

Today, we are proud to announce the Dai Foundation, an independent legal entity for safeguarding the Maker community's intellectual property (IP). This marks another milestone in the gradual decentralization of the Protocol.

Intellectual Property Rights

One of the key challenges on the roadmap for further decentralization of the Maker Protocol, is the management and protection of its associated trademarks and other intellectual property, such as open-source copyrights. Since these cannot be decentralized through technology, they need to be held by an independent legal entity that has the best interest of the community in mind.

IP management and protection was originally the responsibility of the Maker Foundation, but now the Dai Foundation has been created for this specific purpose. Earlier today, the Maker Foundation has transferred the ownership of Maker and Dai trademarks to the Dai Foundation. Assignment of the open-source copyrights for the Maker Protocol software components will follow in the next weeks and months.

Read the message from the Maker Foundation about the IP transfer [here](#).

The Dai Foundation

The Dai Foundation cannot seek profits and is only mandated to serve its specific purpose. It was created in Denmark, which has a very strong legal framework for independent foundations and where they have been legally accepted for centuries.

The foundation operates solely on the basis of objective and rigid statutes that define its mandate. Its purpose is to safeguard what cannot be technologically decentralized in the Maker Protocol, i.e. certain intangible assets that underlie the protocol.

The Dai Foundation helps to ensure that these intangible assets are used for sustainable growth of the Maker Protocol, and for maximizing the public good thereof in line with a set of fundamental principles. As such, it is important for the Maker community that these assets can never be transferred to any single for-profit entity.

IP Protection

There could be situations that result in a misuse of the intellectual property, brand assets and goodwill that the community has accrued over the years. In such case, the Dai Foundation will use appropriate tools to ensure that the Maker Protocol remains aligned with its core principles.

These principles include:

- The protocol must be available free of charge, as open source and without restrictions, on equal terms and for anyone.
- There must be a high degree of access and distribution to the unbanked and financially underserved.
- The governance of the protocol must take a sustainable approach, and no harmful centralization of the protocol must happen.
- Development of the protocol must be in compliance with the legislation in force at any time.
- The protocol must be operated using scientific governance that optimizes long term stability, assures diversification of the collateral portfolio, and benefit of Dai users.

In practice the intent is that the community can freely use Dai trademarks, but abuse by scammers is prohibited, and that malicious attackers of the Protocol are not allowed to mislead users of the Protocol.

Restrictions

Last but not least, it is important to note a few elements that do not fall within the mandate of the Dai Foundation:

- It does

not influence or press any personal agendas. The Foundation's statutes define board of trustees' responsibilities, and determine strict procedures for appointing new board members.

- It is not

involved in emergency shutdown procedures. However, the board of trustees aims to be prepared and plan for edge-cases where the Dai Foundation may need to offer support with answering related IP questions.

The Initial Board of Trustees

Initially, half of the Dai Foundation's board comprises external and independent board members, whilst the other half of the

board is made up of private individuals related to the Maker Foundation.

- Søren Peter Nielsen, Chairman, Head of Product at Maker Foundation
- Jacek Czarnecki, Deputy Chairman, Global Legal Counsel at Maker Foundation
- Hans Henrik Hoffmeyer, Co-founder of Coinify
- Michael Dunworth, Co-founder of Wyre
- Payam Samarghandi, Attorney at Law at Horten Law Firm
- Wouter Kampmann, Head of Engineering at Maker Foundation

As such, the Dai Foundation is initially set up to ensure that the independent board members have the necessary understanding of the Dai system and its mechanisms. Over time, the board members affiliated with the Maker Foundation will be replaced by independent board members.

What's Next

What's been the most urgent agenda item?

Quite literally, getting this announcement out to the community so that we can make sure that we're actively discussing what we're not taking into account.

To be upfront, we don't even know what we don't know yet

. The more eyes, thoughts, and contributions are brought to this conversation moving forward, the more aligned our preparation becomes.

This community is aligned exceptionally well, and that is because it has grown organically over time with like-minded people. This fact is proven by its mode of governance.

Moving forward

We're guessing that there are a million and one questions to be answered, and we want to find those answers together as fast as possible. Having an active discussion surrounding edge-cases, considerations, and all things in-between is going to ensure things are following what is important to MakerDAO, which is all of us in the community.

We would like to start the discussion by being actively present in this forum and going rapid-fire on everything or proposing updates/community feedbacks weekly or monthly as part of the governance process through the transition period until the necessary information and understanding are well documented and readily available to new community members.

Kind regards,

The Dai Foundation board