



## Launching the Codeless Conduct DAO

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### About Codeless Conduct

Codeless Conduct is a web3 community event hosted to learn and experiment with all things web3. Through learning about various protocols, reviewing the fundamentals of tokenomics and completing no-code bounties, participants can engage with a dedicated community of like-minded creators who are driven by the desire to shape the future of the web3 space. They strive to be as inclusive as possible by extending access to ANYONE even slightly interested in contributing to blockchain projects (hence the 'codeless').

### Benefits of forming a Decentralized Autonomous Organization (DAO)

Why would someone want to create a DAO and how is it relevant to dApps or blockchain development projects? There are several reasons why an organization like Codeless Conduct would create a DAO. DAOs can be applied to many different situations, scenarios, and protocols. In DeFi, for example, DAOs can help build trust by letting the users participate in their protocol updates. Developers can propose new changes to the protocol, but to earn trust, users can vote on whether changes should be implemented or not.

Examples of DeFi DAO applications are lending platforms (such as Aave or Maker), yield-earning dApps (such as Barnbridge), decentralized exchanges (such as Uniswap) and social groups.

Today's DAO landscape is much more dynamic than that of the past. It is made up of protocol DAOs, investment DAOs, service DAOs, and social DAOs. Furthermore, you can find numerous DAO governance platforms that greatly influence the ecosystem, such as Aragon, Syndicate, Orca, and DaoStack. Moreover, there are grants DAOs and media DAOs. Collector DAOs are relevant if you are into NFT dApps or NFT platforms.

One of the key benefits of a DAO which I believe would impact Codeless Conduct is the DAOs ability to have a multi-signature system that allows several people to manage the funds with different signatures that are required to spend them. I believe this could benefit the DAO in deciding various governance items such as directions to take the Codeless Conduct hackathons, where to direct funds for various bounties and grants, and organizing in-person events once COVID has gone fully endemic and people feel comfortable going out again. It is a procedure that allows a more secure spending and management than giving the keys to just one person.

### Steps for forming the Codeless Conduct DAO

#### 1. Build a community and establish a mission statement

As Codeless Conduct is already backed by a solid community as I've seen extensively throughout the Hackathon, we will just need to print a mission statement for the DAO. This includes what the DAO is striving to do, e.g. for Codeless Conduct we can say the main mission is to educate and onboard active participants to the web3 community.

#### 2. Create development resources

Developers must create the DAO's smart contract rules and functionality. They can only modify the regulations established by these contracts after launch via the governance system. This means that the DAO's code must be tested and any potential bugs or security issues addressed before system deployment.

### **3. Obtain a community treasury**

After the smart contracts are created, the DAO must determine a method of funding and governance. Typically, tokens are sold to raise funds; these tokens confer voting rights on holders. A popular fundraising vehicle for DAOs is a simple agreement for future tokens, or SAFTS, which promise early investors discounts in future financing rounds. Once there is capital in the treasury, there are various treasury DAO tools to manage it, such as Gnosis Multisig, Parcel and SafeSnap.

### **4. Establish method of community governance**

DAOs can use on-chain or off-chain governance. For Codeless Conduct we will use off-chain, which involves debates and requests which begin in discussions and forum posts and eventually makes their way to form, on-chain governance votes. We will create a Discord, Twitter, and Telegram for the Codeless Conduct DAO to host these high-level community discussions via chats and calls, then take forum proposal to get soft consensus, followed up a token vote to get the final consensus and execution of proposal if passed. Identifying when, where, and how these delegated governance groups come into play is a crucial aspect of the DAO as formal governance for every action and decision can slow things down. There are also various (centralized and decentralized) governance frameworks already built such as Snapshot, Tally, Discourse and Boardroom.

### **5. Establish method of DAO participation and ownership**

Next we need a way for members to participate and contribute to the DAO. To distribute ownership, I propose we use an ERC20 token called COND (which does not seem to be taken yet). As selling membership access to the DAO can be very involved for an ERC20, we will need a legal team to vet the process to make sure there are no bad actors or loopholes. There are also tools such as Coinvise for ERC20 creation and ownership, which can be leveraged for the DAO.

### **6. Deploy the DAO**

Now that we have a mission, treasury, governance and ownership methods configured, the DAO must be deployed to the blockchain. From this point forward, stakeholders make decisions about the organization's future. The founders of the organization no longer hold sole influence over the project.

## **Conclusion**

As we can see, DAOs offer a novel way for humans to coordinate with one and another over the internet, and have collective ownership in it. This dynamic is powerful that crypto natives are just beginning to recognize. Eventually, the rest of the world will come to this same realization hopefully through education and community programs such as Codeless Conduct, and the year of the DAO will be upon us.

Hopefully this how-to guide has painted a better picture of how to launch the Codeless Conduct Decentralized Autonomous Organization. Since this is a newer organizational model compared to other business types, there are still many questions that come up with DAO operations. As the years pass, it will certainly be interesting to see just how popular DAOs become and the business, social and educational landscape will be altered through them.