

Dotoli: Decentralized Fund Manage System

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Abstract. Introducing Dotoli, based on ERC-20, a decentralized fund management protocol for managing and investing in cryptocurrency assets. You can manage token assets while swapping Ethereum-based ERC-20 token assets using the Uniswap V3 contract.

1. Motivation

In the existing world, asset investment funds have a third-party intermediary called a financial company between the fund manager and the investor, playing a role in connecting the two. Financial companies received commissions between fund managers and investors. However, as the broker role is replaced by blockchain, more transparent investment and asset management are possible without a third party financial company.

2. Decentralized Fund Protocol

2-1. Fund

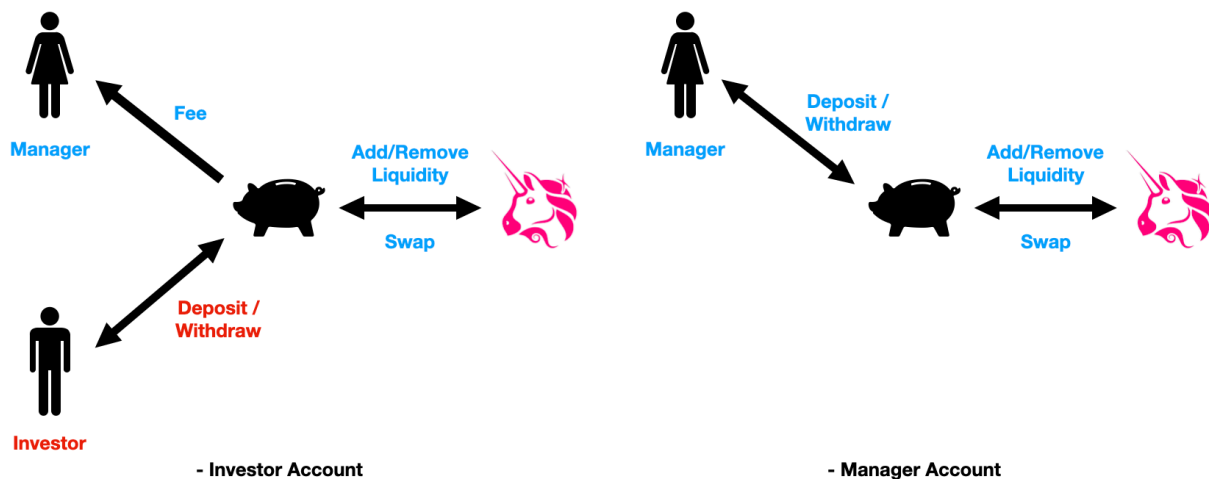
All deposits, withdrawals and swap information of both fund managers and investors are stored transparently in the Ethereum blockchain, which is advantageous to both fund managers and investors.

2-2. Manager

If all fund operations are transparently and completely recorded on the blockchain, the fund manager's asset management portfolio cannot be forged or modified. The advantage of this is that if the fund manager himself has a high investment return rate, his investment activities so far become his portfolio, and a portfolio with good performance is good information for investors who need a competent fund manager. In addition, since fund managers do not work as employees of existing financial companies, they can independently grow and manage their assets without restrictions.

2-3. Investor

Since the fund is operated only according to the rules of the Dotoli contract of the Ethereum blockchain, which is close to decentralization, it is safe from malicious actions by third parties. For example, if investor B deposits cryptocurrency into a fund created by fund manager A, only the investor can withdraw. Fund managers can only swap deposited assets or add/remove them to the Uniswap pool.



3. Governance

3-1. Token

Dotoli tokens (DTL) are used to manage the Dotoli protocol, with the role of voting rights rather than the role of assets. Dotoli tokens are initially minted only once in 10,000,000 and minting is not possible after that. Token contract creator transfers 9,999,999 out of 10,000,000 tokens to the DotoliStaking contract. After that, tokens are distributed only as staking rewards.

3-2. Staking

When Dotoli token holders staking, they are rewarded according to the time and number of staking participants. The more staking participants, the smaller the rewards because they are shared.

3-3. Vote

The main use of Dotoli tokens is to manage the Dotoli Protocol through voting. There are mainly three proposals to vote on. When determining the whitelist token, which is a token that can be invested in, the market capitalization condition for becoming a whitelist token, and finally, the commission percentage received by the fund manager.