**A Summary of Feedback on Governance (by 17:00 GMT +8, May 24, 2018)**

**Files are ordered. The capital letter stands for the topic:**

A = Arbitration, B = BP Agreement, C = Constitution, O = Other Suggestions

**The number is only for convenience when you refer to a specific feedback**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Section | Feedback # | New | Reply # | New |
| Arbitration | 1 | 0 | 3 | 2 |
| BP Agreement | 7 | 0 | 14 | 8 |
| 1 | 0 | 0 | 0 | 0 |
| 2 | 0 | 0 | 0 | 0 |
| 3 | 0 | 0 | 0 | 0 |
| 4 | 1 | 0 | 2 | 1 |
| 5 | 1 | 0 | 2 | 1 |
| 6 | 1 | 0 | 2 | 1 |
| 7 | 1 | 0 | 1 | 0 |
| 8 | 0 | 0 | 0 | 0 |
| 9 | 1 | 0 | 3 | 2 |
| 10 | 1 | 0 | 1 | 1 |
| 11 | 0 | 0 | 0 | 0 |
| 12 | 0 | 0 | 0 | 0 |
| 13 | 0 | 0 | 0 | 0 |
| 14 | 0 | 0 | 0 | 0 |
| 15 | 1 | 0 | 3 | 2 |
| Constitution | 13 | 0 | 19 | 18 |
| Article I - No Lying | 1 | 0 | 2 | 2 |
| Article II - Property Rights | 2 | 0 | 4 | 4 |
| Article III - Arbitration | 1 | 0 | 2 | 1 |
| Article IV - Voter Independence | 2 | 0 | 2 | 2 |
| Article V - No Owner or Fiduciary | 1 | 0 | 1 | 1 |
| Article VI - 10% Ownership Cap | 0 | 0 | 0 | 0 |
| Article VII - Agreement to Penalties | 2 | 0 | 2 | 2 |
| Article VIII - Block Producer Agreement | 0 | 0 | 0 | 0 |
| Article IX - Establishes Arbitration Forums | 1 | 0 | 2 | 2 |
| Article X - Arbitrator Standards | 0 | 0 | 0 | 0 |
| Article XI - Developers and Smart Contract Licenses | 0 | 0 | 0 | 0 |
| Article XII - Multilingual Contracts | 0 | 0 | 0 | 0 |
| Article XIII - Developers responsible for non-Member access | 0 | 0 | 0 | 0 |
| Article XIV - No Positive Rights | 2 | 0 | 2 | 2 |
| Article XV - Default Arbitration Forum Named | 0 | 0 | 0 | 0 |
| Article XVI - Amendment | 1 | 0 | 2 | 2 |
| Article XVII - Choice of Law | 0 | 0 | 0 | 0 |
| Other Suggestions | 1 | 0 | 2 | 2 |

**Reading Note:**

Blue Reply = Reply you’ve seen in the last summary

Red Reply = New reply that you see for the first time

Replies are arranged chronologically. Any proposals with new replies and any new proposals are grouped in the latest update. The ones with no change from last summary will be in the group of history feedback.

**Latest Update**

**Proposal A-1 [From:** Celu (Blockgenic)**] 20:37 GMT+8, 22 May**

On a technical implementation level - for BPs - how does enforcing an arbitration ruling to reverse a transaction look like?

**Reply A-1 (1) [From:** Mao (EOSREAL)**] 13:00 GMT+8, 23 May**

According to my understanding, if parties involved in the case agree this case be heard at one arbitration forum, and the arbitration forum ordered the transaction should be reversed, the arbitrator shall officially pass the order to those parties and all 21 BPs, and 21 BPs shall follow the order to reverse the transaction.

**Reply A-1 (2) [From:** Josh Kauffman (EOS Canada)**] 9:24 GMT+8, 23 May**

I think he wanted a more in-depth code level of this, the actual \*how\* it will be done. Don't know if this is out yet though in the code myself. But I also think it's important that we make the distinction that the transaction itself isn't being reversed. It is basically being counteracted. Example: User A scams User B out of 10,000 EOS. The transaction that moved the EOS from User A to User B isn't reversed (the blockchain history doesn't get changed). A new transaction is created that moves 10,000 EOS from B back to A, thus counteracting the effect of the original transaction. It's a small difference, but I think we should aim to word things correctly in these documents/supporting documents.

**Reply A-1 (3) [From:** Moti Tabulo**] 8:22 GMT+8, 24 May**

Mao's reply is generally how it will work.

**Proposal B-1 [From:** Josh Kauffman (EOS Canada)**] 1:50 GMT+8, 23 May**

**Agreement - 4**

What is the definition of "good" transactions? (could even just add an asterix and define below)

**Reply B-1 (1) [From:** Mao (EOSREAL)**] 13:00 GMT+8, 23 May**

How about using words as below: to only add "beneficial to EOS system" transactions? I don’t think a too precise definition is beneficial since we could not cover everything. Is there any better suggestion? There is some vagueness here.

**Reply B-1 (2) [From:** Josh Kauffman (EOS Canada)**] 9:27 GMT+8, 23 May**

I would suggest something along the lines of: "in accordance with all regulations of the EOS network." The sentence will have to be re-worked once we have a better idea of what we'd like. But there will always be some vagueness, and this isn't necessarily a bad thing.

**Proposal B-2 [From:** Josh Kauffman (EOS Canada)**] 1:50 GMT+8, 23 May**

**Agreement - 5**

What is the definition of "good" transactions? (could even just add an asterix and define below)

**Reply B-2 (1) [From:** Mao (EOSREAL)**] 13:00 GMT+8, 23 May**

How about using words as below: to only add "beneficial to EOS system" transactions? I don’t think a too precise definition is beneficial since we could not cover everything. Is there any better suggestion? There is some vagueness here.

**Reply B-2 (2) [From:** Josh Kauffman (EOS Canada)**] 9:27 GMT+8, 23 May**

I would suggest something along the lines of: "in accordance with all regulations of the EOS network." The sentence will have to be re-worked once we have a better idea of what we'd like. But there will always be some vagueness, and this isn't necessarily a bad thing.

**Proposal B-3 [From:** Josh Kauffman (EOS Canada)**] 1:50 GMT+8, 23 May**

**Agreement - 6**

Define "bad".

**Reply B-3 (1) [From:** Mao (EOSREAL)**] 13:00 GMT+8, 23 May**

The same problem. How about using words as below: "malicious to EOS system" transactions?

**Reply B-3 (2) [From:** Josh Kauffman (EOS Canada)**] 9:28 GMT+8, 23 May**

Working from my response above, "not in accordance with all regulations of the EOS network"

**Proposal B-5 [From:** Josh Kauffman (EOS Canada)**] 1:50 GMT+8, 23 May**

**Agreement – 9.iv**

Shouldn't it be up to the Arb Forums to ensure that an Arb is in good standing before they can be assigned to a case? Why should BPs have to ensure they are in good standing?

**Reply B-5 (1) [From:** Mao (EOSREAL)**] 13:00 GMT+8, 23 May**

I agree with that. This one shall be taken out. Any different ideas?

**Reply B-5 (2) [From:** Josh Kauffman (EOS Canada)**] 9:33 GMT+8, 23 May**

I agree to remove that one completely. If an Arb was assigned to a case by an Arb forum that is recognized by the system, that is where it should end in terms of responsibility of the BP agreement. Anything above that should be handled by the Arb agreements

**Reply B-5 (3) [From:** Thomas Cox**] GMT+8, 23 May**

No. The Arb could have fallen out of standing, and there could be a record on the chain of the specific Arb having lost standing. That person (or his stolen key) could be used to sign an order. It is up to the BPs to double-check that the Arb who signed Order X was, at the time of signing, listed by their Forum as still being in good standing. It’s the responsibility of the Forum to keep their public list of valid Arbs up-to-date; **it is the responsibility of the BP** to check that public list before assuming that a given Arb signature is valid.

**Proposal B-6 [From:** Josh Kauffman (EOS Canada)**] 1:50 GMT+8, 23 May**

**Agreement – 10**

If (for example) I see that my account is acting oddly, would there be a free and quick method to freeze my account to avoid further issues? Let's say I have 10 EOS in my account, and it costs 50 to create an arb order, will I have no ability to free the issue?

**Reply B-6 (1) [From:** Thomas Cox**] GMT+8, 23 May**

If you have not lost control of your keys, you should be able to freeze or lock your own account.

If you have lost control of your keys, there should be a low or no cost, routine, semi-automated method for asking for an account to be frozen in preparation for recovery. Since you can’t sign the request yourself, having lost your keys, someone will have to do it for you. There must be a deposit (refundable) or a high reputation or both -- otherwise sockpuppets could spam this feature. Details will be up to the Arb Forum in question to implement.

**Proposal B-7 [From:** Josh Kauffman (EOS Canada)**] 1:50 GMT+8, 23 May**

**Agreement – 15**

If the point of this was to say that a single entity cannot own more than %10 of two BPs, it doesn't read that way to me. Reads more like I cannot swap 10% of my business entity with another BP.

**Reply B-7 (1) [From:** Mao (EOSREAL)**] 13:00 GMT+8, 23 May**

That’s a problem. This point worth more discussion.

**Reply B-7 (2) [From:** Moti Tabulo**] 8:24 GMT+8, 24 May**

Interesting point which will be considered.

**Reply B-7 (3) [From:** Thomas Cox**] GMT+8, 23 May**

I’d love to get suggestions for clarifying the wording.

**Proposal C-1 [From:** Todor Karaivanov (SFEOS)**] 15:00 GMT+8, 22 May**

**Article I - No Lying:**

I don't approve of this article in its current form. It can lead to a lot of accusations and mud-slinging, with people calling on this article to prosecute others. It is almost impossible to prove that someone has knowingly said a lie, especially if the scope is all communication. I would prefer an approach similar to the one taken by CAcert:

<http://wiki.cacert.org/AssuranceHandbook2#CAcert_Assurer_Reliable_Statement_-_CARS>

I don't think that we can change this article in a meaningful way to support this approach. This is more relevant to users with special permissions, such as arbitrators and BPs, so it should probably be moved to the BP agreement / arbitrator agreement. I suggest removing this article from the constitution.

**Reply C-1 (1) [From:** Josh Kauffman (EOS Canada)**] 9:38 GMT+8, 23 May**

I'm not fully in agreement with Todor that this should be removed. To me it sets a standard for the etiquette that is expected on the network. If someone wants to formally accuse someone of something, it will cost them quite a bit to go to arbitration. I don't foresee too much abuse of this.

**Reply C-1 (2) [From:** Thomas Cox**] GMT+8, 23 May**

You are welcome to propose alternative wording, but removal of this article (I believe) allows fraud.

Mere free speech is not actionable if you have not harmed anyone, and creators of social media dapps are free to build into their governing docs for their users stronger protections of free speech.

**Proposal C-2 [From:** Todor Karaivanov (SFEOS)**] 15:00 GMT+8, 22 May**

**Article II - Property Rights**

I disapprove of the word "sacred". It has religious connotations and, in my opinion, has no place in a governance document. I would suggest replacing it with another word, such as "inviolable".

**Reply C-2 (1) [From:** Josh Kauffman (EOS Canada)**] 9:41 GMT+8, 23 May**

Agree with inviolable. But even as a native English speaker I had to look it up. Suggest this is used unless a better, more common word, is found.

**Proposal C-5 [From:** Josh Kauffman (EOS Canada)**] 0:21 GMT+8, 23 May**

**Article II – Property Rights**

I agree that the word sacred should be changed. I also think that it should include that the utility of the property cannot be userped either. Example: If an exchange is holding custody of a token, and they use that token to vote in whichever way that they see fit, they have not had the property change hands. but they have violated its right to be voted by the actual owner of the token.

I would also change "or by a lawful Arbitrator's order" to something along the lines of: "by a valid ruling by an Arbitrator, in accordance with Articles 9 and 10"

**Reply C-5 (1) [From:** Thomas Cox**] GMT+8, 23 May**

(Reply to the Part: *I agree that the word sacred should be changed.*)

This was changed some time ago. Please refer to the version of the Constitution that’s in GitHub at

<https://github.com/EOSIO/eos/tree/master/governance>

Which is the most recent reference copy.

**Reply C-5 (2) [From:** Thomas Cox**] GMT+8, 23 May**

(Reply to the Part: *I also think that it should include that the utility of the property cannot be userped either. Example: If an exchange is holding custody of a token, and they use that token to vote in whichever way that they see fit, they have not had the property change hands. but they have violated its right to be voted by the actual owner of the token*)

Voting power of a token is restricted by the VOTEPRODUCER Ricardian Contract:

<https://github.com/EOSIO/eos/blob/master/contracts/eosio.system/eosio.system.voteproducer-rc.md>

I’d prefer not to clutter the Constitution with every implication of a general rule.

**Reply C-5 (3) [From:** Thomas Cox**] GMT+8, 23 May**

(Reply to the Part: *I would also change "or by a lawful Arbitrator's order" to something along the lines of: "by a valid ruling by an Arbitrator, in accordance with Articles 9 and 10"*)

No objection.

**Proposal C-6 [From:** Josh Kauffman (EOS Canada)**] 0:22 GMT+8, 23 May**

**Article III – Arbitration**

I think something along the lines of "If a dispute between 2 or more members of the EOS blockchain cannot reach an agreed resolution on their own, those members agree to binding arbitration through one of the Arbitration Forums recognized by the EOS platform." Trying to use this as a chance to show that they should be resolving themselves, and then Arbitration should be last resort.

**Reply C-6 (1) [From:** Mao (EOSREAL)**] 13:00 GMT+8, 23 May**

Always encourage them solve between themselves, before bringing to arbitrator.

**Reply C-6 (2) [From:** Thomas Cox**] GMT+8, 23 May**

If they resolve their issues before invoking arbitration, there is no dispute from the viewpoint of the larger chain, society, and arbitrators.

**Proposal C-7 [From:** Josh Kauffman (EOS Canada)**] 0:25 GMT+8, 23 May**

**Article IV – Voter Independence:**

The phrase "anything of value" should be qualified in some way. If someone offers me access to an exclusive dApp, or a private tool, some may argue that there is no value attached as it could not be bought with money. So value should be understood as money, access, exposure, etc. Remove the possibility for someone to argue what is of value and not.

**Reply C-7 (1) [From:** Thomas Cox**] GMT+8, 23 May**

Leaving it open to interpretation is an important strategy -- a too-specific list of ‘what is value’ invites people to skirt the intention by walking around the letter of the law. Better to state the class of things by the function and let the facts of the specific case play out. There can and should be non-Constitutional guidance of what we as a community accept as ‘not enough value to sway a vote’ i.e. giving away t-shirts and hats at an event, or hosting refreshments, should be acceptable activity.

**Proposal C-8 [From:** Adam Zientarski (EOS Detroit)**] 23:19 GMT+8, 22 May**

**Article IV – Voter Independence:**

Has there been any further discussion around eosDAC and whether this is vote buying or not? The reason I ask is because they gave away something with value, and if you look at communities, like the EOS Reddit community, there are many who want them to become a BP because of the expected increase in the price of their eosDAC. I've been out of the discussion around this trying to keep up with everything but was wondering if someone knew what the general sentiment was. It's a monetary incentive though. It's really not any different than standing outside of a voting location in person and handing out money to people who are walking by to go vote.

I mean more of the concern though is I guess why we're having this discussion. If we decide that it's okay, we might want to change the way that's worded. I mean, there's a lot of discussion around whether it's okay or not, but if we're going under the assumption that it's okay, I think the way it's written contradicts it.

**Reply C-8 (1) [From:** Thomas Cox**] GMT+8, 23 May**

The rules of what is, and is not, a ‘quid pro quo’ (or in some regions of the world ‘do ut des’) are fairly clear out in the world: there must be a conditional giving of value in exchange for the vote, such that another person who did not vote in the desired way did not receive the value, when the two people are otherwise indistinguishable.

So if two people own EOSDAC tokens and one of them voted for EOSDAC as a BP and the other did not, the test would be, do both token holders receive ‘dividends’ by virtue of being shareholders, or does only the one who voted for EOSDAC get the ‘dividend’ by virtue of voting the desired way? If you get paid as a token-holder regardless of how you vote, it would be a permissible form of dividend. If you get paid only when you vote a given way, it’s an illegal vote-buying effort.

The mere existence of the dividend for ALL token holders of EOSDAC is insufficient to be a bribe, although it certainly is a security, and does come close to the line of what is acceptable.

**Proposal C-9 [From:** Josh Kauffman (EOS Canada)**] 0:25 GMT+8, 23 May**

**Article V (No Owner or Fiduciary) + Article VI (10% Ownership Cap)**

We should try to combine these two. They are directly related, so we should put them together. Unless there is something I am missing (for why they are currently separated)

**Reply C-9 (1) [From:** Thomas Cox**] GMT+8, 23 May**

Separated because it was easier to propose them as separate ideas and have them examined each on their merits. Happy to combine them if the community desires it.

**Proposal C-3 [From:** Todor Karaivanov (SFEOS)**] 15:00 GMT+8, 22 May**

**Article VII - Agreement to Penalties**

I would suggest giving more clarity to this text, stating explicitly that members agree to suffer the penalties. Suggestion for new text:

Each Member agrees to conform to penalties imposed upon them for violations of the Constitution or any other governing documents relevant to their role. These penalties may include, but are not limited to, fines, account freezing, and reversal of transactions.

**Reply C-3 (1) [From:** Thomas Cox**] GMT+8, 23 May**

I like this but would use ‘submit’ in place of ‘conform’.

**Proposal C-10 [From:** Josh Kauffman (EOS Canada)**] 0:28 GMT+8, 23 May**

**Article VII - Agreement to Penalties**

This can be roled into one of the Arbitration articles I think. We should also figure out a way to combine all articles that deal with Arbirtation.

**Reply C-10 (1) [From:** Thomas Cox**] GMT+8, 23 May**

The Arb articles are separate for the same reasons given previously regarding another topic -- to ease the discussion of the separate elements. Combining the Arb articles is acceptable to me.

**Proposal C-11 [From:** Josh Kauffman (EOS Canada)**] 0:28 GMT+8, 23 May**

**Article IX - Establishes Arbitration Forums**

I agree with the sentiment, but one question I have is: If 2 parties want to reach an agreement before going thru Arb process, could they speak to an Arb unofficially, who may be able to offer an opinion/receive a small fee for their thoughts. This may prevent smaller cases that don't need Arb Process, to still get some bit of a helping hand if needed. But there would probably need to be a public recognition of that Arb who did some 'work on the side' if this were included.

**Reply C-11 (1) [From:** Moti Tabulo**] 8:21 GMT+8, 24 May**

There is a formal name for the procedure being suggested which is mediation. This is a voluntary arrangement where a 3rd party (the mediator) helps the 2 parties reach a non-binding agreement.

There is nothing stopping the parties seeking mediation if they should wish to do so, but currently this is not a service that the Core Arbitration Forum will provide. In practice it is common business sense to try and resolve disputes through dialogue, negotiation and possibly mediation. Arbitration is likely to be a (relatively) long and complex process that should be the last resort.

I'd also argue that due to the voluntary, non-binding nature of mediation, it is not something that we should be putting in the Constitution.

**Reply C-11 (2) [From:** Thomas Cox**] GMT+8, 23 May**

Parties are always free -- even after they begin arbitration -- to seek an agreed settlement, and to ask for input from parties they respect. This fact need not be mentioned in the Constitution.

**Proposal C-4 [From:** Todor Karaivanov (SFEOS)**] 15:00 GMT+8, 22 May**

**Article XIV - No Positive Rights**

I believe this article is a contradiction. Users that have special permissions on the blockchain do have positive rights - for example, arbitrators have the right to impose penalties on others. The article itself doesn't serve any specific purpose and can only be used to dispute other governance documents. I suggest removing this article.

**Reply C-4 (1) [From:** Thomas Cox**] GMT+8, 23 May**

This is a misunderstanding of the word ‘right’ vs the concept of ‘authority’ -- you may have a ‘right’ to free speech but no authority to command that your words be printed; the arbitrator has the authority of their office to impose penalties if they follow the Rules of Dispute Resolution, but that authority was given to the arbitrator by the parties in dispute, when they agreed to use arbitration and when they accepted the given arbitration forum and/or arbitrator.

The Arbitrator has no ‘right’ to impose penalties separate from the context of the specific case they’ve been assigned to, and the word ‘right’ is inaccurate to describe the power and authority of imposing penalties.

**Proposal C-12 [From:** Josh Kauffman (EOS Canada)**] 0:59 GMT+8, 23 May**

**Article XIV - No Positive Rights**

Don't personally see the need for this to be an article in the Const. This should fall under design principles in my opinion. If, as a community, we want to include and add articles that positive rights, and we all agree, then that is our right. Perhaps we would want to obligate users to have to do something.

**Reply C-12 (1) [From:** Thomas Cox**] GMT+8, 23 May**

Positive rights create a token that has too many attributes of a security and could transform the EOS token from a utility token to a security. A blanket prohibition in Article XIV on positive rights was intended to help guide understanding of the rest of the document AND prevent the token from becoming a security implicitly.

**Proposal C-13 [From:** Josh Kauffman (EOS Canada)**] 0:59 GMT+8, 23 May**

**Article XVI - Amendment**

If we're holding the BP Agreement and the Arb Agreement to the same standards as the Const. articles, then why are we breaking them out into separate docs? I thought the point was to make it easier to change and amend things as needed. This negates that.

Further, I think some more thought needs to go into the proposal requirements: If an amendment is ratified, it costs 100EOS to the person who proposed it? If they have thought up a public good, why should they also have to pay? This will force all of this to go through the Worker Proposal fund I bet

**Reply C-13 (1) [From:** Thomas Cox**] GMT+8, 23 May**

(To the Part: *If we're holding the BP Agreement and the Arb Agreement to the same standards as the Const. articles, then why are we breaking them out into separate docs? I thought the point was to make it easier to change and amend things as needed. This negates that.*)

The documents are equal in stature but differ in content. The BP Agreement binds BPs only. The approach of having a constitution augmented with specific documents is a common and long-standing design approach, though you may personally be unfamiliar with it.

**Reply C-13 (2) [From:** Thomas Cox**] GMT+8, 23 May**

(To the Part: *Further, I think some more thought needs to go into the proposal requirements: If an amendment is ratified, it costs 100EOS to the person who proposed it? If they have thought up a public good, why should they also have to pay? This will force all of this to go through the Worker Proposal fund I bet*)

There must be limits on amendments to prevent spam. If you wish to suggest a different approach, please do. If an amendment is popular it should be trivial to collect donations to cover the filing fee. Do not waste the voters’ time with trivia or with amendments you’re not willing to back with cash, and that nobody else likes enough to support with cash. Otherwise, we get Boaty McBoatface.

**Proposal O-1 [From:** Celu (Blockgenic)**] 20:37 GMT+8, 22 May**

Like developer docs do we have a 'go to' repository for getting started on governance? Both for people who want to understand governance in general and for those who want to know the specifics of initiating an actual arbitration. Also a guide focused towards developers on how to put together the recardian contract associated with the smart contracts that they might be writing... Possibly an overall governance wiki/guide that could have sections focused for the different target audience. So far the different sections/target audience I can think of are,

i) general intro to governance (for total newbies)

ii) Ricardian contracts for smart contract developers

iii) how to initiate an arbitration (for end users)

iv) for bps - how to implement an arbitration ruling

Just thinking out loud...of course the categories could be organized better but just some initial thoughts...

**Reply O-1 (1) [From:** Josh Kauffman (EOS Canada)**] 9:47 GMT+8, 23 May**

I agree there needs to be a guide/wiki for all of this, and MANY more aspects of EOS. I think this will end up falling more under the Worker Proposal system though (which will need its OWN guide too!) But yes, definitely agree that we need to make FAQs, walk-thrus, examples, and easy-to-use dashboards eventually. Key word is 'eventually.' Not enough time to get that out before launch unfortunately.

**Reply O-1 (2) [From:** Thomas Cox**] GMT+8, 23 May**

Love this idea.

**History Feedback**

**Proposal B-4 [From:** Josh Kauffman (EOS Canada)**] 1:50 GMT+8, 23 May**

**Agreement - 7**

Can different BPs choose different mechanisms? Or a single mechanism should be agreed upon?

**Reply B-4 (1) [From:** Mao (EOSREAL)**] 13:00 GMT+8, 23 May**

I agree to use a common agreed mechanism. Maybe only use FIFO? You can offer other opinion.