

Adopt the Guiding Principles, Terms of Service, and Code of Conduct

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Thesis

The name of the DAO is **Movement DAO** or (“Move”, or “mDAO”, “DAO”), which was formed as a Delaware Unincorporated Nonprofit Association.

Adopt the DAO’s Guiding Principles, Terms of Service, and Code of Conduct, attached hereto as Exhibits B, C, and D. Appoint **Benjamin Reed (benreed.eth)** to act as the DAO’s Secretary, **Authorized Member**, and to file the necessary federal application for the DAO IRS EIN Number Application, as well as to research and prepare the required documents for the DAO affiliate entities, including DAOLABS, in order to comply with applicable law.

- Guiding Principles: Establish the DAO as an Unincorporated Nonprofit Association pursuant to the Delaware Unincorporated Nonprofit Association Act.
- Terms of Service: An agreement between the DAO and parties who use the DAO’s services or resources.
- Code of Conduct: Defines community Member standards and community enforcement guidelines.

Motivation

The DAO seeks clarity with regards to legal structure and the relationship between its Members and non-Members alike. These agreements contribute to a healthy, transparent and well functioning organization while addressing the lack of clear legal guidance regarding “DAOs”.

The Community Conduct Guidelines establish expectations for all Members’ conduct. The Terms of Service establishes the agreement between the DAO and users of the DAO’s decentralized application.

The appointment of an **Authorized Member** will enable the DAO to properly structure the product entities, non-profit entities, and account for each cost center properly. In an overall effort to move to transparent operations managing payouts from the appropriate legal entity, including the management of cryptocurrency on-ramp and off-ramp solutions, and the protection and management of intellectual property concerns via DAO affiliates such as DAOLABS. Prepare future proposal mip-0003 in which to seek budget and funding to deploy the DAO affiliates. The Service Providers will prepare these affiliate entities, governance, and develop processes for ongoing governance, of while some portion of the above budget will be used for reimbursements of expenses, legal fees, and other costs.

Specification

Ratify and adopt the DAO's Guiding Principles, Terms of Service, and Code of Conduct.

Update the DAO's Discord server, docs, and other relevant resources to reflect these changes.

Rationale

Ratifying the Guiding Principles establishes an Unincorporated Nonprofit Association, which, in turn, will:

- recognize the DAO's legal standing as an entity;
- allow the DAO to hold accounts, property, and enter into agreements;
- clarify Membership processes, e.g. define duties owed to each other;
- adopt the Unincorporated Nonprofit Association model act language, where appropriate;
- establish and adopt unique and specific terms with regards to the DAO's structure, operations, and ownership of property;
- adopt the role of the Service Provider and the activities authorized; and
- remove ambiguity generally, i.e. regarding its intellectual property.

The Terms of Service will clarify the DAO's:

- requirement for parties interacting with the DAO's application and resources to take full responsibility;
- unambiguous position on the DAO's adherence to state and federal statutes;
- risks associated with reliance and deference to the technology employed in the DAO's operation;
- conditions of use, demand for compliance with all applicable laws and regulations (including U.S. Securities law, Office of Foreign Assets Control compliance, etc.);
- explicit prohibited activities (including activities which are illegal or harmful to the DAO or its Members);
- limitations in liability, and disclaimers by the DAO;
- requirement for indemnification by the user under certain circumstances;
- requirement for the user to promise not to sue the DAO, or its Members;
- language regarding arbitration, and processes for dispute resolution;
- process on computation of damages, attorney fee's, and notice via Blockscan;
- privacy policy, including a verbose general warning on blockchain usage;
- risks associated with DAO's online resources; and
- users' legal, financial, and ethical responsibilities when using the DAO's resources.

The Code of Conduct will state the DAO's position with regards to:

- requirements for Members to unequivocally be honest;

- community standards emphasizing honesty, inclusion, and respect; and
- enforcement guidelines for Members who violate these standards.

The DAO's Unincorporated nonprofit association requires an authorized Secretary and Member to file the necessary federal application for the DAO's IRS EIN Number Application.

Risks

- By forming an Unincorporated Nonprofit Association, the DAO may incur taxes.
- These documents may not adequately address DAO's legal concerns.
- These documents are long and may be difficult to read.

Timeline

These documents should be implemented once this proposal is ratified, only to be removed when superseded or amended by another proposal seeking to do the same.

Snapshot Consensus by the DAO Members

Whereas the DAO through its Members voted to adopt the following actions via Snapshot and resolved as follows:

RESOLVED: That the **Guiding Principles** are hereby adopted as the Guiding Principles;

RESOLVED FURTHER: that the **Code of Conduct** is hereby adopted as the Code of Conduct;

RESOLVED FURTHER: that the **Terms of Service** is hereby adopted as the Terms of Service;

RESOLVED FURTHER: that Member **benreed.eth** shall serve as the **DAO's Authorized Member** and its **Secretary**, to serve until his respective successor is duly elected and qualified.

RESOLVED FURTHER: that Member **tankbottoms.eth** shall serve as an **Authorized Member** to serve until his respective successor is duly elected and qualified.

The Authorized Member, **benreed.eth**, **tankbottoms.eth** and the Service Provider are hereafter referred to together as the **Service Providers**.

RESOLVED FURTHER: that the Certificate of Adoption of the DAO Organizational Documents, labelled Exhibit A, by **benreed.eth**, the DAO's Secretary, and submitted to Snapshot Consensus is hereby approved.

RESOLVED FURTHER: that, in accordance with the powers of the Members specified in the Guiding Principals, the Service Providers of the DAO are authorized to execute and deliver any agreement in the name of the DAO and to otherwise obligate the DAO with respect to the purpose of the DAO, within general guidelines and budgets approved by the Members; however, the Members, or the Service Providers, may adopt from time to time specific limitations on the authority of such an **Authorized Member**.

RESOLVED FURTHER: That the **Authorized Member** of the DAO in consultation with the Service Providers are authorized and directed to execute, verify and file all documents, and to take whatever actions, that are necessary or advisable to comply with all state and federal laws.

RESOLVED FURTHER: That the Service Providers are authorized to apply for a federal employer identification number on Form SS-4 for any contemplated DAO affiliate entities.

RESOLVED FURTHER: That the Service Providers are authorized to direct the responsible attorneys, paralegals and, or assistants or consultants of dao-lawfirm.eth, or counsel for the DAO, to submit on behalf of the DAO, and any affiliate entities, an online application for a federal employer identification number on Form SS-4.

RESOLVED FURTHER: That the **Service Providers** of the DAO are each authorized and empowered to take any and all such further action, to execute and deliver any and all such further agreements, instruments, documents and certificates and to pay such expenses, in the name and on behalf of the DAO, as any of each of the **Service Providers** may deem necessary or advisable to effectuate the purposes and intent of the resolutions hereby adopted, the taking of such actions, the execution and delivery of such agreements, instruments, documents and certificates and the payment of such expenses by any such **Service Providers** to be conclusive evidence of his or her authorization hereunder and the approval thereof.

RESOLVED FURTHER: That any and all actions taken by the **Service Providers** of the DAO to carry out the purposes and intent of the foregoing resolutions prior to their adoption are approved, ratified and confirmed. As used in this document, the words “herein,” “hereof,” “hereby” and “hereunder” shall refer to this document as a whole, and not to any particular section, provision, or subdivision of this document.

This action by the DAO Member by Snapshot vote shall be effective as of the date the DAO Entities receives the consent of the DAO at the end of the Snapshot vote. This action by the DAO Members consent may be executed in any number of counterparts, each of which shall constitute an original and all of which together shall constitute one action.

Authors

1. 0x30670D81E487c80b9EDc54370e6EaF943B6EAB39
2. 0x5d95baEBB8412AD827287240A5c281E3bB30d27E