# SQUID Game V2 (SQUID) — an OFTV2 Token Whitepaper



SQUID Game Token Project · Follow 12 min read · Mar 12, 2024

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# **Executive Summary**

In the rapidly evolving DeFi landscape, SQUID Game V2 emerges as a beacon of resilience and innovation. Born from the ashes of its predecessor, SQUID V2 embodies a new vision for a decentralized, community-driven token with enhanced cross-chain functionality. This whitepaper outlines the journey of SQUID from a cautionary tale to a symbol of community strength, powered by the latest blockchain technology.

# Introduction

The journey of SQUID from a meme token on the BNB Smart Chain to the technologically advanced SQUID V2 illustrates a story of community resilience, technological innovation, and a commitment to decentralization. SQUID V2, with its cross-chain capability powered by OFTV2, is designed to address the challenges of interoperability and efficiency in the DeFi ecosystem.

# Background

The original SQUID token experienced a dramatic and unfortunate start, leading to significant losses for early adopters and casting a shadow over the project's future. However, the unwavering spirit of the SQUID community transformed adversity into opportunity. Recognizing the potential for redemption, the community rallied together, proposing a migration to a new token — SQUID V2. This migration was not merely a technical update but a complete reimagining of the token's purpose and potential, integrating OFTV2 technology for seamless cross-chain interoperability. Most importantly, this migration of the SQUID token to a new, more secure smart contract on the BNB Smart Chain (BSC) is essential for addressing the security risks associated with the current proxy contract. This strategic move aims to eliminate vulnerabilities, prevent potential manipulations, and ensure alignment with the highest standards of token security.

# **Technology Overview**

SQUID V2 leverages the groundbreaking OFTV2 technology, facilitating secure and efficient transfers across different blockchains. This section details the integration process, the architectural choices made to ensure security and scalability, and the crucial role of LayerZero in achieving a truly interoperable DeFi token.

# Smart Contract Deployment

To ensure transparency and ease of access, the SQUID Game V2 (SQUID) smart contract is not only deployed on the BNB Smart Chain but now also on the Base Chain, maintaining the same contract address on both networks. This strategic deployment enhances the cross-chain functionality and availability of SQUID V2, offering our community a robust platform across different blockchain ecosystems.

SQUID Game V2 (SQUID) Contract Addresses:

- BNB Smart Chain: 0xFAfb7581a65A1f554616Bf780fC8a8aCd2Ab8c9b
- Base Chain: <u>0xFAfb7581a65A1f554616Bf780fC8a8aCd2Ab8c9b</u>

This dual-chain presence underscores our commitment to expanding the accessibility and interoperability of SQUID V2, fostering a unified ecosystem that spans multiple blockchains.

For additional information and to verify the token details, please refer to our listings on trusted cryptocurrency information platforms:

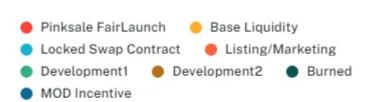
- CoinMarketCap: <u>SQUID Game on CoinMarketCap</u>
- CoinGecko: <u>SQUID Game on CoinGecko</u>

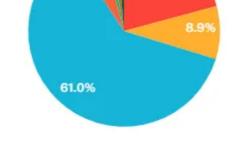
We encourage our community members to use these resources for the most up-to-date information about SQUID Game V2 and to stay informed about the project's progress and milestones.

# **Tokenomics and Distribution**

An essential aspect of SQUID V2's relaunch is its thoughtfully designed tokenomics, ensuring fairness and transparency. This section breaks down the allocation of the 800 million total supply, emphasizing the strategic distribution for public sales, development incentives, and liquidity provisioning.

- Pinksale FairLaunch: 21% (166.5 million tokens)
- Base Liquidity: 9% (71430240 tokens)
- Development Funds: 3% (24 million tokens, distributed equally between two vesting contracts for developer incentives)
- Listing/Marketing: 5% (40 million tokens)
- MOD Incentive: 0.021% (170560 tokens)
- Locked Swap Contract: 61% (488 million tokens)
- Burned: 1.237% (9899200 tokens)





20.8%

Pinksale FairLaunch
Base Liquidity
Locked Swap Contract
Listing/Marketing
Development1
Development2
Burned
MOD Incentive



The trustless swap contract serves as the cornerstone of the transition from SQUID V1 to SQUID V2, playing a pivotal role in safeguarding the integrity of the swap process while upholding the principles of fairness and transparency that are fundamental to decentralized finance (DeFi).

#### Fair and Transparent Swap Process

The swap contract is ingeniously designed to ensure that every participant in the migration from SQUID V1 to SQUID V2 is treated equitably. By leveraging the immutable and transparent nature of blockchain technology, the contract allows SQUID V1 holders to swap their tokens for SQUID V2 on a 1:1 basis, thereby preserving the value of their holdings throughout the transition. This process is automated and encoded into the smart contract, eliminating any potential for human error or manipulation.

The trustless swap contract has been deployed on the BNB Smart Chain mainnet. The contract address is as follows:

• SQUID Game v1-v2 trustless swap contract on BNB Smart Chain: 0xd309f0Fd5C3b90ecFb7024eDe7D329d9582492c5

#### **Trustless Operation**

A key feature of the swap contract is its trustless execution, which means that participants do not need to place their trust in an intermediary or third party to facilitate the swap. Instead, the contract itself acts as the trust agent, executing the swap according to the predefined rules and conditions coded into its logic. This significantly reduces the risk of fraud and enhances the security of the swap process.

#### **Technical Mechanisms**

The swap contract incorporates several technical mechanisms to ensure the smooth and secure migration of tokens:

- Lock-in Mechanism: SQUID V1 tokens are locked within the contract once swapped, preventing double spending or reuse of tokens.
- Automated Swap: The contract automatically allocates SQUID V2 tokens to swappers, based on the amount of SQUID V1 tokens they have submitted, ensuring a seamless transition.
- Verification and Validation: Each swap transaction is rigorously verified and validated by the contract, ensuring that only legitimate token holders can participate in the swap.

#### How does the SQUID Token Swap work?

The SQUID swap contract enables holders to exchange their existing SQUID tokens for the new version on a 1:1 basis seamlessly — using trustless swap mechanism. The trustless swap contract is verified, ensuring it is immutable, transparent, and safe for interaction by being open source with clear functionalities.

🔽 Trustless Swap Contract:

We've eliminated manual admin withdrawals for swapping SQUID V1 to SQUID V1 LP. The swapTokens function (`**Swap Now**` button in the <u>Swap</u> <u>Portal</u>) now enables holders to effortlessly convert their SQUID V1 into SQUID V2, with the swapped SQUID V1 securely stored in the swap contract. *So SQUID v1 holders receive SQUIDV2 (1:1 swap ratio) in their wallet. Their SQUIDV1 is now stored in Swap contract.* 

#### 🔽 Innovative Sell/Swap Feature:

The sellSwappedTokens function — the 2nd function which is Sell Swapped Tokens button in the swap portal — introduces a groundbreaking trustless mechanism, allowing anyone to initiate the sale or swap of swapped old tokens. This process swaps SQUID V1 stored in the swap contract for SQUID V2 via the Pancake Router and then burns the acquired SQUID V2, contributing to the appreciation of SQUID V2's value. This feature is open to everyone — meaning any one can execute this in the UI, further decentralizing the process.

The Swap contract will be permanently available, allowing holders to swap their old SQUID tokens for the new OFTV2 version at their preferred timing.

Swap Portal : <u>https://www.squidgametoken.vip/swap/</u>

#### Enhancing Liquidity and Utility

Beyond facilitating the token swap, the contract also plays a vital role in enhancing the liquidity and utility of SQUID V2. By providing a straightforward and secure mechanism for obtaining SQUID V2, the contract encourages participation in the new ecosystem, thereby increasing the token's liquidity and usability in various DeFi applications.

#### **Community Empowerment**

The development and deployment of the trustless swap contract are a testament to the SQUID community's commitment to innovation and self-governance. By ensuring a fair and transparent swap process, the contract empowers the community members, giving them control over their assets and participation in the future direction of the SQUID project.

Indeed, the trustless swap contract is a crucial element in the migration from SQUID V1 to SQUID V2, offering a secure, fair, and transparent process for all participants. Its implementation not only safeguards the interests of token holders but also lays the foundation for the growth and expansion of the SQUID ecosystem. Through this innovative approach, the SQUID project sets a new standard for token migrations and upgrades in the DeFi space, demonstrating the power of community-driven development and decentralized solutions.

# Roadmap

The roadmap for SQUID V2 encompasses a series of carefully planned milestones aimed at enhancing the project's ecosystem, increasing its reach, and delivering value to its community. Here, we detail the completed and upcoming milestones, demonstrating the project's progress and future plans.

#### **Completed Milestones**

- Development and Testing of the Swap Contract: The development phase of the swap contract marked a critical step in ensuring a smooth transition from SQUID V1 to SQUID V2. Rigorous testing phases were undertaken to guarantee the contract's security, efficiency, and transparency, culminating in a trustless swap mechanism that upholds the essence of decentralization.
- Deployment of SQUID V2 on the Binance Smart Chain (BSC): SQUID V2 has been successfully deployed on the Binance Smart Chain, introducing OFTV2 (LayerZero technology) features for cross-chain transfers. This strategic move not only enhances the token's utility and accessibility but also lays the foundation for its integration across multiple blockchains.

#### **Upcoming Milestones**

- Pinksale Launch (March 25 March 31, 2024): The highly anticipated Pinksale offering is set to launch, offering 248 million SQUID V2 tokens. This presale event aims to raise funds for liquidity provision on PancakeSwap, tier 1 CEX listings, and cross-chain expansion initiatives. A successful Pinksale will mark a pivotal moment for the project, enhancing its market presence and community engagement.
- Swap Contract Enablement (April 2, 2024): Following the Pinksale, the swap contract will be enabled, allowing SQUID V1 holders to seamlessly transition to SQUID V2. This process underscores the project's commitment to ensuring a fair and transparent swap experience for all community members.
- **Cross-Chain Expansion and CEX Listings:** With the foundational elements in place, the project will focus on its cross-chain expansion efforts, leveraging the OFTV2 features for enhanced interoperability across different blockchains. Concurrently, negotiations with tier 2 centralized exchanges are underway to list SQUID V2, with the aim of expanding its reach and providing holders with more avenues for trading and engagement.

The roadmap for SQUID V2 is a testament to the project's robust strategy and its dedication to delivering a token that stands out for its security, utility, and community focus.

# **Security and Audits**

# **Emphasis on Inherited Security**

• SQUID V2's core technology is rooted in OFTV2, which is a product of LayerZero's innovative cross-chain technology. This foundation is not only groundbreaking in facilitating seamless asset transfers across different blockchains but has also been meticulously audited by leading blockchain security firms. The thorough scrutiny and testing of OFTV2 by these experts ensure that its integration within SQUID V2 brings a high level of security and reliability to the token.

#### What about the SQUID V2 Smart Contract Audit?

- While it's true that OFTV2 has already undergone comprehensive security audits and rigorous testing by LayerZero, ensuring a solid security foundation for SQUID V2, we have also completed a specific audit for SQUID Game V2. This step reaffirms our commitment to transparency, security, and trust within our community.
- The OFTV2 technology, which SQUID V2 inherits, was meticulously audited, with findings and recommendations thoroughly addressed. This foundational audit by LayerZero offers reassurance about the security and functionality of the technology underpinning SQUID V2.
- Yet, to further bolster our community's confidence in our dedication to security, we undertook an additional step. Despite SQUID V2's security and functionality being directly inherited from the thoroughly audited OFTV2 — making a separate audit somewhat moot and academic — we proceeded to commission a bespoke audit of SQUID V2 by Expelee. This deliberate action ensures an extra layer of reassurance, with the Expelee audit serving to independently affirm the security measures of our specific implementation, alongside the foundational robustness provided by OFTV2.
- You can review the SQUID Game V2 Audit Report here: <u>https://github.com/expelee-co/Smart-Contract-</u> <u>Audit/blob/main/Squid%20Game%20V2%20expelee%20audit.pdf</u>
- And the OFT and OApp Audit Report by LayerZero here: <u>https://github.com/LayerZero-</u> <u>Labs/Audits/blob/main/audits/ChainSecurity\_LayerZero\_OFT\_OApp\_audit</u> <u>.pdf</u>

#### **Building Trust through Proven Security**

• The utilization of OFTV2 technology within SQUID V2 exemplifies a strategic approach to leveraging proven security solutions in the development of new tokens. This approach not only enhances the efficiency and interoperability of SQUID V2 across multiple blockchain ecosystems but also fortifies the trust within the community. Knowing that SQUID V2 inherits its core from a fully audited and tested technology provides peace of mind to holders and investors, emphasizing the project's commitment to security and reliability.

In conclusion, the security pedigree of SQUID V2 is significantly bolstered by its foundation on the already audited and tested OFTV2 technology. This foundation negates the immediate need for separate comprehensive audits for SQUID V2, instead allowing the project to focus on continuous security monitoring, adaptation to new threats, and the development of additional features to enhance the token's value and utility. This strategic approach to security underscores the project's dedication to providing a safe and secure environment for its community.

# **Use Cases and Utility**

# **Cross-Chain Transfers & Utility**

- Seamless Asset Mobility: Leveraging its foundation on OFTV2 technology, SQUID V2 facilitates swift and secure cross-chain transfers, enabling users to move SQUID V2 assets across different blockchains. This capability can significantly enhance participation in DeFi applications across various ecosystems, allowing SQUID V2 to act as a bridge token for liquidity and arbitrage opportunities.
- Cross-Chain DApp Participation: The interoperability of SQUID V2 via LayerZero technology allows users to interact with decentralized applications (DApps) on multiple blockchains using SQUID V2 as a medium of exchange or participation token. This utility can range from gaming platforms, NFT marketplaces, to more sophisticated financial DApps, expanding the use case scenario for SQUID V2 beyond mere speculation.

# **Decentralized Gaming & NFTs**

- SQUID V2 as In-Game Currency: The SQUID Game token can be integrated into blockchain-based games as an in-game currency, facilitating transactions, purchasing in-game items, or access to exclusive content. This utility enhances the gaming experience while also driving demand and utility for the token.
- NFT Ecosystem Involvement: SQUID V2 can be utilized within the NFT marketplace for buying, selling, or trading digital collectibles. This integration not only provides a use case for the token but also taps into the booming NFT market, potentially increasing its visibility and adoption.

# **Governance and Community Involvement**

• Decentralized Governance: Implementing a governance system where SQUID V2 holders can vote on key decisions, proposals, or future development directions of the project. This mechanism promotes a democratic and community-driven approach to the project's evolution, aligning with the DeFi ethos of decentralization and transparency.

# **Future Directions**

Looking ahead, the future of SQUID V2 is marked by strategic plans aimed at expanding its utility, adoption, and overall footprint within the decentralized finance (DeFi) landscape. Here are key areas of focus for the SQUID V2 project moving forward:

# Centralized Exchange (CEX) Listings

• Strategic CEX Partnerships: To enhance liquidity and make SQUID V2 accessible to a broader audience, efforts will be made to list SQUID V2 on leading centralized exchanges. These listings will not only provide additional avenues for trading but also enhance the token's visibility and credibility within the cryptocurrency market.

# **Expanding Utility and Adoption**

- Integration with DeFi Platforms: By establishing partnerships with prominent DeFi platforms, SQUID V2 aims to become a pivotal part of the ecosystem, participating in lending, borrowing, and yield-generating activities. These integrations will provide tangible use cases for SQUID V2, encouraging wider adoption and utility.
- Cross-Chain Functionality Enhancements: Continuing to leverage the LayerZero technology, SQUID V2 plans to expand its cross-chain capabilities, enabling seamless asset transfers and interactions across even more blockchains. This expansion will facilitate broader participation in a variety of DeFi applications and services.

# **Marketing and Promotions**

- Aggressive Marketing Campaigns: To boost awareness and adoption of SQUID V2, strategic marketing initiatives will be undertaken, targeting both crypto-native and mainstream audiences. Collaborations with influencers, participation in industry events, and targeted advertising are some of the strategies to be employed.
- Community Rewards and Incentives: Launching programs to reward the community for their support and engagement. These could include airdrops, staking rewards, or competitions that encourage active participation and spread the word about SQUID V2.

# Looking Forward

The journey ahead for SQUID V2 is one of innovation, expansion, and community-driven development. By focusing on CEX listings, utility expansion, community engagement, and strategic marketing, SQUID V2 is poised to solidify its place within the DeFi ecosystem. The aim is not just to grow in terms of market cap but to become a valuable asset in the DeFi space, offering real utility and benefits to its users across the globe. The roadmap ahead is ambitious, but with the continued support of its community and strategic partnerships, SQUID V2 is on track to achieve its vision and beyond.

# Conclusion

In conclusion, SQUID V2 stands as a powerful testament to the synergistic power of community and technology. It's a beacon of innovation, dedicated to pushing the boundaries of what's possible within the decentralized finance (DeFi) ecosystem. Central to its mission is a commitment to community engagement, ensuring that every step forward is taken together, with the collective input and support of its vibrant user base. SQUID V2 aims to bridge critical gaps in the DeFi space, enhancing accessibility, security, and utility across blockchains. This isn't just a token — it's a movement towards a more inclusive, efficient, and interconnected DeFi landscape, driven by the strength and unity of its community.