BakerDAO Whitepaper V1.0

Abstract

BakerDAO is a upgrade MakerDAO protocol on Binance Smart Chain(BSC). It is a multi-collateral stablecoin generating system on BSC, which allow users to generate decentralized stablecoin BAI by leveraging collateral assets like BNB, BUSD, ETH, BTC and so on. Liquidators and other ecosystem participants ensure that 1 BAI stably equals to 1 USD. In addition, BakerDAO is non-custodial and completely decentralized, in which all processes are completed based on smart contracts on BSC. No one is entitled to use collateral assets or issue BAI and BKR arbitrarily.

BAI is a decentralized, unbiased, collateral-backed and stable currency issued by the BakerDAO system according to the borrow protocol, which is soft-pegged to the US dollar. With very low volatility, BAI can resist hyperinflation, ensure economic freedom and provide opportunities for anyone anywhere.

BKR is the decentralized governance token of BakerDAO, and its holders can use it to initiate proposals and vote to govern the major events or decide development directions for BakerDAO. For instance, the holders can modify such parameters as the stable fee rate and liquidation rate of collaterals, and they also have options for what type of new collaterals to support.

Besides, BakerDAO is a decentralized USDT as well as a safe and reliable decentralized lending protocol. Currently, the amount of stablecoin DAI of

MakerDAO on Ethereum has reached nearly 5 billion US dollars, which are all issued through collateral cryptocurrency, and the marketcap of the governance currency MKR has also reached nearly 5 billion US dollars. MakerDAO is the most complicated and largest decentralized application in the DeFi world so far. BakerDAO will certainly make another splendid achievement with its enormous market potential by relying on the high efficiency and low gas fee of the BSC chain and the innovative economic model.

Why Deployed on Binance Smart Chain(BSC)

As we all know, Ethereum faces the problem of low efficiency and gas fee too high, which limit the development of many DeFi projects, and the users with small amount of funds to participate in DeFi projects. Therefore, we chose to deploy BakerDAO on the emerging public chain: Binance Smart Chain (BSC). BSC has a very fast block generation speed (only 3 seconds) and a very small gas fee. On the other hand, BSC has only second ecosystems to Ethereum and has various ecosystem projects such as decentralized exchanges, decentralized lending and so on. Also the total amount of TVL has exceeded half of the Ethereum. For a public chain that has only been online for 10 months, the results are very good, there is reason to believe that BSC can keep pace with Ethereum in the future. Therefore, we chose to deploy BakerDAO in BSC. The system relies on BSC's good ecosystem environment to establish and operate BakerDAO's decentralized stablecoin BAI ecosystem.

In MCD We Trust

Blockchain technology provides an unprecedented opportunity to ease the public's growing frustration with—and distrust of—dysfunctional centralized financial systems. By distributing data across a network of computers, the technology allows any group of individuals to embrace transparency rather than central-entity control. The result is an unbiased, transparent, and highly efficient permissionless system—one that can improve current global financial and monetary structures and better serve the public good.

Bitcoin was created with this goal in mind. But, while Bitcoin succeeds as a cryptocurrency on a number of levels, it is not ideal as a medium of exchange because its fixed supply and speculative nature results in volatility, which prevents it from proliferating as mainstream money.

The Bai stablecoin, on the other hand, succeeds where Bitcoin fails precisely because Bai is designed to minimize price volatility. A decentralized, unbiased, collateral-backed cryptocurrency that is soft-pegged to the US Dollar, Bai's value is in its stability.

For example, in February 2019, JPMorgan became the first bank in the United States to create and test a digital coin that represents USD. As the cryptocurrency industry grows, other banks, financial services companies, and even governments will create stable digital currencies (e.g., Central Bank Digital Currencies), as will large organizations outside of the finance sector. Facebook, for example,

announced its plans for Libra, "a stable digital cryptocurrency that will be fully backed by a reserve of real assets," in June 2019. However, such proposals forfeit the core value proposition of blockchain technology: global adoption of a common infrastructure without a central authority or administrator that may abuse its influence.

The Baker Protocol

The Baker Protocol is a dapp on the Binance Smart Chain(BSC). Designed by a disparate group of contributors, including developers within the BakerDAO Foundation, its outside partners, and other persons and entities, it is the first decentralized finance (DeFi) application to see significant adoption.

The Baker Protocol is managed by people around the world who hold its governance token, BKR. Through a system of scientific governance involving Executive Voting and Governance Polling, BKR holders will govern the Protocol and the financial risks of Bai to ensure its stability, transparency, and efficiency. One BKR token locked in a voting contract equals one vote.

The Bai Stablecoin

The Bai stablecoin is a decentralized, unbiased, collateral-backed cryptocurrency soft-pegged to the US Dollar. Bai is held in cryptocurrency wallets or within platforms, and is supported on BSC for now.

Bai is easy to generate, access, and use. Users generate Bai by depositing

collateral assets into Baker Vaults within the Baker Protocol. This is how Bai is entered into circulation and how users gain access to liquidity. Others obtain Bai by buying it from brokers or exchanges, or simply by receiving it as a means of payment.

Once generated, bought, or received, Bai can be used in the same manner as any other cryptocurrency: it can be sent to others, used as payments for goods and services,.

Every Bai in circulation is directly backed by excess collateral, meaning that the value of the collateral is higher than the value of the Bai debt, and all Bai transactions are publicly viewable on the BSC.

What Properties of Bai Function Similarly to Money?

Generally, money has four functions:

1. A store of value

2. A medium of exchange

3. A unit of account

4. A standard of deferred payment

Bai has properties and use cases designed to serve these functions.

Bai as a Store of Value

A store of value is an asset that keeps its value without significant depreciation over time. Because Bai is a stablecoin, it is designed to function as a

store of value even in a volatile market.

Bai as a Medium of Exchange

A medium of exchange is anything that represents a standard of value and is used to facilitate the sale, purchase, or exchange (trade) of goods or services. The Bai stablecoin is used around the world for all types of transactional purposes.

Bai as a Unit of Account

A unit of account is a standardized measurement of value used to price goods and services (e.g., USD, EUR, YEN). Currently, Bai has a target price of 1USD (1 Bai = 1 USD). While Bai is not used as a standard measurement of value in the off-chain world, it functions as a unit of account within the Baker Protocol and some blockchain dapps, whereby Baker Protocol accounting or pricing of dapp services is in Bai rather than a fiat currency like USD.

Bai as a Standard of Deferred Payment

Bai is used to settle debts within the Baker Protocol (e.g., users use Bai to pay the stability fee and close their Vaults). This benefit separates Bai from other stablecoins.

Collateral Assets

Bai is generated, backed, and kept stable through collateral assets that are deposited into Baker Vaults on the Baker Protocol. A collateral asset is a digital

asset that BKR holders have voted to accept into the Protocol.

To generate Bai, the Baker Protocol accepts as collateral any BSC-based asset that has been approved by BKR holders. BKR holders must also approve specific, corresponding Risk Parameters for each accepted collateral (e.g., more stable assets might get more lenient Risk Parameters, while more risky assets could get stricter Risk Parameters). Detailed information on Risk Parameters is below. These and other decisions of BKR holders are made through the Baker decentralized governance process.

Baker Vaults

All accepted collateral assets can be leveraged to generate Bai in the Baker Protocol through smart contracts called Baker Vaults. Users can access the Baker Protocol and create Vaults through a number of different user interfaces (i.e., network access portals) by BakerDAO Borrow. Creating a Vault is not complicated, but generating Bai does create an obligation to repay the Bai, along with a Stability Fee, in order to withdraw the collateral leveraged and locked inside a Vault.

Vaults are inherently non-custodial: Users interact with Vaults and the Baker Protocol directly, and each user has complete and independent control over their deposited collateral as long the value of that collateral doesn't fall below the required minimum level (the Liquidation Ratio, discussed in detail below).

Interacting with a Baker Vault

- **Step 1: Create and Collateralize a Vault**

  A user creates a Vault via the BakerDAO Borrow portal, by funding it with a specific type and amount of collateral that will be used to generate Bai. Once funded, a Vault is considered collateralized.

- **Step 2: Generate Bai from the Collateralized Vault**

  The Vault owner initiates a transaction, and then confirms it in her unhosted cryptocurrency wallet in order to generate a specific amount of Bai in exchange for keeping her collateral locked in the Vault.

- **Step 3: Pay Down the Debt and the Stability Fee**

  To retrieve a portion or all of the collateral, a Vault owner must pay down or completely pay back the Bai she generated, plus the Stability Fee that continuously accrues on the Bai outstanding. The Stability Fee can only be paid in Bai.

- **Step 4: Withdraw Collateral**

  With the Bai returned and the Stability Fee paid, the Vault owner can withdraw all or some of her collateral back to her wallet. Once all Bai is completely returned and all collateral is retrieved, the Vault remains empty until the owner chooses to make another deposit.

  Importantly, each collateral asset deposited requires its own Vault. So, some users will own multiple Vaults with different types of collateral and levels of collateralization.

Liquidation of Risky Baker Vaults

To ensure there is always enough collateral in the Baker Protocol to cover the value of all outstanding debt (the amount of Bai outstanding valued at the Target Price), any Baker Vault deemed too risky (according to parameters established by Baker Governance) is liquidated through automated Baker Protocol auctions. The Protocol makes the determination after comparing the Liquidation Ratio to the current collateral-to-debt ratio of a Vault. Each Vault type has its own Liquidation Ratio, and each ratio is determined by BKR voters based on the risk profile of the particular collateral asset type.

Baker Protocol Auctions

The auction mechanisms of the Baker Protocol enable the system to liquidate Vaults even when price information for the collateral is unavailable. At the point of liquidation, the Baker Protocol takes the liquidated Vault collateral and subsequently sells it using an internal market-based auction mechanism. This is a Collateral Auction.

The Bai received from the Collateral Auction is used to cover the Vault's outstanding obligations, including payment of the Liquidation Penalty fee set by BKR voters for that specific Vault collateral type.

If enough Bai is bid in the Collateral Auction to fully cover the Vault obligations plus the Liquidation Penalty, that auction converts to a Reverse Collateral Auction in an attempt to sell as little collateral as possible. Any leftover

collateral is returned to the original Vault owner.

If the Collateral Auction does not raise enough Bai to cover the Vault's outstanding obligation, the deficit is converted into Protocol debt. Protocol debt is covered by the Bai in the Baker Buffer. If there is not enough Bai in the Buffer, the Protocol triggers a Debt Auction. During a Debt Auction, BKR is minted by the system (increasing the amount of BKR in circulation), and then sold to bidders for Bai.

Bai proceeds from the Collateral Auction go into the Baker Buffer, which serves as a buffer against an increase of BKR overall supply that could result from future uncovered Collateral Auctions and the accrual of the Bai Savings Rate (discussed in detail below).

If Bai proceeds from auctions and Stability Fee payments exceed the Baker Buffer limit (a number set by Baker Governance), they are sold through a Surplus Auction. During a Surplus Auction, bidders compete by bidding increasing amounts of BKR to receive a fixed amount of Bai. Once the Surplus Auction has ended, the Baker Protocol autonomously destroys the BKR collected, thereby reducing the total BKR supply.

Key External Actors

In addition to its smart contract infrastructure, the Baker Protocol involves groups of external actors to maintain operations: Keepers, Oracles, and Baker community members. Keepers take advantage of the economic incentives

presented by the Protocol; Oracles are external actors who provide prices of collaterals; and Baker community members are individuals and organizations that provide services.

Keepers

A Keeper is an independent (usually automated) actor that is incentivized by arbitrage opportunities to provide liquidity in various aspects of a decentralized system. In the Baker Protocol, Keepers are market participants that help Bai maintain its Target Price ($1): they sell Bai when the market price is above the Target Price, and buy Bai when the market price is below the Target Price. Keepers participate in Surplus Auctions, Debt Auctions, and Collateral Auctions when Baker Vaults are liquidated.

Price Oracles

The Baker Protocol requires real-time information about the market price of the collateral assets in Baker Vaults in order to know when to trigger Liquidations.

To protect the system from an attacker attempting to gain control of a majority of the Oracles, the Baker Protocol receives price inputs through the Oracle Security Module (OSM), not from the Oracles directly. The OSM, which is a layer of defense between the Oracles and the Protocol, delays a price for one hour, allowing Emergency Oracles or a Baker Governance vote to freeze the price if it is compromised.

DAO Teams

DAO teams consist of individuals and service providers, who may be contracted through Baker Governance to provide specific services to BakerDAO. Members of DAO teams are independent market actors and are not employed by the BakerDAO Foundation.

The flexibility of Baker Governance allows the Baker community to adapt the DAO team framework to suit the services needed by the ecosystem based on real-world performance and emerging challenges.

Examples of DAO team member roles are the Governance Facilitator, who supports the communication infrastructure and processes of governance, and Risk Team members, who support Baker Governance with financial risk research and draft proposals for onboarding new collateral and regulating existing collateral.

While the BakerDAO Foundation has bootstrapped Baker Governance to date, it is anticipated that the DAO will take full control, conduct BKR votes, and fill these varied DAO team roles in the near future.

Governance of the Baker Protocol

Use of the BKR Token in Baker Governance

The BKR token—the governance token of the Baker Protocol—allows those who hold it to vote on changes to the Baker Protocol. Note that anyone, not only BKR holders, can submit proposals for an BKR vote.

Any voter-approved modifications to the governance variables of the Protocol will likely not take effect immediately in the future; rather, they could be delayed by as much as 24 hours if voters choose to activate the Governance Security Module (GSM). The delay would give BKR holders the opportunity to protect the system, if necessary, against a malicious governance proposal (e.g., a proposal that alters collateral parameters contrary to established monetary policies or that allows for security mechanisms to be disabled) by triggering a Shutdown.

Polling and Executive Voting

In practice, the Baker Governance process includes proposal polling and Executive Voting. Proposal polling is conducted to establish a rough consensus of community sentiment before any Executive Votes are cast. This helps to ensure that governance decisions are considered thoughtfully and reached by consensus prior to the voting process itself. Executive Voting is held to approve (or not) changes to the state of the system. An example of an Executive Vote could be a vote to ratify Risk Parameters for a newly accepted collateral type.

At a technical level, smart contracts manage each type of vote. A Proposal Contract is a smart contract with one or more valid governance actions programmed into it. It can only be executed once. When executed, it immediately applies its changes to the internal governance variables of the Baker Protocol. After execution, the Proposal Contract cannot be reused.

Any BSC Address can deploy valid Proposal Contracts. BKR token holders can then cast approval votes for the proposal that they want to elect as the Active Proposal. The BSC address that has the highest number of approval votes is elected as the Active Proposal. The Active Proposal is empowered to gain administrative access to the internal governance variables of the Baker Protocol, and then modify them.

The BKR Token's Role in Recapitalization

In addition to its role in Baker Governance, the BKR token has a complementary role as the recapitalization resource of the Baker Protocol. If the system debt exceeds the surplus, the BKR token supply may increase through a Debt Auction (see above) to recapitalize the system. This risk inclines BKR holders to align and responsibly govern the Baker ecosystem to avoid excessive risk-taking.

BKR Holder Responsibilities

BKR holders can vote to do the following:

- Add a new collateral asset type with a unique set of Risk Parameters.
- Change the Risk Parameters of one or more existing collateral asset types, or add new Risk Parameters to one or more existing collateral asset types.
- Trigger Emergency Shutdown.
- Upgrade the system.

BKR holders can also allocate funds from the Baker Buffer to pay for various infrastructure needs and services, including collateral risk management research. The funds in the Baker Buffer are revenues from Stability Fees, Liquidation Fees, and other income streams.

The governance mechanism of the Baker Protocol is designed to be as flexible as possible, and upgradeable. Should the system mature under the guidance of the community, more advanced forms of Proposal Contracts could, in theory, be used, including Proposal Contracts that are bundled. For example, one proposal contract may contain both an adjustment of a Stability Fee and an adjustment of the DSR. Nonetheless, those revisions will remain for BKR holders to decide.

Risk Parameters Controlled by Baker Governance

Each Baker Vault type (e.g., BNB Vault and ETH Vault) has its own unique set of Risk Parameters that enforce usage. The parameters are determined based on the risk profile of the collateral, and are directly controlled by BKR holders through voting.

The Key Risk Parameters for Baker Vaults are:

- **Debt Ceiling:** A Debt Ceiling is the maximum amount of debt that can be created by a single collateral type. Baker Governance assigns every collateral type a Debt Ceiling, which is used to ensure sufficient diversification of the Baker Protocol collateral portfolio. Once a collateral type has reached its Debt Ceiling, it

becomes impossible to create more debt unless some existing users pay back all or a portion of their Vault debt.

- **Stability Fee:** The Stability Fee is an annual percentage yield calculated on top of how much Bai has been generated against a Vault's collateral. The fee is paid in Bai only, and then sent into the Baker Buffer.

- **Liquidation Ratio:** A low Liquidation Ratio means Baker Governance expects low price volatility of the collateral; a high Liquidation Ratio means high volatility is expected.

- **Liquidation Penalty:** The Liquidation Penalty is a fee added to a Vault's total outstanding generated Bai when a Liquidation occurs. The Liquidation Penalty is used to encourage Vault owners to keep appropriate collateral levels.

- **Collateral Auction Duration:** The maximum duration of Collateral auctions is specific to Baker Vaults. Debt and Surplus auction durations are global system parameters.

- **Auction Bid Duration:** Amount of time before an individual bid expires and closes the auction.

- **Auction Step Size:** This Risk Parameter exists to incentivize early bidders in auctions, and prevent abuse by bidding a tiny amount above an existing bid.

Risk and Mitigation Responsibilities of Governance

The successful operation of the Baker Protocol depends on Baker Governance taking necessary steps to mitigate risks. Some of those risks are

identified below, each followed by a mitigation plan.

A malicious attack on the smart contract infrastructure by a bad actor.

One of the greatest risks to the Baker Protocol is a malicious actor—a programmer, for example, who discovers a vulnerability in the deployed smart contracts, and then uses it to break the Protocol or steal from it.

In the worst-case scenario, all decentralized digital assets held as collateral in the Protocol are stolen, and recovery is impossible.

Mitigation: The BakerDAO Foundation's highest priority is the security of the Baker Protocol, and the strongest defense of the Protocol is contracted security audits by the best security organizations in the blockchain industry, third-party (independent) audits, and bug bounties are part of the Foundation's security roadmap. To review the various Baker Protocol audits, visit Baker's Multi-Collateral Bai Security Github repository.

These security measures provide a strong defense system; however, they are not infallible. Even with formal verification, the mathematical modeling of intended behaviors may be incorrect, or the assumptions behind the intended behavior itself may be incorrect.

A black swan event

A black swan event is a rare and critical surprise attack on a system. For the

Baker Protocol, examples of a black swan event include:

- An attack on the collateral types that back Bai.

- A large, unexpected price decrease of one or more collateral types.

- A malicious Baker Governance proposal.

Please note that this list of potential "black swans" is not exhaustive and not intended to capture the extent of such possibilities.

Mitigation: While no one solution is failsafe, the careful design of the Baker Protocol (the Liquidation Ratio, Debt Ceilings, the Governance Security Module, the Oracle Security Module, Emergency Shutdown, etc.) in conjunction with good governance (e.g., swift reaction in a crisis, thoughtful risk parameters, etc.) help to prevent or mitigate potentially severe consequences of an attack.

Unforeseen pricing errors and market irrationality

Oracle price feed problems or irrational market dynamics that cause variations in the price of Bai for an extended period of time can occur. If confidence in the system is lost, rate adjustments or even BKR dilution could reach extreme levels and still not bring enough liquidity and stability to the market.

Mitigation: Baker Governance will incentivize a sufficiently large capital pool to act as Keepers of the market in order to maximize rationality and market efficiency, and allow the Bai supply to grow at a steady pace without major market shocks. As a last resort, Emergency Shutdown can be triggered to release collateral to Bai holders, with their Bai claims valued at the Target Price.

User Abandonment for Less Complicated Solutions

The Baker Protocol is a complex decentralized system. As a result of its complexity, there is a risk that inexperienced cryptocurrency users will abandon the Protocol in favor of systems that may be easier to use and understand.

Mitigation: While Bai is easy to generate and use for most crypto enthusiasts and the Keepers that use it for margin trading, newcomers might find the Protocol difficult to understand and navigate. Although Bai is designed in such a way that users need not comprehend the underlying mechanics of the Baker Protocol in order to benefit from it, the documentation and numerous resources consistently provided by the Baker community and the BakerDAO Foundation help to ensure onboarding is as uncomplicated as possible.

Price Stability Mechanisms

The Bai Target Price

The Bai Target Price is used to determine the value of collateral assets Bai holders receive in the case of an Emergency Shutdown. The Target Price for Bai is 1 USD, translating to a 1:1 USD soft peg.

Emergency Shutdown

Emergency Shutdown (or, simply, Shutdown) serves two main purposes. First, it is used during emergencies as a last-resort mechanism to protect the Baker

Protocol against attacks on its infrastructure and directly enforce the Bai Target Price. Emergencies could include malicious governance actions, hacking, security breaches, and long-term market irrationality. Second, Shutdown is used to facilitate a Baker Protocol system upgrade. The Shutdown process can only be controlled by Baker Governance.

BKR voters are also able to instantly trigger an Emergency Shutdown by depositing BKR into the Emergency Shutdown Module (ESM), if enough BKR voters believe it is necessary. This prevents the Governance Security Module (if active) from delaying Shutdown proposals before they are executed. With Emergency Shutdown, the moment a quorum is reached, the Shutdown takes effect with no delay.

There are three phases of Emergency Shutdown:

1. **The Baker Protocol shuts down, vault owners withdraw assets.**

    When initiated, Shutdown prevents further Vault creation and manipulation of existing Vaults, and freezes the Price Feeds. The frozen feeds ensure that all users are able to withdraw the net value of assets to which they are entitled. Effectively, it allows Baker Vault owners to immediately withdraw the collateral in their Vault that is not actively backing debt.

2. **Post-Emergency Shutdown auction processing**

    After Shutdown is triggered, Collateral Auctions begin and must be completed within a specific amount of time. That time period is determined by Baker Governance to be slightly longer than the duration of the longest

Collateral Auction. This guarantees that no auctions are outstanding at the end of the auction processing period.

3. **Bai holders claim their remaining collateral**

   At the end of the auction processing period, Bai holders use their Bai to claim collateral directly at a fixed rate that corresponds to the calculated value of their assets based on the Bai Target Price. For example, if the ETH/USD Price Ratio is 200, and a user holds 1000 Bai at the Target Price of 1 USD when Emergency Shutdown is activated, The user will be able to claim exactly 5 ETH from the Baker Protocol after the auction processing period. There is no time limit for when a final claim can be made. Bai holders will get a proportional claim to each collateral type that exists in the collateral portfolio. Note that Bai holders could be at risk of a haircut, whereby they do not receive the full value of their Bai holdings at the Target Price of 1 USD per Bai. This is due to risks related to declines in collateral value and to Vault owners having the right to retrieve their excess collateral before Bai holders may claim the remaining collateral. For more detailed information on Emergency Shutdown, including the claim priorities that would occur as a result, see the published community documentation.

Economic Model

1 million BakerDAO governance token BKR will be issued, 75% of which will be issued in a fair manner, namely, yield farming. Stimulated by yield farming,

more users can obtain BKR, so as to participate in the governance of BakerDAO.

The distribution method is as follows:

Distribution	Percentage	Description
Team	12.5%	Release with yield farming.
Ecosystem	10%	Purchase BAI and yield farming support for ecosystem's cryptocurrency.
Private Sale	2.5%	Unlocking within 6 months.
Yield Farming	75%	Fair releasing, 10% used for early project governance for 6 months.
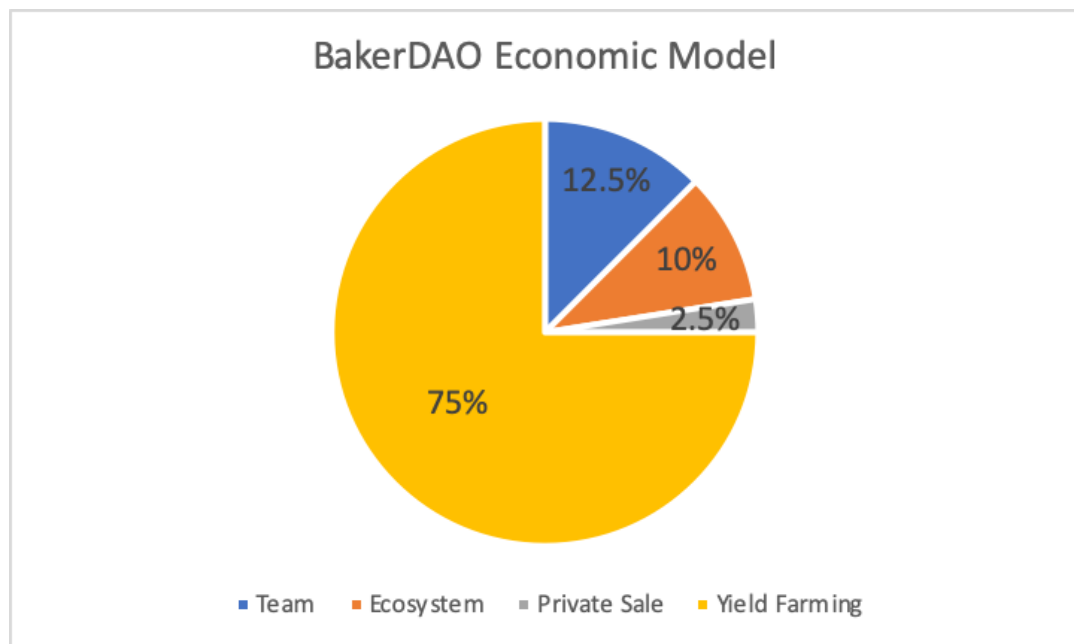
Ecosystem Plan

It is well-known that the BAI ecosystem is a key marker for the BakerDAO development, so BakerDAO reserves 10% of BKR to support ecosystem projects. These projects will not be supported directly by BKR to prevent the fluctuation of BKR price. Instead, they will be supported in the following two ways:

- BAI is repurchased using BKR to support the ecosystem projects;

- BKR mining is conducted to support the ecosystem projects' cryptocurrency.

In turn, the ecosystem projects need to airdrop a certain percentage of tokens to BKR holders to give feedback for this support.

The ecosystem projects planned by BakerDAO include stablecoin trading protocols, lending protocols and decentralized exchanges. The ecosystem will continue to grow as BakerDAO progresses. The ecosystem projects can be existing projects or new ones.

Roadmap

To better develop the Baker protocol, we will develop the BAI ecosystem, initiate governance, provide more collaterals and increase capital utilization in addition to optimizing the user's experience on BakerDAO. The development roadmap is shown below:

- The stablecoin BAI generation protocol will be launched on June 16, 2021

- BKR yield farming will be launched on June 18, 2021

- The ecosystem project, Stablecoin Exchange Protocol, will be supported on July 18, 2021.

- BakerDAO will start governance by BKR on July 28, 2021

- The ecosystem project, Decentralized Lending Protocol, will be supported on August 18, 2021

- BakerDAO liquidation system will be upgraded on September 1, 2021

- The ecosystem project, Decentralized Exchange Protocol, will be supported on October 18, 2021

- NFT assets will be supported to generate BAI on January 1, 2022

- The utilization of collaterals will be increased using the re-collateral model on April 1, 2022

- Physical assets will be supported to generate BAI on July 1, 2022

- BAI interest system will be adopted to improve the utilization of BakerDAO system revenue on October 1, 2022

Conclusion

The Baker Protocol allows users to generate Bai, a stable store of value that lives entirely on the blockchain. Bai is a decentralized stablecoin that is not issued or administered by any centralized actor or trusted intermediary or counterparty. It is unbiased and borderless —available to anyone, anywhere.

All Bai is backed by a surplus of collateral that has been individually escrowed into audited and publicly viewable BSC smart contracts. Anyone with an internet connection can monitor the health of the system anytime at daistats.com.

With hundreds of partnerships and one of the strongest developer communities in the cryptocurrency space, BakerDAO will become the engine of the decentralized finance (DeFi) movement like MakerDAO. Baker is unlocking the power of the blockchain to deliver on the promise of economic empowerment today.

For more information, visit the BakerDAO website: https://www.bakerfi.com/。