

Formation

- Over the last year, grants have been secured by Labs, with a commitment to spend these towards boosting on-chain activity for Arbitrum and Avalanche through the promotion of GMX, and a specific focus on the adoption of the DAO's V2 deployments on both chains.
- The committee is an effort by Labs to distribute decision-making between contributors and other volunteers to ensure a robust process for evaluation and distribution of incentives in a way that has a positive impact and reduces conflicts of interest.
- The committee should be formed with an initial set of no less than 5 members, a quorum being the higher of 3 members, and votes passed based on greater than 50% of members voting for a proposal.
- This proposal is being brought to GMX governance to seek community recommendations on how this process can be improved to better align with the goals of supporting the growth of GMX and, specifically, GMX V2.

Funds under Administration

- Labs currently have access to three grant frameworks that need to be administered and, soon, a potential fourth.
- Up to 12 million ARB as incentives until January 31, 2024, towards liquidity and trading incentives, including third-party protocols.
- Up to 2 million ARB as incentives to protocols building on GMX V2 until January 31, 2024, out of the 12 million ARB incentives.
- Unutilized portion of a \$4.0 million in Rush Incentives grant on Avalanche for distribution.
- Potential allocations from GMX development funds to support audits and similar associated costs for third-party protocols building on GMX V2. Encouraging new builders to be early adopters, utilizing GMX's liquidity layer as a source of yield and capital-efficient trading.

Committee Members

- The committee is proposed to include a mix of core contributors and those in the ecosystem and technical domain, supported by a grant administrator that will coordinate this process.
- @KR_GMX

, [@coinflipcanada](#), [@jonezee](#), [@jrogon](#)

, [@tanoeth](#)

, [@kalcrypto](#)

, and [@shogunfx1](#)

as existing contributors to GMX will form the initial members of the grant committee.

- The non-voting Grant Administrator is Saurabh Dhekale, who has prior experience in the administration of grants programs and is a contributor at Gitcoin

Decision-Making Process

- In addition to utilization of the gitcoin grant architecture, a section of [gov.gmx.io](#) will be dedicated to the posting of third-party grant applications, to be allocated under administered programs. Allowing our community to weigh in and provide feedback for the grant committee's consideration.
- The committee will determine distributions towards liquidity and trading incentives, after seeking feedback from risk managers and ensuring compliance with the requirements of the grant program.
- 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. In the event that such a decision is reviewed by GMX governance and subsequently governance takes a decision via a snapshot/tally vote, the committee will uphold the results of a direct vote subject to it complying with any third-party restrictions and budget continuing to be available for such grant.

Conflict of Interest Guidelines

- The Grant Committee will continue to evolve a robust conflict of interest policy to ensure that conflicts of interest, real or perceived, are minimized
- Potential conflicts of interest for members that should trigger a recusal include:

- Advisor, contributor, contractor, or employment relationship with a recipient.
- Significant economic exposure to a grant recipient being (i) own greater than 1.0% of token supply, (ii) exposure of greater than 5.0% of the individual member's crypto assets
- Private round investments in projects without a TGE.
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- Private round investments in projects without a TGE.
- Examples of activity that is not a conflict of interest
- Being a GMX token holder.
- Liquidity provider in GM / GLP.
- Participating in publicly available vaults (without caps.)
- Having advised or provided feedback to grant recipients as part of your role as a GMX contributor.
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- Beyond the mentioned guidelines, committee members are left to their own cognizance to determine and self-disclose if any additional conflict of interest exists, including for non-economic reasons.
- Any member with a financial interest that does not meet the level of recusal but exceeds USD 10,000 in a grant recipient should be disclosed
- Disclosure of conflicts of interest better allows others to weigh this information when reviewing proposals and also ensures that during.
- When a conflict of interest recusals result in a quorum not being available, such remaining members can vote but are subject to achieving a supermajority ($\frac{2}{3}$ or greater) of all remaining non-conflicted members.

Disclaimer:

The content presented is for informational purposes only and does not constitute legal, financial, or investment advice, nor represent a binding legal agreement.

While discussions and voting may transpire on GMX DAO's official social media channels, it's crucial to understand that contributors act independently. Any discussions or proposals should not be construed as a commitment or obligation by any individual contributor.

No warranties or representations are made regarding the accuracy, completeness, or suitability of the information presented, and no liability will be accepted for any losses, damages, or adverse consequences that may arise in relation to this discussion or proposal.

It is strongly advised to undertake your own due diligence and seek advice from relevant professionals before decisions are made based on the content of this proposal or related discussions.