



BEAM GOVERNANCE CONSTITUTION

1. Preamble

BEAM is the utility token that powers the Beam Ecosystem. BEAM may be used to empower Beam DAO with rights to govern the upgradeability of Beam Protocols and to exert certain checks and balances on Beam DAO-adjacent entities. This Beam Constitution establishes a framework for BEAM governance, including an outline of the process for introducing and voting on a BIP.

BEAM governance can be divided into two categories:

- (a) BEAM governance where BEAM Approvals result in the upgrades of, or changes to, Beam Protocols.
- (b) BEAM governance concerning BEAM Approvals that are enforceable against Beam DAO-adjacent entities that, through their governing documents, are made compatible with BEAM governance.

BEAM may also be used for voting on matters where the outcome of a BIP Vote would not be enforceable. While being non-binding, such votes may be used to gauge the sentiment of the Beam Community related to different topics and matters.

Even though BEAM governance is an important element of the Beam Ecosystem, most activities related to the Beam Ecosystem do not require BIPs. Anyone can contribute to developing the Beam Ecosystem or building within it, including to deploy game-related blockchain assets to the Beam Network in a permissionless manner.

2. Beam Community Principles and Values

- (a) The Beam Ecosystem should seek to become a holistic gaming ecosystem that covers all gaming-related needs of users, where users can interact with game-related blockchain elements and other applications in a decentralized and user-friendly manner.
- (b) The Beam Protocols and the Beam Network shall exist as public goods for the benefit of the entire Beam Community.
- (c) Autonomy and decentralization are core values of the Beam Community, and the Beam Network and Beam Protocols should minimize the need for arbitrary, discretionary or continuous intervention or control by or trust in any particular person(s).

3. Submitting a Proposal to the Governance Forum

The Governance Forum shall be a platform where the Beam Community can discuss Beam-related topics and contribute to the further growth and development of the Beam Ecosystem, subject to any applicable BEAM token gating features.

Submissions of proposals may, by BEAM Approval, be made subject to BEAM token gating, i.e. the person submitting the proposal is required to (at a minimum) hold a specified number of BEAM to be able to submit a proposal.

A proposal must comply with the applicable community code of conduct (such code of conduct shall be available on the Governance Forum).

A proposal to be published to the Proposal Category of the Governance Forum is recommended to include at least the following information:

- (a) Title. A clear and informative proposal title, without any “BIP” numbering reference (a “BIP” numbering reference will be added if the proposal proceeds to a BIP Vote).
- (b) Status. Information on the progress of the proposal and the duration of the discussion period. This section should be updated when, and if, a proposal moves to a BIP Vote, in addition to after the BIP Vote is concluded.
- (c) Summary. A summary of the key information in the proposal, including information about what is proposed and what the outcome of a BEAM Approval will result in.
- (d) Specification of the Proposal. A thorough, in-depth description of the proposal, an explanation of why the proposal should be adopted and the motivation behind it.
- (e) Budget. Details on the required costs that will or may be incurred if the proposal is approved, if applicable.
- (f) Copyright. The following sentence should be added: “*Copyright and related rights waived via Creative Commons CC0*”.

4. Submitting a Proposal to a BIP Vote

A proposal may proceed to an official BIP Vote, subject to the following:

- (a) Discussion Period. The proposal must, at a minimum, be subject to a 2-day review and discussion period counting from the time it is first published on the Governance Forum. If the content of the proposal is materially changed, then the requirement to have a minimum 2-day review and discussion period shall restart, including for each successive time a material change is made. The author of the proposal may choose a longer discussion period.
- (b) BEAM Ownership. If, by BEAM Approval, it is decided that there shall be a requirement to (at a minimum) hold a specified number of BEAM to be able to submit a proposal for a BIP Vote, then the person submitting the proposal to a BIP Vote must hold the requisite number of BEAM.

- (c) Clarity Regarding the Vote. It must be clearly stated what the proposal is asking the Tokenholders to vote on, including what is being proposed and what the outcome of a BEAM Approval will result in.
- (d) Materially Similar Proposals. Any proposal submitted must not be materially similar in content or subject matter to a proposal that was subject to a BIP Vote within the past 6 months and that has been rejected. "Materially similar" in this context refers to a proposal that addresses the same issue or matter, contains substantially similar solutions or outcomes, and presents only minor alterations to the previously rejected proposal.

5. Voting Rights

Persons that were Tokenholders at the time of the last recorded block number on the relevant Voting Blockchain System prior to the creation of a BIP Vote, and who have held their BEAM on such a Voting Blockchain System, shall have the right to participate in a BIP Vote.

Beam DAO-adjacent entities shall have a provision in their governing documents that prohibits them from participating in any BIP Vote.

Each BEAM on a Voting Blockchain System carries an equal number of votes, unless otherwise follows from the relevant Smart Contract systems.

6. Duration of BIP Votes

A BIP Vote shall have a duration of a minimum of 2 days. The author of the proposal may choose a longer voting period.

If during the voting period it becomes impossible to cast a vote because of a wide-ranging non-operability of the voting software or the relevant Blockchain System, the vote shall be re-done.

7. Quorum and Majority Requirements

A quorum for a vote on a BIP Vote is reached if voting power equaling 1% or more of the circulating supply of BEAM, at the time of the last recorded Beam Network block number prior to the end of the most recent quarter (first quarter of a year ending at 24:00 UTC on 31 March) preceding the creation of the relevant vote, has been used to vote on the relevant proposal.

All BIP Votes require a simple majority (more than 50%) of the BEAM votes cast to succeed, unless otherwise follows from the relevant Smart Contract system (to the extent applicable).

Any BIP Vote that either fails to (a) meet the quorum requirement or (b) obtain the relevant majority requirement, shall be considered a rejected proposal. However, if a BIP Vote does not form a quorum, a repeated BIP Vote may take place if the author(s) of the proposal consents and the proposal received more votes 'for' than 'against' during the BIP Vote that did not meet the quorum requirements.

8. Amendments

The Beam Constitution may be amended by BEAM Approval.

9. Definitions

For the purpose of this Beam Constitution, the following definitions apply:

“BEAM” means the native Blockchain Token of the Beam Network known as ‘\$BEAM’, and the equivalent of such a token on other blockchain networks (or, in each instance, its successor token, but not including a token created because of any Contentious Fork).

“BEAM Approval” means a decision with respect to any proposal that is made subject to a BIP Vote, provided that it satisfies the minimum thresholds with respect to majority and quorum necessary to approve or effectuate such a proposal.

“Beam Community” means the Beam Developers, Beam Infra Providers, Beam Users, and Tokenholders (each such person shall be deemed to be a community member as long as such person satisfies the conditions to be labelled as one of the aforementioned and shall cease being deemed a community member once such person no longer satisfies such conditions).

“Beam Constitution” means this Beam Governance Constitution as adopted by BEAM Approval, laying out the framework for BEAM governance (as it may be amended from time to time).

“Beam DAO” means the Smart Contract systems governing the upgradeability of key parameters or other mutable features of the Beam Protocols through proposals voted on by the Tokenholders.

“Beam Developers” means persons researching and developing the Beam Network, Beam Protocols, or other Smart Contracts or applications to be deployed on the Beam Network.

“Beam Ecosystem” means the network of technologies, projects, communities, organizations and persons, utilizing, relying on, securing, or developing (as applicable) the Beam Network, Beam Protocols and their related Smart Contracts (including any Beam Users, Beam Validators, Tokenholders, Beam Infra Providers and Beam Developers).

“Beam Infra Providers” means owners or operators of infrastructure that is necessary or desirable for the security or intended functioning of the Beam Network, any Beam Protocol or other Smart Contracts on the Beam Network, including operators and providers of user interface software relevant to the Beam Network and providers of interchain relays, non-validating infrastructure nodes (e.g. RPC nodes) relevant to the Beam Network and validators of third-party Blockchain Systems that bridge assets to or from the Beam Network, in each instance, in their capacities as such.

“Beam Network” means the canonical blockchain and virtual machine environment of the Beam ‘mainnet’ that utilizes BEAM as its gas token (as of the date of this Beam Constitution, Beam network is a Blockchain having Chain ID 4337).

"Beam Nodes" means the internet-connected computers running unaltered and correctly configured instances of the most recent production release of the Beam Network client software.

"Beam Protocols" means any current or future Smart Contracts that are mutable and (wholly or partially) upgradable by a BEAM Approval.

"Beam Users" means persons utilizing the Beam Network in an 'end-user' consumer capacity (e.g., to store or transfer Blockchain Tokens on the Beam Network or to interact with game related blockchain elements on the Beam Network).

"Beam Validators" means the Beam Nodes included in the active validator set for the Beam Network from time to time and that participate in the consensus of the Beam Network.

"BIP" means a 'BEAM Improvement Proposal' that is used to propose new features, changes or standards relating to the Beam Ecosystem, or that seeks to veto, block or prevent the effectuation of new features, changes, or standards relating to the Beam Ecosystem.

"BIP Vote" means a BIP that is subject to an official vote (on either Snapshot or another voting software) conducted by Tokenholders using their BEAM.

"Blockchain" means a blockchain or distributed ledger technology or other similar technology.

"Blockchain System" means the combination of (i) a Blockchain and (ii) a network of devices operating software clients or software applications that jointly or individually store, validate, process transactions with respect to, update, resolve Forks with respect to and otherwise maintain, read from and write to such a Blockchain.

"Contentious Fork" means a Fork of the Beam Network or BEAM initiated without the approval of a majority of the then-current Tokenholders and/or Beam Validators.

"Fork" means an occurrence where some or all persons running the software clients for a particular blockchain system adopt a new client or a new version of an existing client that either (a) changes the blockchain rules in a backwards compatible or incompatible manner that affects which transactions can be added into later blocks, how later blocks are added to the blockchain, or other matters relating to the future operation of the relevant blockchain, or (b) reorganizes or changes past blocks to alter the history of the relevant blockchain, resulting in two distinct blockchains moving forward from the point of the occurrence.

"Governance Forum" means the governance forum predominantly used (from time to time) by the Beam Community to discuss matters pertaining to BEAM governance and that result in a BIP Vote.

"Smart Contract" means any software code commonly known as 'smart contracts' that are deployed to Blockchain Systems (including to the Beam Network).

“Tokenholder(s)” means holders of BEAM.

“Voting Blockchain System” means a Blockchain System where BEAM on such a Blockchain System is, by BEAM Approval, determined to function as a mechanism for voting in connection with a BIP Vote.