degen.

PROTOCOL

ABOUT ▶

Degen Protocol is a decentralised margin trading protocol for advanced trading on liquidity providers with up to 1000x leverage with stop-loss, take-profit, pool creation, and numerous other advanced features. Degen offers an unheard of level of customisability in the DeFi space.

Any token pair, and any LP - everything can be customised, and any token pair with any amount of liquidity can be added. Degen will support Uniswap, Sushiswap, Pancakeswap, and many other popular automated market makers.

ROLES ※

Traders

Traders borrow tokens from pools to make leveraged margin trades, try to turn a profit and return it to the pool with fees subtracted.

Stakers

Stakers have the opportunity to own part of the Degen Protocol. They can stake their tokens, become part of governance and earn dividends on each platform trade. Both UMX and DGN tokens can be staked in order to earn dividends. More information can be found on Unimex.Network.

Lenders

Lenders provide various tokens or stablecoins to lending pools, which can then be borrowed by margin traders. Lenders receive the highest level of fees for each trade on the platform as well as interest. Most % are customisable.

Lending pool creators

Lending pool creators are token founders or influencers who can add any trading pair pools to the Degen Protocol (even tokens that were just issued).

HOW IT WORKS

Trading

Choose a trading pair, then choose the margin pool by rating, liquidity, lenders interest, and open positions. You are then able to trade and make use of advanced features such as stop-loss and take profit. Please note that since all pools and pairs are user-created, you will have to do your own due diligence regarding fee structures and liquidity on the pools you use. NOTE: All trading & funding remains 100% on-chain and is not affected by user customisation.

Lending

Not satisfied with AMM pool interest? Deposit your money to a margin bi-pool to earn a percentage of all trades, as well as interest. Earnings are independent of trader's profits or losses. Please note that lent funds cannot be withdrawn if they are currently in use by traders.

Staking

Want to compound more tokens? Stake your DGN (or UMX, see Unimex.Network for more information), and receive DGN for each trade. See the fee structure on the next page.

Lending Pool Creation

Anyone can create a margin trading bi-pool on Degen Protocol. The creator can easily customise the pool’s settings: creator tax, lending fee, maximum leverage, maximum pool utilization, along with the daily interest for lenders. Once created, anyone can start lending and margin trading using that pool forever as long as there is liquidity provided.

SOLUTION & ARCHITECTURE

At the core of the Degen Protocol is the pioneering bi-pool structure.

A bi-pool is a pair of liquidity pools. For example, an ETH/USDC bi-pool is a pair of an ETH pool and a USDC pool. Degen Protocol uses bi-pools in order to provide enough liquidity for every pair. It is not possible to mix existing pools for different pairs because of the potential vulnerability of undiscovered tokens. To protect users from this, Degen Protocol uses secure bi-pool creation instead. Although bi-pools are all user-created, numerous steps to help ensure enhanced liquidity are in development.

The Degen Protocol smart contract allows the creation of a new bi-pools for any desired UniSwap, Pancakeswap, or other AMM pair. Bi-pool creators can set the following parameters as they see fit:

trading pair
0-100% to pool.
- 0-100% of daily interest for lenders
0-1000x Leverage
- % pool utilization

Please note, however, that every pool has fixed parameters:

BSC
0.1% to DGN stakers.
0.1% to UMX stakers.
0.05% to team.

ETH
0.2% to UMX stakers.
0.05% to team.

Total trading fees can be up to 100%, of which 0.25% is fixed for the protocol. There can be many pools with different settings for the same AMM pair, which allows traders to pick and choose between them as desired. After a bi-pool is created, lenders can add funds and earn interest right away. Lending is covered by LP tokens emission. Usage fees are returned to the pool and can be withdrawn during LP tokens return.

MARGIN TRADING ₪

When a trader opens a position, a commitment and a liquidation fee are locked in his balance. Commitment size depends on the leverage. If the position has a loss more than the commitment size (and a 10% tolerance range), the smart contract allows anyone to liquidate the position and earn liquidation fee. At any time, traders can add additional commitment to their positions to prevent liquidation. When a trader closes their position, commitment and liquidation fee are returned to their balance.

Traders can also use stop-loss and take-profit functionality during the opening of a position. These orders can be opened and closed by other users through smart contract interactions in a similar manner to liquidations. As a result, a reward like the "liquidation fee" is also paid for stop-loss or take-profit. Naturally this is only possible if the trade is within the desired parameters of the trade or liquidation.

The liquidation fee is fixed for each trade and can be changed depending on the gas price. This fee is malleable to provide stable financial incentives.

On the BSC Chain
Degen Protocol accepts trading fees in any token, which is then always swapped to DGN. This also means that traders can pay fees in DGN directly, which omits the gas fees incurred when swapping tokens. This mechanism results in a positive feedback loop: staking rewards increase due to buy pressure on DGN.

On the ETH Chain
Degen Protocol takes a trading fee that can be paid in any token, but it will always be swapped directly to ETH.

GAS OPTIMIZATION & LAYER-2

In the future, Degen Protocol will use Layer-2 for swaps and synthetic trading and will include a gas token for optimisation of expenses. Polkadot/Substrate is our current pick but subject to change during further development process. Of

FEE DISTRIBUTION ₣

Fees from trading are sent to both DGN and UMX staking contracts on **BSC/ETH**

BSC - 0.1% to DGN stakers
BSC - 0.1% to UMX stakers
ETH - 0.2% to UMX stakers
BSC - 0.05% to team
ETH - 0.05% to team

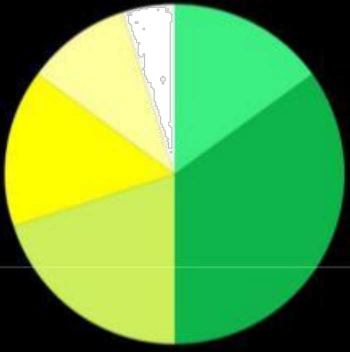
On top of this, 0.05% of **unimex.trade** fees on ETH go directly to a buyback and burn contract which purchases DGN and burns it.

GOVERNANCE ψ

Decentralization is a principle which Degen endeavours to uphold. All future updates will be regulated by governance through voting via the DGN token, once this functionality is implemented.

TOKENSALE & TOKENOMICS $

DGN - 1M max supply



50% 500k DGN:
20% 200k DGN Seed round 0.003 eth per token
30% 300k DGN Public sale 0.0033 eth per token

20% 200k DGN PancakeSwap listing 0.0036 eth per token
15% Split between traders and referral rewards program
10% Swap for YIELDX (5% day 1, 5% after alpha release)
5% Airdropped to UMX stakers (already completed)

REFERRAL PROGRAM Я

Degen Protocol will implement a 5 level referral program based on the number of trading transactions. Every week a share of reserved tokens will be distributed to users in the referral program. If a trader has a referral, both traders receive half of the reward. If a trader doesn't have a referral, no rewards are available. Detailed referral program information will be published on **degen.trade** .

ROADMAP

Q3 2021 - V1 Release

Q4 2021 - Governance

Q4 2021 - Additional AMM Integration

Q4 2021 - Synthetic Derivatives