Bonfida White Paper

Bonfida Team

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1 Introduction

Bonfida is the full product suite that bridges the gap between Serum, Solana and the user. We are the flagship Serum GUI and bring first of its kind Solana data analytics to the field. Our API is used by some of the largest market makers in the space and has seen a growth of requests of 25% week over week.

- FIDA: the Bonfida token accrues all of the value from our product suite
  - FIDA will be fully integrated into Bonfida, and also has governance control over all fees earned on Bonfida.
- Bonfida Serum GUI: the first choice for trading on Serum
  - Bonfida DEX will give traders the best functionality and experience maintaining its place as the most used Serum DEX, including a built-in wallet, starter SOL airdrops, and more.
- Serum API: a unique repository of all Serum transactions
  - Already used by Coingecko, Coinmarketcap and some of the largest market makers in the space, Bonfida's API will continue to expand its offering to provide connected users a CEX like experience
- Serum Dashboard: all the components of the Serum ecosystem in one place
  - This will embed a Serum GUI, Swap, Borrow/Lending and staking all in one place
- Bonfida Bots: build and subscribe to on-chain trading bots for Serum
  - This will allow users to automate their strategies with technical indicators and earn revenue by selling subscriptions for FIDA
- Solible: Home of Solana's NFT's
  - Solible is an NFT exchange built on top of Solana and Serum

And to be clear, Bonfida is not theoretical: it is *already* the leading gateway to Serum.

2 Why build Bonfida on Serum?

When we saw what Serum was building on Solana we dug deep and realized that here was the chance to participate in a financial revolution. We knew our domain expertise was in creating a seamless frontend experience combined with backend API's and on-chain analytics. This presented the perfect opportunity to be an early participant in an ecosystem we believe will grow to power large real world applications in a decentralized and composable way.

We believe our decision is perfectly explained and validated in An Ultimate Vision for Serum released by the Project Serum advisors. But how do you get there? You need to first achieve a very different sort of consensus: a Schelling point of sorts - Bonfida aims to be that by opening Serum to the world.

"The potential of DeFi could reach 1 billion users and $10T of on-chain value. What about the blockchain is necessary to get there?

- Ability to process tens of thousands of trades per second and hundreds of thousands of orders per second
- Gas costs of less than $0.001
- Scaling with the world
  - As the world's technology grows, the blockchain's throughput has to grow
- Ability to process all submissions on a human-reaction-time scale.
  - If you click a button you expect it to take 100ms or so to process on most products — a 1s lag would be really frustrating
- Products composing
  - Otherwise you lose a lot of the value-add for companies, meaning each industry will likely want to be roughly single-sharded
- Ability to be decentralized and open

Solana meets these criteria. It can handle 50k TPS right now; scales with Moore's law; and has a detailed set of plans that could get another factor of 10 over the next couple years in throughput by optimizing various parts of the system. It's gas is cheap, too.

Serum presents a path towards adoption. Already, it has the world's most powerful fully on-chain DEX, and the ecosystem is growing quickly. Behind the scenes, applications with combined hundreds of millions of users are working on it. The building has started."

3 FIDA

FIDA is anticipated to hold the following utility:

- 95% of the net fees on Bonfida will be governed by the FIDA token and could be used for buy/burns, etc.
- FIDA will be used transactionally for:
  - Access to the VIP API
  - Bonfida Bots
  - Bonfida DEX and Solible listings with market making services
  - Whitelabels and consulting services
- FIDA staking will grant its holders:
  - Exclusive API endpoints and lower latency
  - Access to rare Solible markets
  - Advanced analytics
- Bonfida will likely include a limited governance model based on the FIDA token. Some parameters such as product fees may be changed through a governance vote of FIDA tokens.

The FIDA distribution is projected as follows:

- Max Supply: 1,000,000,000 (1 billion)
- Locked Seed sales: 7.5% (1-4 year locked)
- Liquidity: 2% (unlocked)
- IEO: 0.6% (unlocked)
- 10%: EcoSerum going to SRM yield (4% 1-4 year locked)
- 10% of FIDA (1-4 year locked) reserved for Bonfida contributors/employees/etc. as bonuses/grants/etc
- The rest will be managed by Bonfida and the FIDA Foundation, furthering the Bonfida ecosystem.

Total Circulating Supply for the first year from TGE: 8.6%. The breakdown is as follows:

- Liquidity: 2%
- IEO: 0.6%
- EcoSerum going to SRM yield: 6%

The Tokens shall be considered to be "unlocked" as follows: (a) up to and including the one-year anniversary of the purchase Date, no tokens will be unlocked; and (b) starting on the one-year anniversary of the purchase date and ending on the fourth (4) anniversary of the purchase date, the tokens shall be unlocked on a linear basis beginning with 0% Unlocked on the one-year anniversary of the purchase date and ending with 100% unlocked on the four-year anniversary of the purchase date.

4 Bonfida Serum GUI

The goal for Bonfida is to remain as the flagship Serum GUI. Bonfida is currently the best GUI because it provides the features Serum users ask for and has the best UX/UI. In order to grow its user base, Bonfida aims to achieve the following:

Figure 1: Bonfida's GUI

Exclusive markets and listing Bonfida will list exclusive markets on Serum, the listings will be governed by the community of FIDA holders. The liquidity will be brought by the market makers that Bonfida has built strategic relationships with including Alameda Research.

On-chain Advanced order types Currently there are only two order types: limit and market. Bonfida will develop take profit and stop loss orders on Serum. We will offer on chain and off chain advanced order types and both will require users to stake FIDA in order to get access to this feature.

Order Placement Through TradingView Charts Bonfida is the first to have TradingView charts made with on chain data. This feature is a must have for any exchange; however there are still more features to build including:

- Order placement through charts
- Position line on the chart

Advanced UI and Basic UI In order to lower the barrier to entry to the Serum ecosystem, Bonfida will develop two trading modes for Serum: basic and advanced.

The advanced mode will be similar to the current mode but with more features like Bonfida Bots and advanced order types. The basic mode will be focused on a convert function with no advanced order types or charts.

GUI Fees Bonfida's business model is centered around the fees it will make from orders executed on its GUI. By default all the fees made will go to a FIDA buy and burn; however, FIDA holders will govern the use of the fees.

5 Serum API

Bonfida has built a backend infrastructure that stores all the transactions that happen on-chain for Serum. This allows us to provide data through a REST API that is used by CMC and Coingecko and gets more than 6 million requests per day. However, most importantly this allows us to provide a better UX. For example this is used by the official Serum GUI to load historical trades for each market; this means that each user connecting to a GUI based on the standard open source code is actually using Bonfida data in the background. This has allowed us to provide on chain TradingView charts, a feature that is unique to Bonfida and that other competitors cannot copy.

Bonfida will continue development of this API to deliver data to all of our customers; with the objective of leveraging this data through our GUI in order to provide the best UX and UI.

Bonfida will also work to bridge the gap between web 2.0 and the Solana blockchain by developing an order placement API for Serum. This order placement API will require people to stake FIDA.

In order to provide easy access to on chain data Bonfida will build custom endpoints for people staking more than X amount of FIDA.

White label and consulting services Bonfida will offer white label and consulting services for people who want to get started on Serum but don't have the expertise to develop their own infrastructure.

6 Serum Dashboard

The Serum Dashboard will embed all the components of the Serum ecosystem into one domain: GUI, swap, borrow/lending and staking. Creating composable systems between them.

Currently all of these Serum components are spread across different websites and it makes it hard for users to navigate through and discover the Serum ecosystem. Bonfida already hosts a Serum GUI and a Serum wallet. Bonfida will aim towards providing a full Serum experience from one website to make it everyone's preferred choice.

Figure 2: Bonfida's Serum dashboard

7 Bonfida Bots

Easily build trading strategies for Serum using technical indicators on Bonfida Bota.

- People can pay with FIDA to use sets of Rules
  - A part of the payment goes to the person you're buying tokens from
  - A part of the payment will be burned
  - The person designing the rule gets to choose how much this costs
- People can pledge their collateral to others strategies
  - The sub owner can decide how much to charge
    - It could be a daily % fee
    - It could be a % of profits
  - Those fees face the same distribution as above
- People can tokenize a strategy as an SPL token
  - Weekly buy/burn on the token

8 Solible

Solible is an NFT exchange built on top of Solana and Serum. Solible will provide all the features provided by traditional NFT exchanges. However, the Bonfida team will focus on:

- Creating a platform where minting and transacting NFT's isn't stagnated by high network costs. Allowing for a real time auction house for NFT's
- Easy bridges for transactionality with NFT's from other blockchains
- Listing exclusive redeemable items. Some of the NFT's and redeemable items will be randomly airdropped on FIDA stakers

The vision for Solible is to make it more like an e-commerce store where people can buy high end collectible items on-chain that can be redeemed and used IRL.

9 About Us

Bonfida is built by the Bonfida Foundation. We are a group of experts in cryptocurrencies, analytics and engineering. Our main expertise lies in front, back-end and blockchain development, as well as community building and customer service.