

Whitepaper_{v.1.0}

January 2024

INTRODUCTION

Crypto Factor aims to research the future of digital infrastructure and explore the technological concepts that will drive future digital efficiency and freedom. The goal is to provision next-gen infrastructure empowering users to explore the horizons of a decentralised future - whilst obscuring complexity.

Crypto Factor will introduce the concept of DEE: **Decentralised Entity Execution** on the blockchain via Infrastructure-as-a-Service (IaaS). It will provide expandable **decentralised entity** configurations that establish the on-chain entity, very much like a private company emulation, as well as all the required baseline instruments of running a digital business like tokens, vesting, staking, and many more future features accessible through the **Crypto Factor Platform**.

All of this combined with participation and integration with DeFi Protocol products, service connections, and partners will enable users to explore new capabilities to **Finance Your Future**.

WHAT IS CRYPTO FACTOR?

Crypto Factor is an aggregator of Web3 on-chain infrastructure services - services which are blended together into a deployment template which can be executed on EVM compatible blockchains like **DeFiChain MetaChain (DMC)**. This allows new projects to take the heavy lifting out of their own business ideas and initiatives.

Although there is a mass of complication in our underlying work we aim to drive adoption of DMC for existing and new users by making it 'easy' to convert mere ideas into digital reality. This we foresee will enable a fresh wave of value adding services on DeFiChain and beyond.

Crypto Factor is committed to pioneering and developing this resource at an extremely competitive price mark, with our deployment fees initially measured only in an entry threshold of the platforms native token CFR, which requires staking (with reasonable staking rewards expected).

The revenue model for Crypto Factor relies on the fee structure of token activity (**Tokenomic Fee Structure**) and revenue generated by the platform itself (**Real Yield**) which will be channelled into our continued development, and split between CFR asset backing and buy-backs to insure and stabilise the CFR price.

HISTORY

Crypto Factor was founded as a research experiment to understand how the real-world mechanics of an entity would interface with the blockchain. The experiment focused on encapsulating revenue generation mechanics from blockchains (leveraging Decentralised Finance). During this experiment, it became apparent that near-autonomous business processes, operations, reporting, accounting all present many challenges when using Decentralised Ledger Technologies (**DLT**). This caused mainly by the predominance of manual configuration and setup, the splicing of established business processes with DLT and involvement of numerous third parties with non-programmable interfaces form just the tip of the challenge.

‘Creating fully autonomous DLT businesses became our driving vision’

Building such digital structures on top of single-chain native protocols is limiting – restricting innovation, compatibility and ultimately revenue. From there the idea for a Crypto Factor Platform was truly born - the ultimate decentralised entity template. An easy-to-use and ready-to-go deployable template that anyone could use and execute their business or pursue their project needs on the blockchain.

Initially, the team behind Crypto Factor were looking for solutions to the problems presented by the digitisation of entities and were content with the continued research in the nascent field. However, two events occurred to make this pursuit a digital reality:

‘The launch of DMC from DeFiChain: **EVM Programmability**’

‘A collaboration with the team at: **OpenDApps Cloud**’

Both teams have aligned quickly and managed to set a combined aspiration of providing this robust infrastructure for digital entities and were prepared to start it all on DMC during the latter stages of 2023. In 2024 it will now materialise.



ECOSYSTEM

The Ecosystem of Crypto Factor is the first instance of the Decentralised Entity Executable (DEE). It combines all the components available to the platform to create an ecosystem around it while supporting DeFiChain, DMC, DFI and DUSD.

It allows for our clients and the community to form part of that ecosystem for the long term while receiving rewards generated from the platform revenue stream and the tokenomics of Crypto Factor Token.

The building blocks of the ecosystem are the decentralised services deployed by OpenDApps Cloud infrastructure. Crypto Factor takes these blocks and combines them into DEE templates where they interact with each other creating the ultimate entity solution and DeFi experience.

The initial DEE template consists of a decentralised entity, a token with dynamic tokenomics, staking, asset-backing, optional presale, and all the required configuration and DEX listing interactions automated into it. All of these get composed, deployed and configured for the executor in a single transaction minted into a single DMC block.

How amazing is THAT?

At Crypto Factor, these services create two independent revenue streams that energise a fully automated and decentralised ecosystem. The mechanics of which are digitally engineered to last as long as the blockchain they are resident on.

Ecosystem → Platform Revenue (Platform Product Utility)

The first stream of revenue in the Crypto Factor ecosystem is generated from the platform where clients deploy, configure, and use their instances of the DEE template. One part of the revenue comes from paying deployment fees for the template and the services contained within it. Additionally revenue is expected from decentralised subscriptions for using any additional services offered by **The Platform**.

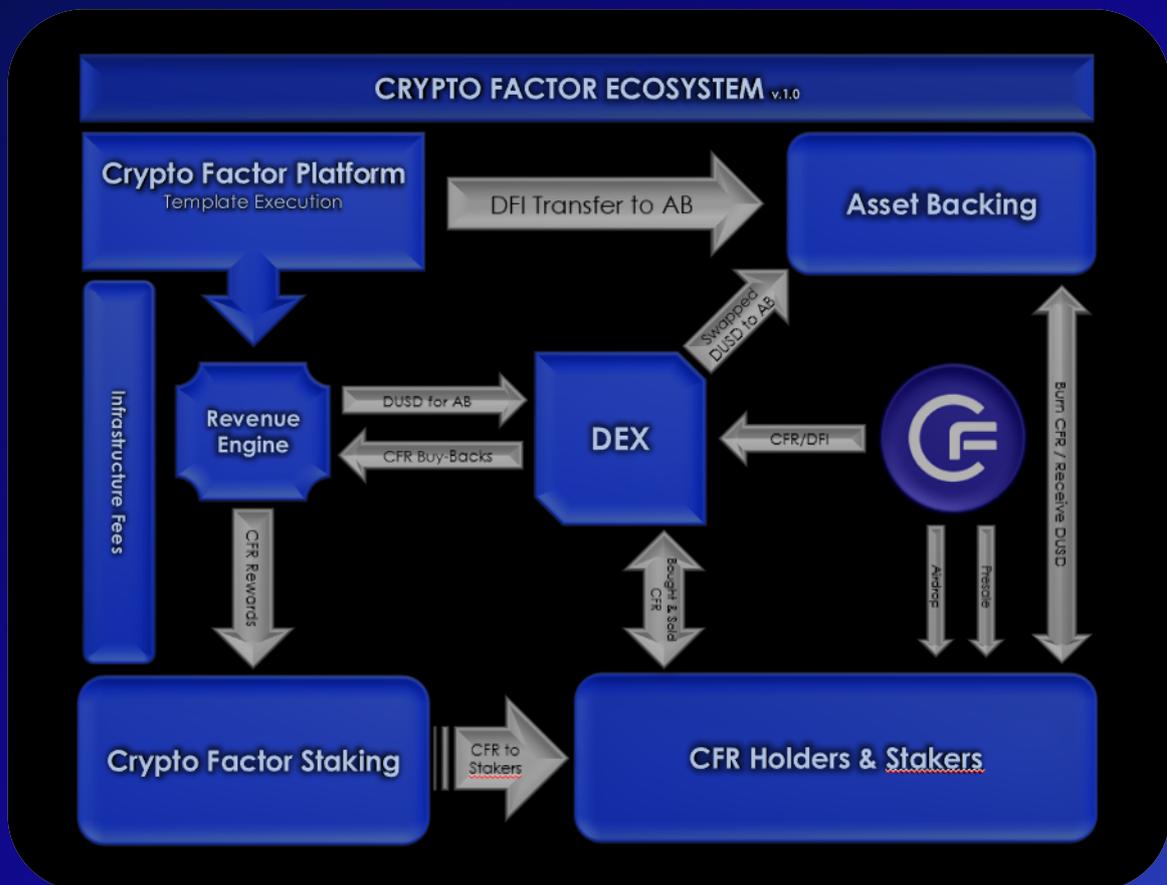
The revenue stream is then processed autonomously by the revenue engine (smart contracts) between staking, asset backing, team and operational expenses. See Revenue Model.

Ecosystem → CFR Tokenomics (Token Utility)

The second stream of revenue in the ecosystem are the fees generated by the CFR tokenomics. These tokenomics, as a standard practice are applied to token buying and selling on the DEX. The fees from trading are processed autonomously in the same manner as platform revenue. See Tokenomics.

The whole ecosystem is bound tightly together via a myriad of interconnected smart contracts to achieve this level of autonomy.

A simplified preview of the core components and how they interact and combine can be observed below:



PLATFORM

The Crypto Factor Platform can be described as a decentralised software deployment platform built using and extending OpenDApps Cloud Software-as-a-Service solutions. As described, it offers deployment of different predefined templates containing multiple smart contracts and their respective configurations. These templates are designed and developed to provide ready solutions for different needs of blockchain projects and businesses.

To further explain the concept of decentralised software templates we will describe one of them, part of the platform since launch - a token project using a fair launch.

If you are looking to launch a token project on DMC, what do you need and where do you start? These are questions that a lot of people might not have the answer to or if they do they might not have the technical knowledge required to launch the project on their own. This is where the Crypto Factor Platform can be very useful to project owners.

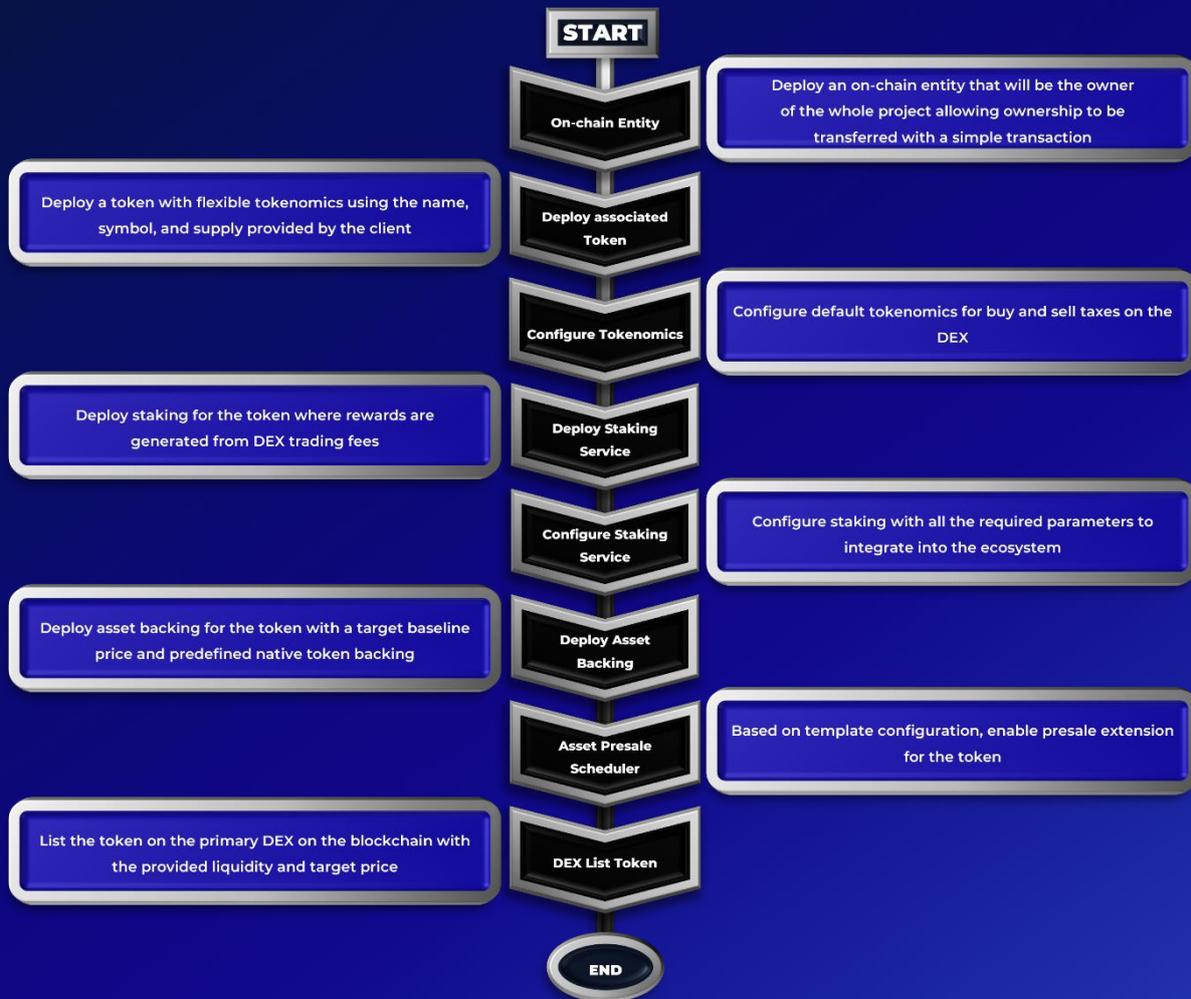
For your token project, you can pick up the template for a token with a fair launch. All that is required is the input of a few parameters like the name and symbol of the token, the total supply, the target DEX price, and some simple checkbox configurations.

After the required inputs are complete you will be permitted to deploy your token template and simply have to wait for the transaction to execute fully on the blockchain.

In a single transaction, the token project template will execute the following:

- 1.** Deploy an on-chain entity that will be the owner of the whole project allowing ownership to be transferred with a simple transaction
- 2.** Deploy a token with flexible tokenomics using the name, symbol, and supply provided by the client
- 3.** Configure default tokenomics for buy and sell taxes on the DEX
- 4.** Deploy staking for the token where rewards are generated from DEX trading fees
- 5.** Configure staking with all the required parameters to integrate into the ecosystem
- 6.** Deploy asset backing for the token with a target baseline price and predefined native token backing
- 7.** Based on template configuration, enable presale extension for the token
- 8.** List the token on the primary DEX on the blockchain with the provided liquidity and target price

As we can see, the template does all the heavy lifting when it comes to the deployment and configuration of a token project. These steps would easily take over 50 transactions for a more experienced user to get the same deployment using the lower-level services of OpenDApps Cloud. The template knows the important steps and only leaves the core inputs to the client - crucial data options for their token and of course, investing their time on the core constructs of their business and spreading awareness.



On top of template deployment, the Crypto Factor Platform will offer a specialised dApp dedicated to the management, monitoring, and further configuration of the services after deployment. The dApp makes it easy for clients to access their smart contracts without the need for an extended knowledge of smart contract interaction and storage.

This makes the platform accessible to a wider audience, even those without coding skills or experience. Clients of the platform also have access to the public dApp which they can potentially share with their project communities so they can have access to the staking, asset backing, charts, and much more. All of this is available through the Crypto Factor platform and is designed for ease-of-use and user satisfaction.

TOKEN

Crypto Factor Token (CFR) was launched on DeFiChain MetaChain in early 2024 with a total supply of 100,000,000. The token is non-inflationary and no new tokens will ever be minted which increases scarcity over time.

As one of the first utility tokens to launch on DMC, CFR plays a crucial role in the future of the Crypto Factor Platform. An initial staked holding of the token will be required for customers who want to use the platform, and the token will also be part of the fee structure of the platform.

Further to it being a requirement for using the Crypto Factor Platform, CFR holders will receive rewards for participating in the ecosystem. The token will feature staking where the rewards will be generated from the revenue of the platform together with the tokenomics of CFR itself.

The Crypto Factor Token aims to become a high performing utility token on DMC, featuring an ecosystem focused on building a decentralised business to provide a real revenue stream for the team and reward holders of the token. CFR is likely to feature in future integrations with other DMC protocols and the DEX pair strategy will be developed as requirements evolve. The initial DEX pairing being CFR/DFI with CFR/DUSD to follow. Whether you expect to use the platform or simply purchase the token, there are six important elements to consider when choosing to hold CFR:

Reasons To Hold CFR

-  **Entry Criteria:** CFR designated as a prerequisite for platform access with confirmation at launch and potential adjustments later
-  **Asset Component in AB Contracts:** CFR expected to be a minor but consistent element in all client AB agreements
-  **Buy-Back Option:** CFR includes a conditional repurchase feature, dependent on Crypto Factor's discretion and performance metrics
-  **Burn Mechanisms:** CFR designed for both one-time and ongoing automated token reduction processes
-  **Airdrop Allocation:** CFR's airdrop reserves designated for a one-time use to boost presale engagement
-  **Future Role:** CFR's involvement in upcoming projects, as outlined in the R&D glossary and multi-year strategic plan

DISTRIBUTION

After the initial minting, CFR tokens were split into a distribution built around providing maximum value for the community whilst ensuring flexibility and strength for the ecosystem. The initial distribution of the tokens is as follows:



Token Contract

0x29712FF76Aecb8b586F0d299A6Ce8b7e092A0a93

- **40% of tokens** are allocated for the execution of a four-phase presale aiming to raise liquidity for DEX Listing (soft-cap) and initial Asset Backing baseline price support (hard-cap)
- **20% of tokens** are allocated for providing initial rewards for the CFR staking pool until the platform revenue takes over in rewards generation
- **16% of tokens** are allocated for liquidity in combination with the raised funds from the presale giving the DEX listing a healthy proportion of liquidity to market cap
- **10% of tokens** are allocated for the long-term expansion of CFR in the treasury dedicated to future marketing and providing liquidity for CEX listings
- **10% of tokens** are allocated for supporting future team operations in the form of vested treasury with monthly releases for the first years of development
- **4% of tokens** are allocated for an initial weighted airdrop event celebrating the release of the Crypto Factor Platform and to reward the early holders

TOKENOMICS

As a utility token, CFR is part of the ecosystem focused on supporting the platform as well as providing rewards to holders. Crypto Factor tokenomics are designed to achieve those goals in the long term while not disturbing the daily transactions of platform users and holders. Trading the Crypto Factor Token will come with a 10% symmetrical tax on buys and sells while having 0% tax on any other transfer outside the DEX listing pairs. The size of the tax can change in the future but can never go above 10% as a measure to protect holders.

At launch, the distribution of the 10% tax has the following composition:

- **2.7% is sent as CFR** to the staking pool to generate rewards for holders
- **2.7% is swapped to DUSD** and sent to the asset-backing contract to increase liquidity and baseline price
- **1.8% is split into CFR and DFI** and is sent to the treasury holding the funds for future platform expansion
- **1.8% is split into CFR and DFI** and is sent to the treasury holding the funds for team management
- **1.0% is sent as CFR** to OpenDApps Cloud treasury as payment for foundational infrastructure service provision

PLATFORM REVENUE

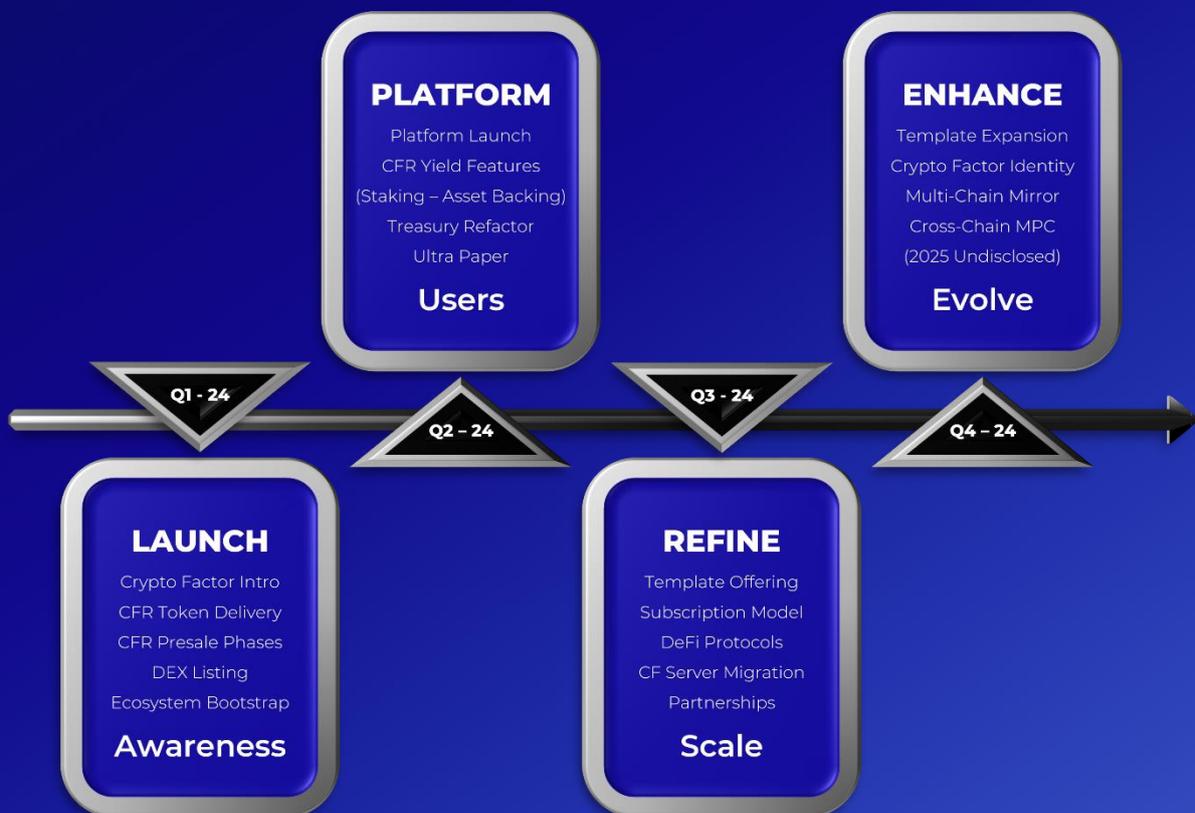
One of the highlights of the Crypto Factor ecosystem is the automated revenue stream from The Platform. All the fees generated from the clients using the platform, as well as those generated from subscriptions go through the automated funnel where they get distributed. The distribution of the revenue is as follows:

- **20% is swapped for CFR** to the staking pool to generate rewards for holders
- **20% is swapped for DUSD** and sent to the asset-backing contract to increase liquidity and baseline price
- **30% is sent** to the treasury holding the funds for future platform expansion
- **30% is sent** to the treasury holding the funds for team management

ROADMAP

Crypto Factor have an ambitious roadmap laid out on principle for the year ahead. Beyond the launch of token and platform this serves as an indication of where we are heading:

- **Q1 (LAUNCH)** will be dominated by the **CFR Token** raise and listing, the execution of Crypto Factor Infrastructure to support the upcoming Platform
- **Q2 (PLATFORM)** will be focused on the **Crypto Factor Platform** launch and the formation of the User Base, coupled with a revised paper we call Ultra, which will include a comprehensive overview of the platforms operational capabilities
- **Q3 (REFINE)** will bring optimisation of the infrastructure and partnership developments to increase both the utility of the ecosystem and prepare for the adoption of **New DeFi Features** to enable our users to integrate into value-adding DeFi protocols
- **Q4: (ENHANCE)** As we remain a research company there are many topics which will be included as the research matures and the components enter a development phase having been deemed applicable as component or modular extensions of the Crypto Factor Platform and Ecosystem



CONCLUSION

Crypto Factor welcome the entire community to join us on this journey of decentralised exploration. With your support the launch of the CFR token and finalisation of the platform will realise robust use cases and adoption for DeFiChain.

Whether you prefer to simply hold the token and enjoy the benefits described or opt to use our platform to further your business ideas and participate on-chain, we look forward to offering our decentralised services for your benefit.

With a packed roadmap and enthusiast goals we are confident that the utility we can bring to the blockchain ecosystem will allow us to develop the project in line with the founding principles of Crypto Factor – allowing users to assemble and form the types of entities and services which are fit for their future purpose.

With Presales running in February 2024 and the Platform under active construction with a beta version expected in April we would like to thank all those who have contributed to the project thus far, for their injection of thoughts and ideas and commitment to continue to research and build what we believe will be a fundamental component of the user experience on DeFiChain and beyond.

The Crypto Factor Team

X: @_Crypto_Factor

Telegram: @Crypto_Factor_TG

Website: <https://www.crypto-factor.io/>

DMC-Universe Listing: <https://www.dmc-universe.space/project/cryptofactor>

Crypto Factor Token Contract
0x29712FF76Aecb8b586F0d299A6Ce8b7e092A0a93