Assets

Copy

rtUSQ

rtUSQ is a QuantFi yield-bearing asset issued by CICADA Finance. It represents a tokenised unit of participation in an underlying conservative growth quantitative strategy portfolio operated by quant professionals. Yield is generated and compounded daily and is reflected through CICADA Finance's custom rebase mechanism via rtUSQ.

rtUSQ is designed to provide users with exposure to a curated synthetic quant strategy that aims to deliver premium, repeatable returns through professional execution and standardized onchain distribution.

- **rtUSQ Contract Address (CA):** 0x22d8FB01B1e46bf842881d398793a24b5e1e38e4
- **Underlying Strategy:** Conservative Growth Quant Strategy

Underlying Strategy

The underlying portfolio is described as a **Conservative Growth Quant Strategy**, curated from quant professionals. The strategy is intended to generate realised performance through systematic market execution and risk-managed portfolio construction.

rtUSQ holders participate economically in the realised net returns of this underlying strategy, as reflected through the rebase distribution mechanics described below, subject to product operation rules (including redemption windows and settlement periods).

CRYP2NOVA

Archived copy · cryp2nova.com

Value Support Framework

rtUSQ is structured with a net asset value (NAV) **targeted at US$1.00**, with each rtUSQ corresponding to one unit of participation in the underlying strategy.

The value of rtUSQ is supported by the following components:

(1) Custodied Principal Subscription proceeds are operated via audited smart contract workflows and are routed to regulated third-party parties and custodians for offchain execution and custody, supporting structural segregation between protocol logic and underlying asset operations.

(2) Risk Management Framework CICADA Finance maintains protocol-level risk controls and an insurance fund design intended to mitigate tail-risk events and support orderly operations across stress scenarios.

(3) Realised Strategy Performance Net realised returns generated by the underlying quantitative strategy are distributed to rtUSQ holders through daily rebasing (where applicable and not suspended), providing a transparent reflection of realised income through onchain balance adjustment.

(4) Orderly Redemption Process To support liquidity management and the performance of the underlying strategy, CICADA Finance operates scheduled monthly redemption windows. This buffered mechanism is intended to facilitate orderly exits aligned with underlying asset settlement cycles.

CICADA Finance does not provide any guarantee of principal, yield, or NAV maintenance. Participation is subject to market risk, operational and technical risk, and the rules described in this documentation.

Token Structure and Pricing

rtUSQ is intended to represent a tokenised unit of the underlying strategy participation, with NAV **targeted at US$1.00**. Depending on liquidity conditions and secondary market depth, the execution price in onchain trading venues may deviate from NAV (premium or discount).

Archived copy · cryp2nova.com

Where applicable, CICADA Finance may provide periodic reporting and/or mechanisms designed to promote orderly alignment between token pricing and the value of underlying assets, subject to operational feasibility and market constraints.

Subscription

Subscription Availability

Users may subscribe for rtUSQ units at any time **outside** of the designated monthly redemption window and the applicable settlement period.

T+0 Acceptance

Subscription orders are accepted on a real-time (T+0) basis and become effective immediately upon acceptance.

Subscription Suspension

Subscriptions are not permitted during the monthly redemption window and the associated settlement period, as described below. This design supports orderly liquidity management, consistent settlement processing, and the operational integrity of the underlying strategy.

> **Note:**
>
> Users must subscribe with a minimum of **100 USDT or an equivalent amount denominated in supported stablecoins**.

Redemption

Monthly Redemption Window

A monthly redemption window of **three (3) consecutive days** is opened once per calendar month.Users may submit redemption requests for rtUSQ units exclusively during the monthly redemption window, in exchange for the corresponding underlying assets. Redemptions are processed on a batched basis at the level of the underlying assets.

Archived copy · cryp2nova.com

Claim Interface and Status Tracking

Upon submission of a redemption request, details of pending and claimable assets will be reflected in the Claim tab. This includes (as applicable) the requested redemption amount and the expected settlement status.

Settlement Period and Claim

Following the close of the redemption window, a separate settlement period of **seven (7) consecutive days** will commence with respect to the underlying assets.

- The underlying assets are not available for claim during the settlement period.
- The underlying assets may only be claimed after the settlement period has concluded.

This settlement buffer is designed to support batched processing and orderly execution at the level of the underlying assets.

> **Note:**
>
> Redemptions are **process-based under ordinary settlement conditions** and are **not unconditional guarantees**. Settlement timelines may be extended due to **custody, settlement, or compliance requirements**.

CRYP2NOVA

Rebase Yield Distribution

Daily Yield Generation and Compounding

Yield is generated and compounded daily and, under ordinary market conditions, is distributed through a daily rebase that proportionally increases each user's rtUSQ balance.

Definition of Ordinary Market Conditions

“Ordinary market conditions” are defined as periods that exclude:

- market dislocations

Archived copy · cryp2nova.com

- extreme volatility
- liquidity freezes
- force majeure events
- regulatory interventions
- material operational or technical failures that prevent the orderly execution, valuation, or settlement of transactions

Suspension During Redemption and Settlement

All rebasing and yield distribution are suspended during the redemption window and the subsequent settlement period.

Catch-Up Rebase for Non-Redeeming Investors

For investors who do not submit a redemption request, yield attributable to the suspended period is distributed retrospectively with a catch-up through a single rebase immediately prior to the reopening of the next subscription.This mechanism is intended to preserve the operational integrity of the redemption and settlement process while maintaining fair yield reflection for continuing holders.

Secondary Market Liquidity (AMM / Swap Pool)

An automated market-making (“AMM”) liquidity pool may be available with limited onchain depth, enabling users to buy or sell rtUSQ on supported trading platforms without waiting for scheduled redemption windows.

Slippage and Execution Risk

The AMM pool is designed primarily for **retail-sized liquidity** and has limited onchain depth.
Large transactions may experience **slippage or price deviation**, and secondary market prices may trade **above or below the US$1.00 NAV** depending on prevailing market depth and trading volume.
Users assume all risks when trading via the AMM pool.

Yield and Incentive Considerations

Archived copy · cryp2nova.com

Secondary market trading may result in users exiting the asset exposure earlier than through the scheduled redemption process. Doing so may result in the forfeiture of future yield associated with continued participation in the underlying strategy, and any ecosystem incentives along with it, where applicable.

Suitability of the Swap Pool for Large Transactions

At the initial stage of CICADA Finance, the AMM liquidity pool is intended primarily to support retail-sized transactions and provides limited onchain depth. As a result, large or block-sized trades executed through the pool may be subject to material slippage and execution risk.

For large transactions or institutional-sized redemptions, users are encouraged to utilise the monthly redemption window, which is designed to provide more orderly execution and pricing more closely aligned with the value of the underlying assets.

CICADA Finance's roadmap contemplates enhanced liquidity integrations and connectivity with other DeFi protocols, with the objective of improving market depth and transactional efficiency over time.

Previous
Summary

Next
wrtUSQ (wrapped rtUSQ)

CRYP2NOVA

Last updated 1 month ago

Archived copy · cryp2nova.com