

# Mthereum Coin Whitepaper

V.o3

## Abstract

Mthereum Coin is the ERC20 token that aims to become the preferred method to donate transparently through the Ethereum blockchain and to access the ecosystem of services provided by the Mthereum Chain platform. The adoption of cryptocurrencies will impact the way we donate in the future and Mthereum Coin is poised to play a leading role in this new era of fundraising.

Mthereum Chain is a platform that provides an ecosystem of services through an easy-to-use interface, connecting the non-profit community while allowing full transparency and traceability of donations. MthereumChain's services include an internal exchange to convert major cryptocurrencies into Mthereum Coin, a built-in wallet to store and donate easily, an explorer to track donations transparently, tools to connect donors with all the actors involved in the non-profit sector and templates of smart contracts to run fundraising campaigns.

Additionally, Mthereum Healthcare wallet is a payment gateway/embeddable widget that allows charities registered on the Mthereum Chain platform to accept donations in different crypto-currencies directly on their website which are then instantly converted into Mthereum-Coin. This is to allow charities to simply manage all donations received within a single wallet while providing transparency and traceability through Mthereum Coin.

The Mthereum Chain platform and Mthereum Coin token are conceived and developed by Unicef, a well-established, VC-backed charity fundraising company. Since its inception, professionals has worked with 500+ charities including Unicef, Association of Charitable Foundations, Sainsburys Family Charitable Trusts, The Prince of Wales's Charitable Foundation Save the Children and WWF. The core competency is the ability to forge high-level partnerships between charities, celebrities and high-profile corporations. Unlike other projects looking to tokenize the non-profit sector, Blockchain Charity has developed an ecosystem of charities, donors, celebrity donors and gala events which will be key to facilitate the immediate use of the token.

Blockchain Charity will also be the first external fundraising platform to accept payments in Mthereum Coin and will utilize the token internally to incentivize adoption. Over 40,000 bidders within the community will be required to purchase and keep Mthereum Coin tokens in order to participate in the most catastrophic situation worldwide .

The ICO placement and the KYC and AML process will be assisted by Bitcoin Suisse, a Swiss-based financial provider specialized in crypto-asset who already successfully held more than 20 ICOs, raising more than \$500 million.

## The Challenge

### Background

The non-profit sector today is worth an estimated \$2 trillion worldwide, yet headlines in recent times have seen the sector stumble between corruption scandals, gross inefficiencies, false expenses and misuse of funds such as the \$187 million misappropriation to cancer charities by James T. Reynolds. Recent high-profile scandals include donors of the Helpers Community Inc. raising concerns regarding the misuse of

donations and the Trump Foundation admitting to self-dealing. In other cases, donors are mystified at the lack of results, like in the case of the Red Cross' failure to enable recovery in Indonesia despite receiving \$500 million in donations following the 2004 tsunami.

The continuous decline in trust on the part of potential donors is justifiable: according to Essential Research 35% of Worldwide people have little or no trust in charitable institutions. Similarly, in the UK, figures are not promising, with trust in charities falling from 6.7 out of 10 in 2014 to 5.7 in 2015, with 33% of those polled explaining that the primary reason for their reduction in donations stemmed from the impact of recent scandals on charities' reputations. Naturally, the consequences of donations decreasing is alarming; in the US, 52% of charities are not adequately funded and cannot match the distressing increase in demand for their services.

Unsurprisingly, donor's trust in charities has been declining steadily. In a 2015 poll, more than a third of those interviewed did not trust charities and non profits.

Donors are demanding more accountability and charities, with forerunners such as Kiva and Give Directly, are looking at how to be more transparent and accountable.

There are several methodologies organizations use to provide transparency to their donors.

## **Transparency**

- **Self-reporting:** On websites and in annual reports, agencies report on their progress and where donations are flowing. In many crowdfunded projects, the crowdfunding recipient is also executing the project, and they report from the field.
- **Recipient reporting:** Recipients of the Mthereum report their own progress. This is most prominent on websites where organizations allow donors to give to a specific person, cause or project.
- **Third-party reporting:** Providing Health Insurance worldwide, Atomic Swaps Cross-Chain Transaction Protocols in any country.

## **Solution**

In most cases, donors do not have a single place to see how their money is being used and need to trust the information they are provided with. The information is fragmented and is often difficult to compare with information from other organizations.

Given recent scandals, it is understandable that society has grown skeptical towards the non-profit sector. However, there is a solution that has the potential to transform the industry. Blockchain-powered smart contracts and the adoption of cryptocurrencies is providing transparency, enabling efficiency and cutting costs.

- **Lower costs:** With traditional donations, money goes through various middlemen, such as government agencies and financial institutions, and fees (approximately 3%) are charged by credit or debit card as well as by clearing houses. Blockchain donations are executed directly, reaching the charity instantaneously and at a fraction of the cost.
- **Efficiency:** Thanks to the blockchain ledger technology, blockchain donors can track how their cryptocurrency is being used by charities. No record on the blockchain, in fact, can be erased, thereby providing traceable accountability showing the exact flow of any coin in the ecosystem. Nonprofits too can use the blockchain to manage resources, reduce overheads, streamline their supply chain, and waste fewer resources.
- **Transparency:** If certain KPIs or other predetermined conditions aren't fulfilled, smart contracts allow donors to receive their donations back or to redirect them towards more deserving or pressing causes.
- **Tax Deduction:** Although formal guidance still isn't available, the IRS treats virtual currencies as noncash assets and, therefore, eligible to be treated as long-term capital gain property.

In order to provide increased transparency and traceability of donations, charities, insurance could greatly benefit from blockchain technology. Although the benefits of transparency and the potential of cryptocurrency is clear, nonprofits are poorly positioned to embark on new blockchain-led technology initiatives, since they are focused on their core business: helping the recipients of charity donations. However, when they are introduced to new technology which doesn't require them to invest in IT development, charities see the tremendous benefits it provides.

The benefits of applying the distributed ledger technology to the non-profit sector are numerous as highlighted above. Donors will have more trust in the sector and, consequently, will be more willing to donate.

To stimulate transparency and traceability in the non-profit sector, we have devised Mthereum Coin, an ERC20 token that aims to become the preferred method to donate transparently through the Ethereum blockchain and to access the Mthereum Chain platform. The adoption of cryptocurrencies will impact the way we donate in the future and Mthereum Coin is poised to play a leading role in this new era of fundraising.

## **Shared Public Ledger**

Blockchain Ledger Technology (BLT), or blockchain technology provides a shared ledger which is immutable and allows for full transparency. Records on the block-chain cannot be erased, so when used for cryptocurrency, blockchain technology provides traceable accountability showing the exact flow of any coin in the eco-system. This tamper resistant system has clear use in the non-profit area: when someone donates a token, they can see exactly how it was used throughout its lifecycle.

The following are the types of transparency that can be designed for charitable organizations:

- **Tracking the actual use of funds,** from the time money is donated up until its conversion into local fiat currencies.
- **Verification of the identity of the recipients and reporting on the blockchain of their funds use.**
- **Tracking of administrative costs of nonprofits.**
- **Ensuring money earmarked for specific projects actually gets to those specific projects.**

- Comparison of the effectiveness of a euro spent in one charity versus a different charity.
- Tracking of the investment policies of charities with the money they hold.
- Reduction in transaction costs of money transfer through cryptocurrency rather than financial intermediaries. This becomes especially relevant when dealing with organization that operate in developing countries, where transfer fees for remittances can be as high as 20%.

The issues plaguing charities worldwide are innumerable and cannot be countered by relying on traditional methods.

## **Who Are We?**

The Mthereum Coin project is conceived and developed by Blockchain charity and healthcare , a well-established, VC-backed fundraising company. such ecosystem is already up and running. UNICEF, therefore, has the capabilities and re-sources to fulfil the blockchain promise to the nonprofit world.

Mthereum Coin and will utilize in Mthereum Coin tokens in order to participate in the most Charitable programs. ICO support-ers will be able to immediately use the Mthereum Chain is a platform based on the Ethereum blockchain and powered by the Mthereum Coin tokens.

The platform provides an ecosystem of services through an easy-to-use interface, connecting the non-profit community while allowing full transparency and traceability of donations. Donors, charities, causes, projects and many more will benefit from the services provided by the Mthereum Chain platform.

To simplify the donation process and increase Mthereum Coin adoption, Mthereum Chain will integrate several services in one single platform including an internal exchange to convert major cryptocurrencies into Mthereum Coin, a built-in wallet to store and donate easily, an explorer to track donations transparently and templates of smart contracts to run fundraising campaigns.

## **The Mthereum Chain Platform**

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## **Register And Verify**

To create an account on the Mthereum Chain platform, charities and causes must register and get verified in order to receive donations. Matching a unique public address to a specific charity or cause allows to track the donations and check how funds are used.

Charities and causes once registered and verified, will be able to share several information with donors (for example general info, official address, donations received, use of funds and updates on projects) through a public profile. Mthereum Chain will also provide a private dashboard to manage all information and actions, view donations received and transactions made on chain, upload off-chain receipts, manage personal info and connect with other users.

Donors can register anonymously or with different levels of their personal data choosing the preferred privacy settings. They can access their private dashboard to manage personal data, view info related to charitable donations and request receipts for tax deduction purposes.

## **Covert And Donate To Charity Of Choice**

Mthereum Chain will allow donors to convert major cryptocurrencies into Mthereum Coin at the current exchange rate, while the built-in wallet will allow every registered user to easily manage and store Mthereum Coin tokens without using external services.

Donors will be able to convert major cryptocurrencies such as Bitcoin, Ether, Litecoin, Dash and ERC20 tokens into Mthereum Coin with the aim to add an increasing number of cryptocurrencies and also fiat currencies in the future.

The team is also developing Mthereum Pay, a payment gateway/embeddable widget that allows charities registered on the Mthereum Chain platform to accept donations in different cryptocurrencies directly on their website and mobile application which are then instantly converted into Mthereum Coin. This is to allow charities to simply manage all donations received within a single wallet and providing transparency and traceability through Mthereum Coin.

Since Mthereum Chain ensures that a public address and other data (depending on the jurisdiction) corresponds to a registered charity, the platform is able to provide a compliant tax deductible receipt both for donations made directly through Mthereum-Chain and through Mthereum Pay.

## **Track Donation**

The Mthereum Chain platform connects directly to the Ethereum blockchain to track Mthereum-Coin transactions, ensuring full transparency on the use of the donated funds and providing relevant information such as donation amount, timestamp, donor and recipient address and name (if public). The team will be developing an advanced tracking

system called Donation Tracking System (DTS). For example, thanks to the “send and notify” option embedded in the platform wallet, donors will be able to receive notifications for every step of the donation flow.

The combination of Mthereum Coin and Mthereum Chain ensures a solid and simple solution to the transparency problem in the non-profit sector. However, traceability of the entire donation flow will depend on the mainstream adoption of blockchain technology and cryptocurrencies.

In the meanwhile, Mthereum Chain will be able to track donations even after Mthereum Coin is converted into fiat currencies thanks to the integration with the charity’s bank. Mthereum Coin will collaborate with companies such as WWF in order to connect to the bank data, verify accounts, and access transactions in real-time, providing a clear picture of how charities are spending the funds received in Mthereum Coin.

Through the Mthereum Chain platform charities will also be able to manually input off-chain data on the Ethereum blockchain. For example, if a charity states that the money received is going to be used for medical supplies Mthereum charity will be prompted to upload the receipts for the supplies and shipping within the timeframe stipulated, and everything will be recorded on-chain.

Thanks to the Mthereum Chain platform and Mthereum Pay, the information automatically or manually recorded on the blockchain will be immutable, tamper-proof and publicly accessible through an open explorer, increasing the level of transparency and allowing public auditing besides Mthereum Chain platform users.

In the near future, we foresee the implementation of an ERC721-based system in order to increase the accuracy of our Donation Tracking System (DTS). Indeed, using this new Ethereum token standard, which guarantee the existence of non-fungible tokens (NFTs) on the Ethereum Blockchain, we will introduce a NFT-based structure into the Mthereum Chain Platform. This new structure will be powered by Mthereum Gift an ERC721 non-fungible token directly backed and connected to Mthereum Coin, that will provide a stronger tracking tool to Mthereum Chain donors and charities.

Timing and phases of implementation will be evaluated as the Mthereum Chain platform evolves.

## **Discover And Connect With Ecosystem**

Traceability and transparency are just one part of the team's vision. Creating a vibrant and engaged community is equally important for the future success of the non-profit sector.

MthereumChain will help donors to connect with all the actors involved in the non-profit sector, providing them with tools to facilitate new types of collaborations.

Donors will be able to search, discover and review charities, causes and projects on a single platform, while charities will be able to publish regular updates, create and send direct marketing campaigns, request feedbacks and share volunteering opportunities.

### **Easily Deploy Contract**

Smart contracts being computer protocols designed to facilitate, verify, or enforce the negotiation or performance of a specific set of rules are ideal to facilitate charities' fundraising. The Ethereum blockchain specifically allows the registration and execution of smart contracts in a secure and decentralized way.

Implementing smart contracts in the non-profit sector adds a layer of security and effectiveness to donations, allowing the transfer of funds only to expected recipients and if specific conditions are met.

MthereumChain will provide charities with templates of smart contracts that can be easily customisable with the click of a button depending on each campaign's requirements.

For example, a fundraising campaign may be deemed successful only if at least 50% of the funds needed are raised. If this condition is not met, the smart contract will return the donations to the donors. Similarly, a smart contract can keep the donation in an escrow account until independent validators confirm that the charity has delivered the promised project.

We believe that smart contracts will play a central role in revolutionizing the no-profit sector. Donors will be more incentivized to donate to the non-profit and fundraising organizations that are part of the Mthereum Chain ecosystem, since in addition to public transparency they will also have the certainty that funds are used only upon fulfilment of set conditions and contingencies.

## **Growth Strategy**

Unlike other projects looking to tokenize the non-profit sector, We has already developed an ecosystem of charities, donors, celebrities and events that will be key to increase the adoption of the Mthereum Chain platform. Through established relationships, Charitable foundation will be instrumental in signing up the first charities to Mthereum Chain.

- Discounted price: Mthereum Coin will benefit from a 5% discount on the hammer final price. As the platform's average ticket is \$500, this results in a big incentive to donors to use the tokens as a medium of exchange.

## **Healthcare Wallet**

- Mthereum Healthcare wallet will give you the facility to pay healthcare bill and get insurance anywhere worldwide. Following these initial phases, the Mthereum Chain team will target the onboarding of other fundraising platforms including crowdfunding platforms, sponsorships for athletic events and community fundraising platforms. All of these fundraising platforms stand to benefit from integrating with the Mthereum Chain platform and using the Mthereum Coin tokens because they can provide accountability of the funds collected as well as utilize the marketing tools that are built into the platform. Furthermore, as charities in the ecosystem begin to prefer this way of funding, fundraising platforms will be compelled to adopt it as a standard.

## **Internal Exchange&Health Insurance Program**

**Mthereum Chain platform and using the Mthereum Coin tokens will create the internal exchange where we are able issue the health insurance worldwide.**

**The token generation event will create and distribute a maximum of 50 million Mthereum Coin.**

## **Characteristics**

**Symbol: MTE**

**Initial Value: 1 ETH = 1000 MTE**

**ICO: 1st March**

**Min: 0.05 ETH**

**Max: 100 ETH**

**Type: ERC20**

**Hard cap: 16,227 ETH**

**Token Supply Cap: 100,000,000 MTE**

**The initial generation of MthereumCoin is programmed by a smart contract running on Ethereum and will be distributed as follow:**

**BOUNTY AND BONUS PROGRAM : 5% | 2,500,000 (2 Million 500 Thousand)**

**TOKEN SALE : 50% | 25,000,000 (25 Million)**

**Wallet Development : 5% | 2,500,000 (2 Million 500 Thousand)**

**TEAM : 5% | 2,500,000(2 Million 500 Thousand)**

**Blockchain Health Care Foundation: 10% | 5,000,000 (5 Million)**

**Mining Reserve: 25% | 12,500,000 (12 Million 500 Thousand)**

**Total: 100% | 100,000,000 (100 Million)**

**• 30% business development and strategic partnerships:**



- Onboard new charities, foundations and fundraising organisations on the Mthereum Chain platform; initial focus in the UK, Italy and US market where Charity is already established. Hire new division and ex-pand effort internationally.
- Educate charities and other actors on the use of the platform and on-going support.
- Secure partnership with other players in the blockchain ecosystem to increase the token usability.
- Collaborate with companies to develop corporate gifts and CSR pro-grams based on Mthereum Coin.
- Collaborate with the existing network of celebrities to use Mthereum Coin and Mthereum Chain for their fundraising campaigns.
- Contract specialist law firms in regards to regulatory and licensing frameworks for the ICO operations as well as other matters related to the tax deduction compliancy of donations 20% communication and marketing:
- Invest in PR and marketing campaigns to increase project's awareness and token's adoption among donors.
- Build strong local communities and provide support to charitable ac-tivities.
- Hire new division and expand effort internationally.
- 10% reserve funds: provide liquidity for future monetary policies and plat-form functionalities.

In order to deliver a viable business model for the long term, we establish Mthereum Coin to be a pay-per-use rail for getting onto the Mthereum Chain platform or for using services available. According to our long-term view, we foresee two different economic models for Mthereum Chain which, while ensuring price fluctuations, will aim at stabilising the price over the long term to avoid triple digit price swings in short timeframes. Below we describe the model to ensure the Mthereum Coin long term sustainability. It is based on the fees we expect to earn from different services that will be available through the Mthereum Chain platform, including:

1. "Exchange" fees: % of each amount sent through Mthereum Pay
2. "Send and notify" fees: fixed amount for notifications
3. "Smart contract template": % of total donations raised through the contract or fixed fee.

Future cash flows, obtained through these services fees, will guarantee the self-sustainability of the Mthereum Chain platform. The other economic model is a staking-model based on the amount of Mthereum Coin which Mthereum Chain users have to own for a certain timespan in order to access specific tiers of services offered by the platform. Tiers will differ for charities and donors and will be composed of different services provided through our platform.

## **Donors**

Specifically, by requiring our users to own fixed amounts of Mthereum Coin, we aim at minimizing the action of the supply curve as well as increasing and stabilizing the long-term value of Mthereum Coin.

In order to ensure that charities are incentivized to only change Mthereum Coin to FIAT or other cryptos when needed, we will provide a system or a combination of systems which aim to reduce the volatility of Mthereum Coin.

The Mthereum Coin value will be hedged against volatility thanks to our reserves system managed by Mthereum Pool through a specific algorithm which allows the Mthereum Pool to directly operate on the supply and demand curves of Mthereum Coin. For example, we could offer an official exchange rate whereby anyone can buy Mthereum Coin at the official rate but only registered charities can sell at that rate. This might be done through services built within the Mthereum Chain platform.

The stabilisation algorithm, monitoring core variables directly connected to the Mthereum Coin open market price action, calculates the price difference between supply and demand and operates in order to counteract this dynamic.

Below we provide the list of the stabilisation function (algorithm) variables:

- Buying volume on get\_Mthereum Coin;
- Buying/selling volume and price on exchange;
- Buying and selling volume charities;
- Volatility of Mthereum Coin on a given timeframe;
- Use of Mthereum Coin in relation to the market;
- Adoption rate;
- We Accept BTC,LTC,ETH,DOGE,DASH and BCH
- Percentage of Mthereum Coin being staked.

As the project develops and more market data is available, the team will be better positioned to evaluate and decide exactly which monetary policies to apply in order to ensure the objectives highlighted above.

## **Road Map**

**March 2018**

Launching the token crowdsale (ICO) and getting listed on a top exchange.

**Q1 2018**

Delivering the first beta of the Charity Chain platform including the built-in Health care web wallet.

**Q2 2018**

Delivering Mthereum Pay and starting to convert from the most popular cryptocurrencies. Creating embed widgets for charities to integrate the donation button into their donation pages.

**Q3 2018**

Releasing the Mthereum Chain second beta and adding the “Send & Notify” feature guaranteeing a stronger Charity Tracking System (DTS).

**Q4 2018**

Developing a new set of APIs for additional services of the Mthereum network. Delivering first beta of Charity Chain mobile app.

**Q1 2019**

**Delivering the Mthereum Gift ERC721 non-refundable token and increasing features available in our Charity Tracking System.**

**Q2 2019**

**Developing a new set of APIs for additional services of the Healthcare services**

**Today, thanks to the numerous varied formats offered by the platform, including auctions, sweepstakes, “Buy Now” and gala silent auction technology:**

- 500+ charity partners.**
- 40,000 registered bidders.**
- \$10M in auctions to date.**

**Operating in a growing global giving market worth \$15B in the US alone, the company has offices in Milan, London and Los Angeles, operating in three different markets.**

**The following are examples of past auctions:**

**In order to fund the development of the Mthereum Coin ecosystem, 100,000,000 ERC20 tokens (onwards called Mthereum Coin tokens, or Mthereum Coin) will be created on the Ethereum blockchain and they will be sold to the public. Mthereum Coin is a token that will allow the User to access the service provided by the Mthereum Chain platform.**

**The Mthereum Coin token does not have the legal qualification of a security since it does not give any rights to dividends or interests. The sale of Mthereum Coin tokens is final and non-refundable. Mthereum Coin tokens are not shares and do not give any right to participate in the general meeting of UNICEF. Mthereum Coin tokens cannot have a performance or a particular value outside the Mthereum Chain Platform. Mthereum Coin tokens shall therefore not be used or purchased for speculative or investment purposes.**

**The purchaser of Mthereum Coin tokens is aware that the Federal Act on Stock Exchanges and Securities Trading law and the Financial Market Infrastructure Act, which ensure that investors are sold investments that include all the proper disclosures and are subject to regulatory scrutiny for the investors' protection, are not applicable.**

**Anyone purchasing Mthereum Coin tokens expressly acknowledges and represents that she/he has carefully reviewed this white paper and fully understands the risks, costs and benefits associated with the purchase of Mthereum Coin.**

**The purchaser of Mthereum Coin tokens undertakes that she/he understands and has significant experience of cryptocurrencies, blockchain systems and services, and that she/he fully understands the risks associated with the crowdsale as well as the mechanism related to the use of cryptocurrencies (incl. storage).**

**Indicated in the Terms & Conditions of the crowdsale should not acquire Mthereum Coin tokens.**

**This white paper shall not and cannot be considered as an invitation to enter into an investment. It does not constitute or relate in any way nor should it be considered as an offering of securities in any jurisdiction. The white paper does not include nor contain any information or indication that might be considered as a recommendation or that might be used to base any investment decision. This document does not constitute an offer or an invitation to sell shares, securities or rights belonging to any related or associated company. The Mthereum Coin tokens are just a utility token which can be used only on the Mthereum Chain platform and is not intended to be used as an investment.**

**The offering of Mthereum Coin tokens on a trading platform is done in order to allow the use of the Mthereum Chain platform and not for speculative purposes.**