

Attention Autofarm users of the GOGO USDC vault,

The GOGO Protocol is now processing any eligible claims and today we want to clarify how Autofarm users should proceed.

Before announcing the next steps, a few things should be clarified:

Autofarm runs 3 smart contracts that move the funds to the GOGO Protocol, from which it continued to be routed to Orion Money and Terra. One of the smart contracts has been retired, therefore Autofarm counts as 2 users in the GOGO pool.

To clarify some open items that have been previously already shared to affected GOGO users directly, please see the following clarification provided by GOGO in [this announcement](#). If you don't have a Discord account, will add screenshots of the announcement below.

What are the next steps for Autofarm users?

In regards to any compensation the concerning Autofarm users are as follows:

1. Any eligible claims are currently mapped with any UST that has been withdrawn and sent to the compensation wallet.
2. Eligible Autofarm claims will receive a proportion of the governance tokens airdrop (see step 6). The airdrop amount will be proportional to the amount of wUST deposited into the treasury wallets as well as any potential number of GOGO tokens (staked AND unstaked) held on affected wallets as per the snapshot date.
3. The exact amount of tokens to be distributed is being calculated based on the Autofarm data that has been submitted and will be announced once done by the beginning of next week..
4. Any future payouts would have to go via Autofarm and Autofarm would then distribute it to the users.
5. Distribution of any governance tokens will also go through Autofarm.
6. We will be announcing the updated GOGO DAO Charter in the coming days which highlights how governance works and the use of gGOGO.

GOGO states they understand their compensation plan may not offer immediate ease to all the users' situations, they believe it can turn this situation around and make the entire GOGO community ultimately benefit from this incident.

It will take some time to potentially compensate all users, however, GOGO believes those that have qualified to be part of GOGO governance may eventually recoup all or more than their original deposits. GOGO team has stated multiple times that they are more dedicated than ever to making this goal a reality. The Autofarm team supports this dedication and is ready to help out, providing technical and communicational support.

Discord announcement:



PAPA GOGO Today at 11:33 AM

Hey everyone, Autofarm has released an announcement now (https://t.me/autofarm_network_ann/1033) and we would like to repost it here before we proceed with the next steps of the compensation plan.

To clarify some open items that have been previously already shared to affected GOGO users directly, please see the following explainer:

Telegram

AutoFarm.network Announcements

Update GOGO USDC vault

GOGO team is about to proceed with the compensation plan to affected users of the GOGO USDC farm. Autofarm will follow up and support the compensation plan as explained in the following article:

<https://docs.google.com/document/d/1ZiIEahHYX4cD0Oolakxd2f75AK5qZwKsQO7vwCcoA8/edit?usp=sharing>



The GOGO platform is acting as a technology gateway to pools offered by third parties.

As displayed on the platform, the USDC pool was "powered by Orion Money". The GOGO protocol smart-contracts interact with other decentralised applications and it does not manage the funds itself.



GOGO Protocol merely assists the users in their DeFi journey by offering facilitated access to pools. GOGO platform has not contained any warranty nor statement asserting that an insurance would in any case allow full compensation of losses suffered as a result of a black swan event.

The outcome of the LUNA turmoil, which affected Orion Money, is one such black swan event and it was not foreseeable.

This being said, GOGO strongly stands by their users to face the consequences of this unfortunate situation and this is the reason why we have announced a plan allowing compensation over time to be distributed to those entitled.

No insurance however allows to fully protect users from any risks associated with the DeFi pool chosen by the users. The insurance coverage is by nature necessarily limited, as no insurance product on the market allows to fully cover pools of such size. Besides, pools grow over time, and a pool that could have been initially deemed fully insured by 145.8 ETH, ultimately and unavoidably outgrows this insurance coverage as it gains in popularity.

This was transparent from the outset and details about the provided insurance were available in the announcement (<https://gogocoin.medium.com/gogocoin-enters-into-a-partnership-with-orion-money-to-unleash-next-gen-stablecoin-staking-d52e6362b5ec>) regarding the launch of the pool, by clicking on the icon, directly through InsurAce <https://www.insurace.io/> | Crypto and DeFi Insurance Protocol, or by contacting GOGO protocol for additional information, as some users did.

How Insurance is deployed on stable coin staking on GOGOcoin?

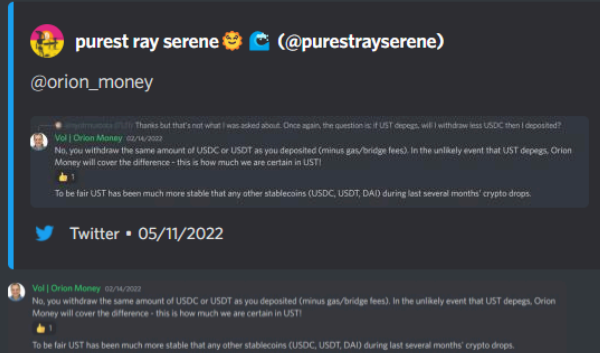
The moment users stake their stablecoins on GOGOcoin's platform, insurance is bought for them. The insurance is powered by InsurAce, consisting of Smart Contract Cover for Orion Money on Ethereum and UST De-Peg Cover. The period of the insurance cover days is from 15–365 days, with a maximum cover amount of 145.8 ETH / 560.9k USD.

For more details on InsurAce see their [website](https://www.insurace.io/).

Therefore, any statement made at one point in time may be no longer valid at a later stage.

Orion Money indeed asserted they would cover any difference in the event of a depeg on multiple occasions.

<https://twitter.com/purestrayserene/status/1524400071684632576?s=20&t=FfXTLORlvAhVifnqlo09g>



Unfortunately, such events trigger consequences of a magnitude exceeding any insurance and are uncovered by Orion Money's guarantee.

Based on the above, access to the pool and the pool itself could be deemed satisfactorily insured against foreseeable risks, black swan risks of course excepted.

What are the next steps for Autofarm users?

Please refer to the Autofarms announcement (https://t.me/autofarm_network_ann/1033) for the next steps.

We understand this compensation plan may not offer immediate ease to your situation, but we believe it can turn this situation around and make our community ultimately benefit from this incident.

The GOGO protocol is extremely grateful to all early adopters who have helped support GOGO V1 while we build GOGO V2, which has the promise to bring DeFi to more users. We are extremely passionate about making DeFi more accessible and in doing so playing a role in crypto mass adoption. We have accelerated building GOGO V2 and are very excited to launch what we believe will be a game-changer.

It will take some time to potentially compensate all users, however, we believe those that have qualified to be part of GOGO governance may eventually recoup all or more than their original deposits. Our team is more dedicated than ever to making this goal a reality. (edited)