**Final Summary of Feedback on Governance (by 17:00 GMT +8, May 30, 2018)**

**From EOSREAL:**

1. According to our working plan (you can find it here: <https://forums.eosgo.io/discussion/984/working-plan-reaching-consensus-on-eos-governance#latest>), May 30, GMT+8 will be last day of the plan. Therefore, this is the final feedback summary we publish.
2. This final summary incorporates all the feedback and replies we collected from the very beginning, so you do not need to look back to the older version
3. EOSREAL worked only as assistant/coordinator to the community in this working plan. We voluntarily serve the community, and we are NOT official. It is the exactly the spirit of decentralization.

* The Proposals are ordered according to the original agreement/articles order.
* Replies are arranged chronologically.
* 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

**Fast Searching Catalog**

|  |  |  |
| --- | --- | --- |
| **Arbitration** | Proposal Initiator | Reply # |
| 1.1 Nature of Disputes |  |  |
| A-7 | Todor Karaivanov (SFEOS) | 2 |
| 2.1 Arbitrators |  |  |
| A-2 | Josh Kauffman (EOS Canada) | 2 |
| A-14 | EOSAustralia | 2 |
| 2.2 Liability |  |  |
| 3.1 Filing party |  |  |
| 3.2 Channel for filing |  |  |
| 3.3 Dispute |  |  |
| 3.4 Notice of Arbitration |  |  |
| A-3 | Josh Kauffman (EOS Canada) | 1 |
| A-8 | Todor Karaivanov (SFEOS) | 2 |
| 3.5 Emergency measures |  |  |
| A-4 | Josh Kauffman (EOS Canada) | 1 |
| A-15 | EOSAustralia | 1 |
| 4.1 Number of Arbitrators |  |  |
| 4.2 Selection of Arbitrators |  |  |
| A-9 | Todor Karaivanov (SFEOS) | 3 |
| A-16 | EOSAustralia | 0 |
| 4.3 Challenging and Replacing Arbitrators |  |  |
| 5.1 Procedure and Latitude |  |  |
| A-5 | Josh Kauffman (EOS Canada) | 1 |
| 5.2 Choice of Law |  |  |
| 5.3 Jurisdiction |  |  |
| A-6 | Josh Kauffman (EOS Canada) | 1 |
| 5.4 External Courts |  |  |
| 5.5 Language of arbitration |  |  |
| 5.6 Representation |  |  |
| 5.7 Failure to participate in arbitration |  |  |
| 5.8 Transparency/confidentiality |  |  |
| A-10 | Todor Karaivanov (SFEOS) | 2 |
| 5.9 Fees, costs and expenses of Arbitration |  |  |
| 6.1 Contents |  |  |
| 6.2 Remedies |  |  |
| A-11 | Todor Karaivanov (SFEOS) | 1 |
| 6.3 Binding and Final |  |  |
| 6.4 Appeal and judicial review |  |  |
| A-17 | EOSAustralia | 1 |
| A-18 | EOSAustralia | 1 |
| Newly added |  |  |
| A-1 | Celu (Blockgenic) | 3 |
| A-12 | Todor Karaivanov (SFEOS) | 0 |
| A-13 | BenGates1985 | 1 |
| A-19 | EOSAustralia | 1 |
| A-20 | EOSAustralia | 0 |
| A-21 | EOSAustralia | 1 |
| A-22 | EOSAustralia | 1 |
| A-23 | EOSAustralia | 0 |
| A-24 | Celu (Blockgenic) | 0 |
| A-25 | Celu (Blockgenic) | 0 |
|  | | |
| **BP Agreement** |  |  |
| 1 |  |  |
| 2 |  |  |
| 3 |  |  |
| B-24 | Rick Schlesinger(EOS New York) | 0 |
| 4 |  |  |
| B-1 | Josh Kauffman (EOS Canada) | 4 |
| 5 |  |  |
| B-2 | Josh Kauffman (EOS Canada) | 5 |
| 6 |  |  |
| B-3 | Josh Kauffman (EOS Canada) | 5 |
| 7 |  |  |
| B-4 | Josh Kauffman (EOS Canada) | 1 |
| 8 | | | |
| B-12 | Sharif Bouktila (EOSDUBLIN) | 0 |
| 9 |  |  |
| B-5 | Josh Kauffman (EOS Canada) | 4 |
| B-13 | Sharif Bouktila (EOSDUBLIN) | 1 |
| B-25 | Rick Schlesinger(EOS New York) | 0 |
| B-28 | Rick Schlesinger (EOS New York) | 0 |
| 10 |  |  |
| B-6 | Josh Kauffman (EOS Canada) | 1 |
| B-14 | Sharif Bouktila (EOSDUBLIN) | 1 |
| 11 |  |  |
| 12 |  |  |
| B-15 | Sharif Bouktila (EOSDUBLIN) | 0 |
| B-26 | Rick Schlesinger(EOS New York) | 0 |
| 13 |  |  |
| B-16 | Sharif Bouktila (EOSDUBLIN) | 1 |
| B-29 | Josh Kauffman (EOS Canada) | 0 |
| 14 |  |  |
| B-8 | Mao (EOSREAL) | 0 |
| B-17 | Sharif Bouktila (EOSDUBLIN) | 0 |
| 15 |  |  |
| B-7 | Josh Kauffman (EOS Canada) | 5 |
| B-18 | Sharif Bouktila (EOSDUBLIN) | 0 |
| B-21 | JamesSutherland | 15 |
| B-22 | murali | 0 |
| B-27 | exploringeos | 0 |
| Newly-Added |  |  |
| B-9 | Todor Karaivanov (SFEOS) | 2 |
| B-10 | Mao (EOSREAL) | 1 |
| B-11 | Mao (EOSREAL) | 1 |
| B-19 | Sharif Bouktila (EOSDUBLIN) | 1 |
| B-20 | Sharif Bouktila (EOSDUBLIN) | 0 |
| B-23 | adrianbye | 0 |
| B-30 | Rick Schlesinger (EOS New York) | 1 |
|  | | |
| **Constitution** |  |  |
| Article I - No Lying |  |  |
| C-1 | Todor Karaivanov (SFEOS) | 3 |
| Article II - Property Rights |  |  |
| C-2 | Todor Karaivanov (SFEOS) | 1 |
| C-5 | Josh Kauffman (EOS Canada) | 3 |
| C-32 | Wajid Malik (Bitspace) | 0 |
| Article III - Arbitration |  |  |
| C-6 | Josh Kauffman (EOS Canada) | 2 |
| Article IV - Voter Independence |  |  |
| C-7 | Josh Kauffman (EOS Canada) | 2 |
| C-8 | Adam Zientarski (EOS Detroit) | 2 |
| C-15 | Mao (EOSREAL) | 1 |
| Article V - No Owner or Fiduciary |  |  |
| C-9 | Josh Kauffman (EOS Canada) | 3 |
| Article VI - 10% Ownership Cap |  |  |
| C-9 | Josh Kauffman (EOS Canada) | 3 |
| C-30 | murali | 0 |
| Article VII - Agreement to Penalties |  |  |
| C-3 | Todor Karaivanov (SFEOS) | 1 |
| C-10 | Josh Kauffman (EOS Canada) | 2 |
| C-17 | Yves La Rose (EOS Nation) | 0 |
| C-28 | Yannick (blockgenic Slenter) | 0 |
| C-33 | Wajid Malik (Bitspace) | 0 |
| Article VIII - Block Producer Agreement | | | |
| C-18 | Yves La Rose (EOS Nation) | 0 |
| C-19 | Yves La Rose (EOS Nation) | 0 |
| C-20 | Yves La Rose (EOS Nation) | 0 |
| Article IX - Establishes Arbitration Forums |  |  |
| C-11 | Josh Kauffman (EOS Canada) | 3 |
| Article X - Arbitrator Standards |  |  |
| C-21 | Yves La Rose (EOS Nation) | 1 |
| C-22 | Yves La Rose (EOS Nation) | 0 |
| Article XI - Developers and Smart Contract Licenses |  |  |
| Article XII - Multilingual Contracts |  |  |
| Article XIII - Developers responsible for non-Member access |  |  |
| C-23 | Yves La Rose (EOS Nation) | 0 |
| C-37 | Josh Kauffman (EOS Canada) | 0 |
| Article XIV - No Positive Rights |  |  |
| C-4 | Todor Karaivanov (SFEOS) | 2 |
| C-12 | Josh Kauffman (EOS Canada) | 2 |
| C-24 | Yves La Rose (EOS Nation) | 0 |
| Article XV - Default Arbitration Forum Named |  |  |
| C-25 | Yves La Rose (EOS Nation) | 0 |
| Article XVI - Amendment |  |  |
| C-13 | Josh Kauffman (EOS Canada) | 4 |
| C-26 | Yves La Rose (EOS Nation) | 0 |
| C-38 | Josh Kauffman (EOS Canada) | 1 |
| Article XVII - Choice of Law |  |  |
| C-14 | Mao (EOSREAL) | 0 |
| C-27 | Yves La Rose (EOS Nation) | 0 |
| C-34 | Wajid Malik (Bitspace) | 0 |
| Newly Added |  |  |
| C-16 | EOSAustralia | 1 |
| C-31 | Josh Kauffman (EOS Canada) | 0 |
| C-35 | Josh Kauffman (EOS Canada) | 3 |
| C-36 | Josh Kauffman (EOS Canada) | 0 |
|  | | |
| **Other Suggestions** |  |  |
| O-1 | Celu (Blockgenic) | 2 |
| O-2 | murali | 0 |

**Feedback and Replies**

**A-----Arbitration**

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

**Newly added**

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, 24 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 A-2 [From:** Josh Kauffman (EOS Canada)**] 10:21 GMT+8, 25 May**

**RDR 2.1**

Can we define "requires the approval of two of the three heads of power" What constitutes approval, specifically?

**Reply A-2 (1) [From:** Moti Tabulo**] 1:27 GMT+8, 26 May**

Will check with the team on this and get back to you.

**Reply A-2 (2) [From:** Moti Tabulo**] 17:04 GMT+8, 28 May**

One of the heads of power (Community, BP and Forum) must support the decision to impeach an Arbitrator. This is in order to have checks on the forum and also to ensure the community does not engage in a witch hunt.

The RDR establishes the Principle that this should happen, but does not define the Implementation. The Implementation (i.e. what constitutes approval) will need to be defined by the Heads of Power themselves.

For e.g. for Community that may be in the form of Referenda/Ratification. For the Forum that may be in the form of a majority of the ECAF etc

**Proposal A-3 [From:** Josh Kauffman (EOS Canada)**] 10:27 GMT+8, 25 May**

**RDR 3.4**

Should the length of delay that a respondent has be defined here as well? Or will this be in the Handbook? (so that it's easier to amend as needed too). Will there also be a public dashboard that we should call out in this document (once it has been established) that will serve as a public notice board?

**Reply A-3 (1) [From:** Moti Tabulo**] 1:21 GMT+8, 26 May**

The preference is to keep this to the Handbook so that it is easier to modify. Yes, the idea will be to put all the details of the notification system/any public noticeboard in the Handbook too.

This avoids the Forum having to seek re-approval from the Community for what are procedural changes.

**Proposal A-4 [From:** Josh Kauffman (EOS Canada)**] 11:38 GMT+8, 25 May**

**RDR 3.5**

Curious if there are any fees associated with emergency measures? Any fees levied against if there is no actual emergency? Can you provide one example of when this should be used, and one where it shouldn't be?

**Reply A-4 (1) [From:** Moti Tabulo**] 1:23 GMT+8, 26 May**

This will be up to the Forum to decide. I would think that yes, there should be an elevated fee for filing an Emergency claim. We want people to really think about whether this truly warrants emergency handling to avoid everyone ticking this by default.

**Proposal A-5 [From:** Josh Kauffman (EOS Canada)**] 11:45 GMT+8, 25 May**

**RDR 5.1**

Was wondering if before an Arb seeks outside expertise, if they need to receive any kind of approval? They are (in essence) spending the money of the claimants/respondents. If the information/knowledge can be garnered elsewhere, it may be perceived as an abuse of power if they don't explore those options with the parties first?

**Reply A-5 (1) [From:** Moti Tabulo**] 1:27 GMT+8, 26 May**

The Arbitrator needs to be independent. You can envisage a scenario where one party claims something that can only be disproved by a specific external expert. And then that party denies the Arbitrator access to that external expert for what are ostensibly cost reasons where they are in fact attempting to evade the scrutiny.

So we in effect end up limitng the Arbitrator's room to manoeuvre.

In practice the Forum will perform that oversight role of individual Arbitrators. Where an Arbitrator does not meet standard then they will face the scrutiny of their peers.

**Proposal A-6 [From:** Josh Kauffman (EOS Canada)**] 11:55 GMT+8, 25 May**

**RDR 5.3**

I'm unaware of where this message will be received. If you know that this will be clear once the chain is launched, disregard this comment. But if not, please elaborate.

**Reply A-6 (1) [From:** Moti Tabulo**] 17:09 GMT+8, 28 May**

Will be defined in the Handbook. As will change over time.

**Proposal A-7 [From:** Todor Karaivanov (SFEOS)**] 2:21 GMT+8, 25 May**

**RDR 1.1**

Add the following to "1.1 Nature of Disputes":

* Requests for code changes on deployed smart contracts.

(I contemplated adding possible reasons for needing to open such an arb request, but it is probably better to leave it broad)

**Reply A-7 (1) [From:** Moti Tabulo**] 1:11 GMT+8, 26 May**

Indeed, this section is not intended to be exhaustive. Regarding the example, "Requests for code changes on deployed smart contracts", is this meant for the DApp developer? As I understand that a DApp developer has full rights to freeze and modify their own contract.

Alternatively if it is general in scope we could cover it by re-wording the 2nd example like so:

- Requests for (emergency) intervention for bug fixes or account freezes;

**Reply A-7 (2) [From:** Moti Tabulo**] 16:49 GMT+8, 28 May**

From the discussion in the EOS Gov Telegram channel it has been confirmed that the developer has full rights to modify/upgrade their smart contract if they should wish to do so.

Therefore, I think this modification is no longer required.

**Proposal A-8 [From:** Todor Karaivanov (SFEOS)**] 2:21 GMT+8, 25 May**

**RDR 3.4**

I might be unaware of this, but I don't think there is a messaging/notification system built into the EOS software. We need a reliable way for users to be notified of receiving such a notice. Even if such a system exists, I think it should be clarified in this point.

**Reply A-8 (1) [From:** Moti Tabulo**] 1:21 GMT+8, 26 May**

Correct. Copying in discussion from Telegram to preserve the flow of info:

My understanding is that an on-chain messaging/notification system is planned, but will not be present until some time after launch.

So in the interim the Arbitration Forum is considering a two pronged approach:

- DApps/Account holders that desire to do so may pre-register their EOS account and email address with the forum

- For everyone else, a central case repository that people will need to periodically monitor in case their account is named as a Respondent

Hence the need to keep the wording in the RDR flexible. This will be detailed in the Handbook as the exact notification system to be used will change

**Reply A-8 (2) [From:** SunTzu**] GMT+8, 25 May**

Right - an essential component of any dispute resolution is that the respondents be notified by some reasonable method that something's going on.

A messaging system is envisaged in various forms - see <https://github.com/EOSIO/Documentation/blob/master/TechnicalWhitePaper.md#recovery-from-stolen-keys> and the section immediately above. Also there are a variety of plans to build dapps for twitter-, email-, txt-like apps. All of these will place demands on EOS.IO to develop a fairly sophisticated baseline of communications over time, so I think we can expect some good stuff to develop in the future.

So we're likely stuck in limbo for a period of time until that settles; we have to get the arbitration up and going before the chain so we can support the chain ... but the chain itself is an essential part of the arbitration process.

Bootstaps, meet gravity!

**Proposal A-9 [From:** Todor Karaivanov (SFEOS)**] 2:21 GMT+8, 25 May**

**RDR 4.2**

*The Forum selects the Arbitrator according to a mechanism that is approved by the Forum from time to time and published in the Handbook*.

---change to---

*The Forum selects the Arbitrator according to a mechanism that is periodically approved by the Forum and published in the Handbook.*

*The Arbitrator needs to be independent from the parties and any other relevant persons.*

---change to---

*The Arbitrator needs to be independent from the parties and any other relevant entities.*

**Reply A-9 (1) [From:** Josh Kauffman (EOS Canada) **] 0:08 GMT+8, 26 May**

I agree with both changes Todor proposed.

**Reply A-9 (2) [From:** Moti Tabulo**] 1:27 GMT+8, 26 May**

My understanding is the legalistically "periodically" implies a set/defined schedule. Whereas from "time to time" means as and when it is found necessary. The forum at the beginning might need to make changes very frequently vs when it is mature it will be very infrequently.

"Persons" vs "Entities" please see feedback from Sun Tzu.

**Reply A-9 (3) [From:** Moti Tabulo**] 17:08 GMT+8, 28 May**

Incorporating Sun Tzu's comment here for reference.

Persons is the more usual term in legal description because it includes natural persons (humans) and legal persons (corporations created "at law" or by legislation). I agree it's very confusing because you have to write to one audience or another and the other is always going to be confused.

Where this becomes interesting is that as we get further along in the process, we will want to create an augmented version of the RDR with comments along the side to explain these things. Unfortunately, if we explain it in too much detail in the text, the size explodes and we introduce confusions. A very big lesson from the past is that we want as little as possible in the RDR (and Constitution) and to kick explanation and detail out to other places.

**Proposal A-10 [From:** Todor Karaivanov (SFEOS)**] 2:21 GMT+8, 25 May**

**RDR 5.8**

* The name of the Arbitrator,"
* Does this refer to a name as per a government-issued ID? Which governments? In general, nothing is said about arbitrators' identities, and perhaps we should add a 2.3 Section that clarifies that. Personally, I think we should start with name as per government-issued ID and a photo.

Alternatively, this can be left to the discretion of the particular Arbitrator forum.

**Reply A-10 (1) [From:** Josh Kauffman (EOS Canada) **] 0:11 GMT+8, 26 May**

Agree that we'll need to have something talking about identity of Arbs, even if it's just to say that identity will be defined within the handbook of each Arb Forum.

**Reply A-10 (2) [From:** SunTzu **] GMT+8, 25 May**

Ahhh.. this opens a can of worms. The Arbitrator rules on their reputation, and that reputation can be any name that is consistent over time.

It is probably up to the forum how to handle the usage of names and so forth. One thing we wouldn't want to do is to mandate the use of formal government-sanctioned identity documents, unless we can identify a compelling reason to do so. I haven't seen that reason surface in clear form as yet.

On the one hand there is a very active privacy community and many people wish to do their trade in peace and privacy. Why would we deny this to Arbitrators? The blockchain community can be pretty aggressive, including physical attacks, so some sense of protection is helpful. OTOH, some people feel weirded out by not having government documents provided to them, although quite how they help I've not been able to figure out. It's not as if government documents from a foreign country are going to help much, and fake sets cost about 1000 so real crims will just buy a set.

And if we demand full identity auditing of the arbitrators, how long before we demand it of all participants to the blockchain? If we go too far, only the uber-correct and the crims with false documents will be the only ones left, as the vast middle ground gets dropped for lack of "correctness".

Like I said, this is a can of worms. As you mentioned, best left for the forum to decide.

**Proposal A-11 [From:** Todor Karaivanov (SFEOS)**] 2:21 GMT+8, 25 May**

**RDR 6.2**

I think we should add the following item to the list:

* Changes to the code or Ricardian contract of a smart contract.

**Reply A-11 (1) [From:** Josh Kauffman (EOS Canada) **] 0:13 GMT+8, 26 May**

Makes sense to add just to give the example, but we will not be able to encompass every possible remedy here. So not specifically necessary.

**Proposal A-12 [From:** Todor Karaivanov (SFEOS)**] 2:21 GMT+8, 25 May**

**Newly added**

We should seek the advice of as many legal professionals that have experience in this area as we can find.

**Proposal A-13 [From:** BenGates1985**] GMT+8, 25 May**

**Newly Added**

I think people may have an issue with no vetting of an arbitrator having taken place. Maybe this needs looking at.

I do think there needs to be far more defined terms:

3.1 "interested parties"

5.4 "competent jurisdiction"

Also 3.3 - is there a fines structure currently in place/envisioned? If not then we need to avoid arbitrary/unreasonable fines.

5.2 - choice of Law. it mentions that the arbitrator can choose to include elements of laws. I think it would be beneficial if arbitrators are given access to Lexis nexus or equivalent where complex case may require to look to case law for presedents.

**Reply A-13 (1) [From:** Moti Tabulo**] 12:07 GMT+8, 29 May**

Regarding vetting: the proposal is for the Forum to vet the Arbitrator candidates and thereafter present them for approval/ratification.

Regarding a fine structure, this will be detailed in the Arbitration Forum Handbook. The structure of the RDR has been to defer implementation details to the Handbook.

Regarding access to legal tools, yes this could make sense, but in the end it will be up to the Forum to decide what tools it needs to ensure that Arbitrators are effective.

I will check about definition of the terms.

**Proposal A-14 [From:** EOSAustralia**] GMT+8, 26 May**

**RDR 2.1**

The Forum publishes methods for adding and training new arbitrators in the Handbook.

**My comment:** The handbook shall be approved by over 2/3 BP ,and any change of it need over 2/3 approval from BP.

Arbitrators are ordinarily appointed by Community referenda. To revoke an Arbitrator’s appointment requires the approval of two of the three heads of power (BPs, Community, the Forum). Where approved by a Disciplinary Case against the Arbitrator (§2.2), the Forum may intervene in a case and replace the Arbitrator against their will.

**My comment:** The revoke of an arbitrator need over 2/3 BP approval and over 1/2 all arbitrators of Forum.

**Reply A-14 (1) [From:** Moti Tabulo**] 12:14 GMT+8, 29 May**

Please see the reply previously given to Proposal A-2.

**Reply A-14 (2) [From:** Moti Tabulo**] GMT+8, 29 May**

One of the heads of power (Community, BP and Forum) must support the decision to impeach an Arbitrator. This is in order to have checks on the forum and also to ensure the community does not engage in a witch hunt.

The RDR establishes the Principle that this should happen, but does not define the Implementation. The Implementation (i.e. what constitutes approval) will need to be defined by the Heads of Power themselves.

For e.g. for Community that may be in the form of Referenda/Ratification. For the Forum that may be in the form of a majority of the ECAF etc.

**Proposal A-15 [From:** EOSAustralia**] GMT+8, 26 May**

**RDR 3.5**

A party may request, before or during arbitral proceedings, an emergency measure of protection.

Where a Member(s) has already executed an emergency measure of protection, for example by freezing an account, that Member shall be named as party to a duly filed arbitration to request confirmation of the emergency measure.

**My comment:** This dispute filing shall be done by the Member(s) immediately to itself/themselves in 24 hours after the protection happens, if it'they do not file, any BP or community member can file the dispute to arbitrator, and a fine of at least 500 USD will be automatically charged to the Member(s) who do not file the dispute to itself/themselves on time.

**Reply A-15 (1) [From:** Moti Tabulo**] 12:22 GMT+8, 29 May**

As it is currently worded there is no limitation on who can report the dispute, it could be the BP, Community etc. But it is a fair point that there is no time limit prescribed. Perhaps here this section could be reworded to mention that the arbitration request shall be fined within a reasonable time period.

There should not be an explicit fine mentioned in the RDR, as it is structured to detail only the Principles of Arbitration and not to include those details.

**Proposal A-16 [From:** EOSAustralia**] GMT+8, 26 May**

**RDR 4.2**

The Forum selects the Arbitrator according to a mechanism that is approved by the Forum from time to time and published in the Handbook.

**My comment:** This mechanism shall be monitored by outsiders, not self regulated. So it's back to my previous one, The arbitrator selection mechanism and handbook shall be approved by over 2/3 BP ,and any change of it need over 2/3 approval from BP.

**Proposal A-17 [From:** EOSAustralia**] GMT+8, 26 May**

**RDR 6.4**

In the event of clear injustices, egregious behaviour or unconscionable rulings, a review may be requested by filing a dispute. Any such appeal has to outline

**My comment:** better change to "a review may be requested by filing a dispute to the Appeal Panel. Any such appeal has to outline"

**Reply A-17 (1) [From:** Moti Tabulo**] 12:34 GMT+8, 29 May**

As a procedural point as it is currently structured the review is requested by filing a new dispute to the Forum which will then form an Appeal Panel. Prior to a review dispute being raised there is no actual Appeal Panel (and so no Appeal Panel to file a dispute to).

So propose to leave this section unchanged.

**Proposal A-18 [From:** EOSAustralia**] GMT+8, 26 May**

**RDR 6.4**

By the nature of arbitration, parties have the right to seek judicial review from their local court, including petition to overturn a ruling. However members should note that as a matter of public policy, local courts will typically refer complaints to Arbitration if that was the original agreement, and will typically respect and enforce the rulings of a duly formed arbitration.

**My comment:** This part can be taken out, they can always go to court, that's the right, don't need to write down here.

**Reply A-18 (1) [From:** Moti Tabulo**] 12:44 GMT+8, 29 May**

Yes you are correct that this is their right. The Section might be redundant, however it does educate the Community about the important fact that local courts may in any case refer to a decision reached under Arbitration. In effect it is alerting disputing parties that frivolous appeals to local courts may not have the intended effect.

Happy to hear views as to whether or not we should still leave this in.

**Proposal A-19 [From:** EOSAustralia**] GMT+8, 26 May**

**Newly added**

We need to add how to manage the Forum, such as

"ECAF daily operation is managed by three people Arbitrator Committee, which includes one chairperson, and two advisors. The committee members are elected by all arbitrators of the Forum, the three persons getting most votes are elected to the committee, and the one with highest votes is elected as Chairperson. The committee term is 5 years, if any committee member resigns, is expelled from the position, this position will be filled with an emergent election by all arbitrators. The Arbitrator Committee is responsible to appoint the arbitrators for the Appeal Panel, to draft and complete the arbitrator handbook, to update the handbook. The Arbitrator Committee will submit the handbook and any revision to all BPs for approval”

**Reply A-19 (1) [From:** Moti Tabulo**] GMT+8, 29 May**

It is not clear why we need such a structure? The way the Forum is structured is that it is a self-governing body composed of Arbitrators who are peers. The peer Arbitrators get their authority from the Community and are similarly accountable to the Community.

By introducing a Committee that performs the roles above, we will effectively be making the Arbitrators sub-ordinate to the Committee, not the Community. We therefore weaken the Arbitrators Community authorisation.

Additionally, the independence of the Forum is weakened with power being concentrated in a few individuals who are then susceptible to influence.

Is that what we want?

**Proposal A-20 [From:** EOSAustralia**] GMT+8, 26 May**

**Newly added**

We also shall add about the appealing fee, salary, etc.

"The annual basic salary for an Arbitrator is 30,000 USD, and for each case, the hourly charge of an Arbitrator is 200-500 USD, and the hourly charge of an senior Arbitrator is 500-800 USD. The hourly charge level will be adjusted every three years by Arbitrator Committee. For any dispute, the claimant shall pay 200 USD to the forum before the case is accepted."

**Proposal A-21 [From:** EOSAustralia**] GMT+8, 26 May**

**Newly added**

"The discipline case against an Arbitrator shall be heard by the Arbitrator Committee. If the arbitrator involved in the case is one of the Arbitrator Committee, the committee will appoint another arbitrator to replace the position."

**Reply A-21 (1) [From:** Moti Tabulo**] GMT+8, 29 May**

Please see my prior comment questioning the need for an Arbitrator Committee.

There is already provision for Disciplinary Cases in Sections 2.2 and 6.4. Do you think these need to be strengthened?

**Proposal A-22 [From:** EOSAustralia**] GMT+8, 26 May**

**Newly added**

Also add

"If an arbitrator causes significant harm to EOS ecosystem, or has the action which is against the mutual benefit of EOS ecosystem, 5 BPs can initiate Impeachment procedure against this arbitrator, and this impeachment will be heard by an independent investigation committee composed of three members. These three members shall be approved by the referendum of the token holders, and the approval needs over 1/2 votes of the token holders who vote. The independent investigation committee is authorized to decide whether to approve the impeachment. The BPs need to pay 5000 USD for filing the impeachment case."

**Reply A-22 (1) [From:** Moti Tabulo**] GMT+8, 29 May**

There is a lot of detail included here which arguably does not need to be included in the RDR.

Why limit it to 5 BPs? If one BP (or anyone for that matter) feels that an Arbitrator ruling has resulted in clear injustice/is unconscionable etc, or if there is a question on Arbitrator liability, then Section 6.4 allows anyone to file a dispute which will be heard as a Disciplinary Case per Section 2.1 with a panel of three Arbitrators per Section 4.1.

**Proposal A-23 [From:** EOSAustralia**] GMT+8, 26 May**

**Newly added**

About nominate the arbitrator

"Any three EOS community member (which is BP, EOS GO forum registered member, EOS token holder, developer) can nominate one arbitrator, this arbitrator doesn't need to work as arbitrator before, but shall have at least bachelor degree, good mental health. He/she need to receive enough training from the forum, and pass the test from the Arbitrator Committee. After this, the Arbitrator Committee will nominate him/her as the arbitrator, and the appointment need to get over 1/2 votes of voting EOS token holders."

**Proposal A-24 [From:** Celu (Blockgenic)**] 3:58 GMT+8, 29 May**

**Newly Added**

As per the document, during the arbitration deliberation phase, do we need to put in place clauses to prevent delay tactics by one of the parties. Based on the facts of the case. may be the arbitrator should provide a reasonable estimate for when they expect to get a response from the parties involved?

**Proposal A-25 [From:** Celu (Blockgenic)**] 4:13 GMT+8, 29 May**

**Newly Added**

Are the arbitrators expected to be fulltime or partime positions?

**B-----Block Producer Agreement**

**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, 24 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.

**Reply B-1 (3) [From:** Todor Karaivanov (SFEOS) **] 12:59 GMT+8, 24 May**

Good/bad transactions should be better defined (points 4-6). Practically, implementing any type of filtering for transactions is unfeasible for the short term, so I doubt BPs will start doing that any time soon. I'm not even sure it's a good idea to filter transactions, and I don't like this being in the BP agreement, at least in the beginning. I think we should remove points 4 and 5

**Reply B-1 (4) [From:** Mao (EOSREAL) **] 16:00 GMT+8, 24 May**

Can we add a footnote here below stated as the following:

“Good” is a broad concept, but it typically deals with an association with life, charity, continuity, happiness, love and justice. If it’s beneficial to the community, in line with the value of EOS, it shall be seemed as good. This is not the final definition, but as a guidance.

**Reply B-1 (5) [From: Sharif Bouktila (EOSDUBLIN) ] 20:30 GMT+8, 24 May**

Sounds very subjective.

What is a good vs bad transaction?

**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, 24 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.

**Reply B-2 (3) [From:** Todor Karaivanov (SFEOS) **] 12:59 GMT+8, 24 May**

Good/bad transactions should be better defined (points 4-6). Practically, implementing any type of filtering for transactions is unfeasible for the short term, so I doubt BPs will start doing that any time soon. I'm not even sure it's a good idea to filter transactions, and I don't like this being in the BP agreement, at least in the beginning. I think we should remove points 4 and 5

**Reply B-2 (4) [From:** Mao (EOSREAL) **] 16:00 GMT+8, 24 May**

Can we add a footnote here below stated as the following:

“Good” is a broad concept, but it typically deals with an association with life, charity, continuity, happiness, love and justice. If it’s beneficial to the community, in line with the value of EOS, it shall be seemed as good. This is not the final definition, but as a guidance.

**Reply B-2 (5) [From:** Sharif Bouktila (EOSDUBLIN) **] 20:30 GMT+8, 24 May**

Sounds very subjective.

What is a good vs bad transaction?

**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, 24 May**

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

**Reply B-3 (3) [From:** Todor Karaivanov (SFEOS) **] 12:59 GMT+8, 24 May**

Good/bad transactions should be better defined (points 4-6). Practically, implementing any type of filtering for transactions is unfeasible for the short term, so I doubt BPs will start doing that any time soon. I'm not even sure it's a good idea to filter transactions, and I don't like this being in the BP agreement, at least in the beginning. I think we should change 6 to:

- In the event of excluding any transactions from newly created blocks, publish the reasons for doing so.

(The BP agreement will read better if that is moved after the current point 7)

**Reply B-3 (4) [From:** Mao (EOSREAL) **] 16:00 GMT+8, 24 May**

Can we add a footnote here below stated as the following:

“Bad” is also a broad concept, but its meaning normally includes inferior, low standard, causing harm. If it’s causing harm to the community, against the value of EOS, it shall be seemed as bad. This is not the final definition, but as a guidance.

**Reply B-3 (5) [From:** Sharif Bouktila (EOSDUBLIN) **] 20:30 GMT+8, 24 May**

Similar to the above, what's a bad transaction? What happens if a BP says a transaction is bad because of religious reasons etc.

**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.

**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, 24 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.

**Reply B-5 (4) [From:** Josh Kauffman (EOS Canada)**] 22:41 GMT+8, 24 May**

Understood, good point I hadn't thought about. But I am still of the mindset that Arb forums should be the ones to take the lead on this though. If an arb falls out of order, the forum would know and be able to flag any and all cases they were involved with. If they have their keys stolen, they should be reporting that to the forum as well, and the 30-day window for a ruling to be enacted should allow ample time for the forum to report this to BPs, no? Not saying it HAS to be this way, just what makes the most sense to me.

**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.

**Reply B-7 (4) [From:** Mao (EOSREAL) **] 16:00 GMT+8, 24 May**

Can we change this agreement into “No BP shall own more than 10% ownership of the other BP. No person or entity shall own more than 10% ownership in two or more than two BPs.”

**Reply B-7 (5) [From:** Josh Kauffman (EOS Canada)**] 23:41 GMT+8, 24 May**

I agree with Mao's version, but I would shorten it to just the second sentence: No person or entity shall \*have\* more than 10% ownership in two or more BPs.

**Proposal B-8 [From:** Mao (EOSREAL)**] 16:00 GMT+8, 24 May**

**Agreement – 14**

Can we change this agreement to “Disclosing all ultimate beneficiary ownership who own more than 10% of my/our organization”?

**Proposal B-9 [From:** Todor Karaivanov (SFEOS)**] 12:59 GMT+8, 24 May**

**New Agreement**

I think the following point should be added:

- *Publicly disclose any communication with another BP or BP candidate that is related to the operation of the chain. If such communication has to be kept confidential for security reasons, I/we promise to disclose it as soon as it is safe to do so.*

Context: I think BPs chatrooms where they coordinate operations have to be transparent, otherwise we're heading in the same direction our governments are. Any governance official has to forego some of their privacy - that is the cost of being in governance. BPs are government officials, so they should disclose any communication with other BPs that is related to running the chain.

**Reply B-9 (1) [From:** Josh Kauffman (EOS Canada) **] 5:31 GMT+8, 25 May**

I think having all coms between BPs will be almost 0 chance of being able to police. What if I meet someone in person at a meetup/conference? Do we need to record this? I would like to understand what the problem we're trying to solve is first, to understand if I agree with the need of a solution.

**Reply B-9 (2) [From:** Todor Karaivanov (SFEOS)**] 1:07 GMT+8, 26 May**

My desire is to have transparency in the BP operations. As Dan wrote in his "Radical traparency" article, corruption occurs when there is lack of transparency. I imagine that BPs will be coordinating different aspects of the chain operations in private chatrooms or something similar, and I thought that it would be good practice to disclose these conversations. Keeping them private may turn into a standard practice, which with time may lead to hush-hush deals under the table. With this proposal, I wanted to set the standard for transparency in communication. Perhaps it can be worded better to achieve this purpose. Any suggestions?

**Proposal B-10 [From:** Mao (EOSREAL)**] 16:00 GMT+8, 24 May**

**More Agreements**

Can we add another one agreement as follow?

“Abide by the EOS constitution”

**Reply B-10 (1) [From:** Josh Kauffman (EOS Canada) **] 5:32 GMT+8, 25 May**

Don't we all have to abide by the Const anyways? This seems redundant. There is no harm in putting it in, but it seems unnecessary for both docs to call out to each other like this in my opinion.

**Proposal B-11 [From:** Mao (EOSREAL)**] 16:00 GMT+8, 24 May**

**New Agreements**

Can we add another one agreement as follow?

“BP can only be sanctioned, fined, removed by the Arbitrator.”

**Reply B-11 (1) [From:** Josh Kauffman (EOS Canada) **] 5:33 GMT+8, 25 May**

Somewhat agree, but if we end up creating the EOS Foundation, we may want to include the ability for them too, depending on scope. Will need to revisit. Fine to include, but keep that in mind I think.

**Proposal B-12 [From:** Sharif Bouktila (EOSDUBLIN)**] 20:30 GMT+8, 24 May**

**Agreement - 8**

Just a duplication of 7

**Proposal B-13 [From:** Sharif Bouktila (EOSDUBLIN)**] 20:30 GMT+8, 24 May**

**Agreement – 9.i**

Is only one signature required here? Should there be a point that both entities in the case are known?

**Reply B-13 (1) [From:** Josh Kauffman (EOS Canada) **] 0:17 GMT+8, 26 May**

I think the fact that the message would point to the case itself would be enough to point to the parties. Don't see the need for other signatures.

**Proposal B-14 [From:** Sharif Bouktila (EOSDUBLIN)**] 20:30 GMT+8, 24 May**

**Agreement – 10**

Similar to the above (Proposal B-12), only one order required? This is open to abuse.

**Reply B-14 (1) [From:** Josh Kauffman (EOS Canada) **] 0:47 GMT+8, 26 May**

Don't think this open to abuse myself. I think the Arbs handbooks and agreements will add more clarity, and will handle your fear.

**Proposal B-15 [From:** Sharif Bouktila (EOSDUBLIN)**] 20:30 GMT+8, 24 May**

**Agreement – 12**

What's the purpose of these endpoints? What should the point to?

**Proposal B-16 [From:** Sharif Bouktila (EOSDUBLIN)**] 20:30 GMT+8, 24 May**

**Agreement – 13**

Not sure what this is saying. Is the Minimum Configuration a node?

**Reply B-16 (1) [From:** Josh Kauffman (EOS Canada) **] 0:21 GMT+8, 26 May**

We need someone more technical to give their opinion on what, if any, should be set as a minimum requirement.

**Proposal B-17 [From:** Sharif Bouktila (EOSDUBLIN)**] 20:30 GMT+8, 24 May**

**Agreement – 14**

How can this be enforced? What's the penalty?

**Proposal B-18 [From:** Sharif Bouktila (EOSDUBLIN)**] 20:30 GMT+8, 24 May**

**Agreement – 15**

For what reason?

**Proposal B-19 [From:** Sharif Bouktila (EOSDUBLIN)**] 20:30 GMT+8, 24 May**

**New Agreement**

Commitment to:

- announce any outages including why they occurred, what steps were taken to rectify and what steps have been taken to prevent the situation happening again (if applicable)

- the betterment of the EOS community

- announce any breaches/hacks

- announce any court orders/federal orders to (subpoena etc)

**Reply B-19 (1) [From:** Josh Kauffman (EOS Canada) **] 0:25 GMT+8, 26 May**

Agree with points 1,3 and 4. For "the betterment of the EOS community" this could be us imposing our own views on what should be done by a BP. Some BPs are running on the campaign that they will not be creating "betterment of the community" but rather just doing the exact job of a BP creating blocks. I'd suggest removing based on that (if we add this in the agreement - which I am for)

**Proposal B-20 [From:** Sharif Bouktila (EOSDUBLIN)**] GMT+8, 26 May**

**New Comment**

Just a clarification on our comments on the BP agreement. We think that in the BP agreement it should defer and commit to ECAF and allow that body to form the policy and procedures around arbitration and execution of orders.

**Proposal B-21 [From:** JamesSutherland**] GMT+8, 27 May**

**Agreement 15**

15 still needs adjustment. It should just say "No person or entity shall own any stake in more than one BP."

**Reply B-21 (1) [From:** Stringpuller**] GMT+8, 27 May**

I 2nd this.

You guys need to change line 15 or risk ruining thos aspect of this network being influenced

By monopoly.

**Reply B-21 (2) [From:** HyDRo**] GMT+8, 27 May**

I agree.. 15 has to be changed to ""No person or entity shall own any stake in more than one BP."

Do the right thing... owning stake in more than 1 BP is bullshit

Allowing even 1% shared ownership in other BPs opens up the possibility for cartels.

If BP1 owns a percent of BP2, then BP1 is financially incentivized to keep BP2 elected.

They can simply vote for each other and share profits.

With enough BPs owning a percent of another BP and voting for each other,

They will be locked in regardless of the community’s stance.

I'm pretty sure that EOS, like everything else, will be subjected to market scrutiny.

Markets are pretty ruthless in the long run, and will value the tokens accordingly to the underlying

ethics and BP's robustness/independence. All the petty plans that seem worthwhile right now

(to co-own, collude and convolute internal workings) will backfire on the whole network.

This is the biggest DPOS wekaness we see, so addressing this head-on and early-on seems more like self preservation and instinct,

than anything else.

Public perception alone should be enough reason to change this to 0%.

**Reply B-21 (3) [From:** webdave2000**] GMT+8, 27 May**

Agree with James statement. Free and independent. 1/21 not 5/21.

**Reply B-21 (4) [From:** jscrypto89**] GMT+8, 27 May**

On #15, I don’t believe stating 0% will do any good. Just a clear wording of BP will not have ownership on other BP’s is good enough.

**Reply B-21 (5) [From:** Jan\_Smit\_EOS\_NL**] GMT+8, 27 May**

DutchEOS fully agrees that "No person or entity shall own any stake in more than one BP." Moreover we should consider making this part of the constitution (not just the BP Agreement). No EOS developer or investor should own any stake in more than one BP.

**Reply B-21 (6) [From:** Jan\_Smit\_EOS\_NL**] GMT+8, 27 May**

It is all well and good that stating the BP agreement should be amended on point 15 to "No person or entity shall own any stake in more than one BP".

I would like that as well, it is why EOS42 is completely founder owned, self funded and has no external investors. The reality though is that amongst the candidates globally we see many, many, many which have complex ownership structures, with passive financial backers such as INblockchain that own minority stakes in multiple BP's - possibly as many as 5 or 6.

If this passes then what? This gives nobody any authority whatosever to make them withdraw. It's a voluntary agreement unless I am mistaken? They could indeed just adopt the original "Thomas Cox version" themselves that has the original wording for example .

Is this meant to be a fully inclusive BP agreement we can as a whole attain consensus on, or an exclusive one whereby some do not agree to it? The token holders will ultimately need to make an informed assessment of such candidates and hold them to account, for example demanding the same transparency that others will willingly provide. For this to be meaningful, it would need to be added into the constitution to outlaw it. Otherwise this is something a number of BP's globally cannot sign up to because they formed with external investors that would breach this proposed amendment.

It is complex, and unfortunately not as black and white as the proposed rewording.

**Reply B-21 (7) [From:** lapapanite**] GMT+8, 27 May**

This article Should Prohibit as much as possible cross-shareholding of several BP by a single entity (total prohibition is best what means DAC BPs should void the voting right of holders owning more than one DAC BP token or shareholder of another BP)

**Reply B-21 (8) [From:** hacker**] GMT+8, 27 May**

Seems problematic @ 15. I propose a variation of:

*A person or entity having more than 10% ownership in two or more BPs shall within 1 year of June 1 2018 employ a reasonable exit of ownership receiving no further dividends beyond recouping principal investment and a success fee for their assistance in the launch of the EOS blockchain. Such a person or entity owning 2 or more BPs shall lower the amount of ownership in any BPs to 1 or 0 BPs. Future ownership in multiple BPs by any measure of circumvention including but not limited to shell companies, silent partners, etc. is prohibited. Individuals and entities are prohibited from having any ownership in more than one BP after June 1 2019.*

There is a high likelihood of centralized governments coughblockstreamcough forming around what could end up the world's most important decentralized blockchain if very resourceful and influential actors are permitted to exist permanently as owners of multiple block producers. i'm proposing governance purely for the purpose of reducing governance in the future. $ in government corrupts government.

**Reply B-21 (9) [From:** Rob Finch**]** (Cypherglass)**] GMT+8, 27 May**

Seems problematic @ 15. I propose a variation of:

A person or entity having more than 10% ownership in two or more BPs shall within 1 year of June 1 2018 employ a reasonable

we want to make it clear that we believe Article 15 of the Block Producer Agreement should be changed to 0% to prevent block producer collusion or block producer cartels.

**Reply B-21 (10) [From:** HyDRo**] GMT+8, 28 May**

I have revised my opinion on #15 after finding the possible reasoning behind it.. and i agree with hackers post above.

**Reply B-21 (11) [From:** GunnisonCap**] GMT+8, 29 May**

I think you meant the real world is very complex like I said. I fully understand the complexities of the real world which was my point, that we cannot unfortunately take an overly purist stance and ignore the realities of global business whereby minority passive investment stakes are commonplace.

I think the 10% cap is workable and can provide complete community consensus as an enforceable level. Zero will simply mean that a large subset of BP's do not sign up to it - and we speak as a BP with no outside financial interests as I wanted to emphasise.

We all have to make compromises within a decentralised community, this is one such case. It provides us with a rule that can and will be broken, but a means to enforce in cases where it is discovered. Zero rules out a large number of very high quality BP candidates globally, and that also has an impact weakening the EOS community in my view.

This is a complex subject, not black and white and I hope those pushing for this amendment realise that a lengthy 6wk debate occurred on this Mar/Apr to reach this point.

**Reply B-21 (12) [From:** murali**] 11:03 GMT+8, 30 May**

One other option is to modify the 15 as follows:

No person or group of related persons shall own or control more than 10% of 2 or more BPs.

Related persons is defined as related individuals (including by common directorships in entities), related corporate entities having more than 10% common ownership or 10% of common directors or governing persons or entities which are accustomed to acting in response to instructions from a common owner or controller.

This will get around the fact that we may some investors having relationship with multiple BPs but together they cannot control how the BPs act.

**Reply B-21 (13) [From:** cal**] 13:56 GMT+8, 30 May**

Please change 15 to "No person or entity shall own any stake in more than one BP." as per dutcheos comment.

**Reply B-21 (14) [From:** hacker**] 7:41 GMT+8, 30 May**

You changed nothing in #15 despite community outcry and an obvious community consensus. i proposed something very attractive for bp investors, and the community would grin and bear if it had been employed. it was shot down by a small group. great work guys. you've given opposition forces everything they need. eos is now open to becoming truly centralized by very influential and resourceful groups. the voices of the masses are being ignored knowingly. inblockchain is necessary for the launch of the eos blockchain and so are similar groups but they need an exit strategy.

edit: more of my thoughts from the eosio gov telegram: <https://i.imgur.com/RuaCjYf.png>

**Reply B-21 (15) [From:** cal**] 7:41 GMT+8, 30 May**

You changed nothing in #15 despite community outcry and an obvious community consensus. i proposed something

**Proposal B-22 [From:** murali**] GMT+8, 27 May**

**Agreement 15**

I see the comments that have objections to any ownership interests that are common to 2 or more BPs and also the discussions in many EOS related telegram channels. I see the positives and negatives for both 0% or a specified % being discussed and do not have a view as to which one is more appropriate in the current circumstances.

I have two points to add to the discussion.

1) We need to expand the definition from "ownership" to "control" as "control" can be used in many ways apart from ownership. e.g. what happens if owner of a BP asks his employee to be the owner of another BP. Clearly the ownership is different but the owner of the first BP can control the second.

The wording may be altered to "Not sharing more than 10% ownership or control with another BP" (10% can be replaced with another % if felt appropriate) or Not sharing ownership or control with another BP" (if it is considered that BPs should not share ownership or control).

2)How do we enforce this article? In the example above, even with a control clause in BP agreement, unless someone in an arbitration can prove it, it will not force the BPs out. Therefore we need the arbitration mechanism to be included in the BP agreement so that it is clear how enforcement of the BP agreement will take place.

**Proposal B-23 [From:** adrianbye**] GMT+8, 27 May**

**New Agreement**

This is great work. It should also cover the case of banning airdrop BPs like eosDAC as well, perhaps as an additional item.

**Proposal B-24 [From:** Rick Schlesinger(EOS New York)**] 0:06 GMT+8, 27 May**

**Agreement 3**

Never censor, or **alter**, governance related transactions such as votes or Arbitration related transactions

But we need someone technical to opine on this

**Proposal B-25 [From:** Rick Schlesinger(EOS New York)**] 0:18 GMT+8, 27 May**

**Agreement 9**

Who is at fault if the Arb forum doesn't update their list of in-good-standing Arbs? How would that be governed and enforced? Ask Thomas C.

**Proposal B-26 [From:** Rick Schlesinger(EOS New York)**] 0:18 GMT+8, 27 May**

**Agreement 12**

JEM suggested the following in Telegram in place of the current #12:

"Maximum avg response time to API requests should be less than xxx, excluding network latency."

**Proposal B-27 [From:** exploringeos**] GMT+8, 28 May**

**Agreement 15**

15 Should be changed to: "No person or entity shall own any stake in more than one BP." I understand that this could cause issues for things like EOS DAC where it's community owned, but BPs really need to be completely independent.

Another way we could fix this is on the corporate governance level of the BPs. "Agree to make any owner (person or entity) in this BP who also owns any amount of another BP a completely passive owner with no voting or decision making rights within the BP."

**Proposal B-28 [From:** Rick Schlesinger (EOS New York)**] 1:23 GMT+8, 30 May**

**Agreement 9**

The item that needs to be discussed is that the Arbitrator will need to provide a valid ruling, and the Block Producers should not be liable for 9.iv. It should be up to the arbirator forum to always provide a valid ruling and it should not be the responsbility of a BP to confirm if an arb "is in good standing".

**Proposal B-29 [From:** Josh Kauffman (EOS Canada)**] 1:45 GMT+8, 30 May**

**Agreement 13**

Need to ammend with something that calls to uptime of a BPs infra, within which period of time?

to be determined standard of minimum performance as agreed upon by BPs (voted on?)

**Proposal B-30 [From:** Rick Schlesinger (EOS New York)**] 2:42 GMT+8, 30 May**

**BP Info Standard**

Proposed language:

"All Block Producers agree to publish accurate information according to the Block Producer Information Standard."

To be added/discussed: where the information is maintained and how it is amended

**Reply B-30 (1) [From:** Sam Sapoznick**] 2:55 GMT+8, 30 May**

Suggested revision: ""All Block Producers agree to publish and maintain accurate information via the public API defined by the Block Producer Information Standard."

**C-----Constitution**

**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.

**Reply C-1 (3) [From:** Todor Karaivanov (SFEOS)**] 14:33 GMT+8, 24 May**

Proposal for new text of Article I:

No user of this blockchain shall make knowingly false or misleading statements that can result in direct harm or financial loss for other users.

**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, 24 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-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-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.

**Reply C-4 (2) [From:** Todor Karaivanov (SFEOS)**] 14:23 GMT+8, 24 May**

I agree that arbitrators have authority rather than 'rights'. How about BPs? They do have the 'right' to produce blocks, I believe. Also, my overarching point was that this article doesn't serve any specific purpose since the rights are defined in other articles anyway... unless I'm missing it.

**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.

**Reply C-7 (2) [From:** Josh Kauffman**] 8:32 GMT+8, 25 May**

Understood and I agree with your reasoning. Take them as they come.

**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.

**Reply C-8 (2) [From:** Josh Kauffman**] 8:43 GMT+8, 25 May**

I agree with Thomas here. I also think this isn't the forum for this. Down the line once DACs have been explored, there will probably need to be some sort of guidelines/best practices laid out, but that's a long ways away.

**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.

**Reply C-9 (2) [From:** murali**] GMT+8, 26 May**

Yes.

**Reply C-9 (3) [From:** Wajid Malik (Bitspace)**] 21:33 GMT+8, 28 May**

Bitspace agrees on combining article V and VI

**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.

**Reply C-10 (2) [From:** murali**] GMT+8, 26 May**

Article VII should be left on its own and not combined with arbitration articles.

**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.

**Reply C-11 (3) [From:** Josh Kauffman**] 9:27 GMT+8, 25 May**

Thank you for clearing that up for me Moti and Thomas

**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.

**Reply C-12 (2) [From:** Josh Kauffman**] 9:28 GMT+8, 25 May**

If it helps to acquiesce the SEC, I'm all for it!

**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.

**Reply C-13 (3) [From:** Josh Kauffman**] 9:29 GMT+8, 25 May**

(To Reply C-13(1))

Correct, unfamiliar. Understood and stand down.

**Reply C-13 (4) [From:** Josh Kauffman**] 9:31 GMT+8, 25 May**

(To Reply C-13(2))

I'm totally for the filing fee, but just don't understand the fact that only 900 of the 1000 EOS gets returned if it passes. If it passes, that means it was a public good, but that one individual who did they good job to propose it now has to pay? And seek WP funding to make them whole? I may be missing something still?

**Proposal C-14 [From: Mao** (EOSREAL)**] 16:00 GMT+8, 24 May**

**Article XVII – Choice of Law**

Shall we change the “Malta” to “Republic of Malta” to make it more formal?

**Proposal C-15 [From:** Mao (EOSREAL)**] 16:00 GMT+8, 24 May**

**Article IV – Voter Independence:**

Can we add the following:

1. Exchange can vote exchange’s own

2. Exchange cannot vote on behalf of its users until a verifiable, non-manipulative voting proxy established

**Reply C-15 (1) [From:** Josh Kauffman**] 8:37 GMT+8, 25 May**

To me, if we were to include something like this, it should be rolled out into its own Article. I would suggest something like: "Any entity that assumes custody of another entity/users tokens, cannot utilize the vote function of those tokens without the explicit and expressed consent of that user." I would personally like to add in something like: "They must also offer the ability to provide custodianship while allowing no votes to be cast by that users tokens." Although this is a positive right. And probably could be worded better. But this shouldn't be aimed directly at exchanges, but at custodians as a whole.

Further, I think that Thomas will probably reply that this is covered by another article somehow already, or a ricardian contract somewhere that I'm not currently aware of, but I do think that the extreme fear that people have about this warrants its own clear article in the Const.

**Proposal C-16 [From:** EOSAustralia**] GMT+8, 24 May**

**Newly Added**

Shall we add "The crypto currency exchange is not allowed to vote on BP" in the constitution or BP agreement. Exchange is too easy to manipulate the voting

**Reply C-16 (1) [From:** Thomas Cox**] 9:28 GMT+8, 25 May**

There is a clause covering this case in the voteproducer Ricardian Contract. Exchanges cannot legally vote without proof that their customer explicitly authorized them to vote on the customer's behalf (which many are preparing to do, or claim so).

So you can consider this issue resolved, or at least consult that RC and see if its language satisfies your concerns.

**Proposal C-17 [From:** Yves La Rose (EOS Nation)**] 16:09 GMT+8, 25 May**

**Article VII – Agreement to Penalties (**Discussion, paragraph 2)

This document should be written, and/or this paragraph should be removed.

Should this paragraph be kept, there should be mention of recommendation of having a EOS Commons Fund project to this effect

**Proposal C-18 [From:** Yves La Rose (EOS Nation)**] 16:09 GMT+8, 25 May**

**Article VIII – Block Producer Agreement (**Discussion, paragraph 3)

Remove “There’s nothing wrong with BPs seeking” – replace with “Block Producers seeking to embrace a higher standard than that described in the Block Producer Agreement may do so.”

**Proposal C-19 [From:** Yves La Rose (EOS Nation)**] 16:09 GMT+8, 25 May**

**Article VIII – Block Producer Agreement (**Discussion, paragraph 4)

“It is likely that…” – Either state it is or it is not, do not leave pending as is.

**Proposal C-20 [From:** Yves La Rose (EOS Nation)**] 16:09 GMT+8, 25 May**

**Article VIII – Block Producer Agreement (**Reference)

Why are we including two example? I.e EOS New York Code of Conduct and EOS BlockSmith Independence and Integrity Pledge – either state all or state none.

**Proposal C-21 [From:** Yves La Rose (EOS Nation)**] 16:09 GMT+8, 25 May**

**Article X – Arbitrator Standards**

“Been nominated by at least two other Members, and” – specify which members? Members of the same forum, members of any forum, members of the Core forum?

**Reply C-21 (1) [From:** Josh Kauffman (EOS Canada) **] 0:31 GMT+8, 26 May**

Don't want to talk for Thomas, but I'm pretty sure that the term Member is for any user of the chain, not of a specific group. But if I'm wrong on that, then yes, we should define who a member is.

**Proposal C-22 [From:** Yves La Rose (EOS Nation)**] 16:09 GMT+8, 25 May**

**Article XI – Arbitrator Standards (**Discussion, paragraph 1)

I really don’t like this paragraph in its entirety, too much uncertainty. Suggest removal or solution.

**Proposal C-23 [From:** Yves La Rose (EOS Nation)**] 16:09 GMT+8, 25 May**

**Article XIII – Developers responsible for non-Member access**

Looking for legal confirmation that this provides legal protection.

**Proposal C-24 [From:** Yves La Rose (EOS Nation)**] 16:09 GMT+8, 25 May**

**Article XIV – No Positive Rights** (Discussion, paragraph 3)

Remove “(almost)” and “(usually)”

**Proposal C-25 [From:** Yves La Rose (EOS Nation)**] 16:09 GMT+8, 25 May**

**Article XV – Default Arbitration Forum Named** (Discussion, paragraph 3)

Confirm this Forum – in its current state, this Article lacks weight without the presence of the Forum. Uncertainty should be resolved.

**Proposal C-26 [From:** Yves La Rose (EOS Nation)**] 16:09 GMT+8, 25 May**

**Article XVI – Amendment** (Discussion)

Does the 1,000 EOS token deposit apply to BPs as well, please clarify.

**Proposal C-27 [From:** Yves La Rose (EOS Nation)**] 16:09 GMT+8, 25 May**

**Article XVII – Choice of Law**

Confirm that we have indeed chosen Malta.

**Proposal C-28 [From:** Yannick (blockgenic Slenter)**] 19:17 GMT+8, 25 May**

**Article VII – Agreement to Penalties (**Implications)

In article III it says "To limit gaming and arbitration spam there will almost certainly be filing fees.

Abuse of the system could itself lead to a dispute against the abuser, leading to

his having to pay a fine and/or face some other consequence.".

We need to be certain these fees will be implemented, and if so, we need to define how these fees will be determined, in order to ensure everybody is treated equally. The last part of the sentence can also be changed to ", leading to the abuser having to fine having to pay a fine and/or face some other consequence."

**Proposal C-29 (Void, due to numbering problem)**

**Proposal C-30 [From:** murali**] GMT+8, 26 May**

**Article VI - 10% Ownership Cap**

Article VI can be expanded as "No Member or Beneficial Interest shall own or control more than 10% of the issued tokens". The reason for including control is that there could be several ways in which control could be exercised without actually owning the tokens.

**Proposal C-31 [From:** Josh Kauffman (EOS Canada)**] 9:00 GMT+8, 29 May**

**Newly Added**

I am proposing a new article:

“Any votes shall be cast by a person's direct action, and not by any other means (e.g. smart contracts, bots, any other automatic voting tool)”

**Proposal C-32 [From:** Wajid Malik (Bitspace)**] 21:33 GMT+8, 29 May**

**Article II – Property Rights**

(To the revised version of Article II:

Original: *The rights of contract and of private property shall be inviolable, therefore no property shall change hands except with the consent of the owner or by a lawful Arbitrator’s order.*

*Revised:* The rights of contract and of private property shall be inviolable, therefore no property shall change hands except with the consent of the owner or by a valid ruling by an Arbitrator, in accordance with Article IX and Article X.)

We suggest to keep the original version of this article. and try to keep references to other articles to a minimum. This gives clearity of reading. Remember that the entire constitution is binding. This is the only article referencing another article up until now. Keep the original version of this article for simplicity and for reading chronologically through the articles as much as possible.

**Proposal C-33 [From:** Wajid Malik (Bitspace)**] 21:33 GMT+8, 29 May**

**Article VII – Agreement to Penalties**

Move article 7 Agreement and Penalities to after article 10.

Commentary: It would be better to present article 9+10 about arbitration standard and forum before mentioning agreement and penalties to give chronological clarity by introducing arbitration before introducing penalties.

**Proposal C-34 [From:** Wajid Malik (Bitspace)**] 21:33 GMT+8, 29 May**

**Article XVII – Choice of Law**

Choice of law for disputes shall be, in order of precedence, this Constitution and Maxims of Equity.

Are we referring to the original constitution of Malta, maltan constitutional principles, Code de Rohan, laws the drodhine, or to the laws that the Republic of Malta is governed by today? Why are we including law of malta in particular?

Comment - be more specific in terms of law of Malta. Maybe not include it in the initial draft.

**Proposal C-35 [From:** Josh Kauffman (EOS Canada)**] 1:01 GMT+8, 30 May**

**Newly added – No Vote Bots**

Any votes shall be cast by a person's direct action, and not by any other means (e.g. smart contracts, bots, any other automatic voting tool)

Idea:

Dan Larimer had mentioned that he believed that voting bots should be banned, so we opened discussion around this.

My thoughts:

-while probably very hard to detect, it is worthwhile to use this as a chance to push the voting body towards an ideal which we wish to achieve on EOS. This is part of how we build the community we want to be apart of, not how do we figure out how to stop the behaviour we don't want in our community.

-Detection would probably be spurred on by someone trying to vote for any Block Producers who have clearly not been on the list of eligible candidates any longer. This is similar to what we see in Steem, where some witness voting is going towards inactive accounts.

-if someone has been caught using a voting bot, we would have to determine a fair/proper punishment - I would suggest revocation of voting rights for that user, and repeated offences would include fines and revocations of tokens if necessary

-along with the vote decay mechanism, this should help to encourage thoughtful and informed voting

**Reply C-35 (1) [From:** Todor Karaivanov (SFEOS) **] 3:23 GMT+8, 30 May**

Just summarizing the arguments against this article:

* Vote automation is hard to detect and nearly impossible to prove beyond doubt. Any dishonest users would ignore this article, since they can't be punished effectively for abusing it. Any honest users will follow it. Therefore, in my opinion, this article will slant the vote results in the favor of the dishonest users.
* Vote automation is likely to be done only by small token holders. Large holders will likely be much more mindful of their voting decisions, and wouldn't use automation. Acting against a violation of this article (even if it is somehow detected) would be done through arbitration, and due to associated costs, it will be unlikely to happen against small holders. Therefore, this article wouldn't accomplish much.
* Forbidding any kind of voting automation may lead to (temporary) incapability of exchanges to implement voting for users holding tokens on them. There are at least a few reasons why such an implementation by exchanges would be beneficial to the ecosystem, but is probably a matter for a separate post/reply.
* Let me know if I missed something.

**Reply C-35 (2) [From:** GunnisonCap**] 6:52 GMT+8, 30 May**

Would voting bots conceivably be used for the likes of a collective token holder 'voting pools' that I have seen forming around the community, whereby there is an agreement to vote as part of a wider consensus?

I agree with Todor on the above points, as this seems all but impossible to enforce it seems of limited benefit to me.

**Reply C-35 (3) [From:** Samupaha**] 13:58 GMT+8, 30 May**

There is one usecase for vote bots. If a tokenholder wants to vote for more equal rewards for BPs, he might create a bot that votes based on which BP is elected.

For example, I think BP candidates A, B, and C are the best. But so think other voters, too, so they get a lot of votes and are elected as BPs. That's why I don't necessarily need to vote for them.

So I choose to vote for candidates D, E and F. They are not as great as A, B, and C, but they are good and I want to make sure their chances of getting elected are better and the reward distribution is more equal.

But I want to make sure that A, B, and C are always elected, so I set up a bot that will change my votes to A, B, and/or C if they are moving lower in the rankings.

**Proposal C-36 [From:** Josh Kauffman (EOS Canada)**] 12:46 GMT+8, 30 May**

**Newly added – Duties of a Custodian**

Many users will opt to store their tokens with a custodian (generally an exchange). While the mechanics of how the custodian would allow voting of those tokens (if this is offered) would differ from custodian to custodian, it is worthwhile to spell out the intention of which we believe the smart contract/ricardian contract should read.

I think that any exchange should be able to offer any model which they would like to, so long as they abide by:

1) Clear explanation of which tokens are to be used for voting/not to be voted

2) Clear explanation of how users would vote

3) Clear and explicit consent is required from each user whose tokens are being used to vote/not vote

4) Clear explanation of how vote weights will be calculated (by this I mean based on total voter base? each individual voter? another method?)

5) Clear definition of how many votes will be cast of the 30 possible.

6) Clear explanation of any differences that a user would notice when dealing with voting thru an exchange (any changes to withdrawal times, can they loan them out on margin, can a margin borrow vote those tokens? ...)

7) Clear explanation of how the exchange calculates (if applicable) any buffer being held back from the voting tokens pool for liquidity

I think that if we create a new article with info like this in it, it should be titled with something like: Duties of a Custodian. This should apply to any custodian, not just exchanges.

**Proposal C-37 [From:** Josh Kauffman (EOS Canada)**] 12:14 GMT+8, 30 May**

**Article XIII - Developers responsible for non-Member access**

Change Article XIII to:

As Developers are able to offer services and provide interaction with the blockchain to non Members via their applications, the Developer assumes all responsibility for *ensuring* that non-Member interaction conforms to this Constitution *to the best of their abilities*.

**Proposal C-38 [From:** Josh Kauffman (EOS Canada)**] 12:25 GMT+8, 30 May**

**Article XVI - Amendment**

Change Article XIII to:

Propose to add: Eligible tokens are defined as total circulating supply, minus all tokens controlled by system contracts. (RAM that was bought, namespace auction, tokens held within the worker proposal fund...)

**Reply C-38 (1) [From:** Todor Karaivanov**] 12:36 GMT+8, 30 May**

NET/CPU are also system contracts, so I suggest the following text instead:

Eligible tokens are defined as total circulating supply minus all tokens controlled by system contracts that do not enable staked tokens to vote.

Does that make sense?

**O-----Other Suggestion**

**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.

**Proposal O-2 [From:** murali**] GMT+8, 26 May**

The word "Issued Tokens", does this encompass those tokens that will arise out of the inflation and be distributed to the BPs and the Worker Proposal Fund?

Will the burning of tokens impact the definition of "Issued Tokens" or not?