

New class of long-term financial instruments

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Samenvatting

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Contact & Site

Extra beschrijving

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Company description:

Short-termism is a problem ubiquitous in our world. From short-termist firms, to an overwhelming amount of short-term culture amongst investors and the current financial services industry, to the present bias affecting our decisions.

This non-profit startup aims to solve this \$1.7 trillion problem in all of its facets by facilitating the usage of applications of the long-term class of financial instruments in decentralized and traditional markets. This startup introduces a new class of long-term financial instruments (Gages), as a solution to this corporate short-termism as a community.

Gages are defined as a contract between two or more stakeholders to pay a percentage of a given deposit (of a given asset) to the last stakeholder fulfilling a given condition, generally related to holding.

Two types of gages:

- Loyalty gages: create symbiotic relationships between the investor and the firm.
- Yield gages: add new layers of revenue for investors to profit from in DeFi, offering the highest earning potential of all present DeFi instruments.

The startup aims to become a decentralized autonomous organization, controlled by the startup's Fund; a governing body made up of all holders of the startup's token. They aim to initially attract retail investors with the lure of superior profit compared to any other means of profit in DeFi.

Planned partnerships with yield farming platforms (i.e YieldYak) and decentralized exchanges (i.e Trader Joe) will also help the startup further reach the retail investors. Eventually, this will also attract risk-averse investors, who understand that they only stand to gain by participating in gages.

With some retail investors slowly adopting more long-term mindsets, this will reinforce a new culture of long-term, eventually helping balance the aforementioned disequilibrium.

Business Model:

The startup takes a 0.5% fee on the deposits of each loyalty gage.

Additionally, as it holds an initial percentage of the supply, the startup also has a secondary income stream from the reward redistribution its token is capable of.

Customer type / profile:

Initially private investors, which mainly constitute DeFi, then institutional investors who represent a minority in the DeFi sector but a majority in the traditional financial services industry.

Preferable investor type:

Angel investor; Incubator/accelerator

USP's:

The startup does not have any competition as they are the world's first platform offering these services. They have a fully completed working and tested product (smart contracts). They offer a simple yet thorough solution to corporate short-termism, a problem estimated at \$1.7 trillion.

The DeFi sector is worth ~\$103 billion and the startup offers a method which has the greatest earning potential than any other DeFi tool, hence a significant part of the DeFi sector can be overtaken.

Capital amount needed:

€501.000,-

Investment need:

IP-defining/patenting: €50k, marketing: €150k, Domain purchase: €76k, year's worth of AWS EC2 web hosting: €35k, (6 months) hiring front-end/back-end engineer, brand specialist/marketer and community managers: €120k, lawyer/accountant/other legal needs: €35k, unpredictable costs: €35k

Sector:

Other; FinTech

Phase:

Seed

Number of founders:

1

Current number of employees:

1-5

Experience:

Founder has been in the Blockchain space for over five years, and additionally has a substantially strong background in Economics, Entrepreneurship, Psychology, Back-end Programming and Artificial Intelligence. They pride themselves in their ability to view the world through a completely different lens whilst maintaining a significant understanding of that of the humans inhabiting it.

Hacking their school's computers since the age of 11, and passionate about understanding the world around them, the founder has a bachelor's degree in Artificial Intelligence at the University of Groningen, with a strong background in Chemical Engineering and Economics. They put this knowledge to work in a private student mutual fund run entirely by them, turning the fund's initial €3.300 into €200.000 just under four months. Additionally, the founder has been proficient in Java, Javascript, R, Python, C and Unix for five years, and taught themselves Solidity from scratch. Aside from studies, they have a strong experience in leadership, having worked as a chef for over four years where they had to teach and manage multiple cooks.

Monthly turnover (current):

0

Market capitalization on crypto markets (forecast) next 12 months:

€35.000.000,-

Market capitalization on crypto markets (forecast) months 13 - 24:

€70.000.000,-

Current monthly expenses:

€3.000,-

Committed funding in the current financing round:

0

Additional information:

\$100.000 was raised as a pre-seed funding round, originating from founder and relatives.

The entirety of the smart contracts for the startup's governance/utility token, platform, customizable standard gages, and loyalty gages are all tested and ready for deployment.

They have written an academic whitepaper demonstrating their knowledge on short-termism, and introducing gages, which amongst several other properties of gages, establishes a mathematical proof showing that a gage's risk to reward decreases linearly with the number of stakeholders, and that a loyalty gage always offers a positive average percentage gain regardless of the asset's price movement. Another whitepaper for the platform is also finished. Both are available upon request as well as a lean business plan and the company's logo. CertiK (one of the most reputable smart-contract auditing platforms) is auditing the smart contracts of the startup.

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