

Crypto markets, as volatile as they are, seem to be fluctuating towards the bear market lately. [The Lido Treasury](#), while holding significant funds, is holding those in LDO (~177m LDO at the time of writing), ETH (20,940 ETH at the time of writing) & stETH (3,705 stETH at the time of writing). While LP incentives & referral bonuses are nominated in LDOs, most of the other operational expenses are nominated & performed in stables (RCC payments & most of the LEGO grants). Have the ETH/USD price fall, the DAO would have significantly less resources for operations, and for the unpredictable time so.

We propose to sell 10,000 ETH of Treasury funds to DAI. This should cover about two years for 50-people team & ops expenses of the protocol maintenance budget. With the current staking APY & daily fees numbers that's the amount Lido DAO would make up in stETH in about a year (~25 ETH / day in rewards for Lido DAO Treasury).

ETH was obtained by the Treasury during Treasury Diversification event, granting funds for the protocol development and maintenance. As possible alternatives, choosing LDOs for the sale would be adding unnecessary price pressure, which isn't desirable. Treasury stETH funds are accruing staking rewards, so it makes sense to hold those as well.

Community feedback is highly desired! We'll be looking into starting the snapshot vote on the matter by next Mon, June 6.