

The background is a dark blue/black space filled with intricate, glowing teal and light blue lines. These lines form a complex web of straight paths, loops, and spirals, suggesting a network or a dynamic system. Interspersed among these lines are numerous small, bright teal dots and larger, more diffuse clusters of these dots, giving the impression of a particle simulation or a data visualization of a complex system. The overall effect is one of high-tech, futuristic, and interconnectedness.

# HORIZON

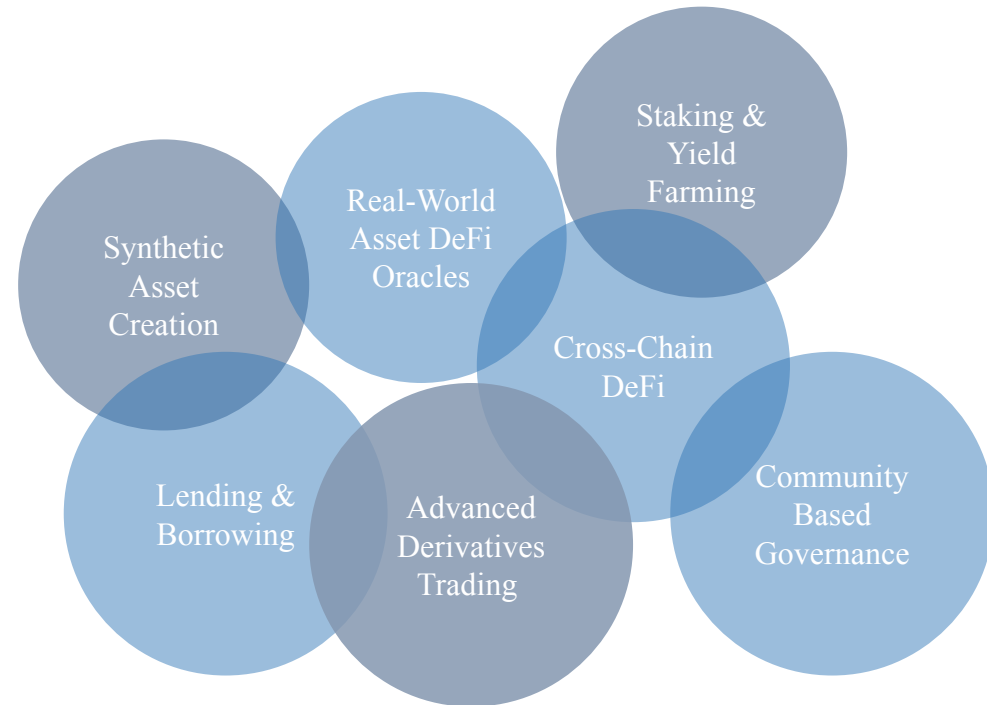
LITEPAPER

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## Introducing Horizon

Horizon is a new DeFi platform that facilitates the on-chain trading of synthetic assets that represent the real economy. Horizon seeks to provide exposure to real world assets risk/return profiles via smart contracts on the blockchain. Forked from Synthetix, Horizon will leverage the time-tested derivative liquidity protocol and bring interoperability, scalability and a whole new array of tradable, real-world derivative products to the DeFi ecosystem. Our commitment to the Binance ecosystem and native implementation on Binance Smart Chain (BSC) offer users the speed and dependability that is currently lacking on the Ethereum blockchain.

## Horizon Features & Highlights

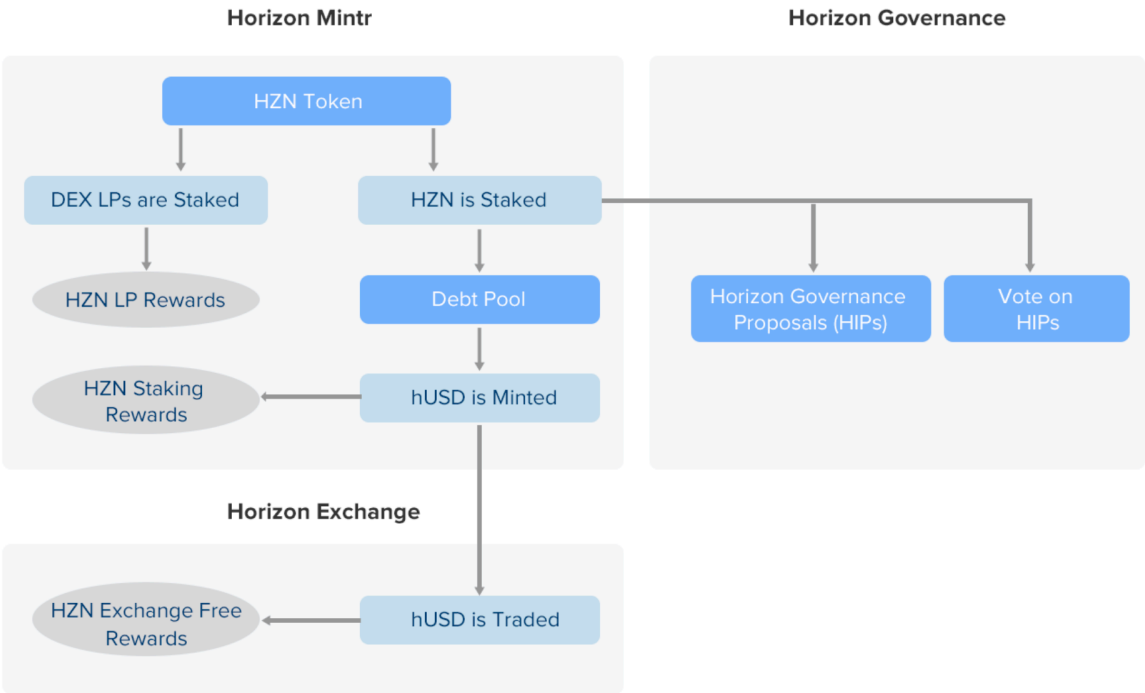




# How Horizon Works

## Horizon Token (HZN)

The Horizon token (HZN) drives the economic incentives for participants in the Horizon platform. HZN serves as collateral as part of the synthesis of tradable synthetic assets (zAssets), drives the reward system, as well as eventually facilitate a DAO that will govern the overall protocol and future development. By forking from the Synthetix protocol, Horizon is able to build upon the progress pioneered by others, while focusing on solving challenges related to scalability and affordability.



## Staking

HZN holders are incentivized to stake their tokens into a community-based liquidity pool that will collateralize the issuance of all zAssets. HZN stakers are rewarded with HZN staking rewards, which is generated from the token’s inflationary monetary policy, and exchange fees from the Horizon Exchange. Each transaction on the Horizon Exchange incurs up to a 0.3% exchange fee that will be distributed to HZN stakers at a rate proportional to their position size within the liquidity pool.

## zAsset Creation and the Collateralization Ratio

All zAssets are assigned an exchange rate using price feeds supplied by oracles and are tradable across various blockchains. When HZN is staked, zAssets will be issued at a 750% collateralization ratio to ensure there is sufficient collateral during price fluctuations. As the HZN price fluctuates, the collateralization ratio will also fluctuate, and the staker must restore their collateralization ratio by either burning or creating zAssets to reclaim their HZN.

## Horizon Exchange

Horizon Exchange will play a key role in expanding accessibility of various real-world assets as well as providing seamless trading between any combination of assets (e.g. Amazon stock to synthetic oil). Since all zAssets are backed by the same community-based liquidity pool, it makes it easy to trade between zAsset tokens - you are essentially swapping the form that your original USD-based debt is denominated in. This model ensures no slippage on trades and infinite liquidity up to the TVL (Total Value Locked) in the debt pool.

Horizon Exchange will also be developing a suite of trading tools that extend what traditional DEXs offer, such as limit orders, stop-losses, trade histories, and fully functional charts for technical analysis. Down the road, Horizon Exchange will look to expand into margin, leverage, and options trading.

## HZN-backed Synthetic Assets

Horizon will not only be offering cross-chain crypto derivatives (long and short positions), but will be focusing on expanding exposure to traditional financial markets, including but not limited to:



**Equities**



**Commodities**



**Market indices**



**Corporate assets**



**Equity assets**



**Physical assets**



**Unique dataset value**

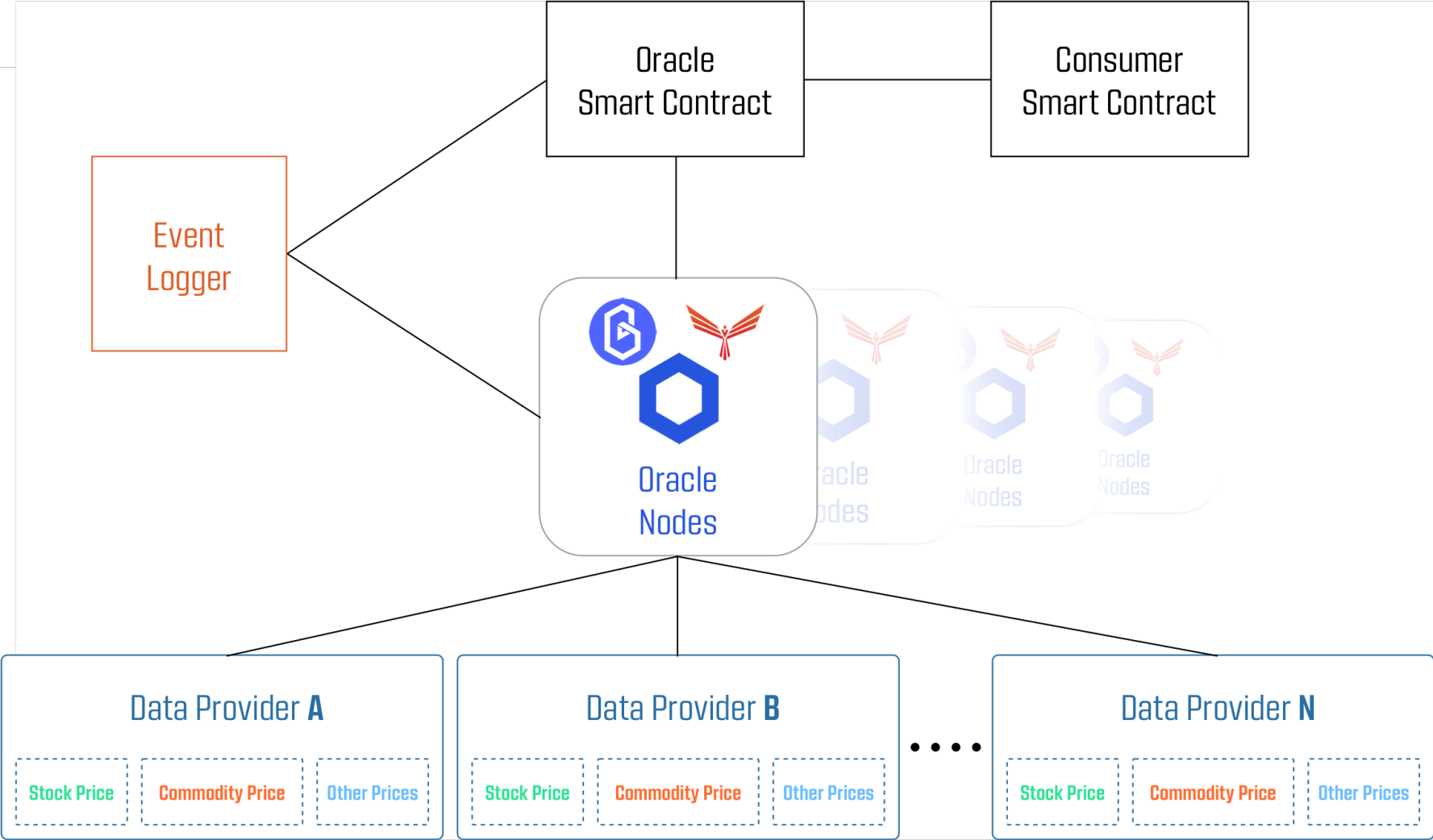
These offerings will be dependent on oracles linked to the various markets that they trade on in the real-world, which will be backed by the Phoenix DeFi Oracle as well as potentially by other Oracle price feed providers such as Chainlink and Band Protocol.



# Oracles

Horizon will benefit not only from established data feed oracles such as Chainlink & Band Protocol, but also proprietary data from the Phoenix DeFi Oracle to accommodate other assets such as stocks, non-US market indices, and illiquid/alternative assets such as real estate (REITs) and artwork.

The Phoenix DeFi Oracle will utilize the existing Phoenix Chain, originally developed by the APEX team, and bring new utility to the PHB token by facilitating node operation and the validation of price feeds. The Phoenix DeFi Oracle will focus strictly on the on-chain price feeds of real-world assets mentioned above.



Horizon Protocol Oracle Architecture

## Current PHB Holders

Horizon will also offer rewards for PHB holders who have supported the Phoenix ecosystem up until this point. PHB holders will be able to stake their tokens into the Horizon platform and earn rewards.

## PHB Token Bridge

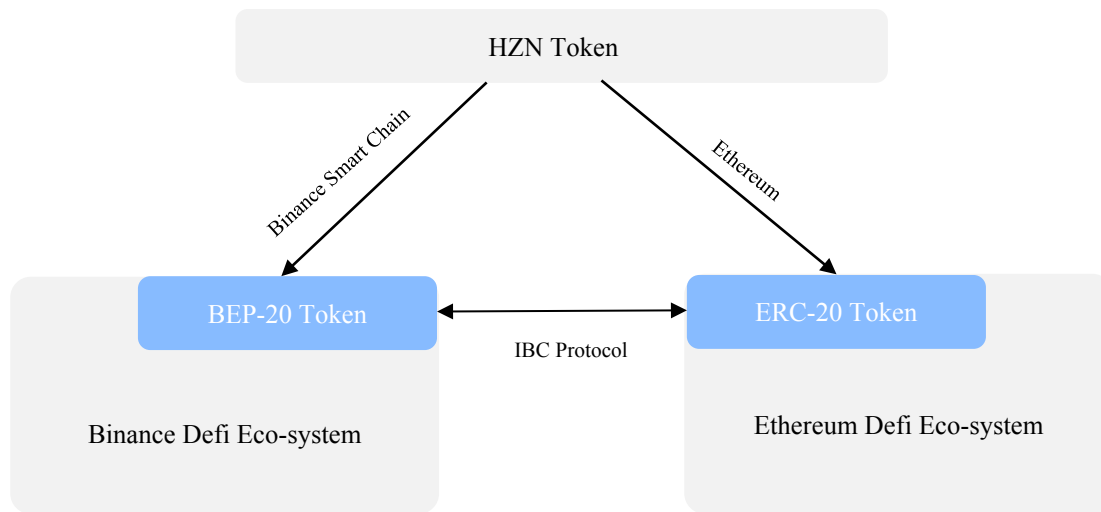
Horizon will also enable users to easily bridge their existing BEP-2 PHB tokens into BEP-20 PHB tokens to take advantage of this new staking opportunity. Once the PHB cross-chain token bind is activated, users will be able to bridge their tokens natively via the Binance Chain Wallet.

## Interoperability & Binance Smart Chain

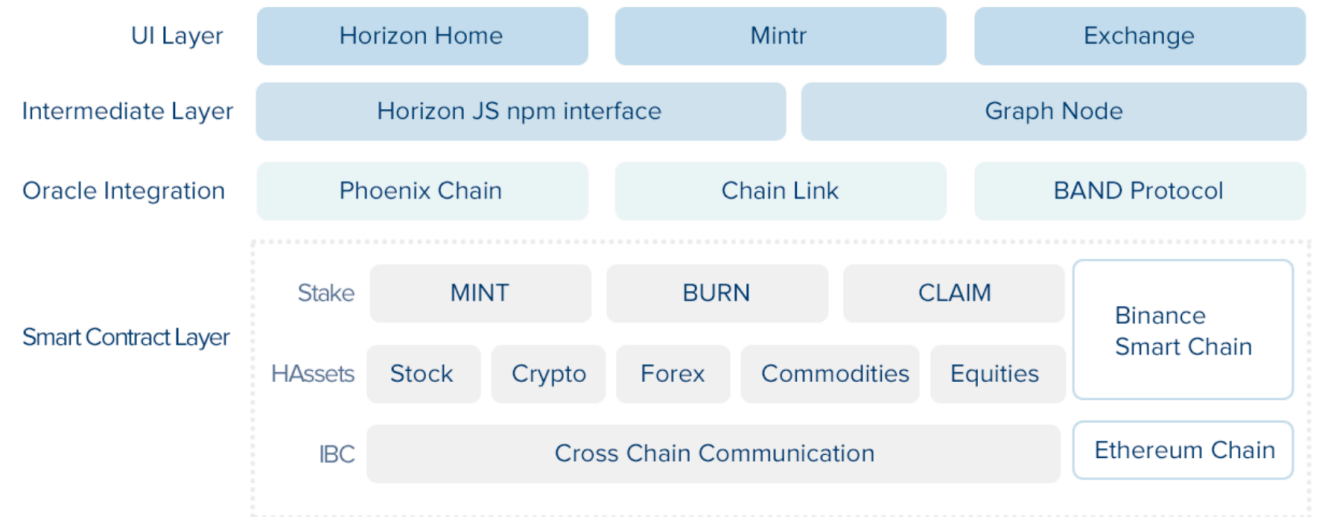
The launch of the Horizon platform on the Binance Smart Chain (BSC) offers immediate solutions to Ethereum's current defi scalability issues; namely speed and transaction fees, as well as access to the Binance ecosystem. Furthermore, the use of cross-blockchain platforms such as Cosmos, Tendermint and Polkadot to promote interoperability with Binance Smart Chain, Ethereum Blockchain, and NEO Blockchain, among others, allows Horizon to offer users cross-chain operability in a seamless experience.



## Horizon Interchain Communication



## Horizon Decentralized Ecosystem





## Governance

Horizon is committed to eventually achieving a fully decentralized governance structure, where HZN stakers have the power to develop and vote upon Horizon Improvement Proposals (HIPS). Once this decentralized autonomous organization-based (DAO) governance is launched, HZN stakers will be responsible for managing critical parts of the protocol, including but not limited to:

- Collateralization ratio of zAssets
- Staking and Liquidity pool rewards
- Liquidity pool farms
- Exchange (fees, rewards, burns)
- Protocol direction and functional improvements

## HZN Distribution

The upcoming mainnet Horizon token (HZN) launch distribution has been revised in the interest of fairness, transparency, and the strength of Horizon in the long term. The entire initial supply of 100 million HZN tokens will be 100% community mined through various staking rewards, partnerships, grants, bounties, and other rewards that can drive the Horizon ecosystem. This means there are no team or foundation allocations, and no VC pre-sales. The goal is to involve the community in the usage of these funds and to maintain absolute transparency.

## Development Roadmap

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A person in a dark suit and a flowing red cape stands on the edge of a rooftop, looking out over a sprawling city at night. The city lights are visible below, and the sky is a deep blue. The person's back is to the camera, and their cape is blowing in the wind.

For our latest roadmap, please visit  
<https://horizonprotocol.com/roadmap>