



Donation Platform

A co-financial system for BitCore

Written by Briouc

CONTENTS

Introduction 2

I - The audit of Bitcore Team Funds 4

II - The Survey..... 5

 1) The results..... 5

 2) Analysis 7

III - Term of an agreement with a partner 9

IV - The Donation Platform 10

 1) The principle 10

 2) The HomePage 11

 3) The donation page 12

 4) The “Other Projects” Page 13

 5) BTCPaY – Send the fund 13

V - Participation of Bitcore team funds..... 15

VI – Management of Donations 17

 1) What happens if? 17

 2) A Reward System 18

 The Principle..... 18

 The reward distribution 20

Conclusion 22

Figure 1 - Illustration of the donation platform 10

Figure 2 - The homepage of the donation platform 11

Figure 3 - The donation page for every project 12

Figure 4 – Page for other projects..... 13

Figure 5 - Payment procedure to send the funds on the Bitcore or Bitcoin address 14

Figure 6 - Function with $\alpha = 0.23$ and $\beta = 0.5$, $C1 = 1$ and $C2 = 12$ 15

Figure 7 - Funds management at the deadline 18

Figure 8 - Distribution model of the reward system 20

INTRODUCTION

The genesis of Bitcore started on April 24th, 2017 where the first block was mined. At this moment, Bitcore received pre-mined coins as per the number of Bitcoin from the Bitcoin blockchain and decided to distribute the pre-mined Bitcore (BTX) in 1:1 ratio to Bitcoin addresses. On November 2nd, 2017, the community and Bitcore team allowed to create a new distribution system composed of 1:0.5 ratio for BTC holders, Airdrop and a part allocated to the Bitcore Team.

The Bitcore team fund is initially composed of 1.2 million of BTX and has been useful to be listed on HitBTC, Bit-Z and Cryptopia. It has also been used to promote Bitcore on CoinTelegraph and other mediums. Sadly, the crypto market collapsed in 2018 and did not give enough time to well-capitalized on the Bitcore team fund. The fund is still consequent in amount of BTX where an audit is proposed in one of the sections of this paper. However, its intrinsic value has terribly decreased in time. Nevertheless, the Bitcore Team continued to make efforts by funding educational seminars in Venezuela, publishing whitepapers in different languages or being integrated in Paytomat, Jaxx Wallet or ZelCore. The team has pushed some payment solutions and exchanges to integrate Bitcore freely such as AtomicPay or NovaExchange.

Today, the low price of Bitcore (BTX) is a brake to integrate Bitcore in many well-developed solutions, to initiate promotional campaign, to make advertisement or to be listed in the trading platforms. Furthermore, the community suffered from the last bear market. The whole mood is wobbly, and the faith is struggling between the last hopes and the anger of some people face to this situation.

This paper proposes to make things better than it is. This document is here to present the first step in direction to the Bitcore governance system, **the Donation Platform**. There you will have a description of the platform involving the Bitcore team funds and a procedure that collects the donation of the community according to the objectives and needs. The aim is simple: Being able to spread the pink around the world with all the tools we can use for it. It may be advertisement, specific marketing, exchanges, integration in payment solutions and so on. This donation platform for the Bitcore projects is a temporary service that will help to have a transitive participation of the Bitcore Community to Bitcore projects until the implementation of **BitCore 2.0**. In Bitcore 2.0, a new ecosystem will be created where a fundraising system will be set on the chain.

The first section deals with **the audit of Bitcore Team funds**. This audit gathers the different incomes and expenditures done by the team the two-last years. The second section will describe the results **from the first survey about the donation platform for projects**. This survey has been made in November of 2018 and raised the Donation Platform as a fundraising system. It will also gather the different comments to enhance the project. The third section highlights how an agreement will be set between both parties that means the Bitcore team and its community and the future partner. **The fourth section presents the Donation Platform** from the homepage to the payment processor. It is important to understand the graphical representations are theoretical and do not represent the final product. The fifth section describes the **major feature of the platform**: the management of the Bitcore team funds in every project. The sixth section illustrates **the management of the donations** at the deadline of a project. This management is major for the Donation Platform. In this management, it will be possible to reward contributors to the project as per the price of Bitcore and the initial amount of Bitcore set by the Bitcore Team. The last section is the conclusion of this paper.

I - THE AUDIT OF BITCORE TEAM FUNDS

This section deals with the expenditures of Bitcore Team since the genesis. It is not put in details to respect the terms of agreements with the different partners.

Since April 24th, 2017, different expenditures of the Bitcore Team have been realized with personal funds. Today, the Bitcore team accounts a total of 64.19 BTC and 5,590 EUR to cover exchanges listing (HitBTC, Bit-Z), integration (JaxxLiberty, Paytomat), the maintenance of servers and the presence in seminars and conferences.

As you know, a special distribution has been realized in November 2017. The current Bitcore Team has initially a fund of 1,131,951 BTX. Today, 229,540.98 BTX have been spent to pay the members of the Bitcore team and some extra expenditures such as short-term partnerships or advertisement. The current amount of Bitcore team funds is about 902,410.02 BTX. This amount seems to be important, but the Bitcore Team spends 587 EUR per month on its own funds and must pay around 13,000 BTX per month to the members according to the current price of market. The funds must be managed in the long-term to provide the best quality of services and a reliable payment solution.

The section IV-4) will highlight the management of Bitcore team funds for a project that means the percentage of participation of the Bitcore team to a project. This management considers the limited amount of Bitcore in the possession of the team. Thankfully, its design will guarantee a good balance between the amount to invest in BTX and its equivalent price in USD. It is also important to understand bigger will be the project, lower will be the share of the Bitcore Team funds. At the beginning of the platform, it could be interesting to achieve some projects that does not exceed 5 BTC. However, higher is the value of Bitcore, bigger will be the part of the Bitcore team in the project. The contribution and the broadcasting of Bitcore is an essential part of this work. Finally, this Donation Platform is created to build a true collaboration between Bitcore team and the community and to realize the objectives defined by the team and by the community. The success of this work depends on the work of the Bitcore team and you as a future investor and user of BTX.

II - THE SURVEY

In January 2019, a survey has been sent on Telegram and Discord channels to ask to the community to answer to the following questions:

- Do you think the fundraising is a good idea?
- What should the fundraising focus on?
- Should we extend the fundraising to?
- Do you want to raise in?

However, and to understand precisely the aim of this survey you can find here the introduction as follows:

“Hi Bitcore Community! The Bitcore team is working on a fundraising system dedicated to the listing of Bitcore in payment solutions and exchanges. Then, the fundraising should be open at the end of this quarter (we are still discussing the delivery deadline) and may focus for instance two exchanges: One selected by the Bitcore team and another by the community. The terms and conditions will be discussed on the Discord channel.”

Here, the fundraising system refers to the Donation Platform and has been first designed as:

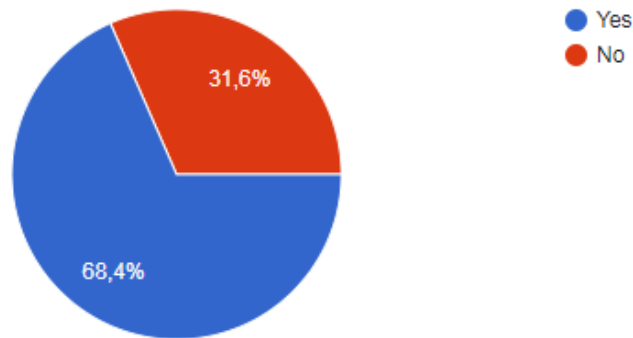
- An unique fund raised by the community itself,
- Designed for the listing of Bitcore in payment solutions and exchanges.

1) THE RESULTS

Here you will find the result of the survey:

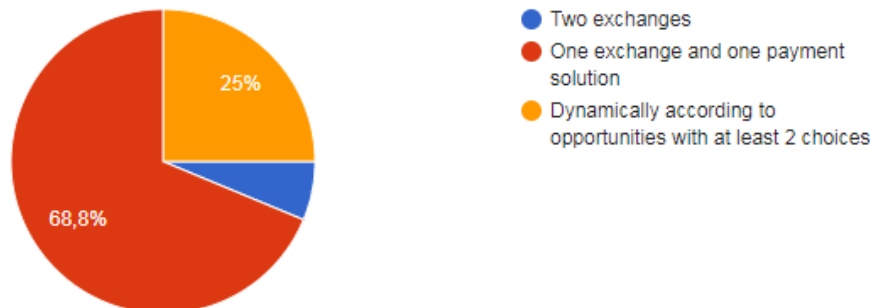
Do you think the fundraising is a good idea?

19 réponses



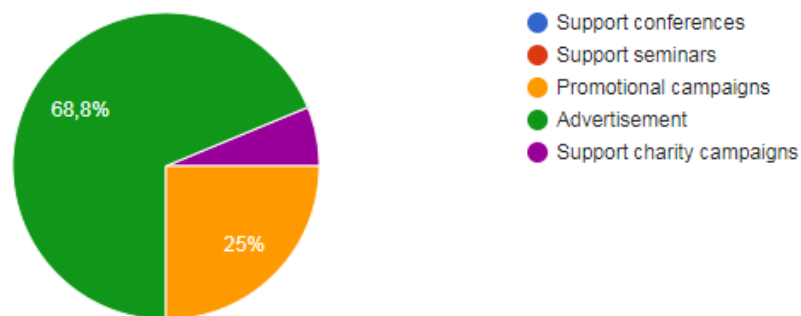
What should the fundraising focus on?

16 réponses



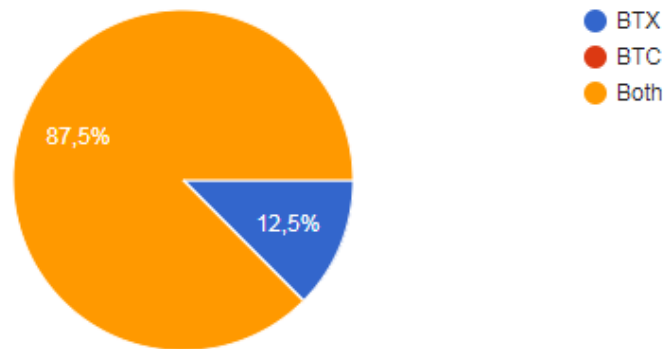
Should we extend the fundraising to?

16 réponses



Do you want to raise in?

16 réponses



2) ANALYSIS

Even if the participation of this survey has been quite low compared to the community members in the different medium, the Bitcore team would like to thank the ones who have participated to this survey.

It is important to analyze the survey in the context of its establishment. It has been initiated by Briauc, the community manager of Bitcore and the aim is to know the willing of the community to participate economically to Bitcore Team and Community projects. To this question, 68% of the voters agreed the fundraising is a good idea and 32% judged it is not a good solution. Indeed, the fundraising presents its objective to raise funds for payment solutions and exchanges. This restrictive vision which is not the first intention of the survey has been intensively discussed in the Telegram channels and on Discord. *The fundraising should be then a way to raise a fund for any kind of projects that promotes Bitcore.* Another point is the Bitcore team funds are not involved in the procedure. Essentially, the survey was to ask about a fundraising without technical details about how it will be done but the large number of complains about the lack of information of the participation of *the Bitcore team funds shows the needs to involve this fund in the procedure.*

The second question is the objectives focused by the fundraising. The fundraising proposes to focus on: One exchange, two exchanges, one payment solution and one exchange or dynamically according to the needs. The second option is the main winner of this question.

However, the recent talks figure out the possibility to have a biased answer to this question. Hence, *it will be recommended to have dynamic objectives according to the needs.*

The third question asked if the community is interested to extend the fundraising to other objectives. The advertisement has been massively voted in this question and reveals the need *to extend the fundraising to the marketing.*

Finally, the last question discusses the cryptocurrency used for raising the funds. It is important to understand that the fund implied for the integration of payment solutions or advertisement depends on the monetary power of this one. People has voted for raising funds in BTC and BTX which is a good thing to negotiate with future partners. Indeed, providing only BTX is a high risk for advertisers or exchanges. With the support of some BTCs, we will increase the degree of safety of advertisers and exchanges. Hence, *the fundraising will mix BTC and BTX.*

III - TERM OF AN AGREEMENT WITH A PARTNER

Before donating for a project, it is necessary to have a clear statement about the terms of agreement between the partner and the Bitcore community. Then, a project may be online if and only if:

- The partner agrees to have BTC or USD as a currency reference,
- An amount of BTX must be associated in equivalence to the currency reference,
- If the funds have raised more BTXs and not enough BTC, the partner must be opened to negotiations,
- The partner accepts to be paid the day after his service (listing or publishing a video) or the partner must accept to have 10% before and 90% after his service.

To illustrate the third point, you have an example below:

The term of agreement: Partner X wants 3 BTC and 10,000 BTX in BTC equivalence. We have raised 2 BTC and 13,000 BTX in BTC equivalence. Then, as the partner accepts the term of agreements, this situation is not a problem because “If the funds have raised more BTXs and not enough BTC, the partner must be opened to negotiations”.

IV - THE DONATION PLATFORM

This section highlights the donation platform and how it will work. Of course, it is a proposal of Briec and the Bitcore Team. Constructive arguments are welcome in order to improve this platform/

WARNING: This section is theoretical presentation of the Donation Platform. The delivered version may be different from this one.

1) THE PRINCIPLE

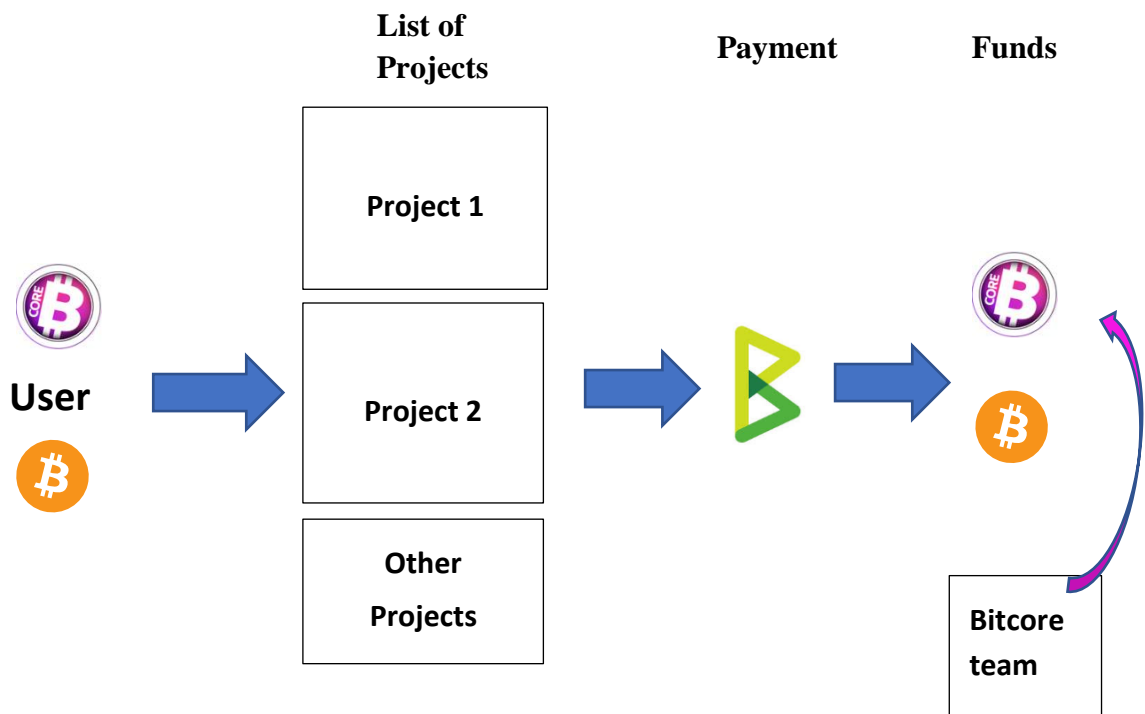


Figure 1 - Illustration of the donation platform

The Donation Platform is illustrated in the Figure 1. Users or community members will select one the current projects according to listing, integration or marketing procedures and how the user believes in the project. *A dedicated space in Discord server will be proposed to this purpose and will appear in the page that references the projects.* After selecting the project, the user will be able to read a more detailed presentation of the project, the fund objective, the agreement of the partnership, the current collected amount of BTX and BTC and the amount dedicated by the Bitcore team to this project. *The objective fund will be specified*

with the partner that means if the partner agrees to be pay relative to BTC, USD or BTX. Then, the user will proceed to the payment. This payment will be processed by a BTCPay server where the payment in BTX will found the Bitcore address and the Bitcoin address. *The holder of this address remains to be defined.*

2) THE HOMEPAGE

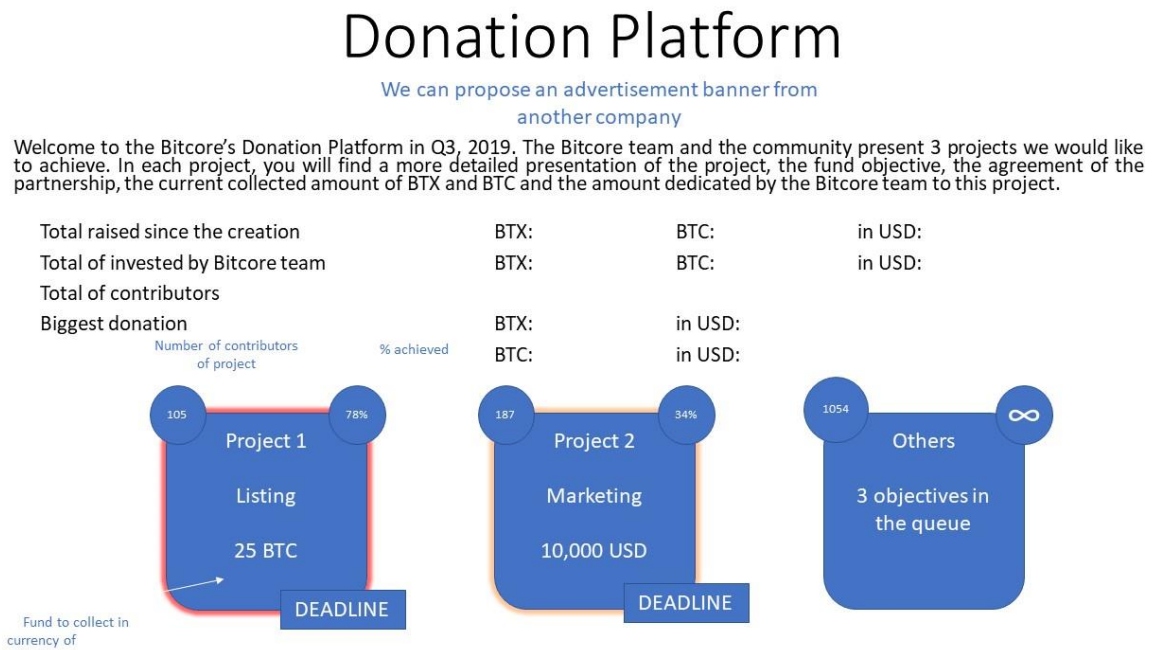


Figure 2 - The homepage of the donation platform

In this homepage, the user will have a short introduction about the Donation platform. The user will also see the total number of collected BTX and BTC. The USD value of the total collected funds may appear but should stick with the variation of USD prices of BTX and BTC. For instance, if 500 BTX are worth 1,000 USD at the beginning of the project, but this same collected amount of BTX worth 2,000 USD at the of the project, *the total USD in the homepage should consider this fact*. Finally, the user may watch the number of contributors that is equivalent to the number of given funds and the biggest donation. The donations are anonymous, then only the amount will figure in the homepage.

Three stickers will present 2 active projects and a third stickers that leads to other projects (it is only a proposal). The first sticker in red will display a project that is going to reach the deadline. This deadline is set 2 months after the opening of the project on the platform. The second sticker will display the most important project the Bitcore team and the community wants to achieve. The last sticker will redirect people to other projects. At the top-left corner of the sticker #1, there is the number of participants who have given funds to this project. At

the top-right corner of the sticker, you have in percentage of given funds compared to the targeted fund. In the middle, you have the type of objectives and at the bottom, you have the targeted fund in the currency concluding between the Bitcore team or the community and the partner. For a payment solution or any kind of objective, the sticker has the same appearance. However, the sticker for “other projects” should appear different because this sticker will give access to a broader panel of choices. The number of choices will depend on the current marketing objectives consensually decided by the Bitcore team and the community. Finally, the sticker for exchanges and payment solutions may be replaced by other objectives according to the common consensus and the needs. The two first sticker may be evaluated like high-priority projects.

3) THE DONATION PAGE

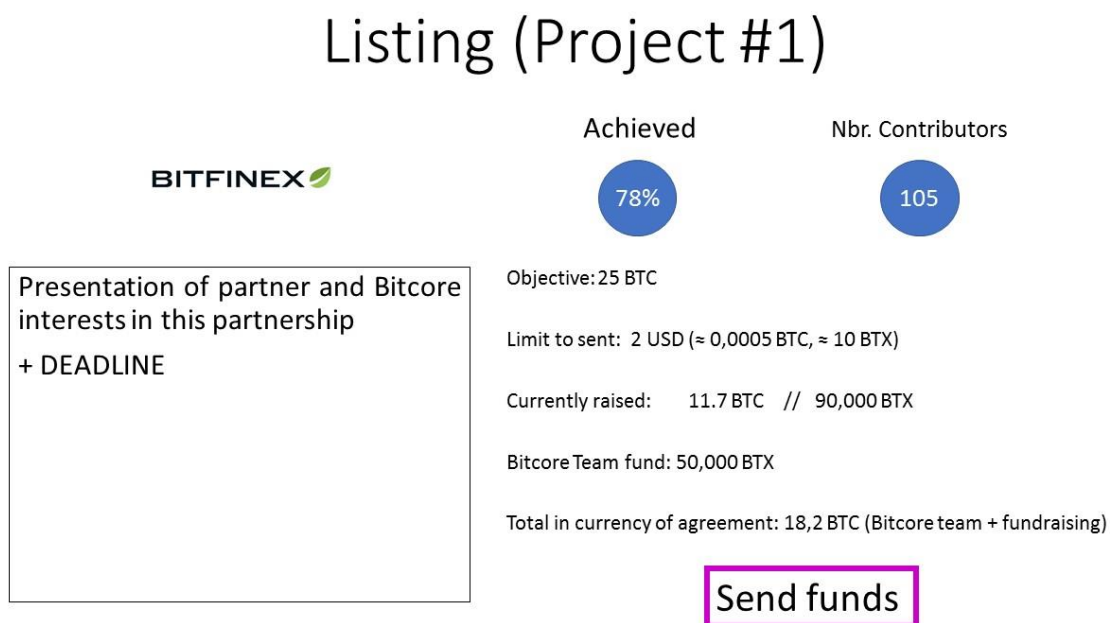


Figure 3 - The donation page for every project

Figure 3 illustrates the donation page for the first sticker, but all the projects will have the same page. On The left, you find back the logo with an attached description of the partner and the deadline of the project. If the partnership is made with an entity who do not have a logo, the logo will be replace by a name. **In the description will figure the term of agreements between Bitcore and the partner.**

On the right, you have the current % of donated funds in this objective and the number of contributors. We have also the objective to reach in this donation-based project, the limit to send in USD with equivalence in BTX and BTC, the current funds raised by the contributors,

the fund initiated by the Bitcore team in the project, the total of raised funds in the currency of agreement and a button to write the amount to send and to select the cryptocurrency.

Even if the current objective of the donation is in BTC or in USD, *it does not mean the partner does not accept Bitcore or any cryptocurrency. It means the partner and Bitcore agreed on a reference currency. If it the case, we will warn people in the description.*

4) THE "OTHER PROJECTS" PAGE

Other projects

		Achieved	Nbr. Contributors
Youtube-CryptoNews DEADLINE	Price: 500 USD	98%	54
Listing on TDTD DEADLINE	Price: 50 USD	32%	6
CMC Banner DEADLINE	Price: 2 BTC	54%	63

Figure 4 – Page for other projects

This page will be a transitive page to access to different projects planned for Bitcore, but the deadline is far away from the current date. When an investor selects a project, he will be redirected to a donation page as presented in the previous section. In purple will be projects which are almost finished.

5) BTCPAY – SEND THE FUND



Figure 5 - Payment procedure to send the funds on the Bitcore or Bitcoin address

When the user decides to invest in a project, BTCPay will create an invoice with the amount of BTX or BTC. *The investor must pay in 15 minutes that means if the use does not realize the payment in this period, the invoice will expire.*

V - PARTICIPATION OF BITCORE TEAM FUNDS

For each project, the Bitcore team will participate economically to the procedure. If x is the price to raise in USD or BTC, the participation $0 < Y \leq 1$ will be estimated as follows:

$$Y = 1 \quad \text{if } x < \alpha$$

$$Y(x) = \beta e^{-(\gamma(x-\alpha))} \quad \text{if } x \geq \alpha$$

Where α is the threshold of 100% covered funds by Bitcore Team, $0 < \beta < 1$ the initial percentage of participation of Bitcore Team and γ the tail constant.

Here, we defined:

$$\alpha = C_1 * BTX_{USD \cup BTC}$$

$$\gamma = -\frac{\ln(\frac{0.1}{\beta})}{C_2 * \alpha}$$

Where C_1 is the amount of BTX at the threshold and C_2 is a constant to define the length of the tail. When $Y = 1$, the Bitcore team covers 100% of the donations. If $Y = 0.25$, the Bitcore team covers 25% of the donations. You can find bellow an illustration:

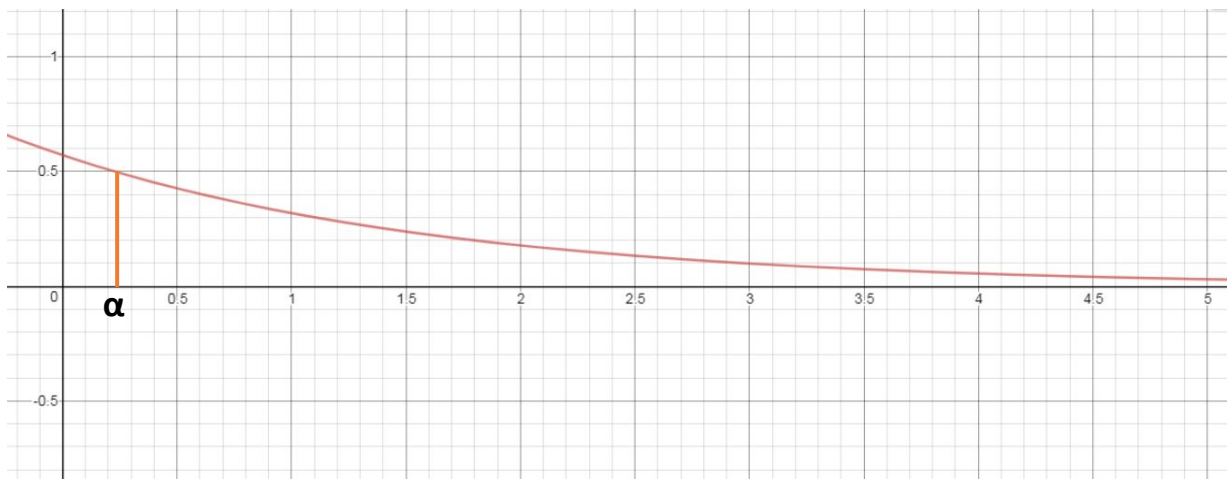


Figure 6 - Function with $\alpha = 0.23$ and $\beta = 0.5$, $C_1 = 1$ and $C_2 = 12$

If $x = \alpha$, the Bitcore team will cover 50% of the donations. If $x = 2$, the Bitcore team will cover 17.8% of the donations.

This approach will manage the participation of Bitcore Team according to the price and the selected parameters of the function. C_1 should be decided by the Bitcore team every month and C_2 should be selected by the community in monthly votes. When the price goes up, the threshold will shift on the right i.e. the threshold supported by the Bitcore team will be higher and inversely. The tail may be also manipulated to have funds for big projects.

Today, the best design is: $\beta = 0.75$, $C_1 = 1000$ and $C_2 = 30$. It is currently the best tradeoff with the fund capacity of the Bitcore Team.

VI – MANAGEMENT OF DONATIONS

This section will highlight the management of the funds raised for a project. Indeed, a project must achieve an objective stated in USD, BTC or BTX. However, the platform will support donations in BTX and BTC and consider also the initial amount of BTX set by the team. The first part will explain what will happen if the objective is not reached or the raised funds does not fit with the term of agreement with the partner. The second part will put forward a reward system when an objective is achieved and the price of BTX in the currency of the agreement is higher at the end of the project than at the beginning of the project.

1) WHAT HAPPENS IF?

A project does not reach the objective?

It is necessary to define first what means “does not reach the objective”. In the donation platform, we will consider this in two cases. The first case is when the collected funds are below 70% of the objective. Here, a **Discord poll** will ask to the community whether people prefer to continue to raise funds for the projects for 2 additional months or to distribute the funds in other projects. In this last case, the funds will be distributed to the project that is the closest to its objective and so on. The second case is when the collected funds are beyond 70% of the objective. In this case, the deadline will be postponed by 1 month. If the objective is still not reached in the month, the project will be submitted to the procedure of the first case. However, the project will only pursue for one instead of 2 months.

The objective is reached but does not fit the terms of agreement?

This situation could often occur during the donations. The first approach to solve this is to force the partner to accept the deal with the current raised funds. If the partner does not accept, two approaches may be done according to the situation. Before continuing this part, it is important to remember the terms of agreement prevail.

We have more BTCs and less BTXs as the terms of agreements. Here, the exceed in BTC will be evaluated with the Bitcore Team funds. The remaining Bitcore team funds will be used for the reward system. We have more BTXs than BTCs, then we should refer to the terms of agreement.

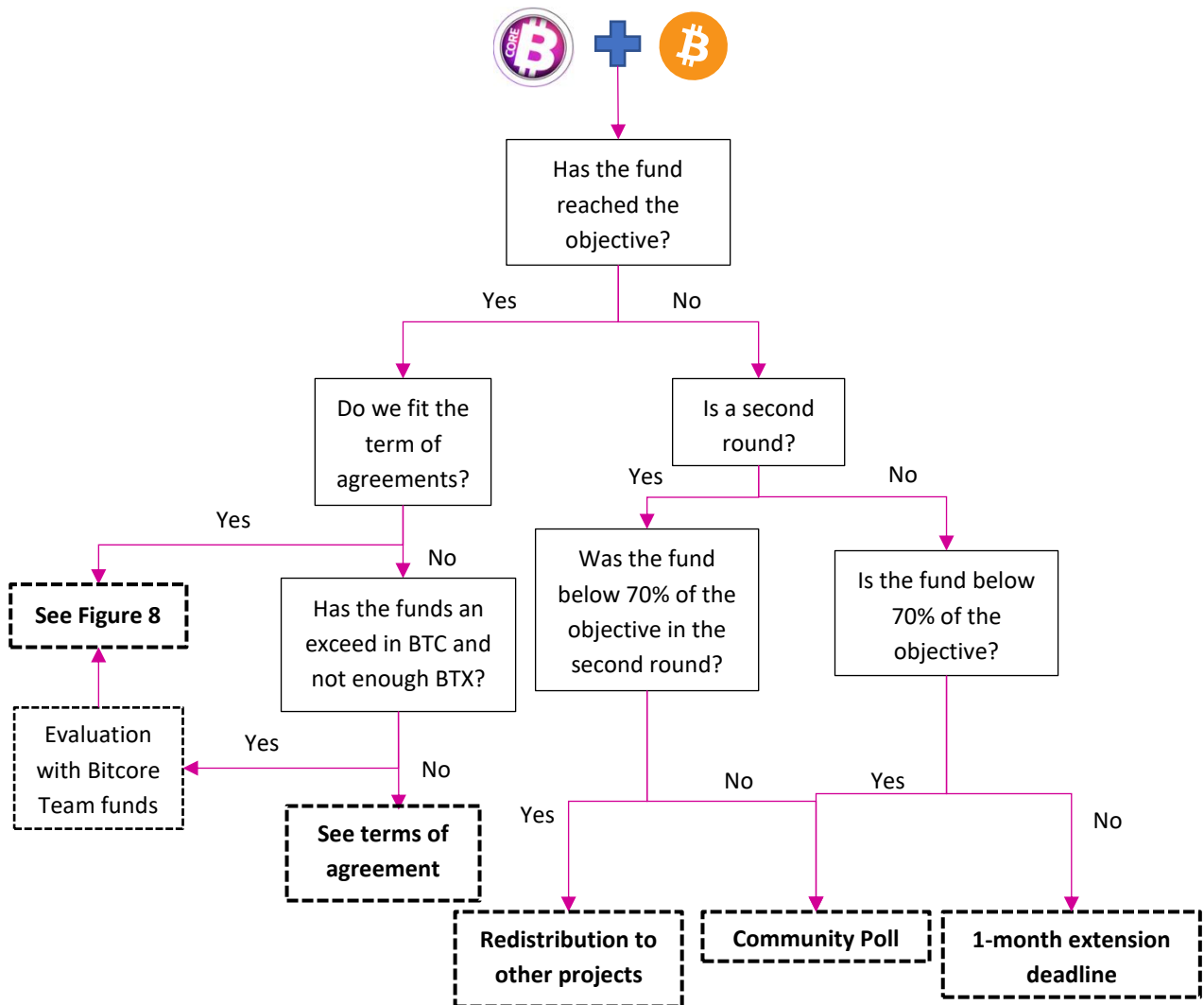


Figure 7 - Funds management at the deadline

2) A REWARD SYSTEM

After many talks with the community, a rewarding system as in crowdfunding projects will improve the attractiveness of the projects.

THE PRINCIPLE

The reward system for donators should consider three points.

The first point is the management of Bitcore Team funds. Indeed, at the beginning of the project, the Bitcore team will set a specific rate of the final objective as described in a previous section. This forces the Bitcore team to put a specific amount of BTX in every project and this amount is definitive. Then, the fund raised in a project is the objective minus the participation of the Bitcore Team, but the Bitcore Team funds set on the project should be managed. **The second point is the variation of BTX price** which can impact the time to raise the funds and may penalize early investors if the price at the end of the project is higher than at the beginning of the project. **The last point is that the force of attractiveness.** The force of attractiveness is defined as the way to attract as many as possible of investors and the influence of the project to have people that invest large amount of money.

The rewarding system is here to solve these three points. As it has been said, the price may vary in time and specifically, the rewarding system will be activated if and only if the price at the end of the donation is higher than it was at its start and if the objective has been reached by the investors. Then, the amount of Bitcore set by the Bitcore Team will be evaluated to the price at the end of the project. For instance, if the price doubles, 50% of the amount of BTX set by the Bitcore Team is in excess and a consequent part may be redistributed as a reward to the investors. This money in excess will be called the oversupply and 75% of the oversupply will be used as BTX rewards for investors. This amount will be called the reward funds (RF).

This reward must consider the date of investments and the amount of invested money on the project. Thereby, the reward funds will be separated in two identical funds: the time-based reward funds (TRF) and the investment-based reward funds (IRF).

It is also important to consider that the RF are not known until the end of the project and thus, the reward procedure will be designed to work in a **dynamic model of redistribution**. To handle this, IRF would be distributed according to the amount of BTC/BTX per transaction. Hence, 40% of IRF will be distributed to 25% biggest amount of BTC/BTX per transaction, then 30% to the following 25% and 30% for the remaining 50%. TRF will be distributed as per the transaction date of the investment and will follow the same model as for the IRF. Hence, 40% of TRF will be distributed to 25% first transactions, then 30% to the following 25% and 30% for the remaining 50%.

Finally, the funds may be raised in BTC and BTX and the reward funds should consider this as well. To do this, the reward is shared proportionally between BTX and BTC donators. For instance, if 40% has been collected in BTC and 60% in BTX, then 40% of the reward funds will be dedicated to the donators in BTX and 60% to the donators in BTC. Each split reward fund is then divided to build the TRF and IRF to execute the dynamic model of distribution.

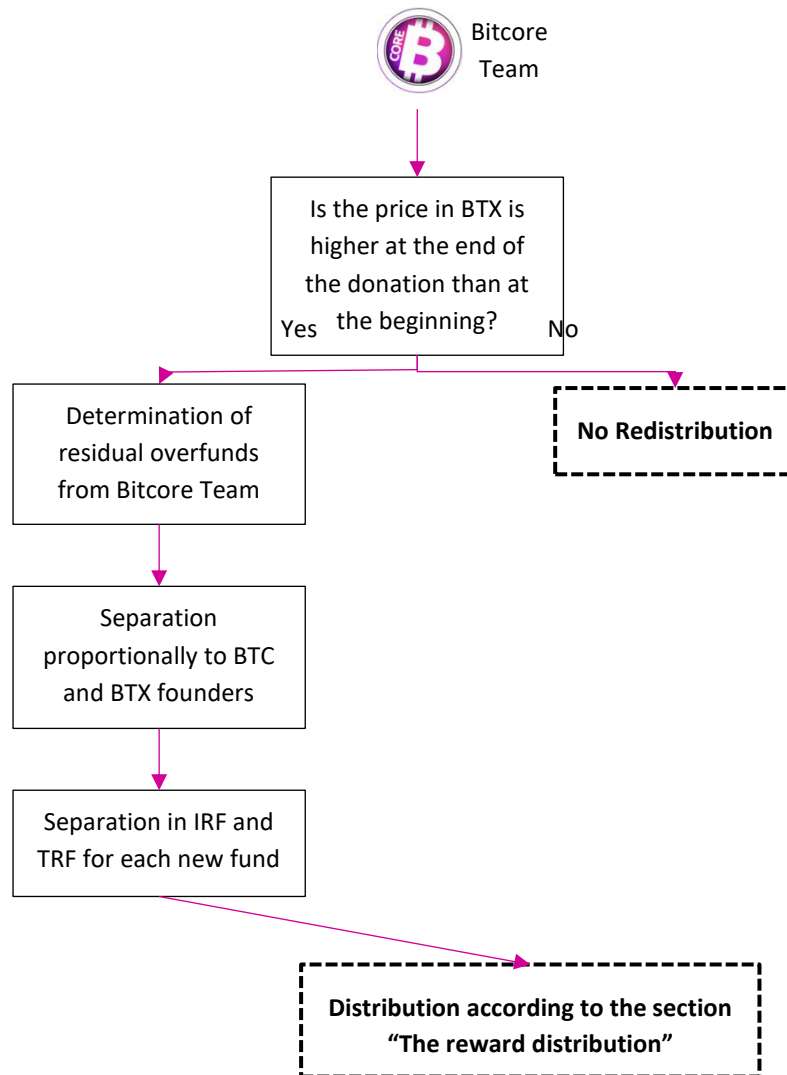


Figure 8 - Distribution model of the reward system

THE REWARD DISTRIBUTION

The reward distribution will depend as per our funds have been given in Bitcore or Bitcoin. The mechanism of rewards will be based on the data provided automatically by the BTCPay Server and some meta-data.

REWARD FOR BITCORE DONATORS

The BTCPay Server will provide the transaction hash (TxID) of your donation with the amount of Bitcore and the value in the reference currency used to evaluate the donation. As this TxID is only known by the donator and the holder of the BTCPay Server (Bitcore Team) and knowing the donation amount, it is possible to reward the donator automatically with these data. Hence, the first address in the TxID of the payment will be used to receive the reward. Here, the Bitcore donators have nothing to receive the funds.

REWARD FOR BITCOIN DONATORS

The BTCPay Server will still provide the TXiD and the amount in BTC given by the donators. However, a BTC donator can not receive the reward as the BTCPay Server does not have this knowledge. To handle this, the BTC donator will sign with the TXiD of the donation a receiving BTX address and the first BTC address used in the payment on the BTCPay Server. Then, both signed BTX and BTC addresses will be given in a webpage in the manner Bitcore got for the airdrop. The webpage will provide all the materials to realize the operation for the BTC donators.

CONCLUSION

This whitepaper highlights the major features of the future Bitcore's Donation Platform to raise funds for marketing, listing and other Bitcore-related stuffs. In this platform, a project will raise a specific amount of USD or BTC to reach the term of agreement decided before the opening of the donation. This term of agreement will be flexible but will respect different rules such as the tolerance to higher funds in Bitcore than in Bitcoin. A donator will may select the project he wants to fund, read the description of the project and know the current raised fund for this project. After selecting the project, the donator will set the amount of BTC or USD he wants to donate and will be redirected to the BTCPay Server to process the payment. In a project, a part of funds will be also handled by the Bitcore Team. To do this, the Bitcore team will use a specific management fund scheme will attribute automatically the number of Bitcore for the project. This amount of BTX will be set definitively at the beginning and reevaluated at the end of the donation of a project. This amount will be independent on the amount to raise by the community. Finally, if the project is totally funded, the Bitcore team will evaluate the price of Bitcore from the beginning to the end of the donation of the project. If the price grows in time, the Bitcore Team will evaluate its initial funds and will reward donators with the exceed. The donator in BTX will be automatically rewarded but the donator in BTC should respect an online claiming procedure. In other hand, some schemes have been designed to handle issues such as a non-fully funded project. The collected funds will be then distributed to the partner.

The Donation Platform is designed to combine the efforts of Bitcore Team with an economical support of the community. However, this solution is temporary in order to strengthen the project in a short-term measure. Our future is designed to be decentralized, fully community-driven and reliable based on the Bitcore technology. This transitive platform is the first initiative to a bigger project: **Bitcore 2.0**. This new era of Bitcore must integrate the governance into the blockchain technology and to end off the existence of Bitcore Funds. Here are some words about this new era that remains hypothetical but already a hot case in the Bitcore team folders. **Bitcore 2.0** must propose a **governance system** that will be implemented into the blockchain. This will be possible by creating a new **mining ecosystem** and a **Masternodes ecosystem**. A Masternode but will receive a slight part of Bitcore block rewards and can propose suggestions in the governance system. Furthermore, the governance system will be automatically funded by the reward at every block in the blockchain and will reward all the users of the governance system who votes for the major decisions. Finally, possessors of Masternodes will be also able to initiate and to invest to fundraising initiatives in a **new and unique on-the-chain fundraising system**. The implementation of this system will definitively

improve the democracy in the Bitcore project but also will end the Donation Platform. **Bitcore 2.0 is a morning star** and I invite you to participate and to propose your ideas to improve the proposals.