

TMC-2: Research and implement permissionless Stonks execution

Strategy

Research and develop a permissionless [Stonks](#) trigger

Objective

Accelerate a transition of TMC ownership over a key financial operations tool to the community

Intended on-chain action

1. Research and develop the most secure mechanisms that will allow LDO token holders to select a threshold and trigger Stonks permissionlessly;
2. Develop on-chain tooling with a grief-proof mechanism

Impact on treasury liquidity

No relative change to treasury liquidity

Execution complexity

The Stonks tool allows non-custodial treasury swaps already, and represents the overwhelming majority of the execution complexity. A permissionless trigger is comparatively much simpler

Maintenance complexity and overhead

Minor, may require maintenance and updates of the limits from time to time

Summary of possible risks

- Tail event execution modes may trigger more or less swaps than desired

→ we recommend DAO contributors to actively research and publish pros and cons of various modes of permissionless triggers for community feedback ahead of execution

Summary of potential benefits

- Ability to hand over ownership of a key financial operations tool to the community
- Fulfill the mandate of the Treasury Management Committee to automate itself

Compliance with Treasury Management Principles

Yes

Proposer

Steakhouse

Agreement

Pending from TMC poll

Perform

Steakhouse

Input

Pending from community

On-chain execution stage

Proposal

Other notes

- [Query to see the months of runway based on stablecoins only](#)
- [Query to see the months of runway based on stablecoins and stETH in the surplus](#)

[Lido Stonks: Treasury Swaps via Optimistic Governance](#)

The modular approach of this design makes it possible to iterate very quickly on a next step of this function. Today, the TMC will be in charge of the trigger and selecting thresholds, but there is no reason why this level-setting and execution couldn't be done permissionlessly also. One way in which this could be done is by allowing an Aragon vote to set a maximum ceiling of swaps permitted in a rolling 12mo period (~2.6m blocks):

[

image

1856×1600 122 KB

](https://europe1.discourse-cdn.com/business20/uploads/lido/original/2X/6/654de5568d5741ca981b283f7a2b96f34105d0bc.png)

Poll for Treasury Management Committee Members

End date 21-Mar-2024

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- Approve
- Reject

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voters