



Astroport development and ASTRO builder allocation

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INTRO

As we approach Astroport’s launch, this article provides a history of the pre-launch development of Astroport, breaks down token allocations and lockups among the builders and discusses how any ancillary infrastructure will be maintained and how any further Astroport protocol development will work in the future. All too often, DeFi builders aren’t particularly forthcoming on these issues. Astroport builders choose a different path and aim to be as candid as possible to ensure the decentralization of Astroport.

BACKGROUND

In February 2021, [Delphi](#) began researching the Terra ecosystem. By March, Delphi Labs, Terraform Labs, Attic Lab and [WE3](#) (a decentralized design collective) had launched what we thought of as an unincorporated joint venture to build Astroport as a state-of-the-art AMM on Terra, with each entity contributing its unique skills to the effort. Being fast-moving builders with a culture of mutual trust, we dove into the effort without legal agreements or other formalities and just started working together.

There was no capital-raising specifically for Astroport — rather each of the building teams used its own resources, sweat equity and general capital to get its part of the build done. For a time, we were working on formalizing the joint venture by setting up a joint venture entity with its own formal governance and capital (initially called Terraformer 2 and then Pythia Orbiter 2), but it has become clear that we already have the perfect model — stellar independent teams doing their thing and creating great tech through bottom-up emergent consensus — and thus we have abandoned these plans. Accordingly, these efforts were not completed and the entities have been dissolved. Furthermore, **the unincorporated joint venture of Astroport builders will be automatically dissolved** at the start of the ASTROdrop (currently scheduled for December 14, 2021), pursuant to a Joint Venture Dissolution Agreement available [here](#).

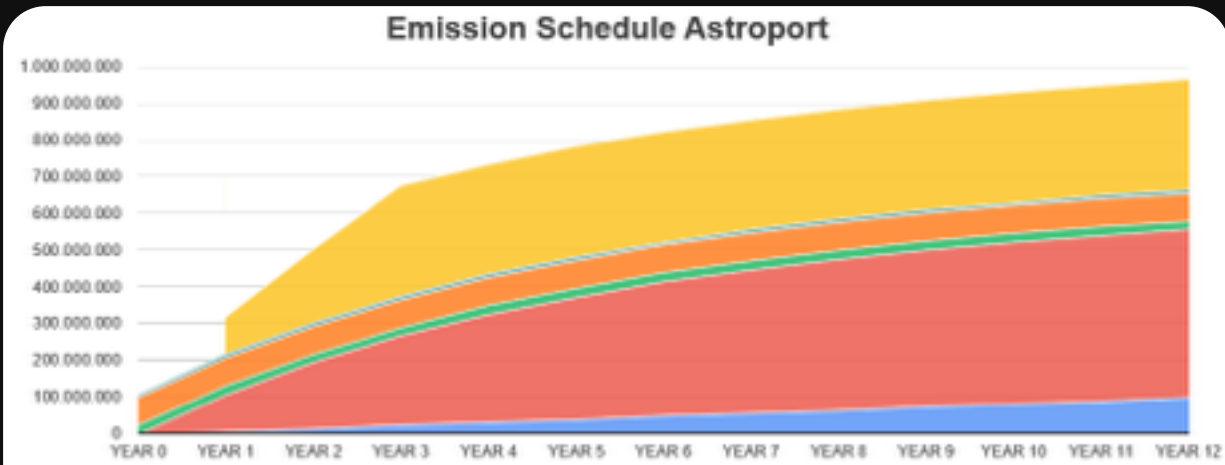
There have been no ASTRO sales and Astroport has no ‘venture capital’ investors. Everyone who receives ASTRO tokens on a pre-launch basis has played some part in developing Astroport. Instead of venture capital, we have what we like to think of as *joint* venture capital — namely, that there are great teams who built Astroport collaboratively and have a shared passion to see it thrive. When Astroport launches, users of diverse stripes — traders, liquidity providers, and other protocol teams — will rapidly join in this joint venture and we will all collectively determine the future of Astroport together — no contracts, no investors, no managers, just an open free association of persons empowered to autonomously use, meme and govern what we think will be the dopest AMM on the scene.

BUILDER ASTRO ALLOCATION & LOCKUP

The distribution of ASTRO has been designed to distribute governance power to those most likely to understand, care about and contribute positively to the Astroport software and its community. The previously announced ASTRO airdrop and lockdrop targets users and ecosystem participants likely to be positively affected by or rely on Astroport. Now, we provide further detail on another important piece of the puzzle — distributing ASTRO to Astroport builders.

30% of the ASTRO supply has been allocated to Astroport builders, which consist of Delphi Labs, Terraform Labs, WE3, Attic Lab and their respective service providers for a total of 4 entities and 24 individual builders. When combined with the airdrop and lockdrops, this “builder allocation” will mean that ASTRO distribution and governance power is distributed in a fairly balanced way among builders as such, users as such and ecosystem participants as such to create the strongest possible community.

The builder-allocated ASTRO are locked in smart contracts which will begin unlocking ASTRO around December 14, 2022 (one year from the start of the Astroport lockdrop). The first unlock will be for 1/3rd of the locked ASTRO and the remaining ASTRO will unlock pro rata on a daily basis over the following 24 months. The projected supply unlock schedule looks like this:



*Note: We assumed the 100,000,000 ASTRO in Treasury would be spent linearly over 12 years. **The actual rate may vary based on decisions by governance.***

While these ASTRO are locked, they will not accrue protocol fees (i.e. additional ASTRO) or provide the holders with either liquid xASTRO or locked vxASTRO. However, the locked tokens can nevertheless be used by the recipients to participate in governance votes within the Astral Assembly. Total governance power will thus be calculated as:

(xASTRO in wallet) + (xASTRO locked in vxASTRO contract) + (vxASTRO) + (ASTRO locked in builder unlock contract)

This was done to ensure the initial builders, who have important protocol knowledge and aligned incentives, can continue to contribute to and participate in governance while their tokens unlock. It’s worth noting that, given the vxASTRO governance power boost design (which the builders will not be able to leverage), and assuming similar average lock times to [Curve](#), the community will have majority control of governance power within ~3 months of launch.

All Astroport builders have signed Token Grant Agreements. The Token Grant Agreements provide that the grantees:

- will not directly or indirectly sell their locked-up ASTRO or any rights or benefits therein;
- when choosing to engage in Astroport governance, will do so on an independent, arms'-length basis from one another based on their respective independent judgments regarding the merits of each governance proposal; and
- will not seek to direct or control how the other grantees vote their respective personal allocations of ASTRO.

The form of Token Grant Agreement can be read [here](#).

NOTE: Because the ASTRO tokens are merely “locked”, not “unvested”, there are no further services or efforts required of the ASTRO token recipients, though many have expressed that they intend to independently remain active and continue contributing to the Astroport community.

ASTROPORT COMPLETION AND IP OWNERSHIP

Astroport in its current form is *done* — The software has been published and freely open-sourced at <https://github.com/astroport-fi/astroport>, and anyone can fork it if they choose. The Astroport name, branding and designs are [licensed to the public under Creative Commons](#) — thus, the “brand” itself is forkable, and the community itself ultimately controls what smart contracts get called “Astroport”. No capital or personnel have been specifically dedicated to major upgrades for Astroport.

Whether there is an Astroport v2 or other major upgrades will depend on the efficacy of the Astral Assembly’s decentralized governance process in: 1) researching and converging upon a set of features that should comprise a v2 and 2) creating the right incentives for groups of builders to come in and implement these features.

The initial builders, including Delphi Labs, intend to continue to participate in and contribute to the Astral Assembly like any other community member. We will also continue to independently research governance and AMM technology (among many other areas of interest) in the ordinary course of our general research, development and project incubation business and will look to surface any promising ideas to the Astral Assembly.

ANCILLARY ITEMS

There are a few further housekeeping tasks and ministerial efforts slated for the post-launch period. We want to be transparent about these ancillary items and our plans for handling them:

1. Multisigs → Astral Assembly. For safety reasons, at launch, the Astroport protocol will be guarded by a 3-of-5 signature Multisig comprised of Astroport contributors. A list of Multisig-changeable parameters can be found in [this](#) public Notion document and includes, for example, pool parameters (e.g., amplification for stableswap pools, fee-setting) and parameters governing ASTRO emissions. This Multisig will also temporarily hold the “Community allocation” of ASTRO tokens (i.e., 10% of the total supply of ASTRO). The purpose of the Multisig is to enable rapid security threat/incident response during the first 60–90 days following the Astroport launch. Once that period is completed, the smart contracts defining the on-chain aspects of the Astral Assembly will be deployed and control of these parameters and the ASTRO community pool will be transitioned entirely to the Astral Assembly. All Multisig key holders have signed a Multisignature Participation Agreement in the form provided [here](#).

2. Astroport Website. We are very proud of the amazing Astroport website built in collaboration with [WE3](#) as a non-exclusive user interface to the Astroport smart contracts deployed on Terra. Delphi Labs will continue to pay expenses and fund routine administration for the website for a period of time. As noted above, we have open-sourced all branding used in the website, including the “Astroport” name/mark, through a [Creative Commons license](#); the website code will also be freely open sourced on Github. Thus, the community may spin up its own instances of the website, or users may run it locally to provide a convenient interface to their Terra blockchain wallets. Many in the broader DeFi community are proactively working on decentralization of website infrastructure through IPFS, community incentives and other methods — we will also be exploring such possibilities with the aim of encouraging the emergence of alternative user interfaces for Astroport.

3. Social Media Accounts. Anyone can discuss Astroport anywhere, anytime, and no specific social media site or account is necessary for the functioning of Astroport. However, the current Astroport social media platforms on Twitter, Medium, Discord and the Astroport governance forums are Schelling points, and we’d like to see them continue. Delphi Labs will continue to pay a small team of independent contractors to maintain and moderate these resources for a period of time. Note that there are no “official” or “exclusive” Astroport spokespersons or resources; accordingly, others are free to start alternative social media accounts relating to Astroport or bearing the Astroport branding.

CONCLUSION

Through a mix of technical, legal and cultural engineering, we have undertaken Astroport to be decentralized and community-owned from day one. Decentralization is exciting and powerful, but also scary — no one has the control to manage Astroport from the top-down and ensure its success and longevity. Astroport is for users and builders who assume responsibility for their own destinies. What the future brings is up to us all.

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