Project name:

Elk Finance

Author name and contact info:

LtSnakePlissken

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

L2 recipient address:

0x997eBEeE6E89dE030880Cad6d604465549277CC9

Which Voting Cycle are you applying for?:

Season 3, Voting Cycle 10

Grant category:

DeFi

Is this proposal applicable to a specific committee?

DeFi Committee

Project description:

Elk Finance is a cross-chain infrastructure project. ElkNet, the heart of the protocol, is responsible for enabling cross-chain communication, value transfer between blockchains, as well as custom secure bridging solutions to and from multiple chains. $ELK, our utility token on which the ecosystem relies, is used for transfers, fee collection, and a route for cross-chain swaps.

The ElkNet is currently on 21 chains. On each chain is the ElkDex, which includes an exchange, farms, and staking. Currently running on Uniswap v2 logic, our future plans include concentrated solutions and also adjusted token economics.

In the simplest terms, Elk is building infrastructure that enables chain agnostic communication, interoperability, and value transfer for end users - permissionless cross-chain bridging that is easy and accessible to developers and Web3 natives.

While not a blockchain, ElkNet validators will be required to stake ELK in order to operate nodes, allowing trustless and decentralized cross-chain solutions managed by unlimited numbers of projects built on top of ElkNet. $ELK is needed to secure and maintain custom bridging solutions created with our ElkNet SDK, what we are calling Bridging-as-a-Service (BaaS).

As a major Ethereum Layer 2, Optimism is an important blockchain for the ElkNet to include. In order to sustain the level of interoperability between Optimism and the other chains we are currently deployed on, it is imperative to grow deep liquidity for the ELK/OP pair. This reduces the friction for users moving to Optimism and swapping for the OP token.

Farming-as-a-Service (FaaS) will provide projects and protocols the opportunity to build a fully customizable farming solution with no smart-contract knowledge. Our FaaS contracts will be audited and tested thoroughly to ensure safety, security, and reliability. We aim to have a release date for this permissionless liquidity provision in the near future.

Cross-chain swaps (CCS) enable real time trustless bridging transactions between all supported blockchains; it's enabled by an oracle built by Elk Finance for this particular purpose, utilizing the unlimited potential of the ElkNet. Obstacles to the development of a safe CCS system through the ElkNet are being surmounted by our engineering team.

With BaaS, FaaS, CCS, and Elk Finance's other upcoming products, we aim to connect all of DeFi. These products can attract more users to Optimism and expand on-chain use cases, ensuring that Optimism continues to be a central player in the Elk Ecosystem. It won't be a case of building using ElkNet, but building on ElkNet; the blockchains welcoming Elk's fragmentation-free cross-chain tech will find themselves on the radar of the next wave of blockchain activity with no borders.

We expect this proposal to contribute to increased usage of both the ELK and OP token on the Optimistic Ethereum L2. Data from similar ecosystem/DAO/foundation Elk-supporting endeavors showed a sharp rise in volume and usage of ElkNet on-chain. Opening doors and preparing for the future.

One example is when the Gnosis Chain helped to secure ~600% increase in liquidity growth.

Project links:

- Website: Elk Finance

- Twitter: Elk Finance: Cross-Chain Architecture (@elk_finance) / Twitter

- Discord/Discourse/Community: [Elk Finance](#)

- Please include all other relevant links below:

[Elk Finance | Linktree](#)

Additional team member info (please link):

[Link to Team Section of Elk Docs](#)

Relevant usage metrics

:

- TVL on Optimism: $41.02k [1](#)

- TVL across all chains: $1.9M [1](#)

- Weekly volume: $210,779 [1](#)

Competitors, peers, or similar projects:

[Multichain](#), [Layerzero](#)

Is/will this project be open sourced?

After leaving beta

Optimism native?:

No

Date of deployment/expected deployment on Optimism:

Currently Deployed

Support:

This grant is supported by Velodrome Finance

Ecosystem Value Proposition:

Optimism is already a blockchain connected to Elk Finance's Elknet, but with BaaS, FaaS, cross chain swaps, and Elk Finance's other upcoming products on the horizon, there is a need to direct efforts to deepen liquidity on Elk and improve the experience for OP users. More options for bridging are laudable, but more opportunities for OP ecosystem developers to benefit from exciting new technologies from Elk is just good manners. .

The incoming products, SDKs and end-user benefits will attract more users to Optimism and expand on-chain usage, ensuring that Optimism continues to be a central player in the Elk Ecosystem and the Ethereum ecosystem at large

We expect this proposal to increase user interactions for both ELK and OP token on the Optimistic Ethereum L2 and more importantly help deepen liquidity in important $ELK Pools.

Has your project previously applied for an OP grant?

:

[DRAFT] [GF: Phase 1 Proposal] Elk.Finance [Governance Fund: Phase 1

](/c/proposals/governance-fund-phase-1-proposals/40)

Project Name: Elk.Finance Author Name: Thundercat Number of OP tokens requested: 140,000 $OP L2 Recipient Address: 0xE1c0e5AC8aB0Dab88E682B9a8653Bc7a943fB80F Relevant Usage Metrics: (TVL, transactions, volume, unique addresses, etc.) Overall, the ElkNet has helped 52,000 Unique addresses transfer value, facilitating 324,597 transfers totaling 119,383,245 $ELK. Our multi-chain TVL sits around 3.1M, with a volume of around 400,000. On Optimism, since May 4th, the ElkNet has facilitated 470 t…

A majority of the feedback pointed out that the original incentive was not designed to cater for development costs, therefore we have redesigned the entire proposal to be more focussed on OP users, and prospective OP users channeled into your ecosystem through our end-user bridge. The developer opportunities in the future, although indistinct now, should be a major reason to support Elk early in our journey.

Number of OP tokens requested:

50000 OP

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

How much will your project match in co-incentives?:

Elk will increase liquidity mining incentives by 50-100% on applicable farms or distribution channels, as well as allocate extra marketing efforts to Optimism.

Proposal for token distribution:

The tokens will primarily be distributed in the ELK-OP, ELK-ETH, and ELK-VELO farm or any other farm that best serves the interest of Optimism Ecosystem and Elk Finance. The ELK-OP farm will get a larger percentage of the rewards

The liquidity incentive distribution will last for 5 weeks: Elk will increase mining incentives on applicable farms by 50-100%

A great deal of incentivized liquidity and volume on Optimism will trigger our internal mechanisms designed to result in an increase in ELK distribution to Optimism compared to our other blockchains. Sustaining activity and volume on-chain is the goal here.

In addition, users and liquidity providers will be sufficiently incentivized to keep their LP on Optimism following the continued product development by our engineers.

To attract new users from other chains and showcase Optimisim projects, a portion of the the OP incentives will incentivize the ELK-OP and/or OP-ETH pairing. We will also showcase up to 14 Optimisim Native partner projects with our new FaaS Farms. The showcased projects will encourage AMA's and co-marketing, drawing in users that may have not visited the Optimisim ecosystem yet. This will draw increased volume, encourage interest in Optimism projects, and motivate users to purchase the OP token for farming and other functions.

Finally, it should be noted that Elk provides Impermanent Loss Protection to Elk farms, thus OP and other Elk farms will be protected against market fluctuation.

During the distribution of the incentives and beyond;

100% increase in TVL on ElkDex

100% increase in volume on ElkDex

Targeted marketing efforts for Optimism across all our social media and community channels.

Please provide any additional information that will facilitate accountability:(smart contracts addresses relevant to the proposal, relevant organizational wallet addresses, etc.)

Deployed Optimism Contract Addresses:

https://docs.elk.finance/addresses/optimism

Organizational Wallet Addresses:

Community Wallet: 0xE1c0e5AC8aB0Dab88E682B9a8653Bc7a943fB80F

Expenses Wallet: 0x997eBEeE6E89dE030880Cad6d604465549277CC9