RaiseR

LITEPAPPER

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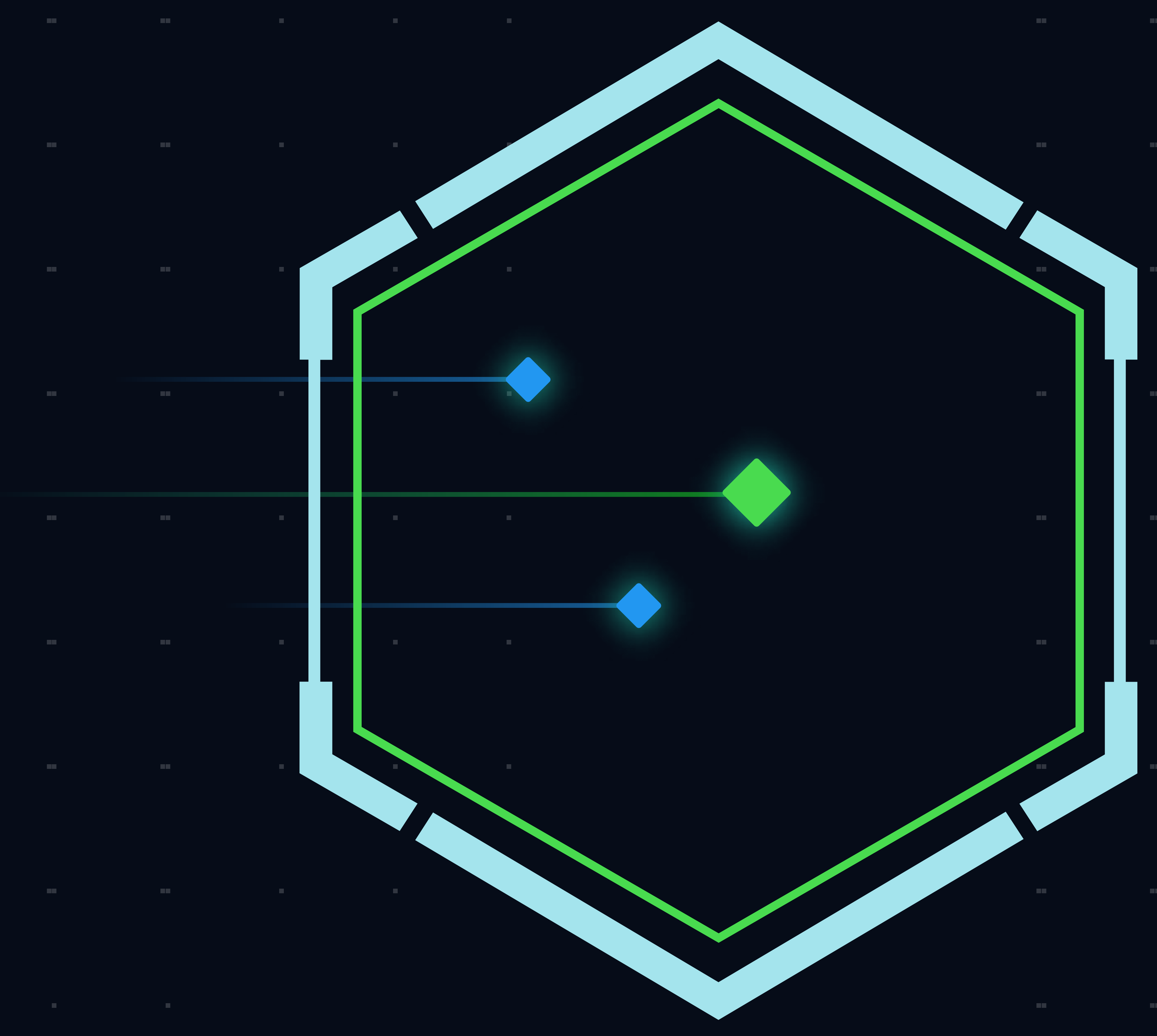

INTRODUCTION

Peer-to-peer(P2P) lending, is a financial model that connects borrowers directly with lenders through platforms. This decentralised approach eliminates the need for traditional intermediaries, such as banks, and directly redistributes credit risk.

In crypto, there exist several DeFi platforms focused on lending, and variants continue to improve upon the initial applications that first took the stage in 2019. At the core of all of these platforms however is the principle of collateral, where the collateral is often a token of some value, and where it can be pledged to over/under borrow against. However, as the type and sheer amount of collateral expand in the crypto universe, the concept of credit is a topic to be revisited.

Uncollateralized lending needs consideration.

UNCOLLATERALIZED LENDING

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Uncollateralized lending, also known as unsecured lending, is a form of lending where borrowers can access funds without providing collateral or any specific asset as security, offering several merits and advantages.

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One of the primary benefits of uncollateralized lending is the accessibility it provides to a broader range of borrowers.

Traditional lending models often require borrowers to have substantial assets or a strong credit history to secure loans. However, uncollateralized lending opens up opportunities for individuals who may not possess significant collateral but can otherwise demonstrate creditworthiness through alternative means.

This inclusivity promotes financial inclusion and allows a wider population to access credit, enabling entrepreneurship, personal growth, and economic development.

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Uncollateralized lending also offers greater flexibility for borrowers. With no collateral requirement, borrowers are not limited to borrowing against specific assets. They can utilise the funds for various purposes. This flexibility empowers borrowers to make financial decisions based on their specific needs and goals without the constraints of collateralized loans, which may restrict the use of funds to the underlying asset.

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Another advantage of uncollateralized lending is the reduced risk for borrowers. Collateralised loans put borrowers at risk of losing their assets if they fail to repay the loan. In contrast, uncollateralized loans are not tied to specific assets, which means borrowers do not face immediate asset seizure in case of default. Uncollateralized lending allows borrowers to safeguard their assets and mitigate the risk of losing them.

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In the tradfi world, at the retail level, uncollateralized lending typically involves a thorough evaluation of a borrower's creditworthiness and financial standing. Lenders rely heavily on credit scores, income verification, employment history, and other factors to assess the borrower's ability to repay the loan. This scrutiny ensures responsible lending practices and helps lenders manage the risk associated with uncollateralized loans.

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In the crypto world, things are slightly different, because recourse has natural limitations (although it is questionable in its effect in any world). While a collateralized loan could have assets liquidated, non-payment of an uncollateralized loan could mean little for the borrower.

How then do you tap the market size of uncollateralized borrow demand and circle it with the enforcement of collateralized lending supply? Enter RaiseR.

RAISER

RaiseR is built on the concept that intangible assets can be collateralized, and in particular as it pertains to crypto, social media status. Everyone is someone at some layer. And as such, being someone means having value. It is this understanding that allows RaiseR to introduce a new paradigm of credit in the DeFi world.

RaiseR aims to address the limitations of existing borrow-lend markets in the crypto space, which either restrict access, require excessive collateral, or fail to offer consistent access to affordable credit. By being fully owned and governed by the community, RaiseR provides an inclusive platform that facilitates open access for borrowers, lenders, and traders. It empowers borrowers to create issuances, lenders to fund diverse opportunities based on credit profiles, and traders to participate in secondary markets.

GIVING ALL BORROWERS A PRESENCE AND LENDERS A CHOICE

PLATFORM FUNCTIONALITY

// 01

The RaiseR ecosystem comprises three primary participants: Borrowers, Lenders, and Traders. Each participant plays a crucial role in the RaiseR Credit Market, catering to different needs and risk appetites. Borrowers raise funds by offering interest and issuing zero-coupon bonds (ZCBs). Lenders fund different issuances by purchasing ZCBs, earning a fixed income. Traders engage in secondary market trading of ZCBs to generate profits.

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Borrowers are presented with an unparalleled degree of flexibility and autonomy on the RaiseR platform. Notably, even individuals with minimal online activity can effortlessly initiate an issuance to secure any desired sum of capital at a rate of their choosing, without the obligation to disclose their social media identities. The issuance fee, paid in RZR tokens, serves as an anti-spam mechanism, harbouring free-market economics and providing borrowers with a realm of unrestricted choice.

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While it is plausible that not all market participants will demonstrate a uniform inclination to finance an issuance lacking substantial information, the paramount significance lies in the limitless scope of financial inclusion that it engenders. On the other end of the spectrum, decentralised autonomous organisations (DAOs) or nascent projects seeking capital for business purposes possess the seamless capability to establish verifiable connections with their social media profiles through API-verified channels.

They may even take the extra step of pledging their native tokens, if available, as optional collateral. Such an approach inherently attracts attention, enabling diligent individuals to adeptly navigate the intricate landscape of social media and public forums to scrutinise the project's fundraising endeavours. Consequently, the social standing of the project becomes inherently staked.

In the unfortunate event of borrower default, a "trial by Twitter" effect ensues, exerting adverse consequences on the operations of the defaulter and their overall reputation.

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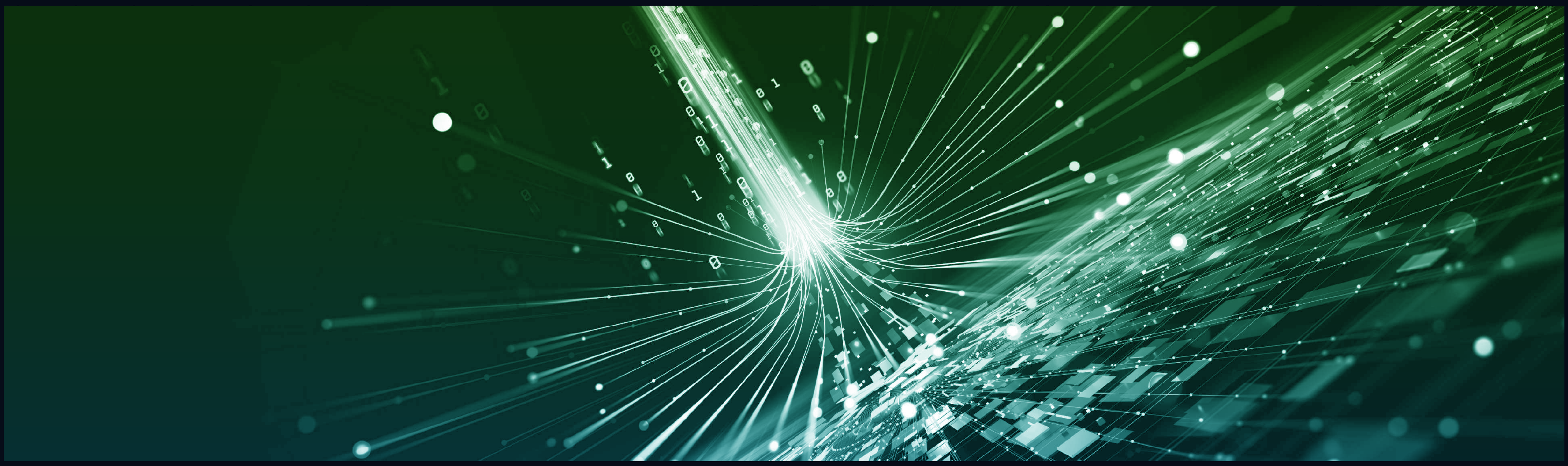
In the event of default, any fungible collateral pledged by the borrower (if any) is equitably distributed amongst lenders. Conversely, if non-fungible token (NFT) collateral is pledged in a defaulted issuance, it goes to auction on RaiDEX, with the proceeds from the auction distributed pro-rata amongst lenders. This dynamic creates a market for astute bargain hunters, providing lenders afflicted by default with a redemption mechanism to garner gains from a particular issuance. Moreover, when a borrower successfully fulfil their repayment obligations as per the agreed-upon terms, distributions are made to lenders in proportion to their respective economic interests, thereby reinforcing the borrower's positive rating.

RAIDEX

In many instances within decentralised finance (DeFi) lending platforms, the critical intermediary step of secondary market liquidity is often overlooked. However, on the RaiseR platform, each successfully funded issuance leads to the creation of a secondary spot market on the proprietary decentralised exchange known as RaiDEX. Through this innovative mechanism, the interests of all lenders are seamlessly tokenized, facilitating instant trading. Consequently, both the initial funders and potential speculators gain the ability to actively engage in and enter/exit exposures throughout the entire borrowing lifecycle, thereby fostering the proliferation of a dynamic and robust credit market.

Irrespective of the outcome of an issuance, be it default or successful payback, the transparent nature of blockchain transactions ensures that comprehensive records are readily accessible to anyone, thereby enriching the landscape of wallet-tagging activities and augmenting overall transparency.

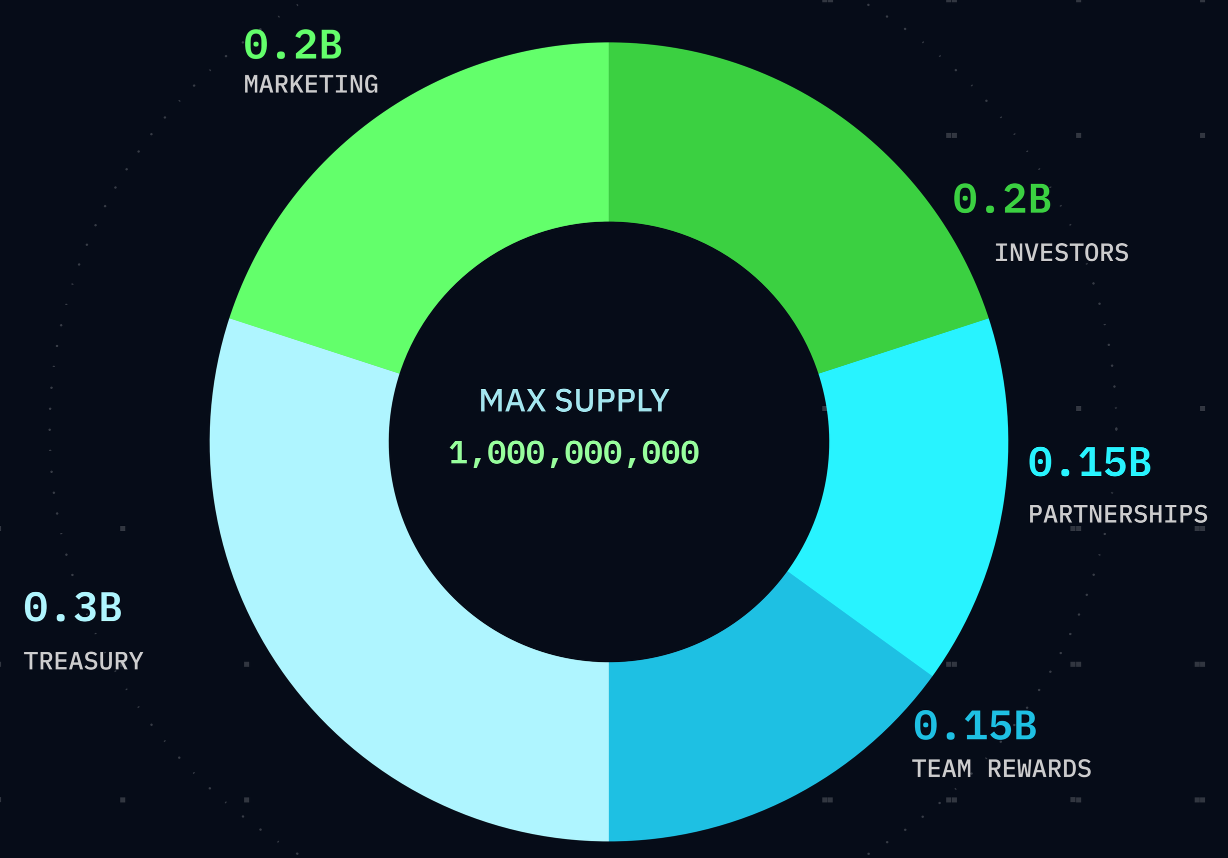


TOKENOMICS & GOVERNANCE

RaiseR and RaiDEX are fully owned by the community and operated through a rotational governance program.

RZR is the fuel of the platform; it is burned as a fee in every transaction. This includes the creation of issuances, as well as funding any issuances or trading on RaiDEX, and serves as an anti-spamming barrier. However, it is designed with maximum reflexivity in mind; as the platform grows, demand for RZR is expected to asymmetrically increase.

There is a fixed supply of 1 Billion RZR with a distribution of:



veRZR is the governance token that will have control over RaiseR and RaiDEX. It is accrued by locking RZR.

When veRZR is staked, it unlocks revenue & governance.
100% of all revenue is distributed proportionally to staked veRZR.

Governance is conducted by 11 Governors, 3 of whom have permanent seats, and 8 of which are rotating on 90-day epochs. At the end of each epoch, the 8 largest stakers of veRZR will become governors of the following epoch. Governors will be able to use simple majorities to set various parameters on the platform.

Any veRZR staker can raise proposals, but only the Governors are able to vote.

Initially, RZR will be launched on Ethereum prior to the launch of RaiseR and RaiDEX on Solana. Upon the Solana launch, all Ethereum-issued RZR will be eligible for bridging to Solana.

DISCLAIMER

RZR is an ERC-20 token issued on the Ethereum and Solana blockchains by a community of contributors and operators of the source code of the Raiser and RaiDEX platform (“The Raiser Community”). The address of the RZR smart contract for each blockchain will be disclosed closer to the launch date of the RaiseR/ RaiDEX platforms.

The sale of RZR Tokens and the RZR Tokens themselves are not securities, commodities, swaps on either securities or commodities or a financial instrument of any kind nor are they registered in any jurisdiction. Purchases and sales of RZR Tokens are not subject to the protections of any laws governing those types of financial instruments. This Whitepaper does not constitute a prospectus or offering document and is not an offer to sell, nor the solicitation of an offer to buy an investment, a security, commodity, or a swap on either a security or commodity.

RZR Tokens may not be held or used by a citizen or resident (tax or otherwise) of the United States, or other U.S. Person, or any sovereigns subject to OFAC sanctions. "U.S. Person" is generally defined as a natural person, residing in the United States, including American Samoa, Guam, Northern Mariana Islands, Puerto Rico, U.S. Virgin Islands, or any entity organised or incorporated under the laws of the United States.

RAISER, RAIDEX, AND ITS CONTRIBUTORS AND OPERATORS (“THE RAISER COMMUNITY”) ACCEPT NO LIABILITY FOR ANY CHANGE IN MARKET PRICE OR VALUE OF RZR OR ANY OTHER LOSS INCURRED FROM HOLDING OR USING RZR. APART FROM THE EXPRESS OBLIGATIONS NOTED IN THIS DISCLAIMER, THE RAISER COMMUNITY BEARS NO RESPONSIBILITY OR LIABILITY WITH RESPECT TO RZR, ITS ISSUANCE, FUNCTIONALITY OR ANY OTHER ASPECT OF RZR. THE RAISER COMMUNITY RESERVES THE RIGHT TO MAKE CHANGES TO RZR AT ANY TIME, INCLUDING, BUT NOT LIMITED TO: MOVING RZR TO A DIFFERENT TOKEN CONTRACT OR A DIFFERENT BLOCKCHAIN, CHANGING THE TOTAL NUMBER OF TOKENS OR THE SUPPLY OR EMISSION SCHEDULE FOR RZR, OR ANY OTHER CHANGES, AT THE SOLE DISCRETION OF THE RAISER COMMUNITY.