

Delegate Vaults

Lending vaults which delegate governance tokens to your favorite DAO contributors.

TL;DR

For ARB, and other gov tokens, users have to choose between holding tokens in their wallet for governance OR depositing in defi to use the tokens in the economic network that makes them valuable. Now users can do both by depositing ARB in Open Dollar's special "Delegate Vaults" where they can borrow stablecoins while simultaneously delegating the tokens to everyone's favorite DAO contributors.

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image

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](https://global.discourse-cdn.com/flex029/uploads/arbitrum1/original/2X/e/e6bf76fbd3b640625aba702f82421e11627ba503.jpeg)

[Last week, we announced our pilot](#) program for [Delegate Vaults

](https://build.opendollar.com/Delegate-Vaults-d11732aa9dd04ce6a240fcda575844a5), enabling Arbitrum Delegates to receive ARB delegations from tokens deposited in the Open Dollar Protocol.

We designed Delegate Vaults to boost DAO participation and capital efficiency, eliminating the daunting choice faced by many users who are torn between supporting their favorite delegate and participating in new opportunities on the Arbitrum network. A unique side benefit of Delegate Vaults is further decentralization of Arbitrum governance, as more market participants delegate and take loans, the more capital there is available to participate in governance. Instead of Governance and onchain financial strategies competing with each other, they can boost each other.

How it works

Open Dollar DAO can launch a Delegate Vault type at any time for a particular delegate through our own governance process. Then their supporters can create their own vaults (CDPs) and deposit their ARB tokens. The tokens have their voting power automatically delegated at the time of deposit. Depositors can also borrow the OD stablecoin against their deposited ARB as they would a standard vault on our platform, to swap and use in the Arbitrum DeFi ecosystem.

During this initial rollout phase we are creating Delegate Vaults for delegates who register on our form, but in the future we plan for the creation of these to be permissionless.

For the technical implementation of Delegate Vaults check out our [GitHub](#). The Coinjoin contracts which have been audited by Open Zeppelin, Quantstamp, and Code4rena.

Get started

If you would like to be among the first to offer this feature to your supporters, [you can sign up](#) here. You can also nominate DAO contributors.

If you have suggestions for comments on DVs, how else they can support Arbitrum governance, etc., please use this post to discuss. Thanks!