

The Constitution of Funktor Reactive

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Table of Contents

1. Executive Summary

2. Organizational Ideals

- a. Funktor Reactive is Not-for-Profit
- b. Funktor Reactive is Worker-Run
- c. Funktor Reactive is Worker-Owned
- d. Funktor Reactive is Scalable
- e. Funktor Reactive is Equitable
- f. Funktor Reactive Enables Creativity
- g. Funktor Reactive Ensures Worker Security
- h. Funktor Reactive Enables Productivity
- i. Funktor Reactive Aligns with the Public Interest
- j. Funktor Reactive is Transparent
- k. Funktor Reactive Leads by Example
- l. Funktor Reactive Encourages Worker Cooperation

3. Organizational Structure

a. Concepts

- i. Units
- ii. Representatives
- iii. Assemblies
- iv. Voting Power
- v. X% Vote
- vi. Teams
- vii. Sub-Teams
- viii. Organization-at-Large
- ix. Legislation
- x. Upward Referral
- xi. Downward Referral
- xii. Don't Cares
- xiii. Jurisdiction

b. Procedures

- i. Secretaries
- ii. Voting Proxies
- iii. Role-Call Votes

- [iv. Show-of-Hands Votes](#)
- [v. Balloted Votes](#)
- [vi. Opening Statement](#)
- [v. Format of Discussions](#)
- [vi. Discussion on Organizational Goals](#)
- [vii. Election of Representatives](#)
- [viii. Term of Representatives](#)
- [ix. Term Limits on Representatives](#)
- [x. Handling Membership Requests](#)
- [xi. Discussion on Matters Concerning the Unit](#)
- [xii. Voting Thresholds on Legislation](#)
- [xiii. Statement of the Dissent](#)
- [xiv. Limits on Meeting Length](#)
- [xv. Conclusion of a Meeting](#)

[c. Rights of Worker-Owners](#)

- [i. Right to a Minimum Annual Salary](#)
- [ii. Collective Ownership of the Means of Production](#)
- [iii. Voting Rights](#)
- [v. Right to Choose Location of Work](#)
- [vi. Right to Choose Duration of Work](#)
- [vii. Right to Fair Compensation](#)
- [viii. Right to Nondiscrimination](#)
- [ix. Right to Express Personal Views](#)
- [x. Right to Internal Information](#)
- [xi. Right to Personal Agency](#)

[d. Responsibilities of Worker-Owners](#)

- [i. Responsibility to the Mission of the Organization](#)
- [ii. Responsibility to the Mission of a Team](#)
- [iii. Responsibility to Maintain Confidentiality](#)
- [iv. Responsibility to Support the Rights of Peers](#)
- [v. Responsibility to Be Well-Informed](#)
- [v. Responsibility to Resist Subjugation](#)

[4. Day-To-Day Operations](#)

- [i. Recommended Daily Schedule](#)
- [ii. Team-Switching and Membership Requests](#)

[5. Annual Operations](#)

- [i. Agenda for Annual Meetings](#)
- [ii. Allocations Meeting](#)
- [iii. Salary Decision Meetings](#)
- [iv. Votes on Salary Allocations](#)
- [v. Salary Allocations for Members Who Frequently Switch Units](#)
- [vi. Project Slimming and Cancellation](#)
- [vi. Minimum Salary and Involuntary Exit](#)

[6. Financial Constraints](#)

- [a. Minimum Annual Salary](#)
- [b. Minimum Reserve Holdings](#)
- [c. Minimum Hiring/Retention Rate](#)
- [d. Minimum Allocations for Annual Profits](#)

[7. Hiring](#)

- [a. Recruiters](#)
- [b. Processing of Applications](#)
- [c. Hiring Committee](#)

[8. Internal Judicial Process](#)

- [a. Recognized Scope](#)
 - [i. Illegal Conduct](#)
 - [ii. Threatening Behavior](#)
 - [iii. Sexual Harassment](#)
 - [iv. Manipulation of Political Processes](#)
 - [v. Unconstitutional Conduct](#)
- [b. Admissible Retribution](#)
 - [i. Salary Reduction](#)
 - [ii. Involuntary Exit](#)
- [c. Procedures](#)
 - [i. Filing and Initiation](#)
 - [ii. Proceedings](#)
 - [1. Pre-trial](#)
 - [2. Trial](#)
 - [3. Deliberations](#)
 - [iii. Disclosure](#)
 - [iv. Enforcement](#)
 - [v. Appeal Process](#)

9. Exit From The Organization

a. Voluntary Exit

b. Involuntary Exit

i. Initial Recommendation

ii. Validation of Recommendation

iii. Judicial Appeal

10. Constitutional Amendment Process

a. Recommendation for Amendment

b. Approval by the Organization-At-Large

c. Ratification

1. Executive Summary

Funktor Reactive is a Worker's Cooperative devoted maximizing the creative agency of its members to provide useful and/or entertaining new technologies to the wider public. The organization is owned and governed by its members ("worker-owners") in a bottom-up representative-democratic system, with additional worker protections ensured by an internal judicial process. This document outlines the ideals of this organization and the internal structure and procedures the organization shall implement to achieve these ideals.

2. Organizational Ideals

All worker-owners of Funktor Reactive are devoted to the common goal of improving the lives of individuals in the larger public by leveraging their own creative agency and dedication to the organization as a whole. The organization seeks to develop and maintain a variety of different products to be sold to the wider public, and use the power of the collective to share in the benefits and responsibilities incurred by each of the organization's projects. The framers of this constitution firmly believe that the extra security afforded by collectivization of profits and responsibility shall make pursuits which were individually inaccessible (due to risk) achievable. Additionally, the democratic nature of the organization shall ensure that the agency of the members shall not be traded for this security in any significant way. The following directives, listed in no particular order, shall be followed when determining whether a decision within the organization fits with the organization's ideals:

a. Funktor Reactive is Not-for-Profit

The organization shall not seek profits as a primary objective, but rather, the stable and continued growth of the organization by inviting new worker-members and rewarding them appropriately for their work.

b. Funktor Reactive is Worker-Run

The organization shall have all decisions made by democratic processes involving the workers.

c. Funktor Reactive is Worker-Owned

The workers of the organization own the organization, and are referred to here as worker-owners. The organization shall not allow outside investors to hold voting shares, nor shall the operation of the organization be subjugated to any other external interests.

d. Funktor Reactive is Scalable

The organization shall seek ways to expand their membership whenever possible, and will constantly work to ensure that the structure of the organization accommodates new worker-owners.

e. Funktor Reactive is Equitable

The organization shall be equitable to all worker-owners, and reward worker-owners appropriately for their advancement of the organization's ideals. Equitability does not imply equality (in salaries, roles, responsibilities etc.), but equality shall be assumed as the default when determining equitability.

f. Funktor Reactive Enables Creativity

The organization shall encourage the creativity of all worker-owners and provide a space for worker-owners to express their ideas. While the organization as a whole reserves the right to set priorities on projects, their schedules, and the particulars of their implementations, worker-owners shall provide one another with constructive criticism on their ideas. Worker-owners shall also maintain permanent records of all ideas and criticisms brought to the organization as a way to both encourage creative adaptation and to enrich the organization's intellectual culture.

g. Funktor Reactive Ensures Worker Security

The organization shall ensure the financial security of all worker-owners so that they may perform their work without concern over fulfillment of their most basic needs.

h. Funktor Reactive Enables Productivity

The organization shall enable the productivity of its base of worker-owners and continually seek ways to improve its own productivity and income as a firm. Productivity shall be measured in

terms of the degree to which the organization's work improves the lives of all worker-owners, financially or otherwise.

i. Funktor Reactive Aligns with the Public Interest

The organization shall not profit from negative externalities, and shall not carry out actions which conflict with the interests of its customers and/or the wider public.

j. Funktor Reactive is Transparent

The organization's method of operation and all of its non-confidential, organization-wide decisions shall be made available to public scrutiny. In such publications, while the identities of the worker-owners may be made private, the public shall have the right to know whether or not the organization is fulfilling its ideals.

k. Funktor Reactive Leads by Example

The organization shall model ethical and fulfilling enterprise by example. It is the belief of the framers that Worker's Cooperatives are a major part of the future of the worldwide economy, which is increasingly dependent upon workers' knowledge and creativity.

l. Funktor Reactive Encourages Worker Cooperation

The organization shall encourage worker cooperation and ensure that every worker's voice is heard in the decision-making process. Day-to-day work and internal decisions are viewed as collaborative efforts, not competitive ones.

3. Organizational Structure

In brief, the organization is structured as a hierarchy of representative democracies with very short (day-long) terms for representatives. The voting power of representatives is proportional to the number of base worker-owners that they represent. The following sections describe definitions and concepts related to the organizational structure of the organization, including the rights and responsibilities of worker-owners within the organization.

a. Concepts

The following concepts are utilized in the description of the organization's structure:

i. Units

A *unit* is an association of worker-owners with voting power to adopt legislation within the unit and elect representatives in the next unit up in the organizational hierarchy, if one exists. If a unit has sub-units, each worker-owner in a unit must belong to one and only one sub-unit of the unit at any given time. A *base unit* is a unit with no sub-units.

ii. Representatives

A *representative* is an official elected by a unit to serve in the unit at the next level up in the organizational hierarchy.

iii. Assemblies

The *assembly* for a given unit is the collection of worker-owners who directly vote on the decisions for the unit. If the unit has no sub-units, the assembly for that unit is all of the worker-owners who belong to that unit. Otherwise, the assembly for the unit is the collection of all representatives elected by all sub-units of the unit. Decisions made by a given unit are decisions which are made by the assembly for the unit. The organizational structure shall be such that the number of members in any assembly is greater than two, but does not exceed fifteen.

iv. Voting Power

The *voting power* of a member of an assembly is how much weight their vote has in the decisions made by the assembly. The voting power of each member of an assembly is equal to the number of worker-owners cumulatively represented by the member:

- If the unit of the assembly member has no sub-units, the member's voting power is 1.
- If the assembly member is the representative for a sub-unit, the member's voting power is the sum of voting powers of all assembly members for that sub-unit.

v. X% Vote

An *X% vote* is an approval (yes/no) vote conducted within an assembly for which the percentage of voting power devoted to yes votes exceeds (strictly greater than) X% of the total voting power of all of the assembly's members. A *majority vote* is a 50% vote.

vi. Teams

The organization as a whole is structured as a collection of *teams*. A team is a unit whose members are dedicated to completion of a particular project or fulfillment of a particular organization-wide responsibility. Teams have the power to vote on all matters concerning the team's members, including the election of new members, the creation of sub-teams, and policies affecting the daily operation of the worker members in their pursuit of the team's founding goal.

vii. Sub-Teams

A team may form zero or more *sub-teams*. A sub-team is a unit below a team in the organizational hierarchy. There shall be no units below sub-teams in the organizational hierarchy.

viii. Organization-at-Large

The *Organization-at-Large* is the unit which comprises the entire organization. The organization-at-large is the supreme body of the organization, and is responsible for all decisions which have an effect on the operation of the organization as a whole. The organization-at-large also serves as the voting body of last resort for when democratic processes at lower levels are unsuitable for decision-making. The assembly for the Organization-at-Large may also be referred to as the *comprehensive assembly*.

ix. Legislation

Legislation is any matter brought to an explicit vote by an assembly which does not concern the election of representatives. Votes on legislation are always approval (yes/no) votes, but assemblies may also hold votes on upwards or downwards referrals instead of opting to hold a vote on a particular piece of legislation.

x. Upward Referral

Legislation may be *referred upwards* by a non-comprehensive assembly to be brought before the next assembly upwards. Upon a passing vote for legislation to be referred upwards by an assembly, the currently-elected representative for that assembly shall introduce the legislation to the floor of the next assembly upwards in that assembly's next meeting.

xi. Downward Referral

Legislation may also be *referred downwards* from a higher assembly in the organization's structure to a lower one. Upon a passing vote for legislation to be referred downwards, the

representative in the assembly which passed the vote shall introduce the legislation to the floor of the assembly of their constituents in that assembly's next meeting.

xii. Don't Cares

If a piece of legislation is referred upwards and then downwards without modification, or downwards and then upwards without modification, the decision of the assembly in the middle of these two referrals (which decided to send the legislation back) shall be interpreted as a "*don't care*" vote. A "don't care" vote indicates that the assembly which the legislation was referred to defers judgment on the legislation to the assembly which made the referral. Upon passage of a "don't care" vote, the legislation may not be referred to the same assembly again.

xiii. Jurisdiction

The correct *jurisdiction* for a piece of legislation is the smallest unit containing all worker-owners directly affected by the legislation. For a piece of legislation to be enforceable, the legislation must be passed by the assembly with the correct jurisdiction. Upward and downward referrals shall be utilized liberally by units to ensure that this occurs.

b. Procedures

The following procedures shall be adopted by the organization for debating legislation, conducting votes on legislation, and electing representatives.

i. Secretaries

At the beginning of any meeting of an assembly, the first job of the assembly is to decide upon a secretary through an informal consensus. The responsibility of the secretary is to record and summarize all important remarks and votes made during the meeting. If the secretary wishes to reduce their responsibilities during the meeting to the mere recording of votes, they may opt to record the entire meeting via a digital video recorder.

ii. Voting Proxies

If a member of an assembly is unable to attend a vote in-person and is also unable to attend remotely, the member may delegate their voting responsibilities to a proxy of their choice by giving advance notice to all members of the assembly in which the vote is set to occur. The voting power of a proxy is assigned to be equal to the voting power of the absent member of the assembly, unless the proxy already belongs to the assembly, in which case the voting power of the absent member will be added to their voting power. A proxy must be assigned in the case where a member is absent from an assembly because they are currently serving as that assembly's representative.

iii. Role-Call Votes

Role-call votes are utilized by the organization for all votes on legislation. A role-call vote shall be conducted by a secretary announcing the names of each member of an assembly, to which the members will respond with their vote. The secretary shall record all votes which have been made by the members and sum the voting power behind the “yes” and the “no” votes in a fashion which is visible to all members of the assembly.

iv. Show-of-Hands Votes

A show-of-hands vote is a speedier alternative to a role-call vote which may be utilized by secretaries for assemblies at the team level and below. In a show-of-hands vote, all members voting “no” raise their hands at the secretary’s signal. The voting power of the “no” votes is then summed to determine whether or not the legislation is defeated.

v. Balloted Votes

Balloted votes are utilized by the organization for all votes on representatives. These votes are conducted via a secret ballot. Absent software to accomplish this while preserving the voting power of members, the simplest admissible voting procedure for a balloted vote is for the secretary to first hand out printed images of poker chips to each member in value equal to the voting power of each member of the assembly. The member shall then mark the backsides of all of their chips with the representative they intend to vote for, and drop their chips into a box in front of the secretary. Members present will then publically sum the voting power contributed to the election of each potential representative. The representative with the greatest contributed voting power wins. Tied votes are to be decided by a fair coin toss.

vi. Opening Statement

After the Secretary has been chosen by the assembly, an opening statement no longer than five minutes shall be made by the returning representative of the unit from the previous day, or, if the representative is currently serving again in a higher assembly, by the voting proxy for that representative. The opening statement shall describe the representative’s experiences in the higher assembly.

v. Format of Discussions

Discussions shall be moderated by the assembly to ensure a two-minute cap on each remark made by a member-owner, unless the assembly agrees by informal consensus to allow more time. Follow-up remarks should occur fluidly and naturally, but members who believe that they are being shut out of the discussion should raise their hands. Whenever a hand is raised, the

secretary must allow the current remark to conclude, and then must call on worker-owners in the order in which they raised their hands.

vi. Discussion on Organizational Goals

After the opening statement of a meeting, the floor will be open to discussion between members about the organization's wider goals.

vii. Election of Representatives

After the conclusion of the discussion on organizational goals, the members interested in running as representatives shall give brief (two-minute) descriptions of what stance they will adopt to advance the organization's goals at the next day's meeting. After giving their platforms, a balloted election on representatives shall be conducted.

viii. Term of Representatives

Once elected, a representative shall serve in the next assembly upwards on the business day after the election was conducted.

ix. Term Limits on Representatives

The same representative may not be elected more than four times in a row. After the fourth consecutive election of a given representative, any and all votes toward that representative will automatically go towards the candidate with the second highest total voting power.

x. Handling Membership Requests

After handling the election of representatives, if a base unit has pending requests for membership, the assembly shall conduct a majority vote on the admission of each worker-owner with a pending membership request to join the unit. The assembly shall notify all worker-owners requesting membership of the decisions made by the assembly. If the membership request is accepted, the worker-owner shall begin working for the unit on the next day. A consequence of this is that the worker-owner will not have voting rights in the destination unit on the day in which they are accepted to the unit, but rather, they will have voting rights in their source unit.

xi. Discussion on Matters Concerning the Unit

After any pending membership requests have been voted on, the discussion will shift from units above to the current unit to an open discussion of the matters concerning the unit itself, including progress reports on projects and organizational goals, issues encountered by a worker-owner while performing their work, etc. During this discussion, members are encouraged to brainstorm

legislation. Once enough momentum has gathered behind a proposal for legislation, the legislation may be brought to a vote.

xii. Voting Thresholds on Legislation

Unless otherwise specified in this constitution, the voting thresholds for the adoption of legislation shall be:

- 75% vote at the team level and below.
- 60% vote for the comprehensive assembly.

Due to the high voting threshold, at the team level and below, a show-of-hands vote is recommended as the default voting procedure on legislation. The goal of all decision-making processes within the organization should be to reach a near-consensus before approaching a vote, but the voting thresholds above are chosen for the sake of pragmatism on settling matters quickly. The threshold for the comprehensive assembly is chosen to provide for a near-rule of the majority in the case of sectarian conflict. The threshold for the team level is higher to reflect the desire for all worker-owners motivated by the same goal to be on the same page. These thresholds may be changed by constitutional amendment, but the spirit of the assigned values should remain focused on consensus-based decision making at the team level and below.

xiii. Statement of the Dissent

Once a piece of legislation has passed, all members present who voted “no” get the floor to speak on their reservations about the legislation. After all statements from the minority have been received, the majority may elect to respond with a short rebuttal to the points raised by the minority. Further discussion on the differing points of view is encouraged to continue outside of the meeting.

xiv. Limits on Meeting Length

The length of each meeting at the team level or below shall not exceed one hour, and the length of meetings within the organization-at-large shall not exceed two hours.

xv. Conclusion of a Meeting

Meetings shall promptly conclude once the length limitation has been reached or no member of the assembly has any further matters to address. Upon conclusion of the meeting, the secretary shall distribute the minutes and/or a recording of the meeting to all members present and all members who were unable to attend and voted by proxy.

c. Rights of Worker-Owners

Worker-owners maintain the following rights, whose guarantee is backed by the internal judicial procedures set forth in section 8.

i. Right to a Minimum Annual Salary

All worker-owners (after the date of legal founding) have the right to receive an annual minimum salary, to be paid every two weeks in equal installments according to the rate set in section 6. This right is limited in the case of a worker-owner's exit from the company. See section 9.

ii. Collective Ownership of the Means of Production

The means of production obtained by the organization may be freely utilized by all worker-owners in their pursuit of the betterment of the organization and/or the enrichment of the population of its members.

iii. Voting Rights

All worker-owners have the right to vote on all issues directly affecting their team or issues affecting the company as a whole. Voting on such issues may be performed directly and by representatives, respectively. See Section 3b for the voting procedures guaranteed by this right.

v. Right to Choose Location of Work

All worker-owners have the right to perform their work remotely, so long as they maintain an appropriate virtual presence at all organizational meetings.

vi. Right to Choose Duration of Work

All worker-owners have the right to decide when to start and stop their work for each day, so long as they maintain an appropriate presence at all organizational meetings.

vii. Right to Fair Compensation

All worker-owners have the right to compensation proportional to the benefit that they bring to the organization as a whole, as determined by the organization as a whole according to the annual salary determination process described in section 5.

viii. Right to Nondiscrimination

All worker-owners have the right to not be discriminated against by their peers due to their race, color, religion, creed, sex, sexual orientation, gender identity, national origin, ancestry, age, veteran status, disability unrelated to job requirements, genetic information, military service, or other protected status.

ix. Right to Express Personal Views

All worker-owners have the right to express their own personal perspectives without threat of termination for expressing such views. This right may only be waived when the act of expressing a view infringes upon the rights of other worker-owners.

x. Right to Internal Information

All worker-owners have the right to know all decisions made by their team, other teams, and the organization as a whole. This right is only to be limited in the case of judicial processes which were initiated confidentially.

xi. Right to Personal Agency

All worker-owners have the right to be free from subjugation by other worker-owners utilizing methods of control outside of the democratic processes described by this constitution.

d. Responsibilities of Worker-Owners

Worker-owners also maintain the following responsibilities to the organization as a whole. Unless otherwise noted, failure to uphold any of these responsibilities may only be used as justifications to lower one's annual salary (see Section 5) or to call for the exit of a worker-owner from the organization (see Section 9).

i. Responsibility to the Mission of the Organization

All worker-owners have a responsibility to uphold the organizational ideals set in section 2.

ii. Responsibility to the Mission of a Team

All worker-owners have the responsibility to work for the team(s) which they belong to, and to ensure that the quality and timeliness of their work is in alignment with the expectations set by their peers.

iii. Responsibility to Maintain Confidentiality

All worker-owners have the responsibility to guard designated private company information from the wider public. This includes, but is not limited to, source code for proprietary software, proprietary internal whitepapers, proprietary design documents, salaries of other worker-owners and complaints submitted confidentially to the internal judiciary. If applicable, violation of this clause may result in legal action taken by the firm against the violating worker-owner in addition to appropriate disciplinary controls set forth by Section 5 and Section 9.

iv. Responsibility to Support the Rights of Peers

All worker-owners have the responsibility to protect and support the rights of their peers, as described in this constitution.

v. Responsibility to Be Well-Informed

All worker-owners have the responsibility to be well-informed of matters relevant to their successful operation within their team and within the organization. Worker-owners should leverage their right to internal information to help them fulfill this responsibility.

v. Responsibility to Resist Subjugation

All worker-owners have the responsibility to prevent hostile actors, both internal and external, from exerting control over other worker-owners using mechanisms outside of the scope of this constitution.

4. Day-To-Day Operations

Each assembly in the organization shall conduct one meeting according to the format in section 3b every day, with a time decided and publicized by the assembly at least one day in advance. While the following sections should only be viewed as advisory guidelines on day-to-day operations, not constitutional mandates, this section should be suitably amended to match the day-to-day reality of the workings of the organization.

i. Recommended Daily Schedule

It is recommended that units and their worker-owners coordinate to match the following schedule:

Before the Assembly Meeting: Work is performed for each unit by their members.

10am: The meeting for the comprehensive assembly begins.

11am: The meetings for all non-comprehensive assemblies begin.

Conclusion of Assemblies (noon at the latest)

Noon: Lunch

1PM or Earlier: Work is continued for each unit by their members.

ii. Team-Switching and Membership Requests

It is recognized that worker-owners may have radically different work styles. Some worker-owners may achieve greater productivity by sticking with a unit for a long period of time, but other worker-owners may find it beneficial to switch units from day-to-day. The intent of the framers is to reduce the frequency for team-switching to a daily basis, out of the belief that meaningful mental “clean-slate” context-switching cannot occur within the same day. However, it may be the case that there are certain exceptional worker-owners for which this belief does not hold. For those worker-owners, it is recommended that the assembly which comprises the units the worker-owner frequently switches between adopts legislation establishing special permissions for the worker-owner to switch teams at will. However, it is constitutionally mandated that if such arrangements are made, the worker-owner shall still only vote in one assembly per day.

5. Annual Operations

Every year, the organization must conduct the periodic task of setting long-term objectives and salaries for the next year. Both of these tasks will occur in a specially-designated six-day period with one special meeting each day for each assembly. These meetings shall be arranged in the same manner as the usual assembly meetings, with the same bylaws.

i. Agenda for Annual Meetings

The first two annual meetings shall be allocated purely for debate and discussion of long-term goals for the unit and the organization, together with actionable adjustments to the organization’s financial and business strategies. The following four financial decision-making meetings shall consist of votes on allocations and salaries. All special meetings shall be video-recorded and distributed to all members of the organization.

ii. Allocations Meeting

The first of the four financial decision-making meetings shall be dedicated to passing the annual total allocations toward salaries, the reserve fund, new hires, outside contracts, and any other long-term financial commitments of the company. In doing so, worker-owners should plan for

the future, including all uncertainty which it may bring, but also should strike a balance with rewards for existing worker-owners if the organization had a good year.

iii. Salary Decision Meetings

Once the organization-wide allocation for salaries has been determined, the salaries of individual worker-owners will be determined in a sequence of general-to-specific allocation rounds. Each assembly for each unit will vote on the division of its salary allocation into the salary allocations for each sub-unit. This process shall be performed from top-to-bottom in the organizational hierarchy of assemblies for three different runs, possibly with different elected representatives at each level from run to run. The resulting allocations to each worker-member from the three different runs will then be averaged to determine the worker-member's salary for the next year.

iv. Votes on Salary Allocations

Votes on salary allocations shall be performed by each voting member of an assembly anonymously deciding upon an allocation for the salaries of the sub-units of the unit *as if* they and their constituents did not exist. (Equivalently, as if their sub-unit were to receive an allocation of \$0.) The true agreed-upon allocations are then computed by a weighted average of all member's salary allocations for the sub-units, with weights determined by the voting powers of the representatives who advanced the salary allocation plans.

v. Salary Allocations for Members Who Frequently Switch Units

For worker-owners who frequently switch units, votes on their salary for the next year shall be determined by the (voting-power of assembly * cumulative working time spent by the worker-owner in the unit) weighted average of their salary decisions for each unit which they have substantially (greater than one month in cumulative working time) contributed to. In conducting such votes, the assemblies which the unit-switching worker-owner substantially belonged to shall be instructed to vote on that worker-owner's salary *as if* they had been working for that unit full-time.

vi. Project Slimming and Cancellation

If the result of the salary allocation process is such that a unit cannot afford to pay the organization-wide minimum salary to each of its worker-owners, the organization-at-large must investigate the workings of the unit and pass a vote on legislation to either slim the unit by setting a cap on the number of worker-owners who may belong to the unit, or to cancel the unit's project entirely and move all of its constituent worker-owners to other projects.

vii. Minimum Salary and Involuntary Exit

If a base unit votes that a particular worker-owner should earn less than the organization-wide minimum wage, the vote is interpreted as a decision to demand that worker-owner's exit from the organization. Upon doing so, the process in Section 9b must be initiated.

6. Financial Constraints

The following financial constraints hold company-wide. Constants adjustable by constitutional amendment. If one or more of these constraints is violated, the company is considered to be in a financial crisis, which will demand the special attention of all member-owners to either take extraordinary collective measures to resolve the crisis, or call a vote to dissolve the organization.

a. Minimum Annual Salary

A company-wide minimum annual salary of \$30,000 in inflation-adjusted 2018 dollars holds for all worker-owners.

b. Minimum Reserve Holdings

Upon achieving initial solvency [strike this conditional from the constitution once this has been achieved], the company must maintain sufficient assets in reserve to be able to pay off all liabilities and the salaries of all current employees for two fiscal years. Reserve assets must be stored in a form which has a proven history of low volatility in inflation-adjusted valuation.

c. Minimum Hiring/Retention Rate

The number of worker-owners must increase at a rate of at least 2% per year.

d. Minimum Allocations for Annual Profits

At least 25% of annual profits must go toward supporting the salaries of newly-hired employees, at least 10% must go into reserve holdings, and at least 25% must go toward salary increases for existing employees in the upcoming year.

7. Hiring

New worker-members are recruited by worker-members and evaluated by a democratic process on a monthly basis, as outlined below.

a. Recruiters

At any given point in time, at least one worker-owner in the organization shall be responsible for recruiting new worker-owners and publically advertising openings within the company.

b. Processing of Applications

Job applications submitted to the company shall be reviewed on a recurring, monthly basis, with a well-publicized monthly application deadline.

c. Hiring Committee

Upon receipt of all relevant pre-interview applicant materials, the organization as a whole shall decide the most relevant team(s) to the applicants' expressed abilities, or collectively decide to delegate such decisions to one or more worker-owners. Each such team makes up a part of the applicant's hiring committee. Each team in a hiring committee shall arrange three one-on-one interviews with the applicant and the team's members and a meeting between the applicant and the team at large. Once all interviews for the rolling application period are conducted, teams shall conduct an approval vote on their applicants. Approved applicants may then be hired by a passing vote on a hiring mandate by the organization at large.

8. Internal Judicial Process

The organization recognizes a need for some internal processes to be conducted without disclosure to the group-at-large and/or without deferring to in-group consensus. Processes requiring one or both of these attributes should be handled by the internal judicial process. Decisions are based upon the deliberations of a five-member jury selected to hear the case.

a. Recognized Scope

The judiciary process is responsible for handling disputes between worker-owners which are unsuitably handled by the usual democratic process. The following types of cases may be considered through the judicial process. Additional classifications may only be added by constitutional amendment.

i. Illegal Conduct

The judicial process may be initiated whenever one worker-owner conducts an illegal act which harms one or more worker-owners, or an illegal act supporting a pattern of behavior which may bring future harm to other worker-owners.

ii. Threatening Behavior

The judicial process may be initiated whenever one worker-owner threatens another with physical, emotional, or political harm. Threats of emotional/political harm are only to be considered as such if they violate a member-owner's constitutional right to personal agency.

iii. Sexual Harassment

The judicial process may be initiated whenever one or more worker-owners attacks the dignity of another worker-owner through unwanted sexual advances and/or unwanted reduction of a worker-owner to a sexual object in the defendant's manner of expression.

iv. Manipulation of Political Processes

The judicial process may be initiated whenever one or more worker-owners exhibits or plans a concerted effort to undermine the democratic or judicial processes of the organization.

v. Unconstitutional Conduct

The judicial process may be initiated whenever one or more worker-owners violates one or more of the procedural mandates of this constitution.

b. Admissible Retribution

A finding of guilt by the judicial process may only incur retribution in one of the following forms:

i. Salary Reduction

A finding of guilt may reduce the accused's salary to a degree proportional to the severity of the violation, as determined by the jurors. Jurors may not recommend a reduction of the accused's salary to fall below the organization-wide minimum wage. If jurors find that the severity of the violation exceeds that which is punishable by a reduction in salary, jurors should opt to demand the involuntary exit of the accused from the organization.

ii. Involuntary Exit

For severe violations, jurors may demand the involuntary exit of the accused from the organization.

c. Procedures

The following procedures shall be followed by worker-owners in the judicial process.

i. Filing and Initiation

Worker-owners may file anonymized complaints against one or more worker-owners. Such complaints must be submitted to the organization-at-large, and must adhere to the following requirements:

1. The contents of the complaint must be encrypted and unreadable to the organization-at-large. This includes the names of the accuser and the accused, the relevant facts of the case, and all evidence.
2. The extent of the information available to the organization-at-large must comprise and be limited to the number of accused, the number of accusers, the categorization of the case according to section 8a, and the case identification number.
3. The encrypted complaint must contain all facts the accuser deems relevant to the case. The body of the complaint must clearly and plainly explain, with material evidence and/or eyewitness accounts, why the accuser believes that the accused has engaged in one of the behaviors of section 8a.

Upon receipt of a complaint, the encrypted body of the complaint shall be retained by the organization-at-large for retrieval in the event of external legal action against the company. After the encrypted body of the complaint has been archived, the organization-at-large shall randomly select a pool of 15 potential jurors to handle the case, and publically announce the names of the jurors and the case number. The accuser(s) shall then circulate the complaint to the accused. The accuser(s) and the accused shall each decide upon up to five potential jurors to strike from the list of jurors assigned to the case, and communicate this information anonymously to all fifteen potential jurors by a digitally-signed document utilizing a new public/private key pair to be associated with the (worker-owner, case) pair. The potential jurors shall verify the digital signatures and randomly select a jury of five worker-owners among the unstricken jurors. These selected jurors shall then contact the parties of the complaint, and the accused shall make the body of the complaint available to the five jurors.

ii. Proceedings

The following procedure shall be followed by the jurors, the accuser, and the accused after initiation of the case.

1. Pre-trial

The jurors and both parties to the complaint shall negotiate a trial date. The accuser and the accused may communicate with all parties to the trial prior to an arranged trial date, but all such communications must be shared with all parties.

2. Trial

During the trial, both the accuser and the accused shall bring their arguments to the jury. The jury shall ensure that order is maintained by all parties during the proceeding, and that both parties have an equal opportunity to share their arguments. In addition to hearing arguments, members of the jury may also pose relevant questions to the accuser and/or to the accused. The accused is not obligated to answer questions posed to them by the jury, but doing so may contribute to a finding of guilt.

3. Deliberations

Upon conclusion of the trial, the jurors shall meet to discuss the case and deliberate over the decision to be delivered. All jurors must unanimously agree upon a decision for the decision to become final.

iii. Disclosure

Upon reaching a decision, the jurors shall announce their decision to the accuser and the accused. If there was a finding of guilt, the jurors shall also compose a report to be distributed to the organization-at-large describing the relevant facts to the case, the name(s) of the accused and the method and degree of retribution. The report distributed to the organization-at-large shall not include the name(s) of the accuser(s).

iv. Enforcement

All decisions made through the judicial process shall be enforced by the organization-at-large.

v. Appeal Process

After the jury's findings are announced, the accused may approach the organization-at-large to appeal the jury's decision if the accused believes that the judicial process was conducted in an

unconstitutional manner. If the organization-at-large votes to hear the case, the accused may submit a complaint of unconstitutionality against the jurors, to be handled by the judicial process sans anonymity or secrecy. No party in the appeal may reveal identifying information about the original accuser. Upon successful appeal, the original decision shall be overturned.

9. Exit From The Organization

Exit from the organization may happen either voluntarily or involuntarily. This section describes voluntary exit and involuntary exit brought about through democratically-imposed discipline for abdication of the responsibilities described in section 3d. Involuntary exit brought about by judicial recommendation is described in section 8.

a. Voluntary Exit

Any worker-owner may voluntarily exit the organization at any time. To do so, the worker-owner need only provide written notice to all of their immediate team members. Upon doing so, a worker-owner is entitled to compensation up until the start of the next pay period.

b. Involuntary Exit

Worker-owners may be forced to leave the organization involuntarily if they fail to perform the responsibilities in section 3d in a manner which harms the health of the organization as a whole.

i. Initial Recommendation

An initial recommendation for firing may be made by a simple majority vote of the members to which a team member belongs. The resolution for the termination recommendation must clearly describe, with evidence and/or witness accounts why the owner-member is failing to make good on their responsibilities to the organization.

ii. Validation of Recommendation

The initial recommendation for firing shall then be presented by the team's representative to the organization-at-large. Confirmation of termination requires a unanimous vote by all representatives present.

iii. Judicial Appeal

Upon confirmation of termination by team representatives, the terminated worker-owner may make a judicial appeal for retention. Any such appeal must clearly explain, with evidence and/or witness accounts, why the worker-owner's termination was not conducted appropriately in

accordance with the process outlined above. Such an appeal shall be filed as a complaint of unconstitutionality according to the process described in section 8.

10. Constitutional Amendment Process

The organization's constitution is intended to be a living, but rigid document, whose spirit shall be maintained, but whose details may be subject to change based on the needs of the organization as a whole.

a. Recommendation for Amendment

Constitutional amendments may be brought by any worker-owner and voted on by their team. Upon a passing vote, the proposed amendment will be brought to the organization-at-large by the representative of the team for discussion.

b. Approval by the Organization-At-Large

Once the amendment is brought to the organization-at-large, a unanimous vote of all representatives present is required to send an amendment into the ratification process.

c. Ratification

After approval by the organization-at-large, the text of the proposed amendment shall be circulated among all worker-owners for an organization-wide direct vote. To be ratified, an amendment must gain the approval of 80% of all worker-owners.

By Signing, I Have Read and Agree to Follow and Uphold the Constitution of the Organization, Including Any and All Future Amendments Passed Via Section 10.

Printed Name And Signature:

Date:
