

WHITEPAPER

# selenium

## THE NEW SYNTHETICS PLATFORM

THE TOKENIZATION OF ASSETS IN THE ERA OF  
DECENTRALIZED FINANCE



# TABLE OF CONTENT

## ABSTRACT

Abstract pag. 3

## 1. INTRODUCTION

1.1 Current Challenges pag. 4

1.2 Opportunities in Tokenization pag. 4

## 2. ASSET TOKENIZATION

2.1 Motivation: Overcoming Traditional Barriers pag. 5

2.2 Tokenization on the Public Blockchain pag. 5

2.3 Categories of Tokenizable Assets pag. 5

2.4 Advantages of Asset Tokenization pag. 6

2.5 Tokenization with Synthetic Tokens pag. 6

## 3. THE SELENIUM PROTOCOL

3.1 Basic Functionality pag. 7

3.2 Participants in the Selenium Protocol pag. 7

3.3 Liquidity, Governance, and the SELE Token pag. 8

3.4 Oracles, Liquidations, and Peg Incentives pag. 8

## 4. CONCLUSION

4. Conclusion pag. 9

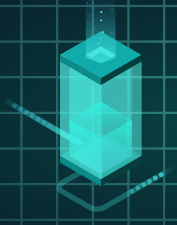
# ABSTRACT



## ABSTRACT

The integration of blockchain technology has been transformative across various sectors, yet numerous traditional asset classes remain outside the reach of Decentralized Finance (DeFi). Challenges such as restricted access, exorbitant transaction costs, and complex regulations hinder the availability of assets like stocks, commodities, and real estate. Selenium emerges as a decentralized protocol, employing cutting-edge technology to bridge these gaps through synthetic asset creation.

These blockchain-issued assets mirror the value of tangible goods without necessitating physical ownership, making investments more accessible, divisible, transparent, and liquid. Selenium offers a robust mechanism for the issuance and trading of these assets, facilitating global participation.



# INTRODUCTION

## 1. INTRODUCTION

Blockchain technology has propelled digital finance, simplifying and reducing the costs associated with accessing new investment forms. Despite this progress, traditional financial sectors, including stock, real estate, and commodity markets, largely remain unincorporated into this technological revolution. This exclusion stems from legal, geographical, and technological limitations.

### 1.1 CURRENT CHALLENGES

Investors, particularly those in emerging markets or areas with geographical constraints, face significant hurdles in accessing financial assets. These include intricate regulations, costly intermediaries, and substantial capital requirements. Even in developed economies, technological and bureaucratic barriers hinder full participation in the global financial ecosystem.

### 1.2 OPPORTUNITIES IN TOKENIZATION

Tokenizing assets on public blockchains addresses many of these issues, enabling access to traditional investments through digitized equivalents. Selenium provides a distinctive solution, facilitating the creation, trading, and ownership of synthetic assets that emulate the prices of tangible goods.



# ASSET TOKENIZATION

## 2. ASSET TOKENIZATION

### 2.1 MOTIVATION: OVERCOMING TRADITIONAL BARRIERS

Retail investors frequently encounter difficulties entering high-value markets due to capital inefficiencies. Tokenization allows asset ownership or participation rights to be divided into smaller, secure, transparent, and decentralized tokens via blockchain.

### 2.2 TOKENIZATION ON THE PUBLIC BLOCKCHAIN

Blockchain technology eradicates inefficiencies by ensuring every transaction is globally verifiable. Tokenized assets can be partitioned, traded without intermediaries, and safeguarded by blockchain's inherent transparency and immutability.

### 2.3 CATEGORIES OF TOKENIZABLE ASSETS

- **Physical Assets:** Real estate, gold, artwork, commodities.
- **Abstract Financial Assets:** Stocks, bonds, ETFs, investment funds, and derivatives.



# ASSET TOKENIZATION

## 2.4 ADVANTAGES OF ASSET TOKENIZATION

- **Elimination of Geographical Barriers:** Enabling global transaction access.
- **Disintermediation:** Reducing intermediaries through smart contracts.
- **Fractionalization:** Allowing market participation with minimal capital.
- **Increased Liquidity:** Enhancing the tradability of traditionally illiquid assets.
- **Transaction Efficiency:** Lowering settlement times and costs.

## 2.5 TOKENIZATION WITH SYNTHETIC TOKENS

Synthetic tokens provide exposure without the necessity of holding the physical asset. Selenium emphasizes this model, offering a more flexible, cost-efficient access route.



# TOKENIZE ANYTHING!



## 3. THE SELENIUM PROTOCOL

Selenium is a decentralized platform focused on issuing and trading synthetic assets, known as Selenized Assets, that reflect the value of real-world goods.

### 3.1 BASIC FUNCTIONALITY

Selenized Assets are synthetic versions of real assets, created by locking collateral in crypto form. Core operations include:

- **Minting:** Generating Selenized Assets by locking collateral.
- **Burning:** Retrieving collateral by burning Selenized Assets.
- **Trading:** Exchanging Selenized Assets on decentralized exchanges.

### 3.2 PARTICIPANTS IN THE SELENIUM PROTOCOL

- **Minters:** Generate Selenized Assets by locking collateral.
- **Traders:** Engage in buying and selling Selenized Assets without physical ownership.
- **Liquidity Providers:** Contribute liquidity to markets, rewarded with LP tokens representing their pool share and dividends from trading fees.
- **Stakers:** Stake LP tokens to earn SELE token rewards.

# THE PROTOCOL



## 3.3 LIQUIDITY, GOVERNANCE, AND THE SELE TOKEN

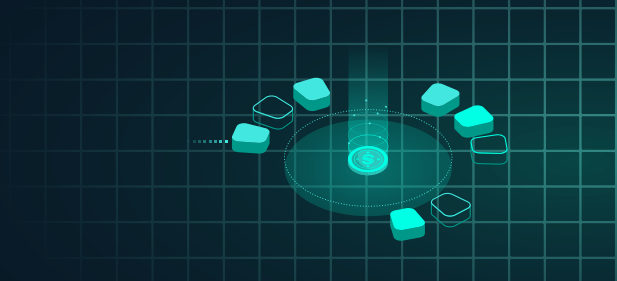
The **SELE token** incentivizes participation and governance within the protocol. Liquidity providers receive SELE rewards and a share of trading fees.

## 3.4 ORACLES, LIQUIDATIONS, AND PEG INCENTIVES

Oracles supply real-time price data, ensuring Selenized Assets maintain pegging to their corresponding assets. The system triggers liquidations if collateral value falls short of the minimum requirement.



# CONCLUSION



## 4. CONCLUSION

Selenium signifies a paradigm shift towards democratized finance. Its decentralized architecture and synthetic asset creation dismantle traditional investment barriers, promoting broader, more transparent participation in global financial markets. Through Selenium, users can leverage various earning opportunities without dependence on centralized entities.