ASSOCIATION AGREEMENT

GYBERNATY DUNA

(Decentralized Unincorporated Nonprofit Association)

Effective Date: [TO BE DETERMINED]
Jurisdiction: State of Wyoming, United States
Governing Law: Wyoming Statute § 17-22 (Decentralized Unincorporated Nonprofit Association Act)

TABLE OF CONTENTS

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1. FORMATION AND NAME

1.1 Formation

This Decentralized Unincorporated Nonprofit Association ("**Association**" or "**DUNA**") is formed under the laws of the State of Wyoming pursuant to Wyoming Statute § 17-22, effective as of the date of filing of the Articles of Organization with the Wyoming Secretary of State.

1.2 Name

The name of the Association is:

"GYBERNATY DAO"

1.3 Principal Office

The principal office of the Association shall be located in the State of Wyoming at the address designated in the Articles of Organization, or at such other location as may be determined by on-chain governance vote.

1.4 Registered Agent

The Association shall maintain a registered agent in the State of Wyoming as required by law. The registered agent shall be appointed and may be changed by on-chain governance vote.

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2. PURPOSE AND MISSION

2.1 Nonprofit Purpose

The Association is organized exclusively for nonprofit purposes. The specific federal tax-exempt status (e.g., Section 501(c)(4) of the Internal Revenue Code) shall be determined in consultation with tax counsel prior to filing the applicable IRS forms (Form 1024 for 501(c)(4) status). Alternatively, the Association may elect to operate as a taxable nonprofit association

filing Form 990 without seeking specific tax-exempt status, as determined by governance vote.

2.2 Specific Mission

The mission of Gybernaty DUNA is to advance scientific research, technological innovation, and community development in the fields of:

- **Decentralized Technologies**: Blockchain, distributed ledger technology, Web3 infrastructure
- **Artificial Intelligence**: Multi-agent systems, swarm intelligence, machine learning, AI safety
- **Cryptography and Privacy**: Zero-knowledge proofs, trusted execution environments, privacy-preserving computation
- **Distributed Systems**: Peer-to-peer networks, decentralized data storage, consensus mechanisms
- **Cyber-Social Architectures**: Decentralized autonomous organizations, on-chain governance, tokenized communities

2.3 Community Identity

The Association represents and supports the **Gybernaty Community** — a decentralized cyber-social corporation of researchers, developers, and innovators united by the principles of:

1. **Science** — Advancing the frontier of human knowledge through rigorous research
2. **Technology** — Building practical, production-ready solutions on cutting-edge platforms
3. **Innovation** — Creating revolutionary products that address real-world problems
4. **Community** — Fostering a "Rocket-Science" ecosystem of world-class talent

2.4 Areas of Expertise and Technology Domains

The Association supports the development and operation of an interconnected ecosystem of open-source and commercial projects across the following domains of computer science and emerging technologies:

Artificial Intelligence and Machine Learning: - Multi-agent systems and swarm intelligence architectures - Autonomous agent coordination and emergent behavior - Large language

model (LLM) integration and fine-tuning - Reinforcement learning and adaptive algorithms - Computer vision and natural language processing - AI safety, alignment, and explainability - Generative AI applications and creative automation

Blockchain and Distributed Ledger Technologies: - Layer 1 and Layer 2 blockchain protocols - Smart contract development and security - Decentralized finance (DeFi) protocols and primitives - Privacy-preserving computation (zero-knowledge proofs, secure multi-party computation) - Trusted execution environments (TEE) and confidential computing - Cross-chain interoperability and bridges - Tokenomics design and mechanism design - On-chain governance systems and DAO infrastructure

Decentralized Systems and Protocols: - Peer-to-peer (P2P) networking and communication protocols - Distributed storage systems (IPFS, Arweave, etc.) - Content-addressed data structures - Consensus mechanisms (PoW, PoS, BFT variants) - Byzantine fault tolerance and network resilience - Decentralized identity (DID) and self-sovereign identity (SSI)

Cryptography and Security: - Public key cryptography and digital signatures - Zero-knowledge proofs (zk-SNARKs, zk-STARKs, Bulletproofs) - Homomorphic encryption - Threshold cryptography and multi-party computation (MPC) - Post-quantum cryptography - Cryptographic protocol design and formal verification - Security auditing and vulnerability analysis

Software Engineering and System Architecture: - Microservices architecture and distributed systems design - Cloud-native development (Kubernetes, Docker, serverless) - High-performance computing and optimization - API design and integration (REST, GraphQL, gRPC, WebSockets) - Database systems (SQL, NoSQL, graph databases, time-series databases) - Event-driven architectures and message queuing - Real-time systems and low-latency optimization

Web3 and Decentralized Applications: - Decentralized application (dApp) development - Wallet infrastructure and key management - Decentralized exchanges (DEX) and automated market makers (AMM) - NFT standards and marketplaces - Decentralized social networks and communication platforms - Web3 authentication and authorization - Blockchain explorers and analytics platforms

Data Science and Analytics: - Graph databases and graph neural networks - Time-series analysis and forecasting - Network analysis and social graph modeling - On-chain analytics

and blockchain intelligence - Data visualization and interactive dashboards - Machine learning operations (MLOps) and model deployment

Emerging and Experimental Technologies: The Gybernaty Community maintains a forward-looking approach to technology and actively explores: - Quantum computing applications - Brain-computer interfaces and neurotechnology - Augmented and virtual reality (AR/VR) in decentralized contexts - Internet of Things (IoT) and edge computing - Bioinformatics and computational biology - Any novel domain at the intersection of computer science, cryptography, and decentralized systems

Interdisciplinary Research: The Association encourages research that bridges multiple domains, such as: - AI-driven smart contract security analysis - Decentralized AI model training and inference - Cryptoeconomic incentive design - Privacy-preserving machine learning (federated learning, differential privacy) - Cyber-social architectures and tokenized communities - Algorithmic game theory and mechanism design

Open Source and Commercial Development: Projects developed under the Association's umbrella may be: - **Open-source**: Released under permissive licenses (MIT, Apache 2.0) or copyleft licenses (GPL) for public benefit - **Commercial**: Developed for revenue generation (with profits reinvested in the Association's mission) - **Hybrid**: Open core with commercial extensions or services

Innovation Philosophy: The Association does not limit itself to predefined project categories. The community is empowered to explore any cutting-edge, progressive, or experimental area of computer science and technology that aligns with the Association's mission of advancing scientific knowledge and building practical solutions for real-world problems.

Current Portfolio: While the Association does not enumerate specific projects in this Agreement (as projects evolve and new ones emerge), the community maintains a public registry of active initiatives on the Association's website and governance forum.

2.5 Research and Development

The Association shall conduct and fund research in:

- **Swarm Intelligence**: Peer-to-peer coordination, emergent behavior, digital pheromones, adaptive learning
- **Privacy-Preserving Technologies**: DAML access control, TEE integration, zero-knowledge proofs

- **Hybrid Decentralized Data Management**: Blockchain + IPFS architectures, cryptographic protection, monetization via smart contracts
- **Cyber-Social Corporation Design**: On-chain governance models, tokenized incentive structures, community-led growth

2.6 Prohibited Activities

The Association shall not:

- Engage in activities that do not further its nonprofit purposes
- Distribute profits or assets to members, governors, or officers (except as reasonable compensation for services)
- Carry on propaganda or otherwise attempt to influence legislation (except as permitted by law)
- Participate in or intervene in any political campaign on behalf of any candidate for public office

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3. MEMBERSHIP AND GOVERNANCE TOKEN

3.1 Membership Qualification

Membership in the Association is open to all holders of the **GBR Governance Token** (as defined below). There are no other qualifications, dues, or fees required for membership.

3.2 GBR Governance Token

Token Name: GBR
Standard: BEP-20 (Binance Smart Chain)
Contract Address: `0xa970cae9fa1d7cca913b7c19df45bf33d55384a9`
Blockchain: BNB Smart Chain (BSC)

The GBR token serves as the exclusive mechanism for governance participation. Each token represents one unit of voting power in on-chain governance.

Fixed Supply Guarantee: The total supply of GBR tokens is permanently fixed at the amount minted at token creation. The GBR token smart contract does **not** contain a `mint()`

function and **no new GBR tokens can ever be created**. This is an immutable property of the token contract and cannot be changed by governance vote, smart contract upgrade, or any other mechanism. The only direction of supply change is deflationary (via buyback & burn as described in Section 9.5). Any proposal to deploy a new token with minting capability would require dissolution of the current governance structure and is explicitly prohibited under this Agreement.

3.3 Token Distribution

The total supply of GBR tokens is distributed as follows:

- **Governance Pool (≥80%)**: Distributed among members of the Gybernaty Community across multiple wallets (approximately 10-50 wallets) for on-chain voting purposes. This ensures decentralization while maintaining operational efficiency.
- **Trading Float (≤20%)**: Available for liquidity provision on decentralized exchanges (PancakeSwap) to establish market price discovery and enable community participation.

3.4 Rights of Token Holders

Holders of GBR tokens have the following rights:

- **Voting Rights**: Participate in all on-chain governance votes proportional to token holdings
- **Proposal Rights**: Submit governance proposals if holding the minimum threshold (as defined in Section 5.7)
- **Treasury Oversight**: Monitor and approve all treasury operations
- **Information Rights**: Access to all on-chain transaction data and governance records

3.5 No Profit Distribution

GBR tokens do **not** entitle holders to:

- Dividends or profit distributions
- Ownership of Association assets
- Guarantees of token value appreciation

The Association explicitly disclaims any profit-sharing or security-like characteristics of the GBR token. The token is a **utility token** used solely for governance purposes.

3.6 Transferability

GBR tokens are freely transferable on decentralized exchanges and between wallets, subject to applicable laws and regulations. The Association does not impose lock-up periods or transfer restrictions, except as may be required by law.

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4. GOVERNANCE STRUCTURE

4.1 On-Chain Governance as Supreme Authority

The Association is governed **exclusively** by on-chain votes of GBR token holders through smart contracts deployed on BNB Smart Chain. All governance decisions are executed automatically via code, without discretionary intervention by any individual or entity.

4.2 No Traditional Board of Directors

The Association does **not** have a traditional board of directors, officers, or managing members with discretionary authority over Association affairs. All decisions are made by token holder vote.

4.3 Organizer

The **Organizer** is a nominal party responsible solely for filing the Articles of Organization with the Wyoming Secretary of State. After formation, the Organizer has no authority, rights, or obligations with respect to the Association.

4.4 Administrator (Ministerial Agent)

The **Administrator** (also referred to as the "Ministerial Agent" or "Director") is an external service provider engaged by the Association to perform ministerial and administrative functions as directed by on-chain governance. The Administrator has **zero discretionary authority**.

Responsibilities: - Open and maintain fiat bank accounts in the name of the Association - Execute fiat payments approved by on-chain vote (legal fees, tax payments, service providers) - File tax returns (Form 8832, Form 990-N or 990, Form 1099 for grant recipients) - Conduct KYC/AML compliance for fiat recipients as required by law - Receive official government notices and legal service of process - Maintain corporate records and bookkeeping - Report to token holders on all actions taken

Limitations: - May **not** initiate any expenditure without prior on-chain approval - Has **no access** to crypto treasury (keys held by smart contracts) - May **not** block or delay execution of approved governance decisions - Subject to immediate termination and replacement by governance vote

The Administrator shall be compensated at a rate approved by on-chain governance vote and shall enter into a written **Ministerial Agent Agreement** defining duties, limitations, and penalties for non-compliance.

4.5 Emergency Multisig (Optional)

The Association may, by governance vote, establish an emergency multisig wallet for:

- Pausing smart contracts in case of critical security vulnerabilities
- Executing time-sensitive operations when on-chain voting is impractical due to imminent threat

Restrictions: - Multisig signers appointed by governance vote - Limited authority defined in smart contract code - Subject to on-chain veto within [24-48 hours] of action - All actions logged on-chain and reported to community

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5. ON-CHAIN GOVERNANCE MECHANISM

5.1 Governor Smart Contract

All governance is conducted through the **Governor Contract**, an OpenZeppelin-based smart contract deployed on BNB Smart Chain, implementing the Governor Bravo / OpenZeppelin Governor standard.

Contract Address: [TO BE DEPLOYED]

5.2 Timelock Contract

All approved proposals are queued in a **Timelock Contract** for a mandatory delay period before execution. This provides the community with time to review and, if necessary, veto malicious or erroneous proposals.

Contract Address: [TO BE DEPLOYED]
Timelock Delay: [24-48 hours] (to be determined by initial governance vote)

5.3 Voting Process

Step 1: Proposal Submission - Any token holder meeting the **Proposal Threshold** may submit a governance proposal - Proposal must include: (1) Description, (2) Executable code (if on-chain action), (3) Voting period

Step 2: Voting Delay - After submission, there is a **Voting Delay** period (e.g., 1-2 days) before voting begins - Allows community time to review and discuss proposal

Step 3: Voting Period - Token holders cast votes: **For**, **Against**, or **Abstain** - Voting power is proportional to GBR tokens held at the start of the proposal (snapshot block) - Votes are cast by calling `castVote()` function on Governor contract (cost ~$0.01-0.03 per vote on BSC)

Step 4: Quorum and Approval - Proposal passes if: - **Quorum** met (minimum % of tokens voted) - **Majority** of votes are **For** - Proposal fails if quorum not met or majority votes **Against**

Step 5: Timelock Queue - Approved proposals are automatically queued in Timelock contract - Community has [24-48 hours] to review before execution

Step 6: Execution - After Timelock delay, proposal is executed automatically on-chain - If proposal involves fiat operations, Administrator receives on-chain instruction and must execute within [7 days]

5.4 Governance Parameters (Initial Values)

Parameter	Value	Modifiable by Governance
Voting Delay	1-2 days	Yes
Voting Period	3-7 days	Yes
Quorum	10-20% of total supply	Yes
Proposal Threshold	0.5-1% of total supply	Yes
Timelock Delay	24-48 hours	Yes

These parameters may be adjusted by governance vote as the Association evolves.

5.5 Proposal Types

Routine Proposals (e.g., grants <$10,000, operational expenses): - Standard parameters (quorum, delay, period as above)

Critical Proposals (e.g., Administrator removal, Governor contract upgrade, expenditures >$50,000): - **Higher Quorum**: [30-40%] (to be determined) - **Longer Voting Period**: [7-14 days] - **Longer Timelock**: [48-72 hours]

5.6 Proposal Execution

On-Chain Actions: - Automatically executed by Governor + Timelock contracts (e.g., transfer crypto from treasury, mint/burn tokens, upgrade contracts)

Off-Chain / Fiat Actions: - Governor contract emits event log with instructions for Administrator - Administrator must execute within [7 days] or face penalties - Administrator reports completion on-chain or via designated communication channel

5.7 Proposal Threshold

To prevent spam, only token holders with at least **[0.5-1%]** of total GBR supply may submit proposals. This threshold may be adjusted by governance vote.

5.8 Delegation

GBR token holders may delegate their voting power to another address using the `delegate()` function. Delegation does not transfer token ownership, only voting rights.

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6. ROLES AND RESPONSIBILITIES

6.1 Summary Table

Role	Party	Authority	Limitations	Accountability
Organizer	Nominal service/ individual	File Articles of Organization	No post-formation authority	None
Token Holders (Gybernaty Community)	GBR token holders	100% governance authority via on-chain vote	Must comply with law and this Agreement	Self-governed via smart contracts
Administrator	External service provider (legal/ accounting firm)	Execute fiat operations approved by vote; file taxes; maintain bank accounts	No discretion; no crypto access; cannot block governance decisions	Immediate removal via governance vote; contractual penalties
Emergency Multisig (if established)	Individuals appointed by governance	Pause contracts in emergencies; time-sensitive actions	Limited scope; subject to on-chain veto	Governance oversight and removal

6.2 Token Holders (Gybernaty Community)

Authority: - Initiate and vote on all proposals - Control 100% of treasury assets via Governor + Timelock - Appoint and remove Administrator - Amend this Agreement - Dissolve the Association

Obligations: - Act in good faith and in the best interests of the Association's mission - Comply with applicable laws and this Agreement - Disclose conflicts of interest (see Section 9.7)

Limitations: - Cannot distribute Association assets for personal benefit (except as reasonable compensation) - Cannot use Association resources for political campaigns or lobbying (except as permitted by law)

6.3 Administrator Duties

The Administrator shall:

1. **Banking**: Open and maintain FDIC-insured bank account(s) in the name of "Gybernaty DUNA"
2. **Tax Filings**: Prepare and file all required tax forms (IRS Form 8832, Form 990, state filings) by deadlines
3. **Fiat Payments**: Execute wire transfers, ACH payments, or checks for approved expenses (e.g., legal fees, cloud hosting, taxes)
4. **KYC/AML**: Conduct Know Your Customer (KYC) and Anti-Money Laundering (AML) screening for all fiat payment recipients over $600 (IRS Form 1099 requirement)
5. **Compliance**: Monitor regulatory changes affecting the Association and report to token holders
6. **Recordkeeping**: Maintain corporate records, meeting minutes (of governance votes), and financial statements
7. **Reporting**: Provide quarterly reports to token holders on all activities

Service Level Agreement (SLA): - Respond to governance instructions within **48 hours** - Execute approved fiat payments within **7 days** - File taxes by legal deadlines - Provide monthly financial statements

Compensation: - Fixed annual fee: **$[3,000-10,000]** (approved by governance vote) - Payable quarterly from fiat bank account

Termination: - Immediate termination by governance vote for: (1) Failure to execute approved decisions, (2) Unauthorized actions, (3) Breach of fiduciary duty, (4) Criminal conduct - 30-day notice termination by either party without cause

6.4 Administrator Transition and DAO-Appointed Executors

Principle of Uninterrupted Governance: The Association's operations shall **never** depend on the presence of an Administrator. The DAO retains full operational capability at all times through the following mechanisms:

DAO-Appointed Trusted Executors: At any time, with or without an active Administrator, token holders may nominate and approve via governance vote one or more **Trusted Executors** — individuals or specialized companies — to perform specific operational tasks on behalf of the Association.

Scope of Trusted Executors: - Execute specific fiat payments or banking operations - Handle legal, accounting, or compliance tasks - Manage vendor relationships or service contracts - Perform any ministerial function normally assigned to the Administrator - Scope is strictly limited to the specific mandate approved by governance vote

Appointment Process: 1. Any token holder meeting the Proposal Threshold may nominate an Executor for a specific task or role 2. Governance vote approves or rejects (standard parameters) 3. Executor receives on-chain mandate with defined scope, budget, and duration 4. Executor reports completion on-chain or via designated communication channel

Administrator Vacancy Transition: In the event the Administrator role is vacant (due to termination, resignation, or any other reason): - All crypto operations continue uninterrupted (governed by smart contracts) - Governance immediately appoints one or more Trusted Executors to cover critical fiat and compliance functions - Executors operate under the same restrictions as the Administrator (zero discretion, execute only governance-approved actions) - Governance initiates search for a permanent replacement Administrator (if deemed necessary) - There is no mandatory requirement to appoint a permanent Administrator — the community may operate indefinitely through DAO-appointed Executors if governance so decides

Limitations on Trusted Executors: - Subject to all restrictions applicable to the Administrator (Section 6.5) - Authority expires automatically upon completion of mandate or at

the end of the approved term - No Executor may serve for more than [6 months] without governance re-approval - Subject to immediate removal by governance vote

6.5 Limitation on Administrator Authority

The Administrator is **strictly prohibited** from:

- Initiating any expenditure without on-chain approval
- Accessing, controlling, or moving crypto assets (keys held by smart contracts only)
- Making discretionary decisions on behalf of the Association
- Entering into contracts exceeding $2,000 without governance approval
- Hiring employees or contractors without governance approval
- Speaking publicly on behalf of the Association without governance authorization

Consequences of Violation: - Written notice specifying the alleged violation - **Cure Period:** 7 calendar days to remedy the violation (except for fraud or criminal conduct, which warrant immediate termination) - If not cured: Termination by governance vote - Contractual liquidated damages: **$[10,000-50,000]** - Legal action to recover damages

Administrator Legal Protection: The Administrator shall NOT be penalized for refusing to execute a governance-approved action if: - The action would violate applicable law (e.g., OFAC sanctions, AML regulations, tax fraud) - The Administrator provides written justification citing the specific legal concern within 48 hours - The Association may seek independent legal opinion to resolve the dispute - If independent counsel confirms the action is lawful, Administrator must execute within 7 days or face termination

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7. TREASURY MANAGEMENT

7.1 Crypto Treasury

Structure: All crypto assets (GBR tokens, BNB, stablecoins, other tokens) are held in the **Timelock Contract** controlled by the Governor Contract.

Asset Types: - GBR governance tokens (for buyback & burn, liquidity provision) - BNB (for gas fees, liquidity pairs) - Stablecoins (USDT, USDC, BUSD) for operational reserves - Other tokens received as donations, grants, or revenue

Access Control: - **Only** the Governor contract (via approved proposals) can move funds from the Timelock - No individual holds private keys to the treasury - Emergency multisig (if established) may pause contracts but cannot withdraw funds

Transaction Types: - Grants to community members or projects - Payment for services (paid in crypto) - Liquidity provision to DEX - Buyback & burn of GBR tokens - Conversion to fiat (transferred to Administrator's bank account)

Approval Process: 1. Governance proposal submitted (e.g., "Grant $10,000 USDT to Alice for AI research") 2. Vote conducted 3. If approved, transaction queued in Timelock 4. After delay, transaction executed automatically

7.2 Fiat Treasury — Two-Tier Banking System

The Association employs a **two-tier fiat banking structure** to maximize DAO control while enabling operational flexibility:

Tier 1: Treasury Fiat Account (DAO-Controlled, Programmable)

Structure: - **Provider:** Bridge (https://bridge.xyz) or Circle Business Account - **Account Type:** Business Account with API access - **Control:** Programmatically controlled via smart contracts using Chainlink Functions Oracle - **Access:** No individual has direct access; all operations executed via on-chain governance votes

Purpose: - Primary fiat treasury for the Association - Large payments (>$5,000) - Transfers to Operating Account (Tier 2) - Long-term fiat reserves

Operations: - **Crypto-to-Fiat Conversion:** Receives USDT/USDC from Timelock → automatic conversion to USD via Bridge/Circle API - **Wire Transfers:** Executes wire transfers to third parties (e.g., legal firms, service providers) based on governance-approved proposals - **Operating Account Funding:** Automated monthly transfers to Operating Account (e.g., $10,000/month budget) - **Reporting:** All transactions logged on-chain via Oracle and published on governance dashboard

Funding: - Crypto-to-fiat conversion (approved by governance vote) - Fiat donations (if received) - Revenue from fiat-based services (if any)

Security: - API credentials stored in **Threshold Network** (decentralized secret management) - Smart contracts use threshold signatures to access API (no single point of failure) - Multi-layer authorization (governance vote → Timelock delay → Oracle execution)

Tier 2: Operating Fiat Account (Administrator-Managed, Operational)

Structure: - **Provider:** Traditional U.S. bank (Mercury, Relay, Lead Bank, or Wyoming local bank) - **Account Type:** Business checking account - **Control:** Administrator as sole signatory - **Access:** Administrator can make payments within approved budget limits

Purpose: - Operational expenses and routine payments (<$5,000) - Day-to-day cash management - Emergency expenses (within limits)

Operations: - **Routine Expenditures:** - Cloud hosting (AWS, Google Cloud, etc.) — if not paid in crypto - SaaS subscriptions - Office supplies and miscellaneous expenses - Legal and accounting fees (small invoices) - Government fees and taxes - Administrator compensation

- **Budget Limits:**
- **Maximum Balance:** $20,000 (excess returned to Treasury Fiat Account via wire transfer)
- **Maximum Single Payment Without Additional Approval:** $2,000
- **Monthly Budget:** Determined by governance vote (e.g., $10,000/month)

Funding: - Monthly transfer from Treasury Fiat Account (Tier 1) via governance-approved automated schedule - Example: Governance votes "Transfer $10,000/month from Treasury to Operating Account"

Accountability: - **Monthly Reporting:** Administrator provides itemized report of all Operating Account expenditures - **Bank Statements:** Published to governance forum (or summarized if containing sensitive payee information) - **Audit Rights:** Governance may request detailed audit of Operating Account at any time

Replenishment Process: 1. Beginning of month: Automated transfer from Treasury Fiat Account to Operating Account ($X,000 as approved by governance) 2. Administrator uses Operating Account for routine expenses 3. End of month: Administrator reports all expenditures 4. If balance exceeds $20,000: Administrator wires excess back to Treasury Fiat Account 5. If balance insufficient: Administrator may request supplemental transfer via governance vote

Division of Responsibilities:

Account Type	Controller	Approval Required	Use Cases
Treasury Fiat (Tier 1)	DAO (via API + Chainlink)	Governance vote for every transaction	Large payments (>$5k), strategic reserves, Operating Account funding
Operating Fiat (Tier 2)	Administrator	Pre-approved budget (monthly governance vote)	Routine expenses (<$2k), operational flexibility

Example Workflow:

Large Payment (e.g., $15,000 legal fee): 1. Governance proposal: "Wire $15,000 from Treasury Fiat Account to XYZ Law Firm" 2. Vote passes 3. Timelock → Chainlink Oracle → Bridge API → Wire transfer executed 4. Transaction hash recorded on-chain

Small Payment (e.g., $500 AWS bill): 1. Administrator pays from Operating Account (within monthly budget) 2. Logged in monthly expense report 3. No governance vote required (pre-approved via monthly budget allocation)

7.3 Crypto-to-Fiat Conversion — Phased Automation Plan

The Association implements a **three-phase strategy** to progressively automate fiat operations while minimizing human intermediaries:

Phase 1: Manual Conversion (Launch to 6-12 Months)

Timeline: Immediately upon DUNA formation through first 6-12 months of operation

Strategy: - **Crypto-first approach:** Maximize payments in crypto (USDT, USDC, BNB) where accepted - **Crypto payment processors:** Use BitPay, Coinbase Commerce, or Binance Pay for vendors accepting crypto - **Minimal fiat conversion:** Only convert when absolutely necessary (e.g., government fees, traditional vendors)

Conversion Method: - **On-Ramp Service:** MoonPay or Banxa for small amounts (<$5,000) - **Manual CEX:** Administrator or designated community member manually converts via Binance/Coinbase for larger amounts

Process: 1. Governance votes: "Convert 5,000 USDT to USD for [specific purpose]" 2. Timelock sends USDT to designated address (MoonPay or individual's CEX account) 3. Conversion executed manually 4. USD wired to Operating Account 5. Confirmation reported to governance

Infrastructure: - **Single Bank Account:** Operating Account (Tier 2) only - **No automation:** All conversions manual

Expected Volume: <$5,000/month in fiat operations

Phase 2: Semi-Automated Treasury (6-12 Months, Treasury >$100k)

Timeline: After treasury exceeds $100,000 and community votes to proceed

Strategy: - Open **Treasury Fiat Account (Tier 1)** with Bridge or Circle - Develop **Automation Contract** for programmatic fiat operations - Establish two-tier banking system

Technical Implementation: 1. **Open Bridge Business Account:** - Complete KYC/onboarding (EIN, Articles of Organization, BOI Report) - Obtain API credentials with permissions: receive crypto, convert to USD, wire transfers - Set up FDIC-insured USD account

1. **Deploy Automation Infrastructure:**
2. **Automation Smart Contract** on BSC (custom development)
3. **Chainlink Functions** integration for Oracle calls to Bridge API
4. **Threshold Network** integration for secure API key storage

5. Cost: ~$10,000-20,000 (approved by governance vote)

6. **Automate Key Workflows:**

7. **Crypto→Fiat:** Governance vote → Timelock sends USDT to Bridge → auto-conversion → USD in Treasury Account
8. **Large Payments:** Governance vote → Chainlink Oracle calls Bridge API → wire transfer executed
9. **Operating Account Funding:** Monthly automated transfer (e.g., $10k/month)

Process Example (Automated Large Payment):

```
1. Governance votes: "Wire $15,000 to ABC Law Firm from Treasury Account"
2. Vote passes → queued in Timelock (48-hour delay)
3. Timelock executes → calls Automation Contract
4. Automation Contract → Chainlink Functions → Bridge API
5. Bridge API: Debit $15,000 from Treasury Account → Wire to ABC Law Firm
6. Oracle records transaction hash on-chain
7. Governance dashboard shows: "Payment Complete: [TX Hash]"
```

Infrastructure: - **Two Bank Accounts:** Treasury Account (Tier 1, API-controlled) + Operating Account (Tier 2, Administrator-managed) - **Partial Automation:** Large payments automated; routine expenses still manual via Operating Account

Expected Volume: $10,000-50,000/month in fiat operations

Phase 3: Full Automation (12+ Months)

Timeline: After 12+ months of successful Phase 2 operation

Strategy: - **90%+ automation:** Nearly all fiat operations without human intervention - **Minimal Administrator role:** Only for compliance, tax filings, and emergency situations

Automated Workflows: 1. **Recurring Bills:** Smart contract schedules monthly payments (e.g., AWS $2,000/month) → auto-execution via Bridge API 2. **Grant Distributions:** Governance-approved grants paid automatically (wire or ACH) 3. **Operating Account Replenishment:** Fully automated monthly transfers based on pre-approved budget 4. **Tax Payments:** Pre-scheduled payments to IRS/state agencies via API

Process Example (Fully Automated Recurring Payment):

```
1. One-time governance vote: "Authorize recurring payment: $2,000/month to AWS
2. Automation Contract stores schedule on-chain
3. Each month (automated):
   - Smart contract checks: Time for AWS payment?
   - Yes → Chainlink Oracle → Bridge API → ACH payment to AWS
   - Receipt recorded on-chain
4. Administrator reviews monthly (passive oversight only)
```

Administrator Role (Reduced): - **Operating Account Management:** Handle <$2,000 expenses that don't fit automated categories - **Tax Filings:** Prepare and file IRS forms (cannot be fully automated due to legal requirements) - **Compliance Monitoring:** Review AML alerts, respond to bank inquiries - **Emergency Overrides:** Handle unforeseen situations requiring immediate action

Infrastructure: - **Fully Automated Treasury Account** with scheduled payments, automated conversions, API-driven operations - **Minimal Operating Account** for edge cases only

Expected Volume: $50,000+/month, 90%+ automated

Security Architecture (All Phases):

API Key Management: - Bridge/Circle API keys stored in **Threshold Network** (decentralized threshold cryptography) - No single entity holds complete key - Smart contract assembles threshold signature to access API - Keys rotated every 90 days via governance vote

Authorization Layers: 1. **Governance Vote:** Community approves every transaction (automated or manual) 2. **Timelock Delay:** 24-48 hour delay for review and veto opportunity 3. **Oracle Verification:** Chainlink Functions verifies API response before recording on-chain 4. **Audit Trail:** Every operation logged immutably on-chain

Failsafe Mechanisms: - **Circuit Breaker:** If >$50,000 attempted in single transaction → automatic pause, requires Emergency Multisig approval - **Rate Limiting:** Max $X per day/week from Treasury Account (set by governance) - **Manual Override:** Governance can disable automation and revert to manual mode at any time

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Governance Activation:

Each phase requires **explicit governance vote** to proceed: - **Phase 1:** Approved by default at launch - **Phase 2:** Requires governance vote to allocate $10k-20k for development and approve Bridge account opening - **Phase 3:** Requires governance vote to enable full automation features

Rollback Plan: If automation fails or is compromised: 1. Emergency Multisig pauses Automation Contract 2. Governance votes to disable API access 3. Revert to manual processes (Phase 1) until issue resolved 4. Root cause analysis and security audit before re-enabling

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Comparison of Phases:

Aspect	Phase 1 (Manual)	Phase 2 (Semi-Auto)	Phase 3 (Full Auto)
Timeline	0-6 months	6-12 months	12+ months
Fiat Accounts	1 (Operating only)	2 (Treasury + Operating)	2 (Treasury + Operating)
Automation Level	0%	50-70%	90%+
Human Involvement	High (every transaction)	Medium (routine only)	Low (compliance only)
Infrastructure Cost	$0 (manual)	$10k-20k (one-time dev)	$15k-25k (total)
Transaction Speed	3-7 days (manual)	1-3 days (automated)	<24 hours (automated)
Security Risk	Low (no API keys)	Medium (API secured by Threshold)	Medium (API secured by Threshold)

Record-Keeping (All Phases): - All crypto→fiat conversions logged on-chain (transaction hash) - All fiat payments recorded with: - Date, amount, recipient, purpose, authorization (governance vote ID) - Administrator provides quarterly financial statements - Annual independent audit (if treasury >$500,000)

7.4 Reserves and Budgeting

Reserve Policy: The Association shall maintain reserves sufficient for:

- **Operating Expenses**: 6-12 months of projected expenses (legal, accounting, hosting)
- **Emergency Fund**: $[10,000-50,000] for unexpected costs
- **Gas Fees**: Sufficient BNB for 100+ governance transactions

Budget Approval: - Annual budget proposed and approved by governance vote - Budget may be amended by governance vote at any time

7.5 Audits

Financial Audits: - Annual review of fiat accounts by independent accountant (if budget >$[100,000]) - Public dashboard of crypto treasury (real-time via blockchain explorer)

Smart Contract Audits: - Governor and Timelock contracts audited by reputable firm (e.g., CertiK, OpenZeppelin, Trail of Bits) before deployment - Re-audit after any contract upgrade

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8. RESEARCH AND DEVELOPMENT ACTIVITIES

8.1 Core R&D Focus Areas

The Association conducts and funds research in:

1. **Swarm Intelligence and Multi-Agent Systems**
2. Peer-to-peer coordination algorithms
3. Emergent behavior modeling
4. Digital pheromones and stigmergy
5. Adaptive learning from peer feedback
6. Scalability to 100,000+ agents
7. **Privacy-Preserving Blockchain Technologies**
8. Trusted Execution Environments (Intel SGX, AMD SEV)
9. DAML access control models (Signatories, Observers, Regulators)
10. Zero-knowledge proofs (zk-SNARKs, zk-STARKs)
11. Secure multi-party computation (MPC)
12. **Hybrid Decentralized Data Management**
13. Blockchain + IPFS architectures
14. Content-addressed storage with cryptographic integrity
15. Decentralized access control

16. Monetization of data via smart contracts

17. **Cyber-Social Corporation Design**

18. On-chain governance models
19. Tokenized incentive structures
20. Community-led growth mechanisms
21. DAO legal frameworks

8.2 Funding Mechanism

Grants: The Association awards research grants to:

- Community members (individual researchers or teams)
- External researchers and institutions
- Open-source projects aligned with the Association's mission

Grant Process: 1. Researcher submits proposal (scope, timeline, deliverables, budget) 2. Governance vote approves or rejects 3. If approved, funds disbursed in milestones (e.g., 30% upfront, 70% upon completion) 4. Researcher submits final report and open-source code (if applicable)

Grant Terms: - All research funded by grants must be published openly (Creative Commons, MIT License, or similar) - IP created under grants belongs to the Association (see Section 10) - Researchers must disclose conflicts of interest

8.3 Collaboration and Partnerships

The Association may enter into partnerships with:

- Universities and research institutions
- Open-source foundations (e.g., Ethereum Foundation, Linux Foundation)
- For-profit companies (for co-development or licensing of IP)

Approval: - Partnerships involving >$[10,000] or IP licensing require governance vote

8.4 Publication and Open Source

Commitment to Openness: - All research findings published in open-access journals or preprint servers - All software developed released under open-source licenses (MIT, Apache 2.0, GPL) - Exception: Proprietary code for commercial projects (requires governance approval)

Trademark and Branding: - "Gybernaty" name and logo are trademarks of the Association - Use by third parties requires governance approval

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9. REVENUE, COMPENSATION, AND VALUE EXTRACTION

9.1 Revenue Sources

The Association may generate revenue from:

- **Protocol Fees**: Transaction fees from ecosystem projects (e.g., Canton OTC, CantonFi)
- **Licensing**: Licensing proprietary technology to for-profit entities
- **Donations**: Crypto or fiat donations from supporters
- **Grants**: Grants from foundations, governments, or corporations
- **Services**: Consulting, development services, or training (if approved by governance)

Important: Revenue is **not** distributed to token holders as dividends. All revenue is reinvested in the mission or used for buyback & burn (see Section 9.5).

9.2 Reasonable Compensation

Principle: The Association may pay "reasonable compensation" to members or third parties for services rendered, consistent with nonprofit law.

Who May Be Compensated: - Researchers (via grants) - Developers (for building ecosystem projects) - Service providers (legal, accounting, hosting) - Community members performing defined roles (e.g., community manager, security auditor)

Approval Process: - All compensation packages >$[5,000] require governance vote - Compensation must be benchmarked to market rates for similar roles

Examples: - **Researcher Grant**: $30,000 for 6-month swarm intelligence research project - **Lead Developer Salary**: $80,000/year for maintaining core smart contracts - **Community Manager Stipend**: $2,000/month for Discord moderation and outreach

9.3 Prohibition on Profit Distribution

The Association **shall not**:

- Pay dividends to token holders
- Distribute profits based on token ownership
- Redeem tokens for cash (except via open market buyback)

This prohibition is essential to maintain nonprofit status and avoid securities law violations.

9.4 Conflict of Interest Disclosure

Self-Dealing Transactions: When a token holder proposes a governance action that would benefit them financially (e.g., voting on their own grant or salary), they must:

1. **Disclose** the conflict of interest publicly before the vote
2. **Justify** that the compensation is reasonable and aligned with the mission
3. **Recuse** themselves from voting on the proposal (mandatory for all self-dealing transactions involving the proposer's direct financial benefit exceeding $5,000)

Independent Review: For any self-dealing transaction exceeding $10,000, the Association shall seek independent review from at least two (2) disinterested token holders or an advisory committee to confirm that the compensation is reasonable and aligned with the Association's mission. This review shall be documented and published before the governance vote.

Documentation: - All self-dealing transactions >$[10,000] must be documented with: - Explanation of necessity - Market rate comparison - Public comment period (e.g., 48 hours before vote)

Penalties for Non-Disclosure: - Proposal invalidated - Violator may be subject to governance-imposed penalties (e.g., loss of grant funding)

9.5 Buyback and Burn Mechanism

Purpose: To support the long-term value of the GBR token, the Association may use a portion of protocol revenue to buy back GBR tokens from decentralized exchanges and permanently burn them.

Legal Classification: - This is **not** a profit distribution to token holders - This is an **asset management operation** to maintain protocol liquidity and stability - Comparable to corporate stock buybacks (but without profit motive)

Process: 1. Governance proposes "Use $X from treasury to buy GBR on PancakeSwap" 2. Vote approves 3. Smart contract executes buyback via DEX aggregator 4. Purchased tokens sent to burn address (`0x000...000`) 5. Burn transaction publicly verifiable on-chain

Frequency: - Quarterly or as determined by governance vote

Limits: - Maximum [10-20%] of treasury balance per quarter (to avoid market manipulation)

Reporting: - Monthly burn reports published on Association website and on-chain

9.6 Liquidity Provision

Purpose: To ensure GBR token can be traded with minimal slippage, the Association acts as the **exclusive liquidity provider** on decentralized exchanges.

DUNA as Sole LP Provider:

The Association (through governance) is the **only entity providing base liquidity** for GBR token trading pairs:

- **Trading Pairs:** GBR/BNB (50% of liquidity) + GBR/USDT (50% of liquidity)
- **DEX:** PancakeSwap v2 on BNB Smart Chain (potential migration to v3 after 6-12 months via governance vote)
- **Locked Liquidity:** LP tokens locked via Team.Finance for 12 months (renewable by governance vote)
- **Initial Capital:** $50,000-100,000 from treasury (approved by governance vote)

Mechanism: 1. Governance approves depositing GBR + BNB/USDT into PancakeSwap v2 liquidity pools 2. Association receives LP tokens (CAKE-LP GBR-BNB and CAKE-LP GBR-USDT) 3. LP tokens immediately locked via Team.Finance for 12 months (public verification

page) 4. Trading fees (0.25% on PancakeSwap v2) accrue to LP position → treasury revenue 5. All LP management (add/remove liquidity) requires governance vote

Revenue from Liquidity: - All trading fees earned by LP positions accrue to the Association's treasury - Used for operations, grants, buyback & burn, or reinvestment in ecosystem

Rationale for Exclusive LP Model: - Full community control via governance over all liquidity - Guaranteed market depth (not dependent on individual LPs) - All trading fees benefit the Association's mission - Transparency — all liquidity operations on-chain via Timelock

9.7 LP Burn Mechanism for Project Initialization

INNOVATIVE GOVERNANCE MECHANISM (Contracts in testing):

The Association recognizes a unique mechanism for community members to demonstrate **proof-of-commitment** when proposing high-value initiatives:

LP Burn as Proposal Catalyst:

Community members may **burn (permanently destroy) their own liquidity provider tokens** to gain special proposal rights, even if they do not meet the standard Proposal Threshold for GBR token holdings.

How It Works:

1. **Create LP Position:**
2. Community member deposits GBR + BNB/USDT into PancakeSwap
3. Receives LP tokens (CAKE-LP)
4. **Burn LP Tokens:**
5. Member sends LP tokens to Gybernaty LP Burn Contract (special smart contract)
6. LP tokens are **permanently burned** (irreversible)
7. Underlying liquidity remains in PancakeSwap pool forever (deepens market)
8. **Gain Proposal Rights:**
9. Member receives on-chain credential (NFT or token) proving LP burn

10. Credential grants right to submit **one high-priority governance proposal** for:
    - Research grant (e.g., $10k-$50k for swarm intelligence study)
    - Product development funding (e.g., new ecosystem project)
    - Critical governance decision (even if member lacks GBR for normal Proposal Threshold)
11. **Governance Vote:**
12. Community votes on proposal using standard process
13. If approved: Member receives requested funding or approval
14. If rejected: Member's burned LP is lost (but liquidity remains in pool, benefiting all)

Rationale:

- **Skin in the Game:** LP burn = irreversible financial commitment (member cannot reclaim burned value)
- **Dual Stake:** Member stakes both GBR and BNB/USDT (not just governance tokens)
- **Spam Prevention:** High cost (e.g., $1,000-$5,000 minimum burn) filters out frivolous proposals
- **Ecosystem Benefit:** Even failed proposals deepen liquidity permanently
- **Meritocracy:** Members with conviction can propose ambitious ideas without needing massive GBR holdings

Example:

Alice wants to research next-generation swarm coordination algorithms (estimated cost: $30,000).

- Alice holds only 0.3% of GBR supply (below 1% Proposal Threshold)
- Alice creates $5,000 LP position (GBR + BNB)
- Alice burns LP tokens via LP Burn Contract
- Alice receives credential to submit proposal
- Community votes: 78% approve (exceeds quorum and majority)
- Alice receives $30,000 grant from treasury
- Result: Alice conducts research, publishes findings, $5,000 permanently deepened liquidity

Safeguards:

- **Minimum Burn Amount:** Governance sets threshold (e.g., $1,000-$5,000) to prevent spam
- **Rate Limiting:** Maximum N LP burn proposals per month (e.g., 5-10) to prevent overload
- **Whitelist:** Members with proven track record (e.g., 2+ successful projects) may be exempt from LP burn requirement
- **Audit Requirement:** LP Burn Contract must be audited by reputable firm before deployment

Legal Classification:

- LP burn is a **voluntary community mechanism**, not a requirement for membership
- The Association does not solicit or encourage LP burning
- This mechanism is disclosed in this Agreement and on Association website
- No guarantees that burned LP will result in approved proposals
- Tax implications: Member should consult tax advisor (LP burn may be capital loss)

Smart Contract Status:

- Contracts developed and undergoing testing
- Will be deployed after security audit (CertiK, OpenZeppelin, or Trail of Bits)
- Contract addresses to be published on Association website and recorded in governance

Governance Activation:

- LP Burn Mechanism requires initial governance vote to activate
- Parameters (minimum burn, rate limits, etc.) set by governance and modifiable by future votes

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10. INTELLECTUAL PROPERTY

10.1 Ownership of IP

All intellectual property created by or on behalf of the Association, including but not limited to:

- Software code and smart contracts
- Research papers and publications
- Trademarks and logos
- Patents (if any)

...shall be owned by **Gybernaty DUNA**.

10.2 IP Created by Grant Recipients

Researchers or developers receiving grants from the Association agree to:

- Assign all IP rights to the Association (or license under open-source terms)
- Publish findings openly
- Credit the Association in publications

Exception: - For large commercial projects, governance may approve alternative IP arrangements (e.g., joint ownership, royalty-sharing)

10.3 Licensing to Third Parties

The Association may license IP to for-profit companies or other entities:

- **Open-Source License (Default)**: MIT, Apache 2.0, GPL for public benefit
- **Commercial License**: For proprietary use, approved by governance vote
- **Royalties**: Revenue from commercial licenses flows to Association treasury

10.4 Trademarks

"Gybernaty" Trademark: - The Association shall register "Gybernaty" as a trademark with the U.S. Patent and Trademark Office (USPTO) - Third-party use requires governance approval - Violations enforced through legal action (if warranted)

Permissive Use: - Community members may use "Gybernaty" for personal, non-commercial projects - Attribution required

10.5 Patents

Policy: - The Association generally opposes software patents as contrary to open-source principles - Exception: Defensive patents to prevent patent trolls from claiming Association innovations - All patent applications require governance vote

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11. COMPLIANCE AND REGULATORY OBLIGATIONS

11.1 Tax-Exempt Status

IRS Filing: - The Association shall file IRS Form 8832 to elect tax classification (likely as an association taxable as a corporation, or apply for 501(c)(3) exemption) - If annual revenue <$50,000: File Form 990-N (e-Postcard) - If annual revenue >$50,000: File Form 990 or 990-EZ

Tax Obligations: - Pay federal and state taxes on **Unrelated Business Taxable Income (UBTI)**, if any - Reasonable compensation to members and service providers is deductible

11.2 Beneficial Ownership Information (BOI) Report

FinCEN Requirement: - Under the Corporate Transparency Act, the Association must file a Beneficial Ownership Information Report with FinCEN within 30 days of formation - **Beneficial Owners** are individuals with >25% control or ownership

Who to Report: - Report all individuals exercising 'substantial control' over the Association, regardless of token ownership percentage. Under the Corporate Transparency Act, 'substantial control' includes senior officers, important decision-makers, and anyone with authority to appoint or remove key personnel - Additionally report any individual owning or controlling >25% of governance tokens

Information Required: - Full legal name, date of birth, residential address, ID number (passport or driver's license)

Deadline: - Within 30 days of DUNA formation

Penalties: - Failure to file: Up to $500/day civil penalty, or criminal penalties (up to 2 years imprisonment)

11.3 Anti-Money Laundering (AML) and Know Your Customer (KYC)

Bank Requirements: - To open a U.S. bank account, the Administrator must provide: - Articles of Organization - EIN (Employer Identification Number) - Association Agreement (this document) - Beneficial ownership information - AML/KYC documentation for signatories

On-Chain Compliance: - The Association shall use blockchain analytics tools (Chainalysis, Elliptic) to screen incoming transactions for sanctions violations or illicit activity - Flagged transactions reported to authorities as required by law

Grant Recipient KYC: - All fiat grant recipients >$600 must provide: - Full legal name - Tax ID (SSN or EIN) - W-9 form (U.S. persons) or W-8 form (non-U.S. persons) - Administrator issues Form 1099-MISC for payments >$600

Travel Rule (FATF): - For fiat transfers >$3,000, Administrator collects and transmits beneficiary information as required by the Travel Rule

11.4 Securities Law Compliance

Howey Test Analysis: The Association **shall obtain** legal counsel confirming that the GBR token is **not** a security under the Howey Test. The legal analysis will address the following factors:

1. **No investment of money for profit**: Token holders do not expect profits from the Association's efforts
2. **No common enterprise**: Token holders govern independently, not as passive investors
3. **Utility, not speculation**: GBR is used for governance, not investment
4. **No marketing as investment**: GBR is marketed as governance tool, not investment opportunity

No Dividends: - GBR tokens do **not** pay dividends or interest - Buyback & burn is an asset management operation, **not** profit distribution

Legal Opinion: - The Association **shall obtain** a legal opinion from qualified securities law counsel before launching governance operations. This opinion will be made available to token holders upon request

Ongoing Monitoring: - Administrator monitors SEC guidance on crypto tokens - If regulatory landscape changes, Association will comply (e.g., register as security, cease operations, or restructure)

11.5 State Registrations

Wyoming: - Annual Report filed with Wyoming Secretary of State (if required for DUNA under Wyoming § 17-22; verify with Secretary of State office) - Registered Agent fee paid annually

Other States: - If the Association conducts substantial business in other states, may need to register as a foreign nonprofit association

11.6 Data Privacy and Breach Notification

GDPR (if applicable): - If the Association processes personal data of EU residents, comply with GDPR - Appoint Data Protection Officer (if required) - Publish Privacy Policy

CCPA (California): - If the Association processes personal data of California residents and meets thresholds, comply with CCPA

On-Chain Privacy: - Governance votes are pseudonymous (wallet addresses visible, but not linked to real identities) - Association does not collect personal data unless necessary (e.g., grant recipients for tax purposes)

Data Breach Notification Procedure:

In the event of a data breach affecting personal data of members, grant recipients, or third parties:

1. **Detection and Containment** (0-24 hours):
2. Administrator or Trusted Executor immediately isolates affected systems
3. Emergency Multisig (if established) may authorize emergency security measures
4. Incident documented with timestamp, scope, and affected data categories
5. **Assessment** (24-48 hours):

6. Determine: what data was compromised, how many individuals affected, severity of risk
7. Engage cybersecurity forensics specialist (pre-approved vendor or via emergency governance vote)
8. **Notification** (within 72 hours of detection):
9. **Regulatory Authorities**: Notify relevant supervisory authority within 72 hours (GDPR Article 33 requirement)
10. **Affected Individuals**: Notify all affected persons without undue delay if breach poses high risk to rights and freedoms (GDPR Article 34)
11. **Community**: Publish breach notice on governance forum and official channels (excluding details that could enable further exploitation)
12. **Law Enforcement**: Report to relevant authorities if criminal activity suspected
13. **Remediation** (ongoing):
14. Implement corrective measures to prevent recurrence
15. Governance vote to approve remediation budget (if exceeding Operating Account limits)
16. Post-incident review published to community within 30 days

Minimum Data Collection Principle: The Association shall collect and retain only the minimum personal data required by law (tax reporting, KYC obligations). All non-essential personal data shall be deleted within 12 months of the purpose for which it was collected being fulfilled.

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12. AMENDMENTS AND MODIFICATIONS

12.1 Amendment Process

This Association Agreement may be amended by:

1. **Proposal**: Any token holder meeting the Proposal Threshold submits an amendment proposal
2. **Review Period**: Minimum [7 days] for community review and discussion
3. **Vote**: Governance vote conducted

4. **Super-Majority Required**: Amendment passes only if:
5. Quorum met ([20-30%] of tokens vote)
6. **≥66%** of votes are **For**
7. **Timelock**: Amendment queued in Timelock for [48-72 hours]
8. **Execution**: Amendment automatically takes effect after Timelock
9. **Publication**: Updated Agreement published on Association website and IPFS

12.2 Amendments Requiring Legal Review

Amendments affecting the following require consultation with legal counsel:

- Tax-exempt status
- Securities law compliance
- Wyoming DUNA statute compliance
- Administrator duties and liabilities

Process: - Governance allocates budget for legal review - Legal opinion published before vote

12.3 Emergency Amendments

In the event of:

- Critical smart contract vulnerability
- Regulatory enforcement action
- Existential threat to the Association

...the Emergency Multisig (if established) may propose expedited amendments with:

- **Shortened Review Period**: [24 hours]
- **Higher Quorum**: [30-40%]
- **Super-Majority**: ≥75% **For**

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13. DISSOLUTION

13.1 Dissolution Trigger

The Association may be dissolved by:

- **Governance Vote**: ≥75% of tokens vote in favor of dissolution (quorum ≥40%)
- **Legal Mandate**: Court order or regulatory shutdown
- **Abandonment**: If no governance activity for >2 years and treasury <$1,000

13.2 Dissolution Process

Step 1: Cease Operations - Halt all grants, contracts, and expenditures (except those necessary for winding down) - Cancel services (hosting, subscriptions) - Notify stakeholders (token holders, partners, regulators)

Step 2: Settle Liabilities - Pay all outstanding debts and obligations - File final tax returns - Close bank accounts (after all liabilities settled)

Step 3: Distribute Assets

Nonprofit Law Requirement: - Upon dissolution, assets of a nonprofit association may **not** be distributed to members for their private benefit - Assets must be transferred to: - Another nonprofit organization with similar mission, **or** - A charitable organization recognized under Section 501(c)(3)

Designated Recipient: - If no specific recipient designated by dissolution vote, assets transfer to **[Ethereum Foundation, Internet Archive, or similar open-source/public-benefit organization]**

Asset Distribution Priority: 1. Pay debts and liabilities 2. Return restricted grants (if any donor restrictions require) 3. Remaining assets → Designated nonprofit recipient (approved by governance vote)

Prohibition: - Token holders may **not** redeem GBR tokens for cash or assets upon dissolution - GBR tokens become valueless upon dissolution

Step 4: File Dissolution Documents - File Articles of Dissolution with Wyoming Secretary of State - Notify IRS (final Form 990) - Close EIN

Step 5: Burn Smart Contracts - Transfer Governor and Timelock admin keys to `0x000...000` (effectively destroying governance capability) - Publish dissolution announcement on Association website and archive to IPFS

13.3 Token Holder Rights Upon Dissolution

Token holders have **no right** to:

- Receive cash or assets in exchange for GBR tokens
- Vote on asset distribution recipient (beyond the designated nonprofit)
- Sue the Association for loss of token value

This is consistent with nonprofit law and the utility (non-security) nature of GBR tokens.

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14. LIMITATION OF LIABILITY AND FIDUCIARY DUTIES

14.1 Wyoming DUNA Statute Protections

Pursuant to Wyoming Statute § 17-22-112, this Association includes the following **Notice of Restrictions on Duties and Transfers**:

> **NOTICE OF RESTRICTIONS ON DUTIES AND TRANSFERS**
>
> The rights of members in Gybernaty DUNA are governed by the Association Agreement and the smart contracts deployed on BNB Smart Chain at [Governor Contract Address] and [Timelock Contract Address].
>
> To the fullest extent permitted by law, including Wyoming Statute § 17-22-112:
>
> 1. **No Fiduciary Duties**: No member, token holder, or administrator of this Association owes any fiduciary duty to the Association or to other members, except as explicitly set forth in this Agreement or required by law. The Association's operations are governed by code (smart contracts), not by fiduciary discretion.

2. **Good Faith and Fair Dealing**: Members shall discharge any duties under this Agreement and exercise any rights consistent with the obligation of good faith and fair dealing. This does not create fiduciary duties beyond those explicitly stated.

3. **Limitation of Liability**: No member, token holder, or administrator shall be personally liable for the debts, obligations, or liabilities of the Association, whether arising in contract, tort, or otherwise, except:

4. To the extent of their capital contribution (if any)
5. For their own willful misconduct or gross negligence

6. As required by law (e.g., tax liabilities for compensation received)

7. **Reliance on Smart Contracts**: Members may rely on the code of the smart contracts as the primary operational mechanism of the Association's governance. However, if this Agreement conflicts with the smart contract code, **this Agreement prevails** for legal and regulatory purposes, and governance shall vote to correct the smart contract code to conform with this Agreement. Smart contracts are tools that implement this Agreement, not substitutes for it.

14.2 Disclaimer of Warranties

No Warranty on Token Value: The Association makes **no representations or warranties** regarding:

- The future value of GBR tokens
- The performance or security of smart contracts
- The success of ecosystem projects
- The Association's ability to achieve its mission

Assumption of Risk: By holding GBR tokens, members acknowledge and accept the risks of:

- Smart contract bugs or hacks
- Blockchain network failures (e.g., BSC outage or 51% attack)
- Regulatory changes (e.g., SEC declaring GBR a security)
- Loss of private keys

- Market volatility

14.3 Indemnification

Association Indemnification: The Association shall indemnify and hold harmless the Administrator and Emergency Multisig signers (if any) from any claims, damages, or liabilities arising out of their performance of duties under this Agreement, **except**:

- Claims arising from willful misconduct, gross negligence, or fraud
- Claims arising from unauthorized actions outside the scope of this Agreement

Funding: - Indemnification funded from Association treasury (subject to governance approval)

Insurance: - The Association shall obtain comprehensive insurance coverage as detailed in Section 16 (Insurance), including D&O, smart contract, general liability, and cyber liability policies

14.4 No Partnership or Joint Venture

Token holders are **not** partners, joint venturers, or co-owners of a business. The Association is a **nonprofit association**, and token holders are **members** with governance rights, not investors or business partners.

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15. MISCELLANEOUS PROVISIONS

15.1 Governing Law

This Agreement and the Association are governed by the laws of the **State of Wyoming**, without regard to conflict of law principles.

Any disputes arising under this Agreement shall be resolved:

1. **First**: By on-chain governance vote (if possible)
2. **Second**: By arbitration in Wyoming under the rules of the American Arbitration Association (AAA)
3. **Last Resort**: By litigation in the state or federal courts of Wyoming

15.2 Severability

If any provision of this Agreement is held invalid or unenforceable by a court, the remaining provisions shall continue in full force and effect.

The invalid provision shall be reformed to the minimum extent necessary to make it valid and enforceable, consistent with the intent of the parties.

15.3 Entire Agreement

This Agreement, together with the Articles of Organization and the smart contract code, constitutes the entire agreement among the members of the Association.

Any prior agreements, understandings, or representations (oral or written) are superseded by this Agreement.

15.4 Amendments to Smart Contracts

Upgradeable Contracts: If the Governor or Timelock contracts are deployed as upgradeable (e.g., using OpenZeppelin UUPS proxy pattern), upgrades require:

- Governance vote (quorum ≥30%, approval ≥75%)
- Smart contract audit of new implementation
- Timelock delay of [72 hours]

Non-Upgradeable Contracts: If contracts are immutable (non-upgradeable), any changes require deploying new contracts and migrating governance (by governance vote).

15.5 Communication Channels

Official Channels: - Website: https://gyber.org - Governance Forum: https://forum.gyber.org or Discord - On-Chain Governance: [BSC Contract Address] - Email: contact@gyber.org (Administrator)

Notice to Members: All official notices (e.g., governance proposals, Administrator reports) shall be posted on the Governance Forum and indexed on-chain.

Notice to Association: Legal notices to the Association shall be sent to the Registered Agent at the address on file with the Wyoming Secretary of State.

15.6 Waiver

No waiver of any provision of this Agreement shall be effective unless in writing and approved by governance vote.

A waiver of any breach does not constitute a waiver of any subsequent breach.

15.7 Force Majeure

The Association and its members shall not be liable for failure to perform obligations due to circumstances beyond their reasonable control, including:

- Natural disasters
- War or terrorism
- Government actions or regulations
- Blockchain network failures (e.g., BSC hard fork, consensus failure)
- Cyberattacks

Remedy: - If force majeure event prevents governance for >90 days, Emergency Multisig (if established) may take necessary actions to preserve the Association - If force majeure event is permanent, dissolution process (Section 13) may be initiated

15.8 Interpretation

Definitions: - "Association" or "DUNA" refers to Gybernaty DUNA - "Token" or "GBR" refers to the GBR governance token - "Governance" or "governance vote" refers to on-chain voting via the Governor contract - "Community" or "Gybernaty Community" refers to GBR token holders collectively

Headings: - Section headings are for convenience only and do not affect interpretation

Singular/Plural: - Words in singular include plural, and vice versa

15.9 Dispute Resolution

Internal Disputes: - Disputes among token holders resolved by governance vote

Disputes with Third Parties: - Handled by Administrator (if within scope) or by governance-appointed representative

Arbitration: - Mandatory arbitration for disputes >$[10,000] - Wyoming venue, AAA rules

15.10 Publicity and Confidentiality

Public by Default: - The Association operates transparently. All governance votes, treasury transactions, and major decisions are public.

Confidential Information: - Certain information may be kept confidential to protect the Association's interests: - Legal privileged communications - Security vulnerability reports (until patched) - Personal data of grant recipients (as required by privacy law)

Non-Disclosure Agreements: - The Association may enter into NDAs with third parties (e.g., for commercial partnerships), subject to governance approval.

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16. INSURANCE

16.1 Directors & Officers (D&O) Insurance

The Association shall obtain and maintain D&O insurance covering the Administrator, Emergency Multisig signers (if any), and DAO-appointed Trusted Executors against claims arising from their performance of duties under this Agreement.

Coverage: - Defense costs, settlements, and judgments for claims alleging wrongful acts in the performance of duties - Minimum coverage: $[500,000-1,000,000] (subject to governance approval based on treasury size)

Exclusions: - Willful misconduct, gross negligence, or fraud - Unauthorized actions outside the scope of this Agreement

16.2 Smart Contract Insurance

The Association shall obtain smart contract coverage for the Governor, Timelock, and Treasury contracts through decentralized insurance protocols (Nexus Mutual, InsurAce, or equivalent) or traditional cyber insurance carriers.

Coverage: - Loss of treasury assets due to smart contract exploits, bugs, or vulnerabilities - Coverage amount: up to [50-80%] of treasury value (subject to availability and governance approval)

Requirements: - Coverage obtained **before** or immediately after deployment of governance contracts - Policy maintained continuously; lapse requires governance notification within 48 hours - Annual review of coverage adequacy by governance vote

16.3 General Liability Insurance

The Association shall obtain general liability insurance to cover:

- Third-party bodily injury or property damage claims (e.g., at community events)
- Advertising injury (defamation, copyright infringement in publications)
- Minimum coverage: $[500,000-1,000,000] per occurrence

16.4 Cyber Liability Insurance

The Association shall obtain cyber liability insurance covering:

- Data breach response costs (forensics, notification, credit monitoring for affected individuals)
- Regulatory fines and penalties arising from data privacy violations (GDPR, CCPA)
- Business interruption losses due to cyberattacks
- Ransomware and extortion response
- Minimum coverage: $[500,000-1,000,000] (subject to governance approval)

16.5 Insurance Governance

Approval: - All insurance policies and premiums require governance vote approval - Annual review of all active policies (coverage adequacy, cost-benefit analysis)

Funding: - Insurance premiums paid from Association treasury (fiat or crypto as applicable) - Included in annual budget proposal

Claims: - Administrator or Trusted Executor authorized to file insurance claims on behalf of the Association - Settlement of claims >$[10,000] requires governance approval - All claim proceedings reported to token holders

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EXECUTION

This Association Agreement is adopted by the initial token holders of Gybernaty DUNA and takes effect as of [DATE].

Attestation: The undersigned Administrator hereby acknowledges receipt of this Agreement and agrees to perform the duties specified herein.

ADMINISTRATOR:

Signature: _____
Name: [Administrator Name]
Title: Ministerial Agent
Date: [Date]

GOVERNANCE SMART CONTRACT:

Governor Contract Address: `[TO BE DEPLOYED]`
Timelock Contract Address: `[TO BE DEPLOYED]`
GBR Token Contract Address: `0xa970cae9fa1d7cca913b7c19df45bf33d55384a9` (BNB Smart Chain)

IPFS HASH (for immutability):
This Agreement shall be published to IPFS and the hash recorded on-chain at [Governor Contract].

IPFS Hash: `[TO BE GENERATED]`

APPENDICES

Appendix A: Governance Parameters (Initial Values)

Parameter	Initial Value	Modifiable?
Voting Delay	2 days	Yes
Voting Period	5 days	Yes
Quorum	15% of total supply	Yes
Proposal Threshold	1% of total supply	Yes
Timelock Delay	48 hours	Yes

Appendix B: Ecosystem Projects

See Section 2.4 for full list.

Appendix C: Research Focus Areas

See Section 8.1 for full list.

Appendix D: Ministerial Agent Agreement

[Separate document to be attached]

Appendix E: Legal Opinion on Token Status

[To be attached once obtained]

END OF ASSOCIATION AGREEMENT

Document Version: 1.0
Last Updated: [DATE]
Approved by Governance Vote: [PROPOSAL ID] on [DATE]

/Users/Gyber/GYBERNATY_DUNE/ASSOCIATION_AGREEMENT.md