



Governance & DAO

AI-Driven Lending & Risk Management Protocol for
Multichain Assets

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Decentralized governance is one of the cornerstone principles of TN Vault. The project strives to follow the best practices of protocols like Compound and Aave, where token holders genuinely manage development. TN Vault will implement a DAO (Decentralized Autonomous Organization) system based on the \$TVLT token, allowing the community to make decisions transparently and efficiently.

Governance Model: \$TVLT is the platform's governance token, granting participants voting rights proportional to the number of tokens held. This is similar to how the COMP token is used to govern the Compound protocol (COMP holders can propose and vote on protocol changes). In the context of TN Vault, all major changes and proposals will go through the community voting procedure. A special interface (a web portal or a section within the app) is planned to be launched for creating proposals and voting. Any participant holding a certain minimum threshold of \$TVLT (to prevent spam) will be able to create a proposal to improve the platform – for example, to add support for a new blockchain, change lending parameters, or approve a partnership. The proposal will be discussed in a public space (community forum, Discord/Telegram group) and, after a certain period, will be brought to an on-chain vote.

Votes are distributed proportionally to the number of tokens: 1 \$TVLT usually equals 1 vote. Vote delegation is possible – if you do not wish to vote personally, you can delegate your tokens to a trusted representative, as implemented in Compound. Quorum thresholds (minimum number of votes) and majority requirements will be established for decision-making – for instance, a simple majority or a supermajority, depending on the importance of the issue.

Areas of DAO Competence: The \$TVLT community will be able to decide on a wide range of matters, including (but not limited to):

List of supported assets and networks: Voting for the integration of new blockchains into the wallet or support for new types of collateral assets. For example, the DAO may vote to add support for Avalanche or Polygon, or to allow the use of BTC as collateral via tokenized bridges.

Protocol economic parameters: The community will be able to change the maximum LTV value, commission growth rate, sizes of \$TVLT rewards, etc. Of course, the AI system works automatically, but the framework for its operation and general coefficients can be adjusted by the DAO. For instance, if the community decides to stimulate the growth of a pool on a new network, it can temporarily increase the reward share for that pool.

Use of the treasury and reserves: Over time, TN Vault will accumulate funds (e.g., undistributed tokens from the reserve fund, protocol fee income, etc.). The DAO will decide how to manage them: whether to invest in development (new features, marketing) or, for example, buy back and burn tokens from the market. This is an important element – budgeting of the project, fully transparent and approved by the community.

Changes to tokenomics: Although tokenomics is defined from the beginning, real life brings changes. If it becomes necessary to increase rewards, extend the staking program, launch a new airdrop wave, or reallocate unused tokens – all this is also subject to \$TVLT holders' voting. For example, after a year the DAO may decide that there are many tokens left in the reserve, and it is better to use them to further incentivize active users.

Risk and protocol management: Key code updates (e.g., switching to a new version of smart contracts) will also go through the DAO. The community will be able to approve audit results, require bug bounty programs, suspend certain functions in emergencies – all through the proposal and voting mechanism.

Fairness Principle: It is very important that TN Vault initially strives to ensure fair vote distribution. No group (neither the team nor investors) should have monopoly control over decisions. Tokenomics stipulates that large shares are distributed among different stakeholders: the community (through airdrop and rewards) holds about half of the tokens, investors – about 22%, the team – 14%. Moreover, the DAO mechanisms themselves may include safeguards against centralization of influence. For example, "fair governance distribution" – where the votes of small holders are also taken into account, possibly through quadratic voting or other algorithms. The goal is to prevent any large whale from unilaterally dictating decisions, ignoring thousands of smaller participants. Every decision will be discussed publicly, and all arguments "for" and "against" will be brought to the community's attention.

Community Involvement: DAO is not limited to dry voting. A vibrant community will evolve around TN Vault: forums, chats where users can propose ideas and work together on improvements. The TN Vault team will initially take the role of initiator and moderator of these processes to set up the governance system, but eventually, the DAO will take control over virtually all aspects of the platform. This approach has already proven effective: the largest DeFi protocols, like Aave, fully trust the community to make decisions, leading to creative ideas and user responsibility for the project's fate. The TN Vault Governance system will be as transparent as possible: voting results will be recorded on the blockchain, proposals stored openly, and anyone can check how a given address voted. Participation in governance may be rewarded: for example, small amounts of \$TVLT may be distributed to the most active voters or NFT badges of reputation issued. All this encourages users to engage in the project's life.

Example: Imagine that in 2026 TN Vault has been successfully launched, and the community notices growing popularity in one of the new networks (say, Arbitrum). A participant creates a proposal: "Add support for Arbitrum in the wallet and protocol, allocating an additional 1% of tokens from the reserve to reward liquidity providers in Arbitrum." This proposal is discussed: technical feasibility, security, and economic impact are evaluated. Then \$TVLT holders vote. If the proposal receives enough votes in favor, the development team implements the integration (or, if the protocol is already fully decentralized, the DAO smart contract automatically applies the configuration changes). As a result, the update was implemented through the DAO, and all participants knew that it was collectively approved, not imposed from above.

Decentralization and Responsibility: Of course, relying on a DAO means transferring responsibility to the community. TN Vault plans a gradual transition to full DAO: in the very beginning, while the tokens are not fully distributed, the team will play a significant role in decision-making to develop the product efficiently. But as tokens are distributed and a sustainable community forms, power will shift to \$TVLT holders. This ensures reliability: the platform does not depend on the fate of a single company or team – even if the creators step back, the community will be able to continue the work and development of TN Vault. Every \$TVLT holder has a reason to participate in governance, as DAO decisions directly affect the value of their tokens and the usability of the platform. Thus, the interests of users and the protocol are fully aligned – the "by the people, for the people" model in action.

In conclusion, the TN Vault DAO will turn users from mere clients into true co-founders of the platform. Through transparent and fair voting mechanisms, the project will develop through joint efforts. This approach has already proven effective in the examples of Compound and Aave, where the community successfully governs multi-billion-dollar liquidity pools. TN Vault intends to follow the same path of decentralization, firmly believing that the platform's future lies in the hands of its users. This builds trust: knowing that you have a voice and that it is heard, you become more loyal to the project. The TN Vault community is not just users but also managers and partners. Thanks to the DAO, TN Vault will be able to quickly adapt to market challenges, implement the best ideas from its own community, and develop sustainably and transparently. Everyone is already welcome to join the TN Vault community on social networks and discuss upcoming plans. Once the token launches, the governance system will go live – join the TN Vault DAO and let's build the future of decentralized finance together

