DXdao

Governance

GOVERNANCE PHILOSOPHY

Decentralization is at the heart of DXdao's operations and products. The DXdao community makes decisions as a collective through a flat hierarchy structure. Our treasury lives on the Ethereum blockchain, and all budgeting and strategy decisions require an on-chain vote.

As an evolving collective, DXdao is constantly improving how we self-govern, streamline our workflow, and profitably scale. In conducting this experiment, we update our governance structures to respond to the needs of the DXdao community and product ecosystem to serve its users trustlessly.

DXdao welcomes new ideas and initiatives. Please join the DXdao community on [keybase](), discord, and [daotalk.org]().

REP

DXdao uses a meritocratic governance system that rewards voting power to those who make contributions to DXdao products, community discussions, and strategies.

Voting power is derived through REP, a non-transferrable asset on the Ethereum blockchain. REP holders govern the DXdao ecosystem. REP is accrued through a single Ethereum address, which is used to vote on proposals. Like reputation in the real world, more REP is accrued when a community member contributes to DXdao, and -- in contrast -- the less a member participates, the member loses REP through inflation.

HOW TO GAIN REP

Any community member that contributes to DXdao, either by participating in community discussions, making posts on DAOtalk.org, or contributing in any meaningful way may also receive REP. DXdao currently operates a [REP Boost Program](#) where community members that make a contribution to DXdao during a given month are nominated for a 0.1% REP boost.

Community members that receive a REP boost need to submit a REP boost proposal on [Alchemy](#). Here is a link for [How-to Submit a REP Boost Proposal on Alchemy.](#)

If you believe that you should receive REP for a DXdao contribution, contact [Chris](#) on DAOtalk.org to be nominated. DXdao welcomes nominating new community members for REP, and we are looking for new effective ways to allocate REP, while still honoring DXdao's merit-based governance system. If you have a suggestion on how to allocate REP, please state it in the #governance channel on the [dx_dao](#) Keybase or [DAOtalk.org](#).

Full-time workers may earn up to 4% REP for paid contributions to DXdao. A worker may request 0.1667% of REP for each month she has worked.

DXD

In May 2020, REP holders voted to establish a bonding curve in order to raise funds for further product development and DXdao operations. In December 2020, REP holders voted through a signal proposal to begin the process of closing the bonding curve.

DXD token holders have an economic claim to DXdao´s revenue. DXD holders also have future access to a suite of services and premium features in decentralized applications, such as gasless transactions, feeless anonymizing of assets, reduced trading fees on DEX protocols, and more.

Currently, DXD holders do not have direct on-chain voting power over DXdao treasury decisions. However, DXdao is in the process of implementing a new governance regime that gives DXD holders voting rights equal to that of REP holders. For a full summary of DXdao's new governance regime, see the [Governance 2.0 Signal Proposal](#).

DAOTALK

DAOtalk.org is DXdao's forum for presenting formal proposals to the DXdao community. This is the place to present and receive feedback for an on-chain vote regarding DXdao strategy, a worker proposal, or other initiative. Proposals at this stage are often modified to reflect the signal received from the DXdao community in the comments section and polls.

SNAPSHOT

DXD holders use Snapshot to create polls for a variety of governance-related topics. If you are a DXD holder and would like to create a proposal regarding a particular topic for DXD holders to vote on, go to https://snapshot.page/#/dxd.eth/.

REP holders are committed to respecting the majority wishes of DXD holders and strongly take into consideration any signal given from a DXD holder Snapshot poll.

ALCHEMY

Alchemy is DXdao's on-chain governance system that was created by DAOstack. On DXdao's Alchemy portal, REP holders can vote for on-chain proposals for the budgeting, resource allocation, and strategy decisions of DXdao.

Anyone can make proposals on Alchemy. A proposal is equivalent to a project pitch that contains an explanation of objectives, methods, costs and milestones of the proposed project.

Anyone can predict through staking GEN tokens on whether a proposal is going to pass or not. This helps guide the collective voting process by sorting and prioritizing the proposals.

Currently, only REP holders can vote on proposals. DXdao is, however, finalizing its Governance 2.0 initiative, which will give on-chain voting power to both DXD and REP holders that stake DXD in DXdao's governance contract, lock liquidity on Swapr, or stake DXD in an Omen prediction market.

ALCHEMY VOTING PARAMETERS

Alchemy created the Genesis Protocol, which is an implementation of holographic consensus as a smart contract on the Ethereum blockchain.

On-Chain Voting. Alchemy requires an ethereum address to incur REP on and vote. The Ethereum address is where these parameters are stored (not where the protocol itself is).

Activation Time. Represents that date and time, represented in Unix time, when proposals can be submitted.

Queued Vote Period Limit. A non-boosted proposal is open for voting for 21 days.

Boosting. Anyone can boost a proposal by staking GEN to show confidence in the proposal's passage. Proposals that are boosted receive a shorter vote time of seven (7) days. Once a proposal is boosted, the proposal's vote time will shorten after 24 hours, if no one stakes against the proposal's passage.

Proposal Reputation Reward. ETH addresses may claim REP for making proposals that pass.

Pre-Boosted Vote Period Limit. DXdao currently has a pre-boosting period of one (1) day, which is the length of time that a proposal must maintain a confidence score (upstake divided by downstake) higher than the boosting threshold to become eligible for boosting.