MADTOKEN

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1 ABSTRACT

Make A Difference Token is the first charity movement backed by a cryptocurrency that is bringing about the revolution in charitable giving. We are a community of people that believes in the power of cryptocurrency to create a positive global impact. To do so, we are developing a singular ecosystem that allows for cryptocurrency donations and fundraising to occur within a legally- and tax-compliant platform.

In addition, we are hosting events around the world to unite like-minded people driven to enact positive change. Our native token, $MAD, will integrate into the global Not-for-Profit sector and become the charity sector's crypto of choice. With USD 6 trillion held by the US NFP sector alone and over USD 450 billion being donated in the US every year, our token has fantastic potential for growth.

Together we can Make A Difference.

2 INTRODUCTION

MAD Token is a charity movement backed by a crypto-asset. We are developing a crypto-charity ecosystem that utilises the revolutionary technology associated with the rise of cryptocurrencies. We believe that crypto will change the way that people give and receive donations, fostering a generation of philanthropists that are eager to Make A Difference in the world.

Our ecosystem comprises three parts: our Donations Platform, our Token and our Community.

Our donations platform is the first of its kind for both the crypto and charity spaces. It puts the power of giving in your hands, allowing you to gain the benefits of donating crypto, including tax deductions and the ability to support your chosen projects. Donating through crypto also allows donors to track when and how their donation is utilized. There will be two ways that people can donate through our platform. The first is directly with our charity partners who will have the added ability of being able to run campaigns that will be promoted by MAD. Secondly, we will enable individuals to create their own profiles on our platform so that they can fundraise on their chosen charity's behalf. This puts the power of fundraising in your hands and allows you to become an everyday but extraordinary hero.

Our token is the lifeblood of everything we do. The MAD team will continue to donate $MAD to our partnered charities as well as supporting our business mission through events, marketing and campaigns.

Further, all donations through our platform will be converted into MAD which facilitates the management and accounting of our partners' crypto holdings. As we continue to expand, we expect that this position will make MAD Token the reserve cryptocurrency of all our partnered charities.

But it's not just about the money. Our community, made up of our charity partners, holders and beneficiaries, are the reason we do what we do. We support our holders through our tokenomic reflections and with the steadily increasing adoption of MAD, our market capitalisation will continue to rise. As a movement, we will be sponsoring our own initiatives to Make A Difference. From charity events to random acts of kindness, we set for ourselves the challenge of integrating our concept into the community to magnify our impact. Hand in hand with our charity partners, our MAD events are bringing members of the global community together under the banner of enacting positive change in the lives of our neighbors and the world at large.

3 THE CHARITY SECTOR AND CRYPTOCURRENCY

The charity sector remains the primary vehicle through which people enact positive change in the world. In order to bring about this change, people constantly donate to their chosen charities to support causes that they hold dear and which they believe will Make A Difference. This has left the charity sector with vast assets at their disposal. Current assets held by the charitable foundations in the United States are roughly USD 6 trillion and in 2020 Americans donated roughly USD 471 billion to charitable causes. However, even with this huge supply in charitable giving, the demand for action remains.

As the charitable sector continues to grow, so have the expectations of its donors continued to evolve. In recent years the charity sector has had several issues of legitimacy, effectiveness and efficiency with criticism ranging from concerns over where and how charities spend their money, high administration costs and employee pay. Donors understand that charities have running costs but they want to know that when they donate to a cause that their money is going to that cause. These issues continue to afflict the charity industry and no solution has been forthcoming that adequately addresses donor and societal concerns.

The booming world of cryptocurrency is becoming more and more ingrained into the operation of society. It has gained broad acceptance in financial markets and blockchain technology is beginning to have a greater impact in other sectors. One area into which it has yet to make any serious inroads has been the charity sector. Yet the charity sector is a space where the transparency and accountability afforded by cryptocurrencies can have their greatest impact.

So what benefits can MAD bring to the charity sector?

Firstly, MAD will increase the transparency of charities' activities. As the blockchain is open source people are able to see wallet holdings and when and to where those holdings are transferred. As such, donors will be able to see what charities are doing with their funds.

Secondly and in line with the first, MAD will make for greater accountability of how charities spend their money. Donors will be able to see the charities activities and decide whether they wish to donate to such a charity.

Third, MAD will lower administrative costs by making it easier for charities to manage their money and transfer their funds around the world. Cryptocurrencies can be accessed from anywhere with a connected computer and can be transferred across borders without high transfer fees or conversion rates.

Finally and perhaps most importantly, MAD will provide charities with an additional source of revenue. As mentioned, cryptocurrencies have generated vast amounts of wealth and the beneficiaries of such gains will be looking to support their chosen charities. MAD allows them to do so in the most cost effective way possible. This will be considered more in Section 5.

4 THE MARKET/ OUR COMPETITION

At present, the cryptocurrency and charity sectors remain largely separated. There are several problems that charities face that largely involve the uncertainty of how to receive crypto donations and how to manage them. Present solutions for the charity sector include cryptocurrencies being instantly sold when donated to a charity, charities receiving numerous cryptocurrencies as donations, and individuals selling their own cryptocurrencies and then donating the proceeds.

These current solutions are incomplete and deny the proper incorporation of the benefits of cryptocurrencies into the charity sector. If a charity receives cash, this denies the manifold benefits mentioned above that cryptocurrencies enable. If a charity receives donations in multiple currencies, numerous wallets have to be set up meaning accountability is harder to maintain and admin costs are increased. Lastly, individuals that sell their cryptocurrencies and then donate the proceeds suffer tax consequences of selling their assets before donating.

There are several competitors in the market that are currently providing similar but incomplete services. Binance has developed the Binance Charity Foundation that accepts Binance Coin (BNB) donations that go towards specific causes listed on their website. This is lacking because individuals are limited in what they can donate, being only BNB, and limited in what they can donate to, being only those causes listed on the Binance website.

Another competitor is The Giving Block that has partnered with charities and allows people to donate in numerous cryptocurrencies to those charities. There are numerous issues with TGB. For those charities that receive their donations as cryptocurrency donations, they need to hold multiple wallets that allow for the different cryptos to be donated, causing accounting issues and technical complexities. Alternatively for those charities that accept their donations in cash due to an immediate sale of the cryptocurrency when it is donated, they lose all the benefits of using cryptocurrencies.

Third, the functionality of the donations platform is poor and incomplete. People need to copy and paste charities' wallet addresses and then go to their wallets and complete the transaction. The receipts are incomplete as they simply give a token value and not a fiat value that can be used for tax deductions. The information provided to the donor when donating is insufficient as it does not tell people about donating to charities within their tax jurisdictions.

There are also several charity tokens out there in the market. These tokens lack utility and maintain a centralised control of when donations occur and to whom they are sent. These tokens deny their holders the power to choose where their donations go and the benefits of receiving tax deductions for their donations.

MAD solves all the above problems, and as MAD grows and develops, it will become the donation platform of choice for all crypto donations.