

DwETH

Introduction

1.1 Purpose of DwETH

DIVER Wrapped ETH (DwETH) is a DRC20 token operating on the DIVER Chain, maintaining a 1:1 value ratio with Ethereum (ETH). This whitepaper provides a detailed explanation of DwETH's mechanism, advantages, security, and governance.

DwETH aims to transfer the value of ETH to DIVER Chain's high-performance infrastructure, enabling its use in decentralized applications (dApps), decentralized finance (DeFi) protocols, and smart contracts.

1.2 Why is DwETH Necessary?

While ETH is the native currency of the Ethereum network, it cannot be directly used on other blockchains. DwETH serves as a token that makes ETH usable on the DIVER Chain, bringing ETH the benefits of DIVER such as completely free transaction fees and fast processing times. It plays a crucial role in the expanding DeFi ecosystem.

1.3 Key Features of DwETH

- 1:1 ETH Backing: Each DwETH is backed 1:1 by ETH
- Rapid Transactions: Swift transactions enabled by DIVER Chain's high-performance processing capability
- Complete Elimination of Transaction Fees: No gas fees required for transactions on DIVER Chain
- Cross-chain Compatibility: Easy asset transfer between Ethereum and DIVER Chain
- Transparency: All transactions and balances are public and auditable

2. How DwETH Works

2.1 Overview of DwETH

DwETH is created by locking ETH in a smart contract on the Ethereum network. For the locked ETH, an equivalent amount of DwETH is issued as a DRC20 token on the DIVER Chain. This ensures that each DwETH is backed by ETH at a 1:1 ratio.

2.2 DwETH Issuance Process

- Step 1: Users send ETH to a designated smart contract address on the Ethereum network.
- Step 2: The smart contract locks the ETH, and this information is relayed to the DIVER Chain.
- Step 3: DwETH is issued on the DIVER Chain at a 1:1 ratio to the locked ETH.

2.3 DwETH Redemption Process

- Step 1: Users send DwETH to the DwETH contract address on DIVER Chain, after which the smart contract burns the DwETH.
- Step 2: The burn transaction is confirmed, and this information is sent to the Ethereum network.
- Step 3: The locked ETH is sent to the user's Ethereum address.

3. Overview of DIVER Chain

3.1 What is DIVER Chain?

DIVER Chain is a high-performance blockchain designed specifically for the modern decentralized economy. Its main features include:

- Complete elimination of transaction costs: No fees or gas costs for sending tokens or NFTs.
- Scalability: High transaction processing capacity and low latency. Capable of processing 240,000 transactions per second.
- Security: Ensuring security through advanced consensus algorithms and decentralized governance.
- Interoperability: Seamless integration with other blockchains and dApps.

3.2 Reasons to Use DwETH on DIVER Chain

DIVER Chain provides a robust infrastructure suitable for operating DeFi applications, making it an ideal platform for Wrapped ETH. Features such as completely free transaction fees and fast block generation times enhance the user experience. As a result, DwETH adoption is promoted across a wide range of fields.

4. Use Cases for DwETH on DIVER Chain

4.1 DeFi Applications

DwETH can be used in various DeFi protocols on DIVER Chain. For example:

- Lending and Borrowing: Use DwETH as collateral for loans or deposit it to earn interest.
- Liquidity Pools: Provide DwETH liquidity to decentralized exchanges (DEX) and earn trading fees.
- Yield Farming: Stake DwETH on various DeFi platforms to earn returns.

4.2 Cross-chain Transactions

Broader and freer. DwETH facilitates asset transfer between the Ethereum network and DIVER Chain. This allows users to utilize ETH more freely and across a wider range of economic activities.

4.3 Smart Contracts

DwETH is a DRC20 token that adheres to the DIVER standard. It also meets the requirements of the ERC20 standard. Therefore, DwETH can easily adapt to both DIVER and Ethereum environments. It's like a common currency for both the DIVER and Ethereum nations. This allows DwETH to be used in decentralized applications on both DIVER and Ethereum.

5. Security and Governance

5.1 Smart Contract Security

DwETH contracts are audited by leading security firms to meet the highest safety standards. These contracts are designed with multi-layered security to protect users' assets.

5.2 Transparent Governance

DwETH is governed by a decentralized community on the DIVER Chain. Important decisions regarding the protocol (such as upgrades or fee structures) are made through a transparent, decentralized voting process that reflects community opinions.

6. Advantages of DwETH on DIVER Chain

6.1 Improved Liquidity

DwETH brings the value of Ethereum to DIVER Chain while improving liquidity, speed, and convenience. This expands the total amount of assets available for financial activities such as trading and lending in DeFi. Above all, it allows users to use Ethereum more conveniently.

6.2 Complete Elimination of Transaction Costs

Transaction costs are completely free on DIVER Chain. This means zero fees or gas costs for transactions compared to the Ethereum network. Using DwETH is clearly more economical. It's like driving on a highway instead of a regular road to reach your destination faster. If the highway toll becomes zero, there's no reason not to use it.

6.3 Fast Transactions

With DIVER Chain's rapid block generation time, DwETH transactions have become extremely fast. This improves the user experience. The time is just 2 seconds.

7. Technical Architecture

7.1 Smart Contract Framework

DwETH is operated by a series of smart contracts that manage token issuance, redemption, and burning. These contracts are open-source and available for community review.

7.2 Cross-chain Interoperability

The DwETH protocol uses secure relays and oracles to manage cross-chain communication between Ethereum and DIVER Chain. It ensures that asset balances are accurately reflected on both networks.

7.3 Oracles and Data Feeds

Price feeds and other critical data are provided by trusted oracles. This ensures the reliability and security of DwETH.

8. Roadmap and Future Developments

8.1 Initial Deployment

The initial deployment of DwETH focuses on integration with major DeFi platforms on DIVER Chain. The goal is to bring Ethereum's value to other chains and let users experience how it has become easier to use. This is what we offer to users as a starting point.

8.2 Expansion of Use Cases

After the initial deployment, we will expand DwETH's use cases to more dApps. We are currently developing attractive content that will be announced successively. DwETH will be used by users in conjunction with this content. Cross-chain interoperability will also be strengthened, likely leading to an influx of users from other chains to DIVER Chain.

8.3 Collaboration with the Community

We will continue to collaborate with the DIVER Chain community, collect feedback, improve the protocol, and explore new opportunities and value for DwETH. We will continue our efforts to make DwETH better while reflecting the community's voice.

9. Conclusion

9.1 Towards a Decentralized Future

Wrapped ETH on DIVER Chain is more than just a token; it's a gateway to the future of decentralized finance. By transferring the value of ETH to a higher-performance blockchain, we unlock the potential that this currency inherently possesses.

9.2 Call for Community Participation

We invite developers, users, and stakeholders to participate in the DwETH economy on DIVER Chain. Together, let's create an open, transparent, and accessible decentralized financial system.