

## ShapeShift DAO Weekly Newsletter

January 24, 2022

### WEEKLY DIGEST



#### Launch of a New Open-Source v2 Platform

Last week, the ShapeShift DAO successfully launched its new open-source v2 web app. ShapeShift v2 offers a developer-friendly open-source code base that runs on the decentralized infrastructure while also allowing users to manage their digital assets privately, without KYC.



#### Creating a ShapeShift Validator in Osmosis

The ShapeShift DAO announced its participation in the Osmosis protocol as an Osmosis Validator. This is aligned with ShapeShift values as it facilitates connections across the entire Cosmos chain ecosystem with the promise of integrating other chains in the future while remaining open source in its code and governance.



#### Liquidity Mining and LP Token Purchases Proposal Passes (SCP-55)

FOX/ETH Uniswap pool liquidity mining is set to be extended for a further 4.5 months from its end on February 24, 2022. In conjunction, the DAO is on a trajectory to aggressively increase the Olympus Pro bond LP token purchases in an effort to reduce the effective cost of liquidity mining. This program is set to put the majority of the DAO's liquidity in its own treasury.

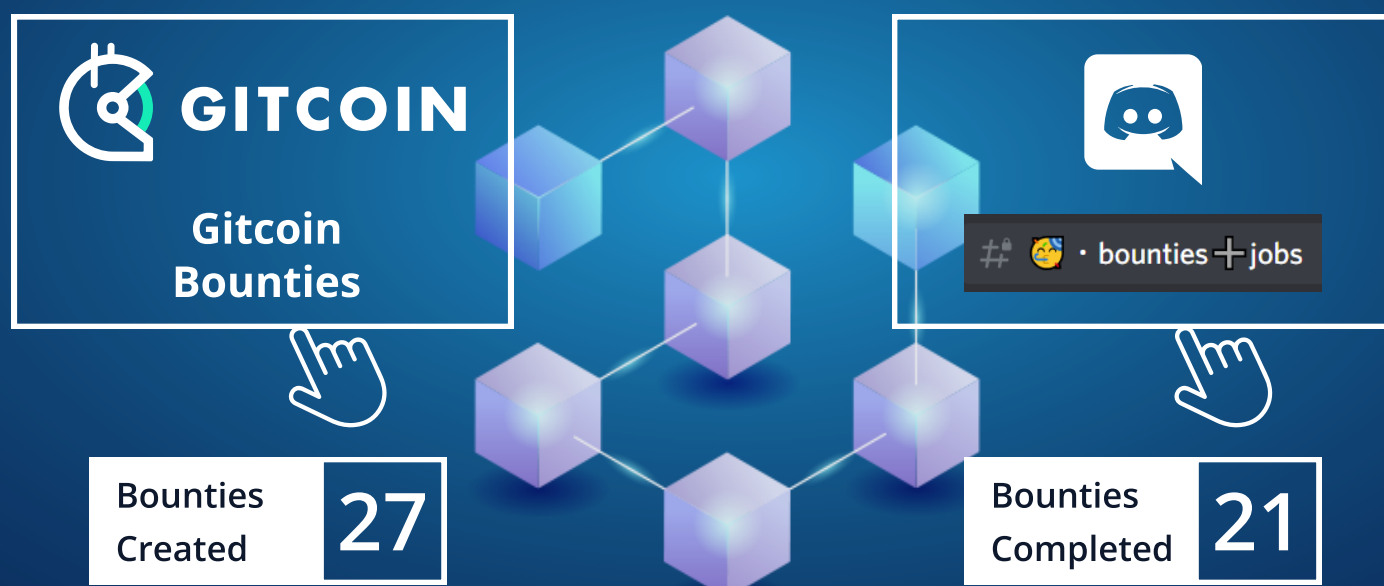
### ENGINEERING BOUNTIES

The Engineering Workstream is an integral part of the ShapeShift DAO. Our mission is to build an open-source, community-owned, free-to-use interface in the DeFi universe. We are looking for contributors to join us on this journey and get involved in our growing community of open-source developers.

The ShapeShift DAO has many flavors of bounties, but most of our engineering bounties are small features, improvements, or bug fixes that can be made in a single Pull Request by a contributor. These bounties are attached to issues in Github and we use Gitcoin as an

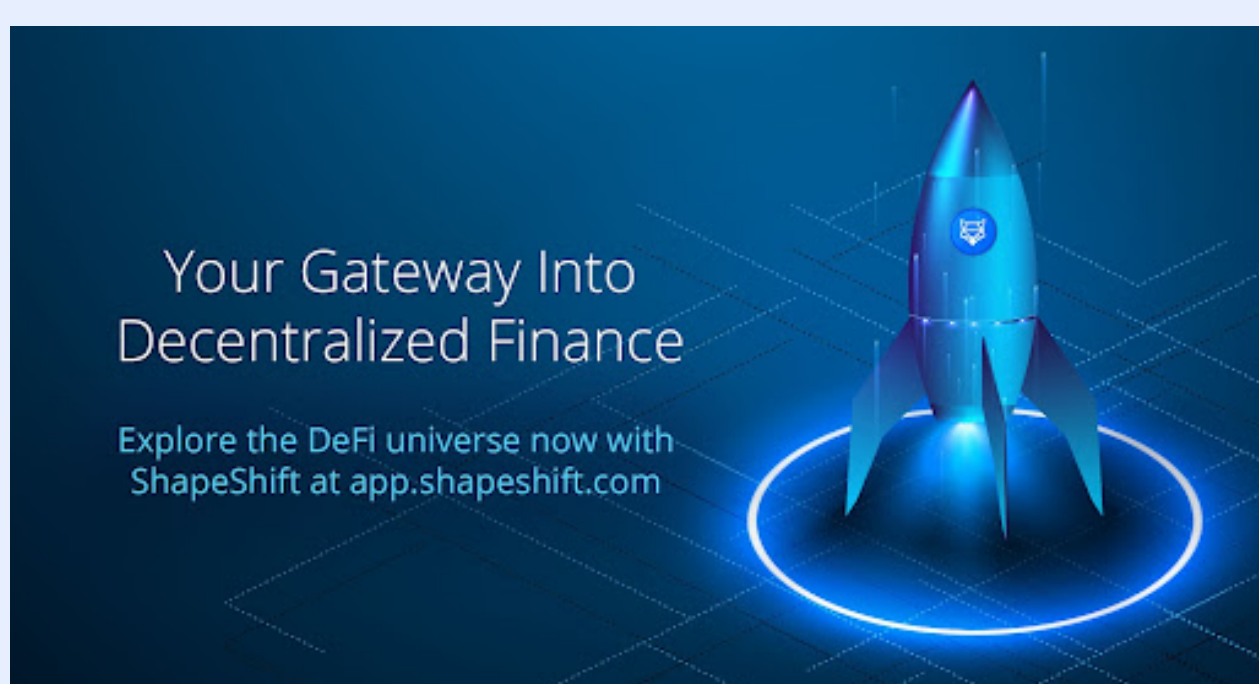
incentivization layer. This means that contributors are rewarded in FOX, our governance token, and become owners of the very platform they are helping to build.

Ready to dive in? Here are some helpful links below.



### TOP STORIES

#### Launch of a New Open-Source v2 Platform



for all crypto enthusiasts. Users can trade, track, and earn yield with their digital assets with no added fees, all without giving up privacy or custody. V2 remains open-source in all of its code and continues to build a dynamic and robust community around a fully open-source system - aligning with the true intent of decentralization. The code can run on decentralized infrastructure, providing a path to resilience and aligning with the principle of decentralization.

Before the v2 launch, providing liquidity was always an option for users to earn yield. These options include Uniswap v2 on LP FOX/ETH, ICHI - using the oneFOX pool, and most recently Tokemak - a single-sided liquidity staking opportunity to earn TOKE rewards. The new v2 platform advances further and introduces Yearn Vaults, a strategy developed by Yearn Finance. v2 has eleven different vaults with consolidated assets and tokens. These vaults allow users to provide liquidity, rewarding them with yield on holding tokens of their choice as an additional form of revenue.

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#### Creating a ShapeShift Validator in Osmosis

Having participated in the Cosmos ecosystem since 2017, it was no coincidence ShapeShift was naturally drawn to participate with their Osmosis Validator. Since ShapeShift decentralized into a DAO, validating continues to be one of the most essential parts of the ShapeShift Tokenomics Workstream. Within one month of Validator operation, the ShapeShift DAO attracted over 1.5 million ATOMs from delegators which in turn generated almost 1,200 ATOMs from commission.



The first payment to the DAO was sent on November 30th, 2021 with a deposit of about 23,000 UST sent directly to the Gnosis Safe on the Ethereum blockchain. The 2nd Cosmos Validator payment was sent directly to the Gnosis safe with 33,288 UST deposited. The 2nd payment was ~11,500 more UST (~53% more).

The new Osmosis validator is set to run from February 1, 2022 through January 31, 2023. The DAO's commission will be set at 5% and the commission from the ShapeShift Validator will be distributed to the DAO treasury and TaxiStake in a 70%(DAO)/30%(TaxiStake) split, minus \$2600/month for operating and maintenance expenses.

The ShapeShift DAO continues to be grateful for the expertise and consistency that TaxiStake can provide. Osmosis - much like the majority of the Cosmos network - relies on a strong community which is something that ShapeShift is excited to be a part of. The continued diversification of the Shapeshift DAO's treasury and general income streams make the ground on which the DAO operates more stable, which gives more room for continued growth and expansion.

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#### Liquidity Mining and LP Token Purchases Proposal Passes (SCP-55)



The passing of this proposal extends the current liquidity mining rewards in the Uniswap FOX/ETH pool for an additional 4.5 months with a targeted 75% APR or higher which will be funded by 13.5 mil FOX over the period. This approach mirrors the existing approach of the last liquidity mining contract.

Additionally, this proposal puts into motion an aggressive plan to utilise the DAO's current FOX/ETH Olympus Pro bond in order to purchase back their own liquidity. Specifically, the DAO is

set to fund an Olympus Bond program over the following 4.5 months - in conjunction with the current LP program - to purchase FOX/ETH LP tokens which targets over \$40 million worth of liquidity. To implement this, \$50 million worth of FOX is earmarked and set to be deployed for this purpose. This proposal has received all positive votes and is set to pass tomorrow. Stay tuned!

[Read more...](#)

### Let's DAO It!



"Best Day Ever!"