SPACEPORT

Spaceport Docking Station (SDS) Litepaper / V1 / June 2022

Ozymandius/ m@4nts.com   Igor Stadnyk / i@inc4.net

The Spaceport Docking Station (SDS) refers to an innovative on-ramp and deployment platform into the NEAR Ecosystem. Since its inception in Q3 of 2020, NEAR has defined itself with a user-centric account model that holds the promise of onboarding the masses of 'normies' into the crypto verse. Spaceport operates as a middle-way custodian, offering newcomers to the NEAR Ecosystem the best of both worlds: 1) Custody and security in trading, staking, and interacting with NEAR dApps, alongside 2) The unique capacity to 'undock' or 'redock' their assets into an account that only they control.

The document below outlines the business case for the Spaceport Docking Station (SDS). This begins in Section 1, with a high-level overview of the strengths and weaknesses of the NEAR Ecosystem in the current Universe of Chains landscape. Section 2 then explains the unique design of Spaceport as both a custodian and on-ramp / off-ramp for future users of the NEAR Ecosystem. Section 3, discusses the long-term implications of this design and outlines the primary business model of Spaceport. To conclude, the paper suggests that not only is Spaceport positioned as the 'FTX' of the NEAR Ecosystem, but it also provides a gateway for users into the crypto-verse in a manner that preserves their financial independence, ownership, and data (i.e. core 'crypto' values).
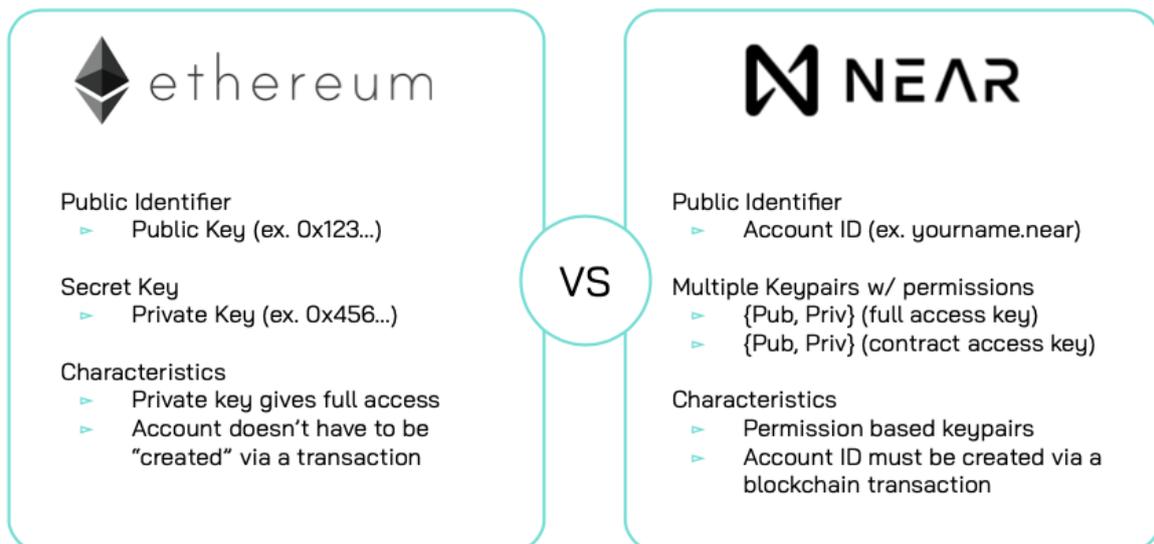
Section 1. The NEAR Ecosystem in the Universe of Chains: Challenges and Opportunities

The holy grail of crypto for many L1 Ecosystems is to onboard the first 1 billion users into the internet of value. Originally this referred to active users purchasing or selling ecosystem tokens (ERC-20, NEP-141, etc), but has since grown to involve participation in NFT marketplaces, governance projects (DAOs + OOs), as well as Play-to-Earn Games (P2E Gaming). Notably, while the many different L1 Ecosystems continue to develop, many questions remain specifically pertaining to Access (for Users) and Exposure (for Ecosystem projects). In short, how are non-crypto native users going to ever use the products in an ecosystem if such products presuppose technical crypto knowledge? And, conversely, to what extent are ecosystem projects dependent on active users, in order to survive? This challenge is common to all crypto projects, and remains a problem that has not been solved in a satisfactory manner.

For NEAR in particular, a paradox of sorts has emerged as a result of this two-fold challenge: The NEAR Ecosystem and the many NEP-141 tokens remain relatively inaccessible to most non-crypto native users, while NEAR nevertheless possesses one of the most user-friendly design structures. Can this paradox be resolved? Below, we outline the user benefits of the account structure of NEAR, before delving into the main issues pertaining to access and exposure within the ecosystem.

The NEAR Blockchain launched in September of 2020. In the crowded L1 Landscape, NEAR defined itself as an asynchronous sharded (nightshade) blockchain designed to scale, with an equally strong focus on user-experience. Specifically, the NEAR Account Model is pivotal in understanding the user-centric design of NEAR: Unlike other L1 Ecosystems, NEAR bakes named ID's (spaceport.near) into the address of each user. Users can only send value to other registered addresses, and transaction fees cannot be overpaid (with the difference being automatically returned to users). Progressive security for NEAR Accounts means that NEAR Accounts can be backed up with email addresses, phone numbers, as well as 2-Factor Authentication. Most importantly, the NEAR Account model allows for users to buy and sell NEAR Accounts, through the generation and burning of private Access Keys. This means that access to a NEAR Account can be added or removed, without requiring a user or entity to share their existing private keys.

ethereum

Public Identifier
- Public Key (ex. 0x123...)

Secret Key
- Private Key (ex. 0x456...)

Characteristics
- Private key gives full access
- Account doesn't have to be "created" via a transaction

VS

NEAR

Public Identifier
- Account ID (ex. yourname.near)

Multiple Keypairs w/ permissions
- {Pub, Priv} (full access key)
- {Pub, Priv} (contract access key)

Characteristics
- Permission based keypairs
- Account ID must be created via a blockchain transaction

While the aforementioned technical designs of the NEAR Account Model are well known within the NEAR Ecosystem, they have not been adequately explored in relation to improving ecosystem access to non-crypto natives or interested institutions. In this sense 'exposure' to the NEAR Ecosystem is severely limited.

To be concise: The NEAR Ecosystem is still extremely underdeveloped as it pertains to 1) institutional access to ecosystem projects and services, 2) custodying of NEAR Assets (NEP-141 tokens), 3) Market and product access to non-crypto native users, and 4) liquidity for NEAR Ecosystem native tokens. As it stands, it is difficult for institutional investors to purchase and custody NEAR NEP-141 tokens, it is difficult for users to connect via fiat gateway into the NEAR Ecosystem to purchase or stake NEAR or other NEP-141 tokens, and it is difficult for ecosystem projects to get better financial exposure to the value they create (in the form of financial products, liquidity of tokens, and institutional exposure). Largely this is due to the fact that there are few custodial on-ramps that actually manage the funds of users for them. Taken altogether, these problems limit capital inflows to the Ecosystem, as well as discovery of emerging NEAR ecosystem projects.

Section 2. Spaceport Docking Station (SDS)

The Spaceport Docking Station is a novel custodial on-ramp and off-ramp for the global market of retail users and institutional investors, looking for exposure into the NEAR Ecosystem. Spaceport is designed, first and foremost, to allow unfettered and easy access into the World of Dapps on NEAR for non-crypto natives. Users can connect their bank account, credit card, or debit card, exchange their fiat into crypto, and then actively trade or swap across the suite of NEP-141 tokens featured on NEAR, Aurora, or Octopus Network.

Beyond the trading of NEP-141 Assets, Spaceport also provides staking infrastructure of NEAR and Aurora tokens, the sending and receiving of NEAR and all other NEP-141 tokens, as well as direct integrations with certain dApps on NEAR (such as games, metaverses, and NFT marketplaces). In this sense, Spaceport is first and foremost a simple and easy-to-use on-ramp for users to engage with the NEAR Ecosystem.

In this manner, Spaceport is designed to function much like FTX has for the Solana Ecosystem: NEP-141 tokens can enjoy higher levels of exposure to retail and institutional investors, market liquidity, as well as on-and-off ramps into NEAR for better capital flows into ecosystem services. Projects, meanwhile, can benefit from easier access to a potential user base, better exposure to retail and institutions alike, and more daily active users keen on testing the waters of crypto.

2.1 Undock and Deploy

With this background, we can now introduce one major caveat and central value proposition of Spaceport that makes it an ideal portal into the NEAR Ecosystem for users and institutions alike. Spaceport is designed to allow users to 'undock' their participation in the NEAR Ecosystem into their own NEAR Account and effectively 'deploy' into the NEAR Ecosystem with sole custody of their assets. The same concept applies, for re-docking into Spaceport, and off-ramping funds.

"Spaceport is designed to allow users to 'undock' their participation in the NEAR Ecosystem into their own NEAR Account and effectively 'deploy' into the NEAR Ecosystem with sole custody of their assets."

In this manner, Spaceport functions as the bridge par excellence for new users into the NEAR Ecosystem: A user can create an account on Spaceport, trade, send-

receive, stake, and participate with the Ecosystem - and in this manner familiarize themselves with crypto in a safe and risk-free manner - before easily deploying on their own in short order. The 'undocking' of users into the NEAR Ecosystem ultimately offloads any interested user into crypto with full ownership of their finances, data, and account (complete with their own private key).

With this design, Spaceport is able to offer newcomers and institutions the best of both worlds: Safe and secure access to NEAR dApps, with an open-door to going full crypto-native at any point in the future. For NEAR Ecosystem projects, Spaceport brings active users, liquidity, and institutional exposure to NEP-141 tokens actively used across NEAR, Aurora, and Octopus.

Section 3. Business Model and Growth Trajectory of SDS

The evolution of Spaceport can be conceptualized in two primary directions: 1) Improvement in services offered to retail and institutions, and 2) Improvement in exposure to NEAR Ecosystem dApps. The fundamental Spaceport Business Model scales according to the development of these two directions via an underlying fee for actions taken by users.

For the first development direction, Spaceport will evolve over time to offer more advanced services to its users. This can be conceptualized on a spectrum from basic services to more advanced services:

-   Basic Services: Buy / Sell (Spot) - Send / Receive - Stake - Undock - On-Ramp / Off-Ramp.

-   Improved Services: Carbon Spot - Stake Aurora, OCT, OPN - Institutional Access - Institutional Cold Wallet for NEP-141 Tokens.

-   Advanced Services: Derivatives - OTC Contract Marketplace.

For the second development trajectory, the focus is set on improving offerings and integrations of NEAR Ecosystem projects:

- Basic Services: NEP-141 tokens and nERC-20 tokens.

- Improved Services: Fractional NFT Exposure - NEAR NFT Exposure - P2E Gaming Integrations - OFP Integration for Collateral and Projects - Carbon Market Trading.

- Advanced Services: Buy/Sell DAO Participation - Re-Dock - Lending.

For each service, users will pay a small fee to Spaceport roughly on the level of 70 bps (subject to change). Related fees will also be used for off-ramping value from the NEAR Ecosystem, as well as un-docking accounts into the NEAR Ecosystem. In this sense, revenue for Spaceport is directly correlated with (a) Users on the platform, and indirectly, (b) Service offerings from the NEAR Ecosystem (Example: staking, integrations with games, marketplaces, and so forth).

Conclusion

With many analysts estimating that crypto adoption currently sits around the 1996 levels of the internet, it is safe to say that Spaceport is positioned at the beginning of the crypto-wave. For the NEAR Ecosystem, Spaceport is a clear first-mover capable of dominating the go-to market for retail and institutions alike. With NEAR leading active developer counts across L1 Ecosystems, it is also fair to expect a suite of new services, tokens, and dApps on NEAR in the short to medium term future that will readily benefit from Spaceport. The Spaceport Docking Station (SDS) is thus positioned to onboard the first 1 billion users to crypto, while always providing the opportunity to undock into the NEAR Ecosystem with full ownership of assets, data, and private keys.