TMC-0: Stake all treasury ETH in Lido

Strategy

Build a core treasury in productive assets that can safeguard against risks and help offset operating expenses for protocol development

Objective

4-6% annual yield on 20k ETH or almost $2m a year at current prices, one more month of runway

Intended on-chain action

1. Deposit 20,304.357 ETH in Lido for stETH

2. Deploy an EasyTrack contract to sweep Treasury ETH and deposit it in Lido

Impact on treasury liquidity

Although still highly liquid in comparison to many ERC-20 tokens (>330,000 ETH/stETH in Curve), objectively less liquid than pure ETH

Execution complexity

- Minimal, requires a Lido.sol contract call from the Aragon treasury contract

- EasyTrack deployment of a contract to execute ETH sweeps for the future

Maintenance complexity and overhead

Minimal, stETH rebases automatically and accrues over time

Summary of possible risks

- Lido protocol-specific smart contract risks could compromise the value of the underlying ETH

- Price volatility in relation to operating expenses could compromise the ability to continue to pay for development

Summary of potential benefits

- Dogfooding Lido's own ETH

- Contribute to securing the Ethereum network in a decentralized liquid staking protocol

Compliance with Treasury Management Principles

Yes

Proposer

Steakhouse

Agreement

Approved

Perform

Steakhouse

Input

Received

On-chain execution stage

Executed

Other notes

If stETH<0.98 ETH, we should buy stETH in the market instead of staking ETH directly, which may require more operational overhead

Poll for Treasury Management Committee Members

End date 03-Jun-2023

TMC-0: Stake all treasury ETH in Lido

- Approve
- Reject

0

voters