Introduction:

The Mode core team proposes the deployment of wstETH (Wrapped staked ETH) to Mode, with the ultimate goal of acceptance of ownership of the wstETH bridging components by the Lido DAO.

1. Mode's Rapid Growth and Ecosystem:

Mode is positioned to be the DeFi hub of the Superchain and has received support from Optimism in the form of an OP grant worth 2 million OP. Mode launched just 12 weeks ago and has already grown to 430m in overall TVL and an impressive 340m in dApp TVL in a short timeline since mainnet release. We see these numbers continue to grow as we bring in new assets like wstETH and useful DeFi products to the ecosystem.

wstETH has already been deployed to Optimism and Base, two of the biggest L2s that are also in the Superchain. The Mode core team feels it is strategically beneficial for the Lido DAO to also consider Mode as the next ecosystem to deploy their asset.

Reference: DeFiLlama Ranking | L2Beat Ranking

2. High Demand for wstETH:

Lido is a very important and trusted asset within the overall crypto ecosystem. It is thetop reward bearing asset by marketcap and its deployment on Mode would unlock new opportunities for our users and the dApps that are deployed within Mode.

All of the top dApps inside of the Mode ecosystem would love to integrate wstETH from the moment the asset is live on the chain. Our user base would enjoy having access to the reward bearing asset within the Mode ecosystem so they can increase their efficiency for their onchain strategies.

Mode also has an accelerator program is centred around products that optimize rewards for onchain users. We would love to include wstETH as an asset developers can build off of if the Lido DAO decides to accept ownership of the bridging components outlined in this proposal.

3. Canonical Bridge for wstETH:

Like OP and Base the best approach for deploying wstETH on Mode is through the canonical bridge.

The Mode core team sees the importance of Lido to our long term success and took action to deploy wstETH to Mode testnet using the same open-source solution used for Optimism deployment (GitHub - lidofinance/lido-l2 14). The management of wstETH bridging components are designed to be controlled by the Lido DAO (GitHub - lidofinance/governance-crosschain-bridges: This repo contains the crosschain governance bridges used for the Aave markets deployed across different networks). All of the pieces are in place for wstETH to come to Mode and we would propose Lido DAO formally accept ownership of the wstETH bridging components mentioned through signalling a snapshot vote.

Conclusion

If Lido chooses to accept the deployment of wstETH within the Mode blockchain and take over ownership of the bridging components associated with its deployment this would be a positive and significant step towards diversifying the reward bearing assets within Mode's ecosystem and open up a new userbase for Lido. Mode users would love to use wstETH for their strategies on dApps within Mode and the recent growth of staking assets in the ecosystem highlights that assets like wstETH will have a bright future within Mode.

Audits

- [Governance crosschain bridges (OptimismBridgeExecutor:] (audits/L2/Governance-Crosschain-Bridges-2022-08-Oxorio-Audit Report.pdf at main · lidofinance/audits · GitHub)
- wstETH token bridge (L1ERC20TokenBridge, ERC20Bridged, L2ERC20TokenBridge):

Deployment artifacts and levers setup

Deployments on Mainnet (L1) and Mode (L2):

- OptimismBridgeExecutor on L2: 0x442a6Bea15718588391C5d1dE261AB2c617eA703 (Sepolia to Mode decisions forwarder for the Lido DAO Agent)
- L1ERC20TokenBridge on L1: 0x458C50a11bcc7979e5F0581a16cf4A72844E5692 (Sepolia token bridge part for

wstETH)

- ERC20Bridged on L2: 0xa88689c66391CDBCE7C87E50399dA6818d985Fa7

Mode representation for wstETH proposed as the canonical one)

- L2ERC20TokenBridge on L2: 0xE112a3c47C17581868cDdc1550FBb27fDec3353a

(Mode token bridge part for wstETH)

Levers setup:

- OptimismBridgeExecutor
- getEthereumBridgeExecutor 4 is the Lido DAO Agent (admin)
- getEthereumBridgeExecutor 4 is the Lido DAO Agent (admin)
- Ultimate admin and role holder on L1 is the Lido DAO Agent
- Proxy admin for L1ERC20TokenBridge
- DEFAULT_ADMIN_ROLE for L1ERC20TokenBridge
- WITHDRAWALS_DISABLER_ROLE for L1ERC20TokenBridge
- WITHDRAWALS_ENABLER_ROLE for L1ERC20TokenBridge
- DEPOSITS_DISABLER_ROLE for L1ERC20TokenBridge
- DEPOSITS_ENABLER_ROLE for L1ERC20TokenBridge
- Proxy admin for L1ERC20TokenBridge
- DEFAULT_ADMIN_ROLE for L1ERC20TokenBridge
- WITHDRAWALS_DISABLER_ROLE for L1ERC20TokenBridge
- WITHDRAWALS_ENABLER_ROLE for L1ERC20TokenBridge
- DEPOSITS_DISABLER_ROLE for L1ERC20TokenBridge
- DEPOSITS_ENABLER_ROLE for L1ERC20TokenBridge
- Ultimate admin and role holder on L2 is the OptimismBridgeExecutor
- Proxies admin for ERC20Bridged, L2ERC20TokenBridge
- DEFAULT_ADMIN_ROLE for L2ERC20TokenBridge
- WITHDRAWALS_DISABLER_ROLE for L2ERC20TokenBridge
- WITHDRAWALS_ENABLER_ROLE for L2ERC20TokenBridge
- DEPOSITS_DISABLER_ROLE for L2ERC20TokenBridge
- DEPOSITS_ENABLER_ROLE for L2ERC20TokenBridge
- Proxies admin for ERC20Bridged, L2ERC20TokenBridge
- DEFAULT_ADMIN_ROLE for L2ERC20TokenBridge
- WITHDRAWALS_DISABLER_ROLE for L2ERC20TokenBridge
- WITHDRAWALS_ENABLER_ROLE for L2ERC20TokenBridge
- DEPOSITS_DISABLER_ROLE for L2ERC20TokenBridge
- DEPOSITS_ENABLER_ROLE for L2ERC20TokenBridge
- Emergency breaks msig on L1 is the already established one ( ):
- WITHDRAWALS_DISABLER_ROLE for L1ERC20TokenBridge

- DEPOSITS_DISABLER_ROLE for L1ERC20TokenBridge
- WITHDRAWALS_DISABLER_ROLE for L1ERC20TokenBridge
- DEPOSITS_DISABLER_ROLE for L1ERC20TokenBridge
- Emergency breaks msig on L2 is a newly created one ( ) with the same EOA members as for L1:
- WITHDRAWALS_DISABLER_ROLE for L2ERC20TokenBridge
- DEPOSITS_DISABLER_ROLE for L2ERC20TokenBridge
- WITHDRAWALS_DISABLER_ROLE for L2ERC20TokenBridge
- DEPOSITS_DISABLER_ROLE for L2ERC20TokenBridge