

# Millennium Finance



millennium.cash

Published:

Whitepaper Version: 1.0.0

Code Version: 1.0.0

*“You do pay a price for your financial freedom, but it is far lesser than what you pay for a lifetime of slavery.” - Robert Kiyosaki.*

## Abstract

Millennium Finance is a Decentralized Finance (DeFi) ecosystem that aims to become the bridge connecting the traditional finance world to the web3 world by implementing solutions combining the robustness of TradFi with agility and programmability of DeFi. DeFi, despite making a noticeable leap forward over the last several years, is still struggling to deliver the vast majority of financial services and products that people are used to in the real world. This includes, but is not limited to easy access to credit without having to overcollateralize one's position, access to basic financial instruments, sometimes as common as blue chip stocks and commodities, among other things. Millennium strives to fill in this gap by building products catering to both worlds: bringing the best of the real world to DeFi (access to deep liquidity and leverage, complex derivatives, low-interest borrowing, individual credit score ratings from traditional credit bureaus), and similarly, developing new solutions for traditional finance inspired by the composability and transparency of DeFi. Due to the ongoing decline of fiat as well as unfavorable macroeconomic-environment aggravated by lavish government spending and quantitative easing, many people turned to DeFi to seek returns that are able to beat inflation and the devaluation of their savings. However, the learning curve of DeFi remains to be extremely high, and the majority of crypto users find themselves losing money to unsustainable investments. To combat these issues, we propose our first product: An Ethereum-native savings protocol that issues an ERC-20 standard token called Opulence (\$OPLL) that continuously appreciates in price, similar to an interest bearing token (ibToken). We expect Opulence to become a viable alternative to current safe-haven assets, which proved to be prone to inflationary dynamics and volatility. For our second product, we propose a platform tokenizing some of the most traded traditional financial assets, including stocks, ETFs, indices, metals and commodities. Unlike other DeFi applications that attempt to maintain peg via overcollateralization or algorithmic manipulations that proved to be unreliable, we plan to establish a link between smart-contracts and real world liquidity providers and exchanges, ultimately bringing deep liquidity, instant executions and tight spreads to digital assets tracking real world financial instruments. Apart from these two products, Millennium will continue to innovate and bring more solutions to life, pursuant to its goal of becoming a global conglomerate with substantial presence in both TradFi and DeFi space.



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# 1 The Vision

Years of financial deregulation, low interest rates and lavish monetary policies caused global economies to become overly financialized. Financial sector is representing the biggest share of GDP ever in history. Financial companies offer the best salaries and bonuses compared to other industries. Thousands of man hours are spent inventing new creative financial instruments featuring convoluted mechanics, incomprehensible risks, and enormous leverage.

The degree to which the economy has been financialized is mind-boggling. TSLA, a blue-chip stock favored by investors, sourced a noticeable chunk of its revenue from flipping bitcoins. It is when automakers get involved in speculating cryptocurrencies that we can say that something went seriously wrong.

Stock market has gone a long way to become a pure speculative play that could not be more disconnected from the real businesses and companies represented by individual stocks.

When buying a TSLA stock, we are not bringing the money to the company to let them innovate; instead, we are paying another speculator, who is buying the security with an expectation of selling it to somebody else for more. The proportion of the public companies paying dividends to shareholders has been trending down since the inception of the stock market, rendering most of the public securities speculative. What's disturbing is that retail investors are now forced to invest in the stock market, bearing substantial risks, only to keep up with inflation eating their savings.

Traditional bank checking and savings accounts are not able to provide enough interest to keep up with inflation. As a result, many people have found themselves on a lookout for alternative investments that could offer a better yield with limited risk.

Millennium aims to solve the savings gap problem that keeps strangling the world. It was created to battle the financialization that is increasingly taking over the global economy.

Millennium acknowledges the decline of fiat and wants to ultimately be part of the ushering of a new era brought forth by cryptocurrency. We present a new type of asset that is designed to always appreciate in price at a predetermined rate, that will ultimately become an alternative to the current *status quo* safe haven assets.



This is achieved via a range of mechanisms set forth below, that include a novel concept of a *protocol-owned price discovery*, and a credit score-based system of monthly withdrawal allowances intended to incentivize behavior beneficial to all. By ensuring a permanent price appreciation, Millennium helps to protect investors from losses ever happening to them, contributing to the loss aversion tendency of users.

Besides savings innovation, Millennium aims to continue developing new products to expose crypto users to the best things that traditional finance has to offer, such as deep liquidity, leverage, credit more readily available, all while keeping in mind the fundamental principles of DeFi, such as composability, transparency, and lightning-fast settlements.

## 2 Millennium Ecosystem

Millennium is on track to launch several products in 2022, with its first signature Opulence Savings Protocol scheduled for release a few days after Millennium's official launch.

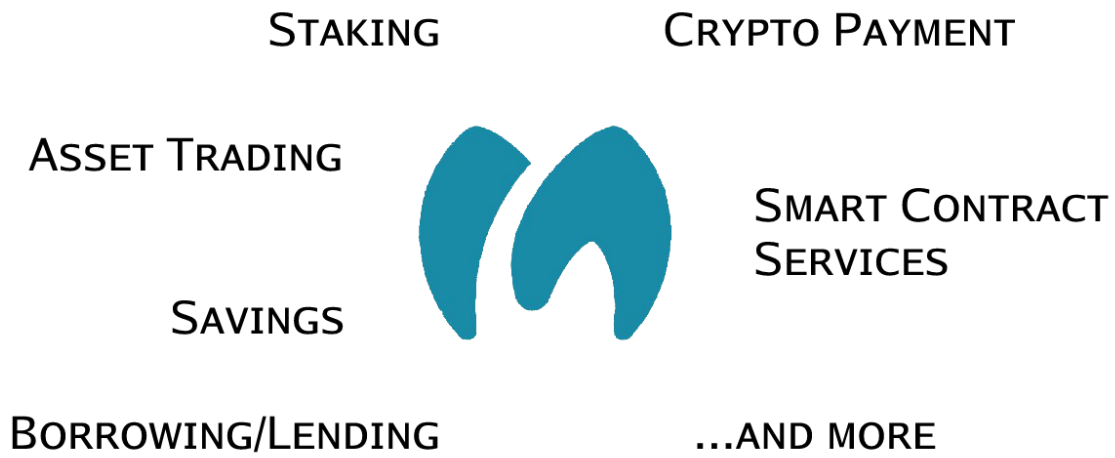
In this section we are discussing the products that we expect to deliver, without diving too deep into the technical details. Each product will generally be accompanied by its own whitepaper. Additionally, the Millennium RoadMap, Tokenomics, including the inflation Schedule, the vesting schedule of Company Reserves, and pre-sale proceeds are being outlined.

### 2.1 Millennium Products

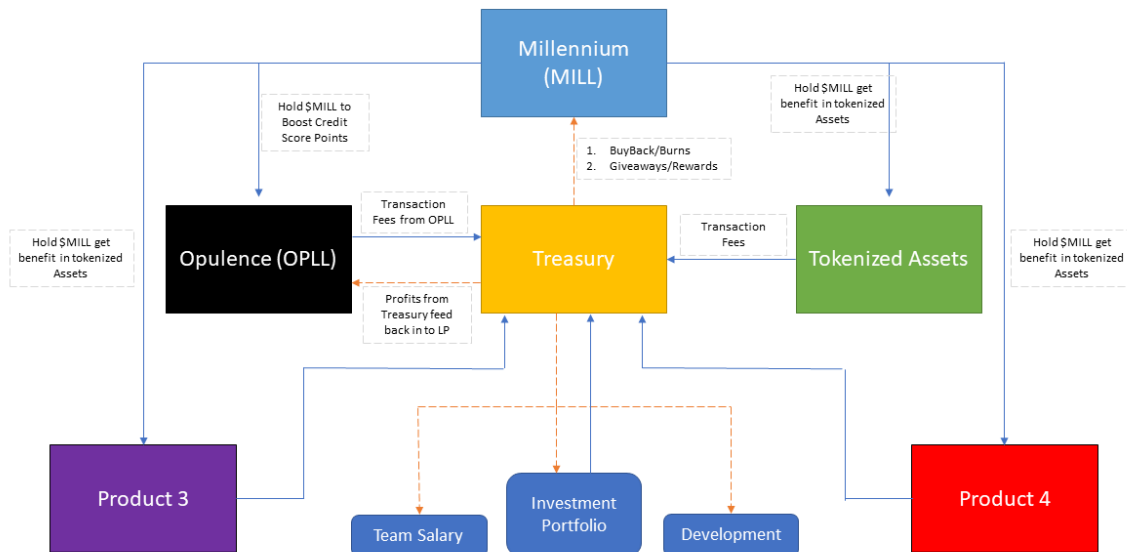
The illustration below provides a list of all products under consideration by the Millennium team. This is not the conclusive list of the solutions we intend to release over time. Each product will have its own detailed technical whitepaper.



## \$MILL PRODUCTS\*



\* ALL PRODUCT IDEAS UNDER REVIEW, AND ONCE AN IDEA IS SHORTLISTED, IT WILL BE UP FOR VOTE TO \$MILL TOKEN HOLDERS TO DECIDE ON DEVELOPMENT.



## 2.1.1 Opulence (Savings Protocol)

Millennium's first product is Opulence, a savings protocol aiming to become a safe haven asset meant to be used to preserve and increase wealth. \$OPLL is a new type of asset that is designed to always appreciate in price at a predetermined rate, that will ultimately become an alternative to the current status quo safe haven assets.

This is achieved via a range of mechanisms that include limited composability, protocol-owned price discovery and a credit score-based system of monthly withdrawal allowances meant to protect the protocol from abuse and bank runs.

While being an intrinsically inflationary asset, \$OPLL is bound by prominent deflationary forces. In particular, the \$OPLL token will have a capped supply of 1 billion tokens, 100% of which will be allocated into the Opulence reserve at the time of deployment. Immediately after that, \$OPLL will embark on its supply reduction rodeo, continuously burning the \$OPLL tokens in the reserve for 2 years or until it hits 10 million tokens, whichever happens first. The protocol will not mint anymore tokens from there onwards.

## 2.1.2 Tokenized Real-World Assets

Millennium's second product to be released is about tokenizing real-world financial assets, including stocks, commodities, indices, ETFs and metals, and making them available to crypto users.

Historically, access to real-world assets has been limited on-chain. One of the most prominent solutions powered by Terra offered only a handful of assets, mostly blue-chip stocks, as well as a few so-called meme stocks like AMC and GME. The peg was maintained via overcollateralization, requiring users to provide excessive capital when minting new mirrored tokens, and then forcing them to continuously maintain an adequate collateralization ratio to avoid liquidations.

Pursuant to our vision of making traditional financial instruments easily accessible in DeFi, we strongly believe that overcollateralization as a concept, which became the norm in decentralized finance, is counter innovative and inefficient. Credit has always been a moving



force behind innovation, economic expansion, productivity improvements and R&D. Contrary to the traditional banking, where new money is created with minimal collateral (also known as fractional reserve system), most of the DeFi products require users to lock up more capital than needed to mint a new asset, which impacts the velocity of money, and makes capital less accessible to builders and innovators who need it the most. Collateralization ratios sometimes reach astonishing 800% (see Synthetix protocol).

As such, we are proposing a platform that will allow crypto users to trade up to 1,000 most popular stocks, indices, bonds, ETFs and metals on-chain. We plan to enter into agreement with liquidity providers from traditional finance, and have our back office integrated with their settlements APIs. Each user buying or selling a mirrored token on-chain will automatically notify our Liquidity Providers. Mirrored tokens will be tradable on the Millennium official website, as well as on multiple decentralized exchanges, including Uniswap.

Additionally, we plan to implement a Layer 2 solution, allowing users to trade their favorite stocks on our website with instant execution without paying gas fees and having to wait for transaction confirmations.

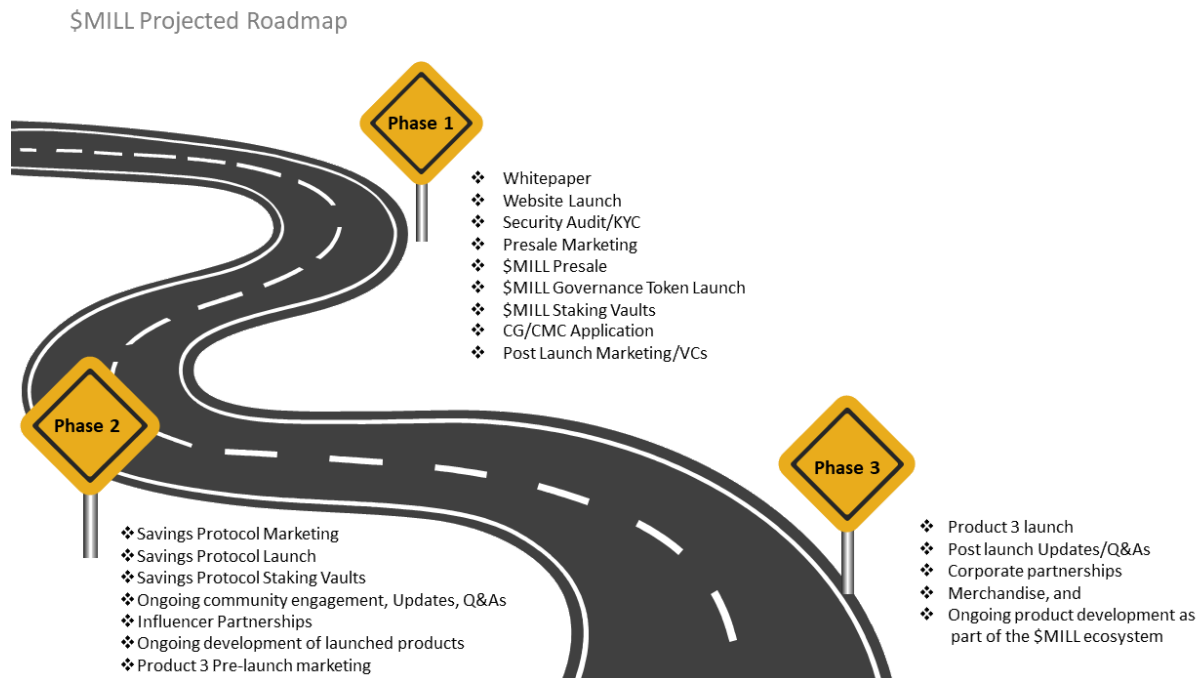
Potential use cases for \$MILL token are as follows:

- Locking a certain number of \$MILL tokens in the vaults may result in reduced commissions when trading mirrored assets
- Rewarding on-chain liquidity providers with \$MILL tokens for providing liquidity with mirrored assets pairs on third-party DEXes (Uniswap, Sushiswap), as well as on the Millennium app.





## 2.2 Millennium Roadmap



## 2.3 Millennium Tokenomics

\$MILL is a Millennium's governance token that is central to all the present and future products under the Millennium ecosystem, as it will have a utility for every solution that is developed. Initially, the main use case of \$MILL is for governance and score boosting within Opulence, the savings protocol. One can also choose to lock \$MILL in a vault to earn a yield of more \$MILL.

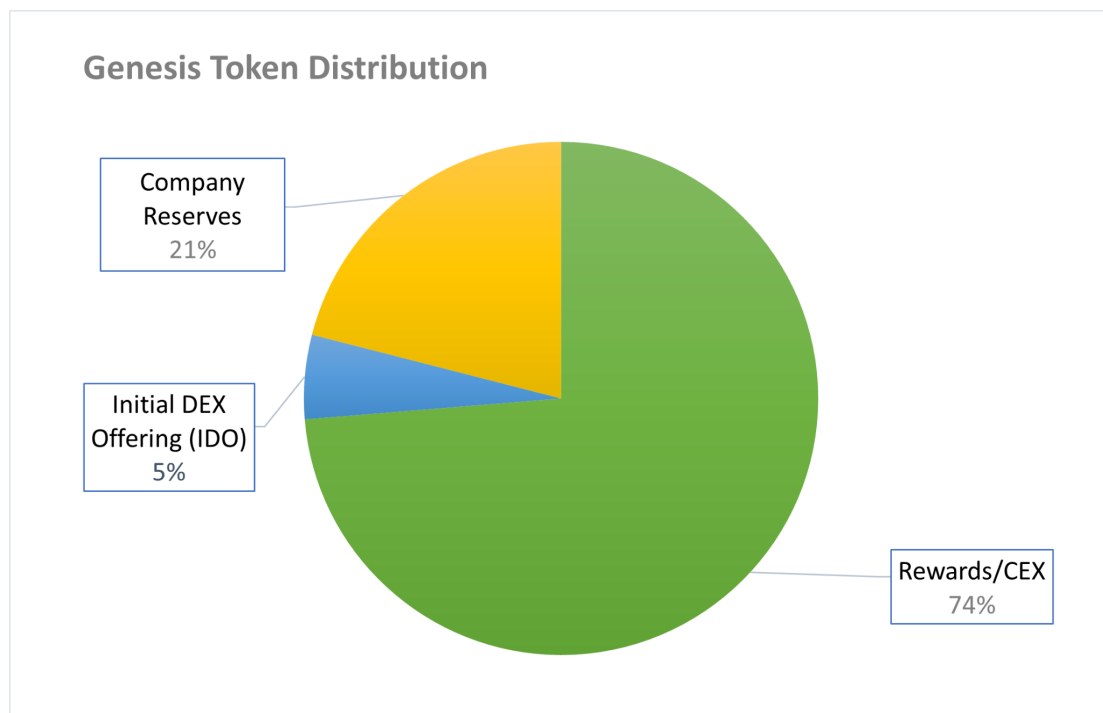
**Millennium is a 0% Buy/Sell token.**



## 2.3.1 The Supply & Emissions

There will be a total of 250M \$MILL tokens to be distributed, with initial supply starting at 95M \$MILL tokens, and linearly growing to 250M \$MILL over 4 years. After that, no new \$MILL tokens will be introduced to the supply. The table below outlines the token emission schedule (In millions) for the above mentioned period.

\$MILL Emission Schedule (in millions)					
Category	Genesis	Year 1	Year 2	Year 3	Year 4
Initial DEX Offering	5	-	-	-	-
Rewards and Incentives	70	40	40	40	30
Company Reserves	20	5	-	-	-
<b>Total</b>	<b>95</b>	<b>140</b>	<b>180</b>	<b>220</b>	<b>250</b>
<b>Annual Inflation</b>	<b>N/A</b>	<b>47%</b>	<b>29%</b>	<b>22%</b>	<b>14%</b>



At launch, **95M** \$MILL tokens will be released without vesting. Additional tokens will be linearly minted as time goes by, until reaching 250M \$MILL tokens in total supply in the 4 years period after \$MILL genesis.

\$MILL tokens are distributed as follows:

**Initial DEX Offering (IDO):** 5.3% (5M) of the genesis supply is to be distributed via an IDO, on Uniswap v3.

**Rewards/CEX:** 73.7% (70M) of the genesis supply will be used to incentivise various activities conducive to the proliferation of the protocol, including liquidity provision, staking, future CEX listings, and more.

**Company Reserves:** 21% (20M) of the genesis supply is to be allocated to Company Reserves, which will be used for current/future team compensations, advisors, and strategic partnerships.

Any tokens allocated to Team members, advisors, and partners will also be vested for a period of 2 years from initial offering.

## 2.3.2 \$MILL Vaults

Millennium protocol will offer vaults, open for deposit a few days after protocol launch. Initially, there will be two vaults available: for \$OPLL and \$MILL tokens. Each vault will offer various lock up periods, ranging from 1 month to 2 years, with longer periods offering greater yields.

Locking \$MILL tokens does not only provide yield, but also makes users eligible for benefits on various products under the Millennium ecosystem. For example, with Opulence — the Savings protocol, the first product under Millennium — locking \$MILL tokens in a vault will result in the user score appreciating at a faster pace, increasing the monthly \$OPLL liquidation allowance.

Millennium vaults will not feature fixed APYs; instead, each vault and each period will have a minimum and maximum APYs associated with it, with actual APY oscillating between these two values based on how many tokens are locked in the vault at any given time.



<b>\$MILL Vaults + \$OPLL Credit Boost</b>					
<b>Asset</b>	<b>Lockup</b>	<b>Min APY</b>	<b>Max APY</b>	<b>Holdings*</b>	<b>Daily Score Boost *</b>
<b>\$MILL</b>	UNLOCKED	5%	8%	ANY	0
	30D	8%	12%	> 10,000	+1 Points
	90D	12%	20%	10,000 - 14,999	+1 Points
				> 15,000	+1.5 Points
	180D	15%	25%	10,000 - 14,999	+1 Points
				15,000 - 19,999	+1.5 Points
				> 20,000	+2 Points
	360D	20%	40%	10,000 - 14,999	+1 Points
				15,000 - 19,999	+1.5 Points
				20,000 - 24,999	+2 Points
				> 25,000	+3 Points
	720D	30%	60%	10,000 - 14,999	+1 Points
				15,000 - 19,999	+1.5 Points
				20,000 - 24,999	+2 Points
				25,000 - 29,000	+3 Points
				> 30,000	+4 Point

**\* Token Holdings of \$MILL:** each vault will qualify for Daily points boost, depending on the number of tokens locked in by a user.

**\* Daily Score Boost for Savings Protocol** indicates how many additional points can be added to the base daily score growth rate (see Opulence White Paper for more info)



## 2.3.4 \$MILL Presale

Millennium will be conducting an Initial DEX Offering event, where everybody will be able to participate. Price discovery will happen along with a sale event, with the effective presale price of \$MILL positively correlated to the amount raised. Part of the funds collected will be allocated to the liquidity pool on Uniswap, where the starting price of \$MILL will be 10% higher than the presale price. See below for details about use of presale funds.

Category	Percentage
Liquidity pool	25%
Development	30%
Marketing	20%
Treasury/Partnerships	19%
Team salaries	6%
<b>Total</b>	<b>100%</b>

