This proposal is a collaboration between LBS Blockchain Society, Michigan Blockchain <u>@Michigan_Blockchain</u>), and Flipside Crypto (<u>@fig</u>).

Simple Summary

As Aave grows, there is a need for more advanced features that ensure the privacy and security of participants. Private voting is one such feature that would help to accomplish this goal.

Making use of <u>partial private voting</u> within the Snapshot platform (shielded voting) will enhance Aave's governance and voters - leading to more fair and accurate results in the Snapshot stage.

Shielded voting allows voters to hide their votes during the duration of the voting process and reveal their choices and results after the vote concludes.

We propose that the community votes to turn on the private voting module for a two-month trial period

, which can be reverted by the community and Space administrators at any time.

This allows Aave to judge the efficacy of shielded voting in Snapshot and serve as a leader for Governance in other DAOs in adapting, experimenting, and innovating with new mechanisms.

Motivation

Aave Governance features both on-chain and off-chain voting. In the signal stage, Snapshot, votes have become decided by a few voters without many diversions.

After speaking with other delegates, we recognize these outcomes and votes may not always reflect the true wishes of the community; it has become political. An example from Shutter's blog of how the current process could be political, is below:

Consider a contentious vote in which a minority is pushing the poll early in one direction. Voters that don't have a strong opinion already formed might see this and think the outcome is already decided. Thus, they will be discouraged from voting and also from researching/forming an opinion. This could then lead to the vote going in favor of the minority due to voter apathy, which would not be a good outcome, given that the goal of the poll is to represent the majority opinion.

Aave's Snapshot space must be a place for honesty and candid feedback; without these values, the space becomes redundant and leads to burnout [proposal coming soon.]

By shielding the individual votes, it encourages voters of different sizes and opinions to participate and feel empowered, leading the DAO toward a more fair outcome.

Snapshot has recently introduced Shielded voting, announced here.

Shielded voting has four keys benefits:

- 1. Prevents voter intimidation or coercion
- 2. Prevent early voters' decisions from influencing the decisions of later voters, thus reduce herding behavior and encourage independent thinking.
- 3. Protects participants' privacy by ensuring that their voting preferences are not exposed
- 4. Enhances the overall security and integrity of the Snapshot platform by making it more difficult for bad actors to interfere with the voting process

A demo reveals a minimal change in the Snapshot UI:

This functionality is powered by Shutter Network.

Specification

The steps for upgrading a Snapshot space to Shielded voting are as follows:

- → admin of the "Aave" space go to the settings page in the "Voting" section
- → choose Shutter as a privacy option and click "Save"
- → all proposals from then on will use shielded voting.

The community may disable this feature anytime.

The current list of Snapshot admins is as follows:

@monetsupply

- @MarcZeller
- 0xc8E0345596D7196941E61D3aB607E57Fe61F85E7
- 0x2357df661D0E56140dF30c3ad0b2B426fB4666e6
- 0x60C8dC4762b217b4A00FF1824111077f331B1FbF
- 0x2D0D6A8553993a3E9eD1D86415358D1EDEfa82F1

References

The following comments and replies have been used to inspire this proposal:

Shielded voting is live! — Snapshot Labs

Shutter brings shielded voting to Snapshot

Shielded voting demo - Pistachio DAO

Anonymous Voting in DAOs - MIT Research

We believe that the implementation of private voting within Snapshot would be a valuable addition to the platform.

We look forward to working with the Aave community and voters to make it a reality.

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