

A recent comment on Reddit regarding Stakehound

Stakehound ran a staking service for ETH with the help of Fireblocks, and used a nontraditional 3/4 multisig solution for storing the keys to their staking wallet. Stakehound and Fireblocks both kept 2 keys each, and one of them wiped/lost their keys. Now the ETH is locked/unrecoverable and they're pointing fingers at each other.

I know we have 11 withdrawal key holders but what fraction of them are needed to access the staked ETH?

Secondly, is there anything we can do to prevent such an incident with Lido? The upgrade process to smart contract withdrawal seems more pressing than anything else.

Can Lido look into insurance for the event that something like this happens? There's now a lot of money riding on a fraction of 11 people being both competent and honest.