

**Abstract:** The current Arbitrum token unlocking schedule is set to significantly increase the circulating supply on the 16th of March 2024, which is estimated to nearly double the number of tokens in circulation. This sudden influx raises concerns about potential disruptions to the market and devaluation of the token, subsequently inhibiting the growth and value of the entire ecosystem. This proposal advocates for a slower, more controlled release of the unlocked tokens, suggesting that only 3% of the total unlocked tokens be released into the market per annum.

**Problem:**

The impending token unlock scheduled for the 16th of March 2024 is a significant event that will negatively affect the Arbitrum ecosystem. With a near doubling of tokens entering circulation, there is a heightened risk of depreciation in token value due to a sudden increase in supply. This may dissuade potential buyers and cause existing token holders to lose confidence, ultimately stifling the growth of the ecosystem and lowering its overall value.

**Proposed Solution:**

To protect the value of the Arbitrum token and the integrity of its ecosystem, a more gradual and sustainable method of releasing tokens is proposed. Rather than unlocking 1,111,750,000 tokens all at once, it is suggested that max of 3% (300.000.000 MIL) of the total unlocked tokens be introduced into circulation each year.

**Expected Outcomes:**

By adopting this more gradual token release strategy, we anticipate several beneficial outcomes:

- **Market stability:** A slower, consistent increase in token supply will mitigate sudden shocks to the token's value.
- **Sustained confidence:** Current and potential token holders are likely to appreciate the managed approach to token supply, fostering trust in the system's stability.
- **Ecosystem growth:** A stable and predictable token value encourages ongoing investment and interaction within the Arbitrum ecosystem, driving its overall growth.

**Conclusion:**

By modifying the token unlocking schedule, we can enhance the long-term stability and success of the Arbitrum token, benefitting all stakeholders within the ecosystem. We warmly invite all community members to offer their insights on this proposal as we work together to secure the sustainable growth of Arbitrum.