YFIONE

Whitepaper

Lowering the risk through diversified farming stategies

Contents

Abstract

YFiONE is committed to systematically producing new Defi products and will help develop, market and launch these Defi products to help develop its biosphere while providing ideal benefits to communities, projects and users. YFiONE can also be described as a decentralized venture capital (DVC), which empowers a decentralized interest-free financial ecosystem by building its community-invested Defi products, with the purpose of distributing revenue as a profit share (reward) To stakeholders.

YFiONE's vision is to build multiple decentralized financial applications (Defi-Apps), and then develop these products into mature projects, thereby increasing the value of the YFiONE ecosystem. Since some decentralized finance (Defi) products have no practical use cases and simple usage methods, the use of products has been difficult for Defi users, especially because it requires a broad understanding of the Ethereum blockchain.

Another common problem is the incorrect value raised by many Defi projects by building a simple exchange site and then stopping further development. This makes it seem possible to provide Defi exchanges, but that is not the case. The YFiONE project and its decentralized teams from different countries promise to create a sustainable ecosystem by developing and building multiple Defi products around its platform and guarantee the ultimate true value of a Defi project.

YFiONE is a community-driven blockchain project that aims to build multiple Defi applications on its basis. A platform with a creative and

disruptive blockchain Defi concept, so it becomes the first frontier Defi project worth emulating. YFiONE envisions an ecosystem consisting of multiple Defi applications (Defi DApps) built on the Ethereum/Binance Chain for use by the YFiONE team of the YFiONE project and the decentralized community of YFiONE product users.

YFiONE Finance is a community-driven Defi project that aims to build decentralized products and aims to generate real Defi value to improve the YFiONE ecosystem of the community and its users.

The YFiONE ecosystem will become the home of a variety of unique decentralized financial products

YFiONE products will be linked to its token YFONE token in order to seek to recreate the true meaning of decentralized finance.

YFiONE products will be linked to its token YFONE Token to seek to recreate the true meaning of decentralized finance. The main use case of YFONE tokens will be the unique governance token for each product, which will enable holders to file claims for the income generated by these products. While the YFiONE team builds the market, it will become a platform for collateralizing YFONE tokens. Subsequently, holders can obtain huge profits by holding the tokens. Imagine linking more than 1,000 decentralized applications into an ecosystem by forking with partners and building from scratch, all of which are integrated with YFO tokens. This ecosystem will be very large and will continue to grow. It is a completely decentralized system and is still growing. This is the true meaning of Defi.

At the same time, YFiONE derives the latest blockchain industry, which is gradually grown in the swap decentralized exchange, and continues to ferment in various decentralized financial products, including the NFT track. At the same time, it involves different directions such as machine gun pools (Vaults), lending, liquidity mining, transaction mining, etc. in the current market. The entire ecology is for the sustainable development of the YFiONE community.

YFiONE – Defi

It is the abbreviation of Decentralized Finance, which means decentralized finance. According to the definition of the official Ethereum document, DeFi is a collective term for a series of financial products and services available to anyone who can use the Ethereum network. Of course, the main premise of using YFiONE-DeFi is that you can access the Internet.

On this basis, the YFiONE-DeFi market is always open and does not require any central authority authorization. No one can prevent you from trading or obtaining any product services. The YFiONE-DeFi agreement is enforced by a smart contract running on the blockchain, and the code and transaction data are available for anyone to read and review. This makes YFiONE-DeFi products and services avoid human errors in traditional financial services. Inefficient or risky.

The following table compares the typical characteristics of DeFi and traditional finance:

DEFI	Traditional finance
Users hold their **own currency.**	The user's currency is held by a **third-party-institution.**
Users control their currency flow and how they spend it.	Users must trust that third-party institutions will not arbitrarily manage users' personal currencies, such as lending to other users who are extremely risky.
The transaction process is generally completed within a few minutes.	When manual operations are involved, the transaction process sometimes takes many
Transactions can be completed **anonymously**	Financial activities are often closely tied to users' personal information.
DeFi is open to everyone.	Users must go through a lengthy application process to be entitled to use.
The DeFi market is always open.	The traditional financial market had to shut down due to employees taking a break.
DeFi is transparent and anyone can access product data and review the principles of system operation.	**Traditional financial institutions are opaque,** and users cannot view loan history or inquire about asset management records.

The guiding significance of Ethereum smart contracts to DeFi

Bitcoin contributed blockchain technology to DeFi, and Ethereum contributed the original smart contract platform to DeFi.
The concept of Ethereum was first proposed by Vitalik Butrin in his white paper "Ethereum: Next Generation Smart Contract and Decentralized Application Platform" in 2013.

Vitalik himself is a programmer involved in the Bitcoin community and co¬founded "Bitcoin Magazine" with others. He once argued that Bitcoin and blockchain technology need a programming language to support the development of more applications, such as real-world assets other than currency-stocks, ownership, etc. The ecology formed by these applications will certainly enable the entire Bitcoin platform Develop better. Unfortunately, this discussion failed to receive a positive response from Bitcoin Core developers. So Vitalik Butlin had to propose to develop a new blockchain platform that supports a complete programming language, which is Ethereum.

The most important technical contribution of Ethereum is Smart Contract. The concept of smart contract was first proposed by Nick Sabo in the 1990s: Smart means smart, which means self-execution under certain conditions; and contract is the code that executes the agreement drawn up by both parties in advance. Due to the added capabilities of Turing completeness, value-awareness, blockchain-awareness, and multi-state, Ethereum is much stronger than the smart contracts that Bitcoin scripts can provide. Ethereum is a blockchain with a built-in Turing complete programming language, allowing anyone to create contracts and decentralized applications and set up their freely defined ownership rules, transaction methods, and state transition functions.

Decentralized applications (DApp, short for Decentralized Application) refer to applications running on distributed ledgers like the Ethereum blockchain, and smart contracts are their back-end code. The typical characteristics of decentralized applications are open source, decentralization, token incentives and community decision-making agreements. DeFi generally refers specifically to decentralized applications that provide financial functions. The core advantage of DeFi

is that financial services are within reach, especially suitable for people who are isolated from the current financial system. Another potential advantage of DeFi is that it is built on a modular framework-the extremely interoperable DeFi applications in the public blockchain can create new financial markets, products and services.

At present, the main financial applications implemented by the DeFi industry include: open lending protocols, decentralized transactions, decentralized autonomous organizations, derivatives and centralized market forecasts, aggregate revenue management, oracles, stable coins, NFTs, and so on.

Blockchain, digital cryptocurrency, and smart contract platform together constitute the technical soil for cultivating DeFi, which makes DeFi naturally have a multi¬layered structure-settlement layer, asset layer, protocol layer, application layer and aggregation layer, each layer has It has a clear purpose. The various levels rely on each other and create an open, highly composable infrastructure, so that everyone can build on it, slightly modify or use other parts of the stack. The specific analysis of the stack frame is as follows:
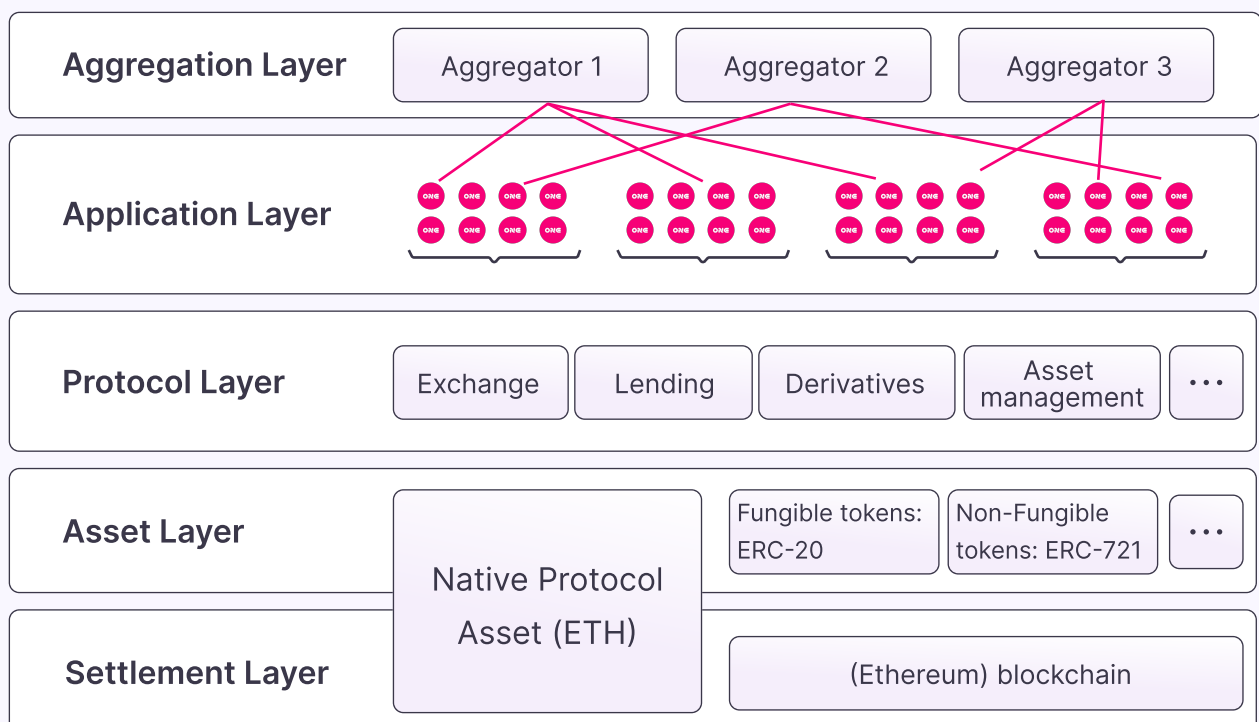
1. The settlement layer (layer 1) consists of the blockchain and its native protocol assets (such as Bitcoin (BTC) on the Bitcoin blockchain and Ether (ETH) on the Ethereum blockchain). It allows the network to securely store ownership information and ensure that any state changes comply with its rule base. Blockchain can be regarded as an infrastructure for trustless execution and acts as a settlement and dispute arbitration layer.

2. The asset layer (layer 2) consists of all assets issued on the settlement layer: including native protocol assets and any other assets issued on this blockchain (usually called tokens).

3. The protocol layer (layer 3) provides standards for specific use cases, such as decentralized exchanges, debt markets, derivatives, and on-chain asset management. These standards are usually deployed in the form of a set of smart contracts, and any user (or DeFi application) has access rights. Therefore, these protocols have high interoperability.

4. The application layer (layer 4) creates user-oriented applications and generally only connects to specific protocols. Its smart contract interaction is usually simplified into a browser-based web front-end interface, which makes the DeFi protocol easier to use.

5. The aggregation layer (layer 5) is an extension of the application layer. The aggregator creates a user-centric platform that can connect multiple applications and protocols. Aggregators usually provide comparison tools and rating services, allowing users to connect multiple protocols at the same time to run other complex tasks, and configure relevant information in a clear and concise way.

DeFi is not a neutral technology. Like digital currency, DeFi has a distinct and strong value proposition since its birth.
When many traditional financial experts first came into contact with DeFi, the main cognitive barriers did not come from the financial mechanism of technology or specific products, but from the huge difference between DeFi's unique values and traditional finance.

■ Privacy: Everyone has complete control over their own identity, assets and data

■ Open: Any financial service is equally open to everyone

■ Transparency : Eliminate the black box in all links, reduce the risk of intermediaries and opponents

■ Trustworthy: All transaction records and financial data can be checked on the chain, and everyone can supervise

■ Freedom: Anyone can freely create financial services, and freely create, issue and trade financial assets
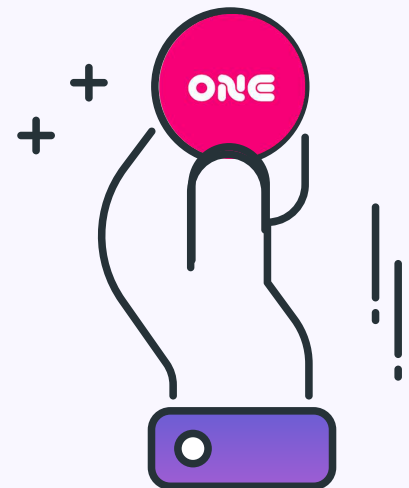
A major flaw in traditional finance is that the government and large institutions have a substantial monopoly on factors such as money supply, inflation, and obtaining the best investment opportunities. DeFi subverts this centralized control by giving control to an open protocol with transparent and immutable properties. The stakeholder community, even a predetermined algorithm, can control parameters such as the inflation rate of a DeFi DApp. If the administrator of a DApp has certain privileges, all users will know this privilege, and any one of them can easily create a less centralized alternative product for the Dapp.

The inherent decentralized nature of the blockchain and the open features shared by all smart contracts together ensure that the defects or inefficiencies of the YFiONE- DeFi project can be identified in a timely manner, and users are also easy to copy and improve. The defective project forks into a better version. This forces the mechanism design of the DYFiONE-DeFI protocol to be as refined as possible, which can motivate stakeholders naturally and gracefully and keep the entire system in a healthy balance. Of course, there are trade-offs between the design of a centralized mechanism and a decentralized mechanism. The centralized mechanism allows the controlling party to take fundamental and decisive actions in a crisis. Sometimes this is necessary, but of course it may also lead to overreaction.

The growth path of decentralized finance is bound to face various troubles. After all, there are still nuances between every possibility planned in advance and the real economy. But in the end, the transparency and security of the decentralized path will bring about protocols with stronger functions and more robust mechanisms, and this will become a new generation of financial infrastructure that is worthy of the trust of global users.

**About YF0-V2 platform income agreement + currency / lending agreement.**

YFO Vaults

YFOVaults is essentially a pool of funds that contains strategies to maximize asset returns. The Vaults strategy is much more active than the YFO standard protocol, which can only lend coins. In fact, most Vaults strategies can do multiple things to maximize revenue. This may involve providing collateral and borrowing other assets (such as stablecoins), providing liquidity and charging transaction fees, or mining other tokens and selling them for profit. For income farming and liquid mining, finding the highest yield is more complicated than just switching between different lending agreements, and YFOVaults came into being in response to this situation. Similar to the standard YFO protocol, when a user deposits tokens in Vaults, he will receive his corresponding yToken, which can be exchanged back to the basic token, and everything is automatically executed in the contract.

YFIONE- vaults

More Active Than Standard Yearn
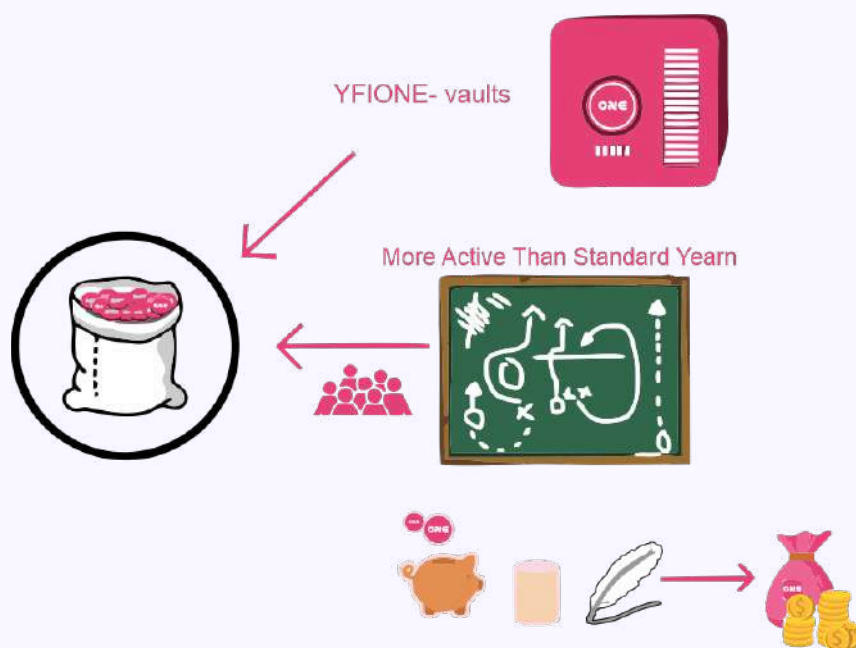
Generally speaking, one of the important rules about the YFOVaults agreement is that the assets you withdraw when you withdraw are the ones you deposited. Therefore, the tokens and accumulated fees from mining will be sold and exchanged for the main assets in Vaults. The amount withdrawn is equal to the amount originally invested plus the revenue earned by the pool, minus 0.3% of the revenue fee. Not all assets deposited in Vaults will be put into the strategy. Vault holdings include strategy holdings. Most of the funds in Vaults will be used in active strategies, but some of the idle funds are only placed in Vaults.

Contract operation is the process of mining different currencies with the same algorithm, according to the level of real-time mining revenue, and automatically switching the computing power to a higher-yielding currency for mining. Its value is to create more value for users than a single currency. Higher income from mining. The reason why it is called "Vaults" is due to the fact that this kind of operation is like a machine gun, which is constantly switched.

Profit-Earning Trans Actions

0,3% Fee

90%

10%
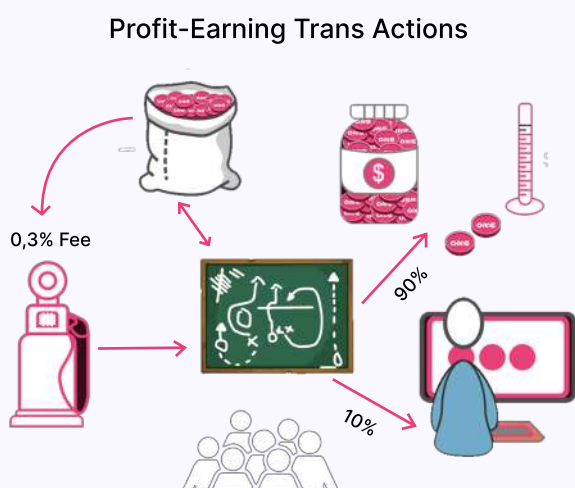
According to the characteristics of Vaults, the operation of YFOVaults is to concentrate the computing power in a mining pool. It does not specify which coin to mine, but directly searches for several projects in the same mining algorithm. The computing power is switched to which project has a higher profit.

If the project is digging up, the income of this project will drop and then it will be switched to another project to obtain the best income in the end.

The advantages of Vaults maximize user's income: income is the focus of every investor's attention. The reason why most people choose to invest in Defi projects is that their yields are relatively high, and DefiVaults can help us maximize the benefits of mining. This is because the characteristic of DefiVaults is to switch funds to higher-yiled Defi projects for liquid mining based on the level of real-time mining ncome, providing our investors with higher mining inocme. DefiVaults on the YFO platform can not only increase our income through real-time switching, but also introduce a half-hour compound interest rule to effectively use funds to maximize our income. (Hourly comound interest is calculated as half an hour. Our investment principal and interest for every half hour will be included in the envestment principal of the next hour, and we enjoy the compund interest every half-hour).

The treasury of the YFO ecosystem
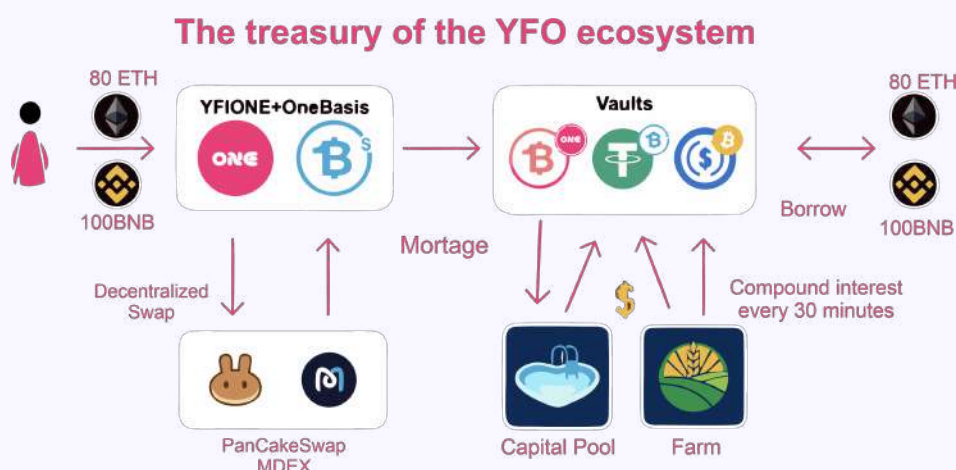
Selected projects: There are a dazzling array of liquid mining projects available on the market, and the most difficult part for our users is to choose the project. It takes a lot of time and energy to choose a safe, reliable, and highly profitable project.

In addition, due to the rapid changes in the market, it is easy to happen that when we have studied a new project and are ready to start, the funds have been transferred to the next new project with higher returns, resulting in a certain degree of lag.

The advantage of Vaults is that they can provide a function of asset screening and configuration. Each project will evaluate its safety and benefits to a certain extent. The YFO platform has professionals to conduct research on various projects, select high-yield DeFi projects, and adjust positions in real time to strive for the maximum profit possible for us.

Due to the need to continuously call the contract, the platform will charge a fee of 0.3% of the revenue. The purpose is that each step in the DeFi mining requires 1-2 contract calls, and the cost per time ranges from a few dollars to tens of dollars. The entire contract is called once every half an hour. In addition to the GAS fee, the balance will be used from time to time to repurchase the Token of the YFO ecosystem.

The launch of YFIONE-Vaults marks a change in the way that cryptocurrency projects are distributed in the industry. By motivating early users, the project can be quickly popularized and promote the development of the community. This is closely related to the concept of "Skin in the Game", that is, investors who inject money or emotion into their investment will do their best to promote the success of the project.

YFIONE - DeFi lending

It is a smart contract protocol that can create currency markets on the blockchain. These markets are based on asset supply and demand and use algorithms to derive interest rate asset pools. The supplier (and borrower) of the asset directly interacts with the agreement to earn (and pay) floating interest rates without having to negotiate terms such as terms, interest rates, or collateral with peers or counterparties. Each currency market corresponds to a unique type of on-chain asset (such as ETH, ERC20, stable currency or BEP20 and other utility tokens, and

contains a transparent and publicly checkable account book that records all transactions and historical interest rates.
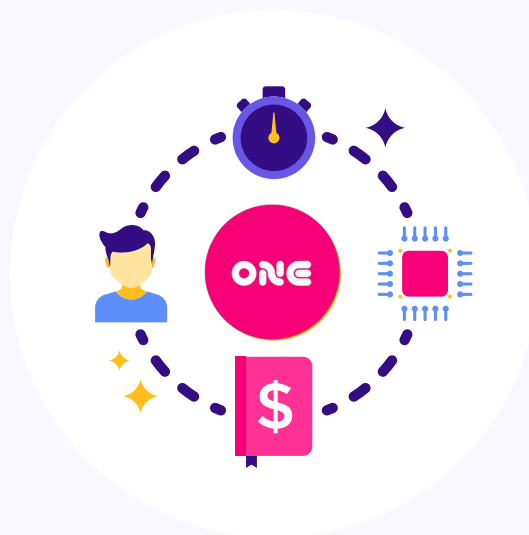The YFIONE-DeFi loan agreement includes three main contracts:

Money Market Contract: responsible for the implementation of the main lending logic, including a series of operation functions, such as lending (SUPPLY), withdrawal (WITHDRAW), borrowing (BORROW), loan repayment (REPAY BORROW), liquidation (LIQUIDATE) and so on.
Interest Rate Model Contract: Provides a calculation model for borrowing and lending interest rates.
PriceOracle Contract: used to provide price information of each ERC20/BEP20 token. For example, this contract can get the current price of a coin through the top ten exchanges, which can be called by other contracts.

The most important contract is MoneyMarket. In the simplest form, a MoneyMarket contract in a currency market is equivalent to an ERC20 contract. This contract maintains a table that records the number of coins held by each user, that is, the balance. The balance will also follow Time to calculate interest.

Supply Assets

On an exchange or P2P platform, a user's assets are lent to another user through matching methods, and the YFIONE-DeFi loan agreement aggregates the supply of each user; when a user provides an asset, it becomes homogeneous Resources. This method provides much greater liquidity than direct loans ; unless all assets in the market are borrowed,

users can withdraw assets at any time without having to wait for a specific loan to expire.

The assets supplied to the market are represented by an ERC20/BEP20 token balance ("cToken"), which entitles the owner to more and more underlying assets. As the currency market generates interest (which is a function of borrowing demand), cToken can be exchanged for more underlying assets than before. In this way, earning interest only needs to simply hold an ERC20/BEP20 cToken.

Individuals ("HODLers") who have long-term investments in tokens can use the YFIONE-DeFi lending currency market as a source of additional returns on their investments. For example, users with BNB can provide their tokens to the YFIONE- DeFi lending agreement and earn interest (denominated in USDT) without having to manage their assets, satisfy loan requests, or assume speculative risks.

Whether it is dApps, machines or exchanges, as long as you hold the balance of the tokens in these markets, you can use the YFIONE-DeFi loan agreement as a source of monetization and use these balances to obtain incremental returns; this may be the Ethereum ecosystem The system opens a new business model.

Borrowed Assets

FIONE-DeFi lending allows users to use cToken as collateral, borrow from the agreement without friction, and use it anywhere in the ecosystem. Unlike P2P agreements, borrowing from YFIONE-DeFi only

requires users to specify the required assets ; there are no negotiated terms, maturity dates or financing periods ; borrowing is immediate and predictable. Similar to providing an asset, every currency market has a floating interest rate set by market forces, which determines the borrowing cost of each asset.

The assets held by the agreement (represented by the ownership of cToken) are used as collateral for borrowing from the agreement. Each market has a pledge rate ranging from 0 to 1, which represents the part of the underlying asset value that can be borrowed. Assets with poor liquidity and smaller market capitalization have a lower pledge rate, and they cannot be used as good collateral. The high-market- value assets with strong liquidity have relatively high pledge rates. The value of the various underlying token balances of an account multiplied by their respective pledge rates is equal to the user's borrowing capacity.

Users can borrow assets that do not exceed their borrowing capacity, and the account must not take any actions that would make the total value of borrowed assets exceed their borrowing capacity (for example, borrowing, transferring cToken collateral, or redeeming cToken collateral); this protects the agreement Avoid the risk of default. If the account's outstanding loan value exceeds its borrowing capacity, a certain percentage of the outstanding loan can be repaid by another account in exchange for the account's cToken collateral, and the liquidation price is slightly higher than the market price, which is the current market price minus the liquidation discount ; This encourages the arbitrageur's ecosystem to quickly intervene to reduce the borrower's risk exposure and eliminate the risk of the agreement.

The liquidation coefficient refers to the proportion of the repayable part of the loaned assets each time the liquidation is invoked, ranging from 0 to 1, such as 25%. The liquidation process can continue until the user's

borrowed funds are lower than their borrowing capacity. Any Ethereum address that owns the borrowed assets can call the clearing function and exchange its assets for the borrower's cToken collateral. Since users, assets and prices are included in the YFIONE-DeFi lending agreement, clearing is frictionless and does not rely on any external systems or orders.

Interest Rate Model

Unlike a single funding provider or borrower who must negotiate terms and interest rates, the YFIONE-DeFi loan agreement uses an interest rate model to achieve interest rate equilibrium based on supply and demand in each currency market. According to economic theory, the interest rate (the "price" of currency) rises with the demand function; when demand is low, the interest rate falls, vice versa. The utilization rate of each market unifies supply and demand into one variable:

$$U_a = Borrows_a / (Cash_a + Borrows_a)$$

The demand curve is compiled through governance and expressed as a function of utilization. For example, the borrowing rate may be similar to:

$$BorrowingInterestRate_a = 2.5\% + U_a * 20\%$$

The interest rate earned by the fund provider is implicit, equal to the borrowing interest rate multiplied by the utilization rate. The agreement does not guarantee liquidity; instead, it relies on the interest rate model to motivate it. During periods of extreme demand for an asset, the liquidity of the agreement (tokens that can be withdrawn or borrowed) will decline ; when this happens, interest rates will rise, stimulating supply and inhibiting borrowing.

Risk and liquidation

If the mortgaged assets provided by a user divided by the amount borrowed by their credit line is lower than the mortgage rate, then their mortgaged assets can be purchased (by borrowing assets), and the selling price is the current market price minus the liquidation discount (liquidation discount). This mechanism will incentivize arbitrageurs in the system to quickly reduce the shortage of borrowed assets that borrowers cannot repay, thereby reducing the risk of the agreement.

Any Ethereum account with borrowed assets may participate in this liquidation process in whole or in part, using their assets to exchange borrowers' mortgage assets. Because of these two types of users and these two types of assets, all price information can be seen in the YFIONE-DeFi lending agreement, so the liquidation is frictionless and does not need to rely on any external system or order book.

Feed Price

The Price Oracle (price oracle machine) maintains the current exchange rate of each backing asset; the YFIONE-DeFi lending agreement entrusts the ability to set the value of the asset to a committee that pools the prices of the top 10 exchanges. These exchange rates are used to determine borrowing capacity, collateral requirements, and all functions that need to calculate account valuation.

OneBasis Algorithm Stablecoin

Algorithmic stablecoins have no legal assets or cryptocurrency support, so they are also called unsecured stablecoins or flexible supply stablecoins. They manage the issuance of tokens entirely through algorithms and smart contracts. Functionally speaking, their monetary policy is similar to that of the central bank's monetary management. Specifically, when the price of a stable currency is lower than the fiat currency it tracks, the algorithm system will reduce the market supply. When the price exceeds the price of legal tender, new tokens will enter circulation to reduce the price of stablecoins.

In terms of algorithm mechanism, they are divided into active regulation mechanism and passive regulation mechanism. The passive adjustment mechanism is also called rebase, which adjusts the price of the token to the target level through the continuous issuance and destruction of the system, such as the Ampleforth project. The target price is 5% above and below the benchmark price. If the token price exceeds the target price, it means that the current demand is greater than the supply, and additional tokens need to be issued to balance supply and demand to achieve price stability. When the token price is lower than the target price, the system will destroy the token to balance supply and demand, and the process of issuing or destroying is rebase. Rebase is carried out every 24 hours, directly through the address, which is reflected in the increase and decrease in the number of currency holding addresses.

The active mechanism is also to control the supply of tokens to achieve a balance between supply and demand, and to stabilize the tokens near the benchmark price. Different from the rebase method, the active mechanism introduces more user behaviors, and through the issuance of multiple tokens, users are encouraged to participate in the destruction

and issuance of tokens. The change in supply is only related to the holders of other issued tokens and no longer affects all holders. Therefore, for users who do not participate in supply adjustment, the total value of their assets is only affected by the unit price. The active adjustment method is easy to understand in use, and reduces the impact of fluctuations in the wallet on the actual application. The main advantage of OneBasis algorithm stablecoins is that they can provide a medium for cryptocurrency transactions. Due to the high volatility of cryptocurrency prices, they cannot be widely used in daily applications such as payment processing.

...The high predictability and stability provided by stablecoins can solve this continuing problem. As a measure to resist volatility, OneBasis algorithm stablecoin can play a role in the integration of cryptocurrency and traditional financial markets. According to the current situation, these two markets exist independently of each other, and there is little interaction in the ecosystem. With the emergence of this type of stable digital currency, cryptocurrency is likely to be more used in the loan and credit markets (currently only dominated by government-issued legal tender).

In addition to its use in financial transactions, OneBasis algorithmic stablecoins can also be used by investors to hedge their investment portfolios. Linking a segment of the investment portfolio to stablecoins can effectively reduce the overall risk. On the one hand, when prices fall, using hedged assets to buy other cryptocurrencies is an effective strategy. On the other hand, when the price rises, these local tokens can "lock in" gains without the need to cash out.

Although this type of stable currency has great potential for wide application, it still has certain limitations. Since legal asset-collateralized stablecoins require a central entity to hold reserve assets, their degree of

decentralization is lower than that of ordinary cryptocurrencies. For encrypted asset-collateralized and unsecured stablecoins, users must trust the wider community (and source code) to ensure the longevity of the system. Therefore, for these emerging technologies, the market must give the OneBasis algorithm more time to mature.

YFiONE NFT+DeFi

NFT is the abbreviation of non-fungible token, which means non-fungible token. Inhomogeneity is an economic term used to describe your furniture, song files, or computer. These things cannot be interchanged with other things because they have unique properties. Simply put, NFT is a token used to express the ownership of a unique item, which can help us YFIONE to realize the tokenization of a variety of items. They can only have one official owner at the same time, and they are guaranteed by the blockchain-no one can modify the ownership record or copy/paste a new NFT. Correspondingly, homogenized tokens can be exchanged because they are defined by values rather than unique attributes. For example, ETH or US dollars are fungible because 1 ETH / $1 USD can be exchanged for another 1 ETH / $1 USD.

There are many standards used in the creation and issuance of NFTs. ERC721 is one of the best, which is a standard for issuing and trading non-homogeneous assets on the Ethereum blockchain. The standard has recently undergone an improvement, namely ERC-1155. It allows

homogenized and non-homogeneous tokens to be included in a single contract, creating more possibilities. The standardization of YFIONE-NFT issuance brings strong interoperability, and ultimately enables users to become beneficiaries. We will do our own corresponding NFTs on Ethereum and Binance Chain, which basically means that unique assets can be transferred between different YFIONE applications relatively easily. Although the value of YFIONE-NFT varies depending on how it is used, in general, it has the following characteristics:

- **Uniqueness**: The characteristic of non-homogeneous tokens is that they are unique, which can be verified on the blockchain.

- **Persistence**: YFIONE-NFT information and data are stored in the pass. This information can include messages, images, music, signatures, or any other data.

- **Programmable:** YFIONE-NFT is just a piece of code on the blockchain. This means it can be set to have various characteristics. One of the most useful features of NFT so far is that royalties can be programmed (or built-in) into the token. This means that artists can receive royalties from all second-hand sales of their works.

- **Permission-free:** If NFTs exist on a permission-free blockchain, such as Ethereum (not all NFTs are on Ethereum), then they can be used in a variety of ways. For example, Sorare - a sports trading card game - has a third-party game (not created by the YFO team) that uses YFO trading cards.

- **Digital Ownership:** You can own and control NFT by using your wallet. Digital assets like domain names (Google.com) do not actually belong to Google (although Google has the right to control these assets), but are owned by middlemen such as GoDaddy or Verisign.

A non-homogeneous token is an encrypted token that represents something, such as an artwork, an event, or a digital project. Therefore, many people mistakenly conclude that NFTs are of no value. However, non-homogeneous tokens are indeed valuable. NFT represents a unique asset and is highly cryptographically secure. They cannot be exchanged with each other. Therefore, it brings scarcity to the encrypted digital world. Each of these tokens gains value due to this scarcity.

This situation is in line with the traditional law of supply and demand, and all parties are willing to pay more for specific and rare NFTs. Therefore, NFT is most suitable for decentralized applications (dApps), where users can create and own unique digital projects and collectibles, and can connect buyers and sellers for transactions.

NFT provides a high degree of interoperability and can be used as a representative of non-traditional assets. This means that NFT can be used in many fields. In all application fields, NFT is meant to represent a certain value. The management of value can be completed in the blockchain through smart contracts, which is fully in line with the definition of the DeFi project: financial instruments running along the blockchain.

The development of YFiONE—NFT+DeFi is diverse. First, there are not only decentralized exchanges led by NFT, and secondly there are fully decentralized collection games; in addition, YFIONE combines NFT and Defi to provide services to form a bridge between real-world assets and DeFi; YFiONE —NFT+DeFi will also stand out in the meta-universe field. Users can use this platform with any other NFT assets on the YFiONE-NFT+DeFi platform. Although YFiONE-NFT+DeFi is already innovative and diverse. However, these are just a few of the many potential applications of these technologies.

As mentioned above, the possibilities of combining DeFi and NFT are far from exhausted. The application of YFIONE-NFT in the DeFi field is still in its infancy, just as a very promising feature in the YFI0NE-V2 version is lending. At present, the DeFi lending platform supports most ERC-20 standard tokens for mortgage lending.

YFIONE-NFT will also strive to be a pioneer on this track. YFIONE-NFT will lend out loans as collateral, and its liquidity will be further released. In order to protect lenders from market fluctuations, DeFi loans will be over-collateralized, usually with a mortgage rate of 150% or higher. Translated into traditional financial terms, this is like a bank saying: "You give us 300,000 US dollars, and then you can lend you 200,000 US dollars" This scares away ordinary users, and DeFi is developed by relying on a strong and growing user base. YFIONE-NFT provides another route. The emergence of YFIONE-NFT allows NFT holders to use idle NFTs in their wallets. It provides a market where users can promote their NFTs as collateral for fungible token loans or as collateral. The lender submits a loan quotation to the other party, including a custom loan amount, required return amount, and loan duration. The borrower can choose whether to accept it or not.

YFIONE-NFTTradable Insurance

Anyone familiar with traditional finance knows that the insurance industry is a behemoth worth trillions of dollars, full of unscrupulous behavior. The transparency and accountability of the blockchain means that NFT provides unique, mathematically verifiable, and unchangeable insurance contract solutions that benefit the crowd, not the company. YFIONE-NFT is now creating a secondary market for insurance derivatives similar to DeFi insurance policies. YFIONE-NFT can be

packaged and tokenized into yNFT, which means that insurance policies can be used for income farming to create more value.

Although the NFT industry has developed well recently, it is still far from showing its due strength, which is limited by the development constraints of the blockchain itself. As NFT products gradually move out of the "entertainment collection" ecology and become more and more valuable, developers' requirements for safe performance and efficiency have also increased. We will see more changes between YFIONE-NFT-DeFi More blending. Such as the development of the industry, YFIONE is currently opening a new track in NFT x DeFi. The position capability being introduced by many projects is to support market makers to hold different positions in different price ranges; while the management of position, or tokenization, is based on ERC721. However, the NFTization of LP tokens also brings some problems. Since LP is no longer ERC20, its potential liquidity is significantly reduced, which can be achieved through peripheral agreements or other partners.

However, this peripheral implementation method must be relatively rigid and costly, because ERC721 does not support split or partial transfer, which prevents market makers from handling the LP assets in their hands as flexibly as before. At the same time, a new layer of peripheral agreement is also added. It will increase GAS consumption and reduce trust.

Because high-end DeFi products do require more professional and sophisticated capital management capabilities to meet more flexible financial needs, this also puts forward higher requirements on the token agreement. High-end DeFi products require non-homogeneous token contracts to describe their multi-dimensional properties. However, the current mainstream NFT protocol ERC721 cannot meet the needs of such financial applications. ERC721 is designed to describe unique encrypted collectibles. When applied to financial products, it is not flexible enough to

be split, merged, or upgraded. DeFi needs a new asset agreement to realize financial NFT.

To this end, YFIONE talks about making a pass standard oNFT-a new type of NFT standard that can accurately and custom express a variety of financial values. To put it simply, oNFT is a type of NFT that supports quantity description. On this basis, it can be split, merged, and partially transferred. At the same time, in order to better support the "two-layer asset11 model, oNFT also adds the ability to describe the underlying assets at the protocol layer to support and standardize the implementation of this model. In addition, in order to effectively interact with the existing DEFI world infrastructure, oNFT is compatible with ERC721 at the implementation level, so that any protocol that supports the standard ERC721 can treat vNFT tokens as ERC721 tokens. Using oNFT standards to implement Swap's LP token can help swap to avoid a series of problems that may be caused by the current ERC721 scheme.

With the help of the oNFT standard, it will bring rich and complete programmable financial tools to the financial ecosystem on the chain, and is committed to building a scalable and open platform that supports the creation and trading of many different types of NFT assets, and integrates more financial assets and tools. Bring into the DeFi world to further release the potential of DeFi to change the world.

Through the open source of the protocol code and its contractual nature. YFIONE-DeFi solves the problem of transparency well

The benefits provided by YFIONE smart contracts in terms of transparency are straightforward. All parties know the capital value of their counterparties and can see the deployment of funds if necessary.

The parties can review the contract code by themselves to determine whether the contract terms comply with the agreement, thereby eliminating any ambiguity that may occur when the parties interact under the contract terms. This transparency greatly reduces the legal burden of small or individual participants, allowing them to participate in the market with peace of mind, instead of the traditional financial sector where they are easily bullied by large participants — large institutions can delay or even fail to fulfill their agreed agreements. Financial agreement without any penalty. In fact, ordinary consumers may not understand any contract code, but they can rely on the open source features of the platform and the wisdom of the crowd to gain a sense of security. In general, DeFi has successfully reduced the risk of trading and created a more efficient financial form outside of traditional finance.

YFIONE-DeFi participants are responsible for acting in accordance with the terms of the smart contract used, and a mechanism to ensure that they maintain appropriate behavior is pledge. Pledge is the custody of encrypted assets in a smart contract. Only when the terms of the contract are met, the smart contract will issue the encrypted assets to the counterparty of the corresponding transaction; otherwise, these assets will be returned to their original holders. Smart contracts can put forward pledge requirements for any request or interaction made by the parties.

By enforcing the agreement, pledge can impose effective punishment on the party who misbehaved and effectively reward its counterparty. Effective rewards should be as good as the results of the initial terms of the contract, or even better. Compared with traditional financial agreements, this transparent incentive structure can provide a safer and more significant guarantee for the contract. Another type of DeFi smart contract that can improve transparency is the token contract.

Tokenization can make the ownership and economic relationship of a system more transparent. Users can accurately understand the number of Tokens in the system and their inflation or contraction parameters.

YFIONE-DeFi looks forward to the emergence of the mainnet public chain YFOChain

What is the YFOChain mainnet?

First of all, the main net is relative to the test net. The main net refers to the original and main network of bitcoin transactions. The bitcoin circulation on it have real economic value. The network functions are similar, mainly used for rapid project development iteration and early community participation. By analogy, the main network of other public chains refers to the officially launched and independently operated blockchain network, and the transaction behavior on the network is recognized by the all members of the community.

What is YFOChain mainnet launch?

To put it simply, the mainnet generally refers to the public chain. The public chain represents the underlying facility of a project. The mainner line means that the underlying facility has been built and can be placed on the network for developers to use.

The impact of the mainnet launch on YFO token

First of all, YFOChain will open the block generation mode to account for each transaction. All YFOChain exchanges consume YFO token as a gas fee, which of counre will be displayed on the YFOChain browser. At the same time, development of the public chain and the mainnet line. The purpose is to operate the entire ecological Token of YFO with reasonable resources.

What kind of project needs a mainnet?

Generally speaking, projects that require the development of underlying protocols and DApps need to be supported by the main network. For example, Bytom focuses on asset-specific public chains. After the main network is launched, it will support asset applications on its public chains. Development in addition, projects that are purely for circulation do not need a mainnet, such as common platform coins.

Why is the token publicly traded before the mainnet goes live?

Wasn't it the same for normal transaction transfer before the mainnet went live? Yes, it is possible to buy and sell storage, but they are all based on tokens under other public chains, such as erc20 under Bytom ETH (Bytom is also a public chain, and it can also be released for other currencies in the future, especially financial concepts. Use, not to mention). Before going on the mainnet, all the blockchains of other public chain virtual currencies are used, and after going on the mainnet, they are using their own blockchains.

Before the emergence of the ERC-20 standard, the project party needed to crowdfund and then create an Ethereum contract, and then issue tokens according to the ETH address provided by the crowdfunder. After the mainnet goes online, it is transferred to the mainnet, which takes a long time. For example, the Bytom chain project was launched in June 2017, and the mainnet version 1.0.0 "Smart" was officially launched at 14:00 on April 24,2018, Beijing time. With the emergence of the ERC-20 standard, in principle, all tokens can be traded immediately after they are created, which is convenient and fast, but the project party usually chooses to trade after 3 months.

Token has two main missions to conduct transactions before the mainnet line: first, accumulate early seed users as soon as possible ; second, promote technology development and community operations at the same time. It usually takes about 1 year for the mainnet to go live. In this long waiting process, investors are required to wait patiently. Ethereum main chain, Binance smart ecological chain, etc.

How will the community react before and after the mainnet launch ?

1. The mainnet is online, and you can use your own computer wallet to store the virtual currency. This is a qualitative leap. There are two ways for virtual currency lovers to hold virtual currency, one is an exchange and the other is a personal computer wallet. Before the mainnet went live, the erc20 wallet had to submit the secret key online. People who really held hundreds of thousands of millions of funds shuddered at this point. Consequence: The number of users soars.

2. The mainnet is online, and the synchronization measures will log many exchanges. Consequences: the number of users soars.

3. The mainnet went live, the project was launched, and the people who waited for the risky project were psychologically stable and began to enter the market. Consequences: the number of users soared.

4. The mainnet went live, the application of blockchain projects really started, and new projects based on this project continued to emerge. Consequence: The number of users who demand the virtual currency has greatly increased.

5. The YFOChain blockchain will have mining functions, and a arge number of miners will participate. Consequence: The number of users soared.

6. The mainnet is online, allowing more developers and community participants to participate. Consequence: The number of users soars.

What is the significance of the mainnet launch?

First, the ERC-20-based token has completed the original mission and needs to be destroyed. The project party generally converts the original token to the main network currency (Coin) at a ratio of 1:1 after the mainnet is launched. According to the definition of coinmarketcap, coin refers to a cryptocurrency that can be operated independently; token must rely on another cryptocurrency to operate as a platform. As of May 10, 2018, coinmarketcap listed 1,595 blockchain projects, of which 869 belong to coins and 726 belong to tokens.

The market value of the two is more than 430 billion U.S. dollars. Second, the launch of the mainnet means that the project ecology is initiated, and subsequent business activities are meaningful and will not become a tree without roots.

For example, a large number of DAPPs can be developed on it, and the beautiful vision described in the white paper of different public chains has really begun to be tested by users. How to get more technology developers, miners (projects using the POW mechanism), and coin holders to participate, Allowing companies and institutions in different industries to recognize it will greatly test the technical and operational capabilities of the YFO project.

The Launch of YFOChain's Mainnet Has A Greater Impact On YFO.

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Whitepaper

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