



# Blockworks

## Token Transparency Framework

**A Score Of 35-40:** indicates that the project has fully disclosed its revenue streams, equity to token holder rights, advisory service providers, and executive team personnel. Its token supply and allocation are characterized by transparent, onchain vesting with fair, well-documented distributions that align incentives between insiders and retail investors. Furthermore, the project has possibly shared comprehensive details on prior OTC rounds, committed to disclosing all material related-party transactions, and thoroughly explained its CEX and market-maker agreements. This score reflects a commitment to producing regular quarterly updates for token holders regarding financials, revenue streams, and operational progress.

**A Low Score Below 25:** A low overall score would indicate significant deficiencies and a lack of transparency across multiple critical areas. This would stem from opaque leadership, uncertain equity and token holder rights, and a heightened risk of a key person event negatively impacting the project. Such a score would suggest issues like undisclosed wallets, unclear vesting schedules, undeclared distributions from the Token Generation Event (TGE), and no clarity surrounding any new token launches. The project may have chosen not to disclose, or partially disclosed, critical information about prior OTC rounds, related-party transactions, and its agreements with centralized exchanges (CEXs) or market makers. Finally, the project possibly demonstrated little to no commitment to providing regular quarterly updates to its token holders concerning its financial health, revenue streams, and operational progress.

**Project and Team:** (Out Of 10) Reviews the people, governance structure, and conflict-of-interest controls that drive the protocol's day-to-day decisions.

- A max score indicates revenue streams, equity to token holder rights, advisory service providers, and personnel on the executive team are fully disclosed.
- A low score flags opaque leadership, uncertain equity to token holder distinctions, and heightened risk of a key person event.

**Token Supply and Allocation:** (Out Of 18) Assesses total supply, vesting schedules, and how tokens are distributed among insiders, the community, and the treasury.

- A max score signals transparent, onchain vesting with fair, well-documented allocations that align incentives between insiders and retail.
- A low score points to hidden wallets, unclear schedules, undeclared TGE distribution, and no clear future plans on new token launches.

**Transactions & Market Structure:** (Out Of 7) Examines trading liquidity, CEX and market-maker agreements, and related-party transactions that could influence price discovery.

- A max score displays that the protocol has shared details on prior OTC rounds, committed to disclosing material related party transactions, and generally explained CEX/MM agreements.
- A low score reveals that the protocol chose not to disclose or partially disclosed OTC rounds, related party transactions, and CEX/MM agreements.

**Financial Disclosure:** (Out Of 5) Looks at the reporting standards of the project's financials and operations

- A max score reflects a commitment to producing quarterly updates to token holders regarding financials, revenue streams, and operations.
- A low score means little commitment was made to produce quarterly updates on financials and operations.

# Token Transparency Framework

Aerodrome, June 2025

**Blockworks Official Audited Score:** 38/40

**Date of Audit:** 06/17/25

## 1. Project and Team

### 1. A) Description of Project

**Definition:** A narrative description of the purpose of the project and its operation in layman's terms is provided.

#### **Weighting**

- 0: A simple description is not provided.
- 1: A simple description is provided.

**Submitted Response:** Aerodrome is a decentralized spot exchange (spot DEX) designed to serve as Base's liquidity hub, combining a powerful liquidity incentive engine, vote-lock governance model, and friendly user experience.

**Score Received:** 1/1

### 1. B) Disclosure of Revenue Streams

**Definition:** A narrative description of the Project's primary sources of revenue is provided, broken out by entity (e.g. Foundation, Labs, DAOs, or other).

#### **Weighting**

- 0: A simple description is not provided.
- 2: A simple description is provided.

**Submitted Response:** As a MetaDEX, Aerodrome incentivizes activity on its DEX by issuing AERO to its liquidity providers. The activity to which this AERO is emitted is determined by veAERO holders, who directly receive all of the revenue generated by the activity they are incentivizing. Primary sources of revenue are trading fees and 'external incentives' paid by

users seeking to induce veAERO holders to direct AERO emissions toward their desired pools. Of note is that veAERO voters receive that is, there is no global distribution of revenue. Only the revenue generated by pools they have voted on.

Unlocked AERO receives no fees and has no unique rights other than that it can be locked as veAERO. veAERO can vote to direct AERO emissions and receives 100% of revenues from pools it votes for. It also receives weekly rebases that offset dilution.

**Score Received:** 2/2

## 1. C) Equity-Token Relationship

**Definition:** The Project must clearly disclose the rights, value accrual mechanisms, and distinctions between token holders and DevCo equity holders. Any value allocated specifically to equity holders (e.g., dividends, profit-sharing) must be communicated separately from value accruing to token holders.

### Weighting

- 0: Rights and value mechanisms are unclear or undisclosed, or there is no distinction between token and equity holders.
- 1.5: Rights, value accrual, and differences between token and equity holders are clearly and explicitly defined with the constraints of existing regulations.
- 3: Rights, value accrual, and differences between token and equity holders are clearly and explicitly defined with the constraints of existing regulations. Team makes specific representations like "We do not plan to return cash flow to equity through including through dividends and share repurchases" or identifies that the Development Entity is not for profit.

**Submitted Response:** Contributors to Aerodrome (Dromos) have no enshrined claim on any protocol revenue. They generate value from the protocol primarily through their own veAERO positions and as such are coequal to any veAERO holder with respect to value accrual. There is thus no relevant equity-token relationship to disclose.

**Score Received:** 3/3

## 1. D) Disclosure of Advisory Billings to the Foundation

**Definition:** If core team members are compensated by any Tokens allocated to the Foundation through advisory services or similar agreements, or by any other payment method (i.e. fiat),

these payments must be disclosed. Note, foundation team members known and exclusively compensated by the Foundation are excluded.

### **Weighting**

- 0: No acknowledgment or visibility of advisory payments from Advisory.
- 1.5: Advisory payments are mentioned, but details (amount, recipient, services) are unclear or incomplete.
- 3: All advisory payments to insiders are fully disclosed, including the recipient, scope, and amount.

**Submitted Response:** Dromos receives 5% of weekly AERO emissions, which it locks as veAERO. Contributors to Aerodrome (Dromos) have no enshrined claim on any protocol revenue. They generate value from the protocol primarily through their own veAERO positions and as such are coequal to any veAERO holder with respect to value accrual. The founding members of Dromos contributed to two other protocols, veDAO and Velodrome, and designed the token launches for Velodrome and Aerodrome. In both these cases, an overwhelming amount of control of the new protocols was allocated to previous protocols' holders. There is no functional distinction in permissions or functionality between any of veAERO's holders, regardless of affiliation with Dromos. That is, there are no insiders.

**Score Received:** 3/3

## 1. E) Known Project Team

**Definition:** The identities of key team members (e.g., founders, CEO, CTO, COO of Labs, President of Foundation, etc.) are publicly disclosed.

### **Weighting**

- This does not affect the overall transparency score, but should be accessible to the public.

**Submitted Response:** Part of the Dromos contributorship is doxed, but many are anonymous, though often with highly visible identities. Its primary public-facing contributor is Alexander Cutler.

**Score Received:** 1/1

## 2. Token Supply and Allocation

### 2. A) Governance & Token Documentation Provided

**Definition:** The Project must provide publicly accessible documentation covering the Token's governance rights, rights to value accrual, any additional utility, and the mechanism by which token governance is implemented (e.g. an insider multi-sig).

#### Weighting

- 0: None of the three areas are documented.
- 0.5: Not all three areas are documented.
- 1: All three areas are clearly documented.

**Submitted Response:** The canonical source for Aerodrome's supply, emissions, governance, and veAERO mechanics is at [www.aerodrome.finance/docs](http://www.aerodrome.finance/docs) Smart contract docs are available in the public Github repo

<https://github.com/aerodrome-finance/contracts/blob/main/SPECIFICATION.md>

**Score Received:** 1/1

### 2. B) Initial Allocation

**Definition:** Disclosed information explaining the launch and initial supply that includes: the total number of tokens issued, the category of the recipient (team, investor, foundation, community), the total supply of the token and if it is capped, and the initial vesting schedule.

#### Weighting

- 0: No initial allocation schedule is provided.
- 1: An initial allocation schedule is provided, but some information is absent.
- 2: A complete initial allocation schedule is provided.

**Submitted Response:** Total genesis mint: 500mm AERO. Of this, 90% was immediately locked as veAERO.

AERO

\* Voter Incentives: 40M (8%)

\* Genesis Liquidity Incentives: 10M (2%)

VEAERO

\* Airdrop for veVELO Lockers: 200M (40%)

\* Public Goods Fund (Auto Max-Locked): 105M (21%)

- \* Foundation (Auto Max-Locked): 95M (19%)
- \* Flight School (Auto Max-Locked): 50M (10%)

**Score Received:** 2/2

## 2. C) Vesting Insider Tokens

**Definition:** All Insider Token allocations (team, investor, foundation) must be transparent, per the disclosed Initial Allocation. If vesting occurs at a custodian, clearly disclose the employee categories and associated vesting schedules clearly in your documentation.

### Weighting

- 0: None of these areas are clearly documented.
- 1: Some of these areas are clearly documented.
- 2: Most of these areas are clearly documented.
- 3: All areas are clearly documented.

**Submitted Response:** All allocated insider tokens are defined in the initial distribution; there are no 'unissued tokens', as all emissions are generated permissionlessly and immutably, with ultimate determination by the Aero Fed. There is no extraordinary mint authority. All tokens are vesting on-chain, of which 97% are currently vested <https://defillama.com/unlocks/aerodrome>

**Score Received:** 3/3

## 2. D) Labelled Unissued Token Wallets

**Definition:** Addresses that hold any Unissued Tokens (e.g. foundation, future contributors, treasury) must be publicly labelled (address listed in docs) and be held in distinct wallets. This includes the foundation allocation. The party (e.g. team, foundation, DAO) that controls the funds must also be disclosed.

### Weighting

- 0: No wallets labeled. No ownership disclosure.
- 1.5: Some wallets are labeled, but the info is partial, unclear, or outdated. Categories may overlap.
- 3: 100% of relevant wallets are labeled and verifiable, with wallet ownership disclosed.

**Submitted Response:** All allocated insider tokens are defined in the initial distribution; there are no 'unissued tokens', as all emissions are generated permissionlessly and immutably, with ultimate determination by the

Aero Fed. There is no extraordinary mint authority.

Team:

Team Wallet/AERO Pools Vote Power: 0xbde0c70bdc242577c52dfad53389f82fd149ea5a

Foundation:

Public Goods Wallet: 0x834C0DA026d5F933C2c18Fa9F8Ba7f1f792fDa52

Protocol Grants (became the flight school program that fund a lock bonus for all users):

0x51E171d2FDe9b37BBBb624A53Ef54959422388E4

Wallet holding buyback and locked funds from the public goods wallet that are delegated to flight school: 0x623CF63A1fA7068EBBDBa9F2EB262613EaB557a1

Liquid AERO minted at TGE (for incentives only):

0x7269de76188E6597444D0859C4e5c336D3c39dDb

Bonus:

Velodrome Foundation Aerodrome Airdrop (Foundation):

0x5b1892b546002Ff3dd508500575bD6Bf7a101431

**Score Received:** 3/3

## 2. E) Airdrop Process

**Definition:** The project must disclose all airdrop eligibility criteria clearly and provide a full CSV list of recipients, including addresses and amount received.

### Weighting

- 0: Airdrop process is opaque or arbitrary.
- 1: Some criteria are disclosed, but details are incomplete, unclear, or hard to access. The recipient list may be provided, but not in an auditable format.
- 2: All criteria are fully disclosed, and the recipient list is clear, accessible, and auditable.

**Submitted Response:** [200mm veAERO were distributed to veVELO holders, as shown in the above image. Full wallet list in the CSV LINKED.](#) Aerodrome airdrop criteria:

<https://medium.com/@aerodromefi/aerodrome-launch-tokenomics-30b546654a91>

and distribution: Airdrop for veVELO Lockers: 200,000,000 (40%)

Ecosystem Pairs and Public Goods: 105,000,000 (21%)

Aerodrome Team: 70,000,000 (14%)

Protocol Grants: 50,000,000 (10%)

AERO Pools Votepower: 25,000,000 (5%)

**Score Received:** 2/2

## 2. F) Locked Staking Reward to Insiders

**Definition:** Disclose information on insiders (Team, Investors, Foundation, Advisors) tokens that are locked and can earn rewards.

### Weighting

- 0: None of these areas are clearly documented.
- 1.5: Some of these areas are clearly documented.
- 3: All areas are clearly documented.

**Submitted Response:** There is no functional distinction in permissions or functionality between any of veAERO's holders, regardless of affiliation with Dromos. That is, there are no insiders.

**Score Received:** 3/3

## 2. G) Future Token Issuance

**Definition:** The project commits that any future token issuance (e.g., minting or emissions outside scheduled vesting) will be publicly disclosed and justified on an official platform (e.g., governance forum, blog, or docs).

### Weighting

- 0: No public disclosure of token issuance.
- 1: Issuance is announced but lacks detail, is disclosed late, or is not in a permanent, verifiable location.
- 2: All token issuances are disclosed before or at issuance with full details (amount, reason, recipient, context) in an official, permanent public channel.

**Submitted Response:** As discussed above, all AERO emissions are generated permissionlessly and immutably on a schedule defined below, available at [aerodrome.finance/docs](https://aerodrome.finance/docs).

Emissions

The initial supply of \$AERO is 500M, with 450M distributed as vote-locked (\$veAERO) tokens. Weekly emissions will begin at 10M \$AERO (2% of the initial supply). The emission schedule will follow three phases:

**Take-off:** During the first 14 weeks (epochs), emissions will increase at 3% per week, allowing for rapid growth in protocol activity and partner onboarding.

**Cruise:** After Epoch 14, emissions will decay at 1% per epoch, ensuring total supply inflation decreases over time as the protocol matures.

**Aero Fed:** When emissions programmatically drop under 9M per epoch, approximately Epoch 67, veAERO voters will take control of Aerodrome's monetary policy through the Aero Fed system. Voters will collectively make one of three choices each epoch:

\* Increase emissions by 0.01% of total supply (0.52% annualized)

\* Decrease emissions by 0.01% of total supply (0.52% annualized)

\* Maintain emissions unchanged as a % of total supply

The winning vote will be determined by simple majority vote. If an Increase or Decrease is selected, the emission rate will change one full epoch after the vote. A max emission rate will be set at 1% of total supply per week (52% annualized) and a minimum rate at 0.01% per week (0.52% annualized).

**Score Received:** 2/2

## 2. H) Future & Related Token Launches

**Definition:** The team discloses all tokens launched by its key team members in the past and explicitly lays out its philosophy around launching new tokens, related to the project or otherwise. (e.g. "We do not plan to launch additional tokens" or "Any additional tokens will be given 1:1 to existing token holders who can then vote on proposals submitted by the management team.")

### Weighting

- 0: Language around new tokens is vague, non-committal, or missing entirely.
- 1: Plans around additional tokens are defined clearly. The team explains its past reasoning around token transactions and bridges from these transactions to its existing policy.
- 2: The Team represents that it will not launch additional tokens.

**Submitted Response:** The founding members of Dromos contributed to two other protocols, veDAO and Velodrome, and designed the token launches for Velodrome and Aerodrome. In both these cases, an overwhelming amount of control of the new protocols was allocated to previous protocols' holders. When veDAO, a Solidly subDAO, was sunset following Solidly's

collapse, veDAO tokenholders received both the DAO's USDC treasury and an allocation of liquid VELO amounting collectively to 27% of the initial supply of Velodrome, a wholly new, unrelated project (the Velodrome Foundation received 10% supply). On Aerodrome's launch, as discussed above, veVELO holders received 40% of the initial supply of AERO, locked as veAERO. Although we cannot predict whether Dromos will ever launch new tokens, we can say that we have always sought to maximize value to existing stakeholders, regardless of affiliation. Indeed, because Dromos' primary revenue generation is derived from veVELO and veAERO positions—not from token sales—it is highly aligned with stakeholders.

**Score Received:** 1/2

## 3. Transactions & Market Structure

### 3. A) Insider & Related Person Transactions

**Definition:** The project commits to disclosing any material Related Party & Insider Transaction within 30 days and includes: The nature of the transaction, the Related Person, the basis on which the person is a Related Person, and the number of tokens involved in the transaction. This includes tokens issued by the foundation.

#### **Weighting**

- 0: The project does not commit to disclosing related party transactions within 30 days.
- 3: The project commits to disclosing related party transactions within 30 days.

**Submitted Response:** We commit to disclosing related party transactions within 30 days. We have never undertaken any such transactions and have no plans to do so. Where the Aerodrome Foundation contracts with Dromos contributors for certain services, any such contracts are the product of arms length negotiation and payment in USD or USDC.

**Score Received:** 3/3

### 3. B) Prior Token Sales & Fundraising

**Definition:** Disclosed information of previous fundraising rounds, material OTC rounds to investors, or discounted market maker sales involving the Project and its Token that includes: the date of sale, number of tokens sold, and the vesting schedule of these tokens. The Project

commits to disclosing any material OTC deal involving token sales and purchases by the foundation within 30 days.

#### **Weighting**

- 0: No prior sales are disclosed.
- 1: All prior sales are disclosed, but terms are absent.
- 2: All prior sales are disclosed with terms provided.

**Submitted Response:** No organization, whether Dromos or the Foundations, has ever sold tokens. We fully intend to sell any AERO or VELO, nor does Dromos or the Foundations maintain liquid AERO or VELO treasuries for potential future sales or grants.

**Score Received:** 2/2

### 3. C) Transparent Market Maker Deals & Exchange Listings

**Definition:** Projects must disclose key details of market making and centralized exchange agreements affecting token liquidity, including: names of all market makers & centralized exchanges involved, the token allocation for each (as % of total supply), and the duration of each agreement.

#### **Weighting**

- 0: No public information on market makers (MM) or centralized exchanges (CEX)
- 1: Some MM or/and CEX details are disclosed, but not all three elements are provided.
- 2: All three key elements are fully disclosed for MM & CEX.

**Submitted Response:** We contract with Flowdesk on a retainer basis for market making services on centralized exchanges. No AERO tokens are granted or loaned to Flowdesk. This relationship is renewed annually. We have never entered a listing agreement with any centralized exchange; in fact, several listings were done without our prior knowledge. The Aerodrome Foundation partners with Flowdesk for CeFi liquidity on a retainer basis. There are no loans of any AERO under this arrangement. Flowdesk provides liquidity on the following exchanges: Coinbase, Kucoin, Bitget, Bitmart, Gate.io, and Kraken. This arrangement renews every July.

**Score Received:** 2/2

## 4. Financial Disclosure

### 4. A) Disclosure of Assets and Cash Flow

**Definition:** The Project commits to providing updates to token holders on a quarterly basis via forum posts, live dashboards, or reports that cover core project KPIs, changes to Token supply or allocations, and disclosure of top line revenue and expenses. The Project may engage third-party contractors to prepare and deliver these updates.

**Weighting**

- 0: The project does not commit to disclosing Token Holder Relations Reports.
- 3: The project commits to disclosing Token Holder Relations Reports.

**Submitted Response:** We commit to holding organized tokenholder updates in the near future and view this as best practice for any organization with public stakeholders.

**Score Received:** 3/3

### 4. B) Public Token Holder Relations Reports

**Definition:** The foundation's assets or working capital are held onchain and publicly labelled, providing the ability to track asset holdings, revenue, and expenses. Or, the foundation publishes a quarterly, publicly available financial report of its assets, working capital, revenue and expenses.

**Weighting**

- 0: Foundation wallets are not publicly labeled.
- 1: Treasury wallets are tagged, but revenue and expense flows are incomplete or fragmented.
- 2: Wallets that touch any assets and revenue streams are labelled onchain, with clear, traceable expenses. Quarterly reports detailing assets, revenue, and expenses are provided.

**Submitted Response:** Team:

Team Wallet/AERO Pools Vote Power: 0xbde0c70bdc242577c52dfad53389f82fd149ea5a

Foundation:

Public Goods Wallet: 0x834C0DA026d5F933C2c18Fa9F8Ba7f1f792fDa52

Protocol Grants (became the flight school program that fund a lock bonus for all users):

0x51E171d2FDe9b37BBBb624A53Ef54959422388E4

Wallet holding buyback and locked funds from the public goods wallet that are delegated to flight school: 0x623CF63A1fA7068EBBDBa9F2EB262613EaB557a1

Liquid AERO minted at TGE (for incentives only):

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Bonus:

Velodrome Foundation Aerodrome Airdrop (Foundation):

0x5b1892b546002Ff3dd508500575bD6Bf7a101431

**Score Received:** 1/2