The two active members of the Growth AVC have announced that they are stepping down 1, 2).

Consequently, this leaves the Growth AVC without any active members. While this scenario is not explicitly covered in the Atlas or Governance Scope, it is our interpretation that the AVC should be considered dissolved. It technically does not meet the Governance Scope requirements to be inactive

but this would be reached at the end of Q3.

Implication for Delegates

Per <u>The Atlas</u> ADs may have neutral Governance Strategy Links (GSLs). Consequently our interpretation is that the following actions must be taken by all ADs following the Growth AVC.

- Currently active Growth Supporting AD contracts will become Neutral GSLs.
- These contracts will still count towards Prime/Reserve status and will be counted when calculating voting metrics.
- Neutral GSLs should adopt a balanced position of universal alignment.
- Delegates may choose to "sever" the link with their neutral GSL but the voting weight of that contract will cease to be counted for the purposes of Prime/Reserve status. The decision to sever should be a signed message posted in the relevant AD thread.
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- Neutral GSLs should adopt a balanced position of universal alignment.
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- All Growth Supporting ADs must therefore deploy a new contract and signal a new AVC that they wish to follow. It is a requirement for ADs to follow two AVCs to be eligible for compensation.
- If there is 0 MKR delegated to a Growth supporting AD contract the AD can redirect the contract by providing a signed message.
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- We will permit a grace period of 1 week

for the creation of new contracts given that the cessation of activities by the Growth AVC was not communicated in advance.

We recommend that the Atlas and Scopes are revised to account for this situation happening again in the future.

cc: @Aligned_Delegates