

Simple Summary:

This proposal outlines the benefits for Lido and its users through Amulet integration. Additionally, it seeks input from the community and the Lido core team on potential joint marketing initiatives and support, including suggesting or referring TVL to be staked through Amulet into Lido.

Amulet V2 Overview

Amulet V2 is a Web3 discovery platform that combines curated yield opportunities with risk management strategies, termed RiskFi.

The protocol employs a Risk Adjusted Yield perspective to balance yield and risk, offering quality yield strategies, transparent risk profiles, built-in loss protection, and efficient parametric claim handling.

Products

Vaults

The vault feature facilitates users in depositing their assets to earn yields generated by the vaults, through strategies leveraging diverse opportunities across various Web3 protocols. Upon asset deposit, the smart contract enacts specific strategies of the vaults to yield earnings for the users.

Yield Vault

Overview

Amulet V2 Yield Vault offers users thoughtfully selected yield opportunities along with advanced strategies, coupled with a transparent risk profile and inherent loss protection. This guarantees a Risk Adjusted Yield to users, fostering a sense of security and peace of mind.

Core Features:

Curated Yield Opportunities

: Amulet V2 meticulously selects from numerous Web3 projects, presenting only those that satisfy our rigorous criteria.

Transparent Risk Profiles

: Every showcased yield opportunity comes with a clear risk profile, simplifying the understanding of potential yield and associated risks—much like reading a nutrition label, but for your vaults.

Built-in Loss Protection

: Embracing our RiskFi approach and Risk Adjusted Yield, we provide loss protection, ensuring users peace of mind even when protocols falter.

Claim Trigger Parameterization & Streamlined Processing

: Adopting a parametric insurance-inspired technique, objective metrics determine claim triggers, ensuring efficient and expedited claims processing.

How do the yield vaults work?

Stake Assets

: Users deposit their assets into the Yield Vault.

Automated Strategy Allocation

: Yield Vault autonomously allocates these assets into various yield strategies, minting LP tokens.

Coverage Purchase

: System Operators periodically utilize generated yield to purchase or renew covers for the Yield Vault from the Risk Vault.

Parametric Trigger Checks

: The parametric trigger is the price threshold of LP tokens which represent the shares of staked assets in the Yield Vaults. System Operators routinely assess if parametric cover triggers are met, initiating claims from the Risk Vault when necessary.

Risk Vault

Overview

Amulet V2 Risk Vault provides a platform for users to act as underwriters, offering coverage for Yield Vaults in exchange for coverage fees, thus presenting an alternative return avenue beyond yield generation through Web3 protocols.

Core Risk Vaults

Single Vault

: Protects individual yield vaults, with coverage capacity sourced from users aspiring to act as underwriters and collect coverage fees.

Common Vault

: Provides coverage for all yield vaults, with coverage capacity from the Amulet Safety Fund (ASF) backed by \$AMULET tokens and collected coverage fees.

Risk Transfer Vault

: Slated for phased introduction, this vault protects all yield vaults with coverage capacity from external third-party coverage providers.

Capacity Calculation

The total capacity of the Risk Vault is determined by the staked LP tokens and the leverage set by underwriting parties.

Lido Strategy

Lido Liquid Staking

Amulet V2 is the integration partner with Lido for yield strategies expansion. Through Lido's Liquid Staking strategy, assets staked by users in the Yield Vault are channelled to the Lido Staking Pool, initiating the accumulation of staking rewards. Simultaneously, these staking rewards are auto-compounded, and users are also rewarded with \$AMULET tokens through farming.

How does the Amulet's Lido Liquid Staking strategy vault work?

Stake Assets

: Users deposit their assets into the Amulet's Lido Liquid Staking strategy

Automated Strategy Allocation

: Yield Vault autonomously allocates these assets into the Lido Staking pool, minting LP tokens.

Coverage Purchase

: System Operators periodically utilize generated yield to purchase or renew covers for the Yield Vault from the Risk Vault.

Parametric Trigger Checks

: The parametric trigger is the price threshold of LP tokens which represent the shares of staked assets in the Yield Vaults. System Operators routinely assess if parametric cover triggers are met, initiating claims from the Risk Vault when necessary.

How can Lido benefit from Amulet?

- Amulet's Lido Liquid Staking strategy channels user-staked assets in the Yield Vault of Amulet to the Lido Staking Pool, beginning the accrual of staking rewards. It means that it will increase the TVL of Lido.
- If the price of the LP token acquired by Amulet through staking reaches the predetermined thresholds, Amulet will provide coverage for the assets in the yield vault. Users who utilize Amulet's Lido Liquid Staking method can utilize our

Risk Vault, thereby shielding their deposited assets from various risks, including but not limited to:

- Security Risks: Such as Smart Contract Vulnerabilities and potential attacks on the protocol's domain or server.
- Market Risks: Including Insufficient Liquidity and the possibility of Price Manipulation.
- Operational Risks: Ranging from Team Misconduct to the threat of Slashing Risks.
- Security Risks: Such as Smart Contract Vulnerabilities and potential attacks on the protocol's domain or server.
- Market Risks: Including Insufficient Liquidity and the possibility of Price Manipulation.
- Operational Risks: Ranging from Team Misconduct to the threat of Slashing Risks.
- These risks are just part of the potential exposure to Lido, there may be other risks resulting from the LP token triggers.
- In essence, Amulet will cover the assets in the yield vault if the LP token price Amulet got after staking touches the triggers Amulet set up before.

What we are looking for to discuss:

- Is there any Lido grant program available for Amulet to apply?
- Can Lido help with marketing efforts of promoting Lido's strategy on Amulet?
- Is there any additional support, such as recommending or referring TVL to stake through Amulet into Lido?

Disclaimer

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This proposal is written by a member of the Amulet's team.

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