

The following is a proposal to allocate LEGO funds to Galleon to help the development of a one-click issuance of their ETH Max Yield Index (\$ETHMAXY) product.

Despite the fact the index can be bought on Uniswap v3, to mint the index, there are a number of steps required [see guide](#)). We currently have a flourishing relationship with Lido and we feel this flash issuance will further cement the Lido <> Galleon partnership and our ability to strategize in the market together when approaching DAOs for potential Treasury diversification (ultimately locking up more ETH in the process).

Proposal

The development of a one-click issuance will enable individuals to “instantly” mint an ETHMAXY position, by batching transactions to avoid the somewhat cumbersome process outlined in the guide. We believe this will lead to further retention of sticky capital being locked in TVL for both Lido, and Galleon in ETHMAXY.

With the grant, Galleon will explore developing a one-click issuance and redemption from stETH as well as from ETH to increase TVL being locked into Lido.

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](<https://europe1.discourse-cdn.com/business20/uploads/lido/original/2X/c/c30cd3e5288839ce40c2d0c2896154781654efcf.png>)

ETH Max Yield Index - Information:

- Built on Set Protocol
- Uses Lido for liquid staked Ethereum (stETH) and Aave to leverage the yield using it as collateral
- 1x ETH spot exposure, 3x+ leveraged staked ETH yield exposure represented as a single ERC20 token
- Minted with aSTETH (output ETHMAXY) using Set Protocol
- Redeemed with ETHMAXY & WETH (output aSTETH) using Set Protocol

Methodology Parameters

- Target Leverage Ratio: 3.25
- Minimum Leverage Ratio: 3.00
- Max Leverage Ratio: 3.30
- Rebalance Interval: None, only when out of bounds

Key benefits

- The product remains as a fully composable token that can be utilized in DeFi
- Very low barrier to entry (a simple Uniswap trade)
- Highest staked ETH yield in the DeFi ecosystem
- Automated leverage management for leveraged staked ETH yield
- Auto-compounding yield product

Grant amount / Timelines

- \$50k (17,482 LDO)
- 3 Months

Mile Stones

Development Phase Smart Contract Development (1 month)

- Flash issuance into ETHMAXY from ETH
- Flash issuance out of ETHMAXY to stETH Frontend

Application Development (1 month)

- Enable users to issue and redeem ETHMAXY through the developed Flash Issuance contract seamlessly via SetSwap ([SetSwap by Galleon DAO](#))

Testing Phase (1 month)

- Rigorously test the SetSwap <> Contract integration whilst conducting any auditing on the developed contract (if required)

Go Live

- Go to production with the completed deliverable on SetSwap and market using all available outlets to Galleon DAO