



Local Money

Litepaper

Trade with your peers, locally.

Local is a P2P decentralized marketplace for the multi-chain world.



| Decentralize the Ramps

We rely on technology to give you full control of your assets. In a centralized world where few players dictate all the resources, customers lack transparency, control and trust with their own finances. LOCAL was developed by the community and has decentralization as one of its core values.

Our team members grew up in unstable countries in which economic freedom has been limited by governments that have frozen bank accounts, hyper-inflation and limited ATM withdrawals.

Here centralized P2P exchanges such as Binance P2P, Localbitcoins and LocalCryptos are the main on-ramp options but provide limited crypto-fiat access. These services have more than 10M monthly visits and are most popular in countries like Argentina, Venezuela, Colombia and Pakistan. We estimate that volume on P2P platforms is around 20 Billion USD yearly.

Out of a need for alternatives, the vision of LOCAL was born. With LOCAL, users will have the power, a trustless platform with complete transparency.

Paving the way to UST adoption

We are on a mission to help drive the adoption of stablecoins and DeFi among the masses by connecting people and technology in a decentralized way. We will provide a smart contract based platform, allowing users to exchange any fiat currency for stablecoins, eliminating the need of giving away the control of one's assets while converting to and from fiat.

Access to the DeFi world today requires the use of centralized services and multiple steps. LOCAL removes many steps and fees and aims to be the shortest route between your wallet and your bank account.

A P2P service built different

We want to make it possible for everyone to trade any fiat currency for stablecoins in a decentralized manner.

LOCAL has a roadmap that embraces decentralization as a key element of each feature. No central entity has control over user's accounts, funds or messages. The trade between buyers and sellers on the platform are peer-to-peer and completely decentralized.

Leveraging the Smart Contracts technology, we have developed a protocol where users (Makers) that provide liquidity between stablecoins and fiat currencies can create Offers and accept Trades from users (Takers) willing to buy or sell stablecoins.

We never take control of funds. While doing a trade, the seller deposits the crypto asset in our Escrow contract, the buyer makes the offchain fiat payment and notifies the seller, the seller can then verify the payment and release the escrow accordingly.

Reputation system

The reputation rating system is created to encourage users to make successful transactions by trading with peers that have good reputations.

It ensures that each peer has a reputation rating that corresponds to the level of trust and success of his transaction history on LOCAL.

Drafted to constantly encourage users to make successful transactions by benefiting peers with good reputation with better visibility and increasing their transaction limit, punishing peers with bad reputations by reducing their transaction limit and eventually restricting their ability to trade.

Summary

a = Number of trades completed
b = Number of trades completed liked
c = Number of trades completed not liked
d = Number of refunds
e = Number of refunds not liked
Z = a + b + c + d + e
R = Reputation rating

$$R = ((a*1) + (b*2) + (c * -1) + (d * -1) + (e * -2)) / Z$$

this is a base formula and it can change and evolve during the development

In case of necessity of disputes, all will be handled decentralized through our dispute resolution model.

Dispute resolution (Arbitration)

The dispute resolution process must be speedy since a user's funds will be locked. In the first pass, a single arbitrator will make the decision. If the parties are still dissatisfied, the first decision can be reviewed by a quorum of Level 2 arbitrators. An improper decision could be refunded from the collateral staked by the Level 1 arbitrator.

General arbitration releases the escrow to either the Maker or Taker. The arbitrator is incentivized to participate in this process by earning the associated dispute fees. One is granted the arbitrator role by staking the \$LOCAL token.

If a party remains dissatisfied after Level 1 arbitration, a review can be conducted via a quorum of Level 2 arbitrators. These are special arbitrators that have seigniorage and high review scores. New arbitrators can be added to Level 2 by fixed rules or quorum until the system is fully decentralized and self governing.

Arbitrators get to set their own fees as a percent of the disputed amounts they are willing to arbitrate. An upper limit is set by the value of their staked \$LOCAL. This system allows newer arbitrators to start with smaller amounts and cheaper fees, while more established arbitrators can handle larger trades and charge higher fees based on their reputations.

Trading fees

The protocol charges a 1% fee on every trade, this amount is then used to buy \$LOCAL from the market and burn it.

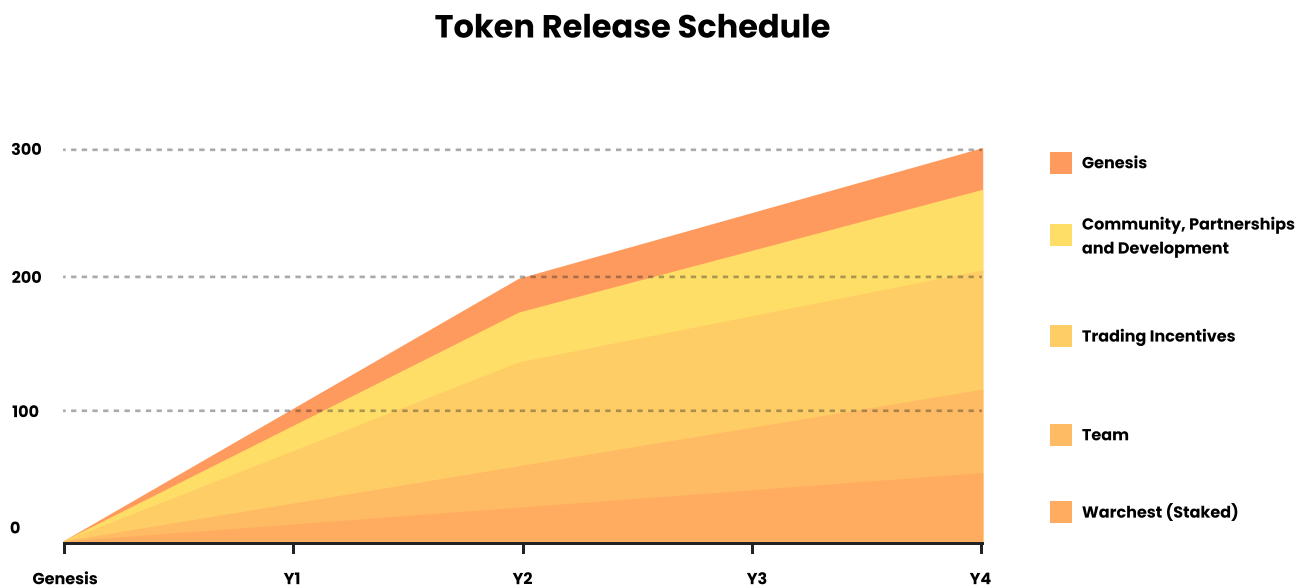
Tokenomics & Governance

\$LOCAL is the LOCAL's utility token. \$LOCAL will also be used for governance and stakers will be able to govern parameters of the protocol, participate in disputes earning associated fees, and deploy funds accumulated by the protocol's warchest. Stakers will also be incentivized to participate in arbitration events (voting) by earning arbitration fees.

\$LOCAL will also be used to incentivize usage and liquidity on AMMs. To bootstrap usage and liquidity on our platform we will reward makers as they close orders during the first two years.

Token distribution

The total of 300,000,000 max supply of \$LOCAL tokens, distributed over a period of 4 years:



	Genesis	Y1	Y2	Y3	Y4
Liquidity Providers	0	15	15	15	15
Community, Partnerships and Development	0	15	15	15	15
Trading Incentives	0	45	45	0	0
Team	12	12	12	12	12
Warchest (Staked)	0	10	10	10	0
Cumulative Total	12	109	206	258	300

*millions of tokens distributed per year

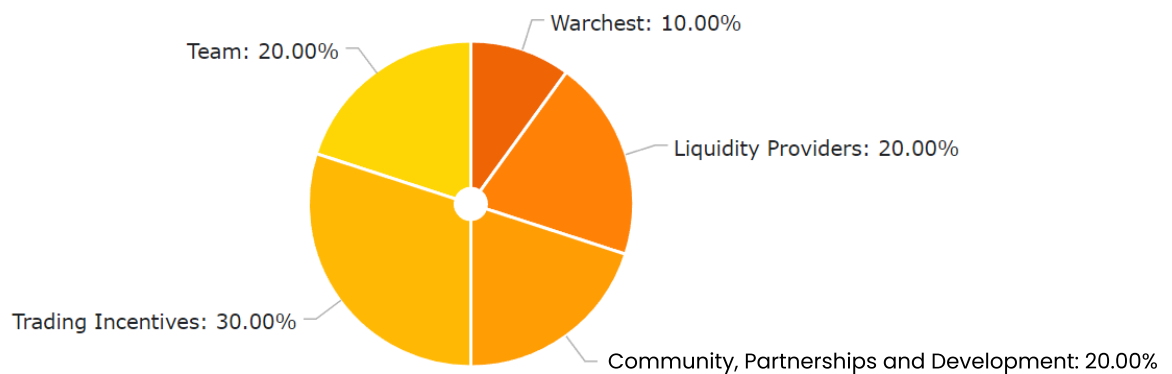
Team – 20% of total supply, of these, 20% distributed on genesis and the remaining 80% distributed linearly through 4 years.

Liquidity Providers – 20% of the total supply distributed linearly through 4 years.

Warchest – 10% of the total supply will be sent to the warchest contract which will stake these tokens and earn a portion of the trading fees accrued by the protocol. LOCAL stakers will control the deployment of funds accumulated by the warchest.

Trading Incentives – 30% of the total supply will be distributed to makers that provide fiat liquidity for the protocol. Makers will earn LOCAL weekly for 2 years adjusted to their trading volume.

Community, Partnerships and Development – 20% of the Total supply will be used strategically in community and usage incentives, partnerships with other protocols and further development of our platform.



Team



Sam B
Rust Intern



Gabs
Designer



Davi
Smart Contract
Developer



Gus
Business
Developer

Roadmap

Q1 . 2022

LBP

\$LOCAL token initial offer.

Astroport LOCAL-UST pool

We are happy to announce that \$LOCAL is now officially available on Astroport.

Discord Server Launch

Our community has a cozy place to get together now.

Q2 . 2022

Terra Testnet Launch

Beta on Testnet with community members. We're looking forward to receive your feedback and suggestions on the Testnet channel on our Discord.

Q3 . 2022

v1.0

First release of LOCAL P2P where makers will be able to create offers to buy and sell stablecoins.

Roadmap

Q4 . 2022

Governance

Provide the community the ability to propose changes to the protocol.

2023

To the future and beyond

Mobile App
LOCAL Chain

Conclusion

Our goal is to create a platform that provides access to financial freedom with the fastest way to exchange stablecoins to any fiat, we are here to help all people to have access to stablecoins and DeFi.

We believe in a cross-chain future where many new projects will have a necessity to incorporate an easy way to exchange fiat. LOCAL aspires to be the connection between fiat and the tokenized multi-chain future, powered by the combination of the best makers with liquidity pools powered by stablecoins

We at LOCAL are really excited for the universe of possibilities ahead and we hope that the community comes along with us.

Disclaimer

Local Terra Disclaimer

LOCAL is currently in the initial development stages and there are a variety of unforeseeable risks. You acknowledge and agree that there are numerous risks associated with acquiring Local token, holding Local token, and using Local token for participation in LOCAL. In the worst scenario, this could lead to the loss of all or part of Local token held. If you decide to acquire Local token or participate in LOCAL, you expressly acknowledge, accept and assume the following risks.

Uncertain Regulations and Enforcement Actions: The regulatory status of LOCAL, Local token and distributed ledger technology is unclear or unsettled in many jurisdictions. The regulation of digital assets has become a primary target of regulation in all major countries in the world. It is impossible to predict how, when or whether regulatory agencies may apply existing regulations or create new regulations with respect to such technology and its applications, including Local token and/or LOCAL. Regulatory actions could negatively impact Local token and/or LOCAL in various ways. The Company, the Distributor (or their respective affiliates) may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.

Inadequate disclosure of information: As at the date hereof, LOCAL is still under development and its design concepts, consensus mechanisms, algorithms, codes, and other technical details and parameters may be constantly and frequently updated and changed. Although this whitepaper contains the most current information relating to LOCAL, it is not absolutely complete and may still be adjusted and updated by the LOCAL team from time to time. The LOCAL team has neither the ability nor obligation to keep holders of Local token informed of every detail (including development progress and expected milestones) regarding the project to develop LOCAL, hence insufficient information disclosure is inevitable and reasonable.

Disclaimer

Risks Failure to develop: There is the risk that the development of LOCAL will not be executed or implemented as planned, for a variety of reasons, including without limitation the event of a decline in the prices of any digital asset, virtual currency or Local token, unforeseen technical difficulties, and shortage of development funds for activities. Security weaknesses: Hackers or other malicious groups or organizations may attempt to interfere with Local token and/or LOCAL in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, there is a risk that a third party or a member of the Company, the Distributor or their respective affiliates may intentionally or unintentionally introduce weaknesses into the core infrastructure of Local token and/or LOCAL, which could negatively affect Local token and/or LOCAL. Further, the future of cryptography and security innovations are highly unpredictable and advances in cryptography, or technical advances (including without limitation development of quantum computing), could present unknown risks to Local token and/or LOCAL by rendering ineffective the cryptographic consensus mechanism that underpins that blockchain protocol. Other risks: In addition, the potential risks briefly mentioned above are not exhaustive and there are other risks (as more particularly set out in the Terms and Conditions) associated with your participation in LOCAL, as well as acquisition of, holding and use of Local token, including those that the Company or the Distributor cannot anticipate. Such risks may further materialize as unanticipated variations or combinations of the aforementioned risks. You should conduct full due diligence on the Distributor, their respective affiliates, and the LOCAL team, as well as understand the overall framework, mission and vision for LOCAL prior to participating in the same and/or acquiring Local token.