We propose to raise funds through a sale of esGMX tokens to increase the work hours that can be committed to GMX development.

Some background:

- GMX began as XVIX in November 2020

- The XVIX project launched with a liquidity generation event in which anyone could participate

- At launch, $30,000 worth of ETH and UDSC had been contributed, all circulating XVIX tokens were paired with these funds and added as liquidity on Uniswap, there was no team allocation

- The team received 0.07% of XVIX transferred on each token transfer

- Since the fees were minimal we did not have funds to continue development or to pay for audits, etc

- To continue development, the Gambit project was created in March 2021, a total of 900k was raised, with 450k sent to the GMT-BUSD pool for liquidity

- The remaining 450k raised has been used to pay for audits, Gambit trading competition prizes and to fund development

- In September 2021, Gambit was migrated to be GMX on Arbitrum, with an initial allocation of 250k GMX Tokens for team tokens vesting linearly over two years

At the moment, the GMX team has two developers committing full-time, all other operations including marketing are handled by community members working part-time while receiving a mix of USDC and GMX tokens for their contributions.

Development priorities for 2022:

- Improving GLP performance

- Referral links

- Capturing MEV from price updates and redistributing the arbitrage profits to GMX and GLP holders

- Trading incentives

- Interface improvements

- New chains

- Integrating GMX and GLP with more DeFi partners

- X4 which will be a new kind of AMM that will enable new types of DeFi projects to be built

- The X4 project will use the GMX token, no new tokens will be created

The funds will also enable better support for partnerships and community projects, including the GMX leaderboard, the GMX Blueberry Club, if they need any help, and new projects that might be proposed.

Proposed conversion from part-time to full-time roles:

- Operations (@y4cards

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- Marketing and collaborations (@coinflipcanada)

- A team of two additional members for marketing and collaborations

- Project manager, designer and frontend development team (@xhiroz and team)

- Frontend developer (@vipineth

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Sale Terms

We propose to have the following terms for the sale:

- The sale will be for 100k esGMX tokens

- The esGMX tokens will be sold using Olympus bonds over 1 week

- the discount on the tokens will be determined by the market, if there are no purchases then the discount will increase over time, if there are purchases then the discount will decrease

- The starting price will be at 0.9 * GMX market price at the time

- The tokens will come from the partnerships / marketing / community development fund

Vesting Rules

- esGMX tokens are not transferrable / sellable, they can be vested into GMX tokens over 365 days

- Vesting is optional, esGMX can be staked for esGMX and ETH rewards

- The vesting of esGMX requires holding GMX at a 1:4 ratio, e.g. to vest 100 esGMX, a purchaser must hold and stake at least 400 GMX tokens

- The process would be (1) stake 400 GMX, (2) deposit 100 esGMX into the vesting vault, both actions can be done on the GMX interface

- While vesting, esGMX converts to GMX every second and is claimable through the interface

- Staked GMX continues to receive esGMX and ETH rewards

- Vesting can be paused and restarted at anytime, esGMX that had been converted to GMX will remain as GMX

- Vesting amounts are flexible, if an account has 100 esGMX and 200 GMX, 50 esGMX can be vested at a time, and the 100 esGMX would be fully vested over 2 years, the mimimum vesting time will remain as 365 days even if an account has more GMX than the 1:4 ratio

- Vesting can be done at anytime, the GMX required to vest can be acquired at anytime

- GMX that had been bought prior to this sale can be used for vesting, if an account already had sufficient GMX before this sale, then no new purchases would be required for that account to vest esGMX

- As an example, if an account already has 400 GMX staked, and has so far earned 200 esGMX in rewards, if the account purchases 100 esGMX, they would be able to vest the total of 300 esGMX using their 400 staked GMX tokens

- Buyers will be able to indicate if they would want to receive the esGMX tokens on Arbitrum or Avalanche