

## TLDR

: We look forward to being a member of the Superchain and closely working with Optimism to contribute towards the Superchain vision. We plan to vote on proposals and delegate a small amount of voting power as a pilot program. We will share more information about how to get involved as soon as we are ready.

First, we want to thank the Optimism Community for the warm welcome we have received. We are grateful and excited to be here as a member of the Superchain. We are fully aligned with Optimism's success and hope to attract more key players in the ecosystem through our participation.

As newcomers to governance, there is still much we need to learn. We plan to participate in the same way the Collective has: trying, listening to feedback, then iterating. We might not get things right on the first try, but we will always try to make things better. We invite the community to continue sharing feedback to guide us in the right direction.

This post is intended to provide transparency around our imminent governance plans, and is organized in sections:

1. [What Base will contribute to the Collective](#)
2. [How Base will participate in Governance](#)

### 2-a. [Objectives](#)

### 2-b. [How we will vote](#)

### 2-c. [How we will delegate](#)

1. [Closing Thoughts](#)

## What Base will contribute to the Collective

Coinbase has been building for the cryptoeconomy over the past decade. Our core contributors have worked with various products and teams in the ecosystem, and we believe there are several ways we can contribute:

- Technical

: As the second core dev for the OP Stack, we are working with Optimism to secure and decentralize the OP Stack while decreasing transaction fees. Base built and implemented the Canyon network upgrade in collaboration with Optimism. We are also thinking of ways to alleviate developers' pain points through our experimentation on gasless transactions via [paymaster](#) and [onchain identity](#).

- Revenue

: We are dedicating a portion of our sequencer revenue to the Optimism Collective. This contribution will be either 2.5% of Base's total revenue from sequencing or 15% of the profit Base makes from L2 transactions after subtracting L1 costs, whichever is greater. This means we started contributing to Optimism revenues from Day 1 of Base launch. We are excited to continue funding the public goods that power this ecosystem.

- Experience

: During the past decade, we have built up experience navigating US and International regulations, UI/UX, on/off-ramps, partnering with large entities, and onboarding new users. Though our experience is always a work in progress in this rapidly changing ecosystem, we look forward to being a thought partner while learning from the community in parallel.

- Reach

: We have built up meaningful social footprints for Coinbase and Base. Coinbase has [millions](#) of followers on Twitter, and [Base](#) has also been building an audience. At relevant and impactful opportunities, we will use our voice to amplify and empower the Superchain. For example, we encouraged [badgeholders to vote in the RPGF](#) and amplified the [We Love the Art campaign](#).

- Scale

: One of Base's key goals is to bring retail users onchain and increase the TAM for onchain builders. We are exploring various ways to achieve this goal. During [Onchain Summer](#), we unveiled 75 collections with various partners over 23 days. Coinbase is a champion of improving the financial system, as seen in our [Update The System](#) and [Stand with Crypto](#) campaigns. We hope to work with various stakeholders across the industry to encourage this migration and build meaningful traction.

- Contributing to interoperability

: We have a decade's worth of relationships with small and large builders in the ecosystem, Web2 brands, our investment

portfolio, and thousands of Coinbase alums who have come and gone over the years. Many of our alums have stayed in crypto, founding creative and diverse solutions. With these resources, we plan to cross-pollinate with Optimism and other Superchain participants to work towards an interoperable future.

- Law of Chains & Security Council

: Base contributed to writing the first iteration of the Law of Chains and the Security Council Charter. Recently, Base was in the inaugural cohort of [Security Council Members](#) ratified by Optimism Governance. We are committed to the Law of Chains as a guide for improved decentralization, neutrality, and contribution to public goods, and believe the Security Council will secure and decentralize OP Mainnet, Base, and other members of the Superchain. These initiatives will not only strengthen Base, but the foundation on which the Superchain and the global, open, onchain economy can be built. We will continue to support and shape these frameworks as they are reviewed and adopted by the Collective.

## How Base will Participate in Governance

### Objectives

We come to governance with these objectives in mind, and welcome the community to share feedback.

- Learning attitude

: We want to come to governance with a team spirit, working with community members and the Optimism Foundation to contribute to the Collective and Superchain. We have already been learning through participating in delegate calls and reading forum posts. We look forward to continually interacting with the community.

- Staying close to our values

: Our values will guide how we participate in governance, acting as both our foundation and north star. For more details on our values, see our [blog](#). \* A bridge, not an island

: We see Base as a “bridge” and default onchain experience for Coinbase users, but they are free to explore elsewhere and we will not hinder their onchain journey. Along with making Base interoperable with other chains, we will continue supporting more chains across Coinbase products.

- Open source

: Foundational software for the global cryptoeconomy should be fully open source and freely available. We’re joining as the second Core Dev team working on the OP Stack to ensure it’s a public good available to everyone. We see this toolkit as an open platform that anyone can contribute to, fork and extend to help the cryptoeconomy scale. As a part of this commitment, we recently open sourced Base’s contracts and front-end; see our article [here](#).

- Decentralized

: Decentralization is essential for the cryptoeconomy to remain open, global, and accessible to everyone. We are deeply committed to progressing towards full decentralization. See our articles about decentralization [here](#) and [here](#).

- For everyone:

Base has a vision to be an open ecosystem for everyone. This is reiterative of our dedication to open source and permissionlessness. We will work with the broader community, including Coinbase products, to bring the chain to life.

- Neutrality

: Base, and Coinbase, are committed to our [neutrality principles for Base](#). We will also aim to be neutral when determining governance proposals, though we will seek to vote for positive impact to the OP Stack, Base, and other members of the Superchain and vote against proposals that could potentially harm this ecosystem.

- Adherence to the Law of Chains

: We are committed to use the Law of Chains as a guide for improved decentralization, neutrality, and contribution to public goods. These initiatives will not only strengthen Base, but the foundation on which the Superchain and the global, open, onchain economy can be built. We will continue to support and shape this framework as it is reviewed and adopted by the Optimism Collective governance.

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## How we will vote

On the voting side, we will selectively and deliberately vote for proposals that materially impact the Optimism Collective and Base.

We have committed to exercise at most 9% of the total votable supply. This 9% includes any delegations to third parties. The Community is correct in that this cap has not been coded into stone, but our stake is [public](#) as well as our commitment. Before every voting cycle, we will recalculate our voting cap and subtract any delegations we have made to abide by the voting cap.

Each proposal will be considered case-by-case by a panel of Base contributors. By default, Product, Engineering, Ecosystem, and Legal teams will be looped in. We will share our rationale and thoughts with the community at the right opportunities. Our decisions will be made in line with our values. Here are some questions we will be asking ourselves:

- A bridge, not an island

: Does the proposal facilitate interoperability and contribute to the Superchain? Will the proposal benefit the overall ecosystem?

- Open source

: Does the proposal align with Base and Optimism's commitment to permissionless and open source availability? Is the code open source? Is it for a public good?

- Decentralized

: Does the proposal align with our values of decentralization? Does the proposal consider and incorporate diverse viewpoints and stakeholders? Will this proposal take us one step further toward our decentralization goals?

- For everyone

: Will the proposal positively impact the greater Optimism Collective, as well as Base? Is it free from technical risks that could jeopardize Base, Optimism, and the Superchain?

- Neutrality

: Could the proposal unfairly benefit specific actors in the system?

- Adherence to the Law of Chains

: Do the proposal and its writers adhere to the Law of Chains? Does the proposal benefit the Collective, Superchain, and Base?

For proposals that need deeper technical analysis, we will also be consulting different teams at Coinbase including but not

limited to Blockchain Security, Crypto Intelligence, Corporate Development, and Protocol Specialists. From time to time, we might engage with 3rd party auditors, experts, or advisors to learn more about relevant history or implications. These will only be inputs, and the Base team will make the final decision.

Regarding conflicts of interest

: Coinbase has made a [number of investments](#) across the ecosystem, and some proposals might involve Coinbase portfolio companies and/or Coinbase products. We will analyze these on a case-by-case basis.

## How we will delegate

We are also planning a delegation pilot during 2024. This is our first time delegating voting power and we plan to start small, learning from the experience to form a more informed longer-term strategy.

We will be selecting two delegates and delegating 500K OP tokens to each. The delegation period will be 6 months, and the pilot will terminate at the end of the 6 months so we can synthesize our learnings and plan for the future. We will share more information about how to get involved as soon as we are ready.

## Closing Thoughts

Society is a constant work in progress. Humans have been exploring various governance models for at least 5,000 years, yet we still have our woes. Times change, technologies change, and governance models evolve in parallel. We fully expect that the onchain governance model will reflect this bigger trend and continue to change. One of the Collective's key strengths is constant iteration, as seen in the progress even during the past year. We believe that by working with the community, delegates, and the Foundation in a collaborative way, we can continue learning and adapting to fit whatever the future holds. Governance will never be perfect (and the moment we believe it's perfect, we're treading in dangerous complacency), but we are committed to contributing to a work in progress.

Please share your feedback in this thread. We believe transparent dialogue is essential to collaboration and productive iteration, and look forward to hearing your thoughts.

-Your Base Delegates