



# Magnetic

## White Paper

v 1.3

This white paper introduces the main ideas and principles of operation of the Magnetic. The document describes the Magnetic DEX; Magnetic Swap; Magnetic NFTs; Magnetic AMM; Magnetic Farming Concept; Magnetic Tournaments; Magnetic Magnetic Dice; Magnetic Faucet; Integration XAHAU Network in Magnetic; \$MAG in XAHAU Network; Bridge between XRPL and XAHAU



# MAGNETIC

## 1. Introduction

Magnetic has been created to develop interfaces for applications that work with XRPL.

### Missions:

- > to provide maximum comfort for all users using blockchain tools
- > to present new concepts of earn through trading.

Magnetic gives you all necessary tools for convenient trading. Also, it can help you mint your NFT collection without paying a fee.

Magnetic provides the opportunity to participate in tournaments with wonderful prizes, play dice to double your balance.

Magnetic provides the opportunity to use all the tools not only of XRPL, but also of the XAHAU sidechain.

For other XRPL projects, Magnetic provides the ability to Farm their tokens using the **Magnetic Farming**.

It is also possible to add a token from another project to a dice, hold tournaments, and add it to a bridge between two networks: XRPL and XAHAU!

## 2. Services

### 2.1 [Magnetic DEX](#)

Magnetic DEX is an interface for interaction with XRP Ledger DEX, that uses decentralized peer-to-peer protocol, with all functionality of XRPL and XAHAU.

There are no fee for any transactions.  
All tools absolutely free to use.

Using Magnetic DEX you can conveniently place orders, view the chart and trading history, move between pairs available for trading and perform any transactions with XRPL and XAHAU!

### 2.2 Magnetic Swap

Magnetic Swap is an easy-to-learn exchanger. It can be used by both beginners and more experienced traders who need to make a deal as quickly as possible.

Magnetic Swap allows you to exchange any XRPL or XAHAU token for any other token in a couple of clicks (with available liquidity).

### 2.3 Magnetic Tournaments

Tournaments are a way to give users the opportunity to compete, in the process increasing the demand for a particular token (for which the tournament is held), and also giving users valuable prizes for their efforts.

The winner is determined according to the points scored for completing quests (all quests are related to the token for which the tournament is taking place)

## 2.4 Magnetic AMM

AMM is a new concept for trading on XRPL. AMM pools allow you to provide liquidity in the tokens you are interested in and receive trading fees for it

On Magnetic you can conveniently use all the opportunities that the blockchain offers.

- View charts of changes in various parameters in AMM pools
- Token swaps
- Make one-side and two-side deposits and withdrawals of assets from AMM pools
- Vote for trading fees
- Take part in an auction to trade without fees
- View trading history and list of the richest liquidity providers

AMM on Magnetic is the most convenient and easiest way to interact with AMM on XRPL.

*PS: This is just an interface and Magnetic does not have access to your deposits. You will send them directly to XRPL and it does not matter through which platform you do it*

## 2.5 Magnetic XRP/XAH Faucet

In Magnetic Bot you can receive free XRP every hour. It's very easy to do:

1. Go to the bot, register using XUMM.
2. Click "Get Free XRP/XAH".
3. XRP/XAH successfully sent to you wallet

[XRPL Faucet](#) [XAHAU Faucet](#)

## **6. NFT on Magnetic**

Magnetic does not yet have a full-fledged marketplace, but now you can search for NFT using search, through user accounts. You can submit and accept offers and view meta data. This is the first step towards creating a marketplace and you can already use it now.

## **7. Magnetic Bridge between networks.**

Using the bridge, you can send tokens or XRP from the XRPL network to the XAHAU network. The Magnetic commission is included in the exchange price in advance. Usually it is 5-10% (to avoid losses due to spreads, etc.).

It is possible to add other tokens to the bridge and Magnetic will offer projects this opportunity, leaving itself a small fee and/or commission for using the bridge.

There will be two exchange options: exchange of identical tokens 1:(or other fixed ratio) or exchange of tokens at the current market rate in both networks.

The bridge works in both direction. XRPL -> XAHAU or XAHAU -> XRPL

# 3. Magnetic Farming

## 3.1 What is Farming and how it works?

Farming has long been a common practice on other blockchains. This tool provides benefits to both the user and the token. The token gains a large amount of liquidity, for which users receive rewards. They also continue to earn fees from exchanges through AMM pools. AMM in XRPL has only recently emerged, so Farming here is something new and unusual, but just as useful.

One of the issues with AMM in XRPL is the very low income from fees. At the time of writing (April 29, 2024), there are over 4 million XRP locked in AMM pools, but daily fees are around 1000 XRP. AMM pools are unprofitable, so interest in them is waning, and less new liquidity is coming in. Farming is intended to change this. The emergence of high-income pools should increase user interest in AMM.

Sounds interesting, but how do I become a farmer?

Becoming a farmer and starting receiving passive rewards is very simple. All you need to do is add liquidity to one of the AMM pools listed on the farming page. In return, you will receive LP tokens. Your reward depends on the size of your LP tokens share of the total issuance.

For example, the daily reward for all liquidity providers in the MAG pool is 1 MAG. If you own 10% of all LP tokens, your reward will be 0.1 MAG.

## 2. Benefits for farmers .

All liquidity providers in AMM pools, for which farming pools exist, automatically become farmers (if they are Magnetic users).

In addition to the fees for providing liquidity, they will receive additional rewards (which can be tens of times higher than rewards for fees).

Great, what else should I know ?

1. Reward distribution takes place from 15 to 16 UTC.
2. Magnetic NFT and token trading volume give you an additional boost that increases the % of your LP token holdings.
3. You can find your statistics on the specific pool page. Total profit over time, trading volume, your boost, your LP token holdings.
4. Additional rewards for MAG farmers. On average, about 10% of rewards from each pool are distributed among MAG farmers.
5. Farmers receive a reward that can be tens of times higher than the reward for providing liquidity in other AMM pools.

## 3. Benefits for the project/token .

Farming pools with properly calculated rewards bring many benefits to the project or token.

1. Many new users learn about the token and project and start showing interest in them.
2. Users begin to add a lot of liquidity to the AMM pool, making the token price stable, minimizing the spread, and allowing for adequate trading.
3. Farmers trade the token to increase their reward, which also benefits the token. The token becomes more active and attracts more users.
4. The distribution of allocated tokens is very organic and correct. Tokens are not received by hundreds of bots, as often happens with Airdrops, but are distributed among investors according to their contribution to the token/project.
5. Additional rewards for MAG Farmers will attract wealthy MAG investors, which will also contribute to the development of the token/project. You can always view farmer statistics on the main farming page.

There is also information about the total number of farmers, their trading volume, daily reward, and statistics for each farming pool.

### 3.4 How to increase rewards and where does the reward fund come from?

The reward pool is allocated by the project that wants to create a farming pool for its token. All rewards are sent in advance to the Magnetic wallet and will be distributed among all farmers.

Rewards in the farming pool can run out. Usually, the end date of the pool is known in advance, as the daily reward is consistent.

Rewards are sent to all farmers every day from 15 to 16 UTC.

You can increase your reward without adding additional liquidity to the AMM pool. This can be done by using Magnetic NFT or having daily trading volume. Each NFT will artificially increase your LP token hold by a few percent (depending on rarity). The rarest NFT in your wallet will work at 100%, while the others will provide 25% of their power. Trading volume works similarly - the more volume you have, the higher your boost will be.

For example, with a volume of 25 XRP, you get +6% to your LP token hold. For 100 XRP: +10%, and so on.

This way, you can earn rewards for a larger number of LP tokens than you actually have

Additionally, all MAG farmers receive additional rewards from all other farming pools. This is usually 10% of the total reward amount, which is shared among all MAG farmers.



## 4. Token MAG and Farming

### 4.1 MAG Token

In total, no more than 2500 MAG will be issued, which will be distributed among users. About 1000 tokens have already in circulation. But the concept of mining no longer exists. All remaining 1200 MAG will be obtained through Farming. As about 25% of all MAG from mining was sent to the Magnetic wallet, and the team does not receive anything from farming, 12.5% of the remaining tokens (about 300 MAG) will be sent to the Magnetic development fund (the remaining 12.5% will be burned).

100% of tokens will be issued and distributed only using the Farming (paragraph 3 of this White Paper).

According to the documentation, every day rewards are sent to all farmers

**!** Trading between your wallets and similar things is prohibited. If a wallet is found to have fake trading volumes, the wallet and all of its NFT will be blocked. The cost to unlock for the first time is 200-5000 XRP. Each time after this the amount increases. The Magnetic itself determines the size of the fine and is not obliged to explain why the fine was exactly that. If the Magnetic team detects fake volumes, the wallet and everything associated with it, as well as all NFT, will be immediately blocked and only unlocked after paying a fine. Any disputes and negotiations are not allowed. The fine is not discussed.

## 5. Magnetic NFT

First of all, NFT will be used to receive higher rewards for Magnetic Mining, as well as receive other rewards for various contests and promotions.

NFTs will be of various rarities. From the most frequent (Common) to the rarest (Mythic). There will be seven rarities in total:

- Common
- Rare
- Epic
- Legendary
- Mythic

### Usage of NFT

NFTs will be used by all Magnetic products.

1. Farming: you will get much more reward if you have NFT on your balance.
2. Dice: With NFT, your chances of winning increase by 2.9%
3. Tournaments: With NFT, your tournament points are multiplied up to 2.5
4. Future products such as games, various contests, bots will also use NFT and bring additional profit.

## 6. DECLARATION OF RISKS & DISCLAIMER

Magnetic is obligated to inform all Magnetic holders (Current & Future) about the accompanying risks for users when spending money on blockchain technology. Holding an Magnetic token or NFT represents an understanding and willingness to accept the risks that accompany spending money on blockchain technology. These risks include, but are not limited to the following:

**Policy risk:** constantly changing political and regulatory trends may lead to significant price volatility

**Transaction risk:** The behavior of traders on the secondary market will always have an influence on the price of MAG. The secondary market for currencies that utilize blockchain technology has significant volatility which may drastically affect the value of your MAG token.

**Technical risk:** Blockchain technology is a rapidly developing technological field. This dynamic environment may lead to many unforeseen technological issues, challenges, but also disruptive trends, all of which may influence the value of your MAG token.

**Operational Risk:** All transactions involve inherent risks. Many factors that can be caused by factors such as diseases of key stakeholders, major strategic disagreements, breakdown of the main equipment at key moments, etc. Operational risks can always affect success project and/or cost of operating assets. Potential purchasers of the MAG token should be aware of this responsibility and conduct a thorough and thorough analysis. Introduction and description of the main state of the project in this document is an invitation to the general public. This is not an obligation and guaranteed.

