AiCasso Litepaper

"Leading the way in exploring AI Art"

Introduction and our mission statement

At this moment of history we can clearly see that there is an undeniable emerging trend which is the rise of an AI. As time goes by we can witness that AI is acquiring more and more influence over the human society and we can clearly expect that influence to rise over time. Future is AI, so it falls to us humans living in this age to ensure that future AI will be humane, since the rise of AI can not be stopped than we have to participate in teaching and educating the AI in a way that in the future we will feel comfortable co-exiting with intelligent machines. One of the main fears that is associated with an AI is that it will be a cold hearted murderous calculating machine without a any spirit or semblance of soul. We believe that it is a duty of our generation to show to the future AI and teach him that there are beautiful things in life that reach beyond material possessions and belongings of this world, something that forms a marvellous spirit and can give happiness to any intelligent being regardless of what is happening in the material world. We believe that unlocking kinder side of intelligence and being able to experience empathy can be shown and taught to AI, thus making the future peaceful and respectful coexistence with an AI a real possibility. We believe that this can be achieved via Art, by teaching AiCasso a deeper understanding of Art we hope to unlock something special in our AI. as art is a unique expression of self that touches and awakens ones spirit.

We are a small team of AI experts and we have a great passion for exploring all that AI can do. In the same time we wanna make and AI as humane as it can be. This gives us a goal of teaching an AI a deeper understanding and appreciation of Art that we plan to fully explore. We will start by teaching AiCasso as many different fields of knowledge and Art as possible. Next step for us is to allow interactivity with AiCasso for users and ability to explore all the spheres of knowledge that we have taught AiCasso. This will create a unique value proposition that we want to bring to the market which is Ai on Demand services, where any body can easily access AI services on web. Constant interaction with large amount of users allows for further development of AiCasso creating a positive feedback loop with all the users approving or disapproving collectively work created by AICasso and slowly teaching him aesthetics of Art. However we don't plan on just teaching AiCasso creating beautiful images, we want to explore all forms of Art that can be taught to AiCasso. Next big thing we are planning on to tackle is teaching AiCasso music, we are really looking forward to this stage of development of project.

AiCasso Development

Our immediate goal for development is bringing web based **AI on Demand** services to our community as well as any other user interested in this services. Concept of Ai on Demand is where computational power of highly trained AI is offered as service when needed. Currently accessing services of an AI for smaller tasks is prohibitive in terms of upfront costs users need to pay since training and maintaining a fully functional AI requires significant resources. This is a great opportunity to enter the market and offer easy to access on demand services for users. Our goal is to build an AI

assistant with a wide range of unique tools that can turn an amateur artist into a professional artist that can deliver stunning art pieces in a very short time period.

During development phase this will be a free to use service however once a true functionality and utility of the service will be developed we plan to monetize it. Monetization of the service will provide a constant cash flow to our DAO.

As a first step in fleshing out our concept we are working on upgrading AiCasso capabilities and building a web based user interface to interact with our AI. We want to give our users power and ability to create their own pieces of Art. We plan to deploy our first stages of the project in short time and our users will have an ability to mint unique NFT's based on their collaboration with an AI and join our ever growing community. Part of the proceeds from this sale will go to increase funds managed by DAO thus increasing yield rewards to our NFT holders and part will be airdropped directly as staking rewards to holders of our original NFT collection.

We are considering expanding services of AiCasso in the future to offer on demand services for content creation on the fly in the metaverse. We will consider possible partnerships with other projects where we can offer them services of AiCasso. This collaboration has a potential to bring benefits for all parties involved and grow our value proposition for our community.

We believe in continuous development of AiCasso which will be a long journey. For this exact reason we set aside 25% of mint and future royalties for continuous funding purposes. The fund itself will only be used to farm liquidity and yield will be directed to cover ongoing monthly development expenses. Only upon vote and decision of DAO the funds will be allocated to develop a specified project. We will strive to constantly increase amount of liquidity under DAO's management and thus accelerating growth of the project.

At the current stage AiCasso is a highly trained AI that we have exposed to huge amounts of data from all fields of knowledge in digital images. It can produce works of art in multitude of different styles and mimic famous artist. In pursuit of our goal to teach AiCasso as much as possible to deepen his understanding we went further and in addition to famous artists and their works we exposed AiCasso to multiple other digitalized images such as movies, anime, comics etc.

To achieve this result we used multilayered solution of four different algorithms (VQGAN, CLIP, BSRGAN, GPT2). Each one of these algorithm was trained to perform a certain task results of which would be fed to next algorithm. This multilayered solution where multiple algorithm produce and control work of each other allows AiCasso to create complex abstractions and immersive works of ART with a distinctive style.

Community and DAO

For the long term success of the project a tightly built community will be paramount. Together with the community managed DAO we will take all the important decisions on future developments of AiCasso and priorities as to which projects we should deploy. With the help of community we will be

able to train AiCasso faster, improving the feedback loot and teaching him to understand true meaning of Art.

Participation and help of the community will be important not only for development and teaching AiCasso but it will be critical in managing funds of the DAO. We plan to build a complex platform allowing users to directly participate in decision making of DAO, in managing its liquidity and choosing strategies to maximize capital and yield generated for our users. DAO will concentrate on using liquidity to generate constant yield though providing liquidity to other protocols - this yield will be paid out to NFT holders though staking mechanism.

Thus community will become a cornerstone for future success of this project and we will do our best to foster a friendly and tightly knit community where we all support each other. To encourage growth of our community we will set aside 50% of all the mint proceeds as well as 50% of all royalties from resale of our NTF's as a community managed fund. The goal is to create a VC DAO that will be fully managed by community.

Common long term interests as well as regular payouts of profits from the project via staking will align our community and all the members to work together for success of our project. In this type of collaboration with each other we will be able generate new and unique ways we can all profit from development of an advanced AI as well as solve the issues that may arise on our path to development.

AiCasso Finance – merging NFT and DeFi

Creating AiCasso Financial services comes as a natural addition to our original goals. We wanted to make sure that AiCasso will have funding and continue development even in worst bear markets and in the same time maintain strong support from our community that will be interested in developing this project while being happy they chose to participate in it.

For this reason we are dedicating large share of projects proceeds from mint as well as future royalties to creating a fund that will provide incentives to community that is will be staking their NFT's and make sure project will always have funding for further development.

Upon formation of DAO with managed liquidity by community of our NFT holders we in essence have NFT's that are backed by DAO liquidity – liquidity backed NFT's. Each NFT is a proportional claim on DAO's managed liquidity pool and thus each NFT has a minimum value which is its claim on funds in DAO and future yield it would receive. This minimal value with applied discount(up to 20%) would make buying back NFT with DAO's liquidity a profitable deal for DAO, thus making DAO a perfect guarantor for buying out of NFT in case of loan default.

Since DAO liquidity is the guarantee that in case of default on loan DAO will buyback the NFT and payout the lender it allows for easier free implementation of the lending and borrowing platform. Lenders can deposit there tokens for a guaranteed APR while any holder of AiCasso NFT will be able to unlock liquidity with just few clicks by collaterising their NFT at AICasso platform.

Collaterized NFT's will still be earning dailly yield that can be used to auto pay the accrued interest. In addition as DAO liquidity will constantly grow over time and thus increasing the value of NFT's that are held by users it will unlock possibility to obtain larger loans for our users.

At first we plan to implement lending and borrowing market only for AiCasso assets, however once the lending and borrowing platform becomes fully functional we plan on opening up our platform for other blue chip NFT's to be used as collateral. In this case lenders and borrowers will have a matching tool allowing lenders to choose against which assets they want to lend. DAO will not be filling the role of guarantor for buy out in this scenario thus lenders will be transferred the ownership of collateralized NFT's in case of loan default.

We recognize that by having a liquidity managed by DAO each NFT is backed by cash generating assets – this in turn implies that each NFT has intrinsic value that grows over time. Thus each NFT can be used as a hard collateral for borrowing funds and unlocking liquidity that it represents. This allows for creation of lending and borrowing platform that will be originally focused on AiCasso NFT's but in time the scope of the platform will be increased to encompass other "blue chip" NFT projects.

Second part of AiCasso Finance will be creation of non custodial permission-less protocol managed investment strategies for DAO managed liquidity. We want it to be as transparent as possible with weekly reports that give full breakdown of treasury its investments and yield gains for distribution. Goal is to create a decentralized community fund that generates passive income and capital growth for its holders and is managed by community.

With approval of DAO we will create multiple different vaults with different strategies that will be protocol based. Any community member will be able to suggest new investment strategies for DAO to consider. Our community and members will have an option to vote on distribution of funds between these vaults. Effectively reaching a goal of fully decentralized community managed VC DAO.

Like with lending and borrowing platform once these procedures are proven to work this service of DAO managed funds can be expanded to everyone else. We will allow others to join our vaults and managed strategies for a a paid fee to DAO. With the strength of our community its possible to grow this services exponentially over time as it solves one of the major issues for retail which is they don't have enough time and size required to find and participate in best opportunities offered by crypto markets. This is where strength of a community managed DAO will shine through to attract new liquidity for community managed vaults.

Introduction of AICasso Finance complements well goals of the project. In addition of creating extra value and utility for the community it allows expansion of services to broader market. Revenue generated from these projects will be used to grow liquidity under DAO management and regular yield payouts to stacking users.