



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.





Executive Overview

DeFi Coin (DEFC) is the digital token that represents the DeFiCoins.io website and DeFi Swap exchange. 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.

The DeFi Coin umbrella actively promotes three functions:

- Static Rewards
- Automatic Liquidity Pools
- Manual Burning Strategy

In order 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.



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 simplistic 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.





Token Burning to Reduce the Circulating Supply

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 simplistic 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.



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 Swap

V1

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 in-house 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.





Total DeFi Coin Token Supply

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

DeFi Coin Roadmap

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In Q3 2021, the DeFi Coin token will go through its Initial Exchange Offering (IEO). For those new to this term, an IEO is similar to the more recognized Initial Coin Offering (ICO). This is because the team behind the ICO will collect cryptocurrency deposits from those wishing to obtain the token on sale.

On the other hand, an IEO will list its token via a third-party exchange. This means that in order to purchase the newly listed tokens, the user must first open an account with the exchange in question. As a result, the exchange will facilitate the token fundraising campaign on behalf of DeFi Coin.

The ultimate reason that the IEO route is the better option in comparison to an ICO is that it is much safer from the perspective of the buyer. This is because you will be completing the purchase through a trusted exchange.

The exchange itself will vet the DeFi Coin protocol and token in very great depth to ensure it is a legitimate ongoing concern. This safeguard cannot be obtained when executing your token purchase directly with an ICO provider - which is very risky.

With that said, unlike a traditional ICO sale, DeFi Coin will not restrict itself to just one IEO. On the contrary, not only will

there be multiple IEO listings, but this will be across a number of different digital currency exchanges. One exchange in particular that the team at DeFi Coin aim to be listed on in Q3 2021 is Vindax.

For those unaware of this platform, Vindax is home to a significant number of digital currencies that you can trade around the clock. It boasts impressive trading volumes that continue to grow and most importantly - is often the go-to place for up and coming IEOs like DeFi Coin.

The management team also aims to have the DeFi Coin token listed on CoinMarketCap in Q3 2021. This is of the utmost importance, as CoinMarketCap dominates the cryptocurrency price tracking arena. As a result, DeFi Coin holders will be able to keep tabs on how the token is performing in real-time.

Update: DeFi Coin has successfully launched on both Pancakeswap and Vindax. Furthermore, and perhaps most importantly - DeFi Coin has also launched on BitMart - one of the world's largest cryptocurrency exchanges for trading volume. This means that DeFi Coin is - at the time of writing this whitepaper, trading on three exchanges.

DeFi Swap Exchange

An additional objective of the DeFi Coin team in Q3 2021 is to launch its decentralized exchange to the public. As of September 2021, there are more than 400 cryptocurrency tokens that are associated with decentralized finance platforms.

This translates into a market capitalization of over \$120 billion. This number is expected to rise exponentially over the next 24 months. In fact, the DeFi arena is often said to be the "next big thing" by market commentators. As a result, the DeFi Swap exchange is expected to attract a significant amount of interest from cryptocurrency investors and traders of all shapes and sizes.

As discussed earlier in this whitepaper, the DeFi Swap exchange will not only allow users to buy and sell digital currencies in a decentralized and low-cost manner - but there will also be a number of earning opportunities hosted on the platform. This includes farming and staking across a wide variety of tokens and blockchain networks.

Initially, the team at DeFi Coin will execute a TestNet launch. In simple terms, this means that the DeFi Swap exchange will be meticulously tested to ensure that the smart contract governing the platform is free of bugs and potential threats. No stone will be left unturned in this respect and crucially - the underlying smart contract will be audited by a reputable third party.

Once the backtesting process has been achieved with certainty, the DeFi Swap MainNet launch will be executed. The DeFi Coin community will initially be invited to use the DeFi Swap exchange prior to its global launch.

An additional milestone to note is that once the DeFi Swap V1 exchange is officially launched, the team at DeFi Coin will proceed with its Binance application. When the application process has been lodged and subsequently approved - this will see DeFi Coin tokens listed on the industry's largest cryptocurrency exchange in terms of volume and users.





Moving into Q4 2021, DeFi Coin aims to have finalized its DeFi Swap app. Being built for both Android and iOS devices, the mobile app will come packed with valuable content. For example, the app will have hundreds of comprehensive reviews of each DeFi Coin project that is in the marketplace. As and when new projects are launched - including up and coming IEOs, you'll likely find out about this first from within the app.

The DeFi Swap app will also be home to a wealth of learning resources. This will consist of

a custom-made course where users can learn the ins and outs of what the decentralized finance arena has to offer the world. There will also be access to daily blogs on all-things DeFi, alongside useful insights from our team of experienced in-house journalists.

Perhaps most pertinently, the DeFi Swap app will offer a fully-optimized version of the main decentralized exchange. This means that users can buy, sell, trade, farm, and stake crypto assets in a decentralized manner while on the move.



Perhaps one of the most anticipated objectives for DeFi Coin is the launch of its charity project. Aiming for Q1 2022, this project seeks to help children from all over the world from the perspective of blockchain education.

In turn, this will allow those in need to connect with all four corners of the world without needing to go through the burden of third parties.

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. By default, this should be set to 20 minutes, which is fine

