



Decentralized  
Finance Ecosystem

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DEFINEX

# WHITEPAPER

*ACCESS TO THE DECENTRALIZED FINANCE FROM YOUR PERSONAL WALLET*

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## **Abstract:**

This document introduces you to the Definex ecosystem - A platform that concentrates multiple DEX to get the best swap rates in the market, along with a Proof-of-stake protocol with attractive returns. Definex approaches decentralized finance as a specific and important segment of the blockchain community, which is specially optimized and promises many marks in the near future.

In this document, we will explain simply about Defi and how the Definex ecosystem works. With a strong spirit to spread the power of technology as well as offer real profits to the community, the Definex ecosystem will be the leading ecosystem in the world.

# **I. Executive Summary:**

The cryptocurrency industry is based on a simple premise: everyone should have complete control of their finances. While it may seem like a straightforward statement, it is difficult for the current systems to deliver financial services that are actually in the control of those who use them. Along with the strong development of blockchain technology, DeFi is generated, creating an open finance.

The decentralized finance platform is completed on smart contracts. Defi did not create a new financial system, but democratized the traditional financial system, giving users full control over their assets when interacting with peer-to-peer (P2P) ecosystems or decentralized applications (DApps). Keeping up with this trend, Definex comes out as a matter, of course, to bring the perfect solution to facilitate the exchange of cryptocurrency in-person at ease without the third party based on Automated market makers (AMM).

## **Problem**

Today, most financial services are operated by banks. For example, by definition, investment is the use of capital to make more revenue. Investors use banks to put their money in tools generating interests or dividends to increase their assets. Problems with financial services are becoming increasingly apparent to everyone: complicated costs, slow transactions, delays in cross-border transactions and inaccessibility to some population segments. A multitude of fintech solutions have been introduced to ameliorate the system, but basically, the banking system is still under control, so fintech only brings limited improvements.

Cryptocurrency and Decentralized Finance (DeFi) offer a way to get started with a new system, overcoming difficulties encountered in changing the financial industry. While cryptocurrency has attracted billions of dollars in investment, centralized financial services are left behind. When it comes to investing in cryptocurrency, crypto investors can buy and sell, but that's all. Cryptocurrency cannot be invested in the same way as fiat money. Initial attempts to create peer-to-peer lending and asset encryption have so far proven to be only partial and unreliable, so investors have limited options when it comes to investing in their cryptocurrency. There is a huge potential to provide financial services with cryptocurrencies, the same way that they are provided with fiat currency.

## **Solution**

Definex has appeared as the perfect solution to help your trading cryptocurrency in person with ease without a third party based on the automated market makers protocol (AMM). By focusing on blockchain's function and dedicating it specifically to decentralized finance, Definex provides extremely high transaction throughput, reduced error risk, and developed exceptional intelligence to implement financial services on blockchain with an aim to provide crypto users with a selective set of decentralized finance (DeFi) applications.

## II. Background

Today's financial services provide a vital service, but at an exorbitant cost, and despite many fintech developments, there are still the following fundamental issues:

- High transaction costs. Due to regulatory requirements, legacy systems with complex interoperability issues and the controls of large organizations, high transaction fees for the average user of financial services, and banks. Services requiring a broker are even more prohibitively expensive, with the participation of agents and other intermediaries.
- Slow transactions, especially international transactions. Theoretically, although it only takes a few minutes for the computer to transact, transferring money from one institution to another can take hours within a country and can take several days between countries.
- Lack of transparency and unfair advantages for big players. Financial tools are complicated and most people do not have access to information that allows them to make optimal decisions. Lack of transparency was one of the main factors that led to the 2008 financial crisis, and in the short term, it always puts small investors (ordinary people) in jeopardy compared to institutional investors.
- Inaccessible and/or high cost for people with low incomes. Financial services are simply not available in some geographical locations, and in some cases, lower-income people have to afford even higher fees (as a percentage) than the average.

Although there are laws to prevent money laundering and related crimes, there is, in fact, little evidence that the existing system or AML is combating money laundering.

Fintech has been trying to address these issues, with some success to some extent. Fintech solutions, such as online international money transfer services, savings and investment apps, and mobile money for emerging markets, have begun to ameliorate the situation. However, this change is incremental and is still set up and based on a system that requires the expense of agents to provide confidence. Though it can reduce some costs, fintech is basically unable to solve the fundamental problems of lack of transparency since it is handling the same financial instruments and through major organizations like conventional finance.

For this reason, many investors have begun to turn their investments into cryptocurrencies. By definition, cryptocurrencies have full transparency that traditional systems cannot provide. Furthermore, the amount of administrative management and bureaucracy needed is very small. Most operations performed by agents can be coded in decentralized financial systems. As a

matter of fact, there are still some costs involved in creating and maintaining the code, as well as maintaining the network, but the amount of bureaucracy is minimal, eliminating most of the transaction costs on these systems.

Today, almost globally, crypto investors have only one way to monetize their capital: the proliferation of crypto assets. While in the short term it can be a good investment, that is not the way how currencies are designed to work. The capital investment will provide a return on investment, and the cryptocurrency is planned just like any other form of currency. Investors today want to have the capacity of lending, investing, and receiving profits from their crypto investments. Well-designed DeFi platforms will drive the proliferation of a variety of safe and secure financial instruments for crypto investments.

### **III. Definex - Foundation**

Looking at a practical example, decentralized trading platforms based on Ethereum, like EtherDelta or 0x, always use a traditional command-line interface. However, these platforms always face liquidity issues such as fuel consumption when placing order or time-waiting needed for block confirmation. Low throughput of Ethereum also limits the number of transactions received before the Blockchain hits an overload.

This is a problem for market makers - providers of liquidity through the order book. “Creating” a real market requires price flexibility, which is constantly changing. When an order takes money and time to execute, one can lose more than the bid-ask spread - the difference between the highest asking price and the lowest bid.

Realizing the flaws of the market, Definex was born as a DeFi solution for direct cryptocurrency exchange transactions without the need for a third party based on an automated market makers protocol (AMM).

With the adoption of AMM, providing liquidity becomes more economical and straightforward through a simple and fully automated process - as its name implies. Even casual users can perform the provision of liquidity much easier than traditional exchanges that may require more technical knowledge. This creates a dominant advantage for Definex to compete on market.

By applying state-of-the-art technologies, Definex promises to solve the biggest barrier that the process of bringing decentralized exchanges closer to the average user is facing: liquidity. When it is no longer a matter, the inherited benefits of a decentralized exchange come into play.

Unlike traditional centralized exchanges, Definex does not require users to create their own accounts or verify user identities. A wallet address is all we need to interact with protocols.

## IV. DSWAP Token

### DSWAP TOKEN - TOKEN ALLOCATION

DSWAP is the official core asset of Definex based on Ethereum, a total of 6.9 million DSWAP will be created and made available. DSWAP tokens are transparently allocated to 4 funds and frozen until the defrost is according to the schedule.



DEFINEX

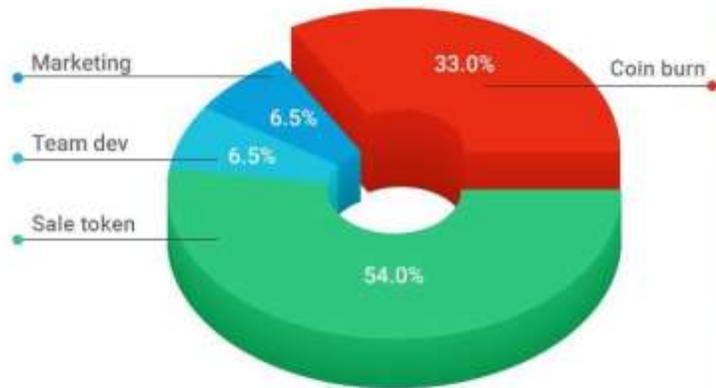
## 54% - DSWAP TOKEN SALE

A total of 54%, equivalent to 3,726M, will be sold to the community through 4 blocks or on January 22, 2021



# 33% - TOKEN BURN

Plan to remove the burning permanently 10 times, 227,700 DSWAP each time



Note: After each year will conduct the frozen token and burn 1 time, burned on January 1 every year for 6 years

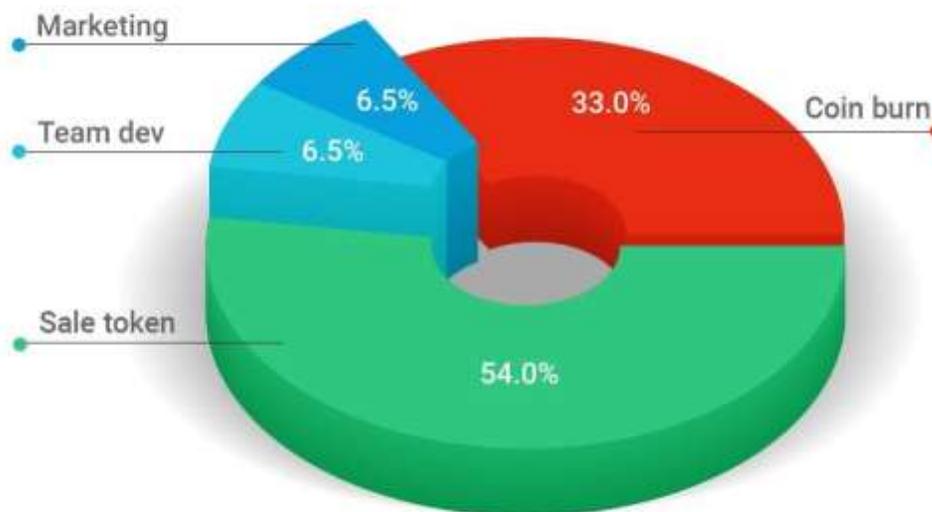
| BURN ROUND | TIME                        | NUMBER OF TOKENS WILL BE BURNED |              |
|------------|-----------------------------|---------------------------------|--------------|
| Round 1    | After round 1 of token sale | 10%                             | 227.7K token |
| Round 2    | After round 2 of token sale | 10%                             | 227.7K token |
| Round 3    | After round 3 of token sale | 10%                             | 227.7K token |
| Round 4    | After round 4 of token sale | 10%                             | 227.7K token |

## 13% - TEAM DEV + MARKETING

Total 6.5% ~ 448K tokens are reserved for the development team and Dev.

However, this amount of coin is frozen and disbursed 20% / year.

The remaining 6.5% ~ 448K tokens are for Marketing, including: The plan to list on exchanges (Coinbene, Binance, Uniswap, Coinmarketcap...); media plans, events ...





## TOKEN SALE DETAILS

- Accepted currencies: ETH, USDT
- The minimum purchase is \$100
- The maximum purchase is \$5000
- Token distribution: Purchased tokens will be locked and unlocked daily at the rate of 1% of the total remaining tokens.



Definex also committed to having no more than 6.9 million tokens in circulation unless there were limit change votes from the administrators. Hence, DSWAP token is a deflationary token. A total of 10 million tokens will be permanently burned after the token sale rounds are completed. This will allow the supply of DSWAP to continuously decrease and increase the scarcity.

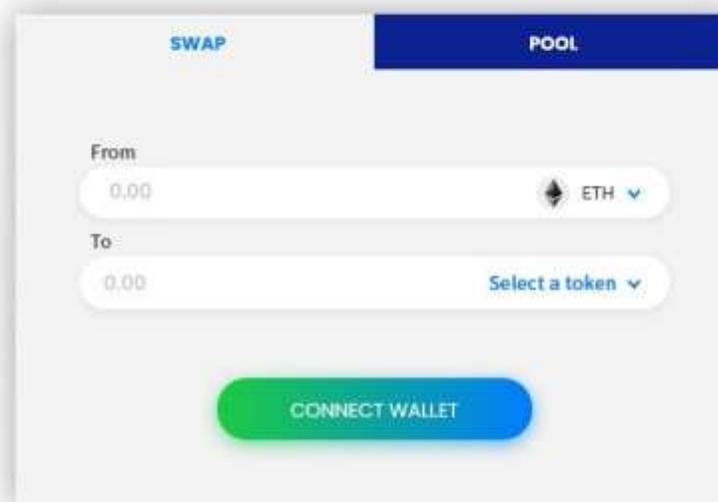
## V. Technology

### 1. DFSwap.io (Be launched in October 2020)

#### DFSWAP.IO 2020 Oct

DFSwap is a swapping platform for ERC tokens base on AMM protocol (Automated market maker). This is different from centralized exchanges where liquidity is defined by traditional limit order-books. DFSwap allows ERC token to be traded by an algorithm instead of order-book, and automatically swapped against the pool's latest price.

DFSwap is executed directly from client's personal wallet after connecting to the system, instead of registering an account and trusting trading assets like on centralized exchanges. In addition, DFSwap allows users to actively create liquidity groups as well as list coins according to their purposes of use.



The screenshot displays the DFSwap.io interface. At the top, there are two tabs: 'SWAP' (highlighted in blue) and 'POOL'. Below the tabs, there are two input fields: 'From' and 'To'. The 'From' field contains the value '0.00' and a dropdown menu showing 'ETH'. The 'To' field contains the value '0.00' and a dropdown menu with the text 'Select a token'. Below these fields is a prominent green button labeled 'CONNECT WALLET'.



AMM Automated Market Makers Protocol

Automated Market Makers (AMM) are used in the DeFi space to describe a protocol or application that utilizes a mathematical function to determine the price of an asset and then facilitates the exchange of two or more assets. The most typical example of AMM is Uniswap, a decentralized exchange (DEX) that uses the constant function  $x * y = k$  to perform token swaps.

Since Bancor introduced AMM on-chain in 2017, there have been a number of notable improvements in various aspects of AMM:

- Uniswap (2018): The first AMM reached significant volume and drove the AMM trend in DeFi. Uniswap achieved this due to its simplicity.
- Curve (2019): The first AMM is optimized for stable baskets of assets.
- Balancer (2020): The first AMM that allows creators of liquidity groups to customize weights between two or more assets in a single group.
- Bancor V2 (2020): AMM first introduced dynamic weights to liquidity groups by identifying losses of Bancor LP to minimize irregular losses. Bancor also allows you to provide only one side of liquidity for the group.
- Blackholeswap (2020): AMM can first process transactions exceeding its existing liquidity by exploiting excess supply on Compound or other lending protocols.

Definex is an automated market maker that allows crypto users to deposit their assets into a shared group, thus allowing them to earn transaction fees from this pool.

## **DFSwap.io**

DFSwap is an instant swap platform for ERC tokens based on the AMM (automated market makers) protocol. The platform differs from centralized exchanges where liquidity, buy-sell prices, and token conversion times are determined by traditional orders. DFSwap allows ERC tokens to be converted using an algorithm instead of an order book, and automatic purchase with the latest price in the liquidity pool.

DFSwap is executed directly from the client's personal wallet after connecting to the system, instead of registering an account and trusting trading assets like on centralized exchanges. In addition, DFSwap allows users to actively create liquidity groups as well as list coins according to their usage purposes.

## 2. DefinexAI (Be released in January 2021)

### DEFINEXAI 2021 Jan

DefinexAI is a liquidity aggregation platform and connects DEX exchanges, allowing users to trade tokens across many different decentralized exchanges in the same real time to execute transactions at best prices. DefinexAI uses AI artificial intelligence to help Trader users on multiple DEX exchanges at the same time make transactions.

SIMPLE - SAFE - FAST - LOWER COST



DefinexAI is a liquidity aggregation platform and connects DEX platforms, allowing users to trade tokens through different decentralized exchanges at the best price. DefinexAI uses AI to help Trader users on multiple DEX platforms at the same time of making transactions "simpler, safer, faster, and with lower costs".



### **3. The Ethereum network**

Ethereum is a Blockchain-Based Distributed Computing Platform through the use of smart contract function (Smart Contract).

Ethereum can perform peer-to-peer transactions and contracts through a cryptocurrency unit called Ether (ETH).

Not only that, they are also evaluated as a useful application platform and create their own distributed financial ecosystem.

Ethereum was introduced in late 2013 by Vitalik Buterin, with the desire to create a coin to overcome Bitcoin's downsides.

Definex ecosystem has developed Dswap - an Ethereum network swap token based on the AMM protocol. Dswap is a cryptocurrency generated to minimize the impact of price fluctuations.

### **4. Tron Network**

TRON is a decentralized protocol based on blockchain.

TRON Foundation was founded in September 2017 by the current Executive Director, Justin Sun.

TRON mainnet was launched in June 2018.

TRON actively supports Dapps developers and implements smart contracts (Smart Contract).

TRON's Blockchain platform can expand on a larger scale as it is Public Blockchain.

## **What is Public Blockchain?**

Public Blockchain (open Blockchain) has no accessibility restrictions.

Anyone with an Internet connection can send transactions, as well as become a validator.

This means that they can participate in the consensus protocol implementation.

Definex takes advantage of Tron network to introduce Tswap - Tron network token based on the AMM protocol.

## **TSwap (Be released February 2021)**

TSwap is similar to the DFSwap platform, providing automatic liquidity for tokens on Tron network. High transaction fee is one of the limitations of the Ethereum network in token exchange transactions, Tron is growing rapidly with its ability to execute transactions quickly along with reasonable fees. TSwap of Definex ecosystem allows customers to connect and swap tokens on Tron network from personal wallets, as well as actively create liquidity groups and list coins according to their purposes.

## VI. Plans and milestones

# ROADMAP



## **VII. A Glimpse into the Future**

The construction of a trading platform called Definex based DEFI Blockchain is beneficial not only for some regions of the world but also for all regions that need decentralized finance.

In addition to accompanying the traditional exchanges, our project fosters the ambition of expanding the provision of the best products and services to customers.

It can be affirmed that Definex aims to optimize the payment system and make it easy to use for users while still keeping up with the proliferation of technology. Definex is proud to be a well-established platform with high barriers to entry.

Our vision is to improve global monetary freedom. By spreading this message, we believe that we can dramatically improve people's living standards around the world.

**DEFINEX - the gateway to decentralized finance!**

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