exDANA General Overview

For internal distribution only

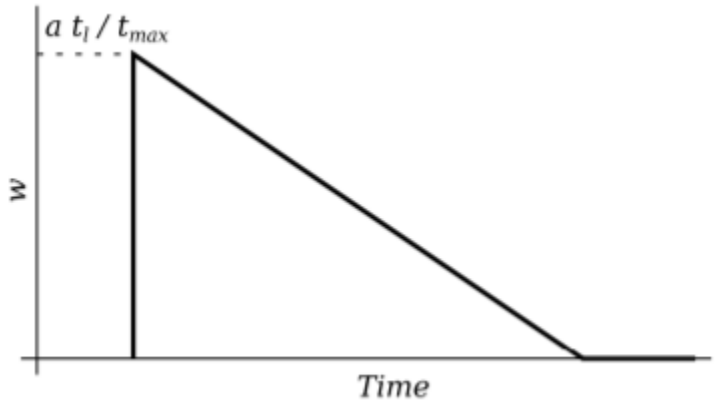
(Our vision for exDANA is basically identical to what Curve has with veCRV.)

exDANA is the governance token proper of Ardana. exDANA will confer governance rights and special economic rights to its holders. Each exDANA equals 1 vote. exDANA is obtained by time-locking DANA in the AREM for a predefined period of time, where the minimum lock period is one week and the maximum is 4 years. The exchange rate between DANA and exDANA will increase linearly up to a 1:1 exchange rate with a 4 year lock.

Below is the formula for calculating the exchange rate between DANA and exDANA where w is the output exDANA amount, t is the lock time, and tmax is the maximum lock time.

$$w = DANA\frac{\mathrm{t}}{\mathrm{t}max}$$

Since the exDANA balance of a given lock-event is a function of the amount of tokens locked (DANA) and the duration of the lock (t) in relation to the max lock time (tmax), as t decreases, so will the exDANA balance associated with the lock-event decrease. This decrease happens at the same linear rate as the increase in exchange rate between DANA and exDANA.



(Taken from the Curve DAO whitepaper)

I am unfortunately underqualifed to completely parse all of the specifications of Curve's veCRV. Nonetheless Ryan & I do have a heuristic understanding of how Curve's veCRV works and we do intend on replicating the mechanism for minting exDANA and managing the balance of user's exDANA.

Being Giga-brains, I am confident in the skill of the developers to easily replicate such a system on Cardano.

Resources:
Developer docs-
https://curve.readthedocs.io/dao-vecrv.html

Curve DAO whitepaper (under "Time-weighted voting. Vote-locked tokens in VotingEscrow")
https://curve.fi/files/CurveDAO.pdf