THE DRAC WHITEPAPER

DRAC

®

DRAC: A safe coin for worldwide use

Xavier Molina, Sergio Calzón, Eduard Pina

Abstract: A coin created for daily, worldwide use.

drac.barcelona

August 2017

WHY INVEST IN DRAC?

Continuous cyber-attacks on large cryptocurrency storing and trading platforms, have become an increasing threat to the economic system. Consequently this has exposed a critical vulnerability, presenting a problem that has yet to be concluded with a viable solution.

Drac strives to break the boundaries of convention, a digital token aiming to seek stability and a real use. All blockchain projects nowadays are focused to users who are already familiar with said technology but that only represents a small percentage of a much larger community unfamiliar with this field. Drac aims to approach this public to the cryptocurrency market using the easiest and most accessible way, it is clear that fear to the unknown and the level of difficulty, can in most cases, drive back people from investing. Let's make blockchain easy. Let us show to the world cryptocurrencies and their technology are the future.

Believing in Drac implies:

- Promoting people's cryptocurrency use on a day-to-day basis
- Being part of a project that's fully structured.
- Making general agreements and important choices within the project.
- Opting for a different approach in virtual currency security design.
- Promoting the ethics within the sector.

We have the advantage of having already tested an alpha platform.

During a three week market study in October 2016, the platform was tested worldwide by hundreds of users non-familiar with the blockchain. Spanning across 15 different countries and presenting a wide range of age (18 to 75), obtaining very promising results:

- Average initial investment per user of 93.63€
- 89.5% of the users would recommend DRAC to their friends and/or relatives.
- 78.2% of the users requested to keep their account open upon finishing the test, although for security reasons no personal data could be gathered after the study.
- 91.2% had never used any sort of cryptocurrency before and 32.8% had never heard of Bitcoin and Ethereum.

INDEX

1. MARKET

Business opportunity (June 2017 data):

- Daily virtual currencies trading volume > 4,000M$
- Total market capitalization > 86,000M$
- Virtual currency users growing larger each year
- Increasing media attention
- Thousands of millions invested in the sector in 2016 and 2017
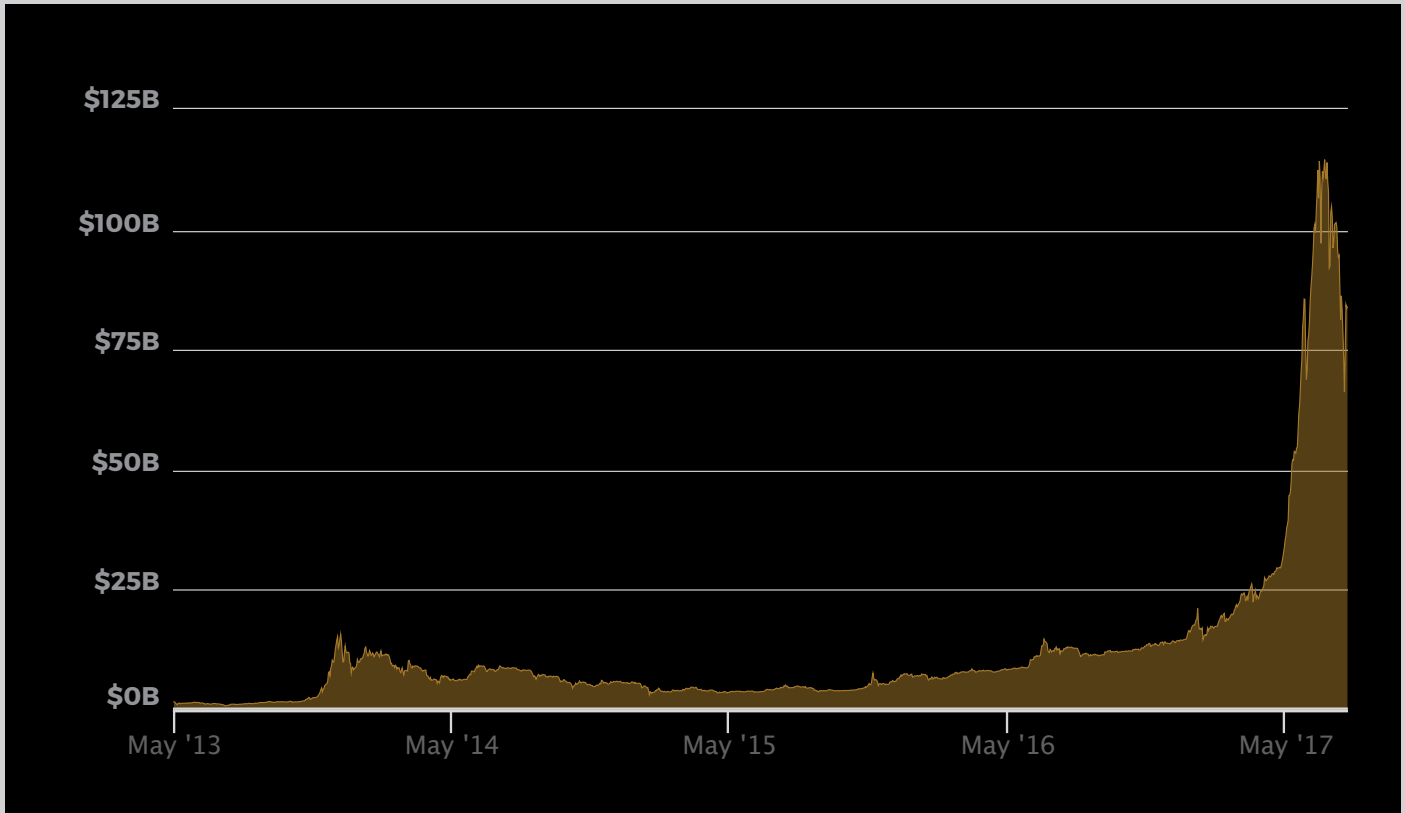
(coinmarketcap.com & futurism.com)

2. DRAC

2.1 Roadmap DRAC platform

DRAC® ROADMAP

ICO
October 2017

Exchange
October 2017

DracPay
Q1 2018

DracBet Alpha
Q2 2018

DracPlatform Beta
Q3 2018

XDracFUND
Q3 2018

DracBet Beta
Q1 2019

DracBet
Q3 2019

DracPlatform
Q1 2020

DRAC

2.2 DRAC platform structure

Drac will be a limited liability company based in Barcelona, Spain

	Drac (XDRAC)
Total supply	10.000.000
Amount for the team	900.000 9% of the total
Initial value	0.00004btc/xdrac
Features	• Waves Blockchain • Non-minable • Divisible (8 digits) • Use in Exchanges
Advantages	• Right to vote • Cryptographic • Annual profit distribution via wallet storing.

2.2.1 Flama

Flama will be the digital token that will uniquely be operative inside our platform. It is not a cryptocurrency such as XDRAC, but will act as a token for the different services that may be offered and will also be able to be exchanged to cryptocurrencies, euros or dollars at any time. It has a fixed price. Supply is also fixed, although in an event of extreme necessity the possibility of increasing the supply in order to satisfy market demands could be coherently discussed.

Use of flama inside the platform has no transaction commissions so it can be used to send and receive money between two different accounts at no cost, regardless of where you are.

TOKEN INITIAL VALUE	INITIAL STOCK	FEATURES	TRANSACTIONS
0.12$ 0,10€	1.000.000.000	• Non-minable • Limited and fixed stock • Divisible by 1.000.000 (1 Flama = 1.000.000 Microflamas)	• Private • No commissions • Instantaneous

a) Flama token division:

　　1 FLAMA = 1.000 MiliFlamas
　　1 FLAMA = 1.000.000 MicroFlamas

Note the similarity between Bitcoin and satoshi or meters, centimeters, millimeters.

b) Founding team flamas percentage:

0% tokens.
All tokens are put at the disposal of the community, the team does not possess any token and they are exclusively for platform use. It is the team's commitment to ensure the safe storage of this tokens so users can use them.

The available supply amount and the circulating market amount will be displayed publicly at all time, real data will update continuously and instantly.

c) Utility:

- Purchase and sale of Bitcoin and Ethereum inside the platform.
- Online purchase and sale of different products in our associated stores.
- Instant money transfer at a national and international level.
- Safe-haven in the face of a crisis or any potential political or economic instability.
- Secure asset storage in a virtual wallet.

2.2.2 XDRAC

During the bidding stage a 91% of the total XDRAC, based on Waves Blockchain, will be offered. XDRAC will be added in the Waves Platform and may be listed in different exchanges in a nearby future. Tokens that are not allocated during the bidding stage will be burnt.

Holders of XDRAC will have a series of advantages:

- Receiving of monetary allocations corresponding to the benefits obtained within the wallet storage (masternodes).
- The right to take part in relevant choices inside the project. For instance, quarterly benefits investment in either marketing, programmers, new ICOs, etc. (Voting power shall be equivalent to the owned XDRAC percentage).

*Masternode conditions:

- In order to receive the corresponding monetary allocations a minimum of 50,000 xdrac has to be stored in a personal wallet during a minimum of 180 days (storing it on an exchange won't fulfill this condition). Should the amount of xdrac stored in the personal wallet decrease below the required minimum of 50k xdrac, the day count will consequently reset to 0 days.
- Monetary allocations will be distributed either in waves, bitcoin or flama (users' choice), where necessary due to market hitches, the distribution could be extended into another cryptocurrency.

*Voting conditions:
- Any user in possession of a wallet containing a required minimum of 5000 xdrac may participate and vote in any sort of open decision making process which is related to the project. A wallet with a minimum of 5000 xdrac will be necessary at the moment of casting the vote. Voting will be limited to a single vote per wallet.

A variable fraction of the benefits is intended for social projects, always chosen by users based on half-yearly public voting system.

DRAC will issue 10 milion XDRAC and no more shall be issued.

The 100% of the xdrac represents 100% ownership of the DRAC platform profits, (refer to paragraph 3.1 for further details) (but not the ownership of the company, comprising of all assets and liabilities, as well as each and every right and obligation, including but not limited to intellectual property rights, branding and trademarks).

2.3 Flama functioning

Flama can be acquired via Bitcoin and Ethereum through a wallet located inside the online platform *drac.barcelona* (more cryptocurrencies are expected to be included down the road).

a) Transactions:

In order to purchase tokens, creating an account inside the platform is required. Once acquired these can be traded between other registered users inside the platform, or exchanged/sold to/for bitcoin at any time. The purchase and sale of Flamas will have a 1% commission charge (within the influx of users this commission percentage should see a considerable reduction), Flamas' transactions are exempt of any sort of tax.

- *Flamas exchange between users -> commission free*
- *Bitcoin purchase with flamas, inside the platform -> 1% commission*
- *Flamas purchase inside the platform with bitcoin or ethereum -> commission free*

Users may send Flamas using any of the following recipient's personal data: the username, a unique user code or an email address. Both the sender and the recipient will be the only ones to know the token's source, however, the username will be the only personal data displayed for both, thus ensuring both parties to remain in full anonymity. These transactions are instant and with no commissions.

b) Security:

Given that its usage is limited to our app and platform, **it is nearly impossible for users to lose their tokens**.
A chance of cyber attack still exists, but **the network allows to backtrack non-authorized token movements out of their wallets**. Essentially this implies that the Drac team are able to trace the supposed thief and return stolen tokens to their rightful owner.

For example, stealing accumulated frequent flying points from an airline website is useless, as the only possible use is that within the airline's own platform. Therefore, in the hypothetical case that Drac suffered a successful hacker attack, Drac would never lose the users' assets. Network activity would cease immediately, whilst maintenance tasks commenced in order to re-establish the service being executed. Ideal to not fear the continuous attacks to these sort of platforms.

c) Value:

Flama and XDRAC seek to bridge the gap existing nowadays in the use of virtual coins, a utility inside users' daily life with no understanding of the blockchain technology. A

different approach to the general public that does not understand or shares a wary opinion of blockchain technology.

2.3.1 Users

It is possible to receive Flamas through the user unique code or username.

Unlike the cryptographically generation address system implemented by Bitcoin, Flama uses an account system much more simple and easier to remember.

Example:

Bitcoin -> 17A2VRNLyXAtS9ZdCAcfPina4AndyxMolY
Drac -> 01738-99

User code:

- Public: Unique and random code for every user, similar to a fixed ID that can be used to receive Flamas. This code can be displayed publicly in order to receive donations, contributions, payments between friends or relatives, etc.

- Private: Unique and random code for every user, similar to a fixed ID that may be used for transactions where users do not wish to share their identity or when the identity of the receiver is desired to be kept unknown.

    It is possible to use both codes as public or private and it is completely up to each individual user whether to chose one option or the other. It is possible to add more codes if needed upon requesting it to the developer team

User name:

- To the user's choice upon registering a new account. Unique name and cannot be modified. Example: hello92.

2.4 Advantages

Flama token holders' advantages:

- Moral token
- Very easy to use
- Instant payments
- No commissions
- Private transactions between users
- Safe storage
- Multiple uses
- Lower prices in associated companies and stores

Companies/merchants advantages:

- New clients
- Loyal clients
- No need of POS
- Direct payment with no intermediaries
- Transactions commissions free
- Possibility to receive micropayments

3. BUSINESS MODEL

3.1 Drac digital platform

- Commissions on users upon selling virtual currencies to the platform
- Banners from sponsors
- Ads inside the platform with rewards (collecting of MicroDracs in exchange for a voluntary publicity consumption, similar to faucets or PTC)
- Premium accounts
- Associated businesses
- Large company agreements

3.2 XDRAC FUND

Reinvestment of company profits in new ICOs, cryptocurrencies and cryptocurrency related and non-related projects which will always be chosen by the community through an open vote.

*XDRAC holders will have the right to choose where the funds are directed to, along with its distribution. Analysis and tracking of the assets shall periodically be made available to the users.

DRAC will invest part of the proceeds and the profits obtained annually in other cryptocurrencies and blockchain projects, benefits resulting from such operations will be allocated for a reserve fund as well as reinvesting in the company. As some kind of an investment fund, resembling the idea of a startup incubator. Through blockchain technology we create a project that allows working as one common fund in a decentralised way.

XDRAC FUND

Fondo acumulativo
30%

ICOs
20%

Otros proyectos
15%

Proyectos Blockchain
35%
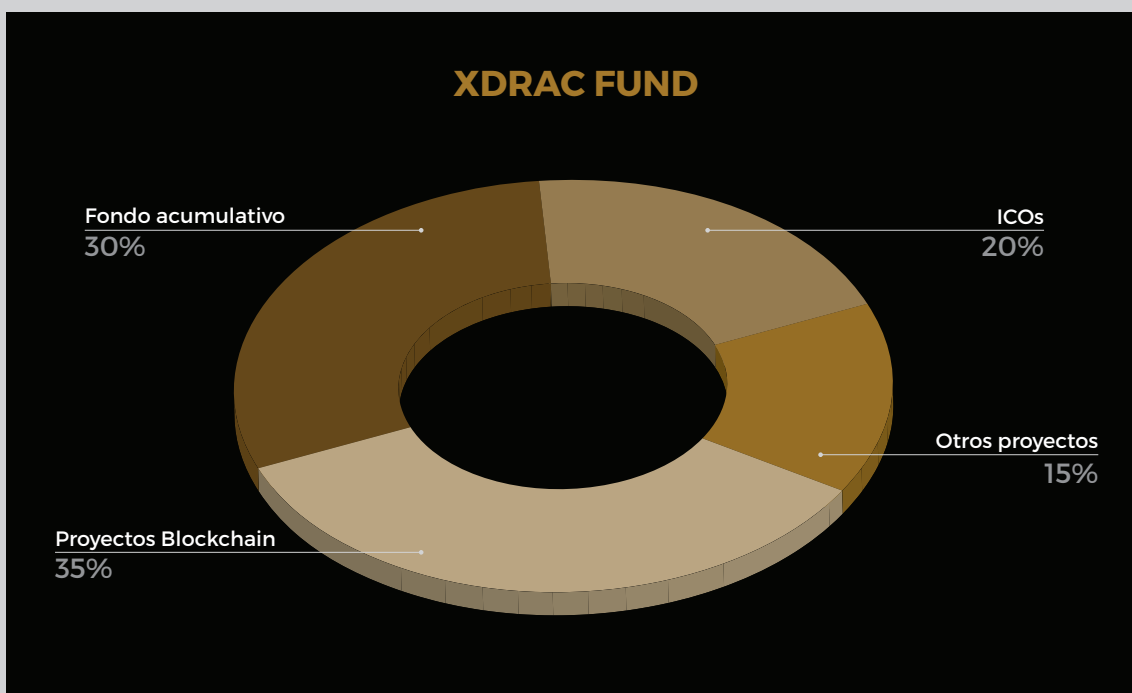
Creation of new business intended to diversify the business structure of DRAC, through the available xdrac funds and always respecting the approach and decisions of the investors. Project proposals will be presented following the usual procedure of any incubator (business plan, team,...).
Priority will be given to investing in business already owned by XDRAC investors as long as they are accepted by the user community.

Finally, a cumulative fund stocking benefits from previously mentioned investments and that may be used to buy xdrac in order to burn them, ensuring the availability of reserve funds if needed.

3.3 DracBet

Platform based on blockchain technology whose main functionality is to allow users the creation of private or public bets.

DracBet aims to take a step forward towards the online betting industry, integrating crypto-currencies, turning users into the owners of their very own betting website.

Working similarly to a user creating their own page inside the famous Facebook social network or the easy and fast creation of a blog through the Blogger or Wordpress platforms, DracBet will offer the possibility to create your own betting pool with available templates and designs so anyone can participate or join thrilling bets.

Let us take a look at how this would function:

1. User either registers into DracBet or logs in through the drac platform.
2. Creates, edits and designs the betting site using any of the templates and widgets we offer, which better fulfill their expectation and idea.
3. Once ready the user can start generating different bets.

   a) 1st example: DracBet can be used in notorious sportive events. We decide to create a betting pool for the Champions League Football Final between co-workers, university, friends, family or any other group of people... We just need to create the event and share the link, simple as that.

   b) 2nd example: Two political parties are confronted in the national elections to see which one will be the ruling party of a country. We create a betting pool about who will the winner be, but we want everyone to be able to participate, so instead of a private bet we choose it to be a public bet and we add hashtags such as #politics #blueparty #redparty #candidatename, allowing other users to find bets

   c) 3rd example: one user is hanging out with some friends at a swimming pool and they decide to see who can swim faster so they use the app to create a bet. If it is a public bet the user can add tags to the betting site so other users may participate, in case the bet is set to be private no tags can be added and users can only access to the private betting pool with an invitation link. Invitation to private betting pools can only take place through the

sharing of a private link that only the creator of the bet knows. Similarly to private videos being shared in the YouTube platform.

So let's say the first friend swims against the second and third friends, the bet has 3 possible outcomes, more possible results can be added, such as the event of a close tie. Those who may decide to take part on the bet can put their cryptocoins at stake (any cryptocoin the creator of the betting site chooses to accept). Once the betting pools have been closed the race starts and the second friend wins, so users who gambled in favour of the second friend will receive their corresponding share of the bet.

In the case a single user wins the bet, he or she will receive the totality of the bet amount minus the commission of the betting pool's creator and the commission belonging to DracBet (which will be a fix amount). The betting pool owners can choose which percentage will they be claiming on each bet at the moment of creating these.

In the case more than one user wins the bet, the bet amount is split between the winners consistently to the amount each of them initially introduced in the bet. The total amount to be split between them will correspond to the totality of the bet amount minus the commission of the betting pool's creator and that belonging to DracBet (which will be a fix amount).

In essence, a whole world of possibilities within the grasp of anyone thanks to DracBet. It will also be possible to bet using XDRAC and drac digital, which subsequently could be changed to fiat on the drac platform.

In this instance, we are studying the possibility to formalize the DracBet company's registration separately to DRAC. DracBet headquarters would be located in Malta, which facilitates and promotes the growth and the creation of these sort of business and whose legislation does not hinder the business.

3.4 DracPay

Blockchain based platform that allows to send and receive payments instantly in companies and stores associated with DRAC.

If you have a smartphone, you have money. Send and receive payments instantly with cryptocurrencies on your nearest store or your favourite shop, using blockchain technology it is not only easier but safer.

Scan the QR codes to make transactions without having to carry cash on your wallet or sharing your personal data with anyone. Your smartphone brings cryptocurrencies closer to your local businesses. Initially it will only be available for XDRAC, Bitcoin and Flama payments, subsequently more cryptocurrencies will be included.

Drac pretends to grant a more humane approach to the world related to crypto and to commit ourselves to social projects that have as an objective making the world a better place. Therefore, we and our users, will be direct sponsors of solidarity projects and will constantly be collaborating with ideas to improve the world.
A variable percentage of the benefits is destined to social projects, always chosen collectively by DRAC users via biannual public voting.

We are currently collaborating personally with Animal Aid Unlimited (http://animalaidun-limited.org/), which means it will be the first organization to benefit from DracSocial once it becomes operational.

Even though it may appear this area does not necessarily belong in a business model, we consider the positioning and valuation of the brand a strong point to take into account.