Deflationary Bitcoin (DBTC) Whitepaper

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Deflationary Bitcoin (DBTC) is a next-generation deflationary ERC-20 token deployed on Polygon Mainnet, designed with mechanisms that reward long-term holders, liquidity providers, and stakers while ensuring progressive scarcity through annual burns.

Executive Summary

DBTC introduces a robust deflationary protocol combining staking, long-term holding incentives, fee distribution, and annual burning events. It leverages audited OpenZeppelin libraries to ensure high security, while integrating DAO governance for decentralized evolution.

Protocol Overview

DBTC smart contract is built on the ERC-20 standard, extended with:
- **Fee Treasury System**: 2% transaction fee distributed across ecosystem participants.
- **Staking Mechanism**: lock tokens for 6 or 12 months to earn rewards.
- **Long Holding Rewards**: incentives for holders who accumulate DBTC over time.
- **Liquidity Contributions**: providers are rewarded from fee distribution.
- **DAO Governance**: DAO can replace itself and guide protocol evolution.
- **Annual Burning**: supply reduced every year until the Final Supply of 21,000,000 DBTC is reached.

Tokenomics

Metric	Value
Initial Supply	2,000,000,000 DBTC
Final Supply Cap	21,000,000 DBTC
Transaction Fee	2% (goes to treasury & redistribution)
Distribution	60% LPs, 30% Long Holders, 10% Stakers
Annual Burn	Up to 50% of excess supply above final cap

Core Mechanics

- **Staking**: Users lock tokens for 6 or 12 months, earning proportional rewards from fee distribution.
- **Long-Term Holding**: Accumulated DBTC balances increase eligibility for larger reward shares.
- **Liquidity Incentives**: LPs receive 60% of distributed fees.
- **DAO Governance**: DAO has the right to change its address and manage treasury.
- **Annual Burning**: automatic mechanism reduces supply once a year, capped at 50% of excess supply.

Security Considerations

The DBTC contract is implemented with industry-standard security practices, including:
- **OpenZeppelin Libraries** for ERC20, Pausable, Ownable, and ReentrancyGuard.
- **Access Control** enforced by DAO and Owner privileges.
- **Reentrancy Protection** on stake/claim functions.
- **Pause Functionality** to stop all transfers in case of emergencies.

Roadmap

1. **Q3 2025**: Smart contract development, unit testing with Foundry, and initial deployment on Polygon Mainnet.
2. **Q4 2025**: Community building, DAO activation, first liquidity pool seeding.
3. **Q1 2026**: First annual burn execution, expansion of staking and long-term incentive programs.
4. **Q2 2026**: Strategic audits, partnerships, and exchange listings.
5. **Q3 2026**: DAO governance handover and ecosystem expansion.

Frequently Asked Questions (FAQ)

How can I interact with DBTC?
Use Polygonscan WriteContract tab or dApp integrations.

How do I stake DBTC?
Call the `stake` function with amount and lock type (6 or 12 months).

How do I claim my rewards?
Use `claimStake` or `claimRewards` once eligible.

What is the transaction fee?
2% fee is collected and redistributed among LPs, long-term holders, and stakers.

Is DBTC supply infinite?
No, capped at 21M after deflationary burns.

Conclusion

DBTC is a deflationary protocol inspired by Bitcoin’s scarcity model, enhanced with modern DeFi utilities. Through staking, long-term holding rewards, DAO governance, and annual burning, DBTC is positioned to grow as a sustainable, community-driven digital asset on Polygon.