

Website: [Hedge](#)

(1) What is Fort Protocol?

Fort Protocol is a decentralized derivatives protocol which allows for gaming between participants and the system. It incorporates financial products, user behaviour and the protocol endogenous token DCU into one protocol. (Definition)

Users can make their investment decisions and game with the system, based on their analysis of the risk and return of different financial products. The system in turn, can automatically issue or destroy the endogenous token DCU. (Action)

The entire protocol is the process of game pricing between participants and the system. We call it the DeFi 3.0 financial system pricing. (Summary)

(2) The composition of the Fort system

2.1 Discount computer

We abstract all financial products (services) into an exchange of income flow and expenditure flow, and income flow is represented by the linear combination of the basic income function, so any financial product development only needs to confirm the linear combination of the basic income function, and its cost (present value) can be obtained through the linear combination of the discount function.

2.2 Product layer

Perpetual contracts and options

Fort currently launches perpetual contract and options products. It is worth noting that all Fort products charges no transaction fees.

The FORT protocol is the most operable and creative project in DeFi. It no longer relies on the liquidity of LP, and the participants use their own actions to improve the overall liquidity in the process of using the agreement. In the future, the FORT agreement will develop a variety of financial products, including index and logarithmic coins, probability coins, ordinary transactions and loans, insurance, etc.

2.3

2.3 (Currency on the chain)

Bookkeeping and settlement

The DCU is your key to the FORT world. When you use the products through the DCU, the DAO contract will record all your actions, and complete the issuance and destruction of the DCU based on the content of the contract and the fulfillment of your relevant conditions.

Scenario 1: User Alice pays 50 DCU to start the perpetual contract product. After meeting certain conditions, she gets 300 DCU. Then 50 DCU will be destroyed. After the block requirements are met, Alice gets 300 DCU, and 300 DCU is issued by the system.

All DCU holders share the risks and benefits of DCU issuance or destruction, and participate in the equilibrium of supply and demand in the secondary market of DCU: The demand for DCU is for people who purchase financial products on the chain and people who invest in DCU. The supply is jointly determined by the initial issuance and the DCU settled by the FORT agreement, and the two reach the overall market equilibrium when the transaction occurs.

2.4 Issuance and release

The full name of DCU is Decentralized Currency Unit, decentralized currency unit. There is no fixed upper limit for the total amount of DCU, and the initial DCU does not exceed 100 million, all of which are obtained through staking. After that, it will be issued or destroyed according to the different scenarios used by the participants. No initial fundraising is needed.

The Fort protocol will open the testnet on September 27th, and open the staking of NEST/cofix/For/Nhbtc/Pusdt/PETH on October 7th to release the DCU's early airdrop.

2.5 Nest oracle

The NEST oracle is the most decentralized oracle in the current oracle market. Its price information is produced on the chain and passed (), so its attackable cost is higher than other oracles. For the above reasons, the NEST oracle machine was selected for the call of price data in Fort products.

In Fort's design, in order to reflect the highly accurate real-time price information provided by the market when the market is effective, the most liquid BTC and ETH are selected as the price targets, and its basic price model follows geometric Brownian motion.

(3) Protocol comparison

It is worth noting that the derivatives of the Fort agreement are related but not the same as the derivatives of other projects. The Fort agreement can coexist with other projects.

(4) Conclusion

The Fort protocol created the concept of discounted computers and currency units on the chain. The system solves all DeFi liquidity and unity problems, and can be used for all financial products and the economic relationship lock-in of off-chain activities.

The concrete manifestation is that products based on discount functions can be created, and all participants complete the game with the system and no longer worry about liquidity issues. The system automatically issues and destroys DCU tokens according to the game results, and the participants' gains and risks are unified and balanced.

*Fort protocol is a brand-new game method. Brand-new means the corresponding risks and benefits, which are quite different from the traditional protocols. It is not recommended for beginners to use it until you are fully familiar with the relevant product information. Since the Fort Protocol is a non-fundraising project, no one can be responsible for the funds you invested. Please choose whether to participate after you understand all the risks.