title: [TEMP CHECK] Treasury Management - Introducing StrategicAssetManager

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Summary

The StrategicAssetManager

is a dedicated contract for managing Aave DAO's strategic assets. At launch the StrategicAssetManager

will manage the DAO's veBAL holding.

Motivation

Aave DAO is soon to attain a veBAL holding. To maximise the upside for holding the strategic asset, the DAO needs a practical means of managing the asset.

The veBAL holding needs to be continually relocked to optimise goverance and rewards. Gauge votes are weekly and would require numerous AIPs to manage the veBAL effectively. Aave DAO also has an opportunity to participate in Balancer's governance on Snapshot votes via delegating governance rights.

The StrategicAssetManage will also hold the sdCRV position if approved by AIP. Yield generated from each strategic holding can be claimed, swapped and redeposited to compound into each strategy over time. The swaps have MEV protection and can be customised to have defined maximum amount of price impact.

Given the sheer volume and frequency of transactions to be performed, there exists a desire to minimum AIP votes. The StrategicAssetManager contains the ability for the ShortExecutor

to assign an AssetManager

. This role can be likened to a Treasury Committee (as suggested Part 4 of SM upgrade publications) and provides the DAO optionality to introduce a committee separte from this proposal once adequate guidelines are in place.

The contract contains an allow list which implements tight restrictions around which contracts the AssetManager

role can interact with. Further definition relating to what the AssetManager

can do will be defined in the [ARFC] publication.

Specification

The below provides a high level overview of the functionality provided by the StrategicAssetManager:

- Deposit/withdraw voteEscrow contract

- Lock/relock B-80BAL-WETH

- Participate in gauge votes

- Delegate governance voting rights

- Allocate boost

- Update boost

- Delegate boost

- Allow boost on Warden

- List boost on Warden (if the DAO votes for it)

- Claim protocol fees & other rewards

- Transfer assets (ie: collector contracts)

- Ability to lock other strategic assets

- Receive assets from the collector

- Receive assets from the Economic Reserve

The contract is upgradeable and controlled by Aave's [Short Executor

](https://docs.aave.com/developers/guides/governance-guide#the-short-executor-is-used-for-non-governance-related-proposals-such-as-asset-listing-parameter-upda) role via governance. Each function on the contract can be implemented via the ShortExecutor

whilst also having the ability to assign and remove, a AssetManager

role to a community elected address. There is also the possibility of having an IncentiveManager contract that could take on some of the listed functions defined above. These details will be worked through in the future.

Next Steps

Upon recieving a favourable Snapshot vote, @llamaxyz will continue finalising the payload in preparation for submitting to @BGDlabs for peer review. An [ARFC] post will be shared and progressed through governance. The [ARFC]

publication will provide greater insights to the functions on the contract and the Treasury Committee will be a separate [ARFC].

Disclosure

@llamaxyz is a service provider to Aave DAO. Llama is not presenting this ARFC on behalf of any third party and is compensated by only Aave DAO for creating this ARFC.

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