



YEARN FINANCE KIT

WHITE PAPER VI

INTRODUCTION

WHAT IS YEARN FINANCE KITS?

Most people who answer this question will say it is a community-driven Robo-adviser for yield (and it is). Still, the matter with this answer is that a DeFi noob will move to the positioning and see these options on the front page: Vaults, Earn, Zap, APR, and canopy and wonder where to start.

Yearn Finance Kit is a fully centralized platform designed to develop different DeFi products to advance the DeFi industry, and share its benefits to the global users.

YFK is a cryptocurrency strategy designed to provide traditional financial products and services without the centralized authority of banks and financial institutions.

WHY ADOPT YFK PLATFORM?

Users of YFK platform can stake their digital assets and then earn rewards depending on the amount of tokens they have staked and the duration of staking. They also get to actively participate in the process involved in the creation of DeFI products that will benefit the world.

DeFI is one of the hottest places to be right now as it provides decentralized financial services that were originally offered by the centralized financial institutions to anyone with crypto and an internet connection.

According to Defi Pulse, there's \$1.9 billion in crypto assets locked in Defi at once. Consistent with the CoinDesk ICO Tracker, the ICO market started chugging past \$1 billion in July 2017, just a couple of months before token sales started getting talked about on TV.

Debate juxtaposing these numbers if you wish, but what nobody can question is this: Crypto users are putting more and more value to figure in DeFI applications, primarily driven by introducing an entire new yield-generating pasturage, Compound's COMP governance token.



WHAT IS YIELD FARMING?

Yield farming, also referred to as liquidity mining, is a way to generate rewards with cryptocurrency holdings. In simple terms, it means locking up cryptocurrencies and getting rewards.

It's a new way to earn rewards with cryptocurrency holdings using permissionless liquidity protocols. It allows anyone to earn passive income using the decentralized ecosystem of "money legos" built on Ethereum. As a result, yield farming may change how investors HODL in the future. Why keep your assets idle when you can put them to work?

In some sense, yield farming can be paralleled with staking. However, there's a lot of complexity going on in the background. In many cases, it works with users called liquidity providers (LP) that add funds to liquidity pools.

HOW DOES YIELD FARMING WORK?

Yield farming is closely related to a model called automated market maker (AMM). It typically involves liquidity providers (LPs) and liquidity pools. Let's see how it works.

Liquidity providers deposit funds into a liquidity pool. This pool powers a marketplace where users can lend, borrow, or exchange tokens. The usage of these platforms incurs fees, which are then paid out to liquidity providers according to their share of the liquidity pool. This is the foundation of how an AMM works. However, the implementations can be vastly different – not to mention that this is a new technology. It's beyond doubt that we're going to see new approaches that improve upon the current implementations.

HOW ARE YIELD FARMING RETURNS CALCULATED?

Typically, the estimated yield farming returns are calculated annualized. This estimates the returns that you could expect over the course of a year.

Some commonly used metrics are Annual Percentage Rate (APR) and Annual Percentage Yield (APY). The difference between them is that APR doesn't take into account the effect of compounding, while APY does. Compounding, in this case, means directly reinvesting profits to generate more returns. However, be aware that APR and APY may be used interchangeably.

It's also worth keeping in mind that these are only estimations and projections. Even short-term rewards are quite difficult to estimate accurately. Why? Yield farming is a highly competitive and fast-paced market, and the rewards can fluctuate rapidly. If a yield farming strategy works for a while, many farmers will jump on the opportunity, and it may stop yielding high returns.

As APR and APY come from the legacy markets, DeFi may need to find its own metrics for calculating returns. Due to the fast pace of DeFi, weekly or even daily estimated returns may make more sense.

WHAT IS A LIQUIDITY POOL ?What Is A Liquidity Pool?

Liquidity pools, in essence, are pools of tokens that are locked in a smart contract.

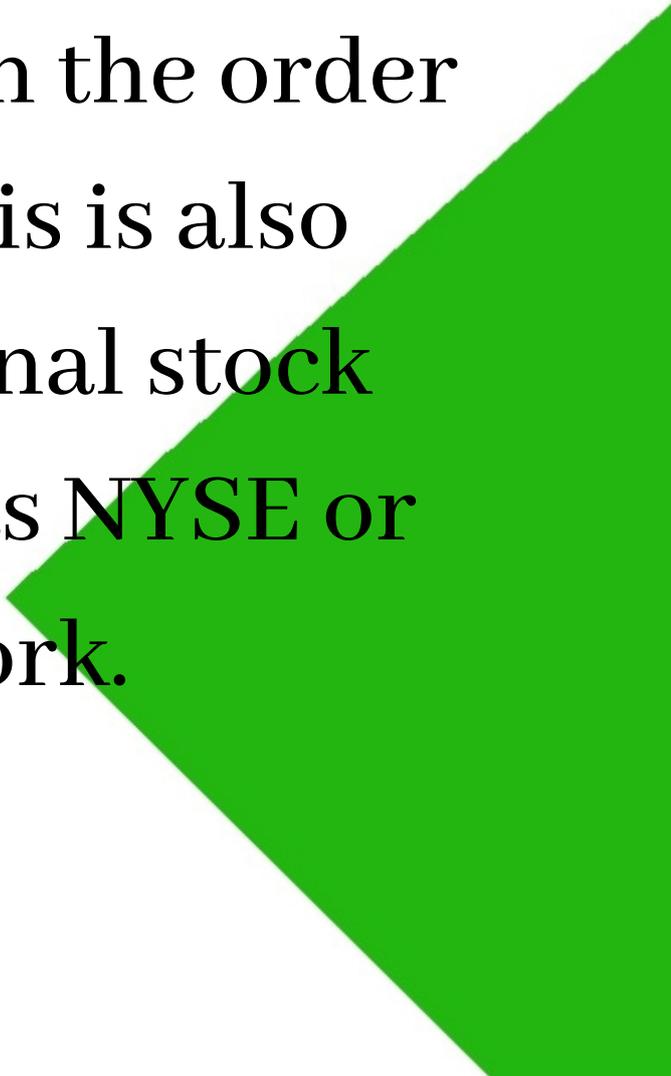
They are used to facilitate trading by providing liquidity and are extensively used by some of the decentralized exchanges a.k.a DEXes.

One of the first projects that introduced liquidity pools was Bancor, but they became widely popularised by Uniswap.

Before we explain how liquidity pools work under the hood and what automated market making is, let's try to understand why we even need them in the first place.

Why Do We Need Liquidity Pools?

If you're familiar with any standard crypto exchanges like Coinbase or Binance you may have seen that their trading is based on the order book model. This is also the way traditional stock exchanges such as NYSE or Nasdaq work.



FEATURES OF YEARN FINANCE KIT (KIT)

Yearn Finance Kit (YFK) it is an ecosystem Controlled by YFK token.

- YFK-Farm: You can here earn YFK tokens by providing liquidity in different pools.
- YFK -Stake: Stake your YFK token to get YFK reward, ROI here will be different.
 - YFK-Trade: is a leveraged stablecoin exchange. It enables users to borrow stablecoins with up to 500x leverage.
- YFK-Swap: Single sided automated market maker similar to uniswap.

YFK-Vault: Vaults employ strategies to automate the best yield farming opportunities available, they are designed so that the community could work together to build new strategies to find the best yield.

- YFK-Vote: proposals from the forum will be on-chain to vote on from the users.

TOKENOMICS

Name: Yearn Finance Kit

Symbol: YFK

Total Supply: 10,000 YFK

FREQUENTLY ASKED QUESTIONS (FAQ)

1) What is the maximum supply of YFK tokens?

Ans : The maximum supply is 10,000 YFK and no token will be minted again.

2) How many tokens is allocated to YFK Team?

Ans : YFK team do not have any Token allocation. YFK is a community token and any team member who wants YFK token will have to buy it.

3) When will we receive token after investing?

Ans: The smart contract has been built in such a way that you receive your token equivalent of the Ethereum you send.

4) When is Uniswap listing starting?

Ans: Once the sold tokens are distributed to the investors, YFK will be listed on Uniswap.

5) How long are liquidity locked?

Ans : Liquidity will be locked atleast 1 year.

6) Why is the Team anonymous?

Ans: We don't want to reveal our identity since its a "DEFI" We don't want to be a point of attack from the Authorities which will undermine our efforts.

7) Is YFK a Scam?

Ans: We understand several projects have rug and we know most people are now skeptical about yield

farming projects. However, we are here to make a difference and help people recoup the losses they made in other projects. To proof this, the team members do not have YFK token,also we have partnered with a well-known figure to be in charge of the Presale funds



THE END



