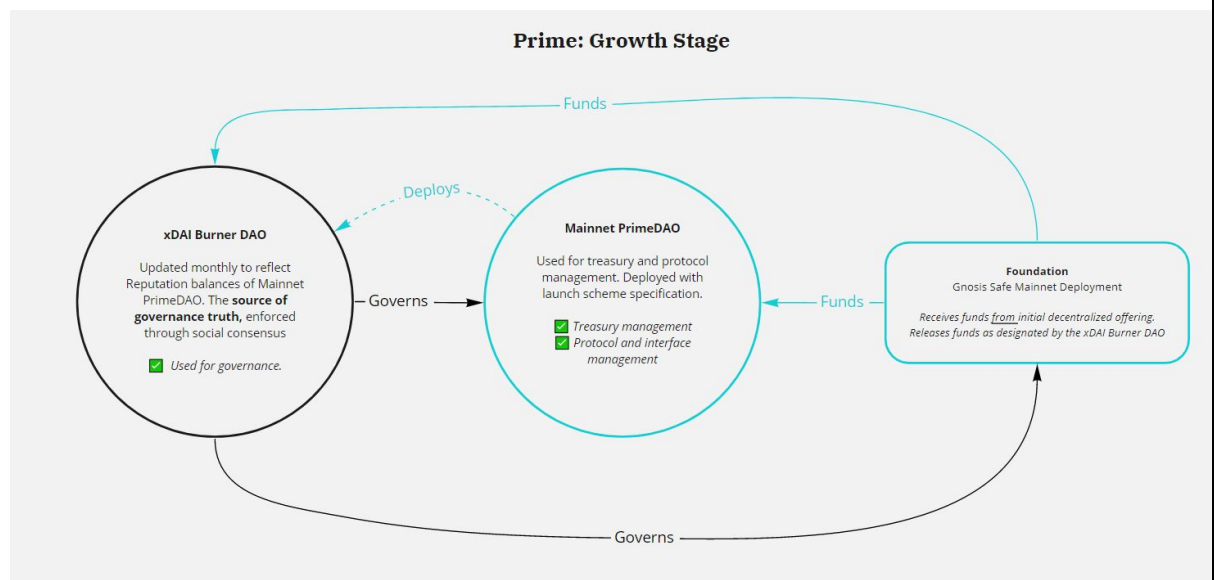[Prime Litepaper](#) | [Prime Incubation Strategy](#) | [How to Use DAOstack](#) | [Prime FAQ](#)

Title	PDP003: Reputation and Voter Rewards Protocol in Growth		
Short Pitch What is the objective of this proposal?	This proposal aims to formalize the Reputation and Voter Rewards for PrimeDAO as it enters the Growth Stage		
Total Rewards Requested	No rewards are requested.		
Author	Name	This is a joint proposal by founding members of PrimeDAO.	
	Contact	Foundation e-mail: hello@primedao.io Pat Rawson: patrick@curvelabs.eu, @papa_raw on Telegram	
	Link to Alchemy Profile	[Prime Development Foundation](#) [PrimeDAO members](#)	

Proposal Text	
Proposal Text	**I. Need:** With the transition from the Incubation to the Growth stages, a clear rewards protocol for its builder collective, rewards for its governance body, and proposal submission process is needed for PrimeDAO to be efficient and successful. With this, we experience the full operationalization of the DAO, and establish for it a starting place for its governance engine to initiate. **II. xDAI Burner DAOs and Ratification of Architecture**

The DAO recognizes that for Prime to be successful, it must expand into a **cryptonetwork** of on-chain entities — some existing on different chains. Ethereum's oppressive gas prices make the cost of governance too high, and in some cases, impossible when the network is extremely congested. With this, the DAO will split into three separate entities in transitioning to growth, each with their own proficiencies:

a) xDAI Burner DAO: At the start of each month, an xDAI Burner DAO will be deployed by a trusted steward of the DAO to be used as the **source of governance truth** for the cryptonetwork as a whole. Each Burner DAO will match the Reputation of PrimeDAO on the Ethereum mainnet, similar to a snapshot mechanism. That is, the Burner DAO would be used to pass proposals, but no funding or protocol changes would be made.

b) The Mainnet PrimeDAO: Existing on the DAOstack framework, the mainnet PrimeDAO will issue treasury rewards and enact those protocol changes ratified by the Burner DAO.

c) A Gnosis Safe, where the Foundation provides guardianship over the IDO-raised funds, transferring them to mainnet Ethereum Prime as dictated. This was previously ratified in PDP-002.

With this in mind, PrimeDAO will embrace a given **governance cycle**, loosely based on the sprint model:

- *For the first week of the month*, new proposals will be submitted to a recently deployed Burner DAO for the month for ratification. It's in this week that the governance assembly is expected to participate in proposal curation, ensuring that the most value-aligned proposals pass, and that proposals of low or little value are courteously declined by the DAO.

- *Following this,* the xDAI proposals, if passed, are submitted to the Mainnet DAO with rewards attached. Since a social consensus is being enforced, those voters who do not follow the social consensus should expect to have their mainnet Reputation

slashed.

- *In the last week of the month*, contributors will share and review their work for the month, presenting their results and stating ongoing challenges that they need help with. In parallel, they will present pre-proposals — proposals that have not yet been submitted to the DAO — to the public for open comment and review. Part of PrimeDAO's Code of Conduct is to uphold self-accountability, and it's expected that contributors maintain norms of transparency in this regard.

- *Deploy a new Burner DAO and repeat ...*

III. Ambassador and Contributor Reputation Issuance and Rewards

As you may recall from the [token sale blog post](#), PrimeDAO has been governed and will continue to be governed by a network of **ambassadors** who bring expertise in DeFi or DAOs to the project, or as **contributors** directly offer services to Prime as builders. A matrix of rewards is available to them in order to align incentives across all interest groups.

Ambassadors will receive their reward tokens from whatever remains of the 3.6m PRIME budget established in the Incubation stage for governance. This budget was established in [PDP 001](#). From PDP 001:

*In the Incubation stage, Prime may issue a maximum of 3.6m PRIME as rewards, as determined by the litepaper. At the initialization of the Growth phase, these rewards will be foremost issued to Incubation contributors in vesting contracts, and **the remainder of the unassigned PRIME will be distributed to its ecosystem governors [ambassadors] in vesting contracts in exchange for their good governance.***

Contributors will receive their reward tokens from the contributor reward portion of overall budget distribution, or 14.5M PRIME tokens.

The following matrices determine how Reputation and PRIME is issued in the Growth stage:

Reputation and PRIME allocation for individual ambassadors and contributors:

REP Quantity	Description	Reward and Accountability
50	A PrimeDAO **ambassador**. There are three major criteria to being in this role: (1) Active voting and participation in the DAO's proposal-curation process. (2) Permission for Prime to be co-affiliated, *e.g.* use of logo when and where appropriate.	2,500 PRIME per month as an active **ambassador**. Distribution is contingent on the ambassador voting in at least ½ of the proposals submitted to the DAO, or if their organizational logo is being displayed on the PrimeDAO website.

	(3) Consultation and advisory for contributors who need help solving challenges.	PRIME rewarded to ambassadors should be transferred to vesting contracts of a minimum of three months lock, one-year linear vest. A scheme is being developed for the DAO to deploy and own these sorts of vesting contracts.
100	A PrimeDAO **ambassador** who has actively participated in voting for at least one month — that is, they have voted in ½ of the proposals submitted to the DAO.	
		These rewards will be issued until the assigned budget runs out, or the DAO cancels the program.
150	Voters assigned 150 REP or higher are all considered **contributors** to the DAO. This means that they are creating value for the PRIME ecosystem through active work for the DAO. A contributor who has worked on a DAO initiative for at least one month and has been compensated a minimum of $4,000 USD equivalent of cryptocurrency by the DAO.	In return for services provided, **contributors** will receive a bonus of PRIME for their efforts equal to their compensation. The bonus is pegged to $.30 per PRIME, unless the DAO adjusts this rate, up to a maximum of 200k PRIME.
200	A **contributor** who has engaged for at least three months on a DAO initiative and has been compensated a minimum of $12,000 USD equivalent of cryptocurrency by the DAO.	PRIME contributor bonuses should be transferred to vesting contracts of a minimum of three months lock, one-year linear vest. A scheme is being developed for the DAO to deploy and own these sorts of vesting contracts.
250	A **contributor** who has delivered outstanding value to the DAO through a production-ready delivery or rollout of a project or initiative and at least six months' engagement to the DAO.	These rewards will be issued until the Contributor Rewards budget runs out, or the DAO cancels the program. *Example: A developer that is compensated $4,500 USD-equivalent in cryptocurrency by the DAO is eligible to receive a 15,000 PRIME bonus.*

Reputation and PRIME allocation for organizations:

REP Quantity	Description	Reward and Accountability
150	A PrimeDAO **ambassador organization** that votes from and utilizes a single wallet. There are three major criteria that organizations are expected to fill in this role: (1) Active voting and participation in the DAO's proposal-curation process. (2) Permission for Prime to be co-affiliated, *e.g.* use of logo when and where appropriate. (3) Consultation and advisory for contributors who need help solving challenges. Ambassador organizations should at minimum consist of three unique persons.	5,000 PRIME per month as an active **ambassador organization**. Distribution is contingent on the ambassador voting in at least ½ of the proposals submitted to the DAO, or if their organizational logo is being displayed on the PrimeDAO website. PRIME rewarded to ambassador organizations should be transferred to vesting contracts of a minimum of three months lock, one-year linear vest. A scheme is being developed for the DAO to deploy and own these sorts of vesting contracts.
300	An **ambassador organization** that has actively participated in voting for at least one month — that is, they have voted in ½ of the proposals submitted to the DAO.	
500	A **contributor organization** who has engaged with the DAO for at least three months, working directly on a DAO initiative. The organization should have been compensated a minimum of $35,000 USD equivalent of cryptocurrency by the DAO.	In return for services provided, **contributor organizations** will receive a bonus of PRIME for their efforts equal to their compensation. The bonus is pegged to $.30 per PRIME, unless the DAO adjusts this rate, up to a maximum of 1m PRIME. PRIME contributor organization bonuses should be transferred to vesting contracts of a minimum of three months lock, one-year linear vest. A scheme is being developed for the DAO to deploy and own these sorts of vesting contracts. *Example: A strategy agency that is compensated $42,000 USD-equivalent in cryptocurrency by the DAO is eligible to receive a 140,000 PRIME bonus.*

IV. Reputation Ceiling for Ambassadors and Contributors

The DAO agrees to enforce through social consensus a REP ceiling of 500 for individuals, and 1000 REP for organizations.

V. Proposal Submission Structure

This crucial proposal will be broken up into multiple parts such as to allow PrimeDAO's governors the flexibility of choice regarding its constituent elements:

PDP 003a: Ratification of (II), that Prime will have a monthly proposal submission process hosted on xDAI Burner DAOs.

PDP 003b: Ratification of (III), the ambassador and contributor rewards matrices.

PDP 003c: Ratification of (IV), social consensus of established Reputation ceilings in the Growth stage.

	Deliverables and Expectations		
#	Timeline or Service Period	Title	Description
0	Within two weeks of proposal ratification	Reputation Rewards Blog	Creation of a blog to be published by the Prime Development Foundation explaining these mechanisms in full

How is progress reported? What communications channels will be used and how often?	All of PrimeDAO's owned public channels will be utilized to provide updates on this proposal, including Discord, Telegram, DAOtalk, Twitter, the PrimeDAO website, and other channels as required.

References & Further Reading Examples and external references can be of great help to understand and sympathize with a proposal	https://medium.com/primedao/introducing-primedao-1739ea0acb97 https://medium.com/primedao/prime-tokenomics-and-initial-decentralized-offering-73ae04021c6d https://docs.google.com/document/d/1WdmQYatl8vy27RtrBZ15V1h-rOiyYfMy5QR4eZppB0c/edit