

Dear Uniswap v3 Community,

As experienced contributors in the DeFi space and pioneers of the successful UNI OP LM campaign, we at DefiEdge are excited to participate in these essential discussions surrounding the distribution of ARB tokens. Our proposal is designed to optimize capital efficiency, long-term growth, and overall benefits to the Uniswap protocol.

Link to previous OP LM Campaign:

<https://gov.uniswap.org/t/rfc-phase-2-optimism-uniswap-protocol-liquidity-mining-program/19803>

This campaign has attracted more than \$2.5M TVL and is successfully running for more than a month.

Our Proposal

DefiEdge proposes a detailed, two-phase allocation of ARB tokens to maximize sustainable liquidity incentivization. We would like to propose 40% of the tokens received by UNI Governance for Liquidity Mining Incentivization to surcharge the adoption on Arbitrum ecosystem:

1. In the first phase, 20% of the ARB tokens will be directed towards incentivizing approximately six strategically selected liquidity pools for DefiEdge within Uniswap V3 on Arbitrum. The specifics of these pools will be determined after a successful temperature check. We will be choosing six pools to maintain a balance between diversification and incentives for LPs.
2. The second phase will involve deploying the remaining 20% of ARB tokens. This phase will be informed by data insights and performance metrics gleaned from Phase 1, ensuring the optimization of liquidity benefits and a response to evolving market dynamics.

Leveraging Liquidity Mining Rewards

DefiEdge firmly believes in the power of liquidity mining rewards as a crucial strategy to attract initial liquidity and foster long-term engagement. Our unique value proposition lies in our advanced management techniques, which have consistently incentivized users to maintain and increase their liquidity contributions. The enduring success of the UNI OP LM campaign, still operational, attests to our capability in generating robust, sustainable results.

Phase 1: Purposeful Initial Liquidity Incentivization

Phase 1 will focus on providing liquidity mining rewards to selected pools, choosing those that offer the most substantial liquidity benefits and potential market impact. This phase serves as a robust foundation, setting the stage for further growth and strategic adjustments based on real-time data.

Phase 2: Data-Driven Adaptive Liquidity Incentivization

Phase 2 will utilize the remaining ARB tokens, adapting the approach based on the insights and performance evaluation from Phase 1. Our goal here is to refine incentives for the most impactful pools and, if deemed beneficial, extend incentives to additional pools, taking into account community feedback and market performance.

Advantages of Liquidity Mining

Liquidity mining offers significant advantages that are central to the longevity and vitality of any DeFi project. It encourages a diverse range of participants to provide liquidity, thereby fostering a more resilient and dynamic trading environment. By incentivizing liquidity provision, budding projects can ensure they have the market depth necessary for efficient trading and reduced slippage. This stability can be a game-changer for new projects, making them more attractive to investors and traders.

Strategic Partnerships

We are in ongoing talks with partners who share our commitment to building a vibrant, sustainable DeFi ecosystem. These strategic alliances will play an integral role in our approach, and we will share specifics as these partnerships materialize.

Potential partnerships:

1. GMX
2. Radiant
3. Lyra
4. Vesta

5. Pendle
6. Sperax token
7. Plutus
8. Alchemix

Sustained Impact and Long-Term Growth

Our two-phase approach ensures both an initial boost of liquidity and sustained, adaptive growth over time. By leveraging learnings from Phase 1, we can fine-tune our strategy for Phase 2, driving optimal allocation of ARB tokens and fostering long-term stability and growth in the ecosystem.

DefiEdge's focus remains on designing strategies that offer enduring, meaningful benefits to our community. With our ARB token distribution proposal, we seek to extend this commitment and invite your support in this endeavor.

About DefiEdge:

DefiEdge is a pioneering asset management platform that provides LPs with sophisticated strategies and tools for optimizing their yield farming and liquidity provision. With a focus on capital efficiency and automation, DefiEdge aims to empower LPs with innovative solutions that enhance their earnings while minimizing the time and effort required for managing their liquidity positions. DefiEdge is committed to driving the adoption of DeFi and revolutionizing the asset management landscape in the web3 space. Visit <https://www.defiedge.io/> for more information.

Website: <https://www.defiedge.io>

App: <https://app.defiedge.io>

Docs: <https://docs.defiedge.io/>

Twitter: <https://twitter.com/DefiEdge>

Discord: <https://discord.gg/646p9aQx2K>