



**POSEIDON**



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## Section 1: Under what historical background/opportunity was DEFI born?

**First. the opacity of traditional finance, lack of trust, and inevitable financial risks**

Traditional financial project operation methods are too backward to keep up with the current way of life, production methods, and financial companies have frequent thunderstorms. From the disintegration of the Bretton system in the United States to the collapse of Lehman Brothers in the global financial crisis in 2008, all have declared the fragility of the life of the centralized financial system. The traditional financial system lacks opacity in supervision, corruption, and even theft. This led to the public's extreme lack of trust in their system, and finally an unspeakable fiasco happened.

That's why Bitcoin was born in 2008, ETH smart contracts were born in 2014, and DEFI decentralized financial services were born. The purpose of the birth of the blockchain is to remove trust and achieve the degree of trust-free. Remove the traditional heavy costs and remove the default costs.



Give the initiative to reliable machines and codes to avoid artificial uncertainties. Let trust not become a luxury, and make business circulation more convenient. Like Ma Yun said in the 21st century, the biggest business opportunity is not robots, not 3D printing, but how to solve the problem of trust between people, people and organizations, and organizations and organizations. Alipay-Ant Financial-Taobao / Tmall / Jingdong-are all solving the trust problem. The birth of the blockchain is to solve the trust problem. The nature of the blockchain is to avoid unauthorized tampering, modification, and artificial destruction. Bitcoin has been 12 years from 2008 to the present, from 0.0001 US dollars to tens of thousands of US dollars now, which has increased several million times in 12 years. It means that people's consensus on the centralization of the blockchain is established, everyone recognizes the Bitcoin system, and everyone recognizes that the decentralization of Bitcoin can be achieved. Therefore, this system is valuable, so Bitcoin is valuable. Therefore, the consensus on the decentralization of the blockchain is established. It has been verified over a long period of time and can stand the test. Only the wealthy class can enjoy these services.



**Second. The threshold of traditional financial services is too high / too many restrictions / unnecessary costs in the middle / poor experience**

Nowadays, whether it is a bank or a variety of asset management, it is something we take for granted. However, most of these financial services are inconvenient. For example, there are time constraints, no services can be provided on weekends/handling fees are also high, there are many tedious procedures and long waiting time for review. Moreover, a good financial service system can only be enjoyed by the rich in developed countries, but not by the poor.

At present, there are nearly 2 billion people in the world who cannot enjoy the most basic financial services/banking services. In other words, 30% of the world's population does not have access to any basic financial services. This is a very large gap. He doesn't even have his own bank account, let alone other financial services.



Another interesting set of statistics is that there are 5 billion active smartphone users in the world, which means that about half of the people have smartphones and can use the mobile Internet. There are more people with smartphones than with bank accounts. In recent years, with the rapid development of cryptographic blockchain technology and the Internet, people have gradually ceased to rely on traditional financial service banks. In the world of blockchain, as long as you have a mobile phone that can connect to the Internet, you can enjoy any service.

Decentralized DEFI is such an enabler, which not only allows you to enjoy basic financial services at a low threshold, but also allows everyone to participate in the creation of governance and sustainably obtain the profits of cryptocurrency.

DEFI is like our traditional financial services. It can not only store, but also participate in investment funds, exchanges, loan leases, mobile payments, passive income, and so on. And DEFI provides products that are completely decentralized, completely governed, and automated.



## Third.Traditional financial organizations will leak the privacy of citizens

Privacy leakage has always been a major concern of the society in recent years, and it is also a major security risk. There are many examples of traditional financial institutions leaking customer privacy. It's no longer in the news, but in the blockchain world, your personal privacy is well protected. When you register for investment and financial management, you do not need to submit an identity review, as long as you provide a smart phone to participate. In this way, there is no disclosure of identity information.



## Fourth .No anonymity / irresistible review mechanism / no absolute ownership and autonomy

Traditional financial services are subject to identity verification, and all transaction records or property rights are in the hands of third-party institutions. We have no initiative ourselves. We have no absolutes in our own property

Domination and freedom. What may be faced at any time is that frozen assets or blocked by third-party institutions cannot be withdrawn and realized, but in the decentralized DEFI. All your assets and transactions, including your identity information, are protected. You have absolute control over how much money you own and how many coins are in your address. To whom you want to transfer it to. Decentralized DEFI does not require identity information, you can participate as long as you have a smart phone. Moreover, there is no possibility that a third-party institution will freeze your assets. You can participate in transactions anywhere in the world. Global 7 times 24 hours, non-stop transactions.





## Section 2: What is DEFI? How do we understand this DEFI?

DEFI is an unbanked banking service, a decentralized financial service/open financial service/distributed financial service/trustless financial service. A service that can be enjoyed with only a smart phone.

The simple understanding is that DEFI can provide all the services that traditional financial organizations can provide, but there is no central organization, no company, no office building, no employees, and no boss. He can provide all financial services, but his organization is decentralized. Anyone can participate in the governance of this system. There is no absolute central point, and no absolute person has the final say. All decision-making or development directions of DEFI are determined by the community, and each agent node has the final say. Everyone is equal and free, everyone has a say, and everyone can participate in the governance of this DEFI platform.



## Section 3: How does DEFI achieve this, decentralized financial services?

Internet + code can realize all basic services of traditional finance.

DEFI operates on its own through smart contracts and codes in accordance with previous rules without human operation and intervention. Moreover, the contract code is open source and can be publicly reviewed and verified by anyone.

We can give an example: reception leasing. How to realize loan leasing in DEFI? First, set the conditions and rules of the loan, when to repay, how much interest you have to repay, and how to repay the loan. What to do if you don't pay it overdue, these have been written through the code, once you use this loan, then this smart contract will be activated. Once the rule condition is triggered, the rule written in it will run automatically. There is no human intervention, nor can you modify or tamper with it. Moreover, all of these are decentralized and trustless, relying on the self-managed operation of the community.

In the blockchain industry, code is the rule, code is the law, and code is the means to check all standards. The underlying logic of the blockchain is the code to build everything.



## Section 4: What is our DEFI plan to do?

First. The platform currency presented after the loan can only be released 1% for trading every day, and the release is completed within 100 days.

Release slowly

Prevent smashing the currency price and give the market more time to digest the tokens. This is to use time for space and give more time to two

The secondary market is slowly digesting. During these 100 days, through continuous operation and continuous promotion, new borrowers are constantly joining

, Constantly produced by users. Come to slowly resolve the risk of smashing the market and guarantee the price of the currency.

Second. The threshold for borrowing has increased. The minimum loan amount for the PSD platform is 1,000 Ethereum. Raising the threshold is to value the line

The desire to hold PSD tokens is stronger. They are more value investments and will not rush to sell them for short-term profit.

Therefore, in this way, the number of tokens in circulation in the market will be further reduced, so as the demand continues to grow, the currency price will undoubtedly.



Third. There is only one way to produce tokens. First, control the simplification of output at the source, we can only pass the borrower To mine tokens. Borrowers can mine coins to ensure the value of the tokens and to ensure the scarcity of the tokens.

The more scarce things are, the more valuable they are, and the scarcer things are the more valuable. I believe everyone

All understand. PSD tokens, 0 pre-mining/0 private placement/0 team reserved. Guarantee the absolute scarcity of tokens.

Fourth: The listing is postponed for 3 months. In order to better guarantee the price of the currency in the early stage, the time of listing on the exchange will be postponed for 3 months

, DEFI loans can be exchanged internally. It will not affect the circulation and can be traded anytime, anywhere.

Fifth: The high interest period only lasts for 3 months, and the monthly income is halved, which means that the token output will be halved. At last, The output of tokens is only about 3%. If the market returns to regulation, the output will be further reduced. Output is reduced, then Prices will rise .