



**taotrade**



**WHITEPAPER**

[taotrade.io](https://taotrade.io)

# **TaoTrade** disrupts the decentralized finance (DeFi) landscape by introducing a **permissionless derivatives market** built on Arbitrum.

Designed as the ultimate day-trading platform, TaoTrade empowers users to trade options similar to zero-dated options in traditional finance, allowing for settlement at any point.

This whitepaper explores the innovative features of TaoTrade, addressing the critical issue of risk management in day-trading. Traditional approaches often lead to significant losses and frustration, with statistics showing a high dropout rate among new traders. TaoTrade tackles this challenge with its groundbreaking "Protected Perpetuals."

Protected Perpetuals offer high leverage (up to 1000x) without upfront premiums, liquidation risks, or capped downsides. This unique structure empowers traders to limit potential losses while retaining unlimited profit potential. Secured by Chainlink oracles for data integrity, Protected Perpetuals provide a safe and efficient environment for day traders.

# The **TaoTrade** ecosystem offers a comprehensive suite of products:

## **tVaults:**

Maximize yield through intuitive, user-friendly vaults.

## **Protected Perpetuals:**

Trade with confidence using these innovative instruments, designed to shield users from sudden price swings and manipulative wicks.

## **Rewards:**

A robust tokenomic model ensures long-term growth for the protocol and generates value for \$TTrade holders

**By eliminating the fear of catastrophic losses through Protected Perpetuals, TaoTrade fosters a positive trading cycle, empowering users to refine their skills and potentially achieve profitability. This whitepaper examines the inner working of TaoTrade, going into depth on the products and tokenomics that empower TaoTrade and its token \$TTrade. Ultimately, TaoTrade aims to redefine day-trading within DeFi, offering a secure, accessible, and rewarding experience for all participants.**



# Unleash the Power of Yield with **TaoTrade's Innovative tVaults**

TaoTrade, a cutting-edge DeFi options platform built on the Arbitrum network, revolutionizes how users earn yield on their cryptocurrency holdings. At the heart of this revolution lies a powerful tool called the tVault.

## **tVaults: A Multi-faceted Yield Engine**

tVaults are a unique type of liquidity pool specifically designed to fuel the TaoTrade options platform. By depositing supported pairs like wBTC-USDC or wETH-USDC into a tVault, users become active participants in the TaoTrade ecosystem and unlock a multitude of earning opportunities.

### **1 Ramses DEX Integration:**

When you deposit your chosen liquidity pair into a tVault, it automatically creates a corresponding liquidity pool position on the Ramses decentralized exchange (DEX). This position earns you fees every time your deposited pair is swapped on the Ramses platform, generating a passive income stream.

### **2 Supporting TaoTrade Options Liquidity:**

Your contribution to the tVault goes beyond personal gain. It directly supports the overall liquidity of the TaoTrade options platform. This robust liquidity is essential for enabling smooth and efficient options trading for all users.

### **3 \$TTrade Yield Farming Boost:**

TaoTrade recognizes the value you bring by depositing into tVaults. As a token of appreciation, they incentivize participation with \$TTrade yield farming. This means you'll receive bonus rewards in the form of TaoTrade's native token (\$TTrade) on top of the fees earned from Ramses DEX swaps.

## **The Synergy of tVaults and TaoTrade:**

tVaults represent a symbiotic relationship between users and the TaoTrade platform. Users benefit from earning attractive yields through swap fees and \$TTrade rewards, while simultaneously contributing to the health and liquidity of the TaoTrade options market. This win-win scenario fosters a thriving DeFi ecosystem where everyone benefits from active participation.

**In essence, tVaults are more than just liquidity pools; they are gateways to a world of maximized yield opportunities within the TaoTrade DeFi options landscape.**

# No Liquidation: Exploring TaoTrade's Protected Perpetuals

Traditional perpetual contracts leave traders vulnerable to liquidation – a forced closure of their position due to insufficient margin when prices move against them. This can result in significant losses, especially when employing high leverage. TaoTrade disrupts this paradigm with its innovative Protected Perpetuals, designed to shield users from the stress and potential devastation of liquidations.

## Trading with Confidence: Limited Downside, Unlimited Potential

Unlike traditional perpetuals, Protected Perpetuals offer a capped downside. This means that even if the market experiences a sudden and dramatic price swing, your losses are limited to the premium paid for protection on your position. This allows you to explore trading opportunities with greater confidence, knowing that a single bad trade won't wipe out your entire account.

## Time, Not Price, Dictates Position Closure

With Protected Perpetuals, your positions are not liquidated based on price movements. Instead, they expire when your initial margin is depleted. This provides a crucial safety net, allowing you to maintain your position even during periods of high volatility. However, it's important to note that time decay plays a role. As your position remains open, a small hourly fee is deducted from your margin. This fee helps ensure market stability and incentivizes timely position management.

## Active Management is Key

While Protected Perpetuals offer protection against liquidations, responsible position management remains essential. With hourly funding rates fluctuating, positions with high margin utilization may be subject to rebalancing. To maintain optimal control, it's crucial to monitor your margin usage and adjust your position size accordingly. By actively managing your margin, you can maximize the benefits of Protected Perpetuals and navigate market movements with greater confidence.

In essence, Protected Perpetuals empower you to focus on strategy and analysis, not the constant fear of liquidation. This paradigm shift allows you to experiment, refine your skills, and potentially achieve long-term success in the ever-evolving world of day trading.

# TaoTrade Tokenomics

## (\$TTRADE)

The \$TTRADE token is the lifeblood of the TaoTrade DeFi options protocol, serving multiple critical functions within the ecosystem. This section details the token's distribution, utility, and economic model.

**Token Distribution** The total supply of \$TTRADE tokens is capped at 100,000,000. The following breakdown outlines the allocation of tokens:

### Liquidity 15%:

15,000,000 \$TTRADE tokens are reserved to establish a strong foundation for smooth options trading on the platform. This allocation is dedicated to TaoTrade's Initial DEX listing

### Liquidity Mining 15%:

Another 15,000,000 \$TTRADE are dedicated to liquidity mining programs. This incentivizes users to contribute liquidity to the protocol's tVaults, ensuring ample liquidity for efficient options trading. Users who participate in liquidity mining will be rewarded with \$TTRADE tokens.

### Team 10%:

10,000,000 \$TTRADE tokens are allocated to the team, with a 6 month linear vesting schedule.

### Airdrop 5%:

5,000,000 \$TTRADE designated for airdrop programs to broaden community reach and incentivize early participation.

### Ecosystem Incentives 5%:

5,000,000 \$TTRADE reserved for ecosystem incentives, including potential grants, partnerships, and marketing initiatives.

### Advisors 5%:

5,000,000 \$TTRADE reserved for advisors, with a 6 month linear vesting schedule in place.

### Ecosystem Development 40%:

A significant portion (40%) of the tokens, 40,000,000 \$TTRADE, are allocated to fuel the growth and development of the TaoTrade ecosystem.

This includes: **TaoPad Presale 20%:**

20,000,000 \$TTRADE allocated for the TaoPad presale program, enabling early community participation.

**Private Round 20%:**

20,000,000 \$TTRADE reserved for strategic private round investors who not only contribute to the project's initial funding, but also are committed to helping TaoTrade thrive.

### Marketing & CEX Listings 5%:

5,000,000 \$TTRADE allocated for marketing efforts and securing listings on reputable centralized exchanges (CEXs).



# \$TTRADE Utility

**\$TTRADE** serves a multitude of purposes within the **TaoTrade** ecosystem, providing **value to token holders**:

## Profit Sharing (PNL Exiting Fee)

A 5% fee is deducted from profitable options positions closed on the platform. This fee is distributed among all \$TTRADE token holders, rewarding them for their contribution to the protocol's success.

## Governance

\$TTRADE holders have voting rights on the protocol's future. By holding \$TTRADE, users can actively participate in shaping the direction of TaoTrade through proposing and voting on critical governance proposals.

## Staked Value Capture

Users who stake their \$TTRADE tokens earn a share of the protocol's trading fees. Specifically, 20% of the collected fees (funding fees + exiting fees) are distributed to stakers, incentivizing long-term token holding and platform participation.

## Protocol Fees

**Funding Fee** • There is a minimum 1.5 hour fee collected. 20% of fees collected go to the stakers and 80% goes to the LP (tVaults)

**Volume** • 3% fee is collected on buys and sells of the \$TTrade token for ecosystem growth and trading pair expansion

**PNL exiting fee** • 5% fee from profitable positions will be deducted from earnings, there are no fees if position is closed at a loss

## VIP/Referral

**For referral** • the trader receives 5% discount from the funding rate. The referrer receives 5% of the fees calculated based on premiums received when the positions are closed.

**VIP referral** status allows for 8% rebate to traders and 8% to referrers.



## Unlock Schedule:



### Team Vesting:

Tokens allocated to the team will be linearly vested over a period of 6 months from TGE

### Private Round Investors:

Tokens allocated to the private round investors will be linearly vested over a period of 6 months from TGE

### Tpad Presale Participants:

50% unlocked at TGE. This approach ensures that approximately 50% of presale tokens will be available for trading upon the deployment of liquidity. The other 50% will be linearly vested for 1 week after the TGE



# Conclusion

TaoTrade ushers in a new era for DeFi options trading, empowering users with innovative tools and a secure environment. By addressing the critical challenge of risk management through Protected Perpetuals, TaoTrade removes the fear of liquidation, fostering a more positive and productive trading experience.

The tVault system offers a compelling opportunity to maximize yield through diversified income streams, while simultaneously contributing to the overall health of the TaoTrade ecosystem.

The \$TTRADE token serves as the backbone of the TaoTrade protocol, incentivizing participation through various utility functions. From profit sharing and staking rewards to governance rights, \$TTRADE empowers holders to be active participants in the protocol's growth and development.

TaoTrade is poised to redefine day-trading within DeFi. With its focus on user experience, innovative products, and a robust tokenomic model, TaoTrade offers a secure, accessible, and rewarding experience for all participants.

This whitepaper has provided a comprehensive overview of the TaoTrade protocol, its core functionalities, and the economic model that fuels its growth. As TaoTrade continues to evolve, it has the potential to revolutionize the DeFi landscape, making options trading a more accessible and potentially profitable endeavor for a wider audience.