



Firebase

Global first four-currency circular
algorithm stablecoin

Lite Paper V 2.4

More Info:www.firebaseio.com

Contents

- **01.DEFI BACKGROUND INTRODUCTION & OUTLOOK**
- **02.ABOUT HECO**
- **03.FIRE TOKEN ECONOMIC MODEL**
- **04.DEVELOPMENT PLAN**
- **05.REFERENCE & ACKNOWLEDGEMENT**

01. DeFi background introduction & outlook

DeFi background introduction & outlook

1.1 DeFi background and related data

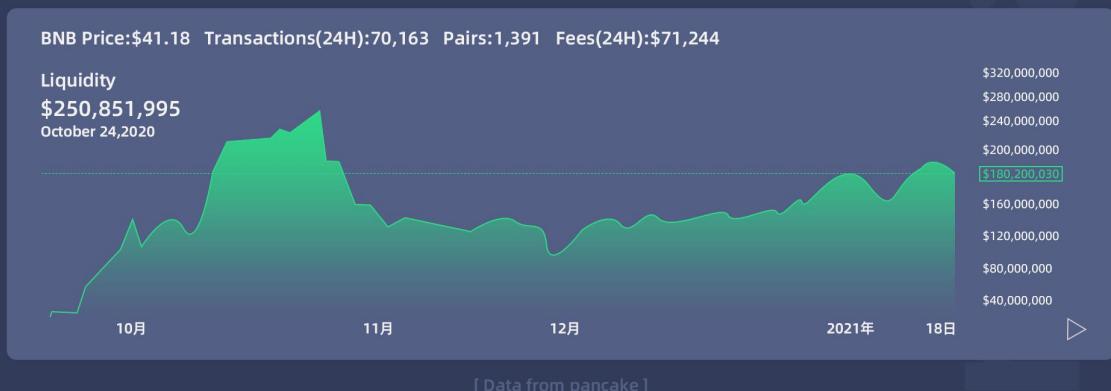
In 2020 , DeFi (Decentralized Finance) has swept the world, with multiple representative applications exploding on blockchain networks such as Ethereum , Tron , and Binance Smart Chain . Among them, Compound , YFI , Sushiswap and other decentralized wealth management loan mining, decentralized transaction mining attract a large amount of liquidity, creating an unprecedented DeFi market prosperity.



According to DeFi Pulse statistics, the current ETH network DeFi Application Locked has reached 24 billion dollars.

SUN is a project called Tron YFI released by Tron founder Justin in 2020. It is also one of the most representative DeFi applications on

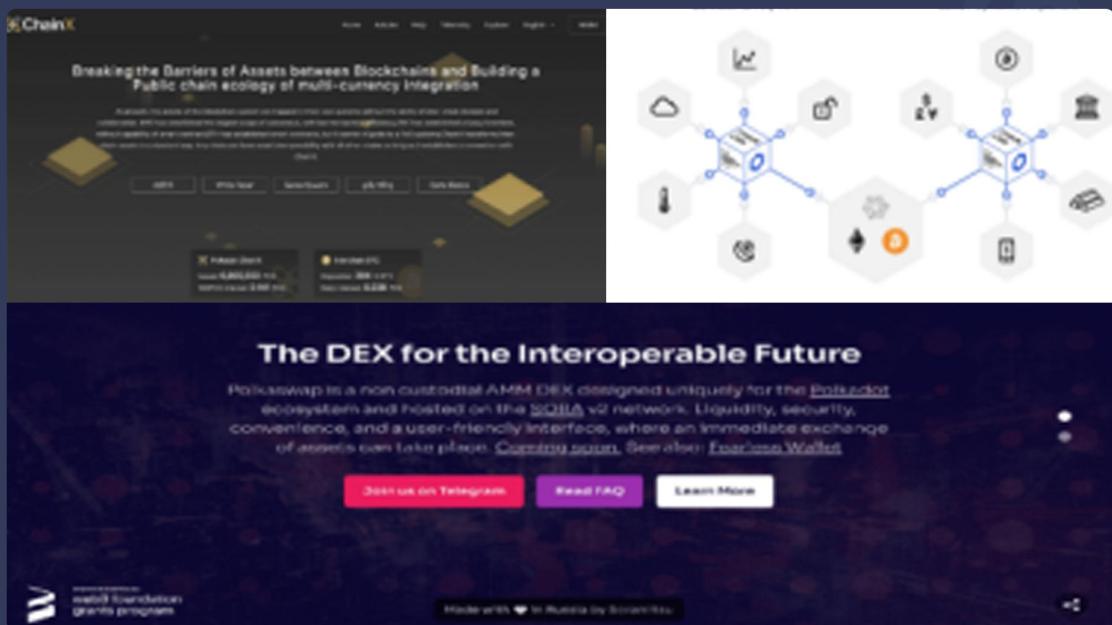
the Tron Network . The highest TRX lock-up capital value was as high as 500 million US dollars during the period.



Pancake is the most representative DeFi project on Binance Smart Chain . Its products mainly revolve around decentralized transactions. The maximum lock-up amount was as high as 250 million US dollars at one time, and it is still continuing to rise.

It is also worth mentioning that many defi applications of PolkaDot are still in full swing, such as ChainX , polkaswap , MANTRA DAO , Akropolis,Chainlink and other projects.

The successive addition of many main chains shows that the DeFi track continues to be optimistic, and the future of DeFi application scenarios is immeasurable.



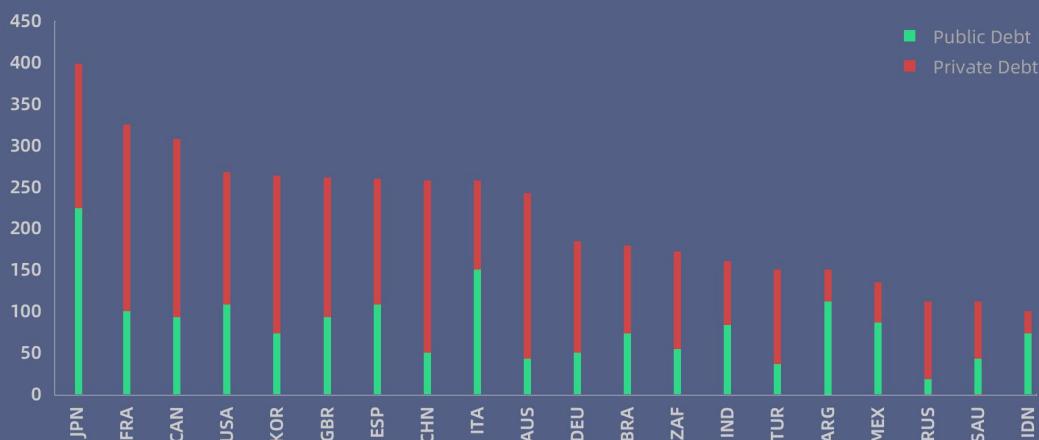
1.2 DeFi application prospects

According to the IMF (International Monetary Fund) 2019 Annual Report, the total amount of global private debt (individual & corporate) amounts to more than 200 trillion dollars. If the DeFi market can open up the corresponding application channels, even if it occupies 1% of the CeFi application system market, it will have a scale of more than 2 trillion dollars. Compared with today's tens of billions of market scale, there is still more than one hundred times the market growth space, and there is a lot to do.

We believe that DeFi applications will replace part of CeFi application scenarios in the future and gradually enter people's daily lives.

country_cl Private De Public Debt

JPN	163.06	237.95	FRA	214.52	237.95	CAN	215.37	88.62
USA	150.30	106.71	KOR	197.04	56.17	GBR	163.96	85.41
ESP	150.02	95.47	CHN	192.82	52.63	ITA	109.67	134.80
AUS	191.27	45.28	DEU	114.43	59.52	BRA	74.18	89.47
ZAF	72.83	62.15	IND	55.30	72.34	TUR	80.72	32.99
ARG	19.60	90.38	MEX	41.48	53.75	RUS	66.88	13.91
SAU	54.53	22.79	IDN	40.81	30.49			

Box Figure 1.1.1 G20 Global Debt,2019(Percent of GDP)


Source:IMF Global Debt Database

Note:Data labels use international Organization for Standardization country codes

[Data from IMF]

02. About Heco

About Heco

Huobi ECO Chain (Heco) is a decentralized energy efficient public chain, is also the huobi launched the first open platform products, based on the support of high-performance trading on the realization of compatible intelligent contracts. Heco native digital assets HT , using HPoS consensus mechanism.

2.1 Heco advantage

Performance

TPS : 500+

Block time: 3s/Per block

Algorithm

HPoS : This Algorithm has the characteristics of low transaction cost, low transaction delay, and high TPS; the node's incentive is the transaction fee on the chain, and the transaction fee is HT ; the maximum number of validators supported is 21.

Support cross-chain

In the early days, through a centralized gateway, platform account assets such as ETH and BTC were supported and mapped to Heco . The realization method was that the exchange locked a certain account asset and generated a corresponding number of



ERC Tokens in Heco . In the later period, Heco will encourage community developers to provide more decentralized cross-chain solutions.

Meta transaction function

Support meta-transaction function, which can realize stepwise reduction or exemption of gas fees for users . Gas fees are paid by Heco instead of users. The meta-transaction scheme can effectively reduce the migration cost of DApp developers and greatly reduce the cost of users using DApp.

2.2 Why Firebase chooses Heco

Development language friendly

Heco uses the same solidity language as ETH and TRX , which allows almost all blockchain developers to migrate to Heco for dapp application development without barriers . We expect that with the gradual development of the development community in the future, more and more applications will migrate from ETH to Heco , and a second explosive growth will be ushered in Heco.

Huobi community users are strong

According to official huobi (huobi.com) information, Huobi has more than 10 million registered users and has a strong user base support worldwide. The Heco as huobi the sole basis for the public



chain, HT was used as the platform for currency, but at the same time as the Heco native tokens, great potential.

Relatively blank market

The current DeFi application market is mainly concentrated in ETH , which accounts for more than 90% of the market share , and the performance of ETH limits its development bottleneck. The remaining less than 10% is divided among public chains such as TRX, DOT, and BSC . The Heco currently DeFi application handful rely Heco performance and community base, DeFi applications will be more and more on the Heco.

Huobi labs support

According to Heco's official announcement, Huobi defi labs will provide certain support for high-quality projects on the Huobi Eco chain such as DEX , lending, oracles, cross-chain solutions, stable currency exchange, and insurance. Firebasis as Heco 's first full-ecological solutions, set swap , stable currency, oracle, loan, machine gun pool, and huobi cooperation is a win-win situation.

3. Fire tokens economic model

Fire tokens economic model

3.1 Stable Coin System

3.1.1 FBC (Firebase Cash)

FBC is Firebase the only stable currency, $1\text{FBC} \approx \$1$. FBC follows the following inflation-deflation algorithm:

·When $1\text{FBC} \geq 1.05$, the smart contract executes additional inflation. Assuming that the price is P , the total amount is N , and x is the number of FBCs to be issued or destroyed , the formula is as follows:

$$N \cdot P(\text{FBC}) = (N + x \cdot \text{FBC}) * \$1$$

·When $1\text{FBC} \leq 0.95$, the smart contract executes destruction deflation. The formula is as follows:

$$N \cdot P(\text{FBC}) = (N - x \cdot \text{FBC}) * \$1$$

* Additional restrictions or destroy every 12h execution time

*In order to stabilize the market and prevent FBC prices from skyrocketing and falling, the inflation limit ratio for additional issuance is 1.1 , and the deflation limit ratio for destruction is 0.99

The initial total of FBC is 27,500, of which 27,000 is used for liquid mining, which is planned to be divided into 5 days of output. The remaining 500 are used for whitelist creation rewards. The creation of the mining pool is planned as follows:

Coin	Accelerated Coin (Optional)	Type	FBC Mined/Day	Total Mine
FBG	N/A	Staking	1,200	6,000
USDT		Staking	700	3,500
HT		Staking	700	3,500
HBTC		Staking	400	2,000
HETH		Staking	400	2,000
HDOT		Staking	500	2,500
MDX		Staking	500	2,500
HFIL		Staking	500	2,500
HLTC		Staking	500	2,500
Total			5,400	27,000

3.1.2 FBB (Firebase bond)

In order to further stabilize the value of FBC at around 1 USD, we have introduced a bond system, with FBB as the bond token of the system.

When FBC is lower than 0.95 USD, users can purchase FB B with a certain discount, and the smart contract can then use the funds obtained by FB B to repurchase and destroy FBC.



When FBC rises to \$ 1 , users can redeem FB B to obtain the same amount of FBC , thereby gaining the price difference. In addition to obtaining income through stablecoins , users can also obtain considerable spread income through bond currency FBB .

The issuance of FBB is automatically and dynamically adjusted according to the circulation of FBC . The adjustment formula is as follows:

$$\text{Number FBB} = \text{Number FBC} * (N / 12) * 66.7\%$$

3.2 Platform Governance Coin FBG (Firebasis Governance)

FBG is the only platform governance currency of Firebasis , which is mainly used for three aspects of the platform ecology:

- Voting governance & Income dividends (each link of the ecology such as FBC/Dex/FYFI/Flink/Flend)
- Participate in staking mining at all stages of the platform

The planned issuance of FBG is 1, 000,000 ,Obtained by FBC resonance, the details are as follows:

Mining phase	Price	Amount	Total FBC Burned
1	1FBG=0.1FBC	10,000	1,000
2	1FBG=0.2FBC	10,000	3,000
3	1FBG=0.3FBC	10,000	6,000
4	1FBG=0.4FBC	10,000	10,000
...
100	1FBG=10FBC	10,000	5,050,000

3.3 Firebase Share(FBS)

FBS is the only stock token of Firebase platform with a total of 300,000. Its main functions are as follows:

- Participate in liquidity mining at all stages
- Obtain 50% of the FBC issuance proceeds, and the remaining 50% will be recovered by the treasury

FBS is produced by the following liquidity mining:

LP	Accelerated Coin (Optional)	Total Mining	FBS Mining/day
FBC_USDT	FBG	120,000	333.33
FBS_USDT	FBG	120,000	333.33
FBG_USDT	FBG	60,000	166.67
Total		300,000	833.33

Tips:

The LP+Coin mining pools in the above figure are Firebase's world's first accelerated dual-computing power mining pools. During the liquidity mining process, LP/Coin can be pledged to obtain basic computing power, or you can choose to add Coin staking to achieve the purpose of accelerating mining.

The income of accelerated mining is: FBS output × the number of coins pledged by the user/total number of coins pledged.

For example: when there are a total of 10,000 FBGs participating in acceleration in a mining pool, and the current FBS output is 1,000, miner A chooses to invest 1,000 FBGs to accelerate mining, then the accelerated mining revenue that A can obtain is: $1000 * 1000 / (10000 + 1000) = 90.90$ FBS

04. Development plan

Development plan

Q1 , 2021- FBC (Algorithm Stable Coin), FB (Bond Coin) , FBG (Platform Governance Coin) ,FBS(Firebase Share)and other related product lines will be launched

Q2, 2021--Test Fireswap, Firelink and other decentralized defi products

Q3~Q4, 2021--Fireswap and Firelink will be launched

2022, stay tuned for more surprises

5. Reference & Acknowledgement

Reference & Acknowledgement

IMF: imf.org

Worldbank : worldbank.org

Heco : hecochain.com

Defipulse : <https://defipulse.com/>

Uniswap: uniswap.org

Chainlink : chain.link

YFI:Yearn.finance

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