White Paper V1.2 (August 9, 2019)

What is our Objective?

We started SpectreSecurityCoin to bridge the gap between crypto coin developers and security professionals. Many coin developers require extensive infrastructure to maintain day to day operations. While hobbyists, investors, and traders require coin developers to do this securely and professionally.

Security Professionals can help identify issues with a coin platform, infrastructure, and help find better ways to secure the network. Networks require constant monitoring and upgrades to ensure any weakness found can be addressed most swiftly. Exchanges and Web Wallets have been constant attack vectors for criminals. This creates a prime space for security professionals to provide solutions to crypto developers.

Investors can feel their investment is better protected and benefit in many other ways by having a more secure blockchain and coin infrastructure.

This document attempts to answer the following questions.

1. What is SpectreSecurityCoin?
2. What is the Hashing Algorithm?
3. What is Proof of Work / Proof of Stake?
4. What are Masternodes?
5. What do you Need to Run a Masternode?
6. What is Allocation / pre-mine?
7. What is the SpectreSecurityCoin Platform?
8. Who is it for?
9. How will it Work?
10. How will XSPC be Used?
11. What is the Total Rewards Program
12. What are the Community Goals and Rewards?
13. What about Security Researcher's incentives?
14. What about Partnerships and Business incentives

What is SpectreSecurityCoin?

SpectreSecurityCoin, also officially known as XSPC (our official ticker) uses an advanced blockchain technology that uses three different types of block generation. It will start with a Proof-of-Work (PoW) phase, which also includes Proof-of-Stake (PoS) and Masternodes (MNs). Once the PoW phase is over, only PoS and MN will be remaining. Our blockchain has a total capitalization of 500,000,000 XSPC coins. Our blocks will be issued with an approximate target of 2.5 minutes. Both PoW and PoS blocks have a target of 1.5 minutes. The difficulty algorithm used for our blockchain allows us to retarget the block difficulty for every block. It also includes time warp and protects our chain against insta-mining.

POS/MN Reward Table 1

Aspect	Adjustables	0-50k	50k-125k	125k-250k	250k-350k	350k-500k	500k-525+k	Totals Per Day
Block Reward	450.00	216,000.00	216,000.00	216,000.00	432,000.00	432,000.00	432,000.00	1,944,000.00
POS	0.7	151,200.00	129,600.00	108,000.00	86,400.00	64,800.00	43,200.00	583,200.00
MN	0.3	64,800.00	86,400.00	108,000.00	129,600.00	151,200.00	172,800.00	712,800.00
POW	(5,10,15)	4,800.00	9,600.00	14,400.00	0.00	0.00	0.00	28,800.00
POS %		%70 POS	%60 POS	%50 POS	%40 POS	%30 POS	%20 POS	
MN %		%30 MN	%40 MN	%50 MN	%60 MN	%70 MN	%80 MN	

The PoW phase of the coin will end at block 250,000. From there on, SpectreSecurityCoin will exclusively use PoS and MN, which allows the network to be more stable. Removing PoW aims to make SpectreSecurityCoin an Eco-friendlier coin as it reduces the need for the big amounts of electricity needed to run PoW oriented coins such as Bitcoin. This also means that it costs less for users to receive rewards.

What Hashing Algorithm does SpectreSecurityCoin Use?

The SpectreSecurityCoin blockchain uses the C11 algorithm, during its PoW phase, to secure its blockchain. Similar to X11, it also uses 11 different algorithms, but in a random order, which makes it ASIC-Resistant as oppose to X11 with multiple ASIC machines on the market.

After the PoW phase is done, the chain will use the popular SHA256d algorithm, also used by Bitcoin. The change in algorithm aims to improve security and stability on the SpectreSecurityCoin blockchain.

What is Proof of Work / Proof of Stake?

The Proof of Work (PoW) system, in regards to cryptocurrency, was first designed and built by Satoshi Nakamoto, the creator of Bitcoin.

PoW is a competition of hardware equipment competing against one another to generate the next successful hash to secure the next block. This process creates a decentralization of workers, thus creating a trustless consensus.

Proof-of-Stake is a competition between shareholders. Based on connectivity to the network and random chance, you can receive new coins to assist in the decentralization of the network. Proof-Of-Stake is far more energy-efficient in that it requires no dedicated hardware and negligible amounts of electricity to reward miners, and in many cases is far more resilient to a 51% attack on the network. (Blackcoin Core Team 2016)

A PoS system does come with its own insecurities, due to the network not being aware of anything other than the blockchain, it has nothing to secure it to the physical world. This causes there to be many methods people can use to harm or influence the network itself. There is one called "bribe attack", in which someone builds up a false chain after a transaction and publishes it once the false chain is larger than the correct chain, and reverses the entire transaction. While possible to do on a PoW network, it's extremely cheaper and easier to do with one build entirely from PoS.

We have designed the block reward to follow a certain train of thought. SpectreSecurityCoin will start with PoS/MN and PoW. We expect people to mine PoW and place coins in the wallet for staking. PoS Staking starts at 70% of the block reward and slowly decreases over the life of the coin until it reaches 20% while Masternode increases by 10% until 80% of the block is rewarded. PoW will be phased out after block 250K and the reward will be PoS/MN thereafter. PoW rewards increase for every three (3) phases.

We want to have a slow buildup to reduce the chance of anyone selling a large number of coins at any time.

What are Masternodes?

Put simply, a Masternode consists of a full node that holds a complete copy of the blockchain at all times. It must be accessible by other wallets from the network, which requires a publicly accessible server, generally a VPS.

Masternodes are generally used for these features:
1. Can add a layer of privacy to transactions
2. Can enable instant transactions computed by Masternodes
3. Can allow owners in participating in governance/voting on the blockchain
4. Enables budgeting and treasury system for management teams requesting collateral

While running an MN on the network, you are actively supporting its stability by providing an easy peer for users to connect to. To compensate you for hosting the MN, you will receive recurring XSPC rewards, which is split, on a different stage of percentage, between PoS and MN.

What is Needed to Run a Masternode?
1. An XSPC Wallet and wallet address for the Masternode Collateral
2. A collateral of 25,000 XSPC
3. An accessible server or VPS hosting the wallet that must be online 24/7
4. A dedicated IP address
5. Some storage space to maintain a full copy of the blockchain

Since MN owners have a certain authority over the blockchain, we need to make sure they don't try to corrupt the network. That being said, collateral must be added to prevent anyone and anybody to create MNs as much as they want. This collateral will be a total of 25,000 XSPC.

Masternode ROI Table 1

MN Cost	25000	MN ROI in Coin Reward Based off MN Count					
MN ROI 1	1	64,800.00	86,400.00	108,000.00	129,600.00	151,200.00	172,800.00
MN ROI 100	100	648.00	864.00	1,080.00	1,296.00	1,512.00	1,728.00
MN ROI 1000	1000	64.80	86.40	108.00	129.60	151.20	172.80
		MN ROI Number of Days Based off MN Count					
MN ROI Days 1	1	0.385802469	0.289351852	0.231481481	0.192901235	0.165343915	0.144675926
MN ROI Days 100	100	38.58024691	28.93518519	23.14814815	19.29012346	16.53439153	14.46759259
MN ROI Days 1000	1000	385.8024691	289.3518519	231.4814815	192.9012346	165.3439153	144.6759259

What is Allocation / Pre-Mine?

SpectreSecurityCoin is currently specified to have a max capitalization of 500,000,000 XSPC coins. A 25% pre-mine, or 125,000,000 XSPC, was generated to cover expenses towards the growth and the development of the project on a long-term period. Part of it will be used for 110 MNs, a total of 2,750,000 XSPC (110 MNs X 25,000) that will be sold off in 6 steps to pay for exchange listing and other marketing costs. We reserve the right to limit Masternode sales in any way we deem fit. This helps ensure that not one person will be able to purchase all Masternodes that are currently for sale.

What is the SpectreSecurityCoin Platform?

SpectreSecurityCoin wants to bridge the gap between the crypto community and the security professionals. By streamlining the process of contacting developers, determining the coin traits, and performing the steps of creating a coin, we can help set a better standard of the coin platforms we are working with.

Who is it for?

1. Those who want a Service or Product
2. Security Researchers/Professionals that are interested in cryptocurrency
3. Crypto traders and investors
4. Those who have the desire to explore the crypto-currency world

How will it Work?

SpectreSecurityCoin will focus on two key aspects of the cryptocurrency market that are important when either starting a cryptocurrency project or running one currently. It takes a lot of resources to bring up a professional coin. Let us help you in the following areas.

1. People who want to Create Cryptocurrency Projects
   a. Crypto Coin Communities
   b. Service/Product/Sales Markets
   c. Blockchain Developers
   d. Application Programmers
   e. Security Professionals
   f. Graphics Designers
   g. Other use cases
2. Services needed to provide those products
   a. Website Scanning Services
   b. Masternode Hosting
   c. Coin Website Hosting
   d. Project Infrastructure
   e. Secure Payments and Gateway services

We want traders, investors or others to pick great investments. But is there currently a set standard or board that is widely accepted? We did not find one. But we found plenty that we felt lacked the resources or structure to be a leader in the crypto space. We want to help correct that.

How will XSPC be Used?

The SpectreSecurityCoin platform plans to allow the use of multiple cryptocurrencies. While using XSPC, as oppose to another crypto, you will pay 0% in platform fees. Essentially, the platform incentives its users to use the platform currency as opposed to the others.

There are a few ways of using XSPC:

1. Direct to Merchant
    α. Buy goods and services from partners through the Merchants Own Portal
        i. Online Portals
            1. Brick and Mortar Merchants
            2. SpectreService Portal
    β. Buy goods and services from partners through the SpectreService Portal.
        i. Online Portal
            1. Website Hosting
            2. Website Scanning
            3. Masternode Hosting
        ii. Consulting Service
            1. Blockchain Business Development
            2. Coin Marketing
    χ. Peer to Peer
        i. Buy or Sell directly between XSPC Holders

What is the Total Rewards Program?

Developing ways to give back to the community and is a key goal of ours. To answer this, we have developed a system to do just that. This is called the "Total Rewards Program" or "TRP". This will include, but not be limited to the following.

1. Community Goals and Incentives (SpectreArmy)
2. Spectre Security Bug Bounty (SpectreAware)
3. Partnership Discounts and Business Rewards (SpectreEveryWhere)

What are the Community Goals and Rewards?

Let's face it, we need the community, we need the developers, and we need to work together to create a more secure blockchain network. Community members are everyone. It doesn't matter if you trade, develop applications or blockchains, or anything else one could do. We are the "SpectreArmy".

We will implement several community projects that will be rewarded to members who participate. These are designed to bring the community together in positive manners to promote growth. Each program will have custom amounts of rewards based on the rules of the project. Some examples to include are the following.

1. World Community Grid
2. Seti@Home
3. Invite Challenges
4. Community Bounties

What about Security Researcher's incentives?

Security Researchers and blockchain developers can be rewarded for submitting flaws in projects and blockchain code. Documenting these issues can be a great help when guiding clients to the correct blockchain development path. If someone knows a flaw exists, they can get it patched, and deployed faster. We want to help clients secure the code and the network. We call this program "SpectreAware", it is part of our TRP program.

What about Partnerships and Business incentives?

Partnerships are key to any coin's survival into today's crypto world. We will work to establish a partnership in multiple industries. All future partnerships will be based on our "SpectreEveryWhere", and it is part of our TRP program. This reward program will be to establish a discount for people who choose to obtain goods or services using SpectreSecurityCoin.