

: The Lido referral program was launched successfully on July 19th, 2021. Visit [referral.lido.fi](https://referral.lido.fi) to learn more.

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Hi there,

In the crypto world of DeFi, many protocols use rewards programs and I think we should do the same. The reward program will serve as a marketing strategy to attract more people to use the protocol. With more and more people using the protocol to stake ETH there will be more benefits for the whole community. The idea is to promote Lido should be promoted not only through individuals but also through wallet software and other DeFi protocols.

Thus, I propose to launch the Lido Referral Program designed to facilitate the growth of Lido's staking solution and incentivise existing users to spread the values of Lido. I drafted a more or less formal proposal and I'm looking to hearing feedback from you.

#### Motivation

Word-of-mouth marketing and various reward programs (e.g., airdrop rewards, referral rewards) are highly effective growth marketing techniques designed to boost brand awareness and adoption of decentralised distributed ledger protocols. Moreover, the Program will encourage software developers of wallets and other DeFi protocols to promote our staking protocol among their users, and will positively impact the number of active stakers, and subsequently, the amount staked with Lido.

#### Conditions

The following conditions are proposed:

1. Users are given the ability to generate a unique referral URL that is specific to their Ethereum address.
2. A Referrer will receive LDO as a reward after her/his Referee (new user) staked at least 1 ETH using the unique referral link.
3. The Lido Referral Program does not have any timeframe. The Program ends when there are no more tokens in the Reward Pool (i.e., the total amount of LDO tokens that can be distributed to participants of the Program) or when the DAO makes an active decision to cancel it.
4. The DAO can cancel or pause the Program at any time.
5. The DAO determines the LDO Token Reward.
6. The DAO determines the size of the Reward Pool.
7. The DAO can at any time change the LDO Token Reward and the size of the Reward Pool.
8. The DAO can at any time change the way the Lido Referral Program is implemented.

#### Proposed LDP Token Reward and Reward Pool

The proposed size of the Reward Pool is 15m LDO. The proposed LDO Token Reward is 15 LDO for 1 ETH staked. It means that if a Referee stakes 10 ETH, her/his Referrer is rewarded with 150 LDO Tokens.

#### Implementation

There are many ways in which the Lido Referral Program can be implemented. An example of one of the most cost-efficient options is provided in this proposal. Nevertheless, the DAO community is welcome to share their opinions regarding alternatives supported by valid arguments.

The following implementation of the Lido Referral Program is proposed:

1. A participant gets a unique referral link. It will also be possible to indicate the address during an interaction with the smart contract. Developers of protocols and wallets, please, read the following two guides.
2. [Guide for protocols](#)
3. [Guide for wallets](#)
4. 15 million LDO tokens held in the DAO Treasury will be reserved for the purpose of the Lido Referral Program.
5. Every two weeks from the start date of the Program after the voting necessary to move some part (200 000 LDO for example) of LDO tokens, Rewards will be transferred to a dedicated blockchain address *and, then, subsequently,*

*within 7 days to Referrers using the L2 Ethereum scaling solution Arbitrum. It means that there are about 26 Reward Calculation Periods and 26 Pay-out Periods within one calendar year as the table below illustrates.\*\**

Reward Calculation Period

[01.07.2021-15.07.2021]

Pay-out Period

[15.07.2021-22.07.2021]

1. If for whatever reason there are any errors in the calculation or transfer of allocations of the Rewards to any Referrer, the error can be rectified in any suitable way (e.g., if the Referrer received more Rewards than it is supposed to, he would not receive Rewards for further referrals until the mistake was corrected).

\*Tokens for further distribution will be moved to this address only after on-chain voting. Currently, there are no technical possibilities to allow the DAO to control this wallet directly. Hence, I suggest nominating me as a controller of the distribution wallet on behalf of the DAO. If somebody has a suggestion of a reputable member(s) of the Lido DAO community who could take control over the address, please, list your candidates in the comments below.

\*\*In the future the Lido Referral Program may be implemented utilising another cost-efficient solution (e.g., Optimism ) in addition to Arbitrum or instead of it. Our community will be updated on any relevant changes to the implementation of the Program. If you have other ideas on how the Program could be implemented, please indicate this in the comments below.

\*\*\*There is no guarantee that the Lido Referral Program will last for one year as the DAO may decide to cancel the Program at any time or the Reward Pool may be exhausted within less than twelve months.

\*\*\*\* The table is provided for illustrative purposes and it doesn't include all possible Reward Calculation Periods Pay-out Periods

Implementation date

If this proposal is successfully approved, the Lido Referral Program will start on 22 Jul 2021.