

OpenCover launches Covered Vaults, the first primitive for vault-native risk transfer

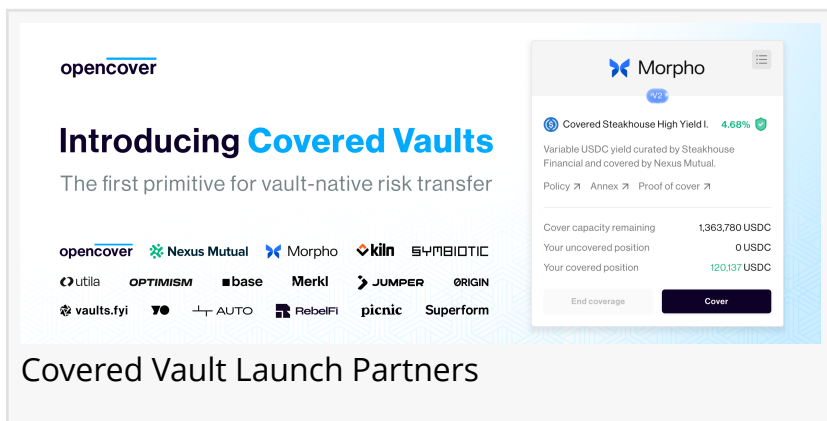
Built with Nexus Mutual and more than 15 design and launch partners, Covered Vaults introduce a new safety standard for onchain capital allocation.

CANNES, FRANCE, April 2, 2026

/EINPresswire.com/ -- [OpenCover](#), a leading platform for onchain insurance and risk transfer, today unveiled

[Covered Vaults](#): a new primitive designed to make DeFi vaults safer and

investable at scale. The launch follows nine months of development with partners including [Nexus Mutual](#), Morpho, Kiln, Symbiotic, Base, and Merkl.



Covered Vaults complete the missing pillar of DeFi risk management: risk transfer.

“

Zero risk does not exist in traditional finance, and it will not exist onchain.

Covered Vaults bring the missing risk transfer layer, enabling real capital to scale into DeFi with confidence.”

Jeremiah Smith, Co-Founder & CEO, OpenCover

While the industry has invested heavily in risk identification and mitigation, residual and tail risks remain unavoidable. With more than \$100 billion lost onchain, institutions and fintechs still lack the tools required to allocate capital with confidence.

Covered Vaults transform these unknown risks into a known, predictable cost, bringing the same risk transfer mechanisms that underpin traditional finance to the DeFi ecosystem.

Introducing Covered Vaults

Developed by OpenCover in close partnership with Nexus Mutual, Covered Vaults solve long-standing challenges in onchain insurance, including variable policy durations, premium streaming, and composability.

The system is double audited (Nethermind and Sherlock) and live in production with up to \$50

million in coverage capacity per vault.

For the first time, users can activate cover directly by depositing vault shares, without leaving the vault interface or purchasing a separate policy.

Key innovations include:

Vault-native composability -- Cover can be activated simply by depositing vault shares. No separate policy purchase or off-platform setup.

Real-time onchain transparency -- Proof of cover and solvency is publicly auditable onchain in real time.

Premium streaming and rolling renewals -- Premiums stream directly from yield with automatic renewals and no minimum policy terms.

Universal compatibility -- Any existing DeFi vault can become coverable without modifying the underlying protocol or deposit flow.

This marks a turning point in how risk is managed across onchain finance.

As vaults become the backbone of onchain capital allocation, liability and perceived liability are emerging as critical barriers to adoption.

Technology that works most of the time is not enough for institutions or fintech platforms. To unlock mainstream adoption, DeFi must compete on safety as well as yield.

"Zero risk does not exist in traditional finance, and it will not exist onchain," said Jeremiah Smith, Co-Founder and CEO of OpenCover. "Covered Vaults bring the missing risk transfer layer that institutions rely on offchain, enabling real capital to scale into DeFi with confidence."

Covered Vaults are live today, protecting eight-figure TVL per vault, with capacity expected to scale further throughout the year. The system is built on ERC-7540 vault standards and has completed multiple independent security audits.

Protocols can now launch Covered Vaults for their users: <https://opencover.com/vaults>

About OpenCover

OpenCover (<https://opencover.com>) provides insurance and alternative risk transfer solutions for onchain finance, helping protocols, fintechs, and institutions protect against blockchain risk and scale safely into DeFi.

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