Echo Finance

Collateralized Stablecoin Protocol on Sonic

The Problem

▸ **Limited stablecoin options** on Sonic ecosystem

▸ **Underutilized yield opportunities** from stS tokens

▸ **Capital inefficiency** in current DeFi protocols

▸ **Missing infrastructure** for collateral-backed lending

Our Solution

eSUSD: A yield-backed stablecoin protocol

Multi-collateral support - Accept both S and stS

Yield optimization - Leverage stS rewards for interest-free loans

Capital efficiency - 150% MCR (66% max LTV)

Automated liquidations - 5% discount incentive

How It Works

Deposit Collateral

Lock S or stS tokens in secure vault

stS provides enhanced efficiency via staking rewards

Mint eSUSD

Borrow up to 66% of collateral value

Interest-free loans backed by staking yield

Manage Position

Repay eSUSD to reduce debt

Withdraw excess collateral safely

Monitor health factor in real-time

MVP Features

Core Vault System

VaultManager.sol for position management

CollateralAdapter.sol for price oracles

eSUSD.sol stablecoin contract

Security & Reliability

Battle-tested liquidation engine

ReentrancyGuard protection

Oracle staleness checks

Target Network

Sonic Testnet → Sonic Mainnet

Building the foundation for Sonic's DeFi ecosystem