

# KICKSTART AI

## GUIDE TO THE GALAXY

[HTTPS://KICKSTARTAIGITHUB.IO](https://kickstartai.github.io)



### TLDR:

**THIS IS LENDING 2.0. THE GOAL IS TO MAKE LENDING MORE OPEN TO EVERYONE. WE ALSO WANT TO LOWER THE ENTRY BARRIER, WHILST ALSO MAKING SURE WE MAINTAIN A SAFE ENVIRONMENT FOR P2P LENDING. WE WILL USE A COMBINATION OF ADVANCEMENTS IN SMART CONTRACT DEVELOPMENT AND AI TECHNOLOGY TO BUILD THIS PLATFORM.**

Who doesn't need a good loan?

The best crypto lending platform for you will depend on a number of factors, including which cryptocurrency you'd like to use as collateral and your risk profile. It's not a market that has onboarded a large population of the crypto space, because the requirements are marginalizing.

Some of the common crypto lending platforms are Aave, Compound, Nexo, Blockfi and YouHodler. These are the traditional lending protocols around, we would like to expand further and enable lending capabilities that reflect the dynamic and fast-moving times we live in.

The goal of this project is to evolve the lending sector. To achieve this there are three things we need to incorporate: the standardization of taxed transactions, the recognition of new asset classes and the introduction of AI into mainstream technology.

### **1. TAXED TRANSACTIONS A NEW STANDARD**

**LENDING IS A SERVICE THAT THRIVES ON REASSURANCES THAT THE MONEY OWED WILL BE PAID. WITH TAXED TRANSACTIONS, PROJECTS NOW HAVE A NEW INCOME STREAM BY DEFAULT. THE ADVENT OF TAXED TRANSACTIONS CREATED NEW POSSIBILITIES. PROJECTS CAN NOW QUALIFY TO GET LOANS THEY NORMALLY COULDN'T GET, BECAUSE VOLUME IS NOW BANKABLE.**

### **2. NEW ASSET CLASSES**

**SMART CONTRACTS ARE INCREASINGLY BECOMING MORE SOPHISTICATED BY THE DAY, AND THE MARKET IS STILL HUNGRY FOR THE NEW INNOVATIONS. HOWEVER THESE NEW ASSETS ALSO CREATE NEW CLASSES AND BRING ABOUT THE QUESTION OF THEIR VALUE. ONE WAY TO MEASURE AN ASSET'S TRUE VALUE IS BY USING IT AS COLLATERAL. IF IT'S REDEEMABLE TO LIQUIDATE A LOAN THEN IT SHOULD BE ACCEPTABLE AS COLLATERAL. THAT IS OUR VIEW ON OLD AND NEW ASSET CLASSES.**

### **3. THE COMING OF AI**

**AI IS JUST GETTING STARTED WITH REAL WORLD APPLICATIONS. ALMOST EVERY SECTOR OF THE ECONOMY CAN BE IMPROVED BY THE INTRODUCTION OF AI TOOLS. IN OUR CASE, TO HELP IN THE ASSESSMENT AND DECISION MAKING PROCESS FOR BOTH OUR PLATFORM ADMINS OR GENERAL USERS. YOU CAN**

## **AUTOMATE SPECIFIC CHECKS NOWADAYS USING AI TOOLS. SOME HAVE BEEN BUILT ALREADY FOR SPECIFIC TASKS BY OTHER PROJECTS. SOME ARE STILL TO BE BUILT.**

The above mentioned are just the start in shaping the type of lending framework that's relevant to the modern-day crypto space. The next aspect of importance is figuring out the target markets and the services the areas they are currently underserved. If we implement our 3 factors in the solution, we should be able to service the market. Then on the side of the lending markets, it is important to note that taxed transaction projects are a new target market in the crypto lending sector.

### **Current Markets:**

1. Individuals – Stablecoin owners
2. Projects – Stablecoin owners

### **New Target Markets:**

1. Individuals – Stablecoin owners, ERC20 owners, NFT owners, Shitcoiners
2. Projects – Stablecoin owners, Taxed transaction projects, Subscription/membership utility projects

## **PERCEPTION ON VALUE PROPOSITION FOR P2P MARKET - INDIVIDUALS**

Individuals are a large target market for crypto lending. They are willing to risk more and maximise on their capital. Unfortunately their enthusiasm has been met with a line up of limiting crypto lending platforms. Individuals are traditionally expected to have stablecoins or BTC as collateral. Our goal is to expand the collateral basket to anything that has value. That is to say any asset you want to use as collateral should easily be verifiable in value. From shitcoins and ERC20s, NFTs, base currencies of new chains, and traditional assets like BTC and stablecoins.

For instance lets take ERC20 tokens. We need to only create the pair address based on the token address and router, then point to that address and make a reserves calls. After doing so we now know the value of the ERC20 token pledges as collateral. This can all happen in a smart contract. But we need to have a broad view and look into all the types of ERC20 tokens that are there. We need to factor in; normal tradable tokens, LP tokens, and stables.

## **PERCEPTION ON VALUE PROPOSITION FOR PROJECT MARKET**

Projects have been the biggest clients to date in the lending space. However like individuals they have limited room to manoeuvre when it comes to finances. Old projects (before taxed tx projects) were expected to only pledge stables or BTC as collateral, whilst ignoring their own tokens. The reasoning for not using project tokens as collateral is sound only if we are aiming to serve a highly risk averse target market only. If the token price



for the said collateral is exposed to severe risks, the lender will incur a huge loss. However not all assets are like this and not all lenders are this risk averse.

Then moving on, the introduction of taxed transactions unlocks a revenue stream just based on trading volume. This makes projects more valuable than before, yet the lending market is sleeping on the opportunity. Projects should be able to borrow using non traditional assets, and repay the lender using trading volume and the inherent taxes collected.

## AI

AI is able to efficiently execute tasks we normally have to do one by one, ai simply automates execution and gives us a reasonable data-based result. Let's take for instance the above-mentioned strategy to accept ERC20 tokens as collateral. The major reason it was unacceptable before was because the project which owns those tokens may go into trouble quickly. Let's call it a risk event. Now with AI, we can feed in risk factors and predict the probability and possible time for that risk event to take place.

Likewise, we can measure the financial performance of the borrowing wallet, and assess whether the applicant is credit worthy of just bad news.

On the side of the pledged collateral, we can also track quicker the decay in the collaterals value, then set alerts for key price levels for the collateral. And we can program bots to execute trades to liquidate the said ERC20 collateral token before it goes below liquidation value.

## THE GOAL

The goal of this project is to develop a platform, that addresses the needs mentioned in this whitepaper. This is something new that does not exist yet as such a Beta platform will be rolled out first and all the building will be done live (build in public and test in public).

Our first release would be a dashboard followed by a Beta UX for the loans trading floor. We will then build loan funding pages where you can; assess, fund, claim proceeds from the loanee.

We then build project or individual profile pages, which will later be linked with AI to perform assessments in real time based on the wallets or project's performance on the blockchain.

AI models will need to be trained to execute each task.

Real life scenarios:

1. Trader DegenX has capital of \$600, he's been trading with his wallet the past 2 months and has grown it from \$5. His whole net worth is in shitcoins, 10 projects. He wants to buy another shitcoin he's just discovered on the market. He needs a loan and will use his shitcoin bags worth \$600 as collateral.

DegenX applies for a kickstart loan on our platform. His application is then analysed for approval, with the assistance of AI, which also goes to give an summary on each loan based on DegenX's trading the past 2 months.

2. Trader DegenNFT is DegenX's cousin. He only trades NFTs. Everything about their scenarios is similar.
3. ProjectX is a new hot crypto project. Launching with a cool unique concept and a hot brand. One of the first to ride a popular trend. They have taxes on their transactions. 5/5. All their money goes into

the marketing wallet. The project owner is a big name and has not locked LP tokens. He plans to use them as collateral to get a loan. ProjectX is supposed to attend a key summit that would cement their name. They need \$15000 for the trip for 3 team members. ProjectX's current LP is around \$50000. Their daily volume is around \$100000 currently.

ProjectX applies for a kickstart loan on our platform. The application is then analysed for approval, with the assistance of AI, which also goes to give an summary on each loan based on ProjectX's :

- Deployer wallets history
- Community hype
- Brand popularity based on hashtags
- Trading volume
- Tax distribution
- TG growth rate
- Callers
- Project partnerships
- Code quality

