

# DOUC FINANCE

## A Deflationary ERC-20 Token and Accompanying Brand Intend Mainstream Adoption of Decentralized Finance (DeFi)

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### Abstract

When DOUC was first created, nobody expected it to turn into a vibrant ecosystem of artists and people from all walks of life, working together to create something unique. However, the money it attracted was serious enough to inspire a wave of deflationary meme coins that billions of dollars have flowed in and out of. Some of these coins manage to get attention, excitement, and hype. Generally, the price pumps briefly and then crashes. The project is abandoned and the cycle starts over with a new token. This speculative niche of new tokens tends to produce extremely short-lived trends. Developers and early investors that exit at the best time “win” in a kind of lottery, while everyone else is stuck owning a token that has no function and no liquidity to enable selling. This dynamic mirrors the reality of business or gambling in the physical world, since 99% of meme tokens and the vast majority of players ultimately fail. For most meme projects, the story ends there. But this isn’t what happened with DOUC.

In the unique case of DOUC, a grassroots community formed. An early investor locked a large amount of liquidity in an ETH/DOUC trading pair on Uniswap, guaranteeing that a rug pull would be impossible. The idea of being the first coin to combine 1) deflationary tokenomics, 2) the DeFi capabilities of an ERC-20 token, and 3) the virality of meme culture all into one project was extremely compelling. For visionaries who understood what this could mean, the combination of features offered by DOUC was as explosive in potential as mixing nitro, glycerin, and heat. They decided that DOUC Finance was well worth building into a brand for the long run. A legal entity was formed to protect and advance that brand. Hundreds or even thousands of people autonomously organized into teams that would move DOUC Nation forward, even though this meant doing so as volunteers since there were no developer tokens set aside. This paper outlines why we performed the labor of love, and provides the vision for how DOUC will not only succeed, but will contribute meaningfully to a DeFi revolution that will inevitably reshape numerous economic sectors in coming decades.

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### Introduction

No one truly knows what the acronym “DOUC” stands for. Some in the community have suggested that DOUC should be a proactive incitement to “DeFi Organize Utilized Currency”. Others prefer it as an abbreviation for “Decentralized Organized Ultra Cryptocurrency” or “DOUC Our & Ur’s Currenncy”. Regardless of which idea ultimately sticks, DOUC has been born and is here to stay. DOUC was created as a deflationary ERC-20 token. As such, it enjoys the unrivalled network effects of the Ethereum blockchain. Ethereum’s gas fees are notoriously high precisely because it has so much network activity and so many users. It has essentially become like the next layer of the internet. It is an infrastructure project which supports and connects a myriad of Decentralized Applications (dApps) built on top of it. Some of these dApps have exotic and potentially game-changing uses. For example, VeChain offers logistics tracking of physical products. Basic Attention Token has a privacy browser and rewards users for watching ads. GLM is a decentralized alternative to Amazon Web Services. AAVE enables peer-to-peer lending and borrowing. No matter how good they are, however, the problem with popularizing these excellent projects is that no one is going to change their profile picture into the logo of these coins, just as no one changes their profile picture to the logo of their power company or water company. Obviously these utilities provide something of extremely high value but the average person just doesn’t connect with use cases on a visceral, identity level the way they might with, say, sports teams. They do connect that deeply with mascots such as DOGE and DOUC, however. They form movements, communities, and friendships around these meme coins. The problem DOUC attemptsto solve is therefore not technological, it is social. Viral marketing is what is needed to increase adoption of the technical solutions across the population.

DOUC is particularly well positioned for the job because it is natively connected on the same blockchain as all of these impressive projects, and hundreds more like them. To draw a metaphor, it is as if the foundation for a DOUC skyscraper has just been poured in the middle of Times Square. The plans are there, the place where it needs to exist is obvious, but it hasn't been built yet. As with real-estate in the physical world, location is everything.

With regard to legacy technology, Ethereum currently uses the Proof of Work (PoW) protocol. However, there is a massive infrastructure project under way called ETH 2.0 to upgrade the Ethereum ecosystem and allow it to scale. This new consensus system will merge with the original Ethereum blockchain in a way that removes the need for miners, and switches to the far more efficient, scalable, and environmentally-friendly Proof of Stake (PoS) protocol. The timeline for this is set to occur in stages during the period from 2021 to 2022.

DOUC has impressively demonstrated that its branding has viral appeal, reaching in one month a price point and market cap that took the universally beloved DOGE coin nearly seven years to achieve. DOUC had one of the fastest rises in the history of the Ethereum network. In this iteration of meme culture, the potential gains for DOUC are much higher than is commonly realized at this time.

**What Mickey Mouse did as a mascot to popularize the Walt Disney Company (and motion pictures more broadly), DOUC will do as a mascot to popularize the Ethereum network (and Decentralized Finance more broadly).**

Engineers and other technically-minded people are sometimes frustrated by meme coins because of their lack of novel functionality and use case. But it is indisputable that every successful company in every industry has a marketing department. This is because marketing is a vital aspect for growth, and growth is necessary for success. In crypto, meme culture acts as a kind of viral marketing for the entire ecosystem.

Every participant of the Ethereum network and crypto more generally therefore stands to benefit from the popularity of DOUC - even rival meme coins. For the same reasons that Disney World and Universal Studios mutually benefit by their proximity to each other in Orlando, and for the same reason that rival sports teams mutually benefit by competing in the same League, so too will DOUC benefit through competition with any copycats that rise to our level. We believe there to be room for many meme coins to mutually gain from the attention that our rivalry draws. At DOUC Finance, we hope to create a template and provide leadership to the larger meme-coin community with regard to creating sustainable global communities around fun and shared interests. The zenith of this ambition might eventually take the form of an International E-sports Olympics, where teams representing each coin compete annually, with fees collected and prizes awarded in crypto.

A characteristic of many deflationary meme coins is that they use charitable giving as a use-case. Although this may sound as a gimmick, it is a worthy area for projects to compete in - how much good can we do in the world? DOUC holders are able to support their chosen charity by setting up a donation wallet which, like all DOUC holders, also receives tax redistribution from transactions with DOUC on the Ethereum network.

## **Tokenomics**

The DOUC ERC-20 token has a 2% reflect amount each transaction. 1,000,000,000,000 tokens were minted for the initial supply, and half of those were immediately burned. This balanced the starting transactions to redistribute 1% proportionally to each other wallet, and burn 1% of each transaction amount. The split of the 2% tax is changing by a predetermined formula and is always available to view on the DOUC.FINANCE website.

The deflationary tokenomics squeeze supply. The brand, active community, and meme culture all boost demand. By both decreasing supply and increasing demand, the equilibrium price of DOUC has been engineered to squeeze the price higher over time. At only a 2% tax, it does so without being so prohibitive as to discourage transactions and trade volume. In addition, the small tax and flat wallet distribution ensure that the main profit-driving factor is the increase in the market price, not the participation of users in the network (a characteristic inherent in ponzi or multi-level marketing schemes).

The intention of this design is to make DOUC the first point of contact that mainstream users have with the Ethereum network. The fun, inviting, friendly culture of the DOUC community will accelerate adoption of the technology. The token will become a native store of value right on the Ethereum network, and easily usable for collateral smart contracts in Decentralized Finance. Compared against traditional finance, which offers .5% returns for savings accounts, investors using DeFi apps can gain 13% returns on the conservative end of the spectrum.

## Transaction Example

We can calculate the payout and burn from the following formulas. The total minted tokens of DOUC is 1,000,000,000,000 (1 trillion) with 500,000,000,000 (500 billion) burned on the initial mint.

$$\text{DistributedAmount} = \text{TransactionAmount} * 0.02$$

$$\text{DistributedPerAddr} = \text{DistributedAmount} * \frac{\text{AddrOwnedDOUC}}{\sum \text{TotalDOUC}}$$

$$\text{BurnedAmount} = \text{DistributedAmount} * \frac{\text{BurnAddrOwnedDOUC}}{\sum \text{TotalDOUC}}$$

We can show an example of how this looks like in practice. We will give the DOUC owner address 0x0DOUC a value of 1,000,000,000 DOUC and a new buyer the address of 0x0DOUCNEWBUYER with a value of 0 DOUC. The address 0x0DOUCNEWBUYER will buy 1,000,000,000 DOUC:

1. 0x0DOUCNEWBUYER wants to buy 1,000,000,000 DOUC on Uniswap and swaps ETH for DOUC with 5% slippage to account for the 2% distribution.

$$0x0 \text{ DOUC} = 1000000000 * 0.02 = 20000000 \text{ DOUC}$$

$$0x0 \text{ DOUC Distribution} = 20000000 * \frac{0x0 \text{ DOUC} = 1000000000}{1000000000000}$$

$$0x0 \text{ DOUC Distribution} = 20000 \text{ DOUC}$$

$$0x0 \text{ DOUC} = 1000000000 + 20000 = 1000020000 \text{ DOUC}$$

$$0x0 \text{ BurnedAmount} = 20000000 * \frac{0x0 \text{ BurnedDOUC} = 563897469786}{1000000000000} = 11277949 \text{ DOUC}$$

$$\sum \text{TotalBurnedDOUC} = 11277949 + 563897469786 = 563908747735 \text{ DOUC}$$

2. 0x0DOUCNEWBUYER distributed 8722051 DOUC to active wallets and burned 11277949 DOUC on the swap from ETH to DOUC, with a total cost of 1020000000 DOUC plus uniswap liquidity pool fees and ethereum gas fees.

3. The holder of the address 0x0DOUC total went from 1000000000 DOUC to 1000020000 just by holding the token in their wallet, without worrying about the issues and cost of staking in a liquidity pool.

## **Conclusion**

Even though the DOUC token is mainly a store of value, the overall plan involves ways to advertise the Ethereum network, introduce the public to our partners, and has several interconnected use cases in NFT minting, art promotion, esports, ecommerce, and governance. With the abundance generated by this project, DOUC will have the resources to take charitable giving to the moon, particularly for animal rescue and environmental causes (which impact both people and wildlife).

DOUC was created as the DeFI version of DOGE. Since then it has grown to much more. Fully managed and supported by an active community with thousands of members, we are planning to bring to the world a way to invest into a fun cryptocurrency with simple mechanics that will reward every wallet for holding. 2% of each transaction will be burned and shared to every holder of our coin