Dinero Coin: PoW+MNs to ERC20 Token Transition

Dinero Coin is an open-source cryptocurrency that offers a proof-of-work system with Masternodes incentives. The source code was forked from https://github.com/dashpay/dash with the iteration of changing the algorithm from X11 to Neoscrypt.

With the decline of Masternode holders, Hash rate and trading volume, I (CastMiner) have personally decided to shift/change the structure from Masternodes and Proof-of-Work to an Ethereum based ERC20 Token with the intention of re-enabling financial inclusion to each and every DIN user.

Why remove Proof-of-Work (Mining)?

- Proof-of-Work tends to eliminate the need of a 3rd party to generate blocks and coins. However, it creates the "centralization" of coin generation due to economy of scale. Without the miners, Dinero Blockchain would cease to function. With the coins generated as rewards, these so-called miners tend to "quick-sell" DINs through the exchanges for BTC causing a domino-effect for the Dinero community and alike.
- This domino-effect proves unhealthy as it hinders marketing, user-adoption and financial inclusion.

Why remove Masternodes?

- A Dinero Masternode acts as a part of a network infrastructure where the whole blockchain is embedded. The Masternodes helps and assist new Dinero wallets to connect, sync and get updated with the Dinero Blockchain.
- With the removal of PoW and changing the Blockchain structure, the DIN Masternodes will be impacted heavily as there will be no movement or new blocks generated. Thus, synchronization of wallets will permanently cease.
- Ownership and maintenance of a DIN Masternode proves to be unproductive and unprofitable for its owner/user as it would require them monthly payments through Virtual Private Servers that is deemed more expensive than what DIN Masternodes can incentivize.

Why not change to PoS + Masternodes (Proof-of-Stake)?

- While this option has been brought up and thought of, the transition is not as easy as it is. The current Dinero Source Code would need to be recoded due to some strings that are not supported. This would entirely mean re-doing the whole blockchain that is almost equal to restarting it.
- With the intent of moving from PoW to PoS, this would mean releasing a new Dinero Wallet, restricting the coin generations, swapping coins, re-payment to the exchanges and requiring C++ developers to be able to build features and services on top of the Dinero platform.
- Shifting to PoS is not a feasible option for the project technologically and financially.

Why change to an Ethereum ERC20 token standard?

- ERC-20 tokens are tokens designed and used solely on the Ethereum platform. They follow a list of standards so that they can be shared, exchanged for other tokens, or transferred to a crypto wallet.

- The Ethereum community created these standards with three optional rules, and six mandatories.

  - Optional
    - Token Name
    - Symbol
    - Decimal (up to 18)

  - Mandatory
    - totalSupply
    - balanceOf
    - transfer
    - transferFrom
    - approve
    - allowance

- Dapps (Decentralized Applications) has grown and developed drastically on top of the Ethereum blockchain which enables multiple projects and its users to adopt fully to the Ethereum ecosystem.

- Dapps will help revitalize the project and its intended users to tap potential markets that are outside the blockchain and cryptocurrency space.

- With the growing number of DEX (Decentralized Exchanges), SmartContracts, Dapps and developers that are readily available, it would be easier to onboard current DIN users and project members to the new environment.

- DIN as an ERC20 token standard advantages:

  - Proof-of-Work
    - DIN will be running on top of the Ethereum blockchain with the blocks constantly being mined its own Proof-of-work miners
  - Masternodes
    - Validation and synchronization of wallets will be irrelevant. The Ethereum blockchain will be its backbone.

- o Exchange Listings
    - ▪ Decentralized Exchanges are readily available as it was supposed to be. There will be no need to list on "white-label" Centralized exchanges. Listing through these exchanges will still be part of the pipeline for the project but will not happen anytime soon. DIN users will be the sole liquidity provider for the token.

- o Project Development
    - ▪ As mentioned above, Decentralized Applications that are already implemented on the Ethereum platform are open-sourced with the inclusion of Solidity (ETH Programming language) programmers being readily available for consultation and assistance. These developers are also available for hire if needed be.

- o Wallet Compatibility
    - ▪ There are multiple web and mobile wallets that supports ERC20 tokens

- o Use-cases
    - ▪ With the large number of Dapps in the Ethereum ecosystem, a lot of use-cases can be tapped/utilized to benefit the project and its users powered by Smart Contracts. Example of which would the following:
        - • Fund transfers/Money Service Business
        - • Escrow
        - • Digital Identity Management

- DIN as an ERC20 token standard disadvantages:

    - o Blockchain stability
        - ▪ DIN will heavily rely on the ETH platform. In a worst-case scenario, if he ETH blockchain would need to 1) stop 2) revert or 3) forks, the token will be affected one way or the other

    - o ETHLess DIN Token
        - ▪ Since DIN will be an ERC20 token, it would then require transaction fees to be paid in ETHGas. This means that a user would need to have ETH on their wallet in order to confirm a transaction.

To summarize, DIN shifting to an ERC20 token standard for Ethereum is the most feasible option in order to continue Dinero's Mission and Vision. At the time of writing, Dinero has the following:

- One (1) Project Lead
- Two (2~) Active/Inactive Project Memberes
- **Zero (0) Funding**
- Two (2~) Programmers/Developers
- 692~ active/inactive community members