

Blockdaemon offers staking, dedicated RPC, and API services for 60+ protocols. We are proud to support the dYdX network by operating a validator on both mainnet and testnet

## Simple Summary

Polygon will [introduce](#) its new native token POL to replace MATIC on September 4, 2024. Given these developments, we propose to wind down the [MATIC-USD](#) market on the dYdX Chain and proceed with their final settlement.

## Abstract

This proposal seeks to wind down the MATIC-USD markets on the dYdX Chain and initiate their final settlement. On September 4, 2024, MATIC will be upgraded to POL and POL will replace MATIC as the native gas and staking token for the Polygon PoS network. This proposal acts as a precautionary measure to maintain market stability and protect traders.

In the future, the community could propose adding the POL-USD pair on dYdX Chain.

## Motivation and Rationale

The Polygon community [voted](#) in favor of upgrading MATIC to POL which will take place on September 4, 2024. MATIC holders on Polygon PoS won't need to take any action as their tokens will automatically upgrade to POL. However, MATIC holders on Ethereum, Polygon zkEVM, or centralized exchanges may need to manually upgrade their MATIC to POL using a deployed migration contract on Ethereum. This situation can introduce uncertainties and potential risks to the market liquidity and oracle prices if not addressed proactively. By winding down the MATIC-USD market and proceeding with their final settlement dYdX Chain users are protected from potential volatility and disruptions caused by the token upgrade.

## Specification

The [dYdX Chain open-source software v3.0.0](#) allows the dYdX community, through governance, to wind down a market by changing the status of a CLOB pair to FINAL\_SETTLEMENT

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We propose to change the status of the MATIC-USD market to FINAL\_SETTLEMENT

through this proposal. If the dYdX community approves this proposal, then at the block after the vote ends, open positions on the MATIC-USD market will be closed at the oracle price, and open stateful orders will be canceled. All trading for this market will be disabled upon execution of this proposal.

## Next Steps

We plan to submit the mainnet proposal on August 29, 2024, to align with the underlying MATIC to POL upgrade on September 4, 2024.