



Whitepaper

Unleashing Illiquid Token Liquidity through Token Recycling

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This introductory paper was originally published in 2023, on June 15th by Milan Kozlevcar, the founder of [WaweSwaps](#), preceded the project's launch later that year. Since its inception, WaweSwaps, like many community-driven, open-source software projects, has undergone evolution and refinement to adapt to the changing landscape of decentralized finance (DeFi).

While the project has evolved, this paper remains a valuable reference and an accurate representation of WaweSwaps and its vision, guided by the [WaweSwaps Strategy](#). As such, we maintain this document to provide researchers and academics with insight into the project's origins and foundational principles.

For those seeking a historical or canonical version of the whitepaper from June 2023, this [PDF](#) serves as the definitive resource. It encapsulates the essence of WaweSwaps' mission and objectives during its early stages and serves as a testament to its continued growth and development within the DeFi ecosystem.

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At WaweSwaps, we're pioneering a transformative approach to liquidity enhancement through our innovative feature of token recycling. This strategy not only addresses the challenge of illiquid tokens but also contributes to the ecological balance of the crypto ecosystem.

Our 2024 strategy revolves around three pillars, with token recycling at its core:

1. Decentralization Empowerment: We remain steadfast in our commitment to decentralization as a means of empowering individuals in the financial landscape. Through token recycling, we enable users to unlock liquidity trapped in illiquid tokens, thereby fostering greater financial autonomy and control.
2. Liquidity Enhancement: Token recycling serves as a catalyst for enhancing liquidity within the crypto ecosystem. By removing illiquid tokens from circulation through GBL liquidity provision, we dynamically redistribute liquidity, ensuring seamless swapping experiences and minimizing price fluctuations. This not only benefits individual users but also contributes to the overall liquidity and stability of the market.
3. Community-Centric Approach: Our community is integral to the success of WaweSwaps. Through token recycling, we empower our users to actively participate in shaping the liquidity landscape of the platform. By incentivizing liquidity provision and engaging our community in the token recycling process, we foster a collaborative ecosystem where every participant plays a vital role in driving growth and sustainability.

By focusing on these three pillars and leveraging the power of token recycling, we aim to solidify WaweSwaps' position as a trailblazer in liquidity innovation, while simultaneously contributing to the ecological balance of the crypto ecosystem.

"Together, we're reshaping the future of decentralized finance, one token swap at a time."

The statement *"Together, we're reshaping the future of decentralized finance, one token swap at a time"* emphasizes the collective effort and impact of the community and WaweSwaps platform in transforming the landscape of decentralized finance (DeFi).

Here's a breakdown of what it means:

1. Together: Highlights the collaborative nature of the endeavor, emphasizing that both the WaweSwaps platform and its community members are actively involved in shaping the future of DeFi. It acknowledges that progress is achieved through collective participation and cooperation.
2. Reshaping the Future: Indicates a forward-looking approach focused on innovation and change. By introducing novel concepts like token recycling and liquidity enhancement, WaweSwaps is not only adapting to the current DeFi landscape but also influencing its future trajectory.
3. Decentralized Finance: Refers to the broader ecosystem of financial services and applications built on blockchain technology, aiming to democratize access to financial products and services. WaweSwaps plays a significant role within this ecosystem by providing decentralized token swapping solutions.
4. One Token Swap at a Time: Highlights the incremental nature of progress. Each token swap facilitated by WaweSwaps contributes to the larger goal of enhancing liquidity, empowering users, and advancing DeFi as a whole. It emphasizes the significance of individual actions in driving collective change.

In essence, the statement conveys the idea that by working together and facilitating token swaps through WaweSwaps, the platform and its community are actively shaping the future of decentralized finance, making a positive impact on the financial landscape, one step at a time.

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WaveSwaps: Revolutionizing Liquidity in the Crypto Landscape

The Essence of Decentralization

Centralization has long been a defining feature of traditional financial systems, where institutions act as intermediaries in every transaction. However, the advent of cryptocurrencies heralds a paradigm shift towards decentralization. At its core, decentralization empowers individuals by removing the need for centralized authorities, enabling direct peer-to-peer transactions.

Let's delve deeper into the essence of decentralization and its implications for the cryptocurrency landscape. In a centralized system, transactions are processed and validated by a central authority, such as a bank or government entity. This centralization introduces inefficiencies, dependencies, and vulnerabilities, as users must trust the integrity and security of the central authority.

Cryptocurrencies, on the other hand, operate on decentralized networks powered by blockchain technology. In a decentralized system, transactions are validated and recorded by a distributed network of nodes, eliminating the need for a central authority. This decentralization fosters trust, transparency, and resilience, as transactions are verified by consensus among network participants.

Moreover, decentralization empowers individuals by granting them direct control over their financial assets. Users can transact with anyone, anywhere in the world, without the need for intermediaries or third-party approval. This level of autonomy and freedom is unprecedented in traditional financial systems, offering users greater sovereignty over their financial destinies.

The Evolution of Financial Empowerment

Cryptocurrencies represent more than just a novel mode of exchange. They embody the promise of financial independence and empowerment. By harnessing blockchain technology and consensus mechanisms, cryptocurrencies provide users with unprecedented control over their financial assets, transcending geographical boundaries and institutional constraints.

In today's interconnected world, financial empowerment is more important than ever. Cryptocurrencies offer a way for individuals to safeguard their wealth, protect their privacy, and participate in global commerce without barriers. Whether it's sending money to family members overseas, investing in emerging markets, or accessing financial services in underserved regions, cryptocurrencies enable individuals to take charge of their financial futures.

Moreover, cryptocurrencies democratize access to financial markets, leveling the playing field for individuals of all backgrounds. In traditional financial systems, access to investment opportunities is often restricted by wealth, status, or geographic location. Cryptocurrencies break down these barriers, allowing anyone with an internet connection to participate in the global economy.

As we navigate the cryptocurrency landscape, we encounter the delicate balance between centralized convenience and the untapped potential of decentralization. Understanding this intersection is crucial for making informed decisions in the world of cryptocurrency swapping. By aligning behavior patterns with decentralization, users can unlock the full benefits that cryptocurrencies offer.

Application in WaweSwaps:

WaweSwaps stands at the forefront of revolutionizing token swapping by embracing the principles of decentralization. The platform leverages blockchain technology and consensus mechanisms to provide users with a transparent, secure, and user-centric swapping experience. By removing central authorities and enabling direct peer-to-peer transactions, WaweSwaps empowers individuals to take charge of their financial destiny.

Liquidity: The Lifeblood of Crypto Swapping

Liquidity is the cornerstone of any successful cryptocurrency exchange. It refers to the ease with which an asset can be bought or sold without causing significant price fluctuations. In WaweSwaps, liquidity is dynamically distributed through innovative mechanisms, ensuring that swapping experiences are seamless and efficient.

Consider a bustling marketplace where various vendors are selling their goods. If there are plenty of buyers and sellers, transactions can occur quickly and easily. This is a highly liquid market. Conversely, if there are only a few vendors and buyers, transactions become slower and more challenging. This represents a market with low liquidity.

WaweSwaps understands the critical role of liquidity in the swapping process. By employing a unique algorithm and leveraging the GBL token, WaweSwaps enhances liquidity to ensure seamless and efficient swapping experiences. This innovative approach safeguards the swapping process, minimizes price fluctuations, and enhances overall user satisfaction.

Risk Balancing: Navigating the Speculation Landscape

Cryptocurrency markets are rife with speculation, necessitating effective risk management strategies. Imagine you're a new investor entering the crypto market during a period of heightened volatility. Without proper risk management strategies, you might succumb to emotional impulses, leading to potentially detrimental decisions. WaweSwaps addresses this challenge through decentralized approaches like dollar-cost averaging and smart contracts. Dollar-cost averaging involves investing a fixed amount of money at regular intervals, regardless of the asset's price. This strategy helps mitigate the impact of market volatility, allowing investors to accumulate assets over time without succumbing to short-term price fluctuations. Smart contracts, on the other hand, are self-executing contracts with predefined conditions encoded within them. These contracts automate the execution of transactions, removing the need for intermediaries and ensuring transparent and secure transactions. By promoting decentralized crypto practices and educating users on the advantages of this approach, WaweSwaps empowers individuals to make well-informed decisions, mitigating the impact of emotional and non-rational behavior on their swapping activities.

Community Engagement: Fostering a Collective Vision

WaweSwaps places a strong emphasis on community-driven governance through its DAO mechanism. This empowers users to actively participate in decision-making processes, ensuring that the platform evolves in alignment with the collective vision of its community members.

Through DAO voting, WaweSwaps users have the power to influence a wide range of critical decisions. This democratic approach ensures that the platform is shaped by the very individuals who rely on it, allowing for a more inclusive and responsive ecosystem.

The Role of GBL Token

The Global Token (GBL), WaweSwaps' native utility token, forms the bedrock of the platform's ecosystem. GBL holders wield governance power through the GBL DAO, allowing them to play a pivotal role in critical decisions concerning exchange rates and token utilization.

Consider this scenario: Alice, a GBL token holder, wishes to vote on a proposed adjustment to the platform's fee structure. Through the GBL DAO, Alice can cast her vote, directly influencing the outcome of the decision-making process.

Moreover, GBL serves as a powerful incentive for liquidity providers, who are rewarded with both GBL and VGBL tokens for their contributions, thereby nurturing a dynamic and liquid ecosystem. For instance, Bob contributes liquidity to the GBL pool and receives GBL and VGBL tokens in return, motivating him to continue bolstering the platform's liquidity while simultaneously enhancing his decision-making influence within WaweSwaps.

By integrating GBL across various facets of the platform, WaweSwaps ensures that users are actively involved in shaping its trajectory, fostering a decentralized and community-driven ecosystem.

WaweSwaps Token-Swapping Models

WaweSwaps offers three token-swapping models tailored to meet the diverse needs of its users:

1. Swap V1: This basic model enables users to recycle illiquid tokens by providing swapping liquidity in GBL, effectively removing illiquid tokens from circulation. Users are rewarded with 36% additional GBL tokens plus VGBL tokens based on the provided GBL liquidity. For example, Sarah provides swapping liquidity in 100 GBL and receives 136 GBL plus 100 VGBL tokens, proportional to her contribution, incentivizing her to participate in the platform's liquidity provision.
2. Swap V2: An advanced model where users recycle illiquid tokens by providing swapping liquidity in USDT, BNB, BTC, and other mainstream coins and receive USDT swapping income from 110% to 150% of the provided liquidity. Unlike Swap V1, users do not need to provide GBL, nor the recycle token. Part of the provided liquidity is allocated to add GBL DEX liquidity and buy GBL on the DEX. The majority of provided swapping liquidity is distributed to all active V2 swaps using a creation timestamp and proportional distribution protocol. Users receive VGBL tokens based on the provided liquidity, encouraging them to contribute to the platform's liquidity provision and earn rewards in return.
3. Swap V3: The most advanced and user-friendly model where users receive USDT swapping income from 110% to 150% of the provided liquidity. Similar to Swap V2, part of the swapping liquidity is allocated to add GBL DEX liquidity and buy GBL on the DEX. The majority of provided swapping liquidity is distributed to all active V2 swaps using a creation timestamp and proportional distribution protocol. Users receive VGBL tokens based on the provided liquidity, providing them with additional incentives to participate in the platform's swapping activities.

By offering these diverse token-swapping models, WaweSwaps caters to the varied preferences and needs of its users, fostering a dynamic and inclusive multichain swapping ecosystem.

Masterplan Development Strategy

WaveSwaps' masterplan development strategy encompasses several key initiatives:

1. Multichain Integration: Expand WaveSwaps to other blockchains such as Polygon, Arbitrum, and Optimism to provide a seamless token-swapping experience across multiple chains. This expansion increases accessibility and liquidity, ensuring that users can engage in swapping activities regardless of their preferred blockchain.
2. Recycling Token Expansion: Extend WaveSwaps' functionality to include recycling tokens, providing the same usability level as GBL. Develop models to substantially increase the prices of recycling tokens and expand their presence in the multichain environment. This expansion broadens the platform's utility and appeal, attracting a wider user base and enhancing overall liquidity.
3. Enhanced Usability: Continuously improve the user experience of WaveSwaps by introducing new features, optimizing existing functionalities, and ensuring compatibility with emerging technologies. This focus on usability ensures that WaveSwaps remains user-friendly and accessible, driving adoption and growth.

Through these strategic initiatives, WaveSwaps aims to solidify its position as a leading platform for decentralized token swapping, fostering innovation, empowerment, and inclusivity within the cryptocurrency ecosystem.

Future Business Model Development

WaveSwaps' future business model development encompasses the following initiatives:

1. Referral Program: Implement a referral program to incentivize users to invite others to join WaveSwaps, thus expanding the platform's user base. This program rewards users for bringing new participants to the platform, fostering organic growth and community engagement.
2. Partnerships: Forge partnerships with other projects in the cryptocurrency ecosystem to enhance liquidity, increase token adoption, and foster collaboration. These partnerships leverage synergies between different projects, driving mutual benefits and promoting ecosystem growth.
3. Community Engagement: Foster a vibrant and engaged community through events, contests, and educational initiatives to promote awareness and participation in WaveSwaps. This community-centric approach ensures that users feel connected and valued, driving loyalty and retention.
4. Tokenomics Enhancement: Continuously review and enhance the tokenomics of GBL to ensure its utility, scarcity, and value appreciation over time. This focus on tokenomics ensures that GBL remains a valuable asset within the WaveSwaps ecosystem, attracting investors and driving demand.

Introducing WS Swapping Bot: Simplifying Crypto Swapping

WS Swapping Bot is a new feature on WaveSwaps designed to make crypto swapping easy and accessible for everyone. With just a few clicks, users can connect their MetaMask wallet and

choose their desired swapping pair by adding the token addresses (smart contracts) of the assets they want to trade. They can also set their swapping balances and approve their desired transaction limits, ensuring they have enough native tokens (like BNB) to cover transaction fees. Using WS Swapping Bot is straightforward. Users can specify the minimum and maximum swapping balances for both assets, along with their desired exchange rate and time interval in milliseconds. The bot will then randomly choose a time interval within the set limits and execute one of two types of orders:

Buying Order: If the user sets a target exchange rate higher than the current rate, the bot will buy a random amount of the target token using the source token.

Selling Order: If the user sets a target exchange rate lower than the current rate, the bot will sell a random amount of the target token for the source token.

These operations will continue to repeat within the set time intervals, allowing users to automate their swapping strategies effortlessly.

WS Swapping Bot also offers flexibility, allowing users to set up multiple swapping bots with different parameters to experiment with various swapping strategies.

Our vision for WS Swapping Bot goes beyond just facilitating trades. We see it as an educational tool that enhances users' understanding of crypto swapping while providing a seamless swapping experience. By integrating this feature with the functionalities described earlier in this chat, we aim to empower users to take control of their finances and participate more actively in the crypto ecosystem.

Expanding The liquidity unlocking functionality to multichain

The "Recycle Swap" liquidity unlocking functionality will be constantly improved and re-designed to offer users with illiquid tokens a solution to regain value from dormant assets. Initially launched on the BNB Smart Chain through GBL Swap, based on user feedback and experiences, we're upgrading this feature to be available across multiple blockchains, starting with Polygon, Arbitrum, and Optimism. Users can import their token balances, initiate a "Recycle Swap", and contribute USDT liquidity along with the illiquid token. Through smart contract mechanisms and decentralized exchange integration, the illiquid tokens will be revitalized, with 60% of them eventually being burned. Participants will receive their initial provided liquidity in stablecoin returned, along with the ability to sell their token at the prevailing exchange rate on the DEX markets where the token is listed. This would provide users with a sustainable method to unlock value from dormant tokens. This feature is planned to be seamlessly integrated into our platform, empowering users to maximize the potential of their crypto assets on any or all supported blockchains.

Exploring WaweSwaps 2024 Strategy

In this chapter, we delve deeper into the core pillars of the WaweSwaps 2024 Strategy, elucidating their significance and potential impact on the cryptocurrency landscape.

1. Multichain Integration: Unveiling New Horizons Multichain integration represents a pivotal aspect of WaweSwaps' strategy for 2024. By extending our reach to additional blockchains such as Polygon, Arbitrum, and Optimism, we unlock a myriad of opportunities for our users. This integration facilitates seamless token swapping experiences across diverse chains, enriching accessibility and liquidity. Through

comprehensive analysis and exploration, we illuminate the potential advantages and implications of multichain integration, showcasing how it aligns with our overarching mission of empowering users and fostering innovation within the crypto sphere.

2. Token Recycling: Redefining Liquidity Dynamics Token recycling stands as a cornerstone of WaweSwaps' innovative approach to liquidity management. By extracting illiquid tokens from circulation through GBL liquidity provision, we not only address liquidity challenges but also contribute to the ecological balance of the crypto ecosystem. In this section, we provide an in-depth examination of token recycling, elucidating its mechanisms, advantages, and ramifications. Through practical examples and case studies, we illustrate how token recycling revolutionizes liquidity provision, laying the groundwork for a more sustainable and efficient crypto ecosystem.
3. Decentralization vs. Centralization: Harnessing the Power of Fusion Decentralization and centralization represent two distinct paradigms that shape the trajectory of the crypto landscape. In this segment, we explore the synergy between these contrasting approaches, highlighting their complementary strengths and potential for fusion. By dissecting the decentralization vs. centralization dichotomy, we shed light on how WaweSwaps navigates this intricate terrain, leveraging the merits of each paradigm to forge a balanced and resilient ecosystem. Through comprehensive analysis and discussion, we provide insights into the dynamics of power and cooperation, illuminating the path forward for users and stakeholders alike.

In essence, this chapter serves as a comprehensive guide to understanding the intricacies of the WaweSwaps Strategy. By emphasizing multichain integration, token recycling, and the fusion of decentralization and centralization, we aim to equip readers with the knowledge and insights needed to navigate the evolving landscape of decentralized finance.

By implementing these strategic initiatives, WaweSwaps aims to create a sustainable and thriving ecosystem that empowers users, fosters innovation, and drives long-term value creation. As part of our commitment to transparency and community involvement, the WaweSwaps team will systematically present all development stages, milestones, and integrations by announcing them through our official Telegram and Twitter channels, Documentation page, WS News, and WS Academy. This ensures that our community members stay informed and actively participate in the platform's growth journey, including engaging in DAO voting processes. Additionally, by promoting the adoption of less risky and more conservative crypto-habits, we pave the path to overall satisfaction and optimal utilization of the crypto potential for all stakeholders involved.