# LuckDAO Constitution v.1

<https://docs.ens.domains/v/governance/>

<https://docs.enterdao.xyz/token/token-distribution>

1. **Vision, Mission and Value of LuckDAO**
   1. Vision

The vision will refer to an inspiring picture of what the world will look like if LuckDAO is successful. This vision will be curated and sculpted by the members of LuckDAO as LuckDAO develops.

LuckDAO will push the boundary of games of luck, from a simple smart contract to metaverse and finally intervening with our daily life.

* 1. Mission

From the beginning, LuckDAO is a DAO that helps lucky people realize their dreams in the form of multiple rounds of lottery. LuckDAO will bring the power of smart contract to deliver a fair game to participants.

In our first steps, we hope to make lottery smart, reliable and transparent. LuckDAO’s final mission is to make games of luck more transparency and funny by using tech of blockchain.

* 1. On-Chain and Decentralized Governance

The DAO aims to establish on-chain governance for transparent and fair decision voting, asset accumulation and distribution. Instead of having a third party to authenticate and authorize actions and proposals from members, the DAO aims to eventually automate appropriate processes with web3 technologies, in order for all participants of the DAO to operate freely and in a decentralized and autonomous manner. Decisions of Decentralized governance implement in the form of proposal and vote. The two main type of proposal is:

* LDP: LuckDAO proposal.
* GIP: Guild initiated proposal.
  1. Community Owned

For the sake of efficiency, the founders and core teams will be responsible for the design, announcement and execution of the first few rounds of lottery events. They will also distribute and manage governance tokens according to the plan. As long as the operation of the community, the team will hand over the execution of the transaction to the community. Then, the roadmap of LuckDAO will be paved by its community. The DAO will act as a central hub with a broad mission statement that gives a direction which gathers and attracts a global network of participants, resources and ideas.

* 1. Road Maps

The DAO aims to encourage members to connect and collaborate on projects that fit into the general mission of the DAO, while providing its members with guidance, legal, financial and human resources, and all other necessary tools to actualize their visions.

* Keep refining LuckDAO’s broad mission and vision with contribution from guilds and the LuckDAO community.
* Establish Charter to clarify methods and directions for Members as a collective to reach for this mission
* Establish Guilds (task forces) to help select and facilitate project proposals that fit into the greater vision of LuckDAO
  1. The criteria of projects LuckDAO would help facilitate:
     + financially profitable for LuckDAO
     + valuable for LuckDAO Members in terms of utility.
     + is ethical.
     + fits into LuckDAO’s mission.

Projects We Want to Support:

* Promotion in the lottery field. This field requires the verifiability of strong verifiable random smart contracts to guarantee the randomness of unique results.
* Promotion in the field of traditional social governance, such as selection of charitable relief, ranking of public schools. Transparency is needed in this area.
* Promotion in traditional business fields, such as sample surveys of think tanks. Credibility is required in this area.
* The promotion of games such as card games and even the metaverse gaming industry requires stricter transparency and randomness when the number comes to larger and larger.
* Promotion in real daily life, such as multi-person boxing, random travel destinations. If the cost of the selected public chain is low enough, the records can be put on the chain, which may create a richer application scenario of on-chain and off-chain interaction.

The above projects correspond to different application scenarios, and the required technologies may be quite different. In addition, we will most likely need to support the following projects.

* Funds theoretical and applied research on efficient access to on-chain randomness. Like the Chainlink VRF.
* Educational opportunities in the form of LuckDAO University
* Proactive outreach to underprivileged people to provide the skills and resources needed allowing them the option to join our community.

1. **Rules of Cooperation**

The Rules of Cooperation covers two general areas:

* + Transparency in measuring and reporting progress of the DAO and the Guilds.
  + Creating relational agreements between members, which are agreements about how people will relate to each other while working together.
  1. Transparency in Measuring and Reporting Progress of the DAO and the Guilds
     1. LuckDAO Roadmap

The Missions Guild will maintain a Roadmap of the DAO’s current and upcoming projects, expected action items and tentative completion dates. All Members will have transparent access to this information. The roadmaps will be kept using a DAO designated coordination tool.

* + 1. Guild Roadmaps

Each Guild will keep a roadmap of the Guild’s current and upcoming projects, expected action items and tentative completion dates. All Members will have transparent access to (non-private) information on Guild projects. The roadmaps will be kept using a DAO designated coordination tool.

* + 1. Priorities

Both LuckDAO and each Guild will have an explanation of their overall priorities. Projects on the Roadmap will also be ranked by priority.

* + - 1. What is Measured in Updates: the information that may be in the updates includes but is not limited to current and upcoming projects, expected action items, metrics, tentative project completion dates, next actions, relative priorities, projections, efficiency, budget consumption and engagement. It may also be possible to measure individual or group effort.
      2. How Often Roadmap is Updated: Both the DAO Roadmap and the Guild Roadmap will be updated at reasonable intervals.
    1. Requests for Clarification:
       1. Clarification on Progress: Any citizen may request clarification on a project using the Guilds’ public Discord channels. The clarification request must be formally submitted to the Guild via a Clarification Request Form (CRF) and must state reasons for why the current roadmaps do not provide sufficient information on progress.
          1. Examples of “Progress”: Next steps or actions on a current project, whether a project’s priority should be changed, questions of accountability, how this project will impact the overall DAO or other relevant questions.
       2. Clarification on Other Issues (GuildThink): This is a request to have a formal discussion with one Guild. The purpose of a GuildThink would not be a clarification on progress, but rather would be to address an issue that specifically impacts one Guild.
       3. Request for Cooperation Between Guilds: This is a request to have a formal discussion between two or more Guilds. The purpose is to determine whether a project is impacting another Guild, how it is impacting another Guild, whether different Guilds could work together on a project or any other issues that specifically impact Guild interoperability.
       4. Refusal to Cooperate: A Guild may not simply ignore a properly submitted Clarification Request. The Mission Guild may request a meeting with the Guild in question and seek answers.
  1. Relational Agreements
     1. Relational Agreement

A relational agreement is defined as the expected behavior between two or more members and is the prerequisite to any collaborative work, whether in a Guild or between Guilds. The purpose of establishing a relational agreement is to establish effective relationships between all members of LuckDAO.

* + - 1. Personal Commitment: An important element of group work is knowing that other members of a project are committed to the project. One purpose of the relational agreement is to establish commitment.
      2. How to Establish Expectations of a Project Facilitator: Prior to any project, there will be a private meeting between the Guild and the project facilitator. The Guild and the project facilitator will discuss their mutual expectations. Upon request, this will be facilitated by a member of the Missions Guild.
      3. How to Establish Expectations of Project Participants: Prior to any project, there will be a private meeting between the project leader and the participants, where they discuss mutual expectations. Upon request, this will be facilitated by a member of the Guild.
      4. Expectations Meeting: At any time, a member of a Guild who is engaged in a project may request an in-person discussion, to be facilitated by a member of a Guild or the Missions Guild if so desired, to discuss the expectations of involvement in the project or any concerns about expectations not being met.
      5. Algorithmic Establishment of Credibility: A method of algorithmic credibility will be established to act as a reputation marker, helping to provide members of LuckDAO with scores that will assist in establishing their relative contributions to the DAO and their credibility within the DAO.

1. **Organizational Structure**

Organizational structure refers to the structure in which LuckDAO, the Guilds, Members and Guild members are organized, how effective roles are created and implemented, how individuals become Members and how Guilds are formed.

The overarching goals of the structure outlined below are: effective collaboration among Guilds, Members and Guild members, accountability, the ability to scale effectively, and trust among all Guilds, Members and Guild members.

* 1. The Composition of LuckDAO

LuckDAO includes Members, who may or may not be Guild members. Members are those who hold a **certain amount** of LuckToken, as defined in the LuckDAO Operating Agreement. Guild members are Members who join and participate in a Guild following the LuckDAO onboarding process.

* 1. Stakeholders of LuckDAO
* **Members**: Founding Members, first Members, all holders of a certain amount of LuckToken
* **Guilds**: Teams consisting of individuals that work together towards a common purpose, onboarded in accordance with their Guild Formation Proposal.
* **Public:** New individuals who come to learn about and interact with LuckDAO every day. We have a responsibility to create and maintain a strong brand to project onto the outside world.
* **Partners:** LuckDAO wants to be involved in the greater DAO ecosystem through outreach and partnerships with other DAOs, and perhaps centralized organizations as well, where appropriate. Potential investors could also fall into this category.
* **Government:** Given that a new mode of governance is central to LuckDAO’s mission, engagement with government bodies may be critical for education and alignment purposes.
* **Vendors:** LuckDAO purchases tools / services from third parties to run the DAO and allow us to achieve our mission.
  1. Membership

Anyone may purchase certain amount of LuckToken on a secondary market to possess membership. One may also earn Membership via contributions to LuckDAO.

* 1. Definition of Guilds

Guilds are groups of members who work together on a specific mandate, which is based on the Guild Proposal when a Guild is established.

* 1. Guild Creation

Guilds are created via an initial proposal and a subsequent vote (Refer to the Governance section 4). One a guild is initiated, it shall establish its own multisig, Discord channel, and Notion section. It shall also outline basic onboarding procedures so other interested Members know how to join.

* 1. Joining a Guild

In order for a member to join a guild, they must complete the specific onboarding procedures for that guild. They will then receive a non-transferrable NFT representing their membership in that Guild.

* 1. Guild Operations

The operations of a guild will include making proposals, carrying out tasks that are approved by these proposals (Refer to the Governance in section 4). Guilds are additionally tasked with creating and completing bounties with respect to the objective of that guild and to further the development of LuckDAO.

1. **Governance**

Introduction

The overall purpose of having a Governance Process is to ensure fairness and equitable treatment in matters relating to the governance of LuckDAO, its Members, Guilds and any related Sub-DAOs and Guilds. All Members in good standing of LuckDAO should be fairly represented and allowed to make use of Proposals, to vote and to have recourse to conflict resolution. An initial proposition is that LuckDAO will be governed by Guilds, which will have equal power and authority.

A key point is that, as far as LuckDAO is concerned, governance is a concept that can be redefined, a somewhat flexible, elastic concept. While this document begins with certain conceptions of governance, it is hoped that, over time, the LuckDAO community, teams and Guilds can change the existing dynamics of power and to experiment with forms of governance. This includes amendments to the LuckDAO Charter and any Guild Charters or Constitutions.

* 1. Decisions taken on the DAO Level

All Members have the right to vote at the DAO level.

The DAO has the ability to:

* Veto any decision made by any Guild.
* Amending the LuckDAO Constitution, Operating Agreement, Charter or other DAO level documents.
* Make decisions that involve forming, restructuring or terminating a Guild.
* Make decisions that involve the multi-sig signers or treasuries/wallets.
  1. Formation of Guilds
     1. How to Form a Guild

In order to form a Guild, at least a citizen must create a Guild Proposal using the Guild Formation Template (GFT) with at least two initial members (Members) of the proposed Guild. The Proposal will include the need for the Guild, scope of the Guild, the mission and values, the proposed Guild Facilitator, whether the position is full-time, part-time or volunteer, the near-term roadmap and the requested budget / funding, multisig holders and quorum for Guild voting.

* + - * 1. Guild Facilitator: When a Guild is proposed, it must nominate initial Guild Facilitators. The Guild will have discretion as to the number of Guild Facilitators that will be instituted, with a minimum of one Guild Facilitator.
        2. Term of Guild Facilitators: At the end of each term, there will be a new election. These elections will occur as a GIP at the Guild level. If a consensus cannot be found within the Guild, then it will go to a LDP. Any new Guild Facilitator will begin with the 3-month term.

Term 1: 3 months.

Subsequent terms: 6 months.

* + - * 1. Budget / Funding Requested: This section should contain the Guild’s initial budget in detail. The Guild proposal should contain reference to a spreadsheet where Members may find the budget’s line items and amounts allocated to each item and the names of the individuals who are part of the Guild’s multisig.
        2. Quorum for Guild Voting: Each Guild will, in their proposal, create their own quorum for Guild votes. This is the number or percentage of Guild members who must vote on a Guild Improvement Proposal (GIP) for the proposal to be valid.
        3. Near-Term Roadmap: The Guild Proposal should contain the key activities planned by the Guild for the next 3 months. While these activities do not have to be described in great detail, a minimum level of description is required so that Members will understand the purpose and intention of the guild.
        4. Alignment with LuckDAO Mission: A Facilitator from the Mission / Coordination Guild is available if needed to make sure that the Proposal follows the mission of LuckDAO.
        5. DAO approval: The Guild proposal shall be posted as a LDP and voted on by the DAO to create the Guild, if a budget is requested.
        6. Guild Improvement Proposals: Any Guild proposal will be discussed internally within the Guild and does not need to go to the Forum, but does need to go Snapshot. This is where the Guild members may vote for the GIP. Members outside the Guild may not vote on GIPs.
        7. Vote of No Confidence in Guild Facilitator: Any Guild member may initiate a vote of no confidence in a Guild Facilitator by providing documented reasons why the Guild Facilitator is negligent in their Facilitatorship, or is not performing up to expected standards. This vote of no confidence will be treated like a GIP for voting purposes, but requires a supermajority of 75%.
        8. Succession by Co-Facilitator: If the Guild Facilitator is voted out, the Co-Facilitator will immediately take over as Interim Guild Facilitator and will assume the rest of the term.
        9. Anonymity: Any Guild member who seeks to initiate a vote of no confidence and wants to maintain anonymity can call on the Mission Guild to initiate a vote of no confidence on the member’s behalf.
    1. Censure of Guild

If a Guild refuses to comply with the terms of this Constitution, including keeping and distributing minutes, they may be prevented from proposing any LDPs on the LuckDAO forum or on Snapshot. If they choose to comply, then this sanction may be lifted.

* + 1. How to Terminate a Guild

Any Guild member may initiate a vote to terminate their Guild by providing documented reasons that the Guild is no longer necessary, has become a toxic environment or for any other reason, such as replication of tasks with another Guild. This termination vote will be treated like a LDP for voting purposes and must pass at both the Guild and the DAO levels. If a Guild chooses of its own volition to disband, no DAO level vote is required.

* + 1. Protection of Sensitive or Confidential Information

If any sensitive or confidential information is held by a Guild which seeks to disband, provisions must be made for protection of this information.

* + 1. Initial Guilds

Certain Guilds are essential to the effective functioning of LuckDAO. For this reason, upon ratification of this Charter, the following Guilds will immediately be formed, subject to the caveat that they will receive no initial funding from the LuckDAO Treasury. In order to receive funding, these Guilds must pass a LDP requesting funds, which shall include a budget and expenditures. The initial Guilds will be:

* + Mission Guild: Will oversee the function of the DAO and each of the guilds.
  + Community Guild: Will represent and support our community, including marketing, discord, events and human resource management.
  + Public Affairs Guild: Will be the external facing guild that handles communication outside of LuckDAO.
  + Legal Guild: Will ensure that LuckDAO is in compliance with law.
  + Finance Guild: Will provide accounting of each treasury/wallet, providing the necessary tax documents, bookkeeping, tracking project budgets, dispensing money to Guilds, and financial outlooks.
  + Developers Guild: Will handle development of coding and smart contracts.
  + Operations Guild: Will handle treasury management of LuckDAO.
  + Risk Mitigation Guild: Will handle insurance for liable parties and indemnification.
  + Media and Content Guild: Will handle creation of media including podcasts for LuckDAO.
  + Design Guild: Will handle all elements of design for LuckDAO.
  1. LuckDAO Improvement Proposals (LDPs) and Guild Improvement Proposals (GIPs)
     1. Legitimate Contractual Obligations

No LDPs shall impair any legitimate contractual obligations of the DAO relating to payments, such as taxes, utilities, or retainer of General Counsel. Other legitimate contractual obligations may be determined by LDP in the course of LuckDAO operations.

* + 1. Requests for Disbursement of Funds

In order to filter which projects are worthy of LuckDAO funding, all LDPs and GIPs that ask for disbursement of funds for a project, the following must be stated clearly in the LDP or GIP:

* profitable for LuckDAO
* has high utility (non-financial value) for LuckDAO
* is ethical
* fits into LuckDAO’s mission
  + 1. DAO Level Vote

All LDPs are voted on at the DAO level. Any citizen has the option to vote on any proposal. Members are not required to participate in voting.

* + 1. Creation of LDPs

A LDP may originate from any citizen. The method for creating a LDP is filling out the LDP Template, establishing a voting quorum and then voting.

* + - 1. LDP Format: The LDP shall include at a minimum the following; identification of the citizen proposing the LDP, the reason the LDP is needed, a description of what the mechanism for implementation of a LDP, and a detailed description of any financial implications.
      2. Step 1 - Going from Discord to Forum: Any individual with certain amount of LuckToken can put a LDP on the Forum. The commenting period on the Forum will last for one week.
      3. Step 2 - Going from Forum to Snapshot Vote: In order to move from the Forum to the Snapshot vote, the LDP on the Forum must receive 100 likes within three weeks.
      4. Step 3 - Snapshot Vote: The actual vote will occur on Snapshot. The DAO vote will last for one week. The vote shall be announced to Members on the Announcement Channel of Discord within 24 hours after the vote is live.
      5. Stamps of Approval: Any Guild may provide a “Stamp of Approval” that demonstrates the Guild’s support of a LDP. This establishes greater support for the LDP. This “Stamp of Approval” must be voted on and passed by the Guild.
      6. Quorum: Quorum for LDPs will be 50% of total circulating cap, except for the following conditions which modify the quorum:

Monetary:

* + - * Less than $10,000 (10% total circulating cap)
      * $10,000 to $20,000 (30% total circulating cap)

Non-Monetary:

* + - * To Succeed in Objecting to a GIP (the DAO-wide phase of objection): Members that amount to 100% of the number of people within the Guild.
      * For objections to LDPs, the objecting amount must be greater than the amount of Members which initially passed the LDP.
      1. Who can Vote: Anyone who holds certain amount of LuckToken may vote. The weight of Vote equals to the number of LuckToken it holds. The DAO reserves the right to restrict voting for specific Memberships, for example if a citizen has been deemed a bad faith participant by a Guild.
      2. Passing Vote: Once a quorum has been met, a vote of 51% or greater in favor of the LDP will pass the LDP unless it specifically calls for a supermajority. A supermajority is defined as ⅔ (66%). If the LDP passes the vote, it will be implemented by the DAO, subject to any objections.
      3. Re-Submission of LDP: If a LDP does not pass the vote, there is a “cool-down period” of one month before the LDP or a substantially similar LDP may be re-submitted for a new vote.
  1. The Objection Process for GIPs
     1. Objection Process

After a Guild successfully passes a GIP, any citizen may object to that proposal, regardless of whether the objecting citizen is a member of the proposing Guild.. Objections are the way that Members may challenge Guild level decisions.

* + - 1. Method: Objections can be submitted as GIP’s.
      2. Number of People Who Must Object to a GIP: In order for the objection to move from the Guild to the DAO, a quorum of 20% of the number of members in the Guild required.
      3. Objection Time limit: Members will have 48 hours in which to initiate an objection subsequent to the passing of a GIP or LDP.
      4. Guild Actions Prior to Quorum: The Guild may not begin actions related to the LDP until after the Objection Time Limit has passed.

If a Guild objection reaches a quorum of 20% of the Guild, the GIP is put on hold for an additional 48 hours (96 hours total) to allow the DAO to gather the necessary quorum within the LDP to complete the objection.

* 1. Conflict Resolution
     1. Conflict Resolution

There may be instances where members, Members or Guilds find themselves in a situation where a conflict has arisen that cannot be reasonably handled by the parties. This document does not prescribe specific forms or methods of conflict resolution, but rather indicates who shall take responsibility for the resolution.

* + - 1. Conflicts between Guilds: Where a conflict occurs between Guilds, the Mission Guild will help facilitate. This process will be publicly documented on the Mission Guild public channel. The Mission Guild will have discretion on whether any of this information shall remain confidential.
      2. Conflicts within Guilds: Where the conflict occurs within a Guild, it will be facilitated by the Guild Facilitator. A member of the Mission Guild may help facilitate, if so requested. Although the Guild Facilitator has the discretion to choose whether or not this information shall remain confidential, total confidentiality is not allowed. The Guild must maintain an ongoing log of internal conflicts, outcomes and reasoning, which will be publicly available to all Members.
      3. Conflicts between Individuals:
         1. Conflict Between Members of Different Guilds: In the case of a conflict between members or Members who are in different Guilds, or where one member or citizen is in a Guild and the other member or citizen is not, the conflict will be handled by the Guild Facilitators of both Guilds, working together. If the conflict is not resolved at this level, it can be brought to the Mission Guild. The facilitating party will have discretion on whether any of this information shall remain confidential.
         2. Neither Member is in a Guild: If neither of the members or Members are in a Guild, the Community Guild will take responsibility for facilitating a resolution. The Guild Facilitator will have discretion on whether any of this information shall remain confidential.
         3. Unresolved conflicts decided by the DAO: If a conflict has not been resolved through the procedures outlined above, the Mission Guild may facilitate the individual to find the next best course of action.
      4. If both parties to the conflict agree that the cause of the conflict can be resolved by luck, then they can move forward with an on-chain coin toss agreement to stop the dispute.
    1. Grievances

There may be instances where a member or citizen feels that they have a grievance or complaint which is not a conflict with another specific individual. Examples of such a grievance might be a claim that the Guild has become a hostile environment, that the culture of a Guild is toxic, that there have been actions taken in bad faith or that their voice is not being heard on an issue of importance to the member or citizen.

* + - 1. Grievance against the DAO: In the case that a member or citizen has a grievance against LuckDAO as a whole, this will be facilitated by the Mission Guild.
      2. Grievance against a Guild: In the case that a member or citizen has a grievance against a specific Guild, this will be facilitated by the Guild Facilitator. If the grievance is against the Guild Facilitator, or their impartiality is called into question, the grievance will be facilitated by the Mission Guild.
  1. Amendment of this Charter
     1. Initial Modifications to the Charter

Given that there are areas still under discussion, and in order to give Members more time to comment and give feedback, for the first 30 days following ratification of this Charter, there will be an abbreviated modification procedure, which is:

* + - For changes of a non-material nature, modifications may be agreed upon by a simple majority of the Mission Guild and this Charter altered accordingly.
    - For changes of a material nature that do not affect the underlying nature of this Charter but that relate to the functions of a specific Guild, a simple majority of both the Guild in question and the Mission Guild together is sufficient to alter the Charter.
    - For changes of a material nature that affect the underlying nature of this Charter, the changes must be approved by a DAO-wide LDP.
    1. Further Amendments to this Charter

After expiration of the initial 30-day initial period, any proposed amendments can be submitted as a LDP.

1. Distributed Authority

Introduction

This section describes the ways in which authority and decision making are distributed among the groups and individuals within the DAO.

All power is inherent in the Members. Every person may speak, write and publish sentiments on all subjects but shall be responsible for the abuse of that right. This right is subject to applicable laws limiting the unrestricted right to freedom of expression and does not include the transmission of any protected IP rights, secret or inside information. Also, bigotry or hate speech will never be tolerated.

The powers of the DAO may be divided into Guilds, SubDAOs and Projects.

* 1. Guild Organization, Duties and Responsibilities

The purpose of each Guild shall be stated in its initial Guild proposal. In general, Guilds should seek to contribute to LuckDAO within their field of expertise.

Guilds have the reasonable right and authority to inspect and investigate the books, records, papers, documents, data, operation, and physical plant of any operation of the DAO or SubDAO within its purview with reasonable advance notice.

* 1. Guild Facilitators

Each Guild shall have at least one Lead and one Co-lead, as outlined in [relevant Organizational Structure section]. Methodology for electing Leads is outlined in [relevant Governance section].

Guild Leads have the authority to take any action or make any decision to enact their Guild’s purpose or accountabilities, as long as they don't break a rule defined in this Charter. When prioritizing and choosing among potential actions, Leads may use their own reasonable judgment of the relative value to the Organization of each.

As a Guild Lead, you must honor the following constraints on your authority:

* + 1. Don't Violate Policies

While acting in a Guild, Guild Leads must act in good faith and may not violate any policies of the Guild itself, any SubDAO containing the Guild. “Policies” here refers to the Charter and Operating Agreement of each Guild. AO.

* 1. Budget and Appropriations

*For purposes of section 5.4, the term “Guild” shall include subDAOs, Projects, or any other subdivision of the DAO.*

A LDP making appropriations for current expenses of the DAO, including salaries of DAO contributors, shall contain provisions on no other subject. No money shall be drawn from the treasury except in pursuance of a LDP passed pursuant to the rules in the Governance section for passing LDPs and made in accordance with the Operating Agreement, this Charter. To the greatest extent possible under the law, provisions shall be made for raising sufficient resources to defray the expenses of the DAO for each fiscal period. This section does not include bounties, which may be paid at the discretion of Guild Leads and posted publicly for the Members to review.

* + 1. General Budgeting Procedures

The DAO shall prescribe the adoption of quarterly budgetary and planning processes.

Each Guild shall be responsible for communicating a budget to the DAO at the beginning of each quarter, and shall be required to submit a budget that is based upon and that reflects the long-range financial plan agreed upon by the Guild.

* + 1. Financial Statements

No less than once per quarter, each Guild shall prepare a balance showing in reasonable detail its financial condition as of the close of each quarter, a profit and loss statement showing its results of the operations during that period and the previous period, and any other financial statements as may be required by a resolution of the Members.

* + 1. Spending Authorization

“Spending” is defined as the disposal of any property of the DAO, or significantly limiting its use by others. “Spending” shall not include de minimis expenses under $25 USD, non-reimbursable out of pocket expenses by a member or acceptance of voluntary contributions for a specific purpose. Neither a Guild nor an individual Guild member may spend any money or other assets unless they first get authorization from the DAO. On a quarterly basis, each Guild shall propose a budget to its members. Upon a majority consensus of the members of the Guild, the proposed budget shall be added to a quarterly Appropriations LDP to be voted on by the DAO. If approved by a majority vote, the Guild shall be deemed authorized to spend the entirety of its approved budget over the subsequent quarter without any additional authorization needed for individual expenditures except…In the event the Guild wishes to spend more than $5,000 [five thousand United States Dollars] in a single transaction, the Guild must create an additional LDP and gain the approval of the DAO by majority vote prior making such a transaction.

* + 1. Wallets and Transfers of Funds

Each Guild shall own and control its own multi-sig wallet and shall be solely responsible for the funds therein. Guild signers do not need to undergo a KYC process. When an Appropriations LDP has been passed, the DAO treasury shall be compelled to transfer the difference between the Guild’s approved budget and the funds currently in the Guild’s wallet [approved budget - existing funds = transfer amount] within 72 hours. At no time shall a Guild’s wallet hold more than $**25,000** [25 thousand United States Dollars].

* 1. Smart Contracts

Any Guild, SubDAO or Project shall have the authority to propose and / or create a smart contract on behalf of the DAO. Deployment of such contract shall be executed by the Developers Guilds and be subject to:

a) meeting or exceeding the DAO’s “minimum standards” for smart contacts and

b) approval of the DAO via Snapshot vote.

* + 1. Definition of “Minimum Standards”

The Developers Guild shall promulgate a set of minimum standards for smart contracts which shall include, at a minimum, an audit by a reputable independent third party. No LuckDAO smart contracts shall be deployed until such standards have been outlined by the Developers Guild and approved by the DAO via Snapshot vote. Guild activities must be subject to legal and tax compliance review.

* 1. LuckDAO’s Treasury Multisig Holders
     1. Main Treasury - Multisig holders

Any transfer from LuckDao’s main treasury/wallet shall be approved and signed by **5 out of 8** multisig holders. The initial 8 multisig holders will remain as they are at the establishment of this Charter. Within 30 days from enactment of this Charter, additional multisig holders will be chosen from within the Guilds. Multisig holders for the main treasury shall undergo a private and discrete KYC process. Multisig holders shall be compelled to approve transactions in a timely manner, and gas fees incurred by holders shall be reimbursed in a timely manner.

1. Rules of Coordination (Tactical Meetings)

The purpose of this section is to help Guilds and groups to coordinate and communicate in an effective and autonomous way. This section sets examples on carrying out effective communications. All communications should have a clearly defined goal.

Communication can be either synchronous or asynchronous.

* 1. Synchronous Communications: There are many types of meetings. Synchronous meetings happen when people are having the meeting together at the same time. Some examples of synchronous meetings are:
* Update Meetings: These are meetings for a group (Council, Guilds, Sub-Guilds) to update on their progress and To-Do’s.
* Weekly Guild Discussion: It is recommended that there be a weekly Guild update meeting. It is proposed that these meetings be held prior to the weekly Community Call.
* Information (Presentation) Meetings: These are meetings for individuals or groups to present ideas & projects to the DAO, Guilds, teams or the public.
* Ideation Meeting: These are meetings to discuss ideas, possibly created from discussions in a campfire or other informal meetings, where people want to have a semi-formal meeting to develop the idea.
* Informal Meetings: These are meetings for brainstorming, discussing ambiguous or open-ended topics with a conclusive goal.
* Free-flow Meetings: These are break-out room style meetings for a group or community to freely discuss any topics, hang out and form bonds.
  1. Asynchronous Communications: Asynchronous communications happen when people read comments and discuss matters together, but not at the same time. Some examples of asynchronous meetings are:
* Discussions: Discussions may be held asynchronously on Discord under related channels which allow visibility for other members of the DAO.
* Project Summaries: Updates on major projects can be summarized and announced in a Guild Announcements channel in Discord.
* Resource Gathering: Members of the council and each Guild should have a dedicated place (such as Notion, Clarity, Google drive) for resource sharing within their team, and all locations of these updated documents should be found in a central place of the DAO (for example, the Links channel in Discord).
  1. Types of Meeting
     1. Formal or informal
        1. Formal Meeting: Includes Guild or DAO level update meetings and presentations. Any meetings that involve a call for votes or formal actions are formal meetings.
        2. Informal Meeting: All other discussions, brainstorming, campfire or hang out meetings.
     2. Public or private
        1. Public Meetings: Meetings that can be attended by all members of LuckDAO.
        2. Private Meetings: Meetings that can only be attended by a select group, such as members of a Guild. Private meetings do not need to be listed on a DAO-wide calendar.
  2. Purpose and Goal of Meeting

Each meeting should start with a statement of the purpose of the meeting or a goal to be achieved. At the end of the meeting, there should be a brief analysis of whether this purpose or goal was met.

* 1. Format of Meeting

Groups should have autonomy to structure their meeting in whatever way they feel is best suited to achieving the purpose or goal of the meeting. However, all structures should maintain certain elements.

* + 1. Agenda of Meeting

When a meeting is called, especially for formal meetings, there should be an agenda of what will be discussed in the meeting. Informal meetings may have a more open plan.

* + 1. Length of Meeting

When a meeting is called, it should be noted how long the meeting will last so everyone can plan accordingly. It should also be noted if this is a repeating or one-time meeting.

* + 1. Minutes of Meeting

All formal meetings should have a dedicated ad hoc or permanent recorder who will take the written minutes of the meeting, organize them after the meeting and distribute or post them accordingly.

* + - 1. Contents and Distribution of Minutes: All action and key decisions discussed in formal meetings should be documented and put in a centralized repository where all members or Members can access these documents.
      2. Format of Minutes: Ideally, while preserving autonomy, it would be beneficial for groups to follow a similar format when documenting meetings. A proposed format:
    - Summary: Short (one-sentence) summary of the purpose / goal of the meeting.
    - Discussion: Documents that actions and discussions during the meeting.
    - Conclusion: Short (one-paragraph) summary of the results of the meeting, conclusions and whether the purpose / goal was met.
      1. Audio Recording Minutes: Alternatively, an audio recording of the meeting may be substituted for meeting minutes.
  1. Meeting Facilitator

It should be clear who is running the meeting, even if it is an informal meeting. The individual running the meeting will endeavor to keep the meeting on topic and on time and to minimize conflicts between members.

* 1. Meeting Preparedness

Prior to the meeting, all members should be informed if they need to prepare anything for the meeting. All members should endeavor to come prepared.