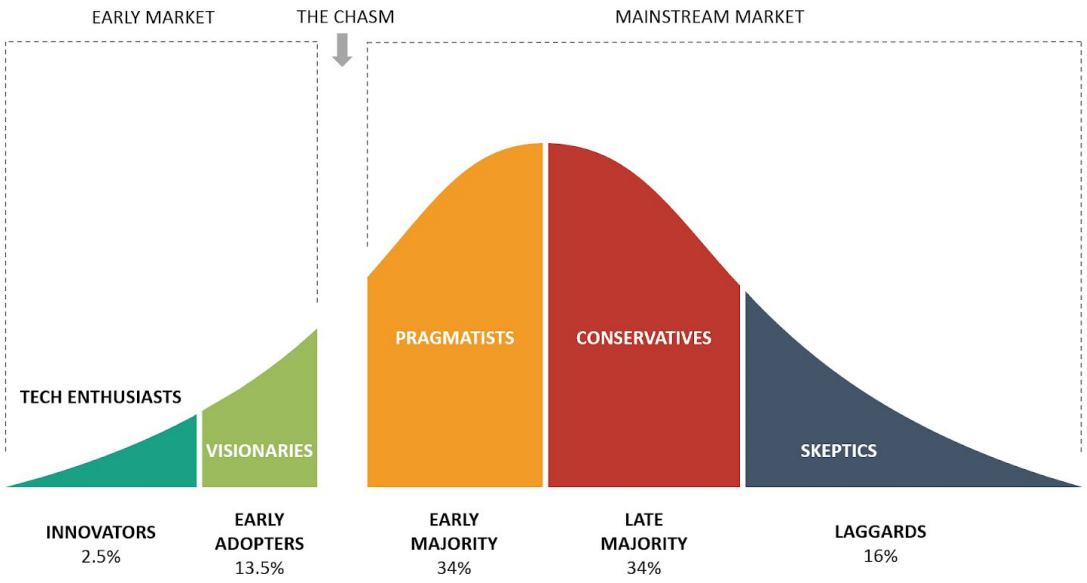
CryptoLocally GIV - Draft white paper

Introduction

It is becoming clear that the main application of blockchain technology will be in decentralized finance (DeFi).

DeFi opens doors to a globally interconnected alternative to every financial service you use today — savings, loans, trading, insurance and more — accessible to anyone in the world with a smartphone and internet connection.

However, even DeFi will not get very far without mass adoption. At this point, DeFi is barely in the early adopters stage on the technology adoption curve.



So how do we cross the chasm? How do we onboard the mainstream market over just the tech enthusiasts?

There is one key component missing in DeFi that is blocking mass adoption. We must provide **easy, simple, and inclusive access for everyone**.

This is where CryptoLocally comes in. CryptoLocally bridges the gap between the ordinary person and the world of DeFi. By doing so, **CryptoLocally will unleash DeFi to the masses.**

The problem: DeFi is too hard to access

The majority of people with access to traditional financial services are often subject to the archaic banking bureaucracy, a system that prioritises the wealthy.

Access to products such as loans, insurance, investment vehicles and financial markets are littered with hurdles. This is for those who already have bank accounts.

However, there are over 2.5bn people in the world that have absolutely no access to financial services.

DeFi is expected to democratize financial services. Unfortunately, at this time, access to DeFi and digital assets in general remains fragmented, complicated, expensive and slow. For the unbanked or the millions of people living in emerging economies, or people who live in regions with restricted currencies, this is sometimes outright impossible.

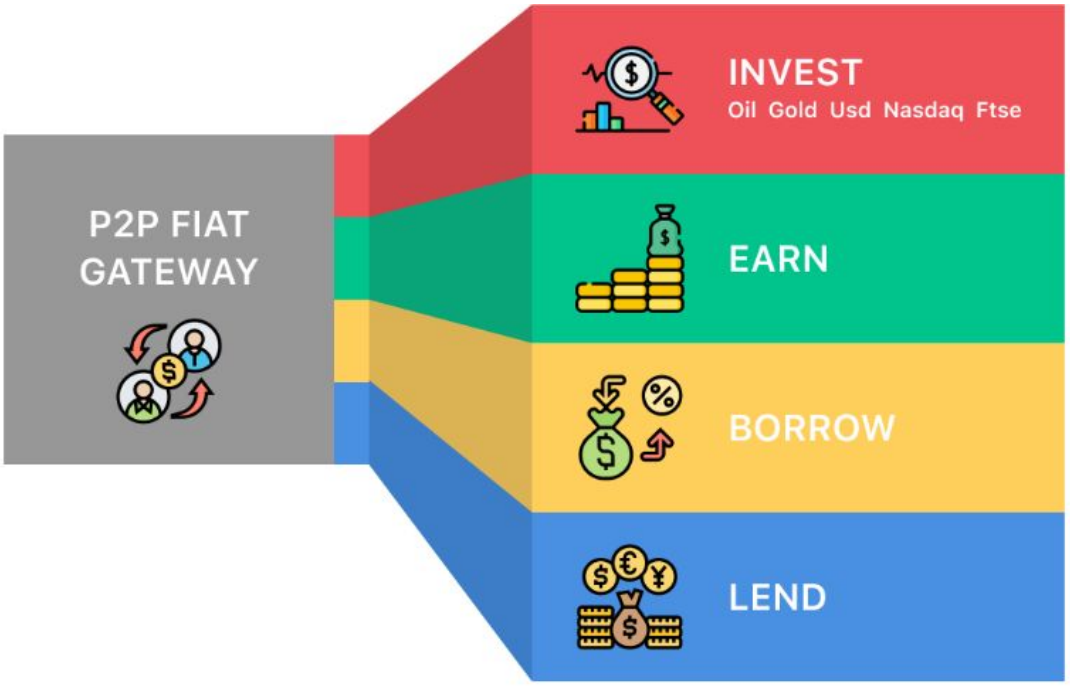
Solution: Provide easy access to everyone

CryptoLocally is creating the easiest and most accessible gateway to DeFi and its tools for everyone. Our goal is to empower all people with the tools to take control of their financial future. Through CryptoLocally, DeFi will gain mass adoption.

By eliminating the middleman, CryptoLocally enables people to bypass the onerous fees, interest rates, and other restrictions traditional financial institutions impose.

CryptoLocally is already a trusted provider of a peer-to-peer (P2P) digital asset marketplace with no middle-man; it offers out-of-band payment methods and a revolutionary smart contract escrow.

People can meet in person, send a bank transfer, or use KakaoPay, AliPay, WeChat Pay, Venmo and more - all in a currency the buyer and the seller decide to use. All the while, their digital assets will be secured in an escrow that is *safer than a traditional bank account.*



Empowering all people with the tools to take control of their financial future.

Visit the marketplace here: www.cryptolocally.com

DeFi for the masses - CryptoLocally Vaults (CLVs)

It's easy to earn passive interest by supplying tokens to lending markets like Compound, Aave, Fulcrum, and Dydx. But maximizing your potential yield on DeFi is much more complex now. Yield farming is no longer only about yield switching tokens, trading fees, and incentivized liquidity. Due to the incentivized liquidity wars, a current yield farming strategy may include a myriad of steps that involve several different tokens and smart contracts. And this is just for one blockchain — Ethereum. With DeFi spreading across the whole blockchain industry, yield farming will only get more complex over time.

This will make no sense to typical users - it requires hours of research and experience. CryptoLocally is bringing simplicity back - with the click of one button.

CryptoLocally Vaults (CLVs) are non-custodial, smart contract based algorithms deployed across multiple chains. Behind a clean user interface, the CLVs will work in the background and apply strategies that optimize yield for users that invest into the vault pools.

This will allow users to earn maximum yield on their crypto assets across all chains, all in one place, with the click of a button.

On-chain smart contract oracles

The first step to implementing this solution is to utilize on-chain price and interest rate oracles in order to be able to gather accurate data that is updated each block.

Utilizing a smart contract based algorithm for maximum yield

The next step is to build the smart contract based algorithm that uses the data to switch between yield strategies. The contract must be generalized so that strategies can be added over time in order to account for new opportunities in a quickly evolving market.

With this solution, users don't have to learn and implement a strategy themselves. They simply click *one* button, and the smart contract yields optimal interest for them.

Minimizing Costs

This solution is extremely cost efficient. Imagine a yield farming strategy with S steps. If you simply gave this strategy to U users who want to invest N DAI each,

they will likely have to spend at least $S * 2$ transactions worth of gas fees. Now assume that the average transaction fee across these steps is P. If they all use this solution independently as described, we can conclude the following:

$$Aggregate\ Gas\ Spending = 2USP$$
$$Gas\ Fee\ Percentage\ of\ Volume = (\frac{2SP}{N}) * 100$$

Let us give real number values to the above equations through a realistic example. The *mint* function for cDAI costs approximately 330,000 gas. At the time of writing, the standard gas price is approximately 70 Gwei. Therefore, the transaction costs 0.0231 ETH or **$7.62** when we assume 1 Ethereum = 330 USD. So in this example, $P = 7.62$. Let's assume we have 10,000 users that want to use a yield strategy consisting of 5 steps going in. Also assume that each of these users are investing 1,000 DAI, and to simplify our calculations, 1 DAI = 1 USD.

Then,

$$Aggregate\ Gas\ Spending = 2 * 10,000 * 5 * 7.62 = \$762,000$$
$$Gas\ Fee\ Percentage\ of\ Volume = (\frac{2SP}{N}) * 100 = (\frac{2 * 5 * 7.62}{1000}) * 100 = 7.62\%$$

From the above example, it is clear that yield farming is extremely expensive and not resource efficient when done in this way. It also does not have as much upside for those who want to yield farm with a smaller budget (a lower N).

However, with our solution, the smart contract algorithm deploys the optimal strategy for all of the users in fewer bulk transactions. The only addition is that there is one step in funding tokens to the smart contract and then claiming those tokens back with accrued interest. This makes the aggregate gas spending and gas fee percentage of volume look like this:

$$Aggregate\ Gas\ Spending = 2SP + 2UP = 2P(S + U)$$
$$Gas\ Fee\ Percentage\ of\ Volume = (\frac{2P(S+U)}{UN}) * 100$$

Using the numbers from the example above, our solution gives us the following:

$$Aggregate\ Gas\ Spending = 2 * 7.62 * (5 + 10,000) = \$152,476.20$$
$$Gas\ Fee\ Percentage\ of\ Volume = (\frac{2P(S+U)}{UN}) * 100 = (\frac{2*7.62*(5+10,000)}{10,000*1,000}) * 100 = 1.52\%$$

In this example, our solution decreases aggregate gas spending and gas fee percentage of volume by around 80%.

Conclusions and Generalizations:

From this, we can conclude that our solution can drastically minimize costs for users. It also increases the upside in yield farming with a smaller budget. This makes DeFi

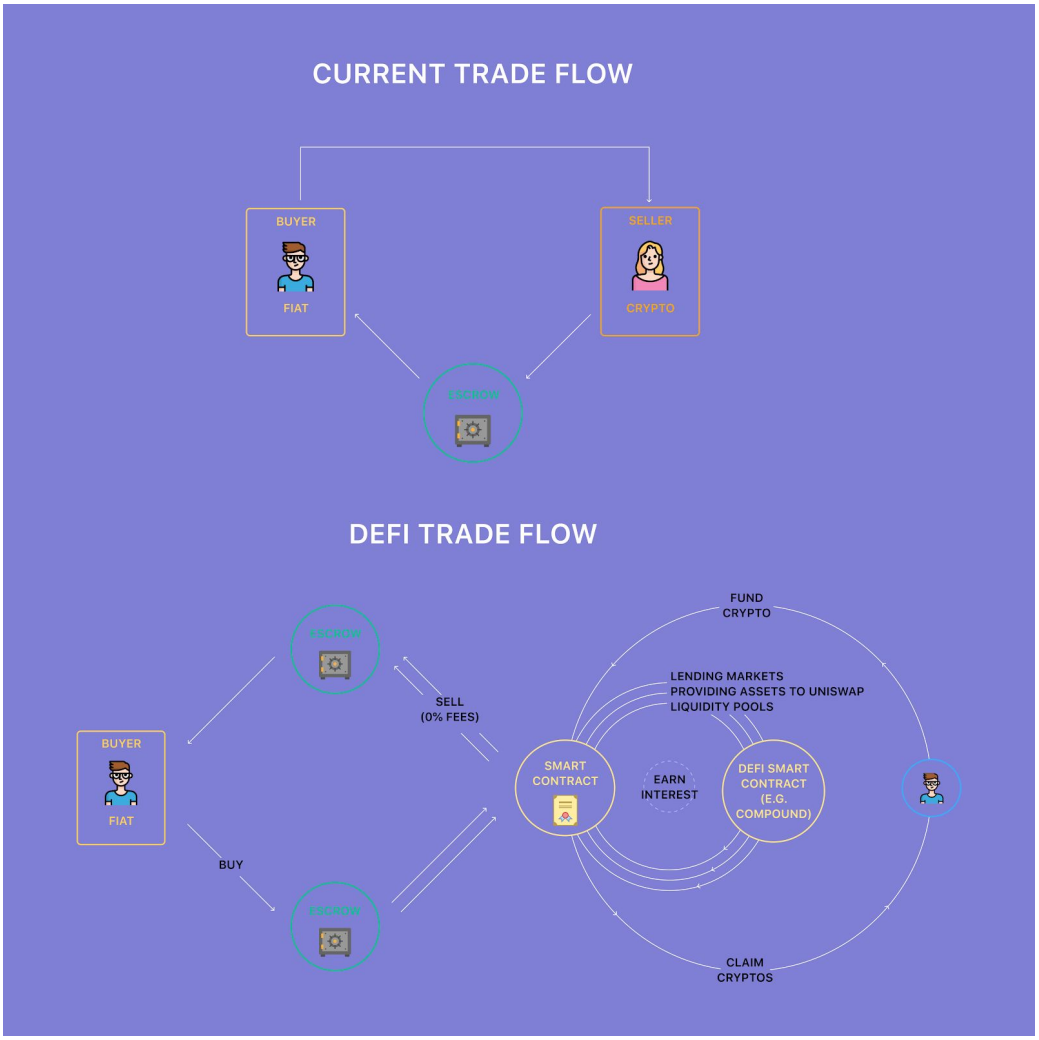
more accessible to everyone, and unlocks a larger market that has not been able to enter DeFi yet.

In general, our solution makes yield strategies extremely scalable for users. We believe that the number of steps S in DeFi may grow a little more with complexity, but it will be capped at some point. However the number of users U using DeFi will grow exponentially over time. When we compare aggregate gas spending without our solution, $2USP$, and with our solution, $2P(S+U)$, we can actually observe the following:

$$\lim_{U\to\infty} \frac{2USP}{2P(S+U)} = \lim_{U\to\infty} \frac{US}{(S+U)} = S$$

And since by definition $S > 1$, the above equation shows that our solution scales infinitely better with more users.

How it works



The Future

Our mission to unleash DeFi to the masses goes further than lending Ethereum based tokens. Users will soon be able to earn interest on their favorite tokens across multiple chains at the most optimal rates through CLVs, all in one place.

CryptoLocally will also give people access to a free peer-to-peer marketplace for collateralized and under-collateralized loans. The 150% collateral ratios in DeFi at the time of writing are extremely high, and a better and more accessible solution can be built with P2P.

Evolution of the GIV Token: GIVernance

GIV will evolve to be a governance token on the platform, offering a truly decentralized solution.

This will require holders to stake GIV in order to **earn interest and increase voting rights**. Voting rights offer GIV holders the ability to control the level of inflation, interest and free float (by way of token burns). Furthermore, token holders will be able to create and vote on CLV strategies. Finally, token holders will be able to vote for new listings on CryptoLocally.

The long term vision for GIV is to enable crypto-asset movements between different blockchains. Currently, the token is available on BEP-2 (Binance chain) but it will be deployed on other blockchain standards like TRC-20 (Tron blockchain) or ERC-20 (Ethereum blockchain) in the near future.

Cross-chain and cross-asset communication will facilitate access to DeFi solutions by removing trading and swapping hurdles we witness today. We are building an ecosystem where, for example, you can trade gold for an NFT, contract a loan with a BTC collateral and pay it back in GIV tokens.

Learn more about how GIV works by visiting our guide:
https://cryptolocally.com/en/blog/how-to-use-giv

You can also learn how to create an offer, sell or buy crypto on our platform here:
https://cryptolocally.com/en/eos/how-to

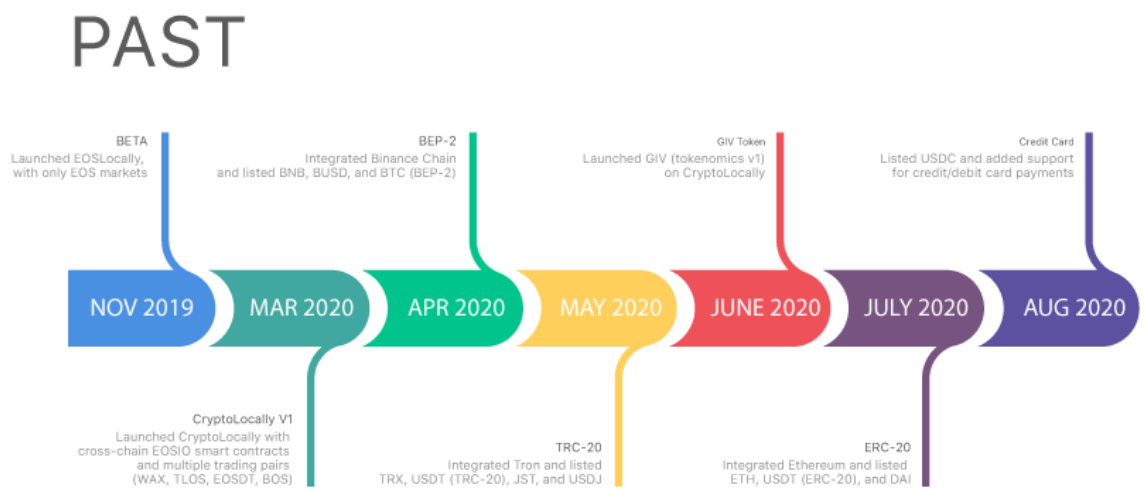
Non-Fungible Tokens

A non-fungible token (NFT) is a digital asset which is unique, indivisible and valuable. Cryptokitties initially popularised their digital art and represented it in that manner.

We believe that we are at the very beginning of this type of digital asset and non-fungible token ecosystem.

Cryptolocally already supports WAX, a token specifically designed for the NFT ecosystem. In the future, we will be integrating NFTs into our P2P marketplace across multiple blockchain protocols, which will allow seamless NFT trades and swaps through different chains.

Our Roadmap



November 2019: Launched Beta (EOSLocally) with only EOS markets

March 2020: Launched CryptoLocally with cross-chain EOSIO smart contracts and multiple trading pairs (WAX, TLOS, EOSDT, BOS)

April 2020: Integrated Binance Chain and listed BNB, BUSD, and BTC (BEP-2)

May 2020: Integrated Tron and listed TRX, USDT (TRC-20), JST, and USDJ

June 2020: Launched GIV (tokenomics v1) on CryptoLocally

July 2020: Integrated Ethereum and listed ETH, USDT (ERC-20), and DAI

Aug 2020: Listed USDC, added support for credit/debit card payments

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September, 2020: Finance Wallet v1

- Direct gateway from fiat to DeFi
- One-step access (no Metamask or any third party wallet needed)
- GIV staking rewards
- Earn interest on ETH, USDT, DAI, and USDC
- Simple integration with P2P trading

GIV public sale

- Link TBD

October, 2020: Finance Wallet v2: CryptoLocally Vaults (CLVs)

- Create CryptoLocally vault pools on Ethereum
- Launch smart contract algorithm that maximizes yield
- Minimize costs
- No change in flow for v1 users
- Support for third party wallet users

November, 2020: GIV tokenomics v2: GIVernance

- GIV used to govern the platform, including but not limited to the following:
- Token holders create and vote on CLV strategies
- Token holders vote on GIV staking rewards

Finance Wallet v3: Cross-chain CLVs

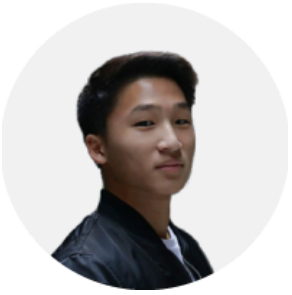
- Earn maximum yield across all chains in one place
- Tron, EOS.IO, and Binance Chain integration

December, 2020: Under-collateralized P2P Loans

- Launch a free market for peer-to-peer loans

Q1 2021: Cross-chain marketplace for NFTs

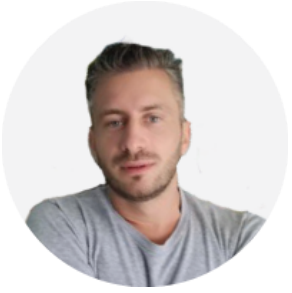
Founders



Jae Chung

Co-founder - Engineering & security

Jae became known in the blockchain space through his contributions to the EOS mainnet launch as part of HKEOS. As a gifted engineer, he found a vulnerability that won him Block.one's bug bounty. He was also voted Most Valuable Mentor at the EOS.IO hackathon in San Francisco out of over 70 mentors. In the last few years, Jae has been invited to speak and discuss blockchain technology at numerous conferences. Jae went to Wharton and double-majored in business and systems engineering. In his spare time, he enjoys playing basketball.



Hugo Campanella

Co-founder - Product and design

Hugo is our UI/UX expert, a polyglot specializing in front-end & product development. Hugo’s eye for design and detail is exceptional; his passion for what he does is evident in his work. His professional experience includes time at UBS, AXA and Rocket Internet. Hugo is originally from Luxembourg and comfortably speaks five languages.

Strategic Advisors

Benjamin Rameau

Ex-Binance, CEO Smile Research

Benjamin is the CEO of Smile Research, a company that specializes in trading of digital assets. Previously he worked at Binance where he was responsible for VC and M&A. Before entering the crypto industry Benjamin spent a decade working in investment banking and a hedge fund.

Jack Huang

Managing Partner One Block Capital

Jack is the Managing Partner of One Block Capital, a Hong Kong based token fund founded in 2017. He has invested in & advised >30 different early stage token teams, including groundbreaking projects like Quantstamp and Zilliqa. Before founding One Block, Jack spent 8 years in investment banking and private equity, at Rothschild, RBC, the World Bank Group, and Meridian Capital.

Dan Clarke

Ex-Binance, Marketing consultant

Dan is an independent Cryptocurrency and Marketing consultant with over a decade of experience in helping tech companies grow. Previously he worked at Binance where he was responsible for Global SEO strategy, and worked on growing new markets and expansions. Before entering Crypto, Dan worked in Europe, MENA, and Asia with clients including Groupon, HSBC, The World Bank, and the Singapore Government.

Technical Advisors

Kedar Iyer

CTO escher.app

Kedar is the CTO of escher.app. He has been developing blockchain software for 4 years, and is a co-creator of the IQ token used by Everipedia and Prediqt. He is the author of 2 books, the latest being Building Games with Ethereum Smart Contracts.

John Milburn

Internet developer since the 1970s

John was a Senior Staff Scientist (Nuclear Engineering) during 10 years at UC Berkeley - Lawrence Berkeley. Chief Engineer at Pohang Accelerator Laboratory and Early advisor to Korea ISPs. John created BoraNet corporate Internet service, KIDC, WiFi voip service (my LG070) and corporate IP-PBX service (DCS) at Dacom. Gmarket investor and Director, the company went IPO in 2006 (NASDAQ) and was then sold to ebay in 2009 for $1.2b. In June 2018 John largely contributed to the launch of the EOS blockchain.

Core Team

DongHoon Jung

VP of Engineering

Donghoon is a passionate backend developer. He has various experiences building services on Android, Web frontend/Backend, Ethereum. He always strives to produce code that is reusable and efficient. He also built educational services at Team Nova.

Alfred Cheuk

Product Manager

Alfred specializes in product design and development; he has grown products from idea to market-ready stage at various startups. Alfred is a perfectionist and takes great pride in his art. Alfred has won multiple awards at the global hackathons prior to joining RocketBC.

Damola Salisu

Frontend Developer

Damola is a very talented front-end developer. He is passionate about technology and is always striving to apply it to solve problems. Damola is on an ongoing journey for pixel perfect UIs with several JS frameworks. Damola is from Nigeria, where he previously worked for Andela.

Alexandre Ricart

Head of Marketing

Alex is an experienced digital marketer specialized in acquisition and growth – we like to call him our “growth hacker”. Previously Alex has held roles with recognized brands such as Carrefour and MTV France; he was also responsible for user acquisition and digital marketing of several startups in Paris (France) and Hong Kong. Alex speaks English, Spanish and French.

Leeseyoung Kim

Head of Community

Leeseyoung is Rocket’s contents and community manager. Having spent the last few years flying around the world, while working for Qatar Airways, Seyoung is accustomed to understanding nuances of dealing with various cultures and communities. Seyoung speaks Korean, English and Chinese. She holds a bachelor’s degree from University of Seoul.

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