

FreeTON DeFi Alliance Partnership Extension

The partnership update based on network development

Preamble

We have now completed the foundational stage of FreeTON development and are currently entering a growth phase. The community has made several strategic decisions back in September, including strengthening global governance and pausing the distribution of tokens to initial members. But we need to continue evolving our governance model and take some decisive steps to increase the liquidity in the network and drive adoption.

For almost 1.5 years, FreeTON has been experimenting with different decentralized governance formats. Some experiments went very well — e.g., the DeFi Subgovernance, whose solutions (TON Bridge and TON Swap) enabled the DeFi Alliance to bring more than \$30M of liquidity to the network; Grand Bazar - one of the industry's higher-end NFT marketplaces; the Browser Extension contest that led to the appearance of several good alternatives to Metamask, etc. — and some did not: unsuccessful partnerships, overpriced contests, monopolized subgovernances, etc.

One of the lessons we have learned together is that technology alone is not enough to be competitive and grow in a highly vibrant and competitive market. However, technology backed up with significant liquidity can work miracles. For instance, although they are not as technologically advanced, several other blockchains grew much faster than FreeTON in valuation, primarily due to having significant liquidity inflows.

Last but not least, the negative legacy left by the Telegram Open Network's litigations has prevented the network's token from getting listed at top trading platforms and ranking websites. It hampered our ability to forge significant partnerships and, in general, was a formidable obstacle to business development.

With that in mind, we believe that our project must pass through a series of reforms to join the ranks of the top 20 most valued networks.

This document will highlight the most crucial challenges facing the network and propose solutions that will help us reach more advanced levels of development.

Summary

The FreeTON DeFi Alliance proposes to address the existing issues and upcoming challenges and requests additional funding for the implementation of:

- Project rebranding;
- Supply and demand balance;
- Collaboration with top exchanges;
- Consistent business development;
- Developer attraction;

- Integration and technical support of new partners;
- Givers reform;
- Better communication with the external world.

Givers

FreeTON has a system of givers with unallocated TON Crystals that constitutes a massive risk to the long-term market cap of the project. The community responded to the idea of redistributing those tokens among additional target givers without enthusiasm.

We propose burning 3 billion TON Crystals from the referral giver.

Collaboration with top exchanges

There have been many decentralized attempts to list TON Crystals on different exchanges and information services (e.g., CoinMarketCap), which has led to a great deal of confusion among those services and uncertainty about who is entitled to speak on behalf of FreeTON.

To make TON Crystals available to a broad audience while ensuring liquidity and a fair market price, the community needs to achieve listings at top centralized and decentralized exchanges.

However, collaboration with exchanges is a complex process requiring the provision of compliance information, project positioning documents, and integration support, among other things.

Moreover, not all listings are suitable for our network. Some may even harm the reputation of the token. In the Alliance, we are consulting with experts to forge a proper listing strategy.

Last but not least, top exchanges do not list tokens for free. Alliance members have covered the listing expenses for some time, but additional resources are now required to reach the most critical trading platforms.

The Alliance has all the necessary experience to coordinate community resources and to facilitate collaboration with top exchanges. We propose to allocate 250M TON from FreeTON for the activities outlined in this and below sections.

Business development

A purely decentralized approach to partnership management has brought us some results and around 30 partnerships. Still, there are a few challenges that we need to address to grow much faster and attract more robust and successful partnerships:

- Bias or lack of sufficient business skills of some of the FreeTON community members;
- Misunderstanding of FreeTON goals, capabilities, and positioning;

- Inability to duly support partners at the integration stage and KPI fulfillment control at the later stages;
- Multi-window discussions with the same partners in some cases have led to a loss of credibility and significantly worsened conditions for FreeTON;
- Potential partners have no clear point of contact where they can obtain all the necessary information.

Thus we propose:

1. To engage a significant amount of community members who can initiate, close, and follow through on meaningful partnerships that bring value;
2. That the Alliance set up processes that will allow us to filter incoming leads and assign responsible community members to help partners to join the FreeTON family;
3. That the Alliance perform regular retrospective analyses on partner contributions;
4. To maintain a shared list of all potential partners, grouped by industry and reviewed by reputable persons from this industry;
5. To introduce a motivation system for the best-performing community members in business development.

Bootstrap liquidity

The main barrier for young DeFi projects is a lack of trust and, consequently, liquidity. No one wants to be the first, and we understand this issue very well.

The Alliance will allocate a dedicated fund of 50M TON to help new DeFi products that appear on FreeTON. It includes professional consulting and opening positions in those products that will manage to pass the onboarding process.

Crystal Hands

The vast market demand in blockchain/crypto tends to spoil large liquidity providers and makes it their market. We developed a long-term “Crystal Hands” program with unprecedented benefits to compete with the other top blockchain protocols.

To ensure the demand/supply balance, program participants will receive all payments through the Rust Cup DePools vesting mechanics, providing a decent APY rate nevertheless.

The motivation program that would support such a massive inflow of liquidity will require an additional pool of 280M TONs to operate successfully.

Developer/entrepreneur attraction and motivation

The current contests-only system has produced some strong results with a solid DeFi, NFT, and developer experience infrastructure. However, it has not been able to fulfill all the development needs of the ecosystem.

If we take a look at how other networks attract developers, they typically use grant systems. We think we should experiment with grant-like (tailored to Free TON ideology) solutions for professional teams scaling their businesses on top of the infrastructure created within the FreeTON contests framework.

Competing with top networks out there will require us to attract many more professional developer teams than we have today.

To be clear, we recommend keeping the current contest system for developing ecosystem infrastructure under an open-source license and targeted funding for those teams who have successfully implemented this infrastructure in their projects and brought significant value to the network.

The Foundation

After thorough research of competitive blockchain projects, we have realized the necessity of a dedicated public, not-for-profit structure to serve as the front desk for the outer world. Please familiarize yourself with the Foundation – a group of FreeTON enthusiasts powered by popular influencers, experts, leading market institutions, and network facilitators.

Unlike the DeFi Alliance, aimed at filling FreeTON with liquidity, the Foundation will take care of:

- Consolidation and clustering of the information about the project, especially for developers, at the main project website;
- Maintenance of the branding materials;
- Technological and information support of network partners;
- Press relations and marketing;
- Governmental relations;
- Organization of and representations of FreeTON at events and hackathons;
- Educational materials, courses, and mentoring;
- Generic promotion of FreeTON values and ideas.

The Foundation from the very beginning will be structured as a DAO. Although it is a non-commercial institution, it will require some funding to function. With our current vision of its primary objectives, we recommend allocating 50M TON for this activity.

The first Foundation will consist of the FreeTON Governance members and will expand with new ones joining in the future.

Integration and technical support

FreeTON is not a simple blockchain to integrate. Even with a whole set of tools developed by TON Labs, Broxus, and other community members, newcomers still need support and advice on where to start and access the best practices.

Although FreeTON has demonstrated sufficient progress in documenting crucial parts of the system, there's still much to do. Unfortunately, we see no other choice than to still provide human support to new projects coming to the ecosystem.

To grow the credibility of developer teams towards FreeTON and reduce the entry barrier for them, we propose creating a working group under the Foundation that prepares, consolidates, translates, and updates the documentation on the key systems and tools used in the FreeTON ecosystem.

Better communication

Community efforts in communication with the press have been quite controversial. The Alliance has made its own efforts to make messages from FreeTON more consistent.

We believe that establishing a clear channel for the press to get official comments on the Foundation activity will help establish FreeTON communication consistency moving forward.

These communication volunteers shall collect news and updates across FreeTON and will ask for different SG and community members' (CMs) comments.

Thus, we propose to allocate a sufficient budget for data collection, rewriting, copywriting, preparing and distributing press releases, organizing our own press briefings, and representing FreeTON at external events under the guidance of the Foundation.

Initial members unvested tokens DAO

The community decided to suspend vesting for FreeTON initial members. We consider that those unvested tokens should bring some rewards from staking. We propose launching a DAO that will select community DePools and stake TONs on behalf of all initial and new members.

Next steps

To commence the changes above, we propose to:

1. As part of the Growth phase, prepare and launch Stage 2 of the DeFi Alliance Partnership and allocate an additional 250M TON for this. 80M should be paid upfront, and the remaining 170M TON will be vested over two years monthly in equal parts;

2. Prepare and launch the Crystal Hands special project and allocate 280M TON for attracting private investors and liquidity into the ecosystem. The allocation shall be transferred upfront to the Foundation multisig;
3. Prepare and launch the Foundation and allocate 50M TON for its purposes. The allocation shall be transferred upfront to the Foundation multisig;
4. Burn 3B TON from the referral giver;
5. Select a new brand name and begin the rebranding process ASAP.

Commitments

With such a substantial request, we as the Alliance would also like to take some commitments:

- FreeTON enters TOP 100 projects by valuation. We will do our best to stimulate organic growth of the valuation of the project and join the higher league;
- 50M TON for DeFi projects. As mentioned above, the Alliance will help young projects to grow and become more visible by providing bootstrap liquidity;
- \$100M+ TVL in DeFi ecosystem. We are targeting this important psychological threshold to be well perceived by potential strategic partners;
- 20+ new significant projects till the end of 2022. We have the ambition to create one of the most advanced DeFi ecosystems in the market and, to do this, will attract existing projects to FreeTON and grow the domestic ones.

Wallet addresses

- FreeTON DeFi Alliance:
0:0ce9c438306043e62d5fe882a22bbb4057c92425e7300b578b5b1ed3a233e7f4
- FreeTON Foundation:
0:fee1a3bd261619f036d83aafd8b34f47d794bbb58185379877291003f3a3526d

Annex 1. FreeTON DeFi Ecosystem Achievements

In this Annex, you will find the core contributions of different Alliance teams.

Development

Console utilities

Alliance developers have introduced convenient console utilities that help in secure funds management, like [ton-msig](#) or [ton-distribution](#).

End-user products

TON Crystal Wallet

With the start of the network, the community required a simple yet efficient wallet to operate with TON Crystals. In order to meet this need, we ported the original Gram Wallet developed by the Telegram team to support FreeTON on three desktop platforms: Windows, macOS, and Linux.

Later on, we added the support of easy staking/withdrawal from depools and TIP-3 tokens to support TON Bridge operations.

However, although solid from a UI perspective, this wallet was tough to maintain due to the peculiarities of its source code organization. That's why we decided to entirely revamp the wallet core and release a new version, based on the Chrome platform.

Since then, many features have been added to the wallet, including the convenient representation of FreeTON accounts architecture, multi-seeds, multi-keys, multi-contracts and multi-accounts, built-in web3-like transport to let web dApps interact with FreeTON without friction, increased security, etc.

In our plans, we want to release TON Crystal Wallet on other mobile and desktop platforms and fine-tune its UX/UI even further.

[Get TON Crystal Wallet](#)

[Source code](#)

TON Bridge

If the native blockchain currency is its blood, then the external liquidity coming into it is the oxygen needed for a young project to grow. With the most liquidity concentrated in Ethereum and other EVM networks, the most obvious way to attract it is to let it flow without friction from those chains to FreeTON and back.

This is exactly what TON Bridge does.

An award-winning masterpiece of blockchain technology, with over 200k code lines, it is now one of the most advanced bridges in the industry. The first development iteration brought slightly under \$30M to the FreeTON ecosystem without a functioning DAO.

With a new version currently in the works, the bridge will become a fully decentralized system containing a DAO, staking, relayers and liquidity management modules that will connect to multiple EVM networks at once. It will unlock the next growth level for the whole FreeTON network, with a potential \$1B of liquidity inflow over the next year.

The Bridge has been fully audited by reputable companies and will be published in open-source.

[TON Bridge website](#)

Wrapped TON

For convenience and uniformity of operations, we have introduced a Wrapped TON or WTON TIP-3 token. This facilitates seamless exchange and bridge operations, in a manner similar to what WETH and WBTC do for the Ethereum network.

One can comfortably wrap/unwrap TON Crystals at wton.io using their TON Crystal Wallet extension.

[Source code](#)

TON Scan

Award-winning blockchain explorer TON Scan lets users easily track their transactions, dig into FreeTON blocks and messages, and monitor validators' performance. Moreover, it is the only tracker able to monitor TIP-3 token transactions.

[TON Scan website](#)

[Source code](#)

TON Swap

TON Swap is an AMM-based decentralized exchange that combines the best practices of Ethereum DEXes with the unique opportunities presented by FreeTON. With TON Swap, you can easily exchange TIP-3 tokens, stake liquidity in pools, participate in farming programs and even build your own token.

TON Swap TVL has exceeded \$27M, which would put it in 65-th place in the DeFiPulse ratings, right after the Gnosis, if the former was listed there.

[TON Swap website](#)

Surf

TON Surf or Surf is a TON blockchain interface, which main functions include a non-custodial wallet, secure chat, and debot browsing. Surf does not require registration and does not collect any data from users.

TON Surf is available as a web interface and a mobile application for iOS and Android.

[TON Surf website](#)

Flex

Flex is a Free TON decentralized and distributed limit order book (DLOB) with AMM and Liquidity Pools, which takes a most common centralized exchange model: central limit order book (CLOB) and implements it on-chain via a distributed smart contract model.

[Flex website](#)

TrueNFT

TrueNFT is the implementation of on-chain NFT technology on the Free TON blockchain.

This technology was developed to:

- Make sure the entirety of the NFT data is stored on the blockchain, without relying on any third-party protocols
- Simplify and standardize queries for finding collections and user's NFT tokens
- Enable users to interact with their tokens in decentralized browsers and dApps knowing only their own address, and to transfer them knowing just the recipient's address.

[Website](#)

[Source code](#)

GrandBazar

GrandBazar is an NFT marketplace where users can exchange and create NFT tokens without interacting with the website.

The platform works as a non-custodial service, meaning that users store NFTs in some custom TTWs to which the platform does not have access. The buying and selling of NFT are done through the platform's smart contracts.

[GrandBazar website](#)

B2B products

TON API

As we said before, it is not easy to integrate FreeTON. Although multiple SDKs allow interaction with FreeTON, even a simple operation of sending a transaction from a wallet becomes complex in terms of development.

To speed up FreeTON market penetration, including listings on different wallets and exchanges, we have developed an industrial TON API. This simple and lightweight product lets you operate your TON accounts seamlessly with any multi-signature scheme of your choice.

In the recently released fourth version of TON API, we have built-in a lite node that allows interaction with FreeTON without relying on a GraphQL or ADNL connection to external nodes.

Last but not least, TON API is now available in open-source, and anyone can install it on their server to ensure maximum security and reliability.

[Documentation](#)

[Source code](#)

Nova

Broxus Nova is an additional abstraction layer that allows business customers to operate with different kinds of cryptocurrencies, including Bitcoin, Ether, ERC20 tokens, and TON Crystals.

With the introduction of TIP-3 tokens to TON API, now Nova users may enjoy operations with selected TIP-3 tokens. This will increase FreeTON accessibility for numerous wallets and other systems built on top of Broxus Nova.

[Documentation](#)

Development and infrastructure utilities

TIP-3/Broxus

After Mitja's initial TIP-3 token standard proposal, it became apparent changes were necessary. Following a thorough review, we have put together a standard upgrade named TIP-3/Broxus that is currently used by all Broxus DeFi products, and has become the de facto network standard.

This upgraded standard contains significant improvements in terms of gas management, connectivity, deployment checks, etc.

[Source code](#)

Nekoton

This fast, reliable, and robust wallet library written in Rust has many features for building decentralized wallet systems. In particular, Nekoton serves as the underlying core for TON Crystal Wallet, making it so stable and reliable.

[Source code](#)

Locklift

Locklift is a development environment aiming to help you with FreeTON contracts development. With Locklift, you get:

- Network management for working with any networks (main, test, local, ...)
- Automated contract testing with Mocha
- Handy wrapper around FreeTON smart contracts
- Custom givers support
- Keys management
- External script runner that executes scripts within the specified environment

With Locklift, your smart contracts development process will evolve to the next level.

[Source code](#)

TON Indexer

TON Indexer is a lite-node SDK that developers can use to build solutions that independently interact with FreeTON. In particular, TON Indexer is used in TON API and TON Pool to ensure their stable working.

[Source code](#)

Liquidity

Most of TON Swap's liquidity has been attracted through our network of contacts. We will continue our daily funds consulting and market-making duties to stabilize the TON Crystal rate and avoid huge fluctuations.

Our current focus is to attract Tier-1 VCs and the world's top liquidity providers to subsequent phases of our liquidity farming programs.

Listings

The DeFi Alliance has facilitated the launch of trading and market making on major exchanges that cover over 95% of daily trades, according to Coingecko and CMC. Currently, we coordinate listing on a Tier-1 licensed European trading platform.

Partnerships

The Alliance has managed to establish partnerships with FRAX and Stasis (EURS) and initiated early discussions of potential cooperation with Curve Finance, Tornado Cash, and Balancer Finance senior executives

It has also managed to forge a partnership with Cointelegraph, which has reached produced some fascinating results:

- About 150 FreeTON publications that have been translated eight languages (including Chinese, Korean, Turkish, etc.);
- The preparation of the Cointelegraph Consulting Report to support a new phase of FreeTON development. CT will distribute it across the professional market players;
- The launch of a series of special projects to draw attention to the network.

Besides CT, we have also created partnerships with Changelly, Lumi Wallet, and Freewallet - one of the industry's most significant wallets with a multi-million user audience.

PR & Events

With the help of the Alliance, FreeTON has partnered with SiGMA Conferences for the best possible representation at AIBC Dubai. This Autumn, FreeTON representatives will also be working at AIBC Malta.

Also, thanks to its efforts and financing, FreeTON will be presented at Dubai Blockchain Week (WOW Summit and AIM conference).

Last but not least, we have co-organized and financed the Top TON Startup competition, an event to bring new developers to the FreeTON ecosystem.