Bonfida White Paper Update

Bonfida Research Foundation

1 Introduction

The Solana Name Service (SNS) represents a significant leap in the blockchain domain, specifically designed to harness the unique low-latency and cost-effective features of the Solana blockchain. This strategic alignment with Solana's capabilities enables SNS to undertake functionalities and initiatives that are uniquely possible on this platform. Instead of merely emulating existing naming systems, SNS introduces an advanced, user-friendly platform that fully encompasses domain name services. From domain registration and management to record handling and trading, SNS offers a comprehensive suite of web3 name service components. Furthermore, our innovative use of the Wormhole bridge facilitates domain name interoperability across various chains, aiming to provide users with a cohesive, global blockchain identity.

1.1 The served branches of SNS

The SNS is not just a standalone service; it is a convergence of several technological branches that aim to provide a seamless web3 experience. Each branch is integral to the SNS's overarching mission to redefine web3 naming systems.

- **Trading:** The trading aspect of SNS isn't static; we constantly strive for innovation. Our goal is to enhance the domain name trading experience. This is achieved by developing an intuitive user interface (UI) that simplifies trading for users. Additionally, our unique smart contract features are designed to streamline transactions and offer a superior trading platform. The aim is to emphasize the value of domains, ensure liquidity, and drive market movement through a community-centric approach.

- **On-chain Efficiency:** By leveraging the Wormhole bridge, SNS can pass information between multiple chains. This cross-chain approach ensures interoperability and broadens the horizon for domain name utility. Even with this expanded reach, Solana remains the source of truth, ensuring that data integrity and authenticity are maintained across all connected chains. By fostering partnerships, we continue our endeavor to humanize blockchains and mature the utility of SNS through prominent integrations.

- **Identity Layer:** Beyond just naming, the SNS aims to redefine web3 identity. This involves comprehensive record management, profiling capabilities, and the ability to bridge web2 reputations seamlessly across multiple blockchains. It's not just about a domain name; it's about establishing a recognizable and trustworthy digital presence in the web3 space that is blockchain agnostic.

Bonfida exemplifies the innovation at the heart of the SNS mission, serving as a central hub that orchestrates vital operations, branches, and integrations within the SNS ecosystem.

2   Features & Benefits of FIDA

FIDA represents a range of features and advantages within the Bonfida ecosystem.

- **Privileged Fee Structures:** As a nod to our dedicated FIDA token holders, Bonfida's platform offers them exclusive access to reduced fee tiers during domain name trades. Regularly updated to align with market dynamics, these tiers ensure consistent and tangible benefits for FIDA holders.

- **Exclusive Registration Discounts:** Holding FIDA isn't just about trading. Owners also enjoy an exclusive 5% discount when registering domain names, making it even more rewarding to be part of our community.

- **Token Burn:** The protocol ensures FIDA's sustainability and value growth. All FIDA acquired by the protocol undergoes burning, with stable coins used to buy and subsequently burn FIDA in on-chain markets.

- **Empowered Governance:** FIDA isn't just another token; it's the future of SNS governance. Joint initiatives with Solana aim to integrate Quadratic voting, ensuring a balanced, sustainable, and effective decision-making process. This means FIDA holders will soon have a say in the evolution of smart contracts and influence the direction of the SNS Improvement Protocol (SNS IP).

The features of FIDA highlight its multifaceted role within the evolving web3 space.

3   FIDA Token Distribution

To understand the role and value proposition of FIDA within the SNS ecosystem, let's examine its initial distribution as of December 2020:

- **Max Supply:** 1,000,000,000 (1 billion) FIDA tokens
- **Locked Seed Sales:** 9% (1-4 year locked period)
- **Liquidity:** 2% (immediately accessible)
- **IEO:** 0.6% (immediately accessible)
- **EcoSerum Allocation:** 10% directed towards SRM yield (8% with a 1-4 year locked)
- **Bonfida Contributors:** 10% reserved for bonuses, grants, etc. (1-4 year locked)
- **Ecosystem Development:** Remaining tokens managed by Bonfida and the FIDA Foundation to nurture the Bonfida ecosystem (1-4 year locked)

Ecosystem Development funds are managed carefully and intentionally to drive community growth. Examples include incentivization but are not limited to

- Improving volume and liquidity of domains
- Encouraging feedback and development
- Regular rewards to uplift the community
- Marketing campaign targeted at increasing SNS visibility

- **Unlocking Schedule:** No FIDA tokens will be accessible until the one-year anniversary of the purchase date. Post this period, the unlocking will be linear, starting from 0% on the first anniversary to 100% on the fourth anniversary in December 2024.

- **Total burned September 2023:** 7,410,973.7 FIDA

FIDA is listed on top-tier centralized exchanges such as Binance, Coinbase, Bybit, and Kraken, among others; additionally, for those seeking on-chain liquidity, FIDA can be accessed on platforms like Lifinity, Orca, and Raydium.

4   Conclusion

The Solana Name Service Protocol (SNS) transcends the traditional boundaries of blockchain-based naming systems, embodying a forward-thinking vision for a universally integrated blockchain identity. Capitalizing on the unique strengths of Solana's low-latency, cost-effective blockchain, and paired with Bonfida's groundbreaking platform, SNS is not just poised for growth—it aspires to redefine industry benchmarks. With the collective commitment of the broader community, innovators, and FIDA holders, SNS is positioned to revolutionize the web3 naming landscape.