Obsy Protocol Whitepaper

Introduction

Obsy Protocol is a privacy-first decentralized application built on the Solana blockchain. It allows users to send SOL anonymously using a trustless protocol powered by node operators. Obsy eliminates traceable transaction flows and ensures sender and receiver privacy using innovative node routing and stealth mechanisms.

Mission

To create a fast, private, and trustless transaction protocol on Solana, enabling censorship-resistant financial privacy for all.

Key Features

- Anonymous Transfers: Users can send SOL without exposing their wallet address.
- Node Network: Transactions are routed and processed through a distributed network of node operators.
- Fee Splitting: Node operators are rewarded with a share of the SOL transaction fee.
- Open-source and Audited: Transparent smart contracts with ongoing security audits.

How It Works

- 1. User inputs the recipient's stealth address and amount.
- 2. A 4% transaction fee in SOL is applied.
- 3. The SOL is routed through a selected node that processes and anonymizes the transaction.
- 4. The recipient receives untraceable SOL.

Tokenomics

- Token Name: \$OBSY
- **Supply Model**: Deflationary via burn mechanism
- Primary Use: Governance, protocol access (future), and signaling value
- **Burn Mechanism**: Every transaction burns 1,000 \$OBSY (adjustable). After every 1,000,000 tokens are burned, the burn rate increases for future sustainability.
- Node Operator Revenue: Node operators are compensated in SOL, not OBS, to avoid sell pressure.
- Protocol Revenue: 2% of each private transaction's SOL fee is sent to the protocol treasury.

Fees Breakdown (for each private transaction)

- 4% of transaction value in SOL is collected:
 - 2% paid to node operators (in SOL)
 - 2% to Obsy protocol treasury (in SOL)
- 1,000 \$OBSY burned (adjustable and dynamically increased every milestone)

Node Operator Incentives

- Passive Income: Node operators earn 2% of every private transaction they process.
- **Performance-Based**: Node selection considers job completion reliability and staking.
- Staking: Required to become a node (amount defined by the protocol).

Example Projection (Monthly)

10,000 transactions processed at an average of 1 SOL each

- 4% fee → 400 SOL total
- Node earnings: 200 SOL (2%) split across operators (depending on activity)
- Protocol revenue: 200 SOL (2%)

Developer Incentives

• Developers (you) receive the protocol fee share (2%) as treasury manager. This funds future development, audits, and community grants.

Roadmap

- K Frontend Deployment
- Node Management Dashboard
- Security Audit
- Mainnet Launch

Governance

While currently centralized for agility and rapid development, governance will transition to the community with token-based proposals and voting in the future.

Security

All contracts are open-source and will undergo multiple third-party audits. The protocol uses SOL-native security best practices, including time locks, rate limits, and multisig authority control.

Learn More

Website

• <u>Documentation</u>

Obsy Protocol is building a privacy layer for the Solana ecosystem. Join us in creating the future of decentralized private finance.