

ELX

POWERED BY ENERGY LEDGER

LITEPAPER

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<https://energyledger.com>

Abstract

The Energy Ledger team is creating an exchange enabling market participants to gain exposure to price and derivatives of an oil currency. This will allow elimination of risk and fraud for physical holders of the token and offer a leveraged standing for other speculators. Standings are taken using specially designed 'liquidated tokens.'

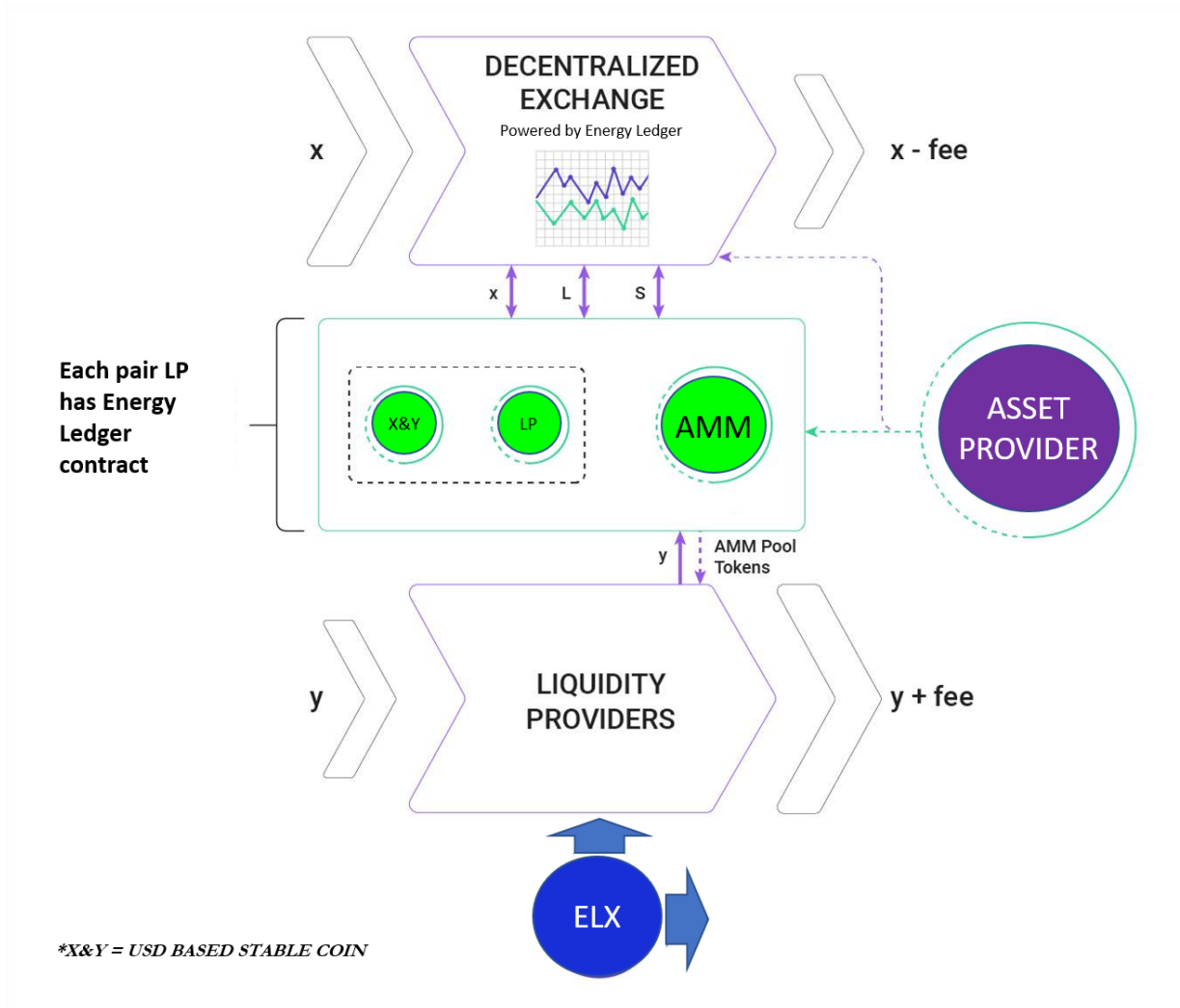
This document is a high level litepaper describing the goals and system components for Energy Ledger as well as ELX tokens.

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Overview

System diagram



The Energy Ledger system diagram shows the core components:

- An exchange layer where traders are able to buy and sell against the referenced assets.
- A tokenization layer which provides tokens representing the price and derivatives of an oil currency. This includes market makers linked to reference assets.
- A liquidity layer where lenders can supply liquidity to the decentralized market in return for a proportion of the market advances.
- An administrative layer that incentivizes liquidity with administrative tokens in capacity to the liquidity they supply to the system.

Users

Physical Asset Holders

Key Benefit: Risk Management and Fraud Mitigation

The main objective is to provide access to a tokenized oil currency which includes risk management tools to a large-scale audience. These users would include Crypto Mining companies, Energy Ledger and affiliates, and Oil Companies.

Speculators

Key Benefit: Access to Markets

The risk mitigation tools provided main user groups traders offer opportunity for financial venturers to take a stake in an inaccessible market with safety and confidence in the currency.

Liquidity Providers

Key Benefit: Returns on Investment

The role for liquidity providers (LPs) in the system is to increase trading volumes, mitigate trade risk, eliminate fraud, and reduce the overall cost of trading. LPs will receive yield on all capital invested via transaction fees and trading advances.

Liquidity providers will supply liquidity to the system controlled decentralized market. Liquidity providers will additionally earn administrative tokens from a liquidity mining process which rewards amounts based on duration of supplied liquidity.

Components

The above-mentioned token created is a standing token representing clout cash settled disclosures to movements in primary market prices. The tokens are issued and traded on an exchange which provides a union of producers and cryptocurrency investors acting also as liquidity providers.

Standing Tokens

The tokens track the price change of an underlying liquid able asset. This fluctuation is based off the market change, positive or negative. Economic leverage is managed by the token price being a portion of the resource price. The leverage enables Energy Ledger to manage risk exposures at nominal cost.

Network Annexation

The network annexation integrates a reference price and pricing of issued tokens. Traders in tokens are able to open and close standings using substantial-coin collateral. They are able to trade against other participants or decentralized market makers. Participants also provide liquidity by using Energy Ledger, ELX tokens, to pledge to token pairs. This can also be used or redeemed as a paired standing in protracted and abbreviated tokens reclaiming advocacy collateral.

Energy Ledger Contracts - Videlicet Smart Contracts

Each standing token pair has an associated Energy Ledger smart contract. This acts as a decentralized endorsement commorancy. Standing tokens are pairs of sustained and abridged tokens which locks up collateral in Energy Ledger's smart contract. This enables standing tokens to be always fully collateralized, eliminating surplus qualifications and analogue risk. Token holders may at any point use the Energy Ledger smart contract to redeem the collateral backing a sustained and abridged token pair.

Sovereign Market Producers

Each specialty token pair has an associated decentralized sovereign market producer which allows participants to enter or exit a standing at any time. These mean participants do not have to find an intermediary on the exchange. The decentralized sovereign market producer uses a liquidity sensitive theorem combining delimited loss to manage risk. Decentralized sovereign market producers and liquidity providers receive tokens entitling them to commission and advance earned by the secondary market.

Liquidity Pool

The liquidity pool is a coupled and non-coupled administrator of endorsement to the sovereign market producers. Liquidity administrators receive an aggregated return from special fees and proliferates in exchange for implementing endorsements that sovereign market producers utilize to cast standing tokens. Liquidity providers receive a pro-rated dissemination of ELX administrative tokens rated against the supply and period of their participation in the liquidity pool.

Administrative Tokens

Administrative tokens (ELX) are also utilized as stake to vote on system parameters. This includes choice of decentralized sovereign market producers backing with liquidity from the liquidity pool, financing quota from the liquidity pool, and management of exchange fees. Administrative tokens are constructed exponentially at a decreasing rate incentivizing early liquidity providers. Constructed tokens are appropriated in proportion to the liquidity supplied at the block level. Fractions of exchange fees and sovereign market producer advances are used to buy back ELX tokens and conflagrate.

Underlying Resource Price Dispense

The reference price dispense is fed into the system from multiple quotation exchanges. Using the derived multiple resource price dispenses on the decentralized network provides a fair pricing apparatus. It is used to arbitrate if a breach occurs. This will tell if the price is out of allowed range for the token. If breaches occur the standing tokens change to settled. Once the tokens are changed to settled one of the token pairs will retain full value of the prime ancillary and the other will be ineffective. Sovereign market producers provide prices for standing tokens based on the service indicia. This is a proxy for futures asset curve.

Special Derivational Standing Tokens

Special derivational standing tokens are expected to trade over a bordered estuary range. Oil can range from \$45 to \$125 a barrel and the boarded estuary range would be \$25 to \$100. The trading range sets the floor price as well as the ceiling price on the token pair. The value of a protracted and abbreviated pair of tokens equals the bordered estuary range. So, the \$25, would sets the floor to \$45 and the ceiling at \$125. The depositing amount would be \$45 of endorsement monetizing a pair on the LP. This process allows each token to represent a multiplier in leverage. This gives the token longevity and creates a non-expiring token that can be held indefinitely within historical derivational range.

As the token moves away from the central price it becomes cheaper, the exposure for the opposite of the movement is the same. The value of an extensive token becomes leverage while the abbreviated tokens worth is slightly less. This incentivizes participants to provide liquidity for the abbreviated standing at low cost. Once the position price breaches the archival range the extensive and abbreviated tokens regulate. If the price ceiling is hit the extensive price equals the ancillary value or the abbreviated price. If the floor price is hit the extensive price equals zero and the abbreviated price equals the ancillary value.

If this occurs the current token pair or pairs and ancillary pairs backed by the tokens would be appropriated back to the token holders. The Energy Ledger contract would be re-booted including criterion focused on the current sector price with the same range. New standing tokens would be forged and all Energy Ledger practices and trading will resume. The profitability range of the token exists between the floor and price ceilings, due to the model there is a low probability of hitting either. The prices listed above are for example only and do not dictate floor or ceiling prices. Bear in mind a floor cap range runs risk of reissuance cycles.

Proliferate Standing Tokens

The system also has the ability to tokenize progressions between assets using differences between resource ratios for reference value. Oil endures the dissemination between different categories. Quick setting

standing using major prospects requires standings in both assets. Energy Ledger only requires a single standing token.

Barter dynamics

Resolution of Standing Tokens

Every standing token pair is backed by a corresponding Energy Ledger smart contract. Which operates as a clearing partnership for that pair. Participants can supply assurance to Energy Ledger contracts in order to devise a pair of extensive and ancillary standing tokens. This process creates equal enduring extensive and ancillary standing tokens. The process deciphers the ancillary that backed their standing initially.

Affiliate Trading

Energy Ledger removes risk and fraud and coincides with market regulation activities. Energy Ledger contracts perform resolution and clearance of standing tokens in the case that price goes outside the specified range. In the event the price exceeds the floor or ceiling values, all standing tokens are redeemed for ancillary value resetting floor and ceiling criterion to market conditions.

Decentralized Market Producers

Each standing token pair has a correlating decentralized market producer that enables participants to exit a standing by purchasing other facing standing token pair or pairs. Participants can only buy from decentralized market producers. The price of each token adjusts upon liquidity demands from the asset index making the producers a proxy for the asset curve.

Decentralized market producers use Energy Ledger contracts to convert ancillaries circulating in supply into standing tokens. Liquidity providers lock up ancillaries for use by decentralized market producers in exchange for pool tokens returning a fraction of the market advances and fees. Initial implementation of Energy Ledger on the Ethereum network uses obligations to create a pool mixing ancillary, enduring and abridged standing tokens. This adjusts the tokens clout in response to price fluctuations of the asset. Energy Ledger implementing decentralized market producers offers more advanced AI market algorithms providing liquidity to a supply chain.

Liquidity Pool

The Energy Ledger system supports specialty and advanced tokens. Liquidity providers contribute endorsement to a central pool backing decentralized market producers. Liquidity providers receive agglomeration transaction fees from operations for standing tokens. Liquidity providers receive rewards in the form of ELX administrative tokens fractionized on the overall system liquidity provided.

Liquidity providers lock up endorsements for use by the Energy Ledger system in return for a conglomerate of decentralized market producers pool tokens based on accruals of administrative tokens. Liquidity providers may redeem their collateral at any point as long as there is sufficient liquidity in the system.

Administrative Tokens

The purpose of the ELX token is to enable administrators in the Energy Ledger decentralized platform to govern policies, procedures and fees for operations on the platform while supporting stakeholders. ELX tokens will be disbursed to providers of liquidity and to the pools which facilitate standing tokens to be created. ELX then enables platform stakeholders to vote on the following providing feedback:

- System parameters, choice of decentralized market makers to back liquidity from the liquidity pool.
- Creation of new and or exiting markets as well as secondary markets.
- Percentage of appropriate supply going to the pool.

ELX administrative tokens are fashioned and appropriated to liquidity providers in proportion to the amount of liquidity supplied to the central pool. Fees, standing, stake, and holdings may be used to buy back and/or sell or disseminate ELX tokens. This allows the ability to vote on system parameters, use of ELX tokens paying for fashioning standing token pairs, and distribution of other income in the system for administrative purposes.

Roadmap

The initial release of ELX token and Energy Ledger exchange uses building blocks from Ethereum centralized components. Providing an entry point for special cryptocurrency market participants into the system allowing repetition on desiderata. Administrators and personnel for the platform have been recruited and

are actively participating in platform development and implementation. Initial trading pairs have been thoroughly tested and experimented on based off of user demand for this type of platform. The following is anticipated to include:

1. Oil supply chain based on specialty propositions.
2. Oil advances with ETH and USD.
3. Oil primary and secondary market advances with ETH and ELX.
4. Stock market ratio advances with ETH and USD.
5. Data storage, gauge cycle and application advances with ELX/ETH/USD.

Roadmap for expanding use of Energy Ledger technology in the system includes:

- Replacing the centralized exchange with a decentralized exchange using Energy Ledger for high to nominal transaction rates.
- Energy Ledger representatives and concerted learning workshops acting as providers and developers for the supervisory and development processes. Metrics throughout supply chains creating dispersive tokens optimizing the supply chain.
- Decentralized market producers running on Energy Ledger for increased wherewithal. Energy Ledger technology facilitates the forementioned use cases making a stable coin within the Ethereum Network enabling transactions in a multi-facet dual market crypto currency.