I am sharing here on this forum as one of the contest winners in the ArbitrumDAO/ThankARB Jokerace contest initiated in late January of 2024.

For those that are not familiar, this was an 8-week series with four winners each week. It was coined 'Arbitrum's Biggest Mini-Grant Series Ever' with 32 winners, each winning 2500 ARB (equivalent of roughly $5k USD at the time).

Each week, contest applicants and winners were highlighted on social media, and winners were excited about their winnings and added to a TG group with the other winners. We were told by the program manager that this is where we would stay in touch for our payouts.

Timeline and Sequence of Events

Here is what I could find on X about the contest on JokeRace (week 4):arbitrumdao minigrants round 4

February 7th

Looking back through dates in the Telegram group, as a week 3 winner I was added to the TG group as a winner on February 7th. On this same date, we were told that Diana, the program manager, had initiated the request for payouts to Arbitrum for all four of us week 3 winners.

February 14th

Diana shares in the TG group that she has requested payouts from Arbitrum Foundation for week 1-4 winners.

February 27th

Diana messages that 7 projects have been KYC approved and will receive their payouts.** to note: KYC statuses of people are being shared openly within a TG group of over 30 people. If they are failing and have not passed, this is also publicly shared.

March 2nd

Winners inquire about their payout status, and Diana mentions that payouts from a week of winners can't be paid out until all 4 winners KYC checks have been approved from the week. It is not clear the logic from Arbitrum why this would be.

Diana mentions not to DM her as she has hundreds of DMs waiting for her to respond and asks us to message the whole group with our questions, and that she will respond after ETHDenver. I saw that one winner from my same week was paid out, but I wasnt, so I inquired about that because it wasnt clear based on the message she had shared, and then Diana responds she is not sure why either.

Winners noticed that payouts were sent in this first batch to some winners within the grant council and/or Arbitrum partners.

March 12th

A winner shares he is concerned about the upcoming ARB 70% token unlock, and delays in payout timing affecting the value of what he receives with likely impending ARB value drop.

March 19th

Confusion and concern begin, with winners seeing daily messages about the status updates of all rounds, KYC checks, payout timings, needing the funds for development, and suggestions to post on the Arbitrum Forum for answers. Concerns arise about this being a scam contest, and people share they have been now waiting for over two months for payouts. Projects now begin sharing they wont be able to execute due to the large drop in ARB value.

March 20th

Multiple winners including myself share we received 625 ARB, but not the full 2500 ARB. This is a one-time payout with no milestones, so there is no reason why winners should receive partial payouts, especially as other winners received 2500. Two people received 1875.

March 28th

A winner asks for a status update from Diana on why they (and others) received 625 instead of 2500. Diana said she asked Arbitrum but it is not clear why.

April 1st

Winners start trying to track down who the parties are involved in this grant, trying to message Plurality Labs on X but DMs are off. One winner posts (along with others questions about Arbitrum's integrity and credibility):

"With each passing day, I believe less and less in the Arbitrum project. Bureaucrats." $ARBGhost

Another message from a winner:

"It's common knowledge that Arbitrum's dispersal times are slow, but this is on another level."

April 9th

Diana shares that by EOW, KYC checks for all winners should be done so then payouts can continue/complete.

April 16th

More winners receive payouts, but some share they received none or partial. One winner received 168 ARB.

April 24th

One winner inquires about her KYC check issue.

May 14th

Diana shares Arbitrum has approved KYC checks for 8 more projects, but there are still 11 projects still waiting for approval. I was one of these, which is confusing as I also received a 625 ARB payout, but I guess even without KYC approval.

May 17th

8 projects receive their payouts.

May 31st

After 4 months of chaos, confusion, lack of communication, and disjointed/haphazard distribution of funds, I decided that I would try to take action by bringing together all the parties I was aware of involved in this grant process, from Arbitrum, to Plurality Labs/Thrive Protocol, to Fractal. I emailed and contacted the Arbitrum team, and wasn't familiar with Plurality/Thrive Protocol, but found contacts there as well as the Fractal team I had messaged on Telegram. I initiated a TG group with these parties, and a few of the winners that were open to sharing their voices and experiences (multiple shared they were nervous about sharing their voices if it would cause problems with them receiving grants from the parties involved in the future).

June 5th

Thrive Protocol hosts JokeRace intervention calls with winners so we can voice our issues and finally be heard. We and others receive our payments, after a total or a four month delay.

June 19th

The remaining 11 winners are confirmed now paid (four months post-contest).

In summary, these are the major points of concern:

- Due to major delays on payout timings and resulting ARB value drop, multiple projects were not able to be executed and many half-executed, yet our X handles were leveraged as a part of ArbitrumDAO's 'Biggest Minigrants Round Ever':

x.com

Thank ARB (@ThankArbitrum) on X

@ThankArbitrum

@arbitrum We're 1 day into Round 4 of "Our Biggest Minigrants Yet" and have 4 solid applications so far in the "Scaling DeFi for the Masses" category

@LocaleDao @arbitrumafrica @BitsaveProtocol @ReFiParamaribo

- Our KYC statuses were shared publicly in a TG group with 35 people. It was fully known by all whether we successfully completed or not.

- There was no communication from the ArbitrumDAO or Thrive Protocol team in this TG group until the very end, and Diana was the only point of contact and clearly overwhelmed with the myriad of issues.

Along the way, I collected feedback from winners that included these responses:

"Have had a horrible experience"

"My team morale is way down and no one believes me we are going to receive the funds"

"I feel like this could easily have been resolved months ago, they could have reissued links to redo KYC, and maybe given an explanation how to do it"

"Also, the projects that were by voting council members, have been paid out in full"

"Anyone else feel like half of us are just never going to see the grant money?"

Many of us are understanding that there are learnings in the grant processes. Yet, this has been an experience where grantees found themselves powerless.

In general, grant receivers are grateful for the opportunity to receive grants. However, when the struggle to actually receive funds clouds the experience with chaos, stress over many months waiting, confusion amongst teams and community members - questions arise whether the process was worth it.

The ask here is for financial restitution for the winners that did not receive their payouts on a timely basis, which resulted in more negative than positive for these winners - beyond just the large drop in ARB value.

I am requesting response to this post, specifically about the financial restitution request, from the ArbitrumDAO.