

FLAT DAO STRUCTURE – AirDAO Council ⁱ

AirDAO is an entity that was created in September 2022 as a reinvention of the old “Ambrosus Ecosystem” in its way toward being a full DAO

Following recent months, it has become clear that a trustworthy, independent community is the strongest pillar of a DAO Ecosystem. Trust has been called into question as a result of recent investment decisions and have impacted the strength of our community. We believe accelerating our objective to become a true DAO will alleviate those concerns and is the best course of action to restrengthen our community.

The success of a DAO project largely depends on how freely the community can participate in the decision-making and management of a DAO project. We are the community, and we are proposing a new structure within the ecosystem. No more central leadership roles, no directors, no CEO. No single developer/development company will maintain/control or build AMB-NET. “AirDAO Council” a new entity within our ecosystem. An elected leadership is a sustainable way to transition power and to accelerate the transition to become a true DAO, as it was originally intended. All decisions will be solely managed by elected members who will collaborate, strategize and optimize themselves to lead the company on behalf of the community. The Council will utilize smart contracts to ensure complete transparency and fairness.ⁱⁱ

During this proposal we aim to address the following topics:

1. A Council structure that will serve the community and long-term success of AirDAO. This structure will be nimble to ensure quick decisions are taken, it will be fair and represent all pillars of the ecosystem, and it will be diverse to ensure there are many perspectives taken into consideration. Above all, it will be a structure that ensures the community has a majority voice in the future of AirDAO.
2. Exploration of a fair and just process for Council member elections, in a decentralized manner that will take all ecosystem members into consideration.
3. Consideration of the mechanism by which Council members will be added and/or removed from their position once the Council is established and the cycle of new elections.
4. The roles, responsibilities, and compensation of a Council member?
5. The power the Council will have over all AirDAO assets, fund, IP, source codes, (5B AMB multisig, engineering multisig, operational fund) and Tiers of decision making. ¹
6. The smart contracts required to ensure the Council operate in a decentralized manner?

¹ This needs to be expended + the document should include definitions so it's clear to community members at all levels of knowledge and understanding

7. A vow the Council will make to the wider community when making their decisions?
8. Who are the most appropriate candidates for the election that will represent each pillar within the ecosystem and how will their credentials be validated?
9. What are the key topics which need to be discussed and voted by the Council in the before the council is legally in power and immediately after ?

A Council structure that will serve the community and long-term success of AirDAO. This structure will be nimble to ensure quick decisions are taken, it will be fair and represent all pillars of the ecosystem, and it will be diverse to ensure there are many perspectives taken into consideration. Above all, it will be a structure that ensure the community has a majority voice in the future of AirDAO

The aim of this structure is to ensure that each pillar within the ecosystem has a voice. We therefore propose a total of 9 Council members that will ensure distribution of power and that no pillar within the ecosystem will have a majority to make decisions.

The Council will not name a chairman/director but must be able to engage the company (e.g. sign a contract, hire a new resources,).

One member would be elected each 3 to 6 months (tbd²) to represent the Council. This charge would be rechallenged continuously (person in charge can be maintained or replaced at every vote). And contracts will be signed by multiple Council members, e.g. Council representative, head of the person in charge, head of Finance/contracts/legal.

Seats allocation must enable the efficiency and effectiveness of the Council. Meaning it must fairly express the Community wishes and opinions, but also integrate the appropriate representatives of AirDAO's Operational Management (OM).

OM is essential in Council to:

- Provide detailed information on ongoing activities, projects, teams, communities, development.
- Escalate and explain to the Council proposed strategies (product roadmap, marketing, community development, finance, business dev, organization..)
- Feed then participate to the Council discussion to reach the most appropriate decisions for AirDAO ecosystem

Take in charge Council decisions to implement them, then report to Council on progression, success/alert points, completion, for the Council to be able to define/validate next actions and for the Community as a whole to monitor what it has previously decided.

² Will be define by Council once it's in place

We propose the following Council composition to integrate all necessary pillars:

Members with no operational responsibilities in AirDAO

5 Long term community members (including but not limited to node operators, stakers, investors and blockchain developers) without present/past OM responsibilities

Members with operational responsibilities in the day-to-day management of AirDAO's teams and projects

- 1 Blockchain Development (INC4) and product strategy
- 1 Head of Community (supervising external communication, marketing, AirDAO academy, ..)
- 1 Operations: HR, Projects, KPIs, Orga, Coordination
- 1 Finance, exchange relationship management, contracts, legal

Total of 9 voting members forming the Council³

An external advisor, expert in BC/crypto/Web3 will participate to the Council but without voting rights. He's not part of OM. (S)he may invest/be invested in AMB during his/her mandate.

In case of neutrality (e.g. vote ending 4 vs 4), because one member is missing, the person elected by his/her peers to represent the Council can have his/her voice counted twice. But no seat must stay empty. nomination/recruitment must be organized without delay.

One of the Council members should be nominated secretary (i.e. facilitator/liaison, preparing Council documentation with different stakeholders and sending before for review, preparing minutes and sending back to community, organize votes, store decisions.). 4

³ Need to expand on council proceedings and voting rights - as agreed in town hall on May 11th, this was not detrimental for a community vote to occur and would be discussed later

⁴ - 2 alternatives:

- one of the existing Council members, having an additional Council for the (significant) additional work of coordination/preparation/redaction work required), or
- an external and additional participant with no voting rights

Proposed separation of power between Council and Operational management

	Council	Operational Management
Focus	Strategy — long term plans — representation of community's interests	Manage day to day (staff, finance, projects, community...)
Meetings	Bi weekly	Min. weekly, depending of operation
Responsibilities	<ul style="list-style-type: none"> Define community and product strategy and roadmap Define and support financial strategy, BD and fundraising Validate use of resource of the company Make sure company's directions and implementation correspond to ecosystem expectations Inform community on developments, incl. risks. Organize community votations Validate efficiency and effectiveness of operational teams Review and hire/dismiss operational management team 	<ul style="list-style-type: none"> Manage day to day (staff, finance, projects, community..) Develop propositions to be discussed and validated by council: Product roadmap, Community strategy, Marketing strategy, Financial strategy, Organizational Development, Performance, Use of Resources, etc Implement the product roadmap and the strategy defined by council Supervise, manage and develop teams

Exploration of a fair and just process for Council member elections, in a decentralized manner that will take all ecosystem members into consideration.

The community will vote for all positions.

The below roles will be nominated and voted for by the community. If more than 5 individuals are nominated, the community will vote which individuals are to be selected. If there are only 5 candidates, the community will vote agree or disagree for each member. If a 51%+ majority vote disagree and new candidate must be sourced.

5 Long term community members (including but not limited to node operators, stakers, investors and Blockchain Developers) without present/past OM responsibilities

The remaining roles will be nominated by the team supervising and managing the operations, developments and activities before the change to the new structure.

If more than one individual is nominated for each role, the community will vote which individual is to be selected. If only one individual is selected from the existing team, the community will vote agree or disagree. If a majority vote disagrees, then a new candidate must be sourced. This ensures the Council are all selected by the community (including the OM Members).

- 1 Blockchain Development (INC4) , in charge of product strategy and roadmaps
- 1 Head of Community (supervising external communication, marketing, AirDAO academy, ..)
- 1 Operations: HR, Projects, KPIs, Orga, Coordination, potentially secretary of the Council
- 1 Finance, exchange relationship management, contracts, legal

Total of 9 positions with voting power

Ecosystem members will be given a reasonable number of days to put forward their suggested individuals for the positions in a place where everyone can see (Governance forum).

No minimum/maximum number of candidates is set for position nominated by the community.

Potential nominees will summarize in one presentation slide:

- Seat targeted
- Contribution to the community (Past & Present)
- Brief introduction including discord/telegram usernames
- Field of Expertise, professional track record, relevant skills or background that will drive success within AirDAO
- Proposed agenda / targets in the position for next 12 months (What will he/she bring to AirDAO ecosystem? Vision and concrete plans/actions)
- Any other related info for the nomination “pitch”

Candidates presenting adequacy with the position targeted (inc. value added and achievements they will bring to AirDAO) will be kept for a short live interview in Townhall. Their presentations, following a similar format will be aggregated and shared with all community members to facilitate review and votes.

Council will meet weekly and face-to-face; no anonymous candidate will be considered.

The election vote will be done via snapshot and votes will be calculated 1 vote per 1 AMB. (Voters can proportion their coins to multiple nominees if they wish.)

The final Vote will last for 7 days.

*BOND Tokens holders will not count towards the final vote

** All ecosystem participants should have the opportunity to vote including stakers and node operators without the need to unstake or retiring nodes to ensure the security of the blockchain remain intact. *A community member is currently working on this to see if it is physically possible.*

Consideration of the mechanism by which Council members will be added and/or removed from their position once the Council is established and the cycle of new elections.

The New Council will remain in power for a term of 1 year (unless individuals are majority voted out of the Council) It will require a minimum of 7 (Council member) votes to remove⁵/add AirDAO Council members and the winning decision must receive at least 5 votes. The community can also propose to remove/add Council members. This would require a minimum of 51% of circulating supply. If the community fails to raise the necessary 51% they will still be able to put a formal proposal forward for the council to review.

After 1 year a new Council election may take place, for this to happen 51%⁶ of the circulating supply must vote for it, otherwise the Council will continue business as usual, or a position is vacated. The first Council will make the community aware of the re-election window and put it forward to an ecosystem vote. If a re-election is activated the Council will host the election and the process and nominations will be open to the community.

⁵ If person do not show on council call for 3-4 calls in a line without a credible reason will - a vote must be taken on their dismissal

⁶ **51% Level to validate. Some propose more – mechanism to clarify as well**

The roles, responsibilities, and compensation of a Council member?

Roles and responsibilities⁷

- Attend Council meetings every 14 days unless necessary to meet sooner (on a day to be decided post-election)
- Engage with your constituents pre and post Council meetings by way of notes posted on the governance forum.
- Vote on proposals put forward by the community
- Put forward proposals to the Council that best represent the community's needs.
- Attend town hall calls to engage with the community face to face.
- The Council will provide an overview of their work once per month and this will give the community a transparent environment for community members to express their opinions directly.
- Monitor the proposals put forward by community members through the week and tier them.
- Carry out and/or delegate any actions you have agreed or have been asked to do within the weekly Council meeting.

Compensation

Will depend of each Council member's mission, his/her involvement in the Council.

Specific missions (ex business dev, fundraising, Secretary) will lead to additional fees vs only preparing for and exchanging/decision at the Council, once every two weeks when Council sits

Compensation will be in AMB per month - 50% paid monthly, the other 50% are vested for a period of X months. This will be paid from the AMB team incentives fund and approved by Council members.

Amounts will be discussed with the community and validated by it

⁷ Will be expanded as mentioned above on council R&R - i.e. include how they will execute on their duties and OKRs

Further rules

- Council members will provide 5 days' notice if you are unable to attend any meetings
- All individuals vested tokens would go back to the community in the event they are removed from the Council
- All Council leaders will not have to be native English speakers however they will need to have a competent understanding.
- As a Council member, you must be willing to verify your identity and your credentials. You will be contracted to Airdao during your time on the Council and you will have to sign an NDA as you will party to sensitive information

The power the Council will have over all AirDAO assets, fund, IP, source codes, (5B AMB multisig, engineering multisig, operational fund) and the Tiers of Decisions.

The Council will have ultimate power over all assets within the ecosystem, subject to the community having the powers to remove the Council by an approved mechanism.

In order to keep the ecosystem moving “uncomfortably fast” the wider community should not vote on all decisions. The Council are therefore elected to make decisions on behalf of the community. If the Council feels that a decision must be presented to the community to vote, the community vote will be final and irreversible.

Decisions Tiers

When proposals are put forward, the Council must categorize them into Tiers by way of votes.

Tier 1 – Day to day running. These decisions require a minimum of 6 votes with 4 in favour of the decision – marketing, events, business development, HR, changes to Payroll, Blockchain maintenance. Tier 1 can be used as a voting tool to delegate to a subgroup for specific individuals to make low level decisions. E.g. HR, existing workloads. (Tier 1A) – Council should not be involved for decisions/operational expenses implying less than 2500\$ and within a pre agreed budget, ⁸these are left to operational/team management

Tier 1A – Although the decisions may not have been made yet they will fall into this subcategory Tier 1A. These decisions will still be visible by all council members, but the number of voters required, and number of votes required will reduce to a nimble level to keep the project moving and reduce the burdens on the Council.

⁸ Exact amount to be defined when clarifying roles, responsibilities, accountabilities..

Tier 2 – Initiatives, objectives – these decisions/proposals help alleviate some of the weaknesses of not having a direct leader and staying focused on a unified direction. A minimum of 7 members with 6 in favour.

Tier 3 – Tier 3 proposals are impactful by nature and are sensitive. These decisions require 7 votes with a minimum of 5 in favour. For Example – New Investors, SubDAO funding, Exchange partnerships, New hires, Blockchain upgrades, Council member addition/removal.

Tier 4 – Only to be used in Emergency and the community need to be engaged; Requires a minimum of 5 votes with 5 in favour votes – automatically goes to the community for voting

*When voting to select which tier a proposal must sit within at least 5 council members must vote for it with 4 in favour.

**All proposals must be categorized in 7 days.

Tier 1 proposals must be voted within 14 days

Tier 2 proposals/decisions will be voted on every 3 months to ensure alignment with objectives and planning of future initiatives within the ecosystem.

Tier 3 proposals must be voted within 21 days unless they require a long review time, at which point they will be considered as pending proposals and not live.

Tier 4 votes must be voted within 7 days with the community vote taking place immediately after. A tier 4 community vote will last 7 days and the Council members will ensure that communication with the community is a top priority over all social media platforms and will take precedence over all other tasks. At least X% of circulating supply must vote that will last for 7 days. In the event X% haven't voted within 7 days the voting period will be extended for an additional 24 hours until the decided number of participants vote. The decision of the community will be final.

The tech required to make the Council operate in a decentralized manner?

Voting - On chain voting mechanism that is working autonomously. There are likely already open source projects that provide EVM compatible DAO tools to have on chain voting (e.g. Aragon, safe, snapshot. Further can be build on demand)

Gnosis Safe/Llama/Utopia - to secure the DAO through multi-sig wallets. This will require multiple signatures to access funds when decisions are taken by the Council.⁹

Snapshot is the perfect system for submitting and voting on proposals related to DAO governance.

A vow the Council will make to the wider community when making their decisions?

All members on the Council vow to put the community interests ahead of their own personal gain and will represent their “ecosystem pillar” to the best of their ability. They are committed to AirDAOs vision and long term success and will be available where possible to act promptly to protect the ecosystem and its members. The Council will be as transparent as they possibly can. In the event Council members are unable to share information with the community that will affect the community, it is the Council's duty to represent the interests of the community and work towards communicating as soon as they possibly can without delays.

Who are the most appropriate candidates for the election that will represent each pillar within the ecosystem and how will their credentials be validated?

In order to avoid a “hostile” takeover of AirDAO, there must be some parameters set to ensure the appropriate individuals are elected onto the Council.

A **nominating fee** will be set to avoid candidates spam: any nominee will be required to put **100k** of AMB to multisig wallet, and can have them back after vote.

We therefore propose the following criteria for each Council member even if they are not going to be “elected”:

Long term community members – number of months spent as a contributing community member will be appreciated,. Inputs, participation in TG and others channels are equally important. And even more the candidates’ commitment, their specific skills and what they intend to bring if elected.

Member of the **Operational Management**: Hired/ Nominated [by the team supervising and managing the operations, developments, activities.. before the change to the new structure.

All Council members will serve at least 1-year term (Unless they leave the Council, or they are removed by the Council, or they lose their seat during re-election

⁹ Hot/cold wallet. Main funds will be on cold (safe/llama..) while operation budgets for 1-3 month will be on hot wallets managed by operations team. This will allow to sign transactions in batch by council

What are the key topics which need to be discussed and voted by the Council in the first 3 months?

First and founding activities: Operational management to be mandated by the Council to assess current situation, red flags, required actions – to define directions in/with the Council, to inform and vote with community on necessary roadmap and actions (i.e. audit of all activities, finances and structure to be reviewed by the council to make informed decisions

Organization of the transition:

- Checklist – to do in transition to ensure capacity to operate of new governance (accesses, doc, systems, ...) – what to put in place to enable the functioning of the new “entity”
- Assess risks to be taken care of during transition: what could go wrong ? what mitigation mechanisms to put in place
- Targeted new structure holding AirDAO assets and controlled by the Council: what type of entity ? where ? who will manage establishment of new entity, and transition from old one ?
- who will have power to engage AirDAO contractually, what legal base and implications. - What exactly needs to be transferred between both (e.g External Blockchain Advisor & Council Chair, IP, Initiatives & objectives, Financial Planning, Roadmap, Multisig private key management, processes of moving funds, social media accounts.. all documented)¹⁰

Then hand over mint an NFT collection called "The AirDAO Constitution" with the text stored on atlas nodes, 1000 Amb cost, will go to the community fund

Council Strategy Day – full hand over from existing team members and an update to all Council members including “sensitive” information so that Council members can make informed decisions in the best interest of the community.

^{i i} To assess: possibility to review this document to align more to a Council charter - sections to include - Purpose - Authority - Role of the Council - Roles and responsibility of the chair - Relationship between the Council and management / operations - Council duties and responsibilities - Meetings - Composition - Review

ⁱⁱ Section could in that logic be adapted to specify differently the principles of the AirDao Council: To community & Clients || Transparency / disclosure || Independence of the Council || Code of Conduct || Inclusion / diversity || Risk management

¹⁰ To define : Assuming the council has oversight of all contractual agreements - Would these be written into the blockchain as smart contracts ? (question of number/types of signatures: proposed on p. 2)