

Project Name:

[Mean Finance](#)

Authors Name:

[@0xged](#)

Number of OP tokens requested:

300k

L2 Recipient Address:

optimism.mean-finance.eth (0x308810881807189cAe91950888b2cB73A1CC5920)

Relevant Usage Metrics (as of June 21st):

- Latest TVL can be checked on [Defi Llama](#)
- Unique addresses: 1607
- Total positions: 2481
- Volume traded: ~900k
- Total swaps executed for users (Optimism): 24116
- Total mean finance executions (Optimism): 271
- Total cost of executing user swaps (Optimism): ~\$215
- Average cost of each user swap (Optimism): \$0.0089
- Gas costs saved for users (Optimism): \$14470

Optimism alignment:

Mean Finance and Optimism are aligned on a fundamental level. Our main product enables users to dollar cost average from any ERC20 into any ERC20 with their preferred period frequency without the user having to pay gas costs for each trade, while still being decentralized, open and traceable. Not only our protocol aligns with Optimism's general philosophy, but our users do too: DCA is considered to be a long term investment strategy, trying to get the best average entry price over time. In other words, being Optimistic about the future.

From a technical standpoint as OP we aim to be completely scalable by design: Our costs will be the same if we execute 1 million trades or if we execute just one. Basically creating scalability at the app layer, on top of scalability on the execution layer (L2), on top of scalability on the consensus layer (L1).

A little recap about our scalability data: https://twitter.com/mean_fi/status/15020361694288158873.

Additionally, we consider our oracle infrastructure a public good since it's [open source](#) and it builds (and hardens) upon Uniswap's V3 TWAPs and Chainlink. Equally important, we've worked to improve lower the entry barrier for developers to use Uniswap's V3 TWAPs through their grants program. More info on this: https://twitter.com/mean_fi/status/1537854948398010374

Lastly, we've shown our passion and compromise for the Optimism network by deploying our Beta version (December 8th of 2021, well before \$OP token hunters show up) while onboarding new cohorts of users (via allow-listing Lobster DAOs' members, and several LATAM related POAPs) that didn't have other incentives to join the network at that time.

How will the OP tokens be distributed?

- Subsidies (45%)

The main goal of this part of the distribution will be to incentivize the creation of DCA positions continuously. We aim to provide the possibility of a zero cost deposit by covering the transaction fee for our users with certain base requirements as to avoid gaming the incentive system. Moreover, we would like to reimburse 25% of the swap fee (this is the percentage of the swap fee the protocol takes) in \$OP as a distribution mechanism for real Optimism users.

- Builders (30%)

We know

our trustless and open DCA primitive is just the tip of the iceberg and can be the base for new DeFi initiatives. That is why

we want to create grants, bounties and incentives for builders

and protocols

to create new products, integrations and strategies while having our product be a core part of them.

- Growth strategies and community engagement (20%)

This is to help in the outreach of new community members (while maintaining and growing engagement of our current community) by creating and incentivizing behavior through trading competition, users quests, and more!

- Early adopters (5%)

We want to thank all genuine users created positions and used Mean Finance on Optimism in the most early stages.

Percentages may change a bit in the process of iterating and measuring impact.

How will this distribution incentivize usage and liquidity on Optimism?

If conditions are met, users will be able to create long term DCA trades that will get their gas and fees cost paid (retroactively, since we have no on-chain mechanisms for that), basically getting near-to-zero cost on their trades. This is something we think will bring a lot of new liquidity and users to the platforms.

Additionally our default market maker looks for liquidity on decentralized money legos already deployed on Optimism such as Uniswap and 0x, therefore increasing traded volume and liquidity providers' APY.

Last but not least, we are also developing a product for DCA-ing with yield generated by other dapps. Meaning that users of this new product will need to lock their capital (to be lend, liquidity providing, etc.) in other Optimism deployed protocols, increasing TVL on the network.

Why will the incentivized users and liquidity remain after incentives dry up?

As Optimism we believe in having a long term vision for the ecosystem, and that is why we have focused on growing organically our community. Implemented incentives will continue in the same line of thought, searching for the balance between fair incentives and organic use of both Optimism and Mean Finance. Also, we've got some products on our pipeline that will need users to lock capital in the network.

Over what period of time will the tokens be distributed?

We anticipate that these incentives will be distributed over a 6-18 months time frame.

How much will your project match in co-incentives?

We currently don't have a token, so monetary incentives can't be matched.