

Reimburse Authorized Members for Floating Expenses

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1. Thesis.

This proposal aims to address the current financial predicament faced by the DAO. Due to a temporary restraining order that has been imposed on the DAO's treasury which has effectively frozen the DAO's treasury assets (stemming from Case No. 23-cv-20727 which was discussed in the "Emergency Proposal to Consolidate Crypto Pursuant to Court Order"), the Authorized Members **tankbottoms.eth** and **benreed.eth** have had to personally cover all expenses incurred by the DAO since November of 2022. This proposal seeks to reimburse the Authorized Members for their financial contributions, in order to ensure fairness and sustainability within our DAO.

2. Motivation.

- a. **Upholding Fairness.** The Authorized Members have shown dedication and commitment to the DAO by selflessly floating all expenses during this challenging period, as they have been addressing and actively participating in the ongoing litigation while continuing development of the Dapp. Reimbursing them for their financial contributions ensures fairness, acknowledges their efforts, and prevents an undue burden on them.
- b. **Encouraging Continued Participation.** By reimbursing the Authorized Members, the DAO demonstrates its appreciation for their contributions, which fosters a positive and inclusive environment within the DAO. This encouragement will inspire continued engagement and motivate other Members to actively participate in the DAO's activities, promoting its overall growth and success.

3. Specification.

- a. **Reimbursement Methodology.** The reimbursement process will involve calculating the total amount contributed by each Authorized Member towards the DAO's expenses during the period that the treasury assets have been frozen. These contributions will be documented and verified through transparent and auditable means, such as transaction records or receipts.

- b. **Reimbursement Amount.** The reimbursement amount will be equal to the total expenses incurred by the Authorized Members, ensuring they are fully compensated for their financial support. The reimbursement will include all reasonable and necessary expenses directly related to the DAO's operations.
- c. **Timelines.** The reimbursement process will begin promptly once the DAO's treasury is unfrozen. The Authorized Members will be requested to submit their documented expenses within a specified time frame to ensure a smooth and efficient reimbursement process. The DAO's oversight committee will review and validate the submitted expenses before processing the reimbursements.

4. Rationale.

- a. **Fairness and Equity.** By reimbursing the Authorized Members, the principle of fairness is maintained within the DAO. It ensures that the Authorized Members who have selflessly floated expenses are not disproportionately burdened and that the financial responsibilities of the DAO are always the DAO's responsibility in the end.
- b. **Retaining Trust and Engagement.** Reimbursing the Authorized Members demonstrates the DAO's commitment to the well-being of the community, and those who operate the DAO on a day-to-day basis. It helps foster trust and confidence in the DAO's leadership, ensuring that the Authorized Members feel valued and appreciated. This, in turn, encourages their continued participation and dedication to the DAO's goals and objectives.

5. Risks.

- a. **Legal Considerations.** Before implementing the reimbursement process, a thorough assessment of the legal implications should be conducted to ensure compliance with any relevant regulations or court orders. Legal consultation may be necessary to mitigate any potential risks associated with the reimbursement.
- b. **Financial Impact.** Reimbursing the Authorized Members will have a direct financial impact on the DAO. A comprehensive analysis of the DAO's financial standing should be conducted to ensure that sufficient funds are available to cover the reimbursement amounts without jeopardizing the organization's long-term sustainability.
- c. **Transparency and Auditability.** To mitigate the risk of potential fraud or misuse, it is crucial to establish a transparent and auditable process for documenting and validating the expenses incurred by the Authorized Members. Regular audits should be conducted to ensure adherence to the reimbursement guidelines and maintain the integrity of the reimbursement process.

- d. **Community Perception.** Introducing a reimbursement proposal may create differing opinions and perceptions within the community. Transparent communication and engagement with Members will be essential to address concerns, clarify the rationale behind the reimbursement, and maintain a sense of unity and inclusiveness.
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Snapshot Consensus by the DAO Members

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

RESOLVED: That the Authorized Members will be reimbursed for their floating of DAO expenses while the treasury has been frozen. The reimbursement process must follow the specifications stated above;

RESOLVED FURTHER: That the Authorized Members convened and are hereby jointly and severally authorized to take any and all actions, along with executing or signing any cryptocurrency transactions, and executing and delivering any other documents, agreements, instruments, and/or certificates as he or she may deem necessary, advisable, or incidental, in connection with the preceding resolution, and other resolutions herein, or any related documents. This also includes authorization to perform or resolve the obligations of the DAO, and/or its affiliates.

This ratification by the DAO Members by Snapshot vote shall be effective as of the date the DAO Entities receives a majority vote of the DAO at the end of the Snapshot vote.

This action by the Authorized Members may be executed in any number of counterparts, each of which shall constitute an original and all of which together shall constitute one action.