



# Docs: DAOBox Aragon OSx Optimistic Proposal Plugin x Kleros

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## Summary

The Optimistic Proposal Plugin for the new Aragon Protocol is designed to streamline the decision-making process in decentralized autonomous organizations (DAOs) by leveraging the subjective oracle flow provided by Kleros. With this plugin, proposals can be executed more efficiently, and malicious proposals can be effectively challenged, thus addressing the issues of trust and security in DAOs.

## Problem Statement & Revenue Path

Optimistic Proposal Plugin holds a significant solution to DAO governance issues due to its ability to streamline and secure the decision-making process in DAOs. As the number of DAOs and their complexity grow, the demand for such solutions will increase. The target user persona - DAO members - would be willing to pay for a solution that reduces friction and enhances security in proposal management.

Additionally, the plugin's compatibility with off-chain voting platforms makes it an attractive solution for a wider range of decentralized organizations.

## Core Concept

### Subjective Oracle Flow

The Optimistic Proposal Plugin integrates the subjective oracle flow provided by Kleros to enhance the process of submitting, challenging, and executing proposals within DAOs. Here's a step-by-step breakdown of how the plugin leverages Kleros' subjective oracle flow:

- 1. Proposal Submission:** When a member submits a proposal, they are required to deposit collateral and a fee required by Kleros in case the proposal is challenged. The term "optimistic" refers to the assumption that the proposer is allowed to submit the proposal, and the action in the proposal will be executed after a predetermined waiting period without any voting.
- 2. Proposal Challenge:** During the waiting period, anyone (internal or external to the DAO) can challenge the proposal by posting the fee for Kleros. If the challenge is successful, the collateral of the proposer is slashed and sent to the challenger. This incentivizes members and external agents to actively monitor and scrutinize proposals, fostering a secure and transparent environment.
- 3. Arbitration Process:** If a proposal is challenged, Kleros, acting as a decentralized arbitrator, steps in to resolve the dispute. The arbitration process follows the subjective oracle flow, where Kleros jurors assess the evidence provided by both the proposer and the challenger to determine the legitimacy and validity of the proposal.
- 4. Ruling and Proposal Execution:** Based on the arbitration process, Kleros issues a ruling. If the proposer wins, they reclaim their collateral and arbitration fee. If the challenger wins, they receive the arbitration fee and the proposer's collateral. Following the ruling, the proposal is either executed or discarded, depending on the outcome.

## Target Customers

The target customer for the Optimistic Proposal Plugin includes DAOs and their members who are looking for a secure and efficient way to manage proposals and decision-making processes. This plugin is particularly useful for organizations that require off-chain voting, as it can work with platforms like Discord, Discourse, or any platform capable of generating evidence (as URL links) to verify the authenticity of a proposal.

## Use Cases & Benefits of Optimistic Proposal

By incorporating the subjective oracle flow of Kleros, the Optimistic Proposal Plugin offers several key benefits and addresses various use cases in DAOs, such as:

- 1. Enhanced Security:** The arbitration process provided by Kleros ensures that malicious proposals are effectively challenged and resolved, fostering a secure environment within DAOs.

2. **Increased Efficiency:** Bypassing traditional voting mechanisms, the plugin streamlines the decision-making process, enabling proposals to be executed more swiftly.
3. **Off-Chain Voting:** The plugin is compatible with off-chain voting platforms like Discord and Discourse, making it an attractive solution for organizations that require off-chain voting mechanisms.
4. **Dispute Resolution:** By leveraging the subjective oracle flow, the plugin provides a transparent, unbiased, and secure arbitration process for resolving disputes within the DAO.

## Video Presentations

### Demo Videos

#### **Optimistic Proposal Contract Walk through and Demo:**

<https://www.loom.com/share/ec94d4b5ffdc4f97ba3ef9b5a455b7ed> This loom links explains the smart contract and contains a walkthrough of how the optimistic proposal walks for a user and Arbitrator's perspective.

#### 2. **DAO Membership:** <https://www.loom.com/share/968e895461a6450ca1de04a68ffd12dd>

This membership UI was built in the hackathon to integrate Lens Follow NFT as a criteria for DAO membership. It shows members who have minted a follow NFT and have either delegated their voting power or are receiving voting power as members of the DAO.