

TL;dr - The RNS Foundation wishes to dissolve its DAO wrapper and move to a fully open source model. Domain expirations and recalls will be removed and domains will become forever assets (for as long as a base amount of USD is bonded to the domain). The foundation treasury will then be disbursed to the 4 founders (Wylie, Beem, Faraz and Simon).

Voting to commence on the CrumbsUp DAO platform where 1x domain = 1x vote. Outcomes:

For = this plan is approved and executed as described.

Against = we maintain the status quo whereby domains require annual renewal.

Please see below for the full proposal...

As 2025 gets underway with what could be a pivotal year for Radix and the wider ecosystem, we would like to take this opportunity to firstly wish our community a prosperous 2025, but secondly, communicate the first of 4 blog posts outlining the proposed future direction of the Radix Name Service (RNS). In this first post, we'd like to outline the proposal to sunset the Radix Name Service Foundation and upgrade the Radix Name Service to an open source model, thus ensuring its long term sustainability. We will also explain how governance will work under the structure, and what this means for domain holders.

Staying true to our ethos of community governance, everything outlined here will be put to a vote via the CrumbsUp DAO platform (voting commences on February 1st and runs for one month) which will empower domain holders to vote on the proposal with a simple "For" or "Against" whereby each domain is eligible to cast one vote.

The proposal covers the following 5 areas which will be summarised below:

1. Governance & The Future of the DAO
2. Safeguarding Decentralisation
3. Domain Lifecycle & Renewals
4. Economic Enhancements
5. Distribution of Treasury

Governance & The Future of the DAO

From the outset of this project, the RNS was envisioned as a DAO, governed entirely by the community to ensure its long term viability and success. Whilst initially gate-kept by the four founders to bootstrap the project (Wylie, Faraz, Beem and Simon), this has always been seen as a means to an end, whereby control would eventually be handed over to the community, once a critical mass in terms of initial development and engaged participants were able to take the reigns.

This proposal lays out plans to continue with the same sentiments, however, via a more feasible path and accelerated pace of community directed development and contribution. A combination of development and economic risk, coupled by dependencies and limits that pose too great a challenge for us to deliver our ultimate vision via a community DAO and expansion of in-house development resources have resulted in a change of direction. As a result, we propose to dissolve the DAO wrapper and transition the project to a fully open sourced project, whereby we, and anyone in the community can develop and enhance the service through a fork/migrate approach.

This will require a migration of existing domains to be compatible with the new smart contracts we intend to build. We will provide a simple UI for migrating domains and whilst all existing domains will remain valid, they will not function until they are migrated and bonded (see the lifecycle section below for more details on bonding).

Safeguarding Decentralisation

As the current technical structure of the RNS DAO is still in its infancy (and unsuitable for complete community governance), smart contract upgrades and the management of the treasury are currently facilitated by a series of Admin and Upgrade badges which are held by the four founders (Wylie, Faraz, Beem and Simon) with any changes actioned via our own multi-sig components.

With the proposed transition to open sourcing, we intend to revoke this power entirely. This means the burning of all Admin and Upgrade Badges, eliminating the possibility of any centralised control. This will be necessary to solidify the governance of a fork/migration model as the only means in which to upgrade the RNS smart contracts.

Domain Lifecycle & Renewals

Under the current system, domains require renewal to maintain ownership. For our Sunrise domains (reserved for early projects developing on Radix) these were up to 5 years in duration, but for Landrush and general domain reservations, these were subject to an annual renewal (requiring the base fee to be paid in XRD). The fee is currently set by the RNS foundation and is inversely proportional to the number of characters of a domain. See [here](#) for further details on base pricing.

The current system also triggers an auction in the event that a particular domain is in demand, if an interested third party bids for a domain that is currently in a settlement period. Please refer [here](#) for further details on current domain lifecycles.

This proposal seeks to greatly simplify the registration and renewal lifecycle by suggesting the following:

- Base pricing will be maintained, but instead of the foundation collecting this fee, it will be required to be bonded/staked to a domain to activate it. This bond will be payable in xUSDC or sUSD. We have opted to support sUSD as it allows for future stablecoins to be automatically considered in future without requiring an upgrade or fork to the smart contract.
- Users will have complete ownership and control of domains provided the necessary fee is bonded to the domain. If a user wishes to retrieve their bond, they are free to do so immediately, but the domain will then drop any records and lose all functionality within the ecosystem until such a time as the bond is reinstated.
- Renewals and Recalls will be scrapped. Provided the necessary fee is bonded to a domain it will function indefinitely. In the event that a domain is unbonded, the asset will cease to function until rebonded.
- Auctions will cease. New domain registrations will be under a first-come-first-served basis.
- An optional 'Registrar Fee' can be applied via the transaction manifest enabling anyone in the community to provide a UI that interacts with the new smart contracts. This opens up opportunities for registrars to provide platform benefits to domain holders purchased through their platform.

Economic Enhancements

Currently Domains are denominated in \$ but paid in XRD. As a result, this requires a manual update to the XRD price based on the 30 day moving average. An internal governance vote is conducted monthly prior to upgrading the smart contracts to update the price. If this proposal is passed, domains will no longer be purchased with XRD, but will instead use xUSDC or sUSD for bonding. This removes a point of centralisation and requires no manual intervention by the team to adjust for price fluctuations.

Furthermore, domains will effectively be zero cost under this new proposal, with the exception of an optional 'Registrar Fee' that can be applied by platforms providing an outlet to acquire domains. By moving to a bonding/staking method, we aim to ensure fairness, limit squatters and promote active engagement.

Under the bonding system, we are able to eliminate renewals meaning domains become forever assets (provided they remain bonded with the necessary amount of USDC). This ensures the RNS remains functional and accessible without relying on a consumer based economic model.

The open 'Registrar' model also enables third parties to become more active in the RNS and prevent competing name service providers from setting up shop.

Distribution of Treasury

Assuming this proposal is passed, after completing the necessary work to migrate to this new model and facilitate the upgrade of all domains, the RNS foundation will be dissolved. At this point, the RNS will exist as a set of immutable smart contracts that can only be upgraded by a fork.

The RNS treasury funds will then be distributed to the four sub-DAO members (Wylie, Beem, Faraz and Simon) as compensation for building, managing and maintaining the project to this point, and for executing the required changes to move the RNS to a fully open source model.

Voting Outcomes

We would very much welcome the feedback of the community on this proposal, and encourage discussion and questions in any of our social channels. The proposal will be formally voted on via the CrumbsUp DAO platform, commencing February 1st, 2025 and running for a period of 1 month. The vote will consist of a binary choice, with the following outcome decided by a simple majority where one domain = 1 vote:

- For - the transition plan as outlined here is approved and will be executed.
- Against - we maintain the current state of the RNS whereby domains require renewal annually.