SLAP

The **S**pontaneous **L**iquidity **A**ccumulation **P**rotocol

- SLAP allows STEAM on-chain liquidity to grow spontaneously in an automatic and trustless way.
- The STEAM stakers in SLAP will be entitled to rewards in stablecoins, rather than inflationary tokens.
- The protocol mechanisms are designed to counter eventual price drops, thus further protecting users
- The goal is to be the value anchor of the crypto market, and to create a portal for new-born projects to accumulate Protocol Owned Liquidity when launching.

Note: The Protocol token of SLAP is STEAM.

WHY SLAP

Non-inflationary

> STEAM can only be minted through the bonding contract or by adding liquidity to the allocation contract.

Ever-increasing liquidity

> The allocation contract will constantly increase pool liquidity, either by minting and contributing or buying back and contributing.

100% protocol controlled liquidity

> One of the key mechanisms behind SLAP relies on the contribution of liquidity via the protocol itself, spontaneously. The STEAM liquidity pool on DEXes will most likely be 100% controlled by the protocol itself.

Constant buying power

> The allocation contract will produce constant buying power for the STEAM tokens. A proportion of the treasury funds will be applied to buy back STEAM from the market and contribute to the liquidity pool, periodically.

Yields in stable assets

> STEAM stakers will be eligible for staking rewards from the crypto assets in the treasury, rather than through inflating the STEAM token. In other words, the STEAM stakers are earning USD.

STEAM has a theoretical price floor

> With limited circulation, the potential price floor of the STEAM token can be calculated, under the hypothesis that all of the circulating supply is sold back into the liquidity pool, following the XYK algorithm.

HOW SLAP WORKS

Users

Get vested STEAM in return ↑ ↓ Contribute assets to bond

Only cases of minting additional STEAM

Bonding Contract

↓ Deposit assets

$ Treasury

↓ Distribute through allocation contract

Allocation Contract (Allocation in 90 days)

Minting and adding liquidity	Buying-back and adding liquidity Constant Buying Power	Distributing to STEAM stakers	The team, marketing activities, promotion, and the DAO	Buying-back and burn
Ever-increasing liquidity pool		Hard money return		Decreasing circulation
40%-45% (Dynamically adjusted in the two slots)		50%	5%-10%	0%, when necessary

SLAP

WHY SLAP WORKS

Returns in stable assets provide positive market loops

Stable asset returns provide positive market dynamic loops. Even when the price is falling;
- The APR in stable coins will be increasing, and the holding and staking strategy will be more attractive.
- Less tokens circulating, as STEAM is sold into the liquidity pool. Fewer tokens can be staked. This also pushes up the APR.
- Each staking user owns a piece of the treasury. As the treasury increases, so do the yields for staked users, pro rata.

Bonding + Dynamic Buy-Back Mechanism

Bonding will increase treasury reserves. Bonding price is algorithmically controlled, leading to a discount on the market price.
The allocation contract is constantly buying back STEAM from the market and deepening the liquidity.
When the bonding price is higher than the market price, the buying back ratio will be dynamically adjusted to be higher, controlled by the contract, providing a positive push for STEAM's value. Therefore, bonding becomes more attractive.

Ever-Increasing Liquidity

The minting/buying-back and adding liquidity mechanisms will cause the liquidity pool, controlled by the protocol, to continuously increase (XYK in K terms).
The slippage of STEAM trading will be ever-decreasing.
One of the end goals of SLAP is to become a value anchor in the crypto-market with extremely deep liquidity.

SLAP Pro

SLAP Pro will become a portal for new-born projects to effectively accumulate liquidity when launching. SLAP will collect fees for providing this service.
New projects will not have to rent liquidity from users with high inflation during the launch. They can apply for SLAP Pro, to accumulate POL in a decentralized, efficient, and easy way.

SLAP VS OHM

Similarities

- Similar bonding mechanisms in terms of stable assets. Bonding to mint tokens.
- POL (Protocol Owned Liquidity) is the key.
- Attractive rewards to stakers.

Differences

	SLAP	OHM
Fundamentals	Ever-growing Liquidity	Game theory (3,3)
Liquidity Accumulation	Active by buying back and minting	Passive by selling LP bonds at a discount
Token Inflation	Non-inflationary	High inflation
Staker's rewards	Stable assets	Through inflation
Market Dynamics	counter eventual price drops	Whale dumping can be disastrous
Backed or not	No, but has a potential price floor	Backed by 1 DAI or other stable assets
Buying back	Constant buying back activities	No
Team's allocation	No allocation of STEAM to the team, who will only get rewarded from a share of the 5%-10% Operation and DAO allocation in the treasury. This eliminates any potential dumping pressure from the team.	The DAO and team get newly minted tokens as rewards when bonding

FUNDRAISING PLAN FOR THE PRIVATE ROUND

Amount: 1M USD

Investors can either choose to have STEAM tokens or a share in the team’s allocation

Token Choice:

STEAM price in this round: 3 USD

Accepted assets: USDC, DAI, and H2O with the same 1 USD rate (H2O may have a natural discount as they are now traded below 1 USD)

Vesting Term: 1/3 released every 30 days, starting from the 30th day after the launching date

Team Allocation Choice:

Every 100K USD investment can have 3% in the team’s incentives, controlled by smart contract.

Purpose

- 50% will be used to create the initial liquidity pool when launching. The pool will be created at least at the price of 10 USD, and the genesis bonding will start from the price of 5 USD.
- 40% will be used for the future distribution to stakers.
- 10% will be used for marketing purposes.

In the worst case when no one is participating, the loss for the seed round investors will likely only be the 10% in marketing.