

Note: This proposal was ready to be voted on prior to the proposal template update. I will link to that post here, because the comments provided valuable feedback that has been taken into account in this proposal. [\[Original post\]](#) [\[GF: Phase 1\]](#) [Across Protocol](#)

Proposal Overview

Project Name:

Across Protocol

Author name and info

(please provide a reliable point of contact for the project):

Britt - Across community lead from Risk Labs (the foundation that originally built and continues to support Across)

Author contact info:

Britt#2977 on discord, britt@umaproject.org

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

Yes

L2 recipient address:

0x787B66d5281D45126bf0e0f3C9aC682D1E119d6C

Signers are senior Risk Labs Management.

Number of OP tokens requested:

750,000

Grant category:

Governance fund Phase 1

Is this proposal applicable to a specific committee?

Yes. This proposal falls under the Tooling/Infrastructure committee. At the time of writing, the formation of this committee is being voted on here:

<https://snapshot.org/#/opcollective.eth/proposal/0x5d3f7aca80dac05c70eae279551d3c8baed64dfbc52c7cd1e7dfeeba6baf207>

And the relevant information about this committee can be found here:

[\[DRAFT\] S02 Committee Proposal: Tooling Governance Committee](#) [Metagovernance

]/(c/governance/metagovernance/53)

Committee category: Optimism Tooling/Infrastructure Committee In line with the recent introduction of governance committees, this committee will lend its expertise to review tooling-related proposals, delivering a summary, basic due diligence, a voting recommendation, and justification to Optimism Token House delegates and the community. This will provide relief and full-time expertise to Optimism Token House delegates who would otherwise duplicate some portions of this work. We follow a quit...

Project Overview

Project description (please explain how your project works):

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.

Project links:

- Website: <https://across.to/>

- Twitter: <https://twitter.com/AcrossProtocol>
- Discord/Discourse/Community: [Across](#)
- Please include all other relevant links below:
- Github: [Across Protocol · GitHub](#)
- Docs: <https://docs.across.to/bridge/> (you can find our audit here)
- Github: [Across Protocol · GitHub](#)
- Docs: <https://docs.across.to/bridge/> (you can find our audit here)

Additional team member info

(please link):

Hart Lambur, Kevin Chan, David Korpi, Nick Pai, and many more. Their email format matches mine [hart | kevin | korpi | nick @ umaproject.org]

Please link to any previous projects the team has meaningfully contributed to:

Risk Labs is the foundation and core team behind UMA and Across. The mission of Risk Labs and our project teams is to make global markets universally fair, accessible, secure and decentralized. UMA is an optimistic oracle (OO) that can record any knowable truth onto a blockchain. The OO empowers and secures a diverse ecosystem of web3 applications including the Across bridge. <https://umaproject.org/>

Relevant usage metrics

(TVL, transactions, volume, unique addresses, etc. Optimism metrics preferred; please link to public sources such as Dune Analytics, etc.):

- Total Bridge Volume: \$664,763,116
- TVL: \$62,864,876 in total
- Total Unique Bridge Users: 105,409
- Total Transfers: 215,631

Community-built dashboard can be found here - <https://dune.com/unioneopro/Across-Protocol-Stats>

Competitors, peers, or similar projects

(please link):

We consider Hop (<https://hop.exchange/>), Stargate (<https://stargate.finance/>), and Synapse ([Synapse Protocol](#)) to be our closest competitors for the chains we operate on.

Is/will this project be open sourced?

Yes. Github link above.

Optimism native?:

No

Date of deployment/expected deployment on Optimism:

Across has supported Optimism since it launched in November of 2021

Has your project previously applied for an OP grant?

No

Did the project apply for or receive OP tokens through the Foundation Partner Fund?:

No

If OP tokens were requested from the Foundation Partner Fund, what was the amount?:

N/A

Value Add

Ecosystem Value Proposition:

From a bridging perspective, there are two main barriers to entry for onboarding users into this ecosystem.

1. Optimistic rollup canonical bridges have a 7 day withdrawal period. This can leave users feeling “stuck” on L2 if they don’t trust or aren’t aware of bridge protocols that can help them move between chains in a much shorter period of time.
2. A thriving L2 ecosystem is only possible if we also have a competitive and robust network of bridges to support connection between chains. Bridges are particularly vulnerable to exploits, so many newcomers to the ecosystem might be unsure about trying a bridging protocol.

Our proposal aims to solve the above problems by providing an on/off ramp to the ecosystem that will be nearly instantaneous in both directions, and nearly free of cost for users traveling TO Optimism. Our fully audited bridging solution is built on top of UMA’s Optimistic Oracle, which has been battle tested for nearly 2 years and secures hundreds of millions of dollars.

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, and our hope is that they will find all the great dapps on Optimism and want to stay!

How much will your project match in co-incentives?

(not required but recommended, when applicable):

Across will match up to 320% in co-incentives using the ACX token. Details on this can be found below in the Distribution section.

Proposal for token distribution:

We have two planned mechanisms for the distribution of \$OP tokens. We will 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, USDT, BAL, and UMA. The remaining 25% of the tokens will be used to reward anyone who runs a relayer on Optimism.

Bridge Users

For any user going to Optimism, Across will provide \$ACX incentives alongside the \$OP. The amount of this \$ACX co-incentive can be as high as 320% of the \$OP incentive dependent on whether or not the bridgoor uses an Across referral link to do their transaction. An example of how it could be that high is if a user self refers in Across, they will receive 80% of their bridge fee in \$ACX and only 25% in \$OP (for a total of 105% rebate). 80%/25% is a 320% co-incentive. 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 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.

Distribution

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The rate of distribution will depend on many factors. The main ones include amount of bridging we see to Optimism, whether

or not it's through a referral link, and the Optimism token price. It is expected that we will spend these tokens at a slower rate than other bridges since other bridges are able to incentivize Optimism liquidity pools, whereas our bridge model does not require a liquidity pool on each destination chain. (Note: we believe this is a good thing, as incentivizing LPs can cause mercenary capital to farm rewards). Given all of these factors, we estimate 12-18 months for distribution. We believe this is an appropriate amount of time to distribute the tokens, primarily because we hope to establish long-term association for users bridging to Optimism. These tokens will help to make it nearly costless and effortless to move assets to Optimism when it makes sense for users to do so. If the grant distribution time is too short, it could unintentionally generate activities that attempt to farm the reward.

We also recognize that there will be external factors that may lead to farming as well. In such an event, we would expect to adjust the OP rewards distribution in a way that reduces this farming potential. Our goal is not to allow users to farm and sell \$OP to bank a profit and not use the optimism ecosystem. We will keep the optimism delegates aware of any such actions, should they ever be necessary. We would like to be the bridge of choice for any user that ever needs to move tokens to Optimism as more and more assets migrate to Optimism.

Depending on the optimism token price and whether or not people use ACX referral links, this program should fund between \$500 million and \$1 billion of volume to Optimism.

Please provide any additional information that will facilitate accountability:

(smart contracts addresses relevant to the proposal, relevant organizational wallet addresses, etc.)

You can find links to all of our smart contracts in our docs site (linked above). The wallet listed above as the receiving wallet will hold these tokens until a distribution contract has been deployed. Upon doing so, this information will be supplied to OP governance for additional accountability.