



Decash.co

White Paper v 1.0

CONNECTING DEFI WITH TRADITIONAL ECONOMY

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Decash

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In 2008, the pseudonym Satoshi Nakamoto created “a Peer-to-Peer Electronic Cash System” that would allow online payments to be sent directly from one party to another without going through a financial intermediary. It was the first peer-to-peer network to come into existence and Bitcoin emerged as the first use case of the blockchain.

Following Bitcoin’s success, many other cryptocurrencies, called altcoins, came into existence. Some were focused on privacy, some had faster transactions and simpler accessibility, while others were powered by smart contracts, such as Ethereum.

Fast forward to 2020 and despite the constant innovation in the cryptocurrency space, we still lack the means to seamlessly connect traditional finance with crypto. This gap, with cryptocurrencies limiting their inclusiveness to the blockchain space, does not allow for mass adoption and global integration.

The total stock market value is equivalent to \$70.75 trillion, or 275 times the market capitalization of the whole cryptocurrency market. This value cannot flow into cryptocurrencies unless a reliable and secure connection is developed.

Accordingly, being able to develop blockchain technology that links the stock market to crypto will allow us to take advantage of the intrinsic value of both: that of the stock market and that of the crypto market.

That’s how we got the idea to create Decash.

Decash token

Decash is the first cryptocurrency that can connect the world of traditional finance to that of decentralized finance. Users can invest Decash in the Investigo fund, which regroups stocks and cryptos thanks to its underlying technology, called "HedgeTech."

Decash is a cryptocurrency in the Ethereum network. It's used for distributive purposes, which means that HedgeTech is not included directly in the Decash contract. However, you must use Decash to benefit from it.

HedgeTech

HedgeTech is the mechanism that is made when someone hedges their tokens. It allows users to benefit from the performance of the Investigo fund and Decash simultaneously. When a user hedges their Decash, the total value of it goes into the Investigo fund and will increase proportionally if the price of Decash increases and vice versa.

Example:

User A hedges 100 DECH at \$1 per DECH in the Investigo fund. They now have \$100 invested. If the price of DECH goes up to \$2, they now have \$200 invested.

Hedge your DECH with your Decash account

When Decash is hedged, it is invested in the Investigo fund. To do this, you must create a Decash account and send your Decash to the account wallet. You will then have an option to "hedge" your Decash.

Liquidity pool of Investigo

When User A hedges DECH, it will be placed in the liquidity pool of the Investigo fund. The equivalent liquidity of the hedged DECH by User A will be pulled from Uniswap at the current Uniswap price. The Investigo pool has two sides: one for the hedged DECH and another for the USD (ETH partially converted into USD).

Example:

Investigo fund pool: 1,000 hedged DECH = \$2,000

Income distribution to people who hedge their decash tokens

When the investment fund goes up, 85% of the performance is redistributed in Decash to people who have hedged their Decash.

The mathematical formula for distributing earnings (DE) to the client is as follows:

$DE = (\text{total investment in USD in the fund} * \text{DECH tokens of User A}) / \text{total DECH tokens in the fund} - 15\% \text{ of the profits of the fund (for Decash buybacks)}$

Performance of the Investigo fund

The formula for calculating the performance of the fund (PF) is as follows:

$PF = \text{total value of the fund} - \text{initial value of the fund} = \text{performance}$

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Calculate the fund share (FS) that a client has in the Investigo fund (in percentage)

$FS = \text{number of hedged Decash the client has} * 100 / \text{total number of Decash in the liquidity pool}$

Example:

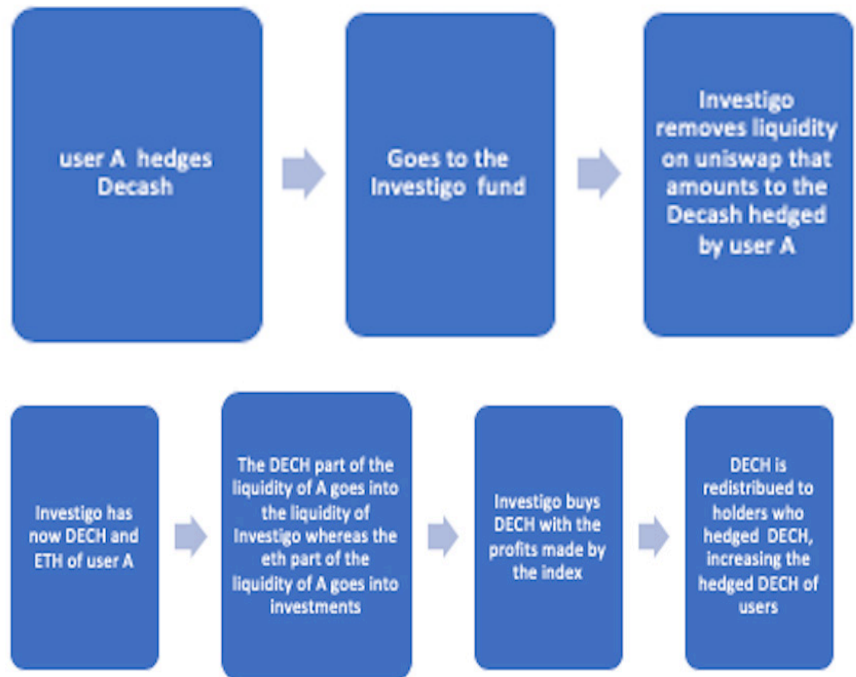
Liquidity in the Investigo fund is as follows: 1,000

DECH = \$1,000

User A has 200 DECH, which means that they have 20% of the fund share.

HedgeTech mechanism illustration

When User A Hedges:



When User A unHedges



Formula (HD) that allows the system to give all the hedged DECH to the client when they decide to unhedge:

Amount of Decash the fund can give = (number of User A's tokens * USD in Investigo pool / total number of Decash in Investigo pool)

Following this, two options may arise

The average price of DECH in the fund is below the price of the Decash on Uniswap

Example:

The fund shows 9,000 hedged DECH = \$9,000 invested. If we follow the rule, the price of Decash should be at \$1, but on Uniswap, the price of DECH is at \$1.20.

User A unhedges their 900 DECH (10% of the fund's liquidity).

The fund adds DECH for \$900 to the Uniswap pool.

However, \$900 equals 750 DECH on Uniswap. There is 150 DECH missing that needs to be added to the Uniswap pool.

Stabilizer Wallet

Stabilizer wallet will then add the missing DECH tokens to the Uniswap pool.
The average price of the hedged Decash (on the fund) is above the price of DECH on Uniswap

Example:

The fund shows 9,000 hedged DECH = \$9,000 invested. According to the formula, the price of Decash is at \$1, but on Uniswap, the price of DECH is at \$0.50.

User A unhedges their 900 DECH (10% of the fund's liquidity).

The fund adds DECH for \$900 to the Uniswap pool.

However, \$900 equals 1,800 DECH on Uniswap. There are 900 extra DECH.

This extra DECH will be given to the stabilizer wallet.

Locking period when unhedging your tokens

When User A unhedges their Decash, they have a 3-day locking period before the Decash is given to them. This locking period is necessary to withdraw the funds from institutional brokers.

User A won't be affected by the performance of the index fund.

Example:

If User A unhedges their DECH on May 25th, it is given on May 28th.

Maximum liquidity capacity of the fund

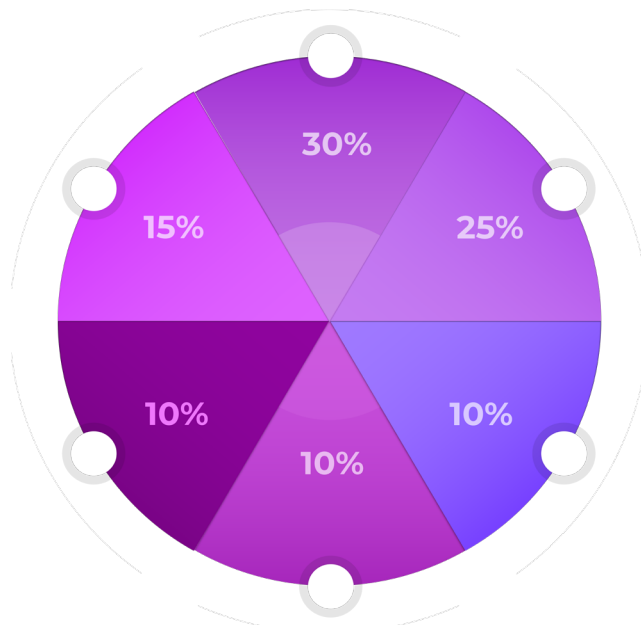
The total liquidity of the fund is correlated to the liquidity of the Decash ecosystem (liquidity on Uniswap for now).

As of now, the fund can reach 20% of the total liquidity on Uniswap. Once it reaches that level, you can't hedge more DECH tokens. The liquidity on Uniswap will be locked by 80%.

We do that to prevent a large group of people from hedging their Decash because it can affect the liquidity pool of DECH on Uniswap.

Tokenomics

Total Supply (TS):
50,000,000 DECH
Circulating Supply (CS):
25,000,000 DECH



Uniswap supply – 30% (included in the circulating supply)

(15,000,000 DECH) will be on Uniswap for trading.

Decash organization – 25% (not included in circulating supply)

This wallet will be used to invest in the Decash infrastructure and recruit new people to the team that can bring their skillsets in different fields. It will also be used to create compensation plans for new financial DApps that will be made by the community. Every compensation plan needs to be voted on by the community. The supply of this wallet will be gradually burned. It will start with (12,500,000 DECH).

Founders – 15% (not included in the circulating supply)

We can only sell a maximum of 10% of our holdings per month. Total amount: (7,500,000 DECH)

Decash customer holdings – 10% (included in the circulating supply)

It's the wallet that keeps all the holdings of our own Decash customers (5,000,000 DECH).

Strategic partners – 10% (included in the circulating supply)

These tokens are reserved for our strategic partners who have enabled this project and are helping us launch our platform (5,000,000 DECH).

Stabilizer Wallet – 10% (not included in the circulating supply)

It is a wallet that is used to balance the price of the "hedged" Decash in the fund so that it is the same as the normal price of Decash (in Uniswap). To achieve this, the stabilizer will buy and sell Decash whenever the price of the hedged Decash is above or below the Uniswap price (5,000,000 DECH).

The Decash platform

Most cryptocurrencies are not yet directly connected to fiduciary money that is used by more than 99% of people. This makes their accessibility more complex to the traditional investor.

To resolve this issue, some cryptocurrency platforms have implemented services to exchange fiat money for cryptocurrency, but the process can be long and tedious. The user must provide confidential data such as their identity or an attestation of their domicile. Once this information is provided, the confirmation process is long (around 3 days) and often full of rejections.

Furthermore, once the money is deposited into the account, the fees to exchange fiat for cryptocurrency are often high, thus minimizing the purchasing power of the customer.

On the other hand, these crypto exchange platforms are often limited to a few digital assets, thus encouraging a market monopoly and minimizing the potential for start-up projects.

We have developed a platform that solves the different problems mentioned above.

[Creation of an account in the Decash platform](#)

The creation of an account allows a certain level of anonymity. The user does not need to provide an identity document, attestation of domicile, or any confidential information. You can create an account using an email and a name.

[Member identification](#)

The customer will have a unique and personalized page that will come with a random ID that is unique. They can then change this ID in the "profile" tab as desired. The ID is used to recognize the customer's account when they make a transaction or a request from their account. It must therefore be confidential.

[Deposits](#)

Fiat deposits into the account are made through a bank transfer. The money deposited by the customer is then sent to an account registered with the Swiss bank PostFinance. This account will hold the deposits of our customers, thus guaranteeing maximum security with regard to possible hackings. Following the deposit, the customer's balance will be displayed within 24 hours.

[Exchanges](#)

The exchanges from USD to DECH are done in the simplest way. The user selects the number of dollars they want to convert to Decash. A request is then sent to Decash, who will process the information within 24 hours and will buy Decash for the amount indicated in fiat on Uniswap.

[Fees](#)

We don't charge any extra fees for actions a user makes in the Decash platform. This encourages less centralization of distributed money.

[Other actions](#)

The user can send their Decash from their MetaMask account to their Decash account by indicating their MetaMask address, with which they will send tokens and their member ID. They can also send Decash tokens from their account to their ETH address. Finally, they can hedge their Decash tokens so that they are then invested in the Investigo fund.

Investigo fund index

Choice of positions in the fund (wave riding strategy)

The positions in Investigo are chosen thanks to a semi-automatic strategy that uses technical analysis. It's called the wave riding strategy and it was programmed and developed in the Pine-script code language by the Decash team.

Pressure, acceleration, and volatility

Our strategy is split between three main themes and categories that are also all programmed by our trader. First, our indicator is based on a type of pressure to determine future bearish or bullish movements thanks to a complex derivative algorithm inspired by one of the most accurate indicators in the stock market world. The pressure takes into account the volume of exchange and current trends. Once the direction is determined, a type of acceleration formula has been developed to determine the impulse and power of the movement and confirm the generated trend. A volatility formula serves as a point of exit in our trades but also in the preparation of a new trend or repetition of it. It allows us to analyze the different phases of the market with precision: consolidation and impulse. The average trend direction is also an indicator of our own that defines the trend of the market very well.

About INVESTIGO

The "Investigo" investment fund is a fund that can combine stocks, ETFs, mutual funds and other cryptocurrencies. The shares in which we invest must have a market capitalization of more than \$40 million. The fund cannot have a position greater than 50% of the total money being managed within it.

Each position will usually not represent more than 30% of the total investments, but if the performance of an action is increasing well and we judge that it may have more potential, its position can represent 50% of the Fund. We must at least invest in two different sectors. Customers can see the fund's performance

Illustration of the wave riding strategy

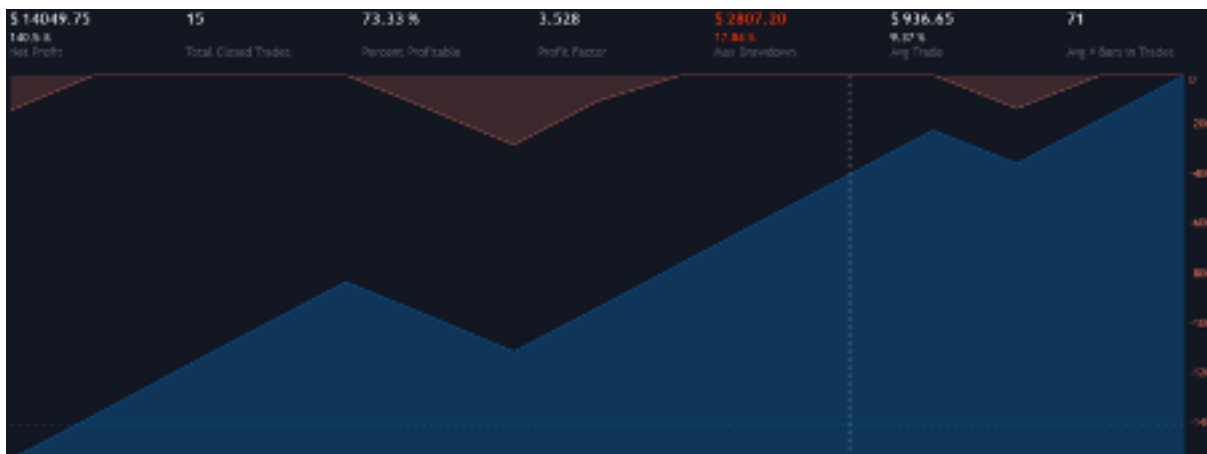


(developed by Thiago Burgunder)

Accuracy of the strategy

Fortunately, the software can show the accuracy of our strategy depending on the risk/reward ratio and the timeframe.

Here are the results:



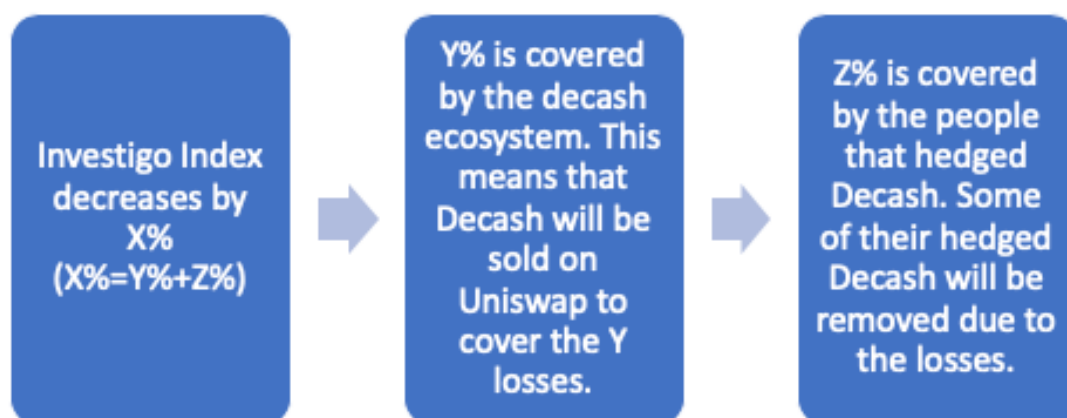
Investigo's broker

Investigo invests in stocks through IBKR (Interactive Brokers). Interactive Brokers LLC (IB) is a U.S.-based brokerage firm. It operates the largest electronic trading platform in the U.S. by the number of daily average revenue trades. The company brokers stocks, options, futures, EFPs, futures options, forex, bonds, and funds.

The company is headquartered in Greenwich, Connecticut and has offices in four cities. It is the largest subsidiary of the brokerage group Interactive Brokers Group, Inc., which was founded by Chairman Thomas Peterffy, an early innovator in computer-assisted trading. IB is regulated by the U.S. Securities and Exchange Commission, the Financial Industry Regulatory Authority, the New York Stock Exchange, the Commodity Futures Trading Commission, National Futures Association, Chicago Mercantile Exchange, and other self-regulatory organizations. The company is a provider of fully-disclosed, omnibus, and non-disclosed brokerage accounts and provides correspondent clearing services to 200 introducing brokers worldwide. The company serves 607,000 client brokerage accounts, with \$128.4 billion in customer equity. Interactive Brokers Group owns 40% of the futures exchange OneChicago and is an equity partner and founder of the Boston Options Exchange.

Protection of the Investigo fund index through the Decash ecosystem

Our Investigo fund is designed to go up long-term, but sometimes bad performance in the short-term is inevitable. That's why we have come up with investment protection for people risking their Decash. This protection can cover up to 90% of the losses a user can encounter when hedging cash. How does the protection work?



Example:

User A hedges 100 Decash (\$1 current price). This means that their total investment is \$100 worth of Decash.

The index goes down by 10%. User A loses 10 Decash (\$10 at \$1 per DECH).

The fund will protect 50% of their losses (\$5). The fund will sell Decash from the stabilizer wallet in Uniswap until it reaches the total loss protection of User A (\$5).

User A loses 5 DECH instead of 10 DECH.

How is the protection loss provided by our Investigo fund

The protection provided by the fund is proportional to the difference between the size of the total liquidity in Investigo and the total liquidity in the Decash system (Uniswap for now).

Formula:

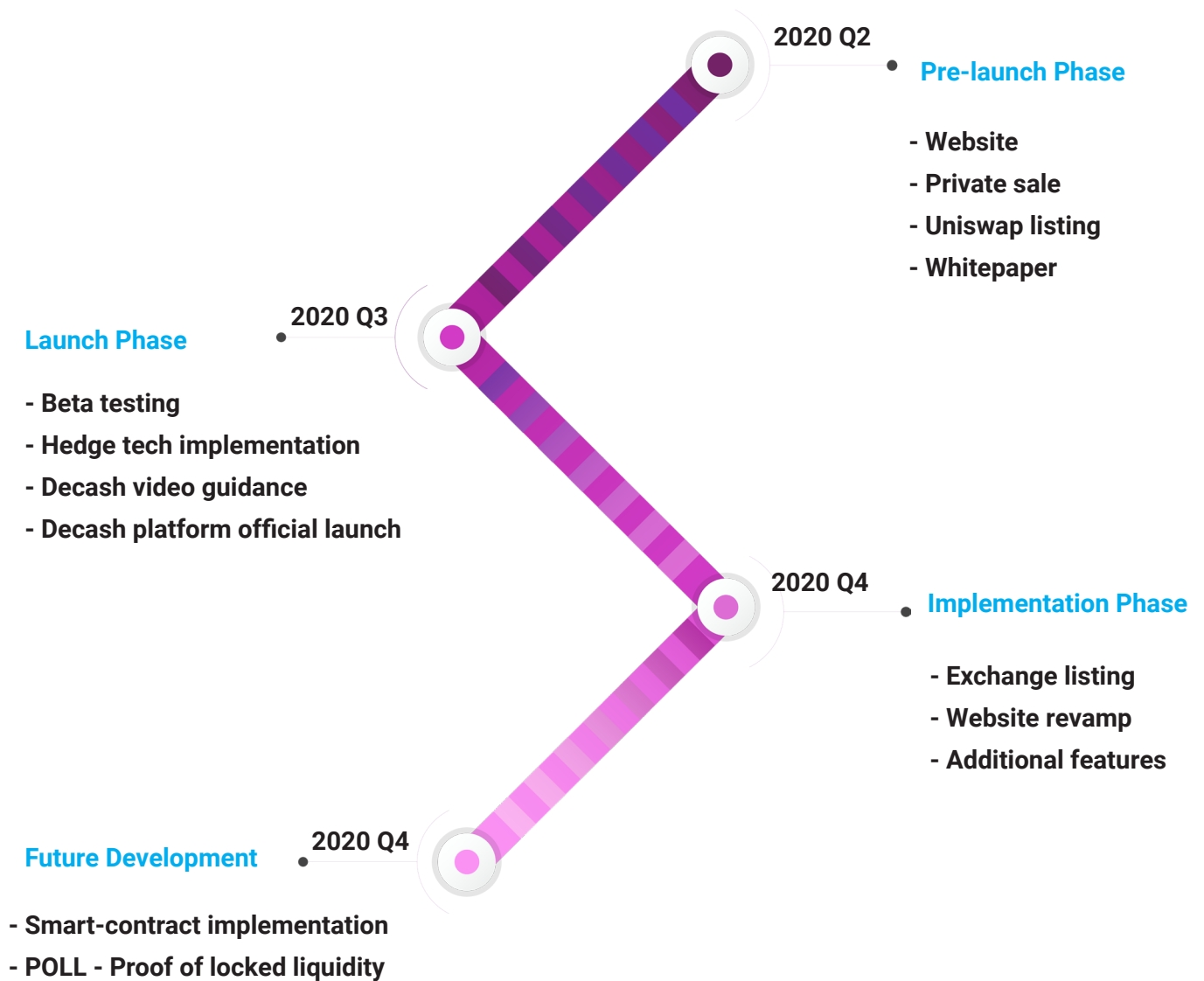
Percentage of loss protection = $90 - (\text{liquidity of the fund} * 100 / \text{liquidity on Uniswap})$

Historical performance of the fund since 2019

Each week, the performance of the fund is displayed in the accounts of Decash users. It started at 100 on 11/22/2019 (when Investigo was created).



Road Map



Team



Founder of Decash
Thiago Burgunder
Switzerland
Economics



Co-founder of Decash
Knut Robillard
Switzerland
Civil Engineering

Future Developments

In the near future, we are also considering new direct technical implementations to the Decash ecosystem, with the main ones being:

A “burning” function correlated to a price that will have to be paid in Decash each month to use the platform. The amount of Decash paid would be directly sent to the Ethereum burn address, thus reducing the total supply.

Try to implement HedgeTech directly into the Decash token contract so that all processes become decentralized.



DECASH