Kava Stability Committee Nomination

Kava Labs

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Abstract

The Kava platform requires frequent tuning of platform parameters in oder to ensure system stability and security. This proposal creates a governance committee whose primary purpose is overseeing minor goverance operations of the Kava platform and acting in time sensitive situations where Kava Community governance voting periods are insufficient.

Overview

This proposal seeks to create the Kava Stability Committee, which will oversee the day-to-day operations of the Kava platform by adjusting the parameters of the system to promote system stability and security. The set of parameters that committee members manage are explicitly set by the Kava Community via this governance vote and can be amended by future governance votes. Three of the five committee members must vote via signed transaction for parameter changes to take effect. The scope of parameter changes that committee members can enact can only be added or subtracted by Kava Community vote. The list of initial parameters that can be modified by the Kava Stability Committee are as follows:

Table 1: Paramters Governed by the Kava Governance Committee

Module	Parameter Name	Description
cdp	Debt Limit	How much USDX may be minted with a particular collateral
cdp	Stability Fee	Fee that CDP holders pay on USDX minted
cdp	Auction Size	How much collateral is sold in a single auction
cdp	Savings Rate	The percentage of fees generated by CDPs that is paid out to USDX holders
cdp	Global Debt Limit	How much USDX can be created by all collateral types
cdp	Surplus Auction Threshold	The amount of surplus (fees) that must build up in the system before a surplus auction is triggered
cdp	Debt Auction Threshold	The amount of un-backed debt that must build up in the system before a debt auction is triggered
cdp	Savings Distribution Frequency	How often the USDX savings rate is paid out to USDX holders
auction	Bid Duration	How long an auction is extended by whenever there is a bid
auction	Increment Surplus	The minimum percentage amount a bid must increase the previous bid for suplus auctions
auction	Increment Debt	The minimum percentage amount a bid must increase the previous bid for debt auctions
auction	Increment Collateral	The minimum percentage amount a bid must increase the previous bid for collateral auctions
bep3	Limit	The amount of an asset that can be created via atomic swaps

Examples of governance actions that are NOT controlled by the committee and still subject to regular Kava token-holder governance:

- Adding/Removing collaterals to the CDP system
- Adjusting USDX incentive rewards or the KAVA inflation rate
- Adjusting any consensus critical parameters defined in cosmos-sdk modules (staking, slashing, minting etc).

Nominated Parties

The Kava Stability Committee is composed of researchers, engineers, entrepreneurs, premier institutions, and significant Kava ecosystem stakeholders. The following list are the nominees for the Kava Stability Committee:

- Chainlayer
  - kava1gru35up50ql2wxhegr880qy6ynl63ujlv8gum2
- Cosmostation
  - kava1sc3mh3pkas5e7xd269am4xm5mp6zweyzmhjagj
- Stakewithus
  - kava1c9ye54e3pzwm3e0zpdlel6pnavrj9qqv6e8r4h
- Framework Ventures
  - kava1m7p6sjqrz6mylz776ct48wj6lpnpcd0z82209d
- Kava Labs
  - kava1a9pmkzk570egv3sflu3uwdf3gejl7qfy9hghzl