

Background

GMX is a decentralized spot and perpetual exchange that supports low swap fees and zero-price impact trades. It is live on Arbitrum and Avalanche, having over 150k users and surpassing \$85B in trade volume with over 400M\$ in TVL.

Olive is a DeFi platform offering option vaults and structured products on Ethereum, Polygon & now Arbitrum. We are the first to launch principal protected GLP vaults on Arbitrum.

Olive combines DeFi's composability with structured products to amplify yields without exposing underlying assets to any principal or credit risk.

Proposal

Seeing the magnanimous growth of GMX and its ecosystem, we wanted to congratulate the team on its success and propose to help in its growth trajectory by creating a value add growth component to its ecosystem.

Specifically, we propose GMX to do native / sdk-level integration with [Olive GLP vault](#) where in GLP holders can stake their GLP tokens and earn higher, sustainable & real yield in GLP tokens with no lock-in.

GLP Vault bull thesis:

1. Real, sustainable Yield: Olive generates real, sustainable yield by composing GLP yield with structured products. Since it is generated by going long/short volatility, it's real and sustainable in nature compared to other forms of token based yield farming, which are typically unsustainable in nature. More on working mechanism [here](#).
2. Higher Yield: Olive vaults amplify and optimise the yield by harvesting rewards and reinvesting them in the vault to auto-compound. Our backtest results show a typical yield amplification of 1.5x. [Here](#) are the backtested results from Oct'21 to Oct'22.
3. Liquid Yield Bearing Token: We are working to launch liquid yield bearing oTokens. It should be live by March'23. We will be working to create a vibrant oToken ecosystem. As a result, all GLP vault investors will get oGLP tokens which they can use for further yield farming such as in lending, borrowing, trading etc while earning juicy GLP Vault yields.
4. Instant Liquidity: Unlike other option vault protocols, GLP vaults don't have lock-in. Users can deposit and withdraw anytime without any lock-in.
5. Most Innovative Team: Olive is the first protocol to launch composable principal protected structured products like GLP Vault on Arbitrum. We were also the first team to launch structured products like FCN on Ethereum. With this proposal, we commit to bring more innovation to GMX and Arbitrum ecosystem.
6. Generous Referral Incentives: We are building referral incentive program wherein anyone can create their vanity referral code and share their referral link. Referrers are paid 0.5% to 1.0% of referred TVL as incentives, paid out in USDC, while referees will be paid 5% to 15% discount in management fees along with liquidity mining incentives. Same referral code will work for protocols like GMX also, earning net revenue, which can be further shared with GMX and GLP stakers. Tentative timeline for launching it is Feb'23. You can read more about it [here](#).

Conclusion:

The synergies between the two projects are apparent for all the reasons explained above, and it makes much sense for the GMX community to support GLP vault integration.

We have been highly interested in GMX and its ecosystem, and this is the best time to propose as we are keen on ensuring that the proposal passes. Olive is convinced that this collaboration is an obvious win-win and firmly believes that now is the time to bring forth power of composability and core value of DeFi with the GMX community.

We are looking forward to your questions and feedback. Happy to discuss with the community more ideas on how specifically Olive can collaborate with GMX community.

Snapshot Vote:

1. Yes, integrate GLP Vault with GMX
2. No, further discussion required