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Executive Summary

Pursuant to the Memorandum of Understanding ("MoU"), Trident Digital Technologies Ltd or its affiliates (together, "Trident") will deliver a Monthly Facilitation Incentive (defined below) on chain each month, in exchange for the maintenance of the USDP PSM Max Debt Ceiling at a level of at least 120 million USDP by Maker Governance. Under the MoU, the calculation of the Monthly Facilitation Incentive may be changed via request by either party. Trident will also deliver an Upfront Facilitation Incentive (defined below) of 3.25 million USDP on chain within 7 days of the MoU signing. Paxos, the issuer of USDP, has engaged Trident, a digital asset advisory firm, to help support USDP adoption via a number of initiatives including working with a range of DeFi protocols.

Key Definitions

For more details on these definitions, see the sections that follow.

Term

Definition

Daily Facilitation Incentive

Calculated by multiplying the USDP PSM balance at 11:59PM UTC on each day by 2.25% and 1/365.

Facilitation Incentives

Together, the Daily, Monthly and Upfront Facilitation Incentives.

Memorandum of Understanding or MoU

An agreement between Pinwheel Ltd and Trident pursuant to which the Monthly Facilitation and Upfront Facilitation Incentives will be paid.

Monthly Facilitation Incentive

The aggregate of Daily Facilitation Incentives for each calendar month, delivered by the 15th calendar day of the subsequent month.

Pinwheel Ltd

An exempted company with limited liability under the laws of the Cayman Islands and a wholly owned subsidiary of the RWA Foundation.

Trident

Trident Digital Technologies Ltd or its affiliates.

Upfront Facilitation Incentive

A single payment of 3.25 million USDP to be made on-chain by Trident within 7 days of the MoU signing.

Documents & Other Resources

- [DAO Resolution 1: Initial Setup](#)

- [Memorandum of Understanding](#)
- [Paxos Website](#)
- [Pinwheel – Articles of Association](#)
- [USDP Monthly Transparency Reports](#)
- [USDP Token Contract](#)
- [USDP Whitepaper](#)

Proposal Details

- Trident will deliver Facilitation Incentives in return for the continuous maintenance of the USDP PSM Max Debt Ceiling at a level of at least 120 million USDP.
- Facilitation Incentives shall accrue daily and be calculated by multiplying the balance of USDP within the USDP PSM at 11:59PM UTC on such day by 2.25% and 1/365 (the “Daily Facilitation Incentive”).
- The Daily Facilitation Incentives shall be aggregated on the first business day following the end of the applicable calendar month (the “Monthly Facilitation Incentives”).
- and shall be reported by Trident to Pinwheel within five (5) business days and paid by Trident by the fifteenth (15th) calendar day of the subsequent calendar month.
- Trident shall pay Pinwheel an upfront Facilitation Incentive of 3.25 million USDP (the “Upfront Facilitation Incentive”) within seven (7) days of the MoU signing.
- All USDP payments shall be made by Trident to the [RwaSwapInputConduit2](#) contract, which, from time to time, will be manually triggered by any third party to swap the USDP and mint an equivalent amount of DAI to be sent to the MakerDAO Surplus Buffer.
- Daily Facilitation Incentives will be waived on those days where (i) the USDP PSM is locked and the USDP in the USDP PSM is no longer redeemable for more than sixteen (16) hours on such day; or (ii) any PSM (including the USDP PSM) experiences a breach or failure that leads to any funds being stolen.

Transaction Parties

Pinwheel Ltd

Pinwheel Ltd will operate as an exempted company with limited liability under the laws of the Cayman Islands and a wholly owned subsidiary of the RWA Foundation (“RWA Foundation”).

Its formation by RWA Foundation will be ratified via the same DAO Resolution 1 (see Documents & Other Resources

above) that will also ratify the execution of all necessary documents and actions required to implement the contemplated transactions with Trident.

RWA Foundation is a Cayman Islands Foundation Company limited by guarantee that was formed in September 2021. The entity’s first major transaction was the Huntingdon Valley Bank (HVB) transaction, where RWA Foundation sponsored the creation of the RWA Master Participation Trust which is responsible for purchasing loan participations from HVB. Similar to James Asset (PTC) Limited and TACO Foundation, RWA Foundation serves as an entity through which Maker Governance can conduct activity in the “real world.”

The RWA Foundation supervisor votes at general meetings of the foundation. The director functions as any corporate director and its powers and authorities are limited by the Articles of Association. The secretary serves as the corporate secretary for RWA Foundation. The supervisor, director and secretary are corporate service providers that are limited in their actions by the Articles of Association and subject to [DAO Resolutions](#).

Substantive decisions regarding the assets and the overall structure will be, to the extent not delegated to an independent third party in the agreements, made by the director at the direction of DAO Resolutions.

Trident Digital Technologies Ltd

Trident is a recently established specialist digital asset advisory firm who provides solutions both on and off chain for institutional clients. Trident will help rebuild market liquidity by i) connecting borrowers and lenders via its secured non custodial lending platform which minimizes centralized counterparty risk and ii) assisting various issuers to grow the TVL of their tokens. Paxos has engaged Trident to help support USDP adoption via a number of initiatives including working with a range of DeFi protocols. Trident and USDP are in no way affiliated with MakerDAO.