(DEFC) Whitepaper

DeFi Coin (DEFC)
Whitepaper

This whitepaper will outline the fundamentals of the DeFi Coin protocol and its underlying concept of meeting three core pillars – Static Rewards, Automatic Liquidity Pools, and a Manual Burning Strategy.

Table of Contents

Executive Summary

This paper profiles some of the unique characteristics of the Defi-Coin environment. It shows how by allowing buyers and sellers to exchange value directly with other market participants - the DeFi Swap exchange ensures that there is no requirement to go through a centralized third party.

Three specific functions of the DeFi Coin system are discussed in detail. They are:

- Static Rewards
- Automatic Liquidity Pools
- Manual Burning Strategy

To achieve its decentralized goals, the protocol is supported by a native digital token- DeFi Coin (DEFC). This token operates on the Binance Smart Chain and can be exchanged between users on a wallet-to-wallet basis.

Users are encouraged to hold their DeFi Coin tokens on a long-term basis. This is because transactions are taxed at a rate of 10%. As a result, this discourages day trading – which has the undesired effect of causing increased volatility levels and wild pricing swings.

Perhaps most importantly, 5% of this figure is distributed to existing DeFi Coin token holders, which in itself, is not too dissimilar to conventional dividend payments. The other 5% is utilized to provide liquidity to decentralized exchange services.

Towards the end of the paper 10 specific DeFi coins are profiled with some comments on how they could serve different investment constituencies.

An Introduction to DeFi Coins

The DeFi Coin protocol is a community driven fair launched DeFi Token that powers an ecoystem of quick conversions, yield farming, staking, exchange and other interest-based services. DeFi Coin is built on top of the Binance Smart Chain (BSc),

which allows for quick and low-cost transactions.

You will be investing in the DeFi Swap ecosystem by holding DeFi Coin, which intends to become the go-to platform for worldwide decentralised investment products. The DeFi Coin team has integrated a cutting-edge taxing scheme into the underlying smart contract.

Simply put, every purchase and sell order made on the DeFi Coin network will be subject to a 10% tax. Selling $1,000 worth of DeFi Coin on any supported trading platform would result in a $100 tax. Existing DeFi Coin holders and the DEFC liquidity pool would share the $100.

The overall goal of the DeFi Coin tax scheme is to ensure that long-term investors are rewarded for their loyalty while short-term day traders are penalised financially. The DeFi Coin token can be purchased on the DeFi Swap and Pancakeswap exchanges.

DEFC can also be exchanged on LBank if you favour controlled exchanges. In the near future, more exchanges will add DeFi Coin to their list of tradable marketplaces.

Understanding the
DeFi Swap Process

DeFi Swap is a new decentralised exchange that offers a wide range of crypto-related products and services. The DeFi Coin token backs the DeFi Swap exchange. You can use DeFi Swap to get access to the following services:

Token Exchanges

DeFi Swap makes it simple to trade one digital token for another without having to use a centralised exchange. Simply connect your wallet to the DeFi Swap platform and choose which two tokens you want to convert.

The underlying smart contract will then safely handle the transaction when you enter the number of tokens you want to swap.

Investors will note that their newly purchased tokens are waiting for them in their connected wallets in a matter of seconds. DeFi Swap will first focus on tokens that run on the Binance Smart Chain.

DeFi Swap will give cross-chain capabilities in the near future. This means that investors will be able to trade coins between competing blockchain networks with a single click.

Staking

Users can earn interest on their idle tokens with DeFi Swap. All you have to do is to connect your wallet to DeFi Swap and choose whatever coin you wish to stake. Staking lock-up terms are variable, and APYs are competitive.

In most circumstances, you will have the option of selecting one of the following terms:

- 30 days
- 90 days
- 180 days
- 365 days

Long-term holders are rewarded with a greater rate of interest on longer lock-up terms with DeFi Swap.

The DeFi Swap smart contract will transfer the tokens back to your wallet after the lock-up period has expired. This will include both your original investment and any interest earned.

Yield Farming

DeFi Swap can also help with yield farming. This will entail lending your tokens to a DeFi Swap trading pair, which allows users to convert digital tokens without the requirement for a third-party intermediary.

On the DeFi Swap platform, yield farming can be profitable, especially if you're supplying liquidity on a less popular trading pair.

Buyers and sellers will be charged a fee for each transaction that passes through the DeFi Swap conversion service. You will be entitled to a portion of any fees collected as a liquidity provider.

As a result, DeFi Swap yield farming solutions are great for people looking for a steady, passive income.

No Accounts Required

Decentralized finance products include DeFi Coin and DeFi Swap. As a result, you will not be required to register an account when using the DeFi Swap market to convert tokens or engage in staking or yield farming.

Furthermore, DeFi Swap does not require any personal information, contact details, KYC credentials, or ID documents. This allows you to use all of the decentralised financial services you need without having to reveal your identity.

DeFi Swap Additional Features and Development Phases (V1 – V3)

V1

As outlined above, DeFi Swap is an innovative decentralized exchange that allows buyers and sellers to trade digital currencies directly with other market participants. This means that instead of having to trade crypto assets through a centralized third

party - DeFi Swap conducts token exchanges via the aforementioned Automatic Liquidity Pool.

In addition to the facilitation of swapping one digital currency for another in a decentralized manner - DeFi Swap will also host a number of other notable features.

For instance, V1 of the exchange will include a framework for users to farm and stake digital assets - subsequently allowing token holders to earn interest on idle cryptocurrencies. In terms of supported digital tokens, DeFi Swap will host a significant number of projects from a multitude of blockchains. This will include large-cap projects that benefit from high levels of liquidity - as well as newly launched tokens that have just entered the market.

This will present many opportunities for users to enjoy above-average market yields. For instance, users that wish to engage in farming on the DeFi Swap exchange will lend their digital capital to an Automatic Liquidity Pool. In turn, this will provide the user with an attractive yield for as long as the tokens remain in the respective pool.

Alternatively, users may wish to target staking rewards on the DeFi Swap exchange. This will see users lock their digital tokens for a certain number of days to help validate transactions on the respective blockchain network. In turn, interest will be payable for as long as the tokens remain locked.

V2

The next phase of the DeFi Swap exchange - hereon referred to as V2, will upgrade the platform with additional core features.

This will include:

Technical Analysis:

Many successful cryptocurrency traders rely exclusively on technical analysis to help predict the future direction of the market in question. Taking this into account, DeFi Swap V2 will offer an inhouse suite that will contain numerous technical indicators and charting tools.

Video Analysis:

The DeFi Swap exchange will also host and publish market insights and analysis in video format. This will allow users of the exchange to gain useful knowledge of current market conditions and insight into specific tokens and projects that offer potential trading opportunities.

Webinars:

V2 will also see DeFi Swap conduct regular webinars. This will follow a similar concept to the aforementioned video analysis - albeit, in real-time. As such, listeners of the webinar will be able to ask questions to experienced cryptocurrency traders, investors, technical analysts, and more.

News:

To ensure that users are kept abreast with key cryptocurrency and DeFi markets updates, V2 will post relevant news stories and developments throughout the day.

V3

Following on from V2, DeFi Swap V3 will upgrade the platform with more notable features.

This will include:

Research:

In addition to technical analysis tools, V3 will introduce research materials. This will allow users to gain insight into the fundamentals of the digital currency they are looking to trade.

Forum:

The DeFi Swap forum will allow users of the exchange to communicate with the community in a safe and transparent manner. Crypto Signals: V3 will also introduce crypto signals to the exchange. In a nutshell, signals are not too dissimilar to trading suggestions - meaning that users will be provided with core data on which token to trade and at what entry and exit prices.

Interactive Charts:

To gain even more insight into the cryptocurrency and DeFi arena, V3 will introduce interactive charts. This will particularly appeal to inexperienced traders that wish to view charting data in a more user-friendly manner.

Market Data:

Users will also be able to track current positions via real-time market data. This will breakdown the specifics of how a digital token is performing on a second-by-second basis.

Podcasts:

To further interact with its users, the team at DeFi Coin will also run regular podcasts. Each podcast will extract the views and insights of an experienced stakeholder in the cryptocurrency and DeFi landscape.

Why Investors Should
Hold DeFi Coin Tokens

There are numerous advantages to purchasing and owning DeFi Coin tokens, including:

Staking can earn you up to 75% APY.

In general, cryptocurrency investors who are patient are rewarded in the long run. Not only in terms of capital gains, but also in terms of earning interest on your dormant cryptocurrency holdings.

The ability to stake DEFC on the DeFi Swap market lies at the heart of DeFi Coin. In fact, if you choose a 365-day staking duration, you will earn a 75% annual yield.

This means that for every 1,000 DEFC you invest, you will earn an additional 750 tokens after a year of holding.

Existing Holders Receive Dividends via a Transaction Tax.

DeFi Coin investors can make additional money just by holding their tokens, in addition to staking. The reason for this is that every DEFC transaction is subject to a 10% tax.

Half of the DEFC tokens will be awarded to existing holders, in proportion to their investment.

Consider the following scenario:

- Assume you own the equivalent of 0.5% of DEFC's total supply.

- On the open market, someone sells $15,000 worth of DEFC tokens.

- The trader is left with $13,500 after paying a 10% tax of $1,500.

- The remaining half of the $1,500 - or $750 - will be awarded to current DEFC holders.

- Because you possess 0.5% of the overall supply, you will be paid $3.75.

It's vital to keep in mind that, while each DEFC dividend payment may appear insignificant, it occurs every time someone buys or sells DeFi Coin.

As a result, the amount of money you can make in this manner can multiply rapidly. Furthermore, when the trading amount of DeFi Coins increases, it is so will the amount of tax collected and thus the dividends paid out to long-term holders.

Building a Liquidity Pool on a Continuous Basis

Half of DeFi Coin's 10% transaction tax is automatically assigned to the DEFC/BNB liquidity pool, while the other half is given to existing token holders.

This is an important aspect of DeFi Coin's long-term survival because it assures that the token works in a fully functional market. After all, buyers and sellers won't be able to trade in a decentralised manner if there isn't enough liquidity.

Joining DeFi Coin and DeFi Swap at an Opportune Moment

Both DeFi Coin and DeFi Swap are only getting started on their separate paths, with plenty of new features and roadmap goals on the way (see the previous section).

As a result, purchasing and holding DeFi Coin at this time may provide the finest opportunity to enter this market. After all, DeFi Coin currently has a low market capitalisation, which means there is still plenty of room for growth.

Program for Burning

In the long run, another important advantage of purchasing and storing DeFi Coin is that the project will shortly begin its burning programme. In a nutshell, this means that the DEFC token supply will be steadily reduced by the DeFi Coin team.

In theory, this will have the desired effect of increasing the token price, as the demand-supply ratio will shift more positively towards the former.

Again, by getting into the ecosystem of DeFi Coin early, you'll be able to take advantage of the burning program's perks.

'Burning' may be somewhat hard to grasp, so a fuller description of the program will be provided below.

DeFi Coin Static Rewards

A major benefit of holding DeFi Coin tokens is that users have the opportunity to earn dividends via a static reward system. Before getting to the specifics of how this works, it is important to note the issues that static rewards solve.

In the vast majority of cases, early backers of a newly launched digital currency will look to sell their holdings as soon as the asset hits an exchange. Naturally, this results in downward pressure being put onto the cryptocurrency in question. At the other end of the scale, you have digital currencies like DeFi Coin that promote and reward long-term buy and hold strategies.

That is to say, by selling or exchanging DeFi Coin for another cryptocurrency, the user will incur a 10% tax. 5% of this tax will then be distributed proportionately between existing token holders.

See below for a simple example of how static rewards work when holding DeFi Coin tokens:

- Let's suppose that the number of DeFi Coins you are holding is the equivalent of 1% of the total supply

- Somebody sells 40,000 DeFi Coin tokens in the open marketplace

- 10% of this is taxed - so that amounts to 4,000 DeFi Coin tokens

- 50% of this - or 2,000 tokens, is then distributed for the purpose of exchange liquidity

- The remaining 50% - or 2,000 tokens, is distributed across all DeFi Coin holders on a proportionate basis

- As you hold 1% of the total supply, this means that you receive 20 DeFi Coin tokens

It goes without saying that the above example highlights that static rewards operate much the same as a conventional dividend payment. This is because you have the potential to continuously grow the number of DeFi Coin tokens that you have in your possession.

Crucially, this 5% reward distribution will take place each and every time somebody elects to buy or sell DeFi Coin tokens.

A Closer Look at Token Burning

As discussed above, a further concept that is important to the team at DeFi Coin is an ongoing burning program. For those unaware, when a cryptocurrency token is burned, this operates much in the same way as a share buyback program.

This is because by burning tokens, the overall supply is reduced. More specifically, when there are fewer tokens in circulation, this has the desired impact of increasing the market value of the respective digital currency.

See below for a simple example of how token burning can impact the value of a cryptocurrency:

- Let's suppose that a cryptocurrency project has 10 million tokens in circulation

- Each token has a market price of $1

- In turn, this means that the cryptocurrency has a total market capitalization of $10 million

- The team behind the cryptocurrency project implement a 5% token burn

- This means that the total token supply has gone from 10 million down to 9.5 million

- Based on a market capitalization of $10 million, this means that in all likelihood, the value of the token will increase to just over $1.05 - as per the forces of demand and supply

In terms of the specifics, some cryptocurrency projects will elect to facilitate their burning strategy on an automated basis. As an example, cryptocurrency project SwissBorg will automatically burn tokens when the 20-day moving average enters a bearish pricing zone.

However, the team at DeFi Coin argues that this is not an effective long-term burning strategy. This is because an automated approach to burning cannot be undertaken indefinitely. On the contrary, this eventually would result in the total supply of the token reaching zero.

This is why DeFi Coin has made the decision to utilize a manual burning strategy. Crucially, a burn will take place when conditions are favourable for the DeFi Coin community.

When the management team believes that it is the right time to burn an allocation of tokens, this will be discussed in an open, fair, and transparent environment with DeFi Coin holders.

Utilising Automatic
Liquidity Pools

The team at DeFi Coin are huge proponents of Automatic Liquidity Pools. Before we discuss why this can be hugely beneficial for long-term DeFi Coin token holders, it is important to briefly explain how Automatic Liquidity Pools work in practice.

In a nutshell, a lack of liquidity has been one of the biggest challenges for decentralized exchanges. This is because the digital currency trading industry is still dominated by centralized operators.

As a result, at a time not so long ago, being able to swap one cryptocurrency token for another was challenging when going through a decentralized platform - as there was little to no trading volume to facilitate buy and sell positions.

This is why DeFi Coin has taken advantage of Automatic Liquidity Pools. Put simply, when users put their digital currency holdings into Liquidity Pools, they have the opportunity to earn a fixed rate of interest.

The decentralized exchange in question is able to pay interest from the commissions it collects from buyers and sellers. In the case of Automatic Liquidity Pools, the underlying mechanism is based on smart contract technology.

That is to say, unlike a conventional cryptocurrency exchange or broker – which utilizes centralized order books, Automatic Liquidity Pools does not require another participant at the other end of the trade.

In other words, there is no requirement for a seller to be present when a user seeks to buy a digital currency from a decentralized exchange, as Automatic Liquidity Pools will facilitate the trade in an autonomous manner. In terms of how this can benefit long-term DeFi Coin token holders, this is two-fold.

First and foremost, there is every likelihood that pricing levels of the respective DeFi Coin will stabilize and thus - reduce the risk of high volatility. This is because each

DeFi Coin transaction collects tokens from buyers and sellers via the aforementioned taxation policy.

The second core benefit is that a portion of the collected tax from trading transactions will be added to the wider Automatic Liquidity

Pool. In turn, when so-called whales offload a large number of tokens – which is just part and parcel of the cryptocurrency industry, this will not result in highly significant downward pressure on pricing.

DeFi Coin Roadmap

The team at DeFi Coin have set out a number of clear and trackable objectives - which are further expanded upon in the roadmap below.

JAN - MAR 2022

- ~~Develop DeFi Swap Website on TestNet~~
- ~~Launch DeFi Swap Website on TestNet.~~
- ~~Building trust and education throughout the community~~
- ~~Listing on Coinmarketcap and Coingecko. Once completed, we will process legal paperwork with Bitmart, listing on the Bitmart Exchange.~~

MAR - MAY 2022

- Launched Defi Swap Version 1
- Featuring Swap, Earn, Farming, Staking, lower transaction fee rewards, high staking rewards including liquidity pool.
- Launch DeFi Swap Version 2. Will feature Technical Analysis, Video Analysis , Webinars , News.

MAY - JUL 2022

- Launch DeFi Swap Version 3. This will feature, Research, Forum, Crypto Signals, Interactive Charts,Market Data, Podcasts.

- Launch our DeFi Swap App. This app will be available on all Android and iOS devices. This app will have the following features; educational content, what is DeFi and how to make money with it, reviews, how to buy guides, including 12 part video guide series.

JUL - DEC 2022

- Helping children all over the world by educating them on the benefits of blockchain technology by providing funding for educational resources.

- DeFi Coin will incorporate 3 simple functions: Reflection + LP acquisition + Burn in each trade. Transaction are taxed with a 10% fee, which is split two ways between token holders and the platform.

- We will have completed the review of all 390 DeFi tokens available for purchase via all crypto exchanges.

Buying Tokens

The team at DeFi Coin believe that interest in its decentralized objectives will prove very popular once its token goes through its first IEO. With that being said, it is now possible to buy DeFi Coin tokens in a pre-sale launch.

In order to get your hands on some tokens yourself, simply follow the walkthrough outlined below.

Step 1: **Create a Trust Wallet**

To get the ball rolling, download the Trust Wallet to your mobile phone. The Trust Wallet - which was developed by Binance and comes alongside a considerable number of security features, allows you to store your DeFi Coin tokens in a safe manner. The Trust Wallet can be downloaded free of charge on both Android and iOS devices

Step 2: **Add DeFi Coin to the Wallet**

Once you have set your wallet up, you will then need to add DeFi Coin to your list of supported tokens - if you cannot find it by entering the name of the project into the search box manually.

To do this, you will need to:

- Click on the "Add Custom Token" button.

- Next, at the top of the interface, click "Ethereum" next to "Network", and change it to "Smart Chain".

- If the specifics do not automatically populate, copy the contract address on this page and put it in the "Contract Address" box. You'll also need to put "DeFi Coin" as the name, and the symbol as "DEFC". The number of decimals will be 9.

- Click "Done" at the top and you should now have DeFi Coin added to your wallet!

Step 3: **Buy Binance Smart Chain (BSC)**

You will now need to buy Binance Smart Chain (BSC) so that you can swap this for DeFi Coin tokens. You can do this from within the Trust Wallet app with a debit

or credit card via Simplex. Alternatively, you can buy it from an external broker or exchange and then transfer the BSC tokens into your Trust Wallet.

Step 4: **Swap BSC For DeFi Coin**

To complete the process, you can now swap your BSC holdings for DeFi Coin tokens.

From within the Trust Wallet app, go to "DApps" (or "Browser" for iPhones) at the bottom of the main screen. If the "Browser" button is not visible at the bottom for iPhone users, open Safari and in the URL type trust://browser_enable, then return to trust wallet.

Either way, you can now find PancakeSwap and open it. Connect your Trust Wallet in the top-right. Scroll down a little to the "Exchange" box.

Click the respective icon and set the slippage to 15%. If you want to give it the best possible chance to go through, increase the deadline. y default, this should be set to 20 minutes, which is fine.

Conclusion

DeFi Coin functions as the largest savings' account on the Binance Smart Chain ecosystem and is backed by DeFi and smart contract experts with the aim to position the world-class revolutionary Stablecoin as the most widely used decentralized stablecoin protocol, by leveraging Proof-of-Stake (PoS) rewards, liquid staking, stableswaps and yield-bearing assets.

The overarching reason behind DeFi Coin is to ensure that long-term holders are rewarded for their loyalty, and that crypto hodlers have a simple and sustainable way to profit from their digital assets.