

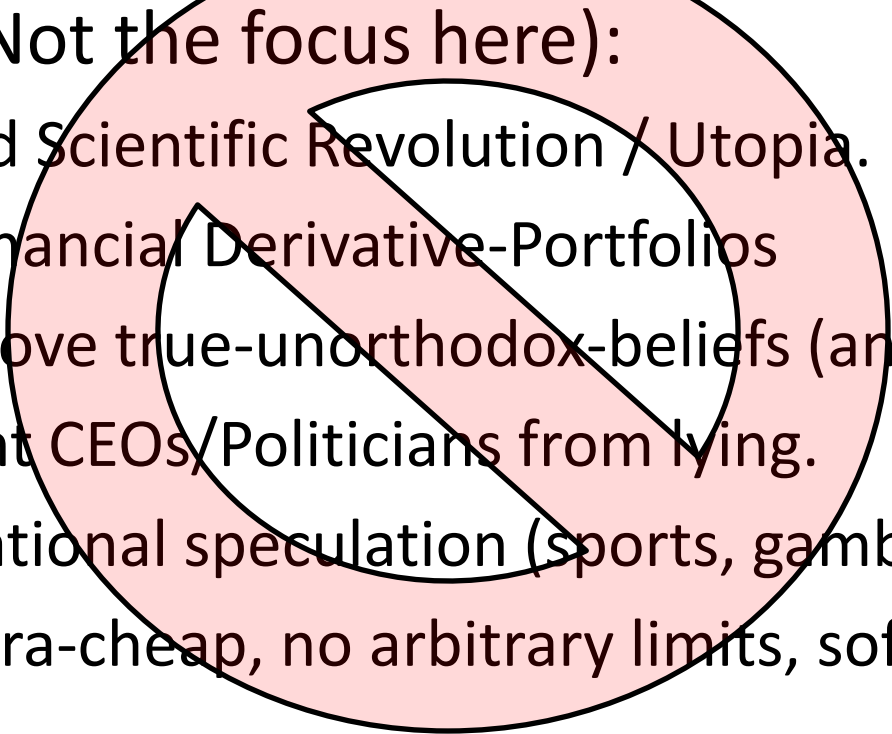
Truthcoin is Valuable

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This Deck: Private, Not Public, Value

- 
- **Public** (Not the focus here):
 - Second Scientific Revolution / Utopia.
 - P2P Financial Derivative-Portfolios
 - Can prove true-unorthodox-beliefs (and converse).
 - Prevent CEOs/Politicians from lying.
 - Recreational speculation (sports, gambling, “fun”, etc).
 - (All ultra-cheap, no arbitrary limits, software-efficient).
 - **Private:** What **return** is available to owners (investors, volunteer-programmers)?

Overview

1. “What produces the return?” (4 slides)

1. Not the coin itself (giving that away).
2. Instead, Trading Volumes (fees).
3. Collected by Branch-owners.

2. Robustness to Competition (1 slide).

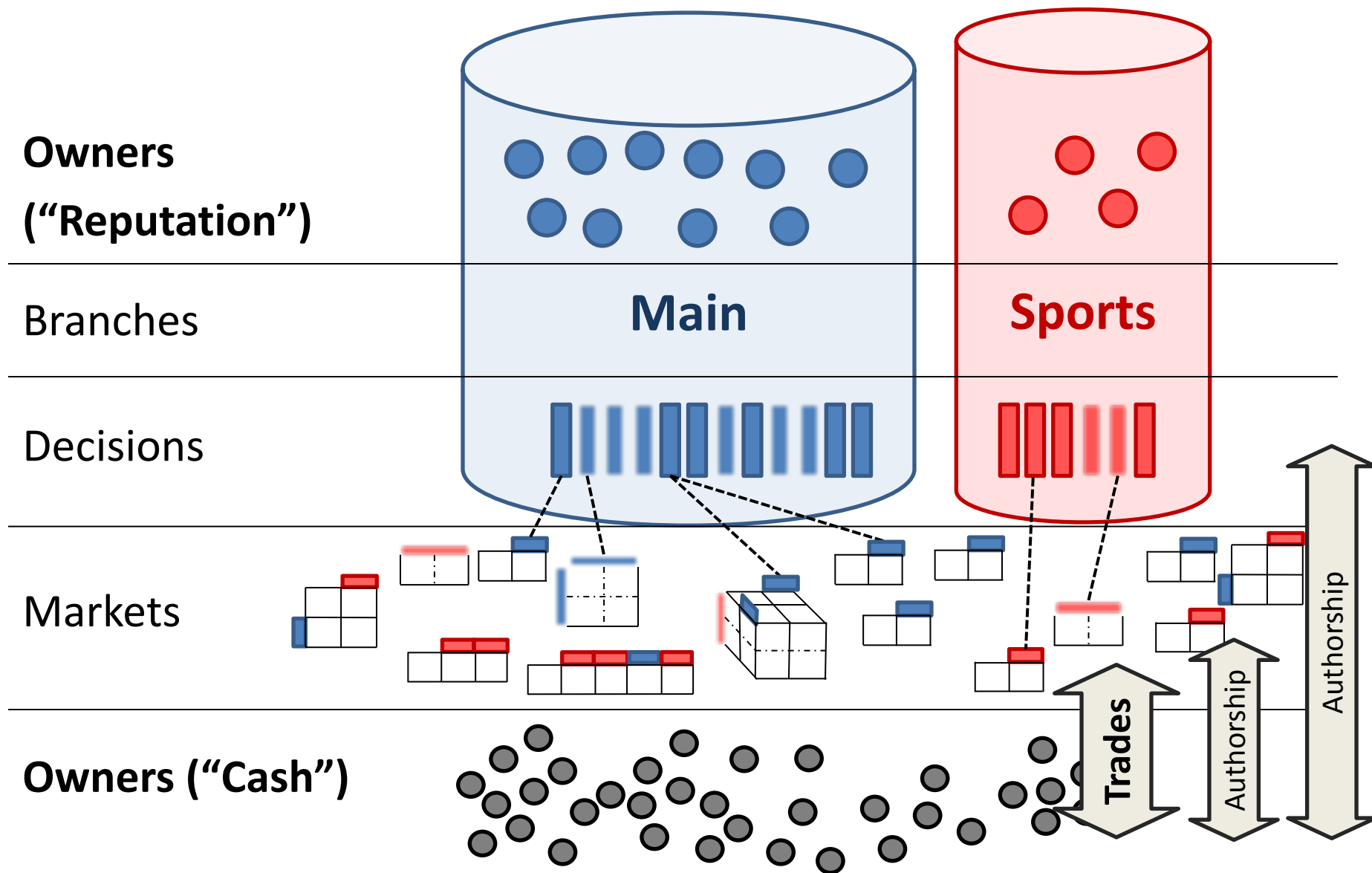
3. Possibilities (3 slides).

Conclusion Slide: Current Needs

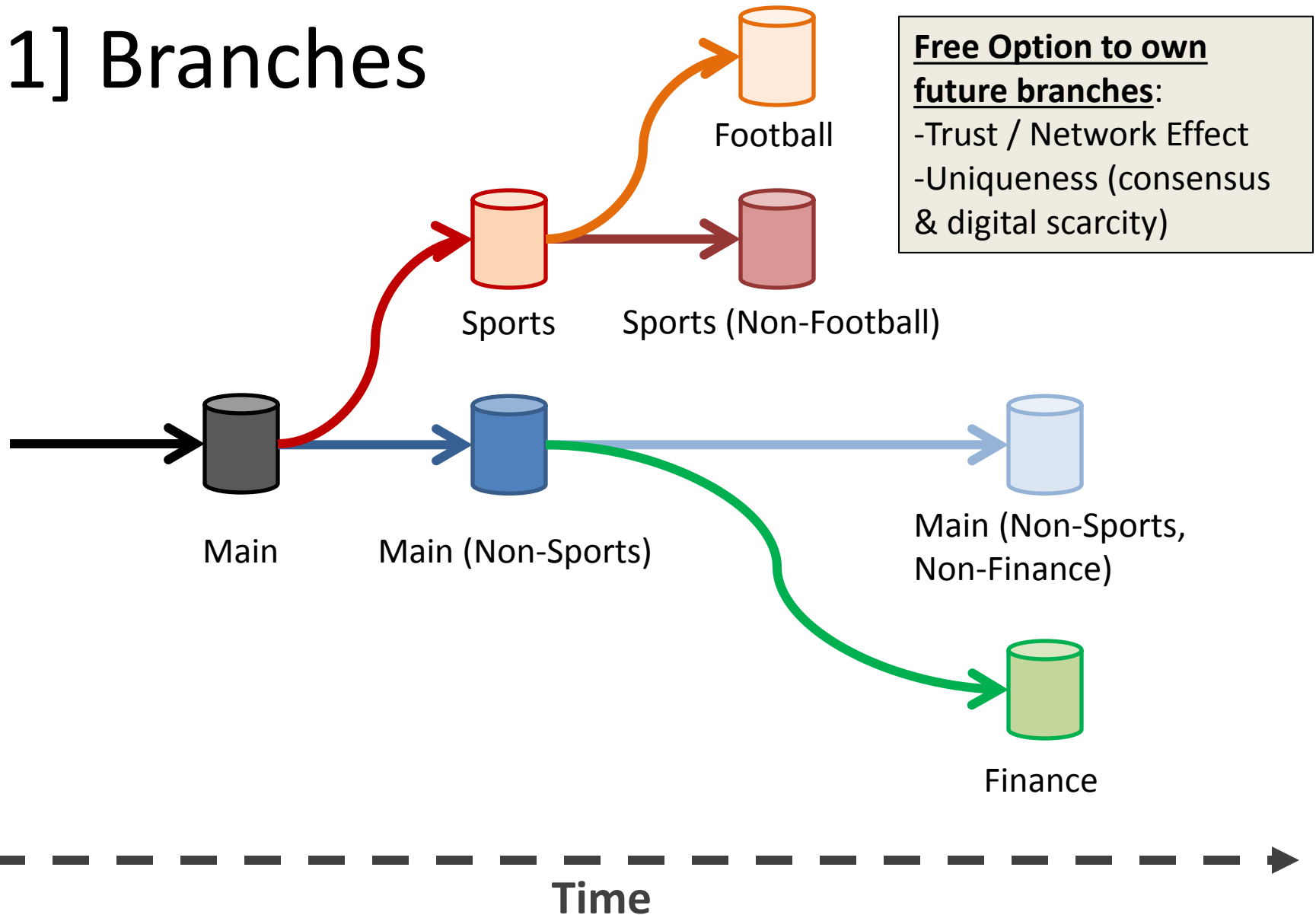
[1] Where's that return coming from?

- Truthcoin has TWO coins – “Cash” and “Reputation”.
- Use Coin 2 (“Reputation”) to reward contributors, and provide Return.
- (Give 100% of “Cash” to Bitcoin-owners).
 - It's the “best bad idea”.
 - Only unique solution (non-arbitrary).
 - Sidechains may force this anyway.
 - Kind of “scammy” not to do this.
 - Can do this in two phases (“testing phase” and “launch phase”).

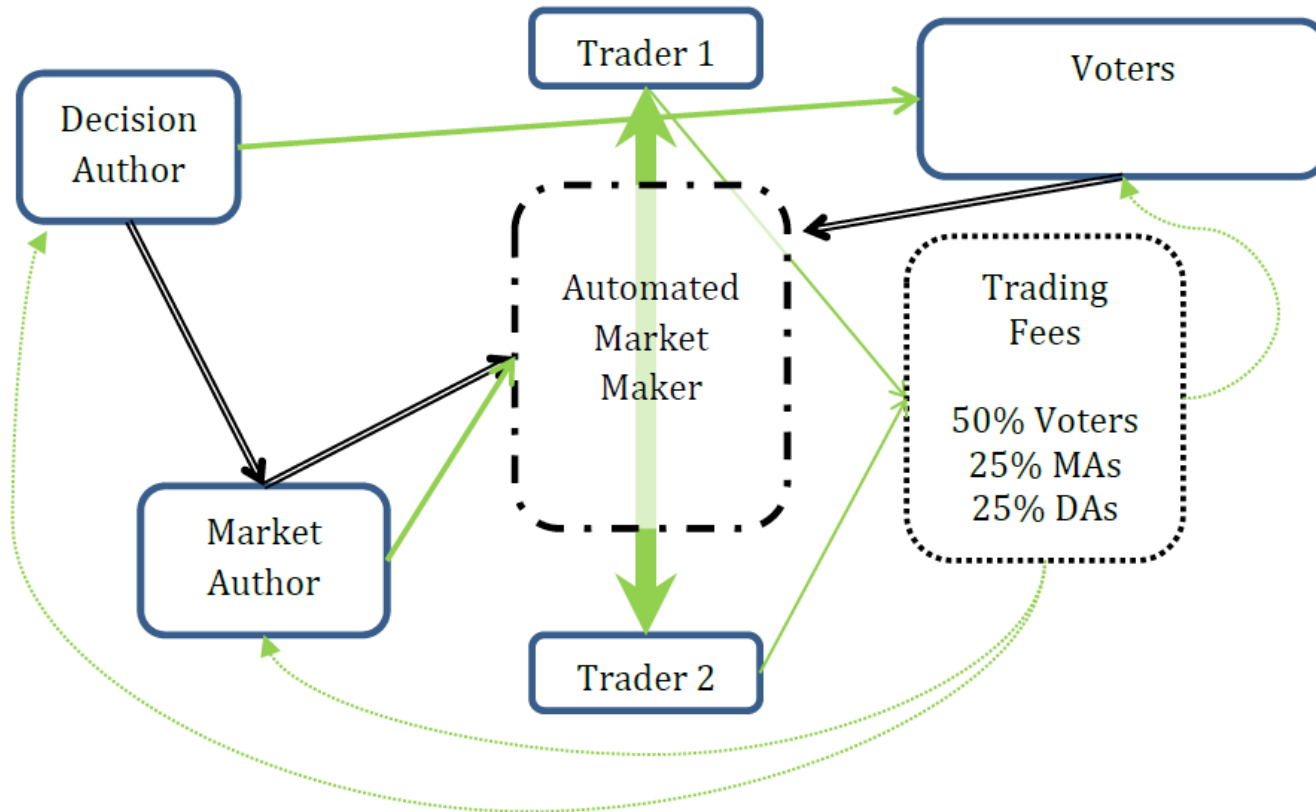
[1] Truthcoin Graphic



[1] Branches



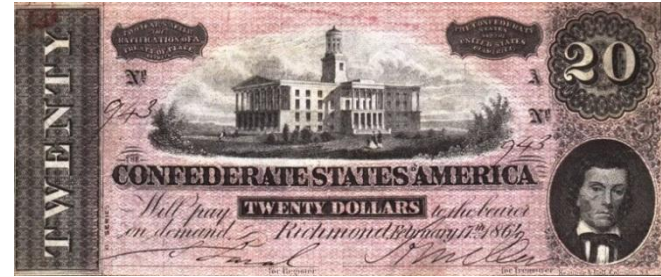
[1] What fraction of Trading Volume?



- (Figure 5 Adapted from Whitepaper).
- Trading Fee itself is **set by Author** (more later).

[2] Competition (Lack Thereof)

- Tech Network Effects
 - Money (once established, near-unbreakable).
 - Competitors Must Prove Non-Fraud (uniqueness / digital-scarcity problem).
 - Fight drives profits down (still >0 ?).
- Legal prediction markets (not happening).



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[3] Beyond Prediction

Application	Sample Market
1. "BitUSD"	<u>TRU/USD Exchange Rate</u> on Date D .
2. PMs denominated in USD (P2P Exchange, Financial Portfolios)	<u>TRU/USD Exchange Rate</u> on Date D \times <u>Hillary Clinton to win US President</u> in Nov 2016 .
3. Public Goods	<u>Lighthouse with specifications X built</u> with <u>Schelling Indicator: S</u> by Date D .
4. Insurance	<u>Natural Disaster X</u> of <u>Magnitude M</u> to occur on or before Date D .
5. Gambling	<u>Sports Team X to win</u> on Date D .

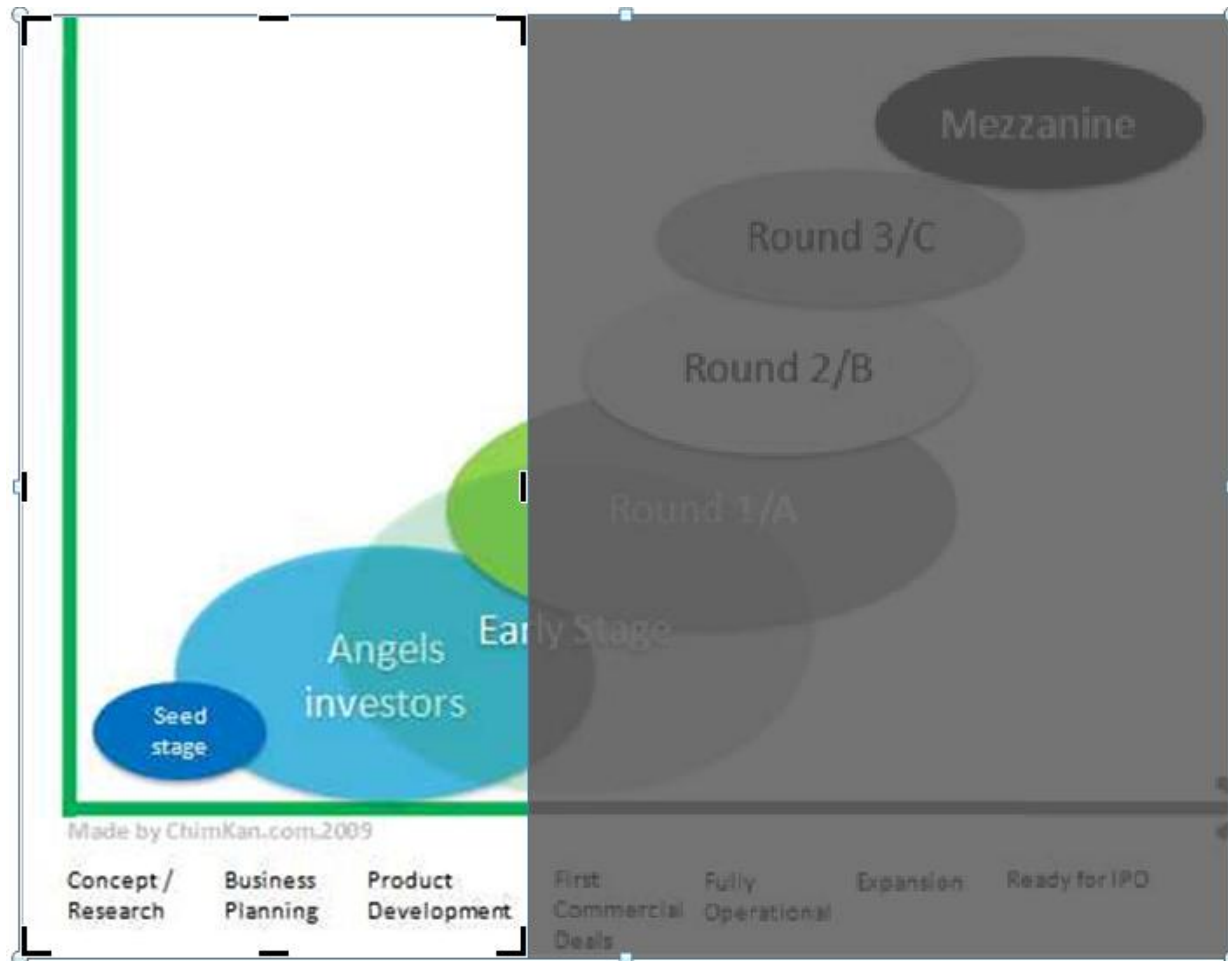
[3] Possibilities – “Main Branch”

Possibility	Yearly Trading Volume (in 2013-USD)	5 Basis Points (.05%), 3 Years @ 45% (1.5x)	50 Basis Points (.5%), 10 Years @ 30% (3x)
InTrade	23.8 million	\$ 8,925	\$ 178,500
Unreg Sports Betting (USA)	300 billion	112.5 million	2.25 billion
NYSE (on just 251 trading days)	27.6 trillion	10.35 billion	207 billion

1. $(1/2) * \text{Trading Fee} * \text{Trading Volume} * \text{NPV-Multiplier}$
2. Ignores superiorities to each of these existing institutions (see notes).
3. Figures are for US numbers only (Truthcoin would be global).
4. Ignores Listing Fees paid by Authors (because also ignores Voting Work).

[3] ~~Dilution~~ It's all yours!

- Blockchain: Once programmed, immutable. In future, even illegal to try.
- Scalability: **No need** for more employees/lawyers/office space/customer service.



Motivated? Our Current Needs:

1. Join forum.truthcoin.info
2. Write code! Comment on the code of others!
3. CTO – Someone familiar with hiring and assessing great programmers.
4. Some \$\$ to guarantee extremely-liquid launch-markets.
5. CEO – Extremely tech-experienced individual to put in the hours / handle day-to-day.