

**BYLAWS  
OF THE LIDO ALLIANCE BORG,**

as adopted on [\_\_\_\_\_]

**PREAMBLE**

- A. These bylaws (“**Bylaws**”) constitute the official bylaws of LIDO ALLIANCE BORG (the “**BORG**”), an exempted limited guarantee foundation company incorporated in the Cayman Islands with registration number [ ] duly adopted by the board of directors of the BORG (the “**Board**”) on the date set forth above.
- B. These Bylaws are intended to be a legal agreement & contract binding upon the Directors, Multisig Members, Supervisors, Emergency Supervisors, and other BORG Personnel, enforceable in accordance with their terms under the laws of Cayman Islands. The Board shall require, as a condition precedent to engagement of any BORG Personnel, such BORG Personnel to execute and deliver to the BORG a Multisignature Participation Agreement (as defined below).
- C. Certain capitalized terms used in these Bylaws are defined on Exhibit A.

**ARTICLES**

**1. BORG OVERVIEW**

**1.1. *General Nature as a BORG; Use of Mandatory Autonomous Systems***

The BORG is intended to be considered a “cybernetic organization”—an entity contractually mandating the use of certain autonomous technology systems (including certain Multisigs) for the holding or management of certain of the BORG’s assets or the conduct of certain of the BORG’s operation and governance, as further prescribed in these Bylaws or other documents or agreements referred to in these Bylaws (such systems, the “**Mandatory Autonomous Systems**”). A list of the Mandatory Autonomous Systems, and the functions the BORG is mandated to perform by means of the Mandatory Autonomous Systems, is set forth on Schedule 1.1.

**1.2. *Permitted Purposes***

The permitted purposes of the BORG (the “**Purposes**”) are:

- 1.2.1.** the purposes set forth on Schedule 1.2.1;
- 1.2.2.** to create, maintain, control, and secure the Alliance Multisigs, and use the Alliance Multisigs solely for the purposes set forth in in Article 1.2.1 (such uses, the “**Authorized Uses**”);
- 1.2.3.** to hold and use any Blockchain Tokens lawfully owned or held by the BORG in support of the Authorized Uses; and
- 1.2.4.** to do all such other things as are or may be incidental or conducive to the above purposes or any of them.

All conduct of the BORG, and all conduct of the BORG Personnel undertaken for the benefit or on behalf of, at the direction of, or using the resources of, the BORG, or otherwise pursuant to these Bylaws or other agreements of the BORG, shall be done solely pursuant to the Purposes. In all such conduct, the BORG Personnel shall set aside their direct and indirect personal interests, and shall solely act in furtherance of the Purposes, in accordance with the Principles.

**1.3. *BORG Relationship to Community***

- 1.3.1.** The BORG has been funded in whole or in part by or on behalf of, or otherwise materially relates to, the Community.

- 1.3.2. These Bylaws and the Mandatory Autonomous Systems set forth, provide for, or embody checks and balances between the BORG and the Community Module to ensure that the BORG operates and uses its resources as originally intended and understood by the Community and that the BORG otherwise conducts itself in accordance with the original intention and understanding of the Community.
- 1.3.3. “**Community**” means all natural and legal persons utilizing, relying on, securing or developing the Community Autonomous Systems, including:
- 1.3.3.1. persons using the Community Autonomous Systems in an ‘end-user’ consumer capacity (e.g., staking ETH in the Community Smart Contract System or using or holding stETH minted from the Community Smart Contract System) (the “**Users**”);
  - 1.3.3.2. persons engaged in a software research, software development, or software sale or licensing business or non-profit purpose with respect to the Protocol or the Community Autonomous Systems, in their capacities as such (the “**Protocol Developers**”);
  - 1.3.3.3. the persons rightfully owning or accessing any address that is delegated voting power from any Votable Community Token, in their capacities as such;
  - 1.3.3.4. the persons rightfully holding or owning any Votable Community Token, in their capacities as such;
  - 1.3.3.5. owners of the Community Token, in their capacities as such (the “**Community Token Holders**”);
  - 1.3.3.6. owners of stETH and other such tokens obtained by Users staking into, and that are programmatically routed in accordance with the Community Autonomous Systems;
  - 1.3.3.7. node operators that perform validation functions for Users using ETH and other tokens staked by Users through the Community Autonomous Systems;
  - 1.3.3.8. owners or operators of infrastructure that is necessary or desirable to the security or intended functioning of the Community Autonomous Systems, including providers or operators of liquidation ‘bots,’ user interface software (web applications, wallet applications, block explorers, etc.) relevant to the Community Autonomous Systems and providers of interchain relays or bridges, non-validating infrastructure nodes (e.g. RPC nodes) relevant to the Community Autonomous Systems and node operators that perform validation services on third-party Blockchain Systems that bridge assets to or from the Community Autonomous Systems, in their capacities as such (the “**Infra Providers**”); and
  - 1.3.3.9. persons researching and developing protocols, software or applications (other than the Protocols and Community Autonomous Systems) that are necessary or desirable for the security or intended functioning of the Community Autonomous Systems, in their capacities as such (the “**Ancillary Developers**”).

Each such person shall be deemed to be a Community member upon satisfying any one or more of the above criteria and cease being deemed to be a Community member upon satisfying none of the above criteria.

#### 1.4. **Principles**

In pursuing the Purposes or otherwise acting in connection with or utilizing any assets of the BORG, the BORG Personnel shall take into account and seek to adhere to the following principles (the “**Principles**”):

- 1.4.1. The principles expressed in the Lido Alliance Principles (<https://research.lido.fi/t/lido-alliance-an-ethereum-aligned-ecosystem/7475#lido-alliance-principles-6>) (a copy of which is included on Exhibit C) and the Vibe Alignment Post (<https://research.lido.fi/t/lido-dao-vibe-alignment-purpose-mission-vision/4380>), as each may be amended from time to time with Community Module Approval.
- 1.4.2. The Community Autonomous Systems and their security and utility exist as a public commons or public good for the benefit of the entire Community and should be fostered and preserved as such by and for the Community.
- 1.4.3. Autonomy and decentralization are core values of the Community, according to which:
  - 1.4.3.1. the Community Autonomous Systems should be autonomous—i.e., should minimize the need for arbitrary, discretionary or continuous intervention or control by or trust in any particular person or group of extrinsically affiliated or associated persons.
  - 1.4.3.2. any residual power of persons over the Community Autonomous Systems should be sufficiently decentralized among independent members of the Community who are incentivized to adhere to the Principles in exercising such power; and
  - 1.4.3.3. the availability and functioning of the Community Autonomous Systems should be neutral and non-discriminatory toward ideological, political, geographical, national, religious, moral, racial, ethnic, gender-based and economic classifications, except to the extent that any of the foregoing are intrinsically incompatible with the other Principles.

## 1.5. *Transparency*

The BORG shall publish and keep publicly available an up-to-date copy of these Bylaws (including the Exhibits and Schedules) on one or more public URLs known to, and accessible by, the Community, and shall promptly publish an announcement of any updates to these Bylaws (including the Exhibits and Schedules) in one or more social media channels or websites known to, and accessible by, the Community. Additionally, the BORG shall similarly publish reports on the Alliance Asset Multisigs, the Alliance Assets, and any material developments regarding the Alliance Program at least quarterly, and (subject to confidentiality and other legal obligations) shall reasonably consider publishing any other information requested by the Supervisor, an Emergency Supervisor, or directly by Community Module Approval.

## 1.6. *Offices*

- 1.6.1. The BORG shall at all times have and maintain a principal registered office in the Cayman Islands.
- 1.6.2. The principal registered office of the BORG as of the date of adoption of these Bylaws is [ ] and shall remain so unless and until changed by the Board.

## 1.7. *Bodies*

- 1.7.1. The BORG shall be governed by the following bodies (each a “**Body**” and collectively the “**Bodies**”), each in accordance with these Bylaws and the other Governance Agreements:
  - the Board; and
  - the Alliance Multisigs (with each such Multisig constituting a separate Body).
- 1.7.2. Each Body shall be deemed a part of, to act solely for and on behalf of, and to have no legal existence separate or apart from, the BORG. Each Body shall be independent of the other Bodies, and no Body shall have any power or authority over any other Body, in each case, except as expressly set forth in these Bylaws and the other Governance Agreements. Except to

the extent expressly provided otherwise in these Bylaws or the other Governance Agreements, any power, right or obligation expressly assigned to a Body under these Bylaws or the other Governance Agreements is exclusively arrogated to such Body and shall not be preempted, voided, impeded, frustrated or impaired by any other Body.

### **1.8. *Not-For-Profit; No Members/Owners.***

The BORG is intended to be a not-for-profit independent legal entity solely pursuing, and governed solely by, the Purposes, in a manner consistent with the Principles, rather than being devoted to the profits or other general benefits or general interests of any particular persons (including the BORG itself, the BORG Personnel or any particular Sub-Community). The BORG shall have no legal members, shareholders, owners, or beneficiaries, and, for the avoidance of doubt, the Community (and any members thereof) shall not be or be deemed a beneficiary of the BORG.

### **1.9. *Disruptions.***

#### **1.9.1. Disruption Events**

**1.9.1.1. Potential for Disruption Events.** Due to the mandated use by the BORG or BORG Personnel of the Mandatory Autonomous Systems, as well as the BORG's connections to the Community Autonomous Systems, the BORG may from time to time suffer Disruption Events.

**1.9.1.2. Definition of Disruption Event.** A “***Disruption Event***” means: (a) any disruption, suspension, limitation or impairment imposed by the Community Module on any Multisig or other Mandatory Autonomous Systems; or (b) any other event or condition that disrupts, suspends, limits or impairs the ability of the BORG or BORG Personnel to effect transactions using the Mandatory Autonomous Systems.

#### **1.9.2. Consequences of Disruption Events**

**1.9.2.1. Notice.** Promptly upon becoming aware of a Disruption Event, the BORG Personnel shall notify the Community thereof, specifying the nature of the Disruption Event and any affected activities of the BORG.

**1.9.2.2. Responsibility.** Any failure by the BORG or BORG Personnel to use Mandatory Autonomous Systems, or breach or non-performance of these Bylaws or any other Governance Agreement while the Disruption Event is ongoing, is hereby exculpated and excused, in each case, to the extent such failure, breach, or non-performance was caused by a Disruption Event, except that no particular BORG Personnel shall be so exculpated or excused if such Disruption Event arises from any action and/or inaction of such particular BORG Personnel to the extent carried out with gross negligence, willful misconduct, or fraud or the actions taken during the Disruption Event are contrary to the Principles or the Purposes.

### **1.10. *Funds Pools***

The cash, cash equivalents, Blockchain Tokens and other funds of the BORG shall be divided into the following pools:

**1.10.1.** A discretionary operating fund to pay the BORG's general operating expenses and liabilities, including compensation of BORG Personnel (the “***Ops Funds***”). The Ops Fund shall be managed by or under the direction of the Board (including, without limitation, by appointing one or more other BORG Personnel to manage the Ops Fund) pursuant to the Purposes, pursued in light of the Principles, and may include the use of Multisigs comprising Directors, Officers, or other BORG Personnel as Multisig Members for the holding and management of all or a portion of the Ops Fund.

**1.10.2.** Any Blockchain Tokens held in or controlled by any Alliance Multisig (“**Alliance Multisig Funds**”), which shall be managed by or under the direction of the Multisig Members of such Alliance Multisig, in accordance with the Authorized Uses, pursued in light of the Principles, in accordance with the voting schema embodied in such Alliance Multisig.

**1.10.3.** The BORG Personnel shall obey any lawful directive regarding the use of Ops Funds or Multisig Funds that is made by a duly appointed Emergency Supervisor acting within the scope of such Emergency Supervisor’s authority.

## **2. BORG PERSONNEL**

The Directors, Multisig Members, Officers, employees, independent contractors, agents, Supervisors, Emergency Supervisors and other representatives of the BORG are referred to herein as “**BORG Personnel**”. Details of certain categories of BORG Personnel are set forth below.

### **2.1. Eligibility to Serve.**

**2.1.1.** Each BORG Personnel must have all requisite capacity, power and authority to enter into, and perform, such BORG Personnel’s contracts with (including under these Bylaws and other Governance Agreements, as applicable) and duties to the BORG and such contracts constitute the legal, valid and binding obligation of the BORG Personnel, enforceable against the BORG Personnel in accordance with their terms. If any BORG Personnel is an entity, such entity must be duly incorporated and organized, and in good standing, in the jurisdiction of its incorporation.

**2.1.2.** Each BORG Personnel’s agreements with and duties to the BORG must not contravene, conflict with, or violate or constitute a breach or default under (or an event that with notice or lapse of time or both would become a violation or constitute a breach or default under) any applicable Legal Requirement or agreement to which such BORG Personnel is subject.

**2.1.3.** Each BORG Personnel must not be, or be affiliated with or acting on behalf of, a country, territory or person subject to sanctions under applicable Legal Requirements.

**2.1.4.** Each BORG Personnel must not have been convicted of or held liable for fraud, willful misconduct, gross negligence, or a crime of willful turpitude in connection with their professional activities, or a crime.

**2.1.5.** Each BORG Personnel must be reasonably sophisticated, experienced and knowledgeable in Blockchain Technologies.

**2.1.6.** Each Alliance Multisig Member must:

**2.1.6.1.** be approved for such role by the Board;

**2.1.6.2.** be deemed acceptable for such role by Community Module Approval, the aim of which is to make sure the candidate’s values and mission are aligned with the Community; and

**2.1.6.3.** have executed and delivered to the BORG a Multisig Participation Agreement in substantially the form attached hereto as Exhibit B (with such reasonable changes as are approved by the Board and do not pose a material risk of any breach, contravention or circumvention of these Bylaws or any other Governance Agreement) (each, a “**Multisig Participation Agreement**”), and the representations set forth in the Multisig Participation Agreement must be accurate as to such person.

### **2.2. Directors**

#### **2.2.1. Purpose and Powers of Directors.**

- 2.2.1.1.** The purpose of Directors shall be to serve on the Board. Directors shall not have any individual power or authority in their capacity as Directors.
- 2.2.1.2.** Each member of the Board shall be referred to as a “**Director**”, and each Director shall be a member of the Board.
- 2.2.2. Minimum Number of Directors.** The number of Directors shall be two and may be changed by approval of both the Board and Community Module Approval.
- 2.2.3. Election Of Directors.**
- 2.2.3.1. Initial Directors.** The initial Directors shall be the persons who are Directors at the time of adoption of these Bylaws.
- 2.2.3.2. Subsequent Directors.** Subsequent Directors may only be elected by:
- (a) approval of both:
    - (i) the Board; and
    - (ii) a Community Module Approval; or
  - (b) approval of an Emergency Supervisor appointed in accordance with a Community Module Approval as necessary or desirable to handle an Adverse Event, or by an Emergency Supervisor or Supervisor to fill a vacancy when the Board is fully vacant, as set forth in Article 3.4.2.
- Elections of Directors may be held at any time and from time to time.
- 2.2.4. Term of Directors.** Each Director, including a Director elected to fill a vacancy, shall hold office from and after the time such Director’s election (and acceptance thereof) until the earlier of such Director’s resignation, death (if an individual), dissolution (if an entity) or removal.
- 2.2.5. Removal Of Directors.** Unless otherwise restricted by statute, by the Constitution or by these Bylaws, any one or more Directors may be removed, with or without cause, by, and only by any of the following:
- 2.2.5.1.** the Board;
  - 2.2.5.2.** a Community Module Approval; or
  - 2.2.5.3.** an Emergency Supervisor appointed in accordance with a Community Module Approval as necessary or desirable to handle an Adverse Event.
- 2.2.6. Resignation, Death, or Dissolution of Directors.**
- 2.2.6.1.** Any Director may resign at any time upon written notice to the Board, the Supervisor(s) and the Community, whereupon such Director shall cease being a Director upon the effective time specified in that notice. The resigning Director shall publish and keep publicly available such notice for at least seven days after the effective time of the notice, on one or more public URLs known to, and accessible by, the Community, and shall promptly publish, the notice in one or more social media channels or websites known to, and accessible by, the Community. Unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights (if any) of the BORG under any contract to which the Director is a party.

**2.2.6.2.** A Director shall automatically cease being a Director upon such Director's death (if the Director is a natural person) or dissolution (if the Director is an entity) or removal in accordance with the Constitution or applicable law.

**2.2.7. Effectuating Removals.** Upon removal of a Director caused by a Community Module Approval, the Board shall take any necessary and useful action to cause such removal to take effect. In case of removal, resignation, death or dissolution of Director(s), the remaining Board members shall timely carry out all necessary and useful actions to appoint new Director(s) to fill the relevant vacancy.

**2.2.8. Fees And Compensation of Directors.** Directors may be compensated out of the Ops Funds for serving on the Board. The compensation of each Director shall be set by the Board and Community Module Approval.

### **2.3. Officers**

**2.3.1. Purpose and Powers of Officers.** The Board may from time to time appoint officers of the BORG to manage the day-to-day affairs of the BORG ("**Officers**"). Each Officer shall have all and only the powers that are expressly delegated to such Officer by the Board in a written resolution of the Board; *provided, however*, that the Board shall not delegate any Non-Delegable Powers to the Officers and the Officers must remain under the supervision and authority of the Board and shall not, without express written authorization of the Board for the particular transaction: (i) be entitled to any action with respect to the Non-Delegable Powers; or (ii) act in lieu of or exercise any right or perform any duty properly belonging to the Alliance Multisig. The purpose of each Officer is to exercise the powers delegated to them and otherwise carry out the instructions of the Board.

**2.3.2. Appointment of Officers.** Officers shall be appointed by the Board. Each Officer must be a natural person.

**2.3.3. Term of Officers.** Each Officer shall hold office from and after the time of such Officer's appointment election (and acceptance thereof) until the earlier of such Officer's resignation, death or removal.

**2.3.4. Removal Of Officers.** Any Officer may be removed, either with or without cause, by the Board.

**2.3.5. Resignation or Death of Officers.** Any Officer may resign at any time by giving written notice to the Board. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights (if any) of the BORG under any contract to which the Officer is a party. An Officer shall automatically cease being an Officer upon such Officer's death.

**2.3.6. Fees and Compensation of Officers.** Officers may be compensated for serving as Officers. The compensation of Officers shall be set by the Board.

### **2.4. Alliance Multisig Members**

#### **2.4.1. Purpose and Powers of Alliance Multisig Members**

**2.4.1.1.** The purposes of the Alliance Multisig Members shall be to serve on the Alliance Multisig. The Alliance Multisig Members shall not have any individual power or authority.

**2.4.1.2.** The Multisig Members of each Alliance Multisig are referred to herein as “*Alliance Multisig Members*” and shall have such rights and obligations as are specified in these Bylaws and the other Governance Agreements.

**2.4.1.3.** The Alliance Multisig Members shall be of two types:

- (a) Alliance Multisig Members who are also Directors (“*Director Alliance Multisig Members*”); and
- (b) Alliance Multisig Members who are Guardians (“*Guardian Alliance Multisig Members*”).

**2.4.2. Appointment Of Alliance Multisig Members.**

**2.4.2.1. Appointment of Director Alliance Multisig Members.** Each person who is appointed as a Director in accordance with these Bylaws shall also thereby automatically be deemed appointed a Director Alliance Multisig Member, and the preceding Alliance Multisig Members shall take all action necessary or desirable to cause such person to be added as a Multisig Member of the Alliance Multisig.

**2.4.2.2. Appointment of Guardian Alliance Multisig Members.** Each Guardian Alliance Multisig Members shall be appointed by the Board, and the preceding Alliance Multisig Members shall take all action necessary or desirable to cause such person to be added as a Multisig Member of the Alliance Multisig.

**2.4.3. Minimum Number of Alliance Multisig Members; Asset Reversion.**

**2.4.3.1. Minimum Number.** The minimum number of total Alliance Multisig Members on each Alliance Multisig shall be seven, with the number of Director Alliance Multisig Members being equal to the number of Directors and the remaining Alliance Multisig Members being Guardian Alliance Multisig Members.

**2.4.3.2. Asset Reversion.** In the event that the number of Alliance Multisig Members falls below the minimum number of total Alliance Multisig Members required by Article 2.4.3.1 above, or upon any Liquidation Event of the BORG, all Alliance Assets shall, for security purposes, be temporarily entrusted to the Community Module. Subject to applicable technological limitations, the Board shall use commercially reasonable efforts to implement technical solutions for the Alliance Multisigs that cause such reversion to be as automatic and trust-minimized as reasonably practicable, but, failing such arrangements, shall arrange for such transition to Community Module control manually.

**2.4.4. Facilitation of Alliance Multisig Member Appointments.**

**2.4.4.1. General Facilitation of Appointments.** The Alliance Multisig Members and other BORG Personnel shall use their commercially reasonable best efforts to ensure that, prior to becoming an Alliance Multisig Member, each person who is to become an Alliance Multisig Member:

- (a) first has executed and delivered to the BORG a Multisig Participation Agreement, and that the representations and warranties set forth in the Multisig Participation Agreement are accurate as to such person to the best of the Alliance Multisig Members’ and other involved BORG Personnels’ respective knowledges; and



(b) first has delivered to the BORG all legally required or otherwise reasonably requested identification documents, background checks and similar information necessary to serve as a BORG Personnel;

*provided, however,* that if, notwithstanding such efforts, a person becomes an Alliance Multisig Member without having satisfied the conditions set forth in the preceding clauses ‘(a)’ and ‘(b)’, the Alliance Multisig Members and other BORG Personnel shall use their commercially reasonable best efforts to cause such conditions to be satisfied as promptly as reasonably practicable, and, if such conditions could not reasonably be expected to be satisfied in the near future, to use commercially reasonable best efforts to take other appropriate remedial or curative action (such as proposing or effectuating removal of such Alliance Multisig Member through the Mandatory Autonomous Systems) as determined reasonably and in good faith by each Alliance Multisig Member and other BORG Personnel.

**2.4.4.2. Facilitation of Emergency Supervisor Appointments.** If an Emergency Supervisor appointed in accordance with a Community Module Approval instructs the Alliance Multisig Members (or any subset thereof) to facilitate, allow or cause a person to be appointed as an Alliance Multisig Member due to the Emergency Supervisor deeming such appointment necessary or desirable to handle an Adverse Event, such Alliance Multisig Members shall use their commercially reasonable best efforts to facilitate, allow or cause such person to be so appointed, as applicable, as promptly as reasonably practicable, which may (at the discretion of the Emergency Supervisor) include appointment enacted via the Mandatory Autonomous Systems. For the avoidance of doubt, the preceding Article 2.4.4.1 shall remain applicable to all such appointments.

#### **2.4.5. Removal of Alliance Multisig Members.**

**2.4.5.1. Removal of Director Alliance Multisig Members.** Each person who is removed as a Director in accordance with these Bylaws shall also thereby automatically be deemed removed as a Director Alliance Multisig Member, and the Alliance Multisig Members shall take all action necessary or desirable to cause such person to be removed as a Multisig Member of the Alliance Multisig.

**2.4.5.2. Removal of Guardian Alliance Multisig Members.** Any Guardian Alliance Multisig Member may be removed by the Board, and the Alliance Multisig Members shall take all action necessary or desirable to cause such person to be removed as a Multisig Member of the Alliance Multisig.

#### **2.4.6. Facilitation of Alliance Multisig Member Removals.**

**2.4.6.1. General Facilitation of Removals.** The Alliance Multisig Members and other BORG Personnel shall use their commercially reasonable best efforts to ensure that any person who should be removed from the Alliance Multisig based on the provisions of these Bylaws (including this Article 2.4.6) or any other Governance Agreement is removed from the Alliance Multisig, as promptly as reasonably practicable. If an Alliance Multisig Member is removed in accordance with Article 2.4.5.1, the BORG, the other Alliance Multisig Members and other BORG Personnel shall use their commercially reasonable best efforts to terminate the applicable Multisig Participation Agreement,

these Bylaws and any other Governance Agreement with such removed Alliance Multisig Member.

**2.4.6.2. Resignation and Removal.**

(a) An Alliance Multisig Member may seek to resign from any Alliance Multisig at any time by giving no less than 60 days' advance written notice of an intention to resign to the BORG and the other Alliance Multisig Members. For the avoidance of doubt, a Director Alliance Multisig Member who wishes to resign must also resign as a Director, on the same terms of resignation.

(b) If an Alliance Multisig Member delivers (and does not revoke) a written notice of resignation from an Alliance Multisig in accordance with the preceding clause 'a' and otherwise in accordance with these Bylaws and the other Governance Agreements, the Alliance Multisig Members shall use their commercially reasonable best efforts to facilitate, allow or cause such person to be removed from such Alliance Multisig in accordance with Article 2.4.5.1 by no later than the 61<sup>st</sup> day following the completion of such delivery of such written notice, or such later time of effectiveness of such resignation as is specified in such written notice.

**2.4.6.3. Removal for Death, Disability, Change of Control, Bankruptcy, and Other Termination Events.** Upon the occurrence of any of the events or circumstances of termination referred to in Section 8 of the Multisignature Participation Agreement, the Alliance Multisig Members shall use their commercially reasonable best efforts to facilitate, allow or cause such person to be removed from all Alliance Multisigs as promptly as reasonably practicable.

**2.4.6.4. Facilitation of Emergency Supervisor Removals.** If an Emergency Supervisor appointed in accordance with a Community Module Approval instructs the Alliance Multisig Members (or any subset thereof) to facilitate, allow or cause a person to be removed as an Alliance Multisig Member due to the Emergency Supervisor deeming such removal necessary or desirable to handle an Adverse Event, such Alliance Multisig Members shall use their commercially reasonable best efforts to facilitate, allow or cause such person to be so removed, as applicable.

***2.5. Supervisors***

**2.5.1. Purpose and Powers of Supervisors**

The 'supervisor' of the BORG (the "***Supervisor***") shall ensure that the BORG's rules are enforced, and shall have the right and power to hold Borg Personnel liable for any Adverse Event of the kind described in clause '(a)' or '(b)' of the definition of 'Adverse Event' that was done or caused by such BORG Personnel. If the law of the jurisdiction in which the BORG is constituted sets forth a 'supervisor' or 'enforcer' role for the type of entity that constitutes the BORG, then the Supervisor shall also have the powers, rights and obligations set forth in such law for a 'supervisor' or 'enforcer' of an entity of that type. The Supervisor may also demand information from the BORG or BORG Personnel, with reasonable notice, at any time, and also demand that such information be presented to the Supervisor in the form of periodic reports.

### **2.5.2. Minimum Number**

The BORG shall at all times have at least one Supervisor.

### **2.5.3. Appointment**

Supervisors (other than Emergency Supervisors) may be appointed by:

- 2.5.3.1.** during the six-month period starting from the date of the BORG's incorporation, the Board;
- 2.5.3.2.** from and after the end of such six-month period, approval, as to a particular candidate for Supervisor, of such candidate by both:
  - (a)** the Board; and
  - (b)** the Community Module; or
- 2.5.3.3.** if the law of the jurisdiction in which the BORG is constituted sets forth a procedure by which a court of competent jurisdiction may appoint a Supervisor, by such a court of competent jurisdiction.

**2.5.4. Term of Supervisors.** Each Supervisor shall hold office from and after the time such Supervisor's appointment (and acceptance thereof) until the earlier of such Supervisor's resignation, death (if an individual), dissolution (if an entity) or removal; *provided, however,* that the term of any Supervisor appointed pursuant to Article 2.5.3.1 shall end no later than the end of the six-month period starting from the date of the BORG's incorporation (unless re-appointed pursuant to Article 2.5.3.2).

### **2.5.5. Removal of Supervisor**

Supervisors (other than Emergency Supervisors) may be removed, with or without cause, by:

- 2.5.5.1.** the Board;
- 2.5.5.2.** the Community Module; or
- 2.5.5.3.** an Emergency Supervisor appointed in accordance with a Community Module Approval.

### **2.5.6. Resignation, Death, or Dissolution of Supervisors.**

- 2.5.6.1.** Any Supervisor may resign at any time upon written notice to the Board and the Community, whereupon such Supervisor shall cease being a Supervisor upon the effective time specified in that notice. The resigning Supervisor shall publish and keep publicly available such notice for at least 7 days after the effective time of the notice, on one or more public URLs known to, and accessible by, the Community, and shall promptly publish, the notice in one or more social media channels or websites known to, and accessible by, the Community. Unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights (if any) of the BORG under any contract to which the Supervisor is a party.
- 2.5.6.2.** A Supervisor shall automatically cease being a Supervisor upon such Supervisor's death (if the Supervisor is a natural person) or dissolution (if the Supervisor is an entity).

**2.5.7. Fees And Compensation of Supervisors.** Supervisors may be compensated out of the Ops Funds for serving on the Board. The compensation of each Supervisor shall be set by approval of the Board.

## **2.6. Emergency Supervisors**

### **2.6.1. Purposes and Powers.**

**2.6.1.1.** The Emergency Supervisor shall have the mandate to enforce the rules of the BORG and act in the name of and represent the BORG and to bring claims in the name of the BORG, in each case, solely to the extent necessary or desirable to handle the applicable Adverse Event. The powers of the Emergency Supervisor shall include the power to, to the extent necessary or desirable handle the applicable Adverse Event:

- (a) appoint an interim Director in accordance with Article 2.2.3.2(b);
- (b) remove any one or more Director(s), Multisig Members or other BORG Personnel who have committed or knowingly assisted in the commission or furtherance of an Adverse Event; or
- (c) initiate and pursue legal proceedings by, on behalf of or in the name of the BORG against one or more Director(s), Multisig Member(s) or other BORG Personnel who have committed or knowingly assisted in the commission or furtherance of an Adverse Event,

in each case, subject to the requirement that the Emergency Supervisor, in acting for, on behalf of, at the direction of, or using the resources of the BORG and in accordance with the contractual provisions of these Bylaws, shall set aside their direct and indirect personal interests, and shall solely act in furtherance of the Purposes in accordance with the Principles.

**2.6.1.2.** The Emergency Supervisor shall observe, implement, carry out, action, and execute any and all Community Module Approvals that are lawful, reasonable, and made in good scope, and are within the scope of the Emergency Supervisor's authority, with commercially reasonable best efforts and in a commercially reasonable and timely manner and in a manner not inconsistent in any material respect with the Community Module Approval(s) appointing and instructing the Emergency Supervisor; provided, however, that the Emergency Supervisor shall not be required to expend any of its own funds or incur any liabilities in performing its duties.

### **2.6.2. Appointment.**

If there has been an Adverse Event, then, solely to the extent necessary or desirable to investigate, resolve, hold persons liable for, or otherwise handle such Adverse Event or its consequences, the Community Module may appoint by Community Module Approval one or more additional Supervisors specifically mandated for such purposes (an “**Emergency Supervisor**”). A person appointed by the Community Module as Emergency Supervisor must affirmatively accept the role of Emergency Supervisor by written notice to the Community Module (e.g. by publishing such notice on one or more public URLs or social media channels known to and accessible by the Community) and the BORG within 30 days after the date of the relevant Community Module Approval, and such appointment shall be deemed automatically effective on the date of the last such notice delivered. Failure to affirmatively accept such role as set forth above shall automatically be deemed a rejection of such role on the 30th day after the relevant Community Module Approval. Once the Adverse Event has been handled in accordance with all applicable Community Module Approvals, the Emergency Supervisor shall publicly resign from the Emergency Supervisor role.

The Emergency Supervisor is prohibited from serving in a long-term or indefinite role with the BORG. Any Emergency Supervisor must either resign or be re-appointed by Community Module Approval no later than 12 months from the date of the Emergency Supervisor's previous appointment.

#### **2.6.3. Removal of Emergency Supervisor**

Emergency Supervisors may be removed, with or without cause, by Community Module Approval.

#### **2.6.4. Resignation, Death, or Dissolution of Emergency Supervisors.**

**2.6.4.1.** Any Emergency Supervisor may resign at any time upon written notice to the Board and the Community, whereupon such Emergency Supervisor shall cease being an Emergency Supervisor upon the effective time specified in that notice. The resigning Emergency Supervisor shall publish and keep publicly available such notice for at least 7 days after the effective time of the notice, on one or more public URLs known to, and accessible by, the Community, and shall promptly publish, the notice in one or more social media channels or websites known to, and accessible by, the Community. Unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights (if any) of the BORG under any contract to which the Emergency Supervisor is a party.

**2.6.4.2.** An Emergency Supervisor shall automatically cease being an Emergency Supervisor upon such Emergency Supervisor's death (if the Emergency Supervisor is a natural person) or dissolution (if the Emergency Supervisor is an entity).

**2.6.5. Fees And Compensation of Emergency Supervisors.** Emergency Supervisors may be compensated out of the Ops Funds or directly by the Community Module for serving as Emergency Supervisors. The compensation of each Emergency Supervisor shall be set by Community Module Approval.

**2.6.6. Disputes Regarding Emergency Supervisor Appointment.** Notwithstanding any other provision of these Bylaws, the existence, threat or pendency of any Dispute by a BORG Personnel (other than the Emergency Supervisor) regarding whether an Emergency Supervisor was duly appointed or regarding the scope of authorities of an Emergency Supervisor (including any Dispute regarding the existence of an Adverse Event forming the basis of a Community Module Approval of an Emergency Supervisor) shall not excuse any breach or non-performance of these Bylaws or any Governance Agreement by any BORG Personnel (other than the Emergency Supervisor) or any duty owed to the BORG by any BORG Personnel (other than the Emergency Supervisor), and all performance obligations and duties shall continue to apply to all such BORG Personnel during such Dispute.

#### **2.7. *Employees, Independent Contractors, Etc.***

The BORG may from time to time hire or engage employees, independent contractors, agents, and other representatives of the BORG on commercially reasonable terms, as determined by the Board or any Officer duly authorized to do such hiring or engagement.

### **3. BODIES**

#### **3.1. *Board of Directors***

##### **3.1.1. General Board Powers.**

Subject to applicable Legal Requirement and any limitations in these Bylaws or the other Governance Agreements (including those arrogating exclusive authority to Alliance Multisigs on various matters and those requiring Community Module Approval or subject to Community Module Veto), the affairs of the BORG shall be managed and all corporate powers shall be exercised by or under the direction of the Board.

### **3.1.2. Non-Delegable Board Powers.**

The Board shall not delegate any of the following powers (whether to Officers, Multisigs not composed of all and only the Directors, or otherwise) (the “**Non-Delegable Powers**”):

**3.1.2.1.** the power to manage the Alliance Multisigs through the Directors being the Director Alliance Multisig Members;

**3.1.2.2.** the power to agree to, approve, or effect any:

(a) liquidation, dissolution, or wind-up the BORG;

(b) merger or consolidation in which the BORG is a constituent party; or

(c) sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the BORG of all or substantially all of the assets of the BORG

(each of the foregoing actions or transactions described in this Article 3.1.2.2, a “**Liquidation Event**”).

### **3.1.3. Acting as a Body.**

The Board shall act as a body of the BORG, and the Directors shall not have individual power or authority to act on behalf of the Board in their capacities as such.

### **3.1.4. Funds Pools.**

The Board (together with any Officers or other BORG Personnel appointed for such purpose) shall have exclusive authority over the Ops Funds.

### **3.1.5. Qualified Code Deference.**

**3.1.5.1.** Notwithstanding anything to the contrary set forth in these Bylaws or any other Governance Agreement (other than Article 3.1.5.2(a)), in the event that any of the Mandatory Autonomous Systems are configured to enable any use, transfer or disposition by or through the Mandatory Autonomous Systems of the assets controlled thereby or held therein without Board approval, such use, transfer or disposition shall not require Board approval, even if such use, transfer, or disposition would otherwise be subject to the Board’s powers, including the non-delegable powers. By way of illustration, notwithstanding the preceding Article 3.1.4, the Blockchain Tokens held in or controlled by an Alliance Multisig could be sold, transferred or otherwise disposed of by such Alliance Multisig, without approval of the Board, even if such Blockchain Tokens constituted all or substantially all assets of the BORG.

**3.1.5.2.** The outcome of a Mandatory Autonomous System shall not be deferred to, or deemed to obviate the need for any Board approval, in the event of:

(a) a Consensus Attack adversely affecting the results or operations of the Mandatory Autonomous System;

(b) the Mandatory Autonomous System having become inoperable, inaccessible or unusable, or any Tokens under the control of the Mandatory Autonomous System having become “frozen,” “stuck” or non-transferable, including as the result of any

code library or repository incorporated by reference into the Mandatory Autonomous System or any other smart contract or oracle on which the Mandatory Autonomous System depends in whole or in part having become inoperable, inaccessible or unusable or having itself suffered a Material Adverse Exception Event, mutatis mutandis;

- (c) a material and adverse effect on the use, functionality or performance of the Mandatory Autonomous System as the result of any bug, defect or error in the Mandatory Autonomous System, demonstrated beyond all reasonable doubt; or
- (d) any unauthorized use of an administrative function or privilege of the Mandatory Autonomous System, including: (A) any use of any administrative credential, key, password, account or address by a Person who has misappropriated or gained unauthorized access to such administrative credential, key, password, account or address or (B) any use of an administrative function or privilege by a BORG Personnel, other than Authorized Use.

### **3.2. Board Chair.**

The BORG may also have at the discretion of the Board, a chair of the Board (the “**Chair**”), with organizational and administrative powers relating to the internal governance of the Board.

### **3.3. Number of Directors Constituting the Board**

- 3.3.1. The total number of Directors constituting the entire Board (the “**Number of Authorized Directors**”) shall be fixed or changed in the manner provided in these Bylaws, unless the Constitution fixes the number of Directors, in which case the number of Directors shall be changed only by amendment of the Constitution.
- 3.3.2. The minimum Number of Authorized Directors shall be two, unless the Constitution fixes a different minimum Number of Authorized Directors, in which case the minimum Number of Authorized Directors shall be the minimum number fixed in the Constitution.
- 3.3.3. The Number of Authorized Directors may be fixed or changed by a resolution of the Board, with Community Module Approval. No reduction of the Number of Authorized Directors shall have the effect of removing any Director before such Director’s term of office (if any) expires.
- 3.3.4. If the Number of Authorized Directors is already fixed at the time the adoption of these Bylaws is effective (the “**Effective Time**”), then the Number of Authorized Directors, until changed in accordance with these Bylaws or the Constitution, as applicable, is such already-fixed Number of Authorized Directors.
- 3.3.5. If the Number of Authorized Directors is not already fixed at the Effective Time, then: (i) if there are Directors in office at the Effective Time, the Number of Authorized Directors, until changed in accordance with these Bylaws or the Constitution, as applicable, is the total number of Directors in office at the Effective Time, or (ii) if there are no Directors in office at the Effective Time, the Number of Authorized Directors, until fixed or changed in accordance with these Bylaws or the Constitution, as applicable, is the total number of Directors on the Board as first constituted following the Effective Time.
- 3.3.6. No reduction of the Number of Authorized Directors shall have the effect of removing any Director before such Director’s term of office (if any) expires.

### **3.4. Board Vacancies**

- 3.4.1. Any vacancy occurring in the Board may be filled by the approvals set forth in Article 2.2.3.

**3.4.2.** If at any time, by reason of death, resignation, removal or other cause(s), the BORG has no Directors in office, then the Emergency Supervisor (or a Supervisor, if there is no Emergency Supervisor) shall appoint a person selected reasonably and in good faith by the Emergency Supervisor (or a Supervisor, if there is no Emergency Supervisor) as a single Director on an interim basis while seeking one or more full-time replacement Directors to be elected as described above under Article 2.2.3.2(a), whereupon the interim Director shall (unless elected as described above under Article 2.2.3.2(a)) shall resign or, if such Director does not resign, be removed by the Emergency Supervisor or Supervisor(s), as applicable.

### **3.5. Board Meetings**

#### **3.5.1. Place and Manner of Meetings**

**3.5.1.1.** The Board may hold meetings, both regular and special, in any place or in any manner (including remotely in accordance with Article 3.5.1.2 below) selected reasonably and in good faith by the Chair or agreed by any two Directors.

**3.5.1.2.** Any or all Directors may participate in a meeting of the Board by means of internet conference, phone, or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

#### **3.5.2. Regular Meetings**

Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board.

#### **3.5.3. Special Meetings; Notice**

**3.5.3.1.** Special meetings of the Board for any purpose or purposes may be called at any time by the Chair or any two Directors.

**3.5.3.2.** Notice of the time and place of special meetings shall be delivered to each Director in the manner specified for giving notice to such Director recorded on the BORG's records and shall be given at least 48 hours before the meeting is scheduled to occur. The notice need not specify the purpose of the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

#### **3.5.4. Quorum**

**3.5.4.1.** At all meetings of the Board, a majority of the total number of Directors then in office shall constitute a quorum for the transaction of business and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by statute or by the Constitution. If a quorum is not present at any meeting of the Board, then the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

**3.5.4.2.** A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

#### **3.5.5. Waiver Of Notice**

Whenever notice is required to be given under applicable Legal Requirement, these Bylaws, or any other Governance Agreement, a written waiver thereof, signed by the person entitled to notice, or waiver by electronic mail or other electronic transmission by such person, whether



before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Directors, need be specified in any written waiver of notice unless so required by the Constitution or these Bylaws.

### **3.5.6. Board Action By Written Consent Without A Meeting**

**3.5.6.1.** Unless otherwise restricted by the Constitution or these Bylaws, any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all members of the Board consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

**3.5.6.2.** Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

### **3.5.7. Deadlocks**

**3.5.7.1. “Deadlock” means:**

- (a) that, with respect to any proposal, resolution or action that has been submitted to a vote of the Board by a Director (including, if applicable, by Alliance Multisig Proposal):
  - (i) the full Board is evenly divided thereon such that there is neither a majority of the Board in favor of nor a majority of the Board against such proposal, resolution, or action and it cannot reasonably be expected that a majority of the Board will be voted in favor of or against such proposal, resolution, or action in the near future; or
  - (ii) a quorate meeting of the Board where such proposal, resolution, or action is scheduled to be voted upon has failed to be convened after three consecutive reasonable good faith attempts to do so in accordance with all applicable notice requirements and it cannot reasonably be expected that a quorum of the Board will convene for such a meeting in the near future. For purposes of this provision, a Director’s Signature Decision to intentionally refrain from signing an Alliance Multisig Proposal, indicated by any reasonable communication method of such Director signaling that such refrain is intentional, shall count as a vote against the relevant Alliance Multisig Proposal or other relevant proposal that is voted upon via Multisig; or
- (b) as a result of circumstances described in the preceding clause ‘(a)’ or otherwise, a sustained vacancy in a position (such as Supervisor) that is required by these Bylaws to be occupied.

**3.5.7.2.** During the existence of any Deadlock, any BORG Personnel may: (a) deliver written notice to the Board stating that in such person’s opinion a Deadlock has occurred and identifying the proposal, resolution or action giving rise to the Deadlock; and (b) submit a proposal to the Community Module to vote upon the proposal, resolution or action giving rise of the Deadlock. Following such a notice, notwithstanding any requirement for Board approval that would otherwise apply, a Community Module Approval on the

proposal, resolution or action giving rise to the Deadlock shall determine the outcome of the Deadlock, and the Board and all other BORG Personnel shall be bound thereby and shall implement the resolution of the Deadlock approved by Community Module Approval.

### 3.5.8. Minutes

The Board shall keep minutes of all meetings and record them in the BORG's minute book.

## 3.6. Alliance Multisigs

### 3.6.1. Creation of Alliance Multisigs

- 3.6.1.1.** The Board may from time to time and at any time create, establish or endorse one or more Multisigs devoted solely to the ownership, holding and management of Blockchain Tokens and other investment assets received by the BORG from Alliance Partners pursuant to the Lido Alliance Program for purposes of the long-term incentive alignment of the Community and such Partners (such Multisigs, the “*Alliance Multisigs*” and such Blockchain Tokens and other assets, the “*Alliance Assets*”). Each Alliance Multisig shall have a minimum of seven members (including the Directors) and require the approval of at least four Alliance Multisig Members for any transaction of the Alliance Multisig.
- 3.6.1.2.** In no event shall any Alliance Multisig Member permit the acceptance of any person, group, entity, or community as a Lido Ally without the prior fully informed approval by the Board and Community Module Approval thereof.
- 3.6.1.3.** In no event shall any Alliance Multisig Member permit the Disposition of any Alliance Assets without the prior fully informed approval by the Board and Community Module Approval of such Disposition. “*Disposition*” of an Alliance Asset means:
- (a) the direct or indirect sale, assignment, pledge, charge, lien, lending, license, hypothecation, encumbrance of, creation of a swap or other derivative with respect to, or disposition of, such Alliance Asset or any interest, right, power, claim, obligation or liability relating to such Alliance Asset;
  - (b) entering into any short position, any “put equivalent position,” “call equivalent position”, option or contract to sell or purchase, forward contract (whether deliverable or non-deliverable, prepaid or postpaid, variable or fixed), cash-for-difference contract, or swap or other arrangement that directly or indirectly transfers to another, in whole or in part, any of the economic or other consequences of ownership or use of such Alliance Asset or any interest, right, claim, obligation or liability relating to such Alliance Asset, in each case, whether any such transaction is to be settled by delivery of such Alliance Asset, other assets, in cash, or otherwise;
  - (c) staking or depositing such Alliance Asset in or otherwise placing such Alliance Asset under the control, custody or escrow of a Blockchain-based system as a result of which such Alliance Asset will be made available, even temporarily, for any transaction contemplated by the preceding clause ‘(a)’ or clause ‘(b)’ or any decentralized finance transaction that is functionally similar to such a transaction, including transactions commonly referred to in the decentralized finance industry as “staking”, “liquidity mining”, “liquidity providing” (aka “LP’ing”), “farming” or “market making,” in each case, other than as agreed with the relevant Alliance Partner from whom such Alliance Asset was received by the BORG and approved by Community Module Approval as part of approving the BORG’s proposed transactions with the Alliance Partner; or

(d) entering into or consenting to a contract, agreement or understanding, written or oral, providing for any of the Dispositions referred to in the preceding clause ‘(a)’, clause ‘(b)’ or clause ‘(c)’.

**3.6.1.4.** Each Alliance Multisig shall also be deemed a Mandatory Autonomous System with respect to the handling of Alliance Assets.

**3.6.1.5.** The powers, rights, assets, incentives, or obligations granted to an Alliance Multisig by Community Module Approval may include the power to do any or all of the Authorized Uses, including those set forth on Schedule 3.6.1.

**3.6.1.6.** In no event shall the Alliance Multisig utilize any of its powers other than for the Authorized Purposes, pursued in light of the Principles.

**3.6.2.** In furtherance and not in limitation of Article 3.6.1, the BORG hereby adopts as Alliance Multisigs the Multisigs listed on Schedule 3.6.2 (the “*Alliance Multisig Schedule*”), each of which is also hereby deemed a Mandatory Autonomous System.

**3.6.3.** Each Alliance Multisig shall be identified and described in reasonable detail on the Alliance Multisig Schedule including by identifying and describing in plain English, in reasonable detail:

**3.6.3.1.** the Blockchain System to which the Alliance Multisig is deployed;

**3.6.3.2.** the network address of the Alliance Multisig on such Blockchain System;

**3.6.3.3.** the network addresses serving as the public keys corresponding to the Private Keys included in the Multisig Private Key Set for such Alliance Multisig (i.e., the network addresses used by the Alliance Multisig Members for purposes of interacting with the Alliance Multisig);

**3.6.3.4.** the names (or public pseudonyms within the Community) of each Alliance Multisig Member and whether each such person is a Director Alliance Multisig Member or a Guardian Alliance Multisig Member;

**3.6.3.5.** the minimum number of Multisig Private Keys required to execute transactions through the Alliance Multisig (broken down by transaction type, in the event that different transaction types have different approval thresholds);

**3.6.3.6.** any and all abilities, powers, and rights such Alliance Multisig has with respect to any Community Autonomous Systems, including a technical and plain-English description of each function of a Community Autonomous System over which such Alliance Multisig has privileged, elevated or exclusive access, power or authority and the intended uses thereof;

**3.6.3.7.** any and all abilities, powers, and rights the Community Module or any other Multisig, BORG, Blockchain System or Smart Contract has with respect to the Alliance Multisig;

**3.6.3.8.** a copy of or persistent link to the source code for Alliance Multisig; and

**3.6.3.9.** for each Alliance Multisig Member with respect to each Alliance Multisig, at least one public key address corresponding to the Private Key of such Alliance Multisig Member that belongs to the Private Key Set for such Alliance Multisig.

**3.6.4.** Promptly following each creation of or update to an Alliance Multisig, the Board of Directors (or any of the Directors) shall amend the Alliance Multisig Schedule to include the information specified in Article 3.6.3.

### **3.7. Roles of Alliance Multisig Members**

### **3.7.1. Director Alliance Multisig Members**

The activities of the Alliance Multisig, including the activities of the Guardian Alliance Multisig Members with respect thereto, shall be managed by or under the direction of the Board.

### **3.7.2. Guardian Alliance Multisig Members**

**3.7.2.1. Purpose and Powers.** The purpose of the Guardian Alliance Multisig Members is to increase the security of the Alliance Assets by diversifying the holders of Private Keys of the Alliance Multisig(s) and assessing potential transactions from a security and compliance perspective. The Guardian Alliance Multisig Members do not have general managerial discretion or responsibilities. Each Guardian Alliance Multisig Members shall implement the decisions of the Board with respect to the Alliance Multisig(s) (e.g., by signing transactions otherwise approved by the Board) provided that doing so is, in the reasonable good faith discretion of such Guardian, secure and in accordance with these Bylaws.

**3.7.2.2. Guardian Role.** The Guardian Alliance Multisig Members shall be directed by the Board, but shall be permitted to independently evaluate any proposed Alliance Multisig transaction for security and compliance purposes. This includes assessing potential vulnerabilities, compliance with these Bylaws and the other Governance Agreements and applicable Legal Requirements, and compliance with BORG security protocols. A Guardian Alliance Multisig Member may withhold their Private Key signatures from proposed Alliance Multisig transactions that such Guardian Alliance Multisig Member reasonably and in good faith deems to pose a material security or compliance risk, based on the aforementioned assessment by such Guardian Alliance Multisig Member.

**3.7.2.3. Access to Information.** The Guardian Alliance Multisig Members shall have access to all necessary and useful information and resources required to perform their duties, including transaction logs, audit reports, and security documentation, and shall refrain from approving any Alliance Multisig Proposal if not in receipt of sufficient information to perform the Guardian role with respect to the evaluation thereof.

### **3.7.3. Community Module Checks/Balances.**

**3.7.3.1.** The Community Module (or any other Multisig, BORG, Blockchain System, or Smart Contract System approved or endorsed by the Community Module for such purpose) may assume or be granted powers over an Alliance Multisig, through direct Blockchain System functions exercisable by Community Module Approval or otherwise, including the power to:

- (a) pause, suspend or terminate any one or more powers the Alliance Multisig may have over any Blockchain System, Smart Contract, or Blockchain Tokens;
- (b) approve, veto or reverse any action of the Alliance Multisig;
- (c) add, remove, or veto the addition or removal any Alliance Multisig Member from the Alliance Multisig; or
- (d) control the Alliance Multisig or any assets held thereby in the event of the resignation or sustained unavailability of all Alliance Multisig Members or a dissolution and winding up the BORG.

- 3.7.4. If any Alliance Multisig authorized, endorsed, or funded in whole or in part by a Community Module Approval conditions such authorization, endorsement, or funding on, or otherwise contemplates that, the Community Module or any other Multisig, BORG, Blockchain System or Smart Contract shall have any powers over such Alliance Multisig, the Board and the Alliance Multisig Members of the applicable Alliance Multisig shall ensure that such Alliance Multisig is designed and configured to grant such powers over such Alliance Multisig to the Community Module or such other Multisig, BORG, Blockchain System, or Smart Contract, as applicable.
- 3.7.5. Each Alliance Multisig shall have the exclusive authority, on behalf of the BORG, to manage the Alliance Multisig Funds held in or controlled by such Alliance Multisig (with no other Alliance Multisig having any authority over such Alliance Multisig Funds).
- 3.7.6. Notwithstanding that an Alliance Multisig may be technically or theoretically capable of being used for purpose(s) or circumstance(s) outside the Authorized Uses, neither the BORG nor any of the Alliance Multisig Members (nor any of their agents or delegates) shall utilize any Alliance Multisig or any privilege, elevated or exclusive access, power or authority over any Community Autonomous System (either through any Alliance Multisig or otherwise) except for an Authorized Use. Any BORG Personnel that become aware of the potential to abuse the foregoing powers, privileges or authority shall, to the extent not already disclosed and where disclosure would not reasonably jeopardize or impair the operation of a Community Autonomous System, publicly disclose the potential for abuse in reasonable detail such that the Community can avoid, detect, mitigate, or resolve the potential for abuse.
- 3.7.7. The Board shall ensure the BORG at all times maintains a list of the legal names, record addresses and other necessary or desirable personally identifiable information (sufficient to serve legal process) of the Alliance Multisig Members (the “*Alliance Multisig Member PII*”). In the event that the Alliance Multisig Member is acting on behalf of a corporation or other entity, the BORG shall also at all times maintain all necessary and desirable information for identifying and serving legal process on such entity. The Alliance Multisig Member PII shall be deemed to include the association of the Alliance Multisig Member’s personally identifiable *information* with such Alliance Multisig Member’s membership, participation in and conduct relating to each Alliance Multisig. The Alliance Multisig Member PII shall be treated as Confidential Information of the BORG in accordance with Article 6.

### **3.8. Multisig Private Key Management Practices**

#### **3.8.1. Key Generation**

- 3.8.1.1. The Board or an Officer shall provide each person intended to be an Alliance Multisig Member (“*Prospective Alliance Multisig Member*”) with instructions for generating a Private Key intended for use in each Alliance Multisig, and such Prospective Alliance Multisig Member shall follow such instructions strictly.
- 3.8.1.2. Each Private Key must be unique to one and only one Alliance Multisig Member and not shared with or accessible to the BORG or any other person.
- 3.8.1.3. The Private Key generated by a Prospective Alliance Multisig Member in accordance with the aforementioned requirements may be deemed to be the Multisig Private Key of such Prospective Alliance Multisig Member for one or more Alliance Multisigs, and thus the Prospective Alliance Multisig Member become an Alliance Multisig Member for such Alliance Multisig(s).

**3.8.1.4.** From time to time, the Board may require and direct that any Multisig Alliance Member replace or substitute any Multisig Private Key with a new Private Key generated in accordance with the aforementioned requirements.

**3.8.1.5.** The Private Key shall be the property of the Alliance Multisig Member or Prospective Alliance Multisig Member and shall not constitute the property of the BORG. The Private Key of the Alliance Multisig Member or Prospective Alliance Multisig Member shall not represent any interest in any asset which is controlled by a Multisig.

### **3.8.2. Private Key Security**

**3.8.2.1.** Each Alliance Multisig Member shall securely hold, custody and safeguard his or her Multisig Private Key(s) and immediately notify the BORG and the other Alliance Multisig Members if any of such Alliance Multisig Member's Multisig Private Key(s) could reasonably be expected to have been stolen, published or otherwise accessed by, made available to or become known to any other person (including any other Alliance Multisig Member).

**3.8.2.2.** Alliance Multisig Members shall not disclose or make available any Alliance Multisig Private Key to, or share any Alliance Multisig Private Key with, any other person, including other Alliance Multisig Members.

### **3.8.3. Ownership of Multisig-Controlled Property**

**3.8.3.1.** Unless otherwise expressly agreed by the relevant Alliance Multisig Member and the BORG in writing, no Alliance Multisig Member shall be deemed to own any Community Tokens held in, by or through any Alliance Multisig or any other Blockchain Tokens, digital assets or other property held in, by or through, or received by an Alliance Multisig Member on account of such Alliance Multisig Member's participation in any Alliance Multisig (including, without limitation, any "airdrops" or other distributions of Blockchain Tokens received or claimable by such Alliance Multisig Member's externally owned account or blockchain address on account of such Alliance Multisig Member's participation in the Alliance Multisig).

**3.8.3.2.** In the event any such Community Tokens or other Blockchain Tokens, digital assets or other property is not owned by a third party, then such Community Tokens or other Blockchain Tokens or property shall automatically be deemed to be owned by, and constitute the sole property of, the BORG.

**3.8.3.3.** In the event an Alliance Multisig Member receives any property of the BORG to such Alliance Multisig Member's externally owned account or blockchain address, such Alliance Multisig Member shall promptly notify the BORG and remit such property to the BORG in the manner directed by the BORG (which may include depositing such property into an Alliance Multisig).

**3.8.3.4.** In no event shall any Multisig, Alliance Multisig Member, or the BORG be deemed to own or control the Community Module, the Community Autonomous Systems, or any assets held therein or controlled thereby.

### **3.8.4. Conduct of Alliance Multisig Members**

#### **3.8.4.1. Coordination Among Alliance Multisig Members; Multisig Procedures**

(a) Each Alliance Multisig Member shall undertake to maintain good relations with and engage in reasonably prompt, frequent and timely consultation and cooperation with the other Alliance Multisig Members on all other matters arising in connection with or relating to the BORG.

- (b) The Director Alliance Multisig Members may from time to time establish various standard rules, practices, customs, protocols and procedures related to being an Alliance Multisig Member or participating in the Alliance Multisig, provided that the foregoing are only supplemental to these Bylaws and do not conflict with, amend, terminate, limit or waive any express provision of or right or duty existing under these Bylaws (the “**Multisig Procedures**”).
- (c) Multisig Procedures may be established through course of conduct, informal agreement, or other reasonable means providing the Alliance Multisig Members with reasonable notice thereof.
- (d) Each Alliance Multisig Member shall comply with any Multisig Procedures of which it is or reasonably should be aware.

#### **3.8.4.2. Proposals; Response to Proposals.**

Any Director Alliance Multisig Member may from time to time propose that a certain action be taken or transaction effected by the Alliance Multisig, pursuant to the Authorized Uses. A Director Alliance Multisig Member shall make such a proposal by signing with such Director Alliance Multisig Member’s Multisig Private Key a draft executable transaction message that, if such draft executable transaction message receives sufficient other such signatures from other Alliance Multisig Members, will be executed by the Alliance Multisig (each such proposal, a “**Alliance Multisig Proposal**”). A Director Alliance Multisig Member shall also follow any Multisig Procedures applicable to the making of an Alliance Multisig Proposal; *provided, however*, that any breach or non-observance of a Multisig Procedure in respect of an Alliance Multisig Proposal shall not in itself impair, void, or require any reversal or limitation of an Alliance Multisig Proposal that is executed by the Alliance Multisig pursuant to the Authorized Uses and otherwise in accordance with these Bylaws. Each Alliance Multisig Member shall promptly, reasonably, diligently, independently, and in good faith evaluate the merits of each Alliance Multisig Proposal solely in light of the Purposes, Authorized Uses and the Principles, and, based solely on such evaluation, and without regard to any personal or extrinsic interest or consideration, determine whether to vote in favor of such Alliance Multisig Proposal (i.e., to sign the relevant transaction message with such their respective Multisig Private Keys) or vote against such Alliance Multisig Proposal (i.e., intentionally refrain from so signing Alliance Multisig Proposal) (each, a “**Signature Decision**”). Upon an Alliance Multisig Member reaching an affirmative Signature Decision with respect to an Alliance Multisig Proposal, such Alliance Multisig Member shall promptly sign the relevant transaction message with such Alliance Multisig Member’s Key for potential execution by the Alliance Multisig. Once an Alliance Multisig Proposal has received sufficient signatures by the Alliance Multisig Members to be executed, the Alliance Multisig Members shall cause such Alliance Multisig Proposal to be executed by the Alliance Multisig as promptly as reasonably practicable in light of all applicable facts and circumstances, including security considerations relating to front-running and similar issues. For the avoidance of doubt, the Alliance Multisig Members and the BORG may make use of private mempools and other such confidentiality or transaction prioritization or transaction batching mechanisms in connection with the execution of Alliance Multisig Proposals, as determined in their reasonable good faith discretion in light of the Authorized Uses, Purposes, and Principles. The approval by a sufficient number of Alliance Multisig Members of an Alliance Multisig Proposal (to cause the Alliance Multisig to execute such Alliance Multisig Proposal onchain or as otherwise provided by these Bylaws) shall constitute the action of such Alliance Multisig as a body.

Notwithstanding the foregoing, Guardian Multisig Members shall assess Alliance Multisig Proposals solely in accordance with the role of Guardians as set forth in Article 3.7.2, and shall only approve Alliance Multisig Proposals that have been approved by at least a majority of the Director Alliance Multisig Members (or in the event there are two or fewer Director Alliance Multisig Members, all of the Director Alliance Multisig Members).

#### **3.8.5. Navigating Conflicting Community Interests**

In considering how to act in connection with a matter that, when considered in light of the Purposes and the Principles, involves any material conflict, competition or inconsistency among the interests of categories of Community members, each Alliance Multisig Member shall act in a manner intended to maximize benefits and minimize harms to the overall Community taking into account all relevant facts and circumstances then known to or reasonably discoverable by such Alliance Multisig Member.

#### **4. VOLUNTARY NATURE OF BORG ACTIVITIES; NO GENERAL DUTIES TO COMMUNITY; CONFLICTS OF INTEREST**

- 4.1.** To the maximum extent permitted under applicable Legal Requirements, all activities of the BORG of potential benefit to the Community are to be conducted by the BORG and the BORG Personnel on a purely volunteer, ad hoc basis, without any express or implied affirmative promise, duty, obligation, warranty, undertaking or assumption of duty or risk of performing such activities, other than duties owed by BORG Personnel to the BORG.
- 4.2.** The BORG, the Directors, Officers, Security Multisig Members, Supervisors, Emergency Supervisors, and other BORG Personnel each acknowledge and agree that:
  - 4.2.1.** The Community members are a diverse and disparate group of persons, each of whom may have conflicting economic, personal, political, social or other interests and that at any one time any Community member may be in competition with or pursuing interests that are adverse to the interests of another Community member;
  - 4.2.2.** The Community members are an unknown diverse and disparate group of persons with whom the BORG, the Directors, Officers, Security Multisig Members, Supervisors, Emergency Supervisors, and other BORG Personnel may have had no contact and who may have never interacted directly with the Community Autonomous Systems which are the focus of the Purposes and the Principles; and
  - 4.2.3.** As such none of the BORG, the Directors, Officers, Security Multisig Members, Supervisors, Emergency Supervisors, and other BORG Personnel are able to, or will, accept, undertake or perform a duty of loyalty or owe any fiduciary obligation to any single Community member, sub-group of the Community, or the Community as a whole.
- 4.3.** No participation in the BORG, as a BORG Personnel or otherwise, shall constitute, or be deemed to constitute, a trust, partnership, association, joint venture or other unincorporated association or entity other than the BORG itself, which is an exempted limited guarantee Foundation Company incorporated in the Cayman Islands with limited liability among or involving any BORG Personnel. To the maximum extent permitted by applicable Legal Requirements, no Director, Officer, Multisig Member or other BORG Personnel shall be deemed to owe to the Community or any member thereof, or any other BORG Personnel, any fiduciary duties or other duties implied by law or equitable principles or imposed by applicable Legal Requirement to the Community or any member thereof. All duties and obligations owed by the BORG Personnel in connection with the BORG shall be owed solely to the BORG.
- 4.4.** Neither the Community in general nor any individual member(s) of the community shall have any interest in the management or affairs of the BORG, except as explicitly stated herein, or as permitted



through Community Modules. The ability of the Community, or a member of the Community, to provide feedback regarding any BORG or Multisig activity or decision through a Community Module or otherwise shall not be construed as granting any right to such person with respect to the BORG.

#### **4.5. *Conflicts of Interest***

- 4.5.1.** Each BORG Personnel shall use reasonable best efforts to continuously monitor and evaluate such BORG Personnel's personal facts and circumstances (including such BORG Personnel's direct and indirect investments and other economic interests in other blockchain-based companies, systems and communities) that could reasonably be expected to give rise to a material conflict of interest on the part of such BORG Personnel in connection with such BORG Personnel's activities relating to the BORG.
- 4.5.2.** If a BORG Personnel becomes aware of an ongoing material conflict of interest with respect to such BORG Personnel's participation in the BORG, such BORG Personnel shall resign from the BORG, unless such conflict of interest has been disclosed (along with all relevant material facts and circumstances) to the Board and the Community in reasonable detail and such BORG Personnel's continued participation in the BORG has been approved by a majority of the disinterested Directors and by a Community Module Approval notwithstanding such conflict of interest (which consent may be conditioned on appropriate ongoing procedures, disclosures, limitations, or similar terms and conditions, which shall be observed by the applicable BORG Personnel from and thereafter).
- 4.5.3.** The holding, ownership or use of the Community Token or any right to receive or purchase any Community Token on the part of any BORG Personnel shall not in itself be deemed a conflict of interest,

### **5. CERTAIN COMMUNITY MODULE APPROVALS**

In addition to any other matters calling for Community Module Approval as set forth in these Bylaws, the following matters shall require a prior Community Module Approval, in addition to approval by the Board (and any other approval that may be required under these Bylaws, the Constitution or any other Governance Agreement):

- 5.1.** any Liquidation Event;
- 5.2.** any amendment, addition, deletion, modification, waiver, or change to any one or more of the Purposes, Authorized Uses, or any other provision of these Bylaws referring to the Community (or any sub-constituencies thereof), the Community Module, any Community Module Approval or any Community Module Veto, whether to be approved via amendment to these Bylaws, any other Governance Agreements, or otherwise, where such amendment, addition, deletion, modification, waiver, or change, whether individually or in the aggregate with other amendments, additions, deletions, modifications, waivers, or changes or existing provisions could reasonably be expected to negatively modify, limit, eliminate, waive, or otherwise adversely affect any power, right, obligation, liability, perquisite, or interest of the Community (or any one or more sub-constituencies of the Community); and
- 5.3.** any waiver, supplement, non-observance, or amendment of these Bylaws that could reasonably be expected to, whether individually or in the aggregate with other amendments, additions, deletions, modifications, waivers, or changes or existing provision, could reasonably be expected to negatively modify, limit, eliminate, waive, or otherwise adversely affect any power, right, obligation, liability, perquisite, or interest of the Community (or any one or more constituencies of the Community);

*provided, however*, that amending the Alliance Multisig Schedule pursuant to an otherwise permitted action in respect of the creation or alteration of an Alliance Multisig Schedule, as set forth in Article 3.6.4, shall not require a Community Module Approval.

## **6. CONFIDENTIAL INFORMATION**

- 6.1. “*Confidential Information*”** means: (1) information in any form or medium (whether oral, written, electronic, or other) that is determined by the Board to be confidential, non-public or proprietary; (2) all Private Keys; (3) all Multisig Member PII; and (4) unless otherwise determined by the Board, all private communications and deliberations between, among, or involving one or more BORG Personnel in their capacities as such.
- 6.2.** Except to the extent permitted herein, the BORG and the BORG Personnel shall hold the Confidential Information in confidence and not disclose or permit access to Confidential Information, and shall use the Confidential Information solely pursuant to the Purposes in connection with their duties to the BORG.
- 6.3.** The BORG and the BORG Personnel may disclose Confidential Information to the BORG and BORG Personnel or Protocol Developers or members of other cybernetic organizations related to the Community Autonomous Systems or other Community members who: (1) need to know such Confidential Information for purposes of fulfilling their duties to the BORG or other duties within the Community; (2) have been informed of the confidential nature of the Confidential Information; and (3) are bound by confidentiality and restricted use obligations at least as protective of the Confidential Information as the terms set forth in this Article 6, with the BORG having reasonable means to enforce such obligations directly or indirectly.
- 6.4.** If any BORG Personnel is compelled by any applicable Legal Requirement to disclose any Confidential Information then, to the extent permitted by applicable Legal Requirements, such person shall: (1) promptly, and prior to such disclosure, notify the BORG in writing of such requirement so that the BORG can seek a protective order or other remedy, or waive its rights under Article 6.3; and (2) provide reasonable assistance to the BORG, at the BORG’s sole cost and expense, in opposing such disclosure or seeking a protective order or other limitations on disclosure. If the BORG waives compliance or, after providing the notice and assistance required under this Article 6.4, the relevant BORG Personnel remains required by applicable Legal Requirements to disclose any Confidential Information, the person subject to such requirement shall disclose only that portion of the Confidential Information that, on the advice of such person’s legal counsel, such person is legally required to disclose and, upon the BORG’s request, shall use commercially reasonable efforts to obtain assurances from the applicable court or other presiding authority that such Confidential Information will be afforded confidential treatment.
- 6.5.** The BORG may disclose, and treat as non-confidential, the PII of a Multisig Alliance Member under the following circumstances (in addition to those set forth in Article 6.4):
  - 6.5.1.** such Multisig Member has consented to such disclosure or treatment; or
  - 6.5.2.** such Multisig Member has been determined to have committed fraud, gross negligence, an intentional and knowing breach of these Bylaws or another Governance Agreement or agreement with the BORG, or a crime involving moral turpitude by:
    - 6.5.2.1.** a Community Module Approval;
    - 6.5.2.2.** the Board; or
    - 6.5.2.3.** a Supervisor or Emergency Supervisor; and
  - 6.5.3.** such Multisig Member’s Multisig Private Key(s) has/have been removed from the applicable Multisig Private Key Set(s).

- 6.6. The Board or an Emergency Supervisor may authorize the disclosure of any Confidential Information (other than the PII, except as set forth in Article 6.5 above) to the Community (or any subset thereof) based on its reasonable good faith discretion of the Community's interest in and need to know such Confidential Information.

## 7. INDEMNIFICATION

- 7.1. **Indemnification of Certain BORG Personnel.** Each person who was or is made a party to, or is threatened to be made a party to, or is involved in any threatened or actual action, suit, claim, counterclaim, cross claim, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual or threatened proceeding, including any appeal or action for enforcement, in each case, whether civil, criminal, administrative or investigative, brought by or on behalf of or to be determined or tried by or before a governmental body or legal mediator, arbitrator or panel of mediators or arbitrators, in each case, by reason of the fact that such person (or a person of whom such person is the legal representative), is or was a BORG Personnel (each, a "**Proceeding**" and each such person against whom a Proceeding is brought, an "**Indemnatee**") shall be indemnified and held harmless by the BORG upon the terms and conditions set forth in this Article 7 against all expenses, liability and loss (including attorneys' fees, judgments, fines, excise taxes and penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such Indemnatee in connection therewith, provided such Indemnatee acted in good faith and in a manner that the Indemnatee reasonably believed to be in or not opposed to the best interests of the BORG, did not commit fraud, gross negligence, an intentional and knowing material breach of a material provision of these Bylaws or another Governance Agreement or legal agreement with the BORG, or a crime involving moral turpitude, and, with respect to any criminal action or Proceeding, had no reasonable cause to believe the Indemnatee's conduct was unlawful. Such indemnification shall continue as to an Indemnatee who has ceased to be a director or officer and shall inure to the benefit of such Indemnitees' heirs, executors and administrators. Notwithstanding the foregoing, the BORG shall indemnify any such Indemnatee seeking indemnity in connection with a Proceeding (or part thereof) initiated by such Indemnatee only if such Proceeding (or part thereof) was authorized by the Board or such indemnification is authorized by an agreement approved by the Board.
- 7.2. **Advance of Expenses.** The BORG shall pay all expenses (including attorneys' fees) incurred by such an Indemnatee in defending any such Proceeding as they are incurred in advance of its final disposition; provided, however, that (a) the payment of such expenses incurred by such an Indemnatee in advance of the final disposition of such Proceeding shall be made only upon delivery to the BORG of an undertaking, by or on behalf of such Indemnatee, to repay all amounts so advanced if it should be determined ultimately by final judicial decision from which there is no appeal that such Indemnatee is not entitled to be indemnified under these Bylaws; and (b) the BORG shall not be required to advance any expenses to a person against whom the BORG directly brings a claim, in a Proceeding, alleging that such person has breached such person's duty of loyalty to the BORG, committed an act or omission not in good faith or that involves intentional misconduct or a knowing violation of applicable Legal Requirements, or derived an improper personal benefit from a transaction.
- 7.3. **Non-Exclusivity of Rights.** The rights conferred on any person in this Article 7 shall not be exclusive of any other right that such person may have or hereafter acquire under any statute, Governance Agreement, or otherwise. Additionally, nothing in this Article 7 shall limit the ability of the BORG, in its discretion, to indemnify or advance expenses to persons whom the BORG is not obligated to indemnify or advance expenses pursuant to this Article 7.
- 7.4. **Right of Indemnatee to Bring Suit.**
- 7.4.1. **Right to Bring Suit.** If a claim under Article 7.1 or 7.2 is not paid in full by the BORG within sixty (60) days after a written claim has been received by the BORG, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty (20)

days, the Indemnatee may at any time thereafter bring suit against the BORG to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the BORG to recover an advancement of expenses pursuant to the terms of an undertaking, the Indemnatee shall be entitled to be paid also the expense of prosecuting or defending such suit. In (a) any suit brought by the Indemnatee to enforce a right to indemnification hereunder (but not in a suit brought by the Indemnatee to enforce a right to an advancement of expenses) it shall be a defense that, and (b) in any suit brought by the BORG to recover an advancement of expenses pursuant to the terms of an undertaking, the BORG shall be entitled to recover such expenses upon a final adjudication that, the Indemnatee has not met any applicable standard for indemnification set forth in applicable Legal Requirements or these Bylaws.

**7.4.2. Effect of Determination.** Neither the failure of the BORG to have made a determination prior to the commencement of such suit that indemnification of the Indemnatee is proper in the circumstances because the Indemnatee has met the applicable standard of conduct set forth in applicable Legal Requirements, nor an actual determination by the BORG that the Indemnatee has not met such applicable standard of conduct, shall create a presumption that the Indemnatee has not met the *applicable* standard of conduct or, in the case of such a suit brought by the Indemnatee, be a defense to such suit.

**7.4.3. Burden of Proof.** In any suit brought by the Indemnatee to enforce a right to indemnification or to an *advancement* of expenses hereunder, or brought by the BORG to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the Indemnatee is not entitled to be indemnified, or to such advancement of expenses, under this Article 7, or otherwise, shall be on the BORG.

**7.5. Nature of Rights.** The rights conferred upon Indemnitees in this Article 7 shall be contract rights and such rights shall continue as to an Indemnatee who has ceased to be a BORG Personnel and shall inure to the benefit of the Indemnatee's heirs, executors and administrators. Any amendment, repeal or modification of any provision of this Article 7 that adversely affects any right of an Indemnatee or an Indemnatee's successors shall be prospective only, and shall not adversely affect any right or protection conferred on a person pursuant to this Article 7 and existing at the time of such amendment, repeal or modification.

**7.6. Sources of Funds; Indemnification Cap.** Notwithstanding any other provision of these Bylaws or any other Governance Agreement, except to the extent otherwise expressly approved by the Board and Community Module Approval, all indemnification, holding harmless, advancement of expenses and other similar rights of any BORG Personnel hereunder shall only be payable at, and in the aggregate shall be limited to, the Ops Funds. Except to the extent otherwise expressly approved by the Board and Community Module Approval, in no event shall any Indemnatee have any claim to any Alliance Multisig Funds.

## **8. GENERAL PROVISIONS**

**8.1. Governing Law.** These Bylaws shall be governed by and construed under the laws of Cayman Islands, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws.

### **8.2. Dispute Resolution.**

**8.2.1.** Any controversy or claim brought against the BORG by or on behalf of any BORG Personnel or member of the Community relating to the subject matter of these Bylaws ("**Dispute**") shall: (a) be initially submitted for confidential nonbinding mediation by the Supervisor, which mediation shall be pursued in good faith by the applicable parties for at least 60 days; and (b) if the mediation described in the preceding clause '(a)' does not result in a binding settlement agreement, shall be determined and resolved exclusively by confidential, binding arbitration conducted in accordance with the Cayman Islands Arbitration Act, 2012 (the "**Act**") and

administered by the Cayman International Mediation and Arbitration Centre Ltd under the CI-MAC Arbitration Rules 2023 (the “**Rules**”). The seat or legal place of arbitration shall be Cayman Islands. The language to be used in the arbitral proceedings shall be English. The number of arbitrators shall be three.

- 8.2.2.** The arbitral tribunal shall have the powers applicable under the Act and the Rules including, without limitation, the power to order on a provisional basis any relief which it would have power to grant in a final award, and to award legal fees and expenses to the prevailing party or parties. The decision *and* award of the arbitral tribunal shall be final and binding, and shall be enforceable by any court of competent jurisdiction (including the courts of the Cayman Islands) in accordance with applicable Legal Requirements. The BORG Personnel expressly waive any right under the laws of any jurisdiction to appeal or otherwise challenge the award, ruling or decision of the arbitrator.
- 8.2.3.** Each BORG Personnel and each member of the Community: (i) hereby irrevocably and unconditionally submit to the jurisdiction of the arbitral tribunal and the courts of the Cayman Islands for the purpose of any *Dispute*, including the enforcement of any decision of the arbitral tribunal as set forth above, (ii) agrees not to commence any Dispute except in accordance with these Bylaws, including the use of binding arbitration as set forth above; and (iii) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any Dispute, any claim that it is not subject personally to the jurisdiction of the arbitral tribunal or the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that these Bylaws or the subject matter hereof or thereof may not be enforced in or by such court.
- 8.2.4.** EACH OF THE BORG PERSONNEL AND EACH MEMBER OF THE COMMUNITY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY DISPUTE. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF ANY OF THE TRANSACTIONS *CONTEMPLATED* BY THESE BYLAWS, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS.
- 8.3. *Amendment; Waiver.*** These Bylaws may be amended and provisions may be waived (either generally or in a particular instance and either retroactively or prospectively), only by approval of the Board, subject to Article 5.
- 8.4. *Severability.*** Any term or provision of these Bylaws that is found invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If a final judgment of a court of competent jurisdiction declares that any term or provision hereof is invalid or unenforceable, the court making such determination shall have the power to limit such term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and these Bylaws shall be enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, such court or the Board shall be empowered to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term or provision.

**8.5. Entire Agreement.** These Bylaws, the Governance Agreements and any other documents or agreements referred to herein or therein constitute the entire agreement and understanding with respect to the subject matter hereof and thereof, and supersedes any and all prior negotiations, correspondence, warrants, agreements, understandings duties or obligations with respect to the subject matter hereof and thereof.

**8.6. Further Assurances.** The BORG Personnel shall execute and deliver any further instruments or documents and to take all such further actions as may be necessary or advisable in order to carry out the intent of these Bylaws.

**8.7. Rules of Construction**

**8.7.1. Gender; Etc.** For purposes of these Bylaws, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; *the* feminine gender shall include the masculine and neuter genders; and the neuter gender shall include the masculine and feminine genders.

**8.7.2. Ambiguities.** The Parties hereto agree *that* any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be applied in the construction or interpretation of these Bylaws.

**8.7.3. No Limitation.** As used in these Bylaws, the words “include,” “including,” “such as” and variations thereof, shall not be *deemed* to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation.” The word “or” shall mean the non-exclusive “or”.

**8.7.4. References.** Except as otherwise indicated, all references in these Bylaws to “Articles,” “Schedules” and “Exhibits” *are* intended to refer to Articles of these Bylaws and Schedules and Exhibits to these Bylaws.

**8.7.5. Hereof.** The terms “hereof,” “herein,” “hereunder,” “hereby” and “herewith” and words of similar import will, unless *otherwise* stated, be construed to refer to these Bylaws as a whole and not to any particular provision of these Bylaws.

**8.7.6. Captions/Headings.** The captions, *headings* and similar labels contained in these Bylaws are for convenience of reference only, shall not be deemed to be a part of these Bylaws and shall not be referred to in connection with the construction or interpretation of these Bylaws.

**8.7.7. Person.** The term “person” refers to any natural born or legal person, entity, governmental body or incorporated or unincorporated association, partnership or joint venture.

**8.7.8. Changes to Laws.** References to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted.

## BYLAWS

### Schedule 1.1

#### MANDATORY AUTONOMOUS SYSTEMS

[A list of the Mandatory Autonomous Systems, and the functions the BORG is mandated to perform by means of the Mandatory Autonomous Systems]

## BYLAWS

### Schedule 1.2.1

#### Certain Purposes

- For purposes of this Schedule 1.2.1 and these Bylaws:
  - The “***Lido Alliance Program***” means the non-profit program of entering into mutual support alliances involving the Community and certain types of third parties or related communities, as summarized on Exhibit C and approved by Community Module Approval on May 23, 2024.
  - A “***Lido Ally***” means a group, entity or community that has been approved to join the Lido Alliance Program by both: (a) the Board; and (b) a Community Module Approval.
- The purposes of the BORG and the Authorized Uses of the Alliance Multisigs shall include:
  - Pursuing and administering the Lido Alliance Program.
  - Identifying, negotiating and entering into agreements with prospective Lido Allies, and supporting or coordinating the support of duly approved Lido Allies, including, without limitation, by the BORG entering into or facilitating the Lido Allies entering into legal agreements with other individuals or entities belonging to the Community.
  - Using commercially reasonable best efforts to provide that any legal agreements entered into with or involving Lido Allies in connection with the Lido Alliance Program shall be consistent with the terms and conditions of the Lido Alliance Program and these Bylaws and shall be performed in good faith by the parties thereto, including the BORG.



## BYLAWS

### Schedule 3.6.3

Alliance Multisigs

[TBD]

## Exhibit A

### Certain Defined Terms

**“Adverse Event”** means (a) any fraud or violation of applicable Legal Requirements committed by or on behalf of the BORG, or by or on behalf of BORG Personnel in connection with the BORG’s activities; (b) any knowing and intentional material breach of any material term of the Governance Agreements by the BORG or any BORG Personnel that could reasonably be expected to materially adversely impact the BORG or the Community (or any part of the Community); (c) the commission of a felony or any crime of moral turpitude by any BORG Personnel (whether or not in connection with the BORG or the Community); (d) any material legal proceedings by or against the BORG or BORG Personnel in their capacities as such; or (e) any sustained Deadlock that (i) could reasonably be expected to impair the functioning or effectiveness of the BORG or its pursuit of and adherence to the Purposes and (ii) would not reasonably be expected to be promptly submitted by any BORG Personnel for binding resolution by the Community Module (or which has been so submitted, but the relevant Community Module Approval has not been and would not reasonably be expected to be promptly implemented by the BORG Personnel).

**“Blockchain”** means a distributed data structure consisting of hashlinked sets (‘blocks’) of transactions that is directly or indirectly produced, maintained and/or secured by the automated consensus of a network of independent nodes operating a byzantine-fault-tolerant protocol.

**“Blockchain System”** means the combination of:

- (a) a Blockchain; and
- (b) a network of one or more devices operating software clients or software applications that jointly or individually store, validate, process transactions with respect to, update, resolve forks with respect to or otherwise maintain, validate, read from, store data with respect to, create public proofs with respect to, or write to such Blockchain.

**“Blockchain Tokens”** means any virtual currency, token, or other unit of account or medium of exchange that is implemented exclusively or primarily on a Blockchain System, regardless of whether transferable, non-transferable, fungible or non-fungible.

**“BORG Personnel”** has the meaning given to it in Article 2.

**“Community Autonomous Systems”**

- (a) the Community Smart Contract Systems, including the Community Module;
- (b) if any Community Smart Contract System depends for its security or operations on another Blockchain System or any Smart Contracts thereon, such Blockchain System and Smart Contracts, but only to the extent relating to the Community Smart Contract Systems; and
- (c) any testnets or other testing environments or systems primarily serving testing, prototyping, and similar functions for the systems described in the preceding clauses, such as are not reasonably expected to have independent competitive commercial value.

**“Community Smart Contract System”** means the following

- Smart Contracts on Ethereum:
  - Lido Locator: [0xC1d0b3DE6792Bf6b4b37EccdcC24e45978Cfd2Eb](https://lido.fi/locator/0xC1d0b3DE6792Bf6b4b37EccdcC24e45978Cfd2Eb) (proxy)

- Lido and stETH token: [0xae7ab96520DE3A18E5e111B5EaAb095312D7fE84](#) (proxy)
- wstETH token: [0x7f39C581F595B53c5cb19bD0b3f8dA6c935E2Ca0](#)
- EIP-712 helper for stETH: [0x8F73e4C2A6D852bb4ab2A45E6a9CF5715b3228B7](#)
- Staking Router: [0xFdDf38947aFB03C621C71b06C9C70bce73f12999](#) (proxy)
- Node Operators registry: [0x55032650b14df07b85bF18A3a3eC8E0Af2e028d5](#) (proxy)
- Simple DVT: [0xaE7B191A31f627b4eB1d4DaC64eaB9976995b433](#) (proxy)
- Deposit Security Module: [0xC77F8768774E1c9244BEed705C4354f2113CFc09](#)
- Execution Layer Rewards Vault: [0x388C818CA8B9251b393131C08a736A67ccB19297](#)
- Withdrawal Queue  
ERC721: [0x889edC2eDab5f40e902b864aD4d7AdE8E412F9B1](#) (proxy)
- Withdrawal Vault: [0xb9d7934878b5fb9610b3fe8a5e441e8fad7e293f](#) (proxy)
- Burner: [0xD15a672319Cf0352560eE76d9e89eAB0889046D3](#)
- MEV Boost Relay Allowed List: [0xF95f069F9AD107938F6ba802a3da87892298610E](#)
- Smart Contracts on or otherwise relating to Ethereum “layer-2” Blockchain Systems or other Blockchain Systems, as indicated:
  - Arbitrum
    - **Ethereum part**
      - L1ERC20TokenGateway: [0x0F25c1DC2a9922304f2eac71DCa9B07E310e8E5a](#) (proxy)
      - L1ERC20TokenGateway: [0xc4E3ff0b5B106f88Fc64c43031BE8b076ee9F21C](#) (impl)
    - **Arbitrum part**
      - WstETH  
ERC20Bridged: [0x5979D7b546E38E414F7E9822514be443A4800529](#) (proxy)
      - WstETH  
ERC20Bridged: [0x0fBcbaEA96Ce0cF7Ee00A8c19c3ab6f5Dc8E1921](#) (impl)
      - L2ERC20TokenGateway: [0x07D4692291B9E30E326fd31706f686f83f331B82](#) (proxy)
      - L2ERC20TokenGateway: [0xe75886DE20dF66827e321EfdB88726e6Ba4b0A7](#) (impl)
      - Arbitrum Governance Bridge  
Executor: [0x1dcA41859Cd23b526CBe74dA8F48aC96e14B1A29](#)

- LDO  
token: [0x13Ad51ed4F1B7e9Dc168d8a00cB3f4dDD85EfA60](#) (proxy)

○ **Optimism**

▪ **Ethereum part**

- L1ERC20TokenBridge: [0x76943C0D61395d8F2edF9060e1533529cAe05dE6](#) (proxy)
- L1ERC20TokenBridge: [0x29C5c51A031165CE62F964966A6399b81165EFA4](#) (impl)

▪ **Optimism part**

- WstETH  
ERC20Bridged: [0x1F32b1c2345538c0c6f582fCB022739c4A194Ebb](#) (proxy)
- WstETH  
ERC20Bridged: [0x92834c37dF982A13bb0f8C3F6608E26F0546538e](#) (impl)
- L2ERC20TokenBridge: [0x8E01013243a96601a86eb3153F0d9Fa4fbFb6957](#) (proxy)
- L2ERC20TokenBridge: [0x23B96aDD54c479C6784Dd504670B5376B808f4C7](#) (impl)
- Optimism Governance Bridge  
Executor: [0xefa0db536d2c8089685630fafe88cf7805966fc3](#)
- LDO token: [0xFdb794692724153d1488CcdBE0C56c252596735F](#)

○ **Base**

▪ **Ethereum part**

- L1ERC20TokenBridge: [0x9de443AdC5A411E83F1878Ef24C3F52C61571e72](#) (proxy)
- L1ERC20TokenBridge: [0x313819736457910ac1dd21a712a37f3d7595645a](#) (impl)

▪ **Base part**

- WstETH  
ERC20Bridged: [0xc1CBa3fCea344f92D9239c08C0568f6F2F0ee452](#) (proxy)
- WstETH  
ERC20Bridged: [0x69ce2505ce515c0203160450157366f927243309](#) (impl)

- L2ERC20TokenBridge: [0xac9D11cD4D7eF6e54F14643a393F68Ca014287AB](#) (proxy)
    - L2ERC20TokenBridge: [0x7063ef4f2887586e96096d3e94c9b6961c50a9a2](#) (impl)
    - Base Governance Bridge Executor (OptimismBridgeExecutor contract is used): [0x0E37599436974a25dDeEdF795C848d30Af46eaCF](#)
  - ZkSync Era
    - **Ethereum part**
      - L1Executor: [0xFf7F4d05e3247374e86A3f7231A2Ed1CA63647F2](#) (proxy)
      - L1Executor: [0x06185d60eD72a91D1367Eb0733B9d20AE7336D3B](#) (impl)
      - L1ERC20Bridge: [0x41527B2d03844dB6b0945f25702cB958b6d55989](#) (proxy)
      - L1ERC20Bridge: [0x9a810469F4a451Ebb7ef53672142053b4971587c](#) (impl)
    - **ZkSync Era part**
      - ZkSyncBridgeExecutor: [0x139EE25DCad405d2a038E7A67f9ffdbf0f573f3c](#) (proxy)
      - ZkSyncBridgeExecutor: [0x13f46b59067f064c634fb17e207ed203916dcc8](#) (impl)
      - L2ERC20Bridge: [0xE1D6A50E7101c8f8db77352897Ee3f1AC53f782B](#) (proxy)
      - L2ERC20Bridge: [0x64Ee90B086c99fD3439354f382Fef25229A01F02](#) (impl)
      - ERC20BridgedUpgradeable: [0x703b52F2b28fEbcB60E1372858AF5b18849FE867](#) (proxy)
      - ERC20BridgedUpgradeable: [0xc7a0daa1b8fea68532b6425d0e156088b0d2ab2c](#) (impl)
    - **ProxyAdmin:** [0xbd80e505ecc49bae2cc86094a78fa0e2db28b52a](#) for
      - ZkSyncBridgeExecutor
      - ERC20BridgedUpgradeable
  - Mantle
    - **Ethereum part**

- L1ERC20TokenBridge: [0x2D001d79E5aF5F65a939781FE228B267a8Ed468B](#) (proxy)
  - L1ERC20TokenBridge: [0x6fBBE1Af52D22557D7F161Dc5952E306F4742e23](#) (impl)
- **Mantle part**
  - WstETH  
ERC20BridgedPermit: [0x458ed78EB972a369799fb278c0243b25e5242A83](#) (proxy)
  - WstETH  
ERC20BridgedPermit: [0x1FaBaAec88198291A4efCc85Cabb33a3785165ba](#) (impl)
  - L2ERC20TokenBridge: [0x9c46560D6209743968cC24150893631A39AfDe4d](#) (proxy)
  - L2ERC20TokenBridge: [0xf10A7ffC613a9b23Abc36167925A375bf5986181](#) (impl)
  - Mantle Governance Bridge Executor (OptimismBridgeExecutor contract is used): [0x3a7b055bf88cdc59d20d0245809c6e6b3c5819dd](#)
- **Linea**
  - **Ethereum part**
    - L1 TokenBridge (Canonical Bridge): [0x051f1d88f0af5763fb888ec4378b4d8b29ea3319](#) (proxy)
    - L1 TokenBridge (Canonical Bridge): [0x6ccfd65b0b14f67259c77ca6267104e058ddb292](#) (impl)
    - ProxyAdmin for L1 TokenBridge: [0x5b0bb17755fba06028530682e2fd5bc373931768](#)
  - **Linea part**
    - wstETH  
CustomBridgedToken: [0xB5beDd42000b71FddE22D3eE8a79Bd49A568fC8F](#) (proxy)
    - wstETH  
CustomBridgedToken: [0xc0583e2F5930EDE5Fab9D57bAC4169878730B010](#) (impl)
    - ProxyAdmin for wstETH CustomBridgedToken: [0xF951d7592e03eDB0Bab3D533935e678Ce64Eb927](#)
    - L2 TokenBridge (Canonical Bridge): [0x353012dc4a9a6cf55c941badc267f82004a8ceb9](#) (proxy)

- L2 TokenBridge (Canonical Bridge): [0x2bdfd4a0d54C93a4bAF74F8DcEA8a275D8EE97a9](#) (impl)
- LineaBridgeExecutor: [0x74Be82F00CC867614803ffd7f36A2a4aF0405670](#)

○ **Scroll**

▪ **Ethereum part**

- L1LidoGateway: [0x6625c6332c9f91f2d27c304e729b86db87a3f504](#) (proxy)
- L1LidoGateway: [0xF4f2066EE72D62e3caF9678459149BA7FCf2262F](#) (impl)
- ProxyAdmin: [0xCC2C53556Bc75217cf698721b29071d6f12628A9](#) for L1LidoGateway

▪ **Scroll part**

- ScrollBridgeExecutor: [0x0c67D8D067E349669dfEAB132A7c03A90594eE09](#)
- L2LidoGateway: [0x8aE8f22226B9d789A36AC81474e633f8bE2856c9](#) (proxy)
- L2LidoGateway: [0x2B9beB2890DBeFC7cA25Af3164100d139B623C24](#) (impl)
- L2WstETHToken: [0xf610A9dfB7C89644979b4A0f27063E9e7d7Cda32](#) (proxy)
- L2WstETHToken: [0x38224D52ecC979aEdfEb31b1EEa0cfCEbd55247e](#) (impl)
- ProxyAdmin: [0x8e34D07Eb348716a1f0a48A507A9de8a3A6DcE45](#) for:
  - L2LidoGateway
  - L2WstETHToken

○ **Mode**

▪ **Ethereum part**

- (proposed)  
L1ERC20TokenBridge: [0xD0DeA0a3bd8E4D55170943129c025d3fe0493F2A](#) (proxy)
- (proposed)  
L1ERC20TokenBridge: [0xE6A4ED59Ec73eD78aE3A10294c99F0EE18A6bF76](#) (impl)

▪ **Mode part**

- (proposed) WstETH  
ERC20Bridged: [0x98f96A4B34D03a2E6f225B28b8f8Cb1279562d81](#) (proxy)
- (proposed) WstETH  
ERC20Bridged: [0xF27b1B121e55A13047d66dC4AAA8c17BA72c762A](#) (impl)
- (proposed)  
L2ERC20TokenBridge: [0xb8161F28a5a38cE58f155D9A96bDAc0104985FAc](#) (proxy)
- (proposed)  
L2ERC20TokenBridge: [0x488cDB57E9a1006ab77730fC8b19e1BB76e1cB97](#) (impl)
- (proposed) Optimism Governance Bridge  
Executor: [0x2aCeC6D8ABA90685927b61968D84Cff6192B32C](#)

and any other Smart Contracts endorsed by Community Module Approval as an addition, supplement or successor to the Smart Contracts considered by the Community to be a part of the ‘Lido protocol’ or governed in whole or in part (in upgradeability or parameters) by the Community Module.

“**Community Module**” means each Smart Contract governing, in whole or in part, the upgradeability or other parameters of the Community Smart Contract Systems through proposals voted on by the Votable Community Tokens, which are currently deployed to the addresses on Ethereum set forth below:

- Lido DAO (Kernel): 0xb8FFC3Cd6e7Cf5a098A1c92F48009765B24088Dc (proxy)
- LDO token: 0x5A98FcBEA516Cf06857215779Fd812CA3beF1B32
- Aragon Voting: 0x2e59A20f205bB85a89C53f1936454680651E618e (proxy)
- Aragon Token Manager: 0xf73a1260d222f447210581DDf212D915c09a3249 (proxy)
- Aragon Finance: 0xB9E5CBB9CA5b0d659238807E84D0176930753d86 (proxy)
- Aragon Agent: 0x3e40D73EB977Dc6a537aF587D48316feE66E9C8c (proxy)
- Aragon ACL: 0x9895f0f17cc1d1891b6f18ee0b483b6f221b37bb (proxy)
- Aragon PM: 0x0cb113890b04b49455dfe06554e2d784598a29c9 (proxy)
- Voting Repo: 0x4ee3118e3858e8d7164a634825bfe0f73d99c792 (proxy)
- Lido App Repo: 0xF5Dc67E54FC96F993CD06073f71ca732C1E654B1 (proxy)
- Lido Oracle (Legacy Oracle) Repo: 0xF9339DE629973c60c4d2b76749c81E6F40960E3A (proxy)
- Node Operators Registry Repo: 0x0D97E876ad14DB2b183CFeEB8aa1A5C788eB1831 (proxy)
- Insurance Fund: 0x8B3f33234ABD88493c0Cd28De33D583B70beDe35
- Gate Seal Blueprint: 0xEe06EA501f7d9DC6F4200385A8D910182D155d3e
- Gate Seal Factory: 0x6c82877cac5a7a739f16ca0a89c0a328b8764a24
- Gate Seal: 0x79243345eDbe01A7E42EDf5900156700d22611c,

and any other Smart Contracts endorsed by Community Module Approval as an addition, supplement or successor to the Smart Contracts referred to above in this definition.

“**Community Module Approval**” means, with respect to any proposal, the affirmative vote of the requisite majority or plurality of the rightful holders of voting power of the Votable Community Tokens necessary to approve or effectuate such proposal in accordance with the Governance Protocol.



**“Community Module Veto”** means with respect to any Multisig transaction or other Smart Contract under control of the BORG (or the BORG Personnel in connection with the BORG’s activities), the affirmative vote of the amount of Votable Community Tokens required to veto, block or prevent the effectuation or completion of such transaction, as prescribed by the Governance Protocol.

**“Community Token”** means:

- (a) each Blockchain Token belonging to the class of Blockchain Tokens with the symbol ‘LDO’ mintable from, and whose balances and transfers are tracked by, the smart contract at address 0x5A98FcBEA516Cf06857215779Fd812CA3beF1B32 on Ethereum, which:
  - (i) have the power to natively govern, secure, utilize or otherwise participate in the Community Autonomous Systems through the Governance Protocol; or
  - (ii) are natively convertible into or stakeable for Representational Community Tokens, which Representational Community Tokens have any one or more of the powers described in the preceding clause ‘(i)’;

and

- (b) each Blockchain Tokens belonging to a class of Blockchain Tokens endorsed by Community Module Approval as a supplement or successor to the class of Blockchain Tokens referred to in the preceding clause ‘(a)’.

**“Consensus Attack”** means an attack that: (a) is undertaken by or on behalf of a block producer who controls, or group of cooperating block producers who collectively control, a preponderance of the means of block production on an applicable Blockchain System; and (b) has the actual or intended effect of: (i) reversing or altering any transaction made to or by any Mandatory Autonomous System after confirmation of such transaction, including any “double spend” or “reorganization” attack having or intended to have such effect; or (ii) preventing inclusion in blocks or confirmation of any transaction made to or by any Mandatory Autonomous System, including any “censorship attack,” “transaction withholding attack” or “block withholding attack” having or intended to have such effect.

**“Constitution”** means the memorandum of association, articles of association, these Bylaws and any other documents or agreements which modify the operation or effect of any of the foregoing of the BORG.

**“Ethereum”** means, at any time, the canonical blockchain and virtual machine environment of the Ethereum Mainnet ‘mainnet’, as recognized by at least a majority of the validators running correct versions of the go-Ethereum client (‘geth’) then being operated in good faith in the ordinary course of the network. As of the date of these Terms, the Ethereum Mainnet ‘mainnet’ is chainID:1 on networkID:1.

**“Governance Agreements”** means the Constitution, these Bylaws, the Multisig Participation Agreements, and any other written legally binding agreements affecting the governance of the BORG, any Body, or (in their capacity as such) any BORG Personnel.

**“Governance Protocol”** means the portion of the Protocols determining the rules of voting, decisionmaking, and other governance functions of Blockchain Tokens intended to natively govern, secure, utilize or otherwise participate in production implementations of the Protocols.

**“Legal Requirement”** means any federal, state, local, municipal, foreign, supranational or other law, statute, constitution, treaty, directive, resolution, ordinance, code, order, writ, injunction, judgment, edict, decree, ruling, award, rule, regulation, judgment, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any (a) nation, multinational,

supranational, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, provincial, local, municipal, foreign or other government; (c) instrumentality, subdivision, department, ministry, board, court, administrative agency or commission, or other governmental body, authority or instrumentality or political subdivision thereof; or (d) any quasi-governmental or private body exercising any executive, legislative, judicial, regulatory, taxing, importing or other governmental functions.

**“Multisig”** means a Smart Contract deployed by or on behalf of the BORG that: (a) is configured to recognize a specified set of Private Keys (the **“Multisig Private Key Set”**); and (b) one or more of the functions of which can be executed in response to a transaction message that has been signed by a specified minimum number of Private Keys belonging to such set of Private Keys.

**“Multisig Private Key”** means, with respect to each Multisig, each Private Key belonging to the Multisig Private Key Set recognized by such Multisig.

**“Multisig Member”** means, at any time, each person who, as of such time, holds a Multisig Private Key for a Multisig; provided, however, that the term “Multisig Member” shall not include the Community Module, notwithstanding that the Community Module may have limited powers over a Multisig (e.g. as contemplated by Article 3.6).

**“Private Key”** means a cryptographic key that is intended to be secret and corresponds to at least one public key that: (a) is known to the BORG; and (b) constitutes a Blockchain System address.

**“Protocols”** means:

- (a) the software published under the github repositories at <https://github.com/lidofinance/lido-dao>, or any successor thereto endorsed by Community Module Approval, in each case, so long as such endorsement has not been revoked by Community Module Approval; and
- (b) any other software endorsed as an official Protocol by a Community Module Approval, so long as such endorsement has not been revoked by Community Module Approval.

**“Representational Community Tokens”** means any Blockchain Token that:

- (a) without reduction or dilution of the value of or economic, governance or other powers and benefits of Community Tokens, is derived from or designed to represent or to be convertible with Community Tokens (or the value of or economic, governance or other powers and benefits of such Community Tokens) (including pursuant to any ‘liquid staking’ or similar arrangements), natively on the Community Autonomous Systems;
- (b) cannot be minted, generated, credited, assigned or otherwise come into existence without staking, converting, depositing, locking, burning or otherwise removing from circulation a proportional amount of Community Tokens, natively on the Community Autonomous Systems; and
- (c) cannot remain in existence except while the proportional amount of Community Tokens referred to in the preceding clause ‘(b)’ remains staked, converted, deposited, locked, burned or otherwise removed from circulation, natively on the Community Autonomous Systems

**“Smart Contract”** means any executable bytecodes (commonly known as ‘smart contracts’) deployed to Blockchain Systems for operation by node operators running validators, sequencers or similar network operators.

**“Votable Community Tokens”** all Community Tokens (or Representational Community Tokens) that have the power to vote on governance proposals in accordance with the Governance Protocol.

## BYLAWS

### Exhibit B

#### MULTISIGNATURE PARTICIPATION AGREEMENT

This Multisignature Participation Agreement (this “Agreement”) is being entered into by and between \_\_\_\_\_ (the “Undersigned”) and Lido Alliance BORG, a Cayman Islands foundation company (the “BORG” and, collectively with the Alliance Multisig Member, the “Parties”) as of [\_\_\_\_]. Capitalized terms used but not defined herein shall have definitions that are ascribed to them in the Bylaws (as defined below).

By the execution of this Agreement, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Alliance Multisig Member hereby covenants and agrees as follows:

1. Agreement to Bylaws. The Undersigned is hereby adopting, joining, becoming a party to, and acknowledging and agreeing to the terms and conditions of, and becoming bound by and a party to, the Bylaws of the BORG attached hereto as Exhibit A (the “Bylaws”), as a ‘BORG Personnel’ who is a [[Director of the BORG and a ‘Director Alliance **Multisig** Member’ of the Alliance Multisigs]/[Guardian Alliance Multisig Member of one or more Alliance Multisigs]]. Without limiting the generality of the foregoing, the Undersigned hereby agrees to use all powers, privileges and rights the Undersigned may have in, under or by virtue of the Alliance Multisig solely on behalf of and as an agent of the BORG, for the Authorized Uses, applied in light of the Principles.
2. Compensation. All compensation, benefits, and perquisites to which the Undersigned may be entitled from or on behalf of the BORG or the Community in connection with this Agreement and the Undersigned’s service to the BORG as an Alliance Multisig Member are set forth on Schedule 1 hereto.
3. Additional Multisig Schemes. The BORG may create, and the Undersigned may participate in, multiple Multisigs, and, except to the extent otherwise expressly agreed in writing by the BORG and the Undersigned, any Multisig created by the BORG and participated in by the Undersigned shall automatically be deemed to be covered by the Bylaws and this Agreement.
4. Representations. The Undersigned here represents to the BORG as follows:
  - 4.1. Authorization. The Undersigned has all requisite capacity, power and authority to enter into, and to perform, hold, assume, undertake, and exercise all rights, powers, duties, obligations, and liabilities applicable to the Undersigned thereunder, and the foregoing constitute the legal, valid and binding obligation of the Undersigned, enforceable against the Undersigned in accordance with their terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors’ rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.
  - 4.2. Organization. If the Undersigned is an entity, the Undersigned: (a) is duly formed, organized, validly existing, recognized as having separate legal personhood and is in good standing, in each case, under the laws of the jurisdiction indicated therefor in the Preamble; and (b) has the requisite corporate power and authority to conduct its business in the manner in which its business is currently being conducted and to own and use its assets in the manner in which its assets are currently owned and used.
  - 4.3. Non-Contravention. This Agreement, the Bylaws, and the Undersigned’s rights, powers, duties, obligations, and liabilities thereunder do not contravene, conflict with, or violate or constitute a breach or default under (or an event that with notice or lapse of time or both would become a violation or constitute a breach or default under) any applicable Legal Requirement, or agreement to which

the Undersigned is subject or a party or by which the Undersigned or any asset of the Undersigned is bound.

- 4.4. No Required Consents. The Undersigned will not be required to make any filing with or give any notice to, or to obtain any approval, clearance, consent, ratification, permission, waiver, or authorization (including any governmental authorization). from, any person in connection with the execution, delivery, or performance of this Agreement or the Bylaws.
- 4.5. Solvency. The Undersigned (a) is not in, and does not reasonably expect to enter, bankruptcy, insolvency or similar proceedings; (b) is able to pay the debts of the Undersigned as they become due; (c) owns property which has a fair saleable value greater than the amounts required to pay its debts (including reasonable estimates of any contingent liabilities); and (d) has adequate capital to carry on its business. The Undersigned is not entering into this Agreement or the Bylaws with the intent to hinder, delay or defraud any present or future creditors of the Undersigned.
- 4.6. No Sanctions. The Undersigned is not resident in, incorporated or organized under the laws of, controlled by or under common control with, owned in whole or in part by, affiliated with, or acting on behalf of a country, territory or person subject to sanctions under the laws of any nation-state or any international sanctions regime applicable to the Undersigned and/or the BORG.
- 4.7. No Convictions. The Undersigned has not been (and, if the Undersigned is an entity, the directors, officers, managers, and 5% or greater shareholders of the Undersigned have not been) convicted of or held liable for fraud, willful misconduct, gross negligence, breach of fiduciary duty, or (in connection with the Undersigned's professional or commercial activities) a crime of moral turpitude.
- 4.8. Experience. The Undersigned is sophisticated, experienced and knowledgeable in Blockchain Technologies.
- 4.9. Representatives. If the Undersigned is an entity, the foregoing representations are true as to each individual serving on a Multisig in connection with this Agreement or the Bylaws.
- 4.10. Non-Reliance. The Undersigned has sufficient knowledge and experience to evaluate the transactions contemplated by this Agreement, including without limitation, the tax, and other implications of consummating the transactions contemplated hereby. The Undersigned has conducted sufficient independent due diligence into the facts and circumstances relating to this Agreement, and is not relying upon any statements, omissions of statements, representations, or warranties of any person.
5. Independent Contractor. The Undersigned is an independent contractor of the BORG, and nothing in this Agreement shall be construed as establishing an employment or agency relationship between the BORG or the Undersigned (or, if the Undersigned is an entity, between the BORG and any director, officer, manager, employee, independent contractor, shareholder, debtholder, or representative, agent or fiduciary of the Undersigned (the Undersigned's "Representatives")). The Undersigned has no authority to bind the BORG by contract or otherwise. The Undersigned will determine the manner and means by which the Undersigned's services to the BORG are accomplished (subject to and consistent with the applicable terms and conditions of this Agreement and the Bylaws).
6. Limitation of Liability.
  - 6.1. In no event shall the BORG or any of the BORG's Representatives, or the Community or any member thereof, owe to or incur toward the Undersigned (or of the Undersigned's Representatives) any damages (however caused and under any theory of liability, whether under this Agreement, the Bylaws, or otherwise arising in any way in connection with the services or these terms and whether in contract, strict liability, or tort (including negligence or otherwise) even if previously advised of the possibility of such damage), debts, or other liabilities (including any unknown, undisclosed, unmatured, unaccrued, unasserted, contingent, indirect, conditional, implied, vicarious, derivative,

joint, several or secondary liabilities) arising from or in connection with the BORG, this Agreement or the Bylaws, including any of the foregoing arising from the Undersigned's or the Undersigned's Representatives participation in the Alliance Multisigs ("**Liabilities**"), other than monetary Liabilities to the Undersigned for failure to pay the compensation set forth in Section 2 or to indemnify the Undersigned as set forth in Article 7 of the Bylaws; provided, however, that even as to such monetary Liabilities, in no event shall there be any Liability of the BORG or any of the BORG's Representative's or the Community or any member thereof to the Undersigned or any of the Undersigned's Representatives for indirect, special, exemplary, incidental, consequential (i.e., remote or unforeseeable), or punitive damages (other than, in the case of Liability for indemnification under Article 7 of the Bylaws, punitive damages actually required to be paid by the Undersigned to a third party, if otherwise indemnified under Article 7 of the Bylaws). [*Note to draft: discuss indemnification issues and whether there will be a separate mechanism for indemnification of BORG personnel.*]

- 6.2. In no event shall the Undersigned or any of the Undersigned's Representatives owe to or incur toward the BORG or any BORG Personnel any Liabilities in excess of the amounts paid as compensation to the Undersigned pursuant to Section 2, except in the case of fraud, willful misconduct, or an intentional and knowing breach of this Agreement or the Bylaws by or on behalf of the Undersigned. In no event shall there be any Liability to the Undersigned or any of the Undersigned's Representatives for indirect, special, exemplary, incidental, consequential (i.e., remote or unforeseeable), or punitive damages. In no event shall there be any Liability of the Undersigned or any of the Undersigned's Representatives to the BORG or any of the BORG's Representatives for indirect, special, exemplary, incidental, consequential (i.e., remote or unforeseeable), or punitive damages.

## 7. Term.

- 7.1. The Undersigned's service to the BORG shall be "at-will" and may be terminated by or on behalf of the BORG (or, if so permitted by the Bylaws or the Mandatory Autonomous Technologies, by the other Multisig Members, by the Community or Community Module) or the Undersigned at any time with or without cause, without good reason, or without notice; provided, however, that the Undersigned shall provide at least 45 days' prior written notice to the BORG of a voluntary termination of service by the Undersigned.
- 7.2. The Undersigned's service to the BORG shall automatically be deemed terminated upon the Undersigned, without obtaining the prior written consent thereto from the BORG:
- 7.2.1. applying for or consenting to the appointment of a receiver, trustee, liquidator, custodian, or conservator of the Undersigned or of all or a substantial part of the Undersigned's property, (ii) making a general assignment for the benefit of any of the Undersigned's creditors, (iii) undergoing a dissolution or liquidation (if an entity) or death (if a natural person), (iv) initiating or otherwise becoming subject to (voluntarily or involuntarily) a case or other proceeding seeking liquidation, reorganization or other relief with respect to the Undersigned or the Undersigned's debts under any bankruptcy, insolvency or other similar Legal Requirement now or hereafter in effect; or
- 7.2.2. if the Undersigned is an entity: (i) any person or group becoming the beneficial owner, directly or indirectly, of more than 50% of the outstanding voting securities of the Undersigned, (ii) any reorganization, merger or consolidation of the Undersigned, other than a transaction or series of related transactions in which the holders of the voting securities of the Undersigned outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Undersigned or such

other surviving or resulting entity or (iii) a sale, lease, exclusive license, or other disposition of all or substantially all of the assets of the Undersigned.

- 7.3. The Undersigned shall use commercially reasonable efforts to notify the BORG in writing at least 45 days prior to any of the foregoing termination events, if such could be reasonably expected by the Undersigned.
- 7.4. Upon any termination of the Undersigned's service to the BORG: (a) all of the BORG's obligations under Section 2 of this Agreement shall be deemed immediately terminated (other than the obligation to pay any accrued but unpaid amounts, pro-rated as applicable); (b) the Undersigned shall be required to use all means reasonably requested by or on behalf of the BORG to remove the Undersigned and the Undersigned's Representatives from all Multisigs; (c) the Undersigned's Duties relevant to the safekeeping of the Undersigned's Key(s) shall continue until the Undersigned has relinquished exclusive possession of such Key(s) to the BORG or such Key has been de-permissioned from all Multisigs; and (d) all obligations and liabilities of the Undersigned under the provisions of this Agreement or the Bylaws that by their nature are intended or customarily do survive a termination of contract (including confidentiality obligations) shall survive and be continuing. From and after any such termination, the Undersigned shall refrain from using the Undersigned's Key or otherwise exercising any of the rights, powers or privileges of the Undersigned under this Agreement or otherwise available to the Undersigned in connection with the Multisigs except to the extent explicitly requested otherwise in writing by the BORG.
8. No Partnership or Implied Entities/Duties/Agency. This Agreement, the Bylaws, and the matters contemplated hereby and thereby do not form, establish, or imply, and nothing contained herein or therein shall be deemed to form, establish or imply a joint venture, partnership, association or other implied-at-law or implied-at-equity entity or arrangement between or involving the BORG, any of the BORG's Representative, the Undersigned, any of the Undersigned's Representatives, or the Community or any member thereof, or to create or imply any fiduciary duty or other duty not expressly set forth in this Agreement, other than the covenant of good faith and fair dealing under applicable contract law. None of the foregoing persons will be agent for any of the others or have any authority to make any contract, whether expressly or by implication, in the name of any the others, unless otherwise agreed in a separate written agreement between or among such persons. Each party hereto may have other business relationships and fee arrangements with other persons, notwithstanding that such persons may conduct similar businesses or activities as or be competitive with the other party.
9. Governing Law; Dispute Resolution. Articles 8.1 and 8.2 of the Bylaws shall apply to this Agreement, *mutatis mutandis*, to determine the governing law and dispute resolution of this Agreement, as if set forth herein.
10. Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the Parties. Nothing in this Agreement, express or implied, is intended to confer upon any Party other than the Parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.
11. Counterparts. This Agreement may be executed in any number of separate counterparts, each of which when executed and delivered shall be an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.
12. Amendment. Except as otherwise expressly provided in this Agreement, any term of this Agreement may be amended, supplemented, terminated or waived only with the written consent of the BORG and

the Undersigned; provided, however, that any amendment, supplement, termination or waiver relating to a matter that would otherwise require an amendment, supplementation, or waiver of the Bylaws shall not be permitted without obtaining the same consents thereto and approvals therefor that would be required for such an amendment, supplementation, or waiver of the Bylaws.

13. Severability. Any term or provision of this Agreement that is found invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If a final judgment of a court of competent jurisdiction declares that any term or provision hereof is invalid or unenforceable, the Parties hereto agree that the court making such determination shall have the power to limit such term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the Parties hereto agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term or provision.
14. Waiver; Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any Party under this Agreement, upon any breach or default of any other Party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting Party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any Party of any breach or default under this Agreement, or any waiver on the part of any Party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by applicable Legal Requirements or otherwise afforded to any Party, shall be cumulative and not alternative.
15. Parties in Interest. None of the provisions of this Agreement are intended to provide any rights or remedies to any employee, creditor or other person other than BORG, the Undersigned and their respective permitted successors and assigns (if any).
16. Entire Agreement. This Agreement constitutes the full and entire understanding and agreement between the Parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the Parties are expressly voided.
17. Further Assurances. Each Undersigned shall execute and cause to be delivered to BORG such instruments and other documents, and shall take such other actions, as BORG may reasonably request for the purpose of carrying out or evidencing any of the matters contemplated by this Agreement.
18. Rules of Construction.
  - 18.1. Gender; Etc. For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include the masculine and feminine genders.
  - 18.2. Ambiguities. The Parties hereto agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be applied in the construction or interpretation of this Agreement.

- 18.3. No Limitation.** As used in this Agreement, the words “include,” “including,” “such as” and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation.” The word “or” shall mean the non-exclusive “or”.
- 18.4. References.** Except as otherwise indicated, all references in this Agreement to “Sections,” “Schedules” and “Exhibits” are intended to refer to Sections of this Agreement and Schedules and Exhibits to this Agreement.
- 18.5. Hereof.** The terms “hereof,” “herein,” “hereunder,” “hereby” and “herewith” and words of similar import will, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement.
- 18.6. Captions.** The captions contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.
- 18.7. Person.** The term “person” refers to any natural born or legal person, entity, governmental body or incorporated or unincorporated association, partnership or joint venture.

[Signature page follows.]



IN WITNESS WHEREOF, the Parties have executed this Multisignature Participation Agreement as of the date first written above.

**LIDO ALLIANCE**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[\_\_\_\_\_]:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**MULTISIG PARTICIPATION AGREEMENT**

**Schedule 1**

**Compensation**

[ ]

**BYLAWS**

**Exhibit C**

**Lido Alliance Program Summary**

*[Continues on next page]*

## APPROVED PROPOSAL



Lido > Lido Alliance: An Ethereum-Aligned Ecosys...



Closed

# Lido Alliance: An Ethereum-Aligned Ecosystem

 Lido by zuzu\_eeka



## Summary

Lido Alliance is a framework for Lido DAO to offer support and endorsement for protocols with the same obsessive focus on smart contract and product security and a no-holds barred commitment to decentralizing Ethereum validation. It relies on yet-to-be-built governance process for Lido DAO to identify and recognize projects that share the same values and mission, and have a way to positively contribute to the stETH ecosystem.

The proposal asks for creation of a dedicated Alliance workgroup of Lido Contributors. The group's purpose is to assess potential new Alliance members, facilitate & guide them in the DAO's governance process, as well as help with navigating the potential alignment & product development possibilities. Onboarding and offboarding to the Lido Alliance is decided by the DAO via a snapshot vote.

## Wishlist

While the Alliance framework proposal is theoretically open to any new protocol, it's written with restaking in mind, and has two points to 'wishlist', as an open call to the community:

<https://snapshot.org/#/lido-snapshot.eth/proposal/0xd70197783e2a5ce8d32ab2021ee08c21d12fc3e7f7e942b8cdd6aa3f6edb029a>

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- Permissionless LRTs, i.e. services that curate AVSes but allow users to delegate ETH in a trustless and multisig-less way (similar to Yearn strategies or MetaMorpho vaults)
- Preconfirmation services and other AVS protocols that are Ethereum-aligned and can help make the network stronger

## Proposal actions

This proposal requests:

- Recognition of Lido Alliance as a group of Lido-aligned projects
- Approval of the initial wishlist
- Authorization from Lido DAO for Contributors to implement this proposal, including setting up a new DAO-adjacent legal entity that will setup any multisig wallets that might be necessary for its operation or to support the operational needs of the Alliance, as well as to sign service agreements with the Alliance Workgroup.

Approval of the proposal would authorize setting up an Alliance Workgroup and a new legal entity that will host it, along with the creation of a temporary Alliance Development Committee composed of current Lido contributors to lead reviews for Alliance applications until the Alliance Workgroup is set up.

The temporary Alliance Development Committee:

- @Steakhouse, Finance Workstream
- @Kadmil, DAO Operations Workstream

## Discussion

View less ↑



Lido Alliance: An Ethereum-Aligned Ecosystem

"Like romances, alliances are built on hopes and dreams—what might happen if..."

## CROSS-REFERENCED DISCUSSION PROPOSAL

8/3/24, 4:36 PM

Lido Alliance: An Ethereum-Aligned Ecosystem - Proposals - Lido Governance

# Lido Alliance: An Ethereum-Aligned Ecosystem

steakhouse Finance Workstream

May 13



"Like romances, alliances are built on hopes and dreams—what might happen if certain opportunities are pursued."—Rosabeth Moss Kanter (HBR, 1994)

## Outline

**Wishlist: Grow a permissionless, decentralized restaking ecosystem**

Growing an Ethereum-aligned ecosystem around stETH helps decentralize the network

How should Lido DAO help support the growth of the ecosystem around it?

Navigating the Lido Alliance

Lido Alliance Principles

Conflict resolution

Onboarding process

Proposal actions

Template for Lido Alliance Workgroup Review

## Wishlist: Grow a permissionless, decentralized restaking ecosystem

Hasu recently outlined some updated **strategic priorities** in light of, among other things, **Skip to main content** the restaking market. To answer part of his call, we propose the

<https://research.lido.fi/lido-alliance-an-ethereum-aligned-ecosystem/7475>

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below framework as a way of supporting the emergence of an ecosystem around stETH, while keeping the protocol the same.

While our Alliance framework proposal is theoretically open to any new protocol, we wrote it with restaking in mind, and have three points to our 'wishlist', as an open call to the community:

1. Permissionless LRTs, i.e. services that curate AVS' but allow users to delegate ETH in a trustless and multisig-less way (similar to yearn strategies or MetaMorpho vaults)
2. Pre-confirmation services and other AVS protocols that are Ethereum-aligned and can help make the network stronger.

Any of the above are invited to contact the Alliance Workgroup (details to come, should the proposal pass) to explore the Alliance and begin the governance process for endorsement. Of course, the framework is generalist and other protocols that share the same aim are equally invited to participate.

*nb.: As part of our 'not-wished-for' list are protocols, fund managers or entities that seek Alliance endorsement with the aim to 'manage' the Lido DAO treasury, or surplus. Ultimately, DAO token holders are free to vote as they see fit for such proposals, should they emerge from the below process. It is worth reiterating that DAO token holders have already approved minimalistic [Treasury Management Principles](#) to this effect, with the express purpose to remove or automate decision-making from the DAO treasury.*

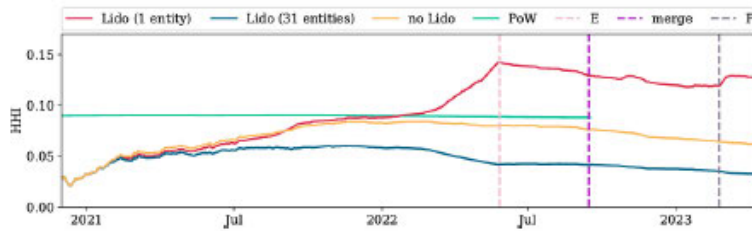
## Growing an Ethereum-aligned ecosystem around stETH helps decentralize the network

We think of Lido stETH as a triangle connecting node operators, stETH holders and LDO token holders through Lido stETH software. This software runs autonomously and is designed to align cryptoeconomic incentives to further the purpose of decentralizing Ethereum validation. stETH is a mission-driven software tool with a proven track-record of decentralizing the network of Ethereum validators through 1) permissionless software and 2) market forces (cf. HHI graph below, source: [Grandjean, Heimbach, Wattenhofer](#) ).

Growing the ecosystem around the above mentioned three participants is a powerful way of accelerating Ethereum decentralization. The more attractive it is to [use](#) stETH as collateral, the more the ecosystem grows. This makes it more appealing to participate as a node operator. In turn, and in particular with the possibility for solo-stakers to join through DVT or Community Staking, this increases the decentralization of Ethereum validation.

[Skip to main content](#)





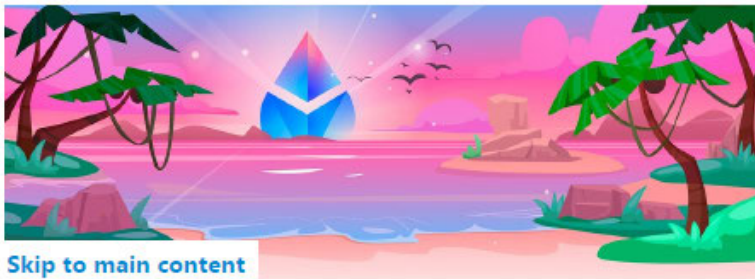
## How should Lido DAO help support the growth of the ecosystem around it?

Lido DAO has experimented with supporting new protocols in the past through Lido on X. However, the execution led to unstructured frameworks for incentivizing growth and partnerships with protocols where the alignment with Ethereum was unclear. As a consequence, DAO token holders have voted to pull back on virtually all of the Lido on X programs to focus on Ethereum.

**LEGO**, on the other hand, is an example of a tool that has worked extremely well at supporting the ecosystem growing around this triangle. In April 2022, Lido DAO token holders approved a 2m LDO grant to the Ethereum Protocol Guild to support the development of the Ethereum network. Many other grants have been deployed to support Lido protocol security, security audits for novel protocols looking to integrate wstETH into their own ecosystems and more. LEGO has, and should continue to have, a role in curating targeted ecosystem grants.

We would like to propose a new, systematic framework for the DAO to signal its support of Ethereum-aligned and security-obsessed protocols and teams. The intent is not to disburse grants, as with LEGO, but to provide an umbrella framework for endorsement and partnership instead. It is designed to remain decentralized and guided by LDO token holders.

## Navigating the Lido Alliance



[Skip to main content](#)



Lido Alliance is a framework for Lido DAO to offer support and endorsement for protocols with the same obsessive focus on security and a no-holds barred commitment to decentralizing Ethereum validation. It is a governance process for Lido DAO to identify and recognize projects that share the same values and mission, and have a way to positively contribute to the stETH ecosystem.

The proposal asks for creation of a dedicated Alliance workgroup of Lido Contributors. The group's purpose is to assess potential new Alliance members, facilitate & guide them in the DAO's governance process, as well as help with navigating the potential alignment & product development possibilities. For any Alliance application, the workgroup would be expected to weigh in with assessment results as a note for tokenholders and the wider community. The other two workgroup objectives are

1. Be the first point of contact for Alliance members on an ongoing basis
2. Signal the community and propose offboarding Alliance members in case of misbehavior in regards to stETH or Ethereum alignment

LDO token holders will always be consulted and have a say in the matter by way of a vote whenever there is a major event impacting the operation of the Alliance like any decision to onboard, offboard, or make any changes to the partnership. Such votes would ensure the Alliance Workgroup stays on track in terms of mission and vision alignment and make sure the Allied Partners' values align closely with the values and ethos of Lido DAO.

While being an ongoing effort, one can expect the Alliance workgroup to facilitate onboarding batches aligned with regular voting cadence. The actual timing is left to the workgroup's discretion. Token holders can expect evaluation and recommendation based on prospective Partner's values alignment, focus and commitment to security and unique and promising ways the partnership can benefit the stETH ecosystem.

Closer affiliation with Lido DAO and the participants in the stETH Triangle can help spread awareness both for stETH and for Allied Partners and their unique technological solutions, which in turn furthers the decentralization of Ethereum.

As part of a proposal and where relevant, Partners have the option to offer a token airdrop to the Alliance. Those tokens would be committed to the Alliance in perpetuity. Any action towards airdropped tokens would have to be vetted by both Alliance Workgroup and the Lido DAO.

## Lido Alliance Principles

▲ Partners should:  
[Skip to main content](#)

- **Share philosophy alignment:** Align with Lido DAO's vibes, centered around the purpose of preserving Ethereum's decentralization, accessibility and resistance to censorship.
  - **Focus on integrations:** Tailor product integrations for the Lido protocol to enhance the project's value proposition, expand market reach and foster synergistic growth opportunities.
  - **Have an Obsessive Security Culture:** Uncompromising, relentless approach to security for users
- Partners should not:
  - **Misrepresent the Alliance:** Partners must avoid misleading references to participation in the Lido Alliance
  - **Front run the DAO:** The prospect of a partnership or collaboration should not be used for business development or marketing
  - **Take security shortcuts:** No
  - **Stealth Allocate:** Attempt to use the Alliance endorsement process to 'allocate' part of Lido DAO's treasury in contravention of the **Treasury Management Principles** or its rules
- Partner protocols should be, where relevant:
  - **Ethereum-aligned**
  - **Thoroughly vetted from a security perspective**
  - **Open-source, with open-license smart contracts**

## Conflict resolution

In case of disagreement in relation to a specific partner, LDO token holders would always be able to vote for discontinuation of the partnership with a specific Partner. In this case, the partnership would be considered dissolved and Lido DAO's endorsement would be immediately revoked.

If Partners are dissatisfied with the level of support dedicated to them on behalf of the Alliance Workgroup, they may, through their own governance processes, vote to dissolve the partnership and disavow Lido DAO endorsement.

## Onboarding process

1. The prospective group reaches out to the Alliance workgroup
2. Alliance Workgroup looks to determine what the "Alliancing grounds" are:
  - if the values of the prospective team match with Lido DAO's
  - if the product aligns & contributes towards the growth of the stETH ecosystem

[Skip to main content](#) held a high bar of security practice and diligence



3. Alliance workgroup and the prospective group fleshes out what the partnership particulars could look like before sharing with the DAO
4. With the Alliance Workgroup's facilitation, the external group prepares the proposal for the DAO to onboard the project into Alliance
5. Alliance Workgroup shares their perspective and feedback on the proposal, providing the details & context to the Lido DAO community
6. The DAO decides by vote whether to onboard the prospective team to Alliance
7. Endorsement is regularly reviewed by the Alliance Workgroup and material changes to the recommendations could be issued in turn

## Proposal actions

This proposal requests:

- Recognition of Lido Alliance as a group of Lido-aligned projects
- Authorization from Lido DAO for Contributors to enact this proposal
- Approval of the initial wishlist

This proposal also authorizes the creation of a temporary Alliance Development Committee composed of current Lido contributors, that will lead reviews for candidate protocols until the Alliance Workgroup has been appointed.

The proposal is aimed to be self-executing so that if the DAO approves it with a vote, it would not be necessary to run a subsequent vote once any real-world legal entities are in existence and ready to operate, whereas the temporary Alliance Development Committee will socialize the particulars through the research forum.

The proposal pursues idealistic non-profit goals about alignment on vision and mission and any admission of a Partner into the Alliance should not be seen as any form or shape of financial advice, nor shall it affect in any way any monetary perception about any involved tokens.

## Disclaimers

*Steakhouse has served Lido DAO as the finance workgroup since September 2022.*

## Illustrative template for Lido Alliance Workgroup Review

### Key Terms

[Skip to main content](#)

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Ethereum-alignment and commitment to decentralize validation

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Use-cases for stETH adoption and integration

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Opportunities for node operators

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## Executive Summary

Dimension	Conclusion	Comment
Security Evaluation		
Ethereum Decentralization		
stETH Adoption		
Benefits to Node Operators		
Integration Complexity		

## Recommendation: Accept / Reject

Edit:

Modified wishlist as per below

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[Lido Alliance: Category](#)

[Alliance Review and Security Checklist](#)

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May 13

Thanks for the proposal [@steakhouse](#), this is a crucial moment in the (Ethereum) staking ecosystem and it's been rather refreshing to see the thoughtfulness behind every decision from all Lido contributors in the past few months (dual governance, onchain delegation, (re)GOOSE, SDVT & CSM, etc.).

This is a new chapter for all staking & Lido enthusiasts—ecosystem alignment is what makes projects thrive. Ethereum itself is a great example, and MakerDAO's subDAO structure is one I'm looking forward to as well.

Couldn't be excited about this clear path for an extended (and aligned) Lido ecosystem.

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[amadeobrianas](#)

May 13