



XSURGE

{ whitepaper }

www.xsurge.net

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{ BACKGROUND }

The DeFi ecosystem has exploded in popularity in recent months due to mass adoption, creator influence, and rapid innovation. The rise of yield farming, staking, liquidity mining, and tokenomics has helped fuel this growth. With each new innovation we come one step closer to a technological breakthrough, and a new world of financial freedom.

At XSurge, we aim to electrify the space through products built on the fundamental freedom in DeFi. Through an ecosystem that is powerful, efficient, and completely decentralized, our products provide what every crypto investor wants, lasting passive income with the ultimate hedge against risk on a completely self-sustaining ecosystem. Best of all, we offer a highly versatile utility that can be applied to any asset in the DeFi landscape.

{ BUSINESS MODEL }

Our goal is to create a decentralized ecosystem through our smart contract utilities and asset wrapping algorithm. We aim to take power away from the developer and give it back to the investor. We wish to unite DeFi together, as our project works with and directly benefits any asset available in the Crypto Space.

We've assembled a strong team and integrated a business plan to structure how we reach our goals. Our itemized focus points are well rounded for the benefit of the community.

Our Project Plan Rollout (PPR) Coordination Efforts:

- Thorough Project Planning
- Establish a Secure Protocol for Deployments
- Project Communication
- Prepare & Release Educational Material
- Conduct Proper Internal/External Security Audits
- Coordinate Project Deployment
- Execute Marketing Strategies

{ SURGE TOKEN VARIANTS }



Introduction

The XSurge ecosystem presents high yield investment strategies for DeFi with unique pricing algorithms embedded into the contracts of the Surge Token Variants. Each Surge Token Variant is equipped with its own Market Maker, enabling it to outlive both centralized and decentralized exchanges and trade indefinitely.

Each Surge Token wraps around a particular asset. The internal pricing algorithm of the Surge Token ensures that every token is over 100% backed by real value, and that every time it is transacted, every buy, sell, or transfer, raises the value of itself relative to its wrapped counterpart. There exists no operation to lower the value of a Surge Token, and there is no special privilege granted to the owners/developers of the Surge Token Variants.

The Surge Variants currently deployed can be found on the official webpage [XSurge - True Decentralized Finance](#) along with the contract addresses for each.

How it works

Surge Token Variants of all types are designed to reward long-term holding by increasing a holder's claim of the backing asset. In a familiar way to traditional staking and yield farming, as transaction volume builds, so too does the rewards for all holders. The difference and overall benefit between our token rewards to the rewards of traditional staking is the claims can only ever increase. This is because Surge does not employ a traditional liquidity pool for determining value.

Each Surge Token utilizes a built-in contract exchange system that renounces the need for a traditional liquidity pool. Rather than a liquidity pool pair of the backing asset to the token using a traditional market maker method for exchange and price calculation, both assets are stored within the contract itself.

Each consumer purchase interacts directly with the contract to buy the tokens with SmartChain BNB (BEP20). These contracts are more commonly referred to as "Swapper" Contracts. The SmartChain is routed to the contract address from the holder's wallet, mitigating the need for a Decentralized Exchange (DEX) or Centralized Exchange (CEX). When the contract receives SmartChain, the SmartChain is swapped for the backing asset, and the price value equivalent of new tokens are minted to increase the total supply. These tokens are then sent to the user's wallet address. Selling has the opposing effect of decreasing the total supply and supplying the backing asset to the seller.

As stated, the price is not set by the standard market maker protocol. Through the power of mathematics, the developer has found and used a different equation for determining the price and its movement.

Price Dollar Value is determined by two factors:

1. Volatility of the Backing Asset in the Contract
2. XSurge Price Value Equation (Fig. 1)

FIGURE 1 SURGEETH USED IN THIS EXAMPLE

BACKING ASSET IN THE CONTRACT		SURGE TOKEN TOTAL SUPPLY		PRICE PER TOKEN
	÷		=	

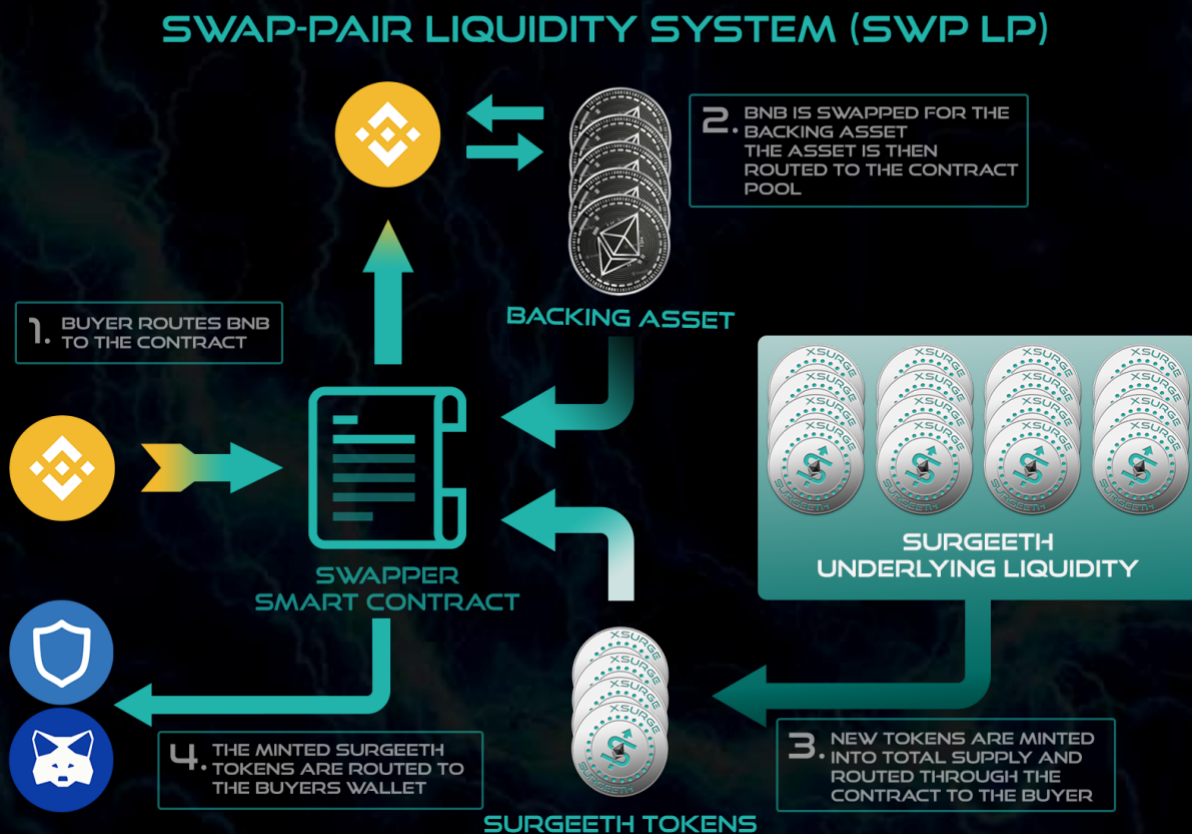
Swap-Pair Liquidity System

Our exchange system is entirely unique from other tokens currently on the market. For this reason, we have coined specific terms by which this exchange system can be referred:

The Liquidity pairing is designed as a **SwapPair Liquidity (SWPL) System**, in which a swapper contract is employed to perform an autonomous swap to the backing asset using the chain's native coin. In our case, SmartChain BNB (BEP20).

To purchase the token, the buyer simply sends SmartChain BNB (BEP20) to the contract address. The SWPL System then executes the actions depicted in the diagram below. (Fig. 2)

FIGURE 2 SURGEETH USED IN THIS EXAMPLE



Price Tax Ratio

The price action algorithm is described as a **Price Tax Ratio (PTR)**. This algorithm allocates the tax on purchases and sales to shift the ratio between the Backing Asset and the dynamic Total Supply of the token more in favor of the backing asset. Our PTR maintains a consistent increase in token value to the backing asset regardless of the type of transaction executed. As depicted in the line graphs below, buy, sell, and transfer transactions have varying effects on the rising value of the tokens.



Token Sells result in exponential price action.

On sell, the tokens being sold are destroyed, reducing the total supply. A tax is applied to the amount of underlying assets to redeem, inflating the price of each token relative to its redeemable value.

Sells reduce both the total supply and asset supply, enabling more price action to be generated from less transaction volume.



Token Transfers result in Linear price action.

On transfer, a percentage-based fee is destroyed from the transfer amount reducing the total supply of the token, inflating the price of each token relative to its redeemable value.



Token Buys result in Logarithmic price action.

As the total supply and asset supply increase, more transaction volume is required to continue the same momentum.

Through Linear Price action of the Trader ecosystem and profitable sells, the ecosystem can sustain continuous volume to maintain this momentum.

PTR Contract Buy

When Surge Tokens are minted, new tokens are added into the total supply based on how many Assets the Surge Token receives as collateral. The Total Supply of Tokens increases at a rate slightly reduced below current value due to the tax, and this is what enables the price appreciation. Instead of getting 100% of the expected value returned in tokens, the Surge Token will mint the buyer:

$$\mathbf{nTokens - (nTokens * tax)}$$

reduced number of tokens created at current value

100% of the BNB used for purchase is swapped for the value equivalent of the backing asset. The backing asset is then routed to the contract pool.

Therefore, in this scenario, if the Asset and Surge quantities were both equal before this transaction, PTR would cause a shift in favor of the backing asset, triggering an increase in the price value of the token.

FIGURE 4: PTR CONTRACT BUY



PTR Contract Sell

When tokens are sold back to the contract, those tokens are destroyed, completely removed from the Total supply. A fee is also applied on sales, instead of the seller redeeming 100% of their expected value, they would redeem:

$$nAssets - (nAssets * tax)$$

Reduced number of underlying assets redeemed

Because the total supply was removed in full, but the number of assets sent back were taxed, the ratio shifts further in favor of the asset in the contract, raising its value.

FIGURE 5: PTR CONTRACT SELL



PTR Token Benefits

With the SWP LP and PTR system employed, the variant contracts are programmed to only increase the value of the token to the backing asset in the contract. In the case of non-volatile assets, the dollar value per token can never decrease, only ever increase as transactions are made. In the case of more volatile assets, volatility may affect the dollar value trend in a downward direction or relent to more upward pressure in a bull run of the backing asset.

To pursue more advantage from Global Volatility, the trading of the token through the trader ecosystem may provide a buffer or resistance to negative volatility and further increase positive volatility depending on the degree of increased volume.

PTR Decentralization

The exchange functions employed by these token variants make it so that Surge Tokens are entirely decentralized. There are no Liquidity Pool Pairings that are needed to be locked or controlled by a centralized entity or owner address. The design schematic is engineered in such a way to improve security of investment for the end user, return on investment, and overall functionality.

PTR Contract Ownership

All owner functions within the contracts are negated with the exception of those that may be used to securely crossover between PCS bridges (v2 > v3). These functions are necessary to protect longevity of the project in the event the current server becomes obsolete. No callable owner functions exist that can negatively affect the contract functionality or value of assets.

{ TRADER ECOSYSTEM }



Introduction

The XSurge ecosystem will have many Token Variants in the future that will offer a significant number of options to enthusiasts. Aside from having so many options to choose from, we have built an infrastructure that will allow for trading opportunities for profit and preference. To provide this feature, we employ the use of an intermediary stablecoin with a unique utility. We call this token XUSD.

How it Works

xUSD is pegged to the US Dollar by utilizing BUSD as its underlying asset. This makes xUSD more of a stable coin with the same appreciating attributes as other surge tokens. Traders can buy/sell xUSD through the SWPL Contract just like every other surge, but also through PancakeSwap, where the xUSD is paired with BNB. Pairing xUSD with other Assets in liquidity allow xUSD to benefit from that Asset going up or down in price. When BNB goes up 0.5% or down 1% xUSD will be traded against it to keep the price reflective of its real-

world value. This unique system offers profitable opportunities for Day Traders / Arbitrage Traders.

The token has the traditional XSurge PTR algorithm employed but serves an extended purpose as an intermediary token between all existing Surge Variant tokens. Staking Liquidity for xUSD is highly incentivized via reduced taxation + Passive xUSD Dividends. The more xUSD staked in different trading pools, the more Arbitrage (TX Volume) it will gain.

Utility as a Trader Token

xUSD benefits the Surge Ecosystem as being its primary intermediary asset. In its use-case as an intermediary token, with xUSD, traders can swap from one asset to the other and play the market for profit or swap in preference to another asset. To encourage the exploration of this feature, xUSD fees are extremely low making arbitrage trading highly appealing for investors. The maximum net loss from xUSD fees alone is 1%.

Here is the fee breakdown:

- Buy/Stake - .75% fee
- Sells - .25% fee
- Transfers - .25% fee

A portion of the fees are allocated toward paying those who provide + lock their liquidity tokens across the various xUSD pools. The more liquidity pools xUSD is paired with, the more trading pairs exist, and the more xUSD benefits from Global Crypto Volatility. As trades are made through other Surge Variants, transfer fees still apply continuously raising the price floor of the other variants in addition to xUSD. Higher volume is anticipated from these movements causing more Linear price action to the token value.

xUSD has another Utility as an underlying asset. With such low fees, one could pair a new or existing token with xUSD instead of BNB on PancakeSwap, making it so the volatility of BNB does not negatively impact their token, and instead their token will be slowly appreciating alongside xUSD.

For example, if there is xUSD in a Pool with any random Token, and xUSD goes up 10% in value, if there are no buys/sells into that pool it will bring the price of the Random Token up 10% with it.

As Bitcoin or other major assets have downward or upward market trends, holders will be more encouraged to stake into xUSD to take advantage of higher value opportunities and hedge against risk. This will significantly boost transaction volume for all assets tethered to it; thereby increasing the price value of each asset. This transaction volume to correct the price, can originate from hobbyist day traders, crypto trading bots, and even centralized exchanges! The more liquidity in a pool, the more transaction volume needed to correct the price differences!

Example: The Benefit Gained from Global Volatility

In this example:

- $1 \text{ xUSD} = \$1$
- *The liquidity pool contains: $\$100 > \text{xUSD}$ & $\$100 > \text{BNB}$*

The price of BNB goes up 10% from its original price, so now there is \$100 in xUSD and \$110 in BNB in the pool, so each \$1 of xUSD will earn a trader \$1.10 of BNB

To take advantage of this price imbalance, arbitrage traders will now choose to sell their xUSD into BNB. This is profitable for the trader and reduces the value of the BNB, correcting the price to reflect their real value.

Since xUSD is transferred in this exchange, it increases the price of xUSD. If BNB were to fall in value, not only would xUSD be transferred, but it would be sold for BNB as well to complete the cycle. Selling a Surge Token raises its value more than any other operation, so when global cryptocurrency drops in value, xUSD will rise in value the quickest.

As a result of these actions, the value of xUSD has increased substantially from arbitrage trading.

Benefits as a Trader Token

This innovation will significantly boost profit for all likes of holders and traders. Holders that do not arbitrage, will see gains from volume, whereas traders, and exchanges will see a rise in volume due to their actions to gain profit. All of this consequently re-stabilizes xUSD and increases the value of Surge Variant assets. It's the ultimate ecosystem for self-sustaining passive income!

Benefits of Staking xUSD

When staking xUSD liquidity, there are numerous benefits to the holder:

1. Staking is entirely tax free – 0 tax to stake, and 0 tax to remove the earnings at the end of 90 days.
2. Staking yields reward benefits – 20% of every xUSD transaction tax is distributed to all stakers according to what they have staked.

Example:

A buy transaction is made in the amount of \$1000.

This transaction is taxed .75% for a total tax of \$7.50.

20% of this amount goes to stakers for reward dividends so \$1.50 is distributed to all stakers. It distributes based on the amount staked, so If you own 10% of the liquidity, you get an immediate dividend of 10% of \$1.50 or \$0.15 cents.

The Rewards compound, so they build whether claimed or left alone.

3. xUSD holdings reap the benefits of a rising price floor – The above example transactions remaining tax is routed back to liquidity to increase the price floor. As outlined above, this leads to an increasing K Value, which increases asset value when bought, sold, or traded. This causes the held xUSD to continuously increase in value through all transaction volume.



XSURGE ROADMAP



XUSD EXCHANGE LISTING

June 2022

● Pending - Funding, Networking & Application

March 2022

● Pending - Contract Development & Planning



SURGE FACTORY

December 2021

● Pending - Contract Development

November 2021

● Pending - Application Submission & Approval



XUSD & YIELD FARM DEPLOYMENT

November 2021

● Complete - Trade Pools Pending for Variants

September 2021

● Complete - Ongoing. Establish Collaborations



XTRADER DAPP V1 DEPLOYMENT

August 2021

● Complete - Pending V2 for XTrader Integrations

August 2021

● Complete - Certik Certified & Monitored



KICKSTART FIRST TOKEN VARIANT

August 2021

● Complete - 5 Starter Variants Current

XTRADER DEX DEPLOYMENT



DATATRACKER LISTINGS



PROJECT NETWORKING



FIRST CONTRACT OFFICIAL AUDIT



{ GOVERNANCE }

The governance of the XSurge Community will be managed through the XSurge DAO (Decentralized Autonomous Organization). Token holders of XSurge will be able to participate in a 2-step voting process that covers the decision-making on the community, budget, and assets. The ecosystem fund will initially be managed by XSurge management, and its primary purpose is to grow the XSurge Community. To preserve the integrity of the fund, the XSurge team will prepare yearly statements that include a high-level overview of what the funds have been used for.

Proposals that can be submitted for voting and approval to the XSurge DAO could include:

- Monthly votes for new coins.
- Changes to the monthly budget distribution allocation.
- Creation of and changes to XSurge Community events.

The voices that make up the XSurge Community are essential to the further development, decision-making, and growth of the token. We offer our XSurge Community transparency, information, and opportunities to affect the direction of the project. In return, we rely on our XSurge Community to provide honest feedback, engage with us, and ensure we are always on the right track.

XSURGE

Community. Innovation. Freedom. Results.

{ LEGAL DISCLAIMER }

XSURGE is not an investment security. This Whitepaper does not constitute a prospectus or solicitation of investment and as such should not be used as advice for making any investment decisions. This Whitepaper is not a contract, no person is bound to enter into any contract or binding legal commitment in relation to the sale, purchase, or transfer for XSURGE.

To the maximum extent permitted by law, XSURGE shall not be liable for any indirect, special, incidental, consequential, or other losses of any kind, in tort, contract, or otherwise (including, but not limited to, loss of revenue, income or profits, or loss of use or data), arising out of or in connection to use of this Whitepaper.

The statements contained herein may contain certain forward-looking statements relating to XSURGE that are based on the beliefs of the XSURGE leadership as well as assumptions made by and information currently available to the XSURGE's management. These forward-looking statements are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to XSURGE's business prospects, future developments, trends and conditions in the industry and geographical markets in which the XSURGE operates, its strategies, plans, objectives and goals, its ability to control costs, statements relating to prices, volumes, operations, margins, overall market trends, risk management and exchange rates.