Synthetix LTIP Grant Extension Request

Abstract

Synthetix requests an 8-week extension for its LTIP grant to align with the launch of Perps Multi-Collateral and distribute 900k ARB in trading fee rebates. This extension will run from September 16th to November 16th, 2024 (edit: with Snapshot ending dates) aligning the deployment of the remaining grant funds with a major product launch.

Motivation

The Arbitrum community should implement this extension to maximize the impact of the originally approved grant, which targeted LP & stablecoin incentives. By aligning the distribution with the launch of our Arbitrum-exclusive Multi-Collateral Perps feature, we can ensure greater engagement, trading volume, and overall ecosystem growth.

Rationale

Synthetix has experienced unforeseen delays in its deployment of Synthetix Perps on Arbitrum. We originally expected to launch by late July, to align with one month of Perps fee rebates. However, due to audits and other factors, and to ensure the top performance of our Arbitrum-exclusive multi-collateral perps feature, we've been unable to hit these targets. As a result, we've not utilized 900k ARB from our proposal and would like to seek an extension.

Key Terms

- Multi-Collateral Perps

: A feature allowing users to margin with ETH, BTC, and USDx for perpetual futures trading on Arbitrum with Synthetix Perps.

Specifications

The extension will utilize the remaining 900k ARB tokens from our original proposal for trading fee rebates. These rebates will be distributed over 8 weeks, coinciding with the launch of Multi-Collateral Perps. This approach ensures:

1. Full implementation of the Multi-Collateral Perps feature

2. Complete integration with frontend partners, particularly Kwenta as our launch partner

3. Enhanced capital efficiency with multiple margin options, new trading strategies, trading types, etc.

4. Improved user experience and market competitiveness as an Arbitrum exclusive launch

Steps to Implement

1. Launch Multi-Collateral Perps feature on Arbitrum (this week)

2. Begin distribution of trading fee rebates

3. Monitor and report on the impact of the rebates and new feature

Timeline

- Start Date: September 16th

- End Date: November 16th

- Total 8 week program from starting date. (Original TBD dates have been edited based on Snapshot timing)

Overall Cost

The extension utilizes the remaining 900,000 ARB tokens from the originally approved 2 million ARB grant. Over the 8-week period, this amount will be fully distributed as trading fee rebates as per our original LTIP grant.

- Total Cost: 900,000 ARB tokens

- Weekly Distribution: 112,500 ARB tokens (900,000 / 8 weeks)

No additional funds are being requested beyond the original grant allocation.

Additional Context

We have been working with the LTIP Council, [@Matt_StableLab](#), and others to work out the best path to request this extension, and we started requesting information & guidance on July 21st.

We've also posted about our proposed plans in our original LTIP [thread](#) which included options on how to best proceed.

We plan to post this on Snapshot, not Tally, next week with the help of [@krst](#), as it does not utilize any additional funds. Any additional comments before this time would be very helpful. Thank you all!