

Season 3 of the Launch Incentive Program is underway and Chaos Labs is excited to announce some iterations on the structure.

Building on the foundation of Seasons 1 and 2, Season 3 continues to offer separate allocations for trading, market-making, and performance-based rewards. There are also two new initiatives specifically tailored to implement [insights](#) gained from the past trading seasons.

First Deposit Bonus

Season 3 introduces a limited first deposit bonus of \$100 for up to 1500 new accounts. Should more than 1500 new accounts begin trading in season 3, then the 1500 new accounts with the highest taker volume will receive bonuses. This should mitigate sybil accounts to some extent and target incentives at new traders that add the most value to the dYdX Chain over the season.

This is designed to maintain momentum in new trader acquisition through season 3. Although growth in new traders continued to be robust throughout season 2, the slowdowns in this segment over less volatile weeks could be an early sign that new traders could use a small extra push to bring their trading activity to the dYdX Chain.

In total, this initiative is allocated \$150k.

Trading Streak Bonus

Traders earning at least 20 points each day for 7 days in a row will earn a \$100 bonus for each distinct 7 day streak.

The purpose of adding bonuses to trading streaks is to lean into the stickiness of users once they become accustomed to trading on dYdX, as evidenced by the under 10% churn rates of users once they trade in 6 weeks or more. These users form the backbone of the dYdX Chain, and they should be incentivized accordingly.

It is not possible to accurately forecast the size required for this segment. Last season's data indicated that this incentive would have traders earning approximately \$30k had this been around, but the hope is to grow streaks significantly from there. The allocation for streaks will come out of the trading rewards allocation.

Incentives Summary

- Trading rewards and trading streak bonus: \$3 050 000
- Trading leagues: \$800 000
- First deposit bonus: \$150 000
- Market making rewards: \$1 000 000

Duration and Structure

Season 3 will follow a similar structure to season 2, spanning 6-8 weeks, concluding somewhere in the 10 day period between 3-13 April.