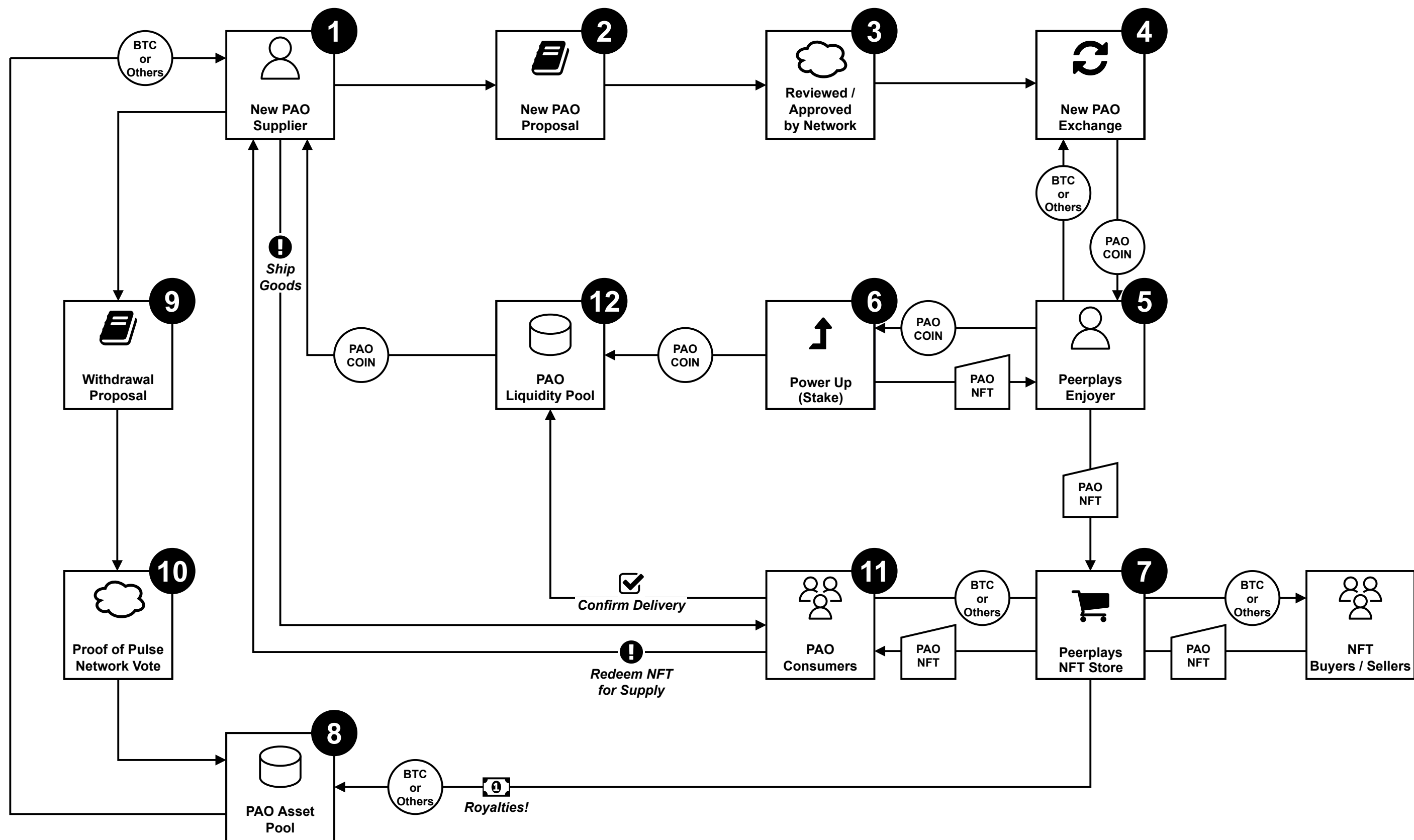


Peer-to-Peer Autonomous Organizations (PAOs) with Peerplays



1

New PAO Supplier

A commodities supplier comes to Peerplays to start a new Peer-to-Peer Autonomous Organization (PAO). This supplier, we'll call Farm in this example, creates a public proposal to detail the parameters of the PAO.

2

New PAO Proposal

The PAO Proposal contains vital genesis parameters which will determine how the PAO will operate on, and off, the chain. This includes (with examples):

- The name, precision, and exchange values of a new PAO coin. (ex: FARM coin, Precision = 2, 1 FARM = \$100 = 1kg worth of Farm commodities)
- The PAO coin can be exchanged / swapped. (ex: Anyone with BTC, ETH, HIVE, PPY, etc. can buy FARM coin.)
- How the supplier can withdraw available capital. (ex: Via submitting a proposal for withdrawals)
- NFTs can be created from PowerUP (staking) the PAO coin. (ex: True, creating FARM NFTs)
- Which Governance Protocol to use. (ex: Proof of Pulse, effective changes after 3 coindays)
- Tags for categorization. (ex: #agriculture, #farming)
- Activation requirements. (ex: 9 signatures to activate)

3

Review & Approval by the Network

The PAO Proposal is public and will be discussed in open forums. Eventually, enough participants will be satisfied with the proposal and sign it thereby approving and activating it.

4

New PAO Exchange

Any participant using Peerplays can now deposit cryptocurrency for the new PAO coin.

5

Peerplays Enjoyers Buy In

For example, a participant decides to start with 1 BTC and at the time of purchase receives 400 FARM (\$40,000 BTC / \$100 FARM).

6

PAO Coin PowerUP for PAO NFT

The participant then takes 200 FARM and goes to PowerUP for a FARM-NFT. This NFT now represents 200kg of FARM products. The participant then puts the FARM-NFT on the NFT Store for auction starting at the equivalent of 220 FARM. Bids can be in any cryptocurrency supported by Peerplays.

7

PAO NFT Sold on the NFT Store

Another participant thinks that the value of FARM-NFT is going to go up in value from where it is selling now because the participant projects that the price of Farm products should go up, and purchases the NFT from the marketplace.

This new participant with the NFT decides to put it back on the NFT Store, this time for 250 FARM. As more participants join in, eventually 10,000kg of FARM-NFT is available in the NFT Store.

8

The PAO Asset Pool

When FARM-NFTs are exchanged in the NFT Store, a certain % (decided by PAO Governance) of each transaction goes to the PAO Asset Pool.

9

PAO Supplier Withdrawal Proposal

The PAO Supplier (Farm in our example) can submit a Withdrawal Proposal to access the funds in the PAO Asset Pool.

10

Proof Of Pulse (POP) Approval

PAO Governance, (PoP voting) will approve or deny the proposal. If approved, funds will be sent to the PAO Supplier's account in 3 days (set in the PAO Proposal from step 2.)

11

PAO Customers Buy Goods

When customers wish to buy tangible goods from the PAO Supplier, they will buy and redeem the relevant NFTs from the NFT Store. This issues an order to the PAO Supplier which uses the info from the NFTs to track the order using QR codes.

12

PAO Supplier is Paid for Delivery

When the customer receives the order, they can confirm the delivery using the QR code. With delivery confirmed, the PAO coins associated with the NFTs are sent to the PAO Supplier's account. These coins can then be swapped for BTC or any other preferred assets from the market.