

DeFi TradFi Bridge | Algorithmic Options | Synthetic Economies | Leveraged 10YR Assets |
Recession Hedges | Deep Learning Market Sentiment Tokenization



INVESTOR DECK • Q2 2022

ethere.al

Bridging the gap between traditional finance and crypto
Algorithmically enforced, human driven



www.ethere.al

THE PROJECT

FUSION BETWEEN TRADITIONAL AND DECENTRALIZED FINANCE

A decentralized cross-chain platform for minting synthetic hedges for real-world volatility events

Ethere.al is a first of its kind DeFi protocol that is tailored-made for institutions. While retail participation is allowed within our protocol, our emphasis is placed on innovations suited to TradFi.

We provide proprietary machine learning algorithms that are incorporated into over a dozen DeFi products. These institutional grade assets make Ethere.al the all-in-one platform for institutions or more experienced investors looking to diversify into DeFi - while still having access to tools they are familiar with in traditional financial settings.

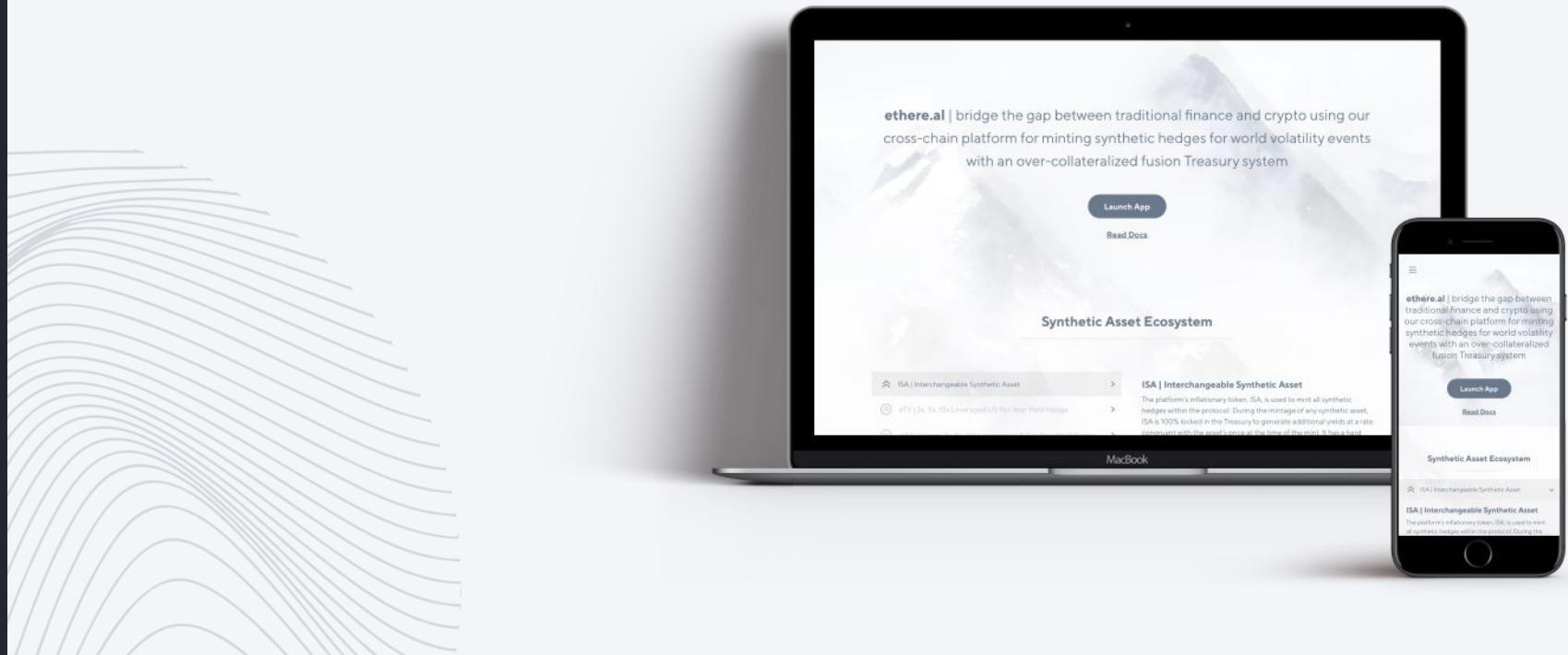
With Ethere.al you now can trade synthetic economies, leveraged 10YR assets, hedged large cap tokens, create recession hedges, get exposure to a partner TradFi Hedge Fund, and more.

Beyond this, we are the first to offer Algorithmically Enforced Options which allow advanced spreads and combination expiries. DeFiVIX style exposure and Non-Traditional Hedges are also unique to our protocol to optimize trading opportunities and allow for incredibly diverse portfolios.

Furthermore, as our asset selection grows, more data becomes available to feed into our algorithms to continually rebalance our treasury investments and optimize our liquidity rates. This data also drives innovation on our platform to continually meet the needs of complex portfolios.

We take a traditional finance approach to DeFi, in order to bring stability and innovation to a growing space.

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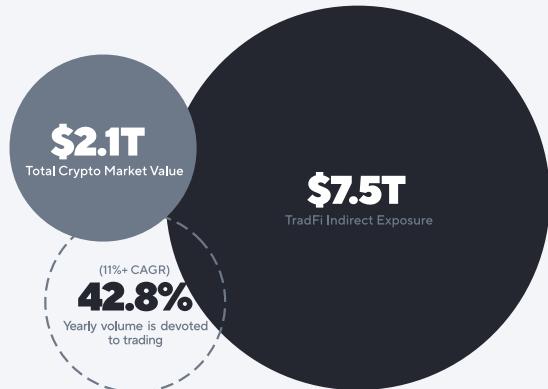
MARKET SIZE AND OVERVIEW

OUR OBJECTIVE

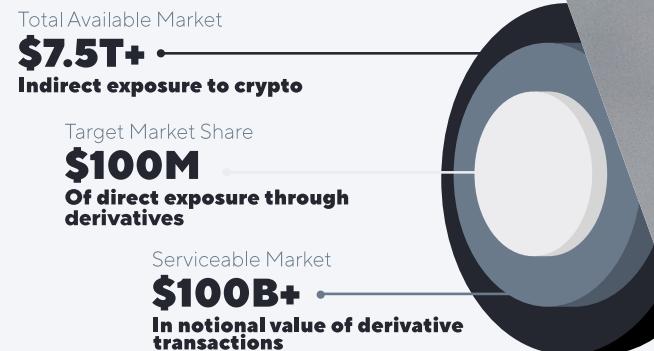
While crypto is gaining traction, there are still trillions of dollars left untapped in TradFi.

It is estimated that there are over \$7.5T invested in companies with direct or indirect exposure to crypto. It is our objective to capture this capital through innovative asset offerings found nowhere else and a full range of algorithmically enforced option chains.

OVERVIEW



SIZE



ASSET OVERVIEW

All assets are shortable using RHO as collateral

RHO

Dynamic | fixed yield asset as well as the bridge to TradFi from DeFi. Used as collateral.

MGMS

Mirrors total market sentiments as derived by over 1,000 separate data points.

sEconomies

Tokenized GDP values for specific countries extrapolated over both generalized market and crypto moves.

eBTC | eETH

Create a synthetic asset that inversely follows the price action of the underlying token with a click of a button

Algo Enforced Options

Liquid chain of cash settled American Style options that can derive a functional chain algorithmically for any token with more than 6 weeks of data.

usRP

Tokenized probability of a recession in the United States.

eTY | eITY

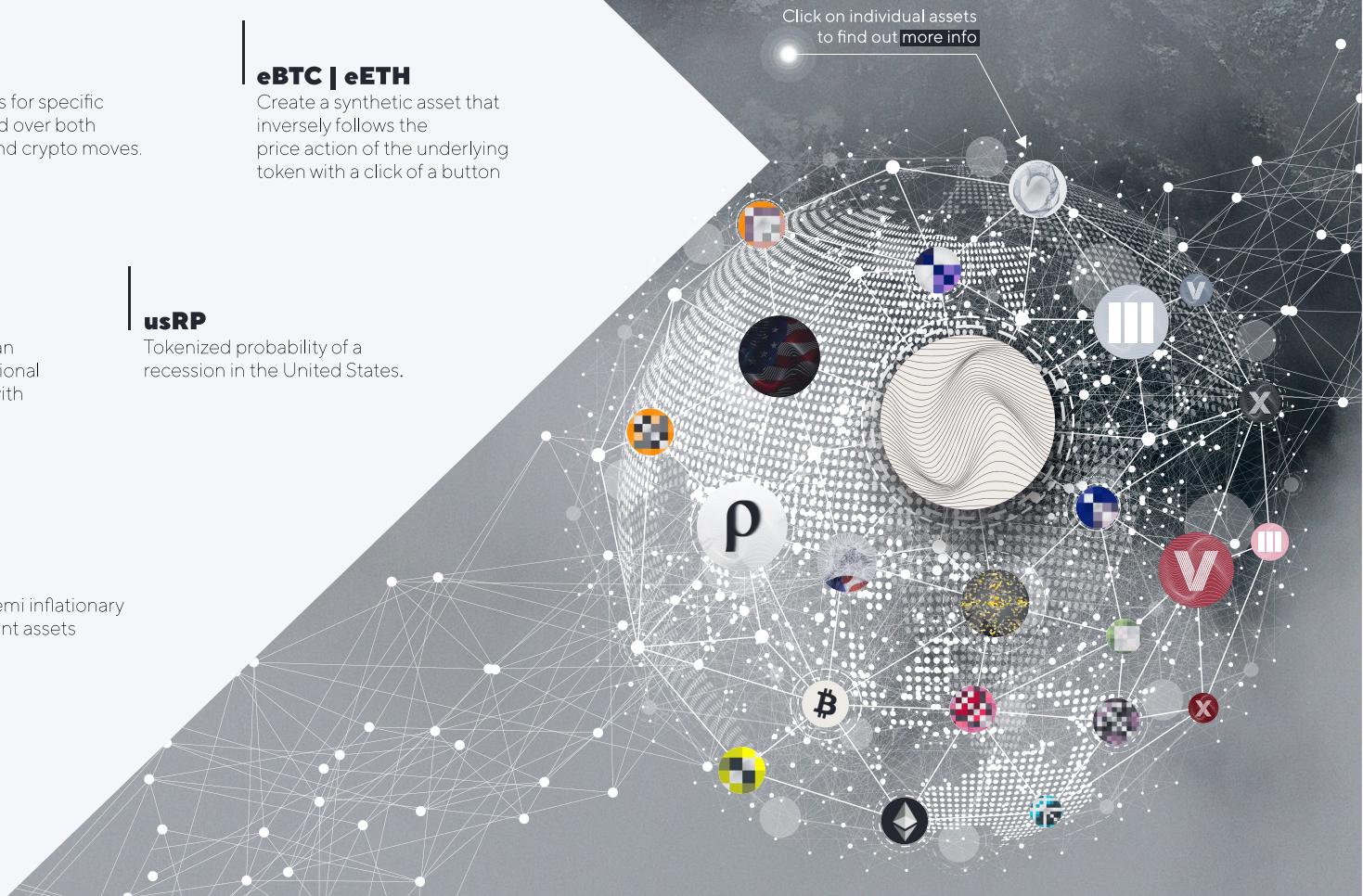
Leveraged and inverse leveraged assets reflecting the US Ten Year Treasury Rate.

ISA

The platform's semi inflationary token used to mint assets on ethere.al

...over 50 individual assets

Click on individual assets to find out more info





MAIN TOKEN

INTERCHANGEABLE SYNTHETIC ASSET

During the mintage of any synthetic asset, ISA is 100% locked in the Treasury to earn additional yields at a rate congruent with the asset's price at the time of the mint.

Token symbol: ISA
Token type: ERC-20
Total supply: 120,000,000

ISA

The platform's semi-inflationary utility token, ISA, is used to mint all synthetic hedges within the protocol. It has a hard cap of 120M with an initial supply of 25M. Emissions stand at 5 ISA per block, equating to a 1.8-year timeline before reaching the max supply. See the expanded breakdown further on for a complete analysis of its economics. Upon depositing ISA into the auto-compounding contract, you will receive sISA which could be used as collateral in the future.



GROWING
THE
TREASURY

SWAP AND MINT FEES

Swap functions have a base fee of 0.3%; however, swapping eTY, eITY, eBTC, eETH, sEconomies, uSRP, and MGMS have a 2.5% swap fee, prioritizing minting, thus providing continual buy and use pressure for ISA. These swap and mint fees are deposited in the Treasury, which will be used to buy back ISA at a variable floor price - thus collateralizing ISA itself. These fees also allow for external investment structures to be built, generating continual yields for the platform as a whole. Options themselves will have its own structure as dictated by the drift and margin formula behind a specific leg pair.

ISA itself has a trailing volatility measure in place that will help stabilize the ecosystem long term. When the price of ISA falls more than 10%, a panic control penalty will activate. This is to ensure continual analysis of all buy and sell orders to ensure a congruent investment thesis over time, rather than acting on impulse - thus helping protect investors over the long term. This penalty is calculated by implementing a 1/4 the downward percentage move on a 1 hour trailing value as a fee. For example, if the price of ISA were to fall 20% in a single hour, the new swap fee would be $(0.25 \times 20\%) + 0.3\% = 5.3\%$. However, once volatility normalizes again on the hour, the protection fee will revert to 0 and you will be left with the standard 0.3% fee.

PREDICTIVE OPTIMIZATION

OUR TREASURY

At the core of any sustainable business model is a robust financial system

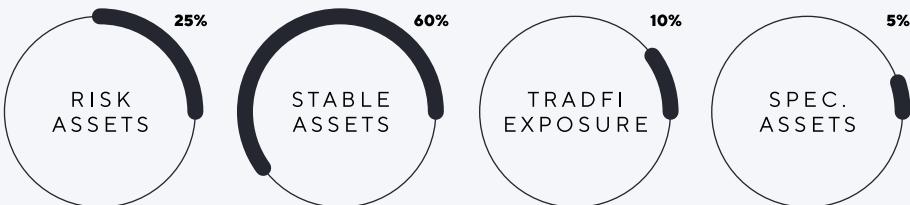
We have utilized our experience in traditional finance paired with our experience in creating models to derive various optimization algorithms to ensure maximum return from both our Treasury and bond emittance.

Furthermore, we will be implementing a diverse set of asset classes that focus on lower volatility to ensure capital preservation during times of market uncertainty.

However, we will also take some risk asset positions - though hedged - to enable growth that will minimize long-term dilution to holders. Additionally, through our partnership with Veta Fund, we expect quarterly cash flow from traditional finance investments at a rate of 5% per annum.

TREASURY TABLE

Risk Assets	25%
Stable Assets	60%
Add. TradFi Exposure	10%
Speculative Assets	5%





SINGULAR AND MULTI-ASSET BONDS

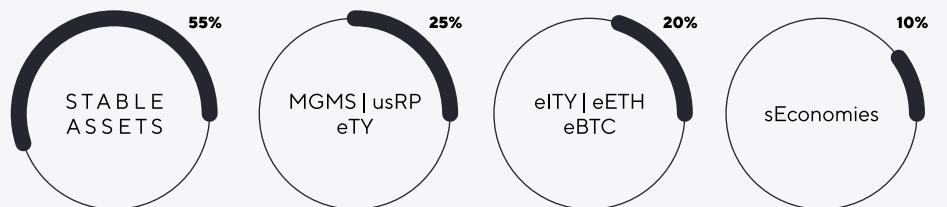
Singular and Multi-asset Bond utilization is one of the core areas that will drive growth of the platform. Here, users can sell multiple liquidity pairs to the protocol and, in return, receive dynamically discounted platform tokens which vest ratably over a 7-14 day period chosen by the depositor.

50% of all emissions will be diverted to the bonding portion of the platform. These tokens will be distributed per the block rate — rather than minted during the purchase cycle. As such, inflation is partially mitigated because tokens will match to TVL.

Bond delivery and asset class will be optimized using projected returns for said asset pairs. They will also be cross-weighted against current mint rates of each asset type and their specific volatility rating to build deeper and more efficient liquidity for the platform as a whole.

BOND TABLE

Stable Assets	55%
MGMS usRP eTY	25%
eITY eETH eBTC	20%
sEconomies	10%





RAISE TARGET **\$2.75M**

We have calculated a year's worth of expenses, with zero regard for founder pay as the only compensation received will be derived through equity - and is therefore dependent on performance. The raise target will provide enough working capital to finish Phase 2 developments and add new talent to the team to continue innovation.



■ Further development with new hires, maintain and continually update neural networks, build external infrastructure as we will be seeking to comply with regulations for expansion into other derivative products and join with more TradFi partners. Provides enough working capital for 1 year.



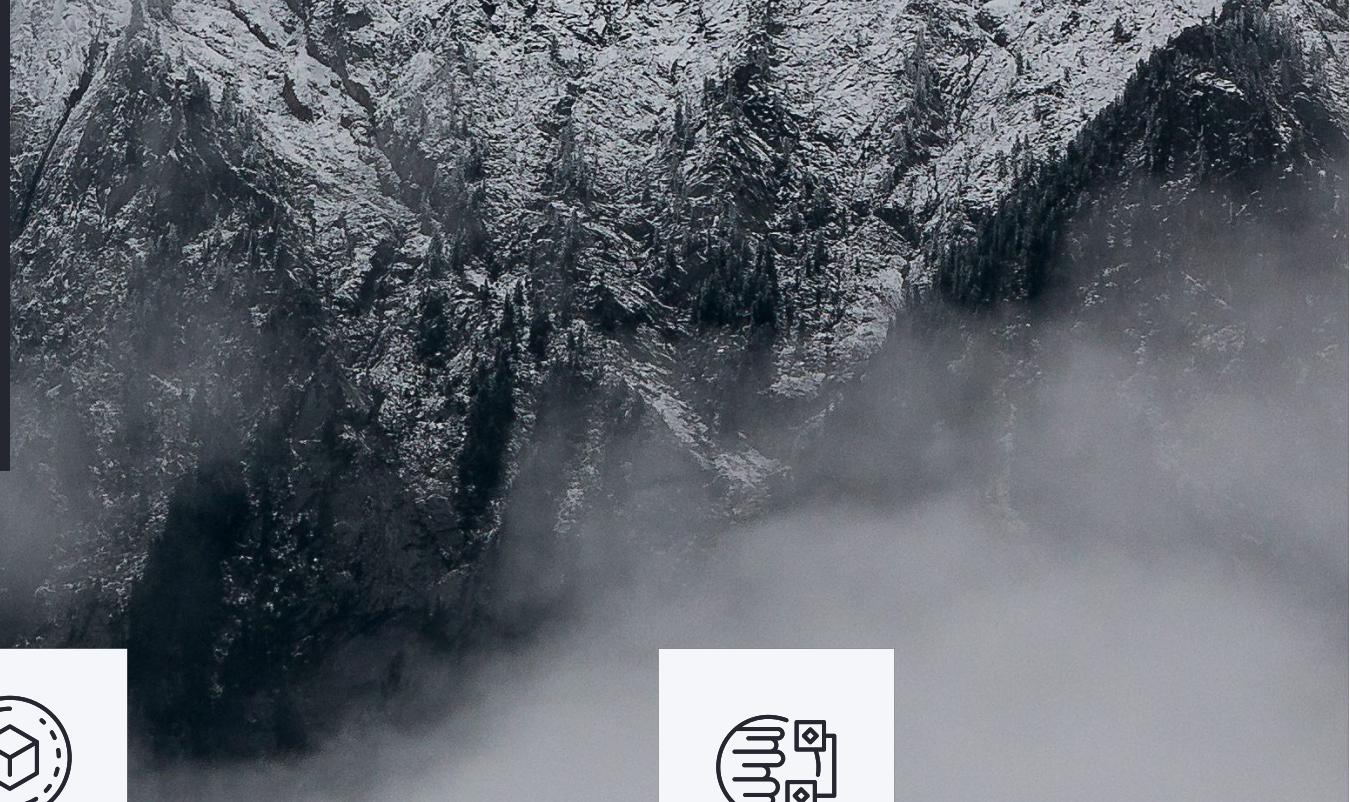
□ Will be used to provide initial liquidity.



■ Will be used for community building, marketing, and building strong partnerships with key players in the space.

FUTURE ROAD MAP

BEYOND PHASE 2



Additional asset mints

RHO | LARGE CAPS | ECONOMIES

We are looking into creating additional asset types that further increase the capabilities of portfolios built using ethere.al. New large cap derivative products are under review, along with additional sEconomies, and additional volatility trading tools. Furthermore, we are examining areas to insure physical assets through our platform using NFTs which will allow for yield generation on off-chain assets.



Deep option liquidity

OPTION OPTIMIZATION

We will be the first to bring to market a fully functional algorithmic option chain. We will also be the first to allow for on demand chain generation. While initially we are optimizing peer-to-peer liquidity, we are developing multi-reinforced "oceans" that will cycle liquidity through a portion of the treasury to allow for one sided fills - which will be another first of its kind. This basket type asset pool will allow for sustainable option chain growth - even for traditionally lower liquidity tokens.



Tokenized algorithms

NEW ASSET CLASS TYPE

We have created a diverse portfolio of deeply trained algorithms that are at the core of our platform. We are researching the introduction of a designated hub which opens up these systems to token holders where they can run their own simulations, extrapolations, and forecasts to build and optimize their portfolio. This will allow for broader optimization across the entire ecosystem which will lead to more volume as well as another source of revenue for platform.



EXECUTION

CORE TEAM



DAVID

FOUNDER | CEO | CFO

LONG-TERM TECH AND INTERNET PROPERTY INVESTOR

I have many years worth of experience in technology startups, having run multiple large scale projects involving cloud infrastructure and data processing. I found fusions between large data and investing. I have built multiple predictive models to enhance our portfolio's risk:reward ratio. These same algorithms are what power ethere.al at its core. Through this traditional market experience, I will be leveraging connections I have in the space to introduce more TradFi capital to DeFi.



JOSHUA

LEAD DEVELOPER

SOLIDITY AND FRONT END SPECIALIST. 4+ YEARS OF EXPERIENCE

Experience in both traditional web development and blockchain projects focused around supplychain management, identity management, asset management, and securitization.

Experience with front to back end integration for various financial information exchanges built with Ethereum contracts.



VETA CAPITAL

PARTNER | ALGO REVIEW

A HEDGE FUND FOCUSED ON DERIVATIVES TRADING

The investment team consists of machine learning, finance, law, and accounting professionals. The Fund is open to lending resources to ethere.al to assist in the further implementation of machine trained algorithms along with access to TradFi research for market sentiments.

The Fund is also open to making investments in products available on the ethere.al platform.



THANK YOU

There.al



Discord

discord.gg/EtherealProtocol



Twitter

twitter.com/EtherealMarkets



Platform

ethere.al