

# ANTx Litepaper

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## Motivation

It was a tough year for the cryptocurrency market in 2022, with a series of negative events causing prices to plummet and investor confidence to wane.

One of the biggest pieces of bad news were the collapses of the popular cryptocurrency exchanges and Decentralized Finance protocols. These events as it was plagued by technical issues and security breaches, lead to the loss of millions of dollars in assets.

To make matters worse, the market was already in the midst of a bear market, with prices trending downward for months because of various exploits and hacks such as what happened on stablecoins and NFTs devaluation. This prolonged period of decline only added to the sense of pessimism and uncertainty among investors.

Despite the challenges faced by the market in 2022, only the most serious and relevant use cases for cryptocurrencies and web3 technologies will continue to survive. These projects, which are focused on solving real-world problems and creating value for users, will prove to be the most resilient in the face of market volatility and negative events.

The team at Ashtree Block Ventures (and affiliates) sees that the only way to move forward in the industry is when you can connect the world of Web2 (Traditional Finance) and Web3 (Next Generation Finance), while also respecting the separation between a Security Token and a Utility Token. That's where ANTx comes in.

## Why ANTx?

Utility tokens have long been a popular choice for businesses looking to fund their operations and for individuals seeking to invest in promising projects. A lot promised the use of a cryptocurrency on public blockchains can be used for utility purposes. However, traditional utility tokens have been plagued by high fees, slow transaction times, and other issues that have limited their usefulness and adoption.

ANTx technology aims to solve these problems and more. By leveraging cutting-edge blockchain and distributed ledger technologies, this new generation of utility tokens is able to offer fast, low-cost, and secure transactions that are accessible to anyone with an internet

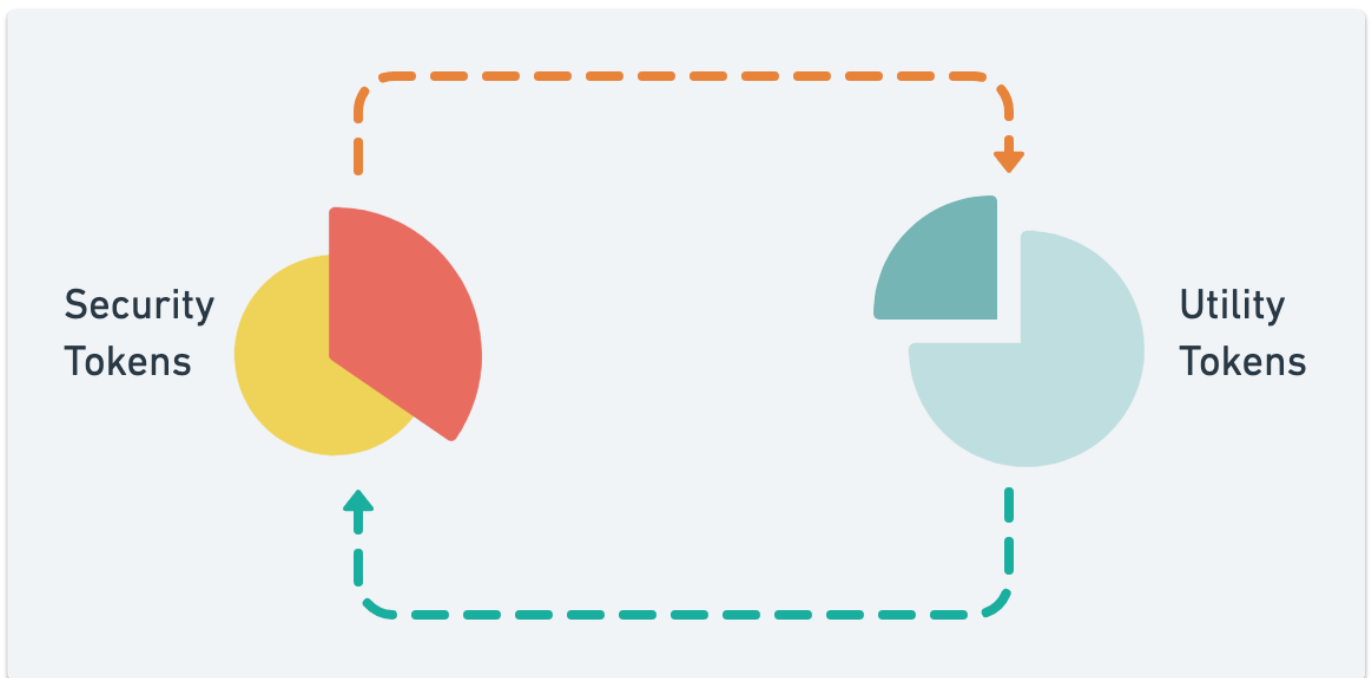
connection. With ANTx, we can guarantee that all form of utility tokens are 100% backed by real value with its **Proof of Value** algorithm.

Whether you're a business looking for a new way to fund your operations such as creating liquidity pools or an individual looking for a convenient and secure way to exchange value, ANTx technology has something to offer. It is not a technology that is looking for a problem to solve. It is indeed a solution to a lot of inefficiencies that is happening in various industries. So join us as we explore this exciting new world and discover the many ways that it can benefit you!

## How does ANTx works?

### Use Cases

#### Security & Utility Tokens Pairing

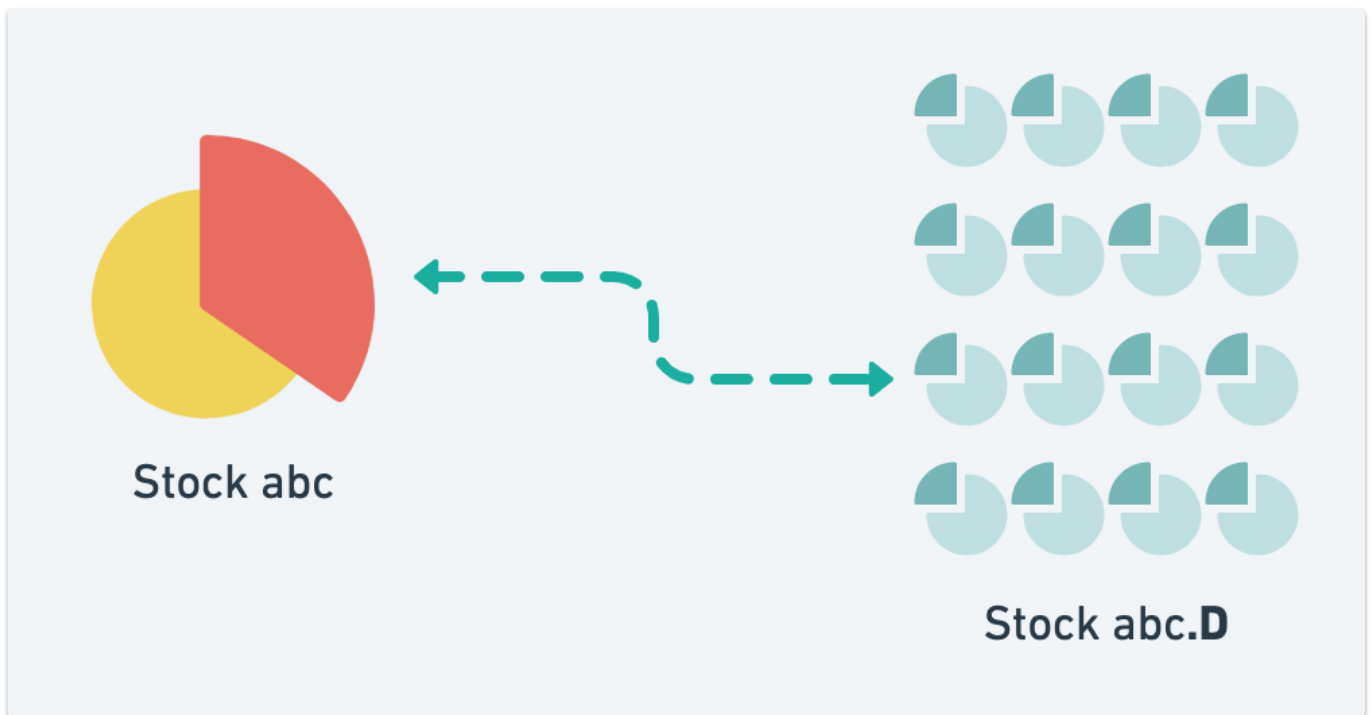


The problems with a lot of cryptocurrencies are forcing to use the same token as a means of Security and Utility. Security tokens are meant to have an intrinsic value based from a lot of factors such as market value, company valuation & performance, and demand & supply. Utility tokens on the other hand should have an absolute value to avoid high volatility.

An example would be a gaming company can establish an incorporation and would be seeking to raise money in the public. They can sell a portion of the company through security tokens by means of token offerings. However, you don't use that same token to actually participate in the games that the gaming company will publish. In game items should be priced with absolute values such that a \$1 per sword. However if for some reasons, someone seeks to liquidate their assets and utility tokens, they have to convert it back to the security token in order to provide a market value of the assets and utility tokens being sold.

Utility tokens in ANTx doesn't have any gas fees, as through **Proof of Value**, it is derived that there is a backing security token for every utility token. This means that utility tokens can be used for any reasons outside of it being a security or legal tender knowing that every utility token needs to convert back in order to liquidate. Other parties and individuals would prefer to stay on utility tokens as they consume and produce contents within the boundary of that business application.

#### Fractional Assets

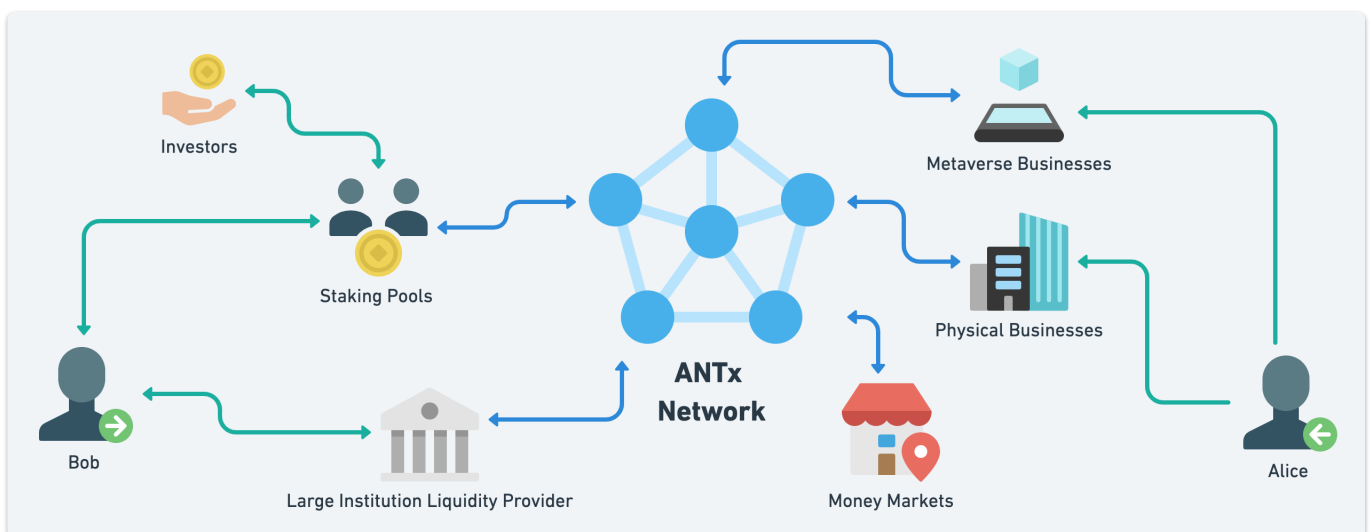


Not everyone can afford the high performing publicly traded stocks out there. Some cheap stocks are **not stable** enough that others might want to invest on. The barrier of entry on the top performing stocks is getting higher and those that are not financially literate are missing out as part of this.

Through ANTx technology, an institution can purchase a stock and put it in a **basket** and then a fractional derivation of that stock will be minted in the system. The system can then distribute that by selling it at a fractional cost of the original stock. Through some settlement algorithms, all the buying and selling of the stocks can be facilitated within the system and can inform the institution of the demand & supply of the stock. This will guide the institution whether it is wise to purchase more of that stock and put it in the **basket** or they should sell some in order to provide liquidity.

With this approach, a low-income or someone with a minimum risk appetite can buy a fraction of their desired stocks at a fractional cost. However, all the gains (and losses) are also incurred by the individual purchasing the fractional assets. This is an inclusive way of introducing investing to billions of people all over the world.

## Liquidity Pool Network



During the early days of Blockchain and Distributed Ledger Technologies, the mission was to use the technology for a frictionless, secured, and inclusive global transaction. However, throughout the years, majority of the cryptocurrencies that were introduced are going far away from the mission and have been creating solutions to look for a problem. To get one step closer to the goal, a concept of liquidity pool network was conceptualised in order to create a frictionless exchange of value across parties. The radical idea of **removing the**

**middlemen** doesn't apply to all use cases, especially those who have reasons on why that middleman exists in the first place. In a system of trust, anyone that provides value (including institutions) should be able to participate in a network.

ANTx Network would like to change the model of having to use an exclusive public blockchain approach, but instead to create multiple nodes based on the **proof of value** and liquidity being provided. Instead of using a **proof of stake** on a public blockchain network, ANTx approaches this in a way that honours institutions, businesses, money markets, and adhoc staking pools. This means that everyone can run their own ledgers whether they chose to have it on a public or private blockchain network, provided they pass the **proof of value** and can provide liquidity in any form of currency (crypto or fiat) that the network accepts.

Beyond the **sending a money** example from Bob to Alice, this network approach can be expounded to more use cases:

- More advanced and reliable lending protocols using both FIAT and Cryptocurrencies across staking pools and institutions.
- Playing a game where in-game currencies and NFTs are backed by liquidity that can be converted to a security token or FIAT.
- X-to-earn model. By participating in a metaverse or physical business, any form of incentives (tokenised or derived) can be liquidated in a convertible note to consume other services or products.

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