amuse

INTRODUCTION

Just as Bitcoin with the aid of blockchain technology made it possible for netizens to conduct commerce without the involvement of a third party, so has decentralised exchange (DEXs) protocols made it possible to trade and exchange crypto assets without any intermediary. The invention of DEXs has fueled the growth of decentralised finance (DeFi) which has seen an explosive growth of recent

As a consequence of the explosive growth witnessed by decentralised finance, gas fees expended by users on Uniswap, the largest DEX by market cap, keeps getting monstrous.

The ever rising cost of gas expended on transactions on Uniswap threatens the continuous growth of Ethereum network in the DeFi space. Although continuous research is ongoing with regards to driving down the bloated cost of gas, it's realisation is not around the corner.

The Problem

Considering the pathological ethereum gas fee problem, there have been many solutions to solve the problem and make it cheaper to run transactions on Uniswap protocol. One of such common solutions that have been proposed is gas credit aggregation which has seen different types of implementation. One of such implementations is the Amuse protocol.

Amuse protocol is a system of gas credit cashback built on Ethereum for trading on decentralised exchanges (DEXs) like Uniswap. The need for subsidised gas fees arose out of the dire situation of high gas fees traders and the general users of DEXs face when transacting or deploying smart contracts on Uniswap.

There are quite a number of gas credit cashback protocols deployed on Uniswap and which are already running, but many of them never lived up to their claims. Amuse is here to change the narrative and bring to life the desired implementation.

The Proposed Solutions

The solution we propose begins with a user having a stake by possessing Amuse protocol token. A person who possesses Amuse protoco; token is said to have a stake in the project and by default will be entitled to a cashback of 2% on his total holding every twenty-four hours throughout the period he holds the token. The reward pool is not limited to just those who hold the token or have a stake, but also those who are trading, and staking in the protocol's vault.

All of the possible activities on the protocol to earn and distribute rewards are going to happen on-chain as they have beeng written into the smart contract code as opposed to manual tinkering which is subjected to possible manipulation or inaccuracies.

For Trading

Whenever there is a buy action, the transaction data spent by the user will be pulledand the expended gas that is discovered will be refunded to the user.

Tax System

For every trading activity, whether buy or sell, a 10% transfer shall be deducted from the user that initiates the transaction. From the fee deducted, 50% of it will be transferred to the liquidity of the token, 25% of it will be sent as the referral bonus in the instance where it is a buy action, while the last 25% chunk will be

burnt. Also, in the instance where there was no referrer for the buyer, the 25% due to the assumed referrer will also be burnt. It is important to note that the referral system will be on-chain, which guarantees that the due token will be gotten as at when due.

Vault

For users who want to stake funds, there is a 5% fee for staking and un-staking fee. Whatever is staked will be automatically injected into the liquidity pool. The reward due to staking will be 1% of the staked amount in Eth for each day.

Scalability

We presume that there will be zero scalability issues considering the following mechanisms that have been put in place:

a. Reward distribution is done on chain, which removes a possible clog up where it is being done manually.

b. The reward pool will keep expanding relative to the size of rewards that needs to be distributed to the users.

c. An exponential growth in the user base will have no seismic effect on the system as all the operations are on chain.