# 1IPs

This section tracks all 1IPs that have made it to the Phase-4: Snapshot Vote of the Proposal Lifecycle.

## Passed

All 1IPs that have successfully passed the Phase-4 vote. These 1IPs have already been implemented or are in the process of being implemented:

### [1IP-40]StableLab Grant Request for developing a 1inch DAO Constitution

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description Simple Summary

The StableLab team requests a grant to write the first draft of the 1inch DAO Constitution to help support the DAO as it progresses towards decentralization.

Motivation

As active contributors to the 1inch DAO, this grant seeks to extend StableLab's work to offer deeper insights into how 1inch DAO can improve.

In a previous grant (funded by the 1inch Foundation), the main deliverable was a Decentralization Report outlining the current state of 1inch Governance, its successes, its shortcomings, and the necessary next steps to improve the decentralisation and maturity of the 1inch DAO.

Specification

This subsequent grant builds upon this previous work and focuses on delivering a constitution for the 1inch DAO

1inch DAO Constitution. - 26,000

1inch DAO stands to benefit significantly from the development of a Constitution, a document that serves as the primary source of direction for how the DAO operates.

The constitution will lay out a well-defined scope of responsibilities to be divided between 1inch Labs and 1inch DAO. By defining responsibilities, the Constitution will be able to implement accountability mechanisms and reduce incidents of conflicts arising out of decisions made under each scope. The constitution will also detail the purpose and responsibilities of what the DAO will and will not govern.

As the primary policy document for the 1inch DAO, this constitution will ensure that there is consistency in how the DAO is managed. With our vast experience as DAO Contributors, we will design a constitution that addresses all aspects of the 1inch DAO, including edge cases which are often overlooked and may lead to conflicts and disputes.

Hourly Distribution for the 1inch DAO Constitution Development

Hourly Charge - 50

Preliminary Research - 60 Hours

Organisational Design Thinking (Enabling Checks and Balances) - 65 Hours

Section and Subsection Drafting - 120 Hours

Section Review, Exploitation Analysis and Edge Case Analysis - 55 Hours

Community Engagement (Gathering Community Feedback) - 40 Hours

Assessing and Implementing Community Feedback - 20 Hours

Proof-Reading and Editing: 40 Hours

Total - 400 Hours

Note : 6,000 of this 26,000 will be paid to DAOPlomats for their role as an Editor and Feedback Provider for the purpose of this grant.

Total Cost : 26,000 (USDC)

Note: Due to the research-based nature of the deliverables, payment would be made upon submission of the deliverables.

Specification.

If this proposal passes, 26,000 USDC will be transferred to the Operations Multi-Sig, and subsequently paid out after deliverables have been submitted for review.

### [1IP-39][Fast Track]Deploy 1inch Network Protocols on Coinbase's Base

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) Full Proposal Description Author

[@RoundElephant](#)

References

- [Base - Coinbase's Optimistic Rollup](#)
- [Welcome to the OP Stack](#)

# Simple Summary

This proposal calls for the deployment of the 1inch Aggregation Protocol, 1inch Limit Order Protocol, and 1inch Fusion Mode on Base – Coinbase's Optimistic Rollup.

# Abstract

Upon approval, this proposal will endorse the deployment of the 1inch Aggregation Protocol, 1inch Limit Order Protocol, and 1inch Fusion Mode on Coinbase's Base.[Base](#) is Coinbase's Optimistic Rollup solution built on the[OP stack](#) , facilitating faster and more cost-efficient transactions while maintaining Ethereum-level security.

# Motivation

Integrating the 1inch Network protocols with Coinbase's Base will provide users with significantly reduced gas fees and expedited transaction confirmations. Such a deployment ensures that 1inch's array of protocols remains user-friendly while not compromising on the platform's inherent security.

# Specification

This proposal serves as a signal from the 1inch Network DAO to 1inch Labs. If accepted, the 1inch DAO calls for 1inch Labs to initiate the deployment of the 1inch Aggregation Protocol, 1inch Limit Order Protocol, and 1inch Fusion Mode on Coinbase's Base. The responsibility of maintaining the backend and frontend components of this deployment would also rest with 1inch Labs.

The deployment of 1inch Network protocols on Base will require collaboration between the 1inch core contributors and core contributors of Base.

# Rationale

### User Benefits

- Cheaper transactions:
- Users will experience a reduction in gas fees and transactional costs, enabling them to conduct more transactions with the same amount of funds.
- L1 security:
- Despite being a Layer-2 solution, users won't have to sacrifice the robustness of Ethereum's Layer-1 security, ensuring their transactions are secure and trustless.
- Direct fiat on-ramping from Coinbase in the future (presumably):
- Users can potentially enjoy the convenience of direct fiat to crypto conversions, eliminating the need for multiple platform jumps and thus streamlining their onboarding process into the 1inch Network.

### 1inch Network Benefits

- More volume from users:
- By deploying on a widely recognized platform like Base, 1inch will likely attract more users, leading to an increase in transaction volume.

- Strengthen relationship with Coinbase:
- Coinbase is one of the world's leading crypto exchanges. Collaborating with Coinbase for this integration not only offers immediate benefits but also establishes a strong foundation for potential future integrations.

**Base Benefits**

- The most efficient aggregator, 1inch, will be deployed on their network:
- This solidifies Base's position as a premier Layer-2 solution by hosting one of the most effective and recognized DeFi aggregators.

# Considerations

Deploying 1inch Network protocols on Coinbase's Base holds no governance ramifications.

Given that 1inch won't have any liquidity confined to Base, this deployment is free from any associated security threats.

### [1IP-37]Gitcoin LatAm Featured Round

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) Full Proposal Description Author: [carlosjmelgar](#)

## Simple Summary

This Gitcoin grants round funds public goods, but also creates an enhanced connection between Grantees and funding partners within the LatAm Featured Round by establishing an eligibility criteria that requires grantees to create educational content, host workshops and adopt 1inch products.

## Abstract

Through collaboration and engagement, we can create a mutually beneficial ecosystem that fosters innovation, education, and adoption. Incentivizing participation through grants will encourage contributors to produce high-quality educational material, further promoting awareness and understanding of 1inch within the Latin American web3 ecosystem. This objective will contribute to the growth and adoption of 1inch while fostering a collaborative and educational environment. This grants round is based on quadratic funding to deploy the initial 50% of matching funds, a month long campaign of workshops, and irl events to measure milestones before distributing the remaining 50% as retroactive funding.

## Motivation

This new format in grant distribution allows round sponsors to directly benefit from funding public goods by incentivizing grantees to build, promote and adopt partner platforms and products. Public Goods funding currently doesn't offer a direct and measurable impact on funding partners. By implementing new mechanics into the Gitcoin ecosystem, we hope to create added value for funding partners. 1inch will directly benefit from funding many of LatAm's leading web3 education and community projects, builders and teams working on regenerative solutions in their region.

## Specification

This new format combines Quadratic Funding and Retroactive Funding to fund and rewards teams doing work to grow 1inch's presence in the LatAm region.

Receiving wallet: 0x0bbb83Bb947b96d298e972e8Ee7534361B707925

Amount: 27,500

## Rationale

This new format is being pursued to create added value for funding partners because we believe funding public goods is good, but creating impact for partners funding public goods is better. Public Goods funding is still in an experimental phase and we're excited to continuously improve on distribution of grant funding and impact for our partners.

## Considerations

The first consideration is the amount of added work this new format entails. The Gitcoin team will be working with round partners to create relationships with grantees and host community calls to make eligibility criteria clear and provide updates on grantee impact. We will also conduct sybil detection after the round to ensure the QF mechanism isn't being exploited.

- Grantee onboarding and support: Communicate the eligibility requirement clearly to potential grantees during the application process. Provide guidance and resources to grantees on how to plan and execute the required activities. Offer support in terms of content creation, workshop facilitation, and adoption assistance.
- Activity execution: Grantees, with the guidance of funding partners and round operators, will conduct the workshops, create educational materials, or adopt partner products or platforms according to the eligibility requirement. Round operators will provide hands-on assistance, guidance, and mentorship throughout the process.
- Milestone based distribution based on Impact measurement: Establish key metrics to evaluate the impact and success of the eligibility requirement. Measure the number of workshops conducted, educational materials produced, and successful adoptions of partner products or platforms. Collect feedback from grantees, round operators, and funding partners to assess the effectiveness of the initiative.
- Amplification from our Ambassadors

TIMELINE:

- Active: Define the eligibility requirement, engage with funding partners
- August 1st -15th: Grantee application and selection process
- August 15th - 29th: GG18 Round
- September 1st - 10th: Round review with funding partners and security team
- Mid September: Distribute 50% of matching funds
- October 1st: Review Grantee Milestones and distribute remaining matching funds

BUDGET:

- 25k For Matching Pool
- +10% base platform fee

Additional fees may apply if 1inch team would like Gitcoin to absorb some of the tasks related to eligibility process and grantee management relating to milestones set.

## [1IP-35]Amendment to the Recognized delegates program

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description Authors:DAOplomats.org

# Simple Summary

This proposal suggests amending the Recognized delegates program to make it more inclusive while maintaining quality standards

# Abstract

This proposal suggests amending the existing framework into a three tiered system which will incentivize new delegates with lower voting weight to be recognized and earn their way to becoming a Tier 3 Recognized delegate

# Motivation

The current version of the Recognized delegates program lacks a clear onboarding path for new delegates to earn reputation and receive delegation from delegators. Hence this proposal suggests modifying the framework to make it easier for new delegates to start contributing and earn their way up to being a tier 3 Recognized delegate.

# Specification

Overview:

A recognised delegate is an elected, paid position of reputable, diligent and qualified 1inch DAO members who will work closely with the team and contribute to the growth and sustainability of the 1inchDAO.

Recognized delegates fall into three categories, called 'Tiers', based on their performance and voting weight. Irrespective of which tier a delegate belongs to, as long as a delegate fulfils the responsibilities outlined below and gets accepted via a snapshot vote, the delegate shall be considered as a 'Recognized Delegate'

Responsibilities:

Read, understand, and provide feedback if necessary on governance forum posts. Always vote in the best interests of the DAO and the community over their personal interests. Actively vote on governance proposals and explain the thinking

behind each vote when relevant Understand the 1inch Network, its key metrics and the overall ecosystem.

Compensation:

This Recognised Delegates Programme aims to attract and retain entities and individuals who will actively participate in governance on behalf of 1INCH token-holders as governance specialists. Hence we suggest compensating the delegates based on minimum participation and performance.

Delegates will be compensated based on the tiers

Delegate Tier Monthly Compensation 1 100 2 500 3 4000

Compensation eligibility:

Minimum Participation: A delegate must maintain at least 'x'% participation rate. Participation is measured as voting in any "temperature check" or a snapshot governance vote.

Minimum Communication: A delegate must maintain at least 'y' % communication rate. Communication is measured as providing for any "temperature check" or a snapshot governance vote, a summary, a voting position, and a justification for that position. A missed vote will still require communication to avoid a lower communication rate.

Minimum Delegation Threshold: To remain eligible for delegate incentives, a delegate must maintain voting weight of at least 'z' Unicorn Power (UP)

Metrics Tier 3 Tier 2 Tier 1 Voting Participation 80% 80% 80% Communication 80% 80% 80% Delegation threshold 500,000 100,000 10,000

*above calculations will be made from the time a delegate is accepted as a recognized delegate by the DAO by following the procedure outlined below

Procedure:

In order to get accepted as a 'Recognized delegate' by following the process below:

Phase 1: Announce your candidacy by filling the Recognized Delegate Application Template [here] and posting it to the Recognized Delegates category of the forum

Phase 2: Contact relevant stakeholder to gather feedback and support

Phase 3: Open a temperature check poll to gauge consensus

Phase 4: Post your proposal on snapshot

# Rationale

This amendment clarifies the procedure that delegates need to follow and allows a tiered onboarding path for potential delegates to join the program.

# Considerations

The 1inchDAO should consider building a reputation dashboard so that anyone can track the voting history and performance of delegates. We suggest that the program continues for a minimum of 6 months as outlined in the original proposal and for a maximum until the budget runs out The DAO should consider hiring a Governance Operations Specialist who can keep a track on the performance of delegates, schedule payments and highlight code of conduct violations

### [1IP-34]1inch Events Grant Proposal

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description Author: era1301

# Simple Summary

The 1inch Network has been an active participant in the crypto community, having organized 25 events and 27 side events last year and 6 events in the last quarter of 2023. These events have resulted in tens of thousands of user acquisitions. This proposal is now seeking funding to participate in 8 more events during Q3 & Q4 2023 as sponsors. All the events are crypto-related conferences or hackathons focused on developing new decentralized finance (DeFi) solutions and expanding the DeFi and Web3 ecosystem. This proposal seeks funding for 1inch Network to participate in 8 events during Q3 & Q4 2023

as sponsors. All the events are crypto related conferences or hackathons focused on developing new decentralized finance (DeFi) solutions and expanding the DeFi and Web3 ecosystem. The list of events to participate in during Q3 & Q4 2023: ETHCC, July 17-20, Paris Eth Global Paris, July 21-23, Paris Permissionless, September 10-13, Austin ETH Global New York, September 22-24, New York Future Blockchain Summit Dubai, October 17-20, Dubai Australian Crypto Convention, November 11-13, Melbourne WebSummit, November 13-16, Lisbon ETH Istanbul, November 17-19, Istanbul

Total Grant Value 1 988 682 in USDC. This amount includes: sponsorship packages, side events co-organization, expenses on the 1inch networking events, merchandise and all needed operational expenses as team fees and travel costs.

# Abstract

The purpose of this grant is to allocate funds to cover event sponsorships that will enhance the visibility, reputation, and influence of 1inch Network in the global DeFi ecosystem. By sponsoring relevant events, we aim to promote the 1inch brand, increase user adoption, and attract new contributors and community members. Events are a critical component of the blockchain ecosystem. Participation in the events helps to introduce blockchain to newcomers, provide developers with the opportunity to collaborate, learn and develop new solutions that can advance the adoption of blockchain technology. The choice of the events was made through research and analysis to identify events that align with the objectives and values of the 1inch Network such as the event's focus on DeFi, blockchain technology, community engagement, Fintech and overall impact.

# Motivation

Mission of 1inch Network is to create the most valuable community in Web3. The DeFi ecosystem is rapidly evolving, and there is a need to keep the brand awareness at the certain level, not only sustain the reputation but also enhance and strengthen.

As a sponsor, 1inch will receive prominent brand exposure at sponsored events, including logo placement on event websites, banners, marketing materials, and social media promotion. Additionally, 1inch representatives will have the opportunity to speak at selected events, participate in panel discussions, and engage with attendees at the branded booth, further establishing 1inch as a leader in the DeFi space.

ETHCC (Ethereum Community Conference) is one of the largest Ethereum-focused conferences in Europe. It brings together developers, researchers, entrepreneurs, and enthusiasts from around the world to discuss the latest advancements, projects, and challenges within the Ethereum ecosystem. The conference features a mix of keynote speeches, panel discussions, workshops, and networking opportunities, making it an ideal platform to engage with key players in the Ethereum community. The purposes of sponsoring the event and having a booth there are to communicate with Ethereum community, develop relationships, make connections and new partnerships, promote 1inch products, update the community about the releases and company news and attract new users. ETH Global events: ETH Global Paris, ETH Global New York, ETH Global Istanbul ETH Global hackathons provide an opportunity for developers to collaborate and innovate, and to build new solutions that can address the challenges and opportunities presented by the DeFi ecosystem. ETH Global attracts members of all background from around the world to cultivate new ideas, create with breakthrough products, and sharpen skills and outcomes that compound growth within our community. The series of events consistently attracts top minds in the space, resulting in new venture backed companies, access to the best mentorship, plentiful resources, and exciting careers. ETH Paris starts the next day after ETHCC and its the best time to gather as many developers and crypto market players as possible. ETH Global New York is a flagship Ethereum event held in one of the world's financial capitals. The 1inch has been developed at ETHGlobal Hackathon in New York and by sponsoring this event we aim to support and motivate developers to build innovative projects. The goals to sponsor ETH Global events are to promote 1inch commitment to supporting DeFi solutions, connect with talented developers, entrepreneurs, and enthusiasts to explore potential collaborations and partnerships, by submitting bounties we encourage developers to learn more about 1inch products, build their projects and benefit 1inch Network.

Permissionless Permissionless is an annual conference held in Austin, Texas, that focuses on the intersection of decentralized technology, blockchain, and DeFi. The event brings together a diverse community of developers, investors, and enthusiasts who are shaping the future of open finance. Permissionless offers presentations, hands-on workshops, networking sessions, providing attendees with valuable insights, connections, and opportunities to contribute to the DeFi ecosystem. The goals to sponsor the event are to strengthen the presence of 1inch in the U.S. DeFi market, to highlight commitment of 1inch Network to open finance and permissionless innovation, to engage with the DeFi community in the US and the whole world, to network with DeFi leaders, developers, and investors.

Future Blockchain Summit Dubai Future Blockchain Summit Dubai is the Middle East's largest blockchain and emerging technology event. It gathers global visionaries, industry experts, government officials, and startups to explore the potential of blockchain technology across various sectors, including finance, healthcare, energy, and government services. The summit offers a mix of conferences, exhibitions, workshops, and networking opportunities, facilitating knowledge exchange, partnership building, and showcasing cutting-edge blockchain solutions. The goals of sponsoring the event are: to expand 1inch Network's reach in the Middle East and position 1inch as a leading player in the global DeFi landscape, establish partnerships with regional entities and explore new business opportunities to benefit 1inch Network.

Australian Crypto Convention The Australian Crypto Convention is a premier event that brings together the Australian crypto community, including investors, traders, developers, and enthusiasts. The convention offers engaging keynote presentations, panel discussions, workshops, and an exhibition floor featuring leading companies in the blockchain and cryptocurrency space. It provides a platform for participants to gain insights into market trends, explore investment opportunities, and network with industry leaders. The goals for 1inch to become sponsor: enter the Australian market and establish 1inch brand among crypto enthusiasts and DeFi users, connect with the Australian crypto community, including investors, entrepreneurs, and developers. Showcase 1inch products, attract new users, provide insights into the DeFi ecosystem.

WebSummit WebSummit is one of the largest technology conferences in the world, attracting thousands of attendees, including startups, investors, thought leaders, and industry professionals from diverse sectors. While not solely focused on blockchain or DeFi, WebSummit provides an excellent opportunity to showcase the potential of decentralized finance to a broader audience. The event features multiple stages, workshops, exhibitions, and networking sessions, making it an ideal platform for creating awareness and forging partnerships.

The goals of sponsorship: gain exposure beyond the blockchain industry and attract mainstream attention to decentralized finance, showcase 1inch technology and value 1inch products to a diverse audience of entrepreneurs, investors, and tech enthusiasts, capitalize on the international reach of WebSummit to expand the user base and raise awareness of DeFi, educate attendees about blockchain and DeFi with the general goal to get more crypto loyal users and expand blockchain community.

# Specification

In the Q3 & Q4 2023 we're suggesting to sponsor 8 events: ETHCC, July 17-20, Paris Eth Global Paris, July 21-23, Paris Permissionless, September 10-13, Austin ETH Global New York, September 22-24, New York Future Blockchain Summit Dubai, October 17-20, Dubai Australian Crypto Convention, November 11-13, Melbourne WebSummit, November 13-16, Lisbon ETH Istanbul, November 17-19, Istanbul

The budgets of events participation include: Sponsorship package Booth construction Bounties Networking events Co-organisation of side events Merchandise Operational expenses as team fees and travel costs Photo and video production services

Specification of the expenses:

ETHCC Sponsorship package: Booth for the four (4) days of the Event 15 tickets for the Event (4 days passes) Brand exposure on some prints and digital supports online & onsite Logo on our livestream Logo on swagbag Media presence

Eth Global Paris / ETH Global New York / ETH Global Istanbul Sponsorship package: Access to the Event for up to ten 10 attendees (in-person) and an unlimited number of attendees to the private event Discord community (in-person and virtual). A dedicated Discord channel for the Partner in the private event community. Discord channels are opened to the hackathon community the week of the Event. Ability to connect with attendees who submit to your Event Prize. A dedicated Partner Table at the Event. The ability to connect with relevant projects who wish to hear from the grants program. Ability to host an unlimited number of prizes, including a "Pool Prize" with an Event cumulative value of up to 20,000.00 USD. The value of this prize is not included in the "Partnership Fee" and is separately defined as "Prizes". Prizes made available on the Event prizes page. A facilitated 30-minute workshop made available to hackers on the ETHGlobal YouTube channel, ETHGlobal website, and on the Event prizes page. An extra large logo placed on the event website with a link of your choice. Thanked during the opening and closing ceremonies of the Event. Ability to add one 1 item to the in-person event swag bags. A one 1 hour hackathon planning session with the ETHGlobal Partnerships team by request per Event. A two 2 minute keynote at the Event opening ceremonies.

Permissionless Sponsorship package: 30x30 raw floor space Main Stage Track Sponsor Includes custom chair covers (all 3 days) Day 1 seat drop (sponsor to provide merchandise) Blockworks to place items on all seats at the Main Stage prior to the opening sessions Dedicated signage (all 3 days) Onsite Video Interview 6 Customer Tickets 16 Team Tickets Social Media Promotion

Future Blockchain Summit Sponsorship package: Keynote speaking opportunity (10 mins) Panel Session Workshop session (1.5hours) Speaking slot (15min) Special Advisor on topics/themes for conference programing Exhibition stand - space only 100 sqm stand Locked in logo (on all marketing & communication) Website – logo on homepage Logo on promotional emails Profile on website Logo on adverts Logo on brochure Interview quote in PR Mention across all our social media channels Press Release mentions Speaker promotion across co-hosted website Invite guest wish list Main stage digital branding Blockstage branding Online delegate guide Logo on relevant signage All Access Pass x 20 Facilitate meetings Dedicated introduction to media Invitation to Speakers Dinner Exhibition Access Pass x 50 Australian Crypto Convention Sponsorship package: Prominent Branding in event campaigns Prominent Speaker Profile/ Session Branding Stand Size 36m2 25 min solo session or 45 min panellist position + data from session attendees (approx. 300 seat capacity) 15x Two Day Convention Passes 4x Two Day Whale Passes Hanging banner in the hallway of the event entrance Exclusive branding on hanging banners/signage around the event WebSummit Sponsorship package: 9m x 9m Space Web Summit Seat covers Crypto Web Summit - seat cover branding at Crypto stage for 2 days of the Event Logo included on the Event website and in the Event apps until one month after the conclusion of the Event Logo on one attendee newsletter Logo on

the Registration Banner at the Event Participation in 'Attendee Perks' Participation on the Event 'Jobs' Board' 20% discount code off additional tickets 45 tickets to the Event 4 Executive Tickets 2 Chairperson Tickets. Total Grant Value 1 988 682 in USDC. Receiver of the funds: 1inch Event Team via 1inch Labs Receiving address for funds distribution: eth:0xda38862974B83DAF69CB18A9aEA898e3847b3b38 The distribution of funds will start immediately after receiving to cover the sponsorship packages, book the venues for side events and initiate organizational processes. The participation reports to the DAO will include photo and video materials and metrics data as media mentions, raise of 1inch Network user base and number of BD leads (potential partners and collaborations).

# Rationale

All the listed events are meant to support the growth and development of the blockchain ecosystem, establish and strengthen 1inch brand in crypto space. We believe that participation in the chosen events is a critical component of achieving this goal. By providing a grant to support the organization and execution of a series of conference sponsorships we are supporting the growth of 1inch Network and development of the whole DeFi ecosystem. By sponsoring all listed events 1inch Network can achieve the following objectives: Enhancing Visibility Event sponsorships provide an excellent opportunity to showcase 1inch products to a highly targeted and influential audience. By participating as a sponsor, 1inch can increase its brand recognition and attract media attention. Building Trust and Credibility. Sponsoring industry events allows 1inch to align itself with established organizations and industry leaders. By actively participating in speaking opportunities as keynotes, panel discussions, workshops, and networking sessions, 1inch representatives can establish themselves as knowledgeable experts, further reinforcing trust among potential users and partners. Expanding User Adoption Event sponsorships provide an opportunity to directly engage with potential users, partners and developers in the DeFi space. By showcasing the unique features and advantages of the products 1inch can attract a wider user base and onboard new users into the ecosystem. These events serve as a platform to educate attendees about the benefits of decentralized finance and demonstrate how 1inch solutions can empower them to navigate the DeFi landscape efficiently. Forging Strategic Partnerships Sponsoring industry events enables 1inch to connect and collaborate with other leading projects and DeFi protocols. This presents opportunities for strategic partnerships, integrations, and cross-platform synergies that can drive mutual growth and innovation. Market Expansion Sponsoring events in different geographic locations allows 1inch to penetrate new markets and gain exposure to diverse user bases. Each of these events represents an entry point into regional DeFi communities, enabling 1inch Network to establish a local presence, understand market dynamics, and tailor its offerings to meet specific regional demands. Sponsoring events aligned with the goals and values of 1inch Network presents a strategic opportunity to amplify brand visibility, foster user adoption, forge partnerships, and expand into new markets. By allocating funds towards event sponsorships, 1inch can position itself as a frontrunner in the DeFi industry, driving innovation and providing users with access to optimal decentralized exchange solutions.

# Considerations

Event Management The 1inch Events team will manage all the processes related to the orgazitation of the events. The 1inch contributors possess deep expertise in event management, having a high record of successfully executed events around the Globe. The contributors will also be accountable for adhering to the allocated budget, coordinating all the processes, involve other teams for related questions. The Event team will provide reports after each event to keep the track on the execution. Alignment with 1inch Network's goals and values The chosen events align with the objectives and values of the 1inch Network. These events focus on DeFi and blockchain technology, community engagement, Fintech and overall impact. By sponsoring these events, 1inch Network can enhance its visibility, reputation, and influence in the global DeFi ecosystem. Opportunities for brand exposure As a sponsor, 1inch will receive prominent brand exposure at sponsored events through logo placement on event websites, banners, marketing materials and social media promotion. Additionally, 1inch representatives will have the opportunity to speak at selected events, participate in panel discussions and engage with attendees at the branded booth - further establishing 1inch as a leader in the DeFi space. Distribution of high quality merchandise also impacts brand awareness and gives extra mentions in social media. KPI's The suggested metrics for event success measurement are: number of attendees of the event itself, track of 1inch Network user base, engagement and number of media mentions, count and description of the leads (potential partners and collaborations), number of side events and speaking activities during the event, Potential for user adoption and strategic partnerships Event sponsorships provide an opportunity to directly engage with potential users, partners and developers in the DeFi space. By showcasing the unique features and advantages of its products, 1inch can attract a wider user base and onboard new users into the ecosystem. These events also serve as a platform to connect and collaborate with other leading projects and DeFi protocols, presenting opportunities for strategic partnerships, integrations, and cross-platform synergies that can drive mutual growth and innovation. Market expansion Expanding geography of the events 1inch gets an opportunity to enter new markets and gain exposure to diverse user bases. Each of these events represents an entry point into regional DeFi communities, enabling 1inch Network to establish a local presence. . Cost-effectiveness The total grant value of 1 988 682 in USDC includes sponsorship packages, co-organization of side events, expenses for 1inch networking events, merchandise, and all necessary operational expenses such as team fees and travel costs. This represents a cost-effective investment in enhancing the visibility, reputation, and influence of 1inch Network in the global DeFi ecosystem. Overall, this proposal presents a strategic opportunity for 1inch Network to amplify its brand visibility, foster user adoption, forge partnerships and expand into new markets through event sponsorships. By allocating funds towards this initiative, 1inch positions itself as a frontrunner in the DeFi industry driving innovation providing users with access to optimal decentralized exchange solutions.

# [1IP-33]Implement Dynamic Fusion Mode Resolver Whitelist Based on Unicorn Power Threshold

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) Full Proposal Description References

[[1IP-19] Increase the Number of Whitelisted Fusion Mode Resolver to 10](#)

## Simple Summary

This proposal seeks to introduce a dynamic Fusion mode resolver whitelist in the 1inch Network. This whitelist would be determined by whether a resolver has received delegations of 10% or more of the total Unicorn Power in the network.

## Abstract

If passed, this proposal will transition the resolver whitelist for 1inch Fusion mode from a static to a dynamic system. To qualify for the whitelist, a resolver must have received delegations equating to 10% or more of the total Unicorn Power in the network. The maximum limit of resolvers on the whitelist will remain ten (10).

## Motivation

The previous move to increase the number of resolvers to ten was intended to foster competition and provide users with better rates. However, this has led to the current scenario where the number of high-quality resolvers is fewer than the spots on the whitelist.

Transitioning to a dynamic whitelist based on Unicorn Power delegations encourages greater competition among resolvers as they will need to gather enough delegated UP to hit the 10% threshold.

## Specification

This proposal serves as a signal from the 1inch Network DAO to 1inch Labs. If the proposal is passed, the 1inch Network DAO calls for 1inch Labs to implement a dynamic whitelist for Fusion mode resolvers, based on a Unicorn Power delegation threshold. Resolvers will need at least 10% of the total network UP in order to be whitelisted.

## Rationale

User benefits: This proposal aims to revive the competition among resolvers, ensuring that only the most efficient and committed resolvers participate in the Fusion mode, thereby enhancing service quality. Fewer resolvers reduces gas costs for settlement – improving rates for the user.

Resolver benefits: Limiting the number of resolvers to only the most effective ones will concentrate the rewards among fewer participants, incentivizing more Unicorn Power delegation.

## Considerations

1inch Fusion mode has already been audited and deployed. This proposal is anticipated to have no negative security implications as it merely seeks to adjust the number of participants in the first four minutes of the Dutch auction.

### [1IP-31]1inch Community Builders Program

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) Full Proposal Description By[daoplomats.eth](#) This proposal outlines the launch of 1inch's first community program aimed at gathering 1inch supporters, users, and creative individuals to support and expand the brand's reach in order to make Web3 and DeFi more accessible to the masses. The proposed program requests 100,000 USDC for a three-month trial period, with specific key performance indicators (KPIs) to measure the program's success.

## KPIs

The following KPIs will be tracked during the trial program:

- Number of events
- Attendance at events
- Amount spent by participants
- Number of 1inch app downloads
- Partnerships established (social media, in-person, event, AMA)

- Growth of online community (measured through unique Discord invite link)
- Views on content produced
- Engagement metrics (likes, comments, shares) on content
- Number of messages sent
- Number of participants in online activities
- Reactions to special announcements/messages
- Blog post views
- Engagement metrics (likes, comments, shares) on blog posts
- Growth of online community (measured through unique Discord invite link)

# Abstract

This proposal introduces the Community Builders Program for 1inch, which aims to provide a framework for 1inch supporters to contribute their skills and establish local hubs that build and grow the 1inch community. The program aims to achieve the following outcomes:

1. Increase brand awareness and understanding of the 1inch ecosystem and DeFi.
2. Generate localized, educational content to facilitate product onboarding and understanding.
3. Showcase talent, diversity, and creative efforts that align with 1inch's vision and mission.
4. Establish in-person communities through local events.
5. Provide opportunities for engagement, connection, and networking with Web3 enthusiasts.
6. Drive growth in the number of active users engaging with 1inch products.

# Tracks

The program consists of the following tracks:

1. Translation Track: Focuses on translating written content about 1inch to distribute information about the project.
2. Creative Track: Involves producing visual content such as videos, tutorials, infographics, and social media posts.
3. Community Management Track: Involves answering user questions, managing community channels, generating quality online conversations, and hosting activities for local communities, platforms, and groups.
4. Events Track: Organizes and hosts local events that are educational and informative, ultimately increasing exposure for 1inch and DeFi.

# Builder Roles

Builders can choose one or more roles based on their interests and skills. The following roles are available:

1. Scribes: Create or translate written content for the 1inch blog.
2. Artisans: Produce visual content including videos, tutorials, infographics, and social media content.
3. Concierges: Manage and moderate community channels, initiate organic discussions, and answer questions.
4. Activators: Plan and host events, build partnerships, assist with business development, onboard users, network, and conduct marketing activities.

# Special Projects

Content creators in the Artisan category can submit single project proposals through the Builders program to gain consensus and support from the community.

# Builder Incentives

The Community Builders Program offers the following incentives to participants:

- Greater control and freedom over contribution methods.
- Opportunities to expand Web3 experience and skill set.
- Limited edition swag designed exclusively for builders.
- Team building, mentorship, and gatherings at events (online and offline).

Additional incentives include:

- Access to funding for events and programs through proposals.
- Bonus rewards for quality and well-received outputs, as well as yearly token bonuses.
- Connection with the 1inch team, sneak peeks of pre-released features and launches.
- Mentorship and

training on DeFi, 1inch products, marketing, social media, and project management.

- Opportunities for growth in DeFi knowledge from 1inch executives and potential job opportunities with the team.
- Shoutouts for outstanding contributions.

## Program Branding & Promotion

The Community Builders Program will have its own brand and will be promoted to attract talented and passionate Web3 participants. Design and marketing efforts will be employed to create a unique brand identity for the program. PR and marketing activities will also support the program's launch and promotion at events.

## Program Costs

The proposed budget for the first three months of the program is 100,000. In case additional funds are required, a detailed request stating the need and budget breakdown should be presented to and approved by the delegates.

In terms of incentives per track, the following ranges are proposed:

- Community Management: 50-400 1INCH tokens per month based on the depth of conversations, level of moderation, and metrics of online engagement activities hosted by the community manager.
- Content:* 2-10 1INCH tokens for Twitter content creation, depending on quality and engagement.
-
  - 5-20 1INCH tokens for articles and blog posts, based on the value added, difficulty, views, and length.
-
  - 5-300 1INCH tokens for creative content, depending on quality, resources required, and engagement.
-
  - 5-15 1INCH tokens per translation piece, varying in length and difficulty.
- Events:* 20-50 1INCH tokens for local meetups, depending on coordination, attendance, and growth of local online communities.
-
  - 75-200 1INCH tokens for planning and organizing large-scale events with 100+ attendees, including preparations like banners, food and beverage, and merchandise.

## Considerations

Funds will be stored and released from a multi-sig Safe wallet, with a 3/4 ratio for owners and signers of transactions. The members will consist of 1inch contributors and recognized delegates. 1INCH token rewards (ERC20) will be distributed to community builders at the end of each month in batch transactions.

Safe Wallet address 3/4: 0x54127B8Ea689edbA5267799134B8b5c972969F07

## Next Steps

The following steps will be taken to implement the Community Builders Program:

- Work on the builder onboarding flow with Guild.xyz, GitHub, and Google Forms.
- Define specific XP quests for each membership tier.
- Prepare program launch marketing materials.
- Design and produce program-specific swag if the proposal passes.
- Finalize the community builder program NDA with the legal team.

For the full version of the proposal, please refer to the forum linked below.Show Less...

### [1IP-30] 1inch Hardware Wallet production completion

- [Temperature Check](#)
- [Snapshot Vote](#) Full Proposal Description Author: Alexey Devyatkin

## Summary

This proposal is dedicated to the completion of the 1inch Hardware Wallet product development, which includes both software and hardware deliverables. The proposal has been coordinated with 1inch core team and is seeking funding of 2M to complete the product trade version (PTV) of the 1inch hardware wallet. With this funding, we will be able to finalize the product development, set up the manufacturing process, and pass technical and security audits for a successful launch. Our goal is to provide the DeFi community with a cutting-edge solution for handling their crypto assets in a secure, convenient and open-source way, as well as benefit the 1inch ecosystem.

## Abstract

We are building the 1inch hardware wallet as a fully open-source project to enhance 1inch ecosystem and empower the DeFi community with a cutting-edge solution for handling their crypto assets in a simple, convenient and secure way.

Launched under the 1inch grant program (which you can read about here) the project is currently moving into the product finalisation stage. The waitlist for the product is currently hosted through 1inch subdomain - hw.1inch.io.

We have been working closely with the 1inch core team and have already coordinated the next steps for the project's development as well as the following proposal.

As we move forward, we are seeking funds to complete the product trade version (PTV), set up the manufacturing process and undergo technical and security audits to ensure safety and a smooth sales launch.

## Motivation

- Launch the first hardware wallet designed specifically for the DeFi community. The wallet will feature transparent signing, data decoding, open-sourced hardware & firmware, seamless navigation, HD-wallet support, and a multi-seed wallet.
- Expand the capabilities of the 1inch Mobile Wallet and provide seamless integration with the hardware wallet. The 1inch Mobile App will serve as a primary dApp for the hardware wallet, allowing users to easily access a range of DeFi protocols from a single interface.
- Make it easy for users to backup and recover the funds. Along with 1inch hardware wallet, weare developing simple backup and recovery solutions, which allow users to export the seed phrase to an external drive.

## Specification

The 1inch hardware wallet will be integrated into the 1inch, expanding the 1inch Mobile Wallet ecosystem. It will provide the safest option for storing and managing private keys in a simple, easy, and offline way. Moreover, by launching the hardware wallet under the 1inch branding, we aim to increase brand awareness and establish an additional touchpoint with the DeFi community.

1inch Hardware Wallet key features:

- Focus on open-source security (users can verify and reprogram the firmware, authenticity check and more)
- Enhanced integration with 1inch dApp
- Multi-seed option, which enables users to create and control several sets of wallets with different seed phrases (HD wallet algorithm)
- Fully air-gapped device with QR code or NFC connection options
- Sleek and elegant form factor (lightweight, credit card size)
- Transparent transaction signing conducted with full transaction parsing and call data analysis (includes data decoding)
- Convenient UX/UI and essential functions (wireless, long-lasting battery, etc.)

## Roadmap

In 2022, the Hardware Wallet team received a grant of 175k from the 1inch Foundation to develop an MVP (Minimal Valuable Product) of the hardware wallet. The funds were allocated as follows: 15% for supplies and components required for product design, 72 % for team and contractor costs, and 13% for operational expenses. As a result, the team created a working demo board with core functions, including wallet connection and transactions signing, and documented constructed product design.

As of now, we have successfully moved from MVP to EVT1 stage and completed a working engineer prototype. The team is conducting the alpha test and working on device integration into the 1inch Mobile Wallet app.

EVT1 Live Demo

The second and third quarters of 2023 are dedicated to product refinement to the PVT (Product Validation Test, Trade Version), product acceptance, QA and manufacturing, building integrations and partnerships, international laboratory tests & certifications, and setting up sales channels.

## Costs

Breakdown of the costs by groups for the project duration (6 months):

- Manufacturing and procurement costs (from beta to the first batch with limited edition) - 600k
- Backups & recovery solutions - 75k
- Development costs, inc. salaries, product management, contractors - 490k
- Technical performance tests verification and certifications from labs - 110k
- Security testing and evaluation - 85k
- Trade licenses, regional policies and legal establishment- 120k

- Patent registration - 40k
- Operational costs and corp services - 100k
- Sales and supply channels configuration- 250k
- Design, onboarding, community price promos - 95k
- Partnerships, integrations, business development - 35k

Total: 2M

# Payment structure

We suggest an upfront payment of 2 million to ensure swift progress and timely delivery. This significant initial investment is pivotal for the successful execution of this hardware project. As we have to secure contracts with component providers right from the outset, the upfront capital will be instrumental in negotiating the best prices. We can take advantage of economies of scale and secure cost-effective deals by purchasing higher-quality components.

As a start-up company, flexibility is crucial in our operations. Situations may evolve, and adjustments may be required along the way. However, we are fully committed to transparency and accountability in using the funds.

We will provide the DAO with comprehensive documentation upon request at any point during our journey. This documentation will detail how funds are utilised, ensuring that every dollar is spent towards delivering a top-quality product for the benefit of 1inch DAO and 1inch ecosystem.

We will also update the 1inch DAO on our progress through forum posts, Github and our Telegram channel. In this way, every step we take will be visible, maintaining an open line of communication and transparency throughout the project's development.

Receiving address: 0xaBDd020b11eDf6838135270FECaefA7DaF08D2D7

# Rationale

Our primary motivation for the 1inch hardware wallet development and sales launch is to provide the DeFi community with a secure, user-friendly, and convenient solution to manage their digital assets. An offline, air-gapped solution for private key storage that is built with users and for users, eliminating the risks of online attacks and hacking attempts.

# Considerations

### Team

To date, the 1inch Hardware Wallet core team includes:

- Founder (12+ years experience in hardware engineering, development, electronic manufacturing. 4 hardware startups)
- Project Manager (10+ years in software PM, 2+ years in hardware PM)
- Application Team Lead (17+ years in app & software development, main - C++)
- 2 Senior C++ programmers (8+ years xp)
- Embedded Team Lead (specialization - Embedded security , SK Hynix)
- 2 Embedded developers (7+ years xp)
- Mechanical designer (From Huawei Inc)
- PCB & Circuit designer
- Production and Procurement Lead (supplies purchasing company owner, 10+ years in BA)
- Marketing Manager (5+ in an omnichannel marketing)
- HR manager
- Legal
- 4 part-time contributors: community, design, vendors, analytics

Team expansion is planned in the following directions: sales.

### Commitments

We are dedicated to the development of 1inch Hardware Wallet project successful implementation and delivery of the 1inch Hardware Wallet (HW) project, in close collaboration with the 1inch core team and 1inch DAO, and with its strategic interests at the core of our operations. We are resolute in providing an unrivaled product that will significantly enrich the 1inch ecosystem and offer immeasurable benefits to the 1inch community.

Recognizing the importance of clear communication and unequivocal commitment, we have outlined the key focus areas to assure 1inch DAO of our dedication to the project's success and bringing benefits to 1inch ecosystem and 1inch DAO as a result.

- Commitment to Project Completion:

- Hardware Team has pledged to complete the 1inch Hardware Wallet project, promising to utilize the grant prudently to ensure the product reaches the highest level of quality. This commitment extends from the software and hardware development phases through to the setup of manufacturing processes and the essential technical and security audits.
- Product support:
- Furthermore, we commit to future support for the product, continually refining, improving, and updating the hardware wallet to ensure its longevity and relevance in a rapidly evolving market.
- Benefit 1inch Ecosystem and 1inch DAO:
- The 1inch Hardware Wallet, beyond being an innovative product, will enhance the 1inch ecosystem. The success of the 1inch Hardware Wallet is inherently tied to the prosperity of the 1inch ecosystem, with each entity bolstering the success of the other. Integrating the hardware wallet with the 1inch mobile app offers an unparalleled value proposition. It combines a hardware wallet's security with a mobile app's convenience, providing users with a holistic, secure, and streamlined DeFi-friendly crypto management solution.

### [1IP-29]Recognised delegates program

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) Full Proposal Description Author: @DAOplomats.eth

# Simple-summary

This proposal suggests creating a 6-month trial of a funded Recognised Delegates Programme for 1inchDAO.

# Abstract

The goal of the Recognised Delegates Programme is to reduce the collective cost of governance and increase the effectiveness and efficiency of the governance process in 1inchDAO. To attract, select and retain the best talent, we suggest vetting each Recognised Delegate (group/individual) based on past performance in 1inchDAO and other DAOs and a compensation structure.

# Motivation

Crypto is speed-running in the history of human coordination. As DAOs evolve from their early idealistic vision to becoming more internet-native organisations, so too must the coordination mechanisms evolve. We have seen that specialisation plays a crucial role in traditional organisations. Specialisation allows organisations to maximise efficiency and effectiveness and thus increase productivity overall. All specialised positions, from Gardners to rocket scientists, do their best work when they are adequately compensated for their time and efforts. We believe that this Recognized delegates program will assist the DAO in reducing its collective cost of governance while improving efficiency and direction.

# Specification

What is a Recognized delegate?

A recognised delegate is an elected, paid position of reputable, diligent and qualified 1inch DAO members who will work closely with the team and contribute to the growth and sustainability of the 1inchDAO

Eligibility:

Have a minimum 500,000 in voting weight and a maximum of 250,000 in self delegation

Contribute to forum conversations for 3 months

Post a public link with an audio recording where the delegates communicate their vision and values.

Get accepted as Recognized delegates by following the process below:

Framework for Delegates to become recognized delegates

At the beginning of the engagement, each delegate posts their goals and plans for the 6 month engagement with the DAO with clear KPIs.If the proposal is approved, then the DAO will accept the delegates as recognized delegates and hold them accountable to the listed KPIs

The delegate has to communicate their work at the end of the engagement with a report posted on the forum.

Responsibilities:

Read, understand, and provide feedback on governance forum posts if necessary.

Always vote in the best interests of the DAO and the community over their personal interests.

Actively vote on governance proposals and explain the thinking behind each vote when relevant.

Understand the 1inch Network, its key metrics and the overall ecosystem.

Compensation:

This Recognised Delegates Programme trial program aims to attract and retain entities and individuals who will actively participate in governance on behalf of 1inch token-holders as governance specialists. Hence we suggest compensating the delegates based on minimum participation and performance.

Fixed Compensation:

All recognised delegates meeting the minimum eligibility criteria will receive 4000 in USDC each month.

Fixed comp eligibility:

Minimum Participation: A delegate must maintain at least an 80% participation rate. Participation is measured as voting in any "temperature check" or on-chain governance vote.

Minimum Communication: A delegate must maintain an 80% communication rate. Communication is measured as providing for any "temperature check" or on-chain governance vote a summary, voting position, and justification for that position. A missed vote will still require communication to avoid a lower communication rate.

Minimum Delegation Threshold: To remain eligible for delegate incentives, a delegate must maintain the voting weight of at least 500K 1inch tokens.

# Rationale

Delegation and compensation mechanisms vary across the DAO ecosystem. Some DAOs such as Maker, OP, and Hop compensate delegates as a % of their voting power, participation, and minimums. We believe that this motivates delegates to accumulate more voting power instead of focusing on positive governance practices in the DAO. Hence we suggest a minimum delegation and participation threshold to qualify for governance rewards.

Based on delegation examples in traditional organisations, we believe that this methodology offers the best results for the DAO in the short to mid-term, given its current maturity and contributor engagement. We acknowledge that crypto is a fast-evolving space, and the ecosystem may arrive at better governance mechanisms than delegation in the future.

# Considerations

The 1inchDAO should consider building a reputation dashboard so that anyone can track delegates' voting history and performance. A platform such as tally.xyz can also make it easy for potential delegators to delegate their tokens.

In terms of budget, we suggest setting aside 100,000 USDC for the pilot. We suggest using a separate operations multi-sig to administer these expenses. Any unused funds should be returned back to the DAO after the end of the trial period. Show Less...

### [1IP-28]Discontinue Swap Surplus Collection

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description Author: RoundElephant.eth

# References

What is a swap 'surplus', and where does it end up when my swap is completed? | 1inch.io

Revenue stream | 1inch Network docs

# Simple Summary

Discontinue Swap Surplus collection to provide a more consistent user experience.

Positive slippage will instead be redirected back to the user.

# Abstract

This proposal calls for discontinuing the collection of the Swap Surplus (also called positive slippage). Swap Surplus has been highly inconsistent as a revenue stream and can negatively impact a minority of users.

By prioritizing user experience and long-term growth, the 1inch Network aims to increase its market share and explore alternative revenue streams like the resolver fee mechanism of Fusion Mode. If passed, would-be Swap Surplus funds will be automatically redirected users with the ultimate goal of increasing user satisfaction and promoting the long-term success of the 1inch Network.

# Motivation

The primary motivation behind this proposal is to enhance user experience on the 1inch platform.

For the DAO, the Swap Surplus revenue stream has proven to be highly inconsistent over time, with monthly collections varying significantly. In December 2021, revenue collection was approximately 2 million per month, but in recent months, it has dwindled to a few hundred thousand.

For users, the Swap Surplus collection has led to unpredictability. Though the vast majority of trades are not impacted by Swap Surplus, a small minority have experienced reduced returns of up to 10%. By discontinuing the collection of Swap Surplus revenue, we aim to create a more consistent trading experience for all users.

# Specification

This proposal serves as a signal from the 1inch Network DAO to 1inch Labs. Once passed, the 1inch DAO calls for 1inch Labs to make the following changes to the protocol backend:

- Discontinue the collection of Swap Surplus revenue within the 1inch Aggregation Protocol.
- Automatically reroute any Swap Surplus funds back to the user during the swap process.

# Rationale

Calling for the discontinuation of Swap Surplus revenue collection is based on the belief that prioritizing user experience and long-term growth will ultimately yield greater benefits for the 1inch Network. With the revenue stream being highly inconsistent and its impact on users varying greatly, the potential drawbacks of continuing to collect Swap Surplus outweigh the benefits.

Furthermore, the introduction of Fusion Mode opens the door for alternative revenue streams that can be more consistent and less controversial. By focusing on these new opportunities, the 1inch Network can work towards increasing its market share and ensuring a more robust and sustainable revenue model.

# Considerations

### Security

The proposed changes do not pose any significant security risks, as they primarily involve altering the distribution of surplus funds. By rerouting these funds back to the user, the platform remains secure and transparent, with no additional vulnerabilities introduced.

### Governance

In the short term, this proposal will mean a complete cessation of revenue being collected by the DAO treasury. However, by focusing on long-term growth and user satisfaction, the 1inch Network can strengthen its position in the market, potentially leading to increased revenue in the future. [Show Less...](#)

### [1IP-27]Allocate 1M USDC stables in treasury to lending pool on AAVE V3

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) Full Proposal Description Author: @DAOplomats.eth (@Baer, @jengajojo)

# Simple-summary

This proposal suggests allocating 1M USDC of the current USDC balance into AAVE V3 to generate passive yield.

# Motivation

~95% of the current 1inch DAO treasury is in USDC, earning exactly 0% interest or fees. The only source of income is the 1inch DEX. At the same time, there is ~15.5M USDC which could potentially generate income for the DAO with relatively low risk. The current average variable yield in AAVE markets is between 1-2%

## Specification

What is lending and borrowing?

https://www.youtube.com/watch?v=aTp9er6S73M

## AAVE V3

Aave is a decentralised non-custodial liquidity protocol where users can participate as depositors or borrowers. Depositors provide liquidity to the market to earn a passive income, while borrowers can borrow in an overcollateralized (perpetually) or undercollateralized (one-block liquidity) fashion.

## Expected Yield

The current average variable yield in both markets is between 1-2%, which means that the DAO can potentially earn between ~ 6000 & ~12000 USDC per month.

Update (13.05.23) :Current yield in Aave is more than 3%

## Why AAVE?

The AAVE team has been building since 2017 and the contracts have hosted one of the highest TVLs in DeFi at the moment. This makes depositing in AAVE V3 relatively less risky than any other lending/borrowing protocol.

## Considerations

There are several ways to earn a yield on idel treasury assets such as:

Yield Farming on yield aggregators such as Yearn.Finance

In this approach, tokens are deposited into contracts which run the best risk-adjusted farming strategies to earn native tokens, which are swapped back to the original token. This strategy's upside is that yield is farmed automatically and is independent of market activity; however, this comes with slightly higher smart contract risks than the other two options. Another con here is that the Yearn.finance team is completely anonymous, which can be considered a con in some cases

Being a liquidity provider on DEXes

As highlighted in the Stablenode proposal, being a liquidity provider for the native token has several advantages and disadvantages. Since this strategy is already being proposed in another RFC we won't dive into the details here. The only con we see here is that to provide a significant proportion of the treasury to LPing would mean taking on losses in the form of slippage on top of the risks mentioned in the proposal.

## Depositing into a Lending pool

Based on the analysis provided in this proposal, we suggest that depositing in lending pools is the best risk-adjusted strategy for a large treasury allocation. In the current approach, there is no need to do any other complicated swap resulting in slippage or engaging in unnecessary smart contract risks.

## Risks and Disclaimers:

AAVE Audit report

- https://consensys.net/diligence/audits/2020/09/aave-protocol-v2
- https://docs.aave.com/developers/deployed-contracts/security-and-audits

DAOplomats will monitor the position and provide an update to the DAO regularlyShow Less...

### [1IP-26]Remove st1INCH(v1) Voting | Modify st1INCH(v2) and v1INCH Voting Weight Calculations

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description Author:

@RoundElephant

References:

# Simple Summary

This proposal seeks to modify the 1inch DAO governance process with the following changes:

- Remove st1INCH(v1) voting and delegation strategies from the 1inch Snapshot space.
- Change the st1INCH(v2) voting and delegation strategy to use Unicorn Power instead of token balance.
- Replace the existing 20% weighted v1INCH strategy with a strategy that emulates the power decay of UnicornPower – i.e., fully vested, and unclaimed, v1INCH, will have greatly diminished voting power. v1INCH that is at the beginning of its vesting contract has full 1:1 voting parity with st1INCH that is at the beginning of a 2-year lock.
- Increase the Snapshot proposal creation requirement to require 100,000 Voting Weight (currenlty 25,000).

# Abstract

If passed, this proposal will modify the 1inch Network governance process to better reflect staking changes made alongside Fusion mode:

- By removing st1INCH(v1) for the governance process, 1inch Network will fully complete the transition to the new staking contracts.
- By using Unicorn Power to calculate Voting Weight, instead of token balances, the 1inch DAO governance process is better aligned with the revamped 1INCH staking mechanics.
- By greatly reducing the voting power of fully vested v1INCH, the DAO will ensure that only those who have a longterm stake in the protocol will be able to make decisions that control 1inch Network.
- By increasing the proposal creation requirement, we can ensure that proposals which hit the final Snapshot vote already have a non-trivial level of support.

# Motivation

- With the passing of[1IP-11] 1inch Staking Pods
- in December, 2022, the DAO began the transition away from the legacy staking contracts.
- [1IP-14] Update 1inch DAO Voting Process to Include st1INCH(v2)
- put the infrastructure in place to allow the new st1INCH to participate in governance.
- This proposal marks the full deprecation of st1INCH(v1) as its only remaining utility has been voting on Snapshot proposals.
- If st1INCH(v1) is never removed from the voting system, it will have an unfair advantage compared to st1INCH(v2) as the latter's power diminishes over time.
- There is currently over 10 times more st1INCH(v2) staked than st1INCH(v1) ← this shows that there has been enough time for all active participants to migrate.

# Specification

## v1INCH

v1INCH is the non-transferable ERC-20 token which represents 1INCH tokens that are currently locked in the vesting contract. These tokens are held by backers, advisors, and core contributors. Redeeming fully-vested v1INCH for the underlying 1INCH is a manual action that must be taken by the holder.

Currently, all v1INCH, no matter where it is along its vesting contract, has a flat 20% weighting compared to st1INCH. This proposal calls for a treatment of v1INCH similarly to that of st1INCH(v2) – v1INCH will have more voting power if there is more time remaining on the vesting schedule (with a 2-year maximum). Here is a breakdown of how the voting weight will change according to the unlock schedule:

- 1-year cliff to full unlock: 22% voting power
- 1.5-year cliff to full unlock: 47% voting power
- 2-year cliff to full unlock: 100% voting power
- 3-year cliff to full unlock: 100% voting power
- 4-year cliff to full unlock: 100% voting power

Example 1

- Address: 0x812D157dd6CF4aAc6bEfcEd2CE92B725cBEEc39A
- v1INCH balance: 37.5M (only 12.5M is locked until June, everything else is fully vested and claimable)

- VotingPower:
  - 
    - Current scheme = 7.5M votes
  - 
    - New scheme = 1.73M votes

Example 2

- Address: 0xf2d10DBFB999cF85b0D0a81c9ae70fde5B80310f
- v1INCH balance: 250K
- VotingPower:
  - 
    - Current scheme = 50K votes
  - 
    - New scheme = 17K votes

Example 3

- Address: 0x317E1b409C0809f0Dd56b8Fb84185e2982106287
- v1INCH balance: 8.57M (everything is locked)
- VotingPower:
  - 
    - Current scheme = 1.71M votes
  - 
    - New scheme = 2.49M votes

Example 4

- Address: 0x03429fA2D2Ba986D5b9F619c616fE4077a297B98
- v1INCH balance: 500K
- VotingPower:
  - 
    - Current scheme = 100K votes
  - 
    - New scheme = 276K votes

## Snapshot

The 1inch Network Snapshot space , and the 1inch DAO Fast-Track Signaling Subspace , will be updated with the following changes:

- Remove st1INCH (v1) voting and delegation strategies
- Replace existing st1INCH(v2) strategy with one that uses Unicorn Power
- insteaderc20-balance-of
- .
- Remove the existing 20% weighted v1INCH strategy
- Add a new voting-power-weighted strategy for v1INCH using this contract VestedVotingPower | Address 0xfB7246C98B6e6C8529c06359B237566e5Bc4677C | Etherscan
  - 
    - This contract gives onchain mapping for the appropriate vesting contract of each v1INCH holder.
  - 
    - This is an onchain expression of the logic described in the previous section.
- Change the proposal validation strategy to require 100,000 Voting Weight when creating a new proposal.

### Token Contracts

- v1INCH:0x03d1b1a56708fa298198dd5e23651a29b76a16d2
- st1INCH (v2):0x9A0C8Ff858d273f57072D714bca7411D717501D7
- st1INCH (legacy):0xA0446D8804611944F1B527eCD37d7dcbE442caba

# Rationale

Onchain mapping of vesting contracts to each v1INCH holder was a prerequisite for this proposal as there was no other way of determining if a holder's v1INCH tokens were fully unvested, partially vested, or fully vested. The 1inch core contributors have deployed the VestedVotingPower smart contract that does this mapping.

It is important to note that st1INCH(v1) holders will still be able to unstake their 1INCH at any point in the future.

# Considerations

This proposal will have no cost to the 1inch DAO Treasury.

As opposed to st1INCH(v2), st1INCH(v1) does not require a timelock to participate in governance – a bad actor could use this lack of a time-commitment to abuse the 1inch goverance system. This proposal will prevent that as all votes will only be cast by timelocked tokens.

Once passed, the reality.eth proposal acceptance criteria , and the 1inch DAO governance documentation , will need to be updated to reflect the change to v1INCH voting weight and the proposal validation strategy. Show Less...

## [1IP-25][Fast-Track]Deploy 1inch Fusion Mode on Multiple Networks

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description

### Author

@RoundElephant

### Simple Summary

This proposal calls for the deployment of 1inch Fusion Mode on multiple networks, specifically: BNB Chain, Polygon, Optimism, Arbitrum, Gnosis, Avalanche, Fantom, Klaytn, and Aurora.

### Abstract

If passed, this proposal calls for 1inch Fusion Mode to be deployed on all networks currently supported by 1inch Network. By deploying 1inch Fusion Mode on multiple networks, all 1inch users will be able to benefit from the UX and pricing improvements, regardless of what chain they are on.

### Motivation

The deployment of 1inch Fusion Mode on these networks will give all 1inch users, on all chains, access to the better pricing offered by 1inch Fusion Mode. By allowing users to access 1inch's liquidity aggregation technology on these networks, users will benefit from improved liquidity, lower slippage, and more competitive pricing.

With 1inch Fusion Mode, resolvers pay the gas for the end user – this allows users who hold no native fee token in their wallet to still make swaps.

### Specification

This proposal serves as a signal from the 1inch Network DAO to 1inch Labs. Once passed, the 1inch DAO calls for 1inch Labs to deploy 1inch Fusion Mode on BNB Chain, Polygon, Optimism, Arbitrum, Gnosis, Avalanche, Fantom, Klaytn, and Aurora.

### Rationale

By deploying 1inch Fusion Mode on these chains, the 1inch Network will be able to increase adoption while also improving the UX for all 1inch users.

These deployments will reduce the barriers of entry for users who want the best user experience offered by 1inch.

### Considerations

Deploying 1inch Fusion Mode on multiple networks has no governance implications.

There is no financial cost to the 1inch DAO, as this proposal is calling for the 1inch Foundation to fund the deployment.

## [1IP-24][Fast-Track]Deploy 1inch Network Protocols on zkSync Era

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description

### Author

@RoundElephant

## References

- [zkSync Era basics | Welcome to our Docs](#)

## Simple Summary

This proposal calls for the deployment of the 1inch Aggregation Protocol, 1inch Limit Order Protocol, and 1inch Fusion Mode on zkSync Era.

## Abstract

If passed, this proposal will call for the deployment of the 1inch Aggregation Protocol, 1inch Limit Order Protocol, and 1inch Fusion Mode on zkSync Era.[zkSync Era](#) is a Layer-2 protocol that allows Ethereum to scale in a trustless and decentralized manner – this deployment will allow 1inch users to make ultra cheap transactions with Ethereum-level security.

## Motivation

By deploying the 1inch Network protocols on zkSync Era, users will benefit from lower gas fees and faster transaction confirmations. This will make the full suite of 1inch Network protocols more accessible for users without sacrificing the security of the protocol.

## Specification

This proposal serves as a signal from the 1inch Network DAO to 1inch Labs. Once passed, the 1inch DAO calls for 1inch Labs to deploy the 1inch Aggregation Protocol, 1inch Limit Order Protocol, and 1inch Fusion Mode on zkSync Era. 1inch Labs shall also maintain the deployment to ensure an optimum user experience.

The deployment of 1inch Network protocols on zkSync Era will require collaboration between the 1inch core contributors and core contributors of Matter Labs.

## Rationale

zkSync Era is the first zero knowledge rollup with generalized EVM compatibility live on mainnet. Deploying the 1inch Network protocols on zkSync Era will directly benefit both the users of 1inch protocols as well as the 1inch Network itself: users will have a less expensive way to make transactions with L1 level security, while the 1inch Network will benefit from the increased volume and adoption.

## Considerations

The deployment of 1inch Network protocols on zkSync Era has no governance implications.

1inch will have no liquidity locked on zkSync Era, there is no security risk associated with this deployment.

The increased usage should lead to higher treasury revenues for the 1inch DAO.

## [1IP-21]1inch NFT Marketplace MVP

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) Full Proposal Description

## TL;DR

- Proposal for a 387,022 NFT Marketplace platform on the 1inch Network
- Funding distribution: 92,000 upfront and 4 milestones unlocking rest of the payments
- Aggregated Marketplace with level-1 analytic tools, NFT aggregation from Ethereum, Binance, and Polygon blockchains, and unique 1inch Marketplace
- Includes spam/fake collection filters, level I Analytics, Powertools phase I, Buy Now, Bids, Create a NFT, Launchpad, Social/Education, and Empowering the community features
- 6-month project with breakdown of costs for Product management, Design, Business development, Operation costs, Corp services, and Dev costs
- Milestone-based funding unlock with predefined success factors and acceptance criteria
- 1inchDAO will benefit from empowering analytics & browsing tools, educational content, and potential revenue channels

## [1IP-20]1INCH Fast Track Proposal

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) Full Proposal Description Authors: @Bobby_StableLab , @Kene_StableLab

References [1inch governance process](#)

# Simple Summary

1IP-XX introduces an alternative streamlined governance process to be used in an emergency, termed "Fast-Track Proposal". Fast-track proposals will have a lifecycle of 72 hours due to the nature of the proposal.

# Abstract

As 1inch DAO further decentralizes, a fast-track process will be necessary to address emergencies. These fast-track proposals will enable the DAO to take immediate action; instead of relying on the standard governance process. 1IP-XX outlines the domains or situations that permit a fast-track proposal and its scope to prevent malicious abuse.

# Motivation

# Motivation

There will be emergencies where we will need to perform an urgent vote for the sake of the DAO. The existing [Snapshot + Safesnap proposal lifecycle](#) takes a minimum of 18 days, which makes rapid responses impossible.

### Specification

1. Fast-track process
2. Scope of the fast-track process
3. Governance Council

### Fast-track Process

1. Governance Thread for 24 hours
2. Snapshot Vote for 48 hours

Implementing a fast-track proposal would decrease the time to pass a proposal from 8 days to 3 days.

To indicate a fast-track proposal, community members will have to insert "[Fast-Track]" into the title of a proposal i.e., "[Fast-Track] 1IP-20: Deploy 1INCH on BASE". This is to alert community members about the nature of the proposal. This will also introduce a new tag to the 1inch forum, "Fast-Track" to keep track of all fast-track proposals.

### Scope of the fast-track process

This process can be utilized under the following circumstances.

1. Deploying 1INCH on new networks
2. Changes to the Governance Process i.e. Adding abstain, raising or decreasing quorum, adding a new gov process.
3. Changes surrounding the 1inch resolver

### Whitelisted addresses

Due to the low governance participation in 1inch DAO, introducing a fast-track process can open the DAO to certain vulnerabilities. Malicious actors can take advantage of the fast-track process, so we recommend forming a public list of whitelisted addresses that are allowed to propose fast-track proposals. These addresses/individuals will be on the forums. We believe that the following community members should be on the initial whitelist:

- RoundElephant:0x824732D3F4Eb94a20254cca9DE10485Ce445Bb40
- Natalia: 0x94B85505Dd701f522cDA4F1e7Ea4bA855eef24bf
- StableLab: 0xea172676E4105e92Cc52DBf45fD93b274eC96676
- DAOplomats:[Dmat-defi.pod.xyz](#)

Due to its swift nature, these votes could go unnoticed; therefore, we must have a fast-track whitelist in place to prevent damaging behavior.

### How to add whitelisted addresses:

For a new address to be whitelisted, an already whitelisted address must nominate the new addresses. This nomination would be done in a forum post, and subsequently, go through the 1inch DAO Governance Process, and finally go to a governance vote to determine if the address or addresses should be whitelisted.

**SnapShot Subspace**

To facilitate the fast-track process, 1inch DAO will need to set up a separate snapshot subspace. This is necessary because this snapshot currently does not allow for different lengths for different proposals. The newly created snapshot subspace would have a shorter voting period of 2 days.

**Implementation**

This is how the fast-track proposal would look in practice:

1. Whitelisted member post a fast-track proposal on the 1inch forum with "[Fast-Track]" in the title
2. Any non-whitelisted members who post a fast-track proposal to Snapshot, will have their proposals taken down.
3. After 24 hours, it will move forward to SnapShot.
4. 1inch token holders will now vote on a proposal via SnapShot.

# Rationale

Every DAO needs a fast-track proposal process to cater to processes which require timely intervention; 1inch's Governance process would require a large amount of time from discussion to voting duration to cater to an emergency. As the 1inch protocol decentralizes, the community needs this fast-track process to address time-sensitive emergencies.

**[1IP-19]Increase the Number of Whitelisted Fusion Mode Resolver to 10**

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description Author: @RoundElephant

Phase-1 Discussion: Increase Number of Whilisted Resolvers

# Simple Summary

This proposal seeks to increase the number of whitelisted resolvers in 1inch Fusion mode from five (5) to ten (10).

# Abstract

If passed, this proposal will expand the 1inch Fusion mode resolver whitelist to ten (currently five). All ten resolvers will be able to participate in every stage of the Dutch auction.

# Motivation

Currently, only the top five resolvers, ranked according to their Unicorn Power, are able to fill orders during the first four minutes of the Dutch auction. This proposal will increase this number of whitelisted resolvers from five to ten — this will improve competition.

# Specification

This proposal serves as a signal from the 1inch Network DAO to 1inch Labs. Once passed, the 1inch Network DAO calls for 1inch Labs to increase the number of whitelisted Fusion mode resolvers from five (5) to ten (10).

# Rationale

User benefits: This proposal aims to increase the resolver competition, offering users better rates.

Resolver benefits: This proposal aims to make becoming a Fusion mode resolver more attractive, as it reduces the individual capital requirements.

# Considerations

1inch Fusion mode has already been audited and deployed. This proposal will have no negative security implications as it will only change the amount of participants in the first four minutes of the Dutch auction.

**[1IP-18]1inch Analytics Dashboard**

# Summary

We propose to build a dedicated analytics dashboard for the 1inch ecosystem, allowing users to analyze the protocol's main KPIs, activity, treasury, and token related metrics. This proposal is coming along after several meetings with 1inch core team. We determined the requirements scope and technical design together.

# Abstract

The dashboard will allow anyone in the community to browse the protocol's treasury, KPIs, token metrics, and transactions. The dashboard will initially support the following chains:

- Ethereum
- Polygon
- Avalanche
- Arbitrum
- Optimism
- BSC Dashboard will be served on a dedicated web app.

# Motivation

- Make the protocol's key information as accessible and transparent as possible.
- Help governance and users with decision-making.
- Provide more thorough information than currently available on Dune (i.e breakdown per user, search tooling)

# Specification

This dashboard will be built using the Dune API as a data source. Data from Dune will then be indexed on an intermediate database for easy and quick access. We propose to create the following subsections for the dashboard:

### Homepage (Protocol KPIs)

The UI would be somewhat similar to this [https://info.notional.finance/](https://info.notional.finance/)

- Users
- DAU, WAU, MAU
- Cumulative user count
- Transactions
- Daily, weekly and month trade count
- Breakdown of the number of trades per DEX
- Volume
- Daily volume, weekly volume, monthly volume
- Average trade size (daily, weekly, monthly)
- Median trade size (daily, weekly, monthly)
- Volume by underlying liquidity source

### 1inch Fusion

- 1inch Fusion KPIs
- Total orders, volume, unique users (current + historical)
- Latest and top transactions
- Explore and compare resolvers
- Search by address
- Compare and access all resolvers in a leaderboard view - Sort by unicorn power, staked 1Inch, all-time fees, total orders, …
- Breakdown per resolver (Total orders and volume, Historical orders and volume, Historical fees, Staked 1inch / unicorn power / lockout period)

### Treasury

The UI would be somewhat similar to this [https://info.notional.finance/treasury](https://info.notional.finance/treasury)

- Protocol treasury balances per token.
- Cumulative treasury revenue over time (per token type)
- List of recent treasury transactions
- Protocol revenues (daily/weekly/monthly)
- Revenue as a percentage of volume (daily/weekly/monthly)

### 1INCH/st1INCH token section

The UI would be somewhat similar to this https://info.notional.finance/note-token

- Token price over time
- Token unlock supply schedule over time
- TVL
- Amount of staked 1INCH (st1INCH) over time
- Staking rewards

### Recent Transactions

The UI would be somewhat similar to this https://info.notional.finance/transactions

- List of recent transactions (tx amount, user, main liquidity source, link to etherscan)
- Filter for a given account

### Transaction gas cost estimate

Similar to what we show on the left side of the screen here https://info.notional.finance/

- Estimated gas cost in USD
- Gas price in GWEI chart
- ETH price Hosting and maintenance of the web app will be provided by the Shippooor team.

# Rationale

Dune analytics is the current solution for surfacing most of that information. Due to technical limitations, Dune does not allow surfacing per-user information and does not provide useful search features. Also, in general, Dune dashboards have a hard time getting the reach they deserve. Not only the information is often non-trivial to understand, but the dashboards themselves are hard to find. 1 Inch Dune account: https://dune.com/1inch Important Dune Dashboards: https://dune.com/1inch/main https://dune.com/1inch/fusion

# Considerations

### Hosting and Maintenance

Website will be hosted through 1inch subdomain (i.e info.1inch.io) Shippooor commits to 1 year maintenance. Will be renewed through governance afterward. Code will be open sourced.

### Costs

Dune API integration work & intermediary database - 35k

- Identify and expose all existing Dune queries that will provide data (historical volume, DAU, transactions, protoco, 1inch token)
- Write new Dune queries for missing data (i.e breakdown per resolver, treasury balances/historical data)
- Implement cron workers that will sync all Dune queries with DB through Dune API
- Convert Dune data structures to fit DB's model
- Design and implement a relational model that will allow to quickly query and filter the data (wallets, transactions, 1inch fusion resolvers, treasury portfolios, historical data, etc.)
- Design and implement a production setup on AWS (or other cloud provider if needed) supporting all of the above + CI/CD. Likely going to be Amplify + Postgres on RDS
- Setup logging and alert to help with monitoring

Front-end work - 25k

- Build an API that will serve all of the aforementioned indexed data and will allow filtering/sorting (likely going to be a GQL API with similar structure as subgraphs).
- Build a NextJS app that will serve all of the views mentioned in specs.

Design - 15k

- Visual design and implementation work for page layouts, charts, tables, filtering, sorting, etc.

Maintenance: 10k for year 1

- Regular infra monitoring and any bug fixing that may occur
- Minor specification changes

Total: 85k

## Payment structure

We propose to receive 25K upfront and the rest of the grant upon delivery of the dashboard. This way the 1Inch grant program takes minimal financial risk and our compensation is based on the delivery of the dashboard. We are also willing to break down the grant in multiple smaller milestones if necessary. Receiving address: 0x70cd17186aae48729f12dba63ba5a9abe7b4116d

## Timeline

We expect to be able to deliver the dashboard within 8-12 weeks from the grant approval date.

## Team

Our team has extensive experience in crypto, finance, and software engineering. As builders, we've completed several projects for notable projects including:

- Warden - Risk & analytics platform for DeFi
- Dune Analytics dashboards for Aave, Euler, Instadapp, and Uniswap
- Uniswap Data Extractooor
- Notional analytics dashboard
- Euler subgraph

## [1IP-17]1inch DAO Donation to Humanitarian Relief Efforts in Turkiye

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description Author : RoundElephant

Disclaimer :One of the projects originally listed in this proposal, Ahbap, has ceased the acceptance of donations on Ethereum. Consequently, this proposal has been modified from its original form to exclude the Ahbap donation and now calls for this to be sent to the BanklessDAO's Turkey Disaster Relief Fund.

Summary

This proposal calls for 1inch DAO to donate 100,000 USD towards humanitarian relief efforts in response to the devastating earthquakes that struck Turkiye (Turkey) on February 6th, 2023 .

Abstract

This 1IP proposes a donation of 100,000 from the 1inch DAO treasury towards humanitarian relief efforts responding to the devastating earthquakes that occurred on 6 February 2023 in southern and central Turkey. This donation is intended to help save the lives of the victims who are facing severe shortages of food, shelter, medical supplies, clean water access, electricity supply disruption etc., due to extensive damage caused by these earthquakes.

The donation will be split equally between Anka and BanklessDAO Turkey Disaster Relief Fund -- both projects have been vetted by the Ethereum community and the author.

Motivation

This proposal seeks to express solidarity with those affected by this tragedy while also providing tangible support for ongoing relief efforts being carried out by non-profit organizations.

By donating funds directly to these non-profits we can ensure our contribution will be used effectively where it matters most -- supporting people impacted across Turkiye.

BanklessDAO Turkey Disaster Relief Fund is focused on humanitarian relief for those impacted by the earthquakes. They are thoroughly vetting several NGOs to distribute funds to.

Anka is a crypto relief fund that was created to support the people of Turkiye after the disastrous earthquakes that hit the region. They have over 50 volunteers working on the project including a team located in Turkiye. Anka is committed to transparency and accountability.

Specification

Send 100,000 of [1inch DAO Treasury](#) funds to the following causes:

- 50,000 in USDC to [BanklessDAO's Turkey Relief Fund](#)
-
  - Ethereum (ERC20) Address -- [0x924393EA45dA424643C89f99BfDFd707b1Fed9AE](#)
- 50,000 in USDC to [Anka](#)
-
  - Ethereum (ERC20) Address -- [0xCE4d5B5933B369e9c937ffCfBB9e3aeb3d2c265B](#)

Rationale

Given current estimates of over 20,000 fatalities, over 70,000 severe injuries, and several million displaced — there is an urgent need for immediate assistance. The faster we act, the more lives we potentially save.

The donation must be made on-chain so that the funds can trustlessly be spent via a DAO vote.

Considerations

From a security standpoint, there are no major implications associated with this proposal other than verifying that the Safesnap transaction data is correct.

Though Syria was also affected by the earthquake, it is currently under international sanctions and has been omitted from this proposal. All funds will go to humanitarian efforts Turkiye.

### [1IP-16]Community Governance Incentives

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) Full Proposal Description Author: [@Bobbay_](#) StableLab

# References

[Governance process](#)

[Hop example](#)

[Idle Finance example](#)

[MakerDAO](#)

[1inch on layer 3](#)

# Introduction

To boost governance activity on 1inch, we would like to incentivize community members to present proposals and receive rewards.

# Motivation

An active governance culture is an essential aspect of every DAO's operations. Active governance means that the community is dedicated to improving the protocol's operations, which builds a culture of iteration around the protocol. However, governance work is continuously under or unpaid, making it an unattractive role.

By incentivizing an active governance culture at 1inch, we can attract participants to become more involved in 1inch DAO, thus enabling more opportunities for 1INCH to decentralize. 1INCH DAO tried a similar program last year using [Layer 3](#) , which was successful in attracting participants.

# Specification

Contents

1. Aims
2. Allocation
3. Eligibility
4. Eligible Proposals
5. Ineligible Proposals
6. Eligible Recipients

7. Distribution
8. Administration
9. Accountability
10. Reflection

## Aims

1INCH governance is still somewhat inactive, and in these current market conditions, it is even harder to attract governance participation. We hope some form of incentive will attract users to engage with the 1inch DAO.

We would like to present this program for 6 months at a total cost of 6,000 USDC.

## Allocation

This proposal would allocate 6,000 USDC to a newly-made community multi-sig. Each successful proposal would receive 500 USDC.  At the end of each month, the community multi-sig will distribute rewards to the eligible authors. This is to reduce the unnecessary cost to the DAO.

This would incentivize a total of 12 proposals across 6 months.

Since 1INCH earns protocol revenue in USDC, it is easier to distribute governance rewards in USDC. If all USDC is distributed, this would cost the DAO 6,000 USDC for 6 months.

## Eligibility

## Eligible Proposals

All proposals that follow the outlined governance workflow within 1inch DAO and successfully pass Phase 4.

## Ineligible Proposals

1. Proposals requesting budgets or grants are excluded.
2. Grants are directed to the current 1inch grant program
3. .
4. Proposals making minimal amendments to previous proposals (e.g. fixing only typos) are excluded from this program.
5. Proposals that have no direct, actionable outcome (e.g. establishing a mission statement) are excluded from this program.

## Eligible Recipients

The original authors of a proposal are considered the eligible recipients of the reward. Those who initiate the Snapshot vote will not be eligible for a reward. If there are multiple authors of a proposal, it will be assumed that the reward will be evenly split unless explicitly stated otherwise to the community multi-sig disbursers.

## Multi-sig

Multi-sig address: 0x45e84e10e8E85c583C002A40007D10629EF80fAF

Stablelab: 0xea172676E4105e92Cc52DBf45fD93b274eC96676

DAOPlaomats: 0x7C2A118717Acf3C821C584506FA5a080cfa6105C

RoundElephant: 0x824732D3F4Eb94a20254cca9DE10485Ce445Bb40

Natalia: 0x94B85505Dd701f522cDA4F1e7Ea4bA855eef24bf

## Distribution

@RoundElephant , Natalia, StableLab and @DAOplomats.eth can form the newly made community multi-sig for these community incentives with a 2/4 signature.

Multi-Sig Address: 0x45e84e10e8E85c583C002A40007D10629EF80fAF

Authors of a proposal should communicate with community multi-sig signers to provide the correct wallet information for distribution. Wallet information can be communicated in private, but all transactions are public since they are on the blockchain.

Distribution will occur at the beginning of the following month.

StableLab, 1INCH Core Contributors and DAOplaomats will be exempt from this program and will not be eligible to receive any rewards.

## Administration

1. StableLab provides a monthly update of eligible proposals at the end of each month.
2. Community multi-sig distributes funds in the first week of the following month.
3. Any unspent funds at the end of 6 months will be sent back to the 1inch DAO treasury.

## Accountability

StableLab,DAOPlaomats, Jordan and Natalia will document a public record on the forum of all successful proposals providing the following information:

1. Link to Proposal
2. Summary of Proposal
3. Authors
4. Transaction Payments

This will help us review this proposal and consider whether 1INCH DAO should continue to provide governance incentives or pause the program.

## Reflection

The community can review these governance incentives after 6 months to evaluate their success and whether to let it continue or pause the program.

# Next Steps

1. Temperature check with a poll on the forum
2. Move to a SnapShot poll

[Yes]: Move forward with this program [No]: Do not implement this program [Abstain]

1. If this proposal passes the following will happen: 6,000 USDC will be transferred to 0x45e84e10e8E85c583C002A40007D10629EF80fAF

### [1IP-15]Update 1inch DAO Voting Process to Include 'Abstain' option

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description Author: DAOplomats.eth

# Simple Summary

This proposal aims to add an "Abstain" option in the 1inch DAO governance process, allowing members to abstain from voting.

# Abstract

This proposal aims to add Adding the abstain option, in addition to "Yes" and "No", allowing voters and delegates to participate in voting without having to take a side.

Motivation

The current governance process of the 1inch DAO only allows members to vote Yes or No on proposals. This system can be limiting as it does not allow members to express their opinions accurately, particularly if they are unsure of the consequences of a proposal or do not have enough information to make a decision. Adding an Abstain option to the voting process will allow members to express their views more accurately and increase the overall transparency of the governance process.

Specification

Under the current governance process, the voting options are limited to 'Yes' or 'No'

If this proposal is successfully implemented, the following changes will be reflected.

image

Proposed Changes

|| During this period, addresses with voting power may vote for, against or abstain from voting on the proposal using the same three voting options as the Phase-3 poll:

(Yes) In favour of this proposal.

(No) Against this proposal.||

(Abstain) Neither In favour nor Against

The Abstain Button is expected to be used in the following cases

Neutrality: The Abstain option allows members to remain neutral on a proposal and not take a stance, which can be useful when members are unsure of the proposal's consequences or do not have enough information to decide Higher Conflict of interest: As part of proposal hygiene, Authors of the proposals tend to abstain from voting on their proposals even though they act in the best interest of the DAO. Furthermore, Voters tend to abstain from voting if there is a high conflict of interests as a voter and the proposed implications. Insufficient information: In case a proposal is moved to snapshot with insufficient information or data, a voter can choose to abstain, thus signalling their unwillingness to decide without further information or discussion The proposed changes will impact any existing quorums or the requirement to pass a proposal.

Rationale

This proposal aims to encourage members to participate in the voting process, which may have otherwise not participated due to a lack of clear stance on a proposal.

Considerations

There are no security implications with this proposal.

Once passed, the 1IPs should include 'Abstain' as a voting option

The Governance Doc of 1inch DAO should be updated through a GitHub pull request to update the changes

### [1IP-14]Update 1inch DAO Voting Process to Include st1INCH(v2)

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description

# Simple Summary

This proposal seeks to modify the 1inch DAO governance process to allow st1INCH(v2) holders to vote on 1inch DAO Snapshot proposals.

# Abstract

If passed, this proposal will allow st1INCH(v2) holders to participate in 1inch DAO Snapshot votes.

Legacy st1INCH and v1INCH will have unchanged voting weights.

# Motivation

With the passing of[1IP-11] 1inch Staking Pods , and the subsequent launch of 1inch Fusion mode, st1INCH(v2) has become the primary utility token of 1inch Network. In recent weeks, st1INCH(v2) has overtaken legacy st1INCH in terms of supply.

This proposal will enfranchise st1INCH(v2) holders and should increase the number of active participants in the 1inch DAO.

# Specification

The 1inch Network Snapshot space will be updated to account for st1INCH(v2) voting power. Meaning, st1INCH (v2) will be added as a new "strategy" with equal voting weight to legacy st1INCH. Holders would then be able to use their respective voting weights when participating in votes on proposals.

## Token Contracts

- st1INCH (v2):0x9A0C8Ff858d273f57072D714bca7411D717501D7
- st1INCH (legacy):0xA0446D8804611944F1B527eCD37d7dcbE442caba

# Rationale

V2 stakers have demonstrated commitment to the 1inch Network and deserve an equal say in how the protocol is governed. By introducing this class of voters, we can better reflect community sentiment while ensuring that those with vested interests remain incentivized towards long-term success of the network.

Legacy st1INCH will retain its voting power for the time being. It is expected that the DAO will vote to deprecate legacy st1INCH voting rights in the coming months as more of the stake migrates to the new contracts.

# Considerations

There are no security implications with this proposal.

Once passed, the reality.eth proposal acceptance criteria will need to be updated to reflect the change.

### [1IP-13]Governance Process Improvements

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description Author: Bobbay_StableNode

References

1inch governance process

# Simple Summary

1IP-13 "Governance Process Improvements" introduces changes to the current governance process to create a more agile yet robust process.

# Abstract

It takes around 12 days to implement a change via governance. This is time-consuming, especially since there is no express pathway to execute proposals in time-sensitive situations.

1IP-13 will reduce the current governance timeline in different ways to ensure that governance changes can be enacted swiftly without compromising security.

# Motivation

The current 1inch governance framework is far too long, which can hinder the DAOs ability to execute quickly.

# Specification

1. Current Process
2. Amendments
3. New Process

Current Process

The current process can be found here , but here is a summary.

Phase 1 (Discussion) & Phase 2 (1IP formalization) have an open-ended duration, so they have no specific deadline.

Phase 3 (temperature check) lasts five days. Proposals stay unchanged in this phase.

Phase 4 (Snapshot Vote) lasts seven days.

Phase 5 (Implementation) lasts a minimum of six days - This can be ignored since it does not involve the community.

This means that the current governance process (ignoring phase 5) totals a minimum of 12 days to pass a proposal.

Amendments

We recommend the following amendments:

- Phase 3 -  Reduce from five days to three days.
- Phase 4  - Reduce from seven days to five days

These changes ensure enough time to cast a forum and snapshot vote without compromising security. Across other DAOs, having a Snapshot vote last around five days is common practice. It provides a grey area between 3 days (too short) and 7 days (too long).

New Process

- Phase 1 & Phase 2  - Open-ended
- Phase 3 -  Lasts three days
- Phase 4  - Lasts five days
- Phase 5 - Lasts seven days

This new governance process (ignoring phase 5) totals a minimum of 8 days to pass a proposal instead of the original 12 days.

# Rationale

The lengthy process has hindered the DAOs' ability to execute promptly in the past. This reduction will still ensure a suitable amount of time for DAO members to participate in the DAO without sacrificing security.

Considerations

This will make it easier for the DAO to pass proposals that could open a security risk to malicious actors.

# Next Steps

1. Discuss the Proposal
2. Forum temperature check
3. Move it to a vote1. [Yes]: Implement these governance changes
4.
    1. [No]: Do not implement these governance changes

### [1IP-12]Improve Fusion Auction Resolver Competition

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) Full Proposal Description

# Simple Summary

This proposal seeks to modify 1inch Fusion to allow all five of the top resolvers to fill orders during the entire duration of the Dutch Auction.

# Abstract

If passed, this proposal will change the way that 1inch Fusion orders are filled by allowing all five resolvers to participate in every stage of the Dutch auction. This change will increase competition amongst resolvers and ensure that users are getting the best rates.

# Motivation

Currently, the top five resolvers are given fill priority according to their Unicorn Power. For the first minute of the Dutch auction, only the resolver with the highest Unicorn Power can fill the order. Then, the resolver with the second most Unicorn Power joins them for the second minute, and so forth… This proposal will foster a more competitive auction by giving all resolvers equal priority.

This proposal aims to increase competition amongst resolvers and thus provide better rates for users when they make swaps via the 1inch Network.

# Specification

This proposal serves as a signal from the 1inch Network DAO to 1inch Labs. Once passed, the 1inch Network DAO calls for 1inch Labs to modify the Fusion logic to allow all five resolvers to participate in every stage of the Dutch auction.

Above is the existing Fusion auction order structure.

Below is the modified Fusion auction order structure that this proposal calls for.

# Rationale

Allowing for pure competition amongst the five resolvers, rather than giving preferential access based on staking power, will facilitate better swap rates and faster execution times.

This change will also make it more attractive for professional market makers to become resolvers, which may lead to a greater demand for 1INCH token as they accumulate the necessary Unicorn Power.

# Considerations

1inch Fusion mode has already been audited and deployed. This proposal will have no negative security implications as it will only change the structure of the Dutch auction.

An increase in the number of resolvers participating in the Fusion auctions should reduce the likelihood of resolver collusion.

### [1IP-11]1inch Staking Pods

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description Author:@Bobbay_stablenode

References:

GitHub - 1inch/erc20-pods 7 ,GitHub - 1inch/farming 5 ,GitHub - 1inch/delegating 1

# Simple Summary

This proposal seeks to implement a new Staking Pod mechanic for the 1INCH token. This system will consist of:

- Incentivised time-locked 1INCH staking
- Permissionless delegation pods
- Reward distribution compatibility
- 50% of all current, and future, 1inch DAO protocol revenue shall be distributed to stakers

# Abstract

With the Staking Pod system, users lock their 1INCH tokens in a staking contract to get st1INCH tokens — the longer the lock period, the more st1INCH tokens the user gets. st1INCH tokens can be used by stakers for 1inch DAO governance, and the 1inch DAO can choose to use these token balances for reward distribution. The system is modular as anyone can launch a new Modular Delegation Pod and can use the reward functionality to incentivize certain actions and/or assign utility to the 1INCH token. 50% of all current, and future, 1inch DAO revenue shall be distributed to stakers.

# Motivation

1INCH token is the governance token of the 1inch Network. It provides voting rights within the 1inch DAO's governance system, and users can stake it to receive a refund 3 on their transaction fees. However, despite these functions, the amount of 1INCH tokens currently being held in staking contracts is quite low and governance participation is even lower. We believe that this is due to a lack of incentives to participate in governance and a lack of additional utility for staked 1INCH.

By introducing Modular Staking Pods, we hope to give stakers more direct control over how their stake is used to power the 1inch Network. This change will allow them to independently select how their stake governs each of the protocols and will allow for rewards to permissionlessly be distributed based on the actions of the stakers. We envision that this will improve the goverance by aligning incentives between people who want to stake to earn rewards and those who are interested in protocol governance – both players will have direct incentives to participate in the same system.

We believe that this proposal represents a step forward for the 1inch Network and that it will help increase adoption and usage of the network's future protocols.

# Specification

### Staking

Like the existing 1INCH staking contract, users will be able to lock their 1INCH tokens in the staking contract to get st1INCH tokens that can be used for 1inch DAO governance. However, unlike the current system, Modular Staking will require users to lock their 1INCH for a set amount of time.

### Locking

The minimum and maximum lock periods are chosen by the DAO through — for the purposes of analysis, we'll use 1 month and 2 years as the minimum and maximum staking periods respectively. st1INCH tokens grant users "voting power" which they can use for various use cases. The longer the locking period the more "voting power" resolver can get. However, the increase in power is not linear.

There will be a minimum locking period of 1 month.

Note that st1INCH voting power will decay over time according to the locking curve. Also note that users can re-lock their stake at any time to refresh their st1INCH balance. Users will be able to withdraw their stake early but will forfeit a portion of their rewards.

Orange is the amount lost when a staker withdraws earlier than they originally committed.

Example:

- In 2023, Sally stakes 100 1INCH and selects a 2-year lock period.
- They receive 100 st1INCH from the staking contract and this balance decays over time.
- By 2024 Sally's st1INCH balance has decayed to 22.36
- Sally then chooses to re-lock her stake for the maximum amount of time, 2-years, and her st1INCH balance is increased to 100.
- Sally chose not to re-lock, and in 2026, after the lock period, she withdraws her original 100 1INCH.

## Unlocking

If a st1INCH staker wishes to unlock they will forfeit some of their tokens based on the following equation:

withdrawalAmount = (balance - votingPower) / 0.9

penalty = balance - withdrawalAmount

In this setting, the maximum early withdrawal loss is 90% as the minimum locking period is 1 month

## Admin Control

The 1inch DAO Treasury Address,0x7951c7ef839e26F63DA87a42C9a87986507f1c07 , would act as admin of the staking contract with control over the following functions:

- setFeeReceiver – this would allow the DAO to change the vault to collect the rewards for later distribution between stakers and the DAO treasury.
- setDefaultFarm – this would allow the DAO to change the default reward distribution contract for 1INCH staking.
- setMaxLossRatio – this would allow the DAO to change the earliest point at which people can early withdraw their stake by disallowing withdrawals with larger withdrawal fees.
- setEmergencyExit – This is basically an abort function and would allow the DAO to end the staking scheme. All stakers can reclaim the entire amount of their original stake regardless of their remaining locking period. This would be used if the DAO wanted to migrate to a new staking contract to change key variables, like the maximum lock period.

## Modular Delegation

The Modular Delegation system provides users with a set of delegation contracts that are specific to a topic. The set of delegation contracts is permissionless, meaning that anyone can deploy one and allow users to delegate their st1INCH within it.

The 1inch DAO will have the power to endorse a delegation contract and feature it in the 1inch staking UI.

For the start, we propose just two delegation topics:

Snapshot governance delegation

- This will allow users to delegate their Snapshot voting power to a recognized delegate from the UI, or manually enter an Ethereum/ENS address.
- Nested within this is the vanillaSnapshot space-specific delegation contract 1
- .

st1INCH utility delegation

- As part of this staking upgrade, there will be a new protocol added to 1inch's suite of DeFi tools that will substantially improve the utility of st1INCH.
- Service providers that want to tap into the utility of st1INCH can proposition the community for delegated power.

## Rewards

Modular Staking will have two levels of reward functionality: Generic st1INCH rewards and Modular Delegation rewards.

**Generic st1INCH rewards**

The st1INCH contract will allow anyone to run a farm to distribute rewards to everyone holding st1INCH tokens.

Users also have the ability to to join as many farms as they want as it does not required a user to move their st1inch to a specific farm. Along as a user holds st1inch in their account, they can receive rewards from multiple farms.

This proposal calls for 50% of all current, and future, 1inch DAO revenue to be distributed to stakers in the form of 1INCH.

**Modular Delegation rewards**

Some Modular Delegation contracts have an integrated rewards function that anyone can run a farm atop.

The main advantage to this type of reward is that it is not limited to being proportional to a user's st1INCH holdings. Any action, onchain or offchain, can be used as the basis of reward distribution. This functionality could be used by the 1inch DAO to incentivize anything from editing 1IPs to using a new 1inch protocol (and everything in between).

Example: The 1inch DAO may use the Snapshot governance delegation contract to incentivize active governance participation by boosting the st1INCH rewards of people who vote on proposals, delegate their st1INCH to active voters, etc…

# Rationale

The rationale for this proposal is to provide a more flexible staking system that can be used to incentivize various activities within the 1inch Network. The new Modular Delegation contracts will allow for rewards to be distributed based on anything from voting on proposals to using new 1inch protocols. This will provide a greater incentive for users to participate in the network and help drive adoption of new 1inch products and services.

# Considerations

The security considerations for this proposal are mainly around the potential for abuse of the new staking and delegation contracts. It is important to ensure that there are adequate safeguards in place to prevent users from delegating their voting power to malicious actors.

The governance considerations for this proposal include the impact on revenue streams and changes to the governance processes. This proposal could potentially increase revenue for the 1inch DAO if it is successful in incentivizing more users to participate in the network. It is also worth considering how these changes will impact existing voting processes within the 1inch DAO since the existing staking contract will be deprecated.

### [1IP-09]Collect 1inch DAO Treasury Revenue in 1INCH Token in Addition to USDC

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) Full Proposal Description

# Simple Summary

This proposal seeks to modify the 1inch Network DAO Treasury's revenue collection strategy by enacting the following changes:

- Switch from buying USDC with Swap Surplus revenue to buying 1INCH when the price is lower than 1.30.
- Switch from buying 1INCH with Swap Surplus revenue to buying USDC the price of 1INCH is greater than or equal to 1.70.

# Abstract

Currently, the Swap Surplus [revenue stream](#) is collected in varying tokens and swapped to [USDC](#) before it is then sent to the 1inch DAO [Treasury](#) . Once enacted, this proposal will instead swap these tokens to [1INCH](#) as long as the market price of 1INCH is below the 1.30 to 1.70 range (see the Specification section for a detailed explanation). All swaps will be done using the [1inch Aggregation Protocol](#) to ensure the best pricing.

# Motivation

Benefits to the 1inch Network DAO include:

- Investing the DAO's revenue stream into the protocol's governance token while the governance token is lower than it was previously valued.
- Potential upward pressure on the 1INCH token as the DAO Treasury will be a net buyer of cheap 1INCH.
- When the token is trading at higher valuations, the Treasury will automatically de-risk by collecting revenue in stable coins.
- Holding 1INCH within the 1inch DAO Treasury will allow the Treasury to scale its value with the performance of the token.

# Specification

This proposal serves as a signal from the 1inch Network DAO to 1inch Labs. Once passed, the 1inch Network DAO calls for 1inch Labs to modify the fee collection strategy with the following changes:

- When the price of 1INCH moves is below 1.30, Swap Surplus revenue shall start to be collected in 1INCH.
- When the price of 1INCH moves above 1.70, Swap Surplus revenue shall be collected in USDC.

Once the modifications have been made and tested, 1inch Labs shall deploy them. All future modifications to these will need to be done by a 1inch DAO Governance vote.

# Rationale

This proposal aims to purchase 1INCH with treasury revenue when the price is lower than ~1.50. 0.20 bands are used on either side of this buying point in order to dampen the impact that market volatility could have.

This price point of 1INCH that triggers the switch can be changed in the future via a governance vote.

# Considerations

### Market Risk

The USDC stablecoin composition of the 1inch DAO Treasury puts the Treasury in a very good position during any bearish market cycles — the Treasury constantly grows in dollar value while, in contrast, projects that primarily hold their own token, have had the real value of their Treasury shrink in the last 6 months.

Adding 1INCH to the Treasury composition will increase both the potential risk and potential returns. This proposal dampens the volatility by maintaining a mix of risk-on and risk-off assets.

### Added Complexity

If enacted, this proposal will add complexity to the Treasury Revenue collection strategy.

### [1IP-08]Simple diversification mechanism for 1inch DAO Treasury

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) Full Proposal Description

# Simple Summary

This proposal seeks to diversify the 1inch Network DAO's Treasury composition be enacting the following strategy:

- Do not exchange a whitelisted set of tokens for USDC before sending to the 1inch DAO Treasury.
- These whitelisted tokens shall be: ETH, WETH, WBTC, DAI, and USDT.

# Abstract

Currently, all of the Swap Surplus revenue stream is collected in varying tokens and swapped to USDC before being sent to the 1inch DAO Treasury. To start the diversification process of the treasury funds, the protocol can keep some incoming Swap Surplus tokens as collected (not swapping them for USDC).

This proposal aims to whitelist the following tokens for this treasury collection strategy:

- ETH
- WETH
- WBTC
- DAI
- USDT

# Motivation

The 1inch DAO Treasury is 100% composed of USDC. USDC is a fiat-backed stablecoin pegged to USD managed by Circle.

USD experienced record inflation over the last 12 months, and will experience some degree of inflation for perpetuity. As such, the marginal spending power of the 1inch DAO Treasury is weakened unless the DAO deploys the funds in a manner that can outpace inflation.

These assets are viewed as risk-on diversification assets for the treasury:

- ETH – the native asset of the Ethereum blockchain
- WETH – ETH wrapped in an ERC20 wrapper
- WBTC – Bitcoin (BTC) is the oldest and largest digital asset. WBTC is Bitcoin wrapped in an ERC20 wrapper

Stablecoins also have inherent risks such as smart contract risks and centralization risks. Diversifying the stable coin holdings of the 1inch DAO Treasury aims to hedge against these risks. These assets are viewed as risk-off assets for the treasury:

- DAI – the decentralized collateral-backed stablecoin issued by the Maker Protocol. DAI is soft-pegged to USD
- USDT – the fiat-backed stablecoin pegged to USD and managed by Tether

# Specification

To implement this proposal, GovernanceLeftoverExchanger should transfer ETH, WETH, WBTC, DAI and USDT directly to the treasury the same way it transfers USDC. All other tokens should still be converted to USDC as they are now.

# Rationale

The crypto market cap took a decline in recent months. With token valuations depressed, it may be a good time to start accumulating non-stable tokens to grow the treasury.

Since exchange transactions cost some Ether to pay for the gas fees, eliminating the swapping step for these whitelisted tokens will increase the capital efficiency of this operation. It is also for this reason that large stable coins such as DAI and USDT, should be sent directly to the treasury.

# Considerations

The current stablecoin composition of the 1inch DAO Treasury ensures that the Treasury is insulated from bearish market cycles. However, this also means the treasury's funds have no way to keep pace with the rise in inflation. Adding ETH, WETH and WBTC increase both the risk and the potential rewards.

This proposal does not call for any actions to be taken with the funds currently held by the 1inch DAO Treasury.

### [1IP-07]Integrate Balancer Boosted Pools in the 1inch Aggregation Protocol

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) Full Proposal Description

# Simple Summary

This proposal calls for the integration of [Balancer Boosted Pools](#) into the 1inch Aggregation Protocol.

# Abstract

This proposal aims to grow the kinds of liquidity sources compatible with the 1inch Aggregation Protocol by integrating Balancer Boosted Pools. To fund this development, a BAL grant from Balancer DAO and Balancer DAO will be awarded to 1inch Labs upon the successful completion of the integration. Specifically, the following

1. 1inch Labs shall integrate the Balancer Boosted Pools into the 1inch smart contracts, the 1inch dApp, and the 1inch API.
2. The integration shall be live on the Ethereum main-net no later than 3 weeks after this proposal passes the Phase-4 snapshot vote.
3. If both conditions 1 and 2 are met, Balancer DAO and Balancer DAO will transfer 20k BAL or the equivalent in stablecoins (as determined by Balancer DAO) to 1inch Labs.

## Motivation

Balancer Boosted Pools are a new pool type that have been gaining traction from many DeFi protocols. These pools were previously discussed with the 1inch community on the 1inch Governance Forum as well as the 1inch Network DAO Community Call #02 .

Given that this is a new pool type and requires effort from 1inch Labs, Balancer seeks to fund this integration via a payment of 20,000 BAL to 1inch Labs.

## Specification

At a high level, integration of Balancer Boosted Pools would require support for Balancer's BatchSwap function, the routing of trades through multiple Balancer pools including linear pools nested in the boosted pool and the math in the linear pools. This proposal hopes that the support for Boosted Pools is general and can later be expanded to new future Boosted Pools. The integration of Balancer's BatchSwap function within the 1inch Network will also be able to be used for pools other than Boosted Pools which would benefit both the 1inch Network and Balancer as it would allow for cheaper execution of trades from the wider Balancer pool types. In the near future we expect to see meta pools created with the BPT of Boosted Pools, an example would be a bbaUSD/WETH pool. Routing trades through such pools would include one or more extra hop through Balancer's BatchSwap function.

We expect that there will be many new Boosted Pools across all networks in near future, namely poos in collaboration with Ampleforth and Olympus although, below is a non-exhaustive list of currently live Boosted Pools on Ethereum L1:

1. bbaUSD, containing 300mm of DAI/USDC/USDT TVL
2. bbfUSD, expected
3. to contain at least 50mm of FEI/LUSD/DAI

This is contingent on the same proposal passing through the BalancerDAO.

Upon satisfactory integrationNote1 , 20,000 BAL shall be sent to 1inch Labs ETH address:

0x2DF104682A61241C79eBB3ce3b2C293578bF6A9D.

Note 1 : Satisfactory integration is defined as the 1inch Aggregation Protocol accurately forwarding trades through the bbaUSD and the bbfUSD pools, on Ethereum main-net, when those pools offer the optimal pricing for the end-user.

## Rationale

Support for the mentioned pools will unlock 350mm of efficient TVL for the 1inch Aggregation Protocol and allow it to have access to cheap liquidity for trade routing at the moment of integration and much more TVL in the future as Boosted Pool continue their adoption. Additionally, Boosted Pools have been adapted by BeethovenX, Balancer's Friendly Fork on Fantom and, integrating them would provide a good source for volume to 1inch on Fantom as well.

Balancer Boosted Pools are in much demand from other DeFi protocols due to their innovation in capital efficiency thus, it is expected to see many more Balancer Boosted Pools with high TVL in collaboration with other DAOs, some of which were mentioned in the discussion on the forum. Supporting Boosted Pools will position the 1inch aggregator to be able to rapidly integrate any new Boosted Pools launched.

This BAL grant would be used by 1inch Labs to fund the development of this integration.

## Considerations

The technical specifics of this integration will be defined by 1inch Labs. Like all new modules they have launched, a complete internal security review and audit should be performed before this change is implemented on main-net.

Because Balancer DAO is directly funding this integration, other upgrades to the 1inch Network can be made in parallel.

### [1IP-05]Add Derivative Aggregation to 1inch Network

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote Full Proposal Description

## Simple Summary

This proposal seeks to add derivative aggregation to the 1inch Protocol. Specifically, it calls for the following additions:

- Aggregation Protocol is expanded to include derivatives

- Add derivative aggregation to the 1inch smart contracts, 1inch dApp, and 1inch API
- The first derivative supported will be Opium's TURBO products (call options)

## Abstract

This proposal aims to signal to the 1inch Foundation that the DAO wants to add derivative aggregation to the 1inch Protocol – specifically, the 1inch smart contracts, the 1inch dApp, and the 1inch API. Adding derivative aggregation to the protocol will require technical effort from 1inch Labs, and will require the support of 1inch Foundation.

## Motivation

1inch is currently the leading decentralized exchange aggregator and has made a reputation of providing the best prices on token swaps. With the rise of derivatives in the DeFi space, there is a new product niche that 1inch is perfectly positioned to capitalize on:the aggregation of derivative products.

By implementing this proposal, 1inch will solve the problem of fractured derivative liquidity (just like it previously solved fractured token liquidity).

## Specification

This proposal serves as a signal from the 1inch Network DAO to the 1inch Foundation and 1inch Labs. Once passed, the 1inch Network DAO calls for the 1inch Foundation to allot resources to add derivative aggregation to the 1inch Protocol and dApp, and for 1inch Labs to add derivative aggregation to the 1inch smart contracts and 1inch API.

Opium's TURBO product is a short-dated call option:

- Community / users can "write" covered calls by pooling their tokens in order to earn yield (collect call option premiums)
- Takers (professional market makers) can buy the call options in order to gain leveraged exposure to the underlying asset

Adding Opium's TURBO options to the aggregation UI will require coordination with the Opium community to ensure a smooth integration.

## Rationale

The architecture of the aggregation protocol has not yet been defined.

Opium's TURBO product was chosen as the first derivative supported because the Opium community was offering to help with this integration via documentation and SDKs.

## Considerations

The specifics of launching an aggregation protocol will not be defined until the 1inch Foundation supports the proposal. Like all new modules they have launched, a complete security review and audit should be performed before this change is implemented on mainnet.

Since all work described in this proposal will be organized by the 1inch Foundation, this will not cost any treasury funds.

## Not-Passed

All 1IPs that did not pass the Phase-4 vote. These 1IPs did not meet the minimum quorum, and/or a majority of the voting weight was opposed to the change:

### [1IP-38]Reduce 1inch Governance Quorum to 7m Unicorn Power (UP)

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote

### [1IP-36]Creating reviews, threads, articles, and natively working with DeFi opinion leaders

- Phase-3: Temperature Check
- Phase-4: Snapshot Vote

### [1IP-32]StableLab 1INCH Grant Request

- Phase-3: Temperature Check

- [Phase-4: Snapshot Vote](#)

## [1IP-23]Allocate 900,000 in ARB to Purchase a Lamborghini Revuelto for Marketing Purposes

- [Phase-4: Snapshot Vote](#)

## [1IP-22]A Community First 1inch DAO NFT Marketplace

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#)

## [1IP-10]1inch DAO SAFE Airdrop Claim

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#)

## [1IP-06]Donation of 1inch DAO Treasury Funds to support Ukraine's humanitarian crisis

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#)

## [1IP-03]VOTE to make 1INCH deflationary

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#)

## [1IP-01]1inch Trading Incentives - Discount, Swap Fee & Slippage Subsidies

- [Phase-3: Temperature Check](#)
- [Phase-4: Snapshot Vote](#) [Edit this page](#) [Previous 1inch Improvement Proposal (1IP) Template](#)[Next Glossary](#)