

FUTURES ON DEFI



SHRUB.FINANCE

BACKSTORY

- ▶ Celcius and BlockFi were popular services to earn interest and take loans on crypto
- ▶ They had product market fit with over 1 million users
- ▶ In 2022, due to fiscal irresponsibility both went bankrupt
- ▶ User funds were frozen including ours

SHRUB

- ▶ Shrub is DeFi Celsius
- ▶ Users enjoy the simplicity and predictability of fixed-rate loans
- ▶ Full transparency and auditability ensure funds are safe

WHY FIXED-RATE

- ▶ **Predictability allows planning**

For big loans people need to be able to plan cash flow

- ▶ **Eliminates stress**

No need to check interest rates on a daily basis

- ▶ **Fixed-rate is the future of DeFi lending**

MECHANISM

- ▶ Fixed-rate interest is powered by a new primitive USDC futures
- ▶ Futures are redeemed for USDC on their maturity date

EARN

- ▶ Earner can lock in long-term interest rates by buying futures
- ▶ Because borrower pays a premium for fixed-rate, expected yield is higher than variable rate

BORROW

- ▶ Long-term borrowers prefer fixed-rate loans
- ▶ With Shrub, final amount due is known at time of loan allowing borrowers to plan
- ▶ Loan can be repaid early based on market price of futures

MARKET

- ▶ Lending is the 2nd largest category in DeFi
- ▶ Currently all major DeFi lending platforms use variable rate
- ▶ \$12B - \$15B tied up with Celcius and BlockFi at time of bankruptcy

Lending TVL

DeFi \$13.6B

CeFi > \$12.0B

COMPETITION

	Info	TVL
CeFi Lending	Simple UX Opaque use of funds, High profile bankruptcies	>\$12B
Aave	Variable-rate lending	\$14B
Notional.finance	Fixed-rate lending but complicated	\$43 million

DIFFERENTIATOR

- ▶ Shrub is hyper focused on the futures product
- ▶ For all other aspects, battle tested standards and protocols are being used
 - ▶ ERC20, ERC 721, Uniswap
- ▶ This significantly reduces the risk surface of Shrub

ECOSYSTEM

- ▶ Liquidity Providers - provide liquidity on Uniswap for USDC and futures
- ▶ Borrowers - give collateral to mint and sell futures
- ▶ Earners - buy futures
- ▶ Liquidators - liquidate loans below the liquidation ratio
- ▶ Governance - manages treasury, collects fee on minting

SUPPLY AND DEMAND

- ▶ For the platform to work optimally, there is an important balance between borrowers, earners and LPs.
- ▶ Shrub will use token incentives as a way to manage this balance

USER-GROWTH

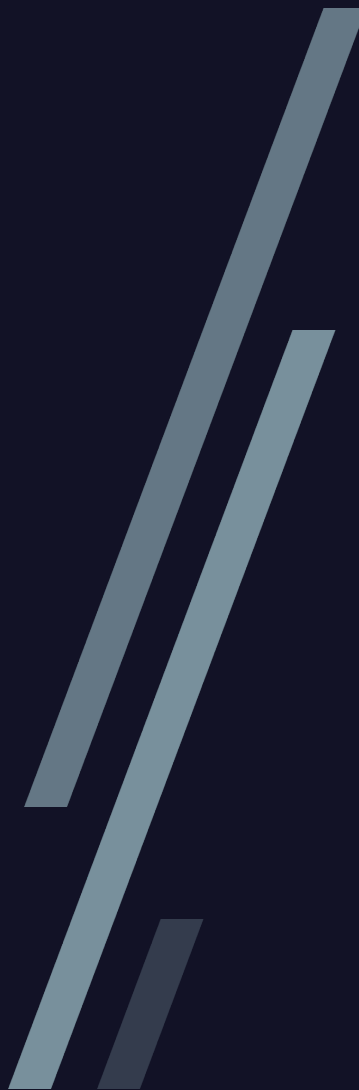
- ▶ Shrub has grown a community dedicated to decentralization
 - ▶ Over 6000 twitter followers
 - ▶ Over 7000 discord members
 - ▶ Over 2000 users joined Shrub's genesis NFT series - Paper Gardens



<https://gardens.shrub.finance/>

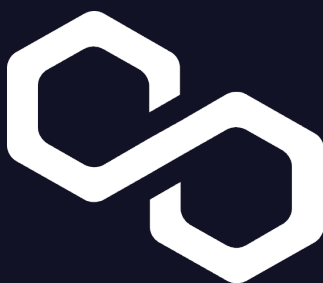
PARTNERSHIPS AND GRANTS

OWC



 NEAR

 *wyre*

 polygon

 polygon
studios

TEAM



John Guthrie

Builder in blockchain space since 2017, ran teams, managed platforms handling millions of dollars of daily volume at BitPay.

Saved NFT projects with contract audits, wrote the first on-chain dynamic NFT series, pioneered the innovative presale mechanism for NFT drops



Rachita Joshi

Builder in blockchain since 2017, part of architecture framework team Vmware, shaped the UI/UX for the early crypto adopters at BitPay, creator of community, brand and UX at Shrub

TIMELINE

- ▶ Feb-Jun 2023 - User research (underway) and platform building
- ▶ July 2023 - Shrub Testnet Launch
- ▶ October 2023 - Shrub Mainnet launch

WHAT WE NEED

- ▶ \$750k to build out the engineering team and run company operations smoothly
- ▶ We know who we want to hire



THANKS