

Vote on the Governance Proposal here: [Create the Uniswap Foundation](#)

The Governance vote ends on Tuesday, August 23 at 3:22 PM EST.

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Thank you to everyone who has read our proposal to create the Uniswap Foundation thus far!

Our conversations with you have energized us even more about the opportunity for the UF to positively impact the Uniswap ecosystem.

We have added additional information about the UGP and other topics discussed in the Temp Check forum to the addendum of the proposal. For the final governance proposal, we have also added the multisig addresses to the Addendum.

Link to Temperature Check governance forum post: [Temperature Check: Create the Uniswap Foundation](#)

Link to Temperature Check snapshot poll: [Temp Check Snapshot](#)

Link to Consensus Check governance forum post: [Consensus Check: Create the Uniswap Foundation](#)

Link to Consensus Check snapshot poll: [Consensus Check Snapshot](#)

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## Uniswap Foundation: Preamble

Uniswap has already changed the world.

In only 3 years, the world's first automated market maker has pioneered DeFi primitives, supported more than [\\$1T](#) in cumulative volume, and served [millions of users](#) worldwide. Its daily volume today is [on par with Coinbase](#).

Ownership of the protocol was [transferred to the community](#) in 2020 and since then the Uniswap Grants Program (UGP) has demonstrated the potential for community-funded initiatives to make a positive impact. Over 1.5 years, UGP [has funded 120+ grantees](#) improving governance, and developing new interfaces and developer tooling.

However, there is still work to do to help Uniswap reach its full potential. The governance process has too much friction, the ecosystem is too difficult to navigate, and UGP in its current form is not able to fund the most ambitious and impactful projects.

We want to change that.

Today, we are excited to propose the creation of the Uniswap Foundation

, which has the mission to support the decentralized growth and sustainability of the Uniswap Protocol and its supporting ecosystem and community.

In other words, the goal of the Uniswap Foundation is to support you

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Uniswap's community is expansive, encompassing the universe of individuals and organizations which build on and benefit from decentralized protocols. Your contributions have already made Uniswap a success, but we want to help you accomplish much more.

The Uniswap Foundation (UF) will provide grants to builders, researchers, organizers, academics, analysts, and more to grow the Protocol and plan for its future.

It will make it easier to govern the protocol and community treasury, and to navigate the broader ecosystem.

It will help you make an impact – to reduce friction, and amplify your efforts.

We believe that Uniswap will be the value exchange layer of the Internet.

It brought the automated market maker to the masses.

It has led the way in the evolution and growth of DeFi and web3.

It is censorship resistant, permissionless, decentralized, and secure – constituting a set of properties which we believe should define our world's financial infrastructure.

But there is still a long way to go for Uniswap to reach its full potential.

We're excited to work with all of you to make that happen.

If you're excited too, please read our proposal, comment, reach out to chat (our DMs [@devinawalsh](#) and [@nkennethk](#) are open!), and spread the word.

# Uniswap Foundation Proposal

This proposal is being put forth by the Uniswap Foundation, a Delaware corporation formed by Uniswap community members [Devin Walsh](#) and [Ken Ng](#) to facilitate the steps outlined in this proposal.

## TL;DR

- Today, we are thrilled to propose the creation of the Uniswap Foundation (UF)

- Scope:

The UF, the first Foundation of a major protocol to go through the community governance process, will support the Protocol's decentralized growth, reinvigorate governance, and serve as a Protocol advocate.

- Team:

Devin Walsh will serve as the Executive Director, Ken Ng will serve as Head of Operations, and they will build out a team of 12.

- Budget:

To fund these efforts, we are requesting: \* A \$14M

Operating budget to cover a full team for 3 years

- A \$60M

expanded Uniswap Grants Program (UGP) budget to cover 3+ years

- We are requesting \$74M

total, which will be broken into two disbursements, with a first disbursement of \$20M

- A \$14M

Operating budget to cover a full team for 3 years

- A \$60M

expanded Uniswap Grants Program (UGP) budget to cover 3+ years

- We are requesting \$74M

total, which will be broken into two disbursements, with a first disbursement of \$20M

- Governance Participation:

We are also requesting 2.5M UNI

to participate in governance, primarily through delegation. Through usage of a new smart contract primitive [The Franchiser](#), this UNI will be revocable by the DAO at any time, and cannot be used for any purpose outside of governance.

## Uniswap Foundation

### Mission

In pursuit of a more open and fair financial system, the Uniswap Foundation supports the decentralized growth and

sustainability of the Uniswap Protocol and its supporting ecosystem.

## Key Activities and OKRs

We have listed our starting OKRs below. It's possible these OKRs will have to change in the future. If they do change in a meaningful way, we will communicate that to the community.

Growth:

Promoting Decentralization & Growth of the Protocol and Ecosystem

[

OKR 1

1298×840 94.6 KB

](https://global.discourse-cdn.com/business6/uploads/uniswap1/original/2X/6/619bc0745412b267da6d9b54787fc42bbd325493.png)

Governance:

Reinvigorating the Uniswap Community Governance Process

[

OKR 2

1282×342 36.5 KB

](https://global.discourse-cdn.com/business6/uploads/uniswap1/original/2X/c/c8b88b9477f9c2c81ab5457cca4e9552781b3bf6.png)

Advocacy:

Advocating for the Protocol and amplifying its positive social impact

[

OKR 3

1306×328 52.9 KB

](https://global.discourse-cdn.com/business6/uploads/uniswap1/original/2X/1/140c46d1c2e79f9e6dab44fbfb65826e578e3a59.png)

Optimism Phase 0 token distribution link [here](#)

## Year 1 Roadmap

Our roadmap for the first year of operations includes but is not limited to the following activities:

[

Year 1

646×825 252 KB

](https://global.discourse-cdn.com/business6/uploads/uniswap1/original/2X/0/0b9a3fb2b8ad0bb2eb400d0cdb1d391ee5ef9f06.png)

Optimism Collective community Constitution link [here](#)

## Team

[Devin Walsh](#), Executive Director (ED)

As ED, Devin will be responsible for setting UF's strategic vision alongside the Board and driving execution to achieve that vision.

Devin has been in crypto since 2016. She has conducted independent research for MIT's [Digital Currency Initiative](#), worked

on decentralized identity at [uPort](#) (ConsenSys), and led protocol and venture investments at [CoinFund](#). She has consulted with [Edge & Node](#) and [cLabs](#), and led [MIRA](#), a seed stage startup at the intersection of fine art and NFTs. She recently resigned as Chief of Staff at Uniswap Labs in order to propose the creation of the UF.

[Ken Ng](#), Head of Operations

As Head of Operations, Ken will build and scale processes to maximize the UF's impact.

Ken has served the Uniswap ecosystem as Lead of the [Uniswap Grants Program](#) for the past 1.5 years. He has helped run the Ethereum Foundation [Ecosystem Support Program](#), which gave Hayden his [initial grant](#) to build Uniswap. He served as COO of [Slingshot Finance](#) and cofounder of his nonprofit [eduDAO](#), which helps raise funds for students and teachers in the Bronx.

The needs, and thus the makeup, of our team may change over time. However, today we aim to hire for following roles, with a focus on filling the Grants and Governance roles first:

Applications are open today! Check out job descriptions [here](#).

As noted by [Other Internet](#), there is also a need for new structures to “facilitate coordination across the complex web of stakeholders” within the Uniswap ecosystem. To provide this much needed coordination, the UF will be committed to working with a variety of independent parties (freelancers, development teams, research fellows, analysts, and more) to achieve many of its objectives.

## Advisors

The Foundation's initial advisory team will be made up of the following individuals:

1. [Jesse Walden](#), Founder and GP, [Variant](#)
2. [Julia Rosenberg](#), Co-Founder, [Orca Protocol](#)
3. [Alexis Gauba](#), Co-Founder, [Opyn](#); Co-Founder, [she256](#)
4. [Hart Lambur](#), Co-Founder of [UMA](#)

In addition to advising UF on strategy and roadmap, this group will, alongside the Executive Director (ED) and Head of Operations,

1. Provide input on UF's initial hiring decisions. This may include interviewing potential candidates and sharing feedback with the Committee as it determines its first hires, including its third Board member and at least next three team members.
2. Become temporary signers of the UF multi-sig, which will hold UF funds if and when the proposal is passed, for the sole purpose of executing approved proposals as instructed. This responsibility will be transitioned to UF team members once they are hired.

## Board

Devin Walsh and Ken Ng will serve as the first two Board members of the UF. Alongside the UF's Advisors, they will interview and target to hire a third Board member in the first 3 months of operations.

## Budget

We are requesting \$74M in UNI. This funding would be broken down into the following buckets:

- \$60M for Uniswap Grants Program

Grants spending will be broken down into the below categories. We will revisit and readjust these categories as needed to ensure we continue to deploy resources where they are most impactful.

We are proud of the work done by UGP thus far (memorialized in this [retrospective](#)), and are incredibly excited to expand the scope of its work.

We are already in the process of assessing several high impact grant proposals which UGP would be excited to fund, if and when this proposal is passed. Two examples are:

1. A version of Uniswap v3 written in Cairo, to be deployed on Starknet
2. A prototype of an MEV estimation tool leveraging machine learning techniques built by respected academics in the space

We are also excited to continue funding ongoing work by existing grantees funded by UGP v0.1, including governance experiments and analyses from Other Internet, customer support from Serv.eth, and ETHGlobal hackathons.

To ensure community alignment with larger grants disbursements, the UF will put forth an off-chain Snapshot to the community for proposed grants larger than \$2M.

We believe that this Grants budget will last approximately 3 years but this is subject to change depending upon the number and quality of applicants. We plan to approach the Treasury for additional Grants funds when there are ~6 months of funds remaining.

- \$14M operating budget

to build out a full team of 12 over the next two years.

In order to provide stability to our employees and to sustain the Foundation, we may make a request to the community for additional funding for further out than 3 years when we return to the Treasury at 6-12 months of operations (read more below).

Budget estimate looking forward three years is below.

\*Inclusive of UNI vesting. In order to incentivize a highly qualified team, the UF will offer competitive compensation packages including both fiat and long-term vesting UNI. To provide full transparency, we will disclose UF financials later this year.

\*\*The UF will allocate an additional \$2M in funds to cover legal fees in the case of unexpected future litigation.

## Fund Disbursements

An approval of this proposal is an approval for the full \$74M

budget requested.

We are requesting the funds in two disbursements:

1. \$20M

now to cover operating expenses for the next 2 years and grants for 1 year. Assuming a UNI price of \$8.14\*, this initial request totals to 2,457,002 UNI.

1. \$54M

, to be disbursed by the Uniswap Treasury in 6-12 months once the UF has completed the establishment of its legal entity. The UF will publish a post on the forum notifying the community a week prior to putting forth a formal governance proposal for the remaining funds. In other words, because this proposal approves the full amount of funding, we will not go through an additional the Temperature Check and Consensus Check steps to receive this second disbursement.

\*To calculate our final UNI request we will use the 30 day TWAP on the day we put forth our Governance Proposal. \$8.14 is approximately the 30 day TWAP as of 8/15/2022.

## Governance Participation

The UF is also requesting 2.5M UNI

to participate in governance.

These tokens will be delegated to the UF by the Uniswap DAO through a new smart contract design [The Franchiser](#), which ensures the tokens are only used for delegation, and allows the DAO to claw back the tokens at any time. The UF plans to use these tokens primarily for delegation to community members without the requisite 2.5M UNI to submit a governance proposal, however the UF may also self-delegate the UNI to vote, and to put up its own proposals.

The Franchiser was developed by [Noah Zinsmeister](#) and was audited by [Trail of Bits](#).

## Next Steps

We are excited to discuss this proposal with the broader community as it passes through the Request for Comment phase. Should sentiment be positive, a Temperature Check Snapshot poll will be set up on Mon., August 8. If the Temperature Check poll passes, additional feedback will be incorporated before moving forward to the Consensus Check.

Additionally, to discuss the proposal and answer your questions, we plan to attend the Uniswap Community call at 4 PM EST on Wed., August 10, and to host a Twitter Spaces on @uniswapgrants

at 11 AM EST on Tues., August 16.

## Addendum

### What is UF's relationship with other ecosystem entities?

The goal of the UF is to be one of many

organizations supporting the Protocol. UF's overarching focus will be on seeding and growing an ecosystem of entities supporting the Protocol.

### What is UF's relationship with Uniswap Labs?

The UF is an independent entity whose mandate will be to grow Uniswap's usage, reinvigorate the governance process, and advocate for the protocol and community. To achieve those goals, it will build its own lean team, and provide grants to, support, and/or work alongside a number of existing and new values- and mission-aligned organizations.

Uniswap Labs is one of many organizations in the Uniswap ecosystem. It built, deployed, and, alongside many other teams, will continue to contribute to and build on the Protocol in the future.

As a commitment to the proper decentralization of the protocol, Uniswap Labs had previously provided a royalty free perpetual license for V3 and related trademarks to the Uniswap Grants Program and selected grantees at UGP's discretion. To succeed, the UF will require the ability to grant v3 BSL license exemptions, to maintain the governance forum, [Sybil.org](https://sybil.org), and Protocol-related developer docs, and to help facilitate protocol development across many teams. Labs has given their blessing to this preliminary proposal for asset transition.

### What kind of legal entity will UF be?

Currently, this proposal is being made by the Uniswap Foundation, a pre-existing Delaware corporation formed by Uniswap community members Devin Walsh and Ken Ng. However, the UF team is conducting extensive research to determine the type of legal entity which best matches our ambitions, including our mission to make a positive social impact. The entity should also give the UF the ability to enter into contracts, open a bank account, and hire employees. Given these requirements, we are contemplating a US-based entity that would seek tax-exempt status. As there is no guarantee that tax-exempt status will be secured, we may make modifications to UF's structure and operations in the future. We will share more about our path forward with the community as soon as we are able to.

### What will happen to the \$UNI after it's sent to the UF?

If the proposal passes, funds will be sent to the UF multi-sig, which is custodied by the ED, Head of Operations, and UF Advisors.

To provide runway for our team and grantees, we intend to convert all \$20M of the initial UNI disbursement to stablecoins and fiat over the first month of operation. We have established relationships with multiple brokers, are also exploring private sale options, and plan to pursue an approach which will minimize UNI price impact.

We similarly plan to diversify the remainder of funds in the second disbursement. At least one month prior to transfer, the UF will publish a Foundation Treasury Diversification report for this UNI. In the report, we will detail the amount we plan to diversify, which broker we plan to use, and how we plan to price the UNI sold.

### How does UF's Budget compare with the budgets of similar organizations across web3?

The \$74M

budget represents ~1.05%

of the total UNI supply. This is a relatively small percentage of UNI supply compared to the percentage of tokens allocated to Foundation and Grant programs by other protocol teams.

- 45% of OP tokens have been allocated to an Optimism Ecosystem Fund (25%) and Retroactive public goods funding (20%) ([here](#))
- An unpublished portion of ~22% of dYdX were allocated to current and future employees and consultants of the Foundation ([here](#))
- ~26% of GRT was allocated to The Graph Foundation, educational programs, and grants ([here](#))
- 25% of CELO was allocated to Community and Operational Grants ([here](#))
- 12.5% of SOL was allocated to the Solana Foundation ([here](#))

- The Ethereum Foundation holds a treasury of \$1.6B ([here](#))

## What happens to UGP and the UGP Subcommittees?

To start, UGP will continue operations as it exists today with the existing Allocation Committee. Once the Grants Lead is hired, they will lead all grants funding decisions and require final approval from either Devin or Ken (2/3 approval required from Grants Lead, Ken, and Devin).

UF plans to continue to fund the existing UGP subcommittees as separate, supportive entities. [The Stable](#) subcommittee will continue to be made up of Ken and [Boris](#). The UGP Community Analytics subcommittees will continue to be made up of [Yj](#), [Fede](#), [Rantumbits](#), [Annamira](#), TZM, and [Trea Qura](#).

## How does the UF plan on being sustainable over time?

This proposal would fund UF operations for at least 3 years. In the future, we plan to return to the community to increase our operating budget when we approach 18 months of runway.

We also predict our grants budget will last approximately 3 years. In the future, we plan to return to the community to increase our grants budget when we approach 6 months of funds remaining.

## What is UGP, and how do I find out more about it?

The Uniswap Grants Program started after going through a [governance vote](#) in December 2020 for an allocation of \$1.5M in UNI intended to last 6 months. While the initial set of priorities for UGP was narrowly scoped as an MVP to seed the ecosystem of developers, it has since grown to encompass more, including governance research, community building and education, and core protocol work. Due to the crypto market bull run we were able to give \$7M in grants over 18 months.

Grants researcher [@sovereignsignal](#) also recently put together a fantastic (independent) write-up on the history of the UGP [here](#).

For more information on UGP's past work and grantees check out the following links:

- [UGP Homepage](#) (still accepting applications!)
- [UGP Twitter](#)
- [UGP Process Outline](#)
- [UGP RFPs & Challenges](#)
- [UGP Grantees](#) (h/t [@sovereignsignal](#))
- UGP Subcommittees (delegated resource allocators for targeted grants focused within a specific category)
- [The Stable](#) led by [b0r4](#)
- [UGP Community Analytics](#) led by [Yj](#), [Fede](#), [Rantumbits](#), [Annamira](#), TZM, and [Trea Qura](#)
- [The Stable](#) led by [b0r4](#)
- [UGP Community Analytics](#) led by [Yj](#), [Fede](#), [Rantumbits](#), [Annamira](#), TZM, and [Trea Qura](#)

## What does a successful UGP grant look like? What are some UGP success stories?

Grantees have done some incredible work over the past 1.5 years - for more information, check out our recent [retrospective](#) on UGP v0.1.

However, most UGP grantees are less than a year old. Just like with any product, it may take some time and several iterations for grant projects to develop traction and see adoption. The first version of Uniswap only worked for a single LP and ETH/ERC20 pair, and looked much different than the Uniswap we know and love today (still live [here](#)!). [Hardat](#), too, took time to become what it is today - Nomic Labs received its first grant in 2018.

With that being said, not every grant will have the same outcome as a Uniswap or Hardhat. Not every grant will have runaway adoption, just like with any startup. Even when a project does not have the expected or intended impact, it can still have a positive impact on the ecosystem, bringing in new developers, users, and ideas.

Grantee success can be a range of impactful outcomes and, although we can't pick favorites, some notable highlights are:

- [Serv.eth](#) Discord support - a globally distributed team of 10 supporting the Uniswap Discord server all hours of every day. They have resolved over 15,000 community support tickets (and counting!), from helping users set up their first wallet and making their first trades, to identifying scammers and helping others retrieve funds.



- [GFX labs](#) cross-chain governance research - The GFX team have been active Uniswap contributors since the beginning — they were one of the first LPs on v3! Their UGP-funded research led to the the Protocol's first cross-chain governance proposal, the deployment of the [1bps fee tier](#) on Polygon.
- [Chaos Labs TWAP hardhat plugin](#) - One of Uniswap's most under-appreciated innovations is the [TWAP oracle](#), a core but admittedly complex DeFi primitive. Chaos Labs recognized the need for more robust tooling and documentation to make integrating TWAPs more accessible. They created a Hardhat plugin so anyone can leverage its robust security and accurate price reporting.
- [Scopelift](#) Seatbelt & Flexible Voting- Scopelift productionised [Seatbelt](#) for governance testing. This test suite not only protects against unverified contracts, but also simulates proposals locally to ensure they deploy results properly. Additionally, their initial work on [Flexible Voting](#) would enable governance tokens locked in other protocols (for example, cUNI) to be leveraged for cross-protocol governance voting.
- [OmniAnalytics uniswappeR](#) - The first R package created to interact with, quickly query, and trade on Uniswap, opening the door for more advanced data analyses. The Omni team went above and beyond their grant scope to deliver video [tutorials](#), extensive [documentation](#), and an easy [dashboard generator](#) for in-depth exploration of trade history, LP and price simulations under infinitely customizable conditions including slippage and liquidity depth.
- [TechEducators](#) Solidity Bootcamp - As an established web2 bootcamp, the team behind ETHAnglia have built an open source Solidity Bootcamp to better usher web2 developers into web3 with a focus on building secure Ethereum dApps. Their target demographic reaches to underserved populations in the UK, offering scholarships and free mentorships. Through this work, they have received recognition and further support from the UK government through the Department for Works and Pensions.

## How will UGP be improved within the UF?

Even with the success cases listed above, there are a number of ways that we're excited to improve UGP for the benefit of the ecosystem.

- Provide grants to universities and research institutions:

Today, UGP is a multisig without a legal entity so we are unable sign contracts with or award grants to universities and academic research institutions, among others. As a legal entity, the UF would allow us to work with these organizations.

- Diversify assets:

No legal entity also means UGP could not diversify its assets out of UNI due to a lack of clarity around tax liability. This has made it impossible to scope out and provide larger and longer-term grants due to UNI price risk. The ability to diversify our assets will allow us to award these kinds of grants, for more ambitious and impactful projects.

- Full-time well-compensated team:

UGP v0.1 was able to pay its small group of contributors part-time ( $\leq 30$  hours per week). With an entity and full budget, the UF will be able to hire a full-time and well-compensated team. We also want to recognize the fact that a few UGP team members would still work 40+ hour weeks and weekends, uncompensated, due to a love for this work!

- Upscale all of UGP:

With a formal entity, larger budget, and a full-time team, we would be able to improve our internal processes, from the applicant pipeline through feedback cycles, decisions, disbursements, and ongoing grantee management. We can do more in proactive outreach to fill our pipeline with fresh ideas and new teams. We could shine more of a spotlight on the impact grantees have had on the community. We will also be able to scale up our legal and accounting capabilities required for a more comprehensive grants program.

- More communication:

With a larger team and a Comms/Social Media Lead, the UF would be able to more frequently highlight the work of grantees, as well as its own processes, decision-making frameworks, and operations to the community.

## What are the UF's multisig addresses?

The UF Custody multisig is: 0xe571dC7A558bb6D68FfE264c3d7BB98B0C6C73fC

The UF Governance multisig is: 0xA37131410A76791f4A0210e91EDD554d85aFb4d4

Linking to comments in Temp check for outstanding questions, we hit the character limit!

## What kinds of Grants would an expanded UGP be able to provide?

<https://gov.uniswap.org/t/temperature-check-create-the-uniswap-foundation/17358/37>



**What types of candidates are you seeking for 3rd board member?**

<https://gov.uniswap.org/t/temperature-check-create-the-uniswap-foundation/17358/33>

**Can you provide more information about the Grants funding allocation for novel incentive mechanisms?**

<https://gov.uniswap.org/t/temperature-check-create-the-uniswap-foundation/17358/33>

**How did you decide to set OKRs the way they are set in this proposal?**

<https://gov.uniswap.org/t/temperature-check-create-the-uniswap-foundation/17358/23>

**How does the fee switch play into the UF's roadmap?**

<https://gov.uniswap.org/t/temperature-check-create-the-uniswap-foundation/17358/16>

If this proposal is passed, we and the Foundation shall undertake our work abiding by the covenant of good faith and fair dealing.

It is the Foundation's current intent to use the disbursement in accordance with the terms of, and achieve the results described in, this Proposal. However, it is not possible to predict the course of future events, and thus actual uses and results may vary. If material changes to the operations of the Uniswap Foundation are required, we intend to put forth a subsequent vote to the community prior to making those changes.

Subject to any future agreement by the DAO to the contrary, the Foundation will hold the DAO and its members harmless with respect to any liabilities or damages assessed against the Foundation or its personnel based upon the making of the disbursement, the Foundation's or its personnel's use of the disbursed tokens or any other activities undertaken by the Foundation or its personnel in furtherance of the foregoing, other than liabilities or damages arising out of the DAO's fraud, willful misconduct or criminal activity.

Disclosure: Devin and Ken both hold UNI tokens. To the extent that readers find it relevant, Devin also holds a small amount of Uniswap Labs equity.