IDO

Setup

By Morteza Shahabi

2022 January 25

Subjects:	Page:

Document Definition:

General definition:

This document describes the process of performing an IDO.

IDO by itself is the process of fundraising in the crypto space. If a project is launching an IDO. It means the project is launching a token via a decentralized liquidity platform. This is a type of crypto asset that depends on liquidity pools. Traders can swap the token.

But at the first step, when the IDO is in the initial state, traders can Stake-In which means they can provide liquidity in exchange for taking a share of launching token in advance.

Literature definitions:

IDO: Initial DEX offering,

DEX: Decentralized Exchange.

OCC: Origin Crypto Currency which is the Token users should use to pay the Stake-in fee.

Liquidity Pool: The address where all the user initial deposits collecting in.

Mother platform: Our Main platform which provides lots of services including a governance token.

Project Definition:

Preparing the structure and launching the IDO.

1- Planning the business strategy.

A strong strategy must be created. The strategy should include definition of:

a. The challenge the project aims to resolve.
b. The definition of fund allocation criteria.
c. Which blockchain the project will run on.
d. Which crypto wallet project will cooperate with.
e. The general marketing strategy and how to spearhead the project post-IDO and maintain that momentum.

2- Creating marketing collateral.

In marketing and sales, marketing collateral is a collection of media used to support the sales. At the very least, marketing collateral for an IDO launch includes a website and a white paper.

a. **Website**: A well-branded website that is visually pleasing can-do wonders for investor confidence. A great website can help push the emotional levers for investors who have already bought into the project logically. The website can also make the project appear more professional. Many projects can struggle to establish a brand image, especially if they lack a website.

b. **Whitepaper**: A great white paper, in contrast, enhances investors' experience with specificity and facts. Doing so moves the investor closer down the pipeline. The main purpose of a white paper is to sell by educating, which is why there is no hard-sell copy in the white paper, itself. Instead, the white paper presents statistical data, diagrams, tables and so on.

The white paper uses facts to persuade the investor that the project is a worthwhile investment.

3- Providing the DEX launchpad.

Generally, teams prefer to launch their IDO through well-known launchpad platforms to benefit from some advantages. In this particular case, we are going to prepare our own launchpad within the mother platform.

The specification and features of the launchpad and the essential infrastructure expected mother platform to provide, aren't included in this proposal.

Side Note:

Investors who want to steak-in should be able to pay the deposit effortlessly. The deposit must be paid in either mother Platform's governance token or one of the network stable coins.

There are pros and cons for either way which should be discussed later.

4- Creating the cryptocurrency.

Upon successful completion of the IDO and Token Generation Event (TGE), the DEX lists the token for trading. Listing occurs via an automated market maker (AMM) like Sushiswap or PancakeSwap.

We have to have the governance token and crypto ecosystem formed and then launch the IDO on the platform.

5- Launching the IDO.

In Order to launching the IDO, following steps should get done:

a. Developing the IDO smart contract
b. Testing and getting SERTIK certificate.
c. Deploying the contract.

User performing operation:

IDO:

Users enter the site.

Users approve the site to connect to the user's wallet.

Users see the amount of current investment (The Liquidity pool) and current estimated token price.

Users enter the desired amount of OCC to invest and makes the deposit.

Users will receive a message. (Is it necessary?)

Users can withdraw their Stake during the IDO.

Users can withdraw their Stake after the IDO ended during the Exit Option period.

* When users withdraw their Stake during the IDO or Exit option period, they will receive the exact amount of OCC they have paid.

Post IDO:

Users will receive the tokens in their wallets after IDO is finished.

Users will be able to trade the tokens after IDO is finished.

Users will be able to freely transfer the tokens after IDO is finished.

Contract Workflow:

1- Construction of contract:

The following parts getting done when contract is being constructed:

a- Determination of these parameters:

Mandatory:

- Name
- Symbol
- Decimals
- Total supply

Optional:

- Limitations.

b- Execution of initial operations:

Mandatory:

- Setting parameters.

Optional:

- Setting limitations.
- Initial mint operation.
- Additional functionalities.

2- Stake-in request:

When a user wants to make a deposit to stake a share.

(The provided liquidity will be transferred to the pool)

- Performing payment to the contract address in OCC.
- Recording the user's payment in contracts pool.

3- Exit option:

When a user changes his mind and wants to quit on last seconds.

- Performing payment from contract address in OCC.
- Recording user withdraw from contracts pool.

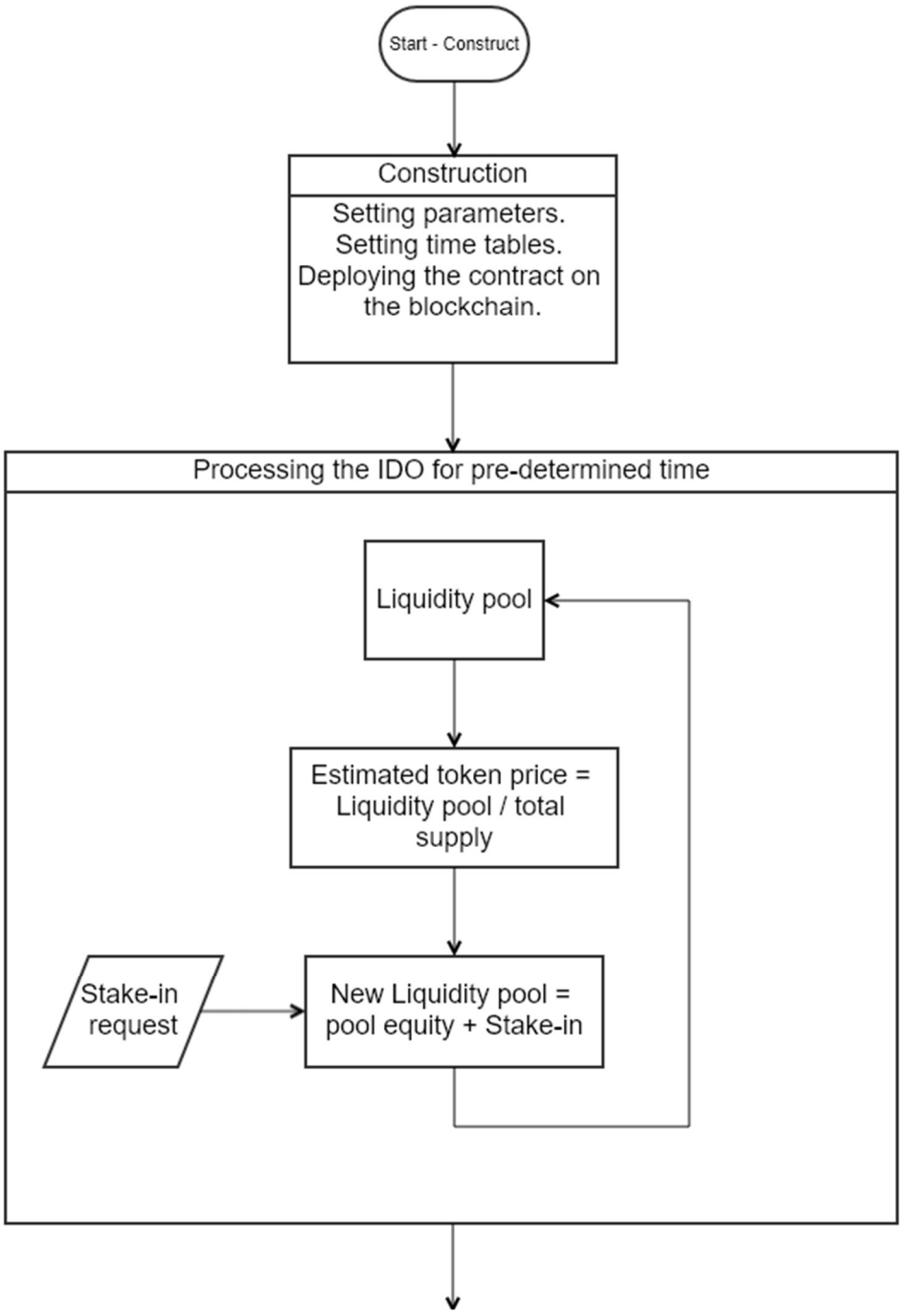
4- **Trigger**:

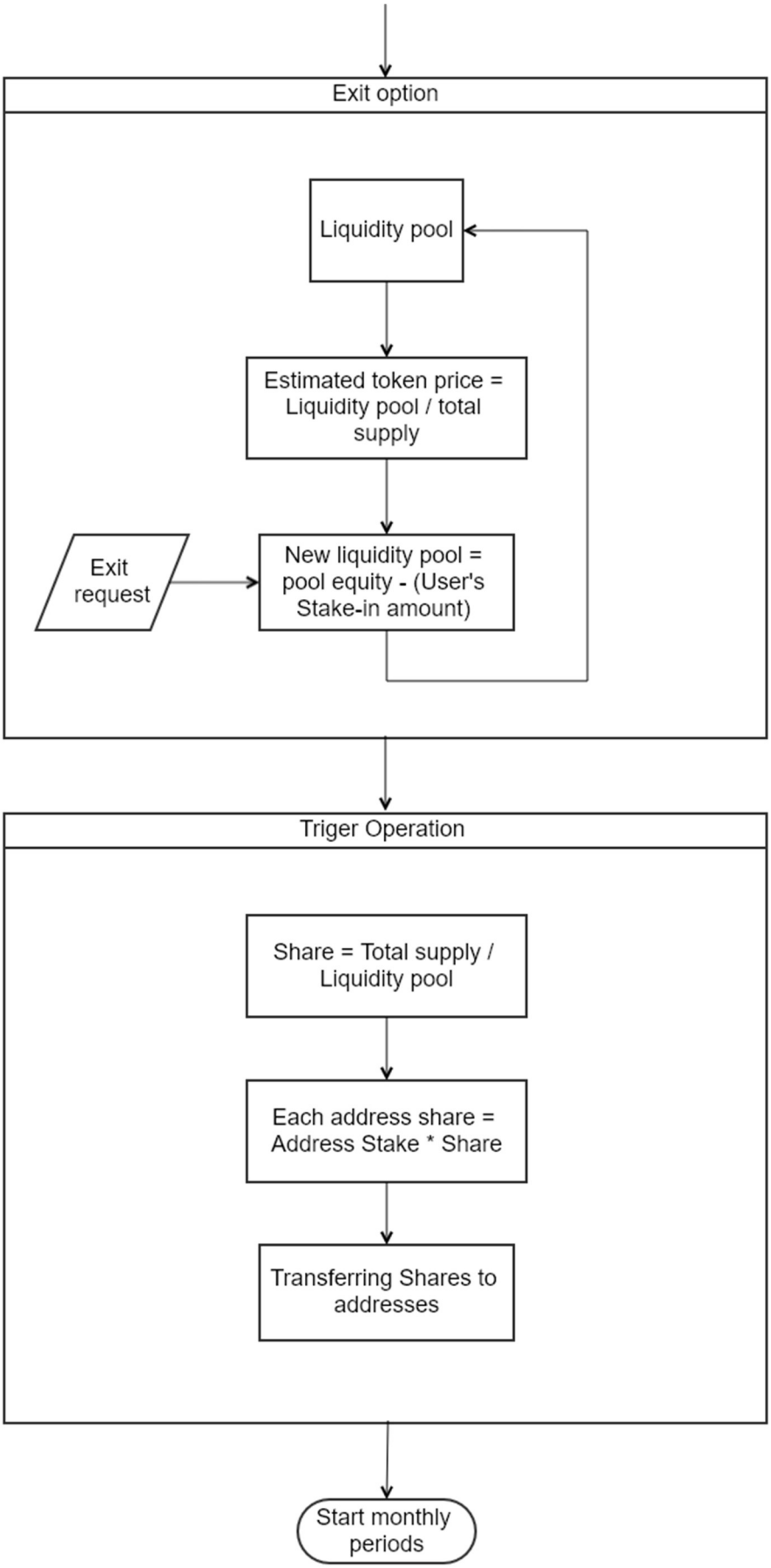
When the IDO ends and total supply gets dividend among the investors.

- Dividing the total supply to the pool total Stake-in.
- Allocating every user's token.

The IDO operation would be finished here and the rest is on the mother platform..

Flow Chart:


Start - Construct
Construction
Setting parameters.
Setting time tables.
Deploying the contract on the blockchain.
Processing the IDO for pre-determined time
Liquidity pool
Estimated token price = Liquidity pool / total supply
Stake-in request
New Liquidity pool = pool equity + Stake-in


Exit option
Liquidity pool
Estimated token price = Liquidity pool / total supply
Exit request
New liquidity pool = pool equity - (User's Stake-in amount)
Triger Operation
Share = Total supply / Liquidity pool
Each address share = Address Stake * Share
Transferring Shares to addresses
Start monthly periods

Migration Options:

Since this project is only performing the IDO and then passes all the data to the main smart contract, there is no need to make it migratable or upgradeable. It would be enough to provide decent functionality during the IDO and be able to deliver the demanded data later.

As for external storage, the contract records data in this manner:

Successful addresses and their cumulative deposits.

Canceled addresses and their cumulative deposits.

* Any other requested form of data can be defined and get recorded.

Conclusion:

To Sum-up the proposal it would be useful to repeat the Key points once again.

At the time IDO is about to Launch, the mother platform must be fully functioning.

The OCC must be chosen.

The workflow of the IDO contract must be specified in detail.

Then we would be ready to run the project by following these steps:

a. Structuring the IDO smart contract and alpha test. (My estimated time to wrap up this step is about 40 hours.)

b. Applying for a SERTIK certificate.

c. Deploying the contract.