Intercoin

Traded Token

The rise of decentralized exchanges has led to permissionless listing and growing volume for new tokens.

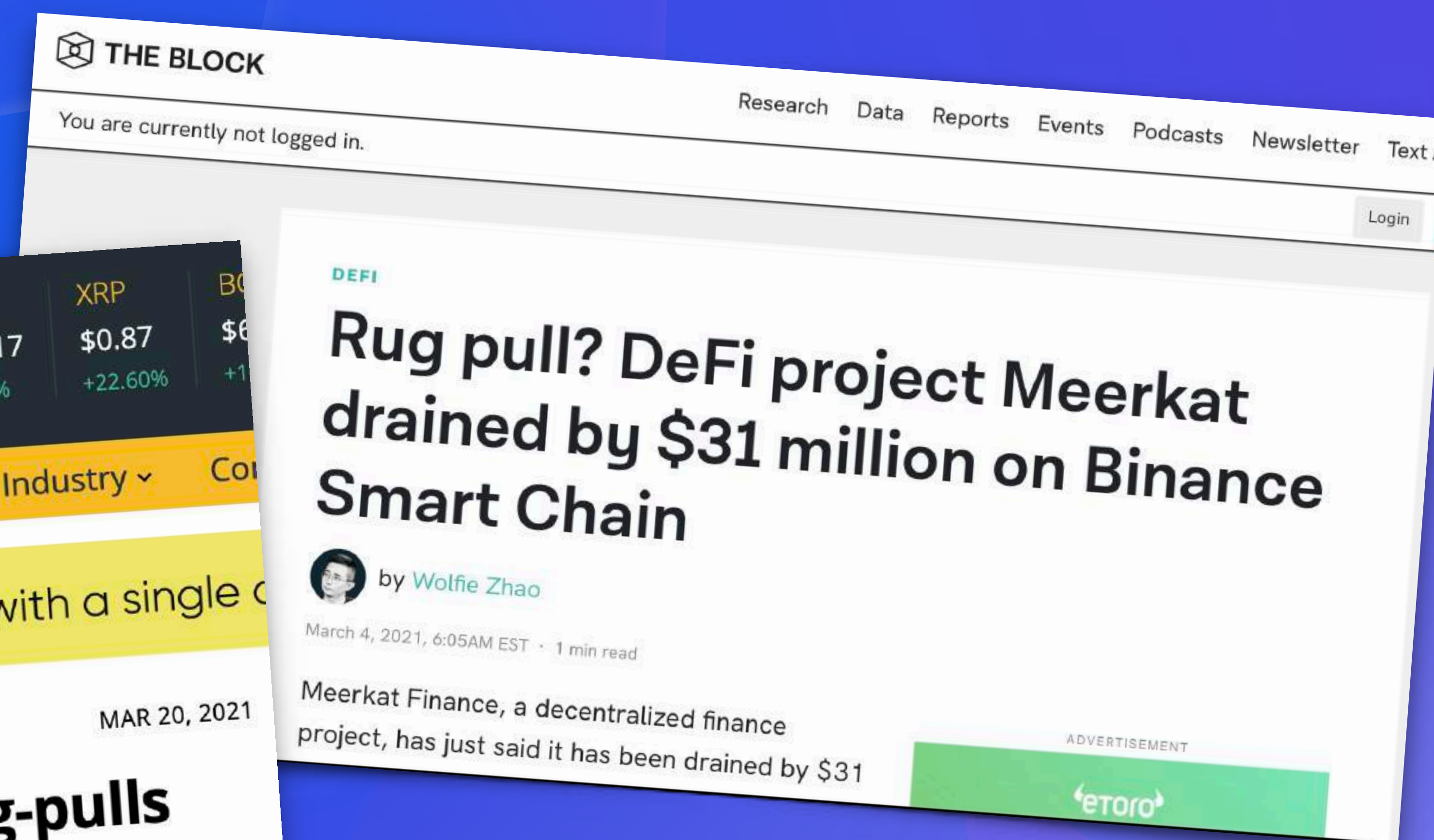
Ethereum

Binance

Polygon

xDai

But people are worried about **rug-pulls** by teams and **dumping** by early “whale” investors, as tokens can lose 99% of its value for a long time.



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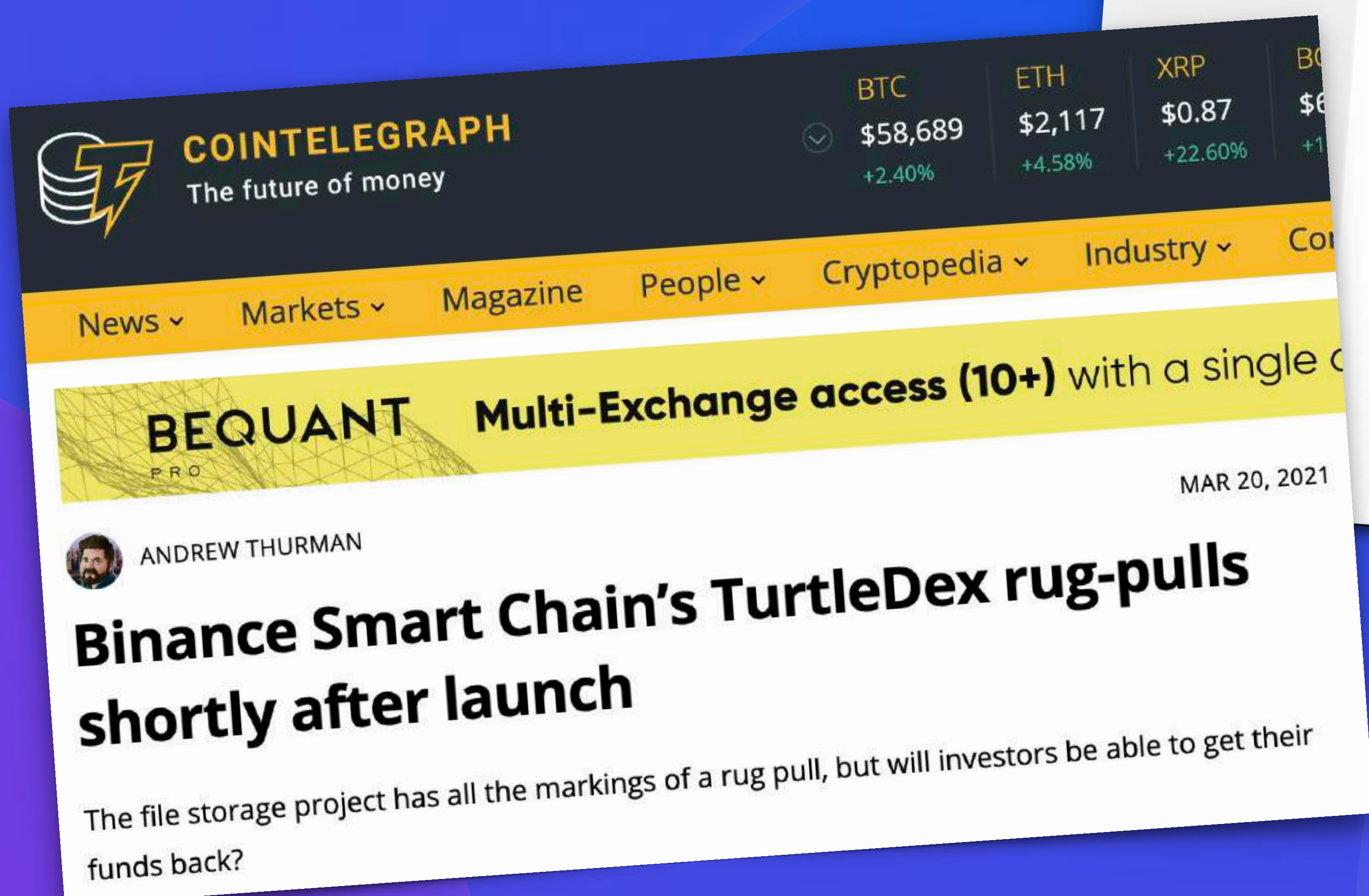
DEFI

Rug pull? DeFi project Meerkat drained by $31 million on Binance Smart Chain

by Wolfie Zhao

March 4, 2021, 6:05AM EST · 1 min read

Meerkat Finance, a decentralized finance project, has just said it has been drained by $31



COINTELEGRAPH

The future of money

BTC	ETH	XRP
$58,689	$2,117	$0.87
+2.40%	+4.58%	+22.60%

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MAR 20, 2021

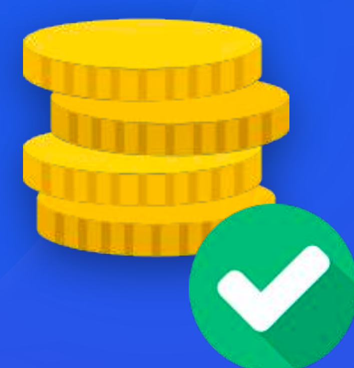
ANDREW THURMAN

Binance Smart Chain’s TurtleDex rug-pulls shortly after launch

The file storage project has all the markings of a rug pull, but will investors be able to get their funds back?

Rug-pull: removing liquidity on the exchange.
Dumping: cheaply selling a huge amount of tokens.
Here's the perspective of the majority of traders:

What if there was a way for a token project to prove to buyers and traders that there won’t be any rug-pulls or excessive dumping by either the team or early investors?



If this be can done reliably through smart contracts and tokenomics, people could buy with confidence.

1. TradedToken smart contract

Do you have an ERC-20 token that you already pre-sold to your investors? Great!

We help you release a new ERC-20 token audited by CertiK, and designed to be traded on decentralized exchanges.

It inflates the token supply only when the market demand on the DEX causes the price to reach a new all-time high.

Price increases follow simple deterministic rules, enabling the token to shape its own demand curve

This leads to some interesting predictable effects...

Supply and Demand

The price only grows with actual demand for more tokens to enter circulation, which happens organically with growing network value.

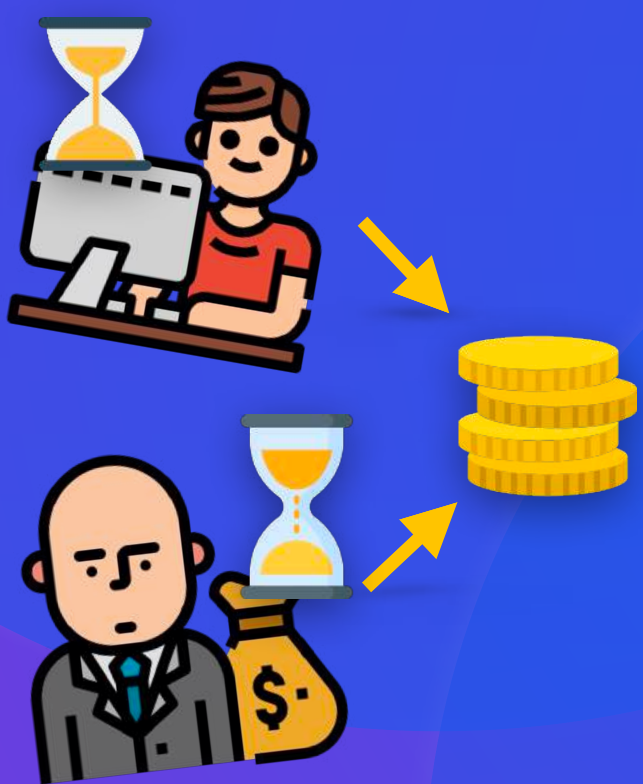
Gradual Dilution

The circulating token supply grows gradually only as tokens get sold for ever higher prices. No one can flood the market with cheap tokens.

Capped Downside

People who got in at lower prices can still sell, won’t crash the price more than what's allowed, because the amount of tokens that were claimed at each is capped until the next all time high

2. ClaimManager smart contract



The original team, early investors and others holding your Investor tokens can exchange them for Trading tokens

But they are rate-limited, able to claim limited token amounts only after the market price hits new all-time highs

Also, note that they should have held long enough to qualify for an exemption (Reg S or Reg D) from having to register their subsequent token trades as securities transactions.

Two Types of Tokens

The original ERC-20 Investor Token that was sold in the presale is likely a security, whereas the TradedToken is designed to be a utility token.

Two Options for Investors

Holders of Investor Token can periodically convert them to the new TradedToken, or they can trade the Investor Tokens themselves on an exchange, as token projects usually do. Investor Tokens can come to represent a way to get incredible discounts on TradedTokens' utility.

To trade investor tokens, buyers should have held long enough to qualify for an exemption (Reg S or Reg D) from having to register their subsequent secondary token trades as securities transactions (Section 4a1).

Token Distribution

As the TradedToken market price reaches new all-time highs, a window opens up for Investor Token holders to claim more TradedTokens.

Fair and Predictable

During a window, Investor Token holders can publicly declare the amount of Traded Token they want to claim. A week later, the contact allows claiming a re-scaled amount so that claimants receive tokens proportionally. Investors who hold off on claiming now are able to get a better exchange rate in the future.

3. LiquidityManager smart contract

Periodically, a public method can be called by anyone, to add liquidity on both sides of the liquidity pool of the where the TradedToken trades. There is no need to add liquidity manually.

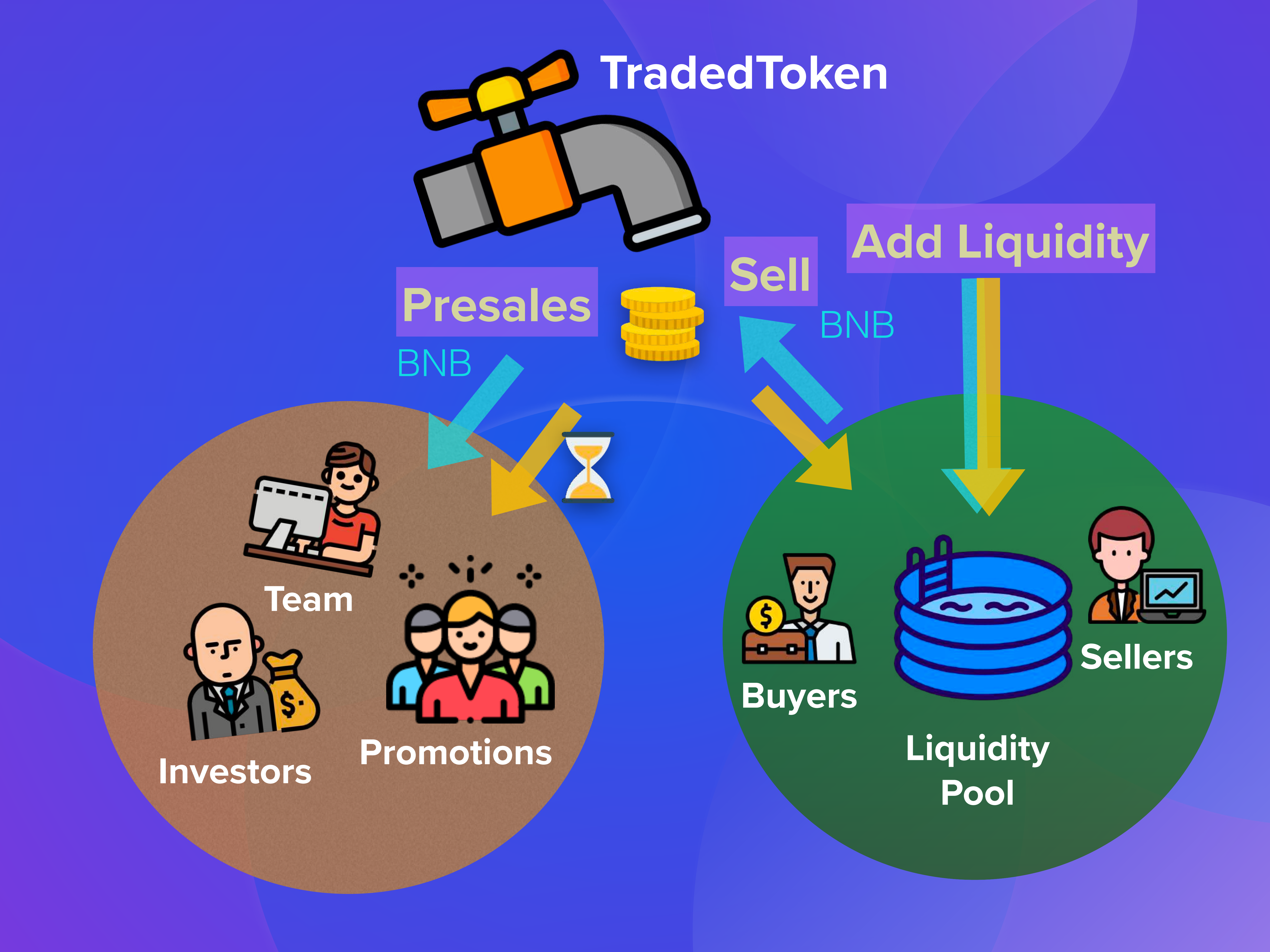
The ratio at which the liquidity is added is determined by the latest price for which the faucet sold tokens.

Secondary Trading

The contract never buys back any tokens it sold. It does, however, help manage liquidity pools on decentralized exchanges where they're traded.

Customization

We help design the original parameters of the smart contract to enable buy and sell taxes, presales, anti-panic mechanisms, and more.


TradedToken
Presales
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Sell
BNB
Add Liquidity
Team
Investors
Promotions
Buyers
Sellers
Liquidity
Pool

Intercoin

Sound money. Individual choice. True democracy.

Schedule a call with our team
calendly.com/intercoin/15min

For detailed info, feel free to view our white paper
or visit community.intercoin.org