

ShapeShift DAO Weekly Newsletter

May 2, 2022

WEEKLY DIGEST



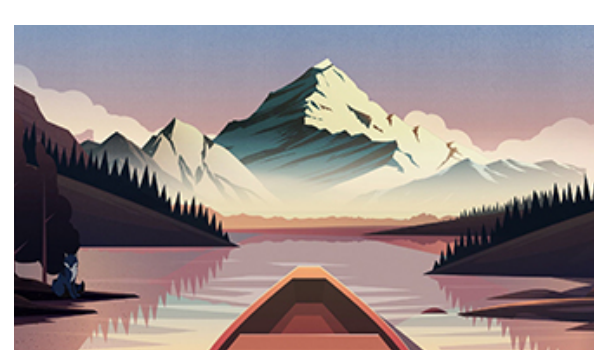
Through the Looking Glass Clearly: Erik Voorhees

ShapeShift was the first established corporation to fully transform itself from a centralized entity into a decentralized autonomous organization (DAO). More than six months in, we sat down with three of the visionaries that prompted this move to see if the reality matches their expectations.



ShapeShift Integrates Cosmos Functionality for Native Wallet Users

ShapeShift is excited to announce that we are now offering full native ShapeShift wallet support for all Cosmos functionality! ShapeShift has been actively participating in the Cosmos ecosystem since 2017. Since the DAO began validating in the Cosmos ecosystem in November of 2021 with TaxiStake, community interest in ShapeShift's participation and inclusion of the Cosmos ecosystem has continued to grow.



ShapeShift Joins Water, the New Paradigm for Sustainable Liquidity

The concept for Water was inspired in part by the success of the token swap and joint LPing 1Hive and ShapeShift DAO executed with \$FOX/\$HNY in 2021. After this swap, 1Hive received a lot of interest from other projects to execute similar token swaps and joint LPs; more demand than the HNY supply could meet. The idea for Water emerged from this demand: a token specifically designed to be paired with DAO's governance tokens and LP'd on Honeyswap.

TOP STORIES

Through the Looking Glass Clearly: Erik Voorhees



Q: What were the main catalysts behind the transformation of ShapeShift?

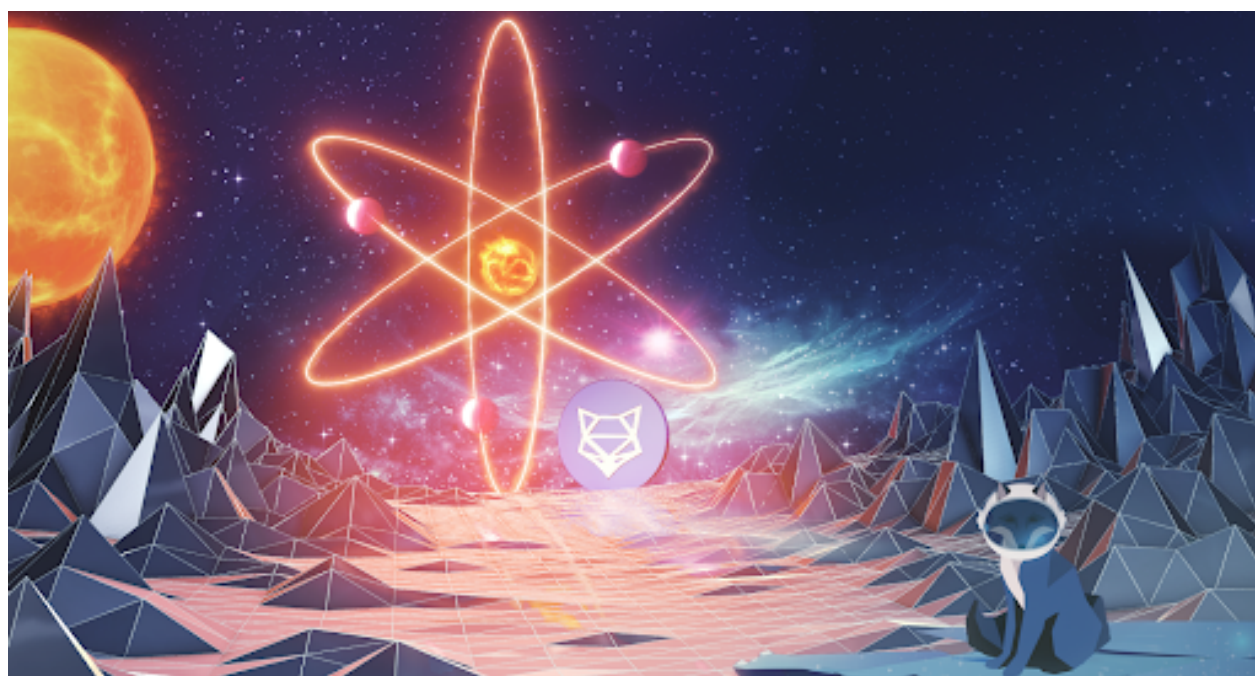
The serious discussions to transition into a DAO began in December 2020; they continued through the next few months with other leaders in the company such as Willy Ogorzaly and Michael Perklin, then with the Executive Team. We communicated it to the whole company in May, and announced it publicly in July 2021.

The decision had three main rationales: one was ideological, one was strategic, and one was tactical. The ideological one was that the ethos of crypto is decentralization, immutability, openness, and borderlessness — and, a centralized company is at odds with all of those things. This ethos is what initially attracted me to Bitcoin in May of 2011. In its incorporated state, ShapeShift was out of step with the industry's culture; decentralization enabled that culture to be embraced once again into the heart of ShapeShift.

[Read more...](#)

ShapeShift Integrates Cosmos Functionality for Native Wallet Users

ShapeShift native wallet users now have access to the full range of Cosmos' functionality. This means native wallet users are able to send, receive, view transaction history, and participate in staking opportunities (delegating, undelegating, claiming rewards)—including the [ShapeShift Cosmos Validator](#). Soon, ShapeShift Cosmos users will be able to use Cosmos' IBC (Inter-Blockchain Communication Protocol) to transfer assets from one Cosmos zone to another.



Additionally, ShapeShift now offers Cosmos and Cosmos SDK support in the following open-source repositories: HDWallet—[ShapeShift Native](#), [Chain Adapters](#), [Unchained](#), and [ShapeShift Web app](#).

Perhaps one of the most exciting aspects of the Cosmos integration is its implications on the speed in which new Cosmos SDK chains can be added to ShapeShift going forward. The Cosmos integration was built with engineers in mind; allowing the easy addition of any Cosmos SDK chain.

By thoughtfully implementing support for Cosmos SDK throughout ShapeShift's stack from HDWallet (beginning with ShapeShift native wallet and moving to Keepkey in the future), through ShapeShift Web and Chain Adapters, to Unchained, ShapeShift will become the easiest place for new Cosmos Chains to build their ecosystems. Our goal: make integrating a new chain, wallet, or protocol easier for developers by enabling them to leverage our existing community of users and cross-chain wallet support while taking advantage of the simple and elegant ShapeShift UI/UX.

[Read more...](#)

ShapeShift Joins Water, the New Paradigm for Sustainable Liquidity



In order to participate in Water, two members of the ShapeShift community have been appointed to represent the DAO on the Water multisig committee. These representatives will be entrusted to act in the best interest of the ShapeShift DAO when deciding whether to approve or reject transactions proposed to the Water multisig. One of the representatives is choosing to remain pseudonymous but is an active community member and large FOX holder.

In the next steps after the passing of this proposal, ShapeShift DAO and other launch partners will each transfer \$100,000 of their DAO's governance token (i.e. FOX) to the Water multisig on Gnosis Chain. The Water multisig committee will then mint 100,000 Water to deposit alongside each partner's tokens to a liquidity pool on Honeyswap.

If ShapeShift or any other partner ever wants to exit the program, the Water multisig will withdraw their liquidity and return 85% of the tokens that were in the LP at the time of withdrawal (15% penalty).

[Read more...](#)

Let's DAO It!



"Best Day Ever!"