

Caladex SRO White Paper

CAX token

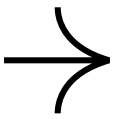
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Caladex Team

Contents



1. Introduction

1.1 The concept of Caladex

2. Centralized vs Decentralized

2.1 Our way

3. The future of exchanges

3.1 The CEX model

3.2 The key to success

3.3 Market mechanisms and token liquidity

4. Why Caladex?

4.1 Strategic management

4.2 Market situation

4.3 A community platform

4.4 The people

4.5 The CAX token

1. Introduction

As of 2023, there are over 23000 cryptocurrencies in existence, many of which have gained immense popularity among dedicated communities of supporters and investors. Although the total market capitalization of all cryptocurrencies recently reached USD 2.2 trillion, this figure is still small compared to the total stock market, valued at approximately USD 120 trillion. It is clear that the cryptocurrency market is still in its infancy and faces various challenges before achieving widespread adoption.

Numerous white papers highlight issues such as investing in new digital assets, including cryptocurrencies, protocol tokens, Initial Coin Offerings (ICOs), and Security Token Offerings (STOs). These investments are often subject to high risks, including hacks, poor user experience, legal uncertainties, and even fraud. However, we believe that these concerns do not invalidate the industry; they are typical of emerging markets. The primary focus should be on creating a technological environment that minimizes the risk of hacks and fraud, while also educating the public about how cryptocurrencies work. Emphasizing legal uncertainty is misguided; every new industry requires the development of new laws, which is a normal process that takes time, including in the cryptocurrency sector.

Caladex was created to provide secure and user-friendly access to digital assets. Our platform enables users to trade and invest in cryptocurrencies and tokens, and allows individuals or companies to list their own tokens without incurring substantial costs. This white paper outlines all the necessary information regarding our platform and the services we offer.

1.1 The Concept of Caladex

The concept behind Caladex was developed by individuals with extensive experience in running businesses and trading on various platforms, both in digital assets and traditional stocks. Initially, it was not our intention to create a platform; however, after extensive trading on some of the largest exchanges globally, we realized that access to profitable trading is often limited to a select few.

We firmly believe that while advanced technology is valuable, it is useless if the majority of people without a technical background cannot engage with it. Our platform offers sophisticated technical and fundamental analyses of various cryptocurrencies and tokens, but we understand that the average non-professional trader may never utilize these features. The trading experience should be straightforward and user-friendly, as many exchanges present an overwhelming amount of trading pairs and market data, leaving users unsure about where to invest.

2. Centralized vs. Decentralized

Our centralized exchange (CEX) provides both newcomers and professional traders with all the tools necessary to engage in trading the digital assets listed against familiar stable coins. All cryptocurrencies and tokens are set up against stablecoins, such as USDT (Tether) "Digital Dollar," USDC, USDT-Pol, DAI, etc. This structure makes it simple and comprehensible, especially for newcomers to the industry.

Additionally, we offer advanced staking and farming options for more experienced traders; however, we emphasize engaging in these passive income opportunities only if one is knowledgeable about smart contracts and aware of the associated risks. Our centralized exchange allows for free access to spot trading, and users can register accounts from anywhere in the world, except in regions restricted by the Caladex terms of use.

Our stake/earn section features an easy process for connecting open-source, blockchain-based wallets to our platform, allowing users to stake directly on the smart contracts we have deployed across various blockchains. We also welcome interesting and innovative projects to reach out to us through our official channels or utilize the token listing feature on our website. This aspect of our work motivates us because it provides lesser-known projects the opportunity for exposure, increasing their chances of securing funding for innovative initiatives

2.1 Our way

With Caladex, we are on a journey to establish a comprehensive platform for all your cryptocurrency needs. In developing our platform, we have carefully studied the major global crypto exchanges and the challenges traders face when investing in cryptocurrencies.

- **Fee Structure:** The primary goal of blockchain solutions is to ensure secure, seamless, and cost-effective fund transfers and storage. Unfortunately, this is not the case with many large central exchanges today. At Caladex, we believe that fees should be minimal, and ideally, avoided altogether. High fees not only restrict trade profitability but also hinder the widespread adoption of blockchain technology and cryptocurrencies.
- **Know Your Customer (KYC) Procedures:** Accessing any trading platform should be straightforward and quick. On some popular exchanges it is quite a frustrating affair to open your account and begin trading due to the whitelisting process. At Caladex, simply register with your email for immediate access to your spot trading account. If you feel ready to activate the rest by providing additional information our innovative system allows you to load any id and be done with it, with your application processed within 48 hours.
- **Hybrid Exchange:** Caladex operates as a hybrid exchange, combining centralized and decentralized elements. Trading is done on the centralized market and staking/farming are done in a decentralized matter. Unlike large exchanges that charge between \$50,000 and \$1 million for listings, we don't charge what we like, it is as simple as that.
- **Market Volatility:** Market volatility is the defining characteristic of cryptocurrencies. Prices can change dramatically within minutes or even seconds, making it crucial for traders to seize opportunities without delay due to slow transaction speeds. Congestion on major exchanges often leads to missed chances. A responsible crypto exchange must provide the necessary processing speed and a quick conversion option during congestion. At Caladex, we ensure both.
- **User Friendly:** A user-friendly interface is essential for engagement. We believe that a platform will attract more users if the experience is simple and intuitive. Most people understand the value of 1 USD or 1 EUR, and newcomers to crypto trading will likely recognize Bitcoin and Ethereum as the two largest cryptocurrencies. This large fiat history should be the foundation and visible core of any exchange, as trading against stable coins, represents the logic idea that 1 stable coin equals 1 USD.
- **Customer Service:** For newcomers, trading on any platform can be intimidating. At Caladex, customer service goes beyond merely assisting e.g. account activation or explaining

deposit issues. Our primary focus is on educating our customers. We aim not to be the largest exchange, but the coolest one, where customers are treated as individuals rather than ticket numbers.

- **Different Deposit Methods:** The Caladex platform supports direct depositing on platform of all trading pairs through the use of various digital wallets based on Ethereum, Polygon, Binance Smart Chain and Solana. You can directly deposit and withdraw all tokens listed on our platform by simply connecting your digital wallet. If you don't have any of these cryptocurrencies, our platform offers fiat gateways for purchasing them using Moonpay and Mercury.

3.The Future of Exchanges

Traditional exchanges facilitate the trading of various cryptocurrencies, most of which are blockchain-based projects. But what about established businesses with proven track records or startups with innovative ideas that lack the network and funding to develop new products? We firmly believe that token offerings will become a universally accepted concept emerging from what we refer to as the 'crypto bubble.' We use the term "token offerings" to differentiate between various tokens available today, each with different legal implications, based on both the token type and the issuing entity's geographical origin. The term "crypto bubble" reflects the reality that out of more than 23000 cryptocurrencies, only a few will endure. The ability to tokenize existing businesses will be central to future operations across all industries. Caladex is committed to this direction; half of our exchange is dedicated to integrating real businesses by convincing them to create, deploy and offer for trade utility tokens, which will pave the way for them to tokenize their assets, profits, revenues, or any tangible or intangible aspects of their operations. With tokens enabling fractional ownership and lowering minimum investments, we expect increased market liquidity. As more investors can buy smaller stakes, previously illiquid assets, like high-value properties or rare art, will find more buyers. Fractional ownership is not a new idea; it's been utilized since the Roman Republic and by the Dutch East India Company.

3.1 The CEX Model

To grasp how the centralized aspect of our exchange operates, it's essential to identify the type of tokens offered to traders on our platform.

- **Currency Tokens:** These tokens function as payment methods and stores of value, retrievable later. They are essentially similar to "coins" like Bitcoin and other cryptocurrencies.
- **Utility Tokens:** The rise of Ethereum introduced "utility tokens," which grant holders access to products or services within a specific platform or network. These tokens are multifaceted and typically exist on a given blockchain, such as Ethereum, allowing use within their respective networks. This concept has evolved rapidly with many web3 applications offering the ability to bridge tokens; these tokens can be deployed on one network and child tokens can be bridged to other networks
- **Securities Tokens:** In addition to providing access to goods and services, securities tokens often promise investment returns and value appreciation. This characteristic has led the U.S. Securities and Exchange Commission (SEC) and other regulators to classify them as securities, making them investment contracts with potential for profit, passive income, and dividends.
- **Asset Tokens:** These tokens digitally represent an asset within an organization or platform.

- Equity Tokens: More theoretical at this stage, equity tokens give holders a share in the issuer's capital, similar to stocks.
- Reward Tokens: These are akin to loyalty points or rewards programs within the blockchain space.
- Dividend Tokens: Also known as "pure profit class tokens," these offer holders a share of the issuing organization's profits.

Except for currency tokens, most other tokens represent investment contracts in a joint establishment, promising potential passive income. This income can take various forms, including value appreciation, profits from investments and mining operations, or dividends distributed among token holders. Some blockchains feature dividend-like mechanisms, making their currencies resemble "dividend tokens." Unlike stocks, holding dividend tokens entitles the holder to passive income without necessarily conferring ownership in the organization. Staking or Proof of Stake (PoS) can be seen as a form of dividend concept, where stakers hold tokens in a designated wallet and receive payouts based on their holdings. Dividend payouts can be regular, such as weekly or monthly, may prioritize larger holders, and can depend on the issuer meeting specific performance milestones. 90% of the tokens offered on our platform are classified under utility tokens.

Caladex aims to redefine cryptocurrency trading by establishing a token type that aligns with your needs, focusing on a dividend or profit-class token model. This approach allows startups and companies to secure alternative funding while retaining control over their business direction. The issuer is responsible for token creation and setting the maximum supply, which involves a one-time cost ranging from USD 35.00 to USD 250.00, especially if you compile the code on an open-source platform like the Ethereum/BSC or Solana. To raise funds, you will need to list your token on an exchange, where popular exchanges charge between USD 50,000 to 1 million for listing. In contrast, our platform offers significantly lower costs, as it operates like a blank canvas waiting to be filled.

3.2 The Key to Success

Many exchanges may promise high liquidity for your token through shared connectivity, but we view that as wishful thinking. The reality is that liquidity is essential for the success of any new token. To grasp liquidity, we must first clarify its definition: it refers to "the degree to which an asset or security can be quickly bought or sold in the market without impacting its price." A higher trading volume indicates greater liquidity. Many new tokens falter by failing to consider how their value can be maintained and grown during project development, as well as neglecting to implement mechanisms for managing exchange rates. New tokens often struggle with liquidity as they cannot directly connect to other currencies—fiat or crypto—and rely on active traders on exchanges to facilitate interlinking. However, achieving sufficient trading volume is critical for market liquidity, making it challenging for small-scale currencies to convert to popular currencies based on market-determined exchange rates. This detachment from the broader economy diminishes their utility for holders, thereby limiting their value and adoption. Liquidity is not a problem on our platform. We are more than willing to invest in any new project as long as the core principle of adding value to our platform is maintained.

3.3 Market Mechanisms and Token Liquidity

It is crucial to recognize that there are three primary sources of value in trading traditional stocks, which also apply to trading tokens:

- **Price Appreciation**
 - Price appreciation can stem from speculation, a common market phenomenon driven by hype before a token goes live. Often, a disconnect exists between value and valuation. Real appreciation, however, comes from actual token usage. For example, Ether on the Ethereum blockchain serves as the 'gas' required for system access. Other tokens may appreciate based on the adoption of their associated goods and services, leading to increased value and liquidity. This principle applies equally to non-blockchain projects, where established companies can tokenize their assets or profits through Caladex at a minimal listing cost, enhancing their liquidity compared to startups.
- **Buybacks and Burning**
 - Liquidity requires investment, time, and effort. Companies can enhance liquidity through token buybacks, similar to stock repurchase practices. In the crypto market, this means repurchasing their tokens, which can be perceived by investors as an exit strategy but also serves to maintain liquidity. Reducing the number of tokens on the market helps avoid hostile takeovers and minimizes dilution. Buybacks may also be accompanied by burning tokens, which decreases the total supply, potentially increasing the remaining tokens' value and providing investors a larger share.
- **Dividends**
 - Dividends distribute cash profits to shareholders. While feasible in cryptocurrencies, regulatory and logistical challenges may arise, making buybacks a more common method for returning value to shareholders.

4. Why Choose Caladex?

Caladex was created to simplify cryptocurrency trading, making it profitable and secure for all investors. With the crypto market rapidly expanding—recently surpassing 2 trillion—there is an urgent need for continuous innovation. Our mission extends beyond providing a basic crypto exchange infrastructure; we aim to equip traders with essential tools and features for successful trading, in addition we keep on developing and investing in blockchain projects that can rapidly expand our goods and services offered. Also listing with us means growing with us because Caladex is likely one of the most affordable options available, making it your top choice for achieving immediate secondary market exposure. Your company or project will be listed on our token info page, complete with links to your website, white paper, and detailed company information for traders to access. Joining us means, joining a networks of companies with great track records with a lott of experience in doing business. We support the launch of various token types, not limited to utility tokens, emphasizing that all tokens function as financial market instruments, enabling:

1. Direct or indirect company governance
2. Automatic dividend payouts via smart contracts, also called "farming"
3. Periodic financial goals and commitments
4. Profit sharing
5. Ownership of tangible and intangible assets
6. Enhanced credibility
7. Equal and fair access to liquidity
8. A 24/7 secondary market

9. Transparency
10. Easy listing with no fees

4.1 Strategic Management

Our trading platform is designed for user-friendliness and profitability, featuring an infrastructure that surpasses traditional cryptocurrency exchanges. We are committed to helping you maximize both trading profits and fundraising if you choose to list your own token. Our focus is on your success as a trader or fundraiser, supported by the founders' global business expertise. If you succeed, we succeed too.

4.2 Market Situation

It is widely recognized that trillions of dollars exist in illiquid assets that could unleash a wave of liquidity on the blockchain. Numerous industries are gradually transforming their illiquid assets into liquid ones, a trend already seen in commercial and residential properties. This transformation will extend to all tangible and intangible assets. New startups and established companies will increasingly seek fundraising through these exchanges, leading to the disappearance of intermediary roles and the creation of better opportunities.

Those familiar with the initial coin offerings (ICOs) of 2017 know they quickly became a favored funding method for new entrepreneurial ventures. Research by Ernst and Young found that around 10% of the 3.7 billion raised through ICOs was stolen, with a significant percentage wasted on non-viable projects. This paved the way for a new secure funding model known as Security Token Offerings (STOs), where established companies conduct directly issued security token offerings. While we emphasize security tokens due to their regulation, we believe many token types can be issued, with regulation levels matching each token's nature.

The market for Bitcoin and tokenized assets is swiftly expanding, with blockchain technology being adopted by an increasing number of businesses. In less than six years, this industry has evolved into a multi-billion-dollar entity, with over 500 exchanges globally, 259 of which are listed on CoinMarketCap. Approximately 95% of market volume is concentrated in centralized exchanges, which we believe strays from the original vision of Satoshi Nakamoto. At Caladex, our goal is not to become the largest exchange in the world but to empower you—whether as a trader or fundraiser—to achieve greater financial independence and secure the necessary funds to launch your project.

4.3 A Community Platform

Growth often begins within your community, expanding regionally and globally. Significant time, resources, and effort have been invested in creating the Caladex platform to provide traders with optimal rates, tools, and features. With the backing of a global community, we aspire to become a key player in the future of cryptocurrency trading and exchanges. We acknowledge the advantage held by larger, established exchanges but believe that crypto exchanges should not solely focus on profit; they must offer enhanced functionalities to meet traders' and fundraisers' needs.

Caladex represents more than just a facilitator with robust infrastructure; it is a decentralized entity owned by as many individuals as possible. The CAX (Calahex) asset token was created to

empower users to influence the platform's future through CAX token ownership. This distinguishes us from other exchanges. When we generate revenue through our centralized exchange, it benefits the CAX holders community. Revenue sources include:

- Trading Fees: Small commissions in the form of maker and taker fees from buy and sell orders on the centralized exchange.
- Staking/farming fees
- CGR = Cross Gaming Revenue (with the soon to be incorporated WSB website)

This model is sustainable and scalable over time, as we operate independently from third parties. Revenue will grow as user activity and trades on our platform increase.

4.4 The People

Many individuals behind Caladex hold income-generating positions across various companies, dedicating time voluntarily or pro bono to the Caladex platform. We offer guidance and consultation for creating, deploying and listing utility tokens along with onboarding and marketing services. Compliance and legal matters are managed through established global networks and a professional team of lawyers, accountants and legal secretaries. Our exchange enables any business seeking capital to create their token 24/7, granting issuers direct access to investors and the potential to distribute their tokens globally.

Currently, the Caladex team is exploring other revenue streams to propose for community voting in the near future.

- Expanding Blockchain Network Service: In addition to the existing integration of Ethereum, Polygon and Binance Smart Chain, we are adding Solana as well at the end of this year.
- Investment Transparency: KYC/AML-compliant investors should have direct access to issuers and vice versa. This information will flow freely if mutually agreed upon, with a small annual fee to facilitate open channels on our platform.
- Additional Services: Issuers may need extra services during the token listing process. We can connect them with suitable partners in the blockchain and private sector, allowing Caladex to benefit from small percentages established through these agreements.

Additional revenue streams are currently under evaluation, dependent on community support, trading activity on our platform, and future needs.

4.5 The CAX Token

The CAX token is an Ethereum ERC20-based asset token (also bridged to Polygon) that clearly represents the digital embodiment of the Caladex platform. A significant number of CAX tokens were distributed proportionally to early traders who registered their emails when the exchange launched and every new member is entitled to the same amount of free tokens. There is enough liquidity for the CAX/DAI pair as there is for any token pair listed on the platform, with frequent buybacks in case required to demonstrate our commitment to the platform's success. Additionally, CAX holders can participate in future airdrops by maintaining a specific amount of CAX tokens in their accounts or web3 wallets. Airdrops collected from other projects will also be distributed among CAX token holders.

- Token Name: Calahex (soon to be rebranded to Caladex)
- Token Symbol: CAX
- Total Supply: 25,000,000
- Public Sale Allocation: 20,000,000
- Initial Airdrop: 1,000,000
- Staking Rewards: 2,000,000
- Founders: 1,000,000
- Reserve: 1,000,000

A total of 25,000,000 CAX tokens were issued, with 20,000,000 available for public sale upon launching the exchange in 2022. An initial airdrop of 1,000,000 tokens were evenly distributed among the first 500 registered traders, sent to their respective wallet addresses. One million tokens will be reserved for future platform development, while 2,000,000 will remain with the Calahex founders. One million will be allocated through a loyalty program that requires staking CAX tokens. No tokens are designated for institutional investors, as this platform is built by and for the community.

Tokenomics

