Summary

To further the decentralisation of the DAO, distribute 1700 AAVE in voting weight between recognised delegates who have been active but under-represented in voting weight.

DAOplomats are resubmitting the post after incorporating the DAO feedback.

1. TempCheck

Motivation

After the initial forum temp check, it was identified that the Aave DAO community favours it.

Methods and initiatives to foster decentralisation within the DAO and encourage community participation.

Currently, most Aave delegates are inactive or ghost delegates, while the top 10 barely participate in voting.

It is in the DAO's best interest to help underrepresented but dedicated and active delegates increase their voting weight over time. The current structuring of Orbit initiatives would compensate existing top delegates but will not help new participants due to the inherent barrier to entry and higher capital requirements.

The redelegation of tokens has three distinct advantages:

- 1. A clear path for new participants to join the DAO and become active governors.
- 2. Increase the proportion of tokens participating in voting.
- 3. Decentralise the AAVE DAO further.

Specification

Eligibility

- According to the recognised delegate framework, the delegate must have fulfilled the requirements for being a Recognised delegate.
- The delegate must have fulfilled the other conditions from Orbit renewal, such as
- Not an Aave Service Provider
- Not an Aave Service Provider
- The voting power is less than the average voting power of an active, recognised delegate of AAVE (as of the date this proposal passes snapshot)

Delegate List:

Based on our analysis, there are 12 active delegates with an average voting weight of 57765. The complete list of delegate analyses can be found <u>here</u>.

All the active delegates who wish to participate in this program should opt-in

to be included. The table below is just a representation of the current landscape.

Delegate Name

Voting weight to be delegated

Areta Delegate Platform

1700

DAOplomats Delegate Platform

1700

HKUST Blockchain

Keyrock delegate platform

1700

Karpatkey Delegate Platform

1700

StableLab Delegate Platform

1700

Wintermute Delegate Platform

1700

@saucyblock

1700

FranklinDAO (Prev. Penn Blockchain) Delegate Platform

1700

Event Horizon Delegate Platform

1700

Arana Digita

1700

This would imply delegating 18,700 AAVE (≈2.4% of native tokens in the treasury) from the treasury between 11 delegates for one year.

Implementation

Timeline:

- If this proposal passes the temperature check Snapshot, an exhaustive list of all delegates and a newer snapshot will be created.
- · Eligible delegates can apply to be included in the AIP
- Deployment of the <u>FranchiserFactory</u> contract and transfer of ownership to the DAO governance through an on-chain vote.

Delegation will be valid for one year from the date of the on-chain vote.

Franchiser Factory Implementation

This proposal aims to use the <u>FranchiserFactory</u> contract, which Uniswap Foundation recently used. However, it can be customised to distribute AAVE from the treasury in this case. The FranchiserFactory deploys individual Franchiser contracts for each delegate funded by the number of tokens defined.

Aave governance <u>PayloadsController</u> will be the owner of all Franchiser contracts deployed from this vote and can recall the tokens by calling the recall function (via a subsequent on-chain vote) on each contract at any time.

Risk:

- 1. Transfer of value: The tokens must be sent to a different contract for this to work.
- 2. no voting strategy contract upgrade is required, but new contracts should be audited.

Delegate selection.

The eligible delegates will be shortlisted and temp-checked on the snapshot.

Delegate Votes

• Number of votes to be received by each delegate.

Disclaimer

This proposal is neutrally presented based on current community sentiment.

DAOplomats is not compensated for this proposal and is not associated with any of the parties mentioned in the proposal above.

The author(s) and associated parties are not liable for any outcomes or damages from this proposal's implementation or lack thereof.

Next Steps

- · Gather feedback from the community
- · Work with current service providers for contract writing and deployment

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