CVI v3 tutorial

CVI is happy to present- CVI v3:
and its new features, including our new innovative liquidity vault: the Theta Vault, which allows a sustainable and scalable source of liquidity for the CVI volatility tokens on any secondary market and decentralized exchange. This major scalability improvement allows shipping one of the flagship products of the CVI ecosystem - the "Volatility tokens" which have been the early vision of the platform since its inception. In comparison with previous versions which were targeted toward early adopters, the new v3 is a complete and mature version of the ecosystem.

In this short tutorial, we will walk you through, in a few easy steps on how to use CVI's new platform. You can follow the step-by-step guide below to understand the process of minting and burning CVOL tokens, as well as withdrawing and depositing to the Theta vaults.

CVOL

Similar to VIX ETFs, CVOL is a token that is designed to track the intraday movement of the CVI. The CVOL token aims to allow market participants to instantly gain exposure to crypto volatility without incurring additional costs.

The CVOL is an elastic token that provides instant access to certain fluctuations in the crypto market volatility. When minting/burning(Platform) or swapping(DEX) CVOL there are a few parameters that need to be considered:

1. Collateral ratio- This is the ratio between the potential maximum value of the volatility tokens in circulation to the combined value of the volatility tokens and the Theta vault liquidity
2. Funding fee- This is the fee paid over time by CVOL token holders until their volatility tokens are sold/burnt, it is vital to note that the funding fee is not constant and may change based on the value of the CVI and the collateral ratio of the corresponding volatility token.
3. Platform price vs The price on SushiSwap- CVOL platform price is pegged to the CVI index, thus, every time the CVI moves or there is a change in the CVOL price on DEX there is an arbitrage opportunity.

Users can do the following on the CVI V3 Platform:

1. Mint/Burn CVOL tokens on the platform
2. Swap to/from CVOL tokens on the DEX
3. Deposit/Withdraw liquidity to/from the Theta vault

Minting CVOL tokens

Step 1- Select token(This is the beta version, thus, only CVOL is available)

Step 2- Enter the amount of USDC you want to spend or click on "**Max**" to swap the whole amount in your wallet's balance.
- ● The maximum amount of CVOL that can be minted depends on the collateral ratio since each volatility token potential gains must be covered by Theta vault liquidity.
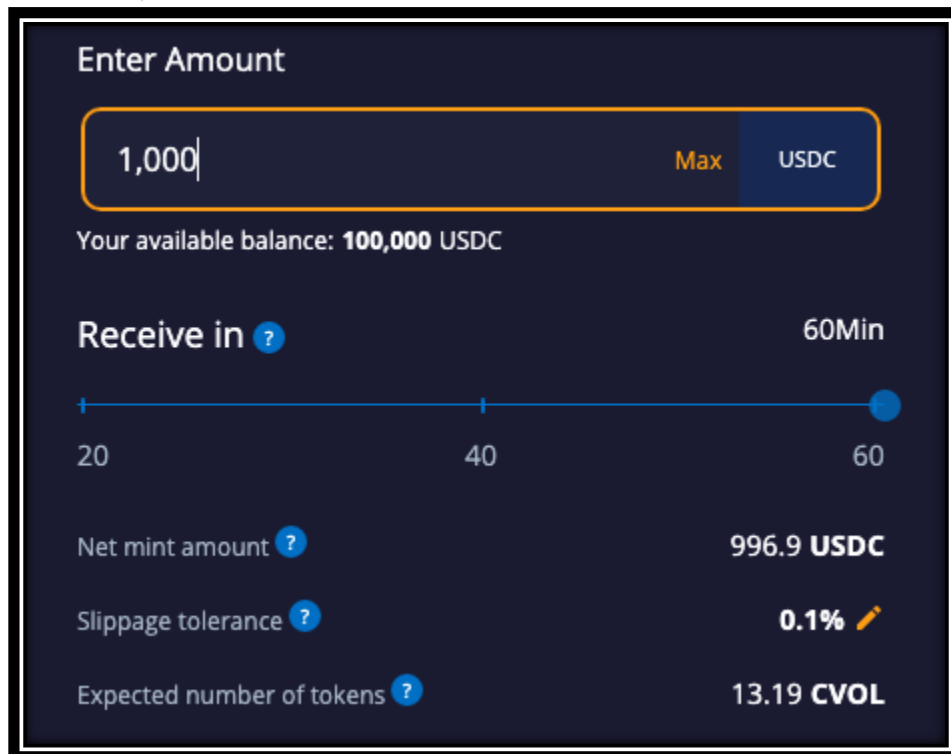

*

Step 3- Adjust the "Receive in" slider to the target time- The "Receive in time" is the time it will take for your request to be fulfilled. By default, the request will be fulfilled automatically by Chainlink keepers, and the target time is set by default to 60 minutes. But if you want your request to be fulfilled sooner, you can adjust the slider backwards to your preferred time. This, however, will attract an additional fee (Expedite fee)

Net mint amount: This refers to the total amount of USDC that will be used to mint CVOL tokens after the deduction of all relevant fees.

Expected number of tokens: This refers to the number of tokens the user will receive upon the fulfillment of their request. This amount is subject to the movement of the CVI and the fees the user is required to pay
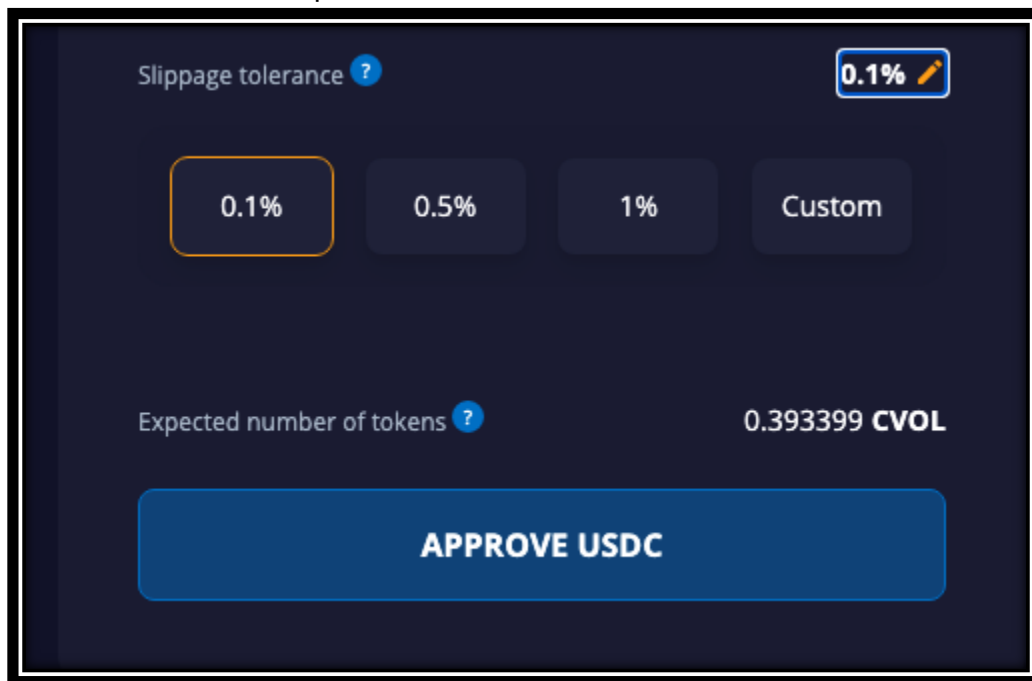

Step 4- Choose Slippage tolerance

Step 5- If this is your first time on the platform you will be required to authorize the platform to use USDC and proceed to confirm the transaction on Metamask

Slippage tolerance ?   0.1% ✏️
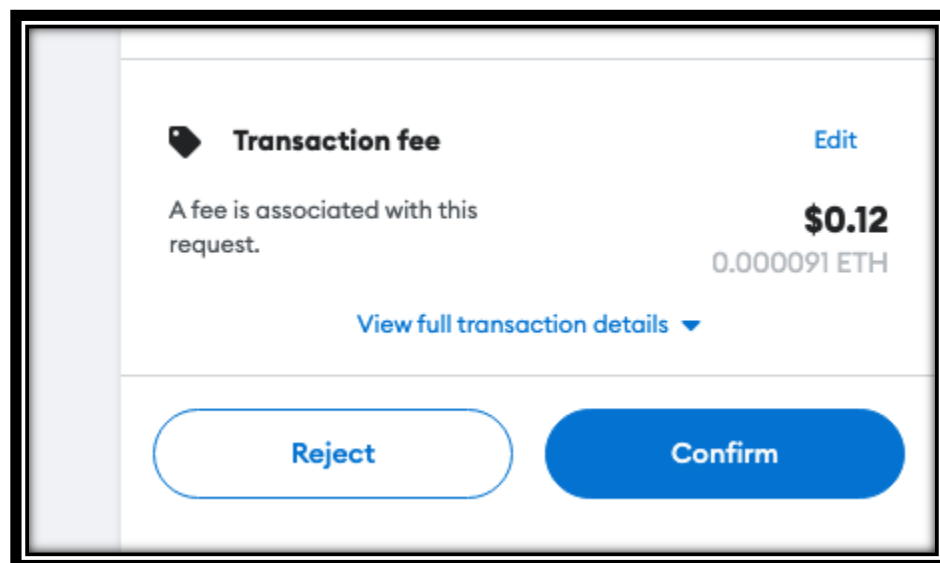
| 0.1% | 0.5% | 1% | Custom |

Expected number of tokens ?   0.393399 **CVOL**

APPROVE USDC

🏷️ **Transaction fee**   Edit

A fee is associated with this   **$0.12**
request.   0.000091 ETH

View full transaction details ▼

Reject   Confirm

Step 6- Click on "Submit" and proceed to confirm the transaction on Metamask

Enter Amount

30   Max   USDC

Your available balance: **100,000** USDC

Receive in ?   40Min

20   40   60

Net mint amount ?   29.73 **USDC**

Slippage tolerance ?   **0.1%** ✏

Expected number of tokens ?   0.393399 **CVOL**

SUBMIT

EDIT

Estimated gas fee ⓘ   0.00024034 **0.00024 ETH**

Site suggested
Likely in < 30 seconds   Max fee: 0.00024034 ETH

                                              0.00024034
Total
                                          0.00024034 ETH

Amount + gas fee   Max amount: 0.00024034 ETH

Reject   Confirm

Step 7- You can view your request under the "Pending Request" tab, however, if you wish to mint or burn CVOL tokens without waiting for the "Receive in" time to elapse, you can click the "Receive Now" button after 15 minutes. An early fulfillment fee will be incurred (expedite fees). However, you won't be charged the Keepers fee

If the mint is successful, you will be able to view your CVOL tokens in the "balances tab" However, It is possible for the Mint requests to fail due to insufficient liquidity, in such cases, Keepers will constantly try to fulfill the request for one more hour. If unsuccessful, a total refund will be made to the user's wallet.
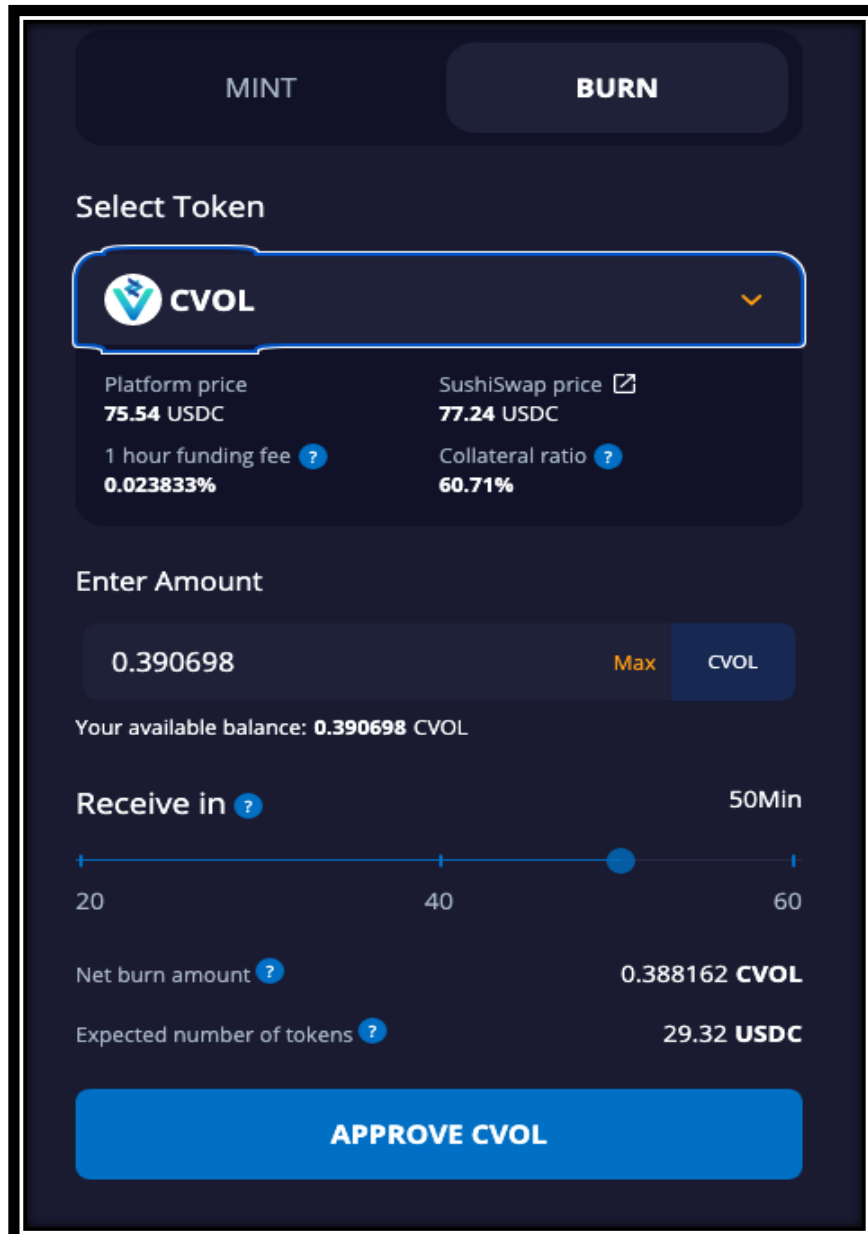
Burning CVOL tokens

Step 1- Click the "BURN" tab

Step 2- Select a token(This is the beta version, thus, only CVOL is available), Enter the amount of CVOL you want to burn. n proceed to choose your preferred "Receive in" time.

Step 3- Click on the "Approve CVOL" button. If this is your first time on the platform you will need to authorize the platform to use CVOL, and proceed to confirm the transaction on Metamask

APPROVE CVOL

🏷 **Transaction fee**   Edit

A fee is associated with this   **$0.10**
request.   0.000081 ETH

View full transaction details ▼

Reject   Confirm

Step 4- Click submit and confirm the transaction on your Metamask

SUBMIT

                                                              0.00022697
Total
                                                        0.00022697 ETH

Amount + gas fee   **Max amount:** 0.00022697 ETH

Reject   Confirm

Step 5- You can see your request under the "Pending Request" tab, however, if you wish to burn without waiting for the "Receive in" time to elapse, you can click the "Receive Now" button after 15 minutes. A fee for early fulfillment will be incurred.

	Balances (1)	**Pending Requests (1)**	History		
Type	Submit time	Amount	Expected # of tokens	Receive in	
Burn	14/10/2022 16:59:55	Submitted **0.39** CVOL Net **0.387469** CVOL ?	**29.26** USDC	00:33 HH:MM	Receive Now

Don't want to wait? You can receive your USDC tokens now

|	
Submitted amount	**0.39** CVOL
Net burn amount ?	**0.380408** CVOL
Expected number of tokens ?	**28.73** USDC

RECEIVE NOW   CANCEL

Swapping CVOL tokens on the DEX

Step 1- In order to swap (Buy/Sell) your CVOL tokens on a DEX, click on the icon next to "SushiSwap price"

Step 2- Connect your wallet, and enter the amount you want to swap(CVOL/USDC), click on "Approve" and proceed to confirm it on Metamask.
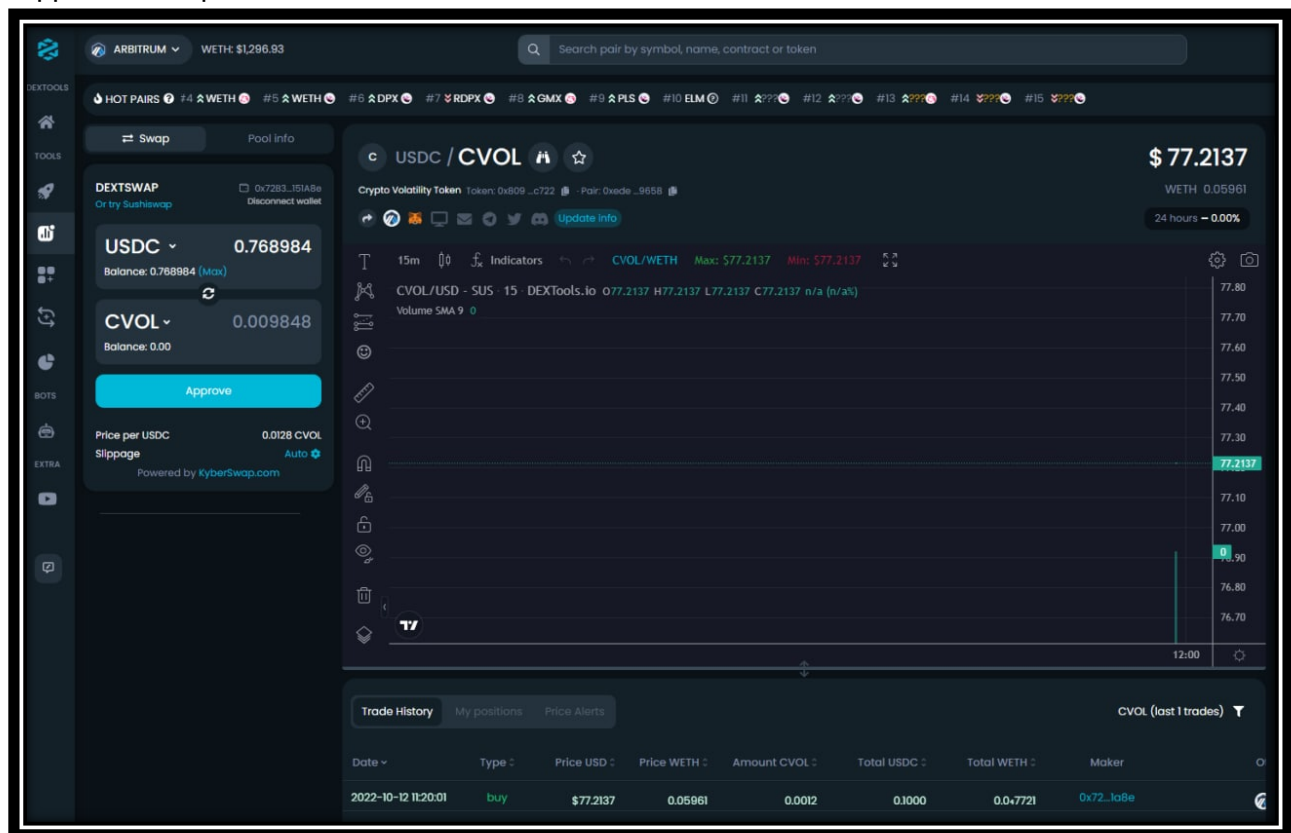
<u>Step 3</u>- Click on swap, and confirm it on your Metamask

⇄ Swap   Pool info

DEXTSWAP   🗔 0x72B3...151A8e
Or try Sushiswap   Disconnect wallet

USDC ⌄   0.568984
Balance: 0.568984 (Max)

↻

CVOL ⌄   0.007287
Balance: 0.002575

Swap

Price per USDC   0.0128 CVOL
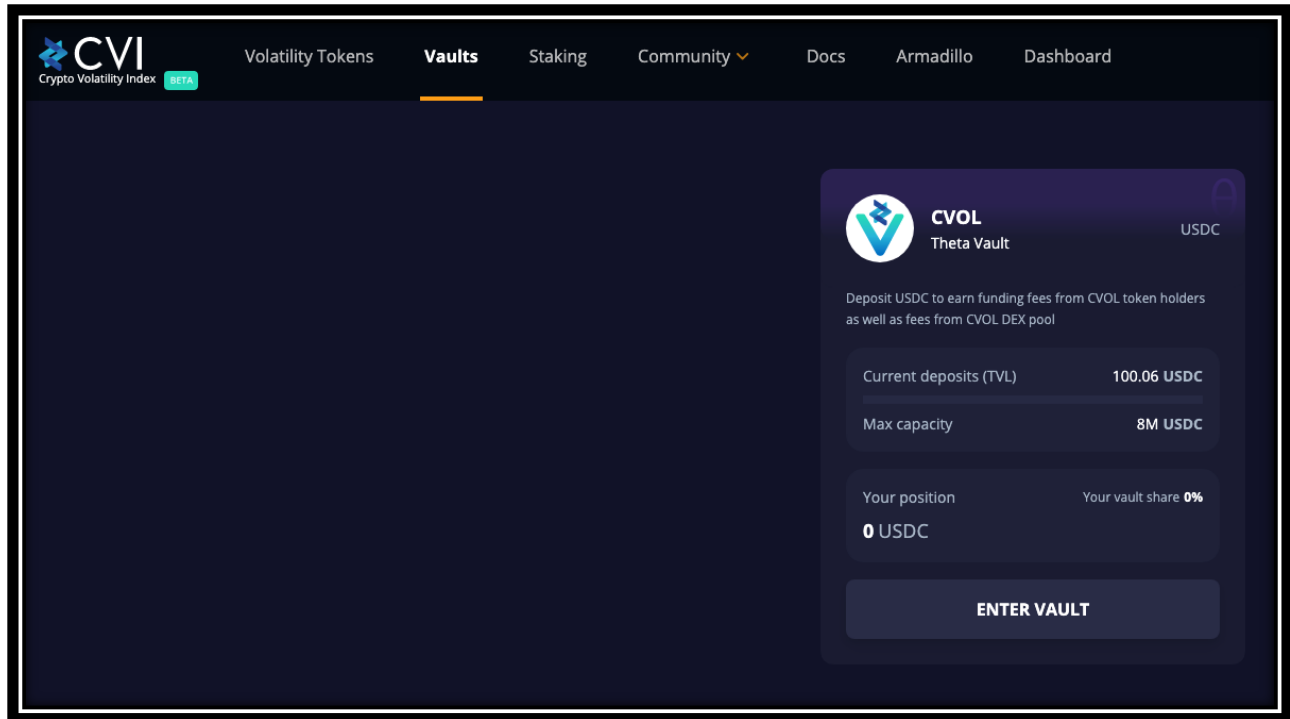Slippage   Auto ✿
Powered by KyberSwap.com

Depositing to the CVOL Theta vault

<u>Step 1</u>- Click on the "Vaults" tab and press "ENTER VAULT"

Step 2- Enter the amount of USDC you want to deposit or click on "Max" to deposit the whole amount in your wallet's balance.

Step 3- Click on the "Approve USDC" button. If this is your first time depositing to the vault you will need to authorize the platform to deposit USDC and proceed to confirm it on Metamask.

APPROVE USDC

Please note: Your deposit will be processed within the next **24 hours**

🏷️ **Transaction fee**   Edit

A fee is associated with this request.   **$0.12**
                                          0.000091 ETH

View full transaction details ▼
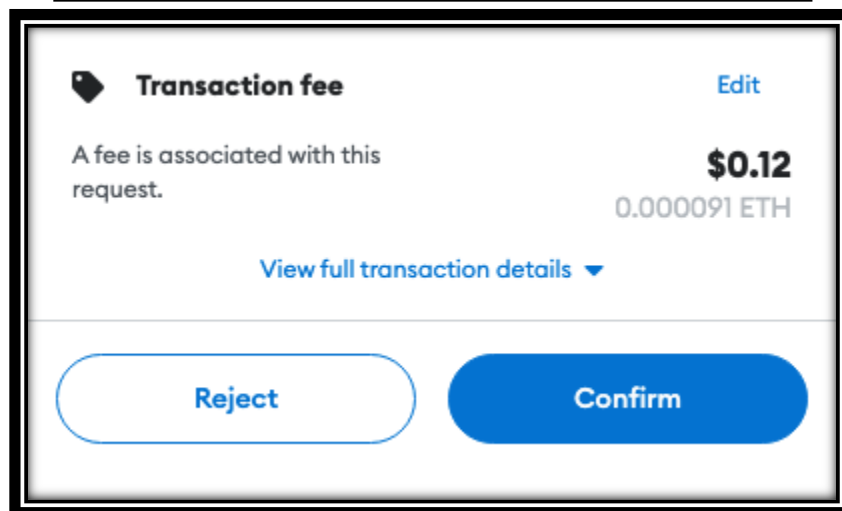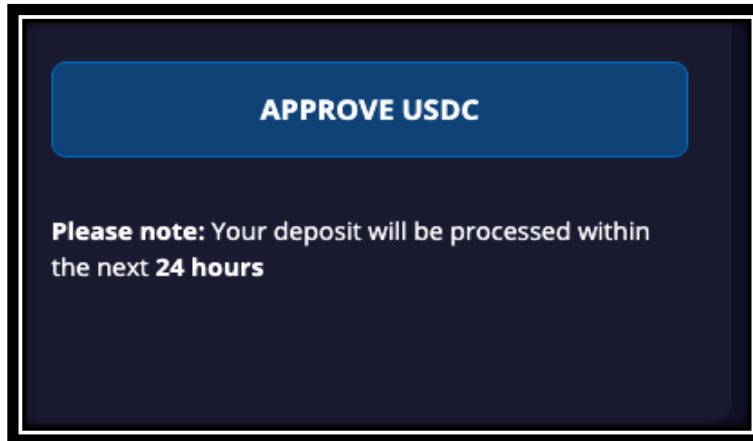
Reject   Confirm

<u>Step 4</u>- Click on the DEPOSIT button and proceed to confirm on Metamask

You can view your Vault transactions and check their status at the lower part of the screen

Withdrawing from the Theta vault

<u>Step 1</u>- Click on the "Vaults" tab and press "ENTER VAULT"
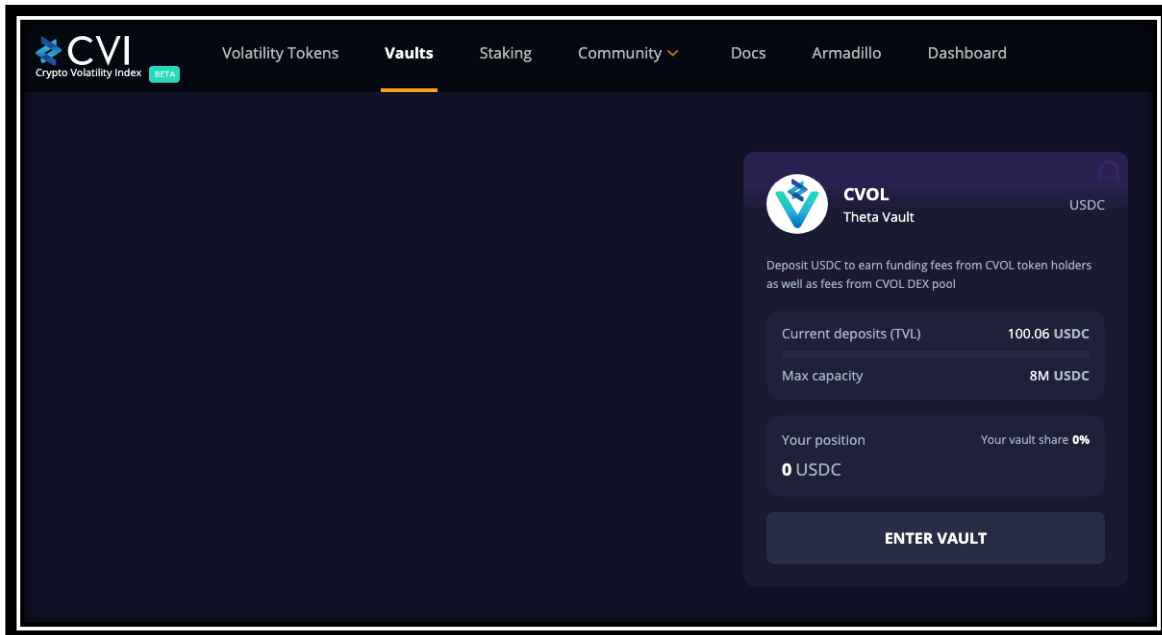
<u>Step 2</u>-Click on the WITHDRAW tab and enter the amount of USDC you want to withdraw or click on "Max" to withdraw all your Theta vault position
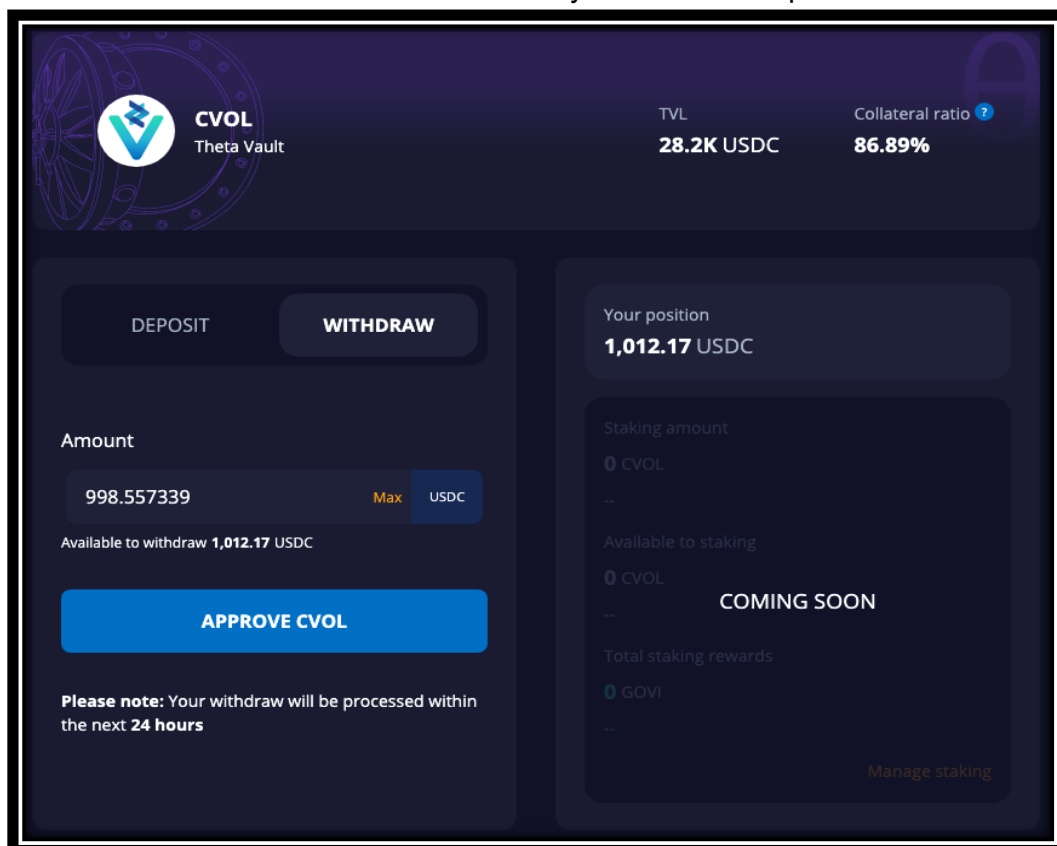
Step 3- Click on the "Approve CVOL" button. If this is your first time withdrawing from the vault, you will need to authorize the platform to withdraw your USDC, then proceed to confirm the transaction on Metamask
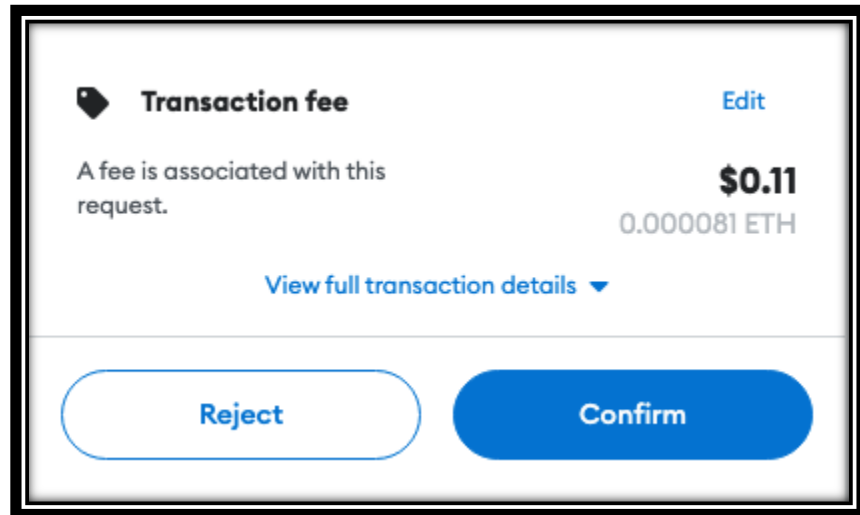
Step 4- Click on the WITHDRAW button and proceed to confirm on Metamask
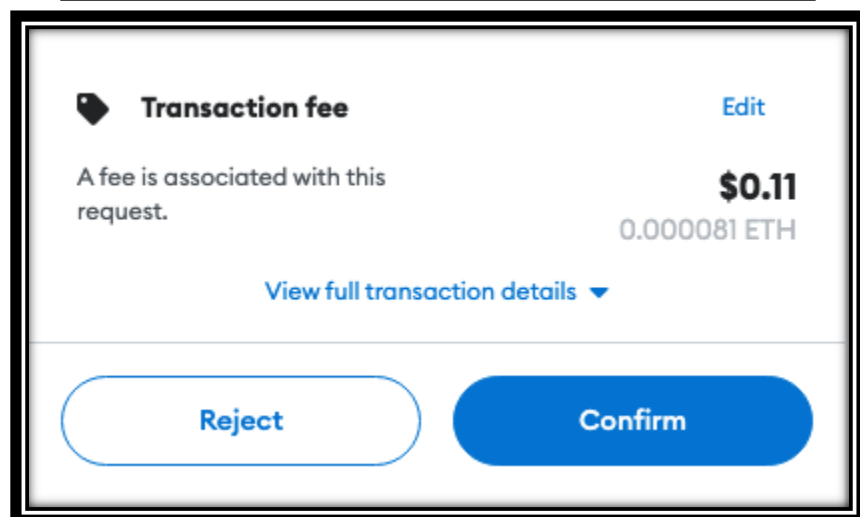
You can view your Vault's transactions and check their status at the lower part of the screen, Withdrawal requests may take up to 24 hours to be completed

Vault transactions

Fulfill Date	Action	Amount	Status
13/12/2022 16:49:55	Withdraw	**1,012.17** USDC	🕐 Processing
13/10/2022 16:30:41	Deposit	**1,000** USDC	✓ Completed