

BTDEX FAQ

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1. What is TRT?

Trade Token (TRT) is a new token with a unique distribution mechanism: trade rewards.

For every finished BTDEX cross-chain or fiat trade, offer makers are rewarded with TRT in an amount numerically equal to the taker fee (0.25 %). Every TRT holder is entitled to BURST trading fees monthly, coming from the 0.25 % fees paid in BURST by offer takers.

2. Would it be possible that TRT price 'rocket higher' than BURST price? If so, there would be enough supply or liquidity for exchange?

Market will define price, after the initial distribution there should be enough circulating tokens to have a fair liquidity. We can also pursue having the token listed at other exchanges if possible.

3. (When) can I buy/sell TRT?

There are no restrictions about buying and selling TRT. This token can be bought/sold directly from the BTDEX application.

4. What collusion between mediators and traders can happen?

About "bad mediators", first mediators can never get any funds from the smart contract to their accounts. But the idea is they need to have a substantial amount of TRT that can be confiscated by vote in a DAO smart contract. Voters would be the other mediators.

However, at short term only project contributors will be eligible as mediators (but still have to have 1 million TRT on their accounts otherwise the client software will refuse that mediator)

5. What is DAO or a DAO smart contract?

DAO is the acronym for Decentralized Autonomous Organization. As part of the BTDEX long term plan, a DAO smart contract will be created to regulate mediators' activity.

Mediators will need to deposit their TRT to this contract so it can be confiscated by vote (by other mediators also part of this contract) in case of bad behavior.

6. At some point, will not be someone ready to lose his 1M TRT to make a bad decision? In this case is the whole system at risk?

Every offer is an independent smart contract. When a new offer (smart contract) is created, two mediators are assigned. Valid mediators are actually Burst addresses which hold 1M TRT. A mediator can only interact with the smart contract if the seller or buyer open a dispute (by pushing a button in the BTDEX user interface) and he never can send funds to himself. So a mediator can only influence a smart contract in which he is assigned (after ITD, there can be a maximum of 97 mediators) and they can't influence the whole system, because the whole system is decentralized.

7. When is the beta public testnet planned? Any general timelines?

As soon as we move from "draft" to the final paper we can set the time frames. We already have private tests on testnet working. We would like to have a public version on testnet soon.

8. If I want to buy Burst for fiat, I need Burst for security deposit? What amount should be of security deposit?

For now security deposits can vary from 0.1% up to 20%. The 0.1% will probably be used for small amounts, targeting those not having any BURST yet. After the CIP20 is activated, you would need less than 1 Burst to take a small 0.1% offer, this way a faucet could provide the required amount and anyone could have the very first Burst coins.

9. How the security deposit protects users?

From the seller's point of view: if a buyer take an offer, funds are locked on the smart contract so if the buyer refuses to pay (say deposit the USD, EUR, etc.) then the seller will be rewarded with the buyer security deposit.

From the buyer's point of view: say the buyer transferred the FIAT money but seller refuses to signal the amount was received. After dispute the buyer will be rewarded with the seller security deposit.

So both sides are motivated to keep the protocol, otherwise they lose their security deposits.

10. How much time does seller have to confirm/(or not) payment after buyer said he sent? Is it configurable?

That would depend on the currency being exchanged. For other cryptos (say BTC) this can be less than 24h. For conventional fiat currencies it has to be more than that. We have not yet defined exactly these deadlines.

11. Let's say a buyer clicked I want buy, how much time he has to transfer? Is there any automatic cancellation?

There is no cancellation in the sense of a chargeback. If a buyer wants to cancel, he could open a dispute and offer the seller, in good will, a fraction of his security deposit. The seller can take it or not, claiming his full security deposit. A mediator would assist this process, but one could occasionally lose the security deposit in the event of a "cancellation".

12. Can I open a dispute on a mediator?

When the DAO is ready, yes there will be disputes on mediator behaviour. For starters we will have very few mediators, and they will do their best to resolve any issue (using off-chain communication if needed).

13. Is BTDEX planned be a separated software? How it will communicate with smart contract?

Through messages?

BTDEX is actually a fully functional Burst wallet. And yes, technically it communicates with smart contracts by sending messages (and BURST amounts). In practice, all this is managed by this BTDEX client/wallet, so you just need to follow the dialog and configure the order (rate, security deposit, etc). This new wallet/client will be open source soon (before launching of course).

14. Where you will store information about mediators?

Before the DAO (which will hold the list of mediators) they will be hard-coded on the BTDEX client (in reality a list Burst addresses). However, the client will always check if those addresses actually have the corresponding required TRT. So they can be "delisted" automatically if they don't have that amount.