

Defibox Whitepaper V4.2

1. Project Overview

Defibox is a one-stop DeFi application platform. It was initiated and managed by the Defibox Foundation. After the official establishment of the DefiboxDAO Board on November 17, 2021, it became governed by DefiboxDAO. The project was launched on EOS chain (<https://defibox.io>) on July 21, 2020, Swap protocol was launched on BSC chain(<https://bscdapp.defibox.io/>) on July 21, 2021 and Swap protocol was launched on WAX chain(<https://wax.defibox.io/>) on January 21, 2022. Defibox is committed to becoming the most popular DeFi application platform among users. Currently, Defibox has launched three protocols, namely Swap protocol, USN stable coin protocol and decentralized lending protocol.

1.1 BOX DAO

The DefiboxDAO Board has been established. As the governance community of Defibox, BOX DAO enhances the development of projects through proposal and voting to achieve more decentralized autonomy.

1.2 Defibox Execution Team

As a developer and operator, the Defibox execution team is to complete project development and operation under the governance of DAO.

2. DeFi Protocol

Every DeFi protocol of Defibox is open, and any individual and party can visit and use it.

2.1 Swap

Swap is decentralized token swap and AMM (automatic market-making) protocol. The protocol was launched on EOS chain on July 21, 2020 and was launched on BSC chain on July 21, 2021. It provides swap prices in real time through the constant product algorithm, and users can also

create swap markets and become market makers. Transaction fees are distributed to the market makers based on the proportion of liquidity.

2.2 USN

The USN stable coin is a decentralized staking stable coin. It was launched on January 17, 2020 and has become one of the Defibox 3 basic protocols. The stable coin USN (the target is pegged to the U.S. dollar) is generated by staking multiple valuable tokens, which can meet various financial needs such as leveraged trading and obtaining capital liquidity. It adopts the mechanism of over-collateralization and liquidation, and provides value support for USN with sufficient collaterals.

2.3 Decentralized Lending

Defibox Lending Protocol has been officially launched on March 27, 2021 on EOS chain. Users can participate as depositors or borrowers. Depositors provide liquidity to the market to earn a passive income, while borrowers with collaterals are able to borrow tokens and need to pay interest.

3. Defibox Development Fund

The Defibox Foundation has established the "Defibox Development Fund". The operation practice is inspired by the Ethereum Foundation and Web3.0 Foundation, providing financial support to community developers. The development of "satellite protocol" will be based on the three basic protocols of Defibox, promoting the comprehensive development of the Defibox ecosystem.

The "satellite" protocol refers to the surrounding protocols developed based on the three basic protocols of Defibox. It encourages the development of the "satellite" protocol and aims to fully integrate the openness and composability of the three basic protocols to innovate the protocol and enrich the diversity of Defibox ecology.

4. Defibox Multiple Chains Exploration

The DefiboxDAO will explore multiple chains and "connect" the three basic protocols of Defibox to multiple chains to achieve "multi-chain operation". After evaluating and determining the feasibility of multi-chain solution, the three basic protocols of Defibox will be "connected" to

multiple chains. According to the actual situation, there may be the possibility of different protocols "connecting" to the most suitable smart chain.

5. Token Issuance and Income Distribution

BOX token is issued on all the chains with a total supply of 5 million, which is released linearly from 0 by utilizing DeFi protocol mining scheme. There is no private sale, no reservation and no pre-mining.

5.1 Token Issuance and Income Distribution on EOS Chain

5.1.1 Token Issuance Rules

The BOX token issuance plan: 70% of the BOX is used for DeFi protocol mining, 3% Eco fund, 2.5% DefiboxDAO Operation Incentives, 7% Special fund for operation, 10% Application reward, and 7.5% of the BOX is distributed to the team as the incentive

5.1.2 Token issuance plan

BOX token is used for protocol mining reward, and the token will be released simultaneously with mining.

Release Rules:

Basic release is 0.002 BOX per second. It is released to different mining pools according to their mining weight of protocols.

Mining Rules:

Swap Protocol:

- Participating as liquidity provider to provide liquidity, users can get BOX incentive from LP mining pool
- Your mining BOX per second as LP in a liquidity pool = BOX basic release 0.002 BOX * 70% * LP mining weight in this liquidity pool * the proportion of your LP asset value to the total LP asset value

Decentralized Lending

- The smart contract releases 0.002 BOX per second for lending mining and accumulates to the corresponding lending mining pool.

- Your mining BOX per second for deposit / borrow = BOX lending mining per second in this market * proportion for deposit / borrow mining in this market * the proportion of your deposit / borrow asset value to the total deposit / borrow asset value

Other Forms of Mining

- BOX is used for other forms of mining in Defibox. The DefiboxDAO reserves the right to adjust the mining distribution rules according to actual needs.

5.1.3 Revenue Distribution Principle

The distribution scheme of all revenues generated by the Defibox protocol will be decided by BOX token holders through proposals and voting.

5.1.4 Revenue Distribution Scheme

The current distribution scheme of Defibox protocol revenue is as follows:

The distribution scheme of revenue from Swap 0.1% transaction volume, USN interest, USN liquidation penalty, lending interest income and lending liquidation penalty is that: 45% is used for repurchase and transfer to the black hole address to burn BOX tokens, 15% is used as the income of the executive team, 15% staking incentive: 50% of which is used for BSS, and the other 50% is used to incentivize Vault.defi protocol, 20% is used for agreement control value, i.e. risk reserve, and 5% is used for repurchase market making.

5.2 Token Issuance and Income Distribution on BSC

5.2.1 Token Issuance Rules

The BOX token issuance plan: 75% of the BOX is used for DeFi protocol mining, 10% of the BOX is distributed to the team for development, operation and audit, 7.5% of the BOX is distributed to the team as the incentive, and 7.5% BOX is reserved for the application reward.

5.2.2 Token issuance plan

BOX token is used for protocol mining reward, and the token will be released simultaneously with mining.

Release Rules:

Smart contract provides 0.005 BOX (basic release) for every block for protocol mining. It is released to different mining pools according to their mining weight of protocols.

Mining Rules:

Swap Protocol:

- Becoming liquidity provider to provide liquidity, users can get BOX incentive from LP mining pool
- Your mining BOX as LP in a liquidity pool = BOX basic release $0.005 \text{ BOX} * 75\% * \text{LP mining weight in this liquidity pool} * \text{the proportion of your LP asset value to the total LP asset value}$

Other Forms of Mining

- BOX is used for other forms of mining in Defibox. The DefiboxDAO Board reserves the right to adjust the mining distribution rules according to actual needs.

5.2.3 Revenue Distribution Scheme

The current distribution scheme of Defibox protocol revenue is as follows:

The distribution scheme of revenue from Swap 0.1% transaction volume is that: 60% of protocol income is for BOX buy-back and burn, 15% is for risk reserve and 25% is distributed to the Defibox team for development, operation and audit.

5.3 Token Issuance and Income Distribution on WAX Chain

5.3.1 Token Issuance Rules

The BOX token issuance plan: 70% of the BOX is used for DeFi protocol mining, 3% Eco fund, 2.5% DefiboxDAO Operation Incentives, 7% Special fund for operation, 10% Application reward, and 7.5% of the BOX is distributed to the team as the incentive.

5.3.2 Token issuance plan

BOX token is used for protocol mining reward, and the token will be released simultaneously with mining.

Release Rules:

Basic release is 0.002 BOX per second. It is released to different mining pools according to their mining weight of protocols.

Mining Rules:

Swap Protocol:

- Participating as liquidity provider to provide liquidity, users can get BOX incentive from LP mining pool
- Your mining BOX per second as LP in a liquidity pool = BOX basic release $0.002 \text{ BOX} * 70\%$ * LP mining weight in this liquidity pool * the proportion of your LP asset value to the total LP asset value

Other Forms of Mining

- BOX is used for other forms of mining in Defibox. The DefiboxDAO Board reserves the right to adjust the mining distribution rules according to actual needs.

5.3.3 Revenue Distribution Principle

The distribution scheme of all revenues generated by the Defibox protocol will be decided by BOX token holders through proposals and voting.

5.3.4 Revenue Distribution Scheme

The current distribution scheme of Defibox protocol revenue is as follows:

The distribution scheme of revenue from Swap 0.1% transaction volume, USN interest, USN liquidation penalty, lending interest income and lending liquidation penalty is that: 60% of protocol income is for EOS-BOX automatic liquidity provider, 30% is for development cost of execution team, and 10% is for risk reserve.

6. Token Value

BOX is a governance DeFi token and its value is mainly captured through governance: BOX holders can vote to determine important parameters of DeFi protocol such as the transaction fee rate of Swap protocol, USN stable coin interest, USN stable coin liquidation penalty, etc.; they also can vote to determine various proposals such as revenue distribution scheme of DeFi protocol and logic adjustment of DeFi protocol. Because BOX holders have the right to decide important parameters of DeFi protocol, they will become decision-making participants of Defibox, and BOX holders will benefit from the governance.

7. Risk Warning

The Defibox attaches great importance to the safety of assets. The smart contracts have been audited by security companies, but still cannot guarantee 100% security. Please participate carefully at your own risk. The Defibox execution team may stop operations in the future due to policy reasons. Therefore, BOX DAO has been established. The ultimate goal is to achieve a complete community autonomy.

8. Disclaimer

This document is only used to convey project information and does not constitute any suggestions for investment and participation in the Defibox project. Once you participate in the project, it means that you understand and accept the risks of the project, and are willing to bear all the corresponding consequences for this. The Defibox execution team clearly stated that it will not bear any direct or indirect losses caused by participating in the Defibox project.

Next

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