

Maker DAO-Wanchain Integration Plan

Executive Summary

Wanchain is the world's leading solution for cross-chain interoperability. With our recent launch of Ethereum interoperability, we are now working with Ethereum-based companies to integrate with our platform. This initial integration is the necessary step before our integration with Bitcoin in late 2018, which will allow users, platforms, and dApps on Ethereum to unlock capabilities of the entire Bitcoin network. With this integration with Bitcoin, we believe there is a huge opportunity for Maker DAO to implement a multi collateral DAI based on multiple protocol assets. We also believe there is a real opportunity for decentralized exchanges to drive up liquidity using BTC-ETH and BTC-ERC20 trading pairs which would include the DAI token. The potential is huge, and we are quite excited about the potential to work with Maker to start building this integration. We have outlined details for you in the document below.



Wanchain Overview

Wanchain is a fork of Ethereum that adds cross-chain and privacy features.

What does this imply? Wanchain being a fork of Ethereum means that we use the same programming language as the latter, meaning **Solidity**.

Wanchain provides an industry-leading value proposition for interoperability

Wanchain being a fork of Ethereum is as reliable both for security and network integrity. Wanchain also offers all the smart contract features Ethereum has. What we add to this are 2 key features for financial applications.

1. Interoperability with Ethereum, then Bitcoin

Wanchain 2.0 allows for cross-chain transactions between Wanchain and Ethereum and is already live and working on our mainnet. This milestone showcases our unique approach to cross-chain that leverages Secure multi-party computing and Threshold key sharing mechanisms to lock assets on native chains and issue IOUs (smart contracts tokens) on the WAN blockchain.



With Wanchain 3.0, due in Q4 2018, BTC will be transferable on the WAN blockchain as WBTC, and other ERC20s will follow. **This will allow users to use BTC on any Ethereum-based dApp that leverages Wanchain.**



Once BTC and ETH have been integrated, we plan to add many more digital assets using our unique approach to interoperability. Eventually, Wanchain will tokenize every top digital asset and users will be able to trade, lend, collateralize these assets using the same smart contract system currently available on Ethereum.

2. Privacy protection.

Using Monero-style Ring signatures, Wanchain is the first platform to allow for private smart contracts to be used. People can send anonymous transactions and retain the anonymity that is so key to mainstream investors. Wanchain privacy protection mechanisms are already deployed on the mainnet and [developer documentation to invoke privacy transfers is up on our website](#)

How Can Maker Leverage Wanchain

There are two primary means for Maker to leverage our platform:

1. Cross-Chain DAI

Prerequisite: The cross – chain DAI entails no prerequisite.

With the implementation of BTC with Wanchain before the end of the year, we plan to host an array of DEXs (e.g. Kyber Network) on our platform. We hope DAI coin can be used as the first stable coin in the space to be traded in a completely decentralized manner with BTC.

We believe this is a real opportunity for decentralized exchanges to drive up liquidity and to disturb the current monopoly centralized exchanges hold on the crypto space.

2. Multi-Collateral DAI on Wanchain

Prerequisite: The multi – collateral DAI will require the duplication of the full Maker contract framework on Wanchain as well as cross-chain support for the MKR token.

The Maker system works by depositing collaterals and receiving DAI stable coins in function of the collateral that was deposited.

The more diverse digital assets are used as collaterals to back the DAI coin, the less prone it will be to black swan and liquidation events.

With Wanchain 3.0 and the BTC integration of the Maker-Wanchain platform will be able to use tokenized Bitcoins in order to collateralized debt positions (CDPs) to generate DAI.

We expect that Bitcoin will bring much more traction to the platform, which will become the first space to use BTC collaterals in order to back a stable coin. This will

- Increase the user base and speed up community growth of Maker,
- Increase the minting of DAI,
- Lower the risk ratio by backing the DAI value with the biggest marketcap coin in cryptocurrency,
- Improved prestige and community recognition, first stable coin to receive BTC backing.

BTC is just a beginning for Wanchain. Going forward once we start adding more assets from different chains, Maker will be able to use a much wider array of collaterals, making their stable coin much safer and available to a much wider audience as it will be backed by a larger, more diversified array of collaterals.

3. Privacy

Maker can leverage Wanchain privacy features for the DAI and MKR WRC-20 tokens (WRC-20 is the ERC-20 equivalent technical standard on Wanchain) allowing anonymous transactions to be performed.

Proposed Integration Process

Leverage Wanchain's Cross-Chain Features

a. Cross-Chain DAI

The Wanchain team will work on the implementation of the cross-chain DAI (WDAI) on our platform and make sure it is available to be traded on DEXs for the release of 3.0. This implementation should not require any additional work from the Maker technical team.



b. Multi-Collateral DAI on Wanchain

Integrate with Wanchain using the cross-chain mechanism ERC-20 to WRC-20. Maker would keep the current platform and collaterals on Ethereum at first.

On top of this, they would deploy a new pilot project on Wanchain. This new set of smart contracts would leverage our cross-chain and privacy protection features. It would allow DAI (e. on Wanchain to be backed by WBTC, WETH, ERC20s and Wancoin once Wanchain 3.0 is released.

The DAI minted on Wanchain would need to be differentiated from the Eth pegged DAI. It would be backed by a bigger array of collaterals.



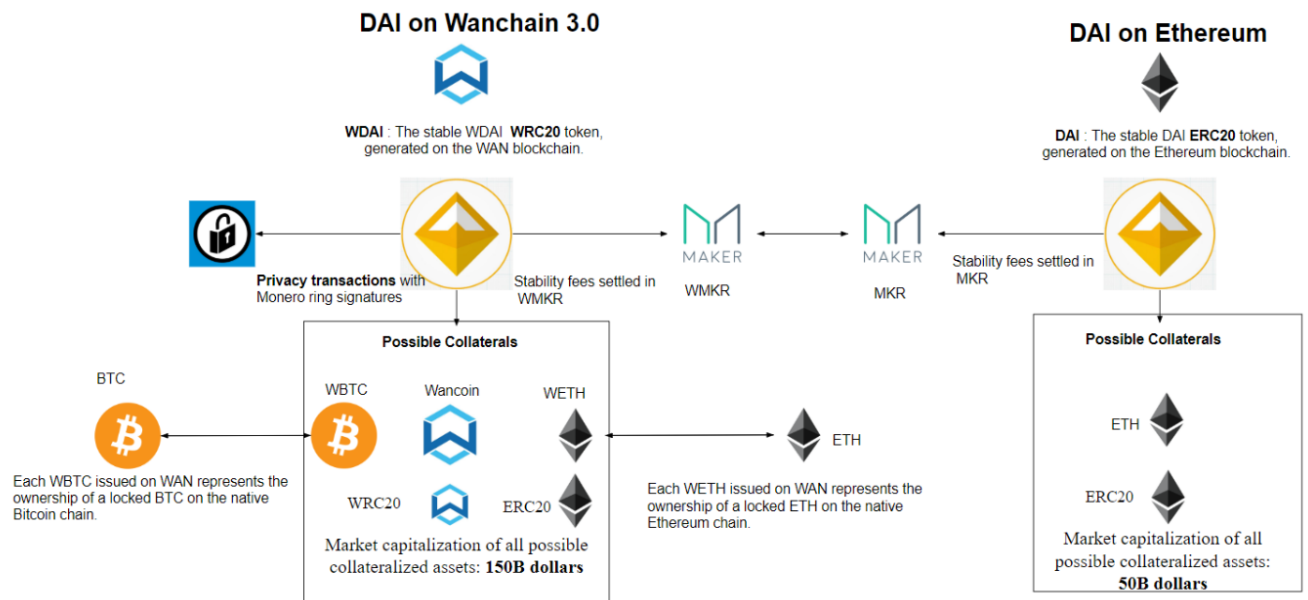
Maker tokens could be transferred from Ethereum to Wanchain, we would use our cross-chain mechanism to lock the existing ERC20s on the ETH chain and issue WRC20 WMKR on Wanchain. This would not change the current token economics of the Maker platform. No new tokens will be minted, and no inflation will happen.

The current users will have the choice to use the Maker-Wanchain pilot project to generate Wanchain-DAI that can be backed by **BTC + ETH + ERC20s + Wancoins** and any other assets we integrate in the future, or if they chose to do so they would still be able to use the current Maker platform on Ethereum.

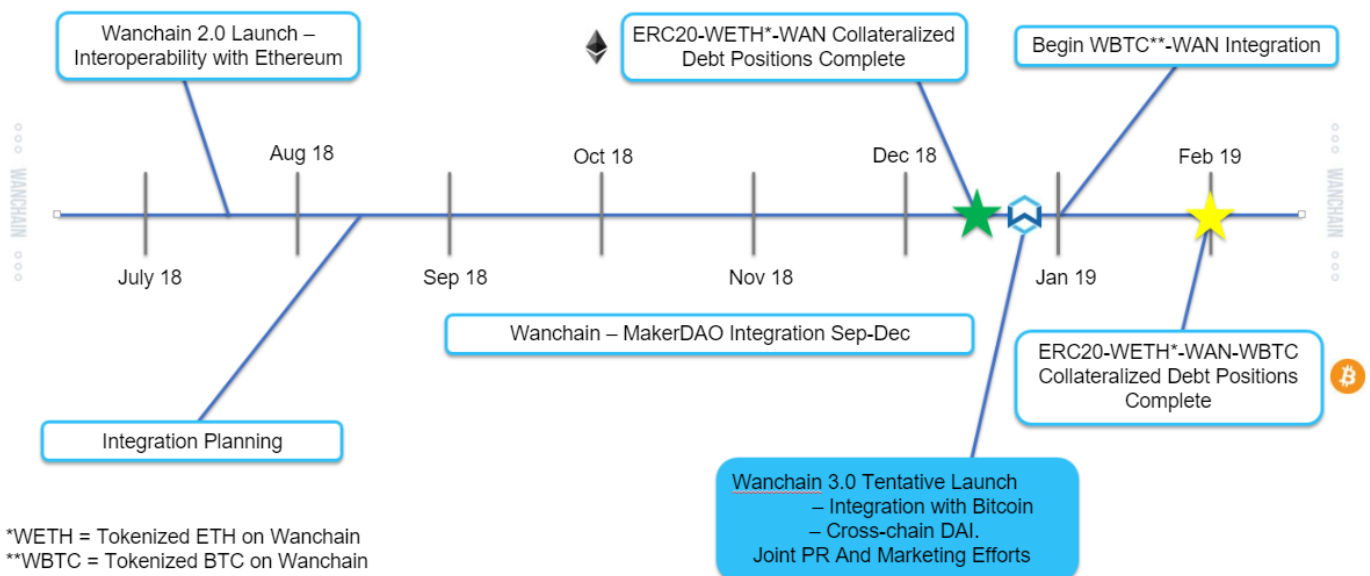
In the future upon completing and thoroughly testing the Maker-Wanchain pilot project, and once our ecosystem is developed enough e.g DEX and other financial applications are up and running. We believe Wanchain could become the default blockchain for the Maker collaterals to be hosted on as our platform will offer much more benefits for multi collateral DAI by allowing to back the stable coin with assets such as BTC that are not available on the Ethereum blockchain.

Wanchain-DAI Stable Coin Pilot Project

Maker-Wanchain. Decentralized Bitcoin backed stable coin platform.



Proposed timeline



Future Collaboration

Stable coins are indispensable for the mainstream financial institutions to enter the crypto economy. Stable coins address the following markets:

1. Prediction markets
2. Financial markets
3. Merchant receipts, cross border remittances
4. Transparent accounting system

Cryptocurrency backed stable coins such as DAI, fit right in line with Wanchain's vision of rebuilding the financial industry and are considered one of the biggest use cases to be added to the Wanchain ecosystem.

The visions of our 2 projects are in perfect alignment, and we believe there are many ways we can work together.

- **Technical support and guidance** will be provided by the Wanchain team in order to make the building process of Maker-Wanchain as smooth as possible both for the integration of the cross-chain DAI, but also for the multi collateral Wanchain-DAI pilot project.
- **A project consultant** from the Wanchain team will have weekly meetings with the Maker staff in order to find the needs, follow up on the development, provide assistance.
- **Joint community growth** by holding common developer workshops, hackathons, meetups, roadshows to promote our 2 visions and the different ways we are working together.
- **Joint marketing material** with articles, a video explaining the Maker-Wanchain platform and the benefits of having the first BTC backed stable coin, common interviews.
- **Align the incentives** of our two projects by swapping Maker and Waincoin tokens.

The Wanchain team is also open to any proposals you might have to find new ways to collaborate.