Governance

The Autonolas DAO will be made up of holders of veOLA. In this section we introduce the key aspects of governance of the Autonolas protocol, including the governance process, key features of Autonolas' governance architecture, and the importance of the community's role in governance.

The Governance Process

Building on the experience of existing decentralized protocols, such as Compound, we envision three distinct components for governance: the veOLA virtualized-token (locked claim on OLA), a governance module, and Timelock. Together, these components will allow the community to propose, vote, and implement changes. Proposals can notably modify system parameters, support new technological directions, or add entirely new functionality to the protocol.

veOLA holders have non-delegatable voting rights. Any address that holds a certain **governance threshold** number of veOLA can create a governance proposal that can be voted upon by voters.

When a governance proposal is created, it enters a **review period**, after which voting weights are recorded and voting begins. Voting lasts for a certain number of **election duration** days. If a majority of at least **approval threshold** of votes are cast for the proposal, it is queued in the Timelock, and can be implemented a number of days later, called the **preparation period**.

Exceptionally, some changes to the Autonolas Protocol could be executed by a **community-owned multisig wallet**, bypassing the governance process. This allows a set of trusted actors to overrule governance in certain aspects, e.g. a security exploit that needs to be patched quickly and privately.

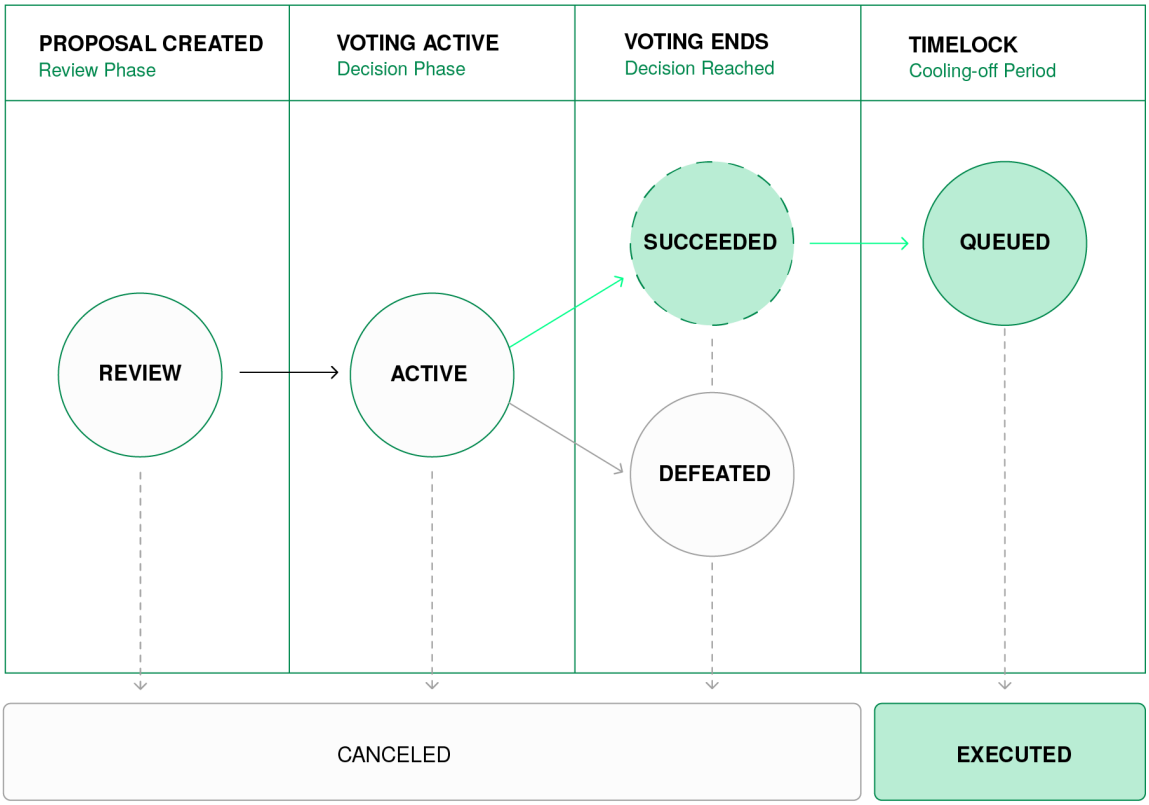

Fig. 11: The Autonolas voting process

Optionally, the on-chain proposal stage can be preceded by an off-chain signaling vote, for example on platforms like Snapshot. Off-chain signaling can be a good tool to gauge the interest of community participants with low willingness to pay for on-chain voting, who might otherwise be unable to express their preferences.

Governance Architecture

Inspired by Compound governance architecture, the following set of contracts are part of the Autonolas Protocol governance module: the veOLA virtualized-token, the Governor Bravo (with its proxy and implementation), and the Timelock. Here, we will highlight some aspects of this architecture:

- **Non-Upgradable** The Governor Bravo contract implements the core mechanics of the governance module. It's a non-upgradeable contract. Instead, if it ever needs upgrading, to adapt to future community needs or fixing bugs, the governor can be replaced via a governance vote (using the old governor).

- **Administrative powers** Secure access controls play a significant role in the security of governance modules, usually having sensitive parameters. The contract allows an administrator account to change a number of sensitive parameters: the voting period, the proposal threshold, and the voting delay.
  Note: the administrator account is the Timelock contract, so changes to governance itself are time-delayed.

- **Community multisig** Some changes to the Autonolas Protocol will not go through governance. Instead, they would be executed by a multisig wallet made up of a set of trusted actors. It is expected from the multisig trustees that they limit this power to a set of specific, sensitive changes in the protocol, which need to be applied without being able to rely on the formal governance process. This allows to bypass governance in certain aspects, e.g. a security exploit that needs to be patched without governance discussion.

  The community multisig has the necessary administrative roles to initiate, execute and cancel proposals. This multisig is authorized by the Timelock contract and is subject to the community-defined minimum time delay. After the time delay has passed, the multisig approved proposal can be executed.

  Governance-sensitive parameters of the Governor contract itself cannot be changed using the community multisig.

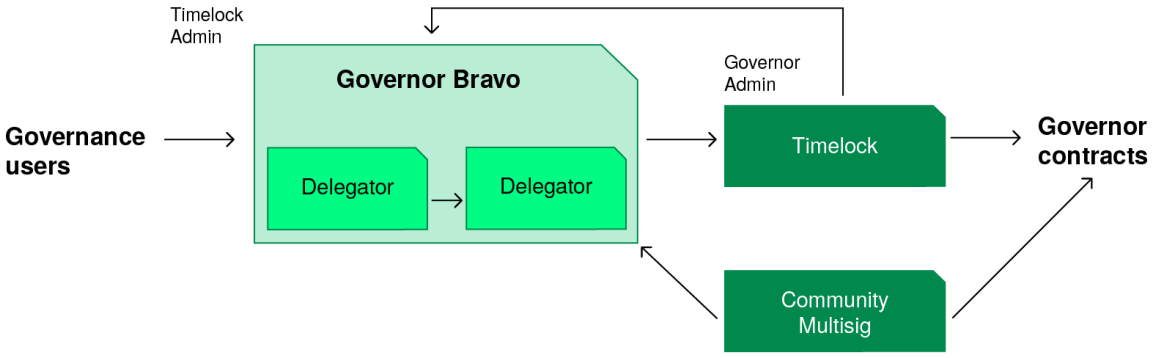

Fig. 12: The Autonolas governance architecture