

Greetings,

Since the launch of the third version of the Uniswap Protocol ("V3" of the "Uniswap Protocol") in May 5th 2021, the Uniswap ecosystem has seen amazing growth, with ~\$3.5 Billion of total value locked in the protocol, the Community Treasury being valued over ~ \$2.2 Billion, over \$1 Trillion of total trading volume and the 24 hour trading volume at par with Coinbase as well as more than 300 integrations supported by the Uniswap Protocol. In addition, the Uniswap Protocol is completely run by the community ("Uniswap Community Governance"), with all decisions and changes for the protocol being implemented by Uniswap Community Governance.

With so much at stake, assessing risk is critical for the continued success of the Uniswap Protocol. Upgrades, asset additions, and changing market conditions have the potential to impact the protocol and the Safety Module. For that reason, it is critically important for the Uniswap Governance community to have access to all relevant information and thorough analysis to support sound decision making.

Risk assessment for the protocol and safety module can require advanced skills (such as a deep understanding of smart contracts and digital assets) as well as significant familiarity with the Uniswap Protocol. With these needs in mind, I'd like to propose the formation of a dedicated Uniswap Risk DAO to help support the community's stewardship of the Uniswap Protocol.

Uniswap Risk DAO Overview

Uniswap already has an established risk framework, covering various aspects of the protocol including asset risk, liquidity risk, and technical risk. This Risk DAO will seek to build on this by supporting the Uniswap community in the following ways:

Providing information and research for decisions on asset listing, liquidity provision, and other risk related matters

Providing feedback and analysis on risk levels of forum and on chain governance proposals.

Providing documentation on risks to the Uniswap protocol and related risk factors

Providing independent assessment of Governance proposals prior to submission by community members, including technical and general risk analysis

At the members' discretion, submitting posts to the Uniswap Community Forum to discuss and help to address and mitigate risks

This will help give Uniswap Community Governance greater information on

(1) Technical upgrades that have the potential to increase protocol risk.

(2) Engaging with third parties to better understand the Uniswap Protocol's ecosystem and to gain additional expertise.

Through its various members, the Risk DAO will seek to provide coverage of the relevant risk areas in the Uniswap Protocol, including:

1. Oracle risk
2. Governance risk
3. Technical risk
4. Risks pertaining to real world / off chain assets
5. Other risk related matters (including legal and regulatory)
6. Members of the Risk DAO will dedicate 5-10 hours per week for a minimum term of one calendar quarter, with the ability for membership positions to be renewed subject to approval via governance. The team will may also work closely with the Uniswap Foundation Team in taking serious decisions for the betterment of the Uniswap Protocol. Applications are open and can be submitted as set out below.

Given the levels of expertise required, members will receive \$500-1000/hr monthly. Payment will be based on success metrics (level of participation, amount of reviews completed, etc). Re-elected members should receive a bonus worth 10% of their previous quarter's compensation.

Initially the starting budget should be roughly \$3M per year, which is around a grand total of nearly \$30M for 10 years - this covers 5-10 members working ~10-20 hours per week at an average of \$500 per hour, along with a small contingency budget for additional expenses. Member compensation will be based on the specific skills provided so individual members may earn more or less than \$500 per hour.

Participating in the Uniswap Risk DAO

Ideally the Risk DAO would be composed of experts from the Uniswap community as well as experts from the Uniswap

Foundation (UF) . The members will be selected based on the following criteria :-

1. The expert's involvement in the Uniswap ecosystem and in the space more generally?
2. What skills/experience do they bring?
3. Can they commit ~5-10 hours a week?
4. and much more.

A application form will be published via the Uniswap Governance Forum through which qualified and aspiring applicants can apply to become a part of our venture. The applications will be reviewed under supervision of The Uniswap Foundation.

I'll get in touch with the applicants to discuss further, and hope to have an initial team and governance proposal in order in the coming weeks.

This endeavour of ours has been supported by The Uniswap Foundation Grants Program and we are collectively working with them to make this aspiring idea a reality soon.

Considering the size of this grant, We intend to request funding directly from the Uniswap Community Treasury rather than the UNI Grants DAO to ensure the continued funding of other future community priorities.

Therefore, We cordially request the members of the Uniswap Community Governance Forum to collectively delegate their respective voting power to the following ERC20 address `0xe213FC862ff8511e74a030919f610212bCc94e69` for us to start the Temperature Check and the Consensus Check to eventually launch the on-chain Governance Proposal.

Please feel free to provide any general questions(if any) or comments about the Risk DAO as well. Let us know your thoughts about this soon.

With Best Regards,

Swastika Chakraborty

The Uniswap Risk DAO Team