

EUROCOIN

All Time Owner

WHITEPAPER

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Abstract

Stable coins have proven to be a more dependable utility than cryptocurrencies today. Cryptocurrencies are highly volatile and maybe limited for use on their native platform. A cryptocurrency that offers a fixed and stable value will allow for a much wider usage as a store of value and medium of transfer, which results in both high demand and high utility.

Regardless of the enticing numerous advantages that bitcoin has produced, like the peer-to-peer version of the electronic cash, which allows online payments from one entity to another to be made without the involvement of any financial system or government, bitcoin is flawed, by it been totally traceable. The traceability of bitcoin is caused because it is built on the public blockchain network. Besides bitcoin being traceable, its price is also volatile which is caused by its predefined finite monetary supply. These disadvantages only prove that bitcoin is a substandard medium of exchange.

Euro coin proposes a solution which will address both problems of the price stabilization and anonymity. This solution will be achieved using an embedded consensus system and an iterated collateralized currency backed token.

Executive Summary

“EuroCoin is the first cryptocurrency project of World & Lion Corporations”

World & Lion Corporations is a technology, communication and informatics company founded in 2003 in Ottawa, Canada. It is a strong and successful company with a multinational partnership structure, which is regulated in accordance with the Canadian federal state laws, has a capital of 1.4 billion dollars, has 16 limited liability companies and 5 joint stock companies.

By working and investing on digital technology and communication network in USA, Canada, UK, France, Austria, Dubai, Morocco, Russia and Sweden, focusing on communication and information exchange methods, providing value-added IP services, multimedia and it offers a communication infrastructure equipped with metro and corporate networks, wireless networks and long-distance optical networks to support voice services.

It has produced EUROCOIN, the crypto equivalent of the Euro which is the official currency used by the European Union institutions and formed by Germany, Austria, Belgium, Estonia, Finland, France, Netherlands, Ireland, Spain, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Malta, Portugal, Slovakia, Slovenia and Greece. The Euro Area made up of 19 European Union (EU) members who chose the Euro (€) as the legal payment instrument

EUROCOIN is the first cryptocurrency project of World & Lion Corporations. To prevent the issuance or revocation of encryption systems, it is fixed on the Blockchain by means of the "ERC20 Protocol" known as a protocol with open source code that interfaces with the Ethereum Blockchain.

EUROCOIN will be 1-to-1 pegged to the Euro, the currency of the European Union, issued by the European Central Bank. The EUROCOIN, which will be listed on cryptocurrency exchanges in 2021, will see value both according to the Euro price increase and as crypto money. If investors convert digital currencies to EUROCOIN, it will make it possible to transfer between platforms cheaply and quickly. Due to the traditional functioning of the old system, problems in transactions with banks, EUROCOIN has planned to be a very suitable alternative.

Introduction

Cryptocurrencies have surged in popularity all over the world due to their benefits, such as instant transactions at low costs, trustless ownership and exchange, pseudo-anonymity, international borderless transferability and convertibility, transparency, and elimination of conventional banking system problems. However, the problem of high volatility in their prices obstructs mass adoption.

These volatility makes users unwilling to trade in digital assets that might experience huge price changes in just a couple of minutes. Even the most popular coins, such as Bitcoin and Ethereum, can't deliver stability with price movements for up 20% being a usual occurrence.

A proposed solution to the volatility of cryptocurrencies, is the creation of a stable value coin (also called a "stablecoin"). The creation of these stablecoins, allows an issuer to distribute a cryptographic token to users in exchange for a specific fiat currency, fixed at 1:1 exchange rate. The Euro, USD and GBP are globally accepted currencies and are mostly used as pegs a stablecoin.

J.R. Willett in January 2012 popularized the idea for asset-pegged cryptocurrencies in the bitcoin community. The world today, has seen this idea been developed further with the likes of BitAssets, Ripple, Omni, Nxt, NuShares/Bits, and others.

“EUR Stablecoin is a fiat-pegged cryptocurrency whose value is stable relative to the Euro”

The EUR Stablecoin is a fiat-pegged cryptocurrency whose value is stable relative to the Euro. The Euro Stable coin will leverage on the full potential of blockchain technology to revolutionize the world's existing digital asset and cryptocurrency ecosystem.

Why Eurocoin?

The introduction of bitcoin and blockchain technology since 2009 by Satoshi Nakamoto has created numerous opportunities in today's world, one of which is the eradication of the traditional financial system. The world's traditional financial system requires a centralized government (Central Bank) or administrator to operate, but blockchain technology and its decentralized digital currency (Cryptocurrency) do not require an administrator or a central bank to operate. Blockchain network technology makes it possible for cryptocurrencies to be sent from one user to another on a P2P (peer to peer) network without any intermediary.

**EuroCoin provides
all exchange
benefits of blockchain
without volatility**

Despite the numerous advantages associated with bitcoin and other cryptocurrencies alike, they lack long-term stability which discourages their adoption as a substitute for fiat currency or other commodities.

Eurocoin plans to harness the potentials of blockchain technology to create a stablecoin backed by the Euro. Our stablecoin will offer its holders the exchange benefits of blockchain technology without the major disadvantages of blockchain technology, which includes volatility and lack of original value of crypto assets. This simply means that anyone who holds the EUR token will enjoy the open, transparent, and verifiable attributes of the tokens without any restrictions and volatility.

The volatile nature of most cryptocurrencies restricts their use because they can't maintain their purchasing power. The value of EUR tokens will always be stable as that of the Euro, offering numerous use cases and adoptions in the following areas such as trading, payments, remittance, payroll, settlement, escrow, lending, and alternative banking.



“Most Cryptocurrencies are volatile, which restricts their use for everyday transactions”

What are Stablecoins

The term stablecoin may be unfamiliar with newcomers in the digital asset industry, but for those who understand what a stablecoin is, could attest to its popularity. Stablecoins has been gaining traction in the cryptocurrency space recently because of the solution to the price volatility of digital assets that they provide.

A stablecoin may be described as a cryptocurrency that offers price stability and always maintains low levels of volatility. Some stablecoins even shows promises of zero volatility. the volatile nature of bitcoin and other similar cryptocurrency makes unsuitable them for everyday use by the public.

“A stablecoin must offer price stability and maintain a low level of volatility”

A currency either fiat or crypto must always maintain its essence as a medium of monetary exchange and a mode of storage of monetary value, and the currency must ensure that its value remains the same over a very long period. Failure to guarantee the constant value of the currency will prevent its adoption because of the fear of its purchasing power in the future.

Fiat currencies like the USD, GBP, and Euro can guarantee low volatile and stable purchasing power. The guarantees that fiat currencies and price commodity such as gold provide, is the reason why stablecoins are pegged to them. The design of stablecoins is to copy the value of fiat currency so that they could be used to transfer value and maintain price stability. Stablecoins achieve their price stability by collateralization or by algorithmic mechanisms of trading of its reference asset.

Bitcoin and cryptocurrencies of similar technology were considered as an excellent medium of exchange, but their notorious affinity for their value change is a valid dispute for this consideration. Stablecoins on the other hand are characterized by negligible price movement because they are designed to track and match the value of the currency they emulate. These characteristics of stablecoins make them the cash of the digital era.

How Do Stablecoins Work?

There are a few categories of stablecoins, each of which is explained below:

Fiat-Backed Stablecoins

Fiat-Backed stablecoins are tokens that are pegged to the value and purchasing power of a particular currency in fiat. Fiat currency as collateral such as USD, is maintained by this category of stablecoins to issue its corresponding value in tokens.

Fiat-backed stablecoins are always fixed at a 1:1 ratio to its pegged fiat currency. For example, an issuer may receive one million dollars from a user and then issue a corresponding token of one million dollars' worth at a dollar for each token. The user can then trade these tokens freely on any exchange or cryptocurrency platform as they would with bitcoin. The holders of the tokens can also redeem them for their corresponding value in fiat.

Although fiat currency reserves are used by most fiat-backed stablecoins, some fiat-backed stablecoins may choose to use other commodities like gold, silver, oil, etc as their collateral.

Crypto-Backed Stablecoins

Crypto-backed stablecoins are similar to the fiat-backed stablecoin with the difference of it been backed by other cryptocurrencies. Crypto-backed stablecoins are acquired when a user sends and lock his cryptocurrency into a contract. The contract then issues a stablecoin. Whenever the holder of this type of stablecoin wishes to get back their collateral, they just need to pay back the stablecoins into the same contract along with any accrued interest.

Algorithmic Stablecoins

Stablecoins that do not use any reserve, but functions on mathematical models and algorithm to maintain price stability is called an Algorithmic Stablecoin. The Algorithmic stablecoins functions like the central bank of a country which is responsible for printing money and keeping value of the monies printed stable by using a predefined mathematical mechanism. The price stability of these stablecoins are maintained by the autonomous increase and decrease of the token supply.

Challenges of Stablecoins

1. Lack of Trust

More trust is required for stablecoins provided by centralized organizations, because any risk inherent in these organizations can be instantaneously passed to the holders of stablecoins they issued. A fiat-backed stablecoin is run by a single entity, this entity requires to be trusted that it will back-up its issued stablecoins with real fiat. For example, Tether has yet to ever provide a transparent audit to its reserve, a lot of people suspect Tether is only holding a fraction of the USD it claims to have.

2. Lack of effective AML solutions

Most stablecoins do not take on the responsibility of ensuring that their token holders comply with regulations governing money laundering each time they purchase or redeem their tokens.

3. Lack of Transparency

Some of the biggest players in the stablecoin market have been accused of lacking transparency because they have failed to release their audit reports.

4. The temptation of over-Issuance

Stablecoin issuers are naturally and constantly exposed to the temptation to over their own coin to make more profit with no additional cost.

5. Security Risk

Most stablecoin issuers can't guarantee that the security of the software implementing the stablecoin isn't flawed. An example is the critical flaw in MakerDAO's smart contract, which was uncovered in May of 2019. Security concerns arise not only regarding potential bugs in the underlying code, but also in connection to the security controls implemented by issuers to safeguard their treasury. In November 2017, for example, Tether reported nearly US\$31M worth of their tokens stolen, and in response suspended trading for nearly a month.

Eurocoin Solution

- 1.** Eurocoin will provide regular audits from third parties to ensure transparency. This will help ensure that they are trustworthy and can help keep their reputation high.
- 2.** Eurocoin will always abide by governing regulations, by ensuring that holders of its token must go through KYC and complete an AML Verification for every transaction to reduce or fight money laundering.
- 3.** Eurocoin will not be tempted to issue more coins because it will observe the main objective of cryptocurrency, which is to avoid the problem of too much money in circulation.
- 4.** Eurocoin will always guarantee the security and integrity of its implementation software and assets by always carefully examining the security flaws with the system.
- 5.** Eurocoin will ensure that its system is immune against any possible security threat or hack.
- 6.** Eurocoin will always ensure that it holds enough euros to back the amount of its stablecoin in circulation.
- 7.** Eurocoin will always be stable and its value will never dip below the value of the euro.

Our Solution



Transparency



**AML
Verification**



Security



Integrity



Stability

Market Overview

According to research conducted by Blockdata, the stablecoin market has witnessed the birth of over 200 projects between 2014-2019. The first round of these projects was launched in 2014 and the most notable of them was tether. Tether which is a stablecoin backed by the American dollar was issuing a dollar worth of token for every dollar it deposits in a bank. During 2018, the market had evolved beyond speculations and new stablecoins were introduced. A popular case to note in this period was the use of oil as a peg for a stablecoin in Venezuela.

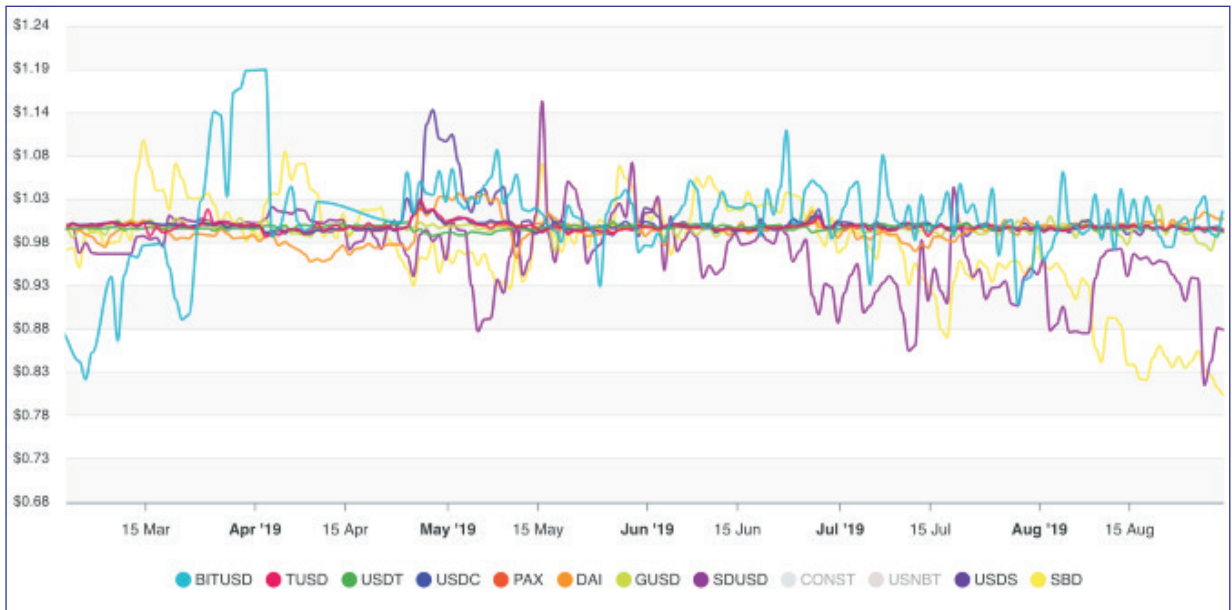
“The demand for stablecoins in greatly influenced by liquidity pools used in decentralized finance ”

The demand for tokens in liquidity pools used in decentralized finance has made a tremendous contribution in stablecoins supply, which makes DAI and USDC the most used stablecoin for lending and borrowing in DeFi protocols.

Tether as mentioned earlier still dominates the stablecoin market by 80%. According to CoinMarket Tether’s total market capitalization increased from \$9.2 billion on July 15, 2020, to more than \$13.7 billion on September 5, 2019. A surge of 150% on Tether’s trade volume occurred during this time frame.

On the 12th of March 2020, the cryptocurrency market was erupted by a crash in cryptocurrency prices which was triggered by fears of what the COVID-19 pandemic might cause. Since this crash, the demand for stablecoin has been on a sporadic growth. The increasing demand for stablecoins was necessitated by the need for investors to keep their money on the sideline without incurring fees, which are linked to trading their tokens into fiat currency.

During the crash in March, most stablecoins gained an increase above their \$1 price due to an increase in their demand. Examples of the stablecoins that had this increase in their price are USDC, PAX, HUSD, BUSD, etc. These stablecoins quickly returned to their \$1 peg within a couple of days except USDT. USDT peg remained higher than \$1 all through may and this created arbitrage opportunities.



Source: Stable Report

The frequency of how stablecoins are being exchanged is very high as compared to BTC and ETH. Stable coins are exchanged 5-10 times more frequently than other cryptocurrency. The frequent use of stablecoins will encourage more participation for crypto users, especially in countries that restrict its citizens from crypto asset trading.

Another competitive advantage of stablecoins is that they can be transferred or transact with, globally without stress. Stablecoin encourages the use of cross-border payments and transfers because they offer settlement functionalities without an intermediary or middleman, unlike traditional money transfer. Stablecoins are also used as a counter currency on trading pairs in crypto asset trading many times more than fiat currencies.

Eurocoin

EUR is an ERC20 compliant fiat-pegged stable currency that will be issued on the Ethereum blockchain. Every EUR issued into circulation is pegged in a one-to-one ratio by the Euro. (i.e. 1 EUR = 1 Euro).

Eurocoin token holders will be able to trade the EUR on our website and on major crypto exchange platforms. The EUR may also be redeemed for its corresponding value in fiat, as each EUR token issued into circulation will be backed in a one-to-one ratio with the EUR.

EUR is the perfect solution for any institutions that seek trust and liquidity during entry and exit into the stablecoin market. EUR offers a distributed, global access to the tokens with liquidity-rich commodity, which will enable it holders to seamlessly make transactions in the crypto space.



How Eurocoin works

Whenever a user deposits fiat currency into Eurocoin system, the system will generate and credit the user's Eurocoin account with the equivalent value of token (i.e. EURO 20k deposited = 20k Eurocoin issued).

After the issuance of the Eurocoin to the user, the user can then proceed to transact with EUR. The user can choose either transfer, exchange or store the EUR tokens. Users can also obtain Eurocoins outside our platform via an exchange or an individual. Once a EUR token enters circulation it can be traded freely between any business or individual. Each EUR issued into circulation will be backed in a one-to-one ratio with the equivalent amount euros held in reserves.

Eurocoin will act as the responsible custodian for all our token holder's assets.

Eurocoin Proof of Solvency

The cryptocurrency industry has encountered numerous insolvencies within its ecosystem. These insolvencies are mostly caused by hacks, mismanagement or fraud.

Eurocoin proof of solvency(reserve) system is outstanding and efficient, because the system will always provide the proof that the total number of EUR tokens in circulation are fully backed up by an equal and corresponding value in fiat currency held in reserves.

In the Eurocoin ecosystem, each Eurocoin token in circulation represents one euro held in our reserves, which means the Eurocoin system is fully reserved when the sum of all EUR token in existence at any given point in time is exactly equal to the balance of EUR held in our reserve.

Creation, Redemption, and Transfer

The usability and adoption of EUR token is plays pivotal role in maintaining the true essence of the Eurocoin stablecoin. Eurocoin aims to achieve this objective, by allowing Eurocoin users to create and redeem their tokens on the Eurocoin platform.

Eurocoin enables users to create and redeem their tokens on the Eurocoin platform

EUR are created at the time of withdrawal from the Eurocoin platform. Eurocoin token holders may exchange euros for EUR at a 1:1 exchange rate by initiating a withdrawal from their Eurocoin account to any Ethereum address they specify.

Eurocoins are redeemed or “destroyed” at the time of deposit into the Eurocoin ecosystem. Eurocoin users may exchange Eurocoins for euros at a 1:1 exchange rate by depositing Eurocoins into their Eurocoin account. The euro amount of Eurocoin is credited to a users’ Eurocoin account balance at the time of deposit. The Eurocoins can be transferred on the Ethereum network.

Advantages of Eurocoin Over Existing Fiat-pegged Cryptocurrencies

Eurocoin has the following advantages over other fiat-pegged cryptocurrencies:

- Eurocoin exist on the ethereum blockchain rather than other less developed altcoin
- Eurocoin can be used just bitcoins and other cryptocurrencies.
- Eurocoin can be used to trade on both forex market and stock market.
- Eurocoin can be used for crypto market projections.
- Eurocoin inherit the properties of the ERC20 tokens which includes: a decentralized exchange; browser based, opensource, faster transaction times, wallet encryption, transparency, accountability, multiparty security and reporting functions.
- Eurocoin can be integrated with merchants, exchanges, and wallets just as seamlessly any other cryptocurrencies can be integrated.
- Eurocoin will not face any market risks as its reserves are maintained in a one-to-one ratio rather than relying on market forces.
- Eurocoin issuance or redemption will not face any pricing or liquidity constraints.

Features of Eurocoin

- 1. Invulnerable to market risks:** Eurocoin is not affected by any market risk, since its reserves are always maintained in a one-to-one ratio.

- Absence of liquidity constraints:** The usage or Issuance of Eurocoin is never affected by liquidity constraints. Transactions using the Eurocoin can quickly and easily.
- Ethereum blockchain:** Eurocoin stablecoin is created and circulated on the Ethereum blockchain rather than other less developed altcoin.
- Usability:** EUR can be used like bitcoins in a P2P, cryptographically secure environment.
- Seamless integration:** Eurocoin can be integrated with any exchange and wallet that support Bitcoin



Invulnerable to market risks



Absence of liquidity constraints



Ethereum blockchain



Usability



Seamless integration

Euro Usability

The underlisted are the main applications of Eurocoin tokens, which are broken down into three major user groups:

For Exchanges

The benefits Exchanges can gain from Eurocoin includes but are limited to:

- Accept cryptofiats as deposit/withdrawal/storage method rather than using a legacy bank or payment provider
- Outsource fiat custodial risk to Eurocoin
- Secure customer assets purely through accepted crypto-processes like:

- a) Multi-signature security, cold and hot wallets, etc
- b) Conduct audits easier and more securely in a purely crypto environment

For Individuals

The benefits individuals can gain from Eurocoin includes but are limited to:

1. Transact in USD/fiat value, pseudoanonymously, with no need for middlemen or intermediaries
2. Cold store USD/fiat value by securing their own private keys
3. Mitigates the risk of storing fiat on exchanges
4. Eradicates the necessity of having to open a fiat bank account to store fiat value
5. Easily enhance applications that work with bitcoin to also support Eurocoin

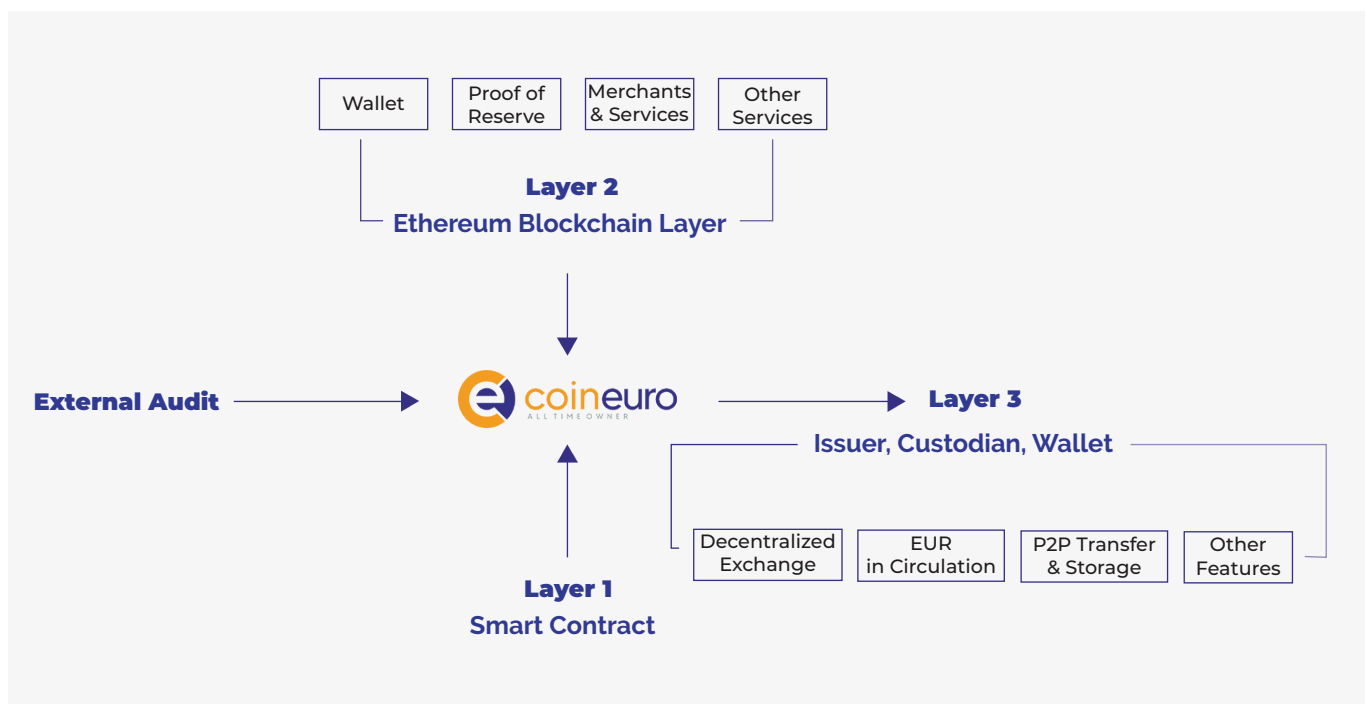
For Merchants

The benefits merchants can gain from Eurocoin includes but are limited to:

1. Negotiate the price of goods in USD/fiat value rather than Bitcoin (no moving conversion rates/purchase windows)
2. eradicates the associated fees and processes involved of converting bitcoin to fiat currency
3. Eradicates chargebacks, reduce fees, and gain greater privacy
4. EUR can be used to perform any task as a merchant as bitcoin would

Eurocoin Technology Stack

Eurocoin technology stack is composed of several layers and features that will be explained in the preceding paragraphs below:



Smart Contract

The development and decentralization of applications is necessary for the Eurocoin platform to function. Hence, a network that allows for this development is required by the platform. One of the applications that the platform needs to run on is smart contracts. These smart contracts will be used extensively to store and transfer value according to some predefined conditions set by Eurocoin. Eurocoin smart contracts will be facilitated by the Ethereum Network.

The Eurocoin platform uses an Ethereum ERC20 smart contract to maintain a

vibrant ecosystem. The smart contract is used for exchanging authentic information about Eurocoin stablecoin, such as real-time fiat reserve, total token supply and the current token value. The ERC20 facilitates transactions of EUR tokens, and record balances of tokens a user has.

The smart contract also allows Eurocoin to be transferred on the Ethereum network and stored in any Ethereum address.

Ethereum Blockchain Layer

Eurocoin transactional ledger is embedded in the ethereum blockchain. Smart contracts and distributed applications are built on the ethereum blockchain without any fraud or interference.

Eurocoin uses the Ethereum blockchain for the following:

1. To grant (create) and revoke (destroy) digital tokens represented as metadata embedded in the ethereum blockchain like our fiat-pegged digital token, EUR.
2. To track and report the circulation of Eurocoin tokens.
3. To enable users to transact and store EURs

Issuer/Custodian/Wallet Layer

Eurocoins' issuer, custodian and wallet layer responsibilities are:

1. Accepting fiat deposits and issuing the corresponding EUR tokens
2. Custody of the fiat reserves that back all EURs in circulation
3. Sending fiat withdrawals and revoking the corresponding EUR tokens
4. Initiating and managing integrations with existing Bitcoin-blockchain wallets, exchanges, and merchants.

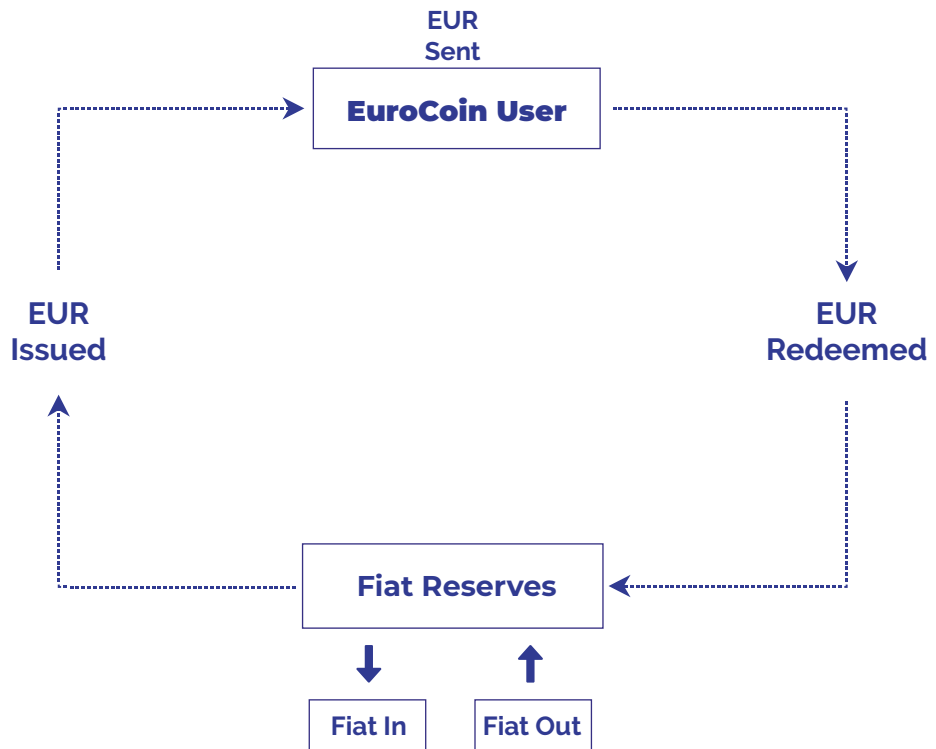
External Audit Layer

Eurocoin external audit layer is responsible for public and regular reporting of Proof of Reserves and other audit results.

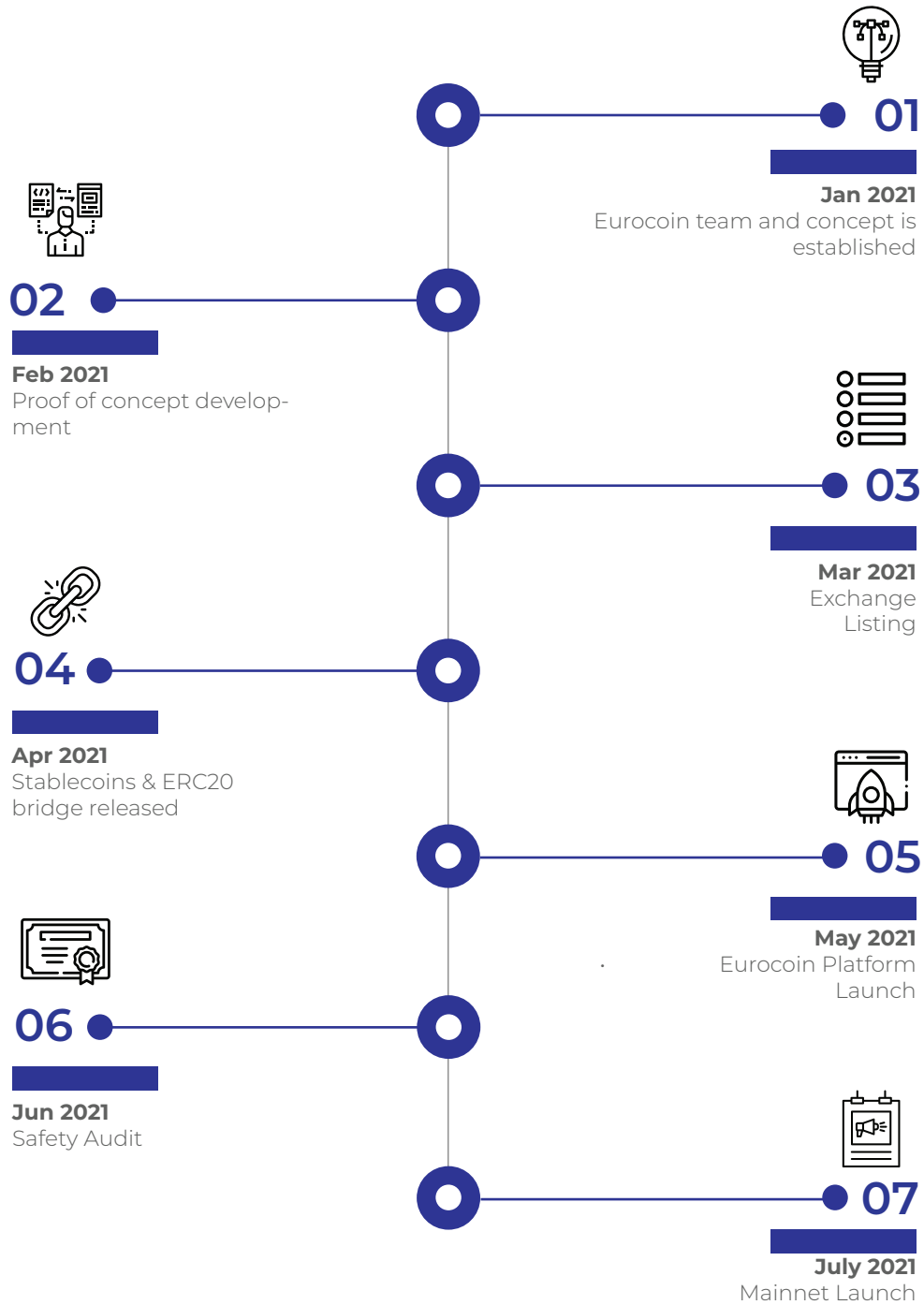
Flow of Funds

Eurocoins' issuer, custodian and wallet layer responsibilities are:

1. Accepting fiat deposits and issuing the corresponding EUR tokens
2. Custody of the fiat reserves that back all EURs in circulation
3. Sending fiat withdrawals and revoking the corresponding EUR tokens
4. Initiating and managing integrations with existing Bitcoin-blockchain wallets, exchanges, and merchants.



Roadmap



Legal Disclaimer

This whitepaper is written to provide information on a platform being planned by Eurocoin. All materials are for informational purposes only and should not be used as a basis for any investment decision. This whitepaper does not constitute or relate in any way nor should they be considered as an offering of securities in any jurisdiction.

Any information contained in this whitepaper can change without any notice at the sole discretion of Eurocoin from time to time, updates may be made to this whitepaper and posted on the proper channels. It is the responsibility of the user to ensure they are in possession of the latest version of the whitepaper.

The cryptocurrency space faces large regulatory risk that may have a direct effect on Eurocoin. Regulatory authorities around the world are carefully scrutinizing businesses and operations associated to cryptocurrencies and related services. As a possible result of regulatory measures, investigations or actions by authorities, Eurocoin may be limited or prevented from developing its operations in the future. In such case, any person utilizing Eurocoin services acknowledges and understands that neither Eurocoin nor any of its partners will be held accountable for any expense or damages of any kind caused by such changes.

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