

# Terms of the Dymension Delegation Program

## 1. Introduction

Welcome to the Dymension Delegation Program (the "**Program**"). By participating in this Program, you agree to comply with and be bound by these Terms of Engagement ("**Terms**"). Please read these Terms carefully before applying.

## 2. Program Objectives

The Program is designed to encourage a decentralized validator network and to promote community involvement in the Dymension chain's governance.

## 3. Application Process

- a. Validators must apply by the specified deadline.
- b. In submitting an application you would be required to provide certain details for the verification process. Validators acknowledge that failure to provide accurate and complete information may affect eligibility for participation in the Program.
- c. You acknowledge and agree that submission of an application doesn't guarantee acceptance, and that a selection committee, at its sole discretion, will review the information provided and will select a limited number of validators.

## 4. Applicants Representations

- a. You may only apply for one position.
- b. You must provide accurate and complete information as required for participation in the Program.
- c. We reserve the sole and absolute right to disqualify any application which is deemed ineligible for the Program or by having engaged in any conduct that is inappropriate or unacceptable.

- d. You acknowledge that you are not a Prohibited Person and not acting on behalf of a Prohibited Person.
- e. **"Prohibited Person"** means any such Person, that is:
- i. a U.S. Person;
  - ii. a member of the public in the British Virgin Islands;
  - iii. a citizen or resident of or located in, or a legal entity formed or incorporated within or subject to the Laws of, a Prohibited Jurisdiction (irrespective of whether use of a virtual private network or other technical workaround to effect such transaction and avoid detection within a Prohibited Jurisdiction);
  - iv. an individual or an individual employed by or associated with a legal entity or a legal entity identified on the United States Department of Commerce's denied persons or entity list, the United States Department of Treasury's specially designated nationals or blocked persons lists, the United States Department of State's debarred parties list, the consolidated sanctions list maintained by the United States Department of Treasury's Office of Foreign Assets Control any United Nations Security Council sanctions lists or any other sanctions list;
  - v. a Person identified as a terrorist organization on any other relevant lists maintained by any Governmental Authority;
  - vi. a Person acting, directly or indirectly, in contravention of any Applicable Law;
  - vii. a Person in any manner limited or prohibited (or that requires licensing, registration or approval of any kind) from the purchasing, possessing, transferring, using or otherwise conducting a transaction involving any amount of Tokens under Applicable Law;
  - viii. a Person that has been involved at any time in any type of activity associated with money laundering or terrorist financing or any other applicable anti-corruption or anti bribery statute or has been subject to any investigation or sanction by, or a request for information from, any Governmental Authority relating to money laundering, terrorist financing, corruption or bribery in any jurisdiction or under any

Applicable Law; or a Person that is a politically exposed person ("PEP") as defined by the Financial Action Task Force (or such similar Person under any Applicable Law) as an individual who is or has been entrusted with a prominent public function or an immediate family member or close associate of a PEP or any corporation, business or other entity that has been formed by, or for the benefit of, a PEP or any immediate family member or close associate of a PEP.

- f. Applicants shall not:
  - i. attempt to cheat or hack the Program;
  - ii. carry out any kind of spamming; or
  - iii. behave in a manner which deems offensive or inappropriate,
- g. Applicant acknowledge that any such behavior or any false representation might result in all of the applicants' accounts and/or wallets being banned, suspended or discontinued from the Program.

## 5. Commitment to Basic Requirements

Validators wishing to receive delegations must adhere to basic standards of network support to maintain a given delegation. Failure to do so may result in the loss of delegations. Such standards include:

1. Uptime of at least 95%
2. Commission Rate: 5%
3. Voting Power  $\leq$  5% of the network
4. Governance participation of at least 80%
5. Minimal slashing rate
6. Timely upgrades and responsiveness to protocol releases
7. Positive engagement with the Dymension ecosystem

## 6. Assessment Parameters

- a. Validators will be assessed by a selection committee ("**Selection Committee**") based on the following contributions:

- Technical: Node operation, IBC relayers, code contributions, experience, and performance.
- Community: Business development, governance participation, social media involvement, education and support.
- Decentralization: Validator geographies, data centers, service providers, and operational setups.
- Unique Contributions: Exceptionally valuable contributions.

## **7. Token Allocation and Assessments**

- a. Upon selection, the Selection Committee will decide on token delegation which will be assigned to the Validator following the Main-net launch.
- b. The application process for delegations will continue on a rolling basis, with periodic assessments. Validators not initially accepted can reapply in subsequent periods.
- c. The Selection Committee reserve the right to suspend or discontinue any Validator from the Program at any time, if the Validator fails to comply with the Terms or provided false representations in the application process.

## **8. Changes to Terms**

The Program Terms may be modified or revised at any time. Continued participation shall imply the full acceptance of the updated Terms.