

Basic Details

Project name: Firm Protocol.

Author name and contact info (please provide a reliable point of contact for the project.): Captain McAteer.
firnprotocol@proton.me

L2 recipient address: Firm's Optimism Safe: [0x0c1B55A93dFffa8021d0EaCc79874caD1bBB7d4b

](<https://optimistic.etherscan.io/address/0x0c1B55A93dFffa8021d0EaCc79874caD1bBB7d4b>).

Which Voting Cycle are you applying for?: Cycle 11.

I confirm that I have read the landing pages for the [Builders](#) and [Growth Experiments](#) Sub-Committees and that I have determined my proposal is best suited to be reviewed by the Growth Experiments Sub-Committee: Yes.

I understand that Growth Experiments grants are subject to a "no sale rule," as explained in this post, and I have read the terms of the rule: Yes.

Project Details

What are you building?: Firm is a state-of-the-art, zero-knowledge privacy protocol for Ethereum, which overcomes certain critical efficiency bottlenecks that alternative approaches face. Firm's browser-based front-end can retrieve and process its user's account state using only a constant

amount of bandwidth and computation; other approaches must inefficiently "synchronize", expending computational effort proportional to the network activity processed since the last sync (as well as assistance from off-chain indexers, etc.). Firm's client is stateless, never caches state on the device, and never communicates with off-chain services during sync; it can easily run on mobile and in Tor.

Why do you believe what you are building is going to succeed?: Because of Firm's unique architecture, it is massively more efficient, easy-to-use, and easy-to-engineer than alternatives. We believe that these differences will be decisive. More prosaically, Firm is the only privacy protocol currently deployed on Optimism.

How many users does your project have currently? Please include how you arrived at this estimate: Not many yet: about 50. This was calculated by looking at the number of unique Firm accounts that have ever been created.

How will receiving a grant enable you to further the mission of maximizing the number of users interacting with Optimism? Please include a step-by-step flow of how you imagine this grant can lead to a greater number of user interactions with Optimism: The main thing that we can do with grant funds is incentivize users who create Firm accounts, deposit ETH, and grow the anonymity pool

. These acts will lead to interactions with Optimism for obvious reasons. Secondly, we can also incentivize users who contribute to Firm's art/design, as well as spread awareness of it. As a more indirect effect, by making more people aware of Firm, we will plausibly bring people to Optimism

who wouldn't have chosen it otherwise. (Firm is deployed on a few other networks, but Optimism is our largest.)

Tell us about the users you plan to target with this grant. Include any defining characteristics that will help you identify and target them.: Firm targets crypto/Optimism users who want funds privacy, as well as privacy in DeFi interactions. We emphasize that Firm is very easy to use

; moreover, privacy is a huge need. Our main social media presence is our Discord. Beyond this, we can use Twitter and word-of-mouth to seek out new users.

How would these users interact with Optimism? For how long?: They would start by depositing ETH into Firm. These funds would then (ideally) persist long-term. Indeed, (like Tornado) Firm isn't effective when used as a "pass-through" layer; you need to keep your funds there over time. Rather, Firm should be viewed as a "private wallet" where you keep all

your funds, and use/withdraw them only as necessary. We will make this clear to users, and will not

reward users who use Firm as a pass-through (this is typically obvious when it happens).

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Provide us with links to any of the following for the project:

- Demo:
- Website: <https://www.firn.cash>, <https://firn.eth.limo>

- Twitter: <https://twitter.com/firnprotocol>
- Discord/Discourse/Community: [Firn Protocol](#)
- Github: [firnprotocol \(Firn Protocol\) · GitHub](#)
- Technical/Economic Documentation: [Firn Protocol – Medium](#)
- Other:

Do you have any metrics on the project currently? (TVL, transactions, volume, unique addresses, etc. Optimism metrics preferred; please link to public sources such as Dune Analytics, etc.): TVL on Optimism is about 130 ETH right now; we have about 50 unique users, and roughly 1 transaction per week.

Who are your competitors, and are they on Optimism?: Main competitor is Aztec Network

; they are not

on Optimism.

Please link to code audits (if any):

Team

Who are your founders?: Captain McAteer (anonymous founder).

What makes your team well-suited to carry out the project described in this proposal? Captain is an expert-level cryptographer and engineer.

Is this your first Web3 project?: Yes.

If not, what else have you built? (Share links, Github repository, or any other useful information.):

Grant Request

What is the size of the grant request? (250k OP max): 75,000 OP.

How do you justify the size of the grant?: This is an appropriate size to incentivize significant (10x–100x) growth, targeting a minimum

of 1,000 ETH TVL.

Roadmap and Distribution Plan

Describe in discrete steps how you will successfully implement your grant plan:

How will the OP tokens be distributed? (please include % allocated to different initiatives such as user rewards/marketing/liquidity mining. Please also include a justification as to why each of these initiatives align with the problem statement this proposal is solving. Distribution should not include the sale of any tokens by the grantee or the use of tokens for compensation, protocol expenses, etc. See the [no sale rule here](#): We plan to expend 50% of the grant on deposit incentives (i.e., rewarding users who deposit ETH

into Firn on Optimism, and keep it there). This is the bare crucial metric to get Firn more established, and also directly translates to Optimism use. We plan to reserve the remaining 50% for partnerships with other protocols. Indeed, Firn offers pluggable

privacy, in the sense that other protocols—via a minor, front-end-only

integration with our [MetaMask Snap](#) (no new contracts need to be written or deployed, unlike the case of Aztec)—can plug Firn's privacy into their project. Incentivizing other projects to use Firn simultaneously benefits the projects, Firn, and Optimism; indeed, it increases the feature-set and the userbase of the other projects, it increases the usage and TVL of Firn, and it increases activity on Optimism.

We will use this space to moreover explain our disbursement procedure. Deposit incentives will be disbursed according to the following mechanism. We will first filter for and exclude

deposits which were obviously immediately withdrawn. (Though the privacy properties of Firn are designed to prevent

linking deposits and withdrawals, this linking can be performed under certain circumstances associated with obvious gaming; for example, these include cases in which the user withdraws immediately after depositing, the user withdraws back to the same address the deposit came from, or the user withdraws the exact same—and unique—amount deposited.) After excluding these deposits, we will reward deposits directly proportionally to the size deposited. (Barring the above scenarios, there is likewise no way to determine the length of time any given deposit is kept; for this reason, we can't weight based on

duration.) For example, we could reward 20 OP per ETH deposited (and not immediately withdrawn, see above). This would correspond to $50,000/20 = 2,500$ total ETH incentivized. For partnership incentives, we will withhold the granting of the incentive until the project has demonstrated a complete and high-quality integration, as well as active and continuing user flow through the Firm partnership.

Over what period of time will the tokens be distributed for each initiative?: A year

is our target upper-bound for both distributions. For deposit incentives, we may immediately

begin distributing to users who have already made significant deposits and shown commitment to the protocol; further disbursements can begin as appropriate.

Please provide benchmark milestones

for this project. These milestones should guide the Optimism community on the progress of your project throughout your work on the project. Do not use distribution of the grant itself as a milestone: TVL is, and will likely remain, the primary milestone for Firm. Specifically, we are targeting a minimum of 1,000 ETH TVL as our goal, say, attained by 8/8/23 (the 1-year anniversary of our launch); the more beyond this, the better. Our "reach" milestone is to exceed the (former) TVL of Aztec, of around \$12M TVL (so around 7,000 ETH), say by 1 year from the date of our receipt of the grant. Secondary milestones are things like number of unique users; we are targeting $\geq 1,000$ total unique users as of 8/8/23 (excluding wallets controlled by the team). We are also targeting transactions per week, say ≥ 100 /week by 8/8/23.

On the partnerships side, we are targeting 5 high-quality

and active partnerships; with a reach goal of 10.

Please define critical milestones

for this project. Critical milestones are meant to show good-faith efforts to accomplish the project. Non-completion of these milestones could lead to revocation of remaining grant rewards. Do not use distribution of the grant itself as a milestone: As a starting point, our critical milestones include a clear announcement of the receipt of the grant to the community, clear articulation of reward conditions, commencement of disbursement to existing users, and advertising efforts to make prospective users aware of the grant. Beyond this, our quantitative critical milestones are as follows. These include a more-than-doubling of our TVL on Optimism, to a total of ≥ 300 ETH, and an expansion of our userbase, to get ≥ 200 unique (non-team) users, all by 8/8/23. The attainment of at least 1 high-quality partnership should also be viewed as a critical milestone.

If the OP tokens are for direct distribution to users, why will incentivized users and liquidity on Optimism remain after incentives dry up?: Ideally, yes, since Firm is providing a real, valuable service (privacy), which users have real reason to use. The key is just to make people aware.

Please provide any additional information that will facilitate accountability (smart contracts addresses relevant to the proposal, relevant organizational wallet addresses, etc.): Main Firm contract on Optimism: [0x3c6c27072356016f05a4736faaba91d3c2b26e90

](<https://optimistic.etherscan.io/address/0x3c6c27072356016f05a4736faaba91d3c2b26e90>) (note: recently upgraded). Firm Safe on Optimism: [0x0c1B55A93dFffa8021d0EaCc79874caD1bBB7d4b

](<https://optimistic.etherscan.io/address/0x0c1B55A93dFffa8021d0EaCc79874caD1bBB7d4b>).

Optimism Relationship

Does your project solve a problem for the Optimism ecosystem? If so how?: Absolutely: the problem of lack of financial privacy.

Why will this solution be a source of growth for the Optimism ecosystem?: Privacy is an essential ingredient in Ethereum, and creates significant positive-sum effects. Firm started on Optimism; a continued focus here will attract users.

Is your project Optimism Native?: Yes, in these sense that Optimism was the first pool we deployed, and continues to be our largest and most active pool. We are

also deployed on other networks (mainnet and Arbitrum).

Confirmations

I understand that I will be required to provide additional KYC information to the Optimism Foundation to receive this grant: Yes.

I understand that I will be expected to following the public grant reporting requirements outlined [here](#): Yes.