Unlock the power of Defi for bitcoin with Befy
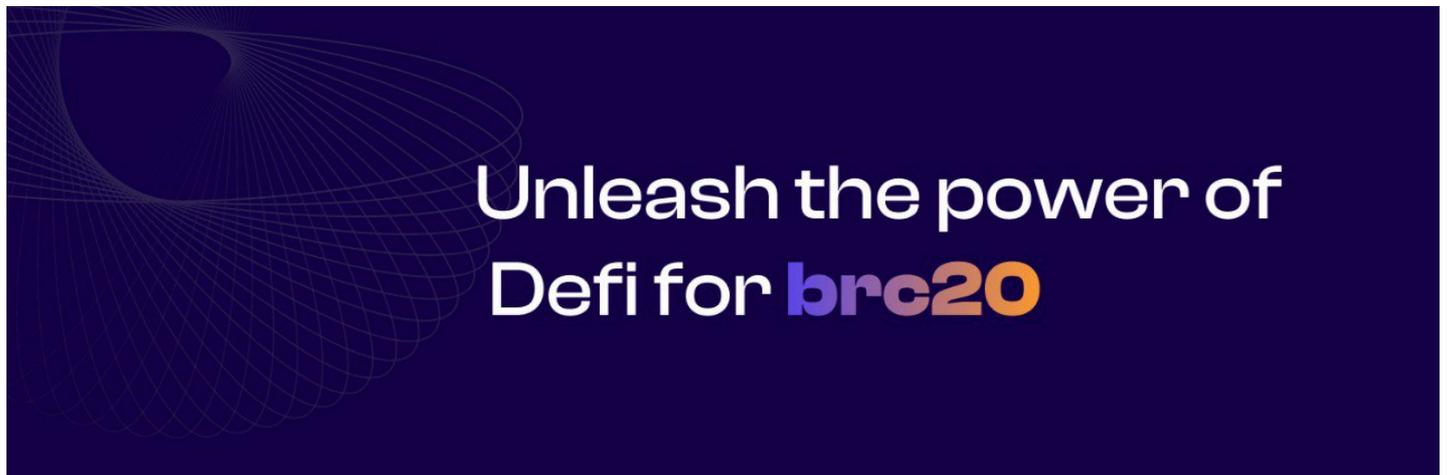
Bitcoin's potential of Defi

In the dynamic world of blockchain technology and decentralized finance (DeFi), innovation is unceasing. Bitcoin, the original blockchain, has long been heralded as digital gold, a value store transcending borders and conventional financial systems. But imagine if Bitcoin's scope extended beyond just being a digital asset. What if we were to introduce a game-changing evolution, one that propels Bitcoin and DeFi into a new era?

This exploration delves into Befy's bold mission to become the financial backbone of Bitcoin. We'll explore what it means to add a finance layer to the world's most decentralized and long-standing blockchain, the importance of this development, and its potential to transform the DeFi landscape. Join us as we embark on this journey into the heart of Bitcoin's metamorphosis.

BRC20 Revolution

Over the past few years, the Bitcoin ecosystem has not seen large-scale innovation, yet it steadfastly upholds the most original and pure form of decentralized belief. This stance represents not only a commitment to financial resilience but also a yearning for digital freedom and a challenge to the old world order. In this era of change and uncertainty, Bitcoin is more than just a cryptocurrency; it's a beacon of decentralization and financial democratization. The birth of BRC20 is like a torch lit in the long winter night, bringing new hope and possibilities to the Bitcoin ecosystem.

Let's tackle the Bitcoin DeFi conundrum now. Despite its dominant position in the blockchain world, Bitcoin's DeFi Total Value Locked (TVL) significantly trails behind Ethereum's. This gap stems from multiple reasons, with one prominent factor being Bitcoin's inherent limitations. The slower block times and lack of programmability in Bitcoin—its inability to support smart contracts—have greatly limited its DeFi

capabilities.

In the realm of DeFi, where innovation has no boundaries, Bitcoin's rigid infrastructure has hindered its growth potential. While it excels as a digital gold reserve and a symbol of blockchain security, it falls short in offering a comprehensive DeFi ecosystem. DeFi is more than just simple payments; it encompasses decentralized exchanges, lending protocols, yield farming, and numerous other sophisticated financial tools — all made possible through smart contracts.

Befy's Roadmap

The reason why software continues to bring more and more innovation and progress to the world lies in its remarkable replicability and composability. This allows us to continuously build on the shoulders of giants, creating products that are more valuable and bring greater progress to society. Today, Befy's approach is not about reinventing the wheel, but rather building upon the existing infrastructure of BRC20, EVM, Solana, and other public blockchains. By bridging the gaps between them, we enable all BRC20 holders to enjoy the conveniences these infrastructures offer. This, in turn, will inevitably promote the prosperity of the Bitcoin DeFi ecosystem.

1. Decentralized BRC20 Bridge

we aim to address the conversion of BRC20 assets to ERC20 and enable the reverse process from ERC20 back to BRC20 assets, seamlessly and ubiquitously. To this end, we will employ a Proof of Stake (POS) framework to introduce decentralized bridge nodes. These bridge nodes will be responsible for the asset transfer between BRC20 and ERC20. All participating nodes will not only receive bridge transaction fees but also rewards in $BEFY tokens. The process to become a bridge node is entirely permissionless, allowing anyone to operate an independent node. However, participants are required to stake a certain amount of assets, and if a node is detected engaging in malicious activities by the network, its staked assets will be distributed to the node that identified the malpractice and other nodes operating correctly.

Additionally, due to existing limitations in BRC20's transfer function, we will extend the transfer method of BRC20. Given that the fundamental nature of BRC20's transfer is a JSON text, extending it with additional fields will not affect the existing transfer method. We plan to introduce the following two fields to support the underlying cross-chain transfer of BRC20

```
// Extension of transfer function of BRC20
{
cross-chain-id: 1000
cross-chain-wallet: ${the_destination_wallet}
}
```

Below is how Befi's decentralized bridge network works:
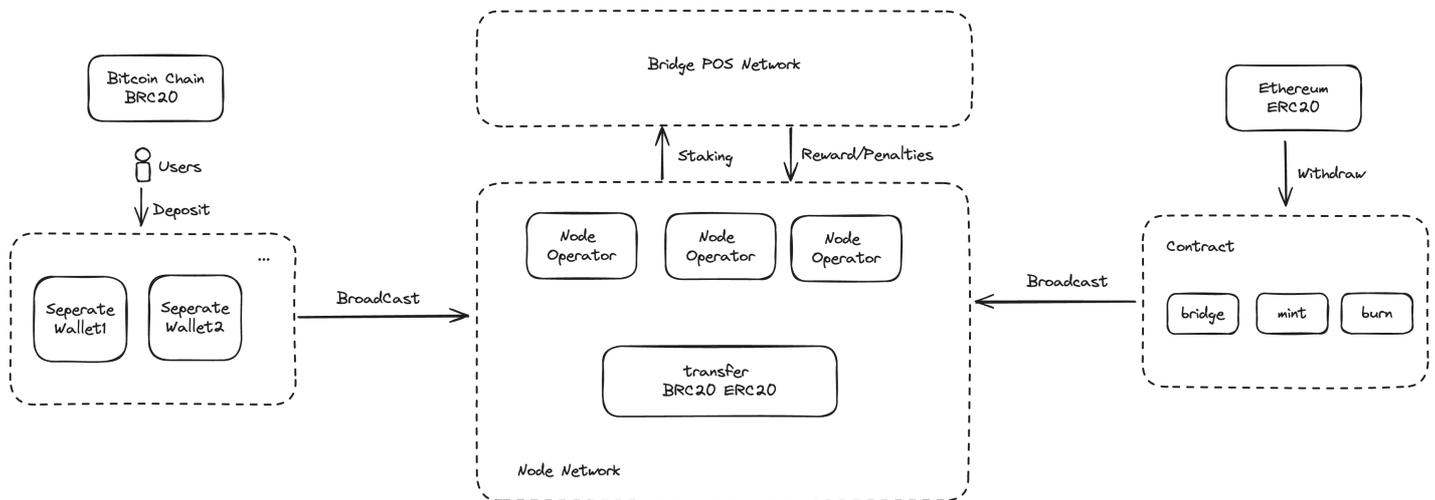
2. Defi Capabilities

Trade

After users convert their BRC20 assets to ERC20 via Befy, they can trade within the Befy protocol through AMMs for an enhanced trading experience. Users are incentivized to provide Liquidity of BRC20 wrapper token on Befy.

Farming

Users can provide liquidity and stake to earn rewards in $xBEFY through yield farming. Users can stake it to earn all protocol incomes, including bridge fees and transaction fees. they can also be vested over a period and converted into $BEFY. The entire token economic model is designed to provide sufficient incentives to liquidity providers, while simultaneously ensuring the sustainable development of the entire ecosystem through a well-conceived staking model.

Staking

$xBEFY and $BEFY holders can stake to earn most of the protocol fees , which will grow fast with more users using Befy product and create more real yields for $BEFY and $xBEFY stakers. it creates strong support for the community and the product .

Deflation

20% of each swap fees and bridge fees will be used to buy $BEFY from market and burn it from circulation. this design will make sure $BEFY is always enough deflation pressure and encourage token holders to stake for the long term development of the protocol.

3.Launchpad

With sufficient liquidity and user-friendly bridge support in place, we will support BRC20 launchpads to

foster new BRC20 projects or innovative initiatives using existing BRC20 assets. We aim to assist these projects in gaining more attention, liquidity, and startup funding, among other things. This effort is geared towards further enriching the entire Bitcoin DeFi ecosystem.

4. Expansion to Other Public Blockchains

Befy aspires to serve BRC20 and become the DeFi hub for BRC20. Following the establishment within the EVM ecosystem, Befy plans to expand to other public blockchain ecosystems, including but not limited to Solana. Cross-chain interactions between these public blockchains will be entirely supported by fully decentralized cross-chain protocols such as LayerZero.

Conclusion

Befy stands as a pivotal force in the realm of blockchain technology, heralding a new era of decentralization and innovation. Through the world's first fully decentralized approach of BRC20 bridging, Befy empowers BRC20 with the ability to transfer assets across the Bitcoin network and other networks at remarkably low costs and high safety . This initiative not only bridges various platforms but also enriches BRC20 with enhanced DeFi capabilities, leveraging the existing DeFi infrastructure. This strategic move lays a solid foundation for building a robust Bitcoin network ecosystem and paves the way for a plethora of financial applications. Befy's vision is not just about technology; it's about reshaping the financial landscape, making it more accessible, efficient, and interconnected than ever before, sparking a revolution that resonates with every stakeholder in the blockchain world.