



Gyndore

TL;DR Paper

by

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TL;DR Paper — Bringing Bitcoin-Backed Stablecoin Infrastructure on Base

WHAT IS GYNDORE?

Gyndore is a **Bitcoin-backed, CDP-based stablecoin protocol** built on **Base** (Coinbase's Ethereum L2). Users deposit cbBTC as collateral to mint gynUSD, a synthetic stablecoin pegged to the US dollar, enabling liquidity and yield without selling Bitcoin. Gyndore is essentially a specialized borrowing financial instrument built exclusively for cbBTC rather than a general-purpose lending market spread across many assets.

AT A GLANCE

Collateral Only cbBTC	Stablecoin gynUSD	Network Base	Utility Token GYND
Min Ratio 110%	Max LTV 90.91%	Rate Range 1% – 20%	Min Debt \$1,000 gynUSD

WHY GYNDORE EXISTS

Base has growing cbBTC adoption but no dedicated CDP-based borrowing product for Bitcoin. Existing multi-asset money markets apply conservative risk parameters designed for volatile long-tail tokens, resulting in lower LTV ratios, and utilization-driven rate spikes and subpar borrowing experience for cbBTC holders. Gyndore fills this gap by concentrating on a single, deeply liquid collateral type, enabling higher capital efficiency, simpler risk modeling, and more predictable borrowing costs.

HOW IT WORKS

Borrow: Deposit cbBTC → mint gynUSD. Each CDP is an NFT enabling transfers and composability.	Earn Yield: Deposit gynUSD in the Stability Pool to earn 70% of all borrower interest plus cbBTC collateral gains from liquidations.
Peg Stability: Maintains its peg via hard mechanisms (redemptions/minting arbitrage) and soft mechanisms (borrow rates, Stability Pool dynamics).	Liquidations: CDPs below 110% are liquidated via the Stability Pool first; if insufficient, debt is redistributed across active CDPs. Batch processing handles market stress efficiently.

GOVERNANCE: THE PARETO CONTROLLER

*The Gyndore protocol is **non-upgradable** with immutable core parameters.*

The only post-deployment variable is the borrow rate, adjusted via the **Pareto Controller** — a minimalist voting mechanism where GYND holders vote only on rate direction (UP or DOWN) in ± 10 bps steps. Changes require $\geq 80\%$ consensus, $\geq 1\%$ participation, and survive a 24-hour challenge window. An automatic redemption override forces +10 bps during sustained peg pressure. No multisigs or discretionary levers exist; the only optional admin key is strictly for the pre-launch bootstrapping path and is permanently disabled by the one-time, irreversible fee switch (or never enabled in the day-one launch).

REVENUE & TOKEN ECONOMICS

All protocol revenue comes from borrower interest, distributed via an **immutable 70/30 split**: 70% to Stability Pool depositors (gynUSD stakers) and 30% to GYND stakers. This split is hardcoded into the smart contracts and cannot be modified by any governance vote, team decision, or upgrade mechanism.

GYND is a **direct fee token**, stakers receive their 30% share of all borrower interest paid continuously in gynUSD with **no lock-ups, no vesting, and no withdrawal delays**. Users can stake to begin earning, unstake at any time with no penalty, and claim accrued rewards freely. Once the fee switch is activated, this revenue share flows to GYND holders in perpetuity with no mechanism for dilution, modification, or revocation.

GYND holders choose between staking for yield or registering tokens for governance, the same tokens cannot do both simultaneously, creating natural balance. The protocol supports two launch paths: a **bootstrapping launch** with a deferred, one-time, irreversible fee switch that mints GYND and permanently disables the admin key; or a **day-one launch** with GYND distributed and active from the first block, where the admin key is never active at all.

WHO IS IT FOR?

Long-term BTC Holders	Yield Seekers	Leverage Traders
<i>Access liquidity without selling; potential tax efficiency.</i>	<i>Borrow gynUSD, deposit into Stability Pool; earn yield while staying long Bitcoin.</i>	<i>Access recursive borrowing loops via CDPs to amplify BTC exposure cost-effectively.</i>

IMMUTABILITY AS THE TRUST MOAT

The Gyndore core protocol is **immutable**: no governance can change borrower-facing mechanics, no multisig can intervene, and there is no upgrade path. The only activatable change is a one time, irreversible fee switch that permanently hands borrow rate direction control and revenue rights to GYND holders; outside of that, the system's rules stay fixed.

Collateral is never rehypothecated; gynUSD is fully backed and redeemable through the protocol's redemption mechanism under immutable system rules. This is a practical advantage for institutional participants: risk teams can model the system, stress-test assumptions, and approve integrations knowing core mechanics cannot drift through upgrades, emergency actions, or governance capture.

Gyndore will be fully open source, professionally audited, and publicly verifiable. Combined with dual oracle protection (Chainlink primary, Redstone fallback), immutable contracts, and Bitcoin's deeply liquid collateral profile, once Gyndore clears due diligence, it stays cleared.

IN SUMMARY

Gyndore is purpose-built cbBTC borrowing infrastructure for Base, delivering higher capital efficiency, more predictable borrow costs, and a trust-minimized design aligned with blockchain fundamentals: neutrality, transparency, and censorship resistance.

The core protocol is immutable with no upgrades or discretionary controls, and the codebase will be fully open source, professionally audited, and publicly verifiable.