

The 3rd quarter 2022 ended and we'd like to share a report on LEGO's achievements for this period.

Quick reminder on what LEGO is

LEGO - the Lido Ecosystem Grants Initiative - is a framework by the Lido DAO to fund initiatives which help benefit and grow the Lido ecosystem. It is designed as a straightforward process through which external contributors can seamlessly gather the funding and resources required to act on their concepts.

By rewarding talent early with developer incentives, bounties, and infrastructure support, LEGO acts as a catalyst for growth and helps to maintain Lido as a leading and most useful liquid staking protocol in the whole space.

You can learn more about LEGO and apply for funding by visiting lego.lido.fi.

Summary of Quarter 3

The 3rd quarter of 2022 saw a number of exciting developments of LEGO, including:

- Compensations for security assessments of Lido smart contracts and Lido-on-X projects;
- Research grants the biggest one of which is [Ethereum consensus rewards analysis](#);
- Lego Council has voted for a Boulder grant for development of [Vyper](#) — smart contract language for EVM;
- Boulder-sized grant to Rocklogic to support [SyncLink](#) development;
- Support of beaconcha.in developers bitfly and many others, more details in [Q3'22 report](#)

By the end of this period 268k LDO were allocated to LEGO initiatives or 89% of budget fulfilment. The remaining part is carried over to Q4 and to offset the refilling amount. Please see full overview in [Q3'22 report](#).

Ideas for Q4'22

- Integration of expected security assessments into RCC (Resourcing and Compensation Committee) budget to free up more funds to ecosystem grants, while LEGO still could be used for critical urgent payments in case of deviations;
- Optimization of LDO in LEGO budget: Reviewing historical data, we noticed 60% of grantees requested to be paid in stablecoins. In order to meet this demand efficiently, we will switch to requesting 40% of the budget in LDO and 60% in DAI from the DAO. This is a compromise to decrease selling pressure on LDO from grantees who have working capital needs in fiat currencies, but keeps the possibility for contributors to partake in developing the overall ecosystem.
- We propose to fix LEGO budget at \$500k level - historical average spending for 9 previous months. At the beginning of each quarter 40% LDO part of the budget will be calculated using 30d TWAP at the day of Easy Track movement creation, the rest refilled with DAI from the treasury.
- Individual allowances to be recalculated each quarter: USD equivalent using 30d TWAP is calculated for 15k and 10k LDO (council and nominees respectively), if the wallet of LEGO member has higher or equal balance than calculated allowance - it doesn't get a refill.

Summing up all mentioned above, current estimated (to be updated during Easy Track creation) refill amount and individual allowances for Q4 are following:

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](<https://europe1.discourse-cdn.com/business20/uploads/lido/original/2X/8/85ce22e973dba58d29e08b5a0c5e796f187cc6dc.png>)

Snapshot voting to be held from the 6th till the 12th of October and, if successful, Easy Track motion to be created for LEGO's multi-sig wallet top-up for another quarter of operation. The Snapshot link will be provided here once live.

For more information on proposals shared with LEGO, visit research.lido.fi.