Sovereign Finance AVC was created in May of this year (Q2) with the intention of SEED Latam becoming a member that can propose, discuss, and contribute from our perspective in support of MakerDAO's transformations on its path towards decentralization and the End Game.

<u>In our initial introduction</u>, we stated that by following us, Aligned Delegates were placing their trust in a committee that would advocate for a pluralistic, growth-oriented, transparent and secure protocol.

Our approach to Subcommittee Meetings has been distinctive: we prepared the week's topic and presentations ourselves, invite relevant Ecosystem Actors (from Maker or not) to contribute their insights, and finally, share our Scopes Improvement Proposals.

This approach has been recognized by MKR holders, leading to a significant delegation of MKR to Aligned Delegates following Sovereign Finance AVC.

Despite our achievements, we have encountered ongoing challenges in effectively engaging with our Aligned Delegates. We recognize the difficulty of participating in voice calls while maintaining anonymity and the complexities of coordinating between spoken and text-based communication.

On the other hand, we believe that the strong recognition that our AVC has received with the MKR delegation to the following delegates holds significance. Thus, we are committed to continuing our efforts in constructing a robust AVC as we approach the End Game.

We are aware of our capacity to request a comparable level of commitment and effort to what we have devoted to the protocol. After participating in Maker's governance for a quarter and a half, we are confident that it is now opportune to put these resources into action.

Just to clarify, we're not placing blame on our Aligned Delegates or implying our ADs aren't doing their job. We hold a great deal of gratitude towards them; rather, we recognize our own shortcomings in providing effective guidance and tools for engagement. We're actively exploring ways to optimize our tools for the benefit of the MakerDAO ecosystem, and we believe now is the moment to do so.

As stated in <u>ATLAS 2.9.1.5</u>, "it is permitted for AVCs to set participation requirements for PDs and RDs that have a GSL to them, and break the GSL if the participation requirements aren't being met."

For all this reasons, hereby we share the new requirements for Aligned Delegates following Sovereign Finance, starting to be effective from next quarter:

- 1. We want our Aligned Delegates following Sovereign Finance to actively participate in the Maker Forum. Aligned Delegates should provide feedback on relevant posts posted in the Maker Forum
- . We consider to be relevant posts: MIP102c2 MIP Amendment Sub Proposals; Ecosystem Actors posts; Potential Ecosystem Actors posts; Advisory Council posts; Facilitators posts. These posts often lead to Scopes updates, Ecosystem Actors onboarding, governance polls & executives proposals, or contribute to the progress of MakerDAO.

What does giving feedback mean? Providing opinions and asking for relevant questions. We want you to question and express your opinions to the best of your aligned understanding of the ATLAS and the Scopes.

1. To make our Subcommittee Meetings more effective and to involve participation from Aligned Delegates following Sovereign Finance AVC, we're suggesting a new approach. As stated a few paragraphs back, we understand that engagement in voice calls is complex. That's why delegates should submit, 72hs before the subcommittee meetings (right now would be on Mondays), an "Aligned Delegate <> Sovereign Finance AVC" document

in which they must indicate:

- a. Components within the Scope of the week that they believe need to be reviewed, and explain why and in which direction.
- b. Point out relevant topics discussed in the last 5 weeks in the Forum or Discord that have an impact on the Scope of the week.
- c. Your own proposals for the week's Scope improvement.
- d. Governance AI tools calls briefing (if applicable).
- e. Any other relevant topic that you consider should be discussed in that week's meeting.
 - 1. We believe that Maker DAO Aligned Delegates should have skin in the game. To align with this principle and support the greater good and future of Maker DAO, Aligned Delegates following Sovereign Finance AVC should always hold in their ecosystem actor wallet at least the same MKR that SEED Latam has verified as Sovereign Finance AVC Member
- . This requirement will only apply for those delegates that are considered Prime & Reserve Delegates.

For this one time, this requirement will only come into force starting from Q1 2024. Every time that SEED Latam increases

its verified amount of MKR, the new minimum requirement will come into force the following quarter.

1. Our quarterly work materializes in the development of the Sovereign Finance Aligned Scope Proposals. Aligned Delegates following Sovereign Finance AVC should give us their feedback in our Scope Proposals Document.

This final draft version of this document will always be available at least 10 days before the end of the quarter, and we expect your comments and feedback to have the final version for the last day of the quarter.

1. Every week, during the Subcommittee Meetings we share our draft from that week's Scope Proposals. Aligned Delegates following Sovereign Finance AVC should give us their feedback on those proposals

. In this regard, whenever a new topic or issue comes out during the subcommittee meeting and a member of Sovereign Finance AVC requires research, interpretation or explanations, our following Aligned Delegates should prepare the required information for the following subcommittee meeting.

1. Governance AI Tools will shape the future of Maker DAO's governance. Aligned Delegates following Sovereign Finance AVC should participate in Governance AI Tools Calls

and incorporate a brief comment on the most important insights in the "Aligned Delegate <> Sovereign Finance AVC" document.

We believe that high quality work being done by both AVCs and Aligned Delegates will lead to the success of Maker's End Game. We strongly encourage all Aligned Delegates following Sovereign Finance AVC to meet them, not only PD & RD.

These new requirements could be changed over time. We will experiment on how we can perform better all together. Expect changes while we learn the best ways in this new governance system and End Game era.

Failure to meet any of these requirements will result in a break of the Aligned Delegate GSL following Sovereign Finance AVC. If deemed necessary, we will communicate warnings to those delegates who are not meeting the outlined expectations.

Aligned Delegates following Sovereign Finance AVC take note of these new requirements. We also hereby commit to give feedback for all of you by half of the next quarter to let you know if you are fulfilling these new requirements.

<u>@cloaky</u>, <u>@BLUE</u>, <u>@PALC</u> <u>@Penguin.Soldier</u>, <u>@JAG</u>. Please confirm in this thread that you have read these new requirements.