

# Aragon Network DAO Charter

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## Introduction to the Charter

Dear ANT Holders,

Please read this Charter document carefully, as it defines your rights and responsibilities for participation, interaction, governance and use of the Aragon Network and your relationship with ANT Holders and others that interact with the Aragon Network.

As an ANT Holder, natural or legal person interacting with the Aragon Network, you accept and agree to act in good faith and be bound by this Charter, which forms an agreement between you and anyone else that participates or otherwise interacts with the Aragon Network. If you do not accept and agree to be bound by this Charter, you must cease to access, use, interact and participate within the Aragon Network.

This Charter is made available under a Creative Commons licence Attribution-ShareAlike 4.0 International, as such, it may be read and repurposed by non ANT Holders. Whether you intend to repurpose this Charter or not, we will welcome and value your feedback, which you can share on our #general channel [in Discord](#) or in our [Forum](#)

### 1. Applicable rules to the Aragon Network

- a. There are two-layers of applicable rules in the Aragon Network, human-readable rules and Smart contract code:
- b. These rules forming together the Charter that lays out the basic principles required for participation or interaction with the Aragon Network and are comprised of the following agreements:
  - i. Introduction to the Charter
  - ii. Aragon Network DAO Agreement
  - iii. Aragon Manifesto
  - iv. Smart contract code
  - v. Aragon Community Guidelines
  - vi. Aragon AGP Process

- vii. Sub-DAO Agreements
- c. In the event of any conflicts between paragraphs of these agreements, the above rank shall be used with “i” being the most important agreement that supersedes and prevails over all others.

## **2. General legal principles**

Except for any indemnification obligations or specific liability set out in this Charter, the liability of each natural or legal person that has drafted any part of this Charter or supported the initiation of this Charter or the Aragon Network, each ANT Holder, each member of a governance body (Aragon Governance) and each natural or legal person interacting with the Aragon Network shall be limited to the fullest extent permitted by applicable law. The liability of each of the aforementioned is several and not joint and each of the aforementioned shall be liable only for its obligations (and not those of anyone else) under this Charter or in connection with this Charter or with the Aragon Network.

Neither party participation or interacting with the Aragon Network shall have any express or implied right or authority to assume or create any obligations on behalf of or in the name of anyone else participating or interacting with the Aragon Network or to bind anyone else to any contract, agreement, or undertaking.

This Charter and the Aragon Network are fully independent and not controlled by the Aragon Association. To the fullest extent permitted by applicable law, in no event will the Aragon Association be liable for damages of any kind, under any legal theory, arising out of or in connection with your use, participation or interaction with the Aragon network, including any direct, indirect, special, incidental, or consequential damages, including but not limited to, loss of revenue, loss of profits, loss of business or anticipated savings, loss of use, loss of goodwill or loss of data, even if foreseeable.

The Aragon Network is only represented by votes of the ANT Holders and not by any single or a limited group of participants; everyone that is entering into any relationship (including but not limited to participation or any kind of interaction) with the Aragon Network acknowledges that the others also having a relationship with the Aragon Network are neither jointly nor severally liable for acts or omission of the Aragon Network. The liability of the Aragon Network is limited to the fullest extent permitted by applicable law; in case of any mandatory liability, the total liability of the Aragon Network is limited to its assets.

Except as otherwise set out in this Charter, any claims, disputes or controversies arising out of this Charter or in connection with the access, interaction, use or governance of the Aragon Network or in connection with any relationship among the ANT Holders or anyone else interacting with the Aragon Network shall be settled:

- By mutual agreement between the parties, using Aragon Court or another mutually agreed arbitration service,
- Or otherwise, in the Court of the city of Zug (Switzerland) and this Charter shall be governed by and construed and enforced in accordance with the laws of Switzerland.

## The Aragon Network DAO Agreement

### 1. Immutable guidelines

The guidelines in this section shall not be amended and shall apply to all proposals submitted to the [Aragon Network DAO\(s\)](#). If any other guidelines in this Agreement conflict with these immutable guidelines, the immutable guidelines shall take priority for enforcement purposes.

#### a. Proposal compliance

- Proposals must be governed by this Agreement, or a future version of this Agreement as modified within the bounds of the Agreement.
- Proposals must not disproportionately benefit a majority of [ANT Holders](#) voting on a proposal over the minority.
- ANT held by the Main DAO and/or Sub-DAOs must not be used to influence proposals nor votes, nor be staked in Aragon Court.

### 2. Mutable guidelines

The guidelines in this section may be amended. These guidelines apply to all proposals put forth to the Aragon Network.

#### a. Proposal compliance

- Proposals must be consistent with the [Aragon Network DAO Agreement](#), [Aragon Manifesto](#), [The Community Guidelines](#), and [The AGP Process](#), and if relevant any [Sub-DAO Agreements](#), or a revised version of these documents approved by the community (approved as defined in the Aragon Network Charter).
- Proposal must not contain directly, by direct link, or indirectly any Non-Consensual Imagery (NCI), Child Abuse Imagery (CAI), threats of violence and incitement, hate speech, bullying and harassment, sexual or human exploitation, illegal or certain regulated activities or matters, malware, spyware, or material that is owned via copyright, trademark or otherwise by someone other than one of the proposal authors (unless use

of said material is permitted by the copyright owner or otherwise protected under other legal standards).

- iii. Proposals must be accompanied by an accurate English-language Justification for the proposal<sup>1</sup>. The Justification must include the following information:
  1. The name(s) and/or username(s) of the author(s) of the proposal. The author(s) should be the primary point of contact for any questions or comments regarding the proposal.
  2. The author's preferred contact method, in case anyone has questions or comments regarding the proposal.
  3. An accurate summary of the proposal in 280 characters or less.
  4. A rationale section detailing the author's reason(s) for creating the proposal.
  5. An accurate, long-form description of what the proposal will do if enacted, including the collective benefit in relation to the Aragon manifesto for the community around the Aragon Network.
  6. The limitations of any benefits mentioned above or otherwise unaddressed areas of the problem space or possibility space.
  7. A section acknowledging, by title and author(s), any similar or related prior work known to the proposal author(s).
- iv. If the proposal amends one or more Network contracts, then a security audit report of the Network contract amendment may be carried out and deemed passed (as defined in the AGP Process).
- v. If a proposal deploys a new Aragon Court Jurors Registry contract and/or amends Aragon Court to use a new Jurors Registry, then the new Jurors Registry must use ANT as the native juror token.
- vi. Proposals must not use the [Aragon Network DAO](#) or Sub-DAOs role as Aragon Court funds governor to transfer ANT staked and/or activated by Aragon Court Guardians to another account outside of Aragon Network DAO or Sub-DAOs.

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<sup>1</sup> Typos in the Justification shall be allowed if they do not substantially alter the meaning of the proposal. Each Justification must be referred to in the on-chain source code or transaction data of the proposal by the content-addressed location of the Justification on the public IPFS network, and the Justification must be accessible via the public IPFS network for as long as the proposal is open for voting and/or in effect. If a Justification becomes temporarily inaccessible via the public IPFS network, and its proposal is challenged under this guideline, then Guardians should block the proposal if they have reason to believe the Justification was inaccessible at the time that the proposal was challenged. Alternatively, the Justification may be encoded directly into the on-chain source code or transaction data of the proposal so that the Justification remains human-readable and accessible as long as the Ethereum blockchain itself remains publicly available.

**b. Disputes**

- i. Disputes over any proposal relying on this Agreement must be resolved by Aragon Court.
- ii. Other disputes between ANT Holders should be resolved according to the [Community Guidelines](#) or by the following incremental processes as needed: dialogue, facilitation, mediation, and arbitration (by default Aragon Court). Unless a participant is unable to participate for legal or psychological reasons, the order for choosing the appropriate mechanism is first to last as described above.

**c. Representation & Warranties**

- i. [ANT Holders](#) and other participants or natural or legal persons that interact with the [Aragon Network](#) represent and warrant that:
  1. They can be legally bound by this Charter according to their applicable laws.
  2. Their participation or interaction with the Aragon Network is always in compliance with applicable laws, including but not limited to anti-corruption laws.
  3. They will be solely responsible to comply with all applicable tax laws, including, but not limited to, the reporting and payment of income tax, social security, wealth tax or similar taxes.
  4. Blockchain technology and distributed-ledger technology in general is untested and outside anyone's exclusive control, and adverse changes in market forces or the technology, broadly construed, will excuse the performance of the Aragon Network.
  5. They understand the governance procedure and applicable rules of the [Aragon Network](#) and especially the smart contracts' functioning and limitations.
  6. They understand the following risks, associated to the use of blockchain, crypto-assets and therefore the [Aragon Network](#), which they agree to take at their sole responsibility, including but not limited to risk associated with:
    - a. Ethereum's malfunction (or any other protocol used)
    - b. Unfavorable regulatory action in one or more jurisdictions
    - c. Theft and hacking
    - d. Security weakness in the Aragon Network components
    - e. Weaknesses or exploitable breakthroughs in the field of cryptography
    - f. Smart contracts underlying the Aragon Network are new and may therefore be subject to fraud and failures or include weaknesses or bugs

- g. The tax treatment crypto-assets is uncertain and there may be adverse tax consequences when participating or interacting with the Aragon Network or holding any ANT
- h. Losing of credentials to access ANT balances results in such ANTs becoming unrecoverable and permanently lost
- i. Uninsured losses
- j. Internet transmission risks
- k. Insufficient participation in the Aragon Network
- l. Unanticipated risks and force majeure

**d. Discharge of future claims**

- i. To the fullest extent permitted by the applicable law, you agree to indemnify, hold and defend The [Aragon Network](#) from and against all claims, liabilities, damages, judgments, losses, costs, expenses or fees (including reasonable attorneys' fees) that arise from or related to:
  1. your violation of this Charter;
  2. your use or interaction with the Aragon Network; and
  3. your interaction with other ANT Holders or third parties in the framework of the Aragon Network.
- ii. You agree that you use and participate in the [Aragon Network](#) and interact with the Aragon Network DAO as well as with other ANT holders or third parties in the framework of the Aragon Network at your sole risk, especially acknowledging the risks described in this [Agreement](#) (the Aragon Network DAO Agreement).

**e. Legal personality**

- i. The Aragon Network is not intended to have legal personality, nor the ANT Holders to have any interest or membership over the Aragon Association or any other legal entity of the Aragon Network unless explicitly defined in the articles of incorporation of said entity.

**f. Modifications to the Aragon Network DAO Agreement**

- i. ANT Holders may only modify the rules of this Agreement as follows:
  1. The Immutable Guidelines must not be modified.
  2. The Mutable Guidelines may be modified by:
    - a. a Majority (more than 50% in favour) vote, with a minimum quorum of 0.5% of [ANT Holders](#). The ANT Holders must be notified of the suggested amendment through reasonable means at least thirty (30) days before the beginning of the vote, and the vote must be open for a minimum of fourteen (14) days for the community to vote.
  3. Voting must be organised in Aragon Voice.





## The Aragon Manifesto: A pledge to fight for freedom

**We believe the fate of humanity will be decided at the frontier of technological innovation.** We will either see technology lead to a more free, open, and fair society or reinforce a global regime of centralized control, surveillance, and oppression. Our fear is that without a global, conscious, and concerted effort, the outlook is incredibly bleak.

The Internet has opened the doors for universal, cross-border, and non-violent collaborative effort to **fight for our freedom**.

However, the Internet has also opened the doors for global surveillance and manipulation.

We believe humankind **should use technology as a liberating tool** to unleash all the goodwill and creativity of our species, rather than as a tool to enslave and take advantage of one another.

Thus, Aragon is a fight for freedom. Aragon empowers freedom by creating liberating tools that leverage decentralized technologies.

**Decentralized technologies provide users unparalleled power** to transact and interact with a level of security never seen before. Thanks to cryptography and economic incentives, users can now own truly sovereign assets, create fully sovereign entities, and build truly sovereign identities. They solidify freedoms that cannot be taken away, not even by actors with sizeable resources. This tectonic shift requires a new method for organizing these sovereign individuals: **decentralized organizations**.

For the first time in history, thanks to blockchain technology and smart contracts, we can now create fully decentralized organizations, which are truly autonomous and unstoppable.

Decentralized organizations change our relationship with **governance**: from something that is imposed upon us by others, into something we choose to opt into. Where we are equally serving and served, rather than just serving.

Building tools to create and manage decentralized organizations will unleash a cambrian explosion of new governance forms, and the competition among them will raise the bar globally.

It will finally allow us to experiment with governance at the speed of software and learn through the empathy of a collective design approach.

Instead of complaining about how badly incentives are set in the world and how poorly resources are allocated, we will have the power to create systems that better align incentives and distribute resources. This is the enlightenment of the century.

Sovereign individuals will be able to freely express themselves and transact with each other **without any kind of intermediary** exercising their unjustified power and oppressing them.

This may be one of the most important revolutions humanity has ever faced. We need to be careful about how we go about it. Technology can be a double-edged sword. We need to explicitly set out **the values that Aragon stands for**, in order for our community to always **uphold and defend them**.

**We are committed to building organizational forms that defend self-sovereignty — where a user can always exercise choice, either by participating or exiting.**

In today's world, our governing power over society's common goods is negligible and inaccessible.

Even for exercising small changes over your environment (your city, state or corporation), you might have to go through cumbersome and opaque bureaucratic processes.

This happens because the coordination costs were high in the old world. But now, thanks to the Internet and decentralized governance, we can, and must, engineer systems to empower the people's voice to their fullest potential.

Also, if you dislike those broken governance processes, **you cannot easily exit from them**. Some organizations own your identity (governments), some others own your data (Facebook), and some others even own the path for you to exit (borders), restricting your choice of leaving.

**We must build organizational structures that allow users and other stakeholders to exit with minimal friction** if they fundamentally disagree with the governance of those structures.

**We are committed to creating collaboration mechanisms in which violence is not only dis-incentivized, but impossible.**

Choices can only be made freely in the absence of coercion and extortion. **Systems should never use violence** as a means to incentivize or disincentivize human behavior.

With cryptonetworks, we can create environments where others cannot even tell where individuals are located or what they look like. We must make violence in these cryptonetworks impossible by protecting users' privacy with cryptography.

**We are committed to decentralizing power in order to dismantle unjustified power — which usually springs from centralization.**

Power has a natural tendency to reinforce itself and become corrupt. If power becomes centralized, it doesn't have to answer to anyone but itself. **Decentralizing power is essential** to minimizing corruption over time.

We must strive to create systems in which a large number of diverse stakeholders have a say, in order for common goods to be responsibly governed by their communities and the relationships between stakeholders based on egalitarian values.

**We are committed to the creation of long-term value versus short-term profit — which in turn, advances regeneration.**

We want these values to last. **We are in this for the long run.** In order to make a lasting impact and disrupt existing power structures, **we must create systems that provide regenerative economic value to their participants.**

We must honor and encourage the communities that sustain Aragon itself, and we must do so by rewarding those who defend the values outlined in this manifesto.

**We are committed to a world in which every person can participate in these new organizational structures.**

We seek to use technology to lift people from oppression. To be successful, **we must keep our products open, understandable, and easy to use** for everyone.

## The Community Guidelines

### Code of Conduct

We as community members, contributors and leaders pledge to make participation in the Aragon Network a harassment-free experience for everyone, regardless of age, body size, visible or invisible disability, ethnicity, sex characteristics, gender identity and expression, level of experience, education, socio-economic status, nationality, personal appearance, race, religion, or sexual identity and orientation.

We pledge to act and interact in ways that contribute to an open, welcoming, diverse, inclusive, effective and healthy community for ourselves, each other, and the planet.

### Our Standards

**Examples of behaviour that contributes to a positive environment for our community include:**

- Assuming good intentions and demonstrating empathy and kindness toward other people.
- Being respectful of differing opinions, viewpoints, and experiences.
- Giving and gracefully accepting constructive feedback.
- Proactively taking responsibility.
- Clearly communicating if we might fail to uphold responsibility, working to avoid or repair negative consequences on others, adequately apologizing with the affected parties, and learning from the experience.
- Focusing on what is best not just for us as individuals, but for the overall community.
- Embodying the values of the Aragon Manifesto.

**Examples of unacceptable behaviour include:**

- Selling or renting votes.
- Trolling, insulting or derogatory comments, and personal or political attacks.
- Public or private harassment, including stalking or repeated unwanted contact, including non-consensual sexual attention, sexualized language or imagery, or advances of any kind.
- Misleading or passive-aggressive comments.
- Publishing other's private information, including Personal Identifiable Information (PII) such as a physical address or email address, without their explicit permission.

- Hate speech such as promotes violence or hatred against people based on characteristics like race, ethnicity, national origin, caste, religion, disability, disease, age, sexual orientation, gender, or gender identity.
- Doing any unlawful purpose or in furtherance of illegal activities.
- Spam (unsolicited off-topic messages, especially commercial in nature).
- Inciting or threatening violence, encourage, glorify or incite violence against anyone relate to extremism, terrorism, or human trafficking, directly or indirectly, or encouraging others to hurt themselves.
- Propose or make any payments or behave directly or indirectly in a way that results in a violation of applicable anti-corruption laws.
- Repeatedly yelling (i.e. ALL CAPS or excessive exclamation points!!!).
- Discussing the price of a token or asset, or giving any type of financial advice.

## Violations and Consequences

Community Members will follow the guidelines listed below, in determining the consequences for any action they deem in violation of the [Code of Conduct](#):

### 1. Correction

Community Impact: A single use of inappropriate language or other behavior deemed unwelcome in the community.

Consequence: Deletion or removal of the post in question, in addition to communicating which rule was violated and how to avoid such violations in the future. If the action was in person, direct communication with that individual to identify which rule was violated and how to avoid such violations in the future.

### 2. Warning

Community Impact: A violation through a single incident or series of actions.

Consequence: A warning with consequences for continued inappropriate behavior. No interaction with the people involved, including unsolicited interaction with those enforcing the Code of Conduct, for a specified period of time. This includes avoiding interactions in community spaces as well as external channels like Telegram, Discord, Reddit, Community Forum, etc. Violating these terms may lead to a temporary or permanent ban.

### 3. Temporary Ban

Community Impact: A serious violation of community standards, including sustained inappropriate behavior.

Consequence: A temporary ban from any sort of interaction or public communication with the Community for a specified period of time. No public or private interaction with the people

involved, including unsolicited interaction with those enforcing the Code of Conduct, is allowed during this period. Violating these terms may lead to a permanent ban.

#### **4. Permanent Ban**

**Community Impact:** Demonstrating a pattern of violation of community standards, including sustained inappropriate behavior, harassment of an individual, or aggression toward or disparagement of classes of individuals. Vote-selling or vote-renting classifies for a permanent ban.

**Consequence:** Permanent removal from any sort of interaction or public communication with the Community for a specified period of time. If an individual has alternate accounts, those may be removed as well. No public or private interaction with the people involved, including unsolicited interaction with those enforcing the Code of Conduct, is allowed.

## **Reporting and Enforcement**

Every community member has a duty to promote the use of the Community Guidelines, call to attention members of the community who come close to or violate the Guidelines (as long as this doesn't put their personal safety in jeopardy), and inform platform admins of violations. Ultimate responsibility for enforcing the Community Guidelines in each platform rests with the platform admins of each platform.

To report a violation of the Community Guidelines, members can:

- Tag a moderator in the platform where the violation has occurred,
- Email the moderators at [community@aragon.org](mailto:community@aragon.org)
- Or, anonymously, fill the form at: <https://vocdoni.typeform.com/to/A5BYwldf>

## Aragon Governance Proposal Process

The purpose of the Aragon Governance Proposal Process ("the AGP process") is to provide a structured process for making changes to the shared resources of the Aragon Network. For these shared resources, governance processes are needed to grant or deny access and approve or reject proposed changes.

### 1. Governance Bodies

- a. The following bodies will form part of the AGP process and are collectively referred to as the Aragon Network DAO, composed of a Main DAO and Sub-DAOs.
- b. **Main DAO** - an Aragon Govern DAO that uses Aragon Voice voting to validate the community's sentiment and then scheduling for on-chain execution on Govern, enabling ANT Holders to both exercise direct democracy (directly propose and approve proposals of any kind) and elect members to existing or new Sub-DAOs.
- c. **Sub-DAOs** - DAOs controlled by the Main DAO. At launch, the following Sub-DAOs will exist:
  - i. **Executive Sub-DAO:** An Aragon Govern DAO, with permission for treasury management of the Operations Vault.
    1. The Executive Committee DAO is governed on a do-ocracy basis (Optimistic Governance) by the Tech Committee Members.
    2. Members of the Executive DAO ("Executive Committee Members") are elected by ANT Holders through a vote on the Main DAO.
  - ii. **Compliance Sub-DAO:** an Aragon Govern DAO, with permission to veto proposals and actions in the Main DAO and Sub-DAOs that represent a breach of this Charter and/or directly harm the Aragon Network.
    1. The above shall not include actions or proposals to add and/or remove wallet addresses from the Compliance DAO.
    2. The compliance DAO is governed on a do-ocracy basis (Optimistic Governance) by the Compliance Committee Members.
    3. Members of the Compliance DAO ("Compliance Committee Members" i.e. wallets with permission to veto proposals through the Compliance DAO) are elected by ANT holders through a vote on the Main DAO.
  - iii. **Tech Committee:** an off-chain committee charged with deploying accepted proposals that contain new code (and managing the access to the necessary web2 platforms to perform this task). The Tech Committee also has the authority to remove proposals that do not meet technical

quality standards as well as to determine which proposals should be subject to a 3rd party independent technology audit.

1. The Tech Committee decides on the need (or lack thereof) for audits on proposals using Aragon Voice and a majority vote.
  2. Members of the Tech DAO ("Tech Committee Members") are elected by ANT Holders through a vote on the Main DAO.
- d. **Aragon Court:** Used to challenge the actions scheduled on both the Main DAO and any Sub-DAO, and directly from the Voice UI / or the custom UI for AN DAO.

## 2. Separation of Powers

- a. The same members shall not be part of more than one of the following: the Executive Sub-DAO, Compliance Sub-DAO, Tech Committee, and Guardians in Aragon Court mainnet.
- b. When a decentralised identity solution is integrated into the DAO, members of these committees shall prove their unique identity using said solution.

## 3. Formation of new Sub-DAOs

- a. The Main DAO can deploy a new Sub-DAO, be given control over an already deployed DAO, dissolve an existing Sub-DAO, or spin-off a Sub-DAO as an independent DAO at any point in time.
- b. Each Sub-DAO shall have its own operating agreement outlining at a minimum the responsibilities of its members which shall be listed as an Appendix to the Aragon Network Charter.
- c. In case of conflict between agreements, The Aragon Network Charter shall prevail over any Sub-DAO operating agreement.

## 4. Treasuries & Permissions

- a. **Investment Vault:** The reserve treasury of the Aragon Network. Used to fund Sub-DAOs and/or to obtain yield.
  - i. Any ANT Holder can make proposals for Financial Proposals as described in the Financial Proposals section of this AGP process document.
- b. **Operations Vault:** The main treasury of the Aragon Network. Used to fund operations and make strategic fundings.
  - i. Any ANT Holder can make proposals for Financial Proposals as described in the Financial Proposals section of this AGP process document.
  - ii. And any wallet with permissions for the Executive DAO (i.e. any member of the Executive DAO) can program and delete Financial Actions in the Executive Sub-DAO as per the Executive Sub-DAO operating agreement.



**c. Additional Treasuries**

- i. Sub-DAOs are not allowed to create additional treasuries under the exclusive control of the Sub-DAO (and outside of the control of the Main DAO) unless approved by a majority vote of ANT Holders.
- ii. The Main DAO may create additional treasuries through a majority vote of ANT Holders.

**5. Proposals**

- a. Any ANT Holder can create a Proposal in the Main DAO
- b. Any Sub-DAO may remove a scheduled proposal at any time (e.g. Veto right) should they have the power to do so as per their operating agreement and as per this Charter.
- c. All proposals must comply with the Requirements for Proposals & the specific format and process for the type of proposal as follows:

**d. The Requirements for Proposals:**

- i. **Public deliberation:** all proposals must be shared during the public deliberation phase in the Aragon Forum and linked in the Aragon Discord Server, unless these services are unavailable.
- ii. **Voting period:** the vote on Aragon Voice must be at least 7 days.
- iii. **Scheduling:** once approved, proposals are automatically scheduled for execution 5 days after the end of the vote.
- iv. **Collateral:** the proposer must put 50 ANT as collateral during the voting period. This collateral might be slashed if the proposal is challenged in Aragon Court and ruled to violate any provision of this Charter.

**e. Types of Proposals:**

- i. **Financial Proposals:** any type of financial transfer of any asset that has a monetary value from the Main DAO or any Sub-DAO.
- ii. **Elections Proposals:** any type of proposal that gives/removes wallet permissions from the Sub-DAOs
- iii. **Other Proposals:** any other type of proposal (including Metagovernance Proposals, code submissions, parameter changes, etc).

**f. Process for Financial Proposals and/or Other Proposals: in sequential order:**

- i. **Public deliberation phase:** A post with the draft of the proposal is posted in the Aragon forum for a minimum of 7 days and maximum of 14 days with the format:
  1. *Title of Proposal (in the format “Financial Proposal:[title]”)*
  2. *Description of the Action*
  3. *Description of why the author believes it will help to increase the number of Active Aragon DAOs*
    - a. *By default, all Financial Proposals involving a deliverable should use an Escrow (see [Additional Definitions](#)). In cases where the use of an Escrow is omitted, a justification must be included in the Description.*
    - b. *Greet.me shall be the default Escrow provider for Financial Proposals.*
  4. *And suggested optional: ETH Wallet address of the author(s) and/or other identifiers*
- ii. **Voting:** the proposal (or a revised version of the proposal incorporating the community’s feedback) is posted for a vote on Aragon Voice.
  1. For calculating voting power, 1 ANT token = 1 Vote.
- iii. **Approval:** a proposal is deemed approved and scheduled for execution if the following conditions are reached:
  - a. Quorum: a minimum of five thousand (5,000) ANT has been used to vote.
  - b. Support: The vote shall be deemed as “passed” with a simple majority (>50%) of the participating ANT having voted in favour.
  2. When a proposal includes a code submission, the Tech Committee has up to 14 days to decide and communicate via a post in Aragon Forum whether a proposal will be:
    - a. Accepted and incorporated.
    - b. Submitted to a 3rd party audit to determine its safety (conditional on the Operations Vault having the necessary funds).
    - c. Rejected as malicious, technically infeasible, or economically infeasible (if an audit is required and the Operations Vault lacks the necessary funds to cover the costs of the audit).

**g. Process for Elections: in sequential order:**

- i. **Public deliberation phase:** A post with the draft of the proposal is posted in the Aragon forum for a minimum of 10 days and maximum of 30 days with the format:
  1. *Title of Proposal (in the format "Election:[title]")*
  2. *Description of the Action (including what permissions will be given/removed for which DAO/Sub-DAO)*
  3. *In the event of the election being proposed before the stipulated in the agreements of the Sub-DAO, add a description of why an advanced election is needed*
  4. *And suggested optional: ETH Wallet address of the author(s) and/or other identifiers.*
- ii. **Sourcing Candidates:** Candidates can be proposed (and/or propose themselves) by replying to the Forum post (only one candidate per post reply) in the following format:
  1. *Identifier: their ETH wallet address (and optional their name, discord handle, twitter handle, and other identifiers)*
  2. *Rationale: description of why they are an ideal candidate for the position*
- iii. **Voting:** top 10 candidates with the highest number of upvotes in the Aragon Forum will be put forward to a vote using Aragon Voice.
  1. In the event of the election being proposed before the frequency stipulated in the operating agreement of the Sub-DAO (if any), the vote must also include the option to keep the current permissions even if the current wallets were not amongst the top 10 candidates.
- iv. **Approval & Execution:**
  1. In the exceptional case that two proposed users gain the same number of votes, the winner will be the candidate who reached the tying number of votes first.
    - a. E.g. Candidate A and B both tied at 7 votes, Candidate A wins because it reached 7 votes a day before Candidate B. If votes are submitted in the same block, repeat the vote.

**6. Disputes**

- a. Disputes between members that can not be addressed through facilitation or mediation, and disputes related to proposals shall be resolved using Aragon Court.
- b. The losing party shall reimburse the winning party for any Aragon Court fees incurred by the winning party. Failing that, the Executive DAO shall reimburse said fees.



# Glossary

## Key Definitions

**Active Aragon DAOs:** DAOs created using the smart contract provided by the Aragon Network, that have enacted at least 1 decision in the past month.

**Aragon Network:** a network of ANT Holders and the organisations and technology created by them to pursue the goals and live the values defined in the [Aragon Manifesto](#). Including but not limited to: The Aragon Network DAO, ANT Holders, their affiliates, employees, contributors, licensors and service providers, and their respective officers, directors, employees, contractors, agents, licensors, suppliers, parent companies, successors, subsidiaries, affiliates, agents, representatives

**Aragon Network Charter:** The whole of this document (“this Charter”), which consists of the human-interpreted rules of the Aragon Network and is subdivided in the following human-readable documents:

- [The Aragon Network DAO Agreement](#): the responsibilities and rights of ANT Holders.
- [The Aragon Manifesto](#): the values and the mission of the Aragon Network.
- [The Community Guidelines](#): the norms of behaviour between ANT Holders.
- [The Aragon Governance Proposal Process](#) (or “AGP Process”): the process used by ANT Holders to govern the Aragon Network DAO

**Aragon Network DAO:** a Decentralized Autonomous Organization (an open coordination protocol based on open blockchain technology) that aims to facilitate the governance of the Aragon Network's tools, infrastructure and other common resources. The Aragon Network DAO is governed by ANT Holders according to the AGP Process and includes one or more Sub-DAOs also binded by this Charter.

**Aragon Network Token(s) (or "ANT"):** the native token of the Aragon Network - a transferable ERC-20 token with the contract address: 0xa11700000f279d81a1d3cc75430faa017fa5a2e. ANT is used for the governance of the Aragon Network DAO and other forms of participation in the Aragon Network.

**ANT Holder(s):** any entity that owns or controls an Ethereum account that controls a positive balance of Aragon Network Tokens (ANT).

**Aragon Voice:** A token-based voting client with universally verifiable results and deterministic execution.

**Community Member:** any ANT Holder participating in the communication platforms, including Aragon's Discord server, Aragon's Telegram group, Aragon Forum, Aragon Network DAO, online and offline gatherings, and/or other groups and platforms of the Aragon Network.

**Financial Actions:** any on-chain action that transfers, exchanges, or stakes tokens held by the AN DAO or Sub-DAOs.

## Additional Definitions

**Aragon Court:** a smart contract-based dispute resolution system governed by ANT Holders.

**Aragon Network:** all smart contracts on the Ethereum blockchain that are governed directly or indirectly by ANT Holders, and are also subject to this Agreement.

**Aragon Network Community Platforms:** the platforms used for regular communication by the ANT Holders and managed by either the Aragon Association or the Aragon Network DAO. They include but are not restricted to Aragon's Discord Server, Aragon's Forum, Aragon's Github repository, and online and offline events organised under the Aragon brand.

**Aragon Network organization:** the Aragon organization addressed by the ENS name network.aragonid.eth, encompassing all apps installed on this organization.

**ANJ (Aragon Network Juror):** The original native token of Aragon Court, defined in the smart contract located at Ethereum address 0xcD62b1C403fa761BAadFC74C525ce2B51780b184. ANJ has now been replaced by ANT as the token used for Aragon Court.

**DAO:** decentralized autonomous organization - an open-source blockchain protocol governed by a set of rules, with fluid affiliation or membership through participation, and that automatically execute certain actions without the need for intermediaries.

**ENS:** The Ethereum Name Service, a smart contract-based naming system. ENS names are registered using the registry deployed at the Ethereum address 0x000000000000C2E074eC69A0dFb2997BA6C7d2e1e.

**Escrow:** a contractual arrangement in which a third party (the stakeholder or escrow agent) receives and disburses money or property for the primary transacting parties, with the disbursement dependent on conditions agreed to by the transacting parties.

**Ethereum blockchain:** The blockchain referred to as “Ethereum” by the owner of the Ethereum trademark, the Ethereum Foundation (Stiftung Ethereum).

**Guardian(s):** natural person (represented by a wallet address) that is eligible to be drafted to rule upon disputes in Aragon Court. If a guardian is summoned, it must vote to allow or block the action being disputed, and can be rewarded (earn tokens) or punished (lose tokens) depending if they voted with the majority (default interpretation) or against it. The protocol is designed so that Guardians do not know each other and do not have contact when they are summoned.

**IPFS network:** A peer-to-peer hypermedia protocol, whose project website is located at <https://ipfs.io>. The public network makes files accessible to any internet-connected device running a compatible implementation of the IPFS software.

**Metagovernance (“Metagov”):** refers to the process(es) to change the governance processes of the Aragon Network DAO.

**Network contract:** The computer-interpreted source code of a smart contract governed by ANT Holders.

**Network parameters:** The current parameters of smart contracts governed by ANT Holders, which can be modified without amending the source code of the smart contract itself.

**Proposal:** any suggested amendment to the Network contracts, Network parameters, the Agreements of the Aragon Network (i.e. Aragon Network Charter and composing agreements), and Agreements of any Sub-DAOs.

**Smart contract:** a software program deployed to a blockchain.

**Off-Chain:** refers to any action or data entry that is not recorded on a blockchain or other type of distributed ledger where the smart contract (or version of it) is deployed or connected to so as to have verifiable and tamper-proof records.

**On-Chain:** refers to any action or data entry that is recorded on a blockchain or other type of distributed ledger where the smart contract (or version of it) is deployed or connected to so as to have verifiable and tamper-proof records.

**Optimistic Governance:** The process of decisions being enacted with a time delay which allows time for a decision to be challenged. If a decision is not disputed then the change is enacted at the end of the time delay. This allows for much faster decision making and strategy decisions to be made.



## Sub DAO Agreements

### 1. General Provisions

#### a. Agreements:

- i. The Sub-DAO is bound primarily to the Aragon Network Charter, and secondarily to its own rules and/or Agreements.

#### b. Membership

- i. The Sub-DAO shall initially consist of 3 members.
  1. In the first year since the creation of the Sub-DAO, 2 of these members will be elected by the Aragon Association and 1 member will be elected through an election proposal in the Main DAO.
  2. In year 2, 1 of these members will be elected by the Aragon Association and 2 members will be elected through an election proposal in the Main DAO.
  3. In year 3, all members will be elected through an election proposal in the Main DAO.
  4. The term of each member shall be of 1 year.
  5. Should multiple committee members be reelected for more than 3 consecutive terms, the member that has been elected for the longest period of time will be discharged and replaced with a new committee member. The discharged member(s) can be re-elected after 2 years.
  6. Only natural persons can be members of the Sub-DAO, verified using a decentralized identity solution, chosen by the Main DAO.

#### c. Termination of membership

- i. If a member commits a serious breach (as determined by the Main DAO) of the Charter, the Main DAO may at any time remove said member of a Sub-DAO. The member may appeal the decision using Aragon Court.
- ii. All proposals for termination will be carried out by an Aragon Voice vote.
- iii. Any appeals shall be carried out using Aragon Court.

#### d. Compensation & Expenses

- i. Each committee member of a Sub-DAO shall be paid a monthly fee of 200 ANT per month.
- ii. Committee members shall be reimbursed by the Executive DAO of any reasonable expenses incurred in the performance of their duties.

## 2. Executive Sub-DAO

### a. Responsibilities

- i. In particular the Executive DAO has the following powers:
  1. Pay members of other Sub-DAOs

2. Make grants to other community members at their discretion, providing:
  3. such transactions are disclosed transparently on the [Aragon Forum](#) website
  4. An Escrow is used to hold funds until the completion of the agreed-upon deliverable.
  5. The deliverable has been fully assessed by the members of the Executive DAO.
  6. Pay suppliers of the Aragon network, providing such transactions are disclosed transparently on the [Aragon Forum](#).
- ii. And Executive DAO members have the following responsibilities:
1. Keep an up to date record of their activities and use of funds.
  2. Hold a General Meeting (online or offline) every fortnight and keep a record of the meeting available to the ANT Holders.
  3. Not miss any more than 3 consecutive General Meetings without providing a valid excuse (medical or force majeure) or a public explanation to ANT Holders.

#### **b. Decision Making process**

- i. The Executive DAO uses a lazy-consensus process as follows:
  1. Any member of the Executive DAO can schedule an action in the DAO.
  2. If another member disagrees or wishes to discuss said action, provided that said action has not been backed by a majority vote of the Executive DAO members in Argan Voice, they can:
    - a. Speak directly with the member who scheduled the action, in preference through a channel that's readable asynchronously by the community
    - b. and, if needed, cancel the scheduled action to provide enough time for the discussion.
  3. If the discussion between members doesn't lead to an agreement or can not be scheduled soon enough (as determined subjectively by each member), each member of the executive DAO can trigger a vote of the Executive DAO members using Aragon Voice to resolve the dispute through a simple majority. The vote must be open for a minimum of 4 days and no longer than 14 days.
  4. The vote's result will be invalid if:
    - a. Not all committee members vote AND the voting period has lasted less than 14 days or longer than 30 days. For clarity, if all committee members vote, the vote will be considered valid irrespective of the duration.
    - b. Less than 50% of committee members have voted.

### 3. Tech Committee

#### a. Responsibilities

- i. In particular the Tech Committee DAO has the following responsibilities:
  1. Review technical proposals in the Main DAO and Sub-DAOs to assess them from a technical risk perspective.
  2. Remove technical proposals in the Main DAO and Sub-DAOs that represent a material technical risk to the project.
  3. Approve technical proposals they believe would be beneficial to the Aragon project and DO NOT require a 3rd party technical security audit due to being low risk.
  4. Suspend technical proposals they believe would be beneficial to the Aragon project, pending the completion of a 3rd party technical security audit.
  5. When needed, add approved proposals to Github and other repositories and merge the code.
  6. Maintaining a list of whitelisted technical security auditors they deem to be sufficiently competent to audit Aragon smart contracts.

#### b. Decision Making process

- i. The Tech Committee decides on a simple majority basis through an Aragon Voice vote of the Tech Committee members.
- ii. The vote's result will be invalid if:
  1. Not all committee members vote AND the voting period has lasted less than 14 days or longer than 30 days. For clarity, if all committee members vote, the vote will be considered valid irrespective of the duration.
  2. Less than 50% of committee members have voted.

### 4. Compliance Committee Sub-DAO

#### a. Responsibilities

- i. In particular the Compliance Committee DAO has the following responsibilities:
  1. Reviewing all proposals in the AN DAO and any-sub DAO for compliance with this Charter and overall legal compliance, providing feedback to proposal creators where appropriate.
  2. Remove any proposals they deem to be non-compliant with any part of this Charter or illegal.

#### b. Legal responsibility

- i. The Compliance Committee members assume full legal responsibility for the approval of any illegal, unlawful, criminal or fraudulent proposal.
- c. Decision Making Process**
  - i. The Compliance Committee DAO operates on an lazy-consensus veto basis as follows:
    1. Any member of the Compliance Committee Sub-DAO may cancel or delay an action in the Main DAO or Sub-DAOs.
    2. If the other members disagree with the decision, they can call a vote of the committee using Aragon Voice and get the decision overturned through a simple majority vote. The losing party may choose to ragequit (leave the Sub-DAO) before the decision is enacted.
    3. The vote's result will be invalid if:
      - a. Not all committee members vote AND the voting period has lasted less than 7 days or longer than 30 days. For clarity, if all committee members vote, the vote will be considered valid irrespective of the duration.
      - b. Less than 50% of committee members have voted.

## Main DAO and Sub-DAOs Parameters

- **Main DAO Settings**

1. DAO identifier:
2. DAO smart contract address:
3. DAO token name: ANT
4. DAO token symbol:
5. DAO token address:
6. Execution delay: 432000 seconds (5 days)
7. Rules/Agreement: AN Charter document
8. Dispute Resolution Client: 0xfb072baa713b01ce944a0515c3e1e98170977daf
9. Collateral token: [insert ANT address]
10. Collateral token amount: 50 ANT
11. Whitelist addresses:

- **Executive Sub-DAO Settings**

1. DAO identifier:
2. DAO smart contract address:
3. DAO token name: EXE
4. DAO token symbol:
5. DAO token address:
6. Execution delay: 7 days
7. Rules/Agreement: This Charter document (referenced) and Sub-DAO Agreement.
8. Dispute Resolution Client: 0xfb072baa713b01ce944a0515c3e1e98170977daf
9. Collateral token: [insert ANT address]
10. Collateral token amount: 50 ANT
11. Whitelist addresses:
  1. Main DAO - [insert]
  2. Member 1 - [insert]
  3. Member 2 - [insert]
  4. Member 3 - [insert]

- **Tech Committee Multisig/Sub-DAO Settings**

1. DAO token name:
2. DAO token symbol: TECH
3. DAO token address:
4. Execution delay: 3 Days
5. Rules/Agreement: This Charter document (referenced) and Sub-DAO Agreement.
6. Dispute Resolution Client: 0xfb072baa713b01ce944a0515c3e1e98170977daf
7. Collateral token: [insert ANT address]
8. Collateral token amount: 50 ANT
9. Whitelist addresses:
  1. Main DAO - [insert]
  2. Member 1 - [insert]
  3. Member 2 - [insert]
  4. Member 3 - [insert]

- **Compliance Committee Sub-DAO Settings**

1. DAO identifier:
2. DAO smart contract address:
3. DAO token name:
4. DAO token symbol: LEGA
5. DAO token address:
6. Execution delay: 3 hours
7. Rules/Agreement: This Charter document and Sub-DAO Agreement.
8. Dispute Resolution Client: 0xfb072baa713b01ce944a0515c3e1e98170977daf
9. Collateral token: [insert ANT address]
10. Collateral token amount: 50 ANT

11. Whitelist addresses:

1. Main DAO - [insert]
2. Member 1 - [insert]
3. Member 2 - [insert]
4. Member 3 - [insert]