



VIRTUALGOLD

1. Introduction

One of the major drawbacks of cryptocurrencies today is that the selling price of your token is equal to what the next person is willing to buy it for. If after some time no one wants to buy a particular altcoin, its value would be zero. The current token system makes it such that there is no guaranteed price for your asset. There is always a huge risk that its value would drop in the future. Although stable currencies (such as DAI, USDT, etc.) try to solve this to some extent, there is no reward potential in holding stable currencies.

What is needed therefore is a system by which there is steady growth in value based upon demand, but at the same to provide some sort of risk management, so that the investor cannot lose beyond a certain amount of money even if the demand drops completely

2. The tokenless model

Virtualgold has no total supply. Upon every purchase, the corresponding amount of virtualgold gets created and is given to the holder. The Ethereum that is spent in buying gets sent to the virtualgold smart contract. This eth is used to back the price of virtualgold. Therefore, for every gram of virtualgold you own there is always its equivalent value in ETH backing in its price in the smart contract.

When the holder decides to sell, the corresponding value in ETH gets sent from the virtualgold smart contract back into the holder's wallet and then the holders virtualgold gets destroyed. This way as the contract balance reduces (when people sell), the amount of virtualgold in existence also reduces proportionately. Therefore, the price of virtualgold cannot drop.

3. So how does the value grow based upon demand, if there is no total supply?

Once an investor buys virtualgold 71% of their investment is converted to virtualgold at the given rate and secured on the smart contract. The remaining ETH is used as a virtualgold royalty fee.

The main reason why this fee is being charged is for boosting the price of virtualgold. Whenever a new person invests into the system a portion of their investment is paid out to all virtualgold holders (including themselves) in proportion to the size of their holdings. This money is indirectly paid to them by increasing the amount of ETH backing the virtualgold price within the smart contract. This is what causes the price of virtualgold to increase after every investment. There is no upper limit to investors profits. The longer the investor holds on to their virtualgold the greater would be their return on investment.

4. Risk Management

As mentioned above the price of virtualgold would increase after every purchase and its value can never drop (even if others sell). So (in the worst-case scenario) even if the demand for virtualgold becomes zero, an investor cannot lose more than 29 % of their investment in ETH. This is guaranteed by the smart contract.

5. Long Term Sustainability

When there is less money in the contract, the total grams of virtualgold in existence is low. Therefore, upon every new investment, the amount of money that goes to boost the price of each individual gram is more. Therefore, the rate of increase in price of virtualgold would be more when the contract balance is lower. Due to this higher reward potential, there is an increased incentive for new investments when the contract balance is low.

As people invest and the money in the contract increases, the rate of growth of the virtualgold price would slow down. This would cause investors to cash out their position. Cashing out can also be brought about by factors such as falling eth prices, converting to eth for personal expenses, etc. This reduces the money in the contract which once again increases reward potential and thereby drawing in new investments. This cycle would keep continuing and thus ensuring sustainability

6. Transactions

Being an asset stored on the Ethereum blockchain, holders would be able to transfer their virtualgold to any Ethereum address.

7. Virtualgold in Business

Currently most crypto related projects work in an isolated bubble. If company X launches their token Y, then the value of Y purely is connected to the value created by company X alone. Currently there is no scope to leverage value created by any other projects for a synergistic mutual development. Virtualgold solves this in an innovative and lucrative way.

Accepting virtualgold payments has no downside for businesses as its current value is backed by eth and can be converted to eth at any time. However, as mentioned above this value would keep increasing with every virtualgold purchase. So essentially a business that accepts virtualgold payments would not only profit from their product/service but also from rising virtualgold prices. This way if you set up a business that accepts virtualgold payments, you would essentially be able to leverage the demand created for virtualgold by other virtualgold business, as the demand created by them would boost the price of virtualgold, thereby increasing the value of your holdings.

8. Pre-Sale

As virtualgold is an asset that grows in value after every investment, early investors who hodl for a long duration would be benefited more. Therefore, buying virtualgold during this period would be far more lucrative. Virtualgold would be in its presale period until three weeks after the contract balance crosses \$1,000,000 dollars.

Investment breakdown (<1.2 ETH)

71%-to buy virtualgold

5%-to referral

5%-for paying social media influencers

5%-to virtualgold team

14%-to boost price of virtualgold

Investment breakdown (>1.2 ETH)

72.5%-to buy virtualgold

5%-to referral

5%-for paying social media influencers

5%-to virtualgold team

12.5%-to boost price of virtualgold

Investment breakdown (>2.4 ETH)

75%-to buy virtualgold

5%-to referral

5%-for paying social media influencers

5%-to virtualgold team

10%-to boost price of virtualgold

9.Regular Sale

After the presale period is over, regular sale would begin.

Investment breakdown:

93% - to buy virtualgold

7% - to boost price of virtualgold

10.Gold farm (Advanced next generation yield farming)

1 day prior to the regular sale we would be launching our “gold farm”. This would be the first ever yield farm purely based upon virtualgold. We would be sharing all details regarding this 10 days before its launch.