

Summary of the DUNI Association Agreement

DISCLAIMER: THE FOLLOWING IS A PARTIAL SUMMARY OF THE ASSOCIATION AGREEMENT (“AA”) OF DUNI. THE AA GOVERNS YOUR MEMBERSHIP IN DUNI AND YOUR RIGHTS AND OBLIGATIONS THEREUNDER. THE AA INCLUDES, AMONG OTHER THINGS, A WAIVER OF YOUR RIGHT TO INITIATE OR PARTICIPATE IN CLASS ACTION LAWSUITS AND YOUR AGREEMENT THAT ANY DISPUTE WILL BE SUBJECT TO THE JURISDICTION OF THE COURTS OF THE STATE OF WYOMING. THE AA SHOULD BE REVIEWED IN ITS ENTIRETY (FULL COPY CAN BE FOUND [HERE](#)). THIS PARTIAL SUMMARY IS PROVIDED FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE LEGAL ADVICE OR A COMPLETE RECITATION OF THE AA. IN THE EVENT OF ANY INCONSISTENCY OR CONFLICT BETWEEN THIS SUMMARY AND THE AA, THE AA SHALL CONTROL. YOU SHOULD NOT RELY ON THIS SUMMARY AS A SUBSTITUTE FOR READING THE FULL AA AND ARE ENCOURAGED TO CONSULT YOUR OWN ADVISORS AS NEEDED. CAPITALIZED TERMS USED BELOW HAVE THE MEANING ASCRIBED TO THEM IN THE AA.

- **Articles 1 - 2: Name and Purpose → Creates a Legal Entity for Uniswap Governance**
 - DUNI is a **Wyoming DUNA**—a legally recognized nonprofit association that wraps the existing Uniswap Governance system.
 - DUNI’s purpose is to give legal form to the UNI holders who engage in governance and support the development of DeFi.
- **Article 3: Membership → Defines How You Become a Member**
 - You may become a Member **if (1) you own UNI and (2) engage in governance** — this includes but is not limited to delegating to yourself or others, voting on governance proposals, making governance proposals, affirmatively assenting to be a Member, (e.g., commenting in the forum, and creating a profile in Agora or Tally). Recipients of treasury funds are not, by default, Members of DUNI.
 - You must meet both conditions to become a Member (i.e., you would not be considered a Member if (x) you do not own UNI but engage in governance, or (y) if you own UNI but don’t engage in governance).
 - Members must abide by the Governing Principles as defined in the AA, which includes the AA, the Uniswap Governance Protocol, and the Governance Norms.
 - Your Membership ends if you cease to own UNI.
 - DUNI Membership is not restricted to a one-time Membership. You can leave the DUNI and become a Member again at a later date.
- **Article 4: Rights and Duties of Members → Clarifies Member Rights and Protections**
 - **No ownership:** Members have no ownership interest in the DUNI or its assets.
 - **No agency:** Similarly, Members are not representatives or agents of DUNI by default. This means, for example, Members cannot enter into contracts or sign documents on behalf of DUNI.
 - **No individual liability:** Members can’t be held personally responsible for DUNI’s debts or obligations just by virtue of being a Member.
 - **No fiduciary duties:** Members do not owe fiduciary duties to other Members or DUNI itself, unless a Member is elected to be an administrator and take on

particular responsibilities, as discussed below.

- **Delegates.** Delegates, who do not also own UNI tokens, are not Members, and their rights and responsibilities will be defined by the contractual arrangement between a Member and its delegate, if any.

▪ **Article 5: Voting; Governing Principles → Preserves Onchain Governance via Smart Contracts**

- Members must abide by the **Governing Principles**, which include the AA, the **Uniswap Governance Protocol**, and the **Governance Norms**. These terms are defined in the AA under Appendix A - Definitions.
- DUNI delegates its governance processes to the Uniswap Governance Protocol. For example, Members can make proposals and vote using the Uniswap Governance Protocol to make changes to certain parameters in smart contracts associated with Uniswap, appoint administrators to act on DUNI's behalf, change the Governing Principles (which includes the AA), and authorize the disposition of DUNI's assets from the Treasury Contract.

▪ **Article 6: Administrators; Agents → Allows Delegation of Tasks to Administrators and Agents**

- Members can elect Administrators or agents to perform specific tasks on behalf of DUNI. Administrators or agents can only perform the tasks that they were specifically authorized to do via an executed Governance Proposal. An Administrator must also be a Member; an agent does not have to be a Member.
- An Administrator or agent must assent in writing to their role and delegated responsibilities.
- It is possible that an Administrator or agent will owe fiduciary duties to DUNI and its Members based on their delegated duties and obligations as set forth in a Governance Proposal and any contractual agreement between DUNI and such Administrator or agent. This, however, should be made explicit when they are granted this authority.
- Subject to specific restrictions, an Administrator or agent can resign at any time by giving notice to the Members of DUNI. If an Administrator chooses to resign as Administrator, they are not required to terminate their Membership interests or Membership in DUNI.

▪ **Article 7: Distributions prohibited; compensation for DUNI services→ Permits Reimbursement but Bans Profit Distributions**

- While DUNI can engage in profit-making activities, all profit must support DUNI's nonprofit purpose: building and accelerating DeFi systems.
- DUNI can pay people (including Members) reasonable compensation for services, but cannot pay dividends or distribute profits to Members.
- DUNI can purchase UNI on secondary markets, such as the Uniswap Protocol, but cannot repurchase UNI directly from Members.
- In the event that DUNI dissolves, it may (but does not have to) make pro rata capital distributions of property to its Members, in accordance with Wyoming law and subject to a validly executed Governance Proposal.
- Any allocation of UNI from the DUNI treasury does not automatically convey a

Membership interest in the recipient; the recipient must meet the Member criteria.

- **Article 8: Dissolution; wind-up → Protects Members in Wind-down Scenarios**
 - DUNI exists indefinitely, and can only be dissolved by a Governance Proposal or if a court orders it.
 - If DUNI dissolves, its assets are used to settle debts, and the entity continues in existence until its activities are wound up. The Members may appoint an Administrator(s) to assist with the winding up of the DUNI.
 - If DUNI no longer qualifies as a DUNA, it automatically converts to a UNA (an unincorporated nonprofit association) without changing Governing Principles.
- **Article 9: Rights of Members and Administrators to Records**
 - DUNI is not obligated to provide Members with any association records if access to such records is available through a public website, a Member-accessible private website or onchain, and may reasonably impose restrictions on access to and use of its records.
- **Article 10: Service of Process**
 - DUNI may appoint an agent in Wyoming to receive any service of process (i.e., a legal summons, complaint, or subpoena, for example). If the DUNI does this, it will have to reauthorize this agent each year.
- **Article 11: Governing Law and Dispute Resolution; Class Action Waiver → Governs Legal Disputes and Waives Certain Rights of Members**
 - Any legal dispute involving DUNI must be handled in **Wyoming courts**, exclusively in the Chancery Court (unless the court declines, in which case it will be heard in the District Court of Laramie County in Wyoming or in the United States District Court for the District of Wyoming).
 - **Members waive the right to bring or participate in any class action lawsuits**—all disputes arising from Membership in DUNI must be resolved individually.
 - Third-party beneficiaries may also avail themselves of this governing law and dispute resolution Article.
- **Article 12: Appointment of Ministerial Agent**
 - The Uniswap Foundation (UF) will be the initial Ministerial Agent of the DUNI. The UF will use this delegated authority to act on DUNI's behalf on matters including (but not limited to) appointing legal counsel in the situation DUNI needs it (i.e., if the DUNI is sued), approving budgets for legal and operational expenses (subject to the Governing Principles), maintaining records, filing reports or communications required by law, and other miscellaneous, clerical or operational tasks as authorized by the Members. The UF's authority may be altered or revoked pursuant to the Governing Principles.
 - As Ministerial Agent, the UF is **NOT** able to make policy decisions or act outside of its authorization pursuant to the Governing Principles.
 - As Ministerial Agent, UF is expected to act in good faith, putting DUNI's interests first, avoiding conflicts of interest, and being transparent if any conflicts arise. As long as UF acts in good faith and follows the AA, it generally won't be held

personally liable for its work in this role.

- DUNI agrees not to hold UF responsible and indemnify the UF for any claims, losses, or costs that come from fulfilling its duties as a Ministerial Agent, unless UF engages in serious misconduct, such as gross negligence or benefiting improperly from a transaction.

▪ **Article 13: Miscellaneous**

- The AA can be modified by a validly executed Governance Proposal (unless the modification is just grammatical or non-substantive, and does not alter the Members' rights, in which case the Ministerial Agent can make adjustments).
- Notice can be provided in writing by onchain messaging, via posting in the Uniswap governance forum, via electronic communications, or any other method expressly authorized by law or a Governance Proposal.
- If someone files a claim against DUNI, that claim may continue notwithstanding a change in Membership.
- There are no other obligations or duties created between the DUNI, the Administrator(s), Ministerial Agent, Members, or others except for those explicitly stated in the AA, defined in a separate agreement between DUNI and an Administrator or agent, or established through a properly adopted Governance Proposal.