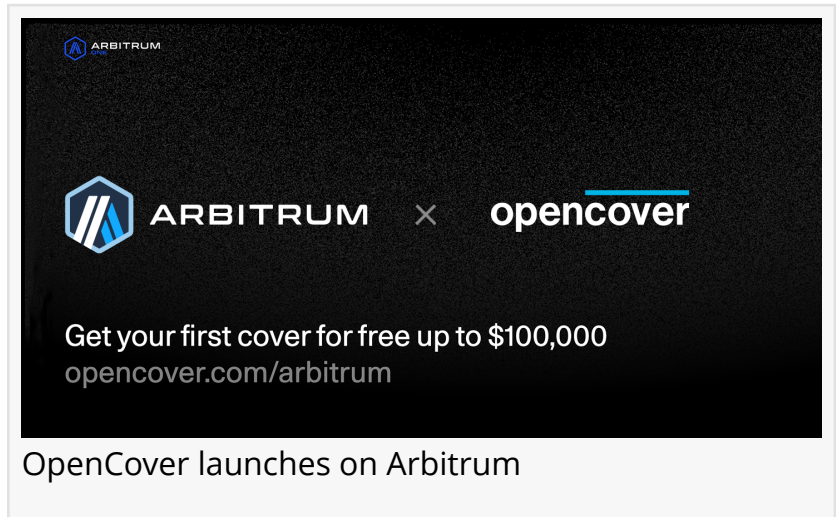# OpenCover Strengthens Onchain Safety for Arbitrum Users: Makes $200M of Underwriting Capital Accessible Directly on L2

OpenCover expands coverage to 14M Arbitrum users, safeguarding against blockchain risks like smart contract hacks and oracle manipulation.

LONDON, UNITED KINGDOM, November 14, 2023 / EINPresswire.com/ -- OpenCover, historically known as the leading blockchain insurance and cover data provider, launched today its cover aggregator on Arbitrum making over $200 million of underwriting capital

OpenCover launches on Arbitrum

available to Arbitrum users for the first time. Current cover products are underwritten by Nexus Mutual, the leading onchain cover provider by TVL ([~$240m in TVL](#) at the time of writing).

Cover, the onchain native alternative to insurance, protects cover buyers against losses on active

> "Your keys, your coins, your risk, and the DeFi sector continues to be plagued by smart contracts exploits and bad actors. Today we are excited to bring cover at scale on Arbitrum for the first time."
>
> *Jeremiah Smith, co-founder and CEO at OpenCover*

DeFi positions due to protocol smart contract code bugs/errors and economic events outside of intended protocol operation (i.e. oracle manipulation or failure, liquidation failure or governance takeovers where a malicious upgrade is forced through). Previous Nexus payout examples include: Euler Finance $3.3m paid out March 2023, Rari Capital Fuse $5.0m paid out May 2022 and Perpetual Protocol $337k paid out June 2022. OpenCover is initially launching 15 cover products including protection for Aave V3, Uniswap V2 and V3 and Curve positions with more cover products launching later this year.

In the past three months, the DeFi ecosystem has been hit by a series of high-profile hacks, including the Mixin Network attack ($200 million stolen), the Multichain bridge hack ($126 million

stolen), and the critical vulnerability discovered in Aave v2 and v3 smart contracts. These incidents highlight the growing importance of onchain insurance for DeFi users and protocols. According to a report by Immunefi, DeFi projects lost a total of $685.5 million in Q3 2023. OpenCover is the first onchain cover aggregator, providing a decentralized platform for users to purchase protection against DeFi risks on Ethereum and L2s.

OpenCover's latest initiative not only strengthens onchain safety but also significantly reduces transaction costs by 50x compared to L1, making cover purchases economical for retail users looking to cover amounts below $50,000.

This move is bolstered by OpenCover's strong financial backing, including $4.6 million from notable investors such as NFX, Jump, Village Global and Coinbase Ventures. OpenCover's mission is to democratize onchain safety, making it accessible to all users and catalyze broader onchain adoption.

"Your keys, your coins also means your risk — and the DeFi sector continues to be plagued by smart contracts risk and bad actors. Onchain adoption will not advance beyond its current highly speculative phase without the implementation of effective solutions for risk management. Today we are proud to lead the charge on user safety by offering cover at scale on Arbitrum for the first time" says Jeremiah Smith, co-founder and CEO at OpenCover.

About OpenCover
Founded by Y Combinator Alumni Jeremiah Smith and Yury Oparin, OpenCover (https://opencover.com) works with leading underwriters to help individuals and institutions protect themselves against onchain risks such as protocol exploits and governance attacks. OpenCover is backed by leading investors including NFX, Jump, Alliance, Village Global, Base, Orange DAO, Coinbase Ventures and leading Web3 angels.

Jeremiah Smith
OpenCover
media@opencover.com
Visit us on social media:
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