

# White Paper

# Financial DeFi

By Lender, To lender.

<http://financialdefitoken.com>

Financial DeFi aims to create a new financial ecosystem that unifies the current DeFi landscape. The project will provide a peer-to-peer protocol developed platform by leveraging multi-asset crypto financing capabilities on different blockchains.

Pacific DeFi will initially operate on the Binance Smart Chain (BSC) network, with interoperability with Ethereum blockchains. The project will be designed to take on mass crypto adoption among retail users with the following ramifications in mind:

MIDST -5% of F.D. Token will be distributed amidst all the holders for rising income.

CASH POOL- 3% Will be added to the cash pool.

SMOKE –2% will be set to Smoked and never be seen again.

Financial DeFi begins as the best platform to generate high-yield returns on stable coins using auto-staking vaults that auto-compound the rewards of high-grade DeFi protocols.

It is Financial DeFi's mission to provide highly secure yield enhancement products for stablecoins and altcoins, offering users the ability to earn high risk-adjusted returns.

# Abstract

Traditional financial services such as payments, lending, and borrowing were only available through established financial institutions and banks. With the introduction of blockchain technology, this has dramatically transformed into a new financial ecosystem that has given rise to decentralized finance (DeFi). DeFi's process operates via automated applications that are developed on top of blockchain platforms.

The mission of Financial DeFi is to allow for a fair and transparent financial system where anyone can participate. It allows unbanked people to access financial and services via blockchain technology. In a nutshell, DeFi aims to build an open-source, permission-less, and transparent financial services ecosystem. The decentralized financial system offers services that include trading, lending & borrowing, token mining, asset custody, insurance, synthetic products, and more. Blockchain and cryptocurrency are the core technologies that enable decentralized finance.

Blockchain is a decentralized, distributed public ledger where transactions are recorded in computer code. All data on the blockchain is represented as transactions. The blockchain database is like a ledger where data is added in blocks. These blocks are interconnected and the data is recorded in sequence. The system secures data through an encryption method called cryptography. An arbitrary amount of data input and a credential on each block is encrypted using the hash function. The result of this is a line of text of fixed length, which can be tracked and verified back to the original data but cannot be deciphered back into its original form.

When new data input comes in, a new block is created. The cryptographic hash of the previous block is stored on the new block, the data in the new block is again encrypted into a cryptographic hash, and a credential called a nonce is added at the end.

This new block is then validated by the miners/validators and added to the blockchain.

Through this process of repeated encryption and validations, the blockchain provides a secure environment to run applications. Although the blocks are created in sequence, they are not stored on a single server. The ledger itself is distributed to multiple servers/computers worldwide, which eliminates single points of failure and makes the whole system impossible to practically hack. This secures the system by providing users with anonymity, verifying payments, and a record of asset ownership that is very secure and unlikely to be tampered with.

However, although DeFi itself boasts of a new, more efficient financial ecosystem, it has failed to deliver on its promises of being accessible to everyone in a practical way and more accessible manner. The Financial DeFi project looks to solve these problems through an ecosystem of efficient DeFi platforms.

# The Ecosystem

The development of the Financial DeFi ecosystem will be progressive and highly transparent. As much as the team strongly believes in the vision of the project, we also believe that ultimately, the purpose of such a platform is to give value back to the users, whether they are high net-worth investors or small retail investors just starting out with crypto-based investments. For this, the Financial DeFi project is broken down into three phases, with a long-term outlook for development.

It will be a space that runs on the principles of collective growth, financial freedom, and security. Everything will be secured through a blockchain backbone, one that starts out with the efficient and low-cost BSC, but evolves as the technology matures, and with that, new features and security measures will be added.

## Financial DeFi Swap & Trade

Our major vision is to create a unified space for our users where they can avail all the financial services that they desire, without having to switch between platforms. The Financial DeFi Swap & Trade will aid in facilitating this purpose.

Liquidity providers can generate LP tokens directly from our platform vs. a DEX such as Pancake Swap, allowing for trading fees to be organically generated through Financial DeFi's platform.

·A 0.20% fee will be charged, with 0.17% going towards the CPs and 0.03% going to Financial DeFi's treasury.

# Yield Enhancement Vaults

Financial DeFi will offer high-yields on stablecoins and altcoins using single-token auto-staking.

This is a strategy where users can deposit single tokens to earn high yield (e.g. on BNB, BTCT, ETH, CAKE etc.) and the vault automatically allocates funds across protocols to generate high risk-adjusted returns.

This strategy works by a single vault automatically allocating user funds to farm yield across different high-grade DeFi protocols and auto-compounding the native token rewards. This produces a yield while lowering risk as risk is spread across many different protocols.

## Lending, Borrowing and Time-Deposits

Lending and borrowing make up core banking functions in traditional finance. Crypto lending/borrowing, on the other hand, has not been able to provide a real use-case since users who need to borrow crypto are required to pledge assets at very-high collateralization rates.

Financial DeFi aims to change the way lending and borrowing is facilitated in crypto by allowing users to lend funds to provide leverage to the High-Yield Vaults, magnifying returns for its users.

Lenders are offered higher lending rates when lending utilization rates increase due to the increased demand to allocate to the High-Yield Vaults.

Yield generated via lending will be given to the capital providers of Pacific DeFi's lending vaults, providing high-yield income to users who deposit stablecoins and altcoins that are then lent out.

## **Long-term Action Plan**

- Financial DeFi to create time-locked, fixed-yield vaults. These vaults can be compared to time-deposits found at traditional banks.
- Financial DeFi to do trial runs of uncollateralized lending to select users whereby KYC and AML procedures are in place. These products are targeted at high-net-worth individuals and institutional traders who need short-term working capital.
- Offer cross-chain lending & borrowing capabilities on other low-cost, high-speed blockchains.

## **High-Yield Vaults**

The demand for crypto in DeFi has been increasing as new users transfer their fiat money to Bitcoin, Ethereum, stablecoins and altcoins via centralized exchanges.

This creates increasing demand for yield on these coins as users are disappointed with the interest rates they receive from traditional finance.

Financial DeFi's high-yield vaults will initially be active on the BSC, however the team has plans to scale these vaults across other low-cost, high-speed blockchains such as Polygon, Solana and Avalanche.

In the future, Financial DeFi will also be develop enterprise-grade high-yield products that cater to high-net-worth individuals and institutions.