



Meteorite LitePaper

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<https://www.mte.cool>

Abstract

LitePaper will introduce a BlockChain quantitative ecology that will combine the traditional CeFi and innovative DeFi. This quantitative ecology decentralises governance in DAO and aggregates BlockChain quantitative analysts and strategic users with token ecology, GameFi and NFT.



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1. Background

1.1 BlockChain

BlockChain is leading a vast revolution, and its emergence has changed the traditional concept of central bank fiat currency. Compared to fiat currency, bitcoin is more transparent and traceable, which can help fundamentally combat frauds occurring in currency exchanges and transactions. There is a growing belief that the digital economy will become more authentic and trustworthy with the popularisation of BlockChain technology, and the economy itself will also become fairer.

BlockChain has created a new type of social trust mechanism and has forever changed the management model of the financial industry. With the rapid development of BlockChain technology, the market value of the assets of digital cryptocurrencies has increased dramatically. Furthermore, a variety of digital cryptocurrencies have also come to public attention. During the 2021 Aspen Security Forum, Gary Gensler, the chairman of the United States Securities and Exchanges Commissions, said that the total market value of the encrypted assets is more than 1.6 trillion U.S. dollars. He noted that among such assets, 77 tokens have a market value of at least 1 billion U.S. dollars each, and 1600 tokens have a market value of at least 1 million U.S. dollars each. With the increasing influence of digital assets, financial services around digital asset trading and asset management have gradually become rigid demands.



With the further development of the BlockChain industry, association and friction inevitably exist between traditional industries and new technologies, which will result in a brand-new industrial structure and ecology.

1.2 Algorithmic Trading

Algorithmic trading refers to using advanced mathematical models to replace human subjective judgments and computer technology to select multiple high-probability events that can bring excess returns from massive historical data to formulate strategies. Compared with using methods that required manual execution, algorithmic trading, on the one hand, significantly reduces the impact of investor sentiment fluctuations, therefore, avoids making irrational investment decisions when the market is in extreme frenzy or pessimism, and on the other hand, saves the cost of manual monitoring and calculation. Algorithmic trading makes the execution of strategies timely and reliable. From the perspective of participants in the global market, the world's top four large scale asset management institutions all rely on computer technology to make investment decisions. It's noticeable that the scale of funds managed by quantitative and programmatic transactions is constantly expanding.

In the BlockChain industry, the popularisation of exchanges and the convenience provided by APIs offer essential support for BlockChain quantification. Furthermore, the 24 hours operation mechanism of the BlockChain market accelerate the development of BlockChain algorithmic trading. At this stage, many BlockChain hedge funds and investment institutions and some small individual developers are using algorithmic



trading to profit from this emerging market.

1.2.1 Quantitative Analysts

The abbreviation of the quantitative analyst in Wikipedia is quant which refers to a person who works in the financial industry using quantitative techniques. It also refers to people who perform quantitative analysis in the investment industry.

In summary, quants are people who use market data and computer programming language to construct and execute financial mathematical models for pricing, risk controls, and market prediction of tokens or tokens derivatives.

1.2.2 Problems

In the past March 2020 to mid-2021, the BlockChain industry has experienced a 14-month bull market. This market prosperity has brought a lot of funds and investors to the market. However, many quantitative custody projects and platforms without unified market regulation and supervision also flood into the market. These platforms and projects have generally exposed their problems after the market depression in May 2021.

The most significant problems exposed during that period could be summarised as follows:



- **Irregular profit model:**

The platform mainly gains profit through irregular methods such as charging user membership fees and documentary fees, selling point cards and even adding Ponzi designs.

- **Centralised storage of funds:**

All quantitative funds are stored in the platform's wallet, so the user's principal cannot be fully guaranteed.

- **Simple model without risk control mechanism:**

A sophisticated algorithmic trading model requires a significant number of trading simulations and actual trading practices to provide data for model construction. However, the market is flooded with many platforms that focus on attracting quick traffic attention, primarily only using classical strategies such as the Martingale strategy, Dual Thrust strategy, and the four-price strategy of Fairy. Without a risk control mechanism, these strategies are vulnerable in protecting users' custody funds.

- **Users' APIKey is easy to be used illegally:**

The server of the analyst is hacked, or the analyst deliberately commits evil by using the users' API Key to call the API and hedge a small transaction volume trading pair to achieve illegal reverse arbitrage.

- **Strategy without credit endorsement:**



Although some analyst offers some alleged high returns and low risks strategy, there are some credit problems. For example, analysts and propagandists can fabricate the effect of the strategy by using future factors and ignoring the overfitting problem. Moreover, if there is no real long-term data, it's possible that the strategy only obtains a considerable short-term rate of return by fitting the short-term market trend. Because of various problems, it is challenging for users to conduct a risk assessment and control before using the strategy.

- **No guarantee for strategists' income:**

Some strategists provided a complete strategy model to help platforms or users make profits without getting the corresponding profit dividends. There is a vicious cycle: some excellent strategy models cannot obtain enough funds for operation, and investors who appreciate the perfect strategy model cannot find it. Under this circumstance, Meteorite Labs and Meteorite rise in response to the proper time and condition.

2. Introduction

2.1 Mission

Meteorite Labs, an established BlockChain development and quantification team, was established in Singapore in 2018. Meteorite Labs believes that BlockChain is the future direction of the financial market and the combination of CeFi and DeFi is the general trend. Therefore, Meteorite



intends to build Meteorite into a platform for BlockChain investors to obtain profits safely and stably. It will also become a platform that allows analysts to discuss and share while ensuring their privacy is upheld freely. Meteorite is not only an open and transparent platform with GameFi playability feature that thoroughly combine DeFi, NFT and quantification to provide integrated data services on and off the chain in the form of DAO. It also offers sufficient capital flow opportunities for analysts and enhances users' brand value.

2.2 Infrastructure

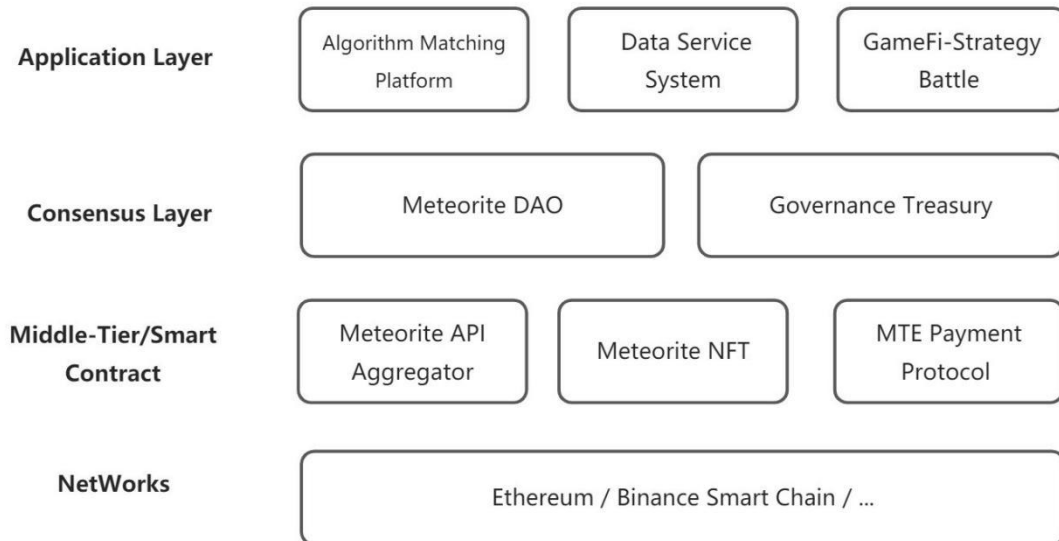
2.2.1 Functional Modules

Meteorite aims to build a decentralised BlockChain quantification system. The core functional modules of the system include:

- ❖ Algorithm Matching Platform Refer to 3.3
- ❖ Meteorite API Aggregator Refer to 3.1
- ❖ Meteorite DAO Refer to 4.2
- ❖ Meteorite NFT Refer to 4.3
- ❖ Meteorite GameFi Refer to 4.4
- ❖ Data Service System Refer to 4.5
- ❖ MTE Token Refer to 5.1



2.2.2 Layer Structure Diagram

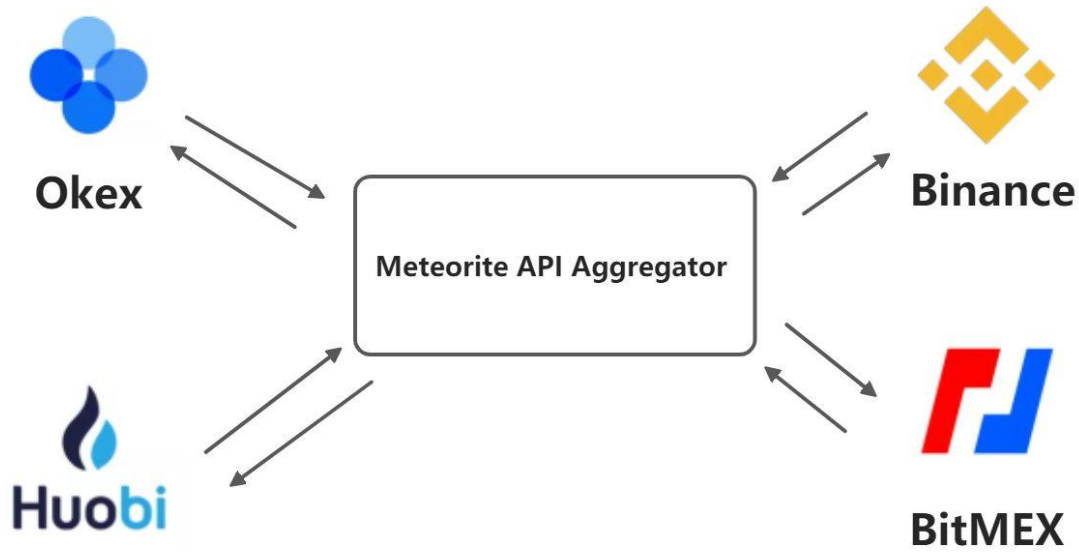


3. Features

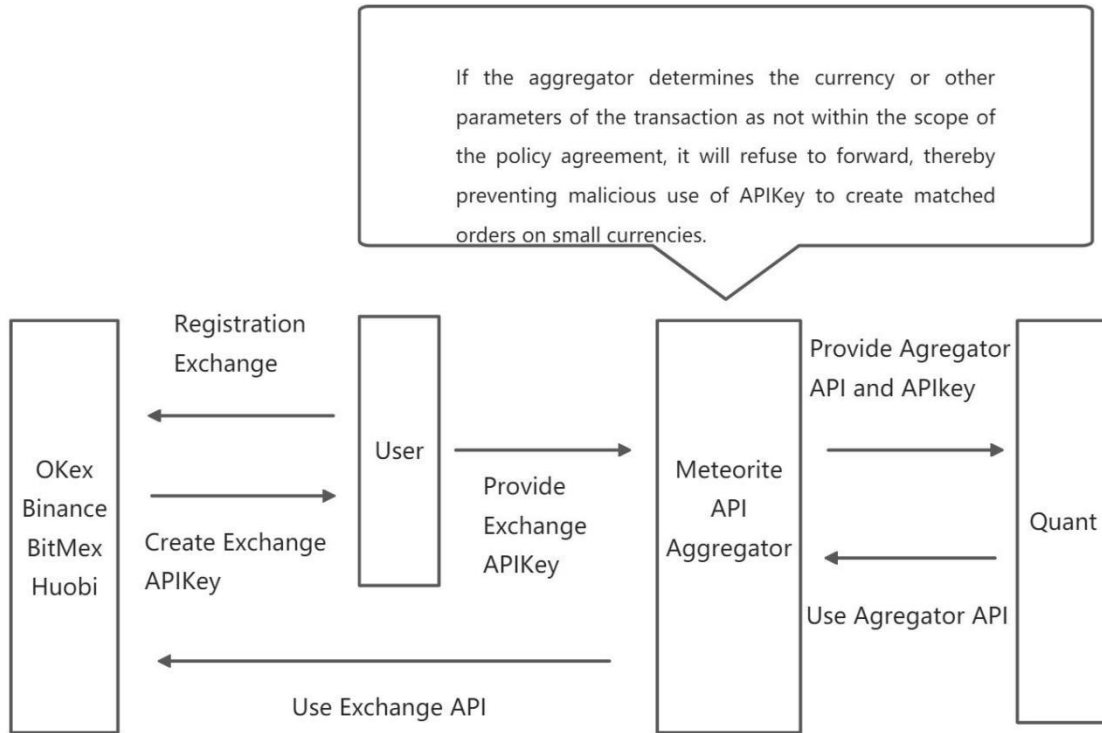
3.1 API

3.1.1 Meteorite API Aggregator

There exist several possible risks for strategy users. Firstly, strategists may deliberately commit malicious acts or accidentally leak APIs or servers. Secondly, strategists may use inadequate market depth to trade small currency trading pairs with large bid-ask spread. Thirdly, strategists may profit through committing matched orders by using exchanges API operates its account to buy low and sell high, and other users' accounts to sell high and sell low.



Meteorite uses the Meteorite-API aggregator to ensure the security of the policy users' APIKey. Meteorite does not provide the original exchange APIKey to an external party but provides the encapsulated and aggregated APIKey. The aggregator reviews, filters, and forwards all received requests. If the aggregator determines the currency or other parameters of the transaction as not within the scope of the policy agreement, it will refuse to forward, thereby preventing malicious use of APIKey to create matched orders on small currencies.



3.2 Strategy Review

3.2.1 Strategy Pre-review

The Meteorite platform pre-reviews all strategies provided by strategists, and strategists need to provide at least 18 months of actual historical exchange data. If the pre-review is passed, it will initiate a voting proposal for the listing strategy.

3.2.2 Vote For Strategy

The voting proposal will clearly describe the pre-review results. Users use MTE to vote according to the description of the proposal. If more than 10% of the MTE supply is voted in favour and the number of favour votes exceeds the number of negative votes, the strategy listing proposal will be passed and implemented within ten calendar days after the voting ends.



3.3 Algorithm Matching Platform

3.3.1 Quant To Investor

Meteorite provides a platform for strategists to display their strategies. Users who want to use strategies can also find their favourite strategies on the platform.





3.3.2 Incentives

Meteorite provides an invitation incentive mechanism that allows social media KOL and community owners to join the BlockChain quantitative community.

4. Decentralised

4.1 CeFi and DeFi

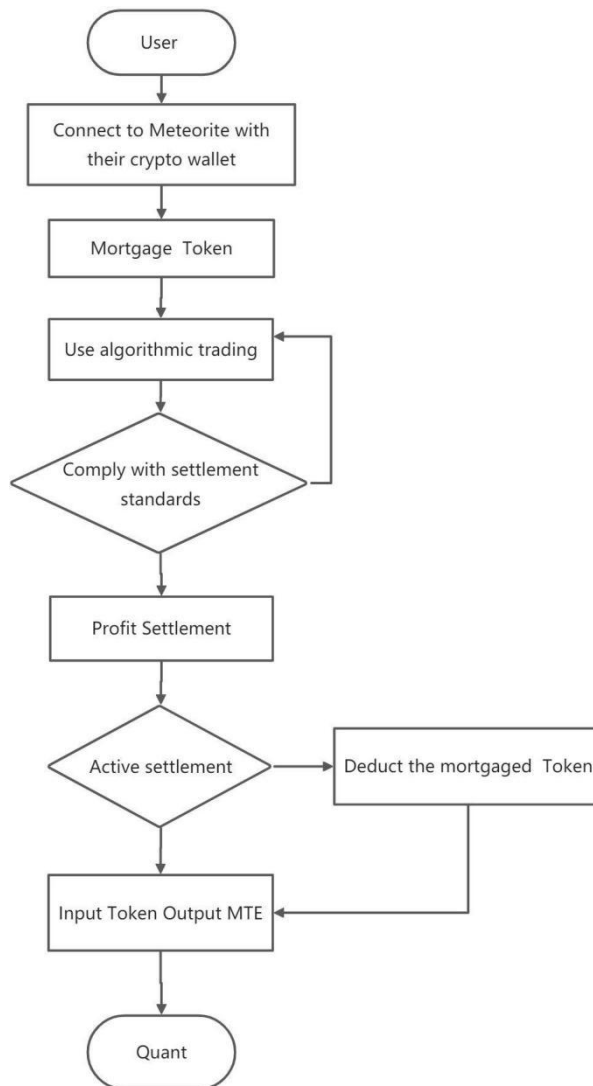
4.1.1 DeFi

DeFi (Decentralized Finance) fully implement BlockChain technology, including smart contracts, decentralised asset custody and programming languages in all intermediaries of traditional financial services. DeFi helps to maximise the efficiency of financial services, minimise the cost, and gradually solve the problems encountered in the centralised operation of conventional financial products. Furthermore, DeFi project builds smart contracts to replace intermediaries, including using smart contract codes and public chain technology to accept and manage funds.

The DeFi data has several essential features. Firstly, it is immutable, and its chain is open and transparent. Secondly, its contract will be automatically executed. Meteorite uses the above features to make the MTE token becomes unified collateral. In the quantitative industry, it is



common to charge a certain percentage of profit as the service fee to the quants. Sometimes, it is not easy to ensure that strategic users share a portion of profit with strategists. Meteorite's mission includes acting as an intermediary, where strategic users place a portion of the margin in their decentralised wallet to call smart contracts and mortgage tokens to the Meteorite smart contract. When the profit settlement is overdue, Meteorite DAO will call the smart contract to transfer the corresponding percentage of the margin to the strategist's address.





4.1.2 CeDeFi

CeDeFi (Centralized Finance & Decentralized Finance). DeFi technology has begun to prepare for enterprises adoption from the 2020 DeFi Summer. Centralised financial companies gradually accepted mature DeFi applications and integrated them into hybrid CeDeFi products. Combining the traditional supervision and protection mechanism and the cutting-edged innovative financial infrastructure and products will help various financial businesses combine the advantages of centralised and decentralised financial systems in a better way.

Meteorite will firstly consider how to fully innovates and integrates algorithmic trading into actual business practice. Based on the advantages of traditional CeFi (Centralized Finance), Meteorite will incorporate various features of DeFi. Meteorite will effectively solve some of the shortcomings of conventional centralised quantification in fund security and trust mechanisms.

4.2 DAO

DAO (Decentralized Autonomous Organization) can use a series of public rules without centralised planning and management to conduct autonomous operations through voting. DAO uses smart contracts on the public Blockchain to automatically exercise critical organisational rules such as voting on priorities and proposals, allocating resources and funds and so on. The governor uses tokens to participate in the organisation's decision-making and operation and enjoys the corresponding rights and interests. Nowadays, some of the most popular encryption protocols such as Maker, Uniswap are using the DAO governance model.



DAO usually has a fund that is also a smart contract and a voting-based mechanism implemented through smart contracts to determine various organisational parameters, such as allocating funds. No party can unilaterally change the goals or rules of the DAO. Only after obtaining the approval of the majority of DAO members, these smart contracts can be updated or changed.

4.2.1 Meteorite DAO

Meteorite introduced the concept of DAO. MTE is a governance token, and the address of pledged MTE is a member of Meteorite DAO. Members of Meteorite DAO can use MTE to participate in the governance. At present, the primary governance contents are:

- ❖ Dominating Governance Treasury.
- ❖ Managing the strategic listing and delisting of Meteorite's strategic market.
- ❖ Setting the default list and order of the Meteorite strategy market.
- ❖ Adjusting the Meteorite platform management fee.
- ❖ Adjusting the NFT equity parameters.
- ❖ Adjusting the amount of MTE that needs to be destroyed for creating NFT.

Governance rules:



- ❖ Addresses that own 1 MTE can initiate governance proposals.
- ❖ Using the mechanism of tokens as votes to vote on Meteorite's community proposals.
- ❖ 10% of MTE supply are affirmative votes as the minimum number of votes required.
- ❖ The proposal will be implemented within 10 calendar days after the voting ends.

Governance stage:

- ❖ 2021 Q3 Meteorite Labs builds the preliminary basic rules based on the suggestions of the community.
- ❖ 2021 Q4 starting DAO.

4.2.2 Governance Treasury

Meteorite Governance Treasury governs the financial sector based on Meteorite DAO. It initially retains 5% of the total MTE issuance and will continue to increase the funds through charging platform management fees. 5% of the total MTE will be continuously invested in Governance Treasury according to the following event table. Starting from the launch of the decentralised exchange, Governance Treasury will have the right to use the authorised MTE:

- ❖ After the launch exchange, 1% of the total amount of MTE can be authorised.
- ❖ 3 months after the token listing on exchange, 1% of the total amount of



MTE can be authorised.

- ❖ 9 months after the token listing on exchange, 1% of the total amount of MTE can be authorised.
- ❖ 18 months after the token listing on exchange, 1% of the total amount of MTE can be authorised.
- ❖ 24 months after the token listing on exchange, 1% of the total amount of MTE can be authorised.

The main revenues sources currently come from:

- ❖ Meteorite platform management fee (a certain percentage of the strategy profit).
- ❖ Minting NFT.

The main expenditures currently include:

- ❖ Dev Team – Technology development.
- ❖ Platform operational costs and expenses.
- ❖ MTE Token destruction.
- ❖ NFT Encrypted artist creation.
- ❖ Other community initiatives.

4.3 NFT

NFT(Non-Fungible Token) is not fungible, meaning each NFT is unique and not interchangeable. It is innovative that NFT is tied to or represents ownership of digital assets, which originate in the digital world. And the ownership lies outside the centralised service or centralised library.



Meteorite will work with crypto artists to create multiple series of NFTs around themes such as " Battle Team NFT ", " Honor NFT ", and " Rare Data NFT ".

4.3.1 Battle Team NFT

According to the types of strategy, applicable currency, rate of return, return ratio and other attributes, each strategy generates its own NFT.

The strategic user can mint its own unique NFT according to its strategy by burning a certain amount of MTE. Strategic users can use their NFT to join the team, participate in strategy battles, and later divide the money from the strategy prize pool.

4.3.2 Honour NFT

Honour NFT is divided into different levels such as Diamond, Gold, Silver, Bronze and Bronze. Honour NFT has a reduced (10%) platform management fee, and Silver Honor NFT has a reduced (25%) platform management fee, with Gold Honor NFT has a reduced (40%) platform management fee, and Diamond Honor NFT has a reduced (55%) platform management fee. The use of Honor NFT requires that the NFT be pledged to a specific strategy to obtain additional benefits and reduce the platform management fee.

Honor NFT can be obtained through trading or strategic battles and upgraded through strategic battles.

4.3.3 Rare Data NFT



Rare Data NFT is designed for the Meteorite Data Service System. In the system, individuals and organisations use NFT to obtain various chain data and off-chain data in the standardised form of charts and APIs.

Rare Data NFT can be obtained through blind box opening, trading or strategic battle.

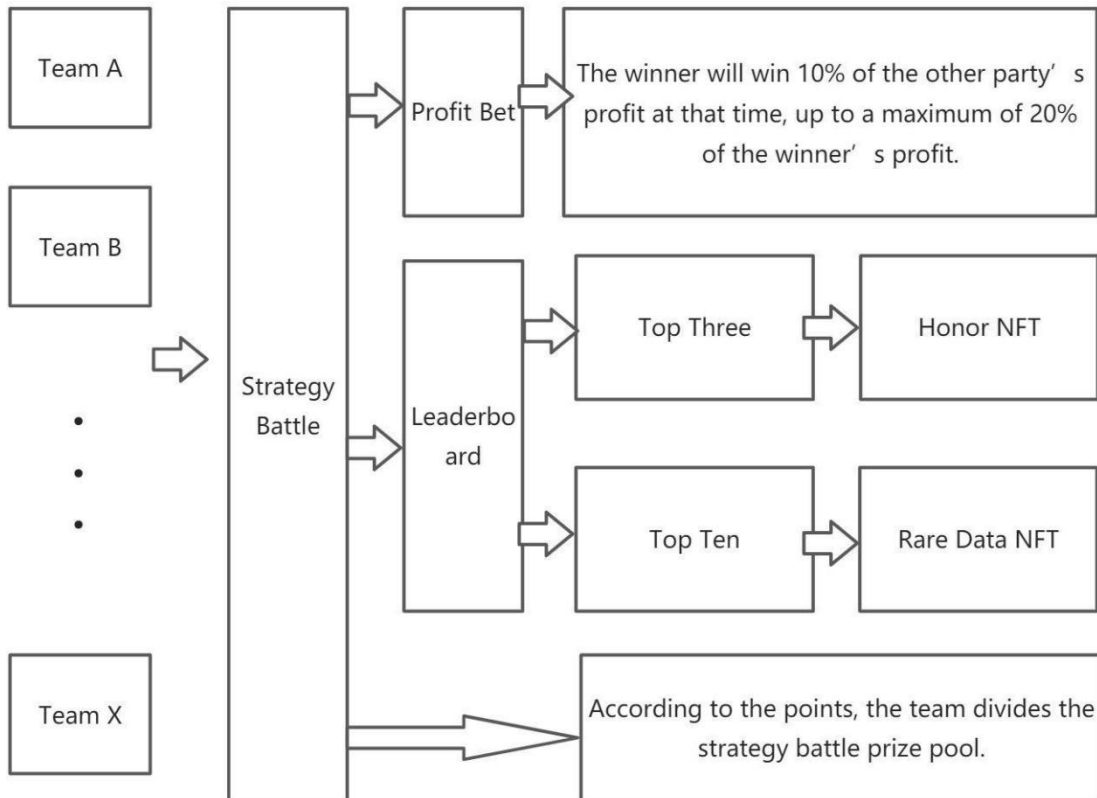
4.4 GameFi

4.4.1 Strategy Battle

Game + NFT + DeFi , Meteorite designed the GameFi (game battle) concept for strategists. Strategists who have passed the platform's 18-month real strategy review can have the function of initiating a battle.

The battle will be conducted in a certain time interval, and the scores of both parties are calculated based on a comprehensive algorithm of multiple dimensions. The winner will win 10% of the loser's profit in this time interval, and the maximum will not exceed 20% of the winner's profit.

Every three months is a battle season. In the battle season, the top 3 strategists from the leaderboard are given the right to name the surname of the strategy, and they can mint Honor NFT by burning some MTE. When there are over 20 strategies, the top 10 strategists from the leaderboard can mint Rare Data NFT by burning some MTE.



4.5 Meteorite Data Service System

4.5.1 Cex Data

Meteorite Data Service System provide off-chain raw data and data integration and analysis. The system offers exchange market data such as K-line, transaction orders details, market indicators and exchange flows.

With the development of DeFi, Dex transaction volume has increased rapidly. According to the chain data, the average daily actual transaction volume of decentralised exchanges in July 2021 has reached 3.3 billion U.S. dollars.



4.5.2 Chain Data

Data Service System provides data integration and analysis for raw chain data. The system integrates the market data, network data, network indicator, inter-entity flows and fund data on the ETH, BSC, MATIC, SOL, HECO, OEC and store them in a structured database. Furthermore, the system opens API for users to search using different parameters.

SQL query example of Data Service System API:

```
SELECT SUM (token_amount) AS eth_bought FROM dex.trades WHERE block_time >
now() - interval '1 hours' AND token_symbol = 'ETH' ;
```

In the coming future, Meteorite will combine the chain data and off-chain data to conduct big data analysis and provides users more accurate and detailed data reference.

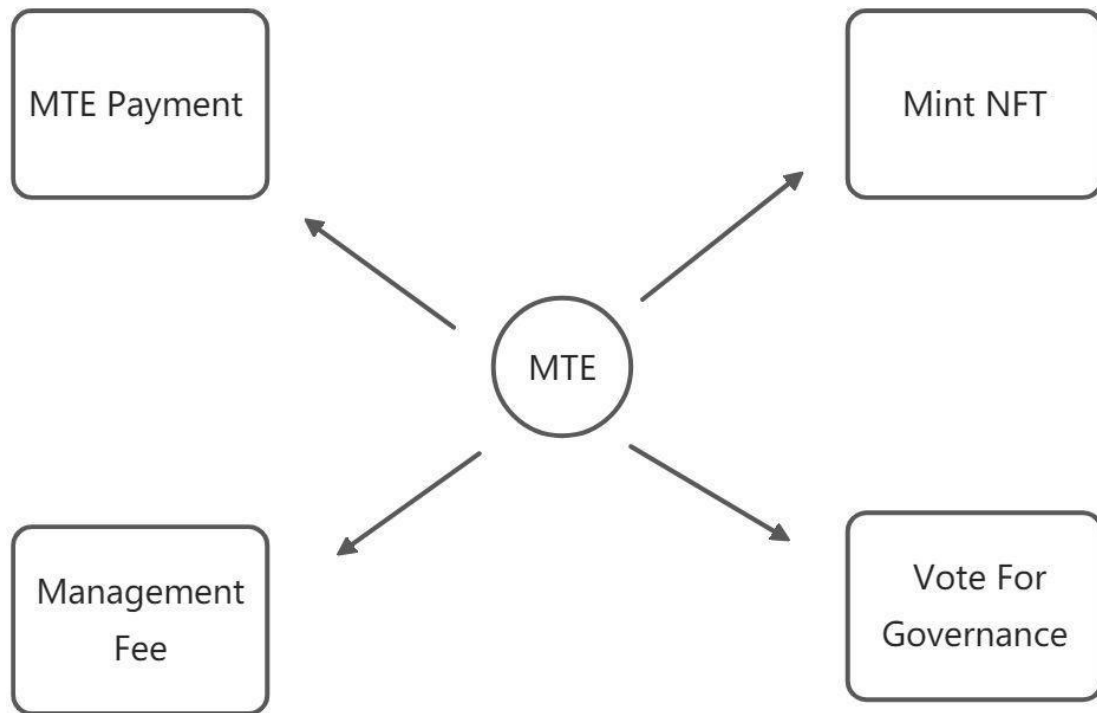
5. Tokenomics

5.1 Summary

Meteorite Token (MTE) is not only an ERC-20 token of the Meteorite's decentralised quantitative autonomous platform but also a governance token and platform token.



5.2 Economic Model



5.2.1 Payment

When the strategy settlement is triggered, the strategic user needs to put some token profit into the smart contract, and the smart contract will exchange the token to MTE as the strategist's service fee.

5.2.2 Management Fee

During the strategy settlement, the Meteorite platform will charge strategic users' 5% profit as management fee in which 1% will be used as the development cost of Meteorite Labs, 1% will enter the voter prize pool,



and 3% will enter the Governance Treasury.

5.2.3 Vote For Governance

As a Governance Token, MTE holders can participate in the governance of the Meteorite platform as a member of Meteorite DAO. All participants are encouraged to maintain and develop the ecological network.

5.2.4 Mint NFT

A certain amount of MTE needs to be burnt to mint NFT.

NFT	MTE total amount	MTE distribute
Battle Team NFT	\$ 100 equivalent	Governance Treasury 50% Burn and Destroy 50%
Bronze Honer NFT	\$ 2000 equivalent	
Silver Honer NFT	\$ 5000 equivalent	
Gold Honer NFT	\$ 8000 equivalent	
Diamond Honer NFT	\$ 10000 equivalent	
Blind Box – Rare Data NFT	\$ 20 equivalent	

5.3 Allocation

There will be 20,000 MTE supplied in aggregate. Distribution of supply will occur in multiple phases with different channels and ratios. Allocation rule is as follows:



- ❖ Investor 70%
- ❖ Mining 15%
- ❖ Meteorite Foundation 5%
- ❖ Genesis Incentive 5%
- ❖ Governance Treasury 5%

5.3.1 Investor (70%)

Round	Allocation	Distribution Schedule	
Institution	20%	Vendor release 2% of the purchasers' shares before	The rest of the shares will be released with 12.25% per quarter starting from the 3rd monthend after the day that MTE official launch on DEX. All the rest shares will be released in 24 months.
Community	2.5%	MTE official launch on DEX.	The rest of the shares will be released with 8.1667% per month starting from the 3rd monthend after the day that MTE official launch on DEX. All the rest shares will be released in 12 months.
Public	45%		
IDO/IEO	2.5%		

5.3.2 Mining (15%)

DeFi Yield Farming and Liquidity Mining produce 15% of the total amount of MTE.

5.3.3 Meteorite Foundation (5%)



Meteorite Foundation is a completely independent non-profit foundation of Meteorite Labs. The foundation donates initial startup funds to Meteorite Labs to support its autonomous operation. Furthermore, the funds also support the platform and MTE token to ensure their smooth operation in the early stage. The MTE obtained from the donation will unlock 1% immediately after the project is launched on UniSwap. The remaining tokens will have a lock-up period of 3 months, and then the tokens will vest linearly on a quarter basis within 24 months.

5.3.4 Genesis Incentive (5%)

The early Meteorite community supporters, strategists, strategic users and referrer can receive the airdrop. The detailed rules will be confirmed later.

5.3.5 Governance Treasury (5%)

Governance Treasury is the financial fund of the Meteorite community. It consists of 5% MTE and the token will be distributed yearly in two years. Meteorite DAO is the decentralised autonomous organisation of Meteorite. Those who hold MTE have certain governance rights of Meteorite. For example, they can determine the usage of the treasury fund.

5.4 Meteorite Ecological Role



- ❖ Strategic User: Users who apply the strategy on Meteorite for quantification.
- ❖ Strategy Provider: Users who provides strategies on Meteorite.
- ❖ GameFi Users: Users who participate in the Strategy Battle game.
- ❖ NFT Collectors: Users who hold various Meteorite ecological NFT.
- ❖ Meteorite Data Service System: Consist of users in data analysis systems.
- ❖ Meteorite DAO: Users who govern the community and hold the MTE.
- ❖ Governance Treasury: Financial Fund of the Meteorite Community.
- ❖ Development Committee: In the early stage, the developers mainly come from Meteorite Labs. Later, developers from community will also join in the committee.

6. Roadmap



- **2021 Q1-Q2**
 - Develop Meteorite Algorithm Matching Platform
 - Develop Meteorite API Aggregator
- **2021 Q3**
 - Publish Litepaper V1
 - Issue Meteorite Token(MTE)
- **2021 Q4**
 - Launch Algorithm Matching Platform
 - MTE Starts Liquidity Mining
- **2022 Q1**
 - Commence Meteorite DAO
 - Establish Meteorite NFT
 - Launch Meteorite Data Service System V1
 - Launch GameFi - Strategy Battle DApp
- **2022 Q2**
 - Launch Meteorite Data Service System V2

Disclaimer

This Litepaper is based on the general information of early development goals and plans of Meteorite. It should not be regarded as professional financial investment advice. The future planning and specific development of Meteorite will be based on the governance of Meteorite DAO. For the latest Meteorite product information, please pay attention to the official news.

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