SECTION 1: APPLICANT INFORMATION

Alias:

Fortesque

Project Name:

Mozaic

Project Description:

Mozaic combines AI technology and LayerZero's omnichain technology to automate and optimize the yield farming process for the end user.

Core Team and Qualifications:

Calum Roberts: Founder (Core Contributor)

@MomentoMori1814

: Head of Growth (Core Contributor)

@0xFortesque

: Community Manager (Core Contributor)

John Rafman: Tech Lead/Senior Solidity Engineer (Core Contributor)

Tobi Jackson: AI Lead/Senior AI Engineer (Core Contributor)

Brendan O'Brien: Legal Advisor (Advisor)

Greg Tanaka: AI Engineer (Advisor)

@Kleronomas

- DeFi and Economics Expert (Advisor)

@RAYBEAZY

- BDM and Fund Management (Advisor)

Project Links:

Landing Page: https://mozaic.finance/

Docs: https://docs.mozaic.finance/

dApp: https://app.mozaic.finance

MOZ on Arbitrum: [$0.04 | Mozaic Token (MOZ) Token Tracker | Arbiscan](#)

Github: [Mozaic · GitHub](#)

X/Twitter: https://twitter.com/Mozaic_Fi

Contact Information:

Twitter: @0xfortesque

Email: 0xfortesque@proton.me

Telegram: @0xfortesque

SECTION 2: GRANT INFORMATION

Requested Grant Size:

100,000 ARB

Grant Breakdown:

Solidity Development

- 20,000 ARB

AI/ML Development

- 15,000 ARB

Audit (w/ Trust-Security)

- 35,000 ARB

Dynamically Adjusted, Time weighted Vault Incentives

- 30,000 ARB

Required Development Additions:

- Two Full-Time Senior Solidity Engineer
- One Front End Developer
- One Full-Time Senior AI Engineer

With the proposed ARB injections, the team will be capable of completing the Theseus vault by mid December.

Funding Address:

0x26E17aDa97868A75FFbF01bB36DC84dcAC180f83

Funding Address Characteristics:

3/6 Multisig with all hardware wallets securely stored across different locations/individuals. We've started with 3/6 multi-sig initially and will upgrade to 5/7 signers (which is preferred) for more robust security measures in the near future.

SECTION 3: GRANT OBJECTIVES AND EXECUTION

Objectives:

The MozaicDAO is seeking 100,000 $ARB from the GMX Open Grants that will be used to advance its already in production Theseus Vault. With the proposed injection, the vault will be live to the public by mid-December bringing our already live AI 'Archimedes'

to GMX V2.

OBJECTIVE #1

- Pre Audit: Finalize Development (commenced Early September)

Deliverables:

1. Development of Theseus Vault Contract incl. GMX 'Plugin'
2. Development of Control Center (CC) and Iron Hand (data hub)
3. Testing with Control Center and AI

Current Progress:

- Research conducted
- Developed vault plugin for GMX
- Developed Iron hand (data hub) for model training.

Estimated time to complete with additional resources: 10-14 days.

KPIs measured in Development Goals for OBJECTIVE #1:

- Finalized vault contract and plugins for Vault

- Fetching appropriate data from the pools (from DefiLlama) and integrating with the data hub (Iron Hand)

- Codebase ready for Audit, pre-launch marketing campaigns begin

OBJECTIVE #2

- Post Audit: Beta and Public Launch

Deliverables

1. Audit for developed smart contracts, syncing with marketing campaigns with partner protocols

2. Deployment of smart contract on Mainnet w/ CC and Iron Hand

3. Front end update and release

Estimated time to complete: 21 days

KPIs

- Initial audit report received for the Theseus Vault (duration ~15 days), marketing campaigns kick off with GMX

- Mitigation round conducted and

- Full Mainnet 'Private Beta' before 'full public release'

OBJECTIVE #3

- Post Audit: Incentives

Periodic security vault cap increases

- $10,000

- $50,000

- $100,000

- $250,000

- Up to 1M organic TVL before grant incentive distribution.

Dynamically adjusted based on performance and demand. We maintain a conservative approach to growth but are always able to accommodate according to demand. However, protocol security/vault security will always be of utmost importance to us and we plan to scale accordingly.

How will receiving a grant enable you to foster growth or innovation within the GMX ecosystem?

With its Theseus vault, the Mozaic protocol will bring its one of a kind AI technology to GMX V2 to attract additional liquidity providers to the platform and to the Arbitrum ecosystem. Theseus will bring one click, automatic yield farming FIRST to GMX V2 to align with its expansion plans on the back of its STIP approval. Every hour, the AI (Archimedes) will scan available yield across GMX V2 and if necessary rebalance (swap) assets so it can then allocate those assets to the highest yielding farm. If Archimedes does reallocate assets, it will also automatically compound.

We also use 'Zap' technology through Enso Finance which allows users to deposit into the Theseus Vault from almost any coin or LP token (including UNI V3 positions). This will further facilitate the acquisition of liquidity for the GMX V2 platform as we expand deposits from more chains.

Our flagship vault - Hercules - has seen rapid growth in TVL in its first two months acquiring ~$100,000 in organic, non-incentivised TVL. See DeFiLlama for more information: https://defillama.com/protocol/mozaic. Currently Hercules pays out approximately 7.5% - 10.5% in REAL YIELD. The AI calculates all farming decisions based on block by block data, and considers slippage, txn fees, liquidity, farm/pool reward share per block, price data and more to deliver the APY on the front end to users.

We've shown significant interest and TVL growth since inception and believe this TVL interest and growth will spill over to the Theseus Vault upon launch.

See 'Protocol Roadmap' section for information regarding Theseus TVL growth targets.

Justification for the size of the grant:

Mozaic is a community centric protocol and to date has taken NO VC INVESTMENT. The core contributors have built the entire AI technology and vault contracts from scratch. We request this grant to support development exclusively for the betterment of the Mozaic protocol and to further align with GMX and Arbitrum.

Grant Breakdown:

Solidity Development

20,000 ARB

- Two Senior Solidity Developers (15,000 ARB)

- One Front-End Developer (5,000 ARB)

AI/ML Development

15,000 ARB

- One Senior AI engineer (12,000 ARB)

- One Data Analyst (3000 ARB)

Audit (w/ Trust-Security)

- 35,000 ARB

Dynamically Adjusted, Time Weighted Vault Incentives

- 30,000 ARB

Grant Timeline:

FIRST payment of 35,000 ARB (35%%) to be released upon grant approval of grant to hire the additional engineers and bump the development timeline.

SECOND payment of 35,000 (35%) to be released upon achievement of OBJECTIVE #1

for payment of the Audit with Trust-Security.

THIRD payment of 30,000 (30%) to be released upon achievement of OBJECTIVE #2

and launch of the vault once 1M in organic TVL is achieved without any form of ARB token incentives.

We've structured the above grant release timeline akin to a development grant where the initial 35% of distributed ARB is exclusively focused on talent and product development for our Theseus Vault & are very confident that the release of the remaining grant tranches would reward GMX & ARB ecosystem users handsomely, supercharging our healthy organic TVL growth.

Fund Streaming:

The Mozaic protocol agrees to have funding of the proposed ARB grant streamed linearly for the duration of the grant proposal, and that the multisig holds the power to halt the proposed streamed grant at their discretion at any time.

SECTION 4: PROTOCOL DETAILS

What date did you build on GMX?:

Production for the Theseus Vault began in late August/early September.

Prior to this, we developed an automatic yield farming stablecoin vault 'Hercules' that has been live now for over two months, since August 23rd. Hercules is built atop Stargate Finance across seven chains including Arbitrum with ~$100,000 in TVL and growing.

To develop the Theseus Vault we borrowed lessons learned from building the AI and vault architecture for Hercules and have adopted a number of different approaches, which allows the team to streamline the vault development and efficiency of the AI itself. Here is previous testing of the Hercules vault: [Machine Learning - Mozaic](#).

Protocol Performance:

The Mozaic protocol has taken NO VC investment to date. The AI technology has been in development for over two years with continuous training and improvements carried out concurrently.

Our acceptance into the Google Cloud Web3 start-up program ensures we have the resources to maintain, learn and enhance upon our current infrastructure (https://x.com/Mozaic_Fi/status/1699407136495981019?s=20)

On July 3rd, the protocol raised $300,000 from the community and DAOs alike - this sold out in less than 24 hours. (https://x.com/Mozaic_Fi/status/1676270607208697856?s=20)

In September, the protocol conducted an LBP on Fjord Foundry. Funds were used to continue development and bootstrap liquidity for the MOZ - ETH trading pair. The DAO owned liquidity, which now sits at over $700,000, is exclusively on the CamelotDEX V3 AMM with over $2,000,000 in swap volume. Over $60,000 in protocol revenue from LP fees have also been accrued in less than three months. There is also an upcoming partnership with Concentric.fi for our ALM provider, cementing the MOZ token within the Arbitrum ecosystem.

As a team and community, we have developed real working products that are already live. The grant would help the protocol expand and solidify our presence in the Arbitrum ecosystem. We see ongoing mutual synergies and growth with the launch of Theseus on GMX V2.

Protocol Roadmap:

Q4 2023

- Theseus Audit report prior to launch

- Theseus Vault Launch

- Protocol Leaderboard (based on interactions with the protocol incl. Theseus)

- Arbitrum Hoplite NFTs

- Theseus security vault cap increase: $100,000 TVL target.

Q1 2024

- Account abstraction and fiat on ramp for Theseus

- Theseus security vault cap increases $500,000 - $1M TVL target, dynamically adjusted if/when demand increases.

- Theseus security vault cap $1,000,000+ TVL target achieved and ongoing ARB incentives initiated.

Q2 2024

- Theseus security vault cap increase to $5,000,000 by the end of Q2 maintained through superior offering of yield

- Additional integrations of Arbitrum protocols within the Theseus vault - planned: Gains Network, Gamma Strategies and more.

- Hercules ZK-AI, verifiably proving the off-chain model

Q3/Q4 2024

- Theseus ZK-AI, verifiably proving the off-chain model

- $10,000,000 + in 'sticky' TVL

- Additional Arbitrum centric farms and protocols

Audit History:

Hercules Vault Audit: Audit - Mozaic

MOZ Token Audit: Audit - Mozaic

We are also partnered with Upshield to provide an additional, real time layer of alerts to the team to any suspicious/malicious activity: Upshield - Mozaic

SECTION 5: Data and Reporting

Is your team prepared to create Dune Spells and/or Dashboards for your incentive program?:

Yes, we are able to create our own Dune Dashboards for the incentive program and even the grant streaming itself through our partners at Hedgey.

Does your team agree to provide bi-weekly program updates on the GMX Forum thread?:

Absolutely.

Additionally, we also host Community Calls every week with regular updates to our community and public.

Does your team acknowledge that failure to comply with any of the above requests can result in the halting of the program's funding stream?:

Yes!

Finally, on a personal note and regardless of the outcome of this proposal - we would like to extend our gratitude to the team from GMX, they have been extremely supportive as we have been building out the Theseus Vault.

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