

ECHO

Litepaper

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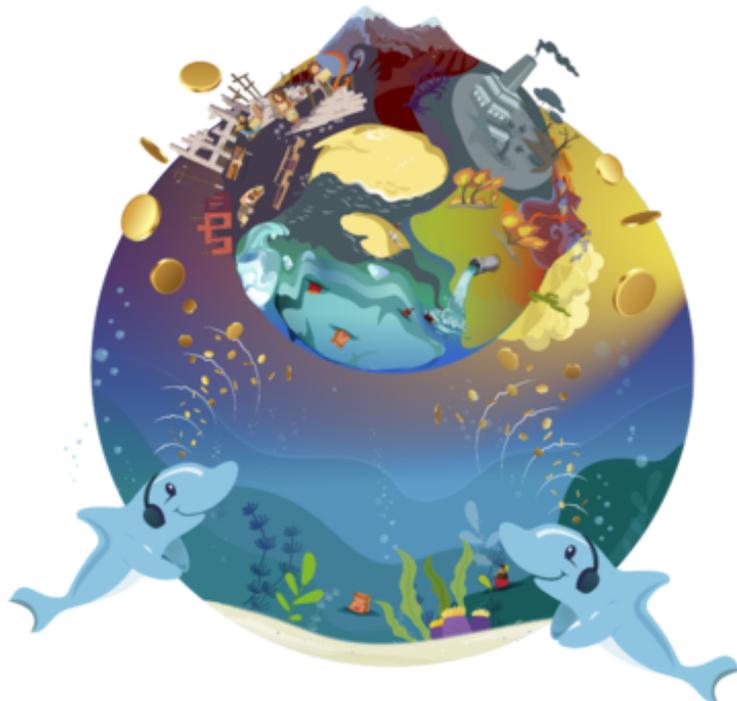
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1. VISION

ECHO was born from a vision of creating a smaller, more connected world.

ECHO's mission is to create an ecosystem where humanitarian aid, charity and donations are completely open, transparent and accountable.

The future of giving is up to us to envision and build, based on our mutual desire to support others.

The spirit of ECHO comes from the following values:

- We believe transparency creates long-lasting trust
- We strive to make this world a better place
- We draw on the differences in how we think
- We embody a service mindset
- We are never satisfied with the status quo

2. PROBLEM

A charity makes headlines for all the wrong reasons.

Most charities do great work! However, high-profile controversies and a lack of transparency have affected the sector's credibility and confidence. Do you know how much of your donations actually go in the hands of the ones who need it?

Moreover, it is very expensive and inefficient for charities to transfer funds and work in developing countries.

Here are the problems with the current charity ecosystem:

- Inefficient, only 15-20% of donations actually get to the recipients
- Corrupt and not transparent
- Slow and Bureaucratic
- Donations are concentrated around certain organizations

3. SOLUTION

The ECHO Token makes donating to underserved communities transparent and fast.

ECHO seeks to upend the existing charity environment by fostering peer-to-community micro-donations and bypassing charity organizations.

Getting cash directly into the hands of the communities themselves is the best way to ensure that they receive the support they need, instead of relying on aid organizations and donors.

With the power of blockchain and peer-to-peer transactions ECHO aims to be a first mover to create a DeChar - A Decentralized Charity Ecosystem.

Here are the benefits:

- Remove the intermediary (in Phase 2) - a minimum 80% of donations actually get into the recipient's hands.
- Transparent and auditable transactions.
- Faster and cheaper fund transfer - cost optimization and low overhead.
- Community decision-making through majority voting on transactions
- Autonomous support for a fully decentralized donation process at scale with Quadratic Funding (Phase 3)

4. TOKENOMICS

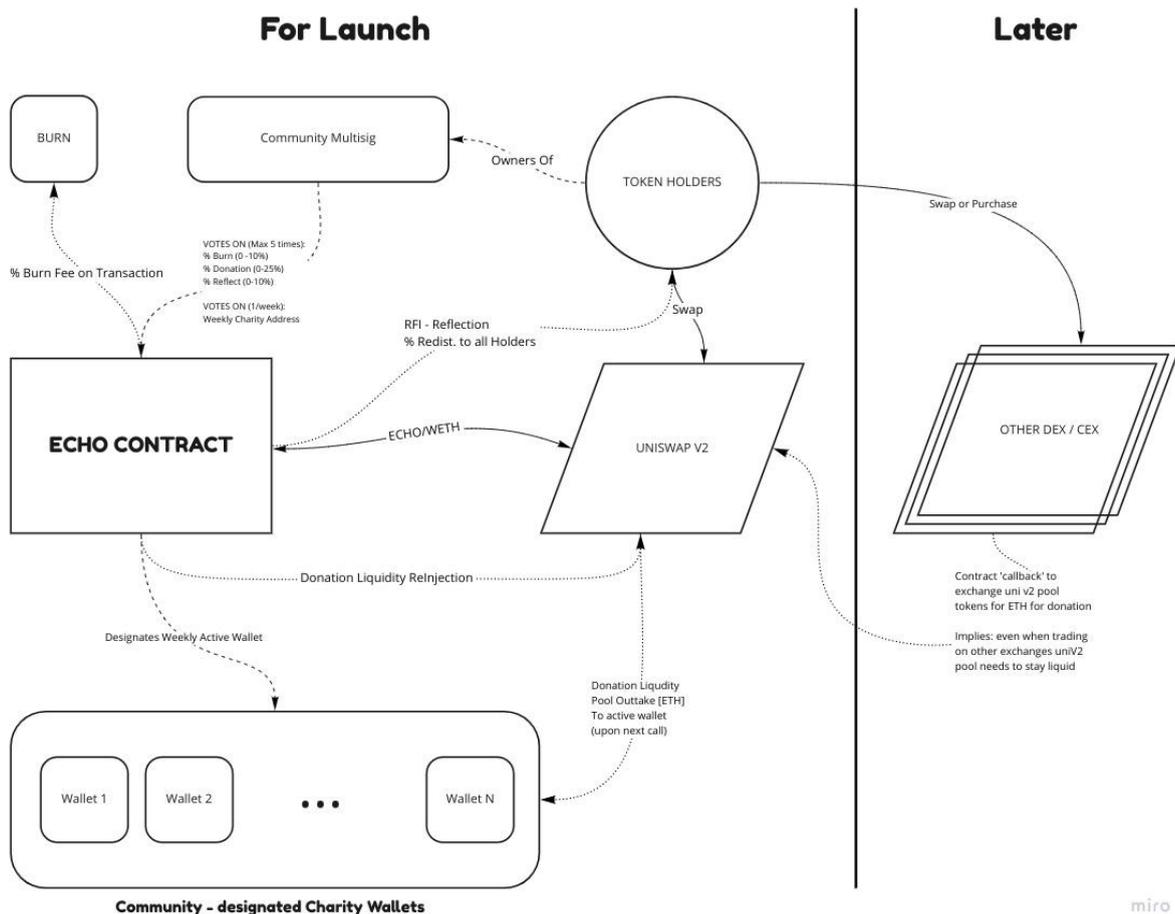
The ECHO token is an ERC-20 standard compliant digital asset which exists on the ethereum blockchain. Its economic model relies on redistribution of transaction fees to three separate vehicles as follows: 3% of transaction fees are taken for donation, 2% for passive yield generation (RFI) and 1% are burned.

1. The 3% transaction fee for donations is taken for each trade (each internal call to the ERC-20 standard's `_transfer()` function implementation). This set of fees is accrued in the Echo Token's contract in ECHO tokens and reinjected as liquidity in ETH via interaction with the Uniswap V2 Pair - and then forwarded to the designated charity address.
2. The 2% reflection fee taken from each transaction is redistributed to all holders proportionally to their holdings as is done in the RFI (reflect.finance) token - as such, the ECHO token forks from this.
3. The 1% burn 'fee' subtracts 1% of each transaction from the total supply of ECHO - a deflationary model which induces scarcity with each trade. While this does not guarantee an appreciation in price it does base itself on the principle of scarcity. A higher token price will imply less tokens will be necessary for impactful donations to be made.

The community can change the 'tokenomics' parameters via on-chain confirmation of interaction with the Echo Token contract. Donation percentage, reflection percentage, and burn percentage may be changed 5 times throughout the lifetime of the contract and at minimum intervals of three months. Each parameter may be changed independently, under the constraint that the donation fee be the largest.

The community may also change the charity address via confirmation of interaction with the Echo Token contract. There are no limitations in terms of number of times or frequency.

While contract interaction may be done via an arbitrary smart contract provided the correct access rights are in place, the initial manner in which voting is concretely done is via a dedicated Gnosis Safe multisig wallet. Where community members which hold tokens above a certain threshold and perform a KYC process kept private between them and the core ECHO team may be added as safe owners. Provided the transaction signature threshold is reached, the tokenomics percentages and charity address parameters will be modified.



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5. DECENTRALIZED CHARITY AND DAO

At scale, ECHO will leverage two successful paradigms for organized decision making without the need for a centralized party in direct supervision.

These paradigms are those of:

1. The Decentralized Autonomous Organization (DAO) where a distributed consensus on features of a particular ecosystem are decided endogenously by community participants.
2. That of Quadratic Voting - a concept from economic theory which states that a vote pricing rule is robustly optimal if and only if it is quadratic - when your n th unit of influence costs you $\$n$ - at the sweet spot between the extremes of dictatorship and majority rule (this is being applied by some cool projects such as Bitcoin!).

The way both of these will factor into the ECHO ecosystem is by moving the entire decision making process of underserved community selection and funding on-chain.

Under the hood, this will entail interacting with a set of smart contracts for placing votes and directing funds, (as is common in DeFi protocols such as Maker) but for community members, the interaction will take place as one of the core features of the Web 3.0 dApp.

A reserved percentage (10%) of the total supply of ECHO tokens will be deliberated to members by rewarding them for frequent platform use - community interaction and donation. By this stage, app members will be holders of endogenous wallets.

Tokens may then be staked to:

- a) promote visibility of specially marked communities (see phase 3)
- b) provide funding for those communities which the ECHO ecosystem made visible.

Quadratic Funding, a use case of Quadratic Voting applied to individual provision of public goods can be leveraged at both stages of this process - encouraging even small contributions whilst not underplaying large contributors. The supplementing of funds (Matching Pool) according to this pricing rule will come from the reserved percentage of ecosystem tokens (30%), which holders themselves may decide to contribute for broader reaching personal philanthropy.

As a community driven ecosystem, underserved communities at multiple levels will enter the spotlight both from the knowledge of members themselves (those that big media doesn't cover), as well as from official (and sometimes surprising) events.

As a DAO, members of the ECHO ecosystem (potential governance token holders) will have decision power and responsibility over orchestration of Event Oracle Feeds for various news occurrences it may be beneficial for the overall user base to be made aware of, as well as the endowment of real-world results of community donations beyond the community wallet transactions.

As such, we believe the pillars of a DeChar ecosystem are:

1. A decentralized organization and governance,
2. Whose official donation targets have an on-chain representation,
3. Whose voting and funding mechanism adheres to an optimal vote pricing rule, such as Quadratic Funding.

With the introduction of the EchoDAO it may be necessary for the tokenomics model to drop its fee model (set to zero) as with peer-to-community microdonations a single donation target is no longer strictly necessary - with the exception of the scenario in which an overarching donation target is maintained relatively to an issue of considerable size.

6. DEVELOPMENT PHASES

A) Phase 1: Laying the foundation

In phase 1, the objective is to launch the ECHO token, build a community, raise awareness, and partner with community-based organizations.

The ECHO token is currently exchangeable on Uniswap. Our token takes a 3% donation fee from each transaction which is kept in the contract's token balance till a cap of 12M tokens (adjustable) is reached, at which point its position in tokens is liquidated in exchange for ETH within the uniswap pair - and the ETH is transferred to the designated charity address.

The community driven aspect of charity with ECHO lies in the ability for the community to vote on the charity donation target for a given length of time (1 week to 1 month, depending on if sufficient impact is generated).

This voting process happens off-chain either via a telegram (or other social channel) vote or via a proof of concept web 2.0 app where existing charities with an ethereum wallet can be selected from.

For the phase 1, reliance on the current charity ecosystem is deemed necessary in order to gain visibility and faster market access.

Voting either via social channels or the app will lead to a shortlist, which will lead to a final on-chain vote via a dedicated Gnosis Safe multisig with appropriate access rights.

Shortlisted options will be added as contract interaction transactions - and the one which first reaches the appropriate amount of signatures becomes the next charity donation target.

Becoming a community multisig owner means becoming an ECHO community ambassador - which requires participants to be doxxed to the team - hold a minimum amount of tokens, and be active in community participation.

B) Phase 2: Disrupting the intermediaries

Becoming a community multisig owner means becoming an ECHO community ambassador - which requires participants to be doxxed to the team - hold a minimum amount of tokens, and be active in community participation.

In phase 2, we will implement the core value proposition of ECHO: disrupting the charity ecosystem and implementing peer to peer, peer to community and community to community transactions. This move will effectively remove the middleman: charity organizations and NGOs.

As a DeChar, ECHO replaces current charity organizations with Community Facilitators (CF). CF are volunteers or paid employees selected by the community on-demand and replace the operations workforce of current charities. The CF's budget is voted by the community and paid out with pooled funds. These CFs handle the on-the-field operations, set up the recipient's wallet and perform KYC processes.

The CF's budget is estimated to represent a 20% maximum overhead, leaving the 80% remaining to the recipient's wallets. A much higher percentage given back to communities compared to current industry standards.

Additionally, Proof of Impact certificates - a specialized NFT - may be minted upon verifiable good use of the funds the charity wallet received - and be auctioned off for a final impact before the charity target is changed. With ECHO's ecosystem, the recipient directly receives the funds, quite like the USA's impact payments. In a later stage, the donor will be able to directly interact through a web 3.0 app with the recipient of the funds and their communities.

While this phase's focus is mainly on the democratization of charity targets - creating wallets directly for communities in need - the voting process will undergo a change moving towards the proposed DeChar framework.

Community voting will be possible only via the app - which will include a token pledging functionality votes will no longer be on the basis of a simple counter - but will depend on the number of tokens pledged. Both existing crypto charities and ad-hoc community wallets will be present in the selection. There will be no complementing via Quadratic Funding at this stage.

Benefits for the donor

- Transactions at a higher speed and lower cost,
- Highly visible and traceable transactions, allowing donors to track all their transactions from the beginning to the end and verify where their funds went,
- Donors make their own impact as they vote where funds are allocated through a multi-sig wallet.

Benefits for the recipients

- With less overhead, the recipients ultimately receive more money,
- Funds are distributed evenly and not concentrated in large communities,
- Funds can be transferred faster,
- Prevent fraudulent intermediaries from pocketing part of the money.

C) Phase 3: Power the future of communities

In phase 3, ECHO will build the first prototype of a DeChar through the web3 dApp + EchoDAO, leading to mainstream adoption of the ECHO Token.

The dApp will enable members to meet like-minded people, discover niche interests and communities, both locally and globally. The EchoDAO will move the community discovery and staking process completely on chain, and remove the need for a single wallet to be a weekly (or so) donation target - except in the event where the community deems it acceptable that a large cause still receives holder fees.

Members vote for communities and projects that they wish to support. The ones that receive the most votes receive the most funds. Think of it as trending hashtags for communities. Has your community suffered an earthquake or a health hazard recently? Voice yourself, make it trending and the funds will be allocated to your hometown. Cool huh?

Echo will reward its members for daily use through ECHO tokens (action rewards to be specified). At this point, ECHO will serve as the ecosystem's utility token, with the donation and governance functionalities described previously.

Members can support communities at both a local and international scale. These communities will be endowed with their own wallet and can be specially marked as being underserved and represented by a Community Facilitator (CF). Each community will be explorable in a manner similar to a facebook group or discord server, and group chat functionality will be enabled for interaction.

30% of the Sales & App pool will be used as a matching pool for the application of Quadratic Funding to communities where holders have staked tokens. This ensures that all communities and members have their say and by nature of quadratic funding every community is considered in proportionate priority.

While the ecosystem should maintain proportionality between funding amount and size/severity of the community in question - local communities will be visible in the dApp via hierarchical community browsing (ex: World → India → Covid Fund). If this does not initially prove to be sufficient - a complementation scale factor which deviates from quadratic funding may be applied to lower level (more local) communities to further reinforce donation impact.

Tokenomics and DeChar

As anticipated in Section 5 - deflationary tokenomics may be disabled as well as the overarching single donation wallet. Since quadratic funding's benefit is proportional to the number of people who vote - it is expected that local communities will receive less funding due to less overall users knowledgeable about the community.

A potential governance token may also be minted to enable key community actors to specially promote communities within the dApp thereby directing overall attention towards a specific set of communities at a given point in time.

The app powered by ECHO token will shape the future of communities:

- Support communities and your local economy
- Find like-minded people with similar interests
- Vote/downvote on functionalities
- Purchase tokens on the app natively with a Credit Card

7. COMPANY WALLETS

ECHO tokens are distributed in the following way - with an initial total supply of 100B Tokens:

- Sales & App: 45%
- Team & advisors (A+B): 20%
- Company reserve (A+B): 15%
- Liquidity reserve: 5%
- Uniswap V2 Pool Initial Liquidity: 3.12%
- Team Wallet Free Liquidity: 2%
- Freely Trading Tokens: 9.88%

Sales & App : 45%

These tokens are time locked for a period of 6 months. They comprise the portion of tokens used for the Quadratic Funding matching pool and frequent app usage rewards - as well as for more general sales.

Company reserve: 15%

These tokens are locked for a period of 1 month for distribution A (quick access) and 6 months for distribution B (long term). They comprise the portion of tokens used for operations and token-related special events.

Team & Advisors: 20%

These tokens are locked for a period of 1 month for distribution A (quick access) and 6 months for distribution B (long term). They comprise the portion of tokens used for team, advisors, and exceptional community members.

Company liquidity reserve: 5%

These tokens are available after 2 weeks to pay for the following expenses: Collaboration, liquidity deposit for exchanges and miscellaneous company expenses.

Links

Echo Token Tracker:

<https://etherscan.io/token/0x171706B7D113c68f2cc68a6CE63b1dbDcdF7B233#balances>

Echo Token Contract:

<https://etherscan.io/address/0x171706B7D113c68f2cc68a6CE63b1dbDcdF7B233>

Team Finance Locks:

<https://team.finance/view-coin/0x171706B7D113c68f2cc68a6CE63b1dbDcdF7B233?name=Echo%20Token&symbol=ECHO>

Unicrypt LP Token Locks:

<https://unicrypt.network/amm/uni/pair/0xfaad180045fca84b515fd40d3e265dfab6f161a3>

Uniswap Pair Info:

<https://info.uniswap.org/pair/0xfaad180045fca84b515fd40d3e265dfab6f161a3>

Dextools Page:

<https://www.dextools.io/app/uniswap/pair-explorer/0xfaad180045fca84b515fd40d3e265dfab6f161a3>

8. ROADMAP

April 2021

- Website launch
- Smart contract deployed to the main net
- 10/04 Community AMA
- 12/04 - Token Distribution Event
- First donation to the India Covid Crypto Relief Fund (28/04)
- Uniswap Listing (29/04)

May 2021

- Phase 1 inception
- Start of marketing campaign
- Collaboration with large community ecosystems
- Application to blockchain incubators & accelerator
- Product Proof of Concept
- Initiation of Community Driven charity wallet voting and selection

June 2021

- Staking functionality
- Phase 2 proof of concept (POC)
- First community facilitators (reference to lite paper)
- Collaborations with sport influencers
- Mid-tier Centralized Exchange (Example: Kucoin, Bittrex, Kraken)
- 10+ donations (accumulated)

Q3

- Top tier accelerator (Target: 500 Startups, Y Combinator, Techstars, Mass Challenge)
- ECHO research program
- phase 2 implementation & web interface
- Corporate partnerships (Target: Google.org, NBA cares)
- Phase 3 Alpha (based on web 3.0)
- Top-tier Centralized Exchange
- +50 donations (total number of donations)

Q4

- Phase 3 V1
- Payment gateway
- Decentralized Autonomous Organization (DAO)
- Donation certificates with NFTs
- 1M Monthly Active Users (MAU)

9. TEAM

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Chief Strategy Officer

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10. DISCLAIMER

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