In Development · Built on Arbitrum One · Powered by Chainlink

The Web3 gaming index, in a single token.

Diversified exposure to the

$7B Web3 gaming token market

Fully on-chain · Professionally rebalanced · Three risk tiers

0.75% annual streaming fee · 10% single-token cap hardcoded in the smart contract

gndx.finance · @GNDXProtocol

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01

The Opportunity

Web3 gaming tokens represent an approximately $7 billion investable universe today — a market large enough to support meaningful diversification, yet still early enough to carry significant upside as blockchain-native game economies mature and player-owned asset models reach broader adoption.

The challenge is not finding the sector. It is surviving it intelligently:

> Individual gaming tokens fail at high rates. Hype cycles and poor tokenomics mean most single-token bets experience >90% drawdowns. Timing is nearly impossible for non-professional participants.
>
> No structured on-chain gaming index exists. Traditional finance has products like thematic ETFs covering games and entertainment. DeFi has several broad-market index protocols, but none focused specifically on Web3 gaming — leaving participants with only direct token exposure or unstructured yield-farming strategies.
>
> Participants consistently buy tops. Without a systematic, rules-based approach, most participants in Web3 gaming lose capital to poorly timed entries and concentrated positions.

The thesis behind GNDX is simple: the sector as a whole is more likely to survive and grow than any individual project within it. The correct instrument is a diversified, rules-based index — not a single-token bet.

02

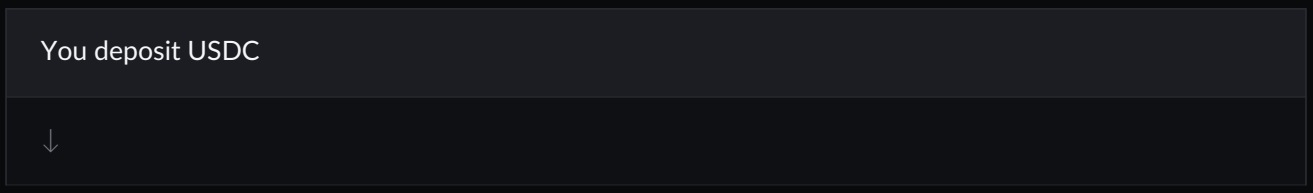
What is GNDX?

GNDX Protocol is a decentralised, on-chain index fund for the Web3 gaming sector, built on Arbitrum One.

Users deposit USDC and receive $GNDX tokens priced at the current Net Asset Value (NAV) of the underlying basket. Each $GNDX token represents a pro-rata share of the gaming tokens held in the IndexVault smart contract — diversified across three risk tiers by market capitalisation and liquidity.

The protocol is fully non-custodial: smart contracts hold all assets, all pricing is verifiable on-chain, and all parameter changes require a governance vote with a minimum 48-hour timelock.

How it works



IndexVault receives USDC and routes it into the basket
↓
You receive $GNDX tokens at current NAV
↓
Your $GNDX tracks the basket value over time
↓
Redeem $GNDX at any time for basket tokens or USDC

Genesis NAV = $1.00. After launch, NAV moves with the underlying basket.

03

The Basket

Three-Tier Structure

Tier	Target Weight	At Genesis	Profile
Core	65%	7 at genesis	Established gaming tokens, deepest liquidity
Ascent	25%	2 at genesis	Mid-cap tokens with active ecosystems
Frontier	10%	Reserved	Reserved at genesis; governance-activated

Tier floors and ceilings are hardcoded in the RebalanceController contract. No governance vote can move the Core tier below 55% or above 65%.

The 10% Single-Token Weight Cap

No single token can be assigned more than 10% of the basket by governance. This limit is hardcoded in the IndexVault smart contract and cannot be changed by any governance vote, admin action, or contract upgrade.

It is worth clarifying what the cap actually governs: it applies to the target weight governance can assign — not to natural price movement. Token prices change continuously; if a token appreciates significantly between quarterly rebalances, its effective weight can temporarily exceed 10%. When this happens, the

protocol does not force a sale. Instead it applies an incentive-based correction: redemptions in that overweight token are offered at a small discount, and new mint flows are routed toward underweight tokens. Normal participant activity gradually restores the distribution without any disruptive forced selling.

Quarterly Rebalancing

The basket is rebalanced quarterly by on-chain governance vote. Rebalancing adjusts token weights back to tier targets after price drift, evaluates additions and removals based on market cap and liquidity criteria, and requires a 66% supermajority vote plus a 48-hour timelock before execution.

04

Pricing & Oracles

Net Asset Value (NAV)

NAV is calculated as: total USD value of all vault tokens ÷ total $GNDX supply.

Token prices are sourced from Chainlink decentralised price feeds on Arbitrum. Prices are aggregated using a 20-minute Time-Weighted Average Price (TWAP): an on-chain circular buffer of 8 Chainlink samples at 5-minute intervals.

For large deposit orders, minting is executed in chunks over time rather than in a single block. The purpose is to reduce market impact on the underlying gaming token liquidity pools. Gaming tokens are often thinly traded; executing a large purchase all at once would cause significant price slippage and could destabilise the DEX pools the protocol relies on. Spreading the order into smaller fills at regular intervals gives each pool time to rebalance between transactions, reducing the price impact of each individual fill.

Circuit Breaker

If any spot price diverges more than 30% from its live TWAP, the oracle clamps the accepted price to ±30% of the TWAP rather than reverting or pausing. This limits the impact of extreme short-term price movements without interrupting protocol operation.

Crisis Fee

If the TWAP itself declines more than 7% between two consecutive sampling windows — a signal of real, sustained market stress rather than a brief data spike — a crisis-mode redemption fee of 0.50% activates automatically for 4 hours.

These two mechanisms are complementary, not contradictory. The circuit breaker watches a single incoming price sample relative to the rolling average — it fires when one data point looks anomalous. The crisis fee watches the rolling average itself — it fires when the trend across multiple samples is declining rapidly, indicating genuine sustained stress. One guards against bad data; the other guards against bad markets.

05

Security Architecture

Layer	What it does
Hardcoded contract limits	10% weight cap, fee ceilings, and tier weight bands are embedded directly in the smart contracts. No external actor can change them.
Timelock	All parameter changes require a 48-hour delay; contract upgrades require 7 days. Users can observe and exit before any change executes.
Guardian Multisig	5-of-8 multisig. Only power: trigger a 72-hour auto-expiring pause. Cannot move funds, change parameters, or execute upgrades.
Governance bounds	Passed proposals violating fee ceilings or the weight cap fail at execution — not at the voting stage.
Independent audits	All 19 implementation contracts reviewed by two independent security firms before any mainnet deployment. Reports published publicly at gndx.finance/security.
Bug bounty	Immunefi bug bounty program active from day one of mainnet deployment.

06

The Two Tokens

$GNDX — The Index Product Token

$GNDX is the protocol's index token. Its supply is elastic: tokens are minted when USDC is deposited and burned when holders redeem. The price of $GNDX tracks the NAV of the underlying basket.

$GNDX is not a governance token and does not give voting rights. It is purely the instrument through which users hold diversified Web3 gaming exposure.

$GAME — The Governance Token

$GAME has a fixed supply of exactly 200,000,000 tokens. Forever. All 200M tokens were minted to the treasury multisig at contract deployment. There is no mint function. No governance vote, admin action, or contract upgrade can ever create new $GAME tokens.

$GAME is locked as veGAME (vote-escrowed GAME) to participate in governance and earn a share of protocol fee revenue.

veGAME — Vote-Escrowed Governance

Lock Duration	Voting Multiplier	Notes
3 months	0.25×	Minimum commitment
6 months	0.50×	
1 year	1.00×	Baseline multiplier
2 years	2.00×	
4 years	4.00×	Maximum commitment

veGAME balance decays linearly to zero at lock expiry. Longer locks produce higher voting weight and a proportionally larger share of fee revenue.

07

Fee Structure

Fee	Current Rate	Hard Ceiling	Notes
Streaming fee (annual)	0.75%	1.50%	Accrues continuously · comparable to Vanguard ETFs
Mint fee	0.10%	0.25%	Applied at token issuance
Redemption fee	0.20%	0.50%	Applied at token redemption

Weekly fee distribution

Destination	Share	Mechanism
Treasury multisig	65%	Operations, development, grant matching
veGAME stakers	25%	Converted to $GAME via buyback, distributed pro-rata

$GAME buyback-and-burn	10%	Permanent supply reduction

08

Governance

GNDX is governed on-chain by veGAME holders via the GNDXGovernor contract.

Proposal lifecycle

Temperature Check (Snapshot off-chain)
↓
On-chain proposal submitted (requires 1,000 veGAME)
↓
7-day voting window
↓
Timelock delay (48 hours standard · 7 days for contract upgrades)
↓
Execution

A proposal passes when: (a) FOR votes represent at least 66% of all votes cast (FOR + AGAINST combined), and (b) total participation reaches a quorum of 5% of the total veGAME supply.

What governance can change

Basket composition (add/remove tokens within weight caps), token target weights (within the 10% cap), fee parameters (within hardcoded bounds), fee revenue distribution splits, and contract upgrades (7-day timelock + 66% supermajority).

What governance cannot change

The 10% single-token weight cap, fee ceilings, tier weight bands, the $GAME fixed supply of 200,000,000 tokens, or the Guardian pause auto-expiry duration. A unanimous governance vote cannot override these — they are enforced by the contracts.

09

Why Arbitrum One

Reason	Detail
Transaction costs	Gas costs prohibitive on Ethereum mainnet are cents on Arbitrum, making small deposits and frequent rebalancing economically viable.
Chainlink coverage	Deep Chainlink oracle coverage for Web3 gaming tokens — essential for the TWAP-based NAV calculation that underpins the protocol's security model.
Gaming ecosystem	Arbitrum hosts a significant share of on-chain Web3 gaming infrastructure. Treasure, Xai, Proof of Play, and other major gaming ecosystems are Arbitrum-native.
DeFi liquidity	Arbitrum's DeFi ecosystem (Uniswap V3, GMX, Camelot) provides the liquidity rails for basket token swaps during minting, redemption, and rebalancing.

10

Current Status & Roadmap

GNDX Protocol is currently in Phase 1: Security & Assurance. All 19 implementation contracts are complete, with 718+ unit tests passing at ≥95% line coverage. The frontend application is built and functional. The marketing site is live at gndx.finance.

The app is not yet public. Mainnet deployment will follow the completion of independent security audits and establishment of the appropriate legal structure.

Phase	Status	Description
Phase 0 — Protocol Foundation	Complete	Contracts, frontend, governance stack, oracle system
Phase 1 — Security & Assurance	In Progress	Independent audits, integration testing, bug bounty setup
Phase 2 — Mainnet Launch	Upcoming	Arbitrum One deployment, subgraph, production app go-live

Phase 3 — Scale & Liquidity	Upcoming	Full basket governance, DEX liquidity, cross-chain expansion
Phase 4 — Ecosystem & Partners	Upcoming	Exchange integrations, institutional access, open APIs

Timelines are indicative and subject to audit outcomes, governance decisions, and market conditions. No specific launch date is committed to.

11

Stay Connected

Channel	Handle / URL
Marketing site	gndx.finance
Twitter / X	@GNDXProtocol
Discord	discord.com/invite/zTEBP6dSP
Paragraph	paragraph.com/@gndxprotocol
Documentation	docs.gndx.finance
