

TL;DR

DAO should be consulted on blocking addresses.

As people may have seen. Addresses have been [getting blocked](#) on the AAVE (front-end) platform if they "[are associated with sanctioned persons and terrorist financing](#)". As a result of this, many accounts are getting dusted from people sending them money from Tornado Cash.

After much distress, AAVE "[fixed](#)" this issue. It turns out they use [TRM Labs](#) to scan for supposed illegal or sanctioned activity (AKA the use of TC).

I have a few issues with this.

1. The DAO was never consulted on what it considers sanctioned persons and terrorist financing.

1. It was never consulted on if address blocking should even be allowed.

1. It was never consulted on whether to use TRM Labs
2. AAVE is supposed to be decentralized.

Many people use AAVE outside of America with different laws, taxes, regulations, and sanctions

China has blocked access to all domestic and foreign cryptocurrency exchanges and ICO websites - does this mean every account associated with Coinbase and Binance should be banned?

Laos is the second highest country in regards to money laundering/terrorist financing "risk" according to [a 2019 study](#). Should all people from Laos be banned?

It seems AAVE, especially regulation wise, is (becoming?) heavily tailored towards being compliant with specific countries' regulations, however, as a decentralized platform it needs to be tailored towards the people

using it.

If you made it through reading this, thank you. I wrote this to get a feel for if people agree or not and to potentially propose a vote on removing the banning of addresses- or at least creating an official vote that states the terms the DAO would agree to regarding blocking addresses.