

INVESTMENT PROPOSAL

THE WISE TOKEN

“CRYPTO WITH CONFIDENCE”

Founder & CEO: Peter Girr **CTO:** Aaron Hanson

Company: WiseSoft, LLC **Number of Employees:** 5

Current Price and Liquidity: \$0.53 – \$233 million in ownerless liquidity

Timeline: Wise token went public on Jan 1st, 2021 – Launched at \$0.16

Rank: Currently #5 token pair on world’s largest decentralized exchange, Uniswap.org

Variable Price Floor: \$0.33 – If all unstaked holders sold

Unbreakable Price Floor: \$0.066 – Theoretical (explained below)

Other: Currently 11,466 token holders with an average of 27,169 Wise tokens (\$13,312) per holder. Wise Token and staking platform were both audited by a third-party auditing service.

OVERVIEW

The Wise token was designed to be the safest and most equitable cryptocurrency

Wise digital token is a part of a unique staking platform wherein staking for a longer duration pays better. The token intends to recreate and improve upon Bitcoin’s ‘Immaculate Conception’ and has managed to redefine DeFi (decentralized finance). In the case of Wise, 96.5 percent of the Ethereum received during the launch period was sent to an ownerless liquidity pool, forming a deep financial market for the Wise token ecosystem. Most projects send only 10 percent of the money raised to the liquidity pool, keeping a majority for the team. Wise is an audited and entirely complete project. There aren’t any founders’ digital token rewards, administration keys, or specialized privileges that would pose any threat to the decentralized protocol.

Resources

Website: www.wisetoken.net

Data: www.wiseinfo.io

Technical Specifications: [White Paper](#)

ANALYSIS

Wise token harmonizes traditional finance and decentralized finance as the first asset-backed cryptocurrency. The Wise token is backed by Ethereum, similar to the US dollar prior to 1971, when it was still backed by gold. Comparable to how the U.S. stores its gold reserves within Fort Knox, Wise has a growing pool of ownerless liquidity stored on the largest decentralized exchange in the world. After one month of public trading, there's in excess of \$230 million backing the Wise token. Being the first cryptocurrency in existence to be asset-backed sets this token apart from all others.

The value of a Wise token increases correspondingly to the value of Ethereum. If Ethereum goes up, so does Wise. But it gets better. Like a traditional bond, the Wise token is meant to be locked away for a determined durations of time, rewarding interest as the bond matures. With Wise, not only are you paid a high yield (~4-12% APY) but you maintain the price growth of Ethereum, which is currently an appreciating asset. Overall, Wise was designed to be an all-around superior alternative to staking Ethereum on the Beacon Chain (which requires extensive blockchain knowledge).

To be clear, Wise token is not a stable coin. It may pay the same high interest rates commonly seen in other cryptocurrency stable coins; however, because Wise is backed by Ethereum it not only follows Ethereum's price movements but has the potential to far exceed Ethereum's price appreciation. Net positive purchases of Wise tokens cause the Wise token price to outpace Ethereum. Thus, Wise is essentially a leveraged bet on Ethereum but with limited downside. Wise, over its lifetime, is currently up 47% over Ethereum.

The Ethereum that is backing Wise token and its bond-like staking utility together construct two independent price floors for Wise token – one variable floor, that only considers the tokens that are not locked and could feasibly be sold today, and one unbreakable floor. As of today, the variable floor sits at \$0.32 or just 35% less than current trading price (\$0.53). In other words, if every single holder were to sell their Wise tokens, the price could only fall 37%. The unbreakable price floor, which currently sits at \$0.07, constructively results from the large, ownerless Wise token liquidity, coupled with the fact that all network fees are sent to this liquidity pool, which is slowly raising the price floor – Est. 5% annually.

TAKE AWAY:

Wise token is a great way of betting on the price appreciation of Ethereum while also having the potential to increase one's principal amount dramatically if Wise tokens continue to be staked. Considering Ethereum will allow futures trading on the CME on Feb 8th, 2021, many think the price will skyrocket, along with Wise. Wise token has been in existence for only one month and is already over 200% its initial launch price.

Further, the Wise team received zero tokens for free and 96.5% of the \$40 million that was initially raised went to backing Wise token on Uniswap, which is a great indicator that this project wasn't created out of greed.

Wise launched one month ago and is already a Top 10 DeFi project.

ADDITIONAL ANALYTICS:

Wise has an inflation rate of 4% per year. Of that annual 4%, 3% is reinvested into the stakeholder and the other 1% is reinvested into the investor that referred new stakeholders. This creates a balanced system with fair incentives that will generate organic growth for the coin.

In addition to that, if an investor must break their staking contract earlier than the maturity date, then they must pay a penalty. The entirety of this fine is distributed equally into the other active stakeholders' interest earnings.

If you decide to stake, Wise will also give you an additional 10% staking power if you use a referral link. This again allows for a strong and well thought out referral system that benefits the investor significantly more than the referrer.

After the recent all-time high of \$0.94, the price of Wise has decreased since many who invested at the beginning took profits, collecting anywhere between 100%-1400% returns. A majority of the remaining investors (84%) are staked for the long term (1-5 years).

Staking Wise Tokens – A Deeper Dive

Think of Wise staking as an Ethereum bond that yields more Ethereum over time, just in the form of Wise tokens, which are backed by Ethereum.

When you stake your Wise tokens, your tokens are traded for shares (essentially a certificate of deposit that establishes your interest earning power) until your stake has matured. Once your stake has matured, you can claim your Wise tokens. Your new Wise tokens will be created by the contract and placed in your cryptocurrency wallet. The number of new tokens received will be equal to your initial token stake PLUS the interest you gained over the staking period. Your annual interest yield is estimated to be 10% of your initial investment amount, barring any “scraping” (early interest taking) or early-end-staking on your end.

Other users who stake will decrease your daily interest, but this works in your favor for two reasons:

- 1) If other users end their stake early the penalty amount is distributed to all of the active staking users. If that includes you, then you are rewarded.
- 2) As more users stake their Wise tokens, they, in exchange for shares (that certificate of deposit that establishes one's interest earning power), “burn” (which means destroy forever) their Wise tokens. The burning of tokens will decrease the supply of Wise, which contributes to a rise in Wise token price. These burnt tokens are reminted at the end of the staking duration.

By staking your Wise tokens you are monetizing your time in exchange assisting in the stability and growth of the Wise token value. That is why those who end their staking contracts early are penalized heavily (~90% of their initial Wise tokens). Those who continue to stake for the agreed duration are rewarded through interest, PLUS any penalties incurred by those who early-end-stake.

EXPECTED RESULTS

Financial Benefits

- Result #1: Annual 4-12% APY interest for staking
- Result #2: ROI from Wise token net positive buys
- Result #3: Additional ROI from Ethereum price appreciation

Technical Benefits

- Result #1: Staking creates a price squeeze and results in remarkable price stability
- Result #2: All fees go back into the ownerless liquidity pool to increase the price floor
- Result #3: Any staking user who ends their staking contract early is penalized. Penalties go directly to other active staking users

1 Year Price Prediction: \$4.30*

*Assumptions: Ethereum reaches \$3,000 and Wise accumulates an additional \$100 million in net positive buys. These assumptions may be conservative considering Ethereum is projected to hit \$5,000 this year and Wise has already accumulated this amount in less than a month. This also accounts for a continuous 80% staking ratio which promotes a price squeeze, and factors in the decrease in circulating supply from burnt tokens.

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CONCLUSION

Wise token is an innovative cryptocurrency designed to be a highly secure store of value that can be easily staked to earn trustless interest. Like bonds, certificates of deposit, and time deposit bank accounts, longer stakes provide higher yields. If you're interested in investing in Wise, it is recommended that you do your own research first.

If you have questions on this proposal, feel free to contact the Wise team at contact@wisetoken.net.

Thank you.