ARIES FINANCIAL

The Future Financial System

WHITEPAPER

V2.0

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Contents:

ARIES FINANCIAL is an all-encompassing financial platform designed to minimize risk and maximize returns for its users by leveraging novel DeFi technology. ARIES was conceptualized as "The future of finance" or "Bank of the future".

ARIES platform consists of a UI to access multiple smart-contract applications that facilitate stablecoin yields, staking pools, fast options trading (Prediction market), referral trees and more. ARIES business logic is continually updated by Christies Sg PTE software development vehicle with a view to handing over ownership to a decentralized organisation mediated through the ownership of the ARIES platform governance token AFI.

AFI is obtained through yield farming. ARIES FINANCIAL did not raise funds through an ICO, private sale or offering. Christies SG PTE retains a share of AFI token pre-mine as compensation for developing the platform.

1. Introduction

1-1 DeFi Definition

Decentralized Finance, (DeFI) is a highly transparent, open, peer-to-peer financial system that allows anyone to participate. DeFi consists of applications for lending, borrowing, asset exchange and "mining" built with open source programming. It enables anyone in the world with an internet connection to participate and achieves a substantial reduction in handling fees and charges while achieving higher interest rates and fairness. It provides a way for those without access to traditional financial services access to financial services. Most DeFi applications use the Ethereum blockchain, combining smart contracts to realize the functions of decentralized lending and asset exchange.

1-2 Smart Contracts Definition

At the most basic level, a smart contract is an electronic contract that executes its terms according to a pre-programmed set of conditions. For example, If Alice wants to establish a fund and pay Bob $100 at the beginning of each month for the next 12 months, then she can write a smart contract with the following logic:

- Check current date
- Transfer $100 to Bob at the beginning of each month
- Repeat for 12 months

By using a smart contract, Alice avoids the cost of relying on trusted intermediaries such as a trust fund manager, escrow agents etc. And Bob can read the smart contract and be assured that he will be paid on time according to its terms. Smart contract logic consists of IF statements and THEN statements. IF conditions are met THEN execute programmed operation. When multiple smart contracts are combined with a front end application for interacting with them, this is called a decentralized application or "DAPP". (*Source: Coingecko.com "How to DeFi")

1-3 ARIES FINANCIAL

"New Financial System - Neo-Fi"

Our goal is to provide banking and securities services in a decentralized and community-driven manner. As long as you have a smartphone and an internet connection you will be able to connect to and use locally, the financial services our platform provides. This is what we mean by "Future of Banking".

Currently, centralized financial institutions provide basic functions; Deposit, withdraw, remittance, lending and investing, and payments. But the "New banking" we aim to provide removes the need for these centralized entities while providing even more advanced features.

In many parts of the world the financial system is controlled by corrupt governments without regard for human rights and freedom. Our platform is completely open and impossible to censor or shut down. Our easy-to-use platform provides basic financial services required for everyday life regardless of geographical or national restrictions.

Among the crypto assets, demand for stablecoins, which mitigate the volatility of traditional crypto assets, is increasing. **ARIES FINANCIAL** is developing protocols that generate stablecoin yields for users in a sustainable and secure way so that users can use them in a way very similar to traditional currency. We believe this is a trend and not a momentary fad, and this trend will mean the use of stablecoins will become more and more common.

Through constantly switching DeFi platforms, active users or "yield farmers" search for better returns for their deposits. ARIES FINANCIAL is a further enhancement of the DeFi ecosystem that will attract

those investors.

2. The Problem with Centralized Exchanges

2-1 Traditional Banking

Traditional banks are unwieldy financial institutions that facilitate payments, take deposits and provide credit to individuals, businesses, other financial institutions and even governments. The market value of the top 10 banks is close to 2 Trillion US dollars. In contrast to this, The market value of the entire cryptocurrency market is estimated to be approximately 200 Billion US dollars.

The world relies on banks to provide remittance services, credit services etc. But because banks are centralized entities run by human beings, they are prone to human error, excess cost and corrupt practices. The 2008 financial crisis exposed the shortcomings of the banking system when excessive risk taking by bankers forced governments to provide large-scale financial bailouts to the banks.

Even now, undesirable occurrences such as data loss, personal information leaks and account hacking still occur all too frequently. Central banks are attempting to digitize their banking system. for example, the digital Yuan (CBDC) initiative by China. But because these digital currencies are still managed by centralized entities (The central banks) They will inevitably lead to bias and censorship of financial transactions.

2-2 Centralized Crypto Asset Exchanges

In the early days of cryptocurrency, a cryptocurrency exchange was set up to trade Bitcoin called MtGOX. Unfortunately that exchange's management direction differed somewhat from the ideals of transparency and responsibility expected of exchanges, leading to the loss of user funds, bankruptcy and the absconding of management. Centralized exchanges set up to trade crypto assets are unable to solve the problems of transparency, fairness and deposit risk.

2-3 ARIES FINANCIAL platform solutions

ARIES FINANCIAL utilizes smart contracts to solve the problem of transparency, fairness and deposit risk. The DeFi smart contract ensures that everyone is treated fairly and not censored.

- Transparency - The financial instruments are encoded in smart contracts which can be examined by anyone for their expected functions.
- Fairness - The interest rate or yield is calculated for each blockchain block (15 seconds) instead of once a month and can be instantly withdrawn to the users wallet at any time without impediment.
- Deposit risk - Users funds are always under the control of their private wallet. The funds are securely interacting with a smart contract and cannot be accessed by the ARIES FINANCIAL team.

The following (*Figure 1) compares traditional cryptocurrency exchanges (CeFi) and **ARIES FINANCIAL** platform defined as DeFi.

(*Figure 1.)

	CeFi	DeFi
Interest rates	Centrally controlled	Lending supply and demand
Frequency	Once a month	Every block (15 sec)
Withdrawal	Up to 7 working days	Instant
Management	Custodial (Held by the bank).	Controlled by token holders (user)
Transparency	None	Completely transparent
Security	2FA Whitelisted addresses	Users own private key management
KYC	Required	Not required

3. ARIES FINANCIAL Features

3-1 Farming

Farming pools allow users to get a yield on their stablecoin deposits. The smart contract automatically searches for the highest yields for the pooled stablecoins and increases the total balance of the pool accordingly. When depositing into the farming pools, users receive corresponding

receipt tokens (afiUSDT, afiDAI, afiUSDC) which can be returned to the pool to withdraw farming profits minus any withdrawal fees*.

*The stablecoins deposited into the farming pools are divided into "active" and "inactive" funds. When users withdraw deposits that are being used in strategies they will incur a withdrawal fee of 0.5%

In short, the farming pools search for a high return for users deposits and give a return denominated in the deposited stablecoin. A USDC deposit will return interest in USDC.

Example:

1. A user deposits USDC into the USDC farming pool and receives afiUSDC to their wallet.
2. The USDC pool chooses strategy of USDC dFORCE
3. By depositing stablecoins in dFORCE the farming pool can earn DF token.
4. The strategy sells the obtained DF token on uniswap.
5. This action is carried out once per day and the profits are put back into the farming pool.
6. When users deposit their afiUSDC back into the pool they receive their original deposits plus the yield from the strategy.

3.2 Staking

Staking is an incentive mechanism on the **ARIES** platform in which users can deposit their farming receipts; afiUSDT, afiUSDC etc. Or **AFI** token; Or **AFI**/USDC LP tokens from Uniswap exchange and get a return denominated in **AFI**.

*About afi[Token]

When depositing stablecoins in the farming pools, users receive a receipt ERC20 token corresponding to the particular stablecoin. Deposit DAI to get afiDAI, deposit USDT to get afiUSDT. By staking these tokens users can receive rewards in **AFI**.

*About LP token

When providing liquidity to the **AFI**/USDC pair on uniswap (dex) you will obtain UNIv2 LP tokens which represent your share of pool ownership, **ARIES** incentivises this action by allowing these LP tokens to be staked to get a return in **AFI**.

3-3 CLUB

In addition to stablecoin yields from farming which on average returns 7%-20% APY, and in addition to staking LP and afiTokens (Additional APY of 10%-20%), we have designed a reward plan for users who wish to stake **AFI** within the governance contract. This provides a higher return (up to 200% APY in **AFI**) for those users wishing to participate in the governance of **ARIES**.

3-4 ARIES TREE

This is the referral system for **ARIES FINANCIAL**. In order to increase deposits in **ARIES** the referral system will allow referrers to receive 30% of ARIES profits from their referred users. The referral system extends 3 steps down from the referrer. Forming a "tree" of referrals. This is why we call it the '**ARIES TREE**'

ARIES TREE reward calculation formula:

Referral reward = (TVL / Child TVL) x (ARIES performance fee x 30%)

ARIES TREE *awards stablecoins to your registered wallet address every month.*
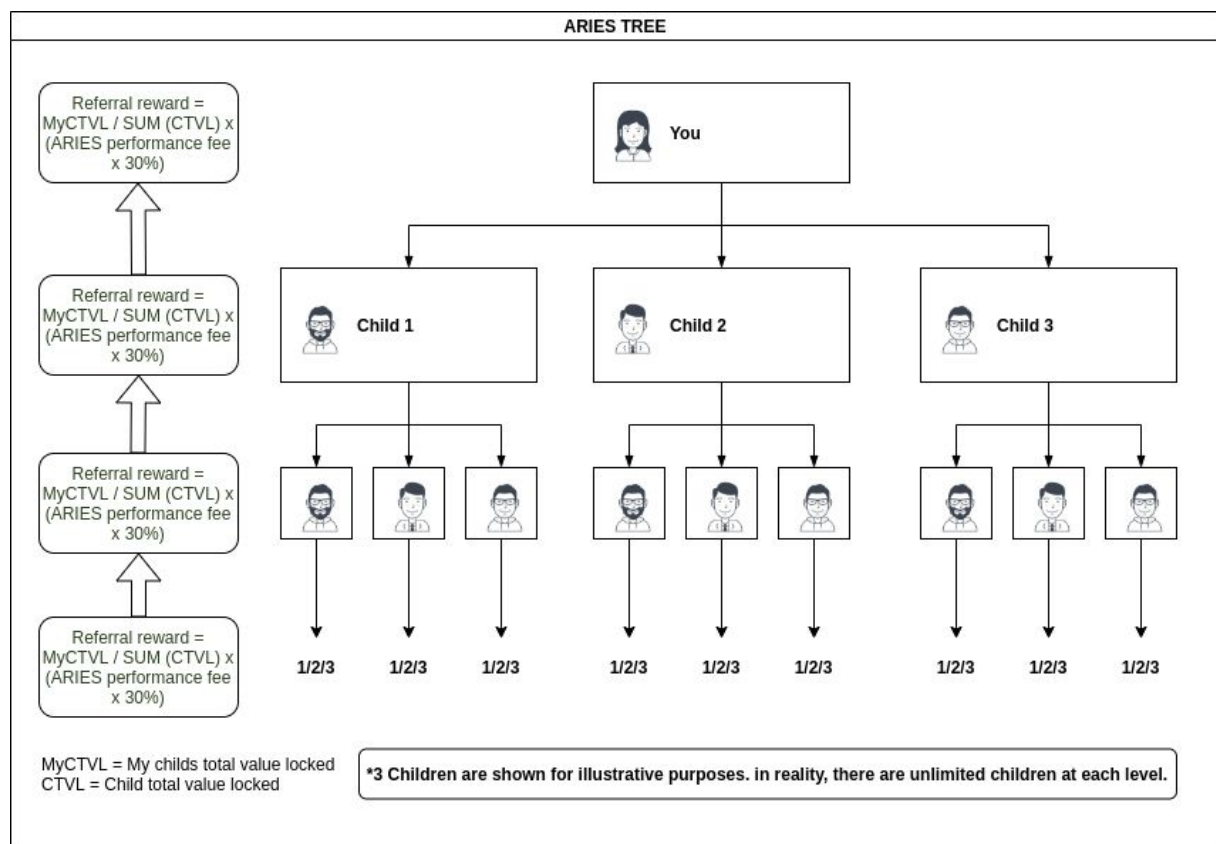
3-5 Prediction Market

Very fast options trading is possible through **ARIES** with contracts of 1 minute to 5 minutes providing a very fast prediction market. Because of this, using Ethereum mainnet is not possible due to blocktimes and gas fees. **ARIES** will use xDAI Chain for the prediction market. xDai Chain is 100x faster and the gas fees are stable in the range of a few cents. ARIES will have a UI for bridging **AFI** to xDaichain. Metamask will soon support xDaichain as a default network.

There are 2 ways to use the prediction market:
1 - Holder
2 - Writer

*Example: Holder predicts the price of ETH after 1 or 5 minutes, if the Holder places 1 **AFI** on the result and is correct, the Holder will receive 1.85 **AFI**, and the Writer will lose 1 **AFI**, and the house takes 0.15 **AFI** as a fee.*
*If the Holder is incorrect, the Holder loses their 1 **AFI**, the Writer will gain 0.85 **AFI** and the platform receives 0.15 **AFI**. The fees will be placed in an insurance fund for use in the case that the writer pool funds are insufficient for payouts.*

3-6 Options Trading

ARIES will provide options trading for professional traders. The contract expiration will be 1h, 24h, 1 week, 2 weeks, 3 weeks, 4 weeks. It can also be used to hedge transactions. **ARIES** implements options trading using xDai Chain so traders can trade quickly and easily for a very low cost. The currencies used will be WBTC and WETH, bridging these tokens over to xDaichain can be easily completed within the **ARIES** platform.

3-7 Debit Card Facility

Our goal is to achieve the **"Future of Banking"**. We will provide all the services currently provided by traditional banking but provided through our decentralized entity. To facilitate payments we will partner with VISA and Mastercard to give users of our platform to debit card service linked to their balances on the ARIES FINANCIAL platform. In addition, this allows payment through Apple Pay and Google -

-Pay.

Debit cards are operated by a centralized intermediary but in the near future stablecoins will enable direct mobile point of sale payment facilities enabling full decentralization.

4. AFI Token

4-1 AFI Token (Governance Token)

The **AFI** token is used in the **ARIES FINANCIAL** protocol. It is obtained by pooling stablecoins or tokens, afiTokens or Uniswap LP tokens.

AFI Token is an ERC20 token that allows the holder to delegate voting rights to any Ethereum account including their own. No proportion is allocated for pre-sale, pre-mining, ICO or development team. (The investors quota is 22% as outlined below).

4−2 Token Model

Token Name: **AFI** Token
Token Symbol: **AFI**
Total Supply: 18,000,000
Function: Governance, Staking

Allocation	
Total Issued	18,000,000 **AFI**
Staking Rewards	14,040,000 **AFI** (78 %)
Investors & Ambassadors	3,960,000 **AFI** (22 %)
Total	18,000,000 **AFI** (100 %)

4−3 Token Distribution

Through staking and liquidity mining on **ARIES FINANCIAL** a known amount of **AFI** token will be issued each month. After 10 years of continued issuance the token adopts a deflationary model. Each month less than 1% of the total supply of **AFI** will be issued. TVL is related to liquidity, therefore if TVL reduces, the **AFI** supply will not exceed demand.

5. Community Governance

5-1 Community Governance

The **AFI** Token holders have full control of the platform and all the strategies. Token holders who own a certain threshold of tokens have the ability to make proposals and vote on proposals to improve **ARIES FINANCIAL**. **AFI** Token holders can decide the path of development according to their own ideas.

For traditional financial enterprises this kind of democracy is not feasible. We modernize the token economy allowing holders of **AFI** to participate in platform improvements.

ARIES FINANCIAL is a community-driven platform grown and managed by all the **AFI** token holders and governed by this decentralized community. **AFI** Tokens are distributed through a fixed algorithm. Users holding **AFI** Tokens become a part of the **ARIES FINANCIAL** operations team and vote on proposals to improve the way the platform runs.

ARIES FINANCIAL uses blockchain voting to pass improvement proposals called AIPs (ARIES IMPROVEMENT PROPOSALS) effectively preventing tampering by outside influences and ensuring the voting process is fair.

5-2 Governance

AFI Token holders have the power to manage the **AFI** ecosystem and receive proportional yields from the smart contracts. By staking **AFI** Tokens, **AFI** Token holders can receive more **AFI**.

6. Security

6-1 Security measures

ARIES FINANCIAL V1 uses audited smart contracts from Yearn.finance for the farming vaults. The open source code is uploaded at github for anyone to check for errors or vulnerabilities. In V2 we have new smart contracts that will only be used after a full audit by third parties.

We understand the risks of smart contracts, not only auditing code, we also deploy online security systems to counter hacker threats. We contract with silicon valley cyber security company ANCHAIN.AI (https://www.anchain.ai/) to monitor user base behavior, wallet addresses, and parse actual transactions through an AI. database. They protect your crypto assets, quantify risks and comply with KYC/AML standards.

It provides a blacklist function, which can block access based on wallet address, IP address or computer ID. This is to prevent server attacks and money laundering.

ANCHAIN.AI is a risk engine that provides services to more than 100 exchanges in more than 10 countries/regions, and supports more than 10 types of crypto assets such as BTC, ETH, and stable coins. It can identify the main market participants and malicious attackers in the crypto-asset economy, allowing us to take action faster, have 24 hours systems monitoring, and protect your assets.

7. Fees

7-1 Transaction Fees

The deployers of the **ARIES FINANCIAL** platform will charge a fee of 30% of the profit from liquidity mining. the team will not sell **AFI** tokens in the market to obtain profit.

Part of this will be used to fund operating expenses and part will be used for user rewards who participate in **ARIES TREE**. The referral commission will be paid entirely out of the profits of **ARIES FINANCIAL**, so users who do not participate in **ARIES TREE** in V.2 are treated "equally" by the platform.

Smart Contracts will take the role of fund manager, continuing to develop strategies and striving to provide continuous income, while **ARIES FINANCIAL** establishes the "New Financial System" and "New Liquidity Mining System".

8. Roadmap

8-1 Timeline

2020/11 **ARIES FINANCIAL** V.1 (Farming, Staking)

2021/01 **ARIES FINANCIAL** V.2 (TREE)

      CLUB

      New UI

2021/02 **ARIES TREE**

      Prediction Market

2021/03 Options Trading

2021/05 Debit card link.

8-2 Future Developments

The limits of stablecoin yield farming:

During 2020 the number of DeFi users increased dramatically, This was caused by macroeconomic factors such as covid pandemic effects and financial policies of central banks. This caused stablecoin yields to increase dramatically.

We believe that yield farming is not a sustainable long term form of asset management. The reward method used by many farms will lead to token inflation. To prevent token inflation **ARIES FINANCIAL** only use **AFI** tokens as "additional rewards" every month. We want users to be able to get yields on their stablecoins in a sustainable way. We will continually update our stablecoin strategies to achieve a higher APY.

When we implement the **ARIES TREE** referral system it will create a new mining system that we believe will be highly sustainable and profitable.

9. Company Information

9-1 Company

CHRISTIE'S SG PTE. LTD.

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