

Coinversation Protocol

Introduction

Coinversation Protocol is a stable currency protocol based on interest-bearing assets based on the parachain of Polkadot. Users can use different currencies such as CTO and DOT to synthesize CUSD through smart contracts and oracle. Users can cast CUSD by staking tokens that can generate interest. Bridging USDT, USDC and BUSD to the CTO network to form the largest stable currency exchange platform in the Polkadot ecosystem. We will open the API to facilitate all parachain to access our stable currency exchange system, so that all chain users can seamlessly use Polkadot's bridging protocol.

CUSD

Since CUSD is a stable currency pegged to the US dollar, it needs to remain pegged to the US dollar. The mechanism used relies on arbitrage. This can happen in a variety of ways.

- Users who hold CUSD debt may notice that CUSD is trading in a market below **\$1** and decide to buy some CUSD at the lower price to repay some of the debt. This will have a price increase effect relative to its volume.
- A user holding valid collateral may notice that CUSD is trading above \$1 in a market and decide to sell the CUSD. This transaction will reduce the price.
- Users who hold other cryptocurrencies may see that CUSD is traded differently in the above two markets and decide to buy CUSD in one market with a price below US \$1 and sell it in another market with a price of US \$1 or more.

In most cases, many market arbitrage is done by robots that constantly monitor markets to find opportunities to earn from these price gaps. The advantage is it can quickly fix the price gap.

Tokenomic

Total Supply: 100,000,000

The token of this project is \$CTO.



Main Functional Modules

The main functional modules of the whole system are: Mint center, Oracle, Cross-chain Interest, Platform Revenue, Liquidity Mining, Liquidation and NFT.

Mint Center

The CUSD generated by the whole system users mortgaging certain collateral. The collateral includes interest-bearing tokens such as CTO and DOT, and users can choose the proportion of CUSD they need to exchange. If stable currency is used as collateral, because it is an interest-bearing product, its leverage ratio will continue to decrease and it will never be liquidated.

Oracle

Since the price of mortgage forging needs to be integrated from outside network, the oracle is the most important. The initial system will use off-chain oracle such as our partner Chainlink, DIA to ensure the stability of our forging and liquidation. We will work with multiple oracle to ensure users' assets.

Cross-chain Interest

When users put interest-bearing tokens such as CTO and DOT into our platform, the platform will show what chain they put into, what products they put into, and what the comprehensive rate of return is.

Platform Revenue

When users put in interest-bearing tokens and generate interest automatically. We will charge a certain percentage of the fee for the interest-bearing part, which we will vote on the chain to determine our percentage. This income will give dividends to \$CTO collateralized users, and later we will bind with nodes and distribute rewards to users who vote for nodes. The fee for stable currency exchange will also enter the platform revenue.

Liquidity Mining

We will award \$CTO to:

- Users who form 3USD LP with BUSD USDC USDT on Coinversation.
- Users who form CUSD+3USD LP
- CUSD-CTOLP users
- Users who stake \$CTO

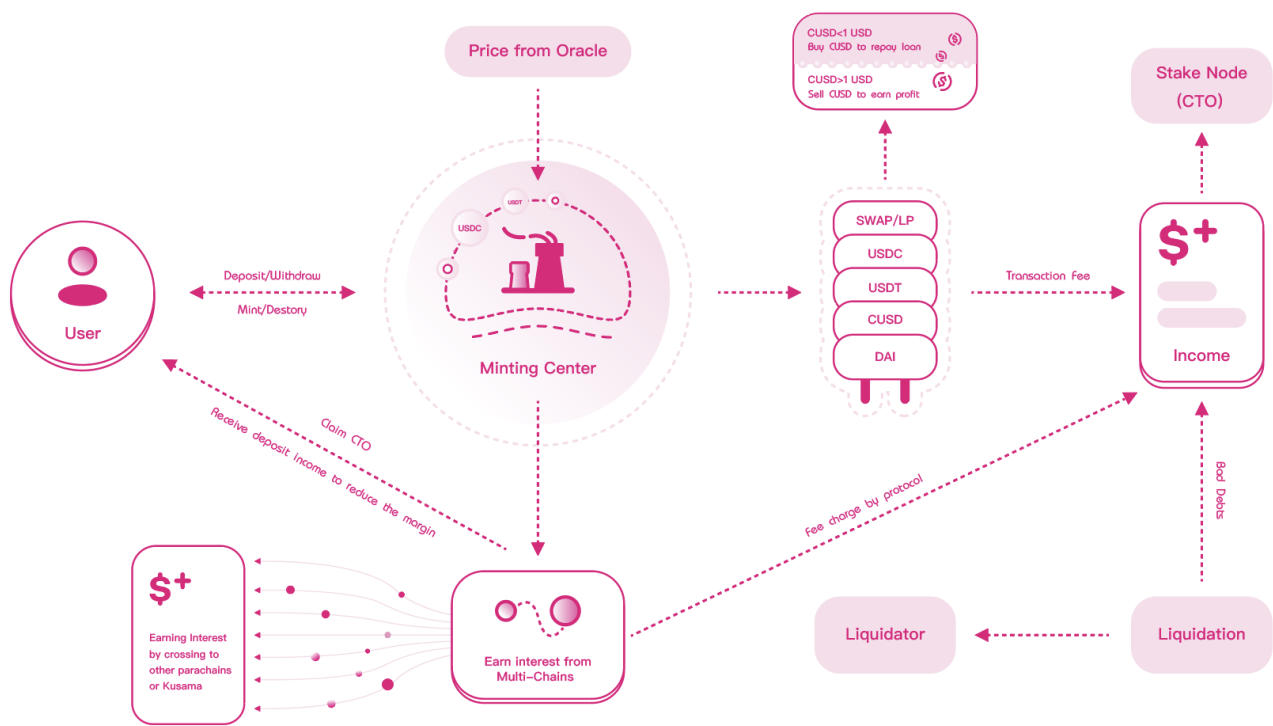
Liquidation

The liquidator on the chain can become our liquidation robot. He will receive 5% of the total amount of liquidation as a reward. Anyone can participate in our liquidator. If bad debts occur, we will repay the entire mortgage system from the platform revenue.

NFT

We will make a fragmented liquidity pool for NFT. Its initial concept has been deployed in KACO on BSC. At present, some NFTs have floor prices. With floor prices, we can make mortgage loans, NFT indexes. More people will release their NFT by mortgaged NFT on Coinversation.

System workflow



Here is an example:

User A will receive \$CUSD for any of our supported interest-bearing tokens placed in our mint center. The system will bridge the interest-bearing tokens to other chains for interest-bearing. At this time, because you put in interest-bearing tokens, the system will automatically reward you with \$CTO. The \$CUSD you get can have multiple paths, 1. \$CUSD and 3usdLP can earn the \$CTO. 2. You can sell \$CUSD directly for profit. 3. You can create \$CUSD-\$CTO LP to earn \$CTO.

\$CTO can be separately stake to the system to obtain the entire platform revenue.

We will use the feature of Polkadot, which can seamlessly generate interest on multiple chains.

Advantage

We will open our stable currency exchange protocol and access multiple parachains to facilitate users of parachain exchange stable coins. We can also help users earn interest on multiple chains, enlarge the utilization rate of funds and obtain more profit.

Roadmap

2021 Q4

- (1) Complete the parachain auction.
- (2) Complete the stable currency exchange system.
- (3) Complete the function of the oracle.
- (4) Realize the mortgage DOT and CTO and other interest-bearing assets to complete cross-chain interest-bearing.
- (5) Complete liquidity mining.
- (6) Complete the deployment and development of parachain and asset transfer.

2022 Q1

- (1) Integrate more parachains to help users realize cross-chain interest generation.
- (2) Integrate more oracle to improve the stability of the whole liquidation module and Minting module.
- (3) Integrated NFT forging center, helps users use NFT to earn interest.
- (4) Combined with DEX to complete the price prediction machine of NFT, help users to achieve NFT index, NFT forging
- (5) Support NFT on multiple chains to forge.