPTOCURRENCY

Cryptocurrency is a digital currency that uses encryption (cryptography) to generate tokens and to verify transactions. Transactions are added to a public ledger – also called a Transaction Block Chain – and new coins are created through a process known as mining.

As of 2017, cryptocurrency has been used as a decentralized alternative to traditional fiat currencies (which are usually backed by some central government) such as the US dollar (USD).

For the average person using cryptocurrency is as easy as:

- Get a digital wallet to store the currency.
- Use the wallet to create unique "public addresses" to receive currency.
- Transfer funds in or out of your wallet using public addresses.

What is a cryptocurrency address? A public address is a unique string of characters used to receive cryptocurrency. Each public address has a matching private address that can be used to prove ownership of the public address. With Bitcoin the address is called a Bitcoin address. Think of it like a unique email address that people can send currency to as opposed to emails.

The first decentralized digital cryptocurrency can be traced back to "Bit Gold", which was worked on by Nick Szabo between 1998 and 2005. Bit gold is considered the first precursor to bitcoin. In 2008, Satoshi Nakamoto (an anonymous person and/or group) released a paper detailing what would become Bitcoin.

Bitcoin became the first decentralized digital coin when it was created in 2008. It then went public in 2009. As of 2015, Bitcoin is the most commonly known cryptocurrency. Given the popularity of Bitcoin as well as its history, the term "altcoin" is sometimes used to describe alternative cryptocurrencies to bitcoin.

As of mid-2017, there were over 800 different types of cryptocurrencies – or altcoins – for trade in online markets and about 10 of them have market capitalizations of more than $1 Billion USD. At the time of writing this, the total market capitalization of all cryptocurrencies has eclipsed $70 billion!

In other words, cryptocurrency isn't just a fad, it is likely a growing market that (despite its pros and cons) is likely here for the long haul.

Cryptocurrency Basics

Public Ledgers: All confirmed transactions from the start of a cryptocurrency's creation are stored in a public ledger. The identities of the coin owners are encrypted, and the system uses other cryptographic techniques to ensure the legitimacy of record keeping. The ledger ensures that corresponding "digital wallets" can calculate an accurate spendable balance. Also, new transactions can be checked to ensure that each transaction uses only coins currently owned by the spender. Bitcoin calls this public ledger a "transaction block chain".

Transactions: A transfer of funds between two digital wallets is called a transaction. That transaction gets submitted to a public ledger and awaits confirmation. When a transaction is made, wallets use an encrypted electronic signature (an encrypted piece of data called a cryptographic signature) to provide a mathematical proof that the transaction is coming from the owner of the wallet. The confirmation process takes a bit of time (ten minutes for bitcoin) while "miners" mine (ie. confirm transactions and add them to the public ledger).

Mining: In simple terms, mining is the process of confirming transactions and adding them to a public ledger. In order to add a transaction to the ledger, the "miner" must solve an increasingly complex computational problem (sort of like a mathematical puzzle). Mining is open source, so anyone can confirm the transaction. The first "miner" to solve the puzzle adds a "block" of transactions to the ledger. The way in which transactions, blocks, and the public blockchain ledger work together ensures that no one individual can easily add or change a block at will. Once a block is added to the ledger, all correlating transactions are permanent and a small transaction fee is added to the miner's wallet (along with newly created coins). The mining process is what gives value to the coins and is known as a proof-of-work system.

Although there can be exceptions to the rule, there are a number of factors (beyond the basics above) that make cryptocurrency so different from the financial systems of the past:

Adaptive Scaling: Adaptive scaling essentially means that cryptocurrencies are built with a number of measures to ensure that they will work well in both large or small scales.

> **Adaptive Scaling Example:** Bitcoin is programmed to allow for one transaction block to be mined every ten minutes. The algorithm adjusts after every 2016 blocks (theoretically, that's every two weeks) to get easier or harder based on how long it actually took for those 2016 blocks to be mined. So if it only took 13 days for the network to mine 2016 blocks, that means it's too easy to mine, so the difficulty increases. However, if it takes 15 days for the network to mine 2016 blocks, that shows that it's too hard to mind, so the difficulty decreases.

A number of other measures are included in digital coins to allow for adaptive scaling including limiting the supply overtime (to create scarcity) and reducing the reward for mining as more total coins are mined.

Cryptographic: Cryptocurrency uses a system of cryptography (AKA encryption) to control the creation of coins and to verify transactions.

Decentralized: Most fiat currencies in circulation are controlled by a centralized government, and thus their creation can be regulated by a third party. Cryptocurrency's creation and transactions are open source, controlled by code, and rely on "peer-to-peer" networks. There is no single entity that can affect the currency.

Digital: Traditional currency is defined by a physical object (USD representing gold for example), but cryptocurrency is all digital. Digital coins are stored in digital wallets and transferred digitally to other peoples' digital wallets. No physical object ever exists.

Open Source: Cryptocurrencies are typically open source. That means that developers can create APIs without paying a fee and anyone can use or join the network.

Proof-of-work: Most cryptocurrencies use a proof-of-work system. A proof-of-work scheme uses a hard-to-compute but easy-to-verify computational puzzle to limit exploitation of cryptocurrency mining. Essentially, it's like a really hard to solve "catpcha" that requires lots of computing power.

Pseudonymity: Owners of cryptocurrency keep their digital coins in an encrypted digital wallet. A coin-holder's identification is stored in an encrypted address that they have control over – it is not attached to a person's identity. The connection between you and your coins is pseudonymous rather than anonymous as ledgers are open to the public (and thus, the ledgers could be used to glean information about groups of individuals in the network).

Value: For something to be an effective currency, it has to have value.
The US dollar used to represent actual gold. The gold was scarce and required work to mine and refine, so the scarcity and work gave the gold value. This, in turn, gave the US dollar value.

Cryptocurrency works with a similar concept. In cryptocurrency, "coins" (which are nothing more than publicly agreed on records of ownership) are generated or produced by "miners". These miners are people who run programs on specialized hardware made specifically to solve proof-of-work puzzles. The work behind mining coins gives them value, while scarcity of coins and demand thereof causes their value to fluctuate. The idea of work giving value to currency is called a "proof-of-work" system. The other method for validating coins is called proof-of-stake. Value is also created when transactions are added to public ledgers as creating a verified "transaction block" takes work as well.

PLAN AND PURPOSE FOR bitqy

The plan and purpose for launching our own cryptocurrency centered on our desire to reward our company's value creators - the people who take action and participate in specific activities that bring value to the company.

With the growth and excitement behind cryptocurrency, we envisioned the "reward" to be an exciting incentive for the value-creators in the company. As part of the reward process we also set up our own trading platform to give all people the ability to easily and quickly set up an account and trade bitqy for bitcoin (and vise versa) in the open market.

A strong component of the bitqy ownership experience is the smart contract tying bitqyck, Inc. stock to the bitqy token. Every bitqy token is "embedded" with 1/10

share of one (1) bitqyck, Inc. common stock. thereby giving bitqy holders actual ownership of bitqyck, Inc. as outlined in the bitqy Constitution.

THE bitqy COIN CONSTITUTION

bitqy, the in-app token for bitqyck

bitqy is a cryptocurrency token for the marketplace platform bitqyck and the general market as it is accepted by businesses and consumers globally. bitqy will be allocated by the directors of bitqyck, Inc. Once allocated, bitqyck relinquishes control of the allocated bitqy.

The latest and most up to date legal disclosures can always be found on bitqy.org.

Additionally, bitqyck, Inc., a Texas corporation, certifies:

- that it has authorized the minting of ten billion digital tokens known as “bitqy tokens” or “bitqy coins,” created on the Ethereum Blockchain App Platform and, further certifies,

- that through its directors and founders, has duly authorized one billion shares of common stock as the only class of ownership shares in the Corporation, and further certifies,

- that the bitqy tokens are only created by the smart contract that these certifications are enumerated within and, further certifies,

- that the holder of a bitqy token, is also the holder of one-tenth of a share of bitqyck, Inc. common stock, and further certifies,

- that the holder of this coin shall enjoy the rights and benefits as a shareholder of bitqyck, Inc. as provided by the directors of bitqyck, Inc. and ONLY IF the bitqy holder has his/her bitqy tokens in the official

bitqy wallet operated and maintained by bitqyck, Inc., and further certifies,

- pursuant to the terms and conditions that the directors and founders attach to the bitqy token, and further certifies

- that this bitqy token is freely transferable by the holder hereof in any manner, which said holder deems appropriate and reasonable.

The holder of this bitqy token certifies that he or she has ownership and possession pursuant to a legal transaction or transfer from the prior holder.

ETHEREUM

bitqyck, Inc. decided early on to build bitqy upon the Ethereum Blockchain. We chose Ethereum to take full advantage of their smart contract technology. To help our partners and readers understand why we chose Ethereum and how smart contracts work, we provide a beginner's guide to Ethereum with some valuable information as written by blockgeeks.

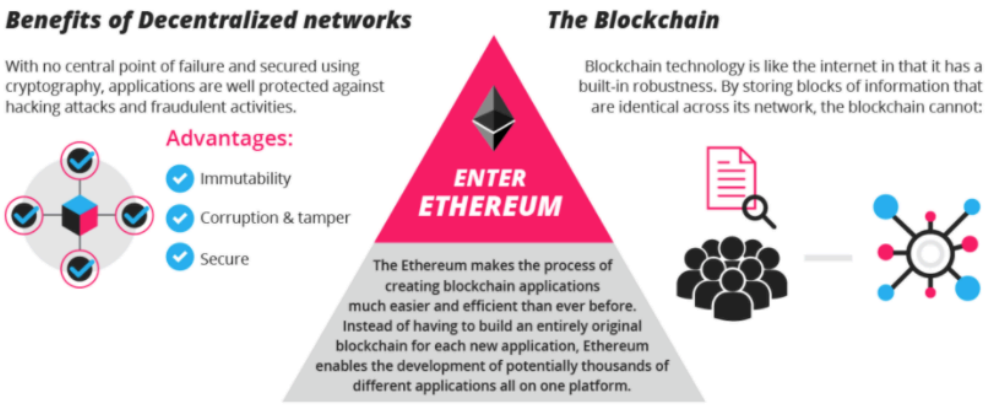
Bitqy is an ERC-20 Token established on the Ethereum Blockchain

Ethereum is a decentralized platform that runs smart contracts: applications that run exactly as programmed without any possibility of downtime, censorship, fraud or third party interference.

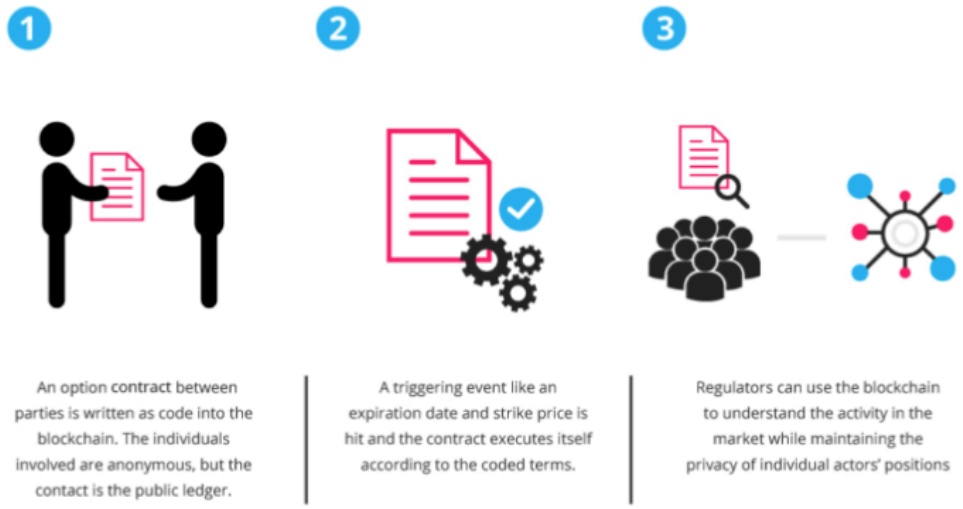
These apps run on a custom-built Blockchain, an enormously powerful, shared global infrastructure that can move value around and represent the ownership of property. This enables developers to create markets, store registries of debts or promises, move funds in accordance with instructions given long in the past (like a will or a futures contract) and many other things that have not been invented yet, all without a middle man or counterparty risk.

Ethereum gives partners the ability to create and manage their own tokens (crypto coin) on their Blockchain. The benefit of this is the ability to utilize their Blockchain scalability as well as their smart contract functionality.

To a beginner, the entire concept of Ethereum and Ethereum tokens can get very confusing very fast. The idea that Ethereum not only has its own currency (Ether) but also has tokens on top of that which can act as currency themselves, can be a little mind-boggling. Before we even begin understanding what Ethereum tokens are all about, it's important to grasp some basic concepts.



The entire Ethereum network is a giant mass of nodes (computers) connected to one another. In fact, the entire network can be visualized as a single entity called the "Ethereum Virtual Machine" or EVM for short. All the transactions that have happened and will ever happen in this network are automatically updated and recorded in an open and distributed ledger.



Smart contracts are how things get done in the Ethereum ecosystem. When someone wants to get a particular task done in Ethereum they initiate a smart contract with one or more people. Smart contracts are a series of instructions, written using the programming language "solidity", which work on the basis of

the **IFTTT logic** aka the **IF-THIS-THEN-THAT logic**. Basically, if the first set of instructions are done then execute the next function and after that the next and keep on repeating until you reach the end of the contract.

The best way to understand that is by imagining a vending machine. Each and every step that you take acts like a trigger for the next step to execute itself. It is kind of like the domino effect. So, let's examine the steps that you will take while interacting with the vending machine:

> **Step 1:** You give the vending machine some money.
> **Step 2:** You punch in the button corresponding to the item that you want.
> **Step 3:** The item comes out and you collect it.

Now look at all those steps and think about it. Will any of the steps work if the previous one wasn't executed? Each and every one of those steps is directly related to the previous step. There is one more factor to think about, and it is an integral part of smart contracts. You see, in your entire interaction with the vending machine, you (the requestor) were solely working with the machine (the provider). There were absolutely no third parties involved.

So, now how would this transaction have looked like if it happened in the Ethereum network? Suppose you just bought something from a vending machine in the Ethereum network, how will the steps look like then?

> **Step 1:** You give the vending machine some money and this gets recorded by all the nodes in the Ethereum network and the transaction gets updated in the ledger.
> **Step 2:** You punch in the button corresponding to the item that you want and record of that gets updated in the Ethereum network and ledger.
> **Step 3:** The item comes out and you collect it and this gets recorded by all the nodes and the ledger.

Every transaction that you do through the smart contracts will get recorded and updated by the network. What this does is that it keeps everyone involved with the contract accountable for his or her actions. It takes away human malice by making every action taken visible to the entire network. But, having said that, what mainly incentivizes these people to fulfill their end of the bargain anyway? What are they getting by helping out the requestors? This is where Ether comes in.

Ether
Every single step in a smart contract is a transaction or a complex computation and would have a cost that is measured in “gas”. The price of this gas is paid by the requester in “Ether”. Ether is the currency with which everything runs in the Ethereum. When people talk about ETH and ETC they are actually talking about the value of the Ether in their respective blockchain.

bitqy REWARDS

As discussed earlier in this whitepaper, bitqyck, Inc. has a bitqy rewards program. Bitqyck stakeholders (affiliates, merchants, consumers, etc.) are rewarded in bitqy for specific actions and activities throughout the bitqyck network of companies. For example, a purchase of a product through bitqyck would allow for the company to reward the participants in bitqy, thereby making the purchase more valuable to the participant. In addition, bitqyck runs promotions and incentives that enable users to earn additional bitqy by following the rules of the promotion.

qyckwallet

Bitqyck, Inc. has launched it’s own custom wallet, named qyckwallet™. Qyckwallet is important for several reasons. First of all, it is the most secure way for someone to hold and manage their bitqy because it has specifically been designed for bitqy. Secondly, the only way to take advantage of the smart contract that relates to stock ownership in bitqyck, Inc. by holding bitqy is by keeping the bitqy in qyckwallet. Due to the anonymous nature of cryptocurrency, users that have an active qyckwallet can tie their qyckwallet account to a registered bitqyck affiliate account and therefore have an identity that is necessary to associate with equity ownership. Other wallets do not have that feature and therefore are perfectly anonymous.

qyckwallet is a centralized wallet architecture – a conscious decision from the coin architects to ensure compliance around corporate ownership within United States’ jurisdiction. Again, since bitqy is an ERC-20 Token, holding bitqy in qyckwallet is not a requirement unless participating in corporate governance events… see Coin Constitution for more info.

tradebq

tradebq is bitqyck's custom bitqy open marketplace trading platform. Through tradebq, users can monitor current prices as well as the top bids and asking prices for bitqy and a report of the most recent trades. Bitqy can be purchased through tradebq with Bitcoin.

It takes less than a minute to create a free account on tradebq.com.

The decision to create tradebq immediately upon launch was to give early bitqy holders liquidity while we waited for listing on public exchanges. No fees are charged for trades on tradebq. Bitqyck bears the cost of gas for trades through the tradebq system.

MINING AND SECURITY

The security of the bitqy token is guaranteed by the security of the underlying Ethereum Blockchain, which at the time of this writing is Proof of Work.

Bitqyck, Inc. has applied the ideology of "Proof-of-Work" to the disbursement of bitqy tokens to future bitqy token holders. The designation of Proof of Work comes from mining or from rewards for specific actions.

COMPLIANCE

bitqyck, Inc. has taken numerous precautions to maintain complete compliance across its cryptocurrency operations. It is especially important due to the smart contract stock connection that comes with the ownership of bitqy. As such, bitqyck has established direct working relationships with corporate governance and compliance professionals as well as business and securities attorneys.

THE FUTURE OF bitqy

It is the intent and goal of bitqyck to distribute all of the allocated bitqy. At that point, we believe that bitqy will be a viable, global currency. As bitqyck matures and the verticals business industries grow, the company plan has always been to allow consumer to use bitqy and merchants to accept bitqy in exchange for products and services.

This type of co-dependent relationship will ensure growth and success of the bitqy marketplace as well as success for the consumers and merchants that transact business with bitqy.

It is our vision that the “Firstmovers” in bitqyck will be rewarded greatly by their ownership of bitqy as we move into the future.