# **BURP FINANCE WHITE PAPER**

# Bridging Traditional Financial Market Access to Web 3.0 and Decentralized Finance.

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## INTRODUCTION

I've never found any crypto investment company that has the right co-founders, and the right product mix, all come together in a way that could create long-lasting value for anybody that got involved.

Burp Finance is an investment company that has the opportunity for massive growth in the future of finance. It's an area that will create more life-changing wealth than any other area of cryptocurrency investment in our lifetime.

## WHAT IS THIS OPPORTUNITY?

I have spent my professional life discovering, finding, and writing about some of the most incredible life-changing investment opportunities in cryptocurrency, blockchain, and Decentralized Finance. I recommended Bitcoin when it was \$30, I recommended Ethereum when it was \$9, and recommended Neo when it was just 13 cents, and many of my recommendations have changed the lives of hundreds and thousands of people.

The industry that this opportunity operates in is called decentralized finance. What is decentralized finance? Decentralized finance is the name given to the trend of taking financial services from the traditional centralized world and putting it in a blockchain decentralized world. It's called decentralized because it's not run by an individual Corporation. There's no trusted third party sitting in the middle as an intermediary like a bank, an insurance company, or a trading exchange, it's completely run by computer software code that nobody owns. These software codes are called smart contracts.

If you're new to decentralized finance, it's called DeFi for short. But here's why you should take it seriously. Three to four years ago, there were all these big ideas about what was going to be done with blockchain technology. Most of the time, it was just kids writing white papers, and nothing came out of it. We've passed that stage in the cryptocurrency realm. Now we're in the

real business stage. How can I be so confident saying that?

If you take a look at the decentralized finance space right now, the total value locked in DeFi increased from \$601 million at the start of 2020 to \$239 billion so far in 2022, a nearly 40,000% rise, according to a new report. You can't ignore that figure? That's \$239 billion being run through blockchain applications that no one owns. These blockchain applications are providing real-world value in things like insurance, trading, borrowing, and lending. This 40,000% is phenomenal growth. In under two years, you've seen the amount of money in decentralized finance go from \$601 million to \$239 billion.

Let me ask you, when you see that type of growth, migrating to what was just ideas in young people's heads three to four years ago, will you ignore it? To dismiss it as a fad would be a grave financial mistake. Yeah, three or four years ago, you were probably right to ignore it, It was too early, and the cake wasn't baked right then. But here we are three to four years later, and we've got \$239 billion Running through these applications right now.

DeFi Market Size is Huge and Spans Multiple Sectors From prediction market to insurance and lending, many industries have the potential to be disrupted by decentralization.



Based on my 8 years of experience in the crypto market, and my ability to foresee trends, in my opinion, decentralized finance is the single biggest world-changing wealth-generating trend since the commercialization of the internet. I believe if you do not participate in the decentralized finance trend now, you are making a financial mistake that will haunt you for the rest of your life. If you missed out on the internet dot com boom, if you missed out on the personal computer boom, if you missed out on the cloud computing boom, you can't afford to miss out on the decentralized finance boom.

## World Leading Institutions are Getting Behind DeFi Because it's Revolutionary.



## How is DeFi Going to Transform The World Financial System?

It's estimated that the global financial system sucks out about 6% of the world's economic output, that's \$8 trillion up for grabs, and I bet that DeFi will end up consuming most of it. It's a really simple bet, you don't have to be a rocket scientist and have the ability to understand deep math to get this right.

DeFi is a way of doing business with a blockchain technology that is faster, cheaper, and 100% transparent, versus the old financial system of doing business, which is slower, much more expensive, and controlled by lots of middlemen. Our current financial institutions are like a BlackBox, you can't see into it.

Therefore, I will take the bet that something that can do something faster, cheaper, and 100% transparent, is going to destroy something slower, not transparent, and much more expensive.

### Difference Between Centralised vs Decentralised Finance

## Centralized

#### Lack of transparency

Exchanges, banks, brokers, FX providers and other intermediaries have opaque pricing, margin, spreads and commissions.

#### Censorship

Capital controls prevent people from transacting in the world economy and escape poverty.

#### High transaction costs

Extreme high costs at banks and other service providers for simple services such as making wire transfers.

#### Counterparty risk

Risk that counterparty does not perform on contract creates additional insurance costs.

#### Legacy infrastructure

Current financial system has dated systems.

Lowest layer of technology stack can run on 1980s/1990s code.

#### No global access

Not everyone can transact on centralized finance, it has high costs and prevents people from accessing the network



#### Decentralized

#### Full transparency

Through the use of blockchain technology, all transactions are publicly visible, tamper proof and verifiable by everyone.

#### Users have control

The blockchain guarantees an immutable and traceable book of records for all transactions. Users retain full control over their assets.

#### Free of intermediaries

Every interaction between two parties is based on a smart contract. A smart contract is codified law which increases the efficiency and removes the need for intermediaries.

#### No Counterparty risk

Smart Contract only executes when both parties fulfill all requirements and therefore eliminate counter-party failure.

#### Build on Blockchain

Services are run by permissionless self-executing, automated contracts with open-source code.

#### Open for everyone

Everyone can transact as decentralized finance has lower costs and doesn't prevent people from accessing the network.

## What is Burp Finance?

Burp Finance is a blockchain-based web app that coordinates large-scale investment of DeFi assets on different DeFi protocols. We do that entirely through automated algorithms and smart contracts, instead of the conventional approach of acting as a financial intermediary.

We want to solve the problem of getting access to DeFi investments and make it very simple to participate. One of the biggest problems with DeFi assets is that getting involved in the trend is tough if you are not technologically savvy and if you don't have a smart friend to tell

you which project to buy or not to buy at any given time. If you don't know how to open up a crypto trading account with Binance or Coinbase, and you don't know how to use a crypto wallet like Metamask or Trustwallet, getting involved in the trend of decentralized finance requires climbing a very steep learning curve.

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DexFintech is bridging the gap between traditional capital markets and decentralized finance. Digital assets are on the verge of transforming the financial system. We believe that traditional investors should have the opportunity to invest in decentralized finance, including cryptocurrencies, without creating a separate brokerage or bank account.

What Burp Finance is doing is democratizing access to the DeFi trend and what the company is aiming to achieve is to become the one-click solution for investors looking to gain broad exposure to decentralized finance. Instead of having to go out and buy a bunch of different tokens in Uniswap, we want you to be able to have this one investment of Uniswap ETP with 5.85% APY and a weekly return of 1.4625% for 4 weeks. When you invest in this one Exchange-traded product (ETP) of Uniswap, you get broad-based exposure to the general decentralized finance trend of Uniswap Protocol.

There are 500 million stock investors in the world, versus about 200 million crypto investors, many of those stock investors cannot buy a crypto asset from a crypto exchange. Why should those people get left behind just because they don't have the comfort or skill to trade crypto? That doesn't make any sense to us at Burp Finance and that's one of the reasons why our strategy is to make DeFi accessible to a much broader audience.

Burp Finance is a digital asset investment firm that allows traditional investors to identify and invest in a diversified portfolio of digital assets across the decentralized finance, Web 3.0, and gaming sector. We are the only publicly-traded company built to give investors direct exposure to these nascent markets.

Our Mission is to expand investor access to sustainable, industry-leading decentralized technologies including Web 3.0 and gaming - enabling access to the future of finance via regulated equity exchanges.

Burp Finance lies at the heart of financial innovation. On behalf of our shareholders and investors, we identify opportunities and areas of innovation and build and invest in new technologies and ventures to provide diversified exposure across decentralized finance

opportunities.

As a trusted partner for our clients and investors, we provide industry-leading equity products, top-quality research, and education in this fast-growing space

## Our DeFi Products

Burp Finance is focusing on four core pillars that we believe will give our shareholders broad exposure to all these different value capture areas of decentralized finance.

DeFi investments are crypto-based, and that means many institutions can't own them because of regulations. Many individuals are intimidated by working with them. It's completely unfamiliar and a lot of these coins trade on unregulated decentralized exchanges. To solve this problem, Burp Finance intends to help those investors that will not or cannot buy crypto directly by issuing what we called ETP, which stands for Exchange-traded products. ETPs allow an investor to get exposure to investing in a similar way you can buy GLD which gives you exposure to owning gold bars. Burp Finance exchange-traded products will give investors direct access to DeFi projects.

## DeFi Markets Profile

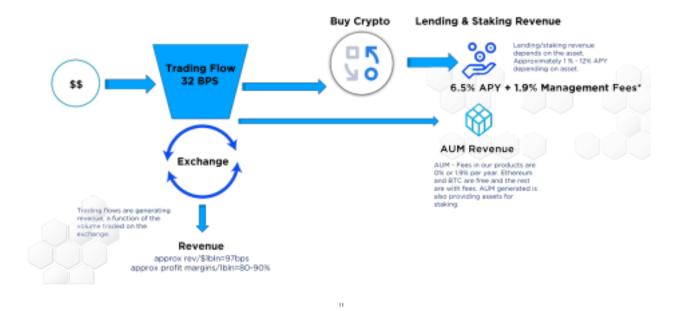


We think the market for traditional investors looking to invest money into crypto investments,

through regulated vehicles will be a massive, long-lasting trend. I agree with them. I mean, think about it. If we look at the Burp Finance launch of Bitcoin ETP in Canada, it had one of the biggest launches in the history of ETPs, \$41 million went in the first two days. Can you imagine now that Burp Finance got a slew of different ETPs that investors can immediately put their money into? In my mind, in terms of just being logical, I think stock investors are going to have a huge appetite for DeFi assets if they are offered it in a way they can buy right from their desktop computer or smartphone. DeFi ETP is just a no-brainer opportunity to pursue.

Another initiative is the DeFi treasury. What does that mean? 7000 corporations recently signed up for Michael Saylor's Bitcoin for Cooperation summit. Michael Saylor is the CEO of MicroStrategy. He's put billions of dollars of Bitcoin on his balance sheet. In recent days we've seen his stock absolutely soar in price and he decided to share his playbook. Those corporations can take the plunge into Bitcoin. But let's take a step back for a second. Michael Saylor completely controls his company, as do Elon Musk and Jack Dorsey, these are companies that have put Bitcoin on their balance sheet.

## Burp Finance earns revenue on AUM, Trading Flow, and Lending & Staking



How many corporations that have CFOs that don't have a controlling interest in their company, will be able to put billions of dollars of Bitcoin on their balance sheet? I think it's fewer than many people realize. That's because a lot of people, not me, but a lot of people view Bitcoin as a binary bet, they think it's either going to the moon or going to zero. To be clear, that's not my belief. Bitcoin has reached escape velocity, in my opinion, it's here to stay, and it's going much higher.

DeFi Treasury is the next pillar in Burp Finance's business going forward, what they want to do is help corporations allocate part of their treasury reserves into DeFi protocols. Now, why does that make sense? These protocols have yielded anywhere from 4% to 16% APY. When compared to what you know, the binary bet that many people still have this misbelief of what Bitcoin is, Burp Finance thinks this middle path of allocating part of your capital to the hefty yields is a sensible approach, most CFOs can get behind.

What we are aiming to do is provide a suite of tools and an easy-to-use process that corporations can use to plug part of their corporate treasury into the massive yields currently on offer in the DeFi space. In a world where companies are paying banks to hold their money, the idea of allocating part of their reserves into interest-paying DeFi protocols to me is a no-brainer.

## Assets Under Management in Burp Finance ETP Business



# AUM: \$274,229,000 USD

The third initiative is called DeFi governance. There have been some huge lapses in governance, it's probably one of the weakest areas outside of smart contract security, and as more decentralized finance applications seek to improve their projects, I believe there's going to be more weight put on independent governance. To that end, we believe DeFi projects will be looking to secure relationships with independent third parties to enter their governance system. The way to think about it is when a public company opts to install an independent

board member or several independent board members. Burp Finance is already in talks to begin securing such a role, the DeFi governance product will work with decentralized networks to run independent nodes that will validate transactions and provide governance on the network. As the only publicly-traded company dedicated to the decentralized finance space, Burp Finance is uniquely positioned to fulfill this emerging need in the marketplace. You're not hearing much about governance right now but this is something I think, is an emerging growth area. I think Burp Finance is well-positioned to be that trusted governance partner moving forward.

Providing independent governance for decentralized networks to run independent nodes that will validate transactions. DeFi Infrastructure exists to further advance the mission of decentralized finance through its contributions towards overall ecosystem improvements in areas of governance, security, ESG compliance, and transparency.

By engaging in the provision and maintenance of decentralized node solutions, Burp Finance helps further establish secure and reliable networks through validating, voting, power staking, and increasing overall decentralization.

Through partnerships with industry-leading service providers, Burp Finance facilitates the bridging of high-fidelity real-world data into the world of DeFi, increasing confidence and trust in current decentralized finance offerings.

As more Decentralized Finance applications seek to improve the way their projects are governed by their respective token holders a need has emerged for independent governance.

The fourth initiative and one that I am incredibly excited about is called the DeFi venture, getting access as an individual to the earliest stage of DeFi deals, which is where the potential and the biggest upside resides is difficult. There's so much competition to get access to the very best deals in DeFi. Unless you're technologically savvy, and even if you're connected, it's very difficult to get access to the early-stage DeFi deals. This is why I'm super excited about the DeFi venture initiative. The DeFi venture is where Burp Finance will take early stakes in early-stage, very promising DeFi projects. This is where you can have massive value creation, I mean, you can have a total implosion of value as well.

Our DeFi Investment products have continuous inflows in all market conditions.



Burp Finance has already started building out its portfolio of early-stage investments. What I love about the DeFi venture is that shareholders essentially get a proportional piece of that upside as a shareholder. It's almost like you've got this big pool of early-stage investments that you get to participate in, that you would never have the opportunity to own before. Burp Finance intends to build a portfolio of what they believe will be world-leading names in the world of decentralized finance in the future, and invest in it.

Identifying and Investing in the Future of DeFi. The landscape for decentralized finance is continuously evolving, building upon and improving traditional financial offerings. From lending and borrowing markets to automated market makers and high yield liquidity pools, the financial giants of tomorrow are innovating on the blockchain today.

Working with world-leading names across the DeFi space, we aim to build a portfolio of ventures that are accelerating the growth and development of decentralized finance and the digital economy. From Pre-Seed to Series-A funding, DeFi Ventures invests in leaders, protocols, and networks that are advancing the ecosystem.

Burp Finance's research-based early-stage venture arm backs ambitious founders and high potential projects and networks across decentralized finance and Web 3.0, focusing on Pre-Seed to Series A ventures.





Frank Holmes Executive Chairman of HIVE "We are excited about this strategic partnership with DexFintech and see strong synergies between the two companies. As HIVE is the only publicly traded company mining Ethereum on an industrial scale, we see opportunities in the work that DexFintech is doing around Miner Extractable Value and the potential ensuing benefits to HIVE."

## Conclusions

Let's wrap this up. There are four ways that Burp Finance is attempting to build value for their shareholders in the DeFi trend, one is to help traditional investors and institutions get access to DeFi projects and to help corporations plug part of the Treasury into high yielding DeFi protocols.

Three, help work with decentralized networks to run Independent nodes that will validate transactions and provide governance on the network. To help, Burp Finance shareholders get exposure to early-stage DeFi protocols that have explosive promise.

I'm incredibly excited about what this opportunity represents. I will be writing a lot about the problem Burp Finance is solving as a company. Our goal is for you to grow to become an investor with broad-based exposure to decentralized finance.

Burp Finance Staking Rewards of ETPs. Crypto staking is a way of earning passive income by using certain cryptocurrencies to help verify transactions on a blockchain network