Decentralized Bitcoin Protocol White Paper v0.2

Background:

Bitcoin was born on January 3, 2009. Bitcoin is known as BTC .Nakamoto said in a defiant tone after the bitcoin launch. " "If you don't believe me or understand me, I don't have time to try to convince you , Sorry!"

Later, the dialogue became a classic. Bitcoin's vision is to create a decentralized currency system.

However, we failed, the development of Bitcoin deviated from our original vision, and our Nakamoto team was disbanded.

After 10 years of blockchain development, we saw the hope again and decided to complete the unfinished vision of Bitcoin -- to become a truly decentralized bitcoin!

Traditionally, financial transactions are realized through trusted third parties, usually intermediaries such as banks and brokers that play this role. Third parties collect transaction fees to achieve revenue, often by setting up entry barriers or using opaque information to maximize their own interests, which to some extent harms the interests of both parties actually participating in the transaction.

The emergence of decentralized finance (DeFi: Decentralized Finance) eliminates the influence of third parties. Decentralized finance interacts through the blockchain (distributed public ledger) and one or a group of smart contracts, allowing untrusted parties to complete transactions through preset rules that cannot be tampered with.

Compared with centralized financial technology, the essential difference of DeFi decentralized finance is that DeFi is an open source software that does not require access permission or centralized trust, and there is no centralized third-party organization in the entire product system. The openness of the entire system without any barriers to all users brings fundamental freedom to developers, and thus becomes a **financial bridge** linking the traditional financial world and the blockchain world.

Theoretical support:

Research data from related institutions (as of September 16, 2020) shows that the total amount of DeFi pledged loans is US$1.61 billion, and the capital scale is US$4.77 billion. The total assets locked on all DeFi platforms exceed US$8 billion, but there are still Hundreds of DeFi projects died due to the exhaustion of liquidity.

Although there are many reasons for this situation, we believe that the problem of token circulation rate is the most important reason. That is, new projects continue to be launched, and new tokens are mined at an extremely high inflation rate every day. If the speculative properties of the market remain unchanged and subsequent funds cannot support the selling pressure, it will be difficult for DeFi assets to maintain long-term stable growth. Therefore, it is necessary to change the inflation of tokens.

Nakamoto's students point out that the issue of token rate is an important factor affecting long-term non- speculative value.

Generally speaking: **token circulation rate = total transaction volume / token value**

It means: **token value=total transaction volume/token circulation rate**

The token rate can be measured in any time dimension. The total trading volume is relatively difficult to count, and it includes both on-exchange and peer-to-peer off-exchange transactions.

According to the formula, if there is no transaction in the measurement time range, the rate of the token is 0, which will lead to a lack of liquidity, and thus the value of the token will be far lower than its true "intrinsic value". In another case, if no users are willing to hold tokens and the transaction volume continues to increase, then the token circulation rate will actually increase along with it. Eventually, the total transaction volume and the token circulation rate will change linearly simultaneously. The value of the token remains the same. In extreme cases, the token circulation rate soars (token inflation) and the transaction volume decreases, then the final token value will continue to decrease until it returns to zero. **This is also the reason why all liquid mining projects will eventually collapse**: tokens are continuously mined, the popularity of the project decreases, the transaction volume decreases, and the value collapses.

Therefore, to make the value of tokens truly manifest, the following conditions need to be met:

1. Introduce a transaction and burn mechanism to reduce the rate of token circulation and increase transaction volume;
2. Introduce appropriate lock-up and incentive mechanisms;
3. Create a wider ecological usage scenario for tokens.

DBTC value discovery:

Under the guidance of Satoshi Nakamoto's students, we established DBTC community, made revolutionary improvements to the existing DeFi token protocol, and developed the world's first deflation + burning protocol.

DBTC is committed to providing a new value discovery paradigm and ecological application for tokens in the current DeFi world. Among them, DBTC Token is the governance token of the DBTC ecosystem. DBTC is based on ETH. In its smart contract, in addition to regular functions, it also innovatively introduces unique mechanisms such as transaction burning, ecological applications.

To ensure fairness, DBTC Token does not do pre-mining.

Basic Information

Token name: Decentralized Bitcoin
Token symbol: DBTC
Current total amount: 210,000 (trading tokens and transfers on the UniSwap exchange will burn, so that the total amount of tokens will continue to decrease)
The final total amount: 2100
Token type: ERC-20
Exchange: UniSwap
Trading Start from:
Contract address:
Query address:

Special mechanisms

Transaction burning is the most important feature of DBTC.
When each DBTC is transferred, during the transfer process, 5% of the token will burn, 3% will be awarded to the first recommender, and 2% to the second recommender, and the remaining tokens will be moved to the receiver's address.

The following is a detailed example:

i. <Address A> tries to transfer 100 DBTCs to <Address B>;
ii. Assuming that the current deflation rate is 10%, 5% of which will be burned, 5 DBTCs will be completely destroyed 3 DBTCs rewards are given to the first recommender, 2 DBTCs rewards are given to the second recommender, if there is no referee or referee holds less than 21 DBTCs, it will be destroyed directly.

Note that when you exchange DBTC on the UniSwap exchange, due to the existence of the transaction burning mechanism, the amount of DBTC you actually exchanged will be less than the amount previewed in the interface.

The transaction burning mechanism can effectively make the tokens continue to deflate, while increasing the token transaction volume, while reducing the token circulation rate, greatly increasing the value of the tokens. There have also been precedents of great success for

tokens with similar concepts such as Bomb and Sta on Ethereum.

Ecological introduction

Mechanism linkage

Through the continuous burning of tokens to reduce the rate of token circulation, as the release of ecological applications the transaction volume of further increases, The value of DBTC token will inevitably continue to increase.

FAQ

Q: Can you introduce us to the development team?
A: Our development team was based on Satoshi Nakamoto's students, and after the development reached a certain progress,transfer control to the community when the project matures.

Q: Will smart contracts be open source?
A: Of course

Q: Is there any way to get DBTC?
A: DBTC has no pre-mining, Airdrop and Uniswap.