

Abstract

This proposal introduces a delegate code of conduct for Arbitrum DAO alongside additional improvements to the DAO's operational standards. The Code of Conduct sets expectations for delegate behavior, emphasizing transparency, professionalism, and integrity.

The proposal will go to a Snapshot vote for ratification on October 31st, requiring a majority approval and quorum set as at least 3% of all votable tokens having cast votes in favor or abstaining.

If approved, the Code of Conduct and operational updates will take effect on Monday, November 11th, followed by a ~6.5-month trial period ending on May 30th before being considered for permanent inclusion in the Arbitrum Constitution.

Terms

Definitions for important terms; listed in order as they first appear.

Delegate:

An individual or entity who willingly engages in Arbitrum governance and has set up a Tally profile to receive delegations.

Community Guidelines:

The rules of engagement for the Arbitrum DAO forum as [outlined](#) and enforced by the Arbitrum Foundation.

Self-Enrichment (Self-Dealing):

The act of increasing or enhancing one's own personal financial wealth as a result of one's own vote.

Conflict of Interest (COI):

A situation where a delegate, or any entities that a delegate has a direct professional or financial relationship with, stands to directly benefit from the outcome of a proposal or election.

Responsible Voting:

The practice of an election candidate casting votes for oneself and other candidates in a neutral manner to fill all open positions.

Shielded Voting:

On Snapshot, delegates' votes are kept private during the voting process, but made public after the conclusion of the vote.

Weighted Voting:

Each delegate can spread their voting power across any number of choices, from one to all. Their voting power will be divided between their chosen options according to how much weight they attribute to each option by increasing or decreasing the voting power fraction.

Approval Voting:

Each delegate can select (approve) any number of choices, and each selected choice will receive the delegate's total voting power.

Motivation/Rationale

As the Arbitrum DAO continues to grow and evolve, a standardized code of conduct for delegates becomes increasingly necessary to create a culture that attracts high quality contributors. As the leading scaling solution across most notable metrics and one of the most active governance ecosystems, it is also important for the Arbitrum DAO to lead the industry in terms of professionalism and transparency.

The purpose of this Code of Conduct is to provide guidelines for delegates to follow, helping establish explicit expectations and responsibilities, while also ensuring that Arbitrum DAO's governance process is transparent, accountable, and effective.

The Arbitrum DAO Code of Conduct is a set of guiding principles for interactions between delegates, whether online or offline. This includes the governance forum, Telegram and Discord chats, governance community or working group calls, and any other virtual or physical space that is de-facto understood to be a gathering place for the Arbitrum DAO.

Establishing clear and strict rules of conduct can be challenging and even counterproductive; therefore, the primary goal of the Delegate Code of Conduct is to help the Arbitrum DAO foster a culture of transparency, integrity, and civility. The Code of Conduct is a set of written principles that Arbitrum Delegates should embody. Delegates should use their best discretion

and act in a way that aligns with the Code's spirit, rather than seeking to exploit loopholes or ambiguities.

Following the Delegate Code of Conduct, updates to the Arbitrum DAO's operational procedures are presented. These changes include the voting schedule and election standards, both of which are based on a series of temperature checks ([Exhibit 1](#), [Exhibit 2](#), [Exhibit 3](#)).

The Arbitrum DAO Delegate Code of Conduct

Values Alignment

Arbitrum Delegates should always strive to uphold the seven community values stated in the [Arbitrum Constitution](#):

- Ethereum-aligned:

Arbitrum is part of the Ethereum ecosystem and community

- Sustainable:

Focus on long-term health of the protocol over short-term gains

- Secure:

Arbitrum is security minded

- Socially inclusive:

Open and welcoming to all constructive participants

- Technically inclusive:

Accessible for ordinary people with ordinary technology

- User-focused:

Managed for the benefit of all users

- Neutral and open:

Foster open innovation, interoperation, user choice, and healthy competition

Good Faith and Best Interest

- Delegates should conduct themselves with honesty, integrity, and transparency, fostering trust and confidence among community members.
- Delegates should act and vote in accordance with what they see is in the best interests of Arbitrum, which encompasses but is not limited to all of the following: Arbitrum One, Arbitrum Nova, the Orbit Ecosystem, the ARB token, and any future Arbitrum DAO-governed chains as outlined in the [Arbitrum Constitution](#).

Due Care and Attention

- Delegates should remain knowledgeable of developments in regards to Arbitrum DAO's initiatives and the broader Arbitrum ecosystem. Delegates can stay up to date with the following resources:
- Attending the recurring governance calls on the [Governance Calendar](#)
- Joining the [Delegate Announcements Telegram channel](#)
- Following the [Arbitrum Governance X account](#)
- Reading the weekly update [forum posts](#)
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- Joining the [Delegate Announcements Telegram channel](#)
- Following the [Arbitrum Governance X account](#)
- Reading the weekly update [forum posts](#)
- Delegates should make a professional and unbiased review of each proposal before submitting their vote.

- Delegates are advised to vote abstain when unable to conduct the necessary diligence to understand the proposals.

Civility and Professionalism

- While separate from the Code of Conduct, delegates are expected to uphold the [community guidelines](#) for activity on the Arbitrum DAO forum and de-facto understood gathering places for the Arbitrum DAO, whether online or in-person.
- Delegates should seek to create a respectful and inclusive environment for all community members, free from harassment and discrimination.
- Examples of unacceptable behavior include:
 - Publicly or privately harassing or intimidating others
 - Sharing someone's private information without their consent
 - Using sexualized language or imagery, or making unwanted advances
 - Making insulting or derogatory comments about others
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- Delegates should strive to provide constructive feedback that is well-researched and respectful, focusing on the proposal's merits. Personal attacks are never acceptable.
- Delegates should be open-minded and respectful of differing viewpoints, even if they disagree with them. Disagreements are an inevitable part of healthy debate, but they often yield positive results when approached in a civil manner.
- Delegates should make a best effort to provide constructive feedback through appropriate channels and avoid taking discussions to social media in a manner that could tarnish Arbitrum DAO's brand and reputation.

Responsibility

- Maintaining a culture of productive debate, integrity, and transparency requires a sense of collective responsibility. As entrusted leaders of the Arbitrum community, delegates should take responsibility in fostering and maintaining a culture that promotes the principles outlined herein.
- Best practices of responsible delegates:
 - Participation:

delegates should make an effort to vote (even if abstain) on all proposals.

- Communication:

delegates should clearly communicate their rationale behind votes and discussions to the Arbitrum community.

- Accountability:

delegates should maintain knowledge of funded initiatives and hold managing parties or elected representatives accountable.

- Responsiveness:

delegates should use their best efforts to connect with the Arbitrum community and be accessible to answer questions or concerns.

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Conflicts of Interest

Disclosure and Transparency Policy:

If a conflict of interest exists, it is expected the delegate discloses the nature and extent of the conflict in writing on the forum before voting. Additionally, a COI section will be added to the recommended proposal template as outlined in the Arbitrum [governance docs](#). This section will provide delegates that author a proposal a place to include a short COI disclosure if necessary. The Arbitrum Foundation will be responsible for making this update. While it may not always be clear if an individual stands to gain “directly” or “indirectly”, it is recommended to lean on the side of over-communication in the name of transparency.

Delegates that disclose a conflict of interest are not expected to alter their voting in any way. Self-voting is not banned outright for the reasons stated in this [post](#) and based on sentiment gathered from this [temperature check](#). However, as explained further below, a delegate that repeatedly fails to disclose a conflict of interest before self-voting or if a single instance is deemed to be severe, they risk being removed from the Delegate Incentive Program or a DAO-elected position.

Conflict Resolution and Enforcement

The Code of Conduct has been purposefully written in a manner to establish a set principles that Arbitrum Delegates should embody rather than a complete set of enforceable rules.

Conflict Resolution between Delegates

Taking the learnings from other DAOs into account, conflict resolution will remain in the hands of the Arbitrum Foundation. In general, it is our belief that many conflict issues can be resolved quickly and easily if approached in good faith by each party. Delegates and community members are encouraged to first address the behavior directly in private. If the matter is unable to be resolved for any reason, or if the behavior is threatening or harassing, report it to the Arbitrum Foundation using this [form](#). The Arbitrum Foundation will have final say on the issue and reserves the right to determine if the issue should be brought to the attention of the community as a whole.

Soft-Enforcement of the Delegate Code of Conduct

DAO's are unique organizations due to their complete openness. Any individual is able to participate in governance by purchasing the ARB token. There are no barriers to creating a delegate profile and engaging in conversation. Delegations are liquid, thus they can be added or removed from addresses quite easily. This openness is a significant strength for DAOs, but it also presents a unique challenge in holding actors accountable. Today, the threat of reputational damage combined with the free market of delegations are the primary means of enforcement.

While it is not feasible to hold every governance participant accountable for upholding these principles, the DAO can hold accountable delegates compensated or individuals it elects to positions of power. Delegates participating in the Delegate Incentive Program (DIP) and representatives appointed through an official election or ratification process through Snapshot or Tally who receive compensation as part of their position, will be required to publicly agree to abide by the Code of Conduct. Violations of the Code of Conduct may result in removal from the Delegate Incentive Program or a DAO-elected position. If the Arbitrum Foundation determines that a delegate should be removed from DIP, the administrator (currently [@SEEDGov](#)) will serve as a check and balance on that decision; the removal process is detailed further directly below.

Delegate Incentive Program Removal

As stated in the Delegate Incentive Program [proposal](#), the program administrator reserves the right to issue a suspension or permanent ban if a delegate does not meet the eligibility requirements, which includes upholding the Code of Conduct. In the event of a suspension or expulsion from the program, the affected delegate may request a Snapshot vote to ratify, change, or revoke the administrator's decision. Quorum for an appeal vote is at least 3% of all votable tokens having cast votes in favor of supporting the appeal or abstaining. This serves as a one-time appeal, and the decision made by the DAO will be final. It is expected that any party involved in the dispute refrains from actively voting (they may vote abstain or not vote at all) in the Snapshot appeal. Failure to do so will render the appeal mute and the administrator's decision will stand as final.

DAO-Elected Position Removal

Any DAO member can propose a Snapshot vote to remove a DAO-elected representative. The proposal should clearly state the reasons for removal and provide evidence supporting the claims. Unless otherwise justified by a proposal author, the standard removal process will be a simple majority of votes cast by delegates with at least 3% of all votable tokens having cast votes in favor of the removal or abstaining. Additionally, an elected-representative removal Snapshot must adhere to the agreed upon voting schedule and minimum discussion period of seven days. This should be a last resort and many other steps, including asking the DAO member to resign, should be taken first.

Attribution

Our team reviewed dozens of code of conducts in search of best practices and enforcement structures. We'd like to extend credit to all of the following for helping provide inspiration:

[Maker](#) (July 2021)

[Go](#) (September 2021)

[1inch](#) (May 2022)

[ENS](#) (June 2022)

[Uniswap](#) (March 2023)

[Aave](#) (May 2023)

[dYdX](#) (Dec 2023)

[Optimism](#) (Last updated May 2024)

Standardizing the DAO's Operations

Voting Schedule

As ratified in a [Snapshot](#) to improve predictability in the Arbitrum DAO's operations, delegates agree to abide by the following vote scheduling guidelines. This social contract has been in effect for over 2 months now, but it is being presented again so that the guidelines can be included with the other procedural updates in the 6-month program.

Minimum Discussion Period of One Week

In accordance with the [Arbitrum Constitution](#), delegates should follow the recommendation that proposals be open to discussion on the forums for at least one week before being put to a vote. This is to allow delegates ample time to review and provide feedback.

Start all votes on Thursdays

By starting both Snapshot and Tally votes on Thursday, on top of increasing predictability for delegates, the DAO would also prevent the scenario where votes begin/end on weekends.

Create Onchain AIPs on Tally on Mondays

In order for a Tally vote to start on Thursday, it must be posted on Monday given the [3-day delay](#) from when a proposal is posted until voting begins.

Schedule Temperature Checks on Snapshot from Monday through Wednesday

Each batch of proposals ready to move to a Snapshot vote can be scheduled beforehand beginning on Monday and through Wednesday. Delegates are encouraged to post/schedule votes to begin before Thursday at 12 pm UTC. This can be achieved by setting the voting period to start in the future. While not a hard deadline, this will help ensure any votes start on Thursday for a majority of delegates worldwide.

DAO Holiday Break: December 20 - January 6th

The DAO agrees to a holiday break, where no new votes will be created and/or voted on from December 20 - January 6 annually. This is to ensure delegates have a break and can return refreshed for the new year. During this time it is advised that no new proposals are posted to the forums, and only emergency proposals are put up to a vote. Proposal authors should be cognizant of timelines and aim to having all voting wrapped up by Thursday, December 19th.

Election Standards

The Responsible Voting

policy is an effort to strike a balance between preventing delegates from unfavorably electing themselves into a position of power and compensation while allowing them to still effectively represent their communities and tokenholders. In a normal election with multiple seats, the policy is simple: candidates may vote for themselves as long as they also cast votes to fill all the remaining positions. With token and weighted voting, there are additional nuances and guidelines must be set in place to address edge scenarios:

- Candidate's are allowed to abstain or vote in a neutral manner to effectively abstain, ie., voting or splitting their vote equally across all candidates.
- If a candidate self-votes, they should to the best of their ability make the weights as equal as possible spread among the number of candidates necessary to every seat.
- A buffer of 0.1% is acceptable to account for rounding in the Snapshot UI.
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- A candidate's self-vote percentage should always be less than $100/n$

, where n = number of seats. * Unacceptable Example:

In an election with 7 seats, a candidate's self-vote exceeds 14.286%.

- Unacceptable Example:

In an election with 7 seats, a candidate's self-vote exceeds 14.286%.

- A candidate's self-vote weight should not be larger

than any of the weights for other candidates. Both of the following examples would be considered violations: * Unacceptable Example:

In an election with 7 seats, the candidate votes 94% for themselves and 1% for 6 other candidates.

- Unacceptable Example:

In an election with 7 seats and a total of 15 candidates, a delegate votes 10% for themselves and 6.43% for all other candidates.

- Unacceptable Example:

In an election with 7 seats, the candidate votes 94% for themselves and 1% for 6 other candidates.

- Unacceptable Example:

In an election with 7 seats and a total of 15 candidates, a delegate votes 10% for themselves and 6.43% for all other candidates.

- Candidates may vote for less or more candidates than seats available as long as they adhere to the above restrictions. This allows delegates to retain the power to express a certain level of preference, but does increase the risk for collusion. As outlined in the enforcement section above, any suspected instances of collusion will be investigated by the Arbitrum Foundation and will be grounds for disqualification.
- Acceptable Example:

In a 7-seat election, a candidate self-votes for herself with 14.286% and 85.714% for another candidate.

- Acceptable Example:

In a 7-seat election, a candidate splits their vote equally across 10 candidates, each getting 10%.

- Acceptable Example:

In a 7-seat election, a candidate self-votes for themselves with 14.286% and 85.714% for another candidate.

- Acceptable Example:

In a 7-seat election, a candidate splits their vote equally across 10 candidates, each getting 10%.

Entropy welcomes insight from the community to highlight any other edge scenarios that should be considered. Delegates not participating in the election are free to vote however they wish, but if a conflict of interest exists, it should be disclosed on the forums before voting.

Responsible voting is only effectively enforceable for elections held on Snapshot and the nomination phase of the onchain Security Council elections. Once the Security Council Election starts, there is no way to remove a member without a subsequent onchain vote post-election. The same would apply in theory to any onchain vote with programmatic allocation of seats.

Shielded Elections with Weighted Voting:

A few weeks ago the Entropy team posted a [temperature check](#) to gauge the DAO's stance on shielded voting. The results [indicated](#) that a slight majority of delegates favored the use of shielded voting as the default for elections. In order to align with Security Council elections, [weighted](#) voting as opposed to [approval](#) voting will be the official default voting type.

Since shielded voting keeps a voter's position private, monitoring for breaches of the responsible voting policy will be conducted post election. This responsibility will fall primarily on the proposal author or individual/entity managing the election process, but as part of a delegate's responsibility to uphold the code of conduct, anyone can bring a violation forward.

Discovered violations of the responsible voting policy by a delegate participating in an election will result in immediate disqualification from the application process along with the delegate's votes being retroactively removed from the election results. While voters who supported a disqualified candidate may wish to recast their votes for another candidate, we concluded that rerunning the election was not advisable and rather it is the voter's responsibility to support an ethical candidate that abides by Arbitrum DAO's standards. Lastly, suspected collusion will be investigated by the Arbitrum Foundation and also be grounds for disqualification from an elected position and/or the DIP. Contributors that suspect collusion should message the Arbitrum Foundation team privately to notify them of the situation.

Proposal authors still retain the optionality to justify why an election should not be shielded or weighted voting. Elections that lack justification but are posted as non-shielded or non-weighted voting should be considered void and either restarted immediately or pushed to the following Thursday.

Minimum Application Period:

In order to draw a sufficient number of high quality applicants, application periods should be a minimum of 14 days.

Where n = number of seats; proposal authors should seek to have at least $n+3$ applicants before starting the election. Since this may not always be possible, it is simply a recommendation and not a requirement.

Delegating to the Arbitrum Exclude Address

ARB tokens allocated to DAO initiatives are not to be used in governance. To keep circulating voting supply from increasing, whenever possible, multi-sigs holding program funds should delegate to the Arbitrum [Exclude Address](#). This will prevent tokens from being included in quorum calculations. Individuals that do not want to participate in governance can also delegate their ARB to the Exclude Address. Instructions for how to do so have been outlined on this [forum post](#) by the Arbitrum Foundation.

Timeline

Before codifying the Arbitrum Code of Conduct and updates to the DAO's operations into the Arbitrum Constitution, we believe it is best to trial the changes for a period of 6 months post ratification of this proposal through a Snapshot vote, with quorum set as at least 3% of all votable tokens having cast votes in favor or abstaining. After 6 months, the subject can be revisited. At which point, any necessary changes or delegate feedback can be incorporated. Depending on sentiment and the changes made, the trial period can be extended another 6 months or a constitutional proposal can be put forth to update the language of the Constitution.

October 17th:

Beginning of forum discussion

October 31st - November 7th:

Snapshot Vote

November 11th:

Code of Conduct and updated DAO Operations go into effect

May 30th:

6.5-month trial ends