

## Overview:

DeversiFi is a Layer 2 DEX built using the StarkWare Validium / zk-rollup technology. DeversiFi allows customers to trade without paying prohibitive gas fees and is opening up DeFi to a wider audience. See [app.deversifi.com](https://app.deversifi.com) to explore.

DeversiFi is requesting 500,000 LDO to be used in two stages:

1. For a period of 2 months to be used to seed the DeversiFi LDO market. DeversiFi will use the LDO to run a market making service on the LDO/ETH market. This will give DeFi traders a way to gain exposure and hold LDO tokens without paying gas, growing the LDO community.
2. Afterwards to be distributed to stakers of ETH and stETH gradually in a L2 stETH/ETH AMM pool on DeversiFi

If the DAO can provide a grant of LDO tokens to DeversiFi then DeversiFi can seed an LDO market, giving DeFi traders a way to gain exposure and hold LDO tokens without paying gas.

## Proposal:

The DAO will provide 500,000 LDO to DeversiFi to seed an LDO/ETH market

500,000 LDO tokens will ensure a deeply liquid market, which will be rebalanced by DeversiFi's own market making services from time to time and be priced initially from the Uniswap LDO/ETH market

DeversiFi will list the LDO/ETH pair the same day that it receives the LDO tokens and will spread awareness of the listing to the DeversiFi community, including a 35k Twitter following, a 15k email list and assortment of community groups from Telegram to Discord with three thousand members.

DeversiFi also plans to list a wrapped stETH vs ETH market. Initially this will be in the form of an order-book based market, however this will be replaced later in the year by an AMM pool (using a custom curve similar to Curve) on L2 with very low transaction cost. We will provide a simple UI to stake ETH, instead of only being able to trade on the market.

## Points of interest:

If the LDO/ETH market is successful then DeversiFi can also explore listing an LDO/DAI or LDO/USDT market.