

# The SmileyCoin Fund

crypto251.0 Cryptocurrency and the Smileycoin

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# Premining a cryptocurrency

A **premine** is a process where originators of a new coin mine it before the chain is open for general mining

A premine is generally not a good idea

# The SmileyCoin premine

The SmileyCoin was originally premined

The purpose of the coin was to reward students in the tutor-web system

The premine was mostly used for this (but also for development and grants)

Other methods **could** have been used instead of the premine (see chapter **splitting the coinbase**)

# Setting up a cryptocurrency fund: The SmileyCoin Fund

The SmileyCoin premine has been changed to a formal cryptocurrency fund: **The SmileyCoin Fund**

The SmileyCoin Fund has a **Board** which accept applications for funding

The process of spending has moved to be open and transparent

This is explained in more detail in a later section

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