

Project Name:

Thales

Author Name:

[@padzank](#) | Thales

Number of OP tokens requested:

2,000,000

L2 Recipient Address:

0x489863b61C625a15C74FB4C21486baCb4A3937AB

Relevant Usage Metrics:

1000 unique traders across all products, >200 txns per day, 4 major products live on Optimism mainnet

## Optimism alignment (up to 200 word explanation):

With Phase 0 allocations being around on-chain metrics such as TVL and transactions-per-day count, Thales was eligible for 900,000 OP tokens distribution. With this subsequent Phase 1 proposal, Thales will request additional distribution of OP tokens to sufficiently bootstrap the usage of all relevant Thales products on the Optimism network that also have a large potential in increasing the overall adoption of the Optimism network. For example, one major product of Thales is going live on mainnet in the upcoming weeks from writing this proposal: Thales and Chainlink will bring world's first on-chain Sports Markets AMM

exclusively to the Optimism network called The Overtime Markets

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overtime

1269×807 151 KB

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Thales was one of the first whitelisted protocols to launch on Optimism mainnet. All main protocol token operations and products are done exclusively on Optimism. THALES token is the first token to support Tipbot.cc integration with Optimism and deposits/withdrawals from a CEX (MEXC) directly to Optimism.

Thales is also delivering a major effort towards making the onboarding process to Thales, and hence the Optimism network, as frictionless as possible for Thales dapp users. In the upcoming days, Thales dapp is integrating a direct fiat onramp to Optimism, bridge+swap aggregator and cex-to-Optimism solution. Thales users will be able to onboard without ever leaving the dapp, making a comfortable environment for easy onboarding to Optimism.

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PHASE11

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Thales architecture offers novel and unique cutting-edge products around price movement of crypto assets, price ranges of crypto assets, automated on-demand markets around Sports Events, permissionless prediction markets and sequential on-chain battle royale experience. While these products are exclusive to the Thales protocol because of its unique on-chain resolution architecture, that means they are also exclusive to the Optimism network as well. If users wish to use these products, they have to onboard the Optimism network first

. Incentivising Thales product usage is in the mutual interest of both Thales and Optimism.

## Proposal for token distribution (under 1000 words):

## How will the OP tokens be distributed?

The distribution goal is to mainly incentivize the usage of Thales products through direct trading/participation incentives and trading competitions. Aim is to draw new attention to the Optimism network and the Thales products, as the products have a high potential of capturing and onboarding a wide demographic of users that are not exclusively crypto native from the start. Additional goal is to additionally incentivise THALES/ETH liquidity provision and to have a healthy fund for grants towards builders building on top of the Thales protocol. We are positive that incentives are key towards getting users familiar with the simplicity of novel trading methods using Thales products, which are also primed to have successful user retention numbers after the direct incentives dry up.

## How will this distribution incentivize usage and liquidity on Optimism?

Large part of distribution will be allocated throughout the Thales products as direct trading incentives in tandem with organised trading competitions. As incentives invite new users and participants to try out these products, subsequent results will be the increase of trading volume, TVL, transaction count and, most importantly, user retention.

The following are Thales products that are planned to receive participation/trading incentives:

- Positional markets AMM - The flagship product of Thales. A novel and unique AMM-based trading framework allowing for on-demand Positional Markets trading around various Chainlink and TWAP oracle based assets.
- Thales Royale - On-chain battle royale experience using Thales Market resolution mechanisms with evolving utility NFTs on Optimism as player profiles.
- Exotic Parimutuel Markets - Optimistically created and resolvable Exotic Parimutuel Markets, allowing anyone to create a parimutuel market around any fathomable event.
- Sport markets AMM - Upcoming decentralized and permissionless on-chain markets around Sport events. Sports data provided by Chainlink exclusively for Thales on Optimism network.
- Ranged markets AMM - Upcoming AMM-based trading framework allowing for on-demand Ranged Markets, where anyone can position themselves on any specific price range of various Chainlink and TWAP oracle based assets.
- Thales Referrals Program - On-chain incentivized user acquisition and onboarding tool. If someone uses your Referral Link to start trading on Thales, you as a referrer get a percentage from each trade, paid in sUSD directly. This way, everyone has a direct incentive to onboard as many new users to Thales as possible and benefit from their trading volume.

Another portion of the distribution will go towards incentivising THALES/ETH liquidity providers on the Optimism Network. These incentives will subsequently increase the TVL of THALES and ETH liquidity and they will also complement the increase in trading activity and txn count of the products through the reflexive mechanism of Gamified Staking rewards. Gamified Staking is a system that awards THALES token stakers with additional bonus rewards if the staker is also using Thales products up to a certain threshold. This specific system is designed to align THALES stakers with the usage of the products themselves, and vice versa.

The final portion of the distribution will go towards a Grant program that awards third-party builders on Thales. The protocol architecture is designed in such an elegant and novel way that there is an infinite amount of cool ideas and products possible on top of the Thales core architecture.

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

As previously stated, The OP token incentives are just a slight nudge to gain the attention of new users, getting them to bridge over funds for the first time and to get them accustomed to using Thales products on a cheap, fast and reliable Layer 2 network that is Optimism. The goal is to get as many people as possible to try out Thales products. We are confident that the simplicity of Thales products is friendly for all kinds of users, fun and not possible on any other protocol because of the novel mechanics Thales introduced to the space. Users just need to get over the first onboarding step and do the first few trades/positions to get acquainted with the simplicity of mechanics and that is what the incentives are here for.

Incentives for providing liquidity and staking the THALES token on top, combined with all additional incentives that will be in place from other Optimism ecosystem projects, Thales will be contributing to not just long term user retention but also large scale liquidity retention.

## Over what period of time will the tokens be distributed?

Tokens are planned to be distributed over a 12 months period of time from the moment of receiving them. This planned timeline has the potential to reassure the users of longevity of incentives and also give the protocol enough time to mature and transition to purely organic volume accrual and increase in user count.

<h2How much will your project match in co-incentives?

The THALES project will match the OP token incentives across all points of distribution with the continuation of in-house incentives that are already present. The quantity of matched THALES token rewards will be subject to adjustments during this time, from the Thales Council, depending on the initial data gathering of user participation.