The Future is CLEAR

EVERCLEAR January 11, 2025



Everclear DAO approves NEXT to CLEAR migration, introduces new tokenomics with staking, and launches season 1 rewards on Dec 6.

In Q4 2024, Everclear reached an important milestone on its journey toward Chain Abstraction. Following its rebranding from Connext to Everclear and the launch of its Mainnet Beta, Everclear introduced the first Clearing Layer, offering <2bps fees to rebalance assets across major EVM chains.

Last week, the Everclear DAO approved a pivotal proposal to migrate NEXT to CLEAR, marking another critical step in the protocol's evolution. This migration brings with it a DAO-approved vote-bonding system designed to incentivize solvers who contribute to the protocol's overall volume. A feesharing mechanism has also been introduced to reward all stakers for their governance participation.

Milestones

- 2025: Full Mainnet And <1bp Fees
- CLEAR and Vote-bonding Token System
- First Asset with <2bps Fees for Rebalancing
- Mainnet Beta Shipped
- Connext Rebrands to Everclear



This post provides an overview of the DAO-approved proposals, including the migration process, the updated tokenomics, and the rewards program for Season 1 starting on Dec 6 at 13:00 UTC.

tl;dr

- CLEAR: CLEAR is a DAO-approved upgrade to NEXT and replaces the protocol's native token. CLEAR powers the Everclear Protocol's votebonding system, enabling governance participation and reward distribution to Stakers and Solvers.
- **Migration**: Holders of NEXT on any Ethereum L2 will be automatically upgraded to CLEAR. Holders of NEXT on Ethereum mainnet will not be automatically upgraded but can manually migrate NEXT to CLEAR 1:1 in a simple process outlined below.
- Tokenomics: The vote-bonding system allows solvers, chains, and holders to participate in onchain governance of the Everclear systems by staking CLEAR for up to 2 years to receive 'vote-bonded' CLEAR (vbCLEAR). vbCLEAR holders vote on directing CLEAR emissions to solvers/chains, among other matters. To incentivize and reward governance participation, vbCLEAR holders are entitled to receive a share of the total fees generated by the protocol's smart contract system (long-term) and a special fixed incentive pool for 'Season 1' of governance (short-term).
- Season 1: Season 1 will begin on December 6, 2024, and last for three months. The proposed rewards pool for Season 1 includes 6.25M CLEAR for participants with additional rewards being added soon.
- Everclear Community Call: Join the Everclear Community Call this Friday, December 6th at 5pm UTC on Twitter to hear the latest updates and have your questions answered.

About Everclear

Everclear is the first Clearing Layer. With hundreds of new chains launching, the path to a \$10 trillion DeFi economy is bottlenecked by poor interoperability: while intent bridging is promising, it requires liquidity rebalancing, which is expensive for solvers and bridges.

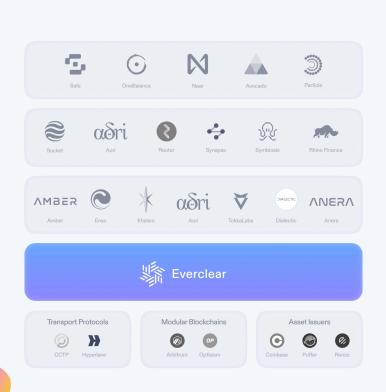
Everclear introduces the first onchain clearing protocol that coordinates global settlement and nets out bi-directional cross-chain transactions, reducing costs to zero for up to 80% of the rebalancing flows.

Similar to how Visa and the New York Stock Exchange internally clear transactions, Everclear operates an UberPool-style liquidity marketplace for rebalancers, solvers, and intent protocols that matches and auctions incoming deposits.

Since Mainnet Beta, Everclear is transforming how liquidity is rebalanced in DeFi, with crosschain transaction costs as little as 2bps, and up to 50% netting rates. With the full Mainnet expected to come in 2025, Everclear aims to increase solver capital utilization by 10-100x compared to existing intent protocols while further reducing the fees for end users.

By improving solver rebalancing, Everclear (prev Connext) is addressing the biggest challenge in achieving the Chain Abstraction Vision first introduced by Everclear last year:

💡 In a world of 1,000's of chains, using web3 should be as easy as using Web2



Permissions

Auctions

Solving

Clearing

Settlement

Everclear is the foundation of the Chain Abstraction Stack, enabling seamless liquidity flow across decentralized ecosystems.

With a rich network of partners and supporters, Everclear continues to expand its impact on decentralized finance.

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Updated Tokenomics

The Vote-Bonding System



CLEAR introduces a vote-bonding system designed to ensure ecosystem growth and reward active participants:

- Staking and vbCLEAR: All CLEAR holders can stake their tokens for up to two years to receive vbCLEAR and assume the responsibilities of Everclear onchain governance; in return, vbCLEAR holders receive a portion of protocol fees and the fixed Season 1 reward pool.
- Voting: vbCLEAR holders vote to direct emissions to specific chains, ensuring liquidity and solver activity are targeted where needed most.
- Emissions Distribution: Solvers receive emissions based on their
- proportional settlement activity, ensuring rewards are fairly distributed. • Protocol Fees Generation: Solvers and users pay dynamic fees for using Everclear's protocol. Now, the fees are set in a range from 0.2 to 1 basis point, but it can vary in the future.
- Protocol Fees Sharing: Fees paid to the protocol smart contract system minus gas costs incurred by the system are allocated to vbCLEAR governance participants and distributed automatically by the protocol. • The system is non-inflationary as of now.

Why vbCLEAR?

- For chain abstraction to work, intent solvers need to hold liquidity on every new rollup. However, new rollups currently need to work on a 1:1 basis with intent bridges to build support. This process is highly dependent on BD relationships and custom incentive agreements, which doesn't scale to many new chains.
- This problem can be marketized. Chains should just be able to directly incentivize any solver on any intent platform to support flows to their chain, massively cutting the cost and complexity of getting bridge support.
- The vbCLEAR model creates this marketplace. Chains (and asset issuers) purchase and lock CLEAR in the system and vote to drive system incentives toward their ecosystem. This creates an upfront reason for solvers to move capital to the chain, even in advance of user transaction volume (solving the chicken/egg bootstrapping problem). Like veToken models, the incentives can taper off over time as revenue from organic volume takes over.
- When coupled with the benefits Everclear provides to the solver on rebalancing, this means the risk that solvers take to support new ecosystems is far lower, unblocking their rapid expansion to new chains.

Who It's For

CLEAR enables solvers and bridges to own and operate the Clearing Layer, much like Visa and Mastercard were initially owned by the banks that used and settled transactions across their networks. Solvers/rebalancers don't know where to hold liquidity before volume exists & new chains need to beat the chicken/egg problem \rightarrow vbCLEAR addresses that.

Solvers and Rebalancers:

efficiency.		r fulfilling inter lirect incentiv		-		
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Dashboard						
續 1000.00	My vbCLEAR \$ 500.00 \$500.00 USD	Stake CLEAR today! Staking APR 16.00% Your Staking Unlock in 23 Nov 2	Stake Now	Rewards Claimable	Claim All Rewards	
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Rewards by Chain					Hide \$0 Volume	
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+ Ethereum		\$300,000.00)	\$3,000,000.00	1,000.00	
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Arbitrum		\$300,000.00)	\$3,000,000.00	1,000.00	
Binance Smart Chain		\$0.0)	\$2,000,000.00	0.00	
O Base		\$0.0)	\$1,000,000.00	0.00	
M Mode		\$0.0)	\$500,000.00	0.00	
Polygon		\$0.0)	\$300,000.00	0.00	

Chains:

 Stake CLEAR and vote to ensure liquidity and solver support for your ecosystem.

Vote Summary Last updated at 13 Nov 202	24 (12:00:00 UTC)		Previous Epoch	Current Epoch
		 Arbitrur Optimis Ethereu Base BSC Solana Linea Mode 	m	
Destination Chain	Current Distribution	Emissions (CLEAR)	My Votes	
🗑 Arbitrum	25.00%	2 CLEAR Reward 2 00 + OP Token Rew		Vote
Optimism	20.00%	200,000 (+ 🎄 🕐 Rew	vards 0	Vote
Ethereum	20.00%	200,000	0	Vote
B ase	10.00%	100,000	0	Vote
🔞 BSC	10.00%	100,000	0	Vote

			-	
Solana	5.00%	50,000	0	Vote
C Linea	5.00%	50,000	0	Vote
Mode	5.00%	50,000	0	Vote

CLEAR Holders:

- Stake CLEAR to participate in governance and earn emissions rewards.
 - Influence emissions distribution by voting with vbCLEAR.
- Share in the growth of Everclear's ecosystem.

Eve	rclear	Dashb	ooard Stake Vote	Delegate Upgrade I	NEXT	Ø ∨ ● 0×3aī	73dAA
	Dashboard						
	Portfolio		Stake CLEAR today!	Stake Now	Rewards	Claim All Rewards	
	My CLEAR 緣 1000.00 \$1000.00 USD	My vbCLEAR 500.00 \$500.00 USD	Staking APR 16.00% Your Staking Unlock in 23 Nov 2025		Claimable \$1000.00 \$1000.00 USD	0.00 \$0.00 USD	

CLEAR Benefits

- Aligns governance and incentives to reward active participation.
- Strengthens liquidity and transaction efficiency across supported chains.
- Drives adoption by rewarding both users and contributors to the ecosystem.

Season 1 Rewards Program

The DAO has allocated rewards to encourage early participation in the system and drive ecosystem growth. Season 1 begins on December 6, 2024, and runs for three months.

È Everclear	Dashboard	Stake Vote Delega	ate Upgrade NEXT	Ø ∨ ● 0×3a73
Stake CLEAF	R - Season 1			
Staking Stats Total Staked CLEAR 1.20M \$1.20M USD	My Staked CLEAR 影 0 \$0.00 USD	Your Staking APR 16.00%	My CLEAR Balance \$\$\$\$ \$\$\$ 10.00 (\$100) 00 @ ♦ 0P €	
Emission Voting My Available Vote O vbCLEAR	Vote Now Claimable 缘 0 \$0.00 USD	0.00 \$000 USD	aim Amount (CLEAR) 2000	Max
			\$2000.00 Buy CLEAR @ Lock Duration: 6 Months	10,000
			Details Est. Gas Cost Voting Power Stake	-\$1.05 0%

Rewards are structured as follows:

• Staking Rewards: Up to 1.75M CLEAR distributed to vbCLEAR stakers based on total staked amount. Rewards are capped at 10% APY in CLEAR. Solver Incentives: 4.5M CLEAR allocated based on settlement activity,

How to Participate

clarifications

- For NEXT Token Holders: Migrate your NEXT to CLEAR, stake CLEAR to earn vbCLEAR, and participate in governance to influence emissions.
- Staking instructions will be available on the migration portal. Migrate your NEXT to CLEAR using this UI (<u>click here</u>) starting on Dec 6 at 13:00 UTC.
- Stake CLEAR here (<u>click here</u>) starting on Dec 6.

rewarding solvers for scaling liquidity flows.

- For Solvers: Actively settle transactions through the Everclear Protocol to earn emissions rewards and maximize settlement efficiency.
- Join the official Everclear Telegram Group for more updates and

Participants can earn rewards by engaging in the Everclear Protocol.

Migration Process & Technical Specification

Once the upgrade occurs, the CLEAR token will be located at 0x58b9cB810A68a7f3e1E4f8Cb45D1B9B3c79705E8 across all supported chains (Mainnet, Arbitrum, Optimism, Polygon, Gnosis, and BNB).

Currently, the NEXT token exists in two forms:

- The ERC20 implementation (NEXT) on Mainnet at 1.
- 0xfe67a4450907459c3e1fff623aa927dd4e28c67a. 2. The upgradeable <u>xERC20</u> implementation (xNEXT) on <u>Arbitrum</u>, <u>Optimism</u>, Polygon, BNB, Gnosis, and Mainnet at

0x58b9cB810A68a7f3e1E4f8Cb45D1B9B3c79705E8.

Both token implementations can participate in governance and are owned by the DAO. Holders of mainnet NEXT will be responsible for migrating to receive CLEAR using the mechanism described below.

L2 NEXT Holders—Automatic Upgrade

Automatic Upgrade: All NEXT tokens held on an L2 (Arbitrum, Optimism, Polygon, BNB, Gnosis) are upgradeable xERC20 tokens and will automatically upgrade to CLEAR without requiring any action from holders.

Ethereum NEXT Holders-Manual Upgrade

Manual Upgrade: All NEXT tokens held on Ethereum L1 may be manually

- migrated to CLEAR using a lockbox on a 1:1 basis as follows:
- Approve the mainnet lockbox contract for your NEXT. 1. 2. Deposit NEXT (0xfe67a4450907459c3e1fff623aa927dd4e28c67a)
- into the lockbox.
- 3. Receive CLEAR

Total Supply and Distribution

The total supply of CLEAR is capped at 1,000,000,000 tokens. The distribution is structured to support long-term growth and alignment with ecosystem goals:

- 19% is circulating supply, including initial airdrop.
- 41% to community and ecosystem, including DAO (15.5%), ecosystem and strategic backers (13%), Labs (3%) and Foundation (9%). 18% to core contributors and advisors (locked).
- 22% to early backers (locked).



FAQ

What happens to NEXT?

NEXT holders can migrate their tokens to CLEAR on a 1:1 basis.

- Is there a migration deadline?
 - There is no strict deadline, but to participate in Season 1 rewards, migrate by end of **December 2024**. Lockbox migration will be open at least for the next 18 months.

What is vbCLEAR?

- vbCLEAR is earned by staking CLEAR, providing governance power and emissions rewards distributed during each epoch.
- Can NEXT be used for staking?
- No, only CLEAR can be staked.

What fees are involved in migration?

- Migration requires a standard gas fee for on-chain transactions. Ensure your wallet has sufficient funds to cover this.
- What happens if I don't migrate?
 - You won't lose your NEXT, but you won't be able to participate in governance or Season 1 rewards until you migrate to CLEAR.

What should I do if CLEAR is missing from my wallet after migration?

- You can manually add CLEAR as a custom ERC20 token using the
 - following details: Contract Address:
 - 0x58b9cB810A68a7f3e1E4f8Cb45D1B9B3c79705E8
- Networks: Ethereum, Arbitrum One, Optimism, Polygon, Gnosis, BNB Can I unstake my tokens early?
 - You can, but there is an early exit penalty that is variable based on the time till expiry remaining for the locked position: from 5% to 22.5% based on the duration of your lock.

What's the difference with the ve- model used by other projects like Curve, Balancers and others?

 While we took inspiration from the veCRV model, we made significant improvements to overcome some of its limitations. Our goal was to create a more dynamic and revenue-focused system for incentivizing liquidity movement within the Everclear ecosystem. Unlike the ve model where LPs can receive rewards for adding liquidity on a pool that doesn't generate fees, CLEAR is only distributed to players that settle within Everclear and so generate fees for the protocol. This creates a better reward mechanism that aligns the protocol and the beneficiaries of the emissions.

Has the staking contract been audited?

Yes, it has been audited by Creed. The audit report is available <u>here</u>.

- What should I do if I encounter a migration error?
 - Contact support with your wallet address and transaction hash for assistance.
- What are the tax consequences of this migration?
 - You should consult with your tax advisors to determine what tax consequences, if any, will result from this migration. We do not make any specific representations regarding the tax treatment of this migration in any particular jurisdiction.

Next Steps

- Now that the Everclear DAO has passed these proposals, development of the migration portal and additional resources are underway and will be
- available soon. In order to participate in Season 1, Ethereum NEXT holders must migrate to
- CLEAR. L2 NEXT holders will automatically be upgraded on Dec 6.
- Stay informed by following Everclear's official communication channels.

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NO PARTY HAS REQUESTED ANY RULINGS OR LEGAL OPINIONS ON THE TAX CONSEQUENCES OF THE NEXT → CLEAR TOKEN UPGRADE AND WHETHER SUCH AN UPGRADE MAY CONSTITUTE A TAXABLE TRANSACTION. THE TAX CONSEQUENCES OF THE UPGRADE MAY VARY BASED ON EACH NEXT HOLDER'S CIRCUMSTANCES, INCLUDING THE TAX RESIDENCE OF THE HOLDER AND THE PARTICULAR UPGRADE PATH USED FOR SUCH HOLDER'S NEXT (AUTOMATIC UPGRADE ON L2S VS. MANUAL LOCKBOX DEPOSIT ON L1). EACH NEXT HOLDER IS URGED TO CONSULT WITH, AND MUST RELY SOLELY ON, THE ADVICE OF THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES OF THE UPGRADE AND THEIR PARTICIPATION IN IT.