## Ricardian Fabric DAO Terms

By accepting this contract, you agree to participate in the Ricardian Fabric DAO.

Anyone can join the DAO after purchasing RIC tokens, however some features require signing this contract.

The DAO members are divided into 3 categories.

* Holders
* Stakers
* Contributors

The DAO is moderated by the Deployer who possesses extra privileges and uses his elevated voting powers to maintain the DAO.  
  
**Holder Privileges:**

* While locking up RIC in the Vault, holder can withdraw rewards collected by Smart Contracts submitted by contributors in Harmony ONE or ERC20 tokens, that were accepted by the DAO.
* Holders fully own RIC as there is not access-control on the token. They may liquidate it on the market in any ways they wish.
* There is no need for them to accept these terms.

**Staker Privileges:**

* Stakers are members of the DAO who must accept these terms. They are internal part of the DAO.
* They may receive Arweave Rewards each time a transaction is uploaded to the Permaweb. Their Arweave address is saved in one of the DAO Smart Contracts.
* They are eligible to apply for RANK, they may submit a Proposal,when the Proposal is accepted it will elevate their privileges to Contributor.

**Contributor Privileges:**

* A user is elevated to contributor privileges once his RANK proposal is accepted.
* A contributors RANK must be between 1 -3. Rank is the vote weight in the DAO.
* A contributor has the rights to add new content to the Smart Contract Catalogue by creating Smart Contract proposals.
* Accepted Smart Contracts proposals will appear in the Catalogue and the contributor will receive RIC token rewards in exchange for the contributions.
* A Contributor must also perform code reviews for proposals and vote.
* After 5 successful contributions, the RANK of the Contributor is increased to 2.
* After 20 successful contributions the RANK of the Contributor is increased to 3.
* The Contributor can withdraw RIC rewards depending on if the proposed smart contracts have front end or fees.
* A Contributor can propose to remove smart contracts and report malicious contracts that have passed through the review by accident.
* A Contributor may propose new ERC20 tokens used for rewards, if they are currently holding at least 10000 RIC.

**Proposal review:**

When a DAO member reviews a submitted Rank proposal, the following criteria needs to be met for it to be accepted:

* The url of the proposal must be valid.
* The reviewer must be able to comment on the discussion and use it as a communication channel.
* The proposer needs to link to a code that will showcase his abilities
* A proposal must have 10 approval points to pass.

**Smart contract proposal evaluation criteria:**

* The proposal must point to a valid link to the code and to a commit, so the reviewer can build the project and get the same artifact as submitted in the proposal.
* The form when submitting the proposal must be accurately filled out.
* If the proposal has a front end, it must be hosted on Ipfs or Arweave
* If the proposal has fees, it must use a fee that was accepted by the DAO via voting.
* The contract can only transfer fees to the DAO and the fee must be at least 2%.
* If a contributor tries to redeploy a previously removed contract, it must be an update.
* The DAO doesn’t give rewards for duplicate uploads and smart contracts that already exist will not be accepted.
* The contributor must be available for discussion at the link proposed during the RANK proposal.
* The smart contract must be deploy-able per use-case by a user.
* Constructor argument names must be descriptive and self explanatory for users.
* The description and the code link must contain enough information for developers or future users to understand how the contract works.
* Users submitting malicious proposals will be penalized.
* A proposal must have 10 approval points to pass.

**Smart Contract Removals:**

A contract in the catalogue can be removed by it’s creator without any penalty.

A contributor can report an accepted proposal if he finds it malicious.

* The creator of the proposal must have a valid discussion link.
* There must be a reason for removal.
* There must be proof if the contract is malicious.

**Fee token proposals:**  
The fees used by the smart contracts are determined by the FeeDao.

In order to create a successful proposal, it has to pass the following conditions.

* The Fee proposal must have a valid discussion link.
* The address of the contract must be valid
* The smart contract must be available for inspection and linked in the discussion.
* It must be deployed on the Harmony blockchain.

**The creator's privileges:**

The deployer of Ricardian Fabric has a couple of special privileges that allows him to help bootstrap the DAO.

* His RANK is 10, which allows him to pass proposals alone.
* He can change the terms
* He can set the ballot length and other variables after deployment.
* In case of abuse, in the worst case scenario, he can penalize a DAO member manually.
* The deployer controls 32% of the RIC token supply after token sale. These tokens tokens are locked in the vault for months and unlock slowly over time. The unlocked tokens will be burned, given as grants for aspiring contributors, added to the contributor rewards or used for sponsoring future development of the DAO in other ways.

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