# Why Polkastarter

The adoption of DeFi (Decentralized Finance) solutions has finally arrived with hugely successful projects like Uniswap and Compound bringing billions of trading volume to the cryptocurrency market, while taking an increasing market share from the centralized exchanges.

This success comes with a number of great challenges, especially in terms of scalability, with Ethereum network fees skyrocketing and slow platform performances, which leaves end-users frustrated.

Users are demanding cheap transactions, secure ultra-fast swaps, user-friendly design and the possibility to buy and move assets between blockchains. The future of decentralised finance won't be tied to one chain and interoperability is already becoming the must-have feature of the DeFi future.
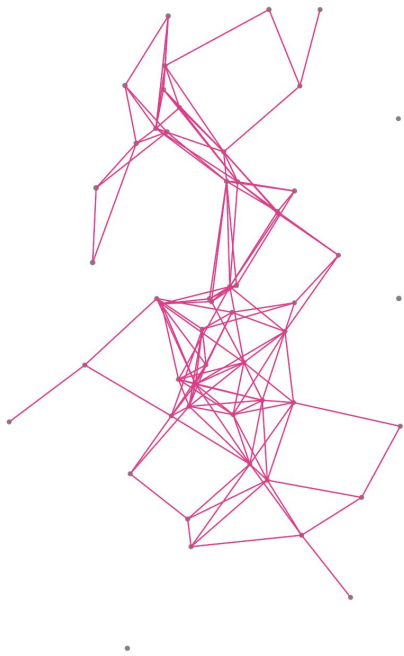
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Market

Aggregate Monthly Volumes for Decentralized Trading Platforms

1100% Growth compared to 2019
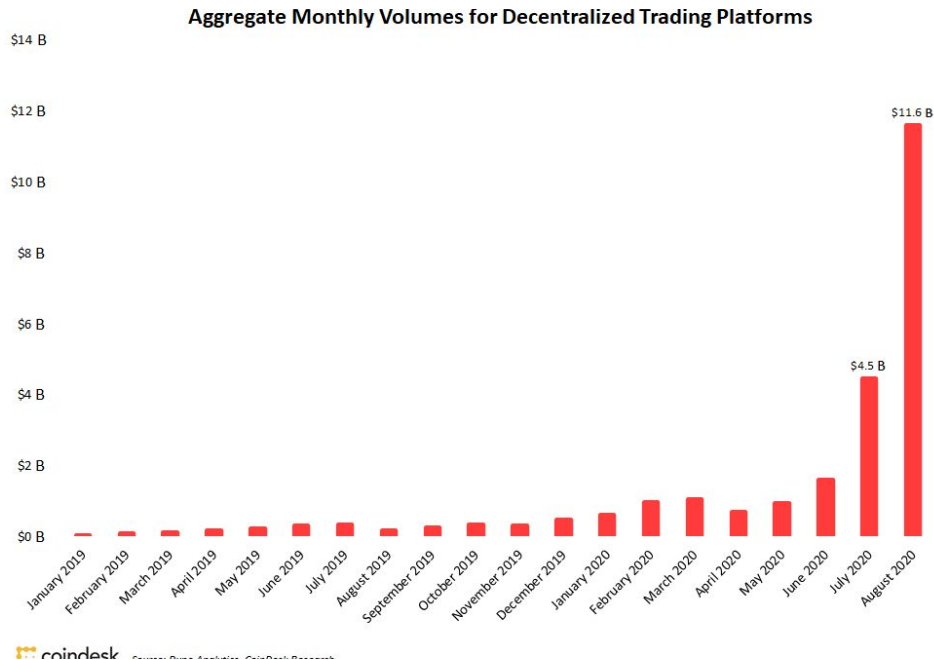
- H1 2020 saw $5,1 Billion in DEX volume, 5x from the first six months of 2019.

- Aggregate trading volume on decentralized exchanges reached $11.6 billion in August, up from $4.5 billion in July as the intense enthusiasm for decentralized finance (DeFi) applications continued to spread.

- Tightening regulations for centralized platforms and the hype surrounding DeFi are pushing DEX trading activities to new heights.

Polkastarter

Introducing Polkastarter

Polkastarter is a **permissionless** DEX built for **cross-chain** token pools and auctions, enabling projects to raise capital on a decentralized and interoperable environment based on **Polkadot**.

With Polkastarter, decentralized projects will be able to raise and exchange capital cheap and fast. Users will be able to participate in a secure and compliant environment and to use assets that go way beyond the current ERC20 standard.

The future is **decentralized**. The future is **interoperable**. The future is **Polkastarter**.

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Vision

Use Cases.

Startups and projects can raise funds on Polkastarter's interoperable and decentralized infrastructure.

This technology can also have other applications, including closed OTC deals with password protection, discounted sales with whitelisted addresses and even be used for crowdfunding in the future.

Fund Raising
Startups can raise funds on a secure platform.

Auctions
Token pools will include dutch and sealed-bid auctions.

OTC
Closed OTC deals with password protection

Features

Cross-chain Swaps

Fixed and Dynamic Swaps

Anti-scam Features

Full KYC Integration

Governance Model

Permissionless Listing

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Competition

	Polkastarter🚀	🦄 Uniswap	PRIMABLOCK	⧗ Bounce
Cross-chain Pools	✔️	❌	❌	❌
Supporting Any Asset	✔️	✔️	❌	❌
Governance Model	✔️	❌	❌	✔️
Fixed Pools	✔️	❌	✔️	✔️
Whitelisted Pools	✔️	❌	✔️	❌

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Roadmap Overview 2020 & 2021

Q4 2020

MVP

Permissionless listing
Fixed token swaps
Private pools
Anti-scam features
High slippage alerts

Q1 2021

Polkadot

Migration to Polkadot
Multi-chain swaps
Full KYC integration
Whitelist features

Q2 2021

Governance

Dynamic ratio swap
Sealed-bid auction
Governance model
DAO R&D

Q3-Q4 2021

DAO

Polkastarter 2.0
Launch of the full
working DAO

Polkastarter

Detailed Roadmap 2020 & 2021

We are excited to release our **initial technical roadmap**. Will also outline the Polkastarter platform and our plans for the future.
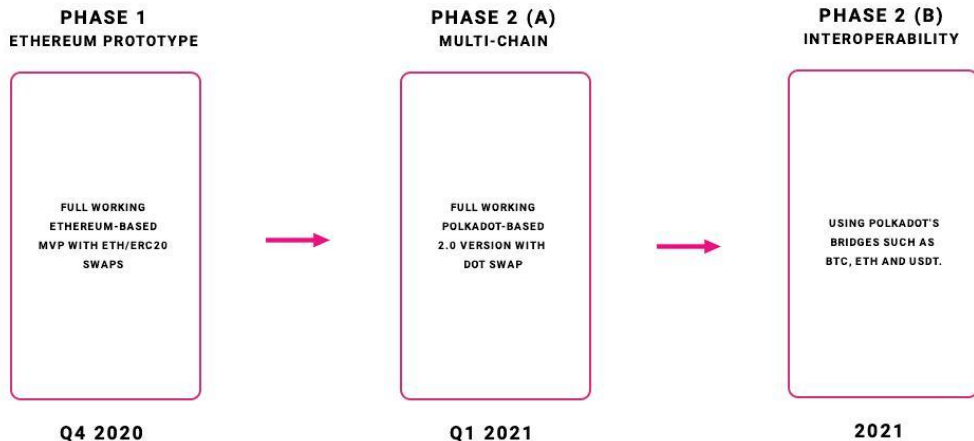
The final version of Polkastarter will enable **Polkadot-based token pools so projects can raise capital in a decentralized and interoperable environment**. However, to fully reach our vision, since Polkadot is not ready for the deployment of smart contracts, Polkastarter's roadmap will have **two separate phases**.
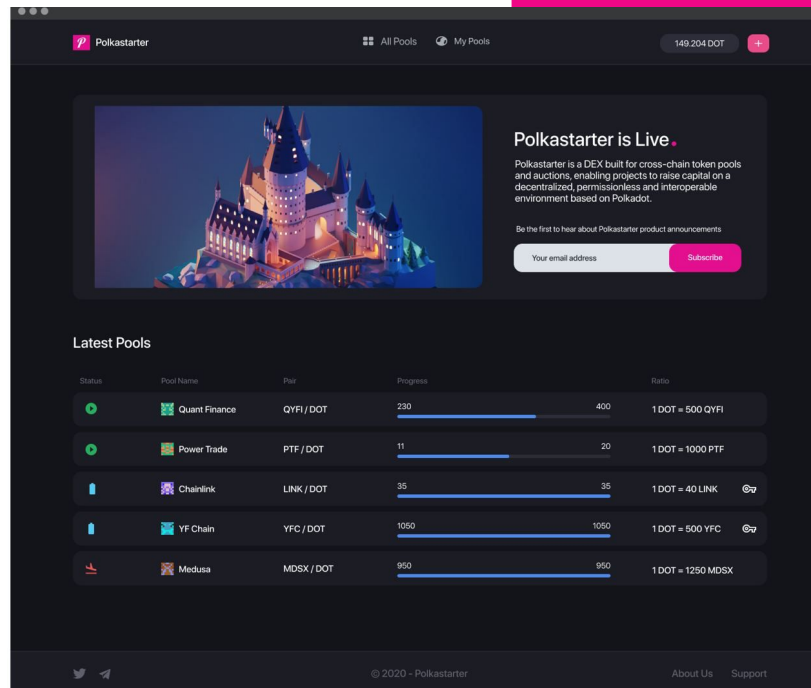
Detailed Roadmap 2020 & 2021

Phase 1 will start with the launch of a minimum viable product (MVP) on the Ethereum network. The goal of this phase is to test the swap and token sale dynamics, gather user feedback, and prepare a robust infrastructure that can be migrated to Polkadot. With a variety of EVM-compatible Polkadot projects competing to be parachains, we are confident that our work on Ethereum will enable us to bootstrap development work on Polkadot.

Phase 2 will see the full launch of the working product on the Polkadot environment, enabling Polkadot projects to raise funds in DOT or any other Polkadot-based tokens that the project chooses to raise in. Our vision is for Polkastarter to offer cross-chain pools and token sales, by taking advantage of Polkadot's bridges such as BTC, ETH and USDT.

PHASE 1
ETHEREUM PROTOTYPE

FULL WORKING
ETHEREUM-BASED
MVP WITH ETH/ERC20
SWAPS

Q4 2020

PHASE 2 (A)
MULTI-CHAIN

FULL WORKING
POLKADOT-BASED
2.0 VERSION WITH
DOT SWAP

Q1 2021

PHASE 2 (B)
INTEROPERABILITY

USING POLKADOT'S
BRIDGES SUCH AS
BTC, ETH AND USDT.

2021

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Detailed Roadmap 2020 & 2021

Q4 2020 - Phase 1 (Minimum Viable Product)

- Polkastarter 1.0 (Ethereum Beta)
- Permissionless listings
- Liquidity Mining
- Key token swap information, including smart contract, swap ratio
- Fixed swap public and private pools
- Private pools with password ideal for OTC and private-sales
- Anti-scam features like smart contract verification
- High slippage price alerts
- Pool swap page with features like max pool amount
- Max investment per user limits
- English, Chinese and Korean languages

2021 - Phase 2

Q1 2021

- Polkastarter 2.0
- Multi-chain token pools (Ethereum and Polkadot)
- Staking for Governance
- Staking for Pool Rewards
- Community-powered featured project voting
- Full KYC integration
  KYC

Q2, Q3 and Q4 2021

- Polkastarter 3.0
- Cross-chain token swaps
- Dynamic ratio swaps

Polkastarter MVP Core Features

In the past few months, we've been actively developing the first version of **Polkastarter on Ethereum**. The goal for the **MVP** is to be a fully working fixed swap platform for **ERC20 token pools**, creating a marketplace that links pool creators and liquidity providers.

Pool creators will be able to create and launch fixed token swaps in a permissionless environment. Liquidity providers will be able to earn and transact in these new tokens.

Community incentives such as liquidity mining will be live from day one to bootstrap network effects. Our strong and growing Polkastarter community will be incentivized to improve the usability and interface to optimize the platform experience before launching in Polkadot's environment.
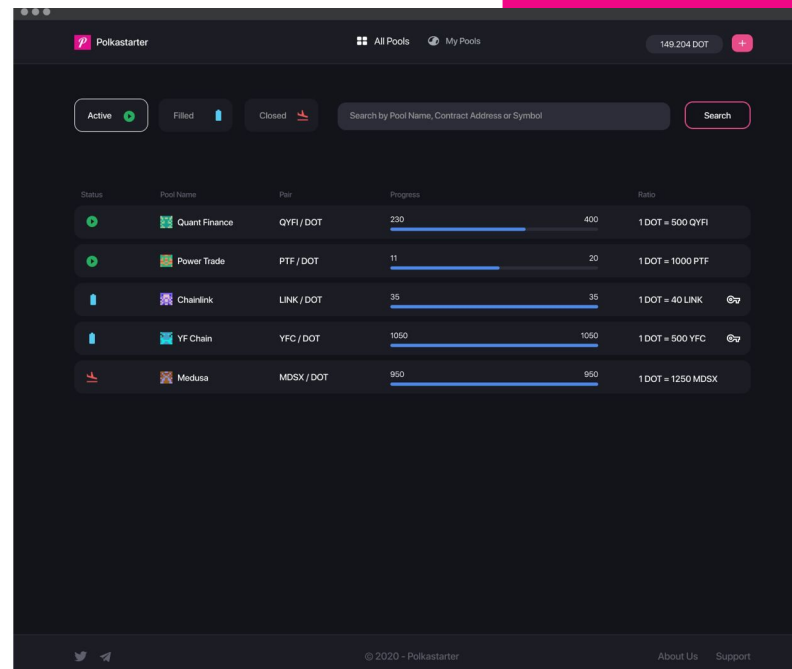
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Polkastarter MVP Core Features

Fixed Swap Pools

From our homepage, users can explore and participate in several token pools. These will be fixed swap pools, in which two or more parties exchange a fixed amount of tokens for a predetermined price.

In this initial prototype, pool creators will be able to enter pool details like token contract address, name of the pool, limit per address, type of pool access (public, private, whitelist) and, finally, token price.

We are starting with fixed swap pools because they solve one of the biggest problems in automated decentralized exchanges like Uniswap. While these exchanges are great for day-to-day spot trading, they don't work that well for token sales. It's usually impossible to get the initial listed token price because bots buy up all the initial liquidity. On the other hand, Polkastarter Fixed Swaps will enable a stable, organized, and fair token swap infrastructure.

Polkastarter MVP Core Features

Liquidity Mining

To incentivize participation in the daily token pools, we are launching a liquidity mining program concurrent with MVP launch on Ethereum later this year. In the manner of great DeFi projects like Synthetix and Balancer, this program will distribute a fixed amount of POLS tokens daily. All liquidity providers will receive POLS from this as-yet-undetermined fixed amount on a pro-rata basis. For example, if there is 1000 ETH in fixed swap volume for 24 hours, a user that contributed 100 ETH of that volume will receive 10% of the total daily liquidity rewards.

Liquidity providers can claim their POLS token rewards after 24 hours and will have 7 days to claim their reward tokens on the Polkastarter dashboard. Unclaimed tokens will be sent back to the rewards pool for later distribution.

Staking for Pool Access

For high-demand pools, access can be limited to the top liquidity and network contributors. Password protection and whitelisting are potential features that could provide additional limits. However, to best align the interests of the entire Polkastarter community, the POLS token can be used as a coordinating mechanism. For instance, if community members want access to certain token pools, they must stake POLS tokens. Of course, token pool creators have full autonomy over this process. For projects that use the Polkastarter platform, our goal is to craft diverse token holder communities loyal to the project and invested in its long-term success.

Polkastarter MVP Core Features

Private Pools And Whitelisting

One of the Polkastarter use cases is private fundraising and closed over the counter (OTC) deals. To enable these, we will launch with features like password protected pools and address whitelisting for pool participation.

Permissionless Listings

True decentralization only works if we build a permissionless environment. Though certain Polkastarter features may be enhanced for POLS token holders, anyone will be able to use the protocol in order to create and launch fixed swap token pools. Counter-measures to prevent bot-based and malicious pools will also be integrated.

Other Features

Anti-scam features preventing users from buying the wrong token. These include smart contract verification, smart contract information, token import alert and high slippage alerts. All of these mechanisms work together to make users aware that they might be buying at an unfair price. Finally, we would be remiss if we didn't mention that the platform can be viewed in either dark or light mode.

Token Utility ($POLS)

Governance and Fees

Token holders will be able to vote on product features, token utility, types of auctions and even decide which projects get to be featured by Polkastarter. Transaction fees will be paid in POLS.

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Governance

Governance infrastructure that enables community voting.

Staking

We are disclosing several types of staking mechanisms.

Liquidity Mining

Liquidity providers can claim rewards in POLS for contributing to the network.

Token Utility ($POLS)

Staking for Pool Rewards

Token pools on Polkastarter will incur a fixed fee, paid by the pool creator. If a pool creator receives 1000 DOT worth of a token and the fee is fixed at 1%, 10 DOT will be deducted from his purchase and added to the staking reward pool.

Staking rewards will also be distributed in 24-hour cycles. If a user holds 2% of the total staked POLS during that 24-hour cycle, that user will get the equivalent of 2% of all the staking rewards for that same period. If during that period Polkastarter generated 10,000 DOT, that user will get 200 DOT.

Polkastarter network users are only eligible for staking after providing liquidity to the Polkastarter pools. Contributors can lose their staking status if they stop providing liquidity to the network.

Token Utility ($POLS)

Staking for Pool Access

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For instance, if community members want access to certain token pools, they must stake POLS tokens. Of course, token pool creators have full autonomy over this process. For projects that use the Polkastarter platform, our goal is to craft diverse token holder communities loyal to the project and invested in its long-term success.

Pool creators can activate POLS staking to limit pool access exclusively to POLS holders. The incentive for this type of behavior from the pool creator is a reduced fee on the total swapped funds.

Token Utility ($POLS)

Staking for Governance

The Polkastarter governance framework aims to build a solid and sustainable protocol for development and usage. POLS holders will be able to vote for ecosystem initiatives, new features development, liquidity rewards distribution specs, and other applications.

POLS holders need to stake POLS in order to be able to vote and to submit proposals. Proposals will be first discussed off-chain on the Polkastarter governance platform. The idea of this pre-voting mechanism is to promote proposal discussion before on-chain submission.

Once the proposal is ready to be submitted, there will be an on-chain vote. Every winning proposal is then reviewed and applied by the Polkastarter development and management team.

Token Utility ($POLS)

Liquidity Mining

To incentivize participation in the daily token pools, we are launching a liquidity mining program concurrent with the minimum viable product (MVP) launch in Q4 2020. This program will distribute a fixed amount of tokens daily.

The way this distribution will work is simple. Let's look at the initial Ethereum-based MVP. Everyday X tokens will be distributed for all liquidity providers on a pro-rata basis. If there is a 1000 ETH swap volume for 24 hours, a user that contributed with 100 ETH in volume will receive 10% of the total daily liquidity rewards.

Liquidity providers can claim their reward after 24 hours and will have 7 days to claim their reward tokens on the Polkastarter dashboard. Unclaimed tokens will be sent back to the rewards pool for later distribution.

Tokens for liquidity mining will be taken from the Liquidity Pool. We are minting a total of 100,000,000 POLS and 22,500,000 (22.5%) will be destined for liquidity. Liquidity includes liquidity providing for secondary markets, but also the liquidity mining rewards. Total liquidity mining rewards are yet to be determined.

The exact reward structure will be revealed prior to the MVP launch and it's going to include higher rewards in the beginning and a gradual decrease in the daily reward over time.

Private-Sale Structure ($POLS)

Funds Raised

■ Seed Sale ■ Private Sale
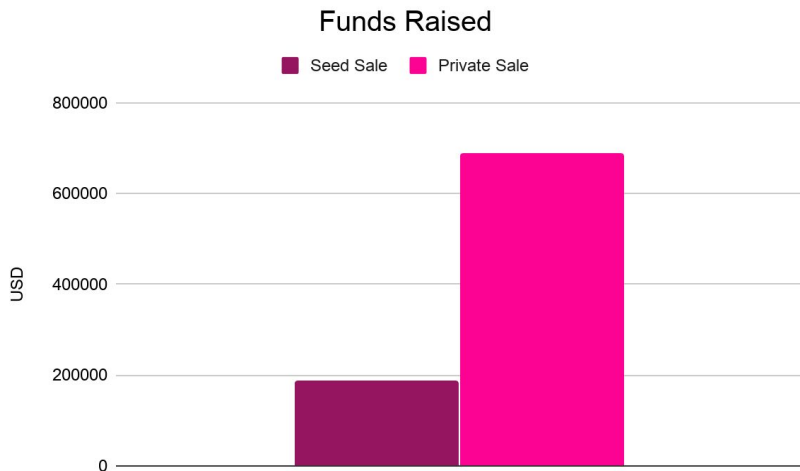
Sale Details

- Total supply: 100M POLS
- Initial circ supply: 17.875M POLS
- Seed sale price: $0.0125 USD
- Private sale price: $0.025 USD
- Uniswap listing price: $0.05 USD
- Total amount raised: 875,000 USD
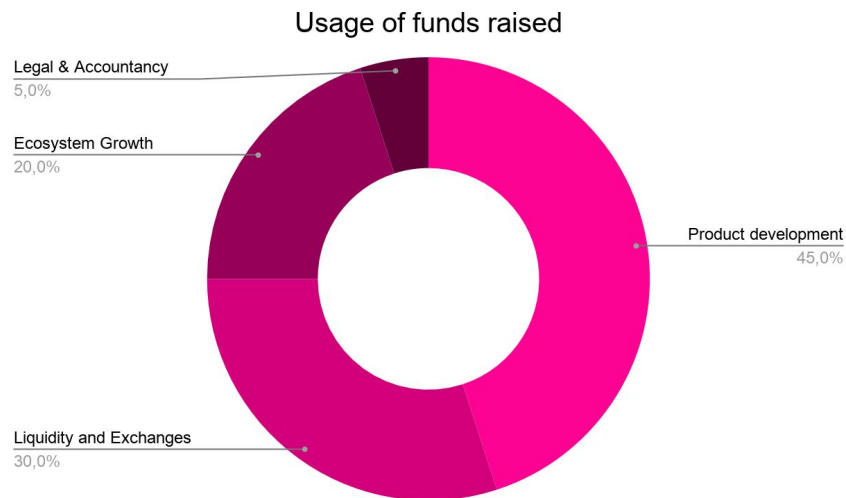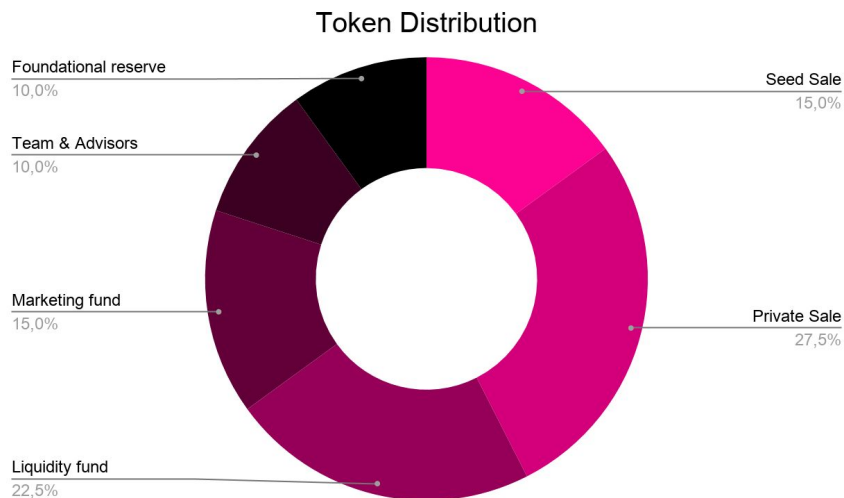- Total POLS sold: 42.5M (42.5% of the total supply)

Comments:
- Seed sale: Initial mcap of $223.43k USD, fully diluted mcap of $1.25M USD.
- Private sale: Initial mcap of $446.87k USD, fully diluted mcap of $2.5M USD.
- Uniswap listing: Initial mcap of $893.75k USD, fully diluted mcap of $5M USD.
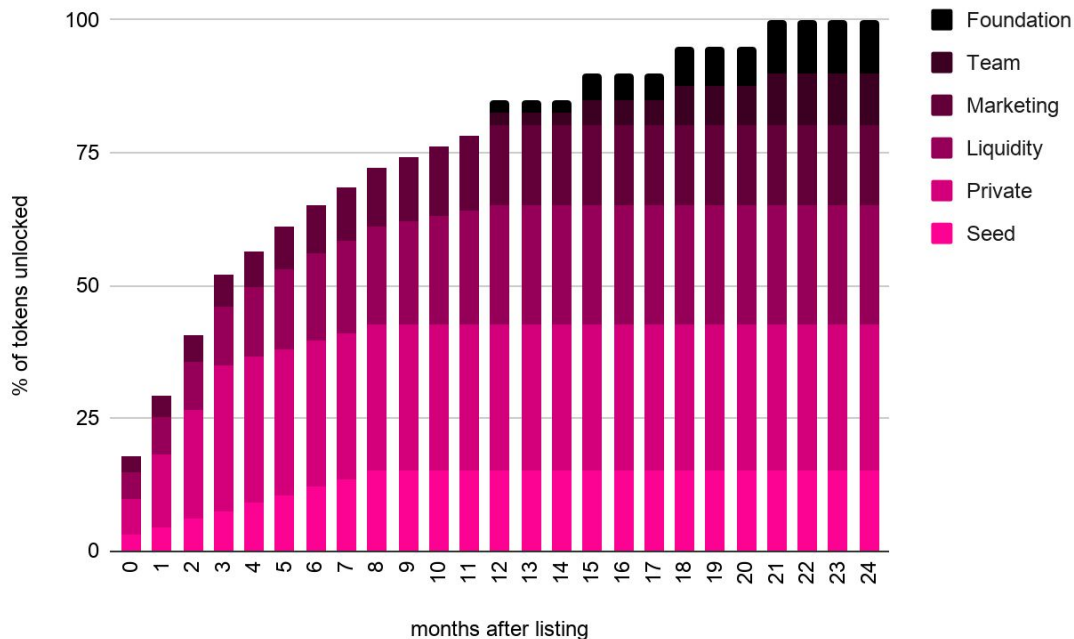- Initial Uniswap Liquidity: 200k USD

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Token Distribution and Allocation

Comments:
Polkastarter only raises the most necessary funds to get the Product Development going and to give the **POLS** token the right kickstart in terms of Liquidity, Exchange listings and Marketing.
While all Team, Advisor and Foundational tokens are locked for at least 1 year, the rest of the tokens are allocated to the Token Sale, as well as to Liquidity Provision and Marketing actions.

Token Distribution

- Foundational reserve 10,0%
- Team & Advisors 10,0%
- Marketing fund 15,0%
- Liquidity fund 22,5%
- Seed Sale 15,0%
- Private Sale 27,5%

Usage of funds raised

- Legal & Accountancy 5,0%
- Ecosystem Growth 20,0%
- Product development 45,0%
- Liquidity and Exchanges 30,0%

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Token Release Schedule

Release Details

- Seed: 20% unlocked before listing, then 10% monthly over 8 months.
- Private: 25% unlocked before listing, then 25% monthly over 3 months
- Liquidity: 22.22% unlocked before listing, then 8.88% monthly over 5 months, then 6.67% monthly over 1 month, then 4.44% monthly over 6 months
- Marketing: 20% unlocked before listing, then 6.67% monthly over 12 months
- Team & Foundational tokens: 1 year fully locked, then 25% quarterly.

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Team

Our Founders.

Executive Team with over 30 years combined tech experience who are passionate about developing a better, more complete interoperable token sales experience.

Daniel Stockhaus

Co-founder & CEO

Serial Tech Entrepreneur, scaled companies to over 1m users and $20m annual turnover. Successful Exit.

Tiago Martins

Co-founder & CTO

Passionate product builder and senior software engineer with. Successful Exit.

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Team

Our Advisors.

ASTRONAUT | CAPITAL

Danilo Carlucci

Advisor

Danilo Carlucci is a performance-driven, high integrity, self-disciplined, goal-oriented leader with outstanding interpersonal skills and a proven track record of success at increasing levels of responsibility and authority.

Matthew Dibb

Advisor

Matthew comes from a Capital Markets and IT background, specialising in venture development and corporate funding for emerging companies and new technologies.

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Thank you.