

## **I. Preamble**

### **The Power of the Consumer**

Without the citizen-consumer, the industry is nothing. No consumer, no business. We want to monetize this fundamental power through blockchain and a dedicated cryptocurrency. Our goal is to offer every citizen the opportunity to monetize their consumer decision-making power in real time within new autonomous and partner-based collectives.

### **Transforming Decision-Making Power into an Ethical Financial Tool**

The Étika project redefines economic relations between consumers and partner companies by transforming consumer decision-making power into an ethical financial tool. Étika is based on a key principle: the automation and decentralization of financial functions, pushed to an unprecedented level.

### **Eliminating Traditional Financial Intermediaries**

By removing traditional financial intermediaries, this model frees businesses from economic pressures that often force them to adopt socially and environmentally harmful practices, while creating a transparent, autonomous, and sustainable ecosystem.

### **Creating a Transparent and Sustainable Ecosystem**

With an innovative blockchain based on the Proof of Purchase (PoP) consensus, Étika aims to create a decentralized, sustainable, and fair ecosystem, independent of traditional financial intermediaries.

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## **II. Economic Model: A Self-Sustaining Financial Short Circuit**

### **Auctions to Select Official Sponsors**

#### **1.1 Role of Auctions**

Auctions are used to select official sponsors from among major industrial groups. The targeted sectors include banking, insurance, mutual funds, payment cards, mobile telecommunications, internet service providers, video-on-demand platforms, search engines, energy, and other strategic sectors for B2B activities. SMEs, mid-sized enterprises, farmers, artisans, and other independent businesses will also increase the competitive pressure in the auctions. These

players can also monetize their decision-making power, allowing the targeting of additional sectors for the selection of more official sponsors.

### **1.2 Collected Capital and Formation of the Initial Fund**

The collected capital is used to establish the initial consumer fund and build the Étika ecosystem.

### **1.3 Benefits for Official Sponsors**

Each sponsor brings its own ecosystem to enrich the Étika ecosystem. Official sponsors benefit from the loyalty of an entire ecosystem, representing an unprecedented economic and marketing leverage.

### **1.4 Risks for Auction Losers**

However, losing bidders face a significant risk: a potential substantial market share loss and possible financial market penalties. This dual threat should drive up bids significantly, contributing to the launch of the first consumer engagement fund.

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## **Real-Time Savings for Consumers**

### **2.1 Savings Accumulation via Transactions**

Consumers accumulate real-time savings with each transaction made with partner merchants.

### **2.2 Redistribution of Margins Captured by Intermediaries**

This savings is funded by a significant portion of the margins usually captured by financial intermediaries, which we aim to reclaim and redistribute for the benefit of consumers.

### **2.3 Financing Equity Acquisitions in Sponsor Companies**

This new savings mechanism will largely serve to finance equity acquisitions in official sponsor companies and any major companies willing to integrate our ecosystem in both practice and values.

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## **Innovative Factoring for Partner Companies**

### **3.1 Instant Payment for Suppliers**

Suppliers of our partner merchants benefit from real-time factoring synchronized with their sales, significantly improving their cash flow. This innovative system ensures instant payment upon sale completion, eliminating traditional payment delays (sold = paid).

### **3.2 Liquidity Mobilization Within the Ecosystem**

This approach is enabled by mobilizing liquidity within the Étika ecosystem, originating from capital raised during sponsor auctions and the active participation of crypto investors.

### **3.3 Comprehensive Deal with Crypto Investors**

Crypto investors benefit from a "double deal" advantage:

- 80% of every euro invested is remunerated at an attractive rate (above market rates).
- 20% is dedicated to factoring with a minimal return, ensuring the smooth flow of financial transactions.

This deal remains in place until the ecosystem reaches sufficient maturity to detach itself and become fully financially autonomous or self-sustaining.

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## **Ethical and Sustainable Investments**

### **4.1 Reinvestment in Social and Environmental Projects**

A percentage of the funds accumulated within the Étika ecosystem is reinvested in ethical and sustainable projects, selected in collaboration with NGOs and local governments.

### **4.2 Collaboration with NGOs and Local Authorities**

These investments aim to support initiatives with positive social and environmental impacts.

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## **III. Founding Principles: Decentralization and Transparency**

### **Our Blockchain**

#### **1.1 Hosting by a Network of Partners**

The Étika blockchain is hosted by a network of partner merchants, industrial companies, NGOs, and local governments, ensuring effective decentralization and increased system resilience.

### **1.2 Effective Decentralization and Resilience**

This decentralization guarantees a fair and secure functioning of the ecosystem.

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## **Proof of Purchase (PoP) System**

### **2.1 Triple Simultaneous Validation**

The Proof of Purchase (PoP) mechanism is central to the Étika project, designed to validate each transaction simultaneously and inseparably among three key actors:

- The consumer: who makes the purchase.
- The merchant: who completes the sale.
- The merchant's supplier: who provides the goods or services sold.

### **2.2 Transparency and Mutual Trust**

This triple simultaneous validation, enabled by blockchain technology, ensures total transparency and mutual trust among stakeholders. It also guarantees an instant and fair distribution of financial flows.

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## **Transparency of Financial Flows**

### **3.1 Complete Traceability via Blockchain**

All transactions and financial flows are recorded on the blockchain, ensuring complete traceability and total transparency for consumers, partner businesses, and investors.

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## **IV. Tokenomics: Structure and Functioning**

### **Token Distribution**

#### **1.1 Free and Periodic Distribution**

Étika tokens are distributed freely and periodically to ecosystem participants. These tokens remain dormant until activated through specific transactions.

### **1.2 Activation via Consumer Transactions**

Tokens are activated by consumer transactions and are converted into fiat currency to feed their savings.

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## **Token Burning Mechanisms**

### **2.1 Token Value Stabilization**

The token-burning process is systematically applied whenever a business, investor, or NGO partner receives compensation or grants in exchange for tokens they have acquired.

### **2.2 Incentive for Active Participation**

Partners are encouraged to actively use tokens in their transactions, knowing that a portion will be burned, which may increase the value of the remaining tokens they hold.

### **2.3 Alignment of Stakeholder Interests**

This process ensures that all ecosystem actors benefit from the network's growth and prosperity, aligning economic incentives with Étika's long-term success.

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## **Strategic Reserve**

### **3.1 Supporting the Continuous Development of the Ecosystem**

A reserve of tokens is maintained to anticipate future needs and support the ongoing development of the Étika ecosystem.

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## **V. Consumer Fund: A Revolutionary Financial Tool**

### **Comparison with Pension Funds**

#### **1.1 Permanent Flow of Financial Contributions**

Unlike pension funds, which rely on fixed-interval salary contributions limited to the working period of their members, the consumer fund is fed in real time by financial fractions generated with each consumer transaction.

#### **1.2 Absence of Demographic Constraints**

Pension funds must maintain a delicate balance between active contributors and pension beneficiaries. Once a member retires, contributions stop while pension payments continue until their death. This structure imposes temporal and quantitative constraints, making these funds vulnerable to demographic imbalances.

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## **V. Consumer Fund: A Revolutionary Financial Tool (Continued)**

### **Mission of the Consumer Fund**

#### **2.1 Protection of Businesses and Employees**

Unlike traditional pension funds, the consumer fund adopts a fundamentally different approach. By being closely linked to partner businesses, it prioritizes long-term collaboration, avoiding the toxic logic of pension funds that disengage as soon as a company no longer meets their profitability expectations.

#### **2.2 Securing Consumer Retirement Savings**

The mission of the consumer fund is twofold: on the one hand, it protects businesses by providing them access to responsible financing, improving their financial health. On the other hand, it secures consumer retirement savings while preserving their primary source of income—their salary.

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## **Advantages Over Traditional Pension Funds**

### **3.1 Long-Term Collaboration with Businesses**

This dynamic gives the consumer fund a financial superiority unparalleled by traditional pension funds. It embodies a revolutionary economic model capable of supporting strategic, ethical, and sustainable investments while redefining traditional financing mechanisms.

### **3.2 Avoiding the Toxic Logic of Pension Funds**

Unlike pension funds, which are subject to demographic constraints due to population aging, the Étika consumer fund is not exposed to the same budgetary pressures.

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## **VI. Technical Infrastructure: An Intuitive and Secure Platform**

### **User-Friendly Mobile Application**

#### **1.1 Simplified Payment via QR Code or Phone Number**

The Étika mobile app is designed to offer consumers an intuitive and simplified user experience. With a clean interface and accessible features, users can easily manage their transactions, track their real-time savings, and interact with the Étika ecosystem.

#### **1.2 Flexible Earnings Management**

The app allows users to direct their earnings to a third party of their choice, such as a family member, providing increased flexibility in managing their savings.

#### **1.3 Integration with Payment Cards**

For optimal convenience, the Étika system can be directly integrated with consumer payment cards, enabling automatic earnings accumulation with each transaction without requiring additional user actions.

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## **Web Platform for Auctions and Ecosystem Management**

### **2.1 Organization of Auctions for Sponsors**

A dedicated web platform facilitates the organization of auctions to select official sponsors and provides management tools for partner businesses and ecosystem administrators.

## **2.2 Management Tools for Partner Companies**

This platform enables efficient management of auctions and partnerships within the ecosystem.

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## **Robust, Secure, and Scalable Blockchain**

### **3.1 Development with Rust and Substrate**

The Étika blockchain is developed using the Rust programming language and the Substrate framework, both recognized for their performance and security.

### **3.2 Scalability and Optimal Performance**

Thanks to Substrate's modular architecture, the Étika blockchain is designed to be highly scalable, capable of handling a large volume of real-time transactions.

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## **VII. Impacts and Added Value**

### **Economic Impact**

#### **1.1 Reduction of Cumulative Costs**

By eliminating financial intermediaries, Étika allows businesses to reduce operational costs at every level, both within a single sector and across different sectors.

#### **1.2 Ecosystem Diversification**

By integrating a variety of economic sectors and players, Étika aims to capture financial resources from multiple pockets of the economy.

#### **1.3 Optimized Access to Financing**



Partner businesses benefit from real-time factoring, improving their cash flow and reducing their reliance on costly traditional financing sources.

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## **Social Impact**

### **2.1 Strengthening Local Economies**

By promoting local savings and reinvesting in ethical projects, Étika supports community development and encourages responsible consumption.

### **2.2 Easing Business Relationships**

Inter-business relationships, particularly between commerce and industry, are traditionally conflict-ridden, often reduced to a battle over profit margins. With Étika, we propose shifting this battle against traditional financial intermediaries instead.

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## **Environmental Impact**

### **3.1 Reduction of Offshoring**

By supporting local businesses and promoting a circular economy, Étika helps reduce the need to offshore production, thereby lowering the carbon footprint associated with international transportation.

### **3.2 Support for Sustainable Projects**

Investments in ethical and sustainable projects promote initiatives that respect the environment and society.

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## **VIII. Conclusion: Toward an Ethical and Responsible Economy**

## **Development of an Ethical and Ecological Code**

To formalize the commitment of all stakeholders, Étika plans to develop an ethical and ecological code in collaboration with NGOs.

## **Commitment of Partner Businesses**

Partner businesses will commit to respecting these commercial, financial, social, and environmental practices.

## **Transition to a Sustainable and Fair Economy**

A reasonable transition phase will be planned to facilitate this adaptation. In return, these businesses will fully benefit from the unique advantages offered by the Étika ecosystem, thereby consolidating a sustainable and equitable economy.