

Secured Finance

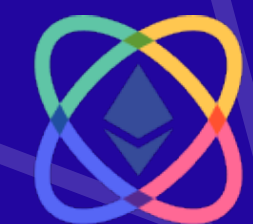
# Filecoin Investment Opportunities

Masa (Senshi), Secured Finance CEO

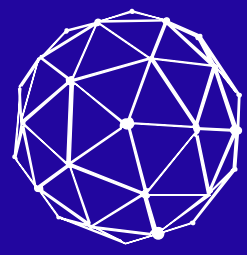
Storage Markets Summit



Protocol Labs  
Research



ETHGlobal



# Secured Finance

## History & Objectives

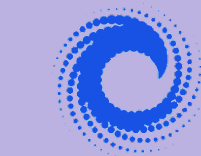
- 2020 Aug | Project started at HackFS hackathon (Ethereum Foundation & Protocol Labs)
- 2020 Sep | Award: top DeFi prize from Protocol Labs
- 2020 Sep | Award: best Eth2.0 + libp2p project from Ethereum Foundation
- 2020 Oct | Accepted by Tachyon Accelerator program by Protocol Labs and ConsenSys
- 2020 Dec | Incorporate Secured Finance LLC in Zug, Switzerland
- 2021 Q1 | Product beta launch & Fundraising
- 2021 Q1 | Obtain FINMA ruling
- Develop interbank-grade protocol for secure peer-to-peer financial transactions
- Provide secure decentralized platform complying FATF rules for AML/CFT with DLT



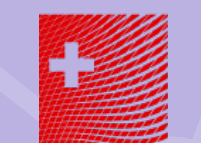
Protocol Labs



ethereum  
foundation



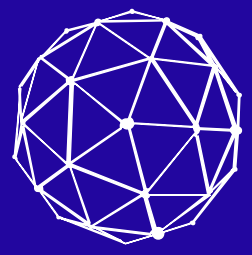
CONSENSYS



finma



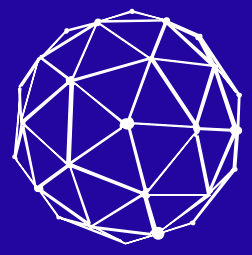
**Secured Finance Website**  
<https://secured-finance.com>



# Secured Finance

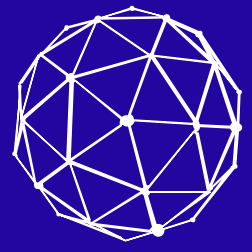
1. Secured Finance Protocol
2. DeFi 2.0
3. Filecoin as a new asset class
4. Investment products





Secured Finance

Secured Finance 安全金融

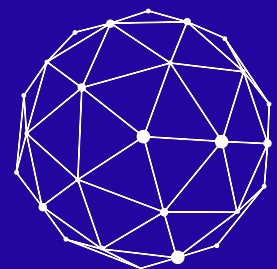
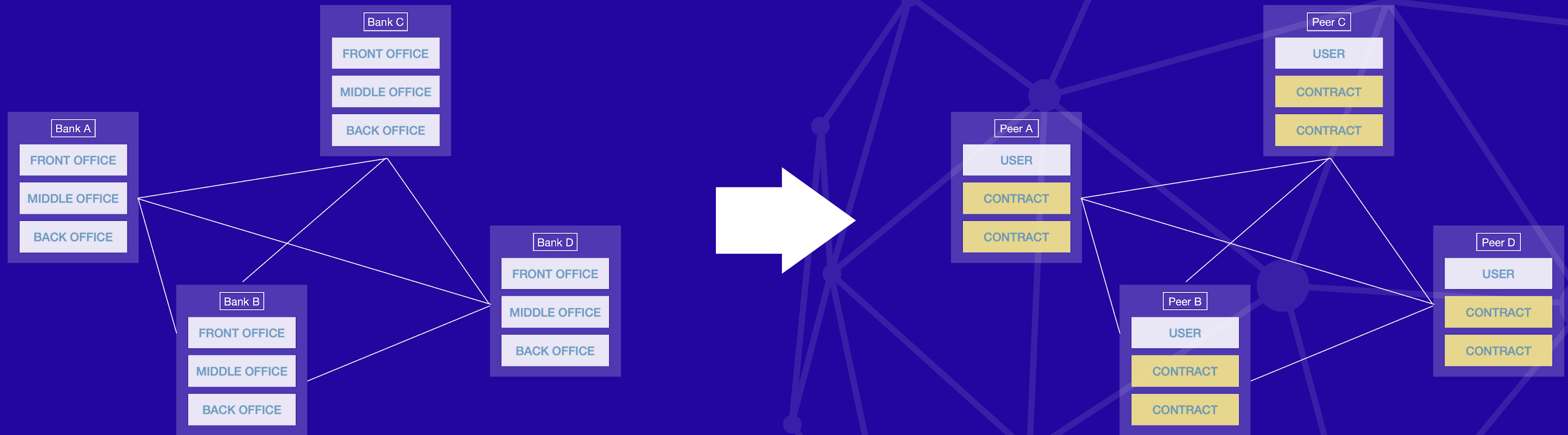


Secured Finance

# Interbank-grade, peer-to-peer Financial Transaction Platform

# Traditional Finance to Blockchain Finance

Replace operations with smart contracts.

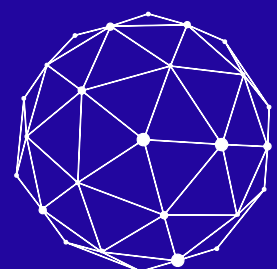




# Smart Contracts

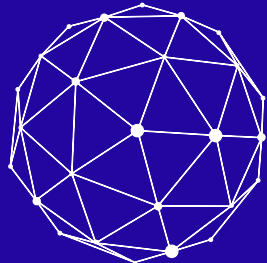
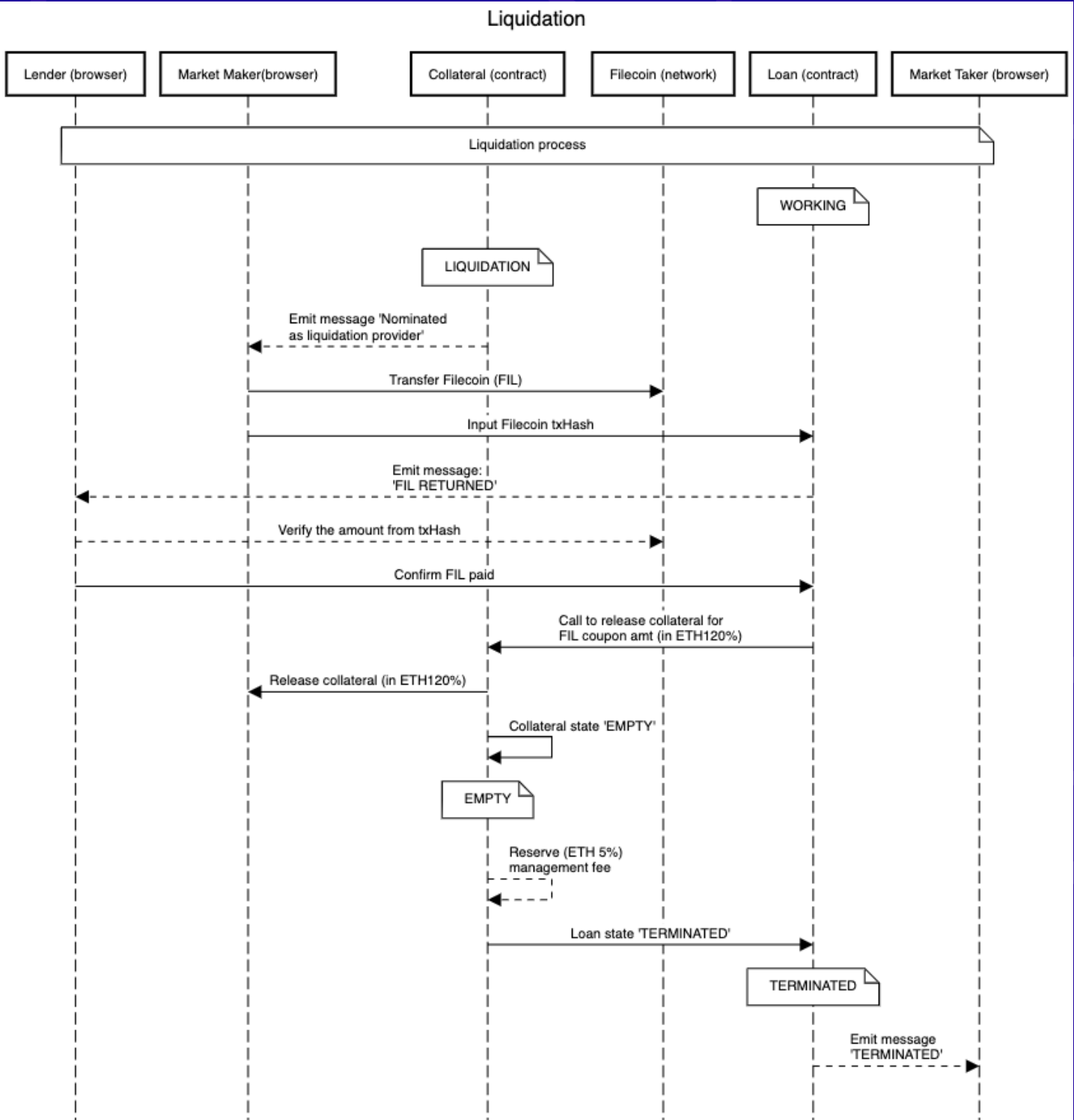
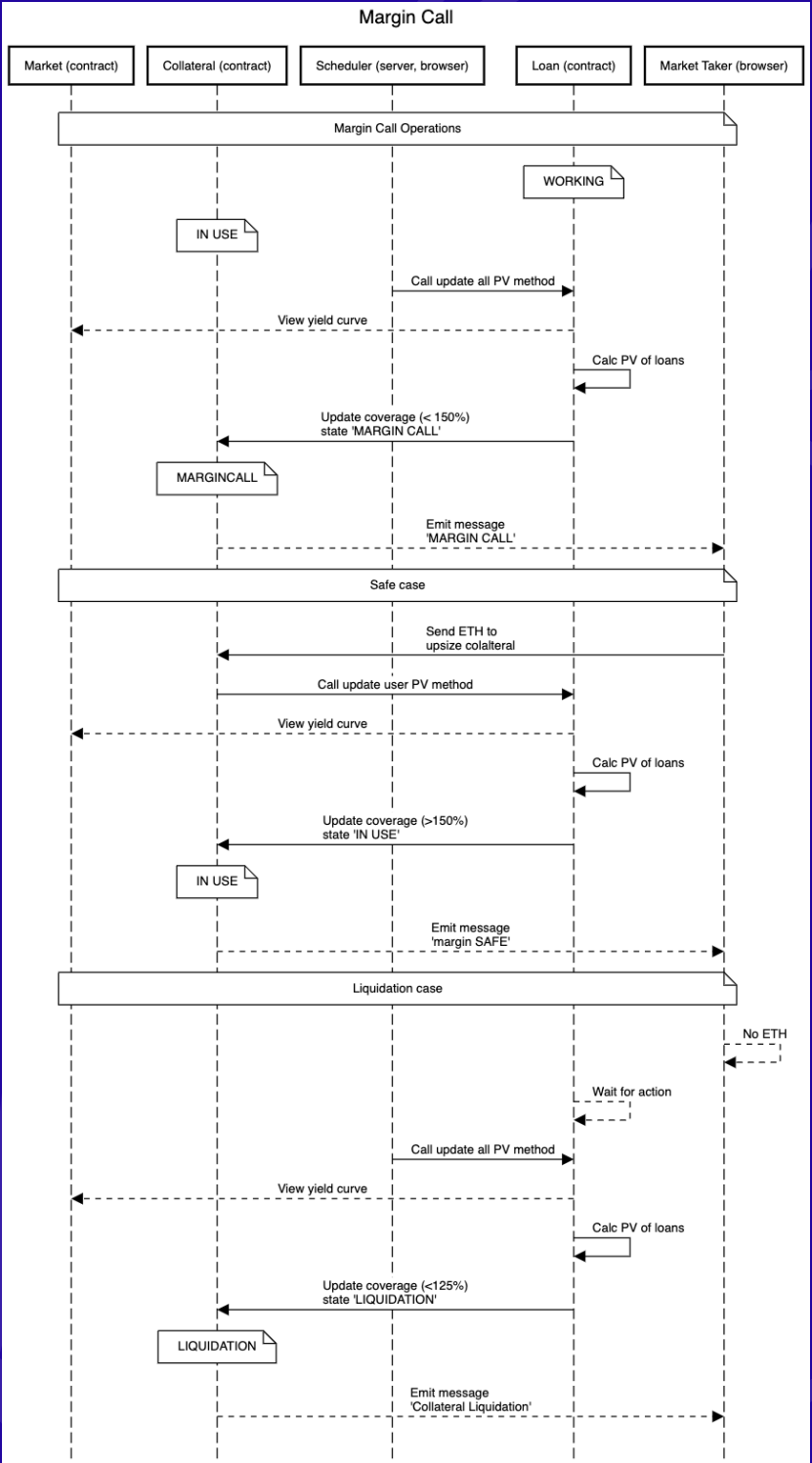
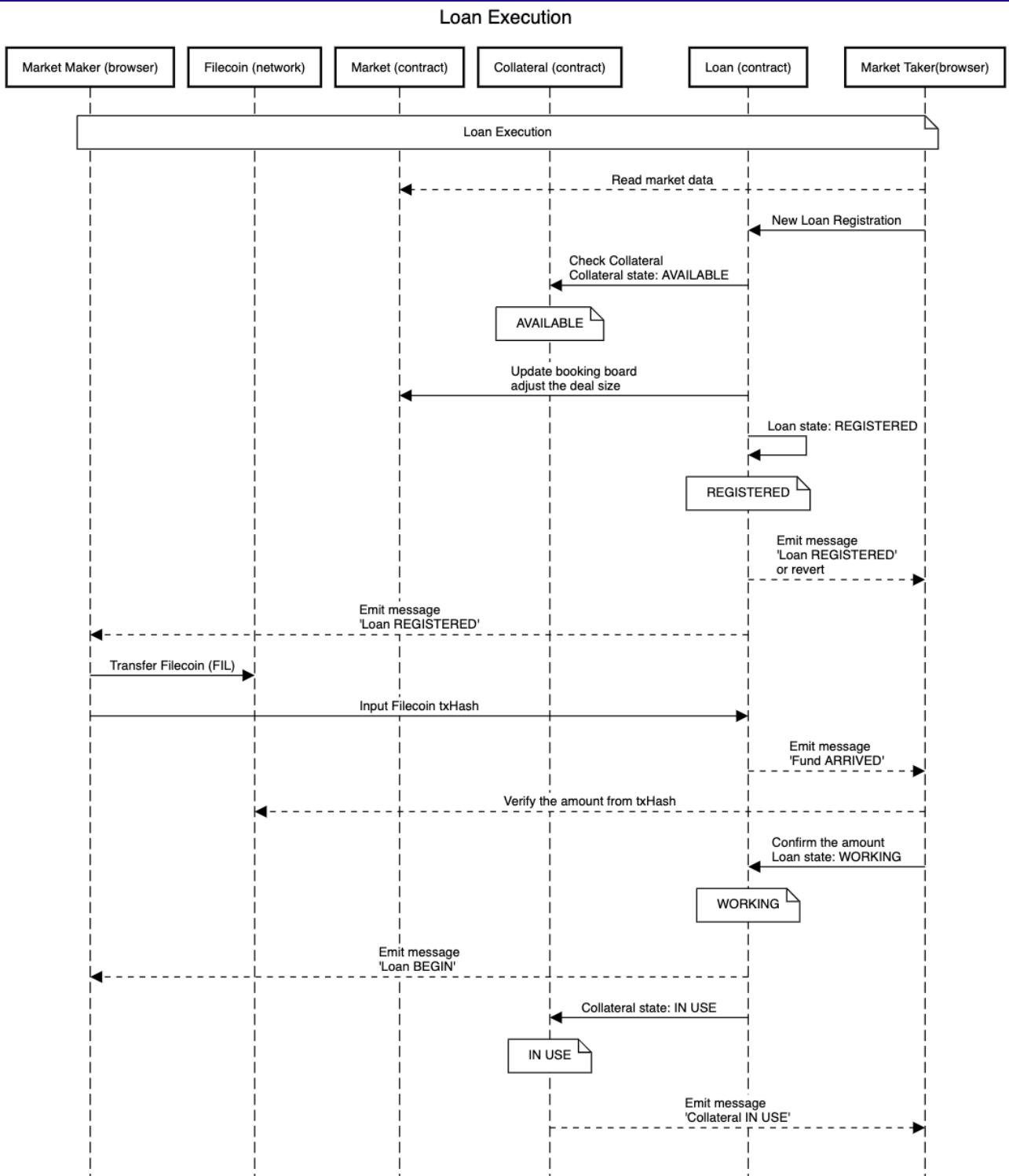
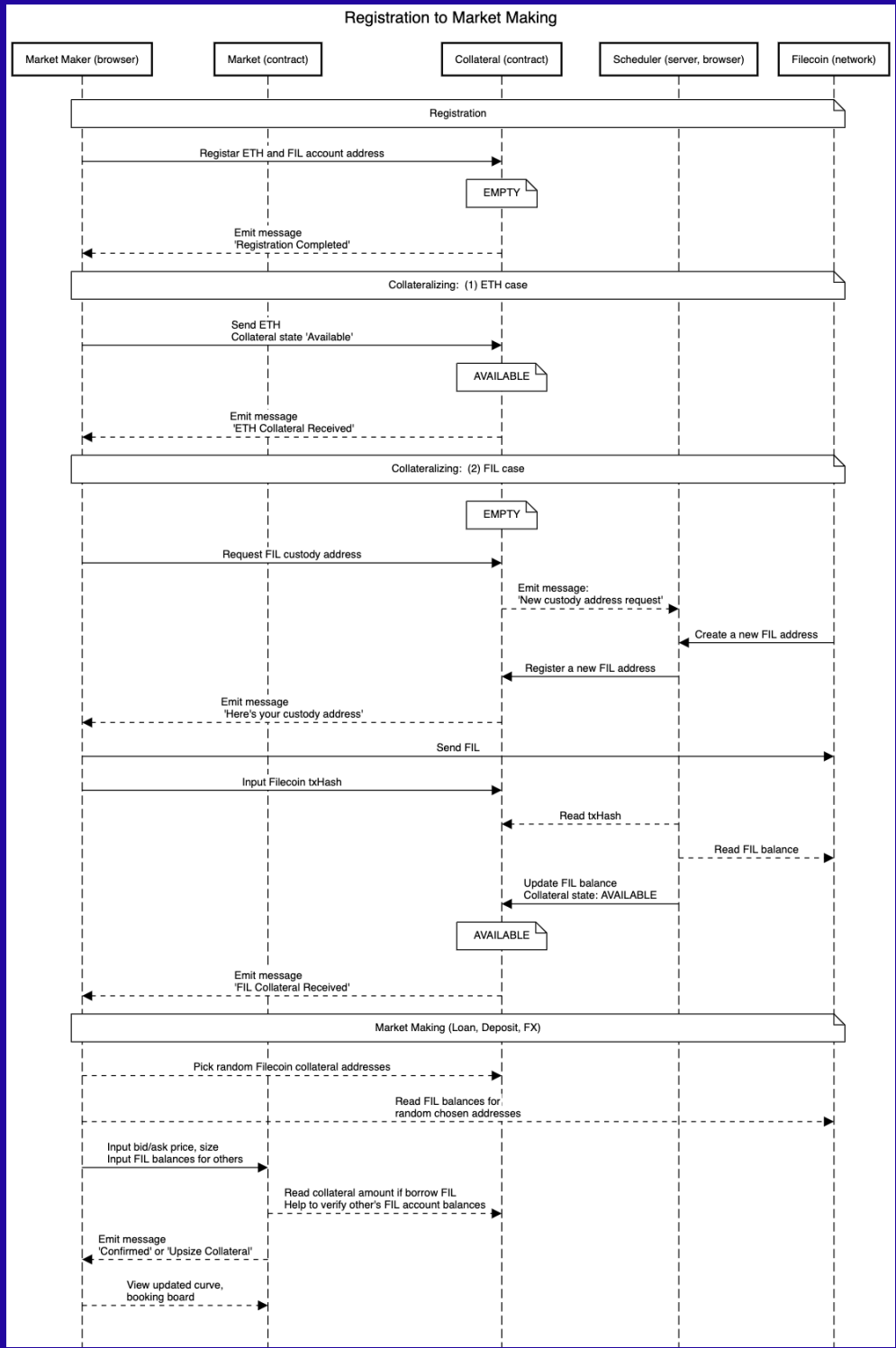
**Replace middle-office & back-office operations.**

- Market.sol - gather all the quotes that works like a database.
- Collateral.sol - manages collateral currency and the control of the funds' ownership based on its state
- Loan.sol - store detail that manages payment schedules and updates PV for margin call operations



# Redesign Banking Business

## Manage collaterals and loan payments autonomously.



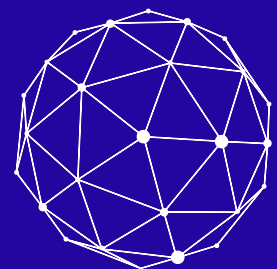
(Source: [github.com/Secured-Finance/secured-finance-docs/tree/master/basics](https://github.com/Secured-Finance/secured-finance-docs/tree/master/basics))



# Summary of Financial Transactions

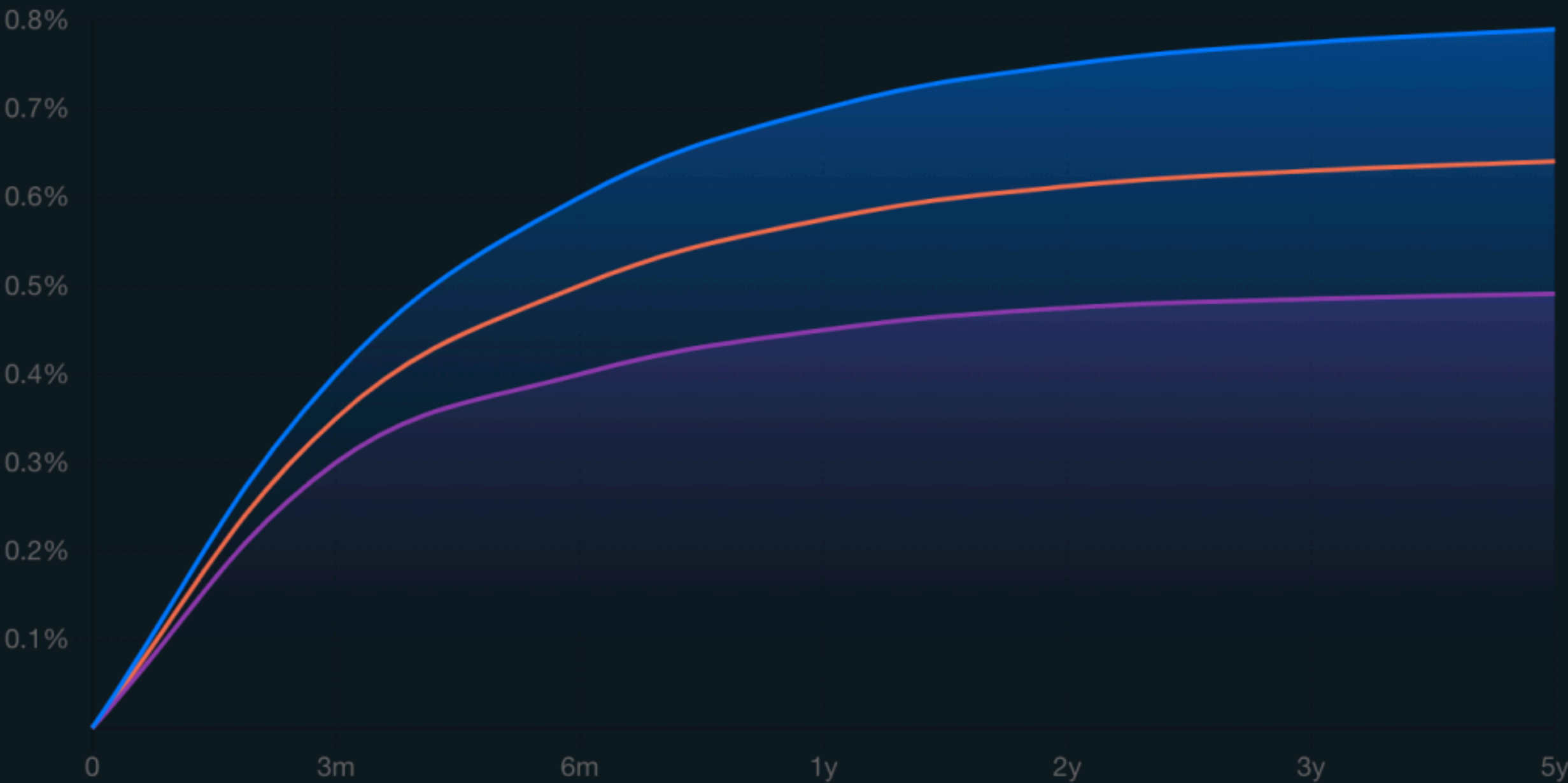
What products can we provide?

- Loan (ex. FIL loan backed by ETH) 📌 HackFX focus
- Deposit (ex. FIL deposit to earn interest)
- Swap (ex. FIL/USDC cross-currency swap) 📌 ETHOnline focus
- Option (ex. FIL/ETH European call option)
- Zero-coupon Bond (ex. 3y ZC compound yield)
- FX Forward (ex. Guaranteed FIL/ETH exchange rate in 1y)





Filecoin (FIL) yield curve



Lend

Borrow

Currency

Balance: 0.00

Filecoin

~ \$30.24



FIL ▼

12

Loan Terms

Rate (APY)

Fixed

6 Month ▼

3.24

Collateral Currency

Minimum 125%

USDC



USDC ▼

489

Borrow

Estimated Returns

0\$

Transaction Fee

1.2\$



Cross Currency Swap

1mo

3mo

6mo

1yr

3yr

6yr

Exchange 10,000

FIL ▼

for

600,000

USDC ▼

NOTIONAL

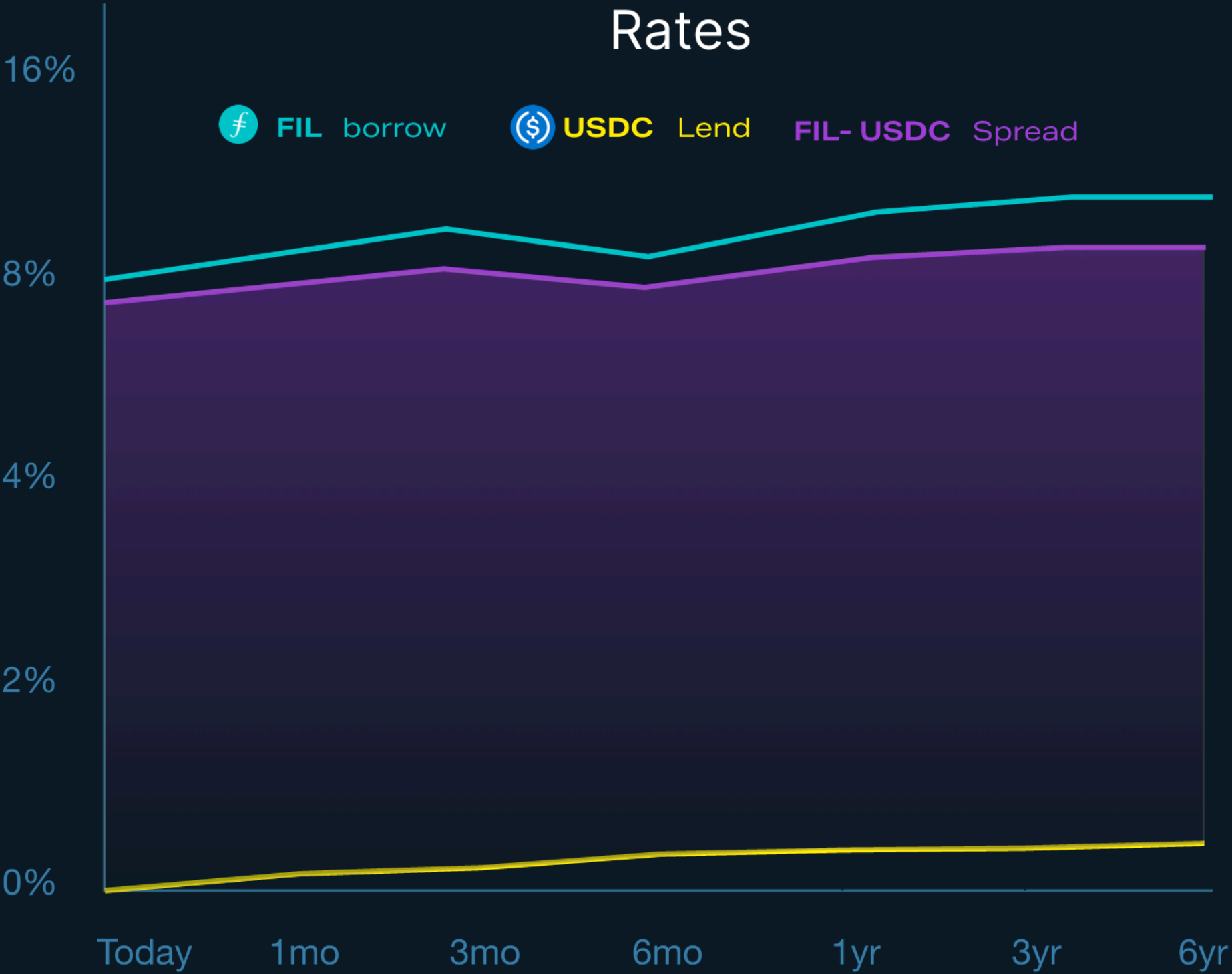
NOTIONAL

AMOUNT ▼	RATE ▼	RECIEVE
10,000 FIL	8.10%	810 FIL
10,000 FIL	8.00%	810 FIL
10,000 FIL	7.95%	810 FIL
10,000 FIL	7.90%	810 FIL

AMOUNT ▼	RATE ▼	PAY
600,000 USDC	0.12%	72 USDC
500,000 USDC	0.13%	65 USDC
400,000 USDC	0.14%	58 USDC
300,000 USDC	0.15%	50 USDC

Swap

Rates





Cross Currency Swap

1mo

3mo

6mo

1yr

3yr

6yr

Exchange 10,000

FIL NOTIONAL

AMOUNT ▼	RATE ▼	RECIEVE
10,000 FIL	8.10%	810 FIL
10,000 FIL	8.00%	810 FIL
10,000 FIL	7.95%	810 FIL
10,000 FIL	7.90%	810 FIL

Confirm Transaction

10,000 FIL 600,000 USDC

INITIAL NOTIONAL	Exchange	10,000	FIL	for	30,000	USDC
COUPON	Recieve	810	FIL	Pay	87	USDC
FINAL NOTIONAL	Exchange	10,000	FIL	for	30,000	USDC

START DATE 11/01/2020 END DATE 04/22/2021

Submit

Rates

FIL borrow USDC Lend FIL- USDC Spread

today 1mo 3mo 6mo 1yr 3yr 6yr

Swap



Loan Book ▼

1mo


3mo

6mo

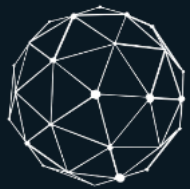
1yr

3yr

6yr

Lender ▼	Borrower ▼	Side ▼	Rate	CCY ▼	Term ▼	PV	Amount ▼	Schedule ▼	State
Protocol Labs	0×92b40...cE3	Borrow	1.87%	 Filecoin	3 month	100 ETH	10,000 FIL	3 month	Registered
Protocol Labs	0×92b40...cE3	Borrow	1.87%	 Filecoin	3 month	100 ETH	10,000 FIL	3 month	Working
Protocol Labs	0×92b40...cE3	Borrow	1.87%	 Filecoin	3 month	100 ETH	10,000 FIL	6 month	Due
Protocol Labs	0×92b40...cE3	Lend	1.87%	 Filecoin	3 month	100 ETH	10,000 FIL	3 year	Past Due
Protocol Labs	0×92b40...cE3	Lend	1.87%	 USDC	3 month	100 ETH	300,000 USDC	6 month	Closed
Consensys	0×92b40...cB7	Lend	1.87%	 USDC	3 month	100 ETH	300,000 USDC	3 year	Terminated
<div>◀ ▶</div>									





- Loan Book
- Swap Book
- FX Book

1mo3mo6mo1yr3yr6yr

Borrower	Buy or Sell	CCY	Term	Amount	Schedule	State
Protocol Labs	0x92b40...cE3	Filecoin	3 month	10,000 FIL	3 month	Registered
Protocol Labs	0x92b40...cE3					
Protocol Labs	0x92b40...cE3					
Protocol Labs	0x92b40...cE3					
Protocol Labs	0x92b40...cE3					
Protocol Labs	0x92b40...cE3	USDC	3 month	300,000 USDC	6 month	Closed
Consensys	0x92b40...cB7	USDC	3 month	300,000 USDC	3 year	Terminated

Schedule Details

Start Date

07/08/2020

FIL

3 month

End Date

05/11/2020

FIL

6 month

Notices

First Payment Due Nov 05 2020

Payments

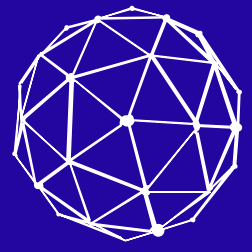
1 07/01/20202 07/08/2020

FIL

3 year

Amounts

10 ETH



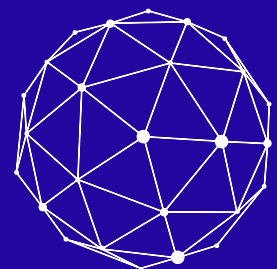
Secured Finance

# Decentralized Finance (DeFi)

# Recap DeFi 1.0

## Limitations to achieve mass adoption

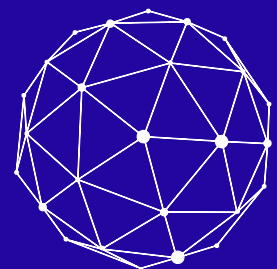
1. Tradable assets are mostly Ethereum ERC-20 tokens
2. Unique protocol comes with learning costs and siloed user base
3. Most transactions are spot exchange or short-term
4. Led by developers and not fully appreciate financial regulations

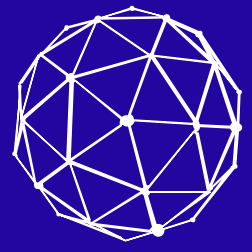


# Rise of DeFi 2.0

## How we solve limitations of DeFi 1.0

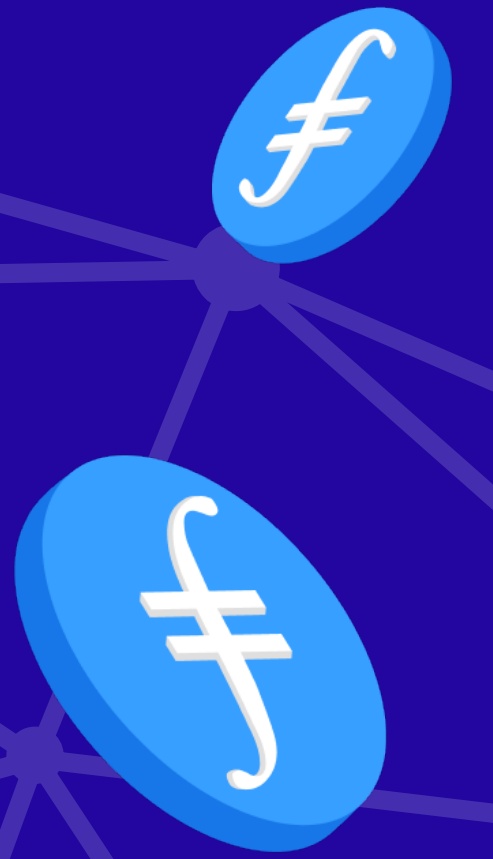
1. Native coins as-is (ETH, FIL, USDC, BTC, etc..)
2. Internationally standardized protocol (ISDA Master Agreement)
3. Yield Curve provides full-scale financial transactions
4. Regulatory compliance embedded in source code



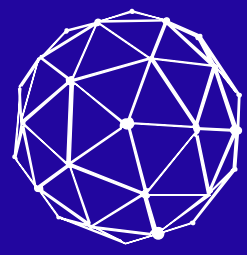


Secured Finance

# Filecoin as a new asset class







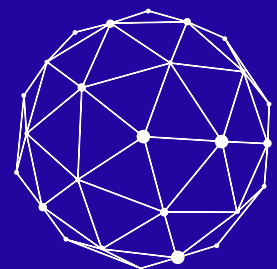
## Filecoin Charts

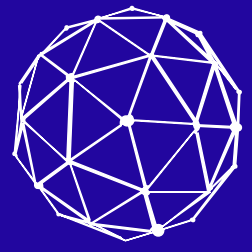


# Filecoin as a new investment assets

## Attractive investment opportunities

- FIL is a utility coin
- Price stability (stays around \$30)
- High interest rates (10-40% p.a.)
- Data size keeps growing
- Long-term growth expected





Secured Finance

# Investment Products

# Currency Linked Note

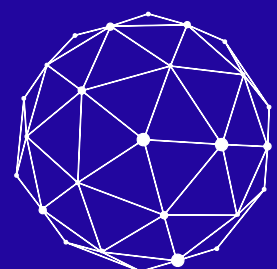
## A popular structured investment product

- Filecoin Linked Note
- Achieve higher yield from foreign currency
- Popular products in Wealth Management



### Terms & Conditions

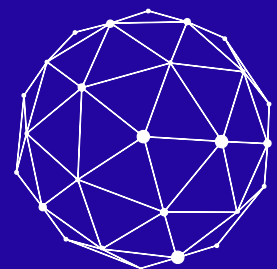
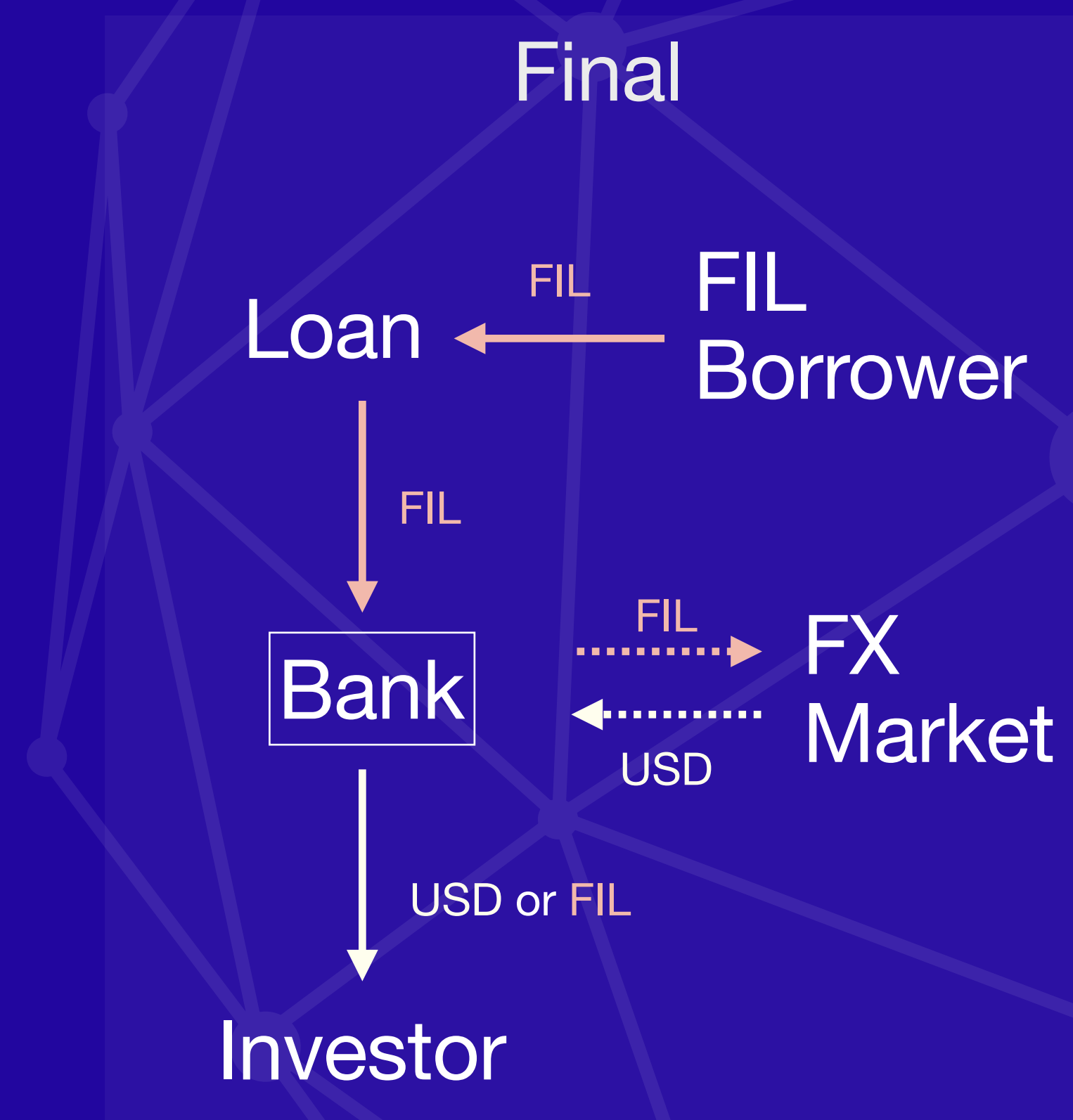
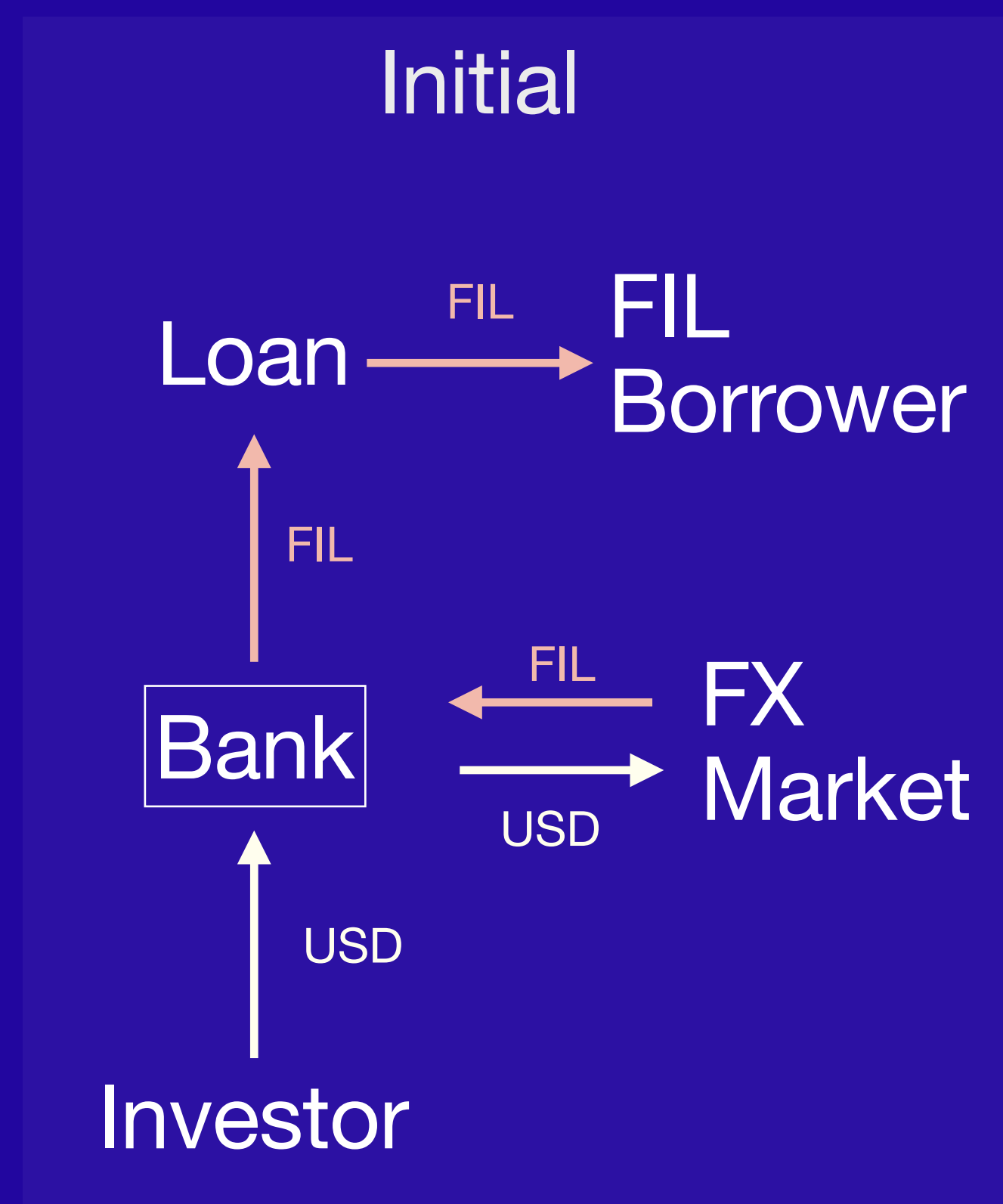
Tenor: 3m  
Notional: USD 1 mil  
Coupon: 10% (p.a.)  
Spot: FILUSD at start  
Redemption: FIL 1mil/spot



# How to make Filecoin Linked Note

## Hedge with Filecoin Loans

- FIL Borrower provides collateral to smart contract
- Automatic collateral and payment management can be done by smart contract
- Investors can choose USD or **FIL** for redemption



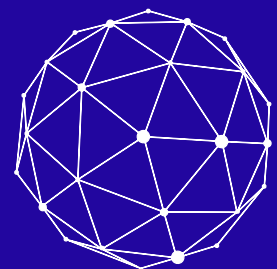
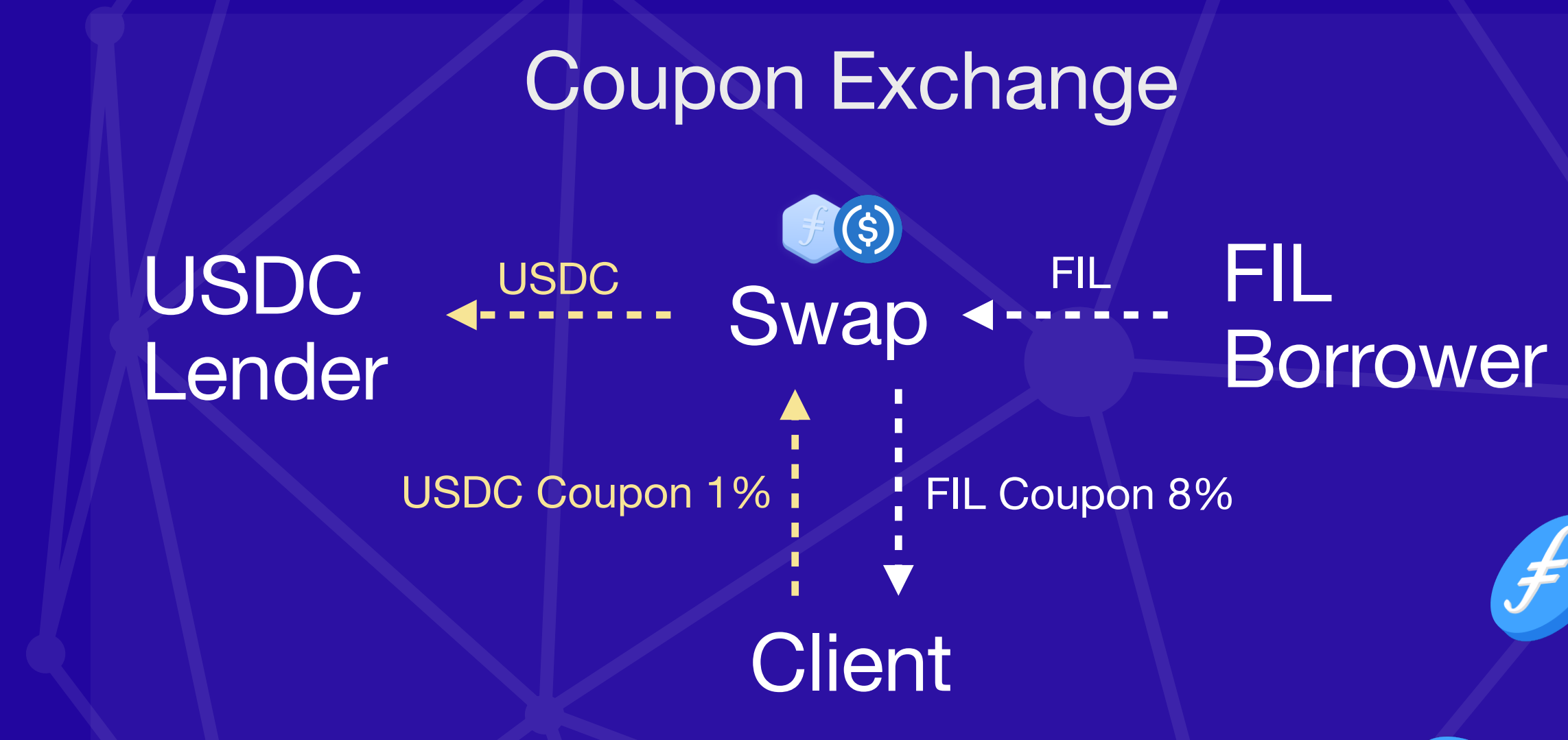
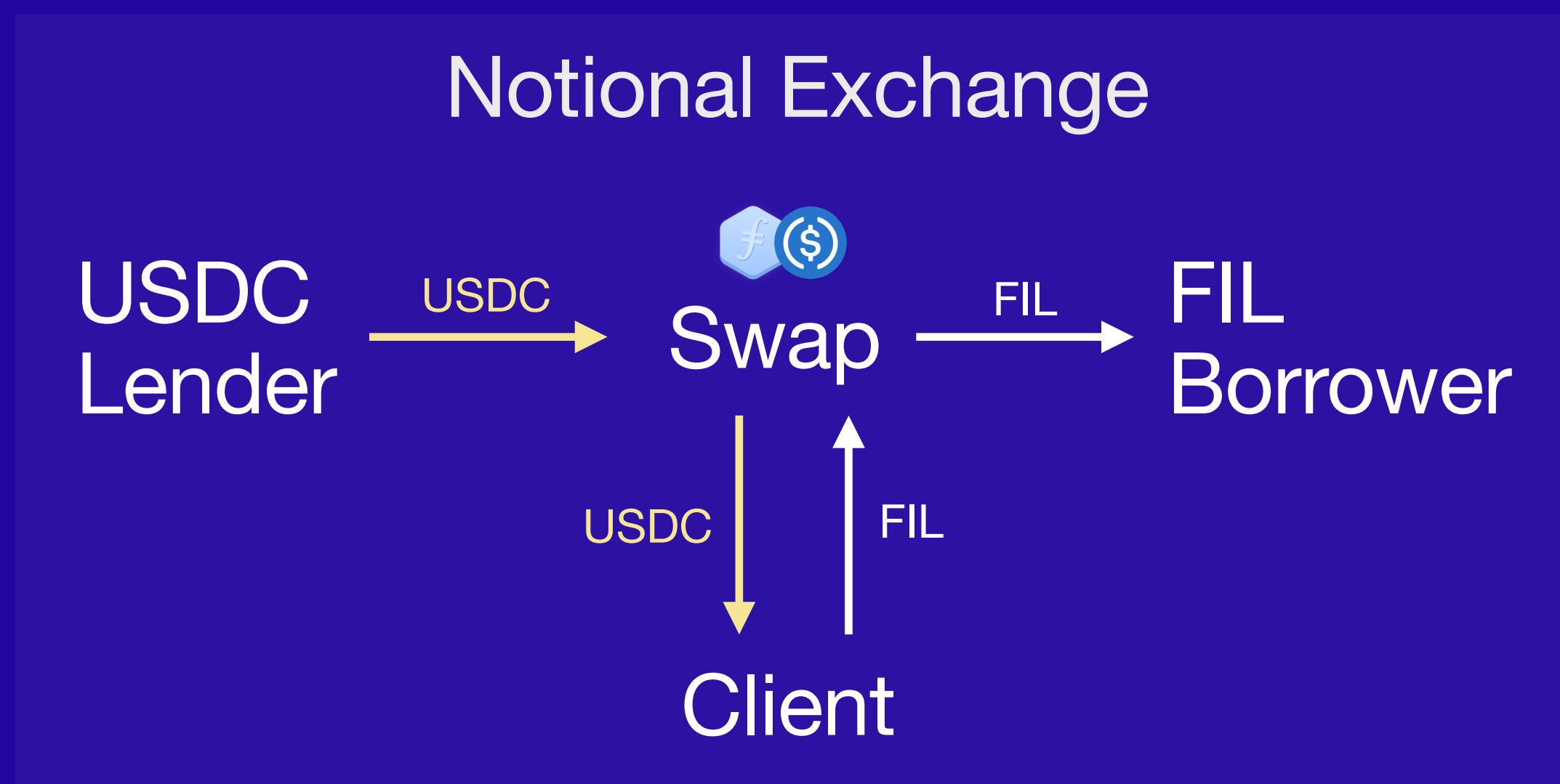


# FIL-USD Cross Currency Swap

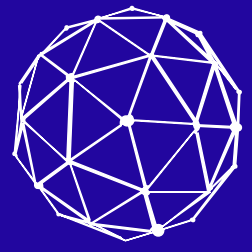
The most popular carry trade strategy.

Client initially exchanges **FIL notional** for **USDC notional**

Client then receives **FIL coupon** and pay **USDC coupon**







Secured Finance

# Thank You!

Secured Finance Website  
<https://secured-finance.com>

Filecoin Loan Market Survey  
<https://airtable.com/shrJH5ssjwoOyRSxC>

Discord Channel  
<https://discord.gg/cD6NDzum>



Senshi (Masa)  
Twitter: @onion797jp  
Email: [senshi@secured-finance.com](mailto:senshi@secured-finance.com)