

Season 6: Code of Conduct Rescoping # 2

A Brief History of the Code of Conduct (CoC)

- Before we had a CoC, there were concerns about grant misuse and toxic interactions on our platforms
- We created an enforceable CoC in the Token House, which was initially and temporarily enforced by the Foundation
- In an attempt to decentralize enforcement, there were a few months where we experimented with the Token House voting on [Delegate Suspensions](#). This experiment ultimately ended with a nearly unanimous abstention among delegates on the second, and last, such Suspension vote. Delegates do not want to vote directly on CoC matters.
- In Season 5, we introduced an experimental, elected [Code of Conduct Council in the Token House](#) to relieve delegates of this responsibility.
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- While experimenting with the Council in the Token House, the Foundation has been [responsible for the CoC in the Citizens' House](#)

Rescoping Proposal #1

- In response to continued feedback, we [rescoped](#) the Code of Conduct at the start of Season 5 via the following actions:
- Most platform related violations (harassment, doxxing, slander, etc.) are now enforced via the [Rules of Engagement](#), which dictate the usage of Optimism hosted platforms. This allows these issues to be handled immediately via moderators, and not through lengthy governance processes.
- All unenforceable “should” statements were moved into [Optimist Expectations](#), to be enforced via the free market for delegation. This minimizes governance overhead and creates more appropriate consequences (losing delegation vs. suspension from platforms.)
- Collective Representative Removal was moved into the [Operating Manual](#) as a proposal type that allows all elected representatives to be removed from these positions at any time by the full Token House.
- Grant clawbacks, for locked builders grants, were placed under the purview of the Code of Conduct Council and the [Grant Misuse Reporting Process](#) was established. This portion of the rescoping was voted on by the Token House as this change constituted a removal of proposal types from the Operating Manual.
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- All that is now left in the [Code of Conduct](#) are clauses relating to [Grant Policies](#) and Self-dealing.
- The Grants Council Milestones and Metrics committee assesses the completion of milestones and compliance with the [Grant Policies](#).
- It remains very important to limit self-dealing but the way self-dealing clauses are enforced via the Code of Conduct is nuanced.
- In the Token House, self-dealing results in delegate suspension from our platforms, but there is no-onchain

enforcement impacting their voting power. We do not plan to implement any such on-chain enforcement to preserve tokenholder rights.

- In the Citizens' House, badgeholders may have their voting power removed for self-dealing as the Foundation currently administers voting badges. However, this ability will not exist in the future as the criteria granting the right to be a Citizen will be determined via governance.
- In the Token House, self-dealing results in delegate suspension from our platforms, but there is no on-chain enforcement impacting their voting power. We do not plan to implement any such on-chain enforcement to preserve tokenholder rights.
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Rescoping #2:

A Return to Governance Minimization

Informed by conversations with the Code of Conduct Council and ongoing learnings throughout the course Season 5, the Code of Conduct will be further rescoped, and as outlined below, to ensure accountability in a governance minimized way.

- The Foundation may issue a Mission Request to support alternative dispute resolution, to limit the need for escalation to the point of enforcement to begin with.
- The Metrics and Milestone subcommittee of the Grants Council will process all [Grant Policy](#) violations, subject to optimistic approval by the Token House. The Grants Council has more context and a higher ability to assess grant related violations than any other party and the Token House will retain optimistic approval rights over these decisions.
- Self Dealing policies will be primarily enforced via the free market for delegation, incentive design, and voting mechanisms.
- Self-dealing clauses will be moved into [Optimist Expectations](#) and voters in both Houses will continue to be expected to uphold these expectations
- Token House self-dealing will be enforced via the free market for delegation, as alternative enforcement mechanisms do not carry on-chain consequences anyway
- Citizens' House self-dealing will be addressed via incentive and voting design rather than enforced by the Foundation. The goal is to prevent, or account for, this behavior rather than police it. As these mechanisms are developed over time, the Foundation may still play a temporary role in enforcement mechanisms (such as badge removal). The ability of the Foundation to implement any enforcement actions will be specified at the start of each round given the unique considerations of distinct round designs.
- Round 4:

Self-dealing will be limited by metrics-based voting as badgeholders will no longer vote on individual projects

- Round 5:

Expert evaluation presents unique challenges related to conflicts of interest and we are actively evaluating Mission Requests to aid in the design of this round.

- Voting design (Coming soon!)
- Incentive design
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- Round 6:

Self-dealing will be limited by voter selection methods and sampling, which makes it unlikely badgeholders would evaluate projects they're affiliated with

- Round 7:

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These changes do not require governance approval as they do not change any Token House voting rights.

- Finally, the [Rules of Engagement](#) will continue to be enforced, either by an elected Code of Conduct Council or by other moderators. Delegates will vote on their preferred option.
- Delegates may choose to approve an operating budget for the Code of Conduct Council to oversee the Rules of Engagement in Season 6, provided a prospective Lead puts forward a proposal to do so. If delegates do not believe an elected Council is necessary to enforce the Rules of Engagement, they should not approve the operating budget for a Code of Conduct Council.
- In the event that no operating budget is approved for a Code of Conduct Council, the supportNERDs will continue to monitor the forum and enforce the Rules of Engagement as they previously have. The supportNERDs are not appointed by the Foundation but rather operate through an open contribution path. If any decisions made by the supportNERDs are questioned, they may be appealed to a third party (likely the party contracted to provide mediation services.) Enforcement via random jury selection was considered but is not recommended due to the level of overhead required for what is essentially forum moderation.
- In evaluating the above options, it's important to remember our constitutional principle of governance minimization. Councils necessarily increase governance overhead, which means the Collective can only support ~4-5 Councils and should use them sparingly. Council structures should be used only when well suited to the problem space (usually convex decision making.)
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- With these changes, the same accountability system would remain intact, albeit without the need for centralized enforcement. Accountability would be maintained via mediation services, the free market for delegation, the milestones and metrics sub-committee, the public grant misuse process, moderation of the rules of engagement, and incentive and voting design. This minimizes governance overhead while ensuring accountability via a broad range of methods that decentralize enforcement power across many distinct parties.
- These changes would be implemented for the length of Season 6 but may be re-assessed and adapted based on learnings.

Thank You to the Token House Code of Conduct Council

We'd like to thank to members of the Code of Conduct Council for their willingness to experiment and for the valuable work they've done in testing the Council structure as a potential solution to decentralizing Code of Conduct enforcement.

Further information on renewing the Code of Conduct Council can be found [here](#).