# Treasury Withdrawal - Intersect metadata - Flow Desk - Market Making service pool (Market Making as a service)

## **Title**

Withdraw ₳3,126,000 for Ecosystem Exchange Listing and Market Making service…

## **Abstract**

This treasury withdrawal funds **Ecosystem Exchange Listing and Market Making service pool** which will provide MMAAS (Market Making as a Service):

Proposal Overview

This proposal aims to address two core issues within the Cardano ecosystem:

- Problem 1: No Cardano project currently has a top-tier market maker, with the exception of Snek and Iagon.

- Problem 2: No Cardano Native Token (CNT) is listed on top-tier exchanges such as Binance, Bybit, Okex, Kraken and Coinbase.

Objective

We, at Flowdesk, are committed to solving these problems. Our goal is to act as a trustworthy partner in assisting Cardano Web 3.0 projects by providing essential services such as Market Making as-a-Service (MMAAS) and helping with exchange listings. Through these efforts, we aim to enhance the overall liquidity and market presence of Cardano projects.

This Treasury Withdrawal is submitted by Intersect on behalf of the vendor. The following sections; Abstract, Motivation, Rationale and Vendor Profile have been sourced from the approved proposal submitted by the Vendor as part of the Intersect budget process.

This treasury withdrawal funds one of 39 proposals to give effect to the approved budget info action for ₳275,269,340, administered by Intersect via gov\_action1u9x73kwufaxa70lfy59g4ynwyrcsaxdcd0gxzzmh67s9fxq4j8hqqk2phgh. The information provided herein is intended to fulfill the spirit of the constitutional requirement for a treasury withdrawal info action by also providing the details of the proposed solution, alignment to the budget, and amount to be withdrawn from the Cardano Treasury.

## **Motivation**

This proposal aims to solve the following problem:

- Problem 1: No Cardano project currently has a top-tier market maker, with the exception of Snek and Iagon.

- Problem 2: No Cardano Native Token (CNT) is listed on top-tier exchanges such as Binance, Bybit, Okex, Kraken and Coinbase.

Flowdesk are committed to solving these problems. Their goal is to act as a trustworthy partner in assisting Cardano Web 3.0 projects by providing essential services such as Market Making as-a-Service (MMAAS) and helping with exchange listings. Through these efforts, Flowdesk aims to enhance the overall liquidity and market presence of Cardano projects.

## **Rationale**

### Project Solution

Flowdesk acts as a reference party that helps with engineering liquidity provision and listing of CNTs, assisting in:

1- Exchange Listing Fee Pool:

Eligible exchanges are Kraken, Bybit, Okex and Binance (only top tier exchanges that are requiring new technical integration of CNT)

Budget: Up to 1,500,000 USD (3m ADA at a reference price of 0.5 USD / ADA).

Notes:

- Top-tier exchanges might ask a listing fee > 500,000 USD. An indicative quote from one top-tier exchange would be around 1m USD of token allocation.

- Not more than 500k USD (1m ADA) will be allocated for 1 CNT / Exchange.

- Flowdesk acts as an actor of good faith to validate the budget allocated to a Cardano project for a listing.

- Flowdesk does NOT receive any funds from the Intersect budget during this process (including no transaction fee, commission fee, etc.).

- Flow for a Cardano project to request funds to get listed on an exchange:

=> 1 Cardano project with a CNT

=> Project agrees with the exchange on a listing offer

=> Flowdesk Exchange Listing Criteria Assessment

=> Decision

=> If successful, exchange directly receives funding from Intersect for listing the CNT

=> CNT is listed on the exchange.

2- Market Making Fee Pool:

Eligible tokens are:

-Non stable coins: SNEK, IAG, MIN and HOSKY

-Stable coins: USDM, USDA, iUSD, DJED, KINKA (gold backed)

Budget: 63,000 USD (126,000 ADA at a reference price of 0.5 USD / ADA).

Notes:

- Intersect > Cardano Project > pays Flowdesk monthly retainer for MMAAS business.

- Flowdesk does NOT receive any funds from the Intersect budget during this process (including no transaction fee, commission, etc.).

- Flow for a Cardano project to request funds for MMAAS with Flowdesk:

=> Cardano projects

=> Project agrees with Flowdesk on a MMAAS offering

=> Cardano project receives funding from Intersect

=> Flowdesk launches the MMAAS service.

### Vendor Profile

Partnerships already signed with major partners in the Cardano ecosystem:

- [Nov 14th 2024 Snek MMAAS](https://x.com/CardanoFeed/status/1857081807109243353)

- [Dec 9th 2024 Iagon MMAAS](https://x.com/IagonOfficial/status/1866147717564539258)

- [Dec 14th 2024 DexHunter partnership](https://x.com/DexHunterIO/status/1867923226468233595)

### Contract Management

A written off-chain Legal Contract will be created between the Vendor and the Cardano Development Holdings (CDH), as mandated by the constitution, and will be administered by Intersect. This will include details of the project delivery schedule and dispute resolution.

### Project Delivery

All milestones, acceptance criteria, payment amounts and expected delivery dates will be agreed between the Vendor and Intersect, acting on behalf of the CDH. The vendor will deliver according to the agreed-upon project schedule within the Legal Contract, of which the necessary information will be made public via the budget management platform via transaction metadata.

Defined by the milestones within a Legal Contract, the vendor will submit and attest milestone acceptance to the community, Intersect or 3rd Party Assurer.

Project progress will be monitored via Intersect’s delivery assurance function which will be communicated to the community.

Acceptance of the above work is expected to be supported by a 3rd Party Assurer, who will be responsible for reviewing and signing off the work completed at each project milestone against the corresponding milestone deliverables detailed within the Legal Contract. This work is funded from a portion of this treasury withdrawal.

### Budget Management Tooling

To administrate treasury funds on-chain, Intersect will utilize the treasury management smart contract framework developed by Sundae Labs. The smart contracts have been [extensively tested](https://github.com/SundaeSwap-finance/treasury-contracts/tree/main/offchain/tests) including audits from TxPipe and MLabs. Examples of the usage of these contracts can be seen across mainnet described across Intersect authored [Blog 1](https://www.intersectmbo.org/news/smart-contract-mainnet-demo-a-step-toward-on-chain-treasury-withdrawals), [Blog 2](https://www.intersectmbo.org/news/smart-contract-mainnet-demo-day-two-update) and [Blog 3](https://www.intersectmbo.org/news/smart-contract-mainnet-demo-day-three-update).

Final mainnet validation test can be seen via the Disburse action within transaction: 0f591dc544ae14102dbb4a74d5311a6acffc1772b163d8b7a9656b9525950b17

With the confirmed treasury reserve contract address being: stake17xzc8pt7fgf0lc0x7eq6z7z6puhsxmzktna7dluahrj6g6ghh5qjr

#### Specifics

Intersect will utilize a single Treasury Reserve Smart Contract (TRSC), with many Project-Specific Smart Contracts (PSSC), managed by Intersect. Intersect’s management consists of three ‘admin’ and two Intersect ‘leadership’ roles. An Oversight Committee consisting of five external, independent third-party entities will provide checks and balances on Intersect, and safeguard against errors and unilateral control. The administration of both TRSC and PSSCs will be managed by Intersect, with external oversight on certain actions from the Oversight Committee.

The Oversight Committee consists of Sundae Labs, Cardano Foundation, Dquadrant, Xerberus and NMKR. Their role is to independently verify key administrative actions using on-chain logic, ensuring accuracy and consistency without exercising discretion over governance decisions.

For all details on Intersect’s configuration please see the [**Smart Contract Guide**](https://docs.intersectmbo.org/cardano-facilitation-services/cardano-budget/intersect-administration-services/smart-contracts-as-part-of-our-administration) on the knowledgebase.

The high level permissions are as follows:

* TRSC Fund and PSSC Modify
  + Two of the three Intersect admins, two of the five trusted entities and one of the two Intersect leadership sign-off must authorize
* TRSC Disperse
  + Two of three Intersect admins, three of five trusted entities and two of two Intersect leadership sign-off must authorize
* TRSC Pause and Resume
  + Two of three Intersect admins, and one of two Intersect leadership sign-off must authorize
* TRSC Sweep
  + One of three Intersect admins, and one of two Intersect leadership sign-off must authorize
* TRSC Reorganize
  + Two of three Intersect admins and three of five trusted entities must authorize

#### Processes

Upon enactment of this governance action, funding for this project will be directed into the TRSC’s stake account. All instances of TRSC and PSSC can not be staked with a SPO and will be delegated to the auto-abstain predefined DRep. From here funds will be withdrawn into a UTxO remaining at the TRSC.

When the Legal contract is prepared and the vendor is ready, funding for this project will be transferred using the Fund action to a PSSC. All milestones will be outlined within the metadata.

A dashboard will be available for the community to audit the TRSC or PSSC and track metrics related to this withdrawn ada as well as being immutably verifiable on chain.

The subsections; Contract Management, Project Delivery, and Budget Management Tooling described above cover the constitutional requirements specified in Article IV section 4 and 5.

## **References**

Signed Partnership - Nov 14th 2024 Snek MMAAS

* <https://x.com/CardanoFeed/status/1857081807109243353>

Signed Partnership - Dec 9th 2024 Iagon MMAAS

* <https://x.com/IagonOfficial/status/1866147717564539258>

Signed Partnership - Dec 14th 2024 DexHunter partnership

* https://x.com/DexHunterIO/status/1867923226468233595

Project Proposal In Ekklesia

* <https://2025budget.intersectmbo.org/ballots/680d1b63565577986442d123/proposals/680d1b63565577986442d170>

Approved Budget Info Action submitted by Intersect via GovTool

* https://gov.tools/outcomes/governance\_actions/e14de8d9dc4f4ddf3fe9250a8a926e20f10e99b86bd0610b77d7a054981591ee#0

Details of all successful proposals (CSV)

* ipfs://bafybeicwrop4q7xvnyjdd5drumbe56sqtm5lbe2ul3c262zt4hgguzdycm

Automating Accountability: Cardano’s Smart Contract Framework Blog

* ipfs://bafybeihqx4ae72z7suqfnxrpqpqithp43cai7o2uuewnqtezgaoyc3ptyq

Sundae Labs Budget Management Smart Contracts Github Repository

* https://github.com/SundaeSwap-finance/treasury-contracts

Budget Management Smart Contracts TxPipe Audit Report

* ipfs://

Budget Management Smart Contracts MLabs Audit Report

* ipfs://

## **Authors**

* Intersect