

Seal Finance

Decentralized Finance with Stability

SEAL —

An experimental protocol that serves as an intermediary between major DeFi protocol tokens, creating deeper liquidity in between.

Abstract

The mission of Seal Finance is to stabilize fluctuating major DeFi protocol tokens by providing incentives for token holders to add liquidity. Seal Finance introduces a brand new way of yield farming: “Fixed APY” and compound interest to incentivize the liquidity providers.

Motivation

Recently, we've seen a frenzy in decentralized finance (DeFi). The exponential growth and FOMO sentiment around DeFi have attracted many new crypto investors and developers to space. Everyone searches for the best investment potential and hunts gems in the DeFi world.

However, a lot of DeFi projects are in the market with a very short term of the life cycle. Also, the price of most major DeFi protocol tokens is highly fluctuating due to lacking liquidity. Therefore, we hope to change this situation and create a brand new DeFi product that will provide both liquidity and stability to the current market, involving more people to join in and benefit from it.

Solution

Elastic Farming Incentivization

The Seal protocol empowers farmers to leverage their yield-seeking tendencies to help the DeFi protocol tokens maintain liquidity and stability.

The idea is simple, SEALs are minted to serve as the intermediary of following DeFi protocol tokens: YFI, UNI, HAKKA, SNX, PICKLE.

The mission of Seal Finance is to create deeper liquidity for the below DeFi tokens. To achieve this mission, we have designed a brand new protocol that provides enough incentives for the holders of these tokens to serve as the Uniswap LPs of the following pools:

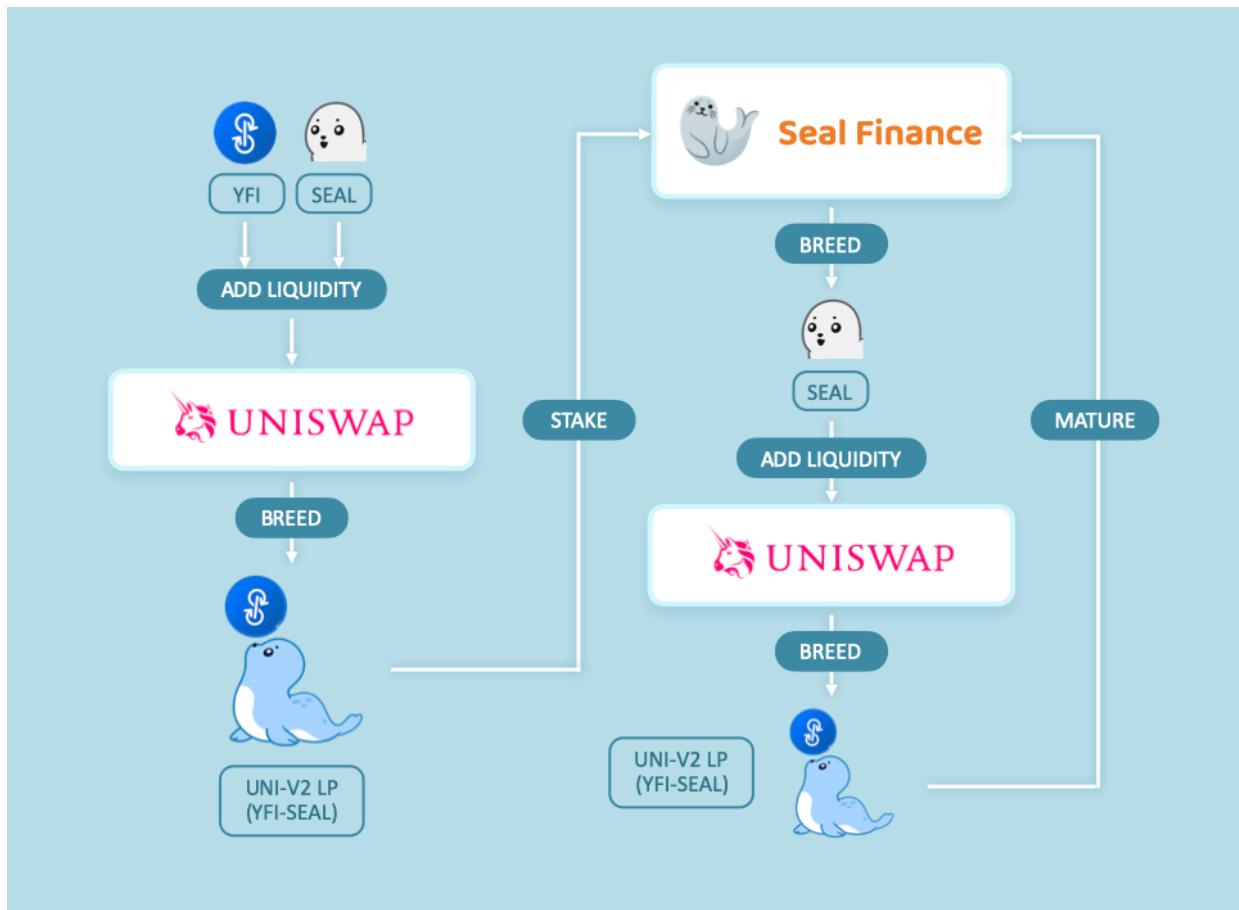
- YFI-SEAL
- UNI-SEAL
- HAKKA-SEAL
- SNX-SEAL
- PICKLE-SEAL

How SEAL Works

Seal Finance introduces an innovative way of liquidity mining: “Fixed APY.” To serve as the LPs of Seal Finance and earn the APY, holders of the DeFi tokens can add liquidity to the 5 initial SEAL pools through our original single-side adding liquidity function and acquire the LP token.

After depositing the LP token into the SEAL reward contract, you can start to earn compound interest each and every day. Deposited LP tokens would breed new SEAL every 24 hours. The mechanism behind breeding is that once the breed function is called, fresh SEAL will be bred and single-side added to the SEAL pools to generate new LP tokens. These LP tokens will then be awarded to the reward contract as the reward of liquidity providers.

Anyone can trigger the breed function, whenever UTC+0 is passed, by sending a transaction to the reward contract or do it on <https://breed.seal.finance/>.



Default Parameters

APY

The APY is default set at 1,000%, and it can be adjusted through SEAL governance. To achieve the 1,000% APY goal, the compound interest of each day would be “0.6592%.” Through accumulating for 365 days, liquidity providers can withdraw 11 times of the LP tokens they deposited by way the formula below:

$$1.006592^{365} = 11.0031791046$$

Burns

While withdrawing liquidity from the Seal pools, cute seals will be hurt and cause a 5% net loss of total to withdraw LP tokens.

Governance

Seal Finance is dedicated to being a fully decentralized protocol that belongs to all the community members. SEAL holders have the power to shape the future of the protocol. The governance process works by letting users vote with their SEALS. The on-chain governance system will be live within days after the launch of the protocol. SEAL holders are granted rights to adjust parameters of the protocol and future development.

SEAL Token

At launch, there will be 6 initial SEAL pools released on Uniswap:

- YFI-SEAL
- UNI-SEAL
- HAKKA-SEAL
- SNX-SEAL
- PICKLE-SEAL
- ETH-SEAL

The ETH-SEAL pool only serves as price discovery and intermediary between other SEAL pools. LP tokens of the ETH-SEAL pool can NOT earn compound interest via SEAL protocol.

The other 5 SEAL pools would require voluntary donations from the DeFi community. Those who donate the initial liquidity of YFI/UNI/HAKKA/SNX/PICKLE to help the protocol mint the very first LP token may share 70% of the LP tokens.

Seal Protocol

The Seal protocol introduces a brand new way of yield farming for liquidity providers. There will be no such issues like VCs, pre-mine, ICO, and staking prior to reward distribution. SEAL protocol introduces a new era of yield farming into the DeFi world.

Seal protocol is a perpetual motion machine. Unlike all the other protocols, there will be no “END DATE” for the SEAL reward distribution. As long as someone sends a transaction to trigger the breed, Seal protocol is always working.

Technical Details

Token Address: [0x33c2DA7Fd5B125E629B3950f3c38d7f721D7B30D](https://seal.finance)

Github: <https://github.com/sealfinance>

Hosted Front-End: <https://seal.finance>

Disclaimer

Contracts of Seal protocol have not yet been audited. However, contributors to Seal have made reasonable efforts to ensure the integrity of the protocol including testing. SEAL serves as the intermediary for DeFi protocol tokens, with the function being to stabilize the DeFi tokens. There is no intrinsic financial value of SEAL itself. Anyone who chooses to engage with these contracts, including the SEAL token contract and the Uniswap pool contracts, is doing so at their own risk. You should perform your own due diligence.

Join Us

You can start adding liquidity to the protocol with your YFI / UNI / HAKKA / SNX / PICKLE to help them be more stabilized using the interface at <https://seal.finance>

Latest announcements will be released on Medium: <https://medium.com/seal-finance>

Join the community in the Telegram group: <https://t.me/SealFinance>

Don't miss any update by following our Twitter at [@sealfinance](https://twitter.com/sealfinance)