

# OMNIFI PROTOCOL

## Intent centric Bitcoin Defi protocol

March, 2024 | [www.omnifiprotocol.com](http://www.omnifiprotocol.com)

**Abstract:** This paper proposes the Omnifi Protocol, where we're revolutionizing the integration of Bitcoin's inherent value into decentralized financial applications.

The mission is clear yet ambitious: facilitating a secure environment for a Bitcoin Holders to invest in DeFi primitives. Bitcoin holds the potential to redefine our approach to and utilization of DeFi in our everyday transactions, it transcends being just a digital currency. There exist numerous untapped opportunities for Bitcoin, with only a small fraction currently circulating on smart contract platforms for DeFi via wrapped BTC. The vast majority remains idle on the blockchain, primarily utilized within centralized environments but largely untapped within decentralized applications. The real breakthrough lies in streamlining Bitcoin's transfer across chains directly, eliminating the need for Wrapped assets/synthetic alternatives and bridges. This advancement empowers BTC users by seamlessly integrating it into the EVM ecosystem, unlock the fresh horizons in DeFi with the robust reliability.

## Introduction

The creation of a perfect ledger system has been a major achievement in history, requiring more than 50 years of careful work to establish a ledger that is morally, technically, and economically valid. Bitcoin symbolizes this accomplishment, reflecting years of work aligning at the correct moment, in the correct sequence, and in the correct way. Satoshi's innovative breakthrough showed exceptional intelligence in piecing together this complex puzzle, utilizing existing knowledge and insights. Each element included in this ledger was considered necessary, while every excluded part was equally important.

Deeper understanding reveals Bitcoin truly promotes ownership, embodying profound, normative changes with wide-reaching implications. Bitcoin is not just an alternative within the existing system; it is a disruptive force, challenging and reshaping the very foundations of our economic and monetary infrastructure.

## Challenges

Bitcoin's limited scripting language severely restricts its capacity to communicate with smart contracts. As a result, Bitcoin's vast capitalization stays untapped. The computer language, Bitcoin Script, is a simple, stack-based Turing-incomplete language that makes reasoning about large-scale applications extremely difficult. Token creation, statefulness, and using data from other transactions or contracts are all exceedingly tough tasks. As a result, Bitcoin cannot be moved without wrapping, bridging, or third-party custody.

Due to coding incompatibility, smart contract blockchains cannot interact with native Bitcoin in the same manner that they can with their own native assets. As a result, software developers created a solution that allowed native BTC to be wrapped and operated similarly to a Bitcoin IOU. Wrapped assets introduced a wave of DeFi innovation, by quickly expanding to new blockchains, Wrapped Bitcoin (wBTC), for example, is backed 1:1 with native BTC and custodied by an independent third-party company. Custodians guarantee to keep Bitcoin safe, but this poses enormous counterparty risk, it introduced few problems such as, Liquidity fragmentation, Lock-in, Ownership and Upgradeability for their token contracts, including blackboxing, censorship, and regulatory risks. The 2022 crypto bear market was precipitated by failures at custodians (e.g., FTX) and lenders (Celsius, BlockFi), which collectively lost millions of dollars.

Blackbox risk occurs when an entity withholds critical information about its asset strategy, controls, and risk management. Censorship risk comes when customers give up their anonymity to satisfy Know-Your-Customer requirements. Custodians need depositors to undergo KYC before officially onboarding as clients. However, this means that Bitcoin, which is famed for its censorship resistance, loses one of its main advantages. Last but not least, regulatory risk arises when a state or supranational entity outlaws or restricts cryptocurrency assets and transactions. Custodians are required by law to abide by it or face legal or financial repercussions. In each situation, the BTC could be lost forever, leaving the user with useless synthetic BTC tokens.

Bridges are pieces of software that allow users to interface with different blockchain networks. Bridges allow a company or individual to transfer assets between blockchains. Bridges address many of the challenges associated with moving Bitcoin between blockchains, but they are not without risk. According to CertiK's 2023 report, there were 751 cybersecurity events that cost Web3 \$1.84 billion in 2023, including the year's greatest bridge attack. On June 2, 2023, the Hector network's new bridge protocol was hacked, resulting in the sixth greatest incident of 2023. November 2023 saw the theft of \$363 million, making it the most devastating month of 2023. This resulted in an estimated 70% of the funds stolen in 2023. Bridges are an extremely attractive target as they typically feature a central storage point for their funds.

## Solution

Omnifi built on top of Zetachain, which has built in interoperability, designed to make it effortless to move assets across different blockchains, like BTC and EVM networks.

Omnifi protocol is an Intent centric native Defi, provides an easy access to multiple native assets eliminating the necessity for wrapped/synthetic alternatives, delivering secure and optimized trading solutions, enabling users to access fragmented liquidity seamlessly. We're a first super liquid DeFi built on Omnichain smart contracts, which connects both evm and non evm chains directly, and moreover, the TSS-based infrastructure enables Omnifi to maintain a high level of security and decentralization.

We believe the real "flipping" in the crypto world is not about market cap comparisons but about seamlessly integrating Bitcoin into the Decentralized financial applications.

The Omnifi protocol is here to includes services such as Dex Aggregator, IDO launchpad, Staking, liquidity pools, Dex, Auction with Account abstraction.

**At Launch (V1):** We're doing our commercial launch with two major services. First up is our Dex Aggregator, which unifies all liquidity pools and gives a best price for the Users, with minimal slippage and less gas fees and supports them to exchange multiple native assets without wrapping and slippage. Then there's our IDO Launchpad, designed to help new projects that support Bitcoin adoption. These two are just the beginning, and they'll be ready for you to use in our very first version.

**Coming Soon (V2):** We've got even more in store for our second version. This is when we'll introduce Stake, Liquidity Pools, Dex, Auction & AA based Smart wallets in the V2 update.

Smart wallets with Account abstraction introduces paymaster functionalities and facilitates for the gasless transactions in the protocol.

By rolling out these services in stages, we're ensuring that each one meets our high standards for security, ease of use, and effectiveness. Stay tuned for V1's launch, and get ready for even more functionality with V2. We're on a mission to make DeFi more accessible and beneficial for everyone, starting with the power of Bitcoin.

## Technical Overview

The Omnifi Protocol is engineered to redefine the landscape of decentralized finance (DeFi) by harnessing the power of omnichain smart contracts. At its core, the protocol leverages cross-chain interoperability, enabling native cross-chain smart contracts that can interact seamlessly with an array of blockchains. This streamlines the process of asset management and transfer across different etc

## Technical Architecture

Interoperability	Omnichain
Governance	\$OMIS*
Dapps & Smart contract services	Swap, IDO, Liquidity Pool, Staking, Dex, Auction
Layer 2 Integrations	Bitcoin L2s & EVM chains
User Interfaces	Integrations

## Omnifi Protocol Roadmap (V1): Launch – Dex Aggregator and IDO Launchpad

The Omnifi Protocol strategically unfolds its offerings in phases, with V1 featuring two cornerstone services designed to reshape the DeFi landscape: a Dex Aggregator and an IDO launchpad. Each service is meticulously crafted to leverage the omnichain advantages of Zetachain, providing users with unprecedented security, efficiency, and interoperability.

### Dex Aggregator

The Dex Aggregator is a super liquid swap, it automates traders to trade like a PRO via single interface and the users can enjoy CEX like experience, with guaranteed finality and deep liquidity by unifying the Dex liquidity pools on Zetachain, Bitcoin EVM L2s and EVM chains.

### Advantages to Users

- **Cross-Chain Capability:** The use of omnichain smart contracts allows for direct, hassle-free swapping across various blockchains. It saves users time and they can enjoy the gasless experience with less transaction costs.
- **Comprehensive Asset Access and Security:** With the utilization of TSS based Infrastructure, the Bitcoin users can directly swap BTC <> ETH, without moving their Bitcoin from original chain, which increases more trust to the Bitcoin holders to trade and utilize in the decentralized financial applications.

### IDO Launchpad on Omnifi Protocol

The Omnifi IDO Launchpad platform is focused to revolutionize the fundraising landscape, providing a secure, efficient, and decentralized avenue for project launches. We highly facilitates to developers committed to Bitcoin adoption and Chain abstraction related applications, to represent a paradigm shift in how projects are funded and launched, emphasizing decentralization, fairness, and security.

- **Scalability and Security:** Leveraging the scalability and security of omnichain contracts, the IDO launchpad ensures that projects build on any EVM chain/ Non-EVM chains which supports Bitcoin adoption, can confidently raise funds, and launch their tokens.

- **Utilizing Bitcoin's Finality:** The launchpad platform takes advantage of Bitcoin's robust finality, offering developers and users a secure and efficient environment for token launches.

The V1 launch of the Omnifi Protocol, with its cross-chain Dex Aggregator and IDO Launchpad, sets a new standard in the DeFi space and with the leverage of this technology, the protocol offers an suite of services that promise to enhance interoperability, security and accessibility for users and developers.

## **Omnifi Protocol Roadmap (V2): Envisioning the Future with V2 Update**

Following the ambitious V1 launch, the Omnifi Protocol is gearing up for its V2 update, aiming to further expand its suite of decentralized finance (DeFi) services. V2 is poised to introduce a range of features, including **Staking, Liquidity Pools, a Decentralized Exchange (DEX), Auction and Smart wallet solutions with Account abstraction**. By continuing to harness omnichain contracts, Omnifi integrates with potential Bitcoin EVM L2s and EVM chains and simplifies the complexities encountered in cross-chain DeFi applications.

### **Expanding DeFi Services in V2**

- **Staking and Liquidity Pools:** V2 will enhance user engagement and investment opportunities by introducing staking capabilities and liquidity pools. These features are designed to incentivize users to contribute to the ecosystem's security and liquidity, offering rewards in return for their participation. The Staking and Liquidity pools invite the liquidity from both EVM and non EVM blockchains.
- **Decentralized Exchange (DEX):** The introduction of a DEX will facilitate seamless, one-step trades across different chains, unifying liquidity in a way that drastically reduces slippage, race conditions, and Miner Extractable Value (MEV) issues that plague current cross-chain transactions. By leveraging omnichain smart contracts, the DEX will enable financial applications to operate as smoothly as if they were on a single chain, despite spanning multiple blockchain networks.
- **Auction:** Omnifi focused to build a Credible Auction mechanism with omnichain contracts facilitates optimal cross chain functionality. We initially support 2 types of Auctions i.e Sequential Auctions (NFT/ Inscription editions) and Dutch auctions. Through our cross-chain infrastructure and contracts, participants can engage in auctions using native assets built on Bitcoin protocols, including BRC-20 tokens, Runes, and L2s. Our smart contract logic governs various aspects of the auction process, including bid placement, winner determination, and finalization with a focus on intuitive UI, security and reliability.
- **Smart Contract Wallets with Account Abstraction:** A significant innovation in V2 is, bringing Account Abstraction to the BTC wallets, which enables Gasless experience with less transaction costs for the Users. These wallets, embodying an approach akin to EIP-4337, but with omnichain capabilities, will support features like multi-step transactions involving multiple chains. This represents a leap towards simplifying user interaction with DeFi services, providing a level of convenience and flexibility, where user can pay the Gas fees in the OMIS tokens.

### **Technical and Innovational Highlights**

- **Solving Cross-Chain Complexities:** The V2 update aims to tackle the inherent difficulties of today's cross-chain applications by significantly reducing complexity. The utilization of omnichain smart contracts ensures that users can navigate the DeFi landscape with ease, without the common concerns of slippage or MEV.
- **Unified Logic Across Chains:** By leveraging chain abstraction, the Omnifi Protocol can build financial applications with uniform logic across multiple chains. This approach not only streamlines development but also enhances the overall robustness and accessibility of DeFi services.

- **Enhanced Security and Efficiency:** With the expansion of services in V2, Omnifi Protocol remains committed to providing a secure and efficient environment for DeFi operations.

With the V2 update, Omnifi becomes DeFi Hub for a Bitcoin Holders. From staking and liquidity pools to a decentralized exchange and Auction with smart wallet solutions, V2 is designed to address the challenges of cross-chain interoperability, making DeFi more accessible, secure, and user-friendly. The Omnifi Protocol is poised to lead the way in innovating DeFi for a truly interconnected blockchain world.

### Tokenomics (\$OMIS token)

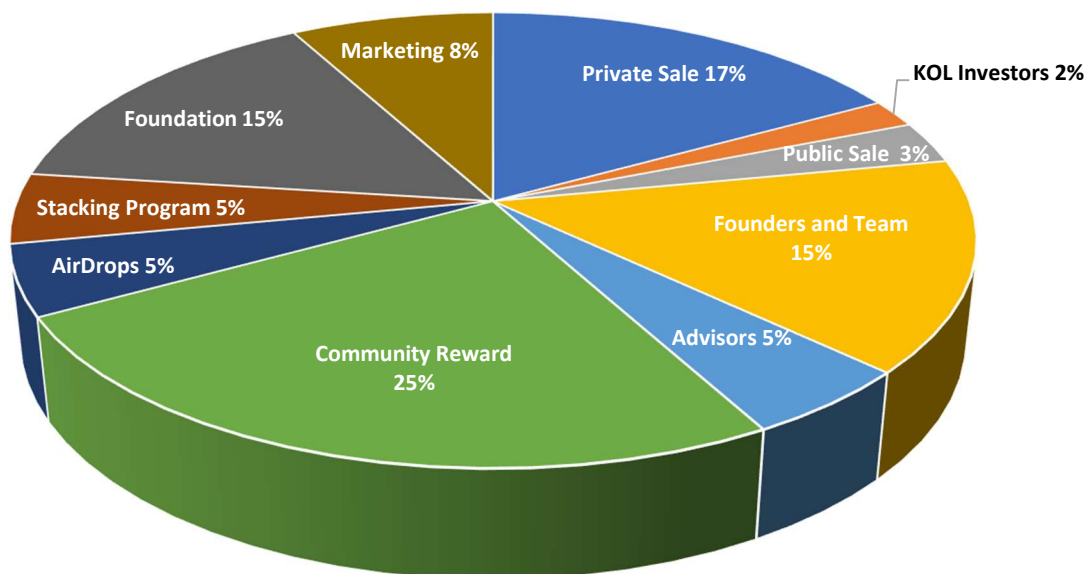
The Omnifi platform is powered by the \$OMIS token, an essential element that drives liquidity, participation, and the overall development of our ecosystem. This token isn't just another digital asset; it's the linchpin of our ambitious project to create a comprehensive DeFi ecosystem atop the robust foundation of Bitcoin. \$OMIS is designed to serve multiple purposes, from facilitating transactions within the Omnifi ecosystem to unlocking exclusive platform features, thereby offering tangible value to both investors and users.

#### Utility and Value Proposition

- **Ecosystem Transactions:** \$OMIS enables seamless transactions within the Omnifi ecosystem, acting as a versatile medium of exchange for goods and services.
- **Incentive Mechanism:** A substantial portion of \$OMIS is earmarked for community rewards, recognizing and incentivizing the early supporters and contributors to our ecosystem.
- **Exclusive Access:** Holding \$OMIS grants users' access to premium platform features, such as enhanced customer support and early bird access to new products, enriching the user experience.

#### Strategic Token Distribution & Allocation

Token Name	\$OMIS
Max Supply	2,100,000,000



## Token Distribution

Project Pilers	Allocation	Token Amount	Vesting and Release Schedule
Private Sale	17%	357,000,000	After 6 months from launch, 10% of the tokens will be unlocked, followed by linear unlock of the remaining tokens over next 12 months.
KOL Investors	2%	42,000,000	At launch, 15% of the tokens will be unlocked. After 2 months, an additional 10% of the initial token allocation will be unlocked, followed by linear unlock of the remaining tokens over next 6 months.
Public Sale	3%	63,000,000	At launch, 25% of the tokens will be unlocked, followed by linear unlock of the remaining tokens over next three months.
Founders and Team	15%	315,000,000	After 12 months from launch, 5% of the tokens will be unlocked, followed by linear unlock of the remaining tokens over next 36 months.
Advisors	5%	105,000,000	After 12 months from launch, 10% of the tokens will be unlocked, followed by linear unlock of the remaining tokens over next 24 months.
Community Reward	25%	525,000,000	After one month from launch, 5% of the tokens will be unlocked, followed by linear unlock of the remaining tokens over next 59 months.
Airdrops	5%	105,000,000	After one month from launch, 5% of the tokens will be unlocked, followed by linear unlock of the remaining tokens over next 59 months.
Vaults program	5%	105,000,000	After one month from launch, 5% of the tokens will be unlocked, followed by linear unlock of the remaining tokens over next 59 months.
Foundation	15%	315,000,000	At launch, 10% of the tokens will be unlocked, followed by linear unlock of the remaining tokens over next 60 months.
Marketing	8%	168,000,000	After one month from launch, 30% of the tokens will be unlocked, followed by linear unlock of the remaining tokens over next 59 months.
<b>Total</b>	<b>100%</b>	<b>2,100,000,000</b>	

## \$OMIS Token Utilities

- \$OMIS will remain the sole token for the entirety of the Omnifi ecosystem, including all its future iterations. This commitment ensures consistency and continuity as the platform continues to develop and expand.
- The Omnifi platform is dedicated to increasing the utility of the \$OMIS token by introducing innovative features that utilize \$OMIS in their operations, as well as through future versions that enhance the overall ecosystem.
- The utility of \$OMIS is expected to increase significantly, necessitating the implementation of Governance and Weighted Voting features to enhance the overall functionality of the platform. Further details regarding these updates and their respective features will be shared with the community in due course.

## Role of \$OMIS Token

As a core part of Omnifi ecosystem \$OMIS token will have a Governance structure in place. \$OMIS will carry crucial role in given functions.

1. Rewards to Liquidity providers
2. Engagement within Omnifi ecosystem
3. Wider ecosystem partnerships (e.g., discounts on third-party dApps)
4. Creation of new liquidity pools with DAO Voting structure (Governance)
5. Access to boosted IDO allocations

## \$OMIS Value Enhancers

- **Buyback Progress:** Revenue generated by the protocol will be used for periodic buybacks from the market. The purchased tokens can be burned or used for the benefit of protocol users or the community.
- **Governance:** DAO - Governance model will be established to ensure that all key decisions regarding Omnifi protocol are not centralized, and token holders have the power to participate in important protocol decisions using \$OMIS Tokens.
- **Single Side Staking:** Token holders can lock their assets to earn passive income. It would be helpful stack to avoid impermanent loss.
- **Gasless Trade:** Gas fees for swap transactions will be paid with \$OMIS Tokens itself, creating a significant use case for the token. Starting with discounted fees for \$OMIS holders.
- **Dynamic Swap Fee:** The fee charged by the protocol for swap transactions will be dynamic based on the proportion of the \$OMIS token stake.

## Revenue Streams

In the initial version **V1**, a modest **Fee on Swaps** contributes to the protocol's sustainability while maintaining competitive rates for users. **The IDO Launchpad Fees** will be charged based on success fees for projects, supporting Bitcoin adoption.

Looking ahead, the Omnifi protocol is committed to expanding its revenue model with **V2**, which includes more innovative services, ensuring the platform's long-term sustainability and success. The \$OMIS token is poised to play a central role in this journey, driving growth and offering significant value to its holders.

In summary, the \$OMIS token stands at the heart of the Omnifi ecosystem, embodying our vision for a decentralized financial future built on Bitcoin. With its multifaceted utility, strategic distribution, and a clear path to generating value for users and investors alike, \$OMIS is uniquely positioned to power the growth of the next-generation DeFi ecosystem.

## Conclusion

This paper outlines the blueprint for a decentralized financial system that leverages the Bitcoin & EVM ecosystem. Distinct from other blockchain platforms that compromise on security or decentralization to enhance scalability, our approach is rooted in the belief that a truly sustainable system must uphold decentralization and security at its core, while layering on innovative solutions to achieve scalability.

In conclusion, Omnifi stands at the crossroads of innovation, bridging the historically separate realms of Bitcoin and Ethereum through omnichain architecture. This platform is engineered to transcend the limitations traditionally faced by Bitcoin-centric protocols, which have struggled with the lack of Ethereum Virtual Machine (EVM) compatibility, thereby sidelining them from the flourishing DeFi landscape, enables EVM users to gain direct exposure to Bitcoin.

The platform's framework not only addresses the existing limitations of non-EVM compatible Bitcoin protocols but also sets a new standard for liquidity mobilization and cross-chain functionality, which simplifies the native asset transfers between Bitcoin and other blockchains, paving the way for a more interconnected and liquid DeFi landscape, offering unparalleled opportunities for users and investors alike. Consequently, users from Bitcoin and EVM ecosystem can effortlessly stake their assets, participate in decentralized exchanges (DEX) trading and Auctions, and invest in emerging projects, all within a unified ecosystem.

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