PROTEO

EXCLUSIVE ELROND DEFI SUITE

· WHITEPAPER ·

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1.) Introduction

We are moving into a future where everyone will have access to banking services free of intermediaries and bureaucracy, regardless of the political or economic scene of their country or region.

This possibility has turned cryptocurrency and blockchain technology into the predecessor of the next industrial revolution. This rapidly-evolving revolution is called decentralized finance or DeFi, and its main characters are smart contracts on a blockchain.

Historically centralized financial systems have been and continue to be the axis of most economies. These systems are controlled by centralized authorities that work jointly: governments, banks, and different financial institutions. People deposit their money in banks and other financial institutions because they want to save it and increase it through the use of different financial instruments.

The downside of centralized finances is when someone deposits money in a bank or a financial institution, they give away their control over those assets. People often have little or no knowledge of what their money is invested on or how it is managed. This lack of transparency turns people into fuel of an institutionalized financial engine where options are limited or non-existent.

These centralized institutions use the assets of their clients to increase their wealth by investing in various financial markets through different instruments, granting loans with high interest rates, profiting almost exclusively with only a small benefit for the depositor.

2.)   What is Decentralized Finance or DeFi?

DeFi is a new, decentralized, transparent, censorship-resistant, global financial ecosystem without intermediaries and easy to access. Each user has total control of their assets. The objective of decentralized finance is to provide a global and transparent alternative to centralized financing of all existing financial services.

DeFi is revolutionizing personal finance. All you need is to become part of this revolution from an Internet connection and a smartphone. The alternatives to traditional centralized finance offered by this new financial ecosystem include decentralized loans. These financial instruments give the power of choice back to the consumer.

3.)   What is PROTEO?

PROTEO is born as a solution to centralized economy problems (corruption, inflation, taxes), leveraging the solutions offered by cryptocurrencies, blockchain, and DeFi, and it offers a cryptocurrency with very interesting characteristics.

PROTEO is a visionary DeFi cryptocurrency, pioneer in Elrond, where its issuance design, supply, and token burning represent solutions to the economy and provide the opportunity of having a more just income in the cryptocurrency world, far from the economic problems described before. It is a digital asset easy to exchange for another crypto-asset, with the capacity to create sources of income, like green mining using an auto-stake pool and liquidity mining, among others.

4.)   Why Elrond?

We decided to build in Elrond because it is one of the most technological and powerful blockchains today. Elrond is the fastest, safest, most inexpensive blockchain with DeFi ecosystem to accomplish the expansion Proteo requires.

 Moonlorian, an Elrond service partner and Proteo's strategic service partner, enabled the development of Proteo DeFi ecosystem in this blockchain.

In Elrond, Proteo will be another option for all investors, an exclusive DEX within the Elrond ecosystem, in addition to Maiar DEX. Maiar is the main Elrond DEX. It is very exclusive and not all projects will be able to be there. Thus, Proteo DeFi will be the operations center of every other satellite project in Elrond, providing solutions only a DEX can do.

The layer-1 blockchain Elrond is scalable, thanks to its sharding architecture pattern; safe, thanks to its SPOS consensus mechanism; and low-cost.

Sharding or fragmentation, the data parallelization capability, allows high scalability of the network. It currently processes 15,000 transactions per second, and it is capable of processing up to 260,000 transactions per second.

The Secure Proof of Stake (SPOS) is a consensus mechanism that provides security to the network using multiple signatures among validator nodes. These are chosen every 6

seconds, making it extremely difficult to know which groups are participating in the validation, which minimizes the possibility of malicious attacks.

Elrond's network has a cost per transaction of <$0.01, a trivial amount compared to other layer-1 networks.

5.)   Maiar Wallet

Elrond's network wallet will support PROTEO, as it does with eGLD.

Maiar is a self-custody wallet for smartphones that allows us to have our crypto-assets in our phones.

A disruptive application that makes hard things easy. Highly complex programming inside, and as friendly as WhatsApp on the outside, it allows users to custody their savings without a bank, centralized company, or third party.

We will be able to send Egold, the native currency of Elrond, to our friends using a @herotag. No passwords or endless security codes are necessary. It is extremely easy to configure. You just need a nickname, like the one used on Instagram or Twitter, on our phonebook to send and receive funds.

It has a savings section where you can choose from a variety of liquidity providers and delegate your assets in exchange for an interesting percentage.

 The only way to be the owner of your savings is being able to custody them. The Maiar app allows you to do it.

Tokenomics

6.)   Token Description

PROTEO has developed a new, decentralized, transparent, censorship-resistant, global financial ecosystem without intermediaries, easy to access. Through the application of smart contracts and blockchain technology, each user has total control of their assets in order to generate different sources of income using several instruments.

6.1)   Utility Summary

PROTEO is the utility token the users will need to seize the benefits and generate income through Proteo DeFi. In future phases of the project, it will allow access to the governance of the DAO, as well as participation in the decision making to improve the Proteo DeFi DAO.

Some of the ways offered by tokens to generate income are the following:

6.1.2.)   Auto-staking

With PROTEO, you will have the opportunity of staking, which is a mechanism that helps with the functionality of the platform and makes it safer, and allows the hodlers to block their PROTEO to obtain rewards for the issuance of new tokens, generating a fixed income in APY.

Auto-Staking
easy explained

Proteo will reinvest your staking profits daily, each **24 hours**, and this procedure will make you earn the **APY** (the % interest of reinvesting daily your profits)

Profits with **APY**

Profits without **APY**

6.1.3.)   Swap

Swaps are a trading option that allow a quick and easy exchange among several crypto-assets.

These instruments aim to simplify the transactions of Elrond Network's crypto-assets.

6.1.4.)   PROTEO Bonds

It is the strategy in which Treasury offers users PROTEO with a discount and a 10-day expiration for an APY with a compound interest.

6.1.5.)   Farming and Liquidity Mining

Liquidity mining is a strategy developed in DeFi that consists in locking up the liquidity of two cryptocurrencies inside a pool, resulting on a fixed income in exchange of the liquidity provided in the pool. As warranty, you get a token from the liquidity provider that can be invested in other Farm pools to obtain bigger rewards.

6.1.6)   Raffles

PROTEO has two different raffles (**Hodler Raffle** and **Golden Fish Raffle)** that will take place every other week**.**

The Hodler Raffle will target only people who have 500 sPROTEO or more. The Golden Fish Raffle will require the purchase of tickets.

As a part of the Token Burning process, we developed a lottery with token prizes that require the purchase of Golden Fish tickets. This will give you the opportunity to win prizes from the assets in the Treasury.

6.2.) PROTEO Supply

PROTEO is a DeFi token that introduces you to a world of decentralized strategies and investments to multiply crypto-assets using PROTEO DeFi and its Treasury.

PROTEO has a maximum supply of 20 million tokens, with an initial supply of 3.5 million PROTEO (Fig. 1) implementing blockchain technology, issuance control mechanisms, and supply burning, which make it extremely scarce and valuable.

1.5 millions
· 150k reserved for team
· 150k sold in private round
· 1.2m sold to Elrond holders

0.5 millions
For the PROTEO liquidity
· 100k for PROTEO/MEX
· 100k for PROTEO/EGLD
· 300k PROTEO during 10 months

0.5 millions
For the PROTEO project development

1 million
For the PROTEO treasury

(Fig. 1)

6.2.1.) PROTEO Issuance

What differentiates PROTEO is the implementation of a dynamic daily token issuance mechanism, which is also deflationary; the higher the existing supply is, the lower the daily issued supply will be. It is represented as follows:

$$S_{x+1} = \frac{X_{max} - X_0}{1000 \; epochs}$$

Where

Sx+1= Daily issued supply

X0= Existing PROTEO supply over the last 24 hours

Xmax= 20,000,000 PROTEO – maximum supply to be issued

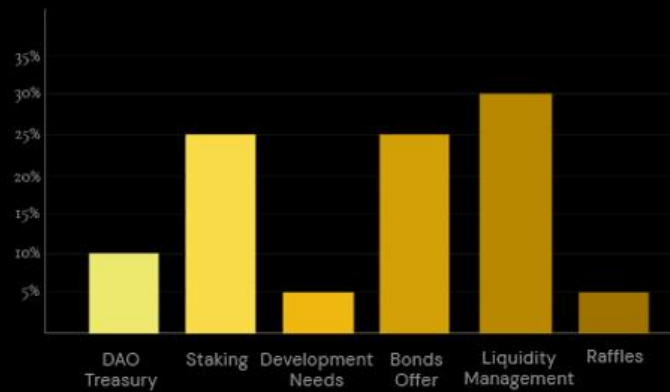If the initial supply of PROTEO is equal to 3.5 million, then:

$$S_{x+1} = \frac{20,000,000 PROTEO - 3,500,000 PROTEO -}{1000 \; epochs} = 16,500 \; PROTEO$$

When X0 gets close to the top supply limit, we will launch a poll proposal to burn all PROTEO in Treasury.

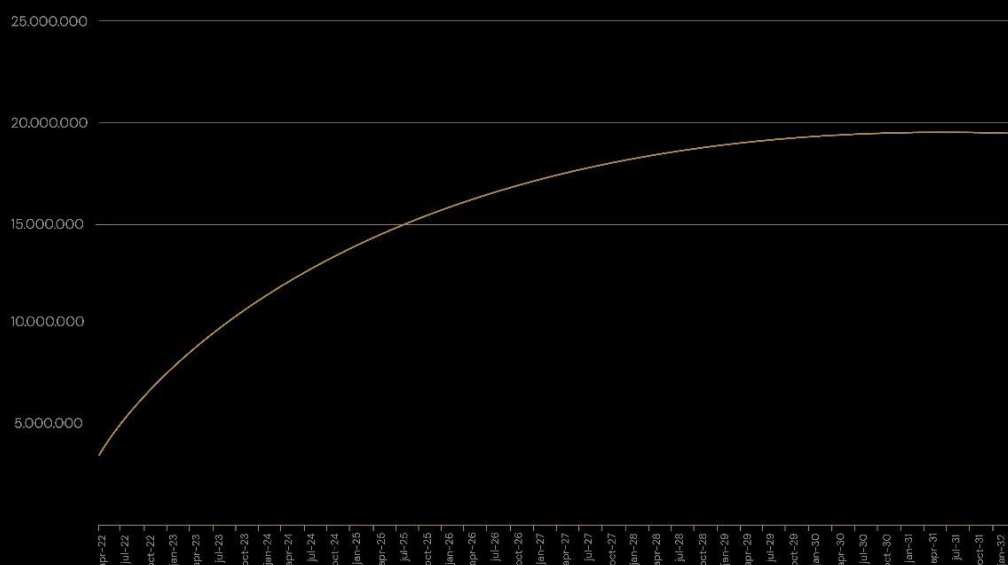The daily issued supply will be distributed as follows:

Emission Rate of PROTEO

Daily Issuance= (Max supply – circulating supply)/1 000 epochs

The following chart shows an issuance curve on its most accelerated scenario without change:

ESTIMATED SUPPLY

6.2.2.)   Burning Mechanism

PROTEO DeFi has developed different burning mechanisms for the lifecycle of the project in the platform, in order to maintain a constant reduction of the supply. Following are the descriptions of the different burning mechanisms implemented in the model.

6.2.2.1) Swap fee

For each transaction made on the swap, we will burn a percentage of the supply taken out of the transaction fee.

Team will study the possibility to add some small fee in the Maiar DEX swap engine to have a new source for burning PROTEO tokens with every swap

6.2.2.2) Stacking burn fee

A burning fee for the exchange of sPROTEO and PROTEO was implemented when withdrawing the auto-staking PROTEO, with the following ratio.

Withdrawal amount	% FEE TO BURN
X<100 PROT	8%
100<X<500 PROT	6%
500<X<1000 PROT	4%
>1000 PROT	2%

6.2.2.3) Farm reward

Each time a user cashes their Farm rewards, a 4% will be used for the token supply burning.

6.2.2.4) Lending fee

For each lending transaction, a percentage of the supply transaction fee will be burned.

6.2.2.5) Raffle Tickets

There are 9 winners for each 10 raffles. The raffle ticket that is not a winner will go directly to the burning process, which will be a benefit for all users.

6.2.2.4) Golden Fish

In the case of the Golden Fish Raffle, there will be 9 winners and 10 prizes. The tenth prize will be burned along with the tokens used to purchase tokens.

Taking into consideration the proposals of the community, other PROTEO burning mechanisms can be implemented.

6.3.)   Auto-staking

Staking refers to investment mechanisms in which tokens are locked up in order to obtain rewards from the dynamic issuance of new PROTEO, with an APR of daily issued tokens (refer to "issuance mechanisms".) Thus, Proteo DeFi will be a safer decentralized finance platform with a deflationary issuance model.

In addition, when depositing PROTEO, the user will obtain the sPROTEO token as backup. It will allow access not only to the Proteo DeFi DAO governance, through the use of the sPROTEO token as an equivalent to the investor's participation in the PROT/sPROTEO pool. This will make the DAO safer, and the investor will obtain yield for the daily issuance of tokens.

The APY is calculated with a smart contract that distributes the profit based on the daily issued tokens. Therefore, the percentage of yield will be calculated daily and its benefits will be proportional to the number of tokens locked up in the platform
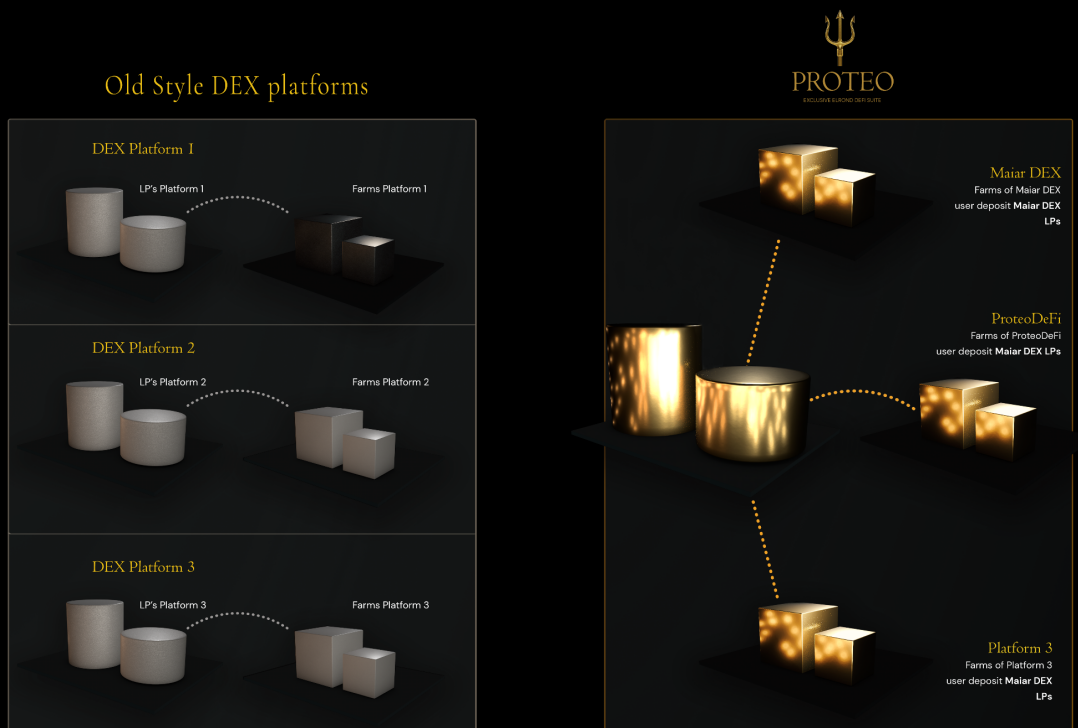
In PROTEO DeFi, the user will easily and immediately exchange PROTEO for other tokens within the Elrond Network ecosystem, creating an economy within the ecosystem and making available a mechanism to help blockchain developers promote their tokens and generate more yield for their users, with an alternative solution for the exchange of tokens in the Elrond Network ecosystem.

6.4.)   Liquidity Pool

Pools offer two services: providing decentralized exchange (DEX) to users and providing a way to create automated liquidity strategies to generate significant yield.

A liquidity pool merges the funds of the participant users that feed tokens to the DEX to generate trading liquidity and allow traders to swap cryptocurrency with a small commission, lower than the one paid at centralized exchanges.

Liquidity providers obtain trading commissions. Every time there is an operation on Proteo DeFi, the operator pays a fee of 0.30% from which 0.25% is added to the liquidity fund of the operated pair.

Old Style DEX platforms

DEX Platform 1

LP's Platform 1   Farms Platform 1

DEX Platform 2

LP's Platform 2   Farms Platform 2

DEX Platform 3

LP's Platform 3   Farms Platform 3

PROTEO
EXCLUSIVE ELROND DEFI SUITE

Maiar DEX
Farms of Maiar DEX
user deposit **Maiar DEX LPs**

ProteoDeFi
Farms of ProteoDeFi
user deposit **Maiar DEX LPs**

Platform 3
Farms of Platform 3
user deposit **Maiar DEX LPs**

6.5) Farming

Yield Farming is a formula to obtain profit through the storage of cryptocurrency. This model of procuring profit through the storage of cryptocurrency is similar to cryptocurrency staking.

Yield Farming in Farms is an excellent way to obtain PROTEO rewards in PROTEO DEX. Farming requires the deposit of two tokens in the liquidity pools to obtain LP tokens that are later placed in the Farming pool to earn rewards in PROTEO or other tokens of the Elrond ecosystem, or both.

6.5.1) Dual Farming

It is a mechanism of rewarding participation where liquidity providers (LP) obtain 2 cryptos instead of one, as a reward for their liquidity. In this case, the LP will receive rewards in the following ways:

LPs receive part of the trading fees collected from the two. These rewards are paid in different daily intervals and calculated automatically in the position of the LP.

They are paid in the 2 assets of the pool.

After providing liquidity, LPs deposit their LP tokens to earn $PROTEO and the token from the different Elrond projects, according to the campaign in Proteo DeFi.

It is an excellent method to provide our hodlers with the best instruments available to increase their currency reserves. Dual Farming is one of such instruments. Dual rewards can

increase the yield of liquidity providers by increasing the group APY. Rewards received in two digital currencies can offer LPs greater asset diversification and potentially reduce volatility.

7.) DAO

7.1) What is a DAO?

A Decentralized Autonomous Organization (DAO) refers to a revolutionary way to coordinate and run organizations using smart contracts and blockchain technology to provide them with transparency, immutability, autonomy, and security. It represents a powerful technological innovation that aims to redefine the cooperation among different cutting-edge decentralized financial service providers, thanks to blockchain technology.

7.2) PROTEO DeFi

Proteo DeFi is the name of PROTEO's DAO. It will have the second decentralized swap in the Elrond Network, where it will complement Maiar DEX, strengthen the ecosystem, and offer appealing DeFi products that will enable the increase of liquidity in Elrond ecosystem.

It will also be the landing platform of different tokens in Elrond Network, facilitating access to a DAO where participants can make use of all the services and exchange PROTEO for other assets in the ecosystem.

PROTEO allows users to access several sources of income of digital assets and to be part of the governance through sPROTEO token.

In order to make all this possible, PROTEO DeFi developed a Treasury to manage and develop the funds of the DAO. It includes PROTEO, LPPROTEO/eGLD, LPPROTEO/MEX, LPeGLD/MEX, and LPeGLD/wUSDC tokens. sPROTEO hodlers will be able to make proposals regarding management and PROTEO burning.

7.2.1) Innovative Treasury Plan

The Treasury manages PROTEO governance tokens as shares, and it is also in charge of the crypto-assets flow, including pool management, raffles, and DAO administration.

The Treasury will hold PROTEO, and it will also be able to make pools with LP PROTEO MEX and LP PROTEO eGold.

7.2.2.) Maiar DEX LP in PROTEO

LP eGLD/Mex Farming earning LKMEX

LP eGLD/wUSDC farming earning LKMEX

Auto-staking of LKMEX to earn LKMEX

Once you have all these free LKMEX, buy PROTEO, and then burn it.

7.2.3.) Smart Liquidity Management

At the beginning of the project, liquidity will come directly from pools. However, PROTEO will sell bonds to enable Proteo DeFi to buy its own liquidity. In this way, it will be able to guarantee the project and its sustainability in the long run.
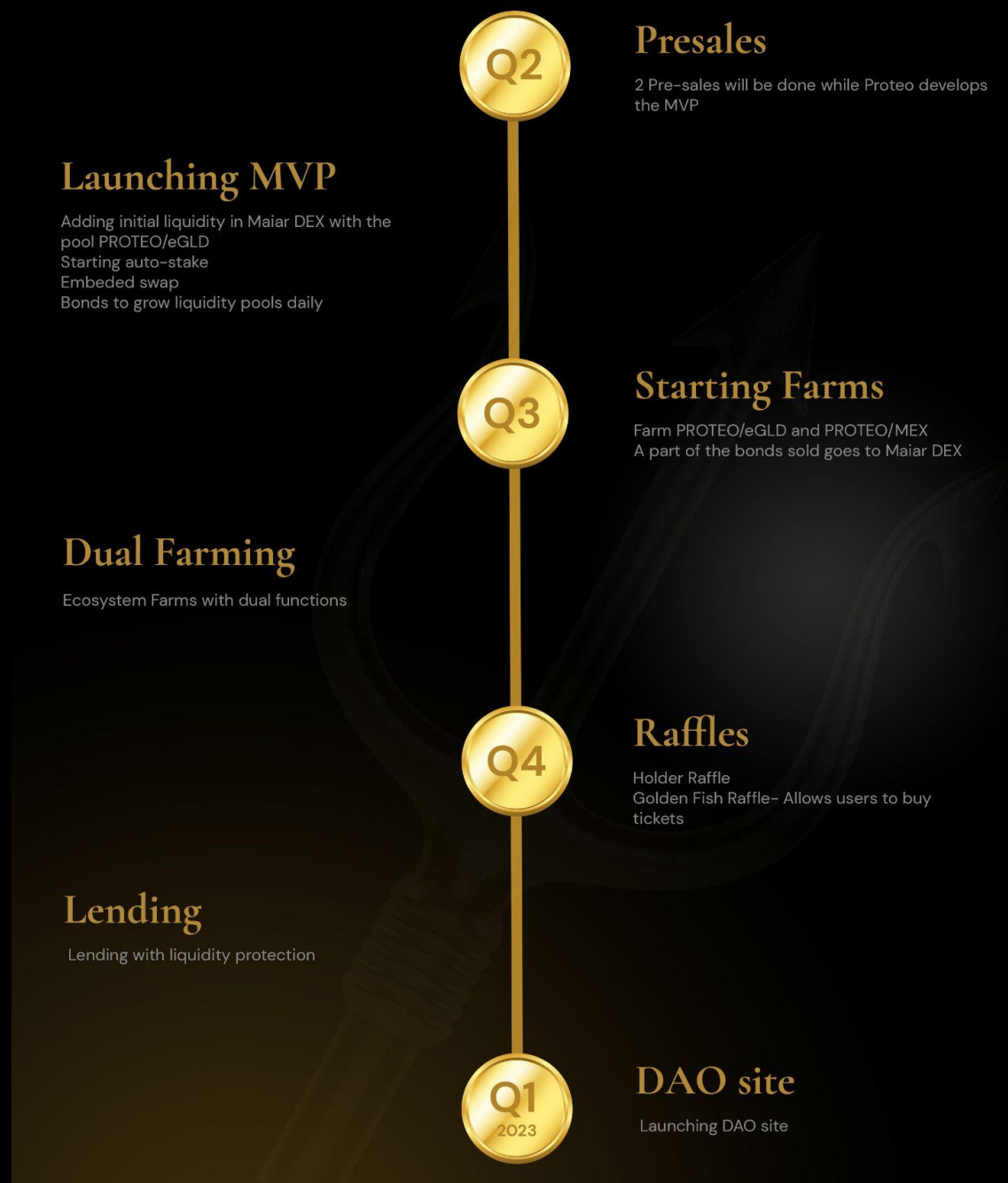
The sales of bonds will be distributed as follows:

▪ 20% to buy LP / PROTEO MEX

▪ 20% to buy LPs / PROTEO eGLD

▪ 20% to buy LPs / eGLD MEX

▪ 20% to buy LP / eGLD wUSDC

▪ 20% for the eGLD of lending wallet

7.2.4) Lending

Finally, by using blockchain technology and smart contracts, PROTEO DeFi will provide its users the opportunity to obtain loans in cryptocurrency, like eGOLD, through sPROTEO token. Using an NFT liquidator, users will be able to receive and pay loans quickly, and the interests generated by such loans will go directly to the lending wallet in order to increase yield and capitalization.

8.) Roadmap

Presales

2 Pre-sales will be done while Proteo develops the MVP

Q2

Launching MVP

Adding initial liquidity in Maiar DEX with the pool PROTEO/eGLD
Starting auto-stake
Embeded swap
Bonds to grow liquidity pools daily

Starting Farms

Farm PROTEO/eGLD and PROTEO/MEX
A part of the bonds sold goes to Maiar DEX

Q3

Dual Farming

Ecosystem Farms with dual functions

Raffles

Holder Raffle
Golden Fish Raffle- Allows users to buy tickets

Q4

Lending

Lending with liquidity protection

DAO site

Launching DAO site

Q1
2023

9.)   Team

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