

Introduction

According to the MIP102c2-SP34 which is currently being[polled](#) and more than likely to be ratified since it already has an overwhelming support by the delegates, the Smart Burn Engine Surplus Buffer Upper Limit parameter defined in [Stability Scope 9.1.1 in SP34](#) is being increased for 5m dai to the total of 55m dai.

This parameter determines the minimum threshold for when the SBE can start transacting, meaning that the system will now maintain a higher surplus buffer. This change is rational since new exposure types were introduced in the recent months, mainly the Spark DAI MetaMorpho vault, and sets the system in a more resilient and risk-averse position.

Stability Scope Bounded Mutable Alignment Artifact Changes

No additional changes are required in addition to what is proposed in the MIP102c2-SP34 proposal.

Proposal

BA Labs recommends the Stability Facilitator to perform the following parameter changes to the Smart Burn Engine, which can go directly to the upcoming executive vote on May 30 assuming the MIP102c2-SP34 is ratified on May 27:

- Vow.hump (SBE SB Upper Limit): Increase for 5m DAI from 50m to 55m DAI