

Conviction Funding Program

Terms and Conditions

These terms and conditions (the “Terms”) constitute an agreement between: a) any person that submits a proposal to the DAO under these Terms (the “Applicant”); b) any ANT holder that intends to participate in the DAO and the decision-making process to collectively allocate the funds among the different proposals submitted by the Applicants under the present Terms (the “Participant”); and c) the Aragon Association, an association registered under the laws of Switzerland with registered address at c/o eMBe Finanz GmbH Bahnhofstrasse 20 6300 Zug Switzerland (“Aragon”, or “We”).

By applying and/or participating in the the Conviction Funding program, the Applicant and Participant agree to be bound by the following Terms and Conditions (“Terms”):

1. Conviction Funding Program

The Conviction Funding program is a program promoted by Aragon which intends to finance the research and experimentation of a new voting app, the conviction voting app. The goal of this program is to allow the Aragon Community experiment with this novel governance app. On-chain governance has some critical disadvantages. Plutocracy, vote-buying, Sybil attacks, last-minute vote changes, on-chain voter apathy, to name a few. However, novel tools that help to mitigate these disadvantages are emerging. Conviction voting is one of those tools and we want the Aragon Community to test, understand, validate and refine this mechanism.

2. Amount of the Fund

The Conviction Funding program will be entirely funded by Aragon with the total maximum amount of 9k ANT. The funds will be managed and governed by the Conviction Funding DAO (the “DAO”).

3. How to participate in the Conviction Funding program

- a. Any person, the Applicant, with a project or initiative that may benefit the Aragon Community, and the DAO ecosystem, will be able to submit a proposal to the DAO, requesting funding.
- b. Any ANT holder who held ANT at the beginning of the Conviction Funding program, the Participant, will be able to participate in the DAO and the decision-making process to collectively allocate the funds among the different proposals submitted by the community.
- c. Applicants and Participants that want to participate must agree with these Terms.

4. Proposal requirements and process:

- a. Proposals to the Conviction Funding program are open to any Applicant in accordance with these Terms.
- b. Proposals can be submitted for consideration at any time during the duration of the Conviction Funding program.
- c. Any Applicant interested in working, or already working, on anything related to DAOs or coordination tools, can submit a proposal to the DAO.
- d. The process for submitting the proposal is the following:
 - i. Applicants must agree to these Terms
 - ii. Applicants must open up the proposal for community discussion creating a new topic on the Conviction Pilot category of the Aragon Forum. Once the topic is created it uses a template to ensure the proposal provides the required information or it may be removed. Applicants can include any additional information they consider relevant, including links to Github and documentation
 - iii. Applicants must submit their proposals on-chain on the Conviction Funding [dashboard](#), clicking “create new proposal”. Applicants can link to the discussion on the forum
- e. The proposal must contain the following information:
 - i. Title
 - ii. Description providing information as:
 - An accurate description of the proposal
 - The reasoning for creating the proposal. Why is the project or tool important for the DAO ecosystem?
 - Duration
 - iii. Description of the team:
 - Name(s) and/or username(s) of the members of the team and contact details (Twitter/GitHub/Aragon forum profiles)
 - Skills and previous experience in related or similar work
 - iv. Funds:
 - Amount requested
 - The Ethereum address where the funds will be transferred
 - Use of funds
- f. The work must be open source
- g. If the project is an app or software tool:
 - i. It must be open source
 - ii. It must be an original work or a derivative work offering novel functionality

5. Proposal approval

- a. Proposals are approved if they reach the conviction threshold.
- b. Participants can vote for a single proposal or for multiple proposals at a time.
- c. Once Participants vote, their token-weighted balance adds conviction to the relevant proposals
- d. Conviction activates over time. The time-based accumulation forces voters to prioritize where they place their conviction so they leverage their influence on the fund allocations.
- e. The threshold for a proposal to be approved depends on the proportion of the funds requested relative to the funds available in the DAO treasury. Thus, the threshold at which a proposal can be approved and executed depends on the state of the system, at any given time.
- f. As proposals pass and remove funds from the treasury, the remaining proposals will become harder to pass because they now represent a larger proportion of the shared treasury.
- g. Conversely, as new funds are added to the DAO treasury the threshold for passing existing proposals will decrease.
- h. Larger proposals, in terms of funds, need more support than smaller proposals. The majority don't need to achieve consensus on everything.

6. Claiming of Funds

For accounting purposes, Aragon will require the following information:

- Natural name, country of residency and tax paying number or passport
- Structure of the team: legal entity, a DAO, or an individual. In the case of legal entity, the Applicant must declare that he/she is acting in representation of the legal entity and he/she is duly authorised to present this proposal on behalf of the legal entity

The Applicant must send this information to privacy@aragon.org. This information will only be used for the purpose of this program and will not be shared with third parties.

Once a proposal has been approved, wrapped ANT (AA-ANT) will be transferred to the relevant Ethereum address. Once the relevant information has been sent to Aragon, the Applicant will be granted permission to unwrap (convert) their AA-ANT into ANT.

7. Breach

If the Applicants fail to do the work they were funded for, their future proposals are unlikely to get supported and their reputation within the community will decay.

8. Term of the program

The duration of the Conviction Funding program is 6 weeks. Proposal submissions and voting will start on Thursday August 27 and end on Thursday, October 8.

9. Licenses

The work funded by the Conviction Funding program must be open source and under the terms of the license or licenses that Aragon is using on the date hereof, or under any FOSS licenses of the Free Software Foundation, or any Open Source license approved by the Open Source Initiative.

10. Authority

The Applicant represents and warrants that the work that the Applicant has developed is entirely original work or that the copyright is covered under an appropriate license in order to grant the rights set forth in these Terms, and that the license does not violate any third-party rights (such as trademarks).

The software, if any, will be provided on an “as is” basis, without warranty of any kind, either expressed or implied, including, without limitation, warranties that the apps are free of defects, merchantable, fit for a particular purpose, system integration, non-interference and accuracy of informational content. To the extent these warranties cannot be disclaimed, such warranties are limited in duration to the minimum period permitted by the relevant law.

The Applicant shall keep Aragon indemnified in case of a third-party claim arising from the Applicant's work.

In no event shall the Applicant, the Participant and Aragon be liable under this Agreement for any indirect, consequential, punitive or exemplary damages or any loss of profit, whether present or future.

11. Publicity of the Aragon Platform

The Applicant understands and agrees that the Aragon Platform is a blockchain based platform and therefore, any contributions will be public.

Furthermore, the Applicant gives express consent to the use, by Aragon, of the Applicants name, image and registered trademarks in any communications, marketing or information materials produced by Aragon or any of its subsidiaries or affiliates within the scope of the relevant application.

The Applicant and Participant must agree to all the terms and conditions of the Aragon's [trademark policy](#), published on the Aragon wiki, before (a) issuing a press release or other public announcement regarding the proposal and (b) any other public use of Aragon's name or logo.

12. Independent Parties

Aragon, the Applicant and the Participant are and will remain independent parties and nothing herein will be construed to create a partnership, agency, or joint venture between the parties.

13. Indemnification

The Applicant and Participant fully agrees to indemnify Aragon and defend Aragon harmless, including Aragon affiliates, employees, contributors, and service providers, and our and their officers, directors, employees, and assigns from and against all claims liabilities, damages, judgments, losses, costs, expenses or fees, including reasonable attorney fees, that arise from or relate to the violation of these Terms.

The Applicant fully understands that the submitted proposal shall comply with all legal requirements in any location where the work is made available.

The proposal may not in any way promote, encourage or solicit the practice of any criminal or illegal activity in any country.

Aragon shall not be responsible in any way for any activity carried out by the Applicant during the use of any funds received under this program.

14. Privacy and Data Protection

Aragon does not collect, process or use any personal data from beyond what is established in the Aragon [Privacy Policy](#).

For the purpose only of the relevant proposal or of providing maintenance to the Aragon Platform, Aragon may exceptionally have access to data collected by Aragon itself, but that data will not be stored or processed by Aragon for any other purposes other than the fulfilment of any legal obligations.

In case the work carried out by the Applicant includes any data collection or processing, the Applicant must include reference to its own Privacy Policy, which shall include:

- Description of what data is collected, how the data is used, and for what purposes, explaining that only the strictly necessary data shall be collected, and only for the purposes of the use of the software;
- Information on how to exercise the rights as data subjects;
- Information if any data is shared with any third party, and for what purposes
- If mandatory, establish a procedure to collect the consent from the data subject and determine how that consent can be revoked at any time.
- Assurance that the data collected for the purpose of the execution of the work will not be transferred to any third party without the prior consent of the users and the guarantee that the same level of security will be provided.

15. Intellectual Property

The Applicant assures that the proposal does not include any content which has not been created by the Applicant or is subject to any license or any kind of proprietor rights protected by the law in any country.

It is totally forbidden the use of proprietary content without permission of its authors.

Aragon shall not be responsible for any infringement of any intellectual property rights by the Applicant.

16. Amendments and Termination

Aragon reserves the right, at its sole discretion and effective immediately, to terminate or amend these Terms, the Conviction Funding program, or a specific proposal requesting funds, at any time without prior notice, in an event considered to be outside the control of Aragon, or in case of breach of any applicable law or regulation. Any changes to the present Terms will be published in the Aragon Forum.

The Applicant agrees that it is the Applicant's sole responsibility to review periodically the Terms and to be aware of any changes.

17. Governing law and Jurisdiction

These Terms shall be interpreted, construed and enforced in accordance with the laws of Switzerland. The parties expressly waive any other jurisdiction to which they may be entitled and hereby agree to submit all disputes to the jurisdiction of the Courts of the City of Zug, Switzerland.