

What is

Magen is a **parametric, liquid, and permissionless** insurance marketplace. Our strength lies in three core architectural pillars:

- **Market-Driven**

Both Covered Tokens (CT) and Yield Tokens (YT) are priced purely by supply and demand, creating a real market for risk. Users can enter or exit protection and yield positions at any time, instantly, and at the prevailing market price.

- **2. Frictionless**

Magen is fully permissionless and automated, with no KYC for any type of position. As a parametric system, payouts are triggered automatically when predefined conditions are met. There are no claims to file and no discretionary committees: once the event is verified, compensation is executed programmatically, typically within 30 days or sooner.

- **Solvency by Design**

Magen operates as a closed and overcollateralized system. Every potential payout is backed 1:1 by USDC locked in protocol vaults before coverage is issued. This removes counterparty risk entirely—the capital required to pay claims is already secured on-chain at the moment protection is purchased.

How it works

1. Insurance Pool Creation

A Liquidity Provider (LP, can be a DeFi Protocol, DAO, Risk-Curator or Institution) deposits USDC into the Magen Vault. For every USDC deposited, the system mints a pair of tokens: **Covered Token (CT)**, **Yield Token (YT)**. These tokens are seed in the Insurance Pool (IP) in a ratio that reflects the CV value (the premium paid and the risk perceived).

2. Active Trading

The **Insurance Pool (IP)** is now live and active. Participation is fully permissionless, and users can interact with the pool in three distinct ways:

a. Insurance Buyers

Users seeking protection can purchase insurance by acquiring **Coverage Tokens (CV)**. Holding CV tokens grants exposure to insured capital in the event of a covered incident.

b. Protocol Insurers

Users who wish to underwrite risk act as protocol insurers by holding **Yield Tokens (YT)**. Their return is derived from the residual value of the pool, represented by the value of YT.

c. Liquidity Providers

Liquidity Providers can supply CV and YT to the Insurance Pool and earn **trading fees and liquidity-driven yield** generated by market activity.

3. Settlement & Claim

At maturity, or upon the occurrence of a covered event, the oracle determines the final state of the Insurance Pool based on verifiable on-chain data. Possible Outcomes:

a. No Event Occurs

- No exploit or adverse event is detected.
- **YT value converges to 1**, while **CV expires worthless (0)**.
- **YT holders** capture the insurance yield.
- **Liquidity Providers** earn the accumulated swap fees generated by trading activity.

b. Partial Hack

- Only a portion of the insured funds is affected by an exploit.
- **CV value reflects the percentage of funds compromised**.
- **YT captures the remaining, unhacked portion of the pool value**.
- Payouts are distributed proportionally based on the verified loss ratio.

c. Total Hack

- A full loss of the insured funds is detected.
- **CV value converges to 1**, while **YT converges to 0**.
- CV holders receive the full insured amount.

For CV Holders, Positions are verified using **on-chain snapshots** taken at the time of the event. Claims are processed automatically, with payouts completed in **less than 30 days**. **YT Holders** can **redeem their tokens instantly** once the final outcome is resolved.

Customers Personas

Persona	Demographics	Psychographics	Needs
1. Alex	30 years old, male, single, urban dweller, tech-savvy, middle class.	Values convenience, efficiency, and innovation. Enjoys exploring new tech products and services.	Needs a solution that saves time and simplifies his daily routine.
2. Sarah	28 years old, female, married, suburban dweller, health-conscious, middle class.	Values health and wellness. Enjoys outdoor activities and healthy eating.	Needs a solution that promotes a healthy lifestyle and provides nutritional information.
3. Michael	35 years old, male, married, suburban dweller, family-oriented, middle class.	Values family time and convenience. Enjoys spending time with his family.	Needs a solution that is easy to use and integrates with his family's schedule.
4. Jennifer	25 years old, female, single, urban dweller, career-focused, middle class.	Values career growth and professional development. Enjoys networking and learning new skills.	Needs a solution that offers professional resources and networking opportunities.
5. David	40 years old, male, married, suburban dweller, established professional, upper middle class.	Values stability and quality. Enjoys fine dining and luxury experiences.	Needs a solution that offers high-quality products and exceptional customer service.

Notes:
 - Tailor marketing messages to each persona's unique needs and preferences.
 - Use personas to guide product development and service design.

Social Media Strategy

- 1. Educational Phase:** Introduce your brand and build trust.
 - Share valuable content (tips, guides, industry news).
 - Engage with your audience through comments and direct messages.
 - Use hashtags to increase visibility.
- 2. Engagement Phase:** Build a community around your brand.
 - Respond to comments and messages promptly.
 - Host live Q&A sessions or webinars.
 - Collaborate with influencers or industry experts.
- 3. Public Relations Phase:** Establish your brand's reputation.
 - Share press releases and media coverage.
 - Engage with local news outlets and bloggers.
 - Monitor online reviews and respond to feedback.
- 4. Retention Phase:** Keep your audience engaged and loyal.
 - Share exclusive content or offers.
 - Host contests or giveaways.
 - Use social media to promote new products or services.

Notes:
 - Consistency is key. Post regularly and at optimal times.
 - Monitor analytics to track engagement and reach.

Launch Strategy

- 1. Pre-launch Phase:** Build anticipation and buzz.
 - Tease your product through social media and email newsletters.
 - Offer early access or discounts to your most loyal customers.
 - Generate media coverage through press releases and outreach.
- 2. Launch Phase:** Execute your launch plan.
 - Go live on all social media channels and your website.
 - Monitor sales and customer feedback in real-time.
 - Engage with your audience and respond to inquiries.
- 3. Post-launch Phase:** Evaluate your launch and plan for the future.
 - Analyze sales data and customer feedback.
 - Identify areas for improvement and adjust your strategy.
 - Continue to engage with your audience and promote your brand.

- 1. Identify Key Stakeholders:** Determine who will be involved in the launch process.
- 2. Develop a Launch Plan:** Outline the steps, timeline, and responsibilities for the launch.
- 3. Execute the Plan:** Follow the launch plan and monitor progress.
- 4. Evaluate the Results:** Assess the success of the launch and identify areas for improvement.

- 1. Define the Scope:** Determine the goals and objectives of the launch.
- 2. Identify the Target Audience:** Determine who you want to reach with your launch.
- 3. Develop a Marketing Plan:** Outline the promotional activities and channels you will use.
- 4. Execute the Plan:** Implement the marketing plan and monitor results.
- 5. Evaluate the Results:** Assess the success of the launch and identify areas for improvement.

- 1. Set Clear Objectives:** Define what you want to achieve with your launch.
- 2. Identify Key Stakeholders:** Determine who will be involved in the launch process.
- 3. Develop a Launch Plan:** Outline the steps, timeline, and responsibilities for the launch.
- 4. Execute the Plan:** Follow the launch plan and monitor progress.
- 5. Evaluate the Results:** Assess the success of the launch and identify areas for improvement.