

# Blitz Prize Savings DAO White Paper

## Abstract

Blitz represents a pioneering step in decentralized finance, blending the safety of no-loss savings mechanisms with the dynamic governance capabilities of a Decentralized Autonomous Organization (DAO). As a blockchain-based platform, Blitz not only secures users' principal investment but also enhances user engagement and platform loyalty through the issuance of its native token, \$Blitz. This token serves multiple roles within the ecosystem: it acts as a reward for user participation, a means of voting within the DAO, and as an investment whose value can be appreciated based on the platform's growth and success.

The core of Blitz revolves around its no-loss savings model where users deposit cryptocurrencies into a collective pool. The interest generated from these deposits funds (not the principal) monthly prize distributions, ensuring that users' initial investments remain intact. These prize distributions are determined through community-driven governance, allowing token holders to vote on key decisions such as prize sizes, frequency, and special bonus distributions.

An innovative feature of Blitz is its tokenomics, designed to increase the intrinsic value of \$Blitz over time. Participation in savings, voting, and other community activities not only earns tokens but also helps in deciding how the pool's generated interest is utilized. This creates a robust cycle where increased user activity enhances the platform's value and, subsequently, the token's value.

Blitz aims to set a new standard in DeFi by providing a secure, transparent, and user-driven experience. It invites users to a world where saving money is

not only safe and fun but also potentially rewarding through active participation and governance. This model seeks to attract a diverse user base, from crypto-natives to traditional savers looking for a safer entry point into digital assets, thereby fostering a broad and inclusive financial ecosystem.

## Introduction

As the financial sector evolves, there is a noticeable shift towards products that offer greater control, security, and transparency. The Blitz, a No-Loss Prize Savings DAO, leverages the Ethereum blockchain and Layer 2 scaling solutions to provide a user-centric financial instrument that democratizes savings and reward distributions through DAO governance.

## Understanding Decentralized Autonomous Organization

Decentralized Autonomous Organization (DAO) is a concept rooted in blockchain technology and smart contracts, aiming to create organizations that operate without centralized control. Here's a breakdown of the characteristics of DAO:

1. **Decentralized:** Unlike traditional organizations where decision-making authority resides in a central entity (like a board of directors or a CEO), DAOs distribute governance across all participants. This decentralization aims to reduce the risk of corruption, censorship, or single points of failure.
2. **Autonomous:** DAOs are designed to execute predefined rules and actions without the need for human intervention once set up. Smart contracts, which are self-executing contracts with the terms of the agreement directly written into code, enable this autonomy by automating processes like fund allocation, voting, and asset management.

3. Organization: DAOs are essentially communities of individuals united by a common goal or interest. They can take various forms, such as investment funds, digital cooperatives, or governance structures for decentralized applications (DApps). Members participate in decision-making processes through voting mechanisms, typically based on the amount of tokens they hold or their reputation within the community.

#### Blitz: An Overview

Blitz is a "No-Loss Prize Savings DAO" that merges traditional savings mechanisms with the innovative features of decentralized finance (DeFi), blockchain technology, and tokenomics. It leverages the Ethereum blockchain and Layer 2 scaling solutions to provide a user-centric financial instrument that democratizes savings, reward savings, and every operation is regulated through DAO governance.

As seen from many successful blockchain and decentralized finance projects, transparency is crucial to building trust within the community. Therefore, any community member is allowed to join the Blitz DAO, in as much as they meet the requirements. This is to ensure long-lasting commitment to maintaining open communication channels, ensuring that all community members have access to pertinent information regarding the Blitz ecosystem and are able to suggest the way forward for the organization and enforce implementation through their voting rights.

In essence, Blitz does not only offer a secure, transparent savings fintech solution, but it also offers the excitement for potential rewards of prize-linked savings, all controlled by a community-led Decentralized Autonomous Organization (DAO).

## Target Audience

- Cryptocurrency enthusiasts who are familiar with digital assets.
- Risk-averse savers from traditional finance looking for better returns with no capital risk.
- Gamified finance participants who enjoy engagement and interaction in their financial activities.

## Market Analysis

### Industry Trends

The global DeFi market has shown exponential growth, with total value locked surpassing \$100 billion in 2023. Prize-linked savings accounts have gained popularity as they combine the safety of savings with the thrill of winning.

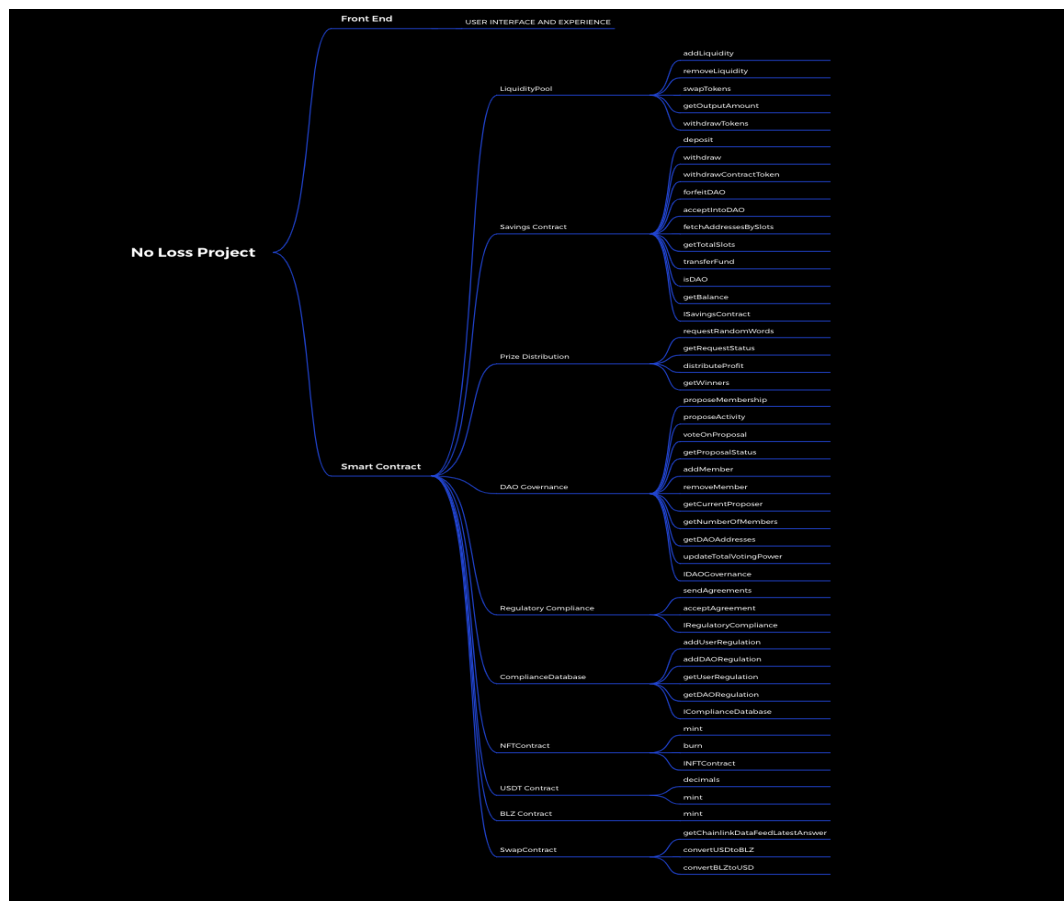
### Competitive Landscape

Several platforms offer similar savings products but lack either the decentralized governance or the no-loss feature. The integration of DAO for governance and decision-making provides a unique selling proposition that sets the Blitz No-Loss Prize Savings DAO apart.

## Technical Overview

## Architecture Diagram

The diagram illustrates the core components:



## User Interface

Web platform that connects to the Ethereum blockchain.

## Blockchain Specifications

- Platform: Ethereum with Optimism for scalability.
- Blockchain Layer: Smart contracts deployed on Ethereum with Optimism as Layer 2.
- Smart Contract Language: Solidity version 20.
- Development Tools: Hardhat for development, testing and deployment.

## Smart Contract Details

**Deposit Contract:** Handles user deposits, supporting ERC-20 tokens.

**Prize Pool Contract:** Utilizes Chainlink VRF for random number generation to distribute earnings as prizes.

**DAO Governance Contract:** Facilitates DAO operations, modified from the Compound Governance Framework.

**Integration with Decentralized Oracles:** Chain Link Oracles are used for fetching reliable external data and executing the prize draws in a verifiable manner.

**NFT Contract:** Based on the ERC721 standard

## Blitz Features

### Users and Their Responsibilities and Capabilities

#### Depositors

Depositors save USDT on the decentralized application. Each user that has a savings up to \$100 worth of USDT is qualified for the monthly Prize Pooling. The deposit smart contract has been structured in such a way that the higher the number of \$100 deposit a user has, the better their chances at winning the monthly prize. The prizes are won in the form of a \$Blitz token.

This means a normal community member who wants to participate in the prize pooling, must have at least \$100 worth of USDT as savings on the Blitz platform.

#### DAO

A community member can become a DAO only if they have savings of at least \$3000 worth of USDT. Also, once a community member is accepted as a DAO member, they must lock up at least \$3000 worth of USDT for at least one year. This means a community member who wants to become a DAO member must have at least \$3000 worth of USDT as savings on the Blitz platform for at least one year.

Now, a DAO can have multiple voting rights, depending on the number of \$3000 savings they have on the platform. For example, if you have \$3000 as savings, you have only one vote. However, if you have \$6000, you have two votes. If you have \$5000, you still have one vote, but the excess \$2000 will not be locked and you can withdraw it at any time.

The responsibilities and characteristics of a DAO member include:

1. While the savings of ordinary community members are used by the DAO in investing in low-risk investments, the savings of DAO members serve as the insurance for such investments. This means an ordinary user can withdraw their savings at any time, but a DAO member can not do such a thing because their savings have been locked up as insurance for the deposits of other depositors
2. It is only DAO members that can give suggestions, advice, and propose new investment opportunities. They are also the only members of the community who have the voting rights to determine which of those advice or proposals are implemented and when they are implemented. The higher the locked up savings of a DAO member, the higher the number of votes they can cast on a particular matter.
3. Each DAO member gets an NFT when they become a DAO member and they forfeit the NFT when they cease the membership.
4. All DAO members earn money every month, which is usually a percentage of the return on investment made by the DAO. The higher the locked up savings of a DAO member, the higher the amount they earn.
5. As the community expands and the industry changes, DAO members will have the privilege of setting new rules, both for themselves and the other community members.

Nft is future things, which can be used in gamification. Swap nft for tokens

#### Regulatory Compliance

While regulatory compliance is still ambiguous in decentralized finance and governance where legal frameworks are still evolving, Blitz is designed to ensure total commitment towards all regulatory compliance needs in all regions of the world.



As explained before, Blitz will feature a robust investment arm to ensure community members continue to earn money perpetually. Therefore, the DAO is designed with compliance in mind. We have conducted research on the regulatory landscape in each region in line with the organization's activities, which has greatly influenced the structure of the organization.

Moreover, through the DAO's structure that is big on contribution from DAO members across the globe and the transparency and accountability that this fosters, the organization is positioned to stay vigilant on regulatory requirements and industry best practices related to blockchain and cryptocurrency to ensure ongoing compliance and fight emerging risks within the crypto space.

## Tokenomics

The Blitz decentralized application shall be oiled by an innovative token called \$Blitz, built on the Ethereum Blockchain. Our vision is to create a token ecosystem where value appreciation is not only predictable but also sustainable. To achieve this, our mission is to leverage innovative mechanisms that promote stability while fostering organic growth over time.

### Supply and Initial Distribution

\$Blitz token shall be a maximum of 400,000,000 units, and this maximum unit is mined once at the launch of the decentralized application. This means there will be a fixed supply of the \$Blitz token forever, thereby making it a deflationary token and motivating confidence in holders.

The decentralized application shall reserve 20% of the total \$Blitz mined at launch, which the DAO can use for staking rewards outside of the platform as a means to generate profit.

Upon mining at launch, early adopters will be given four weeks to interact with the decentralized application and enjoy full functionalities of its Minimum Viable Product (MVP). This means, within those four weeks, Blitzers would be able to make deposits and join the DAO, and DAO members can start proposing new investments Blitz can venture into to earn profits for its community.

After those four weeks, there will be an airdrop event where all current users of the decentralized application will have the privilege of sharing 5% of the total \$BLZ supply, shared according to the amount of USDT in their Blitz savings account. Another 10% of the total supply is reserved for marketing campaigns, promotional activities, and other initiatives aimed at growing the user base and increasing token adoption and awareness. 5% of the token will be burnt periodically i.e 2.5% every 6 months.

Another 30% is reserved for maintaining liquidity on popular exchanges and swap exchanges when the token finally debuts on those exchanges. 15% will be allocated to the team and founders to compensate them for their initial work and to incentivize their long-term commitment to the project. Typically, these tokens have a vesting period that aligns team incentives with the long-term health and success of the platform.

Another 10% will be Used to fund ongoing development, new features, technological upgrades, and expand the operational capabilities of the Blitz platform and 5% will be used as a reserve fund to address unforeseen circumstances or to capitalize on new opportunities quickly. This ensures flexibility and sustainability for the project.

It should be noted that all gifted \$BLZ tokens will first be locked indefinitely till the staking and gamification products are ready and the DAO members give the go ahead.

\$BLZ token is designed to incentivize long-term holding and discourage speculative trading. Through mechanisms such as token staking, gaming, and rewards, we aim to create a healthy supply-demand equilibrium, driving price appreciation.

Token Name Blitz

Token Ticker \$BLZ

Token Network ERC20

Total Supply 400,000,000

Community Members Alias \$Blitzers

#### Token Allocation

Liquidity	30%
Airdrops	5%
Staking Rewards	20%
Marketing and Promotion	10%
Development and Expansion	10%
Team and Founders	15%
Token Burn	5%
Reserve Funds	5%

## Why Will People Want To Hold \$BLZ Tokens?

The Blitz community, including features and products mentioned under Roadmap, is powered by the \$Blitz token.

### Staking Rewards

All staking activities are conducted with \$Blitz. Moreover, any user who wishes to participate in the monthly prize poll or invest must have staked the token for at least as a DAO must have some \$Blitz staked for at least 6 months before they are allowed to do so. This requirement ensures that a reasonable amount of the token is out of circulation, thereby ensuring it maintains a stable yet appreciating value over time and offering a reliable investment opportunity in the digital asset space.

### Governance and Voting Power

Every DAO member must own some \$BLZ. This allows them to influence important decisions such as the rules for prize distributions, interest allocation strategies, platform upgrades, and even changes in tokenomics.

### Deflationary Mechanisms

Deflationary mechanisms such as token burns or buybacks will increase the value of \$BLZ over time. For example, a portion of the tokens (5% of total supply) used in transactions within the platform would be burned annually, reducing the overall supply and potentially increasing the value of each remaining token.

### Access to Exclusive Features and Benefits

In the future, token holders would be granted exclusive access to special features on the platform, such as higher prize pools, unique savings

conditions, or advanced financial tools. These features will make holding \$BLZ more appealing as they let \$Blitzers manage and grow their investments on the platform seamless.

### Long-Term Investment and Speculation

Given the potential for growth in the DeFi space, the innovative approach of the Blitz platform, and continuous development and feature additions, adept investors will recognize \$BLZ as a viable long-term investment opportunity.

## Blitz Roadmap

### Release of Minimum Viable Product

This includes the release of the USDT deposit, prize pooling, and DAO governance features.

### Airdrop

A few weeks after the release of the MVP, 5% of the total \$BLZ token supply will be shared among current USDT savers on the platform, according to the amount of USDT each community member has on the platform. To qualify for the airdrop, a user must have at least \$20 worth of USDT as savings on the platform.

### \$BLZ Staking

Once the MVP is released, a staking feature will be released and it will let community members (\$Blitzers) stake their \$BLZ tokens to earn more \$BLZ tokens.

### Aggressive Marketing

The DAO members will not spare any marketing channel in preaching the gospel of Blitz to the world. From social media to search engine optimization

and advertisement, everyone on the internet will be made to know what Blitz is all about.

## Building Strong Partnerships

A tree doesn't make a forest. Therefore, the organization shall engage in strategic partnerships with relevant stakeholders, both within the crypto industry and financial sector. Blitz is beyond crypto; it's set to use the power of decentralized finance to give financial liberty to all community members while doing what they normally enjoy - playing games, saving money, networking, etc.

## Gamification

Within months of releasing the MVP, a game will be released for the enjoyment of Blitzers. This game will revolutionize Web3 gamification forever as it serves to entertain and educate.

## Iteration and Continuous Development

The organization will continue to iterate in hope of developing new ways to make the project bigger and better for all community members. Moreover, the DAO shall be committed to adapting to changing Blockchain, DeFi, and regulatory landscapes to ensure the survival and prosperity of the organization.

## Team

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## Conclusion

In conclusion, Blitz represents a paradigm shift in the cryptocurrency and DeFi landscape, offering a unique blend of financial advancement opportunities, entertainment, tokenomics, and community to Blitzers.

## Disclaimer

This white paper is for informational purposes only and does not constitute financial or investment advice. Investors should conduct their own research and consult with financial professionals before making any investment decisions.

## References and Citation

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