

Summary

The reWARDS Committee has recently identified an operational error that took place a few weeks ago, leading to a loss of 12 wstETH from the reWARDS budget allocated for liquidity incentives on Optimism ([June '23 budget](#)). In a [transaction](#) initiated by the reWARDS Committee, 12 wstETH were mistakenly sent to the standard Optimism Gateway address instead of the custom wstETH bridge developed by the Lido contributors.

12 wstETH from the reWARDS/Lido DAO June '23 budget have been lost.

No user funds have been at risk during the incident.

Root causes

reWARDS Committee used to rely on manual operations for L2 incentives. There was a mistake in internal documentation that has not been identified by the reWARDS multisig signers.

No small test transaction has been executed before proceeding with the 12 wstETH transfer.

Action items

reWARDS Committee's internal structure has been tweaked to introduce more focused transaction execution oversight.

The internal operations guides have been corrected.

Lost funds handling

Lido contributors will report to the Optimism research forum about the incident for visibility in case there is a chance to recover assets in the future.