Applicant Name or Alias

: HWxFrank

Project Name

: Rodeo Finance

Project Description:

Rodeo is a decentralized finance protocol that allows its community to earn yield on a range of managed and passive investment strategies on Arbitrum.

At its core, Rodeo has two sides: passive liquidity providers (lenders) earning high, yet safe APR by providing single assets for use by leverage farmers, and leverage farmers who borrow up to 10x to farm real yield strategies. Thus, the protocol enables users to take undercollateralized borrows to increase their positions in vaults and/or yield farming strategies, resulting in higher returns for both active yield seekers as well as passive lenders. Rodeo is introducing a novel collateral system whereby users can stake their yield bearing assets and borrow (with leverage) for use in the Rodeo Farms, thus maintaining exposure to the underlying asset yield AND earning additional yields in the leverage farms.

Rodeo's vision is to become Arbitrum's leverage hub for maximizing yield. Enabling users and protocols to become more capital efficient, generate higher yields, and onboard the next generation of DeFi users through a simplified, composable solution

Team Members and Qualifications:

- Farmer Carlton - CTO / Lead Developer

- 0xSerg - Senior Developer

- Jimbo - Operations Lead

- HWxFrank - Growth and BD

- 0xyieldlord - Growth / content

- Jonas - Community

- Photon - Researcher

Project Links:

- Website: https://www.rodeofinance.xyz

- dApp: Farms | Rodeo

- Twitter: https://twitter.com/Rodeo_Finance

- Medium: Rodeo Finance #getleverage – Medium

- Github: Rodeo Finance · GitHub

Contact Information:

TG

: Telegram: Contact @HWxFrank

Twitter

: https://twitter.com/Rodeo_Finance

Email

: partners@rodeofinance.xyz

SECTION 2: GRANT INFORMATION

Detail the requested grant size, provide an overview of the budget breakdown, specify the funding and contract addresses, and describe any matching funds if relevant.

Requested Grant Size:

100,000 ARB

Grant Matching:

Rodeo will combine the grant incentives on top of our existing RDO incentive program [Rodeo Booster (rbLP) Incentives. How To Boost your Incentive Rewards by… | by Rodeo Finance #getleverage | Sep, 2023 | Medium](#)

Grant Breakdown:

Solidity Development & 3rd party Oracle Integration Audit (in additional to on-going Paladin Audit)

- 25,000 ARB

Lending Pool Incentives (to boost available liquidity for GM farms)

- 10,000 ARB

Milestone based Farm incentives (dynamically adjusted for time in vault)

- 20,000 ARB distributed to GM farms over 3 months
- 20,000 ARB when $1m TVL reached in GM farms
- 20,000 ARB when $2m TVL reached in GM farms

Funding Address:

[0xaB7d6293CE715F12879B9fa7CBaBbFCE3BAc0A5a](#)

Funding Address Characteristics: The funding address provided is the Rodeo Finance core team multi-sig with a 2/3 threshold requirement, private keys controlled by hardware wallets

Distribution Contract Address:

- Rodeo deployer: [Rodeo Finance: Deployer | Address 0x20dE070F1887f82fcE2bdCf5D6d9874091e6FAe9 | Arbiscan](#)
- StrategyHelper [StrategyHelper | Address 0x72f7101371201CeFd43Af026eEf1403652F115EE | Arbiscan](#)
- | Hold for GMX V2 strategy audit completion (currently in mitigation implementation phase of Paladin Audit)
- |GMX GLP|[0x70116D50c89FC060203d1fA50374CF1B816Bd0f5](#)|
- | Hold for Rodeo Alamo audit completion (currently in mitigation implementation phase of Paladin Audit)

Incentivised Contract Addresses:

- Rodeo USDC.e Lending pool: [Rodeo Finance: Pool (USDC) | Address 0x0032F5E1520a66C6E572e96A11fBF54aea26f9bE | Arbiscan](#)
- GMX GM Farms - Hold for GMX V2 strategy audit completion (currently in mitigation implementation phase of Paladin Audit)
- BTC-USDC
- ETH-USDC
- ARB-USDC
- LINK-USDC
- SOL-USDC
- BTC-USDC
- ETH-USDC
- ARB-USDC
- LINK-USDC
- SOL-USDC

SECTION 3: GRANT OBJECTIVES AND EXECUTION

Clearly outline the primary objectives of the project and the Key Performance Indicators (KPIs) used to measure success. This helps reviewers understand what the project aims to achieve and how progress will be assessed.

Objectives:

The primary objective of the grant is to enhance sticky liquidity attraction in GMX GM farms at Rodeo. By increasing incentives, we aim to position Rodeo as a leading destination for farming GM pools on Arbitrum. This is achieved by layering additional incentives on top of the already capital-efficient farms, augmented by offering up to 10x leverage in these GM pools. Users benefit from access to additional capital, GMX benefits through deeper liquidity, and Rodeo benefits through more volume (fees).

The core value of Rodeo Finance lies in its ability to seamlessly blend leverage yield farming and passive lending, while maintaining a high level of composability. This combination allows users to optimize their real yields, while driving liquidity (and thus fees) to GMX. By presenting this experience in a simple manner, Rodeo is able to onboard new users from a single UI/UX to participate across multiple Arbitrum protocols

Key Performance Indicators (KPIs):

- The total amount of assets (TVL) secured in our GM farms
- TVL per underlying GM Farm strategy
- BTC-USDC
- ETH-USDC
- ARB-USDC
- LINK-USDC
- SOL-USDC
- BTC-USDC
- ETH-USDC
- ARB-USDC
- LINK-USDC
- SOL-USDC
- The number of unique users holding Rodeo Positions
- The number of unique lenders providing USDC on the platform
- The total amount of assets (TVL) in the lending pool
- Lending Utilization rate

Rodeo shall track these metrics on a public analytics page via the Rodeo dApp or via a Dune dashboard

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

The grant incentives we offer will attract additional liquidity, which, in turn, will be strategically channeled into the GMX (GM pools) ecosystem through our leverage farms. This infusion of liquidity will have a cascading impact:

1. Enhanced Yield Opportunities: By directing these incentives into our leverage farms, we aim to create higher yield opportunities for users. These opportunities will be structured to optimize returns while managing risk effectively, thereby benefiting both experienced and novice users within the Arbitrum ecosystem.

2. Increased Liquidity and Protocol Fees: The influx of liquidity will not only benefit Rodeo but also bolster the liquidity of GMX GM poolss. As a result, this translates to greater transaction volume, resulting in increased fees and rewards for protocols and participants.

3. Sustainable Rodeo Growth: For Rodeo, the grant will play a pivotal role in sustaining and expanding our offerings. It will enable us to continue providing the most competitive yield-earning opportunities on Arbitrum, ensuring that we can continue to expand and innovate our products securely.

As a native Arbitrum protocol, we align ourselves with the core values of the Arbitrum ecosystem. GMX has been a beacon for the entire ecosystem and Rodeo aims to participate in the GMX ecosystem long term as it expands its products and offerings.

Our vision is to serve as a unified gateway where the next generation of users can seamlessly access protocols and yield-earning opportunities available across Arbitrum. We are committed to simplifying the user experience, making it accessible to a wider audience, and contributing to the growth and maturation of the Arbitrum network.

Justification for the size of the grant:

[Enter explanation]

**Execution Strategy:

Rodeo's execution strategy focuses on the 3 key areas:

Incentivizing Passive Lending (15%): This portion of the grant incentivizes passive lending to bootstrap liquidity for leverage farmers, enabling them to borrow and earn higher yields. This serves as the liquidity used to facilitate leveraged borrowing into Farms.

10,000 ARB Incentives will be proportionally allocated for users who lock liquidity in Rodeos lending pool, with a time weighted component distributed over a 3 month period from start.

GM Pool Leverage Farms (60%): Rodeo's leverage farms allow users to borrow up to 10x their collateral and deposit into yield strategies. The collateral and leveraged funds are swapped for the underlying GM assets by Rodeo, thus providing a positive sum net benefit in the GMX ecosystem. The

Milestone based Farm incentives (dynamically adjusted for time in vault)

- 20,000 ARB distributed to GM farms over 3 months

- Additional 20,000 ARB to start streaming when $1m TVL reached in GM farms over 3 months

- Additional 20,000 ARB to start streaming when $2m TVL reached in GM farms over 3 months

Solidity Development & 3rd party Oracle Integration Audit (in additional to on-going Paladin Audit)

- 25,000 ARB upfront

Grant Timeline:

Initial Funding - Start Dec 01

Program Ending - Feb 28, 2024

Fund Streaming:

[Do you accept the funding of your grant streamed linearly for the duration of your grant proposal, and that the multisig holds the power to halt your streamed grant at their discretion at any time?] Yes we understand, we also understand that if the proposal to backfund the protocols who passed quorum for Round 1 of the Arbitrum STIP rewards passes, we will forfeit future grant incentives from GMX if Rodeo receives the grant.

SECTION 4: PROTOCOL DETAILS

Provide details about the protocol requirements relevant to the grant. This information ensures that the applicant is aligned with the technical specifications and commitments of the grant.

What date did you build on GMX?:

- GLP Farm deployed March 08, 2023

0x831de295817474bbdb4fb154b14644fb06e080c33543927954dc802f8f895558

- GM Farms

To be launched upon conclusion of audit mitigation on-going with Paladin (expected week of Nov 27, 2023)

Protocol Performance:

- Rodeo TVL - $3.5M with capped pools (pool caps to be increased after Paladin Audit conclusion)

- Rodeo TVL in GLP and GLP derivative farms - ~$1.25M

[

image

984×222 7.33 KB

](https://global.discourse-cdn.com/business7/uploads/gmx/original/1X/02dc8bc2c95172519490540644cee3adf359eb7c.png)

Protocol Roadmap:

Rodeo Finance is expanding the yield earning opportunities for users and integrations with underlying Arbitrum Protocols as part of our long term vision and roadmap goals

Q3-Q4 2023:

- New Farms: By creating a compelling incentive program for liquidity providers, Rodeo finance can attract additional market share to Arbitrum and liquidity to Arbitrum protocols. We've identified a number of compelling sectors & protocols we plan to onboard as leverage farms in Q4 of 2023:

- GMX V2 GM Pools

- Umami Finance Deconstructed GLP Vaults

- Aura Finance Pools

- Vela (VLP) / HMX (HLP)

- Uniswap/Camelot V3 Concentrated LP

- GMX V2 GM Pools

- Umami Finance Deconstructed GLP Vaults

- Aura Finance Pools

- Vela (VLP) / HMX (HLP)

- Uniswap/Camelot V3 Concentrated LP

- Yield bearing Token Leverage Product V1: Rodeo has recognized a substantial opportunity within the DeFi space, with the total value locked (TVL) in liquid staking tokens exceeding $19 billion and Yield bearing tokens representing another large market share. We will be introducing a product that allows users to maintain exposure to LSTs / yield bearing tokens (examples could be wstETH, jUSDC, GLP, etc) while simultaneously harnessing the yield opportunities offered by Arbitrum's Layer 2 scaling solution. This integration represents the convergence of two critical pillars of the DeFi ecosystem.V1 of this product will be released upon conclusion of the on-going Paladin Audit expected ~3-4th week of October.

- Tokenomics and Liquidity: oRDO token incentives will be introduced in October as part of our sustainable on-going incentive program for passive liquidity providers . This is based on the Bond Protocol options tokens (oToken) modelRDO/ETH LP pool on Camelot Dex will be incentivized with GRAIL/xGRAIL as well as a Rodeo Nitro Pool

- Scaling: With additional incentives for lenders on Rodeo, our lending pool will continue to expand, allowing increased capacity for existing farming strategies. Our most popular farms have already been maxed out, and sidelined capital is awaiting future capacity raises to deploy. These self imposed caps are largely the constraint for driving more liquidity to our partner protocols, and will be increased following the Paladin Audit .

Q1 2024:

- Yield Bearing Token Leverage Product V2: We acknowledge that the current LST market is largely liquidity on Ethereum mainnet, as such we aim to launch a Chainlink CCIP powered update which will allow users to bring liquidity from cross chain to utilize on Arbitrum, deepening the liquidity available for use in the Arbitrum ecosystem

- Vaults: The first Rodeo vault product will be a USDC based vault with a "set and forget" strategy where users can deposit USDC stable assets and Rodeo will automatically allocate to the highest yield earning opportunities on Arbitrum

- the vault will also utilize Rodeo leverage in limited scope dictated by specific risk parameters to increase the yields

- the goal is to build the USDC vault on Rodeo into the coziest place to park USDC and earn transparent amplified yield (making use of the existing opportunities on Arbitrum)

- the vault will also utilize Rodeo leverage in limited scope dictated by specific risk parameters to increase the yields

- the goal is to build the USDC vault on Rodeo into the coziest place to park USDC and earn transparent amplified yield (making use of the existing opportunities on Arbitrum)

Audit History (if any):

- Audit 1: Kalos (Jan 31 2023) - Full Scope

- Audit 2: Kalos (July 26, 2023) - Full Scope

- Audit 3: code4rena warden rvierdiiev (Aug 11-15, 2023) - Specific to Jones, Camelot and Pendle strategies

- Audit 4: Paladin (On going: Starting Sept 25, 2023) - Full Scope

docs.rodeofinance.xyz

Audits

[Paladin Blockchain Security](#)

Rodeo Finance

SECTION 5: Data and Reporting

Provide details on how your team is equipped to provide data and reporting on the grant distribution.

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

Our team is prepared to create a Dune dashboard or analytic page on our dApp

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

Our team is committed to full transparency of the grant program and the KPI metrics utilized to measure effectiveness and success. We agree to bi-weekly updated on the forum thread utilizing our reporting dashboard and additional protocol inputs

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

Please note: Labs and the Grants Committee retain the right to approve, disapprove, or subsequently disqualify any grant from the programs they are administering at their sole discretion.