

Following our initial [post](#) and discussions, the chefs at Steakhouse would like to tender a formal proposal to establish a Treasury SubDAO.

We appreciate the variety of perspectives provided by the community - including members from the Foundation, validators, token holders and other core contributors - and are excited to contribute to enhancing the sustainability of the dYdX community treasury and financial planning.

# Proposed Terms of Engagement

## A) Core Mandate

The funding will support the execution of the highlighted Treasury SubDAO priorities including:

- Establishment of a Cayman Foundation and Treasury multisig

to achieve greater tax and legal certainty for the dYdX community

- Development of a staking program

to stake a portion of the DYDX community treasury to dYdX Chain validators \* Scope for the staking ratio in the community treasury to increase from the current 20% (19.5M DYDX) to up to 50% (50.5M DYDX) for additional income

- Final details will be published after a comprehensive APY and income review and ratified in the community treasury spending proposal (as discussed in the Next Steps section)
- Scope for the staking ratio in the community treasury to increase from the current 20% (19.5M DYDX) to up to 50% (50.5M DYDX) for additional income
- Final details will be published after a comprehensive APY and income review and ratified in the community treasury spending proposal (as discussed in the Next Steps section)
- Oversee diversification of DYDX

from the community treasury into stablecoins

- Earn yield

on the DYDX diversified out of the community treasury \* Due diligence opportunities

- Provide allocation options and recommendations to the community
- Develop transparent treasury reporting to provide visibility to performance
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- Provide allocation options and recommendations to the community
- Develop transparent treasury reporting to provide visibility to performance
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- Partner

with the dYdX Foundation, dYdX Ecosystem Program, Operations SubDAO, and broader DAO to support financial planning activities, funding, and operational support

## B) Team

The Treasury SubDAO will benefit from the whole Steakhouse kitchen brigade, including, but not limited to, the following core contributors.

Aes (founding Chef)

- BS in Finance & Management from Northeastern University
- Passed all three levels of the CFA exam
- 10+ years of finance, consulting, and operations experience

- Engagement lead at MakerDAO and contributing to Morpho, previous experience including Thermo Fisher Scientific (NYSE: TMO), and Deloitte Consulting LLP

Roo (Chef)

- BS in Finance from Duke University
- Previously an analyst and trader at Hildene Capital, a structured credit hedge fund
- Worked for Citigroup's Structuring and Syndicate team, bringing new issue CLOs to market and prior to that, worked on Citigroup's institutional Investment Grade Credit team

Sergi (Data Chef)

- Master's in Blockchain Technologies from Universitat Politècnica de Catalunya and MBA from ESADE Business School
- 20+ years software engineering and data analytics experience
- 5+ years blockchain engineering experience
- Global BI and IT leader in varying roles for Danone and Air Products prior to joining the crypto industry full-time

Adcv (founding Chef)

- MSc Industrial Engineering, BSc Electrical Engineering from EPFL
- MBA from INSEAD and CFA charterholder
- 10+ years of finance, consulting, and operations experience
- Currently contributing to Lido DAO, MakerDAO and Morpho. Previous experience including M&A advisory and investment banking, turnaround manager for a small business and various corporate finance roles

Equanimiti (Chef)

- MFin from MIT Sloan School of Management, BS in Math from New York University
- Passed all three levels of the CFA exam
- 10 years in public equity investment management
- Currently contributing to Lido DAO and Morpho

## C) Proposed Compensation

We are requesting \$62.5K in DYDX per month, \$750K annualized (calculated as the 30-day TWAP as of the final day of the month) of funding from the dYdX Chain community treasury. The funding supports a 12-month engagement period, subject to the dYdX community's satisfaction with performance.

- Steakhouse partners with projects and communities that we believe in. As such, we prefer payment in project tokens over stablecoins to ensure alignment.
- The \$750k annualized budget will support the execution of the responsibilities outlined in the Core Mandate section
- The proposed amount excludes

funds required to create a Cayman Foundation in the first year, which we estimate will not exceed \$50K.

- Industry practice for treasury management has evolved to follow a % fee charging model (e.g. 1-2% of AUM/size of the treasury managed). Our belief is that this is a suboptimal model, as it encourages treasury growth through surplus accumulation, over for instance, investment in other growth initiatives or future token holder value accrual (i.e. room for misaligned incentives with stakeholders in the ecosystem).

If the community is not satisfied for any reason, they may end the engagement through a vote and we will forfeit any unvested DYDX tokens (note - forfeited tokens will be calculated assuming all tokens are vested, so in the event of a mid-month offboarding a pro-rata distribution of DYDX tokens would be made).

## D) Next Steps

Following community feedback and a successful vote of the proposal, we will initiate a text proposal seeking dYdX

community approval to establish a Cayman Foundation. Upon successful formation of the Cayman Foundation, we will launch a separate community treasury spending proposal. This proposal will seek to:

1. Transfer vested DYDX from the dYdX Chain [Treasury](#) to the Treasury subDAO multisig wallet.
2. Launch the community staking program.
3. Execute additional components of the core mandate as outlined.