

So here's the situation: On Tuesday 17/11, the liquidity mining period will end, which will likely cause a sell-off in both UNI and ETH, as well as a massive loss of liquidity. In order to prevent this, urgent action is required.

Simply extending the liquidity mining period would just postpone the problem to a later date. Not to mention that it is now too late for a governance proposal. To avert this crisis, I propose the following:

(1) Create a perpetual UNI/ETH Pool

This move would be similar to Yearn Finance's Backscratcher Vault. Users can provide liquidity to the pool at all times, but they will never be able to redeem their LP tokens (they may sell them on the secondary market though). This is to absorb at least some of the liquidity that will be lost on Tuesday. Furthermore, any liquidity provided to the Hail Mary Pool will stay on Uniswap indefinitely.

(2) Incentivize users to provide Liquidity to the Hail Mary Pool

Offer some form of incentive to holders of the Pool's LP tokens. These could be UNI rewards, a share of all trading fees collected across all pools on Uniswap (say 0.05% from every trade), something completely else, or a mixture of these options.

(3) Incentivize Liquidity Farmers to keep their Assets on Uniswap

This is to reward those users who stay faithful to Uniswap, even without the added incentives of the Liquidity Mining Program. Any user who does not cash out after the program ends on Tuesday and then chooses to deposit their assets into the Hail Mary Pool will receive a bonus on their earned LP tokens (say twice the rate they would normally get).

I arbitrarily made up these incentives since we're in a hurry. Of course we can discuss the exact details in later stages of the governance process. For now, it is important to reassure LPs that their faith in Uniswap will be rewarded after Tuesday.

Link to snapshot: <https://snapshot.page/#/uniswap/proposal/QmVzKmMeu2BRvuU2ep37ebpo16h2Pbs5toCUiY7YzgVhGz>