

Summary:

Revert the permanent mark caused by jailings as a direct result of the v2 emergency upgrade, given that there is yet to be in place an official emergency security alerting policy.

Description:

It has been suggested to implement a security alerting emergency policy, but given the chain is still young, it has yet to be implemented.

When the v2 security emergency upgrade was released, a few of the bigger validator were messaged privately and then it was announced to the other validators, but because the allowed downtime on dYdX chain is low, many validators who were not fortunate enough to be in a timezone where they were awake for the announcement were jailed, this has caused all these validators to be permanently marked as slashed in the x/distribution module.

Currently this only effects inclusion in the LST sets such as stkDYDX from persistence, but in the future it may also be included in various metrics regarding validators which will further effect fair competition.

This proposal seeks to remedy this, by proposing to remove these specific jailings from the v2 upgrade from the state in the next binary upgrade.

There is already precedent for removing these, when caused directly up upgrades, such as the untombstonings we saw in the SecretNetwork, Persistence and Chihuahua chains.

Next Steps

We propose to submit a governance proposal onchain in the first week of January 2024 so that enough validators are back from holidays to be able to participate in the governance effectively.