

# Tally x Lido DAO Research Grant

Authors: Frisson (Tally), Dennison Bertram (Tally), Raf Solari (Tally)

Contributors: Raphael Spannocchi (StableLab), Nneoma (StableLab)

## Background

Lido DAO is currently looking for ways to increase voter participation and decision quality by introducing delegation. Further down the road are exciting governance experiments in line with Lido's Dual Governance research, opening the possibility for stETH holders to potentially veto DAO governance motions.

Tally believes we can help improve participation and overall engagement with our best-in-class governance platform. We are particularly excited to enable on-chain delegation. The current implementation of the LDO token and Lido DAO governance structure does not allow for a straightforward integration with Tally, however.

Tally has deep expertise integrating on-chain governance.

- We work closely with Open Zeppelin on the

Governor standard and closely with the Scopelift team on the Flexible Voting module.

- We work with the Uniswap DAO as part of the Uniswap Deployments Accountability Committee.
- Tally is leading the way in the world of crosschain governance with our recent deep dive into crosschain governance designs for the Optimism Collective.

The Tally team is qualified to thoroughly analyze and evaluate the implementation solutions available to the Lido DAO. We are excited to partner with Lido's operations team and bring in governance expertise from StableLab to identify the best path forward!

## Research Deliverable

We propose a research project focused on adding delegation to LDO voting power and supporting the Lido DAO on Tally. The project will sketch out different ways to implement each of the following four options. We'll also provide a thorough analysis of each option along with pros and cons for the Lido DAO operations team to consider.

The research deliverable will contain an analysis of the following options:

1. Fully support delegation built on top of the existing Lido DAO Aragon governance system on Tally
2. Build smart contract interface that makes the LDO token compatible to Tally's interface
3. Build a proxy contract to make the LDO token look like an ERC20Votes token, then add a Governor as a module to the existing Aragon contracts
4. Migrate the whole Lido DAO to a Governor that works natively with Tally. This option is unlikely to be preferred by the Lido community. As a result, our analysis may be less detailed for the option (e.g. we may not include a scope of work required to implement).

For each option, we will include the following components in the deliverable:

- Time and cost required to deliver
- Ongoing maintenance costs
- User experience benefits and challenges
- Security implications and key risks
- Detailed explanation of our research process with links to source material
- Detailed scope of work required to implement (this will only be included for options that are promising according to our analysis)

## Implementation Cost and Timeline

We anticipate that it will require about two full work weeks of one researcher's time to complete this research deliverable. We plan to spread that work out across a longer period following this timeline:

- Week of December 4th: Begin research
- Week of December 18th: Share project update with Lido DAO operations team for feedback and direction. Mid-project update to include key learnings about each implementation option and a preview of the final deliverable format
- Week of December 25th: Pause for holidays
- Week of January 15th: Share final draft of research deliverable with Lido DAO operations team for feedback and direction
- Week of January 22nd: Complete research deliverable and move to implementation phase

Cost: 10,000 DAI/USDC

Tally Multisig Address for payment: eth:0x7E90E03654732ABedF89Faf87f05BcD03ACEeFdC