



# EXTENDED YIELD ZONE

Through dynamic strategy optimization and unified asset management view, users can capture the excess returns of multi-chain DeFi with a single-chain operation experience.

**white paper**



# Preface

Currently, DeFi users face the dual dilemma of multi-chain asset fragmentation and inefficient strategies. XYZ Protocol's AI-powered cross-chain yield engine enables users to automatically capture optimal returns across all chains without manual cross-chain operations or portfolio adjustments.

We have built a verifiable non-custodial architecture that reduces operational costs by 70% and increases strategy returns by 40%. XYZ is committed to becoming the underlying hub for wealth growth in the multi-chain era, restoring digital asset management to its essential principles of efficiency and transparency.



# TABLE OF CONTENTS

<b>1. PROJECT VISION</b>	<b>01</b>
<hr/>	
<b>2. TECHNICAL ARCHITECTURE</b>	<b>03</b>
<hr/>	
<b>3. TOKEN ECONOMIC MODEL</b>	<b>07</b>
<hr/>	
<b>4. TOKEN APPLICATION SCENARIOS</b>	<b>12</b>
<hr/>	
<b>5. CORE COMPETITIVE ADVANTAGES</b>	<b>16</b>
<hr/>	
<b>6. DEVELOPMENT ROADMAP</b>	<b>20</b>
<hr/>	
<b>7. RESPONSIBILITIES AND RISKS</b>	<b>21</b>
<hr/>	

# X 1. Project Vision

## 1.1 Core Mission

"Reshaping the decentralized asset management paradigm, allowing global users to seamlessly access AI-optimized cross-chain returns"

XYZ Protocol is committed to becoming the intelligent yield hub of the Web3 era, solving three core pain points in the current DeFi ecosystem through technological innovation:



### Interchain severance:

Users need to manage multiple wallets and switch between different on-chain protocols, resulting in low asset utilization.



### Return decay:

Manual portfolio adjustments lag behind market changes, missing out on the best profit opportunities



### Security blind spots:

Ordinary users lack professional tools to identify protocol risks and strategy effectiveness

## 1.2 Value Proposition

Question Category	XYZ Innovation Solutions	User value enhancement
Multi-chain operations present significant complexity.	The unified aggregation layer facilitates a centralized control point.	Reduce operational time by over 75%.
Ineffective strategies	AI engine real-time dynamic enhancement	Historical backtest returns improved by 22% to 68%.
Inadequate risk management	On-chain insurance fund and risk assessment framework	Potential losses diminished by 40%

# X 1. Project Vision

## 1.3 Vision Realization Path

### ▶ Phase 1: Infrastructure Integration

Build a cross-chain execution layer, integrate 8 mainstream public chains such as Ethereum, BNB Chain, and Polygon, support strategic interactions of 200+ DeFi protocols, and lay the foundation for multi-chain operations

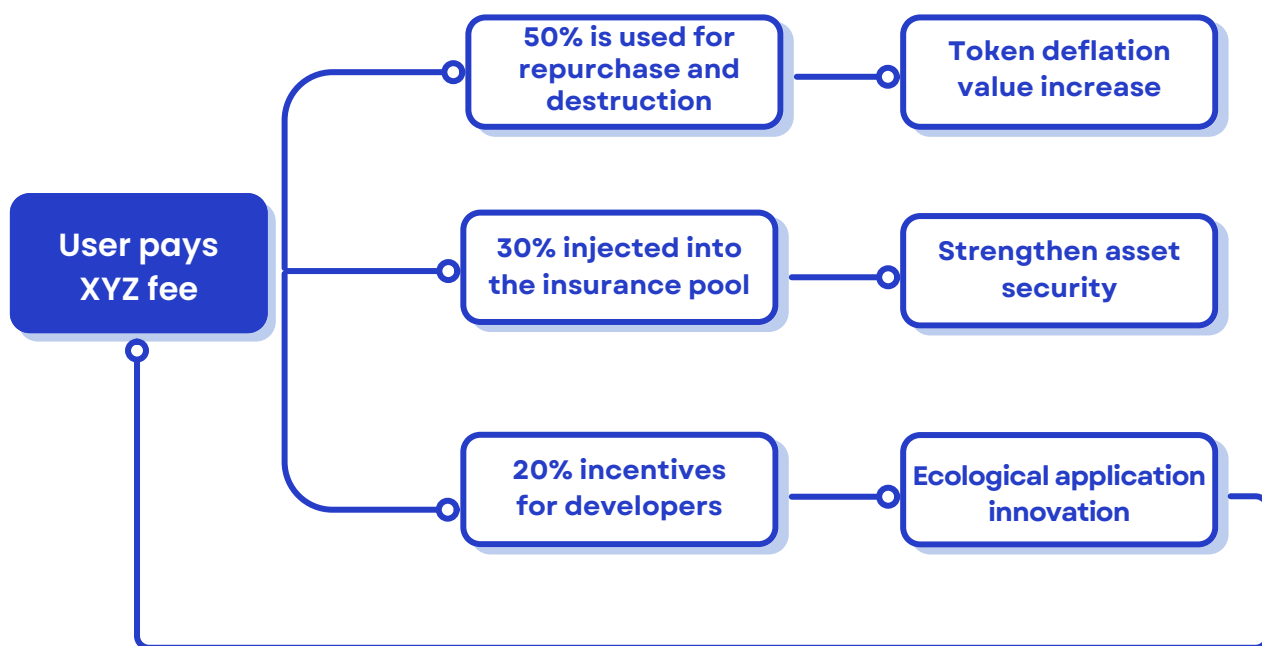
### ▶ Phase 2: Intelligent Engine Evolution

Through continuous training of strategy algorithms using machine learning models, we achieve:

- Market volatility prediction accuracy > 83%
- Flash loan arbitrage opportunity capture response time < 8 seconds
- Improved impermanent loss hedging efficiency by 90%

### ▶ Phase 3: Ecological Value Closed Loop

Build a self-reinforcing economic system:



## X 2. Technical Architecture

### 2.1 Layered System Architecture

XYZ Protocol uses a modular and layered design to build a secure and efficient cross-chain revenue management infrastructure:

- Hierarchical model:

Hierarchy	Essential Attributes	Technological advancements
User interaction layer	Deliver a cohesive asset management interface.	The Account Abstraction (AA) wallet facilitates single-signature management of multi-chain assets.
Policy engine layer	AI-driven dynamic optimization of asset distribution	Machine learning models analyze over 200 protocol data sets in real time.
Cross-chain execution layer	Effortlessly manage multi-chain asset transfers.	LayerZero and CCIP dual protocols guarantee cross-chain reliability.
Asset Settlement Layer	Non-custodial asset management	MPC, or multi-party computation, guarantees the security of private keys.
Security surveillance layer	Real-time risk mitigation	On-chain behavior analysis and automated circuit breaker mechanism

# X

## 2. Technical Architecture

### 2.2 Core Component System

#### ▶ Intelligent Strategy Engine

##### Dynamic Optimization Mechanism

- Real-time monitoring of APY, liquidity depth, and risk indicators for over 200 DeFi protocols
- Automatically adjust asset portfolios hourly to balance returns and risks
- Built-in three-layer defense mechanism to mitigate market fluctuations

##### Intelligent decision-making model

- LSTM neural network predicts short-term market trends
- Monte Carlo simulation generates optimal asset allocations
- Automatically switches to stablecoin strategies when volatility exceeds 15%

#### ▶ Cross-chain interoperability framework

##### Unified Asset Routing System

Supply Chain	Target Network	Bridge Protocol	Mean duration	Fuel Efficiency
Ethereum	Polygon	LayerZero	45 seconds	42%
BNB Chain	Referee	CCIP	68 seconds	38%
Avalanche	Optimism	Wormhole	52 seconds	45%

##### Batch Transaction Processor

- Compresses multiple cross-chain operations into a single transaction
- Reduces gas costs by 70%
- Guaranteed execution success rate >99.5%

## X 2. Technical Architecture

### 2.2 Core Component System

#### ▶ Account Management System

Innovative Features

- Single-point control of multi-chain assets (supports 8 major public chains)
- Gas fee abstraction: Use XYZ tokens to pay transaction fees on any chain
- Tiered transaction quota authorization mechanism

Security architecture

- MPC threshold signature technology
- Private key sharding storage solution
- Biometric secondary verification

#### ▶ Safety protection system

Five-dimensional defense matrix

Protection Dimension	Technical Resolution	Response Mechanism
Contract Security	Upgradable contracts with scheduled vulnerability assessments	Emergency stop mechanism
Asset protection	Cold and hot wallet segregation with multi-signature authorization	72-hour significant delay
Policy Security	Backtesting Environment and Risk Assessment	Automatically restrict high-risk operations
Data Protection	IPFS encryption and zero-knowledge proof	Data tampering notification
Insurance Mechanism	Nexus Mutual Integration	Up to 95% loss reimbursement



## X 2. Technical Architecture

### 2.3 Performance Advantages

Breakthrough cross-chain efficiency:

- Average rebalancing time: 55 seconds (industry average >20 minutes)
- Arbitrage opportunity response: <3.8 seconds (traditional solutions >45 minutes)

Cost Optimization:

Operational Scenario	Industry expenses	XYZ Expense	Savings
ETH to Polygon transfer	\$6.80	\$1.20	82%
Adjustment of the three-chain strategy	\$48.50	\$9.80	80%

### 2.4 Safety Verification System

Triple Assurance Mechanism:

- Contract Audit: Dual Audit by CertiK and OpenZeppelin (Quarterly Updates)
- Economic Model Verification: Gauntlet Stress Testing Covers Black Swan Events
- Strategy Backtesting: 3,000+ Historical Scenario Simulations, Maximum Drawdown <15%

Transparency Commitment:

- Core Components Mainnet Open Source
- All Operations are Traceable on-Chain
- Security Bug Bounty Program (Up to \$250,000)

## X 3. Token Economic Model

### 3.1 Basic Token Parameters

property	parameter
Token Name	XYZ
Complete name	Extended Yield Zone
Token Standards	ERC-20 (implemented on the Ethereum mainnet)
Accuracy	18-bit
Total circulation	80,000,000 (fixed supply)
Initial circulation	8,000,000 (10%)
Contract Address	It will be communicated via official channels prior to going live.
Initial Exchange	YaznoX (Currently available on four centralized exchanges)



## 3. Token Economic Model

### 3.2 Token Allocation and Release Plan

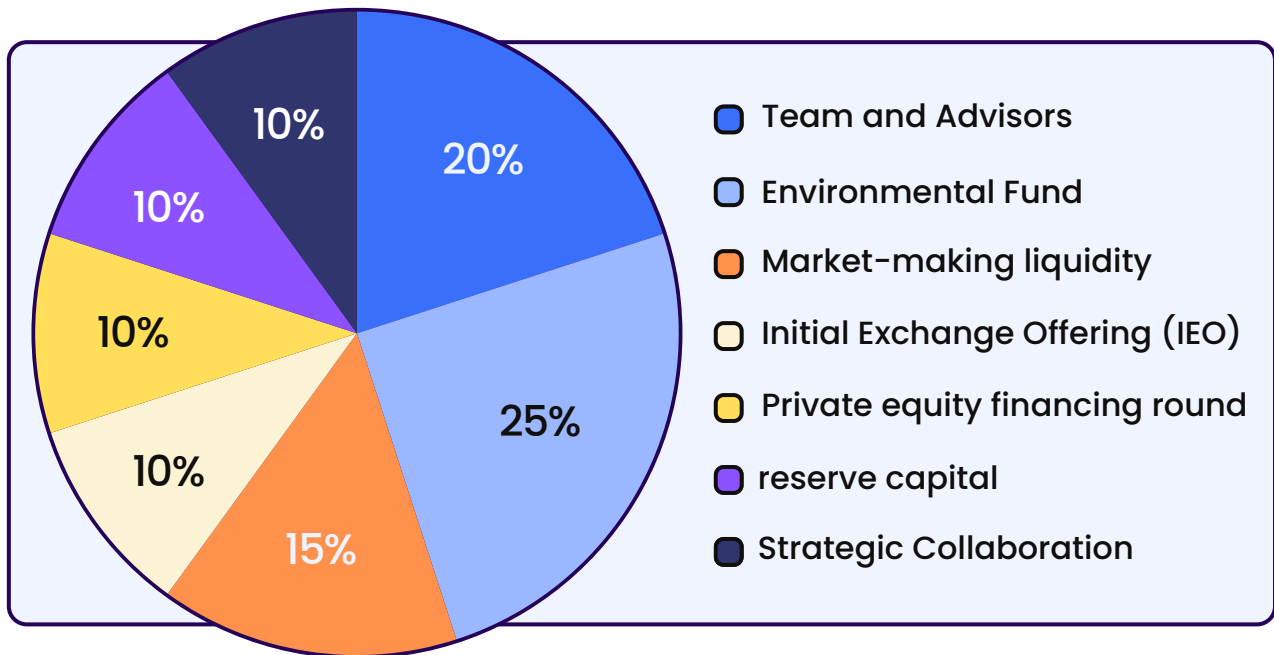
use	Proportion	Quantity	Unlocking Regulations
Team and Advisors	20%	16,000,000	Complete lock-up for two months, succeeded by a linear monthly unlocking over the subsequent 24 months.
Environmental Fund	25%	20,000,000	DAO governance controls the release of resources for ecological construction, community incentives, and developer support
Market-making liquidity	15%	12,000,000	5% will be released at launch, and the remaining 95% will be released linearly over 12 months
Initial Exchange Offering (IEO)	10%	8,000,000	100% immediate circulation upon launch
Private equity financing round	10%	8,000,000	20% will be unlocked after going online, and the remaining 80% will be released monthly for 6 months
reserve capital	10%	8,000,000	7/11 multi-signature wallet administration, accessible solely through DAO vote during significant market occurrences.
Strategic Collaboration	10%	8,000,000	Unlocked through cooperation milestones (50% completion of technology integration + 50% achievement of ecosystem development)



## 3. Token Economic Model

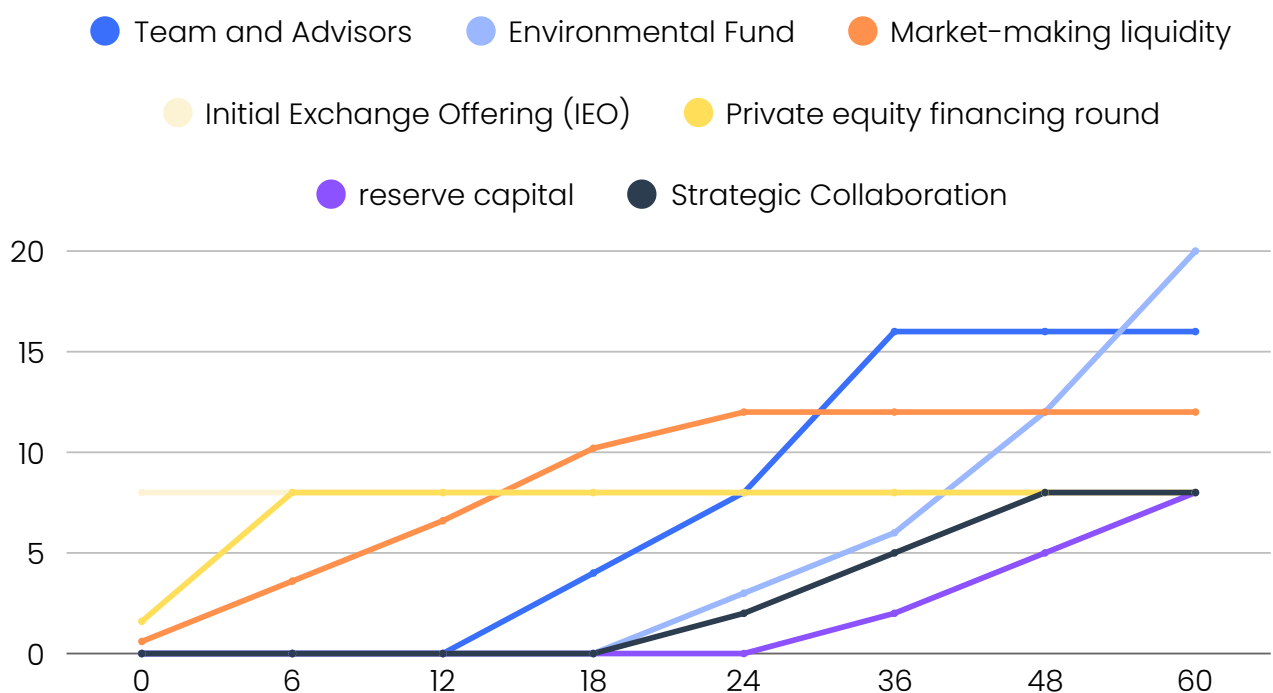
### 3.2 Token Allocation and Release Plan

Allocation Overview:



Allocation Overview:

Unit: Millions of XYZ





## 3. Token Economic Model

### 3.3 Value Enhancement Mechanism

Tiered staking system:

Pledge Category	Fundamental yield	Value-added equity	Optimal Yield
Adaptive staking	8%-12%	Dynamic adjustment based on the TVL ratio	18%
3-month restriction	15%-22%	Enhanced governance voting weight	30%
12-month restriction	25%-35%	Obtain supplementary strategic profit allocation.	45%
XYZ/ETH Liquidity Staking	32%-65%	25% commission dividend from the distribution platform	78%



## X 3. Token Economic Model

### 3.4 Anti-fluctuation mechanism

Automatic protection trigger:

When XYZ drops > 20% in 24 hours:

- Team/Advisor unlocking is suspended
- DAO treasury activated with protection funds ( $\leq 15\%$  of reserves)

Long-term value anchoring:

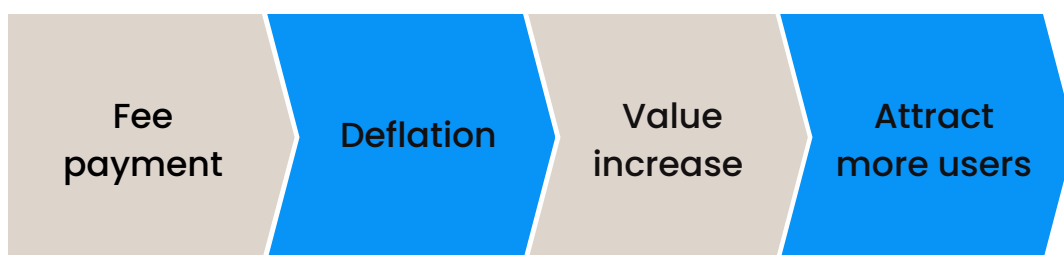
- For every \$100M increase in TVL, the deflation factor increases by 0.1x
- 50% of platform revenue is tied to the token's market capitalization

### 3.5 Core Economic Logic

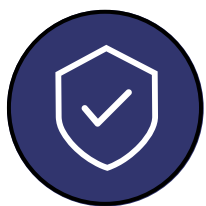
Build a self-enhancing ecosystem through a triple closed loop:



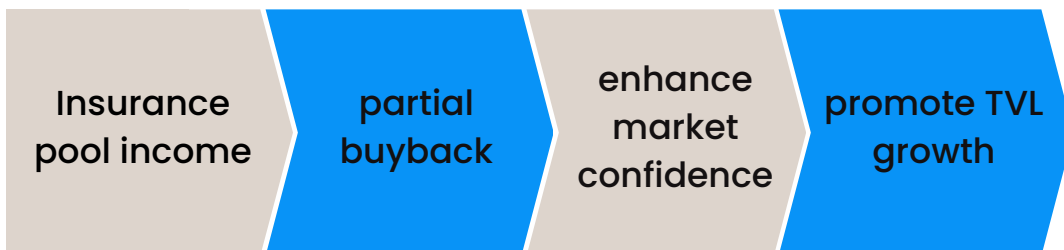
Demand closed loop



Pledge closed loop



Safety closed loop





## 4. Token Application Scenarios

The XYZ token is deeply integrated into the protocol ecosystem, building a three-in-one value closed loop: functional use, equity empowerment, and ecological co-construction, forming a self-reinforcing value network.

### 4.1 Core Function Driver



#### Strategy execution engine fuel

- Economic Mechanism: Pay on-chain gas fees for AI portfolio rebalancing, and enjoy a 30% fee discount when using XYZ.
- User Value: High-frequency traders save an average of \$5,000+ in operating costs annually.
- Deflationary Effect: 80% of transaction fees go to a quarterly buyback and burn pool.



#### Cross-chain interaction pass

- Unified Payment: Covers gas payments across eight chains, including Ethereum and BNB Chain, eliminating the burden of multi-chain token management.
- Cost Advantage: 40% lower gas costs than native, with an average cross-chain transaction price of 0.8-1.5.
- Application Penetration: Targeted to cover 85% of platform transaction volume within one year.



#### Risk Insurance Certificate

- Insurance: Use XYZ to purchase smart contract vulnerability insurance (launching in Q3 2026), with an annual premium of only 0.15%.
- Payout: Covers up to 95% of asset losses, with an initial insurance pool capital of \$5M.



## 4. Token Application Scenarios

### 4.2 Equity Empowerment System



#### Liquidity Mining Core

- Staking Returns: XYZ/ETH pool contributors share 25% of platform fees.
- Return Range: Base APY 32%-65%, peaking at 78% during bull markets.
- Example: 10,000 LP stakers earn approximately \$4,200-\$7,800 in annual returns.



#### Decentralized governance

- 1 token = 1 vote: Decide on key matters such as protocol upgrades and cross-chain fee adjustments.
- Staking Bonus: Every 1,000 XYZ staked increases voting power by 1% (capped at 35%).
- Governance Participation: Target holder participation rate increased from 15% (1 year) to 40% (3 years).



#### Revenue Accelerator

- Weighting mechanism: Staking XYZ increases the distribution of strategy returns.
- Value-added effect: 50,000 allocated assets can earn an additional 8,750/year in returns.

## 4. Token Application Scenarios

### 4.3 Cornerstone of Ecological Construction



#### Developer Growth Plan

- Incentive Pool: 2% of the total token supply (1.6M XYZ) will be used to reward ecosystem application developers.
- Integration Standard: 8,000 XYZ will be awarded for each successful protocol integration.
- Goal: Support 100 integration projects within three years to build a DeFi ecosystem.



#### Cross-chain liquidity subsidies

- Rebate Mechanism: Use XYZ to pay for bridge fees and receive a 20% real-time rebate.
- Funding Source: Special grant from the strategic partnership token pool.
- Effect of Scale: Expected to reduce ecosystem cross-chain costs by \$1.2M annually.

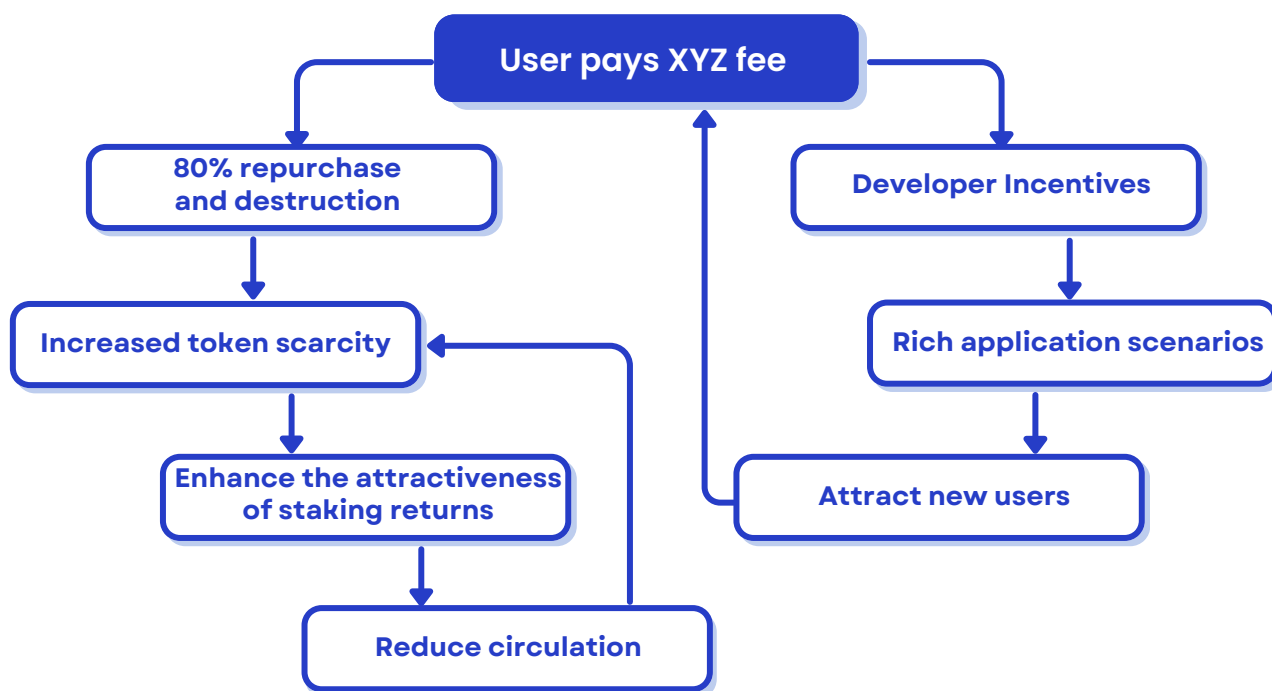


#### Strategic alliance ties

- Collaborative Staking: Lock XYZ in third-party protocols to gain priority for technical integration.
- Threshold Design: Every 100,000 XYZ locked triggers resource allocation.
- Ecosystem Goal: Foster a cross-protocol alliance with over \$200M TVL.

## X 4. Token Application Scenarios

### 4.4 Value Enhancement Flywheel



### 4.5 Innovation Scenarios

#### ▶ NFT Yield Booster

- Stake blue-chip NFTs like BAYC to earn 18-25% APY on XYZ.
- Spend XYZ to bid for access to rare strategy plugins.

#### ▶ GameFi Economic Hub

- Game asset earnings are automatically converted into XYZ for reinvestment.
- XYZ serves as a universal income certificate for the blockchain gaming ecosystem.

#### ▶ Institutional-grade service keys

- Large-scale staking unlocks customized hedging tools
- Dedicated API access to high-frequency strategy execution layer



# X 5. Core Competitive Advantages

XYZ Protocol builds four-dimensional competitive barriers through technological innovation and ecological design, forming a structural advantage in the decentralized asset management track:



## 5.1 Intelligent Strategy Engine

### ▶ Disruptive technology architecture

Dynamic rebalancing system

- Real-time monitoring of APY, liquidity depth, and risk indicators for over 200 protocols
- Automatic hourly rebalancing to capture optimal profit opportunities
- Historical backtesting shows 22%-68% higher returns than traditional strategies

Intelligent defense mechanism

- Automatically switches to stablecoin strategy when market volatility exceeds 15%
- Impermanent loss hedging module reduces risk for LP providers (Q3 2026)

### ▶ User value realization

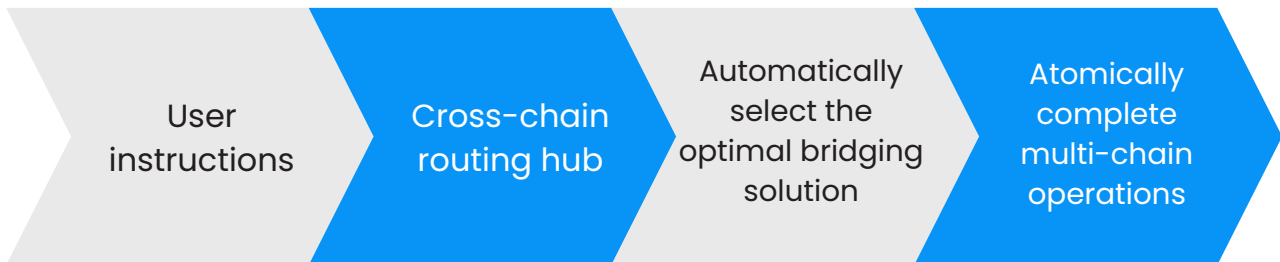
Regular users can use the "Yield Cruise" mode to achieve:

- Operation time drops from an average of 45 minutes per day to 3 minutes
- Annualized returns increase by 8,500 (based on a 50,000 yuan principal).

# X 5. Core Competitive Advantages

## 5.2 Cross-chain execution engine

### ▶ Technological breakthroughs



#### Unified Operation Layer:

- A single transaction completes complex operations such as "ETH → Polygon deposit → BNB Chain mining"



#### Cost advantage:

- Gas fees are 70% lower than the industry average, and cross-chain costs are stable at 0.8-1.5.



#### Efficiency indicators:

- Average execution time: 55 seconds (traditional solutions > 20 minutes)

### ▶ Ecological effects

- Verified on the testnet for support for eight major public chains.
- New public chain integration cycle: <2 weeks (industry average >6 weeks)



## 5. Core Competitive Advantages

### 5.3 Innovative governance system

Progressive decentralization

- Governance of basic parameters will be transferred six months after the TGE
- Full DAO governance will be achieved within 18 months

Fair participation mechanism

- Staking time-weighted voting (1 XYZ staked for 1 year = 1.5 voting rights)
- Key proposals require participation from at least 10% of token holders to take effect

### 5.4 Ecological Expansion Advantages

Open ecosystem strategy

Plug-and-play integration framework

- Standardized policy container interface
- Integration with Uniswap, Aave, and other protocols completed within 72 hours

Developer Incentive Network

Incentive application	Allocation sum	Accessed cases
SDK Integration Incentives	8,000 XYZ	32 DApps (testnet)
Vulnerability Reward Program	Up to \$250,000	Resolved 21 critical vulnerabilities.
Ecosystem Development Fund	\$2M/year	Incubate eight strategic partners.



## 5. Core Competitive Advantages

### 5.5 Safety and Risk Control

#### ▶ Defense system

##### Contract Security

- Upgradable Contract Architecture + Quarterly CertiK Reviews
- Vulnerability Response Time <15 Minutes

##### Asset Protection

- MPC Multi-Party Computation Wallet (Private Keys Never Exposed Completely)
- 72-Hour Large Withdrawal Delay

##### Risk Hedging

- On-Chain Insurance Pool Covering \$50M in Assets (Q3 2026)
- Up to 95% Loss Compensation

#### ▶ Comparative advantages in the industry

Capability Dimension	XYZ Protocol	Conventional platforms
Contract vulnerability response	Automatic pause after 15 minutes.	An average of 6 hours of manual intervention.
Cross-chain asset protection	Zero-touch bridging (unmanaged architecture)	Dependence on a third-party hosted bridge
Income stability	APY exceeding 15% guaranteed mechanism during bear markets	Risk-free resistance design

## X 6. Development Roadmap

### Q4 2025

- Launched IEO, accessed initial CEX and DEX liquidity
- Launched community airdrop and invitation program

### Q1 2026

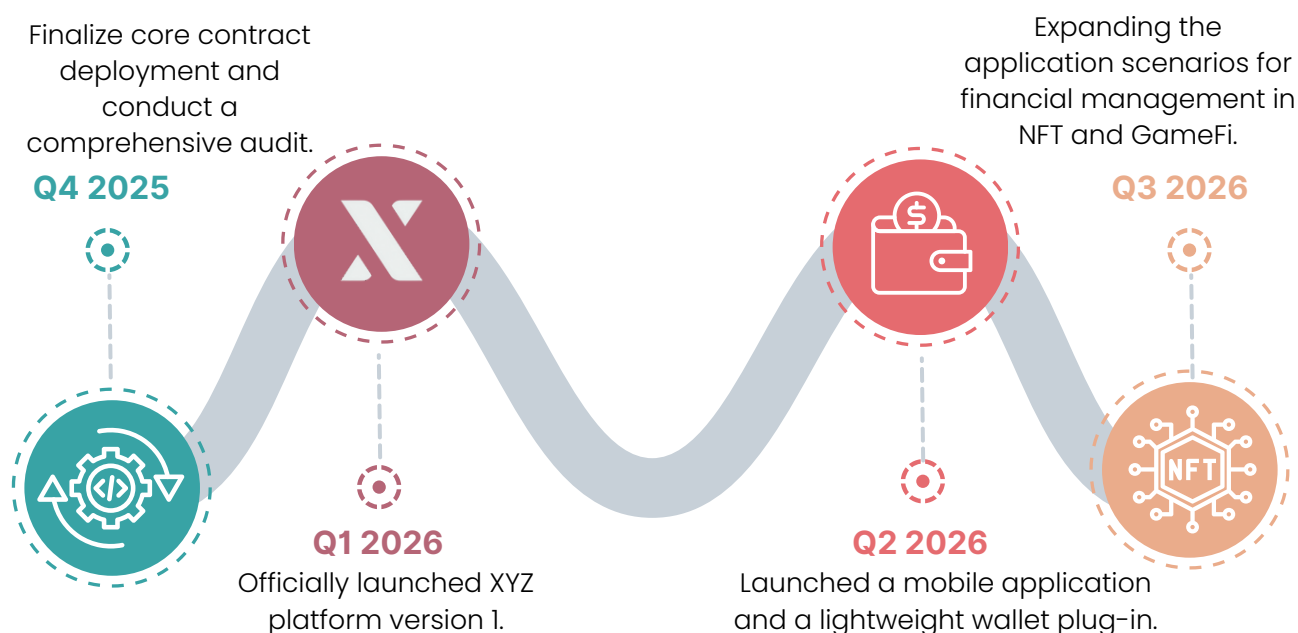
- Launch decentralized governance system
- Launch cross-chain bridge internal testing service

### Q2 2026

- AI Strategy Execution V1 released
- Integrated with mainstream protocols such as Uniswap and LayerZero to implement bridging functionality

### Q3 2026

- Launching a risk hedging insurance pool to provide strategic security protection
- Enabling asset reuse and deep integration with lending protocols





# X 7. Responsibilities and Risks

## 7.1 Definition of rights and responsibilities of entities

### ▶ Development Team Commitment

- All core contract code will be open-sourced within 72 hours of the mainnet launch, subject to ongoing community audit and oversight.
- Security audits will be conducted quarterly by CertiK and OpenZeppelin, with full reports publicly available.
- Major protocol upgrades will require at least two weeks of public testnet validation.
- Strictly adhere to the governance transition schedule: control of basic parameters will be transferred six months after the TGE, and full DAO autonomy will be achieved within 18 months.

### ▶ DAO Governance Guidelines

- The use of the Ecosystem Fund requires a dual democratic process: first, a proposal is submitted on the forum and reviewed by at least 1,000 token holders, followed by an on-chain snapshot vote with a participation of at least 15% of the circulating supply.
- A 30-day grace period is set for changes to key parameters, and sensitive decisions such as fee adjustments require two consecutive rounds of voting.

### ▶ User autonomy

- Users maintain exclusive control of their private keys, and the team cannot interfere with or recover any assets.
- Before enabling high-risk strategies, you must pass an on-chain knowledge test to confirm your understanding of concepts such as impermanent loss.
- It is recommended that large assets be stored in a hardware wallet and that transaction limits be enabled.

# X 7. Responsibilities and Risks

## 7.2 Systemic Risk Disclosure

### ▶ Technical risks

- Smart contract vulnerabilities: In extreme cases, they can lead to asset loss. The platform implements a triple layer of protection: quarterly professional audits, a \$250,000 bug bounty program, and an upgradeable contract architecture for emergency response.
- Cross-chain asset retention: We use a non-custodial cross-chain solution to mitigate risk, with a single address capped at \$500,000.

### ▶ Market risks

- A crypto market crash could cause strategy returns to plummet below 5%. The system will automatically switch to a stablecoin strategy, and an insurance pool, launching in Q3 2026, will provide a guaranteed minimum return.
- Liquidity depletion: Large transactions face the risk of increased slippage. LP position distribution will be dynamically adjusted, with a single transaction cap set at 0.5% of TVL.

### ▶ Operational risks

- User errors: Transferring funds to an incorrect address will result in irreversible losses. The system has a built-in address verification engine and a secondary confirmation mechanism, and high-risk operations will trigger a red alert.
- Insufficient governance participation: Low voter turnout in the early stages of the DAO may delay decision-making. A governance reward pool has been established, and voting can increase staking returns by 0.5–3%.

# X 7. Responsibilities and Risks

## 7.3 Disclaimer

### ▶ Core Terms

#### Non-Fiduciary Liability Statement

- None of the platform's strategy tools constitute investment advice. Users are solely responsible for their own asset decisions. Fluctuations in returns resulting from smart contract execution are normal market phenomena.

#### Technical Force Majeure Waiver

- The team assumes no liability for asset delays or losses caused by force majeure such as blockchain network congestion, third-party cross-chain bridge failures, or war.

#### Transfer of Compliance Obligations

- Users must confirm that the laws of their jurisdiction permit the use of DeFi services. Users are solely responsible for any consequences such as account freezes resulting from regulatory violations.

### ▶ Key Warnings

- The Initial Exchange Offering (IEO) is exclusively authorized to the YaznoX exchange, and no over-the-counter trading services are commissioned.
- The DAO reserves the right to suspend token unlocking in the event of extreme market conditions (e.g., a 50% or greater drop in the price of XYZ within 24 hours).