

MoonDAO Projects 5.0

MoonDAO Projects are the launch point for mission-aligned people to build on top of the foundation and network of MoonDAO.

MoonDAO Projects are goal-oriented teams working on mission-aligned objectives. This document provides the framework to fund the team, support their progress, align their interests with the DAO, and provide retroactive incentives for projects that get us one step closer to a permanent settlement on the Moon.

MoonDAO Projects are composed of Rocketeers that lead a team of MoonDAO members referred to as Moonsettlers. Along with work on their core objective, Rocketeers have a responsibility to co-govern MoonDAO in the Senate. Projects are supported by Delegates who have a responsibility to help the project follow best practices and ensure they meet all the requirements outlined in this document.

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Project Proposal Process

Step 1: **Post in the “[ideation](#)” channel on Discord.** You don’t need to have a fully formed idea for a project yet, and you can be pretty informal at this stage. There are two things to articulate in the ideation channel:

- 1.) Problem to be solved.
- 2.) Proposed solution.

This is meant to help YOU get feedback from people on the idea, offer alternative solutions, and allow for informal coordination around ideas. Anyone can post about ideas regardless of their background in the DAO, even if they aren’t yet part of our community.

Step 2: **Find a Delegate to support the proposal.** If you don’t have 250,000 vMOONEY, you will need at least one person that has a Delegate role at MoonDAO to support the idea. Within the thread in ideation you can tag the @Delegate role to find a Delegate that can

help you complete the next step. This delegate is responsible for ensuring that the project meets all the requirements and follows the rules set forward for projects before submitting into proposal review. The delegate will receive 10% of the project's rewards for stewarding the project and advising the rocketeer throughout the lifetime of the project. If the Rocketeer is the same person as the Delegate then the Rocketeer would receive 10% of the project's rewards.

Step 3: Proposal Submission. A [MoonDAO Project Proposal Template](#) must be filled out. Once the project meets all the requirements to be put up, then the Delegate will submit the proposal on Discord under “**review.**” The proposal must be posted **48 hours before** the Senate meeting. Project approval permissions vary as follows:

1. If the prospective Rocketeers have already successfully completed a project before, and the proposal does not require up-front funding from MoonDAO, and it doesn't require crowdfunding from the community, the Senate does not need to vote on the proposal and it may proceed permissionlessly, as long as the proposal was submitted, presented to the Senate for awareness, and verified as legitimate by an Astronaut.
2. If the proposal requires up-front funding from MoonDAO it must go through DAO Governance as outlined in the Constitution. Multisig should be created before snapshot voting.

The Proposal must follow the template provided hereunder, if the proposal does not follow its relevant template, then it will not be considered valid and will not go forward for a Senate vote.

Project Start

The Project's Rocketeer(s) becomes a member of the **Senate** as outlined in our DAO Constitution. Members of the Senate retain their position until the end of the quarter when their objective is completed. Senate members are required to attend weekly Senate meetings and required to vote and review incoming proposals. Project Rocketeers must ensure the following is completed BEFORE receiving their budget:

1. **Multisig creation and administration.** If the project requires more than one transaction a Gnosis multisig with at least a three out of five execution threshold must be created to receive the funds. Rocketeers must keep a record of multisig transactions and ensure that the final report includes a justification for payments (who was paid, how much, and key deliverables from the payment).
2. **Payment method MVP streaming.** If a project member is receiving a fixed payment upfront for their work, the project multisig may stream the payment over the course of the project until the project's deadline. Payment streaming may be turned off by the team's multisig if a member is no longer fulfilling their responsibilities. Alternatively, the project may send half the payment at the beginning of the project, and the other half at the end.

Project Updates And Responsibilities

Throughout the lifetime of the Project the **Rocketeer** must do the following:

1. **Provide Weekly Progress Updates to the Senate.** Every week the team must provide a written report and present it at the townhall meeting. This is intended to be a helpful meeting to give context to the DAO on progress and also have the DAO find ways to support the project. However, if the project is not meeting the expectations of their project or no progress has been made, then the Senate may vote on shutting the project down. If a project is shut down, all remaining funds must be returned to the DAO.
2. **Attend weekly Senate meetings.** Rocketeers must attend the weekly townhalls and are required to vote on Senate decisions as outlined in the DAO Constitution. They are required to help review incoming project proposals and encouraged to share their thoughts on matters of DAO governance. Failure to attend meetings without notice or not vote in a timely manner will result in penalties to retroactive compensation. **For each missed Senate vote, defined as no vote within 24 hours of the proposal being active, the team will be deducted 5% of their retroactive rewards.** If a Senate member misses more than three votes, the project may be shut down. Special exceptions can be made for members on different time zones where attendance is infeasible.

Other members of the project with assigned tasks become **Moonsettlers**. These members must:

1. **Provide weekly written updates on progress.** Post updates on work in the “progress” channel under Contribute. **If a moonsettler doesn’t provide a weekly update to the DAO, then 5% of their rewards will be deducted per missed update.**

Project Completion

The Project Rocketeer must make sure the following are complete:

1. **Complete a [Final Report](#).** Each project member must include their contributions in the final report. Reports must be submitted to the DAO in the [“Submit Report” channel](#) on Discord before the end of the quarter to be included in that quarter’s reward cycle. These reports will be attached on Snapshot for final voting by the DAO.

2. **Return excess funds to the DAO treasury.** Please attach a link to the DAO's multisig in the final report along with a table including the justification for expenses.
3. **Final allocations for project rewards distribution.** For teams of five or greater, each project member receives 100 GIVE and must distribute their full amount. For teams of four or fewer there can optionally be an agreement on distribution amounts with all members agreeing on the distribution in writing. Project Rocketeers may also add anyone else in the Coordinape that they thought provided help to them but were not officially part of the team on the proposal, however, those added members do not receive any GIVE. Each person on the Coordinape must include their list of contributions in the final report. Please include a link to this completed Coordinape in the Final Report.
4. **Create Documentation.** If someone needs to maintain the work after it's completed, or users need to know where things are, please include documentation for the people who come after you.

Retroactive Rewards

The DAO incentivizes people to start new projects with its quarterly rewards system.

Each quarter, the projects that were completed will be eligible for Project Rewards if and only if they have submitted their Final Report to the DAO and it has been approved by the Astronauts. Final reports must be submitted by the end of the quarter.

Total Quarterly Reward Calculation

The total amount of rewards each quarter is calculated as follows:

1. **ETH Reward:** 5% of the liquid non-MOONEY assets (NMA) (e.g. ETH, DAI, and other stables) paid in the form of ETH. Assets with fluctuating prices will be priced at midnight of the last day of the quarter.
2. **vMOONEY Reward:** A geometric series of MOONEY will be released as follows:
 - a. Q4 2022: 15,000,000 MOONEY.
 - b. Q1 2023: 14,250,000 MOONEY.
 - c. Q2 2023: 13,537,500 MOONEY.
 - d. Q3 2023: 12,860,625 MOONEY.
 - e. And so on, infinitely, decreasing by 0.95 every quarter.

Of that total reward, 10% will automatically go to a Contributor Circle for the community, where anyone in the community can throughout the quarter post contributions that can be accepted by any of the top five contributors from the last quarter. The rewards to individuals will be decided via a coordinate at the end of the quarter like all other projects.

Project Reward Calculation

At the end of the quarter, the Senate is presented with all the projects that were completed along with their Final Reports. Each Senator allocates what they think is a fair proportion of

rewards (out of 100%) that should go to each project. Senate members may distribute their proportion of rewards to each project, but not their own.

After all the Senate members have input their distribution, we run this [script](#) where we calculate the average score for each project, and insert that calculated average into the missing distribution for each Senator's own project, and then we normalize each Senator's distribution to sum up to 100%. The process is repeated again until the value of each Senator's Project's calculated score matches the average for that project.

Then a Snapshot vote is created for MoonDAO members to delegate their voting power to the Senate member's distribution they most agree with.

The retroactive reward to each project is calculated as follows:

$$ProjectReward = 0.9 \times QuarterlyReward \times \frac{\% \text{ votes to Project}}{100}$$

We multiply by 0.9 because 10% of the total rewards always goes to the Contributor Circle.

Contributor Reward Calculation

Each Project will decide the amount of the project rewards that goes to each Contributor to the Project as described in the "*Final allocations for project rewards distribution*" section under Project Completion.

The reward for each Contributor will be calculated as follows:

$$ContributorReward = \sum_{Projects} (ProjectReward \times \frac{\% \text{ Allocated to Member}}{100} - UpfrontPayment)$$

Where the *UpfrontPayment* is the amount of upfront payment that the member received in MOONEY and Non-MOONEY assets for that particular project. The subtraction will be done in-kind, therefore if the member received upfront payment in vMOONEY then that will be subtracted for only vMOONEY. If the member received upfront payment in an asset different than vMOONEY, then that asset's USD value will be subtracted from the total reward in ETH. In other words, **if the Contributor Reward is negative for vMOONEY or ETH, the Member will receive no bonus for that token.**

Example Contributor Reward Calculation

Bob received 0.1 ETH and 10,000 MOONEY upfront for his contribution to a project. The DAO has 200 ETH equivalent in non-MOONEY liquid assets (ETH, DAI, USDC) at the end of Q4 2023 (4 quarters after the rewards program started).

Quarterly ETH Reward = $200 \text{ ETH} * 0.05 = 10 \text{ ETH}$

Quarterly vMOONEY Reward = $15,000,000 \text{ MOONEY} * (0.95)^{(4 \text{ Quarters})} = 12,217,593.75 \text{ MOONEY}$

Bob's Project received 10% of the voting power in the Member House.

Project ETH Reward = $10 \text{ ETH} * 0.10 * 0.9 = 0.9 \text{ ETH}$

Project vMOONEY Reward = $12,217,593.75 \text{ MOONEY} * 0.10 * 0.9 = 1,099,583.4375 \text{ MOONEY}$

Bob received 25% of the total allocation for that project.

Contributor ETH Reward = $0.9 \text{ ETH} * 0.25 = 0.225 \text{ ETH}$

Contributor vMOONEY Reward = $1,099,583.4375 \text{ MOONEY} * 0.25 = 274,895.859375 \text{ MOONEY}$

Bob received 0.1 ETH and 10,000 MOONEY up-front for his contribution.

Bob's ETH Reward = $0.25 \text{ ETH} - 0.1 \text{ ETH} = 0.15 \text{ ETH}$

Bob's vMOONEY Reward = $274,895.859375 \text{ MOONEY} - 10,000 \text{ MOONEY} = 264,895.859375 \text{ MOONEY}$

Therefore Bob's retroactive reward would be 0.15 ETH and 264,895.859375 vMOONEY

Reward Timing and Method

The ETH will be given as a lump-sum reward within a month of the end of the quarter.

The MOONEY will be locked for four years and given in the form of delegated vMOONEY that they can unlock after it has vested. For this process MoonDAO uses "delegation safes". A delegation safe is a multisig wallet that holds the staked voting power that a contributor earns through the quarterly rewards cycle. For more information about delegation safes, such as how to increase your stake or how to delegate your voting power to another address, see the [delegation safe FAQs](#).

Project Revenue Distribution

MoonDAO has a standard on-chain deal with projects. The terms are fuzzy and can be specified further on a case-by-case basis with projects. If there is an agreement to distribute revenue, the specifics of the on-chain deal must be linked in the project proposal and signed by the project team's multisig. We have a standard on-chain contract that teams can sign from their generated multi-sig.

If a MoonDAO project creates any profits, they will be distributed as follows:

1. **Recoup first:** MoonDAO's total commitment to the project is its upfront payment to create the Project (in the project proposal) PLUS any retroactive rewards went to the project. The revenue is split via a waterfall system, where the DAO's payment is first recouped along with any other parties that put up a commitment on a pro-rata basis. In other words, if MoonDAO put in \$150k and another group put in \$50k, then for every dollar up to \$200k, MoonDAO will receive 75% and the other party will receive 25%.
Next:
2. **Revenue split:** After the recoup is completed, 50% of revenue will go to the project team, and be distributed to individual team members in the same proportion as the team's Coordinape when submitted. 50% of revenue will be distributed to the parties committing up-front capital on a pro-rata basis in proportion to the amount of up-front capital committed to the project measured in dollars at the time of funding. If MoonDAO is the only party committing capital up-front, then 50% of the revenue will return to the DAO's treasury.

Each project will create a custom split contract with these conditions input, and include that agreement as linked in the project. They will only use that contract to receive revenue for the project.

Unless otherwise specified, this agreement will exist for two years, with the right to renegotiate terms after the period is over.

After the period ends, if the Project Team decides to continue working on the project separately from MoonDAO, then MoonDAO will receive a 10% stake in the organization. Both in equity and in tokens if they are created. MoonDAO has the option to be included in any future capital raises for the project. MoonDAO may license its brand to the organization for future work and can continue to create new agreements and partnerships with the organization.

In some circumstances, a formal off-chain agreement may be signed between the project team and the DAO to specify the details of this deal, in the jurisdiction of the Project Team's choice. This agreement must be linked in the project proposal.

Project Intellectual Property

Unless otherwise noted all projects use a creative commons license and all their work will be open-sourced to the world.

If any intellectual property is generated by the internal project team, it will be co-owned by the project team and MoonDAO. Any patents, trademarks, copyrights, or trade secrets generated will be co-owned with a 50% share going to MoonDAO and other parties that put up capital proportional to their share of the total, and a 50% share going to the project team.

The project team will have the ability to license, use, modify, exploit, and enforce IP rights against third parties, and make decisions about IP-related matters. Revenue for the IP will be based on co-ownership shares.

If IP rights are reserved, they will be represented through on-chain IP-NFTs representing the intellectual property.

Dispute Resolution

Disputes between the project team and the DAO will be handled through arbitration as outlined in the MoonDAO Constitution.

If Dispute Resolution through MoonDAO's arbitration procedure is unsuccessful, the dispute will be resolved through binding arbitration, referring to the rules of established arbitration institutions, such as the American Arbitration Association (AAA) or JAMS, which will provide procedural guidelines for the arbitration process.

Miscellaneous FAQs:

Can a project change Rocketeers?

Yes. If a Rocketeer must step down for whatever reason but the project is not yet completed, an Astronaut may appoint a new Rocketeer to lead the project.

Can Rocketeers be external to MoonDAO, or must they be members?

Rocketeers must be MoonDAO members before they start a project. If someone wants to join a project but is not yet a member, they should be on-boarded into the community and get vMOONEY before starting work, but it is not a strict requirement.

What happens if the project misses its deadline?

If you are going over the originally intended timeline please notify the Senate in your monthly update. If the deadline extends into a new quarter the Astronauts will have to approve the project's continuation.

Who can be on the Project's multisig?

Multisig signers should include the project Rocketeers and other trusted members of our community that have had a role (MoonSettler or above) for more than a month. Multisig members should be using the highest level of security possible.

What if a project requires a Budget increase?

If a budget needs to be increased it must go through the full project proposal process with a justification for the budget increase.

How do we amend the project system?

The Astronauts can propose to amend this system by going through our DAO Governance as outlined in the Constitution.

Can the community change the project team's decision about a project?

Generally no. However, if concern about the direction of a project is raised by a community member they are free to message the Rocketeer and ask them directly. If a major issue that goes against our rules is presented, then the Senate can vote to shut the project down (end payment streaming, receive treasury back, remove member's roles, and exclude the project from quarterly rewards), and slash the Delegate's stake.