RAMP DEFI

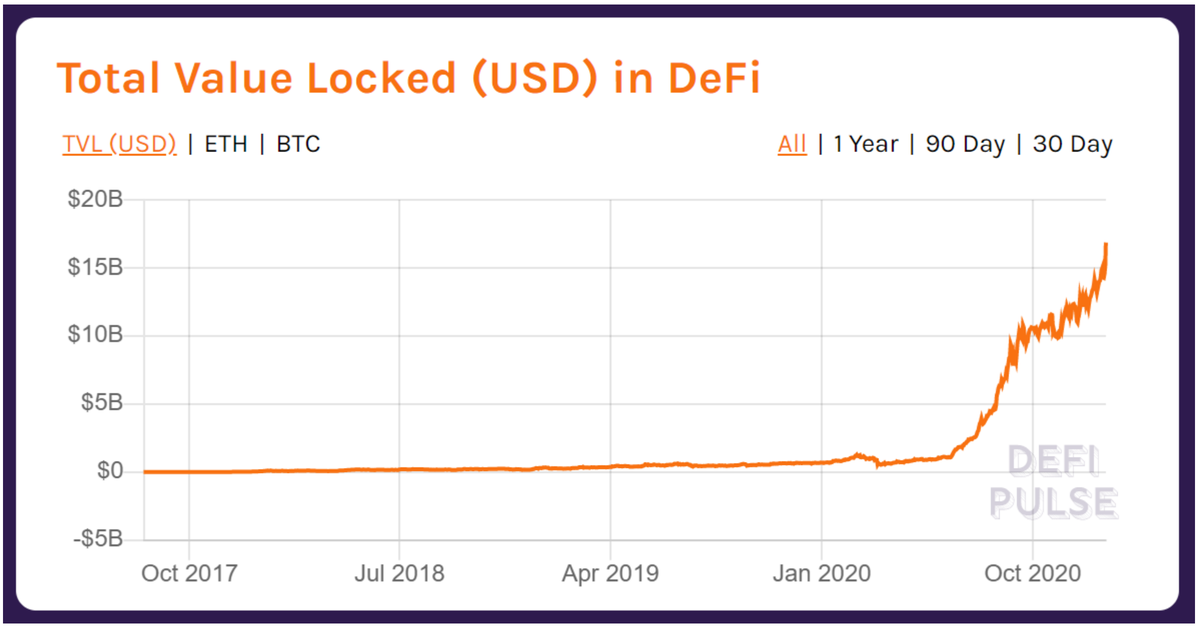
Unlock Liquid Capital from Your Staked Digital Assets

A Litepaper

(Updated 4 Jan 2021)

Executive Summary

The growth of the decentralized finance (DeFi) ecosystem in 2020 has been explosive, despite DeFi being an almost unknown concept in 2019. According to data from DeFi Pulse, while it took over two years for DeFi deposits to reach USD1 billion in Total Locked Value (TVL) as of Q1 2020, it took just a year for DeFi TVL to spike from ~USD1 billion to almost USD17 billion (~17x increase).



DefiPulse snapshot as of 3 Jan 2021.

The continued launches of innovative products with attractive returns in the DeFi ecosystem are expected to sustain DeFi's exponential rise, with more and more market players observing with increasing clarity that the DeFi market, dubbed as the "Internet of Money", is poised at the brink of an unprecedented bull run.

While this growth of DeFi on the Ethereum network is extremely exciting, a large group of users have been unable to participate effectively, or even been excluded, from Ethereum-based DeFi participation. These users are users who have capital invested into digital assets outside of the Ethereum ecosystem (non-ERC20 digital assets), and are either awaiting capital gains on this investment portfolio, or have these assets staked within the respective staking ecosystems. Staking typically generates 5-10% return on fluctuating asset values, which means that the capital productivity is low, and opportunity costs can become high when more attractive yield opportunities are available in the market.

Should these users wish to participate in DeFi yield opportunities without injecting additional fresh capital, they need to exit their existing positions, and sell their portfolio into widely-adopted ERC20 stablecoins such as USDT or USDC. This is sub-optimal, as these users can no longer participate in any future capital gains or the staking rewards that may accrue to their staking portfolio.

RAMP DEFI proposes that the staked capital on the non-ERC20 staking blockchains be collateralized into rUSD, a stablecoin which is issued on the Ethereum blockchain. rUSD therefore represents collateralized staked liquidity.

rUSD holders can borrow, lend or exchange rUSD for other stablecoins such as USDT or USDC freely within the DeFi ecosystem, creating a seamless liquidity "on/off ramp" for users with capital locked into staking arrangements on various blockchains.

The benefits for a rUSD holder are multi-fold:

(i) Unlock staked capital as liquidity for deployment into trading or investment opportunities without needing to inject more capital;
(ii) Retain majority of staking rewards on their staked portfolio;
(iii) Retain the potential for capital appreciation of their collateralized portfolio; and
(iv) Farming of RAMP token by committing their digital assets as rUSD collateral.

The available entire global market cap for Proof-of-Stake (PoS) staking as of 3 January 2021 is over USD156 billion (data source: StakingRewards.com), almost 10 times larger than the entire DeFi TVL.

If we assume the unlocking of just 1% of this value as rUSD, the implied TVL of ~USD1.5 billion will propel RAMP DEFI into the top 5 DeFi platforms globally by assets under management. The current market leader is MakerDAO with ~USD3.5 billion of value locked (representing ~21% of the global DeFi TVL) as of 3 January 2021.

The RAMP token is meticulously designed with a range of utility functions to power the RAMP ecosystem, centred around the staking of RAMP tokens, where users can receive a range of incentives including:

(i) Token buyback and burn using the fees generated;
(ii) Governance and voting rights of the protocol;
(iii) Multiplier effect on RAMP token farming efficiency; and
(iv) Regular distributions from the fees generated (future).

The value of the RAMP ecosystem is expected to increase along with:

1) growth in rUSD issuance;
2) growth in DeFi protocols using rUSD;
3) growth in the fees generated;
4) growth in RAMP token staking; and
5) growth in yield farming and governance participation.

1. Unlock Liquid Capital from Your Staked Digital Assets

1.1 The Problem

DeFi innovation is largely happening on Ethereum, underpinned by the major lending and borrowing platforms such as Compound and Aave, and to a large extent, powered by widely-adopted stablecoins such as USDT or USDC.

This means that DeFi participants typically need a pool of stablecoin capital on the Ethereum network to participate in “yield farming”, which arises from one or more of the following activities: (i) interest generated from lending and borrowing activities; (ii) provision of deposits into liquidity pools; and (iii) farming of DeFi project tokens.

While this growth of DeFi on the Ethereum network is extremely exciting, a large group of users have been unable to participate effectively, or even been excluded, from Ethereum-based DeFi participation. These users are users who have capital invested into digital assets outside of the Ethereum ecosystem (non-ERC20 digital assets), and are either anticipating capital gains on this portfolio, or have these assets staked into the respective staking ecosystems.

Should these users wish to participate in DeFi without injecting additional fresh capital, they need to exit their existing positions, and swap into widely-adopted ERC20 stablecoins (i.e. USDT / USDC). This is sub-optimal, as these users can no longer participate in any future capital gains or the staking rewards that may accrue to their staking portfolio.

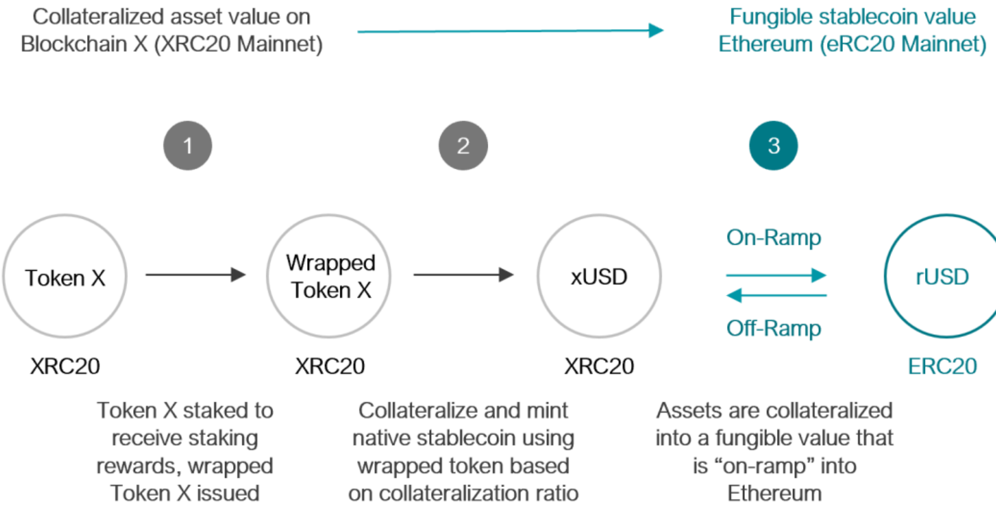
1.2 The RAMP Solution

1.2.1 Liquidity On/Off-Ramp Design

RAMP DEFI proposes that the staked capital on the various non-ERC20 staking blockchains be collateralized into a stablecoin, “rUSD”, which is issued on the Ethereum blockchain via a gateway bridge.

By lending/borrowing, bootstrapping stablecoin liquidity and integrating with other DeFi solutions, rUSD holders can either deploy their rUSD into yield opportunities to generate higher alpha on their assets, or swap into USDT / USDC freely, creating a seamless capital “on/off ramp” for users with capital locked into staking arrangements.

Staked Capital to Liquid Capital (On-Ramp) Process



The above is an illustration for a generic blockchain – Blockchain “X”, which operates on its native “XRC20” mainnet powered by its native token, “Token X”. For each blockchain that is integrated, a RAMP staking node and smart contract on the native (non-ERC20) blockchain is set up to accept and manage the assets.

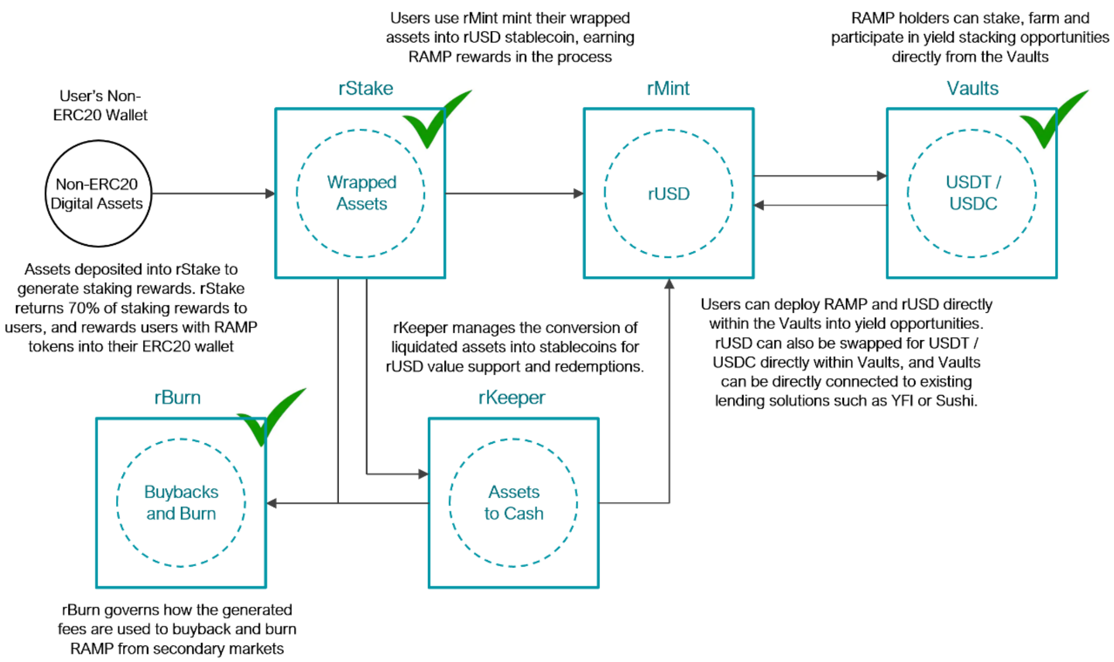
The creation of a native collateralized stablecoin, xUSD, is done within the native network, after which this stablecoin is then swapped into ERC20 rUSD using a cross-chain bridge. rUSD can then be deployed into yield opportunities on farming protocols, or be swapped directly with USDT / USDC using decentralized liquidity pools.

2. Ecosystem Vision

2.1 Products Powering the RAMP Ecosystem

RAMP DEFI focuses on developing a suite of products which shall act as the "building blocks" to power the RAMP ecosystem and cross-chain value accretion.

As the DeFi ecosystem has matured substantially, the RAMP ecosystem is able to develop composable synergies with numerous existing projects and solutions that allow RAMP to participate and scale together with the broad DeFi industry.



2.1.1 rStake (launched in 2020, with new protocol integrations in 2021)

rStake takes in non-ERC20 digital assets as collateral and mints a wrapped token against these assets received in as deposits. The wrapped tokens are therefore, representations of ownership for the underlying real assets.

rStake is an aggregator of staking nodes on the participating non-ERC20 blockchains, and returns 70% of the staking rewards received back to the user. rStake also incentivizes users to deposit their assets by rewarding users on participating blockchains with RAMP tokens into their ERC20 wallets. At the same time, rStake generates fees for the RAMP ecosystem based on the staking rewards received.

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2.1.2 rMint (launching in Q1 2021 alongside rTreasury)

rMint takes in the wrapped tokens as collateral and mints a native stablecoin against this collateral with a safe liquidation buffer. The native stablecoin is then bridged over to Ethereum as rUSD, a fungible stablecoin that can be deployed into yield farming strategies, or exchanged for USDT / USDC through borrowing or liquidity pool swaps.

2.1.3 Vaults (launched in 2020, with new Vaults and existing Vault upgrades in 2021)

Vaults is the products platform for RAMP and rUSD deployment and utility. Going forward, Vaults shall support the following functions, including and not limited to:

- Staking and liquidity provision rewards for RAMP and rUSD holders;
- Liquidity pools for RAMP, rUSD, USDT, USDC trading;
- Yield products that support RAMP or rUSD to power yield stacking;
- Financial derivatives utilizing RAMP and rUSD as the core assets.

2.1.4 rKeeper (launching in Q1 2021 alongside rMint)

rKeeper manages the conversion of liquidated assets into stablecoins for rUSD value support and redemptions. rKeeper captures the value of liquidated assets into USDT / USDC at the equivalent rUSD originally minted.

The repurchase of rUSD by rKeeper will only take place when rUSD is less than 1:1 with USDT / USDC, and focuses on creating stability and base support for rUSD value.

2.1.5 rBurn (launched in 2020, with product upgrades in Q1 2021)

Following feedback from our community, the fees generated by rStake are used to buyback and burn RAMP, thereby removing RAMP tokens from circulation. rBurn is designed as a “smart burn” mechanism that provides value support and currently operates on the following parameters:

- Fees generated are exchanged into USDT and funded into buyback wallet address at a frequency of: (i) once every 7 days, or (ii) when USDT accumulation reaches $5,000, whichever earlier.
- rBurn executes RAMP repurchase on Uniswap and send RAMP into burn wallet.
- In choosing execution timing, rBurn maintains an adjustable Support Level, and only executes the repurchase if: (i) RAMP price is below the Support Level, or (ii) RAMP price stays above Support Level for 72 hours following buyback funding, whichever earlier.

2.2 Economic Design and Core Design Principles

RAMP DEFI build upon some of the core design principles of DeFi projects, while at the same, introduces several new and improved mechanisms to drive platform growth.

In particular, RAMP DEFI focuses on the development of virtuous economic cycles that:

(i) Accumulate increasing value within the ecosystem over time;
(ii) Net deflationary tokenomics to reduce token supply;
(iii) Attract the inflow of value by incentivizing value participation;
(iv) Grow value distribution proportionately with value inflows;
(v) Slow down the circulation speed of RAMP token; and
(vi) Scale up exponentially with the addition of new staking ecosystems.

2.2.1 Community Governance

RAMP token holders are the decision makers for RAMP DEFI. The community can raise change proposals and shape the direction of RAMP DEFI as the project progresses.

The governance model envisioned is similar to corporate governance structure, where the RAMP project team act as the operating directors to execute the business roadmap, and the community provide directives on the company's vision through raising CPs.

2.2.2 Deflation Through Secondary Market Buybacks and Burns

Following community feedback, the rBurn product has been activated to power the repurchase and burn of RAMP tokens on Uniswap. rBurn is expected to receive an upgrade to execute multi-exchange executions at the best prices, instead of only on Uniswap, in Q1 2021. By executing across multiple exchanges, this will prevent bots from front running our buybacks when the buyback wallet is funded.

RAMP tokens repurchased and burned are sent to the following wallet address: 0x0000000000000000000000000000000000000001

2.2.3 Efficient Liquidation Execution

One major risk management concern is how to ensure that there is no domino effect on token secondary market prices should there be a black swan event. RAMP liquidation mechanism is unique in that rTreasury acts, on behalf of all RAMP token holders, as the immediate OTC buyer of all liquidated assets.

Through this mechanism, the rUSD fundamental value is retained and fees arising from liquidation are deployed back into rBurn to repurchase RAMP from the secondary markets and burned.

Selling liquidated assets to rTreasury creates a transparent and efficient liquidation execution process with lower liquidation costs compared to other protocols.

2.2.4 USD Peg Stability

rUSD stability peg to fiat-back stablecoins is maintained through a dual-support mechanism using (i) supply-and-demand arbitrage and (ii) a funds treasury.

If the price of rUSD materially increases above the USD peg, users can collateralize their holdings into rUSD and sell down rUSD on the open market for a profit. This moves rUSD price back to USD parity.

If the price of rUSD materially decreases below the USD peg, users can buy back rUSD at a discount and exit their collateralized positions at a profit. This moves rUSD price back to USD parity.

Funds from liquidation, which is held in rTreasury, are only deployed to buyback and burn rUSD when it drops below the USD peg.

2.2.5 Vaults To Power RAMP and rUSD Liquidity

As products get launched and the ecosystem matures, we expect the following Vaults to power the growth of the RAMP ecosystem, with other strategic Vault options to be added as the ecosystem develops:

- RAMP-ETH liquidity farming to increase trading liquidity on Uniswap;
- RAMP staking where users can stake RAMP to receive RAMP;
- rUSD-RAMP liquidity pool to bootstrap rUSD minting and liquidity;
- rUSD-USDT-USDC liquidity pool to bootstrap liquidity with fiat-backed stablecoins;
- rUSD to USDT and USDC borrowing vaults.

2.2.6 The Concept of Total Value Unlocked (TVU)

Many DeFi solutions that seek to lock up liquidity and measure business success by Total Value Locked (TVL). This means that within the Ethereum network, all these different solutions are competing for the same dollar.

RAMP DEFI focuses on unlocking liquidity from staked assets to benefit the broad crypto ecosystem, which represents a “blue ocean” in the DeFi space. As a pioneer in driving this liquidity extraction, RAMP DEFI measures its success by Total Value Unlocked (TVU), which tracks the liquidity RAMP is adding to the global decentralized finance economy.

RAMP’s liquidity unlocking solution addresses a global staking market cap of USD156 billion in size and possibilities. As a pioneer in unlocking staked liquidity, we look forward to users from all over the world participating with us in the RAMP growth journey.

3. Token Utility and Value Accretion Model

3.1 RAMP Token to Power the RAMP Ecosystem

The RAMP token ("RAMP") is issued by RAMP DEFI as utility token powering ecosystem value and aligning the interests of all ecosystem participants.

3.1.1 RAMP Token Staking

Staking of the RAMP token is an important mechanism within the RAMP ecosystem. It confers substantial benefits to users who stake their RAMP tokens, including: (i) value distribution from the rPool; (ii) governance rights; and (iii) increased farming efficiency.

3.1.2 Deflationary Token Burn

Fees generated are sent to rBurn, which powers the buyback and burn of RAMP tokens to create a deflationary mechanism.

3.1.3 Collateral Asset

RAMP shall be used as a collateral asset in the minting of rUSD, alongside selected large cap DeFi tokens.

3.1.4 Stake for Regular Value Distributions

Users who stake RAMP token is eligible for rewards from the weekly rPool distributions.

3.1.5 Stake for Ecosystem Governance

RAMP holders holding 500,000 RAMP shall be eligible to raise a Change Proposal ("CP"). RAMP holders can cast their votes for each CP by staking, and the RAMP staked for raising CPs and casting votes are returned 15 days after the end of each CP voting round.

Each CP is subject to a quorum requirement to be passed. The full governance structure and details shall be released at a later stage.

3.1.6 Stake to Increase Farming Efficiency

The RAMP token, when staked, empowers ecosystem participants engaged in liquidity farming in the RAMP ecosystem with greater farming efficiency through a "Farming Power" mechanism. The yield farming model on RAMP works as below:

$$Farming\ Power = Liquidity\ Provided * (1 + \frac{No.of\ RAMP\ tokens\ staked}{Total\ RAMP\ tokens\ staked})$$

$$\%\ of\ RAMP\ Farmed\ by\ User\ Per\ Block = \frac{User's\ Farming\ Power}{Total\ Farming\ Power}$$

3.1.7 Marketing and Development Programs

Marketers receive RAMP tokens as referral rewards for bringing in new participants or assets under management into the RAMP ecosystem, and developers receive RAMP tokens as development rewards for assisting in product and technical development (such as integration bridges with new blockchain ecosystems).

3.1.8 Drivers of Token Utility

RAMP is designed as a utility and governance token, and functions as such with no characteristics of a security nor any promised forms of returns.

The utility of RAMP is expected to increase along with:

1) growth in rUSD issuance;
2) growth in DeFi protocols using rUSD;
3) growth in the fees generated;
4) growth in RAMP token staking; and
5) growth in yield farming and governance participation.

4. Project Roadmap

4.1 Commercial and Product Development Timeline

2020 (Completed)

- Cross-chain derivatives DeFi protocol conceptualized.
- Market research of DeFi ecosystem completed.
- Solution design for cross-chain liquidity bridges completed.
- Non-ERC20 blockchain staking research completed.
- Liquid staking designs completed.
- Feasibility research on technology stack completed.
- DeFi competitors research completed.
- Tokenomics and whitepaper completed.
- Private and public token sales completed.
- rStake development for three blockchains completed.
- RAMP Genesis Vaults launched and running smoothly.
- rBurn launched and running smoothly.

Q1 2021

- Launch of RAMP Ignite! 2021 master plan.
- Marketing partnerships with content creators.
- wRAMP development.
- rMint development.
- rUSD liquidity mining programs.
- New protocol integrations.
- RAMP Alliance.
- RAMP Vaults.
- RAMP Community Products.
- Bug Bounty Program.

Q2 2021

- RAMP governance structure.
- Decentralization of RAMP governance.

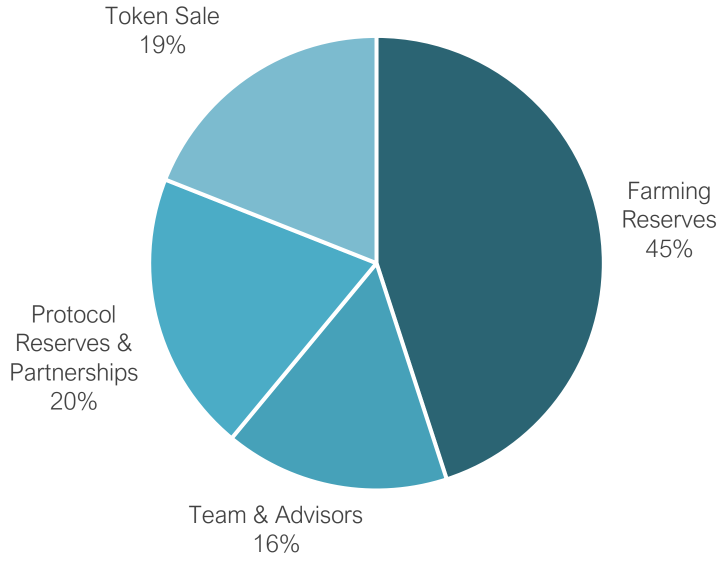
Q3 2021

- On-board new assets under management and blockchain ecosystems.

5. Token Allocation and Sale Details

5.1 RAMP Supply Allocation

RAMP total token supply shall be 1,000,000,000 (the “Total Supply”). The Total Supply is allocated as follow:



RAMP total token supply shall be reduced over time following buybacks and burns arising from rBurn.

Disclaimer

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Risks Disclosures

The risks described below, and or other additional risks presently regarded to be immaterial actually materialise, the commercial viability of RAMP and its features and services may be materially and adversely affected and could result in the destruction of RAMP tokens and/or the termination of the development or operation of the RAMP and its features and services.

1. RAMP and its associated ecosystem solutions are under development and may undergo significant changes before they are released or implemented. While the Company intends for RAMP and its associated ecosystem solutions to function as described in this Whitepaper, the Company may have to make changes to various features or specifications of RAMP or its associated ecosystem solutions. During the course of development, the Company may also run into difficulties including financial, resourcing or technical difficulties. This may create the risk that RAMP or its associated ecosystem solutions may not meet the expectations users may have and this may adversely impact RAMP, its associated ecosystem solutions and the potential utility of RAMP.

2. While RAMP has a vision of making the RAMP solution fully autonomous with community decision making using transparent and fair governance processes, in order to increase development speed and react faster to environmental challenges, many initial decisions will be made in a centralized manner. This includes decisions about token listings, protocol variable adjustments, use of funds, use of tokens and industry partnerships.

3. The products and services that are offered by third parties through RAMP may be subject to applicable laws and regulation in the relevant jurisdictions and may create the risk of infringing such laws and regulations. This may negatively impact RAMP, its associated ecosystem solutions and the potential utility of RAMP.

4. The sale and creation of RAMP and the development of its associated ecosystem solutions may fail, be abandoned or be delayed for a number of reasons, including lack of interest from the public, lack of funding, or lack of commercial success or prospects (e.g. caused by competing projects).

5. RAMP, the sale of RAMP and/or its associated ecosystem solutions are based on blockchain technology which is still in a relatively early development stage. RAMP is intended to represent a new capability on emerging technology that is not fully proven in use. Any malfunction, flaws, breakdown or abandonment of the underlying blockchain technologies used by RAMP may have a material adverse effect on RAMP, the sale of RAMP and/or its associated ecosystem solutions. As the technology matures, new capabilities may dramatically alter the usefulness of RAMP or the ability to use or sell them. The functionality of RAMP is complex, will require enhancements and product support over time, and full functionality may take longer than expected. The full functionality of RAMP is not yet complete and no assurance can be provided of such completion.

6. It is possible that certain jurisdictions will apply existing regulations on, or introduce new regulations addressing, blockchain technology, which may be contrary to RAMP and/or its associated ecosystem solutions and which may, inter alia, result in substantial modifications of the overall ecosystem strategy relating to RAMP and/or its associated ecosystem solutions, including termination and the loss of RAMP.

7. The tax treatment and accounting of RAMP is uncertain and may vary amongst jurisdictions. You must seek independent tax advice in connection with purchasing RAMP, which has the possibility of resulting in adverse tax consequences.

8. The value of tokens or cryptocurrencies may fluctuate significantly over a short period of time as a result of various factors including market dynamics, regulatory changes, technical advancements, and economic and political factors. Due to such volatility, the Company may not be able to fund development of RAMP and/or its associated ecosystem solutions, or may not be able to maintain RAMP in the manner that it intended.

9. It is possible, due to any number of reasons including, but not limited to, an unfavourable fluctuation in the broad cryptographic token market, decrease in RAMP utility, the failure of commercial relationships, or intellectual property ownership challenges, that the RAMP may no longer be viable to operate and the Company may dissolve or be wound up or face an uncertain or changing regulatory regime.

10. Cryptographic tokens such as RAMP are a new and relatively untested technology. In addition to the risks noted above, there are other risks associated with your purchase, holding and use of the RAMP that the Company cannot anticipate. Such risks may further materialise as unanticipated variations or combinations of the risks set out above.