

Greetings, dYdX Community!

We are excited to present Quicksilver, a trailblazing liquid staking protocol within the Cosmos ecosystem, now onboarding the dYdX platform. Quicksilver is poised to revolutionize your liquid staking experience with our innovative features:

Signaling Intent

and Cross Chain Claims

, coupled with our recent upgrade to a sleek, user-friendly interface. These advancements are designed to enrich your journey in liquid staking, offering unparalleled control and flexibility. Join us as we explore the remarkable capabilities that Quicksilver brings to the dYdX ecosystem.

What is Signaling Intent?

Signaling Intent is Quicksilver's exclusive feature, revolutionizing liquid staking by empowering users with unprecedented control and choice. It allows you, as a delegator, to choose any validator across Cosmos, breaking free from the constraints of fixed validator sets and enhancing user sovereignty in liquid staking.

How Does Signaling Intent Work?

Upon delegating your qDYDX to Quicksilver, a 'signal' is formed, representing your staking preferences. This signal can be updated anytime, reflecting your latest staking strategy. Quicksilver values your most recent intent, ensuring maximum flexibility. Imagine Alice and Bob, each staking 150 DYDX for 150 qDYDX. Initially, they split their stake evenly across three validators. However, Bob decides to change his strategy, opting for a 75/0/75 split between validators. In the next epoch, their stakes adjust according to these new preferences, showcasing the flexibility of Signaling Intent.

Why is Signaling Intent beneficial to dYdX and you?

Embracing Decentralization in Liquid Staking

: Traditionally, it's common to see stake evenly distributed among a whitelisted validator set of a Liquid staking protocol. As the adoption of liquid staking grows, this practice could inadvertently lead to a concentration of staked DYDX tokens among a limited number of validators. Such a scenario poses a risk of misalignment with the foundational principles of dYdX. However, having a restricted validator set is a relic of the past. Quicksilver is changing this narrative.

Quicksilver opens the doors to all validators within the Cosmos ecosystem. This inclusive stance empowers users with the freedom to tailor their validator preferences at their discretion. The result? A more equitable and diverse distribution of stake, ensuring that it is not monopolized by a select few but rather shared broadly across many validators.

At its core, Quicksilver embodies the original ethos of Bitcoin: Decentralization

. We believe that true decentralization is not just a feature but a fundamental principle that should guide the development and evolution of blockchain tech. By enabling a more democratic and distributed staking process, Quicksilver stands at the forefront of promoting decentralization in the liquid staking landscape, aligning seamlessly with the vision and values of dYdX.

Reinventing Governance with Liquid Staking

: Consider a scenario where the majority of staked dYdX tokens are held off-chain within a liquid staking protocol. If this protocol limits its validators to a small, whitelisted group, it creates a potential governance bottleneck. In such a situation, these few validators, potentially misaligned with the broader dYdX user base, could wield disproportionate influence over decision-making on the dYdX chain. This concentration of power could lead to decisions that serve the interests of a few rather than the many, undermining the democratic ethos of decentralized governance.

Quicksilver offers a paradigm shift in addressing governance challenges in the liquid staking domain. Our Signaling Intent feature moves beyond the traditional model of a fixed validator set, democratizing the staking process by embracing the entire range of validators within the Cosmos ecosystem. This inclusive approach ensures that staking power is not concentrated in a few hands, but rather distributed more evenly and broadly across validators. More crucially, Signaling Intent empowers users to direct their stake towards validators they trust and feel best represent their interests on the dYdX chain. This crucial freedom in validator selection allows users to continue supporting their preferred dYdX validators, ensuring that the governance power inherent in staked tokens truly reflects the diverse intentions and voices within the dYdX community. Through this, Quicksilver not only facilitates liquid staking but also contributes to a more representative and equitable governance model within the dYdX ecosystem.

Championing User Sovereignty:

Your stake. Your choice.

Embracing the essence of user sovereignty, we ensure that you have complete freedom in managing your liquid staked dYdX tokens. Our platform empowers you to select validators that align with your values and preferences, reflecting a true decentralized spirit. But it doesn't stop there. Your liberty extends to trading as well – you have the autonomy to trade with

any party, at any time, maintaining full control over your assets. Quicksilver's cross chain claims module diligently tracks and adapts to changing validator preferences every epoch. More on that below.

### Cross Chain Claims (XCC): The Backbone of Enhanced Asset Tracking

Traditionally, within a single Cosmos SDK chain, identifying user-held assets like qDYDX is straightforward. However, the real challenge emerges when qDYDX is transferred across chains via IBC, potentially altering ownership and usage. Addressing this, Quicksilver's Cross Chain Claims (XCC) is ingeniously crafted to maintain consistent visibility and validate the ownership of qDYDX as it navigates through the Cosmos ecosystem. This capability of XCC plays a crucial role in bolstering Signaling Intent, our pioneering feature that revolutionizes validator selection. By employing XCC, Signaling Intent acquires a refined and precise mechanism to weigh users' staking preferences based on their qDYDX holdings. For example, holding a substantial amount of qDYDX not only registers your validator preferences but also proportionally influences the validator delegation process. This harmonious integration of XCC with Signaling Intent ensures that your choices in staking qDYDX are effectively recognized and impactful. Furthermore, XCC paves the way for innovative functionalities like Participation Rewards, incentivizing the active usage of qAssets, and Governance by Proxy, where your qDYDX stake crucially affects your voting power in host chain governance decisions.

### In Conclusion: Quicksilver's Journey with dYdX

As the Quicksilver team, we are thrilled to be part of dYdX's entry into the Cosmos ecosystem. We're starting a journey with the dYdX community, one that heralds a new era of enhanced liquid staking experiences, enriched user sovereignty, and a stronger, more decentralized blockchain ecosystem. Our immediate next step is to establish an ICA connection following the chain upgrade, setting the stage for users to seamlessly engage with and benefit from qDYDX. Additionally, our users can look forward to experiencing our newly upgraded U.I, designed to streamline interactions and elevate the overall user experience. We eagerly anticipate seeing you all engage in liquid staking soon.