



paus Whitepaper 1.0
5 February 2022

1. Introduction

We built Paus to make cryptocurrency trading & investing accessible to the next billion people. We already see first-hand how cryptocurrency has given back the power from the central authority back to the people. We're launching a new PAU token to create a community around the exchange.

PAUS was founded by experienced professionals from traditional financial institutions, tech companies, and top crypto exchanges. We want to make crypto accessible to everyone in the public, not only for traders and quants. We'd like to turn complex derivatives & structure products to be simple and easy to use for everyone. That's why we created Paus.

2. Value Proposition

Our goal is to help you build and protect your wealth through Cryptocurrency. There are 3 main features offered by Paus:

- Earn: Passive investing through savings & staking
- Spot Exchange: Buy & sell between crypto assets
- Structured & Derivates Exchange: Access to margin & leverage, futures, and options

Spot Trading	Derivatives Trading	Savings/Earn	Deposit/Withdrawal
<ul style="list-style-type: none">• Complete• Audited• Low fee• High liquidity	<ul style="list-style-type: none">• High leverage• Simple vs pro mode• Regulated	<ul style="list-style-type: none">• Auto-debit• High APR (~15%)• Stable vs high risk selection	<ul style="list-style-type: none">• Minimum fees• Flexible network• Near instant settlement

3. Mission

To create the easiest to use platform for investors to build their wealth.

The word "Paus" means "whale" in Bahasa Indonesia. A whale symbolizes someone who owns a great amount of wealth. We aim to provide a platform for people to build their wealth and become whales.

Current exchanges around the world focus to incentivize day-trading habits. People are expected to be managing their portfolio on day to day basis as crypto is volatile, thus risking their current position. Investors who are busy and have their own full-time job are struggling to spend time monitoring their trades positions. We're planning to become a cryptocurrency exchange that allows investors to grow their wealth passively and consistently. This way, they can still do their daily job without distraction and still build their wealth over time.

Not only that, many existing crypto exchanges are tailored for expert and advanced traders. Access to margin trading and futures is difficult because it is made to be unintuitive to use for beginner traders, we plan to demystify derivatives trading from being hard to use to be easy and intuitive even for newbies.

We will distribute PAU tokens to our early users to give them an opportunity to be part of our success.

4. Earn

As already mentioned above in our mission, we aim for investors to have a peace of mind when investing their crypto long-term and don't have to manage their trades actively. Thus we present our first bread and butter feature which is Earn.

Imagine you have 10 ETH on your wallet, you can trade it for a higher price and get returns. However, for coins that you believe will be multiplied in long term, you don't really want to trade for the short-term to avoid the risk of selling it too early and rather wait for higher potential returns in years to come.

However doing that would mean your 10 ETH will sit in your wallet, if ETH really does 3x in 3 years then it would be fine. But what if it only goes up like 30% in 3 years, maybe trading it would be more profitable. Hence we created a solution for a passive investor to hold while having their coins quantity increases through our deposit earn product. So instead of having 10 ETH in 3 years, you would have 12,25 ETH (having 22.5% more ETH in your wallet) while also having a potential capital gain on the ETH value.

Given crypto assets have high price volatility, depositing crypto coins & holding long-term may not be the ideal choice for users who seek passive income with low risk on the price exposure. Paus offers an alternative solution with stablecoins deposit earn. Users who deposit their stablecoins will get stablecoins in return, thereby avoiding the high volatility of most crypto assets while still earning better than average return.

Paus Earn Benefit

Earn feature allow users to deposit their cryptocurrency token and users would receive interest over time.

There are many benefits of earning with Paus Exchange:

1. High APY

We aim to reward users who save their coins on our platform up to 20% APY. This is a perfect way for busy investors who want to hold and grow their assets long-term. Users can also stake PAU token to increase their coins savings rate, for example from 15% to 20%.

2. Vast Selections

We would list most of the coins that are listed on our exchange to be eligible for savings. From fiat-pegged stablecoins such as USDC, UST, and IDRT to other coins such as BTC, ETH, BNB, and others.

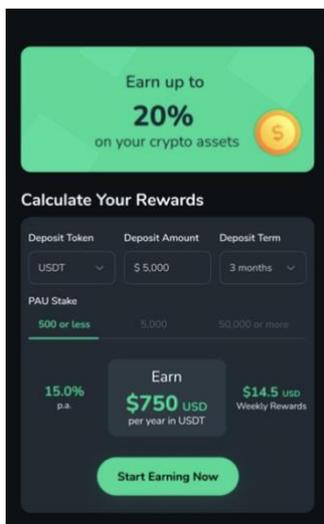
3. Hedging Risks

What if the coin that I invest dipped in value? This is a valid fear of investors as the nature of the crypto asset is volatile. Earn feature can help hedge you against risk of capital loss, because even during capital loss, you still multiply your crypto balance by earning it here. Keep putting your investment in Earn long enough might offset your loss completely and you can sell it on a much larger position during the next bull run.

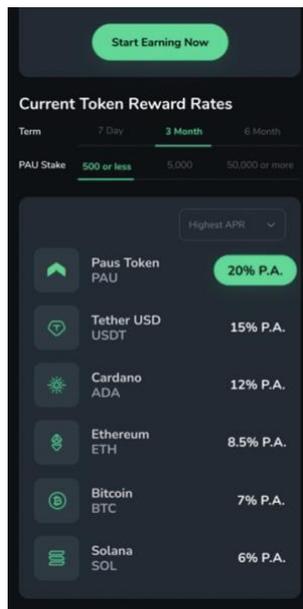
The next product iteration of Earn would include Liquidity Pool Farming. We hope to do this by integrating our platform with several reputable DeFi partners to enable LP farming on Paus.

How to Earn on Paus

1. Use the calculator feature to see how much your fund would grow depending on how long you want to deposit and how much of your PAU token is currently staked on the platform.



2. Then you can select which digital assets you want to deposit and stake.



3. Once you have selected the asset, then you need to deposit the coin from your exchange or wallet to your Paus exchange wallet address.
4. You will receive a notification on the app and email when the fund has arrived.
5. Now you need to specify how long you want to deposit it for, we'll update the fund balance every day at 12 AM UTC.
6. You can withdraw the fund once the deposit duration is finished and enjoy your rewards.

Spot Exchange

The next feature that we plan to release is the Spot Exchange. Where users can trade crypto at ease with the following value propositions:

- **Deep liquidity** with access to the best execution prices
- **Competitive fees** offered especially for high volume accounts trading PAU staking would increase the fees discount
- **Engaging events** provided such as daily mission, partner token airdrop, community gathering, new token launchpad, and trading activity-driven competitions
- **Institutional-grade infrastructure** that powers high-availability, secured, fully resilient and scalable system
- **Multiple jurisdictions** with compliance to different country regulations for proper customers protection as a digital asset exchange in Europe and Asia-Pacific, with operations in multiple jurisdictions starting with Indonesia, and expanding next into the rest of SEA, Europe, and EMEA.

Trade

We'll have 2 modes of trading. The first one would be basic trade - it's targeted for new users who are new into crypto and investing in general. Then we also have the advanced trade - where experienced users can access into a more advanced feature that would aid them to perform their trades.

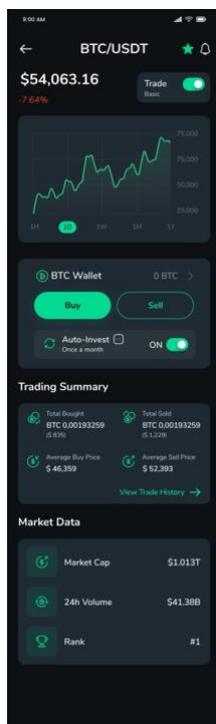
There would be a switcher between the 2 modes on the trading page, so users can switch them as they like depending on their trading preference.

Basic Trade

A simple buy and sell action button to **trade at the current price**, with a simple historical chart to aid the users to see the trend of the asset price movement.

Unlike other exchanges, we would keep a record of the user's portfolio on each token trade page. Thus users can make an informed decision as they know the average purchase price and the current floating profit.

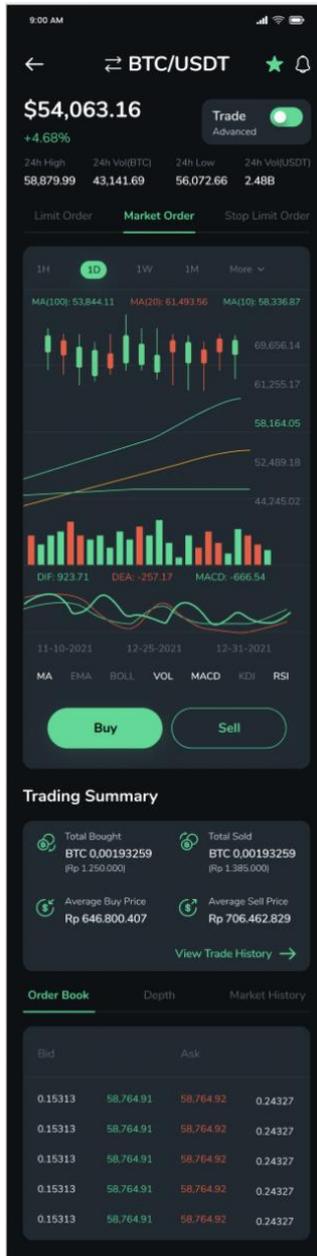
There would be a simple to use auto invest feature. Users just need to choose how much they want to buy for each period. This feature is very useful for users who don't want to speculate on buying it at a certain price and just focus on accumulating the asset long-term in a more balanced risk ratio. Buying \$500 at a given price each month during 10 months period would give users a more smoothed price average than buying \$5000 at today's price. This strategy is commonly defined as Dollar Cost Average (DCA).



Advanced Trade

Advanced trade has more price action features that users can use:

- **Limit order** - allowing users to buy or sell assets at a specific price point. Trade would not be executed unless the price point matches.
- **Market order** - allowing users to buy or sell assets at the current market price. Trade would instantly be executed as long as liquidity existed.
- **Stop order** - allowing users to activate buy or sell order when a specific price point is met. For example, the user can set a stop order when BTC reaches \$30k in price, then a limit sell order of \$29.8k to be executed.



Deposit/Withdrawal

We plan to enable both crypto and fiat deposit/withdrawal functions. For crypto deposit/withdrawal we plan to have these value propositions:

- Have **multiple alternative networks** ranging from most popular to the cheapest. For example, when users want to deposit/withdraw USDC, they should be able to deposit/withdraw using network options ranging from ERC 20, Solana, Polygon, Fantom, Harmony, Tron, BSC, etc. Many other exchanges only allow limited networks which makes users not flexible to send crypto in/out of the exchange.
- Charge a **minimum fee** to process the transfer as we didn't intend to make money from here. On the other hand, users who stake PAU token would receive discounts on withdrawal fees that make the fees cheaper than other exchanges.

PAU Token

Utility

The PAU token is an ERC777 token that implements a modified version of the Sweetbridge discount economic model. The primary method for users to make the most of the PAU utility is to stake them.

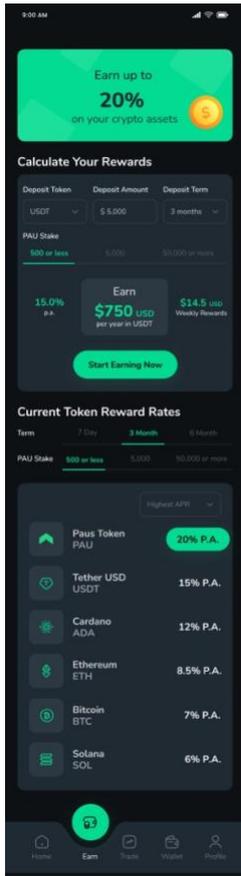
There are 3 different staking tiering available:

1. Bronze (5,000 or less)
2. Silver (5,001 - 50,000)
3. Gold (50,001 or more)

1. Earning Module

Rewards will be distributed to those who stake PAU token. Stake in higher quantity of PAU token will result in higher earning for other staked cryptocurrency asset as you can see in the picture below.

The heavier the staking tier, the more earning rewards would be received by the users who stake their cryptocurrencies on Paus Earn feature.



2. Discount Module

This is the module that directly intersects with the Paus exchange. PAU staked in this module entitles users to discounted fees on the exchange.

Just like the earning module, the higher amount of PAU that you stake, the higher discount that you can receive while trading at Paus exchange.

Discounted include:

- Trading fees
- Maker/taker fees
- Withdrawal fees
- Launchpad token price

3. Rewards Module

We want to reward users who believe in our exchange. We'll reward users with increasing rewards depending on the staked PAU token.

Rewards would be given on these actions:

- Mission - There will be missions to be completed for new and existing users for rewards.
- Referral - Inviting friends to use Paus and earning rewards.
- Earn - There will be additional rewards in PAU token on the cryptocurrency asset that you stake.

- Learn - Learn the fundamental of cryptocurrency, trading, and web3 materials to earn rewards.

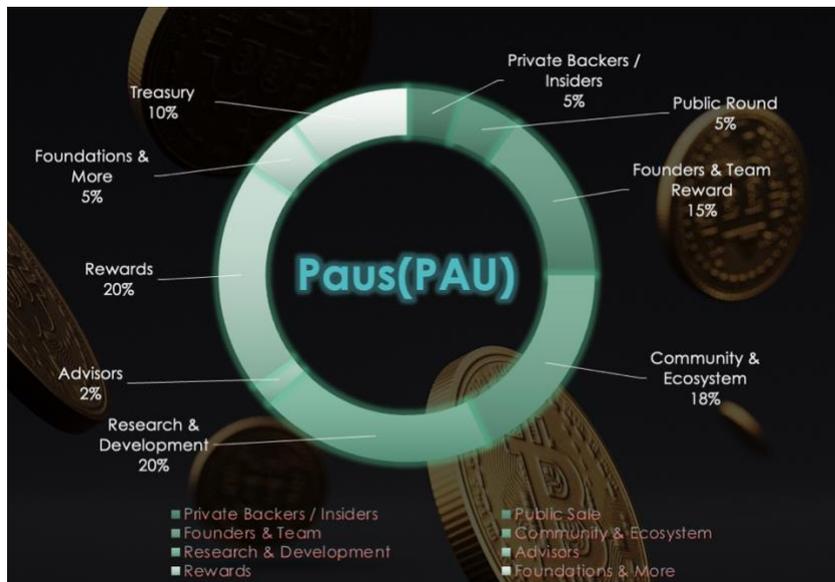
Tokenomics

\$PAU has a total supply of 1,000,000,000 utility tokens that will be released over 4 years.

Distribution

Tokens will be allocated as follows:

1. **Team (15%)** – to Co-Founders and Core Team Members who will drive Paus Exchange and Platform from a concept to reality
2. **Advisors (2%)** – to experts who contribute special expertise, access, and connections
3. **Private Backers (5%)** – to early backers of the project before the public offering
4. **Public Sale (5%)** – to the general public who believe in the Paus Ventures mission, vision and project utility
5. **Research & Development (20%)** – an allocation fund used to execute on the Paus Ventures research & product development
6. **Community & Ecosystem (18%)** – a reserve fund used to encourage participation and contribution to the Paus Ventures community and ecosystem
7. **Foundations (5%)** - funds allocated to foundations, community-governed grant pools, or other incentives like testnet participation rewards.
8. **Rewards (20%)** – an allocation used to provide rewards for stakers and liquidity providers
9. **Treasury (10%)** – a reserve fund used to backup the exchange treasury vault in case of emergency

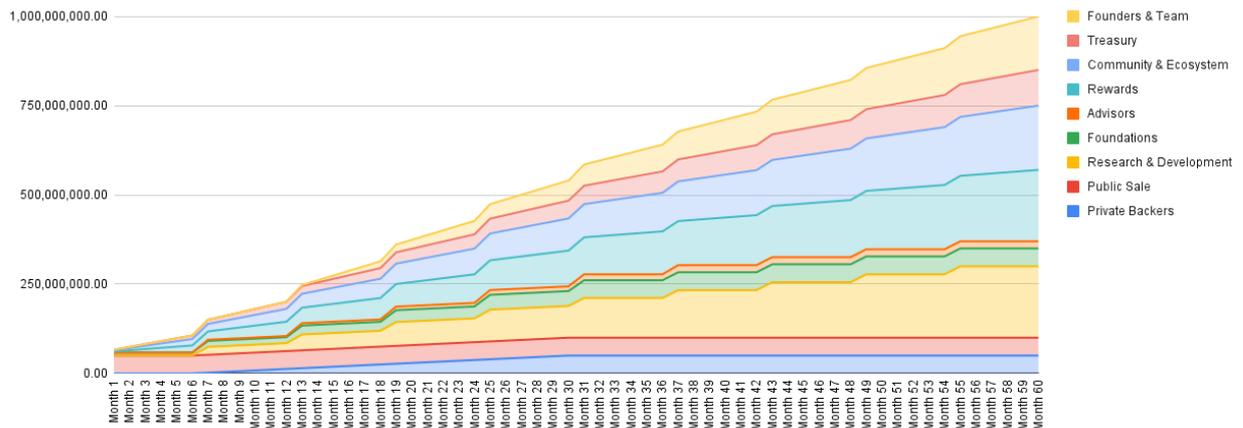


Emission Schedule

Allocations	Initial Distribution Terms	Subsequent Distribution Terms	Token (%)
Private Backers	6 months lock	Monthly distribution over 2 years	5%
Public Sale	-	-	5%
Research & Development	6 months lock	Semi-annual distribution for 4 years	20%
Foundations	-	Semi-annual distribution for 3 years	5%
Advisors	6 months lock	Semi-annual distribution for 2 years	2%

Rewards	-	Monthly distribution for 4 years	20%
Community & Ecosystem	-	Monthly distribution for 4 years	18%
Treasury	-	Monthly distribution for 4 years	10%
Founders & Teams	12 months lock	Monthly distribution for 4 years	15%

Emission Rate



Future Plan

Apart from serving our investors with Earn and Spot Exchange product, we also want to expand our exchange offering in the future by offering more advanced financial products.

Margin

Paus Margin Borrowing will be provided to Qualified Investors wishing to use their digital assets as collateral. We plan to allow margin borrowing up to 100x of their position, 100x leverage meaning any price movement going up or down will have 100x more weight to the position, 2% price movement would have an impact of 200%.

We'll notify and allow users to top-up their digital assets to add collateral value to reduce the risk of liquidation in case the prices drop below their liquidation price.

Margin borrowing would be available on both the spot and derivatives exchange.

Derivatives

Our founders hail **40+ years of experience** combined in the traditional finance & banking industry, they were breathing derivatives products day in day out and really understand the market segment.

In the future, Paus plan to launch the following derivatives products: Futures & Options (Calls/Puts). With futures & options, it doesn't matter whether the asset going up or down in prices, traders can still make

money either way. Derivatives are suited for experienced day traders and institutional clients as they want to make use of their big capital in the shortest time possible to make the most money.

We're going to create an academy for users who want to learn more about Derivatives trading as the mechanism is rather complicated for first-time users.

Holders of PAU who have Golden tiering can enjoy hefty discounts on trading and margin fees.

Lending & Borrowing

Borrowing - Allowing users to hold their valuable crypto asset while having access to liquid debt that can be transformed into fiat/cryptocurrency as needed. Common use case of the extra fund can be used to pay out physical debt, leverage for a larger trading position, or buy other income-producing assets to offset the debt.

To borrow funds, users need to overcollateralize their assets and get a loan to value (LTV) of 60%. Meaning that if the users want to borrow \$30k USDC. They need to supply at least \$50k worth of their crypto assets to borrow. If they fail to return the 30k USDC + interest within the time limit, their over-collateralized crypto-asset would be liquidated to pay for their loans. If the collateralized asset fell below 60% threshold in value, the user's fund would be liquidated. To avoid liquidation risk, users can either top-up more of their assets as collateral or pay off portions of their loan. Note that the LTV ratio would be different among the collateralized asset. The more illiquid or volatile the asset is, the lower LTV of the asset would be.

Lending - Users can earn interest rates by supplying their assets to the borrower's pool. This is another way for investors who want to have their assets work for them passively while they're holding for future capital appreciation.

Holders of PAU would receive lower loan interest rates when borrowing and higher interest rewards when lending.