

## TMC-3: stSOL repatriation proposal

### Strategy

Complete the [sunsetting of Lido on Solana](#) by repatriating the remaining 13k stSOL to Lido Aragon Agent on mainnet

### Objective

Recover accumulated SOL by seeking best execution for a sale to USDC and transferring to Lido Aragon Agent with minimal counterparty risk

### Intended on-chain action

Deploy a Solana Squads multisig to receive stSOL from the Solana Treasury Multisig. Unstake stSOL to SOL. Seek best execution for a sale of SOL to USDC either through an OTC desk or through a DEX. Transfer USDC to Lido Aragon Agent.

### Impact on treasury liquidity

Will transform stSOL holdings to USDC for use in grants and funding

### Execution complexity

Unstaking stSOL with the legacy tools made available in the [sunsetting docs](#) may face some technical complexity for signers. Minimizing counterparty risk during the sale and transfer is a priority

### Maintenance complexity and overhead

None, one-time action

### Summary of possible risks

- Unstaking process depends on sunsetted protocol

→ docs and sunset functions are still maintained

- Counterparty exposure during transfers and swaps

→ Committee will evaluate the balance between best execution and counterparty risk and determine the best course of action to prioritizing risk minimization

### Summary of potential benefits

- Ability to update and maintain stablecoin runway from the surplus generated by the protocol

### Compliance with Treasury Management Principles

Yes

### Proposer

Steakhouse

### Agreement

Pending from TMC poll

### Perform

Steakhouse

### Input

Pending from community

### On-chain execution stage

### Proposal

### Other notes

- Lido on Solana has been sunset since a DAO vote
- Approximately 14k SOL remain on the DAO treasury on Solana which will be repatriated to the treasury to Aragon Agent on Ethereum as USDC

- The Solana Repatriation Committee (SRC) multisig will evaluate at the time of execution whether to execute the transaction through an OTC desk or through a bridge directly into Aragon
- No part of the SRC multisig will retain any spread and the best execution for the sale will either be guaranteed by DEXes on Solana or by an OTC desk selected
- The amount of SOL to sell will be calculated based on the prevailing SOL price at the time, the TMC will not try to 'time the market'
- This motion does not affect the ability of the DAO to employ other strategies or Aragon votes directly to raise stablecoins

## Reference links

- Lido DAO Solana Treasury Multisig: [GQ3QPrB1RHPRr4Reen772WrMZkHcFM4DL5q44x1BBTFm](https://solana.com/transaction-details?id=GQ3QPrB1RHPRr4Reen772WrMZkHcFM4DL5q44x1BBTFm)
- [Multi-sig owners and Maintainers list](#)
- [Unstaking guide](#)

## Execution

- TMC proposes executing the sale for USDC, avoiding taking a view on market conditions
- To support faster execution while still retaining security over Treasury assets, proposal will signal to Solana Treasury Multisig signers to transfer stSOL to a new 4/7 Solana multisig operated by DAO contributors, organized as a temporary Solana Repatriation Committee that will dissolve once the operation has been completed
- One of the multisig signers will deploy a self-hosted unstaking widget instance to be able to coordinate the transaction execution through a multisig wallet
- Once secured as SOL, the Solana Repatriation Committee will weigh options for completing the sale:

### A: DEX + CCTP Bridge

- Using whatever DEX offers best execution in lot sizes that minimize price impact
- Using the Circle native CCTP bridge to transfer USDC directly to the Lido Aragon Agent address on Ethereum mainnet

### B: OTC Desk + Transfer

- Using whatever OTC desk offers best execution to secure USDC on Mainnet
- Transferring from a Mainnet Solana Repatriation Committee Multisig to the Lido Aragon Agent address
- Indicatively, the below show quotes on a consistent rate basis, with estimated price impact from Jupiter and two OTC desks:

Option

Platform

Rate

Conversion Amount (SOL)

Indicative Fees/Price Impact

Total received

Total Received (token)

SOL to USDC

Jupiter

143

13800

0.40%

1,965,506

USDC

SOL to USDC

Quote 1

143

13800

0.25%

1,968,467

USDC

SOL to USDC

Quote 2

143

13800

0.50%

1,963,533

USDC

There are pros and cons to either approach:

Rationale

Tradeoff

3rd party legal entity coordinates execution with OTC desk

Likely better price execution with 20-25bps range spread

Trust assumption during the process required in 3rd party legal entity and in the OTC desk selected

Multisig signers execute swap through a DEX and bridge

No trust assumptions required with 3rd party legal entities

Some trust assumptions necessary for bridging

The Treasury Management Committee proposes to create a Solana Repatriation Committee with delegated authority to complete the Lido on Solana: Sunset proposal to choose the best execution they deem appropriate with a 4/7 threshold, taking into consideration risks and tradeoffs associated, and will describe the outcome in a post-mortem including the rationale.

Once the corresponding USDC has landed in Aragon Agent, the Solana Repatriation Committee will dissolve.

## Members

- [@Kadmil](#)
- [@adcv](#)
- [@equanimiti](#)
- [@Alex\\_I](#)
- [@marin](#)
- [@zuzu\\_eeka](#)
- [@grstepanov](#)

# Poll for Treasury Management Committee Members

End date 16-Oct-2024

TMC-3: stSQL repatriation proposal

- Approve
- Reject

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voters