IMPORTANT NOTE: Optimism governance has taken a Reflection Period, during which time they implemented changes to their proposal process. As a result, this proposal will be updated to the new format in a NEW

post. That post will include a link to this proposal in order to preserve the discussion in comments below. You can read the new post [here](#).

Overview

Project Name:

Across Protocol

Author Name:

Across community + Risk Labs

(Britt is the author of this post, and the best point of contact. She is the community lead for Across, employed by Risk Labs. Risk Labs is the foundation that built and supports Across)

Number of OP tokens requested:

1,000,000 $OP

Timeline for distribution:

until they run out. We hope to see these rewards distributed over a 9-12 month period.

L2 Recipient Address:

0x8180d59b7175d4064bdfa8138a58e9babffda44a

Relevant Usage Metrics:

(TVL, transactions, volume, unique addresses, etc.)

- Total Bridge Volume: $448,940,817

- TVL: $71,290,836 in total

- Total Bridge Users: 70,331

- Total Transfers: 161,586

Optimism alignment:

Across is the fastest, cheapest and most secure bridge between L1 and L2s. Across protocol is a novel bridging method that combines an optimistic oracle, bonded relayers and single-sided liquidity pools to provide decentralized instant transactions from rollup chains to and from Ethereum mainnet.

Across Protocol supports bridging to and from Optimism from Ethereum mainnet and L2s. UMA launched Across Protocol in early November 2021. Across is a bridging solution which uses UMA's Optimistic Oracle.

Proposal for token distribution:

We have two planned mechanisms for the distribution of $OP tokens. We aim to use 75% of the tokens to subsidize bridge fees for users that would like to transfer assets to Optimism. Currently, we support USDC, ETH, DAI, WBTC, and UMA. The remaining 25% of the tokens will be used to reward anyone outside of Risk Labs (the team who builds and supports Across) who runs a relayer on Optimism.

How will the OP tokens be distributed?

Bridge Users

For any user going to Optimism, we will rebate their bridge fee

105% (so they will earn 5% to bridge to Optimism). The composure of this rebate depends on whether or not the user is already earning $ACX rewards on their transaction. If there is no $ACX reward, the bridge fee will be rebated back 80% $OP and 25% $ACX. If there is an $ACX reward, the $OP amount will be (105%-$ACX%). All of this will be computed on the bridge fee component of a transfer and capped at 12 basis points (which covers the entire fee during periods of low to moderate bridge utilization.

Note: Across differentiates between the bridge fee and the gas fee. This distribution is only applied to bridge fees, so network conditions that cause an increase in gas fees should not make an impact in this program. For more information on our bridge fees, you can see [this](#) section of our docs site.

Relayers

We will direct 25% of this grant towards rewarding non-Risk Labs relayers that facilitate transfers to Optimism. This will be dispersed as 0.01% (1bp) on the amount transferred in each relay. For context, this is equal to a 33% bonus for relayers operating on Optimism. This incentive will last until the 25% is exhausted.

Note: This was an addition to the original proposal, which only rewarded bridge users. It was decided that this would serve to enhance the overall bridge experience for Optimism users, making it a worthwhile investment. Having a robust relayer network strengthens the security mechanism of the bridge, and reduces transaction times during high traffic events.

How will this distribution incentivize usage and liquidity on Optimism?

Users will only receive the tokens if they bridge assets to Optimism or run a relayer on Optimism. Both of these require people to move their funds to Optimism.

Why will the incentivized users and liquidity remain after incentives dry up?

Because they will find all the great dapps on Optimism and want to stay!

Over what period of time will the tokens be distributed?

This depends on bridging volume we see to Optimism. Hopefully it is large and tokens are all used within 1 year.

Has your project previously received an OP token grant? If yes, what's the status of these tokens?

No

How much will your project match in co-incentives?

For bridge users, we will match between 31% to 320% depending on the type of transaction as explained above. Here is how that math works out. If a bridgooor uses a ref link and is Platinum then they get 80% rebate in $acx and 25% in $op. 80/25 = 320%. If a bridgooor doesn't use ref link, they get 80% $op and 25% $acx. 25/80 = 31%.