Unito.one

A Decentralized Non-Custodial Lending and Liquidity Protocol

Legal Disclaimer and Risk Warning

READ THIS SECTION CAREFULLY BEFORE CONTINUING. IF YOU ARE UNSURE ABOUT WHAT ACTION TO TAKE, PLEASE CONSULT YOUR LEGAL, FINANCIAL, TAX, OR OTHER PROFESSIONAL ADVISOR.

1. Project Status and Independence
Unito.one (hereinafter referred to as the "Protocol" or "Project") is a new, independent decentralized protocol. The Project is not a legal successor, subsidiary, restructuring, or continuation of any previously existing centralized company. The Unito.one team is leveraging its prior experience solely for the purpose of building new technological infrastructure.

2. Absence of a Securities Offering
Neither this Whitepaper nor any associated materials constitute a prospectus, an offer of securities or derivatives, a solicitation for investment, or an invitation to purchase equity in any jurisdiction. The UNITO token is a utility-focused governance tool for the decentralized Protocol and does not confer any rights to dividends, a share of company profits, or ownership of Project assets, with the exception of the governance rights programmatically embedded within the Protocol's smart contracts.

3. High-Risk Warning (DeFi)
Participation in the Unito.one protocol and the acquisition of UNITO tokens carries a high level of risk, which may result in the complete loss of invested funds. Key risks include, but are not limited to:

- Smart contract risk: Despite planned audits, the Protocol's code may contain errors, bugs, or vulnerabilities that could lead to a loss of funds due to hacking or technical failure.
- Market risk and volatility: The value of crypto assets, including the UNITO token and assets used as collateral, is subject to extreme volatility. This can lead to mass liquidations of positions and a loss of capital.
- Regulatory risk: Changes in the legislation of various jurisdictions may adversely affect the operation of the Protocol, the use of the UNITO token, or access to them.

Liquidity risk: There may be no active market for the UNITO token, making it difficult or impossible to sell.

4. No Profit Guarantees
The Unito.one team does not guarantee any returns, profits, or increase in the value of the UNITO token. Any mentions of potential value-accrual mechanisms (e.g., buybacks) are descriptions of planned smart contract functionality and are dependent on a multitude of factors, including market conditions, user activity, and DAO decisions. They should not be construed as a promise of profit.

5. Conduct Your Own Research (DYOR)
You are solely responsible for conducting your own thorough due diligence of the Project, its technology, team, and tokenomics before making any decision to participate. Do not rely exclusively on the information presented in this document.

1. Introduction: The Crisis of Trust in CeFi

Centralized crypto-financial platforms (CeFi) were intended to serve as a bridge between the old and new economies, offering the convenience of traditional banking with the yield potential of cryptocurrencies. However, the industry's collapse in 2022-2023 exposed the fatal flaws of this model, demonstrating that it had inherited the worst traits of both systems: the opacity of traditional finance and the unregulated volatility of the crypto market.

1.1. The "Black Box": Fatal Opacity

The core issue with CeFi is a fundamental information asymmetry. Users, attracted by simple interfaces and promised returns, entrusted their assets to a "black box."

Lack of control: The moment a user made a deposit, they ceased to own their assets. Instead, they received an "IOU" — a debt obligation, the company's promise to return the funds upon request.

Concealed risk management: Unlike DeFi, where rules (LTV ratios, liquidations) are embedded in the code, risk management in CeFi was hidden behind corporate walls. Users had no way to assess the risks the platform was taking with their deposits.

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1.2. External Threats: The Vulnerability of Centralization

The crisis demonstrated that even a solvent and honestly managed CeFi platform remains highly vulnerable to external, non-market attacks. Because all assets are stored centrally and operations are conducted under a single legal entity, the platform becomes a single point of failure.

Regulatory pressure, sudden legislative changes, or legal attacks by authorities can instantly paralyze the entire service. In the centralized model, all user assets can be frozen by a court or regulatory decision, irrespective of market conditions or the company's actual financial health.

In CeFi, the user is entirely dependent on the operator's integrity and the stability of the legal environment. As practice has shown, both of these factors can fail simultaneously and without warning.

1.2. The Unito.one Vision

- **Resilience:** Transparent, on-chain verifiable risk management that cannot be hidden or falsified.
- **Efficiency:** Innovative collateral models that maximize the utility of every liquidity satoshi without departing from the trustless system framework.
- **True decentralization:** A governance model that transfers real power into the hands of long-term participants, not speculators.

1.3. Lessons Learned the Hard Way

The Unito.one team possesses unique, albeit hard-won, experience. We have weathered the fiercest market storms and have seen from the inside how financial models, once thought unshakable, can break down.

We have witnessed firsthand that during macroeconomic turmoil and a crisis of trust, even strict policies of collateralization and the avoidance of risky assets do not guarantee the survival of a centralized system. We learned that any CeFi "black box" inevitably becomes a vulnerability, whether due to a liquidity crisis ("bank run") or external intervention.

This experience forms the DNA of Unito. We are building a system engineered by people who understand the true cost of centralized risk and recognize why full **on-chain transparency and non-custodiality** are the only ways to guarantee the security of user assets under any and all conditions.

2. The Solution: The Unito.one Protocol

2.1 What is Unito.one? An Overview

Unito.one is a decentralized, non-custodial lending protocol. It creates transparent and efficient money markets governed by its community.

Unito.one is a reimagining of DeFi architecture, built from the ground up to deliver maximum security, capital efficiency, and true decentralization of power.

2.2 Protocol Architecture: Liquidity Pools

The core of Unito.one is based on the concept of liquidity pools. Instead of direct P2P loans, lenders provide liquidity to a common pool from which borrowers can draw funds.

Core Lending Pools

- **For lenders:** Users deposit their assets (e.g., USDT, ETH) into a pool. The Protocol immediately aggregates these funds, making them available for borrowing.
- **For borrowers:** Users can borrow assets from the pool by providing other assets as collateral, with the collateral value exceeding the loan amount (over-collateralization).

uTokens (Yield-Bearing Tokens)

When a lender deposits assets into a pool, they receive uTokens in return (e.g., uUSDT, uETH).

- **What are they?** uTokens are derivative tokens that represent a lender's ownership of a share of the pool.
- I**nterest accrual:** uTokens are designed as yield-bearing assets. When a lender deposits assets into a pool, they receive uTokens in return (e.g., uUSDT, uETH). They are not mere "receipts" but are dynamic tokens that utilize a rebasing mechanism.

How it works (using uUSDT as an example):

1. **Minting 1:1:** When depositing 1,000 USDT, the user receives (the Protocol mints) exactly 1,000 uUSDT.
2. **Revenue distribution: T**he Protocol continuously collects interest paid by borrowers. This revenue is split into two streams:
   - **Protocol share (Reserve Factor):** A small percentage (governed by the DAO) is sent to the Protocol's treasury.
   - **Lenders' share:** The remaining, primary portion of the revenue.
3. **Balance growth (rebasing):** The lenders' share is immediately distributed to all uToken holders by automatically increasing their wallet balance. Your balance of 1,000 uUSDT will, over time, grow to 1,004.5 uUSDT on its own.
4. **Redemption 1:1:** When redeeming, uTokens are always exchanged 1:1 for their underlying asset. The user burns their 1,004.5 uUSDT and receives 1,004.5 USDT in return (reclaiming their initial deposit plus all accrued interest).

Flash Loans

Unito.one offers **Flash Loans** — a key DeFi innovation.

- **Logic:** These are instant, uncollateralized loans that must be both taken and repaid within a single transaction (one block).
- **Use cases:** They are used for arbitrage, position refinancing, and other complex DeFi strategies.
- **Protocol Revenue:** The Flash Loan fee is dynamic to protect protocol liquidity and is directed to the protocol treasury. It is calculated as: ***Feeflash = BaseFee1 × (1 + UtilizationRate)*** The base fee is initially set at 0.05% by the DAO. If the loan and the fee are not repaid by the end of the transaction, the entire transaction is reverted.

2.3 Risk Management: Security Above All

LTV, Liquidation Threshold, and Health Factor

Risk management is automated at the smart contract level:

- **LTV (Loan-to-Value):** A parameter that determines the maximum amount that can be borrowed against a specific collateral. (For example, an LTV = 75% for ETH means that against $1,000 worth of ETH, one can borrow up to $750).
- **Liquidation Threshold:** The limit at which a borrowing position is deemed undercollateralized and becomes eligible for liquidation.
- **Health Factor Hf:** A unified, dynamic metric that assesses the safety of a user's borrowing position in real-time. It numerically represents the ratio between the risk-adjusted value of the collateral and the total borrowed amount. If $Hf < 1$, the position becomes available for **liquidation.**

Health Factor Calculation Formula

The Health Factor is calculated as the ratio of the weighted value of all supplied collateral to the total debt value (including borrowed assets and accrued interest/ fees).

$$H_f = \frac{\Sigma(CollateralValue_i \times LiquidationThreshold_i)}{TotalBorrows_{Value} + TotalFees_{Value}}$$

Where:

- $CollateralValue_i$ **:** The market value of a specific asset deposited by the user (converted to the reference currency, e.g., USD).
- $LiquidationThreshold_i$ **:** The specific safety margin for asset (e.g., 0.85 for ETH, 0.90 for USDC).
- $TotalBorrows_{Value}$ **:** The total current market value of all assets the user has borrowed.
- $TotalFees_{Value}$ **:** The total sum of all accrued interest and borrowing fees.

Worked example:

A user has a multi-asset portfolio. They deposit stablecoins and volatile assets, then take a loan.

1. **Collateral Deposited:**
   - 10,000 USDC (Liquidation Threshold: 90% or 0.90)
   - 2 ETH priced at $2,000 each = $4,000(Liquidation Threshold: 80% or 0.80)
2. **Calculate Total Risk-Adjusted Collateral (The Numerator):**
   - USDC Capacity: $10,000 × 0.90 = $9,000
   - ETH Capacity: $4,000 × 0.80 = $3,200
   - Total Capacity: $9,000 + $3,200 = $12,200
3. **Loan Position (The Denominator):**
   - The user borrows $8,000 DAI.
   - Accrued Fees are $50.
   - Total Debt: $8,050$.
4. **Health Factor Calculation:**

$$H_f = \frac{12,200}{8,050} \approx 1.51$$

Result: $H_f > 1$, so the position is safe. If the value of ETH drops significantly, the "ETH Capacity" portion of the numerator decreases, lowering the Health Factor. If H_f falls below 1.0, the protocol allows liquidators to repay the debt.

Liquidation Mechanism

Liquidation is an open market process.

- **How it works:** When $H_f < 1$, any user (a Liquidator) can repay a portion of the borrower's debt.
- **Incentive:** In exchange for repaying the debt, the liquidator gains the right to purchase a portion of the borrower's collateral at a discount (Liquidation Bonus). This mechanism ensures the protocol remains solvent at all times.

Safety Module

In addition to liquidations, Unito.one features a **Safety Module (insurance pool).** This serves as the Protocol's final line of defense against "black swan" events or the emergence of bad debt.

- **Logic:** Users (stakers) can lock their UNITO tokens in the Safety Module.
- **Purpose:** In the event of a critical shortfall, the DAO can utilize up to 30% (a parameter governed by the DAO) of the locked UNITO tokens to cover losses. The amount slashed is calculated to cover the deficit but capped to protect stakers: $SlashAmount = (BadDebt, SafetyModuleTVL \times 0.3)$. Any remaining bad debt beyond this cap is covered by the DAO Treasury Reserve.
- **Incentive:** In exchange for assuming this risk, stakers in the Safety Module receive rewards generated by the protocol's revenue streams (see Section 2.6).

2.4 Protocol Economics: Revenue and Rates

The Unito.one Protocol is designed as a sustainable business that generates real revenue.

1. Protocol Revenue Sources

Revenue is generated from three primary sources:

- **Interest rate spread** (Reserve Factor) from lending.
- **Flash Loan fees** (e.g., 0.05% of the loan volume).
- **Liquidation fees** (a small percentage of the liquidation bonus).

2. Interest Rate Logic

Interest rates on Unito.one are not fixed; they are algorithmic. The rates (R) are dynamically adjusted based on the ***Utilization Rate (U)*** of a pool. The Utilization Rate represents the share of active capital currently lent out. To ensure accurate interest pricing, it accounts for protocol reserves and locked funds:

$$U = \frac{TotalBorrows}{TotalDeposits - ProtocolReserves - LockedFunds}$$

Mechanism

The rate model features a "kink" at the Optimal Utilization rate *($U_{optimal}$)*, for instance, 90%. The borrowing interest rate *(R_t)* follows a dual-slope curve to optimize capital efficiency:

Liquidation is an open market process.

- If $U < U_{optimal,}$ Rates increase slowly to encourage borrowing.

$$R_t = R_{base} + (U/U_{optimal}) \times R_{slope1}$$

- If $U \geq U_{optimal,}$ Rates increase sharply to incentivize repayments and deposits.

$$R_t = R_{base} + R_{slope1} + \frac{U-U_{optimal}}{1-U_{optimal}} \times R_{slope2}$$

3. Yield Distribution (How Interest Is Shared)

A key question is how the interest rate paid by a borrower is distributed. The Unito.one model is transparent and governed by the DAO.

1. A borrower pays a Total Borrow Rate *(R_{borrow})*.
2. From this rate, a ReserveFactor, set by the DAO (e.g., 10%), is withheld as **Protocol Revenue** ($R_{protocol}$).
3. The remaining portion goes to the lender as the Deposit Rate *($R_{deposit}$)*.

Formulas:

$$R_{protocol} = R_{borrow} \times ReserveFactor$$

$$R_{protocol} = R_{borrow} \times (1 - ReserveFactor)$$

Example:

1. Borrower pays $R_{borrow} = 5\%$.
2. The Pool Utilization *(U)* is 80% (meaning 80% of deposits are lent out)
3. Reserve Factor = 10%
4. Lender receives: 5% × 80% × (1 - 0.10) = 3.6%.

100% of the Protocol Revenue (the 0.5% in this example), along with **100% of all Flash Loan and Liquidation fees**, are automatically and entirely **directed to the DAO Treasury**. These funds do not belong to the team; they are owned by the protocol.

2.5 The DAO Engine: Hybrid Governance

Unito DAO is designed to address the shortcomings of classical DAOs (apathy, sluggishness) through a multi-tiered system:

- **veUNITO (Vote-Escrowed):** Power in the DAO belongs not to speculators, but to long-term holders. Voting power is determined by the lock-up duration of UNITO tokens, which protects against governance attacks.
- **Optimistic Governance:** For routine operations (e.g., adjusting an LTV by 1%), an elected Risk Council can implement changes swiftly, granting the DAO a veto right instead of forcing a 7-day waiting period.
- **Guardian Council:** A security body equipped with an emergency "circuit breaker" to halt the Protocol in the event of an attack, thereby safeguarding user funds.

2.6 Key Protocol Differentiator: The Automatic Buyback Engine

This is the core of Unito.one's economic model, creating a closed-loop value cycle.

What Happens to Protocol Revenue?

As established in Section 2.4, 100% of all operational revenue (interest rate spread, flash loan fees, liquidation fees) flows into the DAO Treasury. This is the Protocol's **Net Income.**

Unlike protocols that let capital lie idle in a treasury, the Unito DAO By-laws, encoded into its smart contracts, mandate the immediate redistribution of this value.

How the Buyback Engine Works

Instead of merely accumulating funds, the DAO uses them to reward those who actively protect the Protocol.

- **Revenue collection:** The Protocol collects Net Income into the DAO Treasury, where it is automatically split into two streams.
- **50% of Revenue → Public Auction / Buyback:** The DAO (via an automated contract) uses this revenue to buy back UNITO tokens from the open market (e.g., from a Uniswap UNITO/ETH pool).
  Distribution: The repurchased UNITO tokens (or, in some cases, the original USDC/ETH) are distributed as rewards (Real Yield) to users who have locked their tokens in the Safety Module.
- **50% of Revenue → Development Fund:** The remaining 50% of the profit is retained in the DAO Treasury as an operational budget. These funds are used by the DAO to finance long-term growth: paying for audits, issuing developer grants, funding bug bounty programs, and building a strategic reserve.

This mechanism creates a powerful and self-reinforcing cycle:

- **Activity → revenue:** The more people use the protocol (borrowing, using flash loans), the more Net Income it generates.
- **Revenue → buyback:** 50% of this income automatically creates constant demand (buy-side pressure) for the UNITO token on the open market.
- **Buyback → reward:** The repurchased UNITO tokens reward the most loyal holders (stakers in the Safety Module).
- **Reward → security:** This incentivizes more people to lock UNITO in the Safety Module, making the protocol more resilient and reducing the circulating token supply.

3. Tokenomics

The UNITO token is the foundational asset that powers the governance, security, and value accrual mechanism of the Unito.one protocol.

3.1 Token Utility: Three Pathways to Participation

We offer users three distinct pathways to interact with the Protocol. Each path represents a trade-off between flexibility, power, risk, and reward.

Pathway 1: Passive Holder (UNITO Token in a Wallet)

This is the default path for anyone who buys UNITO on an exchange.

- **Action:** You simply hold UNITO in your personal wallet (e.g., MetaMask).
- **Flexibility:** Maximum.
- **Governance (Voting):** None. You cannot vote by merely holding tokens. Voting is an active feature that requires staking (see Pathways 2 and 3).
- **Rewards (Yield):** None.
- **Risk:** Only market risk (price volatility). Your funds are not in the Safety Module and cannot be slashed.

Pathway 2: Flexible Staking (Participation in the Safety Module)

This is the basic level of active participation. It is for those who want to earn yield and participate in governance but are not ready for long-term lock-ups.

- **Action:** You deposit (stake) your UNITO tokens into the unified Governance and Security Pool without selecting a lock-up period
- **Flexibility:** High. You can withdraw your tokens at any time, but they are subject to a "cooldown period" (e.g., 10 days). This period is necessary to protect the Protocol from a "bank run" scenario preceding a crisis.

- **Governance (Voting):** Yes. You receive Voting Power (VP) with a base coefficient of x1.
  Example: 1,000 UNITO in Flexible Staking = 1,000 VP.
- **Rewards (Yield): Yes.** You receive a **base share (x1)** of the rewards from the Buyback Engine.
- **Risk: Yes.** By depositing tokens into this pool, you agree that they are part of the Safety Module. They can be slashed to cover protocol shortfalls.

Pathway 3: Vote Escrow (veUNITO) — Full Lock-Up

This is the advanced level for long-term partners who seek maximum power and yield.

- **Action:** You deposit UNITO into the same Governance and Security Pool and voluntarily lock them for a chosen period (e.g., from 1 month to 4 years).
- **Flexibility:** Low. Your tokens are locked until the chosen term expires.
- **Governance (Voting): Yes (with a multiplier).** You receive veUNITO (weighted Voting Power, VP). The longer the lock-up period, the higher your multiplier. The voting power multiplier follows a non-linear curve to fairly reward commitment. The formula is:

$$VP = UNITO \times \left(1 + 3 \times \sqrt{\frac{LockTime}{MaxTime}}\right)$$

  Example: 1,000 UNITO locked for 4 years (max term) results in a x4 multiplier. Locking for shorter periods provides a boost proportional to the square root of the duration.

- **Rewards (Yield): Yes (with a multiplier). Y**ou receive an enhanced share of the rewards from the Buyback Engine, proportional to your Voting Power (veUNITO).

  In our example, you would receive more rewards than a user in Pathway 2 holding the same 1,000 UNITO.

- **Risk: Yes.** Your tokens are also part of the Safety Module and are subject to the risk of being slashed.

3.2 Voting Mechanism

- **ActioWho can vote?** Only participants in Pathway 2 (Flexible Staking) and Pathway 3 (veUNITO). Passive Holders (Pathway 1) cannot vote.n: You deposit UNITO into the same Governance and Security Pool and voluntarily lock them for a chosen period (e.g., from 1 month to 4 years).
- **How are votes counted?** Decisions are made based on the total Voting Power (VP), not the raw token count.

Voting Example:

- **Speculator (Pathway 2):** Deposited 50,000 UNITO in Flexible Staking. Their **Voting Power = 50,000 VP.**
- **Partner (Pathway 3):** Deposited 20,000 UNITO but locked them for 4 years (x4). Their Voting Power = 20,000 * 4 = 80,000 VP.

Result: Token holder, who owns fewer tokens, has more power over the protocol than the Speculator.

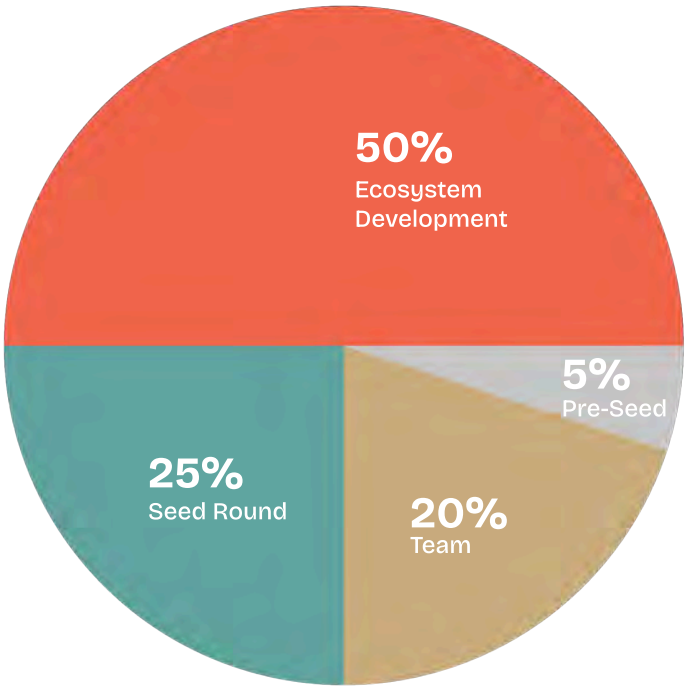
This model economically incentivizes users to progress from Pathway 2 to Pathway 3, as Pathway 3 offers multiples of both governance power and yield for the same underlying risk.

3.3 Value Accrual Mechanism

- **Revenue generation:** The Protocol generates real revenue (in stablecoins, ETH, etc.) from interest rate margins (the difference between borrower and lender rates), Flash Loan fees, and Liquidation fees.
- **Buyback mechanics:** 50% of this revenue is directed to the Buyback Engine, which continuously purchases UNITO from the open market.
- **Distribution:** The repurchased UNITO (or the original stablecoins) are distributed as Real Yield exclusively to participants in Pathway 2 and Pathway 3, proportional to their **Voting Power (VP).**

3.4 Token Distribution (Allocation)

The total supply of UNITO is hard-capped at 100,000,000 tokens. This is a fixed emission; the protocol is non-inflationary.



Category	Token Amount	% of Total	Purpose
Ecosystem Development	50,000,000	50%	Safety Module rewards, grants, audits, liquidity incentives.
Seed Round	25,000,000	25%	Early strategic investors.
Team	20,000,000	20%	Compensation for the Core Team's long-term development efforts
Pre-Seed (Launchpad)	5,000,000	5%	First public offering for early community supporters.
TOTAL	100,000,000	100%	

3.5 Vesting Schedule

Recipient	Cliff Period	Total Vesting Period	Details
Team	12 months	36 months (3 years)	0% of tokens are unlocked in the first year. After the 12-month cliff, tokens unlock linearly (monthly) over the following 24 months.
Seed Round	6 months	18 months	20% unlocked at TGE to incentivize participation. Remaining 80% unlocks linearly over 18 months after a 6-month cliff.
Pre-Seed (Launchpad)	None (TGE)	None	100% unlocked at the Token Generation Event (TGE).
Ecosystem Development	None	DAO-Governed	Tokens are unlocked but under the full control of veUNITO holders. Funds can only be disbursed via a successful DAO vote.

4. Governance (Unito DAO)

4.1 Governance Philosophy

Our governance philosophy is simple: "The Protocol belongs to those who are committed to actively building its future."

We consciously move away from the primitive "1 token = 1 vote" model. Such a system has a fundamental flaw: it often leads to the concentration of power in the hands of the largest, yet passive, token holders or short-term speculators. Their interests (e.g., immediate profit) may not align with the long-term health and security of the protocol.

In Unito.one, token ownership is not an automatic right to govern. Power is a **conscious choice** that requires commitment and the acceptance of responsibility.

This philosophy is implemented through the **veUNITO (Vote-Escrowed UNITO) model.**

To obtain voting rights, a user must **voluntarily lock** their UNITO tokens in a dedicated contract. Only upon doing so do they receive veUNITO — a token representing their Voting Power.

The strength of this vote is determined by two key factors:

1. **The quantity of tokens locked.**
2. **The duration of the lock-up (the longer the term, the greater the Voting Power granted by each token).**

This mechanism ensures that critical decisions are made not by speculators, but by long-term strategic voters who believe in the Project and whose financial interests are directly tied to its success and security.

4.2 DAO Powers

Holders of veUNITO are the supreme governing body of the Protocol. They control every economic, operational, and technical parameter upon which the security and profitability of Unito.one depends.

Key powers of the DAO include:

- **Risk Parameter Governance**

This is the Protocol's "nervous system." veUNITO holders are responsible for maintaining the platform's solvency by setting and adjusting the LTV (Loan-to-Value), liquidation thresholds, and liquidation bonuses for each asset.

- **Listing New Assets**

This is the Protocol's "engine of growth." The DAO decides how the protocol expands by approving (or rejecting) the addition of new markets and assets, and by defining their status (e.g., assigning them to high-risk isolated pools).

- **Governing the Buyback Engine**

This is direct control over the value accrual mechanism. The DAO determines what percentage of the Protocol's revenue is directed to the UNITO buyback and how the repurchased tokens are distributed (e.g., as rewards to stakers in the Safety Module)

- **Governing the Ecosystem Development Fund**

This is the "fuel tank" for future growth. The DAO has full control over the Fund (50% of the total UNITO supply). These resources are used to strategically finance operations, future audits, bug bounty programs, developer grants, and other initiatives aimed at ecosystem growth.

- **Upgrading Smart Contracts**

This is the Protocol's evolution mechanism. The DAO approves all technical upgrades, bug fixes, and smart contract migrations, ensuring the Protocol remains secure, modern, and competitive.

4.3 The Path to Decentralization

We believe in **progressive decentralization.** Full decentralization at launch is dangerous. The transfer of control from the Core Team to the DAO will occur in stages, as the Protocol matures.

Q3-Q4 2026 **Phase 1: Mainnet launch**	At launch, the Unito Core Team will hold multi-signature admin keys for emergency threat response (e.g., pausing the Protocol if an exploit is discovered). The DAO ($veUNITO) will be active, but its role will be focused on voting for operational parameters (rates, listings).
Q2 2027 **Phase 2: Stabilization**	After 6 months of successful Mainnet operation, all admin privileges currently held by the core team multisig will be migrated to an on-chain Timelock governance contract. From this point on, any change to protocol parameters or upgradeable contracts will only be executable via time-locked governance proposals approved by veUNITO holders. The team will no longer have direct, non-timelocked admin access to the core protocol contracts.
Q4 2027+ **Phase 3: Full decentralization**	After successfully undergoing multiple audits and real-world market stress tests, admin control over the core protocol contracts will be irreversibly removed from any externally owned account or team-controlled multisig. Depending on the contract type, this will be done either by (i) renouncing ownership / setting the admin to the zero address, making the contract immutable, or (ii) transferring final control to a governance module that can only be driven by veUNITO holder votes. From this moment, the Protocol will be fully autonomous and cannot be unilaterally changed by the team.

5. Roadmap

Q4 2025

Phase 1: Pre-Seed and Formation

- **Publication of Whitepaper v1.0** (November 2025)
- **Launch of pre-seed launchpad:** Target (Soft Cap) $500,000 – $1,000,000 to fund initial operations.
- **Establishment of a legal entity:** Creating a legal foundation for operational activities.
  Completion of pre-seed round: (December 2025)

Q1-Q2 2026

Phase 2: Seed Round and Development Start

- **Seed round fundraising ($10–$20 million):** Conducting a round to secure the investment required for full-scale development.
- **Core Team hiring:** Building out the engineering, marketing, and compliance departments.
- **Start of active development:** Designing the Protocol architecture and developing key smart contracts.

Q2-Q3 2026

Phase 3: Development, Audit, and Testnet

- **Completion of core platform development:** Finalizing the smart contracts (Pools, Liquidations, DAO, veUNITO, Buyback Engine) over 5-6 months.
- **Public Testnet launch:** Inviting the community to test and search for vulnerabilities.
- **Multi-stage audits:** Engaging 2-3 leading (Tier-1) audit firms for a comprehensive codebase review.

Q4 2026

Phase 4: Mainnet Launch

- **Mainnet deployment (Ethereum, BNB Chain, Arbitrum):** Launching the core liquidity pools.
- **TGE (Token Generation Event):** Generating and distributing UNITO tokens according to the vesting schedule.
- **Safety Module activation:** Launching UNITO staking.
- **Unito DAO activation (Stage 1):** Launching veUNITO voting on operational parameters.

2027+

Phase 5: Growth and Full Decentralization

- **Multi-chain expansion:** Deploying the Protocol
- on leading L2 networks (Optimism, Base) and other blockchains, as decided by the DAO.
- **Expansion of supported assets:** Active listing
- of new collateral assets based on DAO decisions.
- **Full transfer of control to the DAO (Stage 3):** Completing the process of progressive decentralization and transferring all administrative keys to the community.

6. The Team

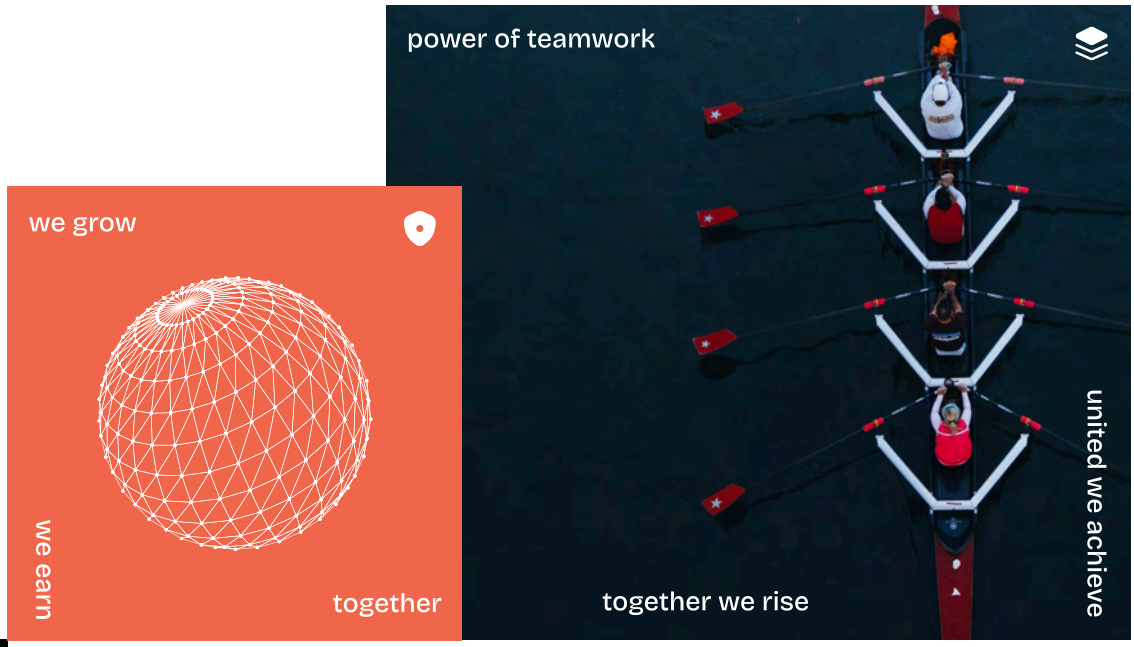
The success of a protocol is defined by the team behind its creation. The Unito.one team possesses a unique combination of deep technical expertise in DeFi, practical experience in building global fintech products, and, most importantly, first-hand experience in navigating industry crises.

At this pre-launch stage, we are only introducing the key, public founders. Unito.one is being built by a team that has already gone through the full cycle of creating, launching and operating a large-scale crypto lending platform in production.
A significant part of the core contributors are former key members of the CoinLoan team who directly designed and ran its product, and technology stack.

They are joined by new specialists in smart contract development, protocol security, risk analytics and operations. This combination of hard-earned experience from CeFi/ crypto lending and fresh DeFi-native expertise shapes the way we design Unito.one: with a bias toward transparency, robustness and realistic risk management rather than marketing narratives.

Alex Faliushin (Founder / CEO)

A serial entrepreneur and architect of complex fintech systems. Alexander has hands-on experience in creating and scaling crypto lending platforms to over $1B in Assets Under Management (AUM). He possesses deep expertise in building risk management systems, collateral policy, and operational management in volatile market conditions. His vision forms the foundation of Unito's architecture, designed to solve the fundamental problems of trust and efficiency in DeFi.



Power in Unity

7. Risk Factors

Important Disclaimer Notice

Participating in the Unito.one protocol, as well as buying, selling, or holding UNITO tokens, involves significant financial, technological, and regulatory risks. This document is not an offer to purchase securities, investment advice, or a guarantee of future profit.

Decentralized Finance (DeFi) protocols are a new and highly experimental technology. You should not interact with the Protocol or purchase UNITO tokens if you are not prepared to risk the complete and irreversible loss of your funds.

Before any interaction with the Protocol, you are obligated to conduct your own research (DYOR) and consult with independent financial, legal, and tax advisors.

TECHNOLOGICAL RISKS

Smart contract risks: The Unito.one protocol is a complex system of interconnected smart contracts. Although we are committed to undergoing multiple independent audits from leading global firms, audits do not guarantee the absence of errors, bugs, or vulnerabilities. Any exploit or unforeseen error in the code could lead to the unauthorized withdrawal or irreversible locking of funds.

Upgrade risks: Protocol upgrades, even when approved by the DAO, may contain unintended vulnerabilities or cause incompatibilities that disrupt the Protocol's functionality.

Infrastructure dependency risks: The Protocol depends on external components such as price oracles (e.g., Chainlink), RPC servers, and the stability of the underlying blockchain (e.g., Ethereum / L2). A failure of any of these components could lead to incorrect Protocol operation, erroneous liquidations, or a halt in operations.

MARKET RISKS

Liquidation risk: Crypto asset prices are extremely volatile. A sharp decline in the value of your collateral can cause your Health Factor (Hf) to drop below 1. This will result in the forced liquidation of your position, leading to a loss of collateral and the payment of a liquidation penalty.

Liquidity risk: In conditions of extreme volatility ("black swan" events) or market panic, liquidity in the pools can dry up abruptly. This may temporarily (or for an extended period) prevent you from withdrawing your deposits (uTokens) or repaying your loans.

Bad Debt risk: In the event of an instantaneous and catastrophic collapse in a collateral asset's price, the liquidation system may not act fast enough before the collateral value falls below the debt value. This creates a shortfall (bad debt) in the Protocol. In such a case, the Safety Module will be utilized to cover the losses, resulting in a loss of funds for UNITO stakers.

REGULATORY RISKS

Regulatory uncertainty: The DeFi and crypto asset space is subject to a rapidly evolving regulatory landscape worldwide. New laws, regulations, or actions by regulators (e.g., in the US, EU, or other key jurisdictions) could restrict, prohibit, or otherwise negatively impact the operation of the Unito.one protocol, user access from certain countries, or the legal status and value of the UNITO token.

UNITO token classification: There is a risk that the UNITO token could be classified as a security, commodity, or other regulated financial instrument in one or more jurisdictions. This could severely limit its liquidity, trading, and accessibility for users.

GOVERNANCE (DAO) RISKS

Vote concentration risks: The veUNITO model reduces, but does not eliminate, the risk that large holders ("whales") could collude to pass decisions that benefit them at the expense of the majority of users.

Governance attack risks: There is a theoretical risk that a malicious actor could accumulate enough veUNITO to execute a governance attack, voting for a malicious proposal (e.g., changing risk parameters to enable an exploit).