

TOKENIZATION OF CURATION DAO WHITEPAPER

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INTRODUCTION

As the world looks towards fully adopting web3 into major sectors and ecosystems, we see various new concepts gradually becoming mainstream concepts like NFTs, digital real estate, Defi, Metaverse and VR programs, DAOs etc. all this made possible and powered by the block-chain.

The arts ecosystems are not lacking in this movement as we see museums, art galleries and cultural institutions tilting towards NFT and digitalized galleries / collections. Seattle museum the world's first ever NFT museum based in Seattle Washington USA did just open the doors of their NFT

museum, projects like JPG.space that offer users chance to curate art pieces (NFTs) via open-Sea APIs.

All this movements raises the need for communities and organizations with like minds and capacities for collaboration charged with ensuring the **healthy** and **sustainable** growth in the art and culture space, hence the need for **DAOs**.

DAOs

A DAO, or “decentralized autonomous organization” is a community-led entity with no central authority, its fully autonomous and transparent: smart contracts lay the foundational rules, execute the agreed upon decisions. Members serve as governing counsel.

The DAO will seek to bring together Artists, collectors, curators, art galleries, museums, art fans and lovers etc. in a decentralized environment where every individual can actively participate in governance of the community through voting and proposing.

TOKENOMICS

Curated DAO will consist of smart contracts connected by Aragon.

Curated DAO will have a token \$CUR which will be the governance token (for voting and proposing decisions).

\$CUR will be an inflationary token hence no capped maximum supply but will have maximum number of tokens injected into the ecosystem per time.

\$CUR will be burned per time in order to maintain value and ensure supply doesn't exceed demand.

A percentage of \$CUR will be allocated to early adopters as POAP (proof of attendance/participation) for attending cultural events or exhibitions or as rewards for art purchase.

People can enter or leave the DAO by buying \$CUR tokens or selling off their holdings respectively.

\$CUR will operate a PoS (proof of stake model) where holders can stake their large holdings in exchange for an agreed percentage of ROI

HODL will be encouraged with lock-ups as holders can lock up their holdings for specific periods in exchange for higher yields

Eg

1000 \$CUR x 2 years = 1200 \$CUR

x 1 year = 1100 \$CUR

x 6 months = 1050 \$CUR

x 1 month = 1008.3 \$CUR

VOTING MODELS

\$CUR which is the governance token shall reserve two powers

- **Voting power**
- **Proposing power**

All proposals shall have a maximum life span of 5days which will be regarded as the voting period after which the voting period is considered over and voted proposals are either enforced or discarded depending on their voting outcome.

All \$CUR holders shall reserve right to vote or put forth proposals

In order to incent greater holdings, proposals shall only be put forth with a specific balance, 8000 \$CUR and greater.

Voting power shall nonetheless remain independent of holding balance as all holders shall have the same voting power irrespective of balances.

To ensure active member participations \$ CUR holders shall be mandated to participate in at least 4 decisions in a cycle year otherwise forfeit their holdings

CONSEQUENCES OF SUCH

- \$ CUR holders must have a specific number of holdings in order to put forth proposals thereby incenting large holdings.
- Plutocracy is minimized as voting power remains same irrespective of balance.
- Faster decision life cycle (5days).
- The community remains strong as members enter and leave as all members (new and old) can participate in DAO governance.

CHALLENGES AND RISKS

1. INFLATION

Since \$CUR is inflationary that is no maximum supply cap in improper management, value may plummet causing loses for the holders

2. PARTICIPATION

Low participation of members in DAO governance (voting and proposing decisions)

3. ASSET DUMP/ SELLOFFS

Large holders jumping ships rapidly might cause token to lose value therefore causing losses for holders

4. PLUTOCRACY

Holders with large holdings make seek to influence decisions.

SOLUTIONS

1. \$CUR shall be burned at suitable intervals to checkmate supply, in order to ensure supply is not exceeded and value plummet.
2. Every DAO member shall reserve right to participate in DAO governance irrespective of balance.
3. Every DAO member is mandated to participate in at least 4 decisions in a cycle year.
4. \$CUR holders shall be rewarded with commensurate yields for staking or locking up their holdings in order to motivate long holding (HODL).
5. In cases of token allocation to investors or dev team, assets should be vested over certain periods to avoid rapid selloffs.
6. Voting power shall be independent of holding balance to avoid large holders tilting decisions to their favors as a result of large balances.

