

 **Clearpool** | Litepaper
The background of the page features a large, abstract, curved shape in shades of cyan and blue, set against a dark gradient.

Version 1.1 October 2021

www.clearpool.finance

1. INTRODUCTION

Clearpool is a Decentralized Capital Markets Ecosystem, where institutional borrowers can create single borrower liquidity pools and compete for uncollateralized liquidity directly from the DeFi ecosystem.

Liquidity providers on Clearpool can earn attractive yields, with pool interest rates enhanced by additional LP rewards paid in CPOOL - Clearpool's utility and governance token.

Clearpool LP tokens, called cpTokens, are the building blocks for a system of tokenized credit that will provide Clearpool LPs with risk management and hedging capabilities.

As more institutions begin to realize the benefits that decentralized finance can bring to their organizations, Clearpool will provide the new architecture to facilitate flows between the \$120 trillion traditional capital markets, and the burgeoning DeFi ecosystem.

2. PROBLEM

Crypto institutions do not have the same access to financial services as their traditional peers, making it difficult to raise capital. This forces them to look at alternative sources of capital, mainly in DeFi and CeFi.

DeFi protocols require collateralization, and overcollateralization has emerged as one of the major pain points for institutional borrowers in this space. CeFi platforms rely less on collateralization by reintroducing counterparty risk, but provide little in the way of risk management capability for LPs.

Clearpool solves these problems.

3. THE CLEARPOOL PROTOCOL

Borrowers

Borrowers on Clearpool become whitelisted through a governance process by making a proposal to the Clearpool community - CPOOL token holders.

Borrowers must have completed a KYC process with a Clearpool governance accepted licensed custodian, and be staking an amount of CPOOL in order to be eligible to make a proposal.

The strength of a borrower's proposal is assessed by the community, who subsequently vote to reach a consensus decision on whitelisting. Once a borrower has been whitelisted they can create and launch a liquidity pool and attract liquidity directly from the DeFi ecosystem.

Clearpool liquidity pools - smart contracts running on the Ethereum blockchain, are continuous and borrower specific, meaning that there is only one borrower for each pool. Pool interest rates are dynamic, they rise and fall as a function of the pool utilization rate - the amount of liquidity that the borrower is currently utilizing.

Continuous pools and this dynamic interest rate mechanism will always lead to an equilibrium level of interest rate and pool size for each borrower, it eliminates the requirement for regular interest payments and the repayment of principal. With the introduction of these groundbreaking principles, Clearpool has created the world's first dynamic credit market for unsecured liquidity.

Liquidity Providers

Anybody can be an LP on Clearpool. When connected to the Clearpool app via web3, LPs can view information on whitelisted borrowers and the details for each pool. Selecting a pool and supplying liquidity is a simple process, and when doing so, the liquidity provider will receive LP tokens called cpTokens in return.

3. THE CLEARPOOL PROTOCOL

LPs earn attractive rates of interest on Clearpool for supplying liquidity, and can manage counterparty risks effectively via the issuance of cpTokens.

cpTokens

cpTokens represent the amount of liquidity that has been supplied to a pool, accrue the pool interest rate on every block, and represent the risk profile of the borrower. cpTokens are redeemable, subject to available liquidity, and can also be traded in a secondary market, where LPs can access an additional source of liquidity and manage risk.

cpTokens holders will earn additional LP incentive rewards paid in CPOOL, making Clearpool one of the most attractive venues for lending in DeFi.

Thematic Pools

Thematic Pools are governance-created multi-borrower liquidity pools that conveniently provide Clearpool LPs with the benefits of diversification.

Liquidity supplied to a Thematic Pool is algorithmically distributed to multiple borrowers, and periodically rebalanced, as per the pools governance approved mandate.

LPs who supply liquidity to a Thematic Pool, also receive cpTokens, representing the liquidity supplied, and automatically accruing the aggregate interest rate for the pool.

A key difference however, is that Thematic Pool cpTokens represent the blended risk exposure of the borrower pools that qualify for inclusion in the Pools mandate, not individual risk exposures.

Thematic Pools can be proposed, created and launched through Clearpool governance.

4. THE CPOOL TOKEN

CPOOL is the utility and governance token for the Clearpool protocol.

CPOOL holders will vote on the whitelisting of new borrowers, a process that will qualify participants to earn additional CPOOL through an incentive reward scheme.

Eventually, a full system of decentralized governance will be introduced, allowing CPOOL holders to propose, vote and implement future changes and upgrades to the protocol.

Pre-staking will be available after the CPOOL launch. A new staking program will be announced before the mainnet launch of the Clearpool v1.0 protocol.

CPOOL staking will be a required action for borrowers, who must stake an amount of CPOOL to access the area of the protocol where they can make a proposal to be whitelisted.

Liquidity providers earn additional CPOOL rewards, enhancing pool interest rates to attractive levels.

Clearpool will announce a buyback program, where a share of protocol revenue will be used to buy CPOOL in the open market, to perpetually sustain reward pools.

5. OUR TEAM

Our senior leadership team consists of highly experienced professionals from traditional finance, fintech, consumer startup, and blockchain technology backgrounds.

CEO

Robert Alcorn, CFA

- 20+ years of business experience
- 12 years experience in global financial markets
- Expertise in capital markets, liquidity and collateral management and collateral trading
- CFA charterholder and MIT Fintech Future Commerce graduate. Early adopter of bitcoin and cryptocurrency

CCO

Jakob Kronbichler

- Track record of launching various startups for Rocket Internet in multiple countries
- Expert in business development and go-to-market strategy
- Experienced in alternative lending during management role at Aspire, SEAs leading business Neobank

5. OUR TEAM

CTO

Pavel Ivanov

- Blockchain developer with 11 years experience, 5 years of experience leading teams
- Competed at and won multiple hackathons including winning at ETH Waterloo 2017 and 2018

PRODUCT OWNER

Vadim Zolotokrylin

- Former CEO - Holdex, & CTO - Amplify

MARKETING

Sam Ameen

- Head of Marketing - Hex Trust
- Venture Partner - Betatron

Senior Advisors

Alessio Quaglino - CEO, Hex Trust Ltd

Calvin Shen - Head of BD, Hex Trust

Dan Kaizer - Blockchain & Smart Contracts

6. OUR INVESTORS

SEQUOIA 

arrington
XRP  CAPITAL

 SINO
GLOBAL CAPITAL

HASHKEY

 GBV

 Huobi

 WINTERMUTE

 Kenetic

FOLKVANG

 AscendEX

MOONVAULT

 ONE BLOCK
CAPITAL • ADVISORY

FB3

 BCW

MANTRA DAO 

 UNKNOWN
VENTURE CAP

MENTHAB
PARTNERS 

 PLUTUSVC

 SKYNET TRADING

 parsiq

 Hex Trust

 DAO Maker

 PANONY

7. SUMMARY

Crypto and DeFi markets are growing at an immense pace, as are the institutions that operate within them. As these markets and participants continue to grow in size and sophistication, access to unsecured capital will become vital. This will not only spur the growth of existing participants, but it will attract new ones, broadening the scope of the DeFi ecosystem.

Clearpool is building a decentralized capital markets ecosystem, where institutions can access unsecured capital, where liquidity providers are rewarded fairly for taking risk, and where risks can be quantified, monitored, and managed through systems of governance, credit reputation, tokenized credit, and risk management. Clearpool is creating the first decentralized dynamic credit market for unsecured liquidity, driven by market supply and demand forces.

Merging the sophistication of traditional financial markets with the benefits of decentralization, Clearpool will usher in a new era of financial innovation on a level playing field, where central intermediaries are replaced by smart contracts, significantly reducing costs and increasing efficiencies in speed and transactional capabilities.



STAY IN TOUCH

-  info@clearpool.finance
-  <https://www.clearpool.finance>
-  <https://t.me/clearpoolofficial>

GET UPDATES

-  <https://github.com/clearpool-finance>
-  <https://t.me/clearpoolannounce>
-  <https://twitter.com/ClearpoolFin>
-  <https://clearpool.medium.com>

Thank you

DISCLAIMER: This presentation is for illustration purpose only and does not constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be prohibited, illegal or against the law prior to the registration or qualification under the securities laws of that jurisdiction. No representation or warranty, express or implied, is given by Clearpool as to the accuracy, reliability, or completeness of the information and opinions contained herein. You are recommended to seek independent legal advice before taking any initiative in connection with Clearpool.