



Dexta

Contents

1. Introduction	3
2. Order Books	3
3. Margin Trading	4
4. Scaling	4
5. Governance	5
6. Team	5
7. DXT	5
8. Tokenomics	6
9. Roadmap	7



dexta.trade

1. Introduction

Dexta (dexta.trade) is a decentralized exchange (DEX) that provides traditional centralized exchange capabilities. Initial capabilities include fully on-chain limit order books with margin trading. Transitioning order book margin trading revenues to decentralized finance (DeFi) is necessary to outgrow traditional centralized finance (CeFi) platforms and to build a fully decentralized future. Dexta is building the ultimate cross-chain exchange that DeFi needs.

Building on Binance Smart Chain (BSC) allows us to create a fast, low cost user experience and also to capture a rapidly growing community that is migrating to BSC from Ethereum. Furthermore, the largest volume exchanges on BSC do not provide limit order capabilities due to using an Automated Market Making (AMM) model, exposing a market opportunity. However, BSC is only the beginning. We will expand to other chains through multi-chain compatibility by building a Layer 2 scaling protocol on the Solana blockchain.

2. Order Books

Today's largest DEXs (Uniswap, PancakeSwap) operate using AMM, which determines the price of a token based on the proportion of tokens in the liquidity pool. AMM has crucial disadvantages — you can't provide a price other than the market price; and you must provide liquidity to both sides of a pool.

Dexta's automated decentralized on-chain limit order books (Dexta Exchange) will allow users to submit orders with the freedom and control of a centralized exchange. This allows entirely new forms of trading and allows market makers to participate, which has not been possible on popular BSC exchanges such as PancakeSwap. We will extend the protocol to allow cross-chain swaps by building on the Solana ecosystem.

We will first launch an AMM powered DEX (Dexta Swap) to provide utility and rewards to early adopters and will release Dexta Exchange the following quarter. Adoption of Dexta Exchange will be incentivized with low relative fees and referral bonuses on trades.

3. Margin Trading

Centralized exchanges provide leverage to their users, but do so through centralized ownership of funds and opaque processes. This opens unnecessary trust and security risks for the trader which have no relevance to the trade itself. Dexta will eliminate these risks by offering leverage on a fully decentralized, on-chain protocol.

Dexta will offer up to x5 leverage for makers and takers. Existing on-chain lending platforms such as Compound provide margined leverage only on swaps and market orders. This makes these platforms useless for market makers. Dexta Exchange solves this by using order books.

The amount of leverage available for a user will be based on the sum of the user's deposits and positions. The collateral ratio is the sum of the user's deposits and positions divided by their loans. To obtain leverage, a user will need to provide 130% of collateral, and will need to keep the ratio above 120% to avoid liquidation. If a user's collateral ratio drops below 120%, the account will be liquidated. Liquidations can be claimed by any account. To ensure accuracy, account values will be calculated using a combination of Dexta protocol prices and price feeds provided by standard decentralized oracles. Reliance on oracles will be removed as the protocol develops.

Initially, a selection of tokens will be available for lending and borrowing through the order book. More token pools will be added as the platform develops, with the potential of allowing custom token pool creation.

Note that the exact values in this whitepaper are as anticipated, and may change based on new developments.

4. Scaling

To scale Dexta, we plan on utilizing Solana Wormhole, a Layer 2 cross-chain bridge. Boasting over 50,000 transactions per second (TPS), the Solana blockchain will fulfill Dexta's scaling needs. This layer will remain compatible with the BSC layer. Technical details regarding scaling and cross-chain integration using Solana will be released during Q3.

5. Governance

The majority of the protocol will remain static until all core capabilities are fully realized, but some risk reduced variables, such as rewards and fees, may be updated through a governance vote with DXT tokens. We will transfer partial governance during Q3 of 2021 and full governance during Q4.

6. Team

The core capabilities we are aiming to provide in a decentralized way are not possible in many jurisdictions without centralized regulatory monitoring — defeating the ethos of DeFi. Because of this, our team is required to remain anonymous to fully realize Dexta's mission.

7. DXT

DXT will hold, but is not limited to, the following utility:

- Staking rewards per block
- 0.01% fee on swaps
- Governance voting power
- A portion of Dexta Exchange trading fees
- Reduced Dexta Exchange fees for trades using DXT

DXT staking rewards will be higher when Dexta Swap is initially released to incentivize adoption and will be lowered afterwards.

Distribution of the 0.2% Dexta Swap fee is the following:

- 0.18% - Liquidity Providers
- 0.01% - DXT Stakers
- 0.01% - Dexta Fund

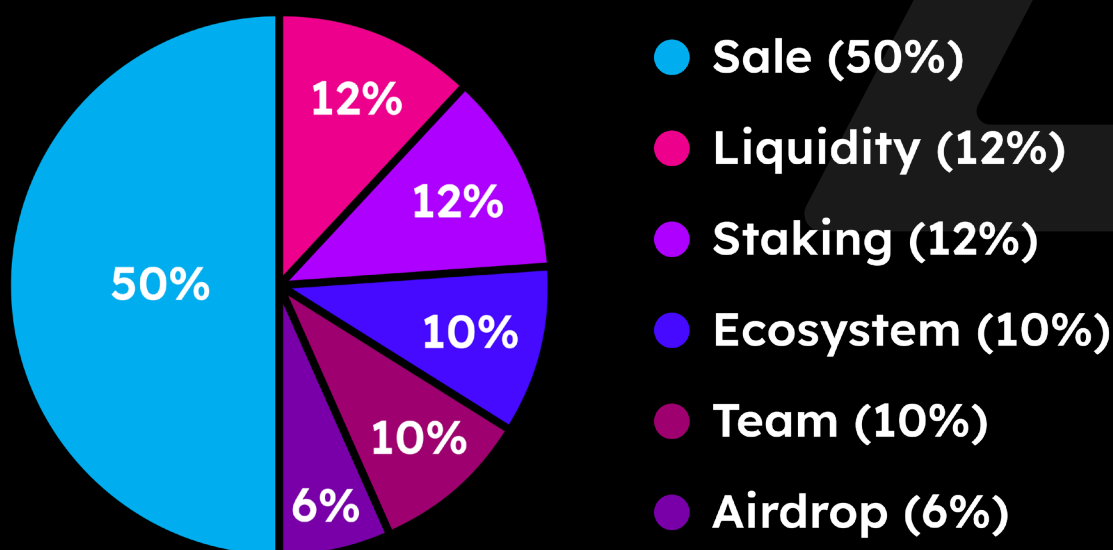
8. Tokenomics

Initial supply - 10,000,000 DXT

- 50% - Token sale
- 12% - Liquidity (locked)
- 12% - Staking rewards
- 10% - Ecosystem, marketing, partnerships
- 10% - Current and future team members (timelocked)
- 6% - DXT airdrop

Token sale funds will be used to cover current and future development and marketing costs and to provide liquidity. Liquidity will be locked immediately after the token sale, and team tokens will be timelocked with scheduled releases. Part of the ecosystem allocation will be used to fund projects building on the Dexta protocol.

Once the 12% staking allocation is distributed, similar to UNI and CAKE, DXT will be inflationary as rewards are provided to DXT stakers, to incentivize active participation in the growth of the Dexta protocol. Block emission rates will be finalized after receiving feedback from our community. Burn mechanisms to minimize inflation will be added after the protocol is launched. All things considered, we believe the long-term value of DXT will be derived from its yield generation capabilities and governance power over a fundamentally valuable protocol.



9. Roadmap

We will consistently perform audits as new capabilities are developed to ensure the Dexta platform remains secure.

