

Project name:

Perped

Author name and contact info (please provide a reliable point of contact for the project.)

:

New Baron; Discord ID

: New Baron#3638

L2 recipient address

: 0x8c62bbbd03C93f8aBD977560575900D897B4cd13

Which Voting Cycle are you applying for?

: Cycle 11

I confirm that I have read the landing pages for the Builders 18 and Growth Experiments

18 Sub-Committees and that I have determined my proposal is best suited to be reviewed by the Growth Experiments Sub-Committee: [Yes/No]:

Yes

I understand that Growth Experiments grants are subject to a “no sale rule”, and I have read the terms of the rule: [Yes/No]:

Yes

Project Details

What are you building?:

A real world asset perpetuals platform

Why do you believe what you are building is going to succeed?:

We are implementing the most versatile oracle technology currently available that will allow us to trade any asset in the world that has a price source. Our team is experienced and has pioneered novel first-party oracle systems with API3, and has designed solutions to solve the inefficiencies inherent in current perp dexes on the market.

How many users does your project have currently? Please include how you arrived at this estimate:

We are still in our QA/test phase so only about 10 people are using it.

How will receiving a grant enable you to further the mission of maximizing the number of users interacting with Optimism? Please include a step-by-step flow of how you imagine this grant can lead to a greater number of user interactions with Optimism:

Our protocol needs a liquidity pool to operate, and receiving an OP grant would allow us to pay out Velodrome bribes to fill our pool. This would be a self-perpetuating flywheel cycle as the more inflows of liquidity, the more users will be drawn to use our protocol on Optimism. With our tokenomic design (fees going back to LPs and the protocol) we will then continue this cycle using those fees. Ultimately, as we scale up liquidity, users, and transactions—it attracts more users which begets more liquidity and fees and thus more bribes. The end result is the Optimism ecosystem gains more market and mindshare with current and future DeFi users.

Tell us about the users you plan to target with this grant. Include any defining characteristics that will help you identify and target them.:

We want to target traders around the world who seek on-chain trading of real world assets in a decentralized and fair environment. Our users will be attracted to spot and leveraged/futures trading for all RWA (forex, commodities, equities) as well as crypto assets. There is no “forced” margin or leverage in our protocol like on competitor perp dexes.

We are targeting the user base that currently is trading on Gains Network and GMX. This is a huge segment of the industry that we intend to bring to the Optimism ecosystem.

How would these users interact with Optimism? For how long?:

Users would interact with Optimism for as long as they choose to trade. Each trade requires 2 transactions to open and 2 transactions to close (submit/fulfill) so at the minimum each trade is 4 txs.

The above is a granular, technical breakdown of our protocol and direct user interactions. In actuality, these users would remain sticky to Optimism because of the PMF of the Perped product offering. Once they are on Optimism and see the superior settlement times, better usability, and overall better experience—we are convinced they will remain “sticky” to the ecosystem.

Also, as Optimism has a growing DeFi ecosystem—these users will quickly find that once their funds are on the chain, there’s simply no reason to leave as there’s plenty of composable DeFi protocols that are already or currently building on the OP stack.

Provide us with links to any of the following for the project:

- Demo: None
- Website: [www.perped.com](http://www.perped.com)
- Twitter: None
- Discord/Discourse/Community: None
- Github: Its currently private due to our partner’s contract
- Technical/Economic Documentation: to be published shortly
- Other:

Do you have any metrics on the project currently? (TVL, transactions, volume, unique addresses, etc. Optimism metrics preferred; please link to public sources such as Dune Analytics, etc.):

None at the moment as we are still building.

Who are your competitors, and are they on Optimism?:

Our main competitor is [Perp.fi](http://Perp.fi) which we plan to dominate with our superior oracle technology and more efficient platform.

Please link to code audits (if any):

Currently slated for Q1 2023.

Team

Who are your founders?

(identities disclosable in private with relevant parties)

What makes your team well-suited to carry out the project described in this proposal?

Lots of industry experience in founding other projects and working at large market makers. Our main founders have backgrounds working at Wintermute and API3 as front and back end developers, developing sophisticated CeFi and DeFi automated strategy implementation, portfolio management, OTC desk management, business development, marketing, sales, and dev ops. Our team also has extensive experience in IT, network engineering, as well as security and software management.

Team members have consulted or worked directly with HSBC, Dow Jones, Bloomberg, Amazon AWS, Oracle, Stanford (GSB), UC Berkeley, and Wells Fargo high-yield bonds and emerging markets divisions. Our full stack devs have helped with implementation on projects like QuickSwap, PolkaBridge, as well as pioneered novel API3 Quantum Random Number Generator (QRNG) technology. We have also built custom code (Airsigner) that further expands the capabilities of API3 tech to give our protocol a competitive advantage.

Is this your first Web3 project?:

No

If not, what else have you built? (Share links, Github repository, or any other useful information.): New Baron was an API3 founder. The other co-founder lead the build-out of RFQ during his time at Wintermute and oversaw that area of the business.

Grant Request

What is the size of the grant request? (250k OP max):

250k

How do you justify the size of the grant?: All of it will be used for Velodrome bribes to attract liquidity and start the flywheel of

user acquisition, protocol use, and fee generation that feeds back into the bribe system.

## Roadmap and Distribution Plan

Describe in discrete steps how you will successfully implement your grant plan:

1: Upon launch, 100% of the granted \$OP tokens (for that quarter) will be used to bribe Velodrome to attract liquidity to the Perped protocol.

2: As TVL increases in our pools via the \$VELO bribe system, our fee-sharing tokenomics will allow us to use a percentage of the fees that go back to the DAO to purchase more \$OP to further bribe for more liquidity. This process will start at inception with no plan to ever stop.

3: At each successive quarter, we will continue to use 100% of the allocated \$OP grant to bribe \$VELO for more liquidity while continuing to feed fees as stated in the bullet point above.

How will the OP tokens be distributed? (please include % allocated to different initiatives such as user rewards/marketing/liquidity mining. Please also include a justification as to why each of these initiatives align with the problem statement this proposal is solving. Distribution should not include the sale of any tokens by the grantee or the use of tokens for compensation, protocol expenses, etc. See the no sale rule):

100% of the tokens will be used to enhance liquidity through Velodrome bribes. No \$OP tokens will ever be sold.

Over what period of time will the tokens be distributed for each initiative?:

25% per quarter for 1 year starting at project launch date (Q2 2023).

Please provide benchmark milestones for this project. These milestones should guide the Optimism community on the progress of your project throughout your work on the project. Do not use distribution of the grant itself as a milestone:

Q2/3 2023: Forex/crypto platform live with leverage

Q1 2024: Commodities assets tradeable along with relevant protocol readjustments

## Development of DAO

Q4 2024: Equities assets tradeable along with relevant protocol readjustments

Please define critical milestones for this project. Critical milestones are meant to show good-faith efforts to accomplish the project. Non-completion of these milestones could lead to revocation of remaining grant rewards. Do not use distribution of the grant itself as a milestone:

Q2-4 2023:

Seed round raise from VCs

Code review/audit

Completion of PoC with tier-1 data provider enterprise

Deployment of platform smart contracts along with liquidity provisioning (OP will be used here along with VELO)

Revenue distribution contract deployment

Setting up the website along with docs and social channels

Retail-oriented marketing launch

If the OP tokens are for direct distribution to users, why will incentivized users and liquidity on Optimism remain after incentives dry up?:

N/A

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

No smart contracts or DAO wallets have been created yet as we are still building. This information will be shared with the community upon launch of Perped.

## Optimism Relationship

Does your project solve a problem for the Optimism ecosystem? If so how?:

Yes. Perped is bringing next-gen DeFi to Optimism in a way that currently does not exist by means of advanced 1st party oracles and real world assets. Our connections to API3 and other parties (unable to disclose due to NDA) give us a significant advantage over all other perpetual dexes. We will offer all assets: crypto, forex, commodities, equities in a fully-compliant and regulated manner. Our UI/UX is unparalleled, and we offer both spot and futures trading.

Why will this solution be a source of growth for the Optimism ecosystem?:

There is a demand for real world asset trading that is not being met by any of the competitors. We are here to fill that need and bring users from other prominent ecosystem chains over into Optimism.

Is your project Optimism Native?:

We plan to go live on Optimism as our first deployment, but likely will be multichain in the future.

Confirmations

I understand that I will be required to provide additional KYC information to the Optimism Foundation to receive this grant: [Yes/No]:

Yes

I understand that I will be expected to following the public grant reporting requirements: [Yes/No]:

Yes