

# FORT WORTH DAO LCA CONSTITUTION

## PREAMBLE

We are a DAO dedicated to the promotion and integration of Web3 technologies into everyday civic life. By fostering education and collaboration, we aim to create a more informed and equitable digital future. We are a grassroots organization bound to Fort Worth Texas and dedicated to improving the Fort Worth community through Web3.

## ARTICLE 1

**Name and Purpose:** The name of the organization is the "Fort Worth DAO LCA" (Fort Worth Decentralized Autonomous Organization Limited Cooperative Association), which may be referred to as the "Fort Worth DAO" or "FWTX DAO". The FWTX DAO's primary purpose is to progress urban development and citizen engagement in Fort Worth, Texas, harnessing the potential of Web3 technologies. We aim to establish Fort Worth as a leading Web3 city. The Association is organized exclusively for educational and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code (or the corresponding section of any future federal tax code). The activities of the Association shall be limited to those activities permitted for an organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

## ARTICLE 2

**Membership:** Membership in the FWTX DAO is open to individuals passionate about our mission and committed to contributing to the DAO's objectives as described in this document. Members are expected to uphold the DAO's constitution, respect its values, and conduct themselves professionally and ethically. Membership of an individual can be terminated by a voting process designed by the Governing Council and a vote by the membership.

### SECTION 2.1

**Member Classes:** The Association shall have two (2) classes of members:

**Patron Members:** Individuals who are engaged in the Association's mission, committed to contributing to Web3 and innovative technologies' civic engagement, and who primarily utilize the Association's services and activities.

**Sponsor Members:** Companies, organizations, or entities that provide financial sponsorship to support the Association's events, programs, and mission-driven activities.

**Patron Member Rights:** Patron Members have voting rights on governance matters, participation in all Association activities and programs, access to educational resources and Web3 development opportunities, eligibility for leadership positions within the Association, and the right to propose initiatives and amendments to governing documents. Each Patron Member enjoys equal voting rights (One member equals one vote).

# FORT WORTH DAO LCA CONSTITUTION

**Patron Member Responsibilities:** Patron Members must uphold the Association's constitution and values, conduct themselves professionally and ethically, actively participate in Association governance and activities, contribute skills, time, or resources to advance the Association's mission, and comply with all applicable laws and the Association's policies.

**Sponsor Member Rights:** Sponsor Members have participation in the Association's governance alongside Patron Members, recognition and promotional benefits at sponsored events and activities, access to Association reports on event outcomes and community impact, input on event planning and strategic direction related to sponsored activities, and networking opportunities with other sponsors and the Web3 community.

**Sponsor Member Responsibilities:** Sponsor Members must provide financial sponsorship for specific events, programs, or initiatives, support the Association's mission of Web3 civic engagement and education, maintain professional conduct consistent with the Association's values, comply with all applicable laws and the Association's policies, and respect the nonprofit nature of the Association's activities.

## SECTION 2.2

**Prohibition on Distribution of Net Earnings:** No part of the net earnings of the Association shall inure to the benefit of, or be distributable to its members, directors, officers, or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its purposes.

## ARTICLE 3

**Leadership and Governance:** Regarding Governance, the FWTX DAO will substantially follow the essence of the parliamentary rules of Robert's Rules of Order.

## SECTION 3.1

**Chair Structure:** The Chair functions as the Governing Council. Through the end of December 31, 2025, the two (2) Founders will be the Co-Chairs and perform as the Governing Council. Beginning January 1, 2026, the membership will optionally be able to submit names to fill the role of the Chair. The Founders will approve the nominations. The Chair of the FWTX DAO may be one or more members of the DAO and can include the Founders, but not to exceed five (5) members. The Chair will be elected through a proposal. This process of electing a new Chair will be optionally repeated on an annual basis, which will be 12 months or more from the previous Chair election. For a proposal to be recognized before it can be seconded by a member and presented for discussion and a vote, the proposal must be recognized by the Chair. This recognition is to occur offchain in real life (IRL) and documented electronically for record before the proposal is submitted onchain.

# FORT WORTH DAO LCA CONSTITUTION

## SECTION 3.2

**Leadership Team:** The DAO shall have a leadership team consisting of five (5) members who will oversee day-to-day operations. The leadership team shall include roles such as Director, Coordinator, Operations Manager, Community Manager, and Treasurer. The leadership team will individually have specific responsibilities determined by the DAO's needs and assigned by the Chair offchain. The leadership team focuses on effective operation ensuring the DAO's vision is realized and values are upheld.

## SECTION 3.4

**Voting Requirements** Voting will be defined as follows: Quorum (Minimum Participation): 15 % of the total membership. Majority (Approval Threshold): 51% of the quorum for standard decisions. If the quorum is not met in the allotted time, the proposal will not pass. Decisions outside of day-to-day operations within the DAO shall be made through a democratic voting process conducted onchain.

# ARTICLE 4

**Financial Management:** The DAO shall maintain a digital treasury wallet to manage its financial resources securely.

## Section 4.1

**Prohibition on Financial Distributions:** Notwithstanding any other provision, the Association shall not distribute any portion of its income or assets as dividends, profits, or capital contributions to any members or private persons.

## SECTION 4.2

**Financial Decision Authority:** All major financial decisions and related significant financial transfers shall be approved by a majority vote of the members. The Chair functioning as the Governing Council has the authority to approve smaller day-to-day operational expenses. Members may suggest budgets and financial initiatives to the leadership team, which will evaluate them based on their alignment with the DAO's purpose and available resources. An annual third-party audit shall be conducted to ensure the DAO's financial transparency and accountability.

# FORT WORTH DAO LCA CONSTITUTION

## ARTICLE 5

**Dispute Resolution and Grievances:** Any disputes or grievances within the DAO shall first attempt to be resolved informally through dialogue and mediation. If informal methods fail, the parties involved may agree to resolve the matter externally through arbitration or legal recourse.

## ARTICLE 6

### **Amendments, Dissolution, and Progress**

#### SECTION 6.1

**Amendments:** This constitution may be amended by a majority vote of the members, ensuring a thorough review and discussion process. If a majority vote cannot be attained, the Governing Council will have the right to amend the **Constitution** to facilitate ongoing operations.

#### SECTION 6.2

**Dissolution:** The DAO may be dissolved only by a unanimous vote of the total members. This will require an external voting process outside the normal process used for the governance of the DAO as described in this Constitution, since the governance stated above does not accommodate a unanimous vote. In such an event, the remaining assets, including the treasury, after payment of or provision for all debts and liabilities, shall be distributed exclusively for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government for a public purpose. This distribution will adhere to local regulations.

#### SECTION 6.3

**Progress:** The DAO's progress is measured against the roadmap as found on the FWTX DAO official GitHub repository, with milestones celebrated and strategies adjusted, as needed to support the success of the DAO.

## ARTICLE 7

**Commitment to Ethics and Compliance:** The DAO and its members commit to upholding ethical standards, including data privacy, anti-discrimination, and anti-harassment policies. Members shall adhere to all relevant local, state, and national laws and regulations pertaining to their activities within the DAO.