JulWallet

Introducing JulD And The JulCard

16th, March 2022 - V1.2

Why JulCard?

Is it possible to avoid fraud like the WireCard fraud in 2020 or credit/debit card identity theft?

Yes! With the JulCard contract(s)!

Do we need third party providers from Visa/MasterCard like WireCard or other large institutions?

Not with the JulCard contract(s)!

Is it possible to integrate people without a bank into the finance system, including access to debit cards?

Yes! With the JulCard contract(s)!

Abstract

JulWallet aims at creating a completely decentralized finance experience in connection with the fiat world applications like the Visa / Mastercard Debit Card. This is to be achieved by replacing all third parties in a financial transaction (ex. banks and middle men) with one or more Smart Contracts. This is not only because of distrust in traditional financial institutions,

but also to avoid credit / debit card fraud or identity theft. Considering the number of people lacking coverage of traditional banks but having access to the internet, It is not simply important but also urgent to cater to their needs in a decentralized system. This is, of course, backed by a very strong belief in a decentralized financial system.

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1) Introduction:

JulWallet is a decentralized Finance System which was built to revolutionize the financial market. With JulWallet you avoid any and all third parties between you and your funds. The ultimate goal is to prioritize and cater to anyone and everyone with a basic cell phone containing an internet connection.

One might think people who have internet-enabled cell phones would already be accounted for in financial systems, but that's not the case. Conventional banking services are a luxury that not every citizen can afford access. This subset of the population can't be left without a dependable financial system and its protection. For reference, the size of the population ignored by conventional financial institutions is ***1.7 billion*** people.

Decentralization means stability and the ability to control your own crypto because:

- More than $3 billion are lost since 2013 from hacks from centralized exchanges
- A total of $3.3 billion was lost to credit card fraud in 2020 alone
- Reports of Identity theft rose by 113% from 2019 to 2020

2) The Problem Statement:

The problems of using any debit card are

1. Funds must always be stored in the account from the debit card provider. These funds are 100% controlled by a third party and are not visible to you because it is fully centralized.
2. The login and control of your banking system or debit card is fully centralized, which increases identity theft and credit/debit card fraud.
3. "Money Flow" Debit card transactions and funds are not visible to the public!

3) The Solution

The solution is governance-controlled decentralized debit card management contracts!

3.1) How does it work?

The JulCard is a virtual and physical debit card, which allows users to make payments on over 60 million merchants worldwide with pure decentralization until funds reach the payment provider! The only option to access the JulCard Smart Contract is via the decentralized JulWallet where a KYC is needed. After the KYC is approved, the JulCard Menu can be accessed while signing with your KYC verified wallet. The login allows you to upload different pre-selected and also governance-selected crypto currencies! Your funds have only two options after being deposited into the Debit Card Smart Contract, which are:

1. The funds will be transferred with user confirmation to the master wallet from the integrated Signer Wallet, which pays the Debit Card Provider instantly when a payment is made with your debit card. The pre-selected payment currency will be immediately converted into USDC to keep the value near to the USD.
2. Withdraw your funds to your JuWallet from which you made the deposit, which works like a multisig; the Signer Wallet and your Wallet need to sign the transaction.

Only the Owner from your KYC Verified and Debit Card Contract-assigned wallet can interact with the debit card - your identity and funds are secured due to your private key and passphrase.

All transactions and approvals are documented on the blockchain!

3.2) The Signer Wallet

The Signer Wallet is a wallet provided by JulWallet and it signs the transactions after either a withdrawal request or a payment is made with your debit card and the API from the decentralized provider is called. To Protect the community funds, the signer wallet can be replaced by the governance.

3.3) Decentralized Payment API

To increase transparency, the centralized payment requests from the debit card provider are displayed on the blockchain, along with the decentralized API requests which are responsible for the signer wallet to confirm the payments.

3.4) JulCard Governance

All Users who stake a minimum of 10 million JulD can publish a proposal in the JulWallet App. After the proposal is published, all people who stake (irrelevant of the JulD staking balance) can vote. The proposal needs a minimum 50 million positive votes in the first 3 days after being published to be activated.

For example:

- If you staked 100 JulD and you voted positive, then you created 100 positive votes
- If you staked 100 JulD and you voted negative, then you created 100 negative votes

If the proposal gets approved by the governance, then it takes 4 more days until the proposal gets activated. In total there will be 7 days from the proposal creation until activation, if approved.

3.5) Governance has the power to

- Add future tokens to the debit card contract as payment tokens
- Add a new signer wallet to keep the contract always active

3.6) The Contract Owner has the power to

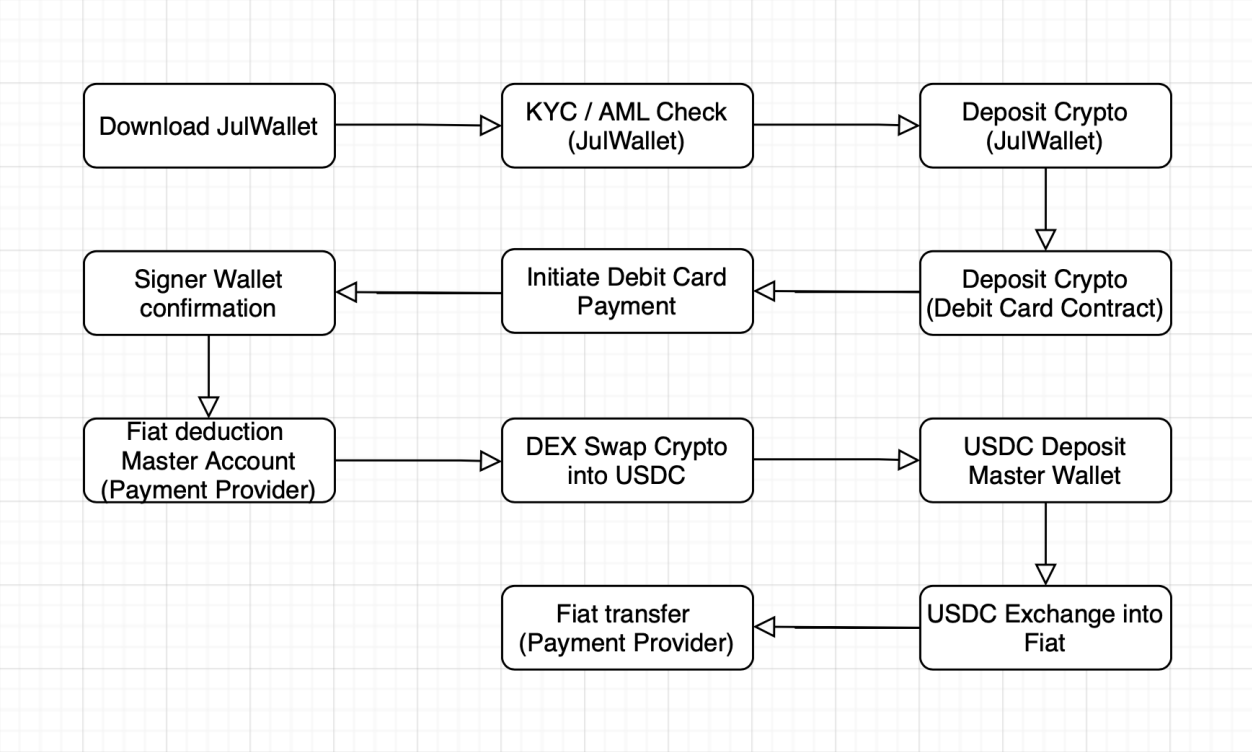
- Activate and deactivate listed tokens which are used as payment to avoid payment token listing which don’t have enough liquidity. This is to protect the debit card smart contract (i.e. deactivating means only the users can’t use it anymore as payment in the card but they still can deposit it into the contract and withdraw it)
- Increase and decrease the different staking levels to engage with price changes
- Change daily spend limits for a specific user (within regulatory guidelines)

- Change daily spend limits based on the staking level (within regulatory guidelines)
- Change the Master Wallet, which receives the crypto payments after the payment is done - Change takes 48 hours (should there be any change from the provider)
- Change Fee Wallets, which receive the monthly and transaction fees
- Establish Emergency Debit Card contract stops, which enables the user to withdraw into their own wallet but deposits and debit card transactions will not be accepted anymore. Should there be any unexpected issues, the option is available.
- Change the fee for each transaction (if the payment provider makes a change or it is financially needed)
- Change the decentralized Exchange (DEX) which executes the exchange into USDC
- Change the monthly subscription fee

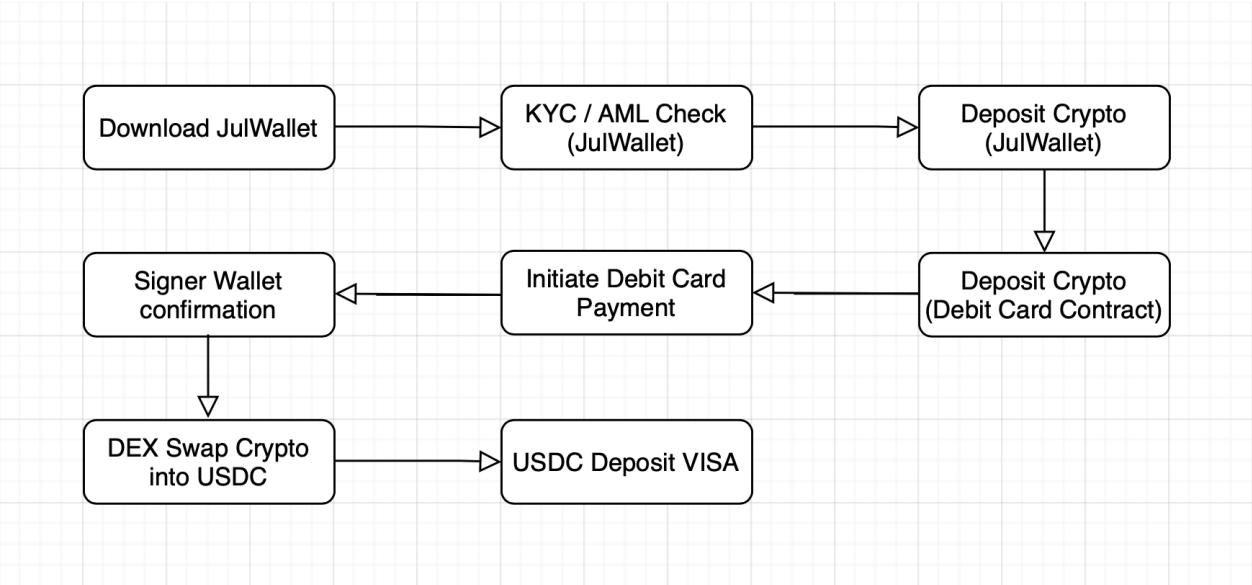
3.7) Fantom Blockchain

To keep the speed high and the transaction costs cheap, we decided to use the Fantom Blockchain (FTM) as a start for our debit card contracts. Due to JulWallet, which is an EVM Wallet, another blockchain can be used with just one click. We are easily able to add more EVM blockchains. The only credentials are enough liquidity on an AMM protocol, cheap transactions, high security, high speed, and EVM.

3.8) The current Process



3.9) The optimal Process



4) Fees

4.1) Monthly Subscription Fee

To cover the fees of the physical debit card, virtual card and account costs, the card holders need to pay a monthly fee of $6.99 (pay using JulD to decrease cost by 10%) in any crypto which is available as a payment option in the debit card contract. The fees will be paid the first time when the cardholder creates his/her virtual card and activates the account. After the first payment, the fee will be deducted after 30 days automatically. If the payment does not go through, the virtual card will be deactivated and the card holder will be unable to use the debit card anymore. However, it is always possible to deposit and withdraw from the debit card smart contract. The card holder can activate the card again should the card be deactivated.

4.2) Blockchain Fee

If the card holder deposits to or withdraws from the debit card, a transaction fee must be paid, which is a very small amount on the Fantom Blockchain.

When the card holder makes a payment with his/her debit card, the contract exchanges ftm or any other currency into usdc and this cost is covered from JulWallet currently. (average is 5 cents each transaction).

The transaction costs can be reduced by choosing a cheaper blockchain, but the speed and security standard may differ depending on the blockchain ecosystem. To ensure the safety, speed, and low cost of transactions, it is of the utmost importance to all of our community members.

4.3) Fiat Exchange Fee

Previously, debit cards only used currencies such as USD, EUR, or another type of fiat currency. This is the reason why a debit card vendor will ask the card holder which currency is preferred if the card holder is in another country. If the card holder has a

standard currency dollar ($) on the debit card but pays in Dubai with Dirham (AED), then the card makes an internal money exchange and the 2.5% fee appears in each transaction.

5) JulD the Token

The Token JulD (JulSwap) was airdropped on the 30th December 2020 to the JulWallet and the JulSwap communities as a reward token. At that time we had two tokens: 1 Token JUL (main token) and JulD (airdropped rewards token). In Mid 2021 we unfortunately experienced a FlashLoan Attack on JUL. This led to a massive drop from JUL and we decided to support our community. We gave all JUL holders the opportunity to swap JUL into JulD. Now JulD is the only governance token and is integrated into our total community.

5.1) JulD Supply (20th of November 2021)

- Max Supply: 800,000,000 JulD
- Total Supply: 799,383,875 JulD
- Circulation Supply: 799,383,875 JulD - 28,512,657 JulD = **770,871,218 JulD**
  (Total Supply minus the Team, Development and Marketing Allocation Wallet)

Why would the circulation supply differ?
JulD was placed into the airdrop contracts and taking contracts, which are permanently locked and can't be removed. We consider this to be a part of circulation supply as we do not control it. However, rules dictate it must be calculated as non circulation supply, creating the difference.

5.2) JulD Usage

There are multiple uses for JulD:

- Stake JulD in the JulWallet to activate your governance power
- Stake JulD in the debit card contract to upgrade your daily debit card payment limits and the cash back

- Stake 0 JulD - Limit $250 per Day
- Stake 25,000 JulD - Limit $500 per Day
- Stake 250,000 JulD - Limit $2,500 per Day
- Stake 1,000,000 JulD - Limit $5,000 per Day
- Stake 2,500,000 JulD - Limit $10,000 per Day

- Use JulD for the monthly subscription fee and save 10%
- Stake JulD LP Tokens in the JulWallet and earn 5% of the monthly subscription from the pool
- Provide JulD as collateral for minting mai token

6) Security

6.1) With KYC

The JulWallet submits your KYC-provided data including the wallet address to JulWallet.

6.2) Without KYC

All data, including the passphrase and funds (including the funds in the JulCard Contracts), are encrypted and protected via your JulWallet password. When JulWallet accounts are lost and need to be restored, it can be done with the seed phrase / secret recovery phrase.

6.3) Smart Contract Audit

All Contracts at least one internal audit and at least one external audit, which will be released to the public on GitHub.

7) License Agreement & Terms of Use

Licensor: TGG Holding GmbH
Licensed Work: Smart Contract
Github Licensed Work: https://github.com/JustLiquidity/JulCard-Contracts
Change Date: 2 [two] years upon release of the Smart Contract or any version hereof

By using the Licensed Work you agree to the following terms and conditions:

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6. GENERAL

This Agreement shall be governed by the laws of Germany except for the UN Sales Convention.

Should any provisions of the Agreement be or become invalid, this shall not affect the validity of the remaining terms. The parties shall in such an event be obliged to cooperate in the creation of terms which achieve such legally valid result as comes closest commercially to that of the invalid provision. The above shall apply accordingly to the closing on any gaps in the Agreement.