

FrenCoin: A Token to Promote Wholesome Blockchain Interactions

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Abstract

Much of the relatively short history of cryptocurrency has been plagued with scams, dishonest behavior, and general unfriendliness. Unfortunately, the same is largely true for many of the interactions which take place online. FrenCoin was developed to help in correcting this aberration through promoting wholesome on and off blockchain interactions. We believe that a strong community is the key to success for a crypto asset, and we have identified three main areas of focus in building this community. The first primary area of focus includes unique non-fungible tokens (NFT) known as FreNFT, which are limited edition collectible NFT cards that are centered around positivity and friendship. The second, FrenTips, centers around off-blockchain interactions by utilizing the FrenCoin token to act as an asset for rewarding others for friendly online exchanges, such as a wholesome social media post or even the commissioning of a FreNFT. The third, FrenShip (which is also known as Frens Look Out For Frens), focuses on propagating anti-scam tactics and instructions on how to identify common crypto scams. With these goals in mind, a tokenomics structure based on token reflections for those who hold the coin, as well as a token burn which transfers directly back to the liquidity pool was implemented in order to best leverage FrenCoin for the intended purpose.

1. Introduction

FrenCoin is based on the famous meme “Apu Apustaja” which became popular online in 2016. The wholesome theme of this meme centers around communal strength and friendship, key ingredients for a firm foundation and a strong community, which has set FrenCoin apart from other cryptocurrencies. FrenCoin was developed to act as a vehicle to encourage friendly encounters both on and off the blockchain – including areas such as NFT, social media, music, and art. To that end, the token has been designed to encourage participation from the community and reward those who hold the token, while ensuring adequate liquidity so that the coin may be freely exchanged. In the following sections, we will describe how we plan to achieve these goals.

2. Community Involvement

FrenCoin was designed from the beginning to be a community-led project. To that end, the members of the community – that is, those who hold the token – are encouraged and incentivized to participate in the creation of many of the delivered FrenCoin products, as well as those planned for future release. These incentives are conducted in various ways. For example, contests in which members create trading cards which are then voted on by the community, with the cards receiving the most votes being minted as collectible and tradable NFT. As the

community grows and the amount of cards minted as NFT increases, the selected cards will be used to develop a playable game. FrenCoin has leveraged the talents of the members of the community in other ways as well, including music, having just released its first single on Spotify¹. One of the main goals for FrenCoin is to implement a reimbursement system which the developers have termed FrenTips, which would allow a holder of FrenCoin to compensate an artist for their work, an anonymous user for a quality post, and many other scenarios. Another very valuable service provided by FrenCoin is the creation of Frens Look Out For Frens (FLOFF) information cards, which describe some of the various scams that are prevalent in the crypto space and how to identify them.

3. Tokenomics

The FrenCoin development team set out to create a coin with two main functions: first, the coin must always have liquidity in order to be tradable; second, the coin should reward those that hold it and encourage them to continue to do so. To achieve these objectives, we have implemented a protocol which collects a 10% fee from each transaction of FrenCoin. Of this fee, 5% is reflected back to holders of FrenCoin, proportionally, based on the amount each individual holds. The remaining 5% is collected by the smart contract and returned to the liquidity pool automatically at specific intervals. These operations ensure that there is always liquidity, but do not require FrenCoin holders to act as liquidity providers, thus subjecting them to impermanent loss in the event of major market fluctuations. Instead, all holders gain rewards for holding the token, while each token transaction adds to the liquidity pool. Additionally, the burn wallet also collects reflections proportional to its holdings.

FrenCoin was developed as a deflationary asset, with a maximum supply of 1,000,000,000 tokens, and having 80% of these burned from the start, leaving an initial circulating supply of 200,000,000. Because of the constant burn described above, FrenCoin tokenomics structure is one of constant deflation and reflection, meaning token holders are consistently encouraged and rewarded, both from reflection rewards as well as the benefit of an increasingly scarce asset. The initial liquidity provided within this contract was locked for one year, and part of each fee for each transaction goes back into the liquidity pool as described above. These liquidity pool tokens are then sent to the burn address, thus locking them permanently.

¹<https://open.spotify.com/album/4uOXDnFTWC1PXxH1VVJyv2?si=xWvZHPQATuuG8aopyFFldg>