

Project Research Dossier

Variational (\$VAR) | pre-TGE, no public raise | Author: esti_eg. (The Republic) | Data as of 29 Sep 2026

1. Eligibility check

\$VAR has **no token live and no public sale**. TGE is announced for Q4 2026 with no date [S1][S2]. Distribution is by airdrop to points holders, not an ICO. Funding so far is private equity/VC only (~\$50M Series A led by Dragonfly, May 2026 [S8]); there has been no public raise.

2. What it builds and why it matters

- **Omni**: retail perps venue, 500+ markets (crypto, equities, commodities, FX), zero trading fees [S3]. **Pro**: institutional on-chain settlement for bespoke OTC derivatives, replacing manual Telegram RFQ workflows [S3].
- **Mechanism**: a single protocol-run market maker (OLP) quotes every trade and hedges on external CEX/DEX/TradFi venues. Omni earns the spread instead of fees; 20% of spreads paid goes to the protocol treasury [S4]. Each user's collateral sits in a segregated on-chain **settlement pool** on Arbitrum and never moves to external exchanges [S4][S5].
- **Why it matters**: if OLP hedging works, Omni can offer CEX-like spreads on TradFi assets on-chain with no fees, and treasury revenue is routed 100% to \$VAR buyback-and-burn [S1][S2]. That ties token value to real flow, not to emissions.

3. Tokenomics (as disclosed)

Bucket	% supply	Unlock (primary source)
Genesis Distribution (airdrop)	32%	100% unlocked at TGE; pro rata to points; unclaimed burned
Ecosystem Reserve (Foundation)	18%	At Foundation discretion; no schedule published
Team + Investors	50%	12-month lock after TGE, then unlock over minimum 3 yrs; team/investor split TBD

- **Not yet disclosed**: total supply, FDV / TGE price, token utility, team vs investor split, Ecosystem Reserve release schedule [S1][S2]. Anyone quoting an FDV today is guessing.
- **Structural FDV ratio**: if only the airdrop is liquid at TGE, circulating = 32% of supply, so **FDV $\approx$ 3.1x market cap** on day one, rising to ~2.0x if the full Ecosystem Reserve were released.
- **Emissions**: none announced beyond the fixed buckets. Points continue at 150k/week until TGE, which dilutes each points holder's share of the fixed 32% [S1].

4. Unlock and dilution model

Assumption: team/investor 50% unlocks **linearly** over exactly 36 months after the 12-month cliff (the fastest the stated "minimum 3 years" allows); Ecosystem Reserve shown as range 0-18% because no schedule exists.

Month after TGE	Team+Inv. unlocked	Circulating (excl. / incl. full Reserve)	New supply vs month-start float
0 (TGE)	0%	32% / 50%	n/a
12 (cliff ends)	0%	32% / 50%	0% for 12 months
13	1.39%	33.4% / 51.4%	+4.3% / +2.8% in one month
24	16.7%	48.7% / 66.7%	~+2.9% / +2.1% per month
36	33.3%	65.3% / 83.3%	~+2.1% / +1.7% per month
48	50%	82% / 100%	fully unlocked

- **Read-out**: year 1 is cliff-protected, but 100% of the airdrop is liquid at TGE, so early sell pressure comes from airdrop recipients, not insiders. The key date is **TGE + 12 months**: float grows ~4% in the first post-cliff month and ~50% over the following year. Linear (not cliff-dump) release after that reduces shock risk. Buyback-and-burn only offsets this if treasury revenue is large relative to unlock value.

5. Team verification signals

- **Verifiable**: co-founders Lucas Schuermann and Edward Yu are named with public personal sites; both list Columbia research, co-founding Qu Capital (2017) and VP roles at Genesis Trading [S6]. Two full-protocol audits with downloadable reports: Zelic (Dec 2024) and Spearbit (Mar 2025) [S7]. Four mainnet contracts on Arbitrum listed and verified on Arbiscan [S5]. Priced round with named leads (Dragonfly; Bain Capital Crypto, Coinbase Ventures) [S8].
- **Marketing-grade only**: "veterans from Google, Meta, Virtu, IMC, Jane Street" is stated without individual names [S6]. "Major strategic partnerships" that delayed TGE are unnamed [S1]. No public GitHub for core contracts was found in the docs, so code review relies on the audit reports.

6. Key risks

- **Counterparty / solvency**: OLP is the sole counterparty. Docs state OLP can lose money and that losses beyond collateral become bad debt users cannot recover [S4]. OLP is team-operated and seeded; there is no community vault yet.
- **Execution**: hedging 500+ markets incl. equities/FX across external venues is operationally heavy; a hedge failure or venue outage hits OLP directly. Omni is still in private beta; public mainnet is promised only before TGE [S1].
- **Token / incentives**: 50% insider allocation with the split undisclosed; 18% Reserve with no schedule; utility unpublished; TGE already delayed once. Points-farming behaviour may inflate pre-TGE volume.

- **Governance / legal:** Foundation discretion over 18%. Tokenized-stock and FX perps carry regulatory exposure by jurisdiction; the Pro product serves institutions, which invites KYC/licensing questions.
- **Technical:** last public audit is Mar 2025; newer features (swaps, trading API, Omni public mainnet) may ship without a published audit. Oracle contract is a single dependency [S5].

7. Disclosure

Holdings: I hold Variational points from trading on Omni, which makes me eligible for the Genesis airdrop, so I have an incentive for \$VAR to do well. I hold no \$VAR (no token exists yet) and receive no compensation from Variational. This dossier is written for a rewarded The Republic (Legion) quest paid in VP. All figures come from the primary sources below; model rows are my own arithmetic on the stated schedule. Not financial advice.

Primary sources

[S1] Variational, "\$VAR Tokenomics and TGE Timing", 24 Sep 2026 - x.com/variational_io/article/2102929439063765192

[S2] Variational docs, \$VAR token - docs.variational.io/token/usdvar

[S3] Variational docs, overview (Omni, Pro) - docs.variational.io

[S4] Variational docs, The Omni Liquidity Provider (OLP) - docs.variational.io/omni/the-omni-liquidity-provider-olp

[S5] Variational docs, Mainnet contracts (Arbitrum): Treasury 0x5e91b40467fb8902c46a7b6cb90482363188d645; Core OLP Vault 0x74bbb0e7f0bad6938509dd4b556a39a4db1f2cd; Settlement Pool Factory 0x0F820B9afC270d658a9fD7D16B1Bdc45b70f074C; Oracle 0x84BE56470d45b7f6629A66A219a38681F6BA6172 - docs.variational.io/technical-documentation/mainnet-contracts

[S6] Variational docs, Core contributors - docs.variational.io/getting-started/core-contributors

[S7] Variational docs, Audits (Zellic Dec 2024, Spearbit Mar 2025, reports linked) - docs.variational.io/technical-documentation/audits

[S8] Variational press release via Business Wire, 20 May 2026 - businesswire.com/news/home/20260520402312/en