ApiologyDAO Governance Framework - Version 1

1. Introduction to ApiologyDAO Governance

ApiologyDAO (apDAO) lies at the core of the Berachain ecosystem, acting as a central mechanism to bootstrap cultural and financial liquidity across decentralized finance (DeFi) protocols.

apDAO's governance empowers members to strategically direct investments and resources, fostering growth and liquidity within Berachain. Governance is the cornerstone of apDAO's ability to influence key financial and strategic outcomes.

This document outlines the governance structure, decision tracks, voting mechanics, and proposal requirements that ensure a democratic, secure, and efficient management system.

2. Governance Structure

Inspired by the structured and efficient nature of beehives, apDAO's governance framework is designed to facilitate clear, effective, and democratically governed decision-making across various crucial areas.

The governance structure is based on four tracks, each of which represents a category of action for the apDAO's decision-making.

These tracks have been specifically selected and structured to ensure that the DAO's decisions are made in a dynamic and operational manner, taking into account a long-term vision and the fluctuations in the ecosystem and the market that may occur over time.

Before delving into each track, we want to explain and outline the concepts and dynamics involved in the governance dynamics of the apDAO.

3. Proposal Dynamics

Each apDAO member has the power to make proposals within one of the established tracks.

For this purpose, a platform developed ad hoc for the apDAO will be used.

On this platform, the member must select the track, present their proposal, and submit it for the DAO's consideration.

Before voting begins, Beekeepers will review each submission to confirm:

- Whether the proposal fits the selected track
- Whether the proposal is clear and implementable
- Whether it can be implemented without any undue risk, such as violating prior commitments, contractual obligations, or legal/regulatory concerns as determined by Apiology DAO Inc.'s Board of Directors

Without significant exceptions (such as making a proposal in the wrong track), Beekeepers cannot ignore or cancel member proposals.

That is, during this period, Beekeepers will perform these initial assessments to ensure that the proposals do not conflict with the DAO's interests and, if necessary, will provide corresponding feedback to the proponents so they can refine their proposals before entering the voting phase.

For their part, the proposing members must write their proposals in a detailed and concrete manner, so that decision-making can be operationalized once the DAO has made its decision through the vote.

In turn, the members submitting a proposal must provide the corresponding grounds for it, through documents, calculations, market analyses, and/or any other information that supports the general idea of the proposal.

4. Voting Procedures and Security

In order to protect the integrity of the voting process, a series of parameters have been incorporated into each track so that each proposal can be considered by the apDAO.

Once the proposal is uploaded to the platform and the submission period discussed in the previous point has passed, it enters the consideration and voting process.

The parameters vary depending on the track, but the categories considered are as follows:

- Quorum requirements: the minimum percentage of participation by apDAO members for the proposal to be viable.
- Voting period: a pre-established time for participation and voting.
- Approval threshold: the minimum number of votes required for the vote to be approved and implemented by the DAO.

5. Tracks of apDAO governance

PLZ Track: Community Requests and Non-binding Guidance

Track Purpose

Through the PLZ Track, the apDAO will be able to make proposals that offer general, non-binding guidance on community management and strategy.

Here, members can provide input on operational actions or abstract goals that may lack a clear, actionable instruction, but can help align the DAO and express preferences.

Example Proposals

- Request to initiate a community-led marketing campaign

- Suggestions for improving the DAO's website and member portal
- Feedback on apDAO's long-term strategic direction
- Feedback on improving the transparency of the DAO's operations

Voting Mechanics

Proposal submission time	1 day
Voting Period	4 days
Quorum requirement	15 %
Approval threshold	Simple majority (50% + 1)

Tardfi Track: Legal and Structural Governance

Track Purpose

This track involves making decisions about significant structural changes including legal and contractual matters related to DAO partnerships, team, and structure.

Example Proposals

- New partnership agreements with other ecosystem projects
- Entering contracts with service providers
- Changes to the governance framework
- Appointment or removal of Beekeepers

Voting Mechanics

Proposal submission time	5 days
Voting Period	10 days
Quorum requirement	40 %
Approval threshold	Supermajority (>60%)

Dev Track: Smart Contract Configuration

Track Purpose

Focuses on the management and configuration of DAO's smart contracts.

This track encompasses the technical oversight and adjustment of parameters that govern the DAO's operational smart contracts.

- Adjusting auction frequencies and fees
- Setting terms for liquid backing treasury loans
- Modifying member exit and entry protocols

Voting Mechanics

Proposal submission time	1 day
Voting Period	7 days
Quorum requirement	25 %
Approval threshold	Simply majority (50% + 1)

Honey Track: Financial Management

Track Purpose

This track sets guidelines for allocating, investing, and managing apDAO's financial resources.

Example Proposals

- Dedicating treasury assets to member seat liquid backing
- Whitelisting pools for investment
- Setting target stablecoin exposure % to manage risk
- Approving investment in a new protocol's seed round

Voting Mechanics

Proposal submission time	2 days
Voting Period	5 days
Quorum requirement	33 %
Approval threshold	Supermajority (>60%)

Regarding this track, proponents must consider and select which of the four treasuries their proposal is specifically directed towards, bearing in mind that each of them has a different function and the apDAO must manage each of them individually. Below we will describe each of them.

Honey Treasury:

Holds: All Honeycomb and Honey Jar NFTs received as deposits during the apDAO genesis process.

Feature: The contents of this treasury will remain locked.

<u>What can the apDAO do?</u> Earn profits through partner perks, airdrops, staking, and other revenues.

<u>Diamond Paw Treasury:</u>

<u>Holds:</u> All tokens received by the apDAO from its partner protocols, along with a commitment to never sell them.

<u>What can the apDAO do?</u> Harvest the rewards yield and governance benefits earned. The DAO will also have the ability to decide how to drive the strategy of this treasury.

<u>Liquid-Backed Treasury:</u>

<u>Holds:</u> Will hold a large portion of the revenue generated by the apDAO, including, but not limited to, strategies such as validator management or auction house auctions.

<u>What can the apDAO do?</u> It can create various methods to continuously inject capital into this treasury, as this liquidity will represent a cash value for the apDAO's holdings.
This treasury is designed to continually expand, thereby consistently increasing the value of the holdings.

<u>Growth Treasury</u>:

<u>What can the apDAO do?</u> It could choose to direct part of its income into this treasury, where it can direct new investments into the Berachain ecosystem, exchanging immediate returns for the possibility of compounding rewards.

6. Continuous Improvement and Feedback

ApiologyDAO is committed to regularly updating its governance framework to adapt to the evolving needs of the project and its members.