

PACT

COMMUNITY TOKEN



White Paper V2

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OVERVIEW

As of now, there are three main types of projects:

- **Centralized exchanges (CEX)** with an existing community and access to different types of coins and tokens on different blockchains;
- **DeFi for profitable farming**, where the large market players (users with significant amounts of funds) farm tokens;
- **Certain DeFi projects** targeting users with small budgets. Such projects offer different mechanics of “equality” of users and the earnings of tokens in proportion not to the amount of funds, but to the activities of users.

WHAT IS THE PROBLEM?

All three types of projects live their own lives. But for a user who has achieved something in one type of project, sometimes it is very difficult to start using another one.

For example, DeFi users may find it difficult to start buying new tokens on a CEX exchange. Or it can be difficult for CEX users to understand the interface and algorithms of DeFi projects.

Users can feel like small fish and do not participate in projects where the crypto whales receive the bulk.

WHAT TO DO?

Offer a comprehensive system that combines all three platforms to facilitate the flow of all three options.



WHAT DO WE OFFER?

We offer a system of in-game achievements on all three platforms!

Users can compete in teams of like-minded people (adherents of certain blockchain projects) or solely on different platforms. Such competitions are held openly in the blockchain system.

Any user can:

- achieve goals in various aspects of DeFi and CEX platforms and receive rewards in PACT ecosystem tokens;
- develop skills in the fields that user's most interested in and experienced;
- compete with other users with completely different skills and abilities.

Overall, the PACT ecosystem has many beneficial cross-use combinations of platform products. With the correct balance of mining, farming, discounts on commissions, liquidity from the Base Pool, and arbitrage, the user can get a multiplicative model of the benefits.



How does it work?

The user can create an NFT token by connecting his wallet to the casting module. The created PACT Hero can be assigned to one of the squads according to the blockchain (Ethereum, Binance Smart Chain). Also, each NFT token has skills that can be upgraded by the user. Skills include several directions - Warrior, Farmer, Trader, Predictor and correspond to the actions that users can perform on PactSwap.



WARRIOR

Add liquidity to DeFi projects and earn on trading commissions



FARMER

Earn tokens on Yield Farming



TRADER

Trade with DeFi projects and earn on the price difference



PREDICTOR

Develop your risk analysis skills and make money on forecasting

All NFT tokens can be upgraded by skills performing actions on the exchange - trading, farming, participating in the lottery, adding liquidity to the pool. Further, the user has the opportunity to add his upgraded NFT token to the mining pool and mine PACT tokens.

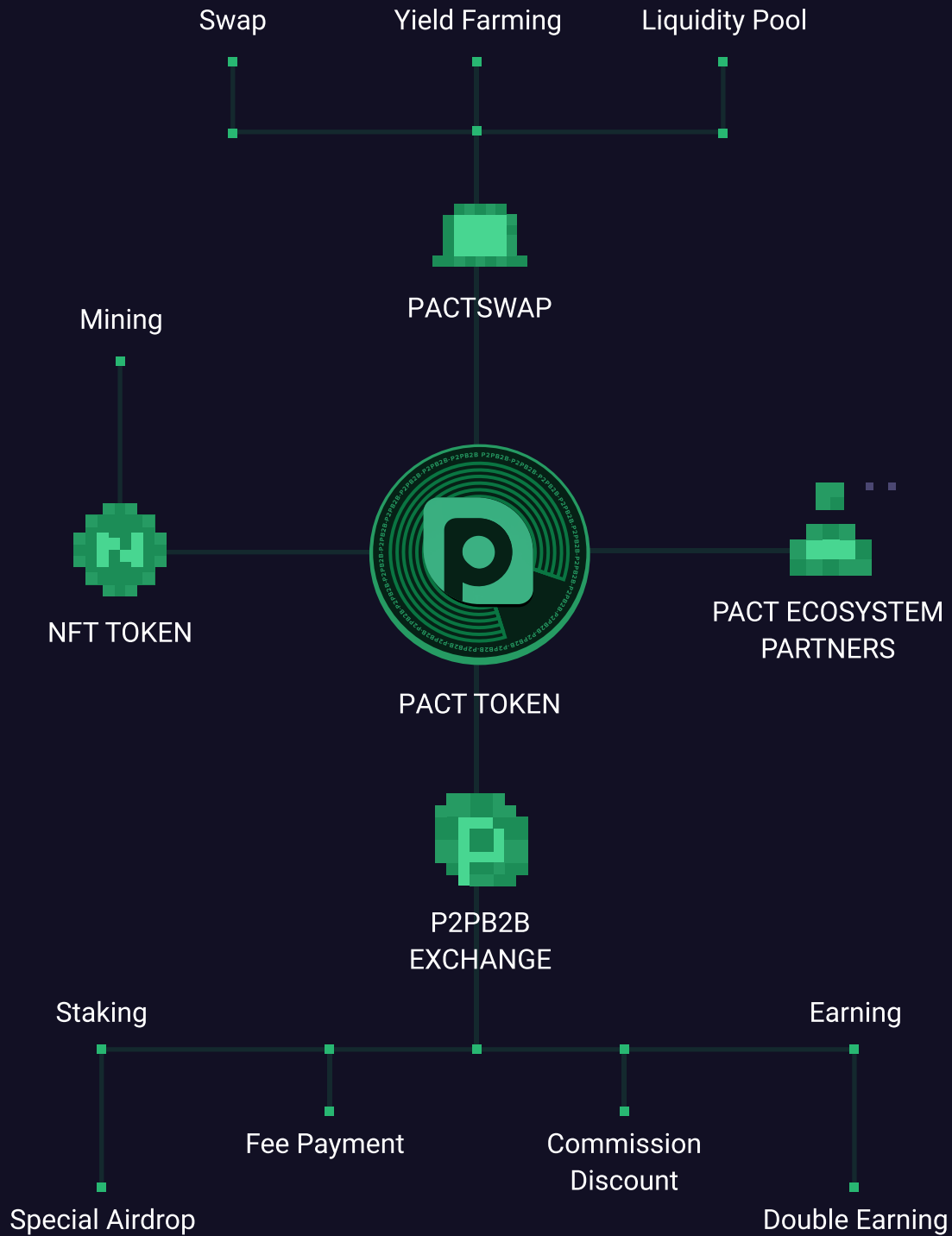
Also, it is possible to update your Hero using a skill casting system - Multicast. The user should pay the fee in PACT tokens to update a character to a certain level.

The updated NFT token can be sold on open resources or used for further actions on the exchange.



BASIC DESCRIPTION.

HOW THE PACT ECOSYSTEM WORKS





We will consider the following as the key points of the PACT ecosystem:



PACT Token is a community token that reflects the value of the PACT ecosystem.



PactSwap - decentralized exchange.



PACT Governance. Holders of PACT tokens can participate in the platform development, make decisions on ecosystem changes as well as on the distribution of the ecosystem's income by voting.



PACT Incentives. A part of the income that the PACT ecosystem generates is accumulated in a specific pool that PACT token holders have access to according to the number of tokens held.



PACT Base Pool is the system of PACT supply and demand balancing.



PACT NFT. Accounts of the users and their specific achievements will be reflected in the NFT.



CEX P2PB2B - centralized P2PB2B exchange and the entire set of products based on it.



PACT TOKEN

PACT is not just a token, but an entire ecosystem designed to unite the crypto community. Users of PACT token can execute various management functions and have privileged access to products and services of the ecosystem, taking an active part in the development of PACT and receiving rewards in return.

A token has a certain value and the ownership of this token creates added value for its owner within the ecosystem in which this token is used.

PACT Token allows you to get privileged access to all products of the PACT ecosystem - meaning that some products with increased APY (Annual Percentage Yield) or exclusive earning opportunities will be available only to those users who have a PACT community token. It is worth noting that such products can not only be within the PACT ecosystem but also go beyond it, for example, products from partners of the PACT ecosystem.

A part of the profit from the PACT ecosystem is distributed among the PACT token holders. Another part that is generated by the products of the PACT ecosystem (for example, DEX PactSwap, etc.) is sent to a special incentives pool. Funds in the pool are proportionally distributed among the holders of the PACT community token. PACT tokens are credited to the users as a reward for their activity within the PACT ecosystem. Holders of PACT tokens can initiate votes within the PACT ecosystem, as well as participate in these votes.



PACTSWAP

The decentralized exchange PactSwap, which is based on the AMM mechanism as a fork of Uniswap, was created by the PACT Team in order to meet the needs of the community to use decentralized exchange tools that do not imply the storage of funds by a third party and verification like KYC/AML.

PactSwap has a liquidity farming program. This means that if you carry out activity on the platform, you will receive a reward in PACT tokens. The main reward is the accrual of PACT tokens to all liquidity providers. The user provides liquidity in the PactSwap liquidity pools, and in return receives LP tokens (liquidity tokens). The user can place these tokens in the farming smart contract and will receive rewards in PACT tokens.



PACT GOVERNANCE

All of the changes within the PACT ecosystem are made by voting by the PACT token holders. The voting mechanism implies the delegation of PACT tokens for the time of voting. Any controversial issues, as well as decisions that relate to the redirection of funds within the PACT ecosystem, are also made through votes.



PACT INCENTIVES

A part of the income from any activity within the PACT ecosystem is referred to a separate pool under a specific Incentives smart contract.

Examples of filling the pool:

- PactSwap commission on trading
- commission on NFT casting
- commission on NFT upgrading



PACT BASE POOL

Users have an opportunity to get PACT tokens at a fixed price without slippage, and also to return these tokens back at the same price within 3 months. This opens up a host of arbitrage opportunities and allows mitigating the risks of increased volatility for PACT token holders.



MINING POOL PACT NFT

Each NFT token (non-fungible token) contains the history of the token and the corresponding achievement level. We have implemented this in the form of various characters that have a set of specific skills. The user (the owner of the NFT token character) can develop these skills, thereby increasing the level of the character and the set of this character's privileges.

We implemented 4 skills in the first version of NFT characters:



WARRIOR

Add liquidity to DeFi projects and earn on trading commissions



FARMER

Earn tokens on Yield Farming



TRADER

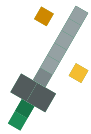
Trade with DeFi projects and earn on the price difference



PREDICTOR

Develop your risk analysis skills and make money on forecasting

The formulas for upgrading characters in the first version of the contract are simplified. Additional upgrading parameters will be added in the next contracts. Let's take a closer look at each of the skills:



WARRIOR

The development of this skill is carried out by providing liquidity to the liquidity pairs.

To calculate this indicator, the following data from transaction of adding liquidity to the liquidity pool is used: the adding block, the number of LP tokens, the LP share in the total pool. Every 1000 blocks are worth achievement points.

Number of blocks in liquidity = Current block - LP adding block



FARMER

Development of this skill is carried out due to the LP tokens number and share in the general pool.

To calculate this indicator, the following data from the transaction for adding an LP token to farming is used: the addition block, the number of LP tokens, the share of LP in the total pool. Every 1000 blocks are worth achievement points.

Number of blocks in farming = Current block - LP addition block



TRADER

The development of this skill is carried out by making transactions in the network.

1 SWAP transaction = 1 achievement point



PREDICTOR

The development of this skill is carried out through active participation in the lottery.

1 lottery transaction = 1 achievement point



Each user can develop the skills needed later. Based on the level of specific skills, the user will receive specific privileges within the PACT ecosystem. If we sum up all the points of all skills, we get the total NFT level of the character. For example:

Hero's Rank
16 LVL



Warrior
5 LVL



Farmer
2 LVL



Trader
8 LVL



Predictor
1 LVL

The user can put the NFT PACT Hero into the mining pool of the selected squad in addition to the frozen tokens inside the NFT Hero to receive rewards. The amount of bonus rewards in mining directly depends on the general level of the character's NFT and the number of blocked tokens inside the NFT.

Up to 0.5% of the total supply of PACT (i.e. up to 5 million tokens) is sent to one mining pool of NFT tokens.

The duration of mining in one pool is at least 30 days.

Three mining pools are initially available:

- PACT SQUAD
- UNI SQUAD
- CAKE SQUAD

Mining Duration of 3 initial pools is 180 days:

Formulas for calculating rewards

Daily output per user = Daily output of the mining pool * User Power / Total Power of all users in pool

Power - mining multiplier for each user

User Power = NFT PACT per value / Heroes Quantity * Sum Total NFT Skill / 100



SUM of NFT PACT par value - The sum of the nominal PACT values of all characters that the user sent to PACT SQUAD from one address.

Average Total NFT Skill - the average value of the sum of the skills of each character, which the user sent to PACT SQUAD from one address.

For each address, if the total PACT value of NFT staked exceeds 20000 in one of the first three pools, the PACT value staked shall be capped and calculated as 20000.

The user can buy and sell NFT character tokens to other users, for example, through the OpenSea NFT token platform, etc.






P2PB2B EXCHANGE

The P2PB2B exchange plays the role of a marketing tool in the development of the PACT ecosystem. The attraction of the primary PACT community is carried out through the airdrop of PACT tokens to the exchange users, as well as to their attracted referrals.

The PACT community has delegated the management of the PACT CEX Rewards fund to the exchange. Within the framework of this fund, the exchange charges users in PACT tokens for various activities:



PACT token holders can receive a number of benefits with the P2PB2B exchange:

-  Reduced commissions. With PACT and NFT account tokens the user can increase the level of the exchange account, thereby reducing commissions when trading on a centralized P2PB2B platform.
-  Priority access to various token sale types. Users' PACT tokens and the level of their account imply priority access to token sales on the platform. These may be the order in the queue, the size of the potential allocation, the number of winning tickets in the case of a lottery, etc.
-  Participation in airdrop programs by default. With PACT tokens and the corresponding account level, the user will receive exclusive airdrops. The size, queue and frequency of airdrops depend on the account level and the number of community tokens.



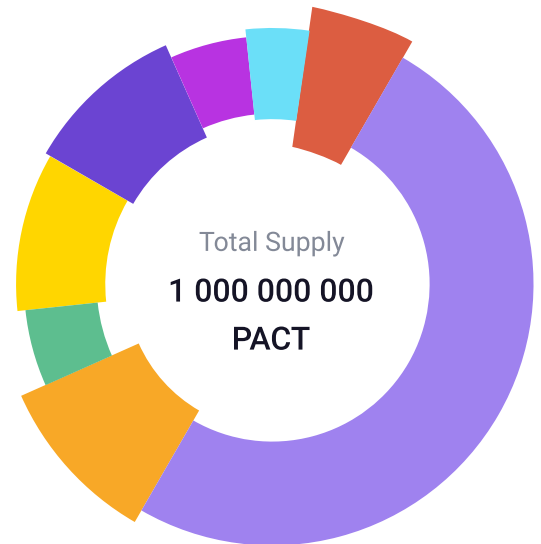
- Interest of staking yield. The more community tokens are on a user's account, the higher APY (annual percentage yield) he will have in all presented staking products on the P2PB2B platform. Also, PACT stakers have an increased interest on the earning sessions of PACT and other coins.
- Discount on other exchange services (listing, trading competitions, marketing events, market making, etc.)

The PACT Team is currently working on creating cross-liquidity mechanisms between transactions on the centralized and decentralized P2PB2B exchanges. This will allow the order book of the centralized market to use PactSwap liquidity, and vice versa. At first glance, it may look like arbitrage. But the uniqueness of this mechanism lies in the fact that initially, it does not imply the goal of making a profit. Its main task is to increase the liquidity of the sites. Perhaps in the future, this protocol will form the basis of an inter-protocol interaction infrastructure to improve the global user experience in the DeFi field.



TOKENOMICS

■ 50%	Staking and Mining for NFT	500 000 000
■ 10%	Rewards (marketing, airdrops etc)	100 000 000
■ 10%	Team	100 000 000
■ 8%	Farming PactSwap	80 000 000
■ 5%	Base pool	50 000 000
■ 1%	Farming Pancake	10 000 000
■ 1%	Farming Uniswap	10 000 000
■ 15%	Reserves	150 000 000



◆ TEAM TOKENS

Team tokens are initially locked in the Governance smart contract and can be used by the team to initiate and vote even in a locked state. These tokens will be unlocked with the growth of the trading volume in the PACT ecosystem, and as TVL grows in the decentralized PACT ecosystem. This will allow the team to be as much motivated in the development of the platform as possible and have the desire to increase the trading volume and the growth of locked funds in the PACT ecosystem.



◆ **BASE POOL**

Tokens allocated for liquidity will initially be placed in the Base Pool. They can be bought at any time by accredited market makers at the current fixed price with a small discount. Within a certain period, they can return these tokens back to the Base Pool at the same price. This will create additional arbitrage opportunities for users and arbitrage bots as well as solve the problem with a potential liquidity crisis.

A liquidity crisis is a situation in which there are significantly fewer token sellers than buyers and the price begins to rapidly grow inorganically, generating a kind of pump. Due to the Base Pool system, such crises will be mitigated. This would generally keep the PACT ecosystem in a healthier economic state.

◆ **RESERVE TOKENS**

Reserve tokens are intended for activities that will be initiated in the future. Also, with the help of this reserve fund, some risks can be mitigated if they arise.

This reserve fund is managed through a Governance contract by voting. Therefore, holders of PACT tokens can put forward proposals and vote for this or that decision when it is necessary to use these tokens.



◆ FARMING TOKENS

Liquidity providers (users who provide liquidity to the pools on decentralized exchanges) can supply liquidity to DEX PactSwap pools and accredited third-party pools (Uniswap and Pancake Swap), and get rewards in PACT tokens as part of a profitable farming platform.

PactSwap - 50 000 000 PACT

Uniswap - 10 000 000 PACT

Pancake Swap - 40 000 000 PACT

The user who has placed liquidity needs to stake the LP tokens received in the pool (liquidity tokens) in the farming smart contract.

◆ TOKENS ALLOCATED FOR REWARDS

The users performing useful activities for the ecosystem will be rewarded with the PACT tokens. Useful activities include trades on DEX and CEX, referral activity, participation in voting, contests and special events, staking and earning programs, and other activities in the ecosystem.

◆ HALF OF THE TOKENS ARE SUPPOSED TO BE BURNED

50% of any token proceeds to the P2PB2B platform will be sent to the token burn address quarterly. The remaining **50%** goes to the P2PB2B Operating Team. This will reduce circulating supply and increase organic demand for tokens.

20% of the proceeds to the Incentive Pool are sent to the token burning address.



TECHNICAL STRUCTURE OF PACT

The PACT ecosystem is based primarily on decentralized principles. There are several fundamental elements of an ecosystem:

- "Governance" smart contract
- "SWAP" smart contract
- "Farming" smart contract
- "Incentives" smart contract
- "Base Pool" smart contract
- NFT Factory

Let's consider each element of the ecosystem separately.

◆ "GOVERNANCE"

Initially, PACT tokens are placed in a decentralized "Basic Collateralization" smart contract, which will be governed by a decentralized "Governance" smart contract.

Through the "Governance" smart contract votes, PACT token holders can initiate various transactions and transfers of PACT tokens from the "Basic Collateralization" smart contract to other smart contracts and wallets. Additionally, PACT token holders can initiate and hold any voting to change the parameters of the PACT ecosystem in the "Governance" smart contract.

The "Governance" balance of the smart contract contains the team's tokens in a locked state with the ability to use them for voting. Reserve tokens are also located there. Team tokens will be unlocked according to the approved unlock scenario, and the community will be able to dispose of reserve tokens at any time by voting.



◆ “SWAP”

The "SWAP" smart contract is implemented as a Uniswap fork. This smart contract allows any user to trade directly with each other on the PactSwap decentralized exchange.

Any user can trade or deposit funds into the liquidity pool. The smart contract manages the reserves of PACT tokens and balances their prices in relation to each other, depending on supply and demand.

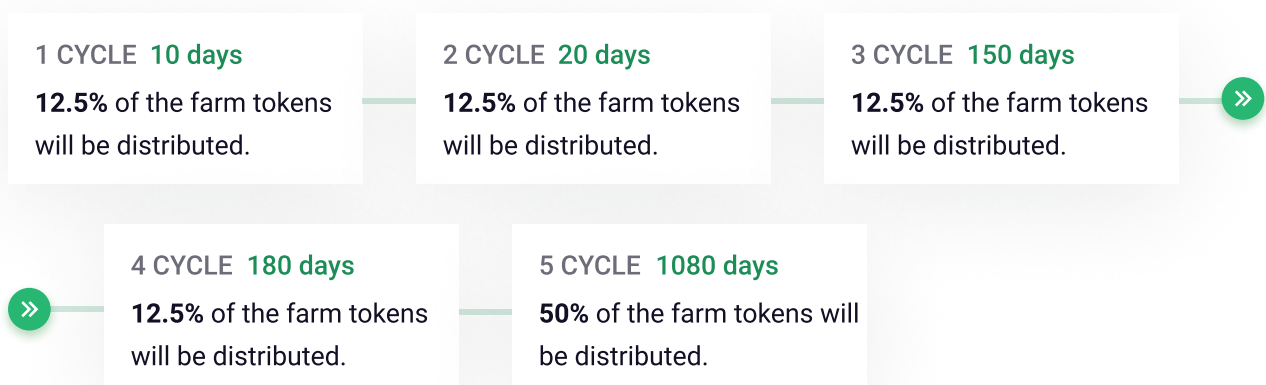
The main goal is to develop the PACT ecosystem, so there is no possibility of adding new assets except for the offered by the PactSwap decentralized exchange.

◆ “FARMING”

The “Farming” smart contract manages the distribution of the crop as part of the liquidity farming process in the pools of the PACT ecosystem and third-party accredited pools on other partner platforms.

Initially, 10% of PACT tokens total supply or 100,000,000 PACT is placed on the farming smart contract. These tokens will be distributed among liquidity providers of the PACT ecosystem within 4 years.

The 4 year farming period is divided into 5 cycles. Each cycle has its speed and volume of remuneration accrual for liquidity farming:



To receive rewards, the user needs to stake the corresponding LP tokens.



◆ “INCENTIVES”

The “Incentives” smart contract distributes the revenues of the entire ecosystem to PACT token holders. Part of fees and other paid activities within the PACT ecosystem are sent to the balance of the “Incentives” smart contract. These activities can be part of the PactSwap fees from trades, fees for casting NFT, fees for upgrading NFT.

PACT tokens holders who have mined their tokens in this smart contract can receive a proportional share of the balance of this contract by the mining period.

PACT tokens, which are in the “Incentives” smart contract, can be used to participate in voting, and also to provide additional benefits for liquidity farming, increasing its APY.

Additionally, PACT tokens are mined if the user has some LP tokens in the “Farming” smart contract, which reflect the provision of liquidity for pools with the PACT token. These users can also claim a portion of the Incentives smart contract balance on a par with users using the standard mining feature.

◆ “BASE POOL”

This pool provides the market with tokens that are fully secured by the underlying asset. This will attract users interested in purchase when the price falls, and interested in sale users when the price of the token rises.

The Base Pool initially contains 50,000,000 PACT. The market maker can take any number of PACT tokens at a fixed current market price in this pool. There is no slippage since the price of the PACT token is fixed in the Base Pool. The market maker has the right to return the received PACT tokens at the same price that he has bought it within 3 months.

This mechanism will create many options for arbitrage, which will significantly stabilize the PACT token rate. If the market maker does not return the PACT tokens to the Base Pool in 3 months, the tokens are completely transferred to his disposal, and the underlying asset received by the Base Pool in turn for the provided PACT tokens is transferred to the management of the PACT ecosystem.



Base Pool parameters for market makers:

- 01 The "Base Pool" receives the current spot price through Oracle. Due to this, the market maker currently has the opportunity to take PACT tokens.
- 02 The price is fixed within the "Base Pool" therefore there is no slippage in it.
- 03 When a market maker takes a certain number of tokens in this pool at a specific fixed price, user assigns the right to return these tokens at the same fixed price within 3 months. This specific transaction and price are assigned to the market maker's wallet until he returns the tokens, or until the 3-month period of this operation expires.
- 04 A market maker can simultaneously have deals at different prices with different expiration dates. That is, user may not close a deal at one price, and at the same time open a new deal at a different price.
- 05 Each trade has a 3-month expiration date. If within 3 months, the market maker does not return the tokens (or part of them) to the Base Pool within 3 months in the specific transaction framework, the transaction is closed. The underlying asset goes under the governance of the Governance contract, while the tokens remain in the free market.

After the Basic Asset is taken over by control of the Governance contract, the funds are allocated by default as follows:



30% of the received funds are directed to the buyback of tokens from the Market

30% of the received funds go to the "Incentives Pool" for PACT token holders

40% of the received funds are sent to liquidity on DEX

You need to be accredited to become an official market maker and gain access to the arbitrage opportunities of the base pool. A market maker is accredited by registering an account on a centralized P2PB2B platform. Additionally, the ETH address of the market maker is entered into the whitelist of the Base Pool by voting under the Governance contract.



◆ P2PB2B EXCHANGE

The P2PB2B exchange is a major PACT token holder. The exchange manages all tokens that are allocated for Rewards within the framework of tokenomics. P2PB2B sends tokens to users for participating in various activities that can be performed within the PACT ecosystem. Tokens are credited for joining the PACT community, referral activity, trading activity on both centralized and decentralized exchanges, voting within the PACT ecosystem, staking on centralized platforms, using P2PB2B products, and PACT partner products.

◆ NFT

Each NFT token contains information about all achievements, activities, and available privileges within the PACT ecosystem and PACT partners.

Each NFT token has a specific level, which opens up certain opportunities and privileges to it. A user gets the opportunity to generate increased profits through mining and farming according to the level. Also, users have the opportunity to pump their NFT token, thereby giving it additional value. It can be monetized on open platforms for the sale of NFT as a unique collectible exhibit.

There are several ways to increase the NFT token level:

- **Liquidity pools** - a way of developing and increasing Warrior's skill by providing liquidity in pairs of liquidity.
- **Transactions on the network** - a way to develop and improve the Trader skill by making transactions in the network.
- **Farming of LP tokens** - a method of obtaining and increasing the Farmer's skill due to the number and share of LP tokens in the general pool.
- **Participation in the lottery** - a way of obtaining and increasing the Predictor skill by participating in the lottery.
- **Boost of NFT token** - a quick way to upgrade any of the selected skills by sending PACT tokens to the NFT token address.



ROADMAP



January 2021

- Initial distribution of PACT tokens among users of the P2PB2B exchange

February 2021

- PACT Earning Program launch

March 2021

- PACT Staking program launch
- Exclusive Airdrop program launch

April 2021

- PACT token trading start
- Liquidity discount and observer launch
- PACT Governance smart contract launch
- Ability to pay fees on the P2PB2B exchange at a discount using PACT tokens
- PactSwap launch

May 2021

- PACT Farming launch

June 2021

- Launch of NFT token on PactSwap
- Launch of the Mining Program for NFT token holders

2021 Q3 and Q4

- Adding ERC / BSC 1155 tokens
- Adding unique NFT character accessories (clothing and weapons)
- Support of multiple tokens
- Support of more projects
- Support of other blockchains