Okuru (XOT)

An electronic payment & store of value system

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Please note that the English translation may contain grammatical errors.

- Mert Can Elsner

1. Abstract

The decentralized money system enables an exemption from the traditional monopolistic compulsion to use a third party financial institution to carry out transactions.
Blockchain technology is the solution to today's trade and trust problem in the financial world. With the involvement of a third financial institutional party, the trading parties often lose their privileges such as absolute control over the traded assets.
Okuru (XOT) would like to remedy this in the form of a decentralized, deflationary, landless and easy-to-use cryptocurrency that uses hash-based cryptographic transaction control through the Ethereum network, which creates data records that cannot be changed. By converting the fiat currency to Okuru (XOT), any transaction can be carried out using a peer-to-peer network.
The network timestamp transactions are hashed into a continuous chain of
Hash-based proof-of-work or proof-of-stake data is accumulated and used for the traceability of the respective transaction for validation and verification.

2. Introduction

Okuru, or the Okuru token, or XOT for short, is a crypto currency that runs and acts in the Ethereum network. Okuru was originally developed by the ElsnerNord project in mid-2020.

But what is a cryptocurrency?
Cryptocurrency, also known as crypto money, is a digital means of payment based on cryptographic tools such as blockchains and digital signatures. As a payment system, it is distributed, secure and, in most projects, also independent, i.e. decentralized. Decentralized, the highest is good for the existence of trust in the Okuru crypto currency developed by ElsnerNord, which is why the Okuru token is also based on the ERC20 standard and thus runs over the Ethereum network. Ethereum is an open-source and distributed system that offers the creation, management and execution of decentralized programs or contracts (smart contracts), i.e. programmable contracts, in its own blockchain. Ether is the internal cryptocurrency of the Ethereum network and as of August 2020 the cryptocurrency with the second largest market capitalization after Bitcoin. The purpose of the crypto currency Okuru (XOT), developed by the ElsnerNord project, is to enable a secure, trustworthy and decentralized way of exchanging values in almost real time across borders, with very low transaction fees and without being in conflict with national laws .

3. Idea & Philosophy

Imagine a world in which everyone has full control over their money, in which it does not lose its value after 2 years, in which inflation does not care because it simply does not exist in the system, in which politics does not matter, where nobody can forbid transactions to be carried out like cash, but electronically and in a revolutionized form, something that is yours, you can do whatever you want with it, no matter who you are, just focus on the essentials of being money. Primarily used as a means of exchange or payment, not for monitoring users or as a means of pressure in which the markets are free and accessible to everyone. That is exactly the philosophy of the ElsnerNord project, because only a free market creates freedom. To say that you don't care about a free market because you don't act in it is nothing more than to say that you don't care about freedom of speech because you have nothing to say. But freedom also has its limits, especially when it is threatened or even restricted by others, but what freedom does Okuru stand for?

This question is as complicated as the problem it has described, but the answer and the solution are straightforward, Okuru (XOT) wants to free the financial markets from monopoly financial service institutions by being open, secure and available to everyone, everywhere. For this, XOT must contain three functions in order to guarantee the fulfillment of its task:

the function of the medium of exchange, the function as a unit of calculation and the availability in decentralized trading platforms. Okuru will always strive for acceptance and market openness in order to penetrate as many markets as possible. Due to the deflationary properties of XOT and an increasing acceptance and necessity as a means of payment in newly developed markets, the trading power is always redefined and the future of XOT secured. XOT is also intended to simplify the sending of Fiat currencies around the world; this requires the development of an automated order execution system for Fiat-XOT conversion transactions, or X-OTAAS for short. X-OTAAS has the task of converting a currency from one exchange to XOT and converting it back into the desired currency on another exchange. This has the advantage that the exchanges are already regulated in their respective operating countries. Because X-OTAAS is a separate system, i.e. not implemented directly in XOT, the use and application of XOT is much more flexible than other cryptocurrencies that want to simplify cross-border payments.

XOT is developed, represented and expanded by the ElsnerNord project to the best of our knowledge and belief.

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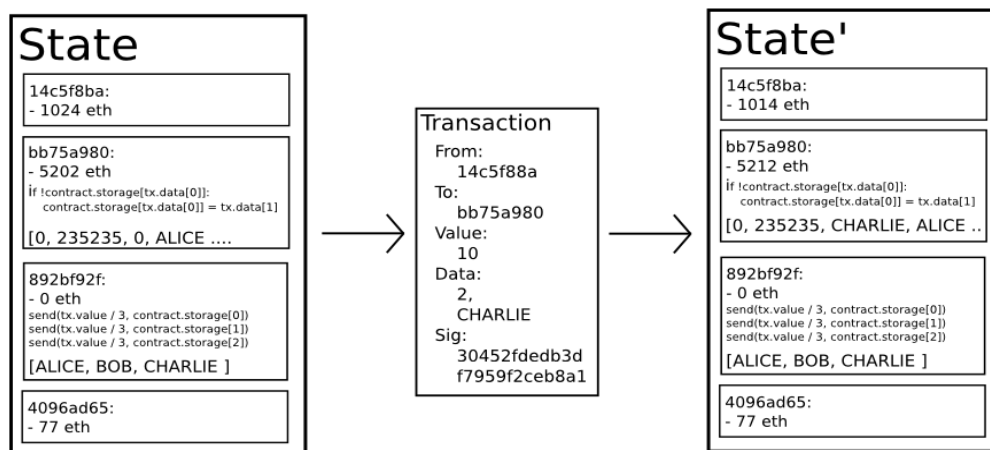
4. Transactions

/// * Please note * From here on Okuru will no longer be written out and will be designated with the official abbreviation XOT and Ether as ETH. ///

The XOT transactions are carried out using the Ethereum network.
So Person A wants to send Person B XOT, similar to a bank transfer,
Person A needs the ETH address of Person B, as well as some ETH (Ether, the currency of the Ethereum network) to pay the low transaction fees, which are variable and are also known as gas.
Unlike a conventional bank transfer, an XOT transfer only takes a few seconds to a few minutes and is decentralized, i.e. not dependent on another institution, regardless of where person B is in the world.
Person A has the option of providing evidence of every transaction at any time; the ETH Transactions ID logs all movements and can be independently verified.
The Ethereum whitepaper includes this simplified graphic to illustrate in detail how the "state transition system" works.

Grafik Quelle: Ethereum Whitepaper

5. Use and solution

Foreign transactions, fast, legal.

Imagine a company in Germany has to pay a supplier abroad, in China or e.g. in Turkey. You have euros in your bank account in Germany, but the supplier requires payment in Turkish Lira.
If you send this transaction the traditional way via international wire transfer, it is often slow and expensive as fees are charged by every financial institution involved. As money moves around the world, each intermediary receives a percentage of the transaction. But if the transaction is carried out with Okuru (XOT) in combination with X-OTAAS, the supplier has his money in a few minutes and there are hardly any fees.

Accessible to everyone, everywhere.

XOT enables digital payment transactions without central administration.

There are significantly more people worldwide who have access to smartphones or the Internet than people who have access to the banking system. XOT is ideal for paying for services or as a means of exchange for goods and as a replacement for the conventional banking system, as it can be used by anyone, regardless of where, it can be traded on decentralized and centralized exchanges and is very easy to store. XOT can be seen like a precious stone in an electronic way that can be stored on almost any smartphone or computer, through a so-called "paper wallet" it would even be possible to keep your XOT on paper in order to then e.g. to put in a safe or to send by post. Due to the deflationary properties of XOT and the associated back-up markets on various decentralized exchanges that are covered and tradable with other cryptocurrencies, companies or individuals can keep their money safe. Because the XOT is an ERC20 token and runs on the ETH blockchain, all transactions are verifiable, this is very suitable for being able to independently prove where the money has been sent after a donation campaign.

6. X-OTAAS

X-OTAAS is Okuru's order execution system, which has the purpose of making automated fiat conversion transactions possible across borders, where the respective parties only need an account with an exchange regulated in their location.

By linking the account to X-OTAAS, transactions that would otherwise require manual trading are carried out automatically.

This graphic shows the process in a visually simplified way:
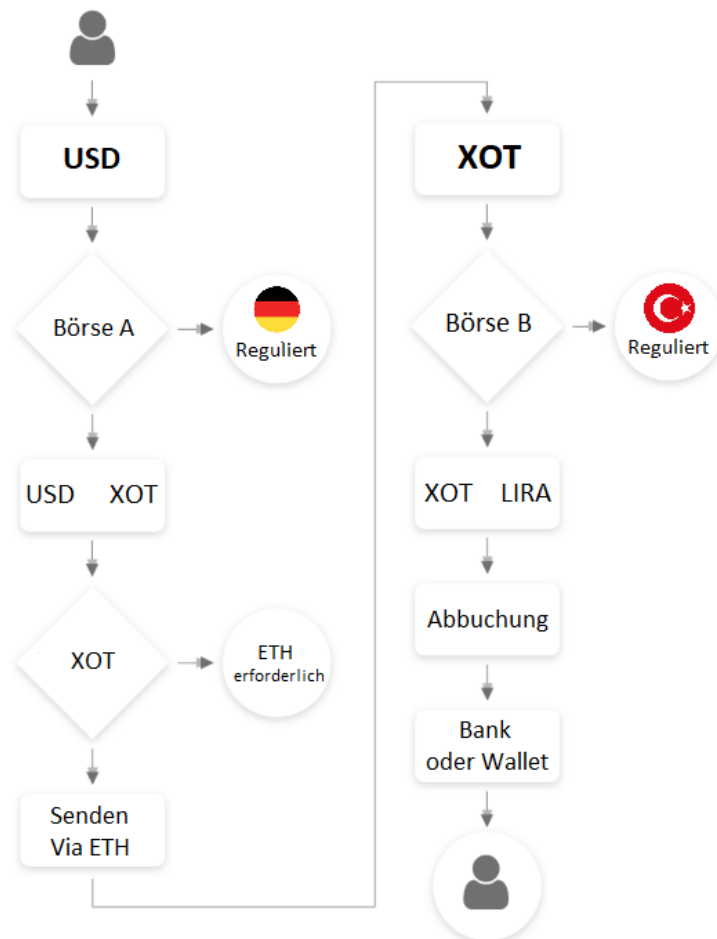
7. Trading with XOT

One of the advantages of operating via the ETH network is that it can be easily implemented in various exchanges and projects. Many decentralized exchanges run over the ETH network and generally support various tokens by default, all that is asked for is a contract ID in order to identify the token to be traded. In the case of XOT, so-called "liquidity pools" enable trading on decentralized exchanges. By means of liquidity pools, various commercial values are stored and included in a "smart contract" that is an intelligent contract that runs on the blockchain in order to enable trading in crypto currencies by liquidating the respective commercial values.

Many decentralized exchanges rely largely on liquidity pools to increase user participation and to facilitate trading. The fact that users can participate in the XOT liquidity pools opens up completely new investment opportunities for the XOT market. In addition, the more people participate in the liquidity pool, the more stable the entire market becomes, but how do you participate in an XOT liquidity pool? .

Let's assume that person A, let's call him Paul, wants to use the XOT / ETH liquidity pool at a decentralized exchange such as B. Uniswap participate. To do this, Paul must first have two basic items, XOT and ETH, which he then deposits in the right amount so that both values in the liquidity pool are served equally. The payment of the respective values is regulated via the associated smart contract of the respective exchange. If someone wants to exchange XOT for ETH on Uniswap, Paul's liquidity is used. The amount that Paul paid in can therefore shift more towards ETH or more towards XOT, depending on which trade is currently taking place. So if someone wants to trade XOT and take out ETH, Paul's deposited Ethereum liquidity can shrink, but his XOT liquidity increases, so the whole thing works like a kind of daring. If Paul's ETH drops a dollar, his XOT should go up a dollar.

The trading of XOT can also take place on centralized exchanges, provided they offer them for trading. Here you have to register with said exchange and complete a KYC procedure in order to be able to trade in Fiat currencies against XOT. KYC (Know your customer) is a verification of the legitimacy of certain new customers to prevent money laundering, which is prescribed in particular for banks and insurance companies. In fact, centralized cryptocurrency exchanges operate no differently than traditional exchanges that trade securities.

8. The Ethereum network

Ethereum works through a global network of computers, which together make up a kind of supercomputer. The network provides a lot of computing power, which makes it possible to create and execute smart contracts, it is also theoretically possible to create applications that are independent of interference or censorship by third parties, as the ETH blockchain is tamper-proof is. The smart contracts run exactly as correctly or incorrectly as they have been programmed, the ETH Blockchain significantly reduces the risk of fraud through a breach of contract for transactions or barter transactions, as it executes itself like a notary combined with a machine that digitally controls the contract conditions and executes as soon as it is proven that certain conditions are met that have been previously regulated and defined in the contract, such as B. when transferring a payment, the goods are transported or made available to the buyer.

Computers that provide their computing power in the ETH network, which is required for executing code, i.e. smart contracts, Dapps and the like, consume a lot of electricity, and that is expensive. Therefore, the Ethereum network created Ether in order to further motivate the parties to provide their computing power to the network, as the parties have to reckon with increased electricity costs due to increasing consumption for the provision of the computing power they will be in virtual Ether coins for the input of resources , so that the network remains functional, paid.
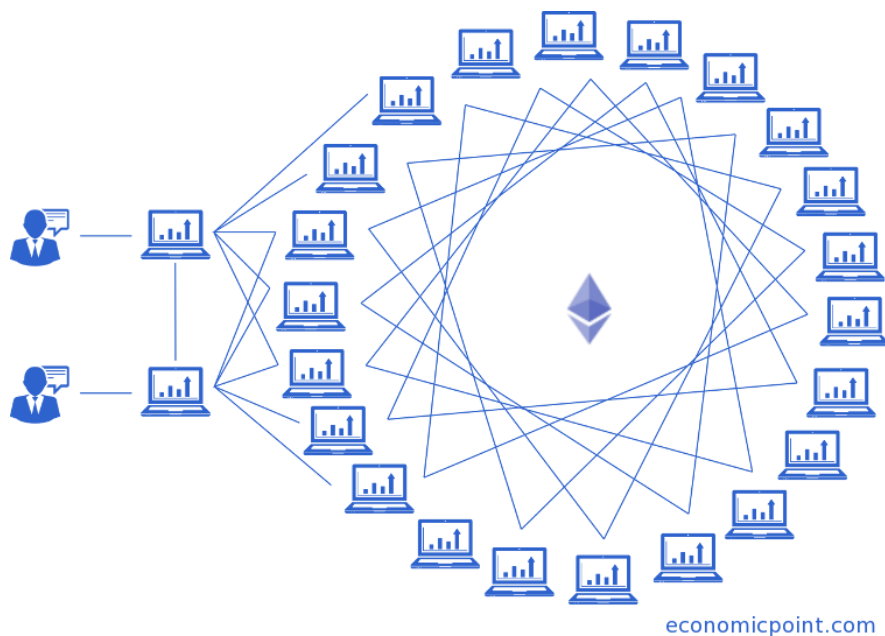

economicpoint.com

Graphic source:

https://economicpoint.com/ethereum

9. Privacy

Understanding network privacy requires understanding how the network stores information. The network stores and synchronizes information through the Ethereum blockchain.

The Ethereum blockchain is similar to the Bitcoin blockchain in many ways, but it has some differences. The main difference between Ethereum and Bitcoin in terms of blockchain architecture is that, unlike Bitcoin (which only contains a copy of the transaction list), Ethereum blocks contain a copy of both the transaction list and the latest status. Apart from that, two further values, the block number and the so-called block difficulty are stored in the block.

Grafik Quelle: https://ethereum.org/en/whitepaper/
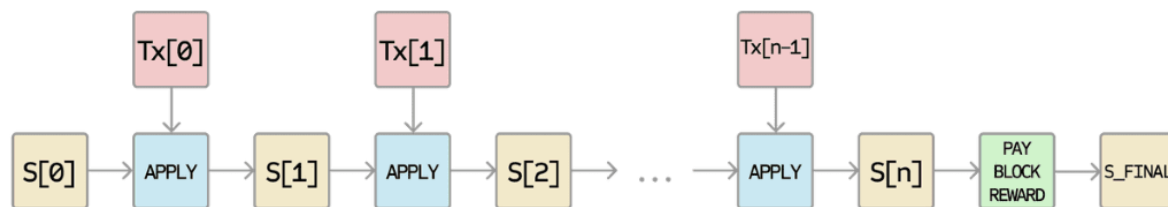
All Okuru (XOT) transactions that run over the ETH network are pseudonymous not anonymous. This means that you can publicly view all transactions that have ever been carried out, but cannot directly relate to persons. So when person A, person B sends XOT, there is a public "list" that an XOT transaction has been carried out from the address eg 0xde14364 ... to eg 0xde88899 ... As long as you don't know who the addresses belong to , one cannot know who carried out which transaction, so the whole thing is to be seen as a pseudonym and not as anonymous. The disadvantage of anonymous cryptocurrencies is that they are equated with illegal activities due to criminal organizations that use such a technology for their machinations, XOT should not be relevant for such groupings from the start. Due to the pseudonymization, XOT has exactly the protection that is necessary for the continuation of the project.

10. Conclusion and sources

Opinion:

Finally, I would like to mention again that XOT can act as a kind of broadband solution for various problems that we have in today's financial world.

The fact that it can theoretically be used by anyone with a smartphone and an Internet connection is astonishing, since the traditional financial system demands far more than these two things.

If we look at the rapid development of the crypto market, I can imagine that with more and more people opening up to the internet, the cryptocurrency space will have a massive role in the future financial world.

With the whitepaper I wanted to summarize the direction and goal of the project in a "simple" way, as far as I could.

- Mert Can Elsner

Source:

State transition system graphic source:
Ethereum Whitepaper

ETH network graphic source:
https://economicpoint.com/ethereum

ETH blockchain graphic source:
https://ethereum.org/en/whitepaper/

Statistics on internet usage worldwide
https://de.statista.com/themen/42/internet/

Numbers, data, facts about banking from the Deutsche Bankenverband
https://bankenverband.de/statistik/

Article Billions of people don't have a bank account
https://www.capital.de/wirtschaft-politik/ueber-zwei-milliarden-menschen-besitzen-kein-bankkonto