



Blockchain Presence

Dividend Distribution via Smart Contract

June 2022

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Member of the Steering Committee of the UZH
Blockchain Center





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1. Background and motivation
2. Dividend distribution process
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Background

Blockchain Presence AG is a Zurich based blockchain technology firm founded in December 2020 with the goal to develop and run a reliable, convenient, and cost-efficient smart contract oracle platform.

UZH has been ranked 4th globally in blockchain in 2021

(1st in Europe)



<https://www.coindesk.com/learn/2021/10/04/the-top-universities-for-blockchain-by-coindesk-2021/>

Core Team



Christian Everhart

Co-Founder and Chief Operating Officer
Professor of Information and Contract Economics (University of Zurich)
Member of the Steering Committee of the UZH Blockchain Center



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Co-Founder and Chief Operating Officer
BA Economics (University of Zurich), cand. MA Business & Management (University of St. Gallen)



Hülya Hüslér

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BA Information Systems (University of Zurich)



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BA Banking & Finance (University of Zurich), MA Data Science (University of Zurich)



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Florian Riegersegger

Co-Founder, Chief Technology Officer and Lead Developer
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Christian Terrier

Team Leader Strategy, Member of the Board
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Blockchain Presence AG won the 3rd place at the 2021 Austrian Blockchain Award



https://www.linkedin.com/posts/blockchain-presence_bcp-wins-3rd-place-at-the-austrian-blockchain-activity



Motivation





Outline

“A motivated and hard-working team of UZH students, that were able to adapt to changing conditions quickly, was the prerequisite for the success of this project.”

Florian Rügsegger (CTO)

Decision to
distribute
dividends via
smart contract

Summer 2021

Preparation

Late '21 – Early '22

General
assembly

April 6, 2022

Further
preparations

April 2022

Distribution
process

April-May 2022

“It was a challenging and nerve-racking project, but the outcome was satisfactory and the efforts have paid off.”

Qin Liang (Developer)

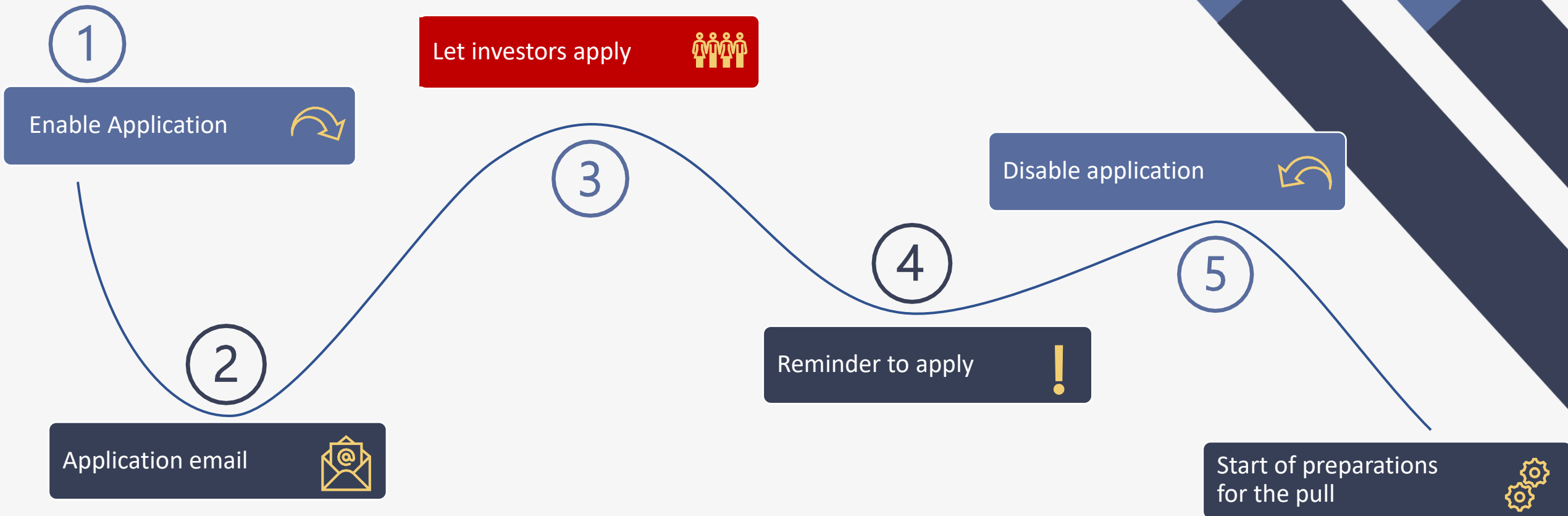
“It was truly rewarding to see the project succeed and the hard work and dedication we had put into it finally pay off.”

Qian Liang (Developer)



Dividend application

The application period lasted from April 9 to April 25, 2022





Dividend pull

The pull period lasted from April 29 to May 15, 2022

Enable pull period



Let investors pull



Disable pull period



Reminder to pull



Issue dividend certificate



Pull email





Shareholder webpage

Application

Blockchain Presence

The window for the dividend application is now open.

Apply for dividends:

Dividend rights:

Investor key:

Apply for dividend

Blockchain Presence AG
info@blockchainpresence.net

Startup University of Zurich

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Pull

Blockchain Presence

The window for the dividend payment is now open.
You can click on the button below to get your dividends.

Pull dividend:

Pull dividend

Blockchain Presence AG
info@blockchainpresence.net

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Generate BCP & investor keys

The dividend distribution process was secured by two keys

BCP key



- Valid for one dividend year
- Generated and stored **offline** (e.g., on a laptop disconnected from the internet)
- Kept secret until the dividend pull period starts¹⁾
- Thereafter, the key is published and used to validate dividend pulls

Investor key



- One key for each investor
- Generated **offline**
- Communicated to investors via email²⁾
- Used by the investor to apply for the dividend

1) The BCP key is initially a **private key**, i.e., must be hidden until the dividend application has been disabled.

2) The investor key is always a **public key**, i.e., useless for third parties that have no access to the investor's Polygon account.



Final comments

Blog article on Medium

Blockchain Presence
May 4 · 7 min read · Listen

Converting MATIC into fiat currency

A concise conversion guide to the best exchanges available when trading MATIC.

Selling cryptocurrencies on MetaMask requires an intermediary. This article provides an overview of the most widely used cryptocurrency exchanges for the conversion of Polygon MATIC to Euros, Swiss Francs, or US Dollars. Regardless of which exchange platform you use, make sure that you complete the KYC verification process for crypto trading and money withdrawal.



Several steps are necessary to turn Polygon MATIC into Euros, Dollars, or Swiss francs (image licensed from Adobe Stock / 480363114).

<https://medium.com/the-blockchain-presence-blog/converting-matics-into-fiat-currency-8f433b7101ca>

Next steps

Different ways of converting MATIC into fiat currency

Pros and cons of methods

For our investors and everyone interested

Research on dividends in crypto

Research on NEXO Capital Inc.

Nexo Capital Inc. – Their type of tokens and the conducted dividend payments

Within my research about tokenized Swiss firms and their tokens I encountered NEXO Capital Inc. This firm offers a token on their website and has paid out dividends beginning in 2018. The aim of this short memo will be to focus on the type of token NEXO is offering as well as the actual procedure of their dividend payments in order to ascertain if they have preceded us on our dividend-milestone.

1. Short firm description

NEXO Capital Inc. is a digital asset institution well-known under institutional investors that generates operating revenues from interest on their lending facilities named «Instant Crypto Credit Lines». They are currently trying to aggressively expand their service range while developing their strategy with expenses related inter alia to marketing and administration. Since NEXO is a legal entity (Corporation, CIK 1732097) situated in the Cayman Islands they are paying corporate taxes and distributing earnings. NEXO's policy is to disclose only few financial information as their last found interim report is dated December 15, 2018 where they achieved net earnings in the amount of 3'040'239 USD.

2. NEXO Token

NEXO supplied the market in 2018 with 1'000'000'000 tokens from which 560'000'011 are currently circulating. Their market cap updated as of April 14, 2022 is 1'348'716'304 USD. The NEXO Token is listed on the self-conducted NEXO Exchange platform but also on 15+ third party exchange platforms facilitating the trading. Apart from the main opportunities that could result from an upside-potential, the NEXO Tokens are a fundamental part of the loyalty program that consist in various benefits such as discounts on the borrowing-rate, exchange cashbacks or higher investment yields. Depending on how many tokens an investor owns as a percentage of his whole portfolio balance he will be assigned to one of four benefit tiers.



Diagram 1: Allocation of the total Token supply

Other cases

Intransparent governance (e.g., no general assembly)

No proper dividend (e.g., distribution of tokens)

No risk mitigation (e.g., direct transfers)