



Orio Stable Progressive Currency (OSPC)

*An inflation proof global currency beyond
the U.S. Dollar*

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CONTENTS

| | |
|---|-----------|
| ABSTRACT | 3 |
| INTRODUCION: Why does a store of value currency beyond the US Dollar and Stablecoin matters? | 3 |
| HOW ORIO STABLE PROGRESSIVE CURRENCY IMPLEMENTS (BECOMES) AN EVER-GROWING STORE OF VALUE RESISTANT TO INFLATION:..... | 4 |
| 1- 1% tax fees paid at each entry and exit transaction (when USD is converted to ORIO vice versa) | 5 |
| 2- Initial conventional price | 6 |
| 3- Price Formula..... | 6 |
| 4- EIS and fair supply mechanism..... | 8 |
| IMPORTANCE OF FULLY DECENTRALIZED STORE OF VALUE CURRENCY SYSTEM: | 8 |
| 1- Remove the focus around exchange businesses | 8 |
| 2- Contrast between existing financial system where people are charge overdraft fees, get their account censored (Suspended) and an open financial system. | 9 |
| 3- Made open source and available to every developer..... | 9 |
| 4- The concept of decentralization should be beyond protocol, the implementation and distribution should also be decentralized: | 9 |
| PRICE TRANSPARENCY | 10 |
| 1- Price function built-in smart contract | 10 |
| 2- The importance to show transparency and build trust | 10 |
| ADEQUATE INNOVATION NECESSARY TO CREATE MASS ADOPTION:..... | 11 |
| 1- How the safekeeping of private keys is an issue for majority of crypto holders, and scares new incumbents | 11 |
| 2- Creation of a private keyless system made available to everyone | 11 |
| CONCLUSION..... | 11 |
| CONTACT | 12 |
| REFERENCE..... | 12 |

ABSTRACT

When Bitcoin first appeared in 2009, it introduced a decentralized (blockchain-based) ledger for transaction execution, record keeping and created a now-commonly used currency independent of all sovereign monetary authorities. Today, there are thousands of similar decentralized cryptocurrencies, and their combined daily worldwide transaction volume exceeds \$1 Trillion.

Although the combined market value of these cryptocurrencies exceeded \$3 trillion at a point, their usefulness as a practical method of value exchange has hindered by their extreme price volatility, strong price correlation to Bitcoin, and often slow transaction confirmation times. Stablecoin has been created to address these drawbacks (i.e., eliminating volatility) by pegging their value to a unit of underlying assets, often available on all blockchains. And fully or partially backed by state-issued fiat currencies (like the Dollar, Pound, Euro, INR, FCFA or Yen), highly liquid reserves (like government treasuries), or commodities like precious metals.

Stablecoin development has received a lot of interest in the cryptocurrency space. However, compared to stablecoin development, the development of an inflation-resistant, store-of-value cryptocurrency has received very little attention.

With inflation currently at a 40-year high (8.2%), the creation of an inflation-resistant, store-of-value cryptocurrency is crucial.

In this whitepaper, we introduce ORIO the world's first stable progressive currency that aims to provide not only the same advantages of stablecoins but also a currency with a built-in growth mechanism that will allow a continuous increase in price value as a result, be a currency that is inflation proof.

INTRODUCION: Why does a store of value currency beyond the US Dollar and Stablecoin matters?

Economies around the world are facing a motley of challenges caused by rising inflation. High inflation devalues national currencies, which, in turn, heightens the cost of living, especially in scenarios where earnings remain unchanged.

In the United States, the government has responded aggressively to inflation. The nation hit a 9.1% inflation rate in June 2022, prompting the Federal Reserve to implement a series of fiscal countermeasures designed to prevent the economy from overheating. Hiking interest rates was one of the countermeasures. Soaring Fed interest rates have consequently slowed down consumer spending and business growth in the country.

The counter-inflation approach has also strengthened the value of the U.S. dollar against other currencies due to tight dollar liquidity checks. As 79.5% of all international trades are undertaken using the dollar [1], many countries are now paying a premium for imports to compensate for the dollar's rising value, worsening inflation in the importing countries. This problem is especially true for people native to countries like Turkey, Argentina, Ethiopia, Zimbabwe, or Lebanon, where hyperinflation has deemed their fiat currencies a risky medium of exchange.

Other than the threat of a possible recession, these inflationary pressures have a negative impact on the value of fiat currency in the hands of consumers and highlight the crucial need for financial tools or assets that can act as a hedge against inflation.

In this whitepaper, we introduce ORIO, the world's first stable progressive currency, a global currency system with a built-in growth mechanism that is based on the transactions flow. With the aim of creating an ever-growing store of value that protects purchasing power in any economic condition.

Essentially, we discuss the following subjects:

- **HOW ORIO STABLE PROGRESSIVE CURRENCY IMPLEMENTS (BECOMES) AN EVER-GROWING STORE OF VALUE RESISTANT TO INFLATION:** A detailed explanation of how the stable progressive works and how it only increases in value.
- **IMPORTANCE OF FULLY DECENTRALIZED STORE OF VALUE CURRENCY SYSTEM:** A true definition of a decentralized system accessible to everyone everywhere.
- **PRICE TRANSPARENCY:** Presenting, a truly transparent price system trackable directly from a smart contract.
- **ADEQUATE INNOVATIONS NECESSARY TO CREATE MASS ADOPTION:** Presenting new suites of innovations that will ameliorate the user experience and give people confidence while using cryptocurrency products.

HOW ORIO STABLE PROGRESSIVE CURRENCY IMPLEMENTS (BECOMES) AN EVER-GROWING STORE OF VALUE RESISTANT TO INFLATION:

For decades, we have witnessed payment networks like Visa and MasterCard monopolizing digital payments. In fact, for every debit and credit transaction, an average of 2% to 3% is charged. In 2021, Visa processed \$13 Trillion in transaction volume and had net revenue of \$24 billion.

Additionally, the crypto industry is rapidly growing, with more interest in the cryptocurrency exchange business model. On average, the top ten cryptocurrency exchanges realize \$3 million per day in profit. On average, the top ten cryptocurrency exchanges realize \$3 million per day in profit. Considering that cryptocurrency did not even exist until 2009, a daily profit of \$3 million for cryptocurrency exchanges is astonishing compared to the gradual historical development of most industries.

The business strategy of cryptocurrency exchanges is straightforward; they generate revenue by charging transaction fees (for instance, sell, buy, and withdraw transaction fees). For the first time, the total trading revenue earned by cryptocurrency exchanges will surpass that of established stock exchanges like the New York Stock Exchange and the Nasdaq, according to a forecast from financial-services consultancy Optimas [2], which was reported in a MarketWatch article.

The value offered to the end users by these crypto exchanges and payment networks is exploited and profiteering is the ultimate driving force, not customer satisfaction.

Our concept of **Stable Progressive currency** aims at creating a trusted global currency system where people and businesses can trade freely while offering a robust and more secure network.

1- 1% tax fees paid at each entry and exit transaction (when USD is converted to ORIO vice versa)

Instead of enriching the exploitative payment networks and cryptocurrencies exchanges, we proposed a **1% Tax fees** model charge on each transaction (each time US dollar is converted to ORIO, or vice-versa), this 1% transaction fee would be used as growth mechanism for the ORIO stable progressive currency ecosystem.

The **1% fee has been strategically decided** for the ORIO stable progressive currency to remain a medium of exchange. If the Tax fee is higher than the 1% threshold, users will only use the currency more as a saving engine than a medium of exchange. Also, it could create a risk where

users will feel they are paying a considerable amount on transactions, hence abandoning the protocol. That is why it is important for the Tax fee to be at a negligible 1% while we continuously generate growth and create a formidable store of value.

The Orio stable progressive protocol is built on the already innovative stablecoin. PAXOS (USDP) and BUSD are the stablecoins adopted as the medium of exchange on the protocol because they are trusted and adequately collateralized with real cash.

We strongly believe that the growth mechanism empowered by the 1% tax fee will create the most powerful currency the world has ever seen.

2- Initial conventional price

To ensure that the system operates in parity with the US dollar, we programmatically decided an initial price of 1 ORIO = \$1 USD. As a result, with each transaction, the value of 1 ORIO will rise above \$1 USD, enhancing its purchasing power relative to the US dollar. If this situation were to repeat itself every time there was a transaction, the value of 1 ORIO would rapidly increase into a vast sum of money.

3- Price Formula

The 1% tax fee charged at every transaction is shared as follows:

- 60% shared between all Holders
- 40% to the ORIO Treasury.

Anytime a fee is shared among the holders, the price of ORIO will increase.

In every scenario, ORIO will continuously increase no matter the transaction (buy or sell), which is the idea of the Stable Progressive Currency.

PRICE FORMULA

BUY ORIO:

$$P_n = P_{(n-1)} + \frac{60\%T_f}{TSE_{(n-1)} + \frac{TPA - TREF}{P_{(n-1)}}}$$

$$T_{SE} = \sum_{i=0}^n (BUY_{(TSE)} - SELL_{(TSE)})$$

With,

P_n: The price of the nth transaction

P_(n-1): The price of the nth previous transaction

T_f: transaction fee: (1%) in BUSD

TSE: total existing supply

TSE_(n-1): total existing supply at previous transaction

TPA: Total purchase amount including fees in (BUSD)

TREF: Treasury fees (0.4%) in BUSD

SELL ORIO:

$$P_n = P_{(n-1)} + \frac{60\%T_f}{TSE_{(n-1)} - (T_{SS} + T_{fee})}$$

With,

T_{ss}: Total supply being sold in (ORIO)

T_{fee}: Total fee of the transaction being sold in ORIO, and which is always 1% of the amount sold.

4- EIS and fair supply mechanism

Almost all cryptocurrencies have an arbitrary supply, even bitcoin. ORIO is built with solid transparency fundamentals. In order to be transparent and create a trustless system, we deploy a smart contract that manages the supply of ORIO according to the transaction flow on the protocol.

The ORIO smart contract at launch (i.e., at deployment) had a total **supply of ZERO ORIO**. The EIS (Elastic Infinite Supply) protocol embedded in its smart contract mints and burns the ORIO token in real-time as transactions happen. Due to the EIS mechanism, the ORIO stable progressive currency is the first and only cryptocurrencies to have the total supply always equals the circulating supply.

The fair supply mechanism is designed to ensure transparency of the ORIO Stable Progressive currency system. This is different from the system where a particular number of tokens are randomly generated, which always gives the advantage to the founding team.

IMPORTANCE OF FULLY DECENTRALIZED STORE OF VALUE CURRENCY SYSTEM:

1- Remove the focus around exchange businesses

The idea behind bitcoin is to right the wrong created by the failed global monetary policy that makes people experience economic hardship caused by inflation. However, the original bitcoin idea has been diluted (due in part to some fundamental issue in its system). Bitcoin is majorly used as a speculative tool and this allows exchange businesses to thrive; the exchange platforms are where almost every cryptocurrency activity is done.

ORIO Stable Progressive Currency would be the vehicle to help cushion the effect of inflation on people globally. It will hedge against inflation and, simultaneously, allow billions of people to trade freely and seamlessly.

2- Contrast between existing financial system where people are charge overdraft fees, get their account censored (Suspended) and an open financial system.

The need for a truly decentralized financial system other than just a decentralized protocol is more important today than it has ever been. The current financial system gives exceeding power to financial institutions in deciding who gets access to financial instruments.

The US financial system is one of the most unethical. For instance, Banks may authorize your account to pay for a transaction that your account doesn't have the required funds to fulfill. Then, if you fail to bring your account balance update within, usually, 24 hours, the bank will charge an overdraft fee. The bank will continue to charge your account for 30 to 60 days, after which they will report you to the ChexSystem database. ChexSystems ensures that every reported account is unable to open an account in another financial institution for a period of usually three years.

The unbanked population of America is significant because of the greedy system that seeks to generate more revenue for financial institutions at the expense of the customers. The unbanked population in other parts of the world, most especially Africa, have accessibility problems. Orio Stable Progressive currency is also a solution to the problem of accessibility because it can be accessed anywhere in the world where there is mobile/internet facility. Our proposed global currency system allows anyone, anywhere in the world to receive and spend money without the need of owning a bank account. We partner with **Sendwyre**, which has a partnership with MoneyGram. MoneyGram is present in more than 195 countries. People would be able to buy or withdraw their **Orio** through **Sendwyre** if they are not able to use crypto or do it directly from a bank account.

This is a mechanism to take financial power from the overly greedy, centralized financial institution and return it to the people where it originally belongs.

3- Made open source and available to every developer

The ORIO stable progressive currency system is an open-source protocol that will allow developers around the world to integrate it into their diverse applications, from DeFi to sharing economy applications and many more.

4- The concept of decentralization should be beyond protocol, the implementation and distribution should also be decentralized:

Decentralization should ensure that Venture capital and hedge funds do not have absolute control of the protocols; if VCs control the decentralized protocol/exchanges, then we have not moved an inch from the old order. A global currency like Orio should focus on greater goods for greater numbers rather than the balance sheet of VCs and hedge funds.

PRICE TRANSPARENCY

1- Price function built-in smart contract

The first interaction with cryptocurrency for many happened through exchange platforms. The vast majority of all blockchain transactions entail cryptocurrency moving to and from exchanges, and they function as the most common on-ramp to cryptocurrency for first-time investors. But the widespread issue of faked trade volumes has created trust issues among exchanges, their users, and the rest of the industry — not to mention the financial institutions and regulators who still eye cryptocurrency with caution.

The problem is enormous; earlier this year, Bitwise Asset Management reported that about 95% of all reported trade volume is fake [3]. Trading on exchanges largely happens off-chain and is recorded in exchanges' order books, which means that the volumes they self-report are easily faked or subject to wash trading. And the incentives to report fake volumes are clear: Higher trading volume suggests greater liquidity and market activity, which is useful for drawing in new users and attracting new coins looking to list. Trade volume increases also help exchanges rank high on the public industry data aggregators like CoinMarketCap, giving them more visibility.

The crypto ecosystem suffers from these unethical practices. Faked trade volumes create bad images and sow doubt amongst potential investors.

The ORIO stable progressive currency system is the first and only smart contract with a built-in price function. This price function ensures the transparency of the ORIO currency. ORIO does not depend on the activities that happen on exchanges, which are not trusted to regulate its price.

2- The importance to show transparency and build trust

The price transparency of the ORIO stable Progressive will facilitate fast adoption all over the world. ORIO would change the usually manipulated and poorly governed currencies, which has been offered to people for centuries.

ADEQUATE INNOVATION NECESSARY TO CREATE MASS ADOPTION:

1- How the safekeeping of private keys is an issue for majority of crypto holders, and scares new incumbents

Today, the user experience of cryptocurrency is poor. One of the common issues is the safety of private keys. If a user loses or gets their private key stolen, their funds are gone. While in the traditional financial system, users have the support of their financial institutions if they lose access to their accounts. In the US, user accounts at most financial institutions are FDIC (Federal Deposit Insurance Corporation) insured, which protects their funds in case any problems arise.

For innovative concepts such as cryptocurrency to achieve mass adoption and become the engine of the financial economy, we should prioritize innovation on improved user experience and offer users peace of mind. The team at ORIO lab prioritizes the creation of tools and products that will improve user experience and users' peace of mind.

2- Creation of a private keyless system made available to everyone

One example of the innovative product that the ORIO team has built is **a private keyless wallet**. Users will no longer face the stress and difficulty of safekeeping a wallet private key ever again. We engineered a system based on AI, our native quantum-proof cryptography (**DMPC** Delegated Multi-Party Computation), and biometrics to make the keyless wallet possible. We will publish the details of the private keyless wallet in a different paper. If you are familiar with product offerings that Fireblocks charges \$100 of million for, our product is a much more sophisticated technology, and will be made available free of charge and open source for everyone to use.

CONCLUSION

After Failing attempt of Ecash, Bitcoin, Stablecoin, and CBDC, to offer a safer medium of exchange and store of value to people globally, we believe today we have created the **ORIO STABLE PROGRESSIVE CURRENCY SYSTEM (OSPCS)**, a more logical medium of exchange that will protect purchasing power for people and now offer them a saving opportunity that works in any market conditions.

We now believe that the **Warren Buffet, Charlie Munger** of the world who once said bitcoin was a “rat poison” will inarguably agree that our innovative ORIO stable progressive currency system is the holy grail of all currency.

Finally, as humans we have the right to earn and the right to protect the purchasing power of these earnings and not having our purchasing power decimated by poor monetary policy.

CONTACT

For anyone interested in joining us to bring our world changing global currency to the mass, feel free to email contact@orio.io. To stay up to date with all the innovations from the ORIO lab, please visit <https://orio.io> or to get engage directly with the ORIO community join us on Twitter at <https://www.twitter.com/orioinc>

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Thank You