▶◀ Apillon

NCTR Tokenomics Whitepaper

v1.1

April 2024

Keywords

Token, NCTR, tokenomics, economic model, utility, distribution, emission

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Introduction

In the Web3 world, there are no products without developers and no adoption without end-users. The present Apillon's Tokenomics Whitepaper describes how Web3 technologies, developers, and the community achieve the momentum that propels the evolution of the ecosystem, founded on the most essential agent - adoption.

Apillon's NCTR Tokenomics and business model are interconnected and interdependent. Working in tandem, they represent the economy behind Apillon and its role in both the Web3 development platform and the community of its adopters.

To gain a high-level product overview and enough context to understand the Apillon platform and its offering, please refer to the Apillon website.

Built on Polkadot

With the evolution of blockchain technology, the fields of Layer 1 and Layer 0 blockchain networks are expanding, each with its own purpose. From the vast cosmos of blockchain ecosystems, Polkadot stands out with a clear vision:

> *"We envision a Web where our identity and our data is our own - safely secured from any central authority."*
>
> *Polkadot network*

Expanding on the above, Polkadot's founder aims to establish the multi-chain web of the future.

> *"My goal isn't to build a multi-chain universe. Interoperability is a means of reaching a goal but isn't the goal itself. My goal is to create Web3, a third generation Internet platform allowing for barrier-less trading and service provisions throughout the realm of human endeavor."*
>
> *Dr. Gavin Wood, Founder of Polkadot*

Apillon, the one-stop Web3 development platform, follows the vision of a faster and more meaningful world transition to a completely decentralized future of online interactions and value exchange.

Completely aligned with Polkadot's orientation and aiming to connect exemplary Web3 solutions that cater to the needs of Web3 developers, the Apillon platform is built on the Polkadot Network.

That said, it is important to acknowledge the importance of interoperability in the evolution of the Web3 world and the range of solutions developed in the process. To achieve high interoperability and adaptability to user demands, Apillon remains blockchain-agnostic, agile, and open to adding new and different blockchain solutions and networks as the platform evolves, provided they demonstrate a clear benefit to the platform offering and pass the community governance vote.

Product Overview

Apillon is a Web3 development platform that delivers the capabilities of complex blockchain solutions and protocols through a simplified UI, abstracted Web3 services, and unified API endpoints, allowing developers to build Web3 projects quickly, effectively, and with predictable pricing.

It is designed to continuously undergo upgrades to the platform's offering, including through community participation.

The Apillon platform strives to establish, attract, and nurture a self-governed community that dictates a curated list of API-provided services, SDKs, CLIs, and other solutions catering to every user's needs. It provides a censorship-free environment where users are incentivized to vote on each platform upgrade, thus ensuring that changes are pursued in a democratic and vetted fashion.
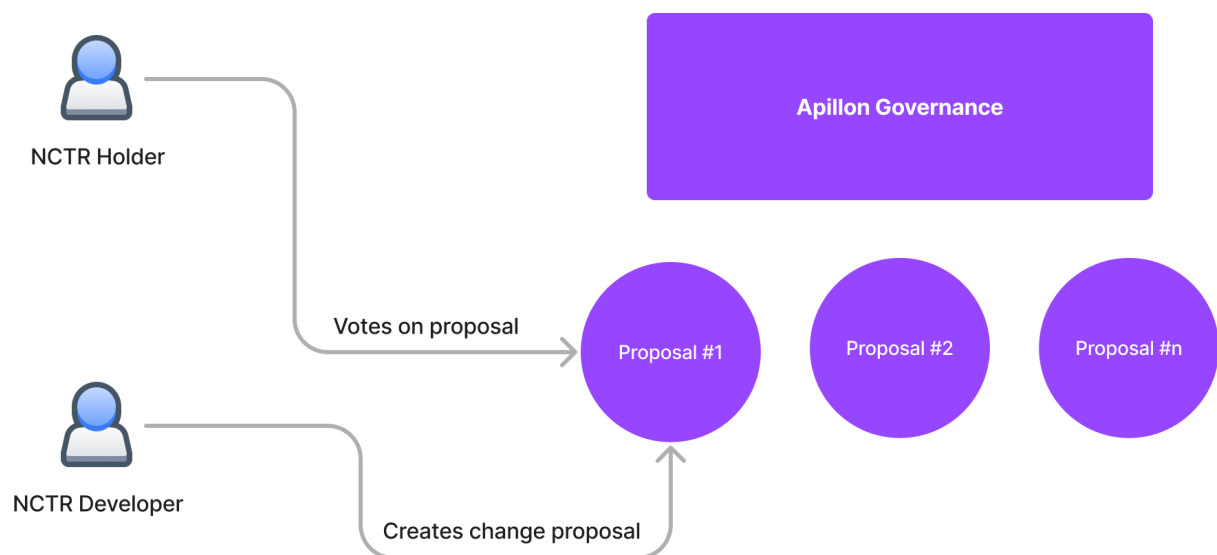
Tokenomics Actors

The tokenomics of the NCTR token and Apillon's business model rely on decision-making by two main actors:

- ⋈ NCTR Developers
- ⋈ NCTR Holders

The NCTR tokenomics are, therefore, built to incentivize both actors and ensure all NCTR holders have a relevant say in the platform's future and get rewarded for participating in Apillon's governance.

Note: Users could hold both roles at once. The above distinction is intended purely to communicate different token utilities and who it is built for.

NCTR Developers - Build, Govern, Improve

> *"Developers, developers, developers."*
> *Steve Ballmer, CEO at Microsoft, during the keynote speech at a 2009 developer conference*

Developers are the force that drives Web3 and the first group of participants in the Apillon tokenomics.

The platform is designed to cater to their ever-evolving needs, respond to their expectations, challenges, and workflows, but also to empower them to voice feedback and impact the course of platform development through governance.

The Apillon platform currently provides several branches that form the minimum toolset for building a fully Web3-compliant product:

- ⋈ Web3 Storage
- ⋈ Web3 Hosting
- ⋈ NFTs
- ⋈ Web3 Authentication
- ⋈ Web3 Computing
- ⋈ Prebuilt solutions
- ⋈ Front-end templates
- ⋈ SDK, CLI, API, Documentation

Beyond the initial set of development opportunities, the Apillon platform would evolve to include dozens of services and protocols and augment the tooling developers can use in their workflow.

In the vast and ever-evolving field of blockchain technology, it is increasingly challenging for all stakeholders to track all the newly launched projects and evaluate their offerings. To double down on the Web3 research power, Apillon empowers its main users, the developers, to list new service candidates via governance and vote on preferred services to be implemented in the upcoming platform upgrades.

Through user-powered governance and a token-curated registry of services, the platform continues to evolve and optimize its offering while preventing any potential censorship.
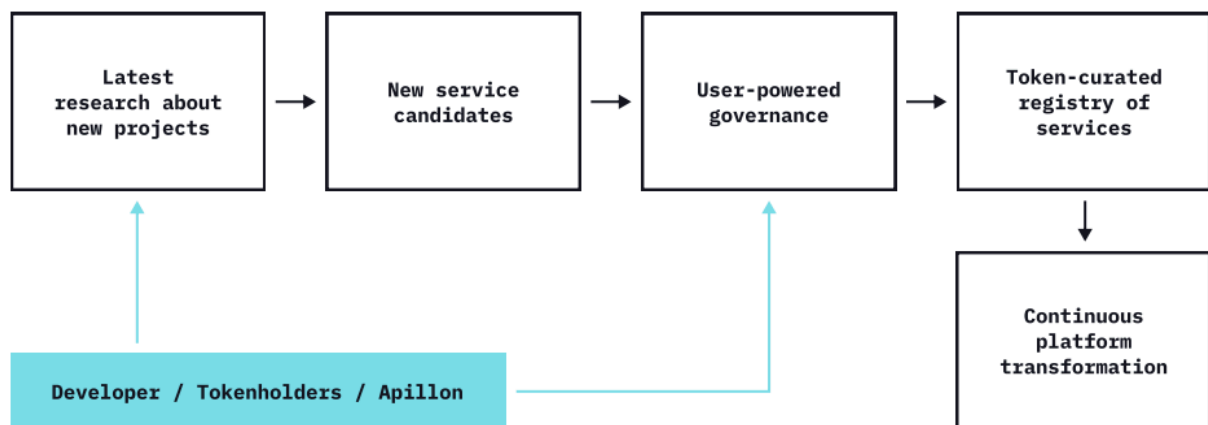
NCTR Holders - Promote, Vote, Grow

No Web3 project can stand the test of time and market without community backing. The Apillon community gathers NCTR token holders and Web3 developers.

The NCTR token is designed to serve and reward everyone who contributes to the growth of the Apillon platform and boosts Web3 adoption, aligned with Apillon's primary mission.

All NCTR token holders can be Web3 builders, either by developing functional Web3 products or growing the ecosystem, and thus have the right to contribute to the NCTR token pledging and Apillon's inclusive governance.
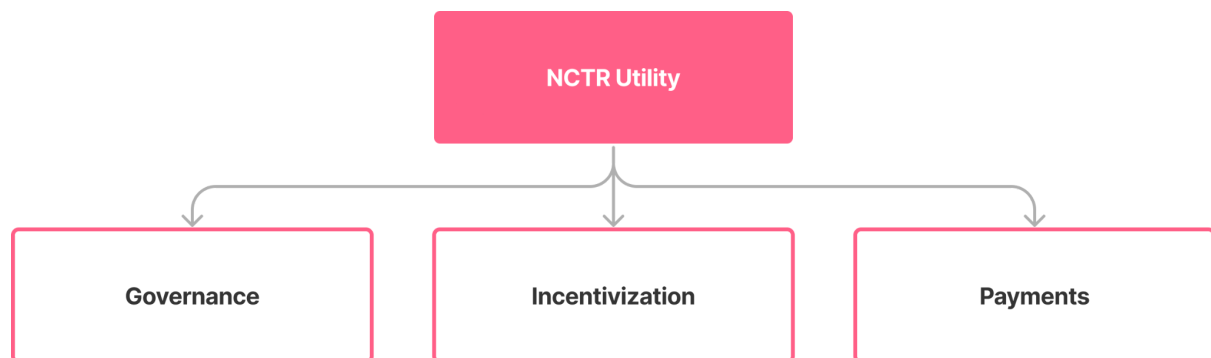
More on the role of NCTR token in the Token Utilities section.

Token Utilities

The NCTR token is designed to be a multi-purpose and widely used asset, covering a range of utility cases for platform users and community members.

NCTR token utilities are spanning across three main pillars:

1. Governance
2. Incentivization
3. Payments

Each pillar further serves both NCTR Developers and NCTR Holders, offering distinct opportunities for utilizing the NCTR token.

NCTR Token Utility 1 - Governance

Apillon's product governance does not imply an establishment of Apillon as an end-to-end DAO where participants propose and vote on everything, business decisions included.

Instead, the governance aspect is focused on the product, i.e., the Apillon platform, and its narrow scope of user-oriented services and features that participants can help control and upgrade.

Governance Goals

> *Apillon's vision is to accelerate the world's transition to a completely decentralized, Web3 future.*

The main goal is to establish a governance model that allows the Apillon platform users to co-design its offering, integrating the features that bring them the most value and thus spur adoption among Web3 building communities.

Apillon's product governance mode is based upon the following premises.

- Apillon platform users build Web3 products.
- Apillon platform users understand and respect Web3 and underlying technologies.
- Apillon platform provides tooling for users to create Web3 products and bring them to commercial use in the shortest time.
- Apillon sources from a governed, incentivized, and vote-weighted feedback loop between users and platform builders and commits to following the governance outcomes.
- Product governance is one of the essential token utilities in the Web3 space, especially when it can achieve a network effect between token holders.

Governance Scope

Apillon's product governance resolves all platform-related questions, for example:

- What parachains, protocols, and services get integrated into the Apillon platform, and when?
- What improvements could the platform make to enhance the user experience?
- What business models make sense within the user context and could be implemented in platform's future versions?
- What product partnerships would be a good fit for the platform?
- What is the priority of accepted proposals, which upgrades should be implemented faster, and why?
- Etc.
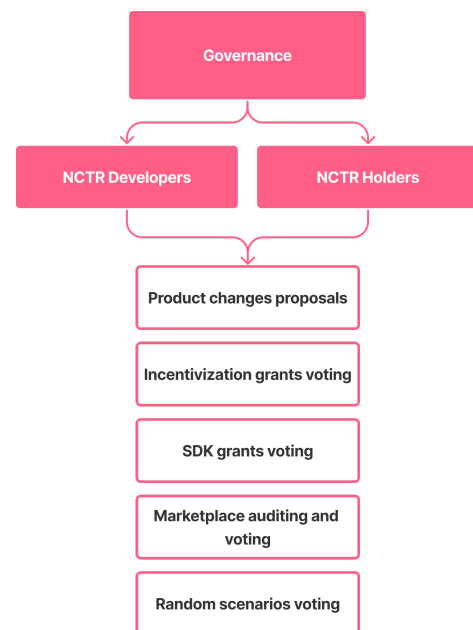
Expected Outcome

By narrowing the governance scope to strictly the Apillon platform, the feedback loop between voters and the Apillon team should improve significantly, leading to:

- Faster and better product-market fit
- Clearer back-log and development priorities
- Expansion toward users' needs
- Faster design decisions and delivery
- Complete understanding of users' needs via weighted governance

Note: The full scope and Governance plan is available on Apillon Wiki.

NCTR Token Utility 2 - Incentivization

The second NCTR token's utility is aimed at incentivizing both tokenomics actors in various ways while promoting Web3 adoption.

Adoption is, therefore, the main measured KPI, and when achieved, it awards NCTR tokens to rightful recipients.

Proof of Adoption - PoA

To accelerate the Web3 adoption in a meaningful and measurable way, it is indispensable to set clear metrics that anyone can follow. For this purpose, the platform implements the "Proof of Adoption" (PoA) metric.

Proof of Adoption serves as the main umbrella term for Web3 adoption through Apillon. It is the platform's main driver for decision-making between individual stages of tokenomics and business model development.

Since adoption can be measured in many ways, PoA is not solely tied to counting user registrations. Initially, it would mostly measure the use of Apillon's Authentication service, which communicates the number of unique users a single developer has brought and registered on Web3 through their Apillon-built project. Besides Authentication user count, the platform would also develop a specific metric for counting API calls, as well as a thorough Web3 usage analysis. Together, they would uphold a complete PoA model.

Apillon has reserved a significant amount of NCTR tokens to incentivize the development of the PoA utility. To see more about the NCTR token emission and distribution, jump to the final chapter.

Prebuilt Solutions (Dapp) Grants

Apillon's prebuilt solutions (dapps) are full-stack, open-source solutions that combine Apillon services, smart contracts, APIs, and other features for non-developers to use and deploy without advanced technical knowledge.
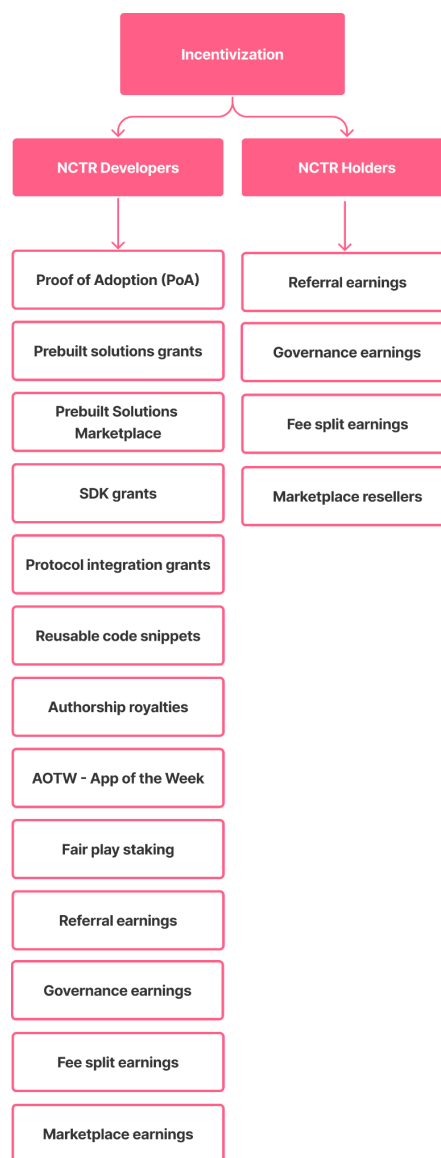
In its initial phase, Apillon's prebuilt solutions cater to five use cases and are intended for immediate production use. At the same time, they provide technical sources and inspiration for developers who seek to customize and launch their own prebuilt solutions to the Web3 public.

Developers aiming to build such a solution are invited to write a grant proposal and have the Apillon community vote on it through governance. If approved, a specific funding amount is reserved for the developer and delivered to them once the solution is built and audited by Apillon and/or the wider governance community.

Prebuilt Solutions (Dapp) Marketplace

Application-layer incentivized dapp marketplace is a project by Apillon that incentivizes developers to build and deploy dapps on the Apillon platform and connect them with users looking for prebuilt Web3 solutions.

In this one-of-a-kind solution, the NCTR token acts as a value transfer vehicle between developers (supply) and end users looking to quickly deploy pre-made Web3 dapps (demand), as displayed in the diagram below.

Note: The Apillon marketplace is in its early stages and is planned for launch in late 2024.
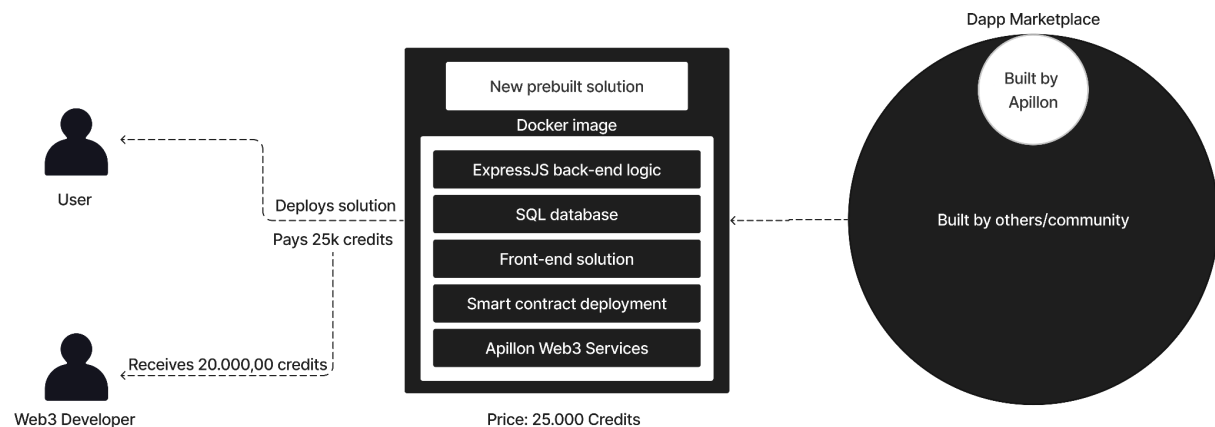
SDK Grants

To speed up the development around the platform's API endpoints, language-specific SDKs are essential.

A portion of the NCTR token supply would supply grant funding for developers or teams who help the platform achieve horizontal support through multiple frameworks currently used in web development, new and improved SDKs, client libraries, code snippets, and general documentation.

Protocol Integration Grants

Apillon's back end relies on an agnostic architecture and accepts the integration of additional modules that translate the blockchain complexity of underlying protocols through the platform APIs.

To scale and expand faster, Apillon would fund grants for developers or teams committed to integrating new protocols into the Apillon platform.

Bug Bounties

Bug bounties are a commonly used approach to locate and fix occasional bugs on the Apillon platform quickly. A part of the NCTR token supply would be allocated for bug bounties to improve production standards and the general security of the platform.

The initial Bug Bounty campaign is set to start as soon as the complete Apillon source code is converted to open-source. At that point, developers may apply over GitHub to gain access to the open-source code, review it, and get rewarded for finding any bugs. The rewards will be distributed proportionally to the bug severity.

Reusable Code Snippets

SDKs or frameworks can go a long way, but often, a simple code snippet with a dedicated guide or a tutorial works wonders.

To encourage the creation of tutorials to deepen the knowledge pool, a portion of community tokens would be allocated to reward the publication of code snippets with corresponding tutorials.

Authorship Royalties

Governance deciding on proposals that would drastically change the financial outcome of the platform may trigger authorship royalties for proposal authors if decided so by the governance body.

Authorship royalties are defined through a unique Authorship NFT. It makes users eligible to receive a small portion of NCTR each time a certain solution on the platform is deployed and paid for by that same user.

DOTW - Dapp of the Week

Utilizing their governance power, NCTR token holders could propose innovative dapps for a weekly competition and vote for their favorites. This way, innovation and community adoption would be rewarded in a fast and measurable manner.

Fair Play Staking

To implement the Web3 principles and standards, developers could contribute to fair play on the platform by staking NCTR tokens.

The fair play mechanism allows developers to stake NCTR tokens as insurance or a guarantee for the legitimacy of their product. This way, a controversial project could be reprimanded, in severe cases even leading to the developer's tokens being slashed or directly sanctioning developers not playing fairly.

This feature is optional for developers looking to promote Web3 ethics in their projects. Once enabled, this utility would represent a perfect balance between the Apillon platform as a provider, developers, and their end users since all three have a stake involved.

Referral Earnings

Apillon's referral system incentivizes users to share a unique referral link with their friends or peers on their websites, counting all users who use it to register to the Apillon platform.

The currently active referral system would be upgraded to award referees with NCTR for every new active user they bring to the platform. The NCTR token thus incentivizes users to grow Apillon's user base at an accelerated pace.

Governance Earnings

To incentivize participation in platform governance, a part of the NCTR incentivization pool would be spent to award users who actively contribute to the governance process through the following activities:

- ⋈ Providing objective feedback on proposals
- ⋈ Reviewing new proposals
- ⋈ Actively voting on proposals

Fee Split Earnings

NCTR token plays a significant role in the Apillon SaaS payments, allowing developers to pay for Apillon services using NCTR. At the same time, this form of payment bypasses the standard fees collected by fiat payment providers such as Stripe.

Bypassing fiat gateway fees creates a 1-2% NCTR surplus, which Apillon would share amongst users who pay with NCTR (cashback model) and funnel back to the incentivization pool for other rewards.
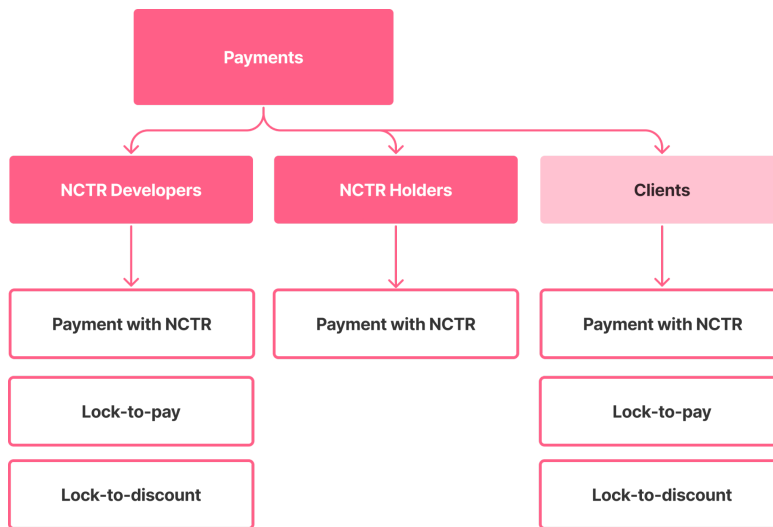
NCTR Token Utility 3 - Payments

Besides providing few-click-deploy Web3 services and straightforward APIs to integrated parachains, Apillon offers an underlying payments module that simplifies the use of Web3 technologies.

The payments module removes the need for developers to acquire and maintain a positive balance of tokens to pay for underlying services. This way, Apillon can charge for its services in a traditional Saas model, where users pay monthly subscriptions with fiat using credit cards and unlock access to a fixed amount of Web3 services and features.

The secondary path to pay for Apillon services is through the NCTR token.

The Governance and Incentivization utilities of the NCTR token deliver a fantastic opportunity for synergy between NCTR payments and product governance.

Payment with NCTR

Payments executed through NCTR are an ideal token utility and should be incentivized.

One way of incentivizing payments over NCTR is via cash-back, namely a 2% NCTR cash-back once a year for users who continuously pay with NCTR.

The secondary potential benefit for NCTR service payments is a profit-fee split amongst all NCTR owners who pledge NCTR to the platform and engage in Apillon Governance.

That said, it can be predicted that each payment through NCTR allows Apillon to allocate up to 1% of the collected fees and distribute that NCTR to users who decided to pledge NCTR for longer periods of time and who participate in Apillon's product governance over NCTR.

Lock-to-discount (Reduced service costs)

Developers who pledge NCTR and participate in Apillon Governance may become eligible for reduced service costs, i.e., non-profit costs. They would pay only the price of underlying services, with zero profit margin. This way, active developers may hold NCTR, participate in the platform's governance, and enjoy the best possible price to host and scale their projects.

Technical Token Parameters

The NCTR token is an ERC-20-compatible token minted on the Moonbeam network.

Total supply: 150,000,000 NCTR

NCTR Token Distribution

Pre-Seed Funding	51,750,000
Developer Adoption Fund	46,967,000
Strategic Funding	25,000,000
Team	15,000,000
Seed Funding	6,325,000
Community Round	2,875,000
Crowdsale	2,083,000
Total Emission	150,000,000

NCTR distribution chart
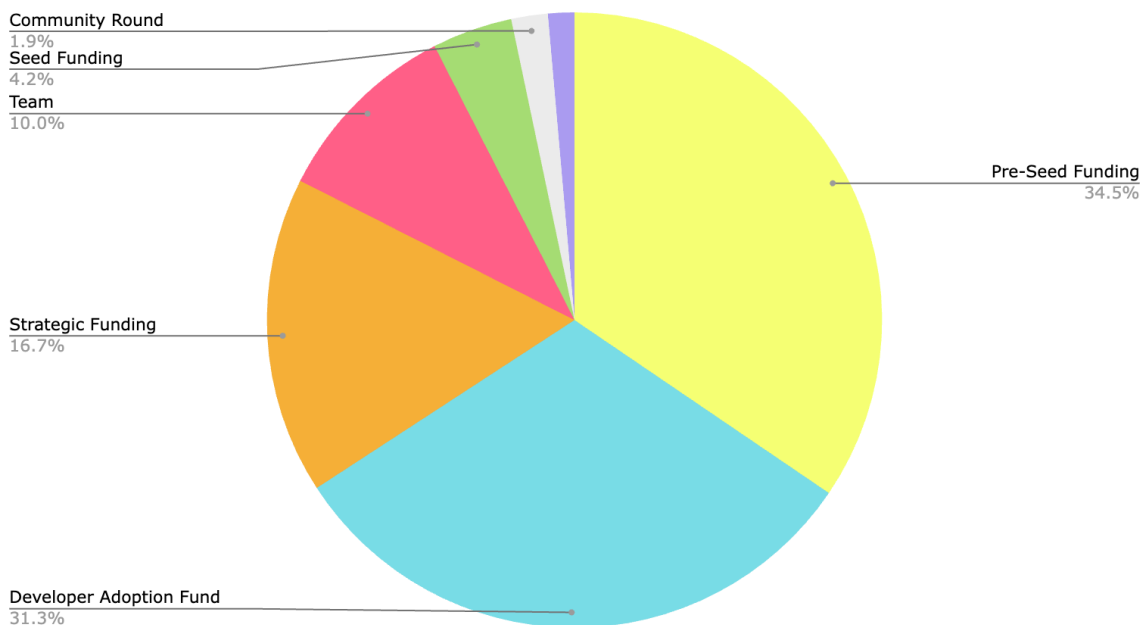
Round	Vesting
Pre-seed	24-month vesting schedule with a 6-month cliff and equal vesting in months 7–24. 30% without vesting.
Seed	12-month vesting schedule with a 3-month cliff and equal vesting in months 4–12.
Strategic	12-month vesting schedule with a 3-month cliff and equal vesting in months 4–12
Community	12-month vesting schedule with a 3-month cliff and equal vesting in months 4–12.
Team	48-month vesting schedule with a 1-year cliff and monthly vesting
Crowdsale	/
Developer Adoption Fund	/

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