BEE-TRADE
FINANCE
www.beetradefinance.com

BEETRADE FINANCE
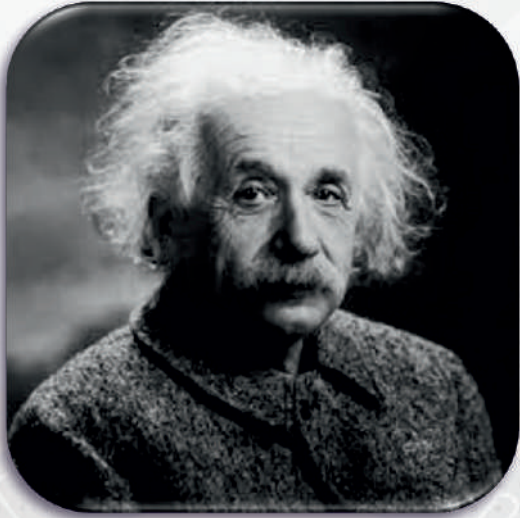
WHITE PAPER
v 1.0

FEB
2023

Why 'Bee Trade'?

Albert Einstein once said that "[i]f the bee disappears from the surface of the Earth, man would have no more than four years left to live." What Einstein knew, decades before the invention of distributed ledgers, was that bee colonies are one of mother nature's greatest and most critical decentralized autonomous organisations. Fast forward fifty years, and **Bee Trade Finance** is now leveraging that life-preserving genius of mother nature in the domain of decentralized finance **(DeFi).**

Bee Trade Finance
at a Glance!

Bee Trade Finance is a rapidly growing, fully decentralized peer-to-peer hybrid, multi-chain Layer 2 **(L2)** cryptocurrency exchange **(DEX),** for the Avalanche DeFi ecosystem, built on the Ethereum Virtual Machine **(EVM).**

The Bee Trade Finance Decentralised Exchange (DEX), and its native token **$BTF** (ERC-20), exist to solve Vitalik Buterin's Blockchain Scalability Trilemma (**see the Problems**), by moving beyond foundational protocol design, to deliver retail-friendly, high conversion, trading facilities at the L2 application layer.

Bee Trade Finance makes **scalability, usability** and **retention**, focal aspects of its solution. With its innovative Proof of Reputation Consensus Protocol (expected 2023), its suite of next-generation L2 functionality, and its lightning-fast DEX Platform, Bee Trade Finance is set to become a go-to hub for digital trade on a grand scale, in DeFi, and in lieu of traditional retail finance products in the realm of Antgroup, Alipay, and Tencent with WeChat Pay.

The Bee Trade Finance
Lineage!

Bee Trade Finance leverages the brainpower of Ethereum's EVM and the quantum power of Avalanche's Multi-CPX-Chains and greater protocol architecture (**see Legacy Technology**), to deliver a Next-Gen L2 trading platform made for mainstream adoption. In a Promethean effort, Bee Trade Finance brings the **Legacy Technology** of leading blockchains to the average user, to access and use those technologies domestically, trading value without friction, in the palm of their hands.

The Bee Trade Finance Vision!

Bee Trade Finance plans to showcase Ethereum and Avalanche technologies (as leaders in DeFi protocol design), to domesticate DeFi for the billions of mainstream retail users who trade value digitally every day, up to a rate of 10,000 transactions per second. Ultimately, Bee Trade Finance's vision is to make DeFi trading as common for the average retail users (and consumers), as eating McDonalds takeout for dinner.

In 2021, the global retail market generated over $26 trillion USD in sales ([Statisa](#), 2022). Beyond this, the total available market on B2B payments is worth an estimated $127 trillion USD. Despite the advent of DeFi, these markets remain firmly in the grips of fintech groups like Ant Group, Tencent, Stripe, Apple Pay, as well as the likes of traditional banking institutions. While DeFi is an exponential growth industry, the crypto market represents less than five percent of the total available market, yet with incredible growth potential depending on market conditions. In the event, cash is eliminated in states (with the introduction of CBDCs, or with the growing decline of fiat anyway), mobile payment decentralized applications **(dApps),** like Bee Trade Finance, could become the go-to solution for daily transactions, the same way Ant and Tencent apps have replaced fiat currencies in China.

The
Problems

There are three critical problems in crypto that Bee Trade Finance is determined to resolve. The Scalability Trilemma & State Bloat The Scalability Trilemma[2] represents the impossible challenge for any protocol to achieve perfect scalability, decentralization, and security, simultaneously without tradeoffs. For instance, running solidity on Ethereum can be impractical and expensive for users.
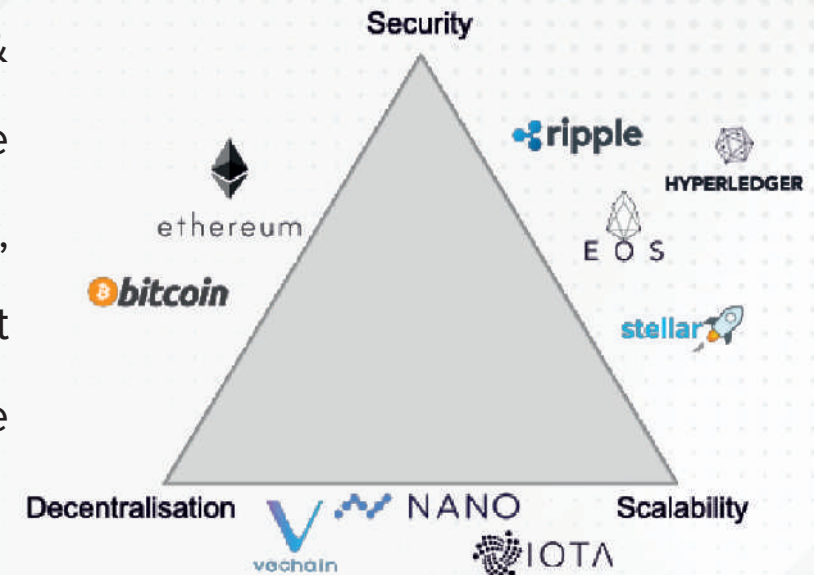
The problem of 'state bloat'[3] negatively affects a network's decentralization as fewer users can participate in chain validation. Then, the network demands enough bandwidth already, without accounting for L1 bandwidth demands. In many countries where internet access is unreliable, users do not have unlimited data to use,[4] making dApps impractical to scale in the real world.

Converting the Greater Retail Market

To date, no crypto project has cracked the code on how to rein in the greater fiat retail market. The first to do, and to open the floodgates, will enjoy the first mover's advantage on one of the greatest, untapped, income producing asset classes in history.

Costs

Retail users count every cent. Price sensitivity is a real issue that can influence or deter the adoption of new products by retail users.[5] Even for retail users who have onboarded into DeFi and currently trade in DeFi, hidden conversion and trading fees and spreads can add up, and over time, retail users will feel the pinch and eventually leave shadow-charging platforms in search of cheaper options.

The Solutions

Bee Trade Finance plans to meet retail users (purchaser, consumers, and eventually retailers alike) at their level, with a L2 solution, purposely designed to limit price-sensitivity, for the greatest user conversions and retention, which in turn will organically scale the network to a critical mass. Bee Trade Finance plans to execute its development plans in line with its **Beehive Growth Plan,** approaching retail finance from the end user's point of view first - rather than prioritizing enterprise and institutional finance needs per se - to achieve a more "decentralized" system than competitors, like Stellar and Ripple, for instance. Once Bee Trade is established amongst retail users, in accordance with the **Beehive Growth Plan**, Bee Trade Finance will target B2B users, to expose Bee Trade Finance to the mouthwatering $127 trillion TAM of B2B payments. Indeed, Bee Trade Finance's solution is well-positioned to leverage the huge growth potential of DeFi in the conversion of traditional retail markets into DeFi.

On the technical side, Bee Trade Finance will solve technical issues that limit scalability and exclude the greater retail market, with its **Beekeeper Monetary Policy**, and the strategic use of key technologies like Avalanche Stateful Precompiles run on the EVM, allowing newfound dexterity to build next-gen financial products to support the **Beehive Growth Plan**. A L2 solution like Bee Trade Finance, run on Avalanche, would solve these problems.[6] Finally, a bonus feature of the Bee Trade Finance offering is that it would improve network security (including Byzantine Fault Tolerance) overall. The recent $600 million Ronin hack[7] made it clear that overachieving networks are especially vulnerable to exploits, when they are not built for high traffic, and must patch urgent solutions to accommodate greater volumes of traffic. However, running on custom EVMs on Avalanche, the Bee Trade Finance DEX will be leveraging some of the greatest Legacy Technology available today, to gain the greatest chance to successfully deploy, grow and maintain its network at scale.

Legacy Technology
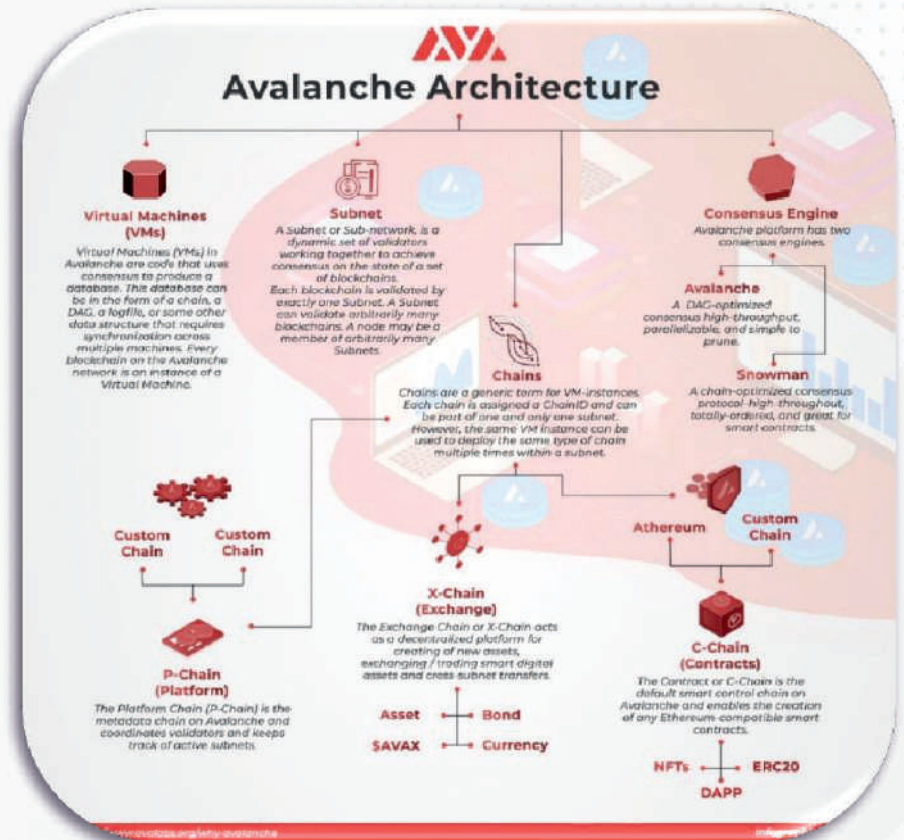
Bee Trade Finance uses an Avalanche custom EVM, which features a robust monetary policy and governance system which is adopted and integrated into the **Beekeeper Monetary Policy** and **Bee Colony Governance Protocol respectively.**
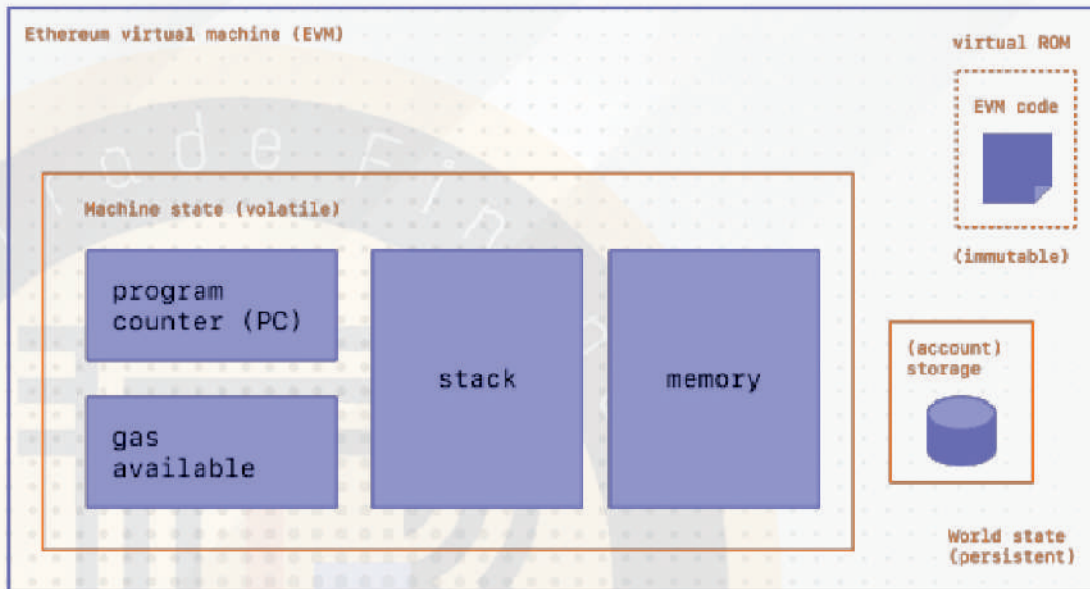
Ethereum Virtual Machine Basics

Avalanche Architecture Overview

The DEX Trading
Platform

Bee Trade Finance has developed and plans to operate its DEX on the Avalanche network, through its website: https://beetrade.exchange/. The Bee Trade Finance platform is a DEX that aims to provide a secure, transparent and user-friendly platform for trading digital assets.
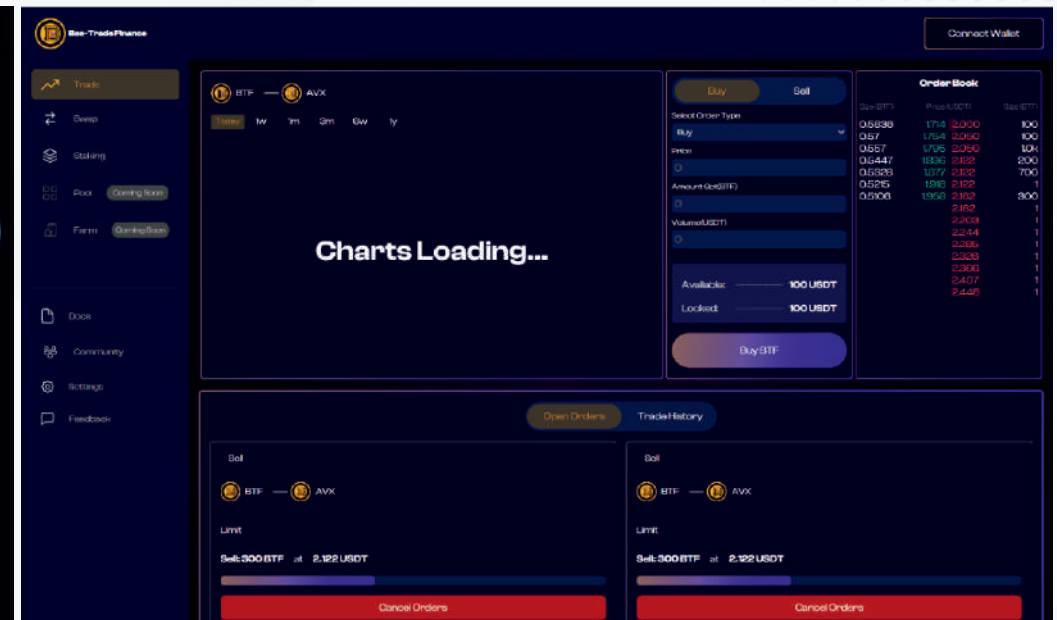
Platform Trading

The platform utilizes the Avalanche network technology and a decentralized protocol design to ensure the security of user assets and to reduce the risk of hacking or theft. One of the key novel features of Bee Trade Finance is its atomic swap capabilities, which allow users to trade different digital assets directly with each other, without the need for a central intermediary. It utilizes the Automated Market Maker (AMM) model, similar to PancakeSwap, to facilitate trades between users. This feature also enables cross-chain trading, enabling users to trade assets on different block chain networks, such as Bitcoin and Ethereum. Another novel feature of Bee Trade is its support for the Lightning Network, which enables faster and cheaper transactions on the exchange. This is particularly useful for users who want to trade small amounts of digital assets, as it reduces the cost and time required for each transaction.
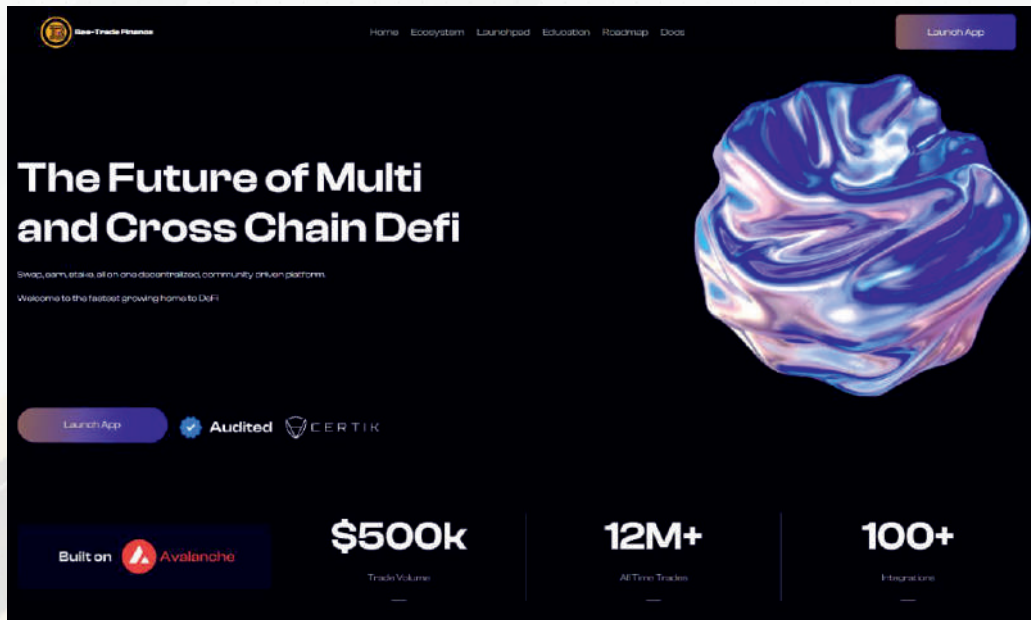
Bee Trade Finance Platform Website

Bee Trade Finance Trading Platform (beta)

Trading Fees

The platform allows users to trade a wide range of ERC-based cryptocurrencies with minimal fees (less than 1%) and fast transaction times.

Liquidity Pool

Bee Trade Finance also plans to feature a unique liquidity pool system, to allow users to provide liquidity to the platform in exchange for a portion of the trading fees. To make trades on the platform, users will connect their wallets to the platform and deposit the desired crypto currency into the liquidity pool. They will then be able to trade that asset for another listed on the platform at current market rate.

Economics and Profits

Bee Trade Finance will generate profits through transaction fees, which are charged on each trade, and interest earned on the lending system. The platform's decentralized nature also means that it is not subject to the same regulatory constraints as centralized exchanges, which can provide a greater degree of freedom and flexibility for users. The platform will charge a small trading fee per trade, typically around 0.5%-1%, depending on demands and network costs. The platform also plans to introduce a staking mechanism, which will allow users to earn a portion of the platform's profits by holding and staking their tokens on the platform.

Community-Driven Development

One of the key features that sets Bee Trade Finance apart from other decentralized trading platforms is its focus on community-driven development. The platform allows users to propose and vote on new features and upgrades, giving them a direct say in the direction of the platform's development. Additionally, it has a built-in governance token that allows token holders to vote on proposals and earn rewards for participating in the platform's growth.

Platform Development

By 2025, the Bee Trade Finance team plans to roll out a number of upgrades to the platform, including the introduction of new trading pairs, a mobile application, and an API for developers to connect to the platform. It also plans to launch an IEO platform for new projects to raise funds and list their tokens on the platform.

Bee Colony Governance Protocol

Avalanche Governance Standards

Running on the Avalanche chains, Bee Trade Finance adopts the Avalanche governance protocol as its base-layer protocol. Accordingly, governance features from the Avalanche governance protocol, relevant to Bee Trade Finance, include:

- DAGs (Directed Acyclic Graphs) vs Blockchain. Avalanche runs on a DAG, rather than a blockchain, to process data. This gives Avalanche a 'quantum computing' quality in the way that it processes data, which is technically much faster and more scalable than traditional blockchains.

- Democratic Base Layer. A consensus mechanism that accepts user proposals, which runs as a system-wide poll (Avalanche's Snow* protocols), to ensure all nodes are carried along[8] and as an ingenious solution to prevent double-spending.

- <u>Flexibility and Interoperability.</u> Adjustable proposals include fee structure adjustments, protocol upgrades, and token locking, among other things[9]. Avalanche supports cross-chain value transfers without the need for bridges.

- <u>Avalanche Stateful Precomplies</u>, which solve the expense and complexity of running EVMs without Precompiles.

- <u>Sybil-resistance Design Features.</u> Classical consensus protocols are designed to withstand up to f attackers and fail completely when faced with an attacker of size f + 1 or larger, and Nakamoto consensus provides no security when 51% of the miners are Byzantine. In contrast, Avalanche provides a guarantee of safety when the attacker is below a certain threshold, which 30 can be parametrized by the system designer, and it provides graceful degradation when the attacker exceeds this threshold. It can uphold safety (but not liveness) guarantees even when the attacker exceeds 51%[10].

- <u>Low-Latency</u>: Most blockchains today are unable to support business applications, such as trading or daily retail payments. It is simply unworkable to wait minutes, or even hours, for confirmation of transactions. Avalanche's Snow* protocols reach finality typically in <1 second, which is much lower than both longest-chain protocols and sharded blockchains, both of which typically span finality to a matter of minutes[11].

- <u>Pruning</u>. Many blockchains, especially those implementing Nakamoto consensus such as Bitcoin, suffer from perpetual state growth. This is because – by protocol – they have to store the entire history of transactions. However, in order for a blockchain to grow sustainably, it must be able to prune old history. This is especially important for blockchains that support high performance like Avalanche. Unlike Bitcoin (and similar protocols), where pruning is not possible per algorithmic requirements, deep and highly committed nodes need not prove past history to 'bootstrapping nodes', and simply have to store active state ie., current balances and uncommitted transactions[12].

Bee Trade Finance Bespoke Governance Standards

In addition to the foundational layer governance protocol, Bee Trade Finance employs additional governance standards as part of its makeup, for added prudence and efficiency. Bee Trade Finance offers additional bespoke governance standards, namely:

- An Override Governance Mechanism. An override functions to adjust transaction fees to influence inflationary and deflationary outcome, and to uphold good governance, in line with the monetary policy for Bee Trade Finance, in the same vein as Avalanche override governance mechanisms.

- Automatic document authentication (ADA). ADA will improve transparency in transactions and reduce the data load to process transactions.

- Unaffiliated Development. Developers unaffiliated with the founder team actively engage in development of the DEX Protocol and performance of essential tasks.

- Metastability. Scaleable and Probalistic Leaderless Byzantine Fault Tolerance through Metastability.[13]

DAO Governance & User Contributions

The Bee Trade Finance platform will operate under the auspices of a governing decentralized autonomous organisation (DAO) of users. DAO participants do not necessarily need to hold BTF to participate in the protocol, but rather can participate in the protocol by trading and holding tokens (greater than equivalent of $1,000 USD) of any denomination on the platform.

DAO members will be invited to receive notices to vote on governance matters including:

- Critical development forks in the protocol design and progression;

- To confirm or alter the dates to burn tokens;

- The allocation of funding for development and marketing work;

- The treatment of blacklisted members and the resolution of protocol disputes;

Members resign once they relinquish control of their token holdings. Members will hold a vote of 1 only, rather than being granted votes based on token holdings. Governance decisions will be by majority vote (over 50%)

Beehive
Growth Plan

Bee Trade Finance has developed its **Beehive Growth Plan** to facilitate completion of milestones in accordance with the Bee Trade Finance **Roadmap** and to grow the network to scale and achieve the **Bee Trade Finance Vision**.

Accordingly, 20% of the token supply will be dedicated to a schedule of strategic project development activities, partnerships, and the fulfilment of additional governance requirements, to build the ecosystem and network across multiple crypto ecosystems. This allocation is intended to support business operations, marketing, community-building initiatives, the associated services platform, and revenue creation. It is estimated that a majority of expenses will be allocated to community building, marketing, and legal and regulatory compliance across several jurisdictions. Part of this allocation will also be dedicated to platform marketing. This will include the running cost for the marketing team.

Bee Trade Finance will employ a dedicated marketing team to deploy a robust social media campaign across multiple channels (including Twitter, Instagram, Facebook, Reddit, LinkedIn, and Telegram) to reach partners and audiences online, across the globe. The marketing team will also explore sponsored partnerships with credible online and offline partners to promote Bee Trade Finance to trusted loyal audiences.

Finally, the marketing team will also provide guides and answer users' questions. The running cost of marketing are treated as a matter of propriety. Building brand awareness and a strong digital community across social media platforms will be the primary focus of the marketing team.

Out of the 20% token supply for growth, 9% will be allocated to Bee Trade Finance team members and advisors for their strategic guidance and contributions towards achieving integral milestones in the Bee Trade Finance **Roadmap.**
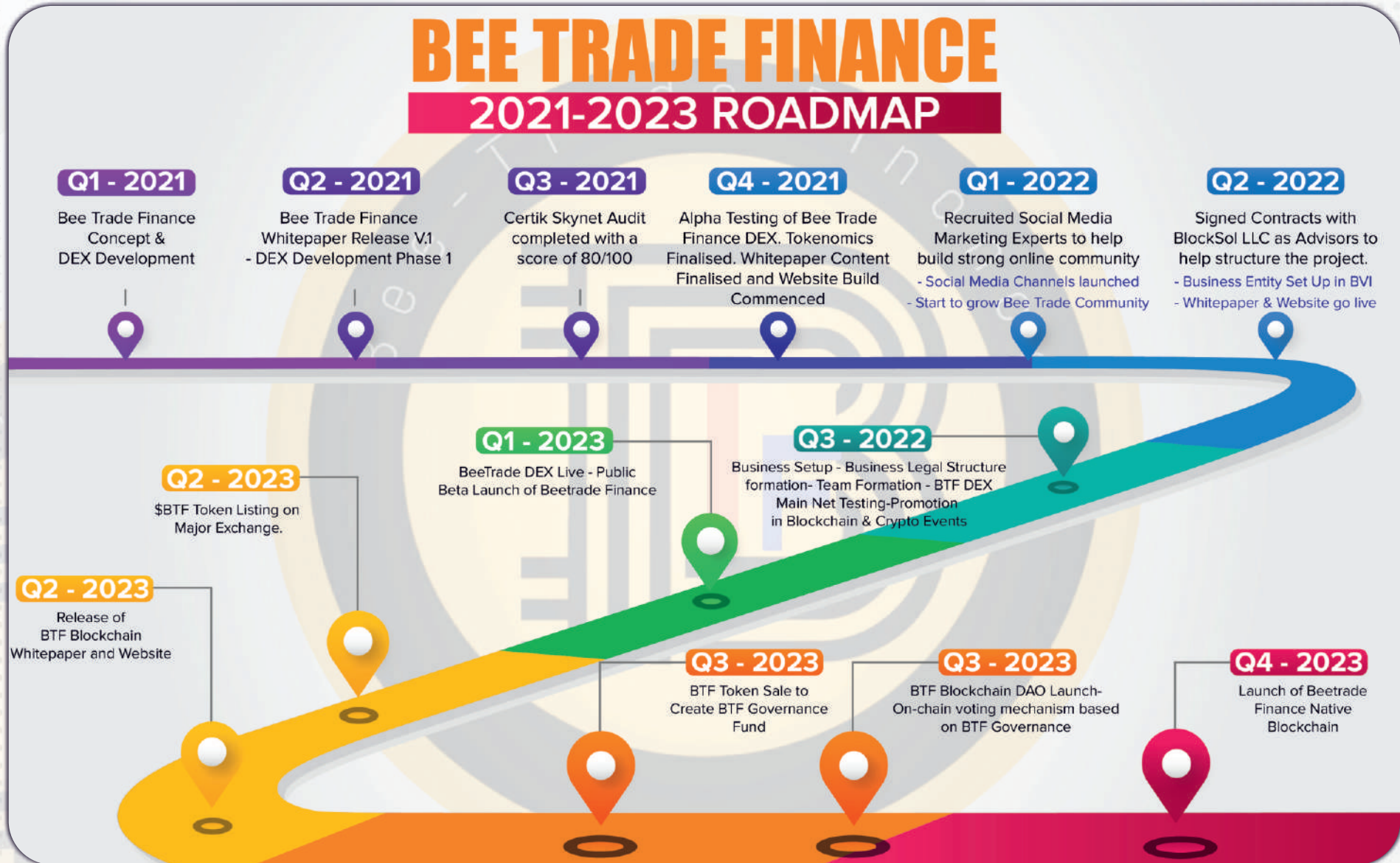
Roadmap

Figure 8: 2021-2023 Roadmap

The 2021-2023 Roadmap

Bee Trade Finance projects the following roadmap in the deployment of its solutions and development of its ecosystem for the 2021-2023 period, as follows:

2021 Roadmap

Q1: Bee Trade Finance Concept & Blockchain Development. [Milestone Completed]

Q2: Bee Trade Website Launch & release of First White Paper. [Milestone Completed]

Q3: Security Audit by Certik. [Milestone Completed]

Q4: Engagement with BlockSol LLC for Project Structuring. [Milestone Completed]

2022 Roadmap

Q1: Year-In Review Development of Native Bee Trade Blockchain Platform - Closed Alpha Testing - Market Makers Can Integrate and Test. [Milestone Completed]

Q2: Signed Agreements with BlockSol LLC as Chief Advisor for Bee Trade Finance. [Milestone Completed]

Q3: Business Set Up - Business Legal Structure Formation - Team Formation - BTF DEX Main Net testing - Promotion in Blockchain and Crypto Events. [Milestone Completed]

2023 Roadmap

Q1: Bee Trade DEX Live – Public-beta launch of Bee Trade Finance.[14]

Q2: $BTF Token Listing on Major Exchanges. Release of BTF Blockchain White Paper and Website.[Milestone Pending]

Q3: BTF Token Sale to Create BTF Governance Fund. BTF Blockchain DAO Launch – On-chain Voting Mechanism Based on BTF Governance. [Milestone Pending]

Q4: Launch of Bee Trade Finance Native Blockchain. [Milestone Pending]

2023 Q3 and beyond

See Roadmap Planning Note.

Roadmap Planning Note

As at the date of this revised White Paper, Bee Trade Finance has achieved all the preceding milestones. Bee Trade Finance will make periodic announcements as its roadmap milestones are reached on its website and through its social media channels. Bee Trade Finance plans to release an updated roadmap, on a further two-to-five-year projection of milestones, by Q2 2023, by which time, Bee Trade Finance anticipates having met all preceding milestones and having made significant headway in the pursuit of the Bee Trade Finance Vision.

The BTF Token
Tokenomics

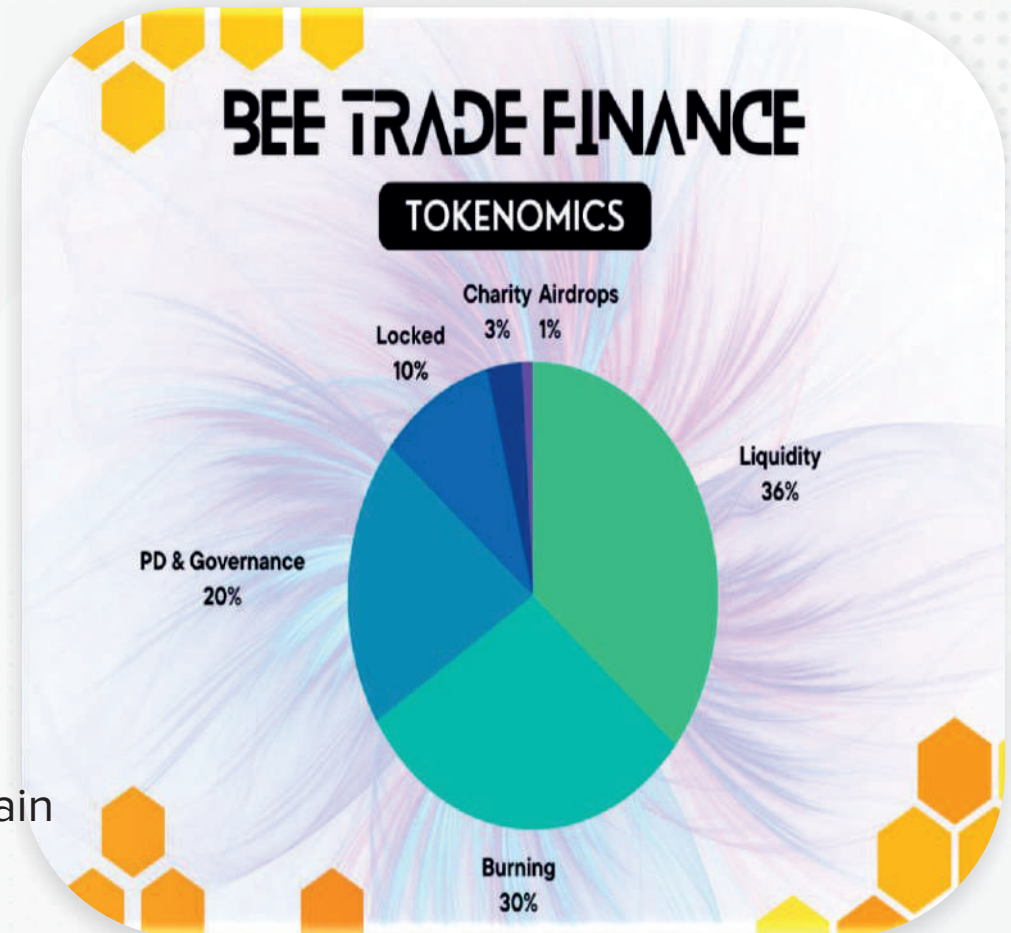|		
Total Supply	:	1,080,000,000
Liquidity	:	36%
Burning	:	30%
Locked (1.5 Years)	:	10%
Project Development (PD)	:	20%
Partners & Governance		
Charity	:	3%
Airdrops	:	1%
Chain	:	Avalanche C-Chain
Token Type	:	ERC-20

Figure 2 Native Token Tokenomics

For the avoidance of doubt, staking does not support the system or contribute services or effort, nor provide a share in the increase or decrease in the value of tokens.

Beekeeper Monetary Policy

Bee Trade Finance's native token, **$BTF,** is an ERC-20 token with a total supply of 1,080,000,000 tokens. The token is intended to be used as the native token on the Bee Trade Finance DEX, with the option for users to trade the token across other exchanges (both DEXs and centralised exchanges), as well as between P2P wallets, as a DeFi tool for common trade.

The Beekeeper Monetary Policy features a reserve liquidity provision, adjustable staking rewards, super-staking locked tokens, a deflationary burn mechanism, zero adjustable transactional costs, enhanced spamming prevention, airdrops, and token incentives to facilitate the **Beehive Growth Plan**.

While the supply of $BTF tokens is limited, and the Beekeeper Monetary Policy is relatively straightforward compared with other more complex protocols, the economic flow of $BTF will remain subject to the **Bee Colony Governance Protocol** to uphold responsible monetary policy practices on an ongoing basis.

Reserve Liquidity Provision

Where stablecoin design principles can become complicated with the question of collateral, pegging etc,[15] Bee Trade Finance avoids these issues, bypassing the issue of any stablecoins, and instead, setting a firm reserve liquidity provision to support its DEX and network.

A total of 36% of the token supply will be allocated as a liquidity reserve provision for the Bee Trade Finance DEX. Primarily, $BTF will be used to provides liquidity to the Bee Trade Finance DEX. In consequence, the allocation of a reserve liquidity provision will mean that $BTF can also fulfil ancillary functions as a unit of exchange and a unit of account in the processing of all Bee Trade Finance DEX transactions, with a degree of credibility and stability.

Beyond this, $BTF is intended to function as a multi-functional and universal token on other exchanges and chains once onboarding and bridging is complete, wherein, the reserve liquidity provision may be leveraged across chains and exchanges also.

System of Staking Rewards

The Avalanche Whitepaper identified that a common problem in staking with permissionless currencies is that of the "rich getting richer".[16] This is a valid concern, since a Proof of Stake **(PoS)** system that is improperly implemented may in fact allow wealth generation to be disproportionately attributed to the already large holders of stake in the system. But, like Avalanche, by enabling very large numbers of people to participate first-hand in staking, Bee Trade Finance can accommodate millions of people to participate equally in staking. The minimum amount required to participate in the protocol will be up for governance, but it will be initialized to a low value to encourage wide participation, across multiple functions that will grow the network.

Accordingly, a system of staking rewards will be payable to validator and delegators (in accordance with the Avalanche staking reward mechanisms for those functions), and to staking rewards passive users and super-staking rewards to locked token holders.

Passive Staking Rewards

Users who wish to stake $BTF without running a validator or delegator node, can take advantage of an adjustable staking reward, in the range of 5% to 20% APY, depending on the time tokens are staked, on a quarterly basis to users that validate or delegate.

For instance, staking for less than one quarter (<3 months) will yield a staking reward of 5% APY. Staking for one to two quarters (3-6 months) will yield a staking reward of 10%. Staking for two to three quarters (6-9 months) will yield a staking reward of 15%. And finally, staking for three to four quarters and more (9-12 months) will yield a staking reward of 20% APY.

Such a scheme of incremental staking rewards will introduce a blend of incentives and market demand to incentivise early adopters and token holders, whilst yielding a deflationary effect in organically decreasing circulating supply in line with the **Beehive Growth Plan**.

Super-Staking Locked Tokens

Ten percent of $BTF tokens will be pre-allocated as super-staking locked tokens to token holders, to be locked over a period of 18 months, with a staking reward of 30% APY. During this term, tokens cannot be traded or transferred. Super-staking locked tokens allows token holders to participate in the token issuance on alternative proposal terms, whilst also serving the benefit of the ecosystem by avoiding liquidity pitfalls in the initial period after listing, while the token is most vulnerable to reputational damage, and 'pump and dump' schemes.

Deflationary Burn Mechanism

Bee Trade Finance offers a novel approach to fees with its significant deflationary burn mechanism. On its L2 layer, fees are not paid to validator nodes by default on the direct basis of work performed or staking accounted for. Rather, any fees at the L2 layer that would ordinarily be paid to validator nodes are burned, thus increasing the scarcity of the $BTF token.

It is estimated that approximately 0.0000001% of $BTF tokens will be burned with each transaction until 30% of the total token allocation has been burned. This equates to the first 3,000,000 transactions on $BTF. Once the $BTF burn token supply is burned in full, the intention is for $BTF to be used as a legacy token by the time that Bee Trade Finance unveils its own L1 consensus protocol, upon which other L2 solutions and tokens may be launched.

Zero Adjustable Transaction Costs

Bee Trade Finance intends to offer zero gas transaction costs by default, adjustable only in accordance with the **Bee Colony Governance Protocol** to prevent unintended uses of the platform and token, and as a saving method to keep responsible monetary policy practices. Fees payable will accrue at the L1 layer in accordance with Avalanche transactions fee schedules. The creation of new subnetworks with $BTF will incur the most fees, albeit at a fraction of the price for similar functions performed on other L2 solutions. Other transactions, such as P2P $BTF transactions will remain inexpensive (capped at $1.00 USD per transaction).

Naturally, different exchanges, wallets, and custody providers, will set their own transaction schedules for trades on their platforms. Otherwise, any other $BTF transaction fees at the L2 layer shall also be subject to the **Bee Colony Governance Protocol**.

Airdrops

Bee Trade Finance has dedicated 1% of the total supply of $BTF to airdrops, to strategically acquisition users at key intervals, in line with the **Beehive Growth Plan.**

Enhanced Spamming Prevention

While $BTF transaction fees are 'zero by default', it is acknowledged that this can invariably lead to 'spam transactions' that tarnish on the network. Therefore, Bee Trade Finance seeks to leverage enhanced spamming prevention, through its use of Avalanche chains, to require each transaction includes a local Proof-of-Work **(PoW).** Initial PoW difficulty will be moderate, enabling fast transaction issuance with minimal overhead. If a specific key generates a significant number of transactions in a short period, the PoW puzzle complexity for each consecutive transaction will increase. This method of enhanced spamming prevention will operate in tandem with Bee Trade Finance's Deflationary Burn Mechanism.

Charity Donations

Bee Trade Finance has reserved 3% of the total token supply for charity donations, to be deployed at strategic intervals to charities including but not limited to:

- National Wildlife Federation;
- Xerces Society for Invertebrate Conservation;
- Pollinator Partnership;
- Bees for Development;
- Planet Bee Foundation;
- The Bee Conservancy;
- The Bee and Butterfly Habitat Fund; and
- Karma Honey Project.

Donations will be made at intervals in a manner, frequency, and methods of disposing of donations which is in line with the **Bee Colony Governance Protocol**.

Incentives for Project Development, Partnerships & Growth

- See **Beehive Growth Plan**.

Schedule 1 – Disclosures

PLEASE READ THIS SECTION CAREFULLY. YOU SHOULD CONSULT WITH YOUR LEGAL, FINANCIAL, TAX, AND OTHER PROFESSIONAL ADVISOR(S) BEFORE TAKING ANY ACTION IN CONNECTION WITH THIS WHITE PAPER.

This White Paper is intended to present general information regarding the Bee Trade Finance Token **(BTF)** and DEX Platform and Protocol (collectively, **Bee Trade Finance**). In connection with the development of Bee Trade Finance, sales of tokens may take place in one or more proposed generation and sale events of $BTF Tokens **(Tokens)** undertaken by third parties and exchanges (**Token Generators**), also developed by the token founders, consultants, developers and network participants (**Token Developers**). Certain terms of this document pertain to potential purchasers (each a **Purchaser**) in any such sale(s).

1. Reliance

Any Tokens are offered solely by Token Generators based on information contained in their terms and conditions of purchase and sale (**Terms and Conditions**). Potential Purchasers should disregard, and not rely upon, any other information or representations given or made by any dealer, broker, or other person. No person is authorized to give any information or to make any representations in connection with any offering of $BTF Tokens apart from those contained in the Terms and Conditions of issuing Token Generators. A potential Purchaser to whom such information or representations are given or made must not rely on them as having been authorized by any Token Generators or any of its affiliates or subsidiaries.

Statements in the White Paper are generally based on the law and practice in the British Virgin Islands, with certain specific statements based on the law and practice of the jurisdictions explicitly mentioned, in each case current at the date the White Paper was issued. Those statements are therefore subject to change should the corresponding law or practice change.

Under no circumstance does the delivery of the White Paper or the sale of Tokens imply or represent that the affairs of the Token Generators or Token Developers, have not changed since the date of the White Paper.

1.1 Purchaser Responsibility

Nothing contained in the White Paper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of the Token Generators and/or Token Developers. Neither any Token Generators or Token Developers make representations or warranties of any kind with respect to the economic return from, or the tax consequences of a purchase of Tokens.

Prospective Purchasers should carefully review the whole of the token sale Terms and Conditions provided along with any token sale offer. They should also consult with their legal, tax and financial advisors in relation to the following:

- The legal and regulatory requirements within their own countries for purchasing, holding and disposing of Tokens;

- Any foreign exchange restrictions to which they may be subject in their own countries in relation to purchasing, holding, or disposing of Tokens; and

- The legal, tax, financial and other consequences of subscribing for, purchasing, holding, or disposing of Tokens.

This White Paper is not composed in accordance with, and is not subject to, laws or regulations of any jurisdiction which are designed to protect investors.

To the maximum extent permitted by applicable law, Token Generators and Token Developers expressly disclaims and shall not be liable for any and all responsibility for any direct or any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with:

- Purchaser's acceptance of or reliance on any information contained in the White Paper;

- Any error, omission, or inaccuracy in any such information or

- Any action resulting therefrom.

1.2   Distribution and Selling Restrictions

The distribution of the White Paper and the offering or purchase of Tokens may be restricted in certain jurisdictions. The White Paper is not intended as part of any offer, sale, or distribution under the laws of any jurisdiction governing the offer or sale of securities. The receipt of the White Paper or the accompanying Terms and Conditions does not constitute an invitation to a recipient to subscribe for Tokens in a jurisdiction where it is necessary to comply with registration or any other legal requirement to make that invitation, or the use of the Terms and Conditions, lawful.

No such recipient may treat the White Paper or the accompanying Terms and Conditions as an invitation to subscribe for Tokens, nor may such recipient use the Terms and Conditions. More particularly, the White Paper does not constitute an offer or solicitation:

- By anyone in a jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so; or

- To anyone to whom it is unlawful to make such offer or solicitation.

It is the responsibility of every person in possession of the White Paper and every person wishing to apply to purchase Tokens to inform himself, herself or itself of, and to observe all applicable laws and regulations of, any relevant jurisdiction.

1.3 Forward looking information

All statements, estimates and financial information contained in the White Paper, made in any press releases or in any place accessible by the public and oral statements that may be made by Token Generators or Token Developers that are not statements of historical fact, constitute "forward-looking statements".

Some of these statements can be identified by forward-looking terms such as "aim", "target", "anticipate", "believe", "could", "estimate", "expect", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "would", "will" or other similar terms. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual events or results, performance, or achievements to differ materially from the estimates or the results implied or expressed in such forward-looking statements.

Further, the Token Generators and Token Developers disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events, or circumstances, even if new information becomes available or other events occur in the future.

2. DISCLOSURE SCHEDULE

The acquisition of Tokens involves a high degree of risk. Before acquiring Tokens. It is recommended that each Purchaser conduct its own careful examination of all relevant information and risks about the Token Generators and Token Developers,

Bee Trade Finance Platform and Tokens and, specifically, the disclosures and risk factors set out below. If any of the following risks occurs, the Bee Trade Finance Platform, Token and Purchaser's Tokens may be materially and adversely affected, including the Purchaser's Token being rendered worthless or unusable.

2.1. Disclosures regarding the White Paper

2.1.1. Accuracy of information, no consent of parties referenced in White Paper - This White Paper includes market and industry information and forecasts that have been obtained from internal surveys, reports, and studies, where appropriate, as well as market research, publicly available information, and industry publications. Such surveys, reports, studies, market research, publicly available information and publications generally state that the information that they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information.

Save for the Token Generators and its respective directors, executive officers and employees, no person has provided his or her consent to the inclusion of his or her name and/or other information attributed or perceived to be attributed to such person in connection therewith in the White Paper and no representation, warranty or undertaking is or purported to be provided as to the accuracy or completeness of such information by such person and such persons shall not be obliged to provide any updates on the same. The Token Generators and Token Developers have not conducted any independent review of the information extracted from third party sources, verified the accuracy or completeness of such information, or ascertained the underlying economic assumptions relied upon therein. Consequently, neither Token Generators, nor Token Developers, nor their directors, executive officers and employees acting on their behalf, make any representation or warranty as to the accuracy or completeness of such information and shall not be obliged to provide any updates on the same.

2.1.2. Terms Used - To facilitate a better understanding of Tokens being offered for purchase by Token Generators, and the businesses and operations of Token Generators, certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in the White Paper. These descriptions and assigned meanings should not be treated as being definitive of their meanings and may not correspond to standard industry meanings or usage. Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

2.1.3. Restrictions on distribution and dissemination of White Paper - The distribution or dissemination of the White Paper or any part thereof may be prohibited or restricted by the laws, regulatory requirements, and rules of any jurisdiction.

In the case where any restriction applies, you are to inform yourself about, and to observe, any restrictions which are applicable to your possession of the White Paper or such part thereof (as the case may be) at your own expense and without liability to the Token Generators or Token Developers. Persons to whom a copy of the White Paper has been distributed or disseminated, provided access to or who otherwise have the White Paper in their possession shall not circulate it to any other persons, reproduce or otherwise distribute the White Paper or any information contained herein for any purpose whatsoever nor permit or cause the same to occur.

2.1.4. Language of White Paper - This White Paper may have been prepared in multiple languages. In the event of any inconsistencies between one version and another, the English language version shall prevail.

2.2. Disclosures regarding Tokens

2.2.1. Token is a Utility Token - Tokens are digital utility tokens that afford Token holders to access the Bee Trade Finance Platform and/or execute certain functions on the Bee Trade Finance Blockchain. Tokens do not represent a loan to Token Generators, nor do they provide Purchaser with any ownership or other interest in or to Token Generators or Token Developers. For greater certainty, the purchase of Tokens does not provide Purchaser with any form of ownership right or other interest in or to Token Generators, Token Developers or Bee Trade Finance or its present or future assets and revenues, including, but not limited to, any voting, distribution, redemption, liquidation, revenue sharing, proprietary (including all forms of intellectual property), or other financial or legal rights.

2.2.2. Tokens are Non-Refundable - Other than instances described in the Terms and Conditions, if any, Token Generators are not obliged to provide Token holders with a refund for any reason, and Token holders will not receive money or other compensation in lieu of a refund. Statements set out in the White Paper are merely expressions of the Token Generator's objectives and desired work plan to achieve those objectives.

and no promises of future performance or price are or will be made in respect to Tokens, including no promise of inherent value, and no guarantee that Tokens will hold any particular value.

2.2.3. Tokens are Provided on an "As Is" Basis - Tokens are provided on "as is" basis. The Token Generators and Token Developers and each of their respective directors, officers, employees, shareholders, affiliates and licensors make no representations or warranties of any kind, whether express, implied, statutory or otherwise regarding Tokens, including any warranty of title, merchantability or fitness for a particular purpose or any warranty that Tokens and Bee Trade Finance Platform will be uninterrupted, error-free or free of harmful components, secure or not otherwise lost or damaged. Except to the extent prohibited by applicable law, the Token Generators, Token Developers and Bee Trade Finance and each of their respective directors, officers, employees, shareholders, affiliates and licensors disclaim all warranties, including any implied warranties of merchantability, satisfactory quality, fitness for a particular purpose, non- infringement, or quiet enjoyment, and any warranties arising out of any course of dealings, usage or trade.

2.2.4. Not an Offering of Securities, Commodities or Swaps - The sale of Tokens and Tokens themselves are not securities, commodities, swaps on either securities or commodities, or a financial instrument of any kind. Purchases and sales of Tokens are not subject to the protections of any laws governing those types of financial instruments. This White Paper and all other documents referred to in the White Paper including the Terms and Conditions do not constitute a prospectus or offering document, and are not an offer to sell, nor the solicitation of an offer to buy an investment, a security, commodity, or a swap on either a security or commodity.

2.2.5. Non-Investment Purposes - Purchaser acknowledges and agrees that Purchaser is not purchasing Tokens for purposes of investment, speculation, as some type of arbitrage strategy, for immediate resale or other financial purposes. Tokens are not designed for investment purposes and should not be considered as a type of investment.

2.3. Tokens May Have No Value

3. FORCE MAJEURE

The Token Generation and the performance of the Token Generator's and Token Developer's activities set out in White Paper development roadmap may be interrupted, suspended, or delayed due to force majeure events. For the purposes of the White Paper, a force majeure event shall mean any extraordinary event or circumstances which could not be prevented by Token Generators and/or Token Developers and shall include: hardware, software or other utility failures, changes in market forces or technology, software or smart contract bugs, changes in blockchain-related protocols, acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics, lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies or other circumstances beyond either a Token Generator's or Token Developer's control, which were not in existence at the time of Token Generation. Purchaser understands and agrees that Token Generators and Token Developers shall not be liable and disclaims all liability to Purchaser in connection with a force majeure event.

4. INSURANCE

Unlike bank accounts or accounts at financial institutions, Tokens are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer or private insurance arranged by Token Generators or Token Developers to offer recourse to Purchaser, unless expressly stated otherwise.

5. GOVERNMENTAL DISCLOSURES

5.1. Risk of Unfavourable Regulatory Action in One or More Jurisdictions

The regulatory status of cryptographic tokens, digital assets, and blockchain technology is undeveloped, varies significantly among jurisdictions and is subject to significant uncertainty. It is possible that certain jurisdictions may adopt laws, regulations, policies or rules directly or indirectly affecting the Bitcoin and Ethereum network, or restricting the right to acquire, own, hold, sell, convert, trade, or use Tokens. Developments in laws, regulations, policies or rules may alter the nature of the operation of the blockchain network upon which Tokens are dependent.

There can be no assurance that governmental authorities will not examine the operations of the Token Generators, Token Developers and Bee Trade Finance and/or pursue enforcement actions against the Token Generators or Token Developers. All of this may subject the Token Generators and Token Developers to judgments, settlements, fines or penalties, or cause the Token Generators and Token Developers and Bee Trade Finance to restructure their operations and activities or to cease offering certain products or services, all of which could harm the Token Generators and Token Developers and Bee Trade Finance's reputation or lead to higher operational costs, which may, in turn, have a material adverse effect on Tokens and/or the development of the Bee Trade Finance Platform.

5.2. Purchaser Bears Responsibility of Legal Categorization

There is a risk that Tokens might be considered a security in certain jurisdictions, or that they might be considered to be a security in the future.

The Token Generators and Token Developers, do not provide any warranty or guarantee as to whether Tokens will be a security in the jurisdiction of the Purchaser.

Each Purchaser will bear all consequences of Tokens being considered a security in their respective jurisdiction.

Every Purchaser is responsible to confirm if the acquisition and/or disposal of Tokens is legal in its relevant jurisdiction, and each Purchaser undertakes not to use Tokens in any jurisdiction where doing so would be unlawful. If a Purchaser establishes that the purchase or use of Tokens is not legal in its jurisdiction, it should not acquire Tokens and immediately stop using or possessing Tokens.

Acquiring Tokens in exchange for cryptocurrencies will most likely continue to be scrutinized by various regulatory bodies around the world, which may impact the usage of Tokens. The legal ability of the Token Developers and Token Generators to provide or support Tokens in some jurisdictions may be eliminated by future regulation or legal actions.

In the event the Token Developers or Token Generators determine that the purchase or usage of Tokens is illegal in a certain jurisdiction, they may cease operations in that jurisdiction, or adjust Tokens or the Bee Trade Finance Platform in a way to comply with applicable law, and insomuch as they have a capacity to effect such adjustments.

5.3. Purchaser bears responsibility for complying with transfer restrictions

Tokens may be placed on third-party exchanges, giving future purchasers and viewers an opportunity to openly buy Tokens. A user seeking to enter the Bee Trade Finance Platform following the Token Generation will have to buy Tokens on such exchanges. Conversely, Tokens may be sold on such exchanges if the holder of Tokens would like to exit the Bee Trade Finance Platform ecosystem. Existing laws on the circulation of securities in certain countries, such as the United States of America, Canada and Singapore, may prohibit the sale of Tokens to the residents of those countries.

When buying Tokens, Purchaser should be aware of the restrictions on their subsequent sale.

6. GENERAL SECURITY RISKS

6.1. Risk of theft and hacking

Token generation events and initial coin offerings are often targeted by hackers and bad actors. Hackers may attempt to interfere with the Purchaser's private key storage device or digital wallet Digital Wallet, the Bee Trade Finance Blockchain or the availability of Tokens in any number of ways, including without limitation denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks. Any such attack may result in theft of Purchaser's Tokens.

6.2. Private keys

Tokens purchased by Purchaser may be held by Purchaser in Purchaser's digital wallet or vault, which requires a private key, or a combination of private keys, for access.

Accordingly, loss of requisite private key(s) associated with Purchaser's digital wallet or vault storing Tokens will result in loss of such Tokens. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet or vault service Purchaser uses, may be able to misappropriate Purchaser's Tokens. Token Generators and Token Developers are not responsible for any such losses.

6.3. Exchange risks

If Purchaser sends cryptocurrencies to the Token Generators and Token Developers from an exchange or an account that Purchaser does not control, Tokens will be allocated to the account that has sent such cryptocurrency; therefore, Purchaser may never receive or be able to recover Purchaser's Tokens. Furthermore, if Purchaser chooses to maintain or hold Tokens through a cryptocurrency exchange or other third party, Purchaser's Tokens may be stolen or lost.

6.4. Risk of incompatible wallet services

The wallet or wallet service provider used for the storage of Tokens has to be technically compatible with Tokens. The failure to assure this may result in the Purchaser not being able to gain access to its Tokens.

6.5. Risk of weaknesses or exploitable breakthroughs in the field of cryptography

Advances in cryptography, or other technical advances such as the development of quantum computers, could present risks to cryptocurrencies, Ethereum, the Avalanche network, and Tokens, which could result in the theft or loss of Tokens.

6.6. Internet transmission risks

There are risks associated with using Tokens including, but not limited to, the failure of hardware, software, and internet connections. The Token Generators and Token Developers shall not be responsible for any communication failures, disruptions, errors, distortions or delays you may experience when using the Bee Trade Finance Platform and Tokens, howsoever caused. Transactions in cryptocurrencies may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable. cryptocurrency transactions are deemed to be made when recorded on a public ledger, which is not necessarily the date or time when the transaction is initiated.

7. BEE TRADE FINANCE PLATFORM DISCLOSURES

7.1. No guarantee that Bee Trade Finance Consensus Protocol will be developed

Purchaser acknowledges, understands, and agrees that Purchaser should not expect and there is no guarantee or representation or warranty by Token Generators and Token Developers that Bee Trade Finance L1 Consensus Protocol will be developed or that the Bee Trade Finance DEX will be and/or remain operational and functional.

7.2. Risks associated with the Bee Trade Finance, Avalanche and associated software and/or infrastructure.

7.2.1. Malfunctions - The initial iteration of the Tokens are based on the Ethereum EVM and Avalanche blockchains. As such, any malfunction, unintended function or unexpected functioning of the Ethereum and Avalanche protocols may cause Tokens and/or the Bee Trade Finance Platform to malfunction or function in an unexpected or unintended manner.

7.2.2. Bugs and weaknesses - The Avalanche and Ethereum blockchains rest on open-source software, and accordingly there is the risk that the token smart contract pertaining to the initial iteration of Tokens may contain intentional or unintentional bugs or weaknesses which may negatively affect Tokens or result in the loss or theft of Tokens or the loss of ability to access or control Tokens. In the event of such a software bug or weakness, there may be no remedy and Token holders are not guaranteed any remedy, refund, or compensation.

7.2.3. Delays and congestions - On the Avalanche blockchain (which is used for the Token Sale) timing of block production is determined by proof of work so block production can occur at random times. Purchaser acknowledges and understands that the Avalanche blockchain may not include the Purchaser's transaction at the time Purchaser expects and Purchaser may not receive Tokens the same day Purchaser sends tokens. The Avalanche blockchain is prone to periodic congestion during which transactions can be delayed or lost.

Individuals may also intentionally spam the Avalanche networks in an attempt to gain an advantage in purchasing cryptographic tokens. Purchaser acknowledges and understands that Avalanche block producers may not include Purchaser's transaction when Purchaser wants, or Purchaser's transaction may not be included at all.

7.3. Irreversible nature of DAG transactions

Transactions involving Tokens that have been verified, and thus recorded as a block on the blockchain, generally cannot be undone. Even if the transaction turns out to have been in error, or due to theft of a user's Token, the transaction is not reversible. Further, currently, there is no governmental, regulatory, investigative, or prosecutorial authority or mechanism through which to bring an action or complaint regarding missing or stolen cryptocurrencies. Consequently, the Token Generators and Token Developers may be unable to replace missing Tokens or seek reimbursement for any erroneous transfer or theft of Tokens.

7.4. Amendments to protocol

The development team and administrators of the source code for Ethereum blockchain or the Bee Trade Finance Blockchain could propose amendments to such network's protocols and software that, if accepted and authorized, or not accepted, by the network community, could adversely affect the supply, security, value, or market share of Tokens.

7.5. Risk of mining attacks

As with other decentralized cryptocurrencies, the Ethereum blockchain and Avalanche DAG, which are to be used for the initial tokens sold under the Token Sale, are susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, "selfish-mining" attacks and race condition attacks. Any successful attack presents a risk to Tokens, including the expected proper execution and sequencing of Tokens and Avalanche contract computations in general.

Despite the efforts of the Token Generators and Token Developers and Ethereum Foundation and Avalanche Network, the risk of known or novel mining attacks exists. Mining attacks, as described above, may also target other blockchain networks, with which Tokens interact with and consequently Tokens may be impacted also in that way to the extent described above.

8. TOKEN GENERATORS AND TOKEN DEVELOPES DISCLOSURES

Because Tokens confer no governance rights of any kind with respect to the Token Generators or Token Developers, all decisions involving the Token Generator's and/or Token Developers products or services within the platform or the Token Generators and Token Developers itself will be made by the Token Generators and Token Developers respectively, at their sole discretion. These decisions could adversely affect the platform and the utility of any Token you own.

8.1. Dependence on members

The ability of Bee Trade Finance to maintain its market position is dependent on users to grow and develop the network, rather than the services of a management team. The loss or diminution in the services of members or an inability to attract, retain and maintain additional members could have a material adverse effect on the Platform. This may seriously affect the Token Generator's and Token Developer's ability to retain its existing members and attract additional members, which could have a significant adverse impact on the Platform.

8.2. Risks related to reliance on third parties

Even if completed, the Platform will rely, in whole or partly, on third parties to adopt and implement it and to continue to develop, supply, and otherwise support it. There is no assurance or guarantee that those third parties will complete their work, properly carry out their obligations, or otherwise meet anyone's needs, any of which might have a material adverse effect on the Bee Trade Finance Platform.

8.3. Insufficient interest in the Bee Trade Finance Platform and Tokens

It is possible that the Platform or Tokens will not be used by at scale, and that there will be limited public interest in the creation and development of its functionalities. Such a lack of interest could impact the development of the Platform.

8.4. Bee Trade Finance Platform development risks

The development of the Bee Trade Finance Platform and/or Bee Trade Finance Blockchain may be abandoned for several reasons, including lack of interest from the public, insufficient funding, insufficient commercial success or prospects or departure of key personnel.

8.5. Changes to Bee Trade Finance Platform

The Bee Trade Finance Platform is still under development and may undergo significant changes over time.

Although Token Generators and Token Developers intend for the Bee Trade Finance Platform to have the features and specifications set forth in the White Paper, changes to such features and specifications may be made for any number of reasons, any of which may mean that the Platform does not meet expectations of the Purchaser.

8.6. Other projects

The Platform may give rise to other, alternative projects, promoted by parties that are affiliated or unaffiliated with the Token Generators and Token Developers, and such projects may provide no benefit to the Bee Trade Finance Platform.

8.7. Disclosures relating to conflicts of interest

Any of the Token Generators and Token Developers may be engaged in transactions with related parties and conflicts of interest may arise, potentially resulting in the conclusion of transactions on terms not determined by market forces.

BEE-TRADE

FINANCE

Visit us	**www.beetradefinance.com**
Facebook	**BeeTrade Finance**
Instagram	**BeeTrade Finance**
LinkedIn	**BeeTrade Finance**
Twitter	**BeeTrade Finance**

BEE-TRADE FINANCE