

Legalize DAOs

Reducing friction for legal DAO formation and administration



Overview

In May 2019, dOrg legally wrapped its DAOstack DAO [1][2][3][4]. Since then we've learned through experimentation how to manage our day-to-day operations in a manner that is distributed yet legally compliant.

Legalize DAOs is an initiative to transform these learnings into DAO-centric tooling for the formation and administration of legal entities. We hope that these efforts will drastically reduce uncertainty, friction and costs for those who participate and interact with on-chain organizations.

Focus Areas

Our toolchain is intended to integrate with existing DAO protocols and workflows.

- **Tightly couple DAO proposal flows to legal agreement execution.** For example, I make a proposal to my DAO to sign a Service Agreement with a client. Members of my DAO can view and vote on the proposal. If the proposal passes, then the agreement is automatically signed by the DAO, and the counter-party is notified. The signed agreement is stored persistently on a content-addressable, distributed file system.
- **DAO legal agreement management dashboard** where members can draft new agreements from templates and view or amend all of the DAO's executed agreements. Members can also view past versions of executed agreements along with metadata such as who voted, when it passed, etc.

Roadmap

- ☒ ~~Form a Limited Liability DAO as a Vermont BBLLC under the guidance of local advisors who assisted with development of the law.~~
- ☒ ~~Develop the legal templates necessary to legitimately conduct business as a DAO.~~
- ☒ ~~Open-source all formation documents and legal templates to allow others to join the fun.~~
- ☐ **Build a toolchain to enable frictionless formation and administration** of legally wrapped DAOs (and DAO-wrapped legal entities).

Deliverables

This proposal is to fund the initial specification phase of what we hope will be a much larger project involving more stakeholders. The primary deliverables are:

1. Specification with mock-ups, user-flows and proposed technical architecture of the toolchain.
2. Partners and financial supporters secured for building out the toolchain.

The above will be delivered within 1 month of this proposal passing (~ mid August).

Learn More

Initial Work

- [BLLC pilot](#)
- [Metadata standard](#)
- Open-sourced templates [[Github](#)][[OpenLaw](#)]
- [Early spec](#)

Media Coverage

- [Coindesk](#)
- [Cointelegraph](#)
- [MIT Law](#)
- [Gravel & Shea](#)

dOrg

- [DAO](#)
- [Discord](#)
- [Website](#)