

Simple Summary

This proposal redirects allocation of Safe tokens - after transferability is enabled - and redirects idle USDC from all CoW DAO Safes to the Treasury safe for active management. Additionally, this CIP gives mandate to the Core Team to collaborate with the treasury team and initiate running validators of GNO, accruing extra yield for the DAO.

Motivation

This CIP presents a strategic opportunity to optimize CoW DAO's financial position, foster growth, and further align its actions with the DAO's core values of transparency, decentralization, and innovation.

Proposal

1. CoW DAO currently claimed from 4 eligible addresses 94.4k out of a 160.4k allocation of SAFE Tokens. Given the potential short term transability of the token being enacted - as per [this Safe DAO discussion](#) - this CIP proposes the operators of the following addresses to redirect all claimed and claimable (at the moment of transaction) SAFE tokens to the Treasury safe for active treasury management purposes.
2. Additionally, this CIP proposes that the CoW DAO Signers redirect the holdings at the [CoW DAO daughter safe / KYCed funds Safe](#) , which amount to 49 876,064 USDC, to the Treasury safe for active treasury management purposes.
3. Lastly, as per the [2023 treasury report](#) the Treasury generated 128k in DeFi results with an average capital utilization of 96%. This capital utilization inefficiency comes mostly from idle GNO, which is currently not utilised. Given the passing of CIP-37, and the re-allocation of funds to the CoW AMM project, the treasury at the time of the [February 2024 Treasury report](#), had 2.6M USD in idle GNO. Hence, this CIP proposes to give a mandate to the CoW Core Team to allocate the entirely idle GNO in the Treasury to run validator in Gnosis Chain, specifying the Treasury Safe as the withdrawal / destination address for validator rewards, hence being the sole ultimate owner of funds. At a conservative estimate of 10% yield, this strategy could generate over 260k USD in GNO, further increasing CoW DAO runway and the exposure to the Gnosis ecosystem. Note that the Core Team is currently already running Gnosis Chain nodes and validators, hence having the sufficient technical knowledge to insource this task for the benefit of the DAO without exposing to higher counterparty risks of allocating significant assets to third parties not currently related to the project.

Execution

Execution of this proposal requires two steps.

Operation 1 - Redirect of SAFE Tokens

From [CoW DAO KYC'ed Safe](#) to [Treasury Safe](#)

From [CoW DAO Safe](#) to [Treasury Safe](#)

From [Solver Rewards Safe](#) to [Treasury Safe](#)

From [CoW Team](#) to [Treasury Safe](#)

Operation 2 - Redirect of 49 876,064 USDC from [CoW DAO KYC'ed Safe](#) to [Treasury Safe](#)