

CIP - Draft

Hi there,

With regards to longevity, enabling future profitability and value accrual to the COW Token and eventually the DAO, hereby a proposal to integrate locked liquidity for COW/ETH LP that can function as a core liquidity component for the DEX in future stages of growth.

- Locked liquidity enables a price floor for the COW Token, due to the K formula, priced in the relative locked asset, e.g. ETH.
- Locked liquidity allows for the integration of Buy & Burn Tokenomics into the COW token derived from Dapp Revenue;  $\text{Dapp Volume} * \text{Fee} = \text{Buy \& Burn \$ Value}$ , enabling deflationary tokenomics.
- Achieving Deflationary Tokenomics enables the DAO to generate value accrual to the COW token which is directly correlated to user adoption
- This allows for far more economically interesting token incentives in terms of liquidity incentive programs which are mostly inflationary in nature.

Looking forward to questions or thoughts regarding this proposal, this is merely to test the waters.

Thank you,

AJP