Hearn.fi

A more profitable decentralized stablecoins staking protocol

Executive Summary

Hearn.fi aims to offer a higher yield on stablecoins without the risk of a loss in the dollar value of staked assets. Initially, Hearn.fi will use the Binance Smart Chain, and it will only be possible to stake $BUSD. In the future, we shall expand the number of blockchains covered. Each time we add a blockchain, staking will be possible in the most common stablecoin in that chain.

We aim to offer a yield higher than those provided by other staking, yield farming, DAO, and stablecoin lending decentralised protocols based on our aggressive buyback and burn and deflationary token issuance policies.

TABLE OF CONTENT

The Problem

Stablecoins are virtual currencies collateralized on the value of other assets such as fiat currency, commodities, or other cryptocurrencies. They are meant to be more stable and not subject to the very high price volatility that affects other cryptocurrencies. $BUSD is pegged to the US dollar; the peg has prompted the creation of staking and lending protocols to invest stablecoins and create an income without losing the value of the staked stablecoins. However, although the value remains stable, the staking and lending yields offered on stablecoins are really low. The following are the reasons why they are low and what Hearn.fi plans to do to change the status quo:

(1). Yield farming relies on liquidity, but liquidity is in the hand of users so that they can remove it at any time and sell the tokens making the price crash.
(2). Stablecoin staking pools (yield farming) only get a small percentage of minted tokens (reward token), making APR low.
(3). Projects like “olympusdao” or “wonderland.money” allow users to stake their tokens, but there are two significant problems:
1. Tokens are issued as a percentage of the total number of tokens in circulation at a regular interval of x hours. The more tokens in circulation, the more tokens are created every x hours. This system generates a high level of inflation; therefore, the staked tokens will lose value. Moreover, when token holders want to convert their profits and sell the tokens, their price will go down, making the staked tokens lose even more value.
2. These tokens are partially backed by assets. There is a “treasury” function. If the overall portfolio of assets loses value, the tokens will lose value as well
(4). Algorithmic stablecoins like UST of Anchorprotocol are not really stable; Anchorprotocol lost its peg multiple times. Its collateral consists of highly volatile cryptos, and its value may drop significantly. While Anchor’s headline yield has unarguably been competitive, it is unclear whether borrowers are better served through this protocol than other sources; standalone borrow rates are still relatively high. Net Borrow APY after ANC rewards has been strongly positive to the extent you could have got a higher yield from borrowing on Anchor than as a depositor. It is not a long-term solution that will lead to sustainable loan growth from the “right kind of borrowers.”
(5). APY on decentralized stablecoins lending are very volatile. It depends on the borrowing/lending ratio. The higher the borrowing (demand for borrowing tokens) compared to lending (staked tokens), the higher the APY. Usually, their APY is low.
(6). ROI in centralized stablecoin lending platforms is usually higher than 5%, but you need to trust the centralized part (usually a company) and not a decentralized smart contract. That is not the purpose of cryptocurrencies.

Our solution

Our solution is based on locked deposits (users can't withdraw the principal deposit/stake), liquidity owned by the protocol, managing the number of our high deflationary token (HEARN) in circulation, and contracts with no expiry date.

Locked deposits

Once they stake $BUSD, users cannot withdraw them; this rule enables HEARN.fi to offer such high returns on stablecoins. It is the strength of our proposition.

100% stake means 0% sell; liquidity is guaranteed. 90% of deposited assets ($BUSD) are used to buy back HEARN tokens (our reward token) and 10% for liquidity generation. If staking follows a referral link, 5% is used for liquidity generation, and 5% goes to the referrer; the buyback percentage does not change. In this way, long-term stability is improved, and we can offer higher APYs. The risk of losing the dollar value of the deposited asset is negligible.

Liquidity owned by the protocol

Nearly 100% of liquidity is owned by the protocol, users cannot remove it. Our policy guarantees long term sustainability of the protocol

Managing the value of HEARN tokens in circulation

HEARN is a high deflationary token. 90% of the staked $BUSD are used to buyback HEARN tokens and then burn them. Moreover, the issuance of tokens is reduced by 2% every 30 days.

No contract expiration

Unlike cloud mining or some staking protocols, our staking rewards have no expiration. No expiration reduces sell pressure; usually, when a pool expire or rewards cease, stakers remove their staked assets and sell them, making the price crash. Staking without expiration increases long-term APY, sustainability, and liquidity. It allows users to compound as many times as they want, introducing liquidity in the protocol and increasing HEARN buybacks and burns. We have a 20% sell fee of which 10% is used to boost liquidity. This high fee is meant to discourage sales of HEARN tokens.

What is HEARN.FI?

Hearn.fi consists of a decentralized application (DAPP) and a hyper-deflationary cryptocurrency with a max supply of 217.000.000 running on the Binance Smart Chain. It allows you to stake your stablecoins ($BUSD) and earn a passive reward in HEARN (our hyper deflationary cryptocurrency). As of today, stablecoin staking or lending is not much profitable. Usually, annual interest starts from an APY of 1%, reaching 15/18% in rare cases. Hearn.fi fixes this by giving you a higher APY on your stablecoin thanks to a unique buyback mechanism and by locking the staking. It also offers a rewarding referral program that pays 5% of the value deposited by the referees.

Tokenomics

Hyper deflationary tokenomics, as discussed above. 90% of the staked $BUSD are used to buy back our tokens and then burn them. This means that the value of our token will raise at every buyback because we take a certain amount of circulation forever. On top of that every 30 days the amount of tokens issued is reduced by 2%.
10% of staked $BUSD is used for liquidity, or if a referral link is used 5% is used for liquidity and 5% goes to the referrer. Our referral system is one level only, no multilevel referral. In other words a referee cannot become a referrer.

TOKEN

token name: HEARN
token symbol: HEARN
MAX SUPPLY: 217000000
pre-mint: 1000000
token emission: reduced by 2% every 30 days
reward per block: 5
initial price: 0.002$

HEARN is a Binance Smart Chain token. It will be listed on pancakeswap (a decentralized exchange). They are given to those staking $BUSD, and they can be bought on pancakeswap and in any other exchange we decide to list them.

BuyBack and burn

As already mentioned, each time a user stakes $BUSD, we use 90% of the staked amount to buy back HEARN tokens and burn them. Reducing the number of tokens in circulation will maintain their value if not raise it.

Transaction fee

The only transaction fee is on sales of HEARN token. As we mentioned earlier, our fee on the sale of HEARN tokens is 20%, half (10%) goes for auto liquidity, and the other half (10%) goes to marketing wallet.

Token distribution

- -10% of minted tokens go in the marketing & development wallet
- 90% reserved for those who stake $BUSD in HEARN protocol

RoadMap

- Build the team **√**
- Start development **√**
- Prepare Marketing Plan and Business Plan **√**
- Create tokenomics structure **√**
- Implement marketing plan
- Prepare for launch
- Launch on Pancakeswap
- Governance implementation
- Expand to other blockchains

Legal Notice

General Considerations

HEARN does not have the legal qualification of security since it does not give any rights to dividends or interests. HEARN tokens are not shares and do not give any right to participate in the general meeting of HEARN.fi. HEARN tokens cannot have a performance or a particular value outside the HEARN.fi network. HEARN token shall not be utilized or purchased for any speculative or investment purposes.
The purchaser of HEARN token is aware that national securities laws, which ensure that investors are sold assets that include all the proper disclosures and are subject to regulatory scrutiny for the investors' protection, are not applicable.
Anyone purchasing HEARN token acknowledges and accepts that he/she has carefully reviewed the content of this whitepaper and completely understands the risks, benefits, and costs partaking the purchase of HEARN token.

Knowledge Required

The purchaser of HEARN token undertakes that he/she understands and has substantial knowledge and experience of cryptocurrencies, blockchain, and blockchain-related services. He/she completely understands the mechanism related to the use of cryptocurrencies (including storage).
HEARN.fi shall not be held responsible for any loss of HEARN token or situations, making it impossible to access HEARN token, which may result from any actions or omissions of the user or any person willing to acquire HEARN tokens, as well as in case of hacker attacks.

Important Disclaimer

This whitepaper shall not be regarded as an invitation to enter into any sort of investment. It does not in any way or form constitute, nor should it be deemed as an offering of securities in any jurisdiction. This whitepaper does not include any information or indication that might be regarded as any form of recommendation or used for any investment decision. HEARN tokens are just utility tokens, which can be used only on the HEARN.fi platform and are not intended or designed to be seen or used as any form of investment.
The HEARN platform and is not a security.

HEARN.fi is not to be considered as an advisor in any legal, tax, or financial matters. Any information in the whitepaper is provided for general information purposes only, and HEARN.fi does not give any sort of warranty or assurance regarding the accuracy and completeness of this information. Acquiring HEARN token shall not grant any right or influence over HEARN.fi organization and governance to the Purchasers. Regulatory authorities seem to be scrutinizing

various businesses and operations in the cryptocurrency industry. In light of this, regulatory measures, actions, or investigations may affect HEARN.fi's business and restrict or prevent us from developing our future operations.
Any person willing to acquire HEARN tokens must be aware of the HEARN.fi business model. It is important to note that the whitepaper or terms and conditions may be changed due to new compliance and regulatory demands from any relevant laws in any jurisdictions. In such cases, purchasers and anyone willing to acquire HEARN tokens acknowledge and understand that neither HEARN.fi nor any of our affiliates shall be held liable for any sort of loss or damage caused by such changes. HEARN.fi will do its utmost to launch its operations and develop the HEARN.fi platform. Anyone willing to acquire HEARN tokens acknowledges and understands that HEARN.fi does not guarantee that it will manage to achieve it.
Therefore, they recognize and understand that HEARN.fi (including its staff and affiliates) shoulders no form of liability or responsibility for any damage or damage that would result from the incapacity to use HEARN tokens, except in the event of intentional misconduct or gross negligence.

RISK

There are certain risks involved in the cryptocurrency space, and these risks may affect the acquisition of HEARN tokens.
Users acknowledge and accept all risks mentioned below and those yet to be discovered by the HEARN.fi team:

Competition Risks

With the advancement of information technology and mobile Internet, digital assets are gradually prospering, and several decentralized applications are consistently emerging, heating competition in the industry. With the regular appearance and expansion of other platforms, the community will experience constant operating pressure and market competition risks.

Risk of Hacking or Theft

Hackers, other dangerous groups, or entities may attempt to interrupt or interfere with the HEARN.fi platform and/or HEARN token with any number of methods, including guerrilla-style attack, DoS Sybil attack, homogeneity attack, and malware attack. Although we will make all necessary efforts to ensure the security of the platform, we will not be held liable for any attack.

System Risk

Certain risks are associated with abandoned perilous shortcomings in open-source software or large-scale failure of a global network infrastructure. Although some of the risks may lessen over time owing to bug fixes and advances in computation jam, other risks are still erratic. Such risks include natural disasters or political factors that may interfere with any aspect of the Internet.

Risk of Platform Defect

The HEARN.fi platform may fail to offer standard service owing to defects for known or unknown reasons (e.g., large-scale Node crash). This may even make a user suffer a loss of HEARN token in the event of a critical situation.

Risks as a Result of Bugs or Cryptography Development

With the fast-paced cryptography development and advancement in science and technology, there is the possibility of someone leveraging an advanced tool to crack the HEARN.fi platform, leading to possible HEARN token loss.

Other Unpredictable Risks

Like many blockchain-driven projects, the HEARN token is still at the nascent stage, yet to be fully explored. Aside from the risks identified in this whitepaper, some other risks may not be mentioned or anticipated. Also, additional risks may occur, or some risks identified above may occur together. As a user or potential purchaser of HEARN tokens, you accept all risks.