Vision

To achieve an inclusive DeFi ecosystem empowered by a fairer, cheaper and more accessible multi-chain AMM.

Mission

In what is clearly looking like a multi-blockchain future, we are committed to establishing a thriving multi-chain ecosystem that includes a trustless decentralized exchange (DEX) coupled with an ultra-fast gasless automated market maker (AMM) which is optimized for the multi-blockchain universe. By building a thriving multi-chain ecosystem, our mission is to onboard the next wave of crypto users into the DeFi world.
Table of Contents

1. Current Landscape - Page 1-3
2. Challenges - Page 4-6
3. The Solution - Page 7-9
4. Features - Page 10-11
5. Architecture - Page 12-14
6. Working - Page 15-16
7. Tokenomics - Page 17-18
8. Token Utility - Page 19-20
9. Current Status - Page 21-23
10. Roadmap - Page 24-25
11. Our Team - Page 26-27
Decentralized Finance, or DeFi, as it is more commonly known, has faced an enormous boom since the turn of 2020. The reason for this is threefold:

1. The onset of COVID-19 pandemic resulted in a huge downturn in financial returns, which prompted people to look for more stable returns, with stablecoins in lending protocols becoming the preferred choice of many. DeFi lending protocols offer at least 10x returns on stable assets compared to large financial institutions.

2. The addition of a vast number of blockchain-based lending and borrowing protocols like Aave and Compound to the DeFi ecosystem enabled users to gain substantial returns over their idle DeFi assets.

3. With people becoming more and more privacy-conscious, DeFi’s intrinsic features of security and transparency have enticed several users to join the DeFi ecosystem, further solidifying DeFi’s position in the cryptoverse.

Over $50 billion value locked in DeFi protocols ¹
Over 200 DeFi projects listed on DeFi Pulse
2020–21 YoY growth of more than 2000% ²

¹ DeFi Pulse (accessed: April 20, 2021)
² How 2020 Became the Year of DeFi and What’s to Come in 2021, Entrepreneur India
Currently, Ethereum is by far the most popular blockchain supporting the DeFi sector. Being the first Turing-complete, trustless blockchain of its kind, Ethereum has revolutionized the concepts of digital money, global payments, and several other applications. Furthermore, with a large developer resources base and significant community support, Ethereum’s development ecosystem provides a conducive environment for developers to code smart contracts that offer much more flexibility to their projects. With smart contracts forming the heart of most DeFi applications, Ethereum has become the de facto choice for developing and deploying DeFi applications.

Some popular DeFi applications based on Ethereum:

- Compound
- Uniswap
- Balancer
- 0x
- Bancor
Challenges 2 Challenges
Over-reliance of the DeFi sector on Ethereum has led to it inheriting several flaws intrinsic to the Ethereum platform. DeFi protocols built atop the Ethereum network suffer from scalability and congestion issues, putting billions of dollars in locked value at unease. Although Eth 2.0 is widely expected to offset these issues by transitioning to a proof-of-stake (PoS) system, Ethereum’s full transition to PoS is still months, and possibly even years away. Currently, however, most of the secure blockchain solutions in the market offer much less throughput compared to contemporary payment mechanisms afforded by Visa, Mastercard or PayPal. Even with its transition to PoS, there is no provision, at least for the time being, to combat the issue of high transaction fees which has made it impossible for the small players to trade in the Ethereum network.
In recent years, several consensus protocol approaches such as Dfinity, Tezos, Polka and Cosmos have actively tried to negate Ethereum’s scalability concerns. During the same time, a number of Layer 2 blockchain such as Matic and xDAI have also surfaced as a viable solution to not only Ethereum’s scalability problems but also to its cost issues. With a slew of competitors vying for the same market, and none having done so conclusively, the DeFi sector faces the prospect of a fragmented market with widely dispersed liquidity and developer communities. In such a scenario, what will be required, it seems, is a multi-chain ecosystem consisting of nodes deployed across multiple blockchains, as well as bridges between those nodes to allow for the seamless flow of liquidity across isolated liquidity pools.
3 The Solution
Multi-chain DEX

With Dfyn nodes spread across multiple Layer 1 and Layer 2 blockchains, Dfyn will act as a multi-chain DEX. This will allow Dfyn to plug into a liquidity super-mesh, enabling users to perform their asset trades seamlessly on several blockchains from a single interface. Dfyn will also build a decentralized swap station to swap large assets natively like BTC, ETH, ADA in a non-custodial way.

Router Protocol

Dfyn will utilize Router Protocol’s cross-chain bridges to seamlessly allow communication and value-transfer between different Dfyn nodes.

Multi-chain Gasless AMM

An ultra-fast gasless AMM optimized for the multi blockchain universe, Dfyn AMM will address traditional AMM issues, such as impermanent loss, as well as provide enhanced trader analytics.

Layer 2 Launchpad

Dfyn’s first-of-its-kind Layer 2 launchpad will allow creators to:
• launch tokens on multiple chains
• get listed on Dfyn
• initiate farming plays and vesting with no code tools
• stake contracts on Dfyn
• undertake creatively designed Layer 2 IDO strategies in the absence of high ETH fees
Features
Dfyn is looking to build a blockchain agnostic ecosystem that works perfectly well with all the underlying blockchain technologies. What this essentially means is that the users can use Dfyn’s DEX in coalition with any blockchain network of their choice. Dfyn will also host a node-runner platform where blockchain evangelists will be able to run their own Dfyn node on the blockchain to earn passive income from fees collection.

**BLOCKCHAIN AGNOSTIC**

**TRANSPARENT**

**ULTRA FAST**

**SCALABLE**

** BETTER USER EXPERIENCE **

**HIGH LIQUIDITY **

By using Layer 2 blockchains like Matic (now Polygon) and xDAI on top of Layer 1 blockchains, Dfyn ensures that your transactions are carried out instantly.

Using Dfyn will be completely transparent. Users will be able to see what goes on “under the hood” every time they interact with the protocol. Furthermore, the Dfyn’s smart contracts and the code base will eventually be made completely open source.

By enabling zero gas transactions and smart order routing, Dfyn will ensure a much better user experience in comparison to current Layer 1 DEXs. The transaction costs will be a small fraction of the costs in the Ethereum network and the transactions will be at least 10 times faster.

By bridging multiple Layer 1 and Layer 2 blockchains, Dfyn ensures high liquidity in its ecosystem. In case a particular blockchain network has low reserves of an asset, Dfyn will still ensure that asset’s liquidity for users on that blockchain by securing the desired asset from any one of the several Dfyn nodes deployed on other blockchains.

By integrating highly scalable Layer 2 blockchains like Polygon in its ecosystem, Dfyn ensures scalability of its platform.

**Dfyn**
Four main components of Dfyn’s broader architecture are:

**Dfyn nodes**

Nodes present across multiple Layer 1 and Layer 2 blockchains acting as AMMs.

**A network of bridges**

Router’s cross-chain liquidity protocol (XCLP) forms a network of bridges between isolated Dfyn nodes present on different blockchains. This concept can be better understood with the help of the following analogy: Dfyn nodes can be thought of as far-flung cities and Router as the highway that connects this city, thereby facilitating free movement of vehicles (in this case, assets) from any one city to the other.

**ParaRouter**

Every chain that has a Dfyn node on top of it will have a bridge contract known as ParaRouter deployed on it. In case of cross-chain asset transfers, the ParaRouter is able to lock a stablecoin and broadcast an event that can be picked up by the listener associated with Central Route to take action.

**Central Router**

It is the hub that listens to the event on ParaRouters, validates them, and forwards the event for further processing to the destination chain.
**Dfyn as a DEX**

Dfyn’s working as a DEX is quite similar to that of Uniswap. However, unlike Uniswap, where users can only exchange Ethereum-based assets, users of the Dfyn exchange will be able to perform asset exchanges atop multiple blockchains.

**Dfyn as an AMM**

Whenever a user request is received for a particular asset trade on a particular blockchain, Dfyn’s AMM requests Router to traverse not only through the same blockchain but also through different blockchains and their AMMs to fulfill the order at the right prices with the least slippage. For example, let us say, Router finds a better ETH/USDT price on a venue on the Solana blockchain instead of Uniswap on Ethereum, so Router will try to fill that order from Solana.

How does Dfyn ensure gasless transactions?

Our partnership with Biconomy and our integration of meta-transactions ensures that all transactions on the Dfyn network remain gasless for the Polygon network.
Tokenomics
<table>
<thead>
<tr>
<th>ALLOCATIONS</th>
<th>TOKEN %</th>
<th>VESTING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reward Pool</td>
<td>30.00%</td>
<td>Based on mining/farming initiatives</td>
</tr>
<tr>
<td>Ecosystem Fund</td>
<td>17.45%</td>
<td>Unlock 3% on TGE followed by linear vesting for a period of 1.5 years</td>
</tr>
<tr>
<td>Partners &amp; Advisors</td>
<td>15.00%</td>
<td>Unlock 10% on day 180 followed by linear vesting over 2.5 years</td>
</tr>
<tr>
<td>NFT Airdrops</td>
<td>2.25%</td>
<td>Unlock for community initiatives</td>
</tr>
<tr>
<td>Liquidity Provision Fund</td>
<td>4.00%</td>
<td>Unlock 10% on TGE followed by 5% each month for 18 months</td>
</tr>
<tr>
<td>Team</td>
<td>15.00%</td>
<td>Unlock 10% on day 180 followed by linear vesting over 2.5 years</td>
</tr>
<tr>
<td>Seed</td>
<td>7.50%</td>
<td>Unlock 5% on TGE followed by linear vesting for a period of 15 months</td>
</tr>
<tr>
<td>Private Sale</td>
<td>7.50%</td>
<td>Unlock 20% on TGE followed by 20% quarterly for four quarters</td>
</tr>
<tr>
<td>Public Sale</td>
<td>1.30%</td>
<td>Fully unlocked on day 0</td>
</tr>
</tbody>
</table>

Max Tokens – 250,000,000
Dfyn’s native utility token, the DFYN token, will perform a crucial role in the functioning of the Dfyn ecosystem. The DFYN token is expected to have multiple utilities:

**Governance**

The holders of the DFYN token will be able to use their tokens to take part in Dfyn’s governance by voting on Dfyn’s proposals concerning protocol amendments and upgrades. Although the specifics in regard to the voting mechanism have not yet been finalized, it is expected that each holder’s votes will be weighed against the amount of DFYN tokens held by them.

**Revenue sharing**

A competitive 0.3% fee is charged over each trade taking place over Dfyn. Of this fee, 0.25% is distributed to the liquidity providers in proportion to their contribution to the liquidity pool, while the remaining 0.05% goes to Dfyn’s treasury for buybacks and gas fee subsidies.
Current Status
Dfyn’s DEX and AMM

The current version of the dfyn exchange (exchange.dfyn.network) is a turbo-charged Uniswap, offering free, superfast and gasless transactions, through the integration of meta-transactions. The current iteration allows bridging of liquidity from Ethereum to Polygon’s Layer 2 implementation.

Dfyn has already demonstrated its utility and effectiveness since the Dfyn AMM node deployed currently on the Polygon network is home to over $3 million in liquidity and is processing over 10,000 transactions on a daily basis. At the current gas prices, a swap would cost users at least $40 on Uniswap. This translates to savings of over $400,000 per day for the community by using the Dfyn L2 AMM over any ETH AMM.
Router’s Cross-chain Liquidity Protocol (XCLP)

The testnet version of Router’s XCLP is live at testnet.routerprotocol.com. The testnet currently allows users to swap stablecoin assets between the testnets of Ethereum (Kovan), Matic/Polygon, BSC, and Huobi chains.

Dfyn’s Farming Projects

In association with 10 different Defi projects, Dfyn.network and Router Protocol have launched an instant and gasless farming ecosystem named Galaxy Farm. Since its launch in February, the project has witnessed prodigious success. In particular, the second iteration of Galaxy Farm, launched in early April, has recorded a substantial increase in the number of transactions on the network as well as the number of token holders taking part in the farm. As per the early estimates, the exciting multi-farming project hosted on Dfyn.network has allowed users to save over a $1 million in Ethereum transaction fees within a week of its launch. The immense love shown by the DeFi community for this project is a testament to the power of L2 solutions in the DeFi space, when applied diligently.
SEPTEMBER 2020

Development starts: Launched beta AMM exchange on Polygon network

JANUARY 2021

GalaxyFarm crossed $2M in TVL in a day; AMM enhancements; L2 farm yielding 5 tokens for every liquidity pair

MARCH 2021

Spacefarm one week farm sprint on L1 crossed $3M TVL; Meta-transactions integrated; Zero gas costs for users

JUNE 2021

Dfyn nodes on other chains – BSC, Polka, Avalanche; Dfyn token as collateral on platforms; TGE listing on UniSwap L1/ Dfyn L2

JULY 2021

Cross-chain credit markets tools to enable seamless cross collateralization and borrowing across chains

MAY 2021

Integration with Router; Single asset staking; Launch of cross-chain IDO platform (L2); ‘Intelligent’ Market Making
11 Our Team
Ramani Ramachandran
MIT, Deloitte, Moody’s, Schlumberger; In Crypto since 2014, built and ran Asia’s earliest crypto fund, returned 4x; Built Fordex - the world’s first stablecoin DEX; Qume, an institutional grade crypto exchange; Launched Asia’s first crypto-index token

Chandan Choudhury
Head of Strategy at Bitpolo, leading Indian crypto exchange; Veteran trader and advisor across asset classes spanning over 15 years. Energy trader at Futures first; Managed crypto fund, generating 4x returns; Head of Ops & Market Research at Tradelab

Shubham Singh
Full-stack Developer and Technical Architect building in crypto and blockchain since 2016; Built a crypto-index (108token) as well as Fordex - the world’s first stablecoin DEX

Priyeshu Garg
Engineer/Growth hacker/Product Manager; Technical Advisor @ Umbrella Network; Software Engineer @ Ola; Journalist @Cryptoslate & @8BTC

Mounica Durga
Full-stack Developer and Technical Architect building in crypto /blockchain since 2016; Built 108token (Asia’s first crypto index token) and Fordex, the world’s first stablecoin DEX with 0x grant; Worked on matching engine for crypto derivatives platform
For more details

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