

# OctaNode: GENESIS

\$OCTA

January 13, 2022

## Abstract

The crypto space has been changing and coming up with innovations such as smart contracts that can be used for DeFi- and NFT applications. OctaNode aims at launching a protocol that pays out periodical rewards that can change over time. For instance, if the sale pressure brings the market price drastically down. However, OctaNode will use proprietary strategies to project confidence and high-end forethought. This is done by appointing community leaders that are funded by OctaNode to lead a different type of project. OctaNode holders can pay for presale spots through using \$OCTA. Lastly, the initial investment amount will be gradually taken out of the ventures where OctaNode has invested in.

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## 1 Introduction

Change is nature's delight and takes form in all places. Change also does not have any boundaries. Entities or individuals such as Satoshi Nakamoto proved this perfectly by introducing Bitcoin to the world thirteen years ago. The invention of Bitcoin paved the way for new opportunities that were not limited by the Proof-Of-Work consensus. Part of the market noticed the boundaries of Bitcoin and started to develop protocols with alternative consensus. There is a number of factors that caused this shift, for example: the design of Bitcoin did not implement Smart Contracts. In addition, Bitcoin's current state has a very broad legacy which makes it more difficult to implement new functionalities without being scrutinized by the community. Hence, Ethereum started to develop their consensus that lead to new opportunities across the crypto space.

Smart Contracts made it possible to program a set of rules on the Blockchain. And one thing lead to another, for instance, Non-Fungible tokens, Digital Identity or Decentralized Finance. However, the consensus of Ethereum made it quite impractical for new investors. A simple smart contract transaction can easily cost around 50USD worth in Ethereum. This has lead to more innovation, where peers developed alternative chains that focused on a different type of consensus to achieve lower operational on-chain costs i.e. costs for using the network.

Certain applications on Ethereum have been copied by peers such as Harmony, Binance SmartChain and others. An example of a specific application is 'Decentralized Finance' i.e. DeFi. DeFi allows an individual or entity, such as a Venture Capital, to earn yield by providing liquidity or providing loans to different parties.

The DeFi narrative paved the way for a different type of use cases e.g. P2E NFT with DeFi compatibility. The use cases in return created a situation in which an event causes many other similar

events. Furthermore, DeFi became a more familiar concept throughout the cryptocurrency space and attracted a myriad of professional/retail investors who are now allocating a portion of their capital to earn yield. It comes as no surprise that the Total-Value-Locked, i.e. total liquidity provided to a DeFi protocol in return for yield, sky-rocketed to new records.

On the other hand, these kind of DeFi opportunities can attract malicious individuals who hack and scam. And since there is no regulation or protection of the investor, this created a very negative perception of DeFi. Hence, that is why we have decided to launch OctaNode: A collective base of individual minds that want to profit together.

Moreover, OctaNode realized that finding opportunities that can easily turn into a profit is a complex process. OctaNode wants to play the game differently - by creating opportunities in which OctaNode is invested since the launch. For example: creating our own Ohm fork or appointing an external community leader where OctaNode provides liquidity for ROI that can be used for buying back the \$ OCTA token.

Further in this paper we will explain the vision of OctaNode through topics such as OctaNode's mission and objective; the tokenomics of OctaNode; our plan for sustainability and some miscellaneous information followed up by a conclusion.

## 2 What is OctaNode?

OctaNode is a decentralized autonomous venture ecosystem, i.e. DAVE, that is based on \$THOR and \$STRONG for creating the \$OCTA token. This token acts as a governance token while providing yield that is paid out through the protocol's treasury which attracts liquidity through investors that buy the tokens on the market or by investing in different type of DeFi- and NFT projects.

OctaNode's ventures are linked through the \$OCTA token. \$OCTA is, as you might have already surmised, the native token of OctaNode and it is the sole currency for the OctaNode ecosystem. The OctaNode DAVE uses \$OCTA emissions to ignite growth of new projects and supporting well-established protocols such as Ohm.

\$OCTA can be harvested through perpetual nodes. These nodes can be purchased for 10 \$OCTA and depending on the course of actions the reward rate will be adjusted adequately. The 'yield from the nodes' can either be used for purchasing a node or can be simply sold on the market. In addition, it is important to provide more utility for the token to suppress the sell pressure. This topic will be covered later in this paper.

### 2.1 Vision & Mission of OctaNode

OctaNode is governed by node holders. In return, these node holders are receiving a reward for holding a node. Our goal with OctaNode is to stimulate the community to propose new endeavours in which OctaNode can partake. These proposals can be either DeFi- or NFT focussed. OctaNode believes that by appointing Community Leaders we can strengthen the eco-system where \$OCTA is used.

The Decentralized Autonomous Organization then votes on projects that are proposed for the Decentralized Autonomous Venture Eco-System i.e. DAO votes for projects that are proposed for the DAVE. Certain factors such as how much \$OCTA is used for financing the ventures, and revenue sharing agreement for OctaNode are also emphasized in these community led proposals.

At this point, OctaNode has already cultivated a base for their own \$OCTA token. However, our expectation is that OctaNode will continue to grow their ecosystem through multiple product offerings. These products are DeFi- and NFT focussed projects that have proven their utility in the market. Note: Not all community projects are directly tied to OctaNode's ecosystem. The community projects can be self-ruled and self-financed, however, OctaNode's objective for these projects is to boost their

social exposure.

OctaNode's mission is to become an incubator of decentralized applications that can generate revenue for the \$OCTA token. At first the OctaNode DAO will do this by offering the \$OCTA token, and eventually use the revenue for financing DeFi- and NFT products that are native to the OctaNode ecosystem and also for developing decentralized competitors to existing DeFi- and NFT products. This revenue will then be used for buying back the \$OCTA token and opportunities proposed by the community.

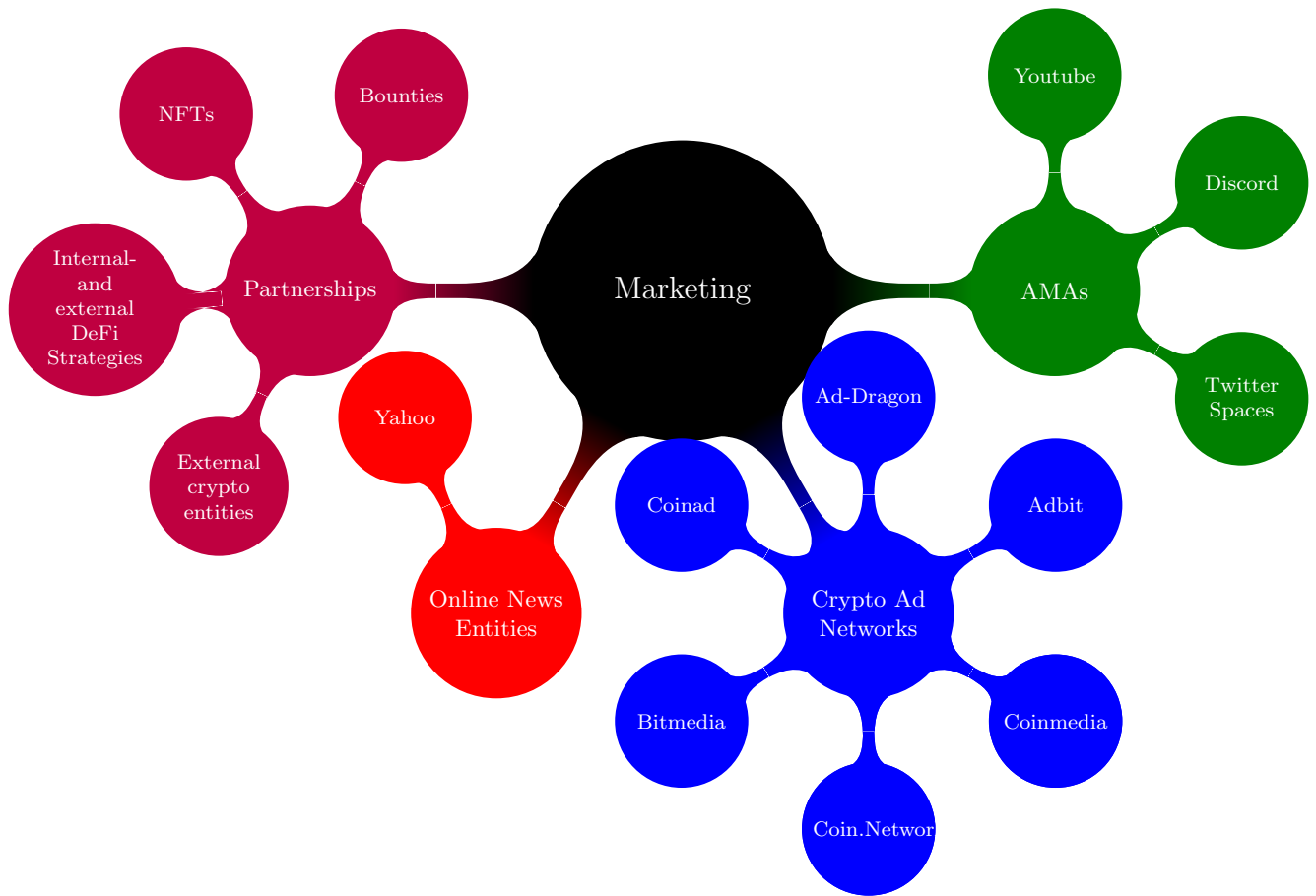
## 2.2 OctaNode's Network Effect

It is no secret that OctaNode rewards early adopters through OCTA roles. These roles can be seen as 'white list' tickets for the initial presale. However, any holder, that has a significant amount of assets in OctaNode's ecosystem, can participate in the DAO and DAVE. OctaNode expects to recruit the majority of contributors through this system. The OctaNode's DAO and DAVE follows a prefixed framework for submitting proposals. These proposals can be submitted by an individual or by a group of holders. This allows the community to support the initial team with ideas that can lead to sustainable growth. In addition, \$OCTA strengthens the ecosystem by incentives such as buying presale spots for the decentralized autonomous venture ecosystems that are partially funded through OctaNode. Every venture has its own perks for the investors.

In addition, as mentioned above, OctaNode is interested in being an incubator for NFT ventures. OctaNode is planning to provide pay-to-mint NFTs. The idea behind this is to create a fund that can be used for expanding OctaNode NFT's influence across all blockchains. Our initial idea is to use the funds of these NFTs for different metaverse. OctaNode wants to grow as a community in all different dimensions. On the other hand, OctaNode is making the token more scarce through the trade-off for a presale spot and is providing a newly created opportunity for node holders.

Our initial idea is to use the funds for NFTs for different metaverse endeavours. In this context, a metaverse is "a virtual-reality space in which users can interact with a computer-generated environment and other users." (definition by Oxford Languages). OctaNode's DAO is aware that metaverse assets become valuable because of the time that has been put in before a purchase.

OctaNode wants to create two types of divisions that are in sync with the genesis project 'nodes'. The DeFi- and NFT ventures may attract different crowds, even though an individual can be a collaborator in both of the divisions. OctaNode hopes to attract more participants for the DAO that are distinctive in various fields. Once again, if the protocol wants to grow it should be community-run. The initial crew members are there to jumpstart this project to new levels of growth.



To grow, strategic marketing decisions need to be made. A couple are visualized in the mindmap above.

There are more strategies that will follow and these will be explained in future media articles. The strategic partnerships can vary from investment funds or influential voices through AMAs and giveaways for the best questions asked.

In the short term we expect to recruit developers that can realize some of the projects that OctaNode will use for growing to new boundaries. This depends on the amount of available funds.

### 3 Governance

The forum (<https://octanode.freeflarum.com/>) is used for submitting ideas in a standardized format named OIP i.e. OctaNode Improvement Proposals. Interested participants can discuss their OIPs in the discord server of OctaNode. The proposals that have met the quorum on the forum will be transitioned to another platform, which in our case is Snapshot (<https://snapshot.org/octanode.eth>), for a voting round that decides the implementation of the proposal.

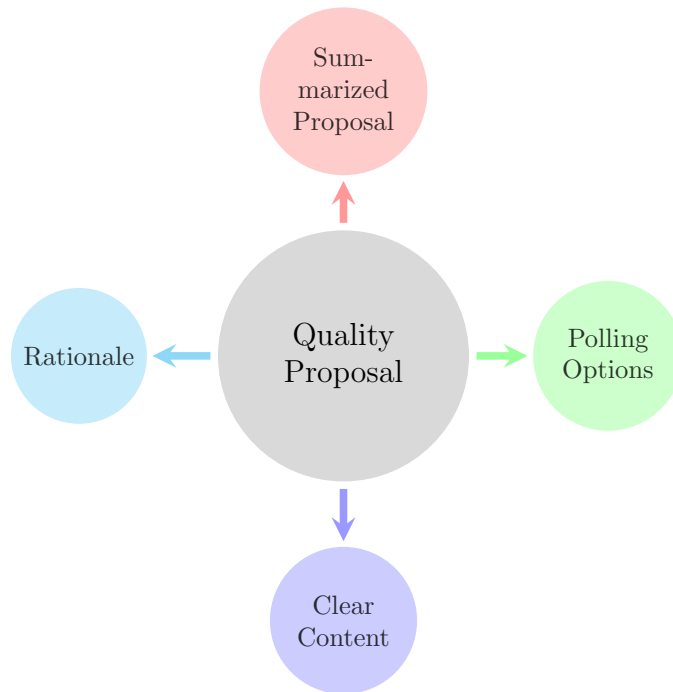
**Rules and Guidelines** There needs to be a discussion either on the OctaNode's Discord server or on the forum for submitting a proposal. The discussion replies are mostly directed to the Original Poster, so be ready to engage with the community.

- Include an OIP with the right enumeration.
- The proposal must be live for at least one day.

- Sufficient engagement i.e. five or more posts from different community members
- Voting option in the proposal.

The quorum for a sentiment proposal is anything greater than 66%. Moreover, the DAO Council needs to be aware of the proposal. This can be best done through Discord. If the sentiment proposal has met the quorum, the author then should indicate the details of the Snapshot vote. See template of a snapshot vote below:

The OctaNode Improvement Protocol (OIP) is presented in a standardized manner on the forum.



- Summary of the proposal. Must not be more than a few brief sentences.
- Rationale behind the proposal. Visual elements such as charts are encouraged.
- Clear content. Expand on the details and how it is going to be implemented.
- Polling Options. There need to be statements about the action that is being taken if the proposal is either reject or accepted.

### How to participate in the snapshot voting?

The author of the accepted sentiment proposal shares the snapshot link within the OIP with the rest of the community through contacting the council. This link will be posted on announcement channels to draw attention towards the voting process. Furthermore, if you are in possession of the snapshot link, you can connect the MetaMask wallet that is associated with your \$OCTA holdings. Then you will simply need to either approve or reject the OIP that is represented by the link. Make your decision wisely as it cannot be adjusted at a later time. Note: You must be on the Binance Smartchain.

## 3.1 Genesis Crew

OctaNode's initial team members will propose a couple of ideas that are presented as an OIP on the forum. Discussion will take place on Discord. In addition, the backgrounds of 'genesis crew' are defined by various fields such as marketing, economics, data and computer science etc. Nevertheless, a person needs to have some experience to understand how to make profit in crypto and the genesis

crew behind OctaNode has this experience and is aware that there are more profits to be made if the initial investment is of a decent enough size. It has been suggested to provide a KYC, but the team has decided against it. However, the genesis crew will be making sure that everything happens transparently e.g. multi-sig, forum, snapshot and reports.

The genesis crew behind OctaNode has this experience, and is aware that there are more profits to be made if the initial investment is from a decent size. People have suggested to provide a KYC. The team has not decided to provide a KYC. However, the genesis crew will be making sure that everything happens transparently e.g. multi-sig, forum, snapshot and reports.

The genesis crew's goal is to create a sustainable and rewarding node protocol. This is achieved by investing the funds into new projects that are beneficial to \$OCTA holders.

### 3.2 Transparency

OctaNode is aware of peers that did not succeed with their initial plan. These peers were also not open to discuss their mistakes. In our opinion that is not how you build up a healthy community. To grow you need to acknowledge your issues that need to be improved.

OctaNode will be transparent and will also provide weekly reports about the treasury. This treasury can be used for proposals that have passed the sentiment and snapshot voting rounds. OctaNode's genesis members have been transparent about forking mature DeFi- and NFT projects that have proven to be worthy. We want to create opportunities that can contribute in paying out the rewards.

## 4 Liquidity

OctaNode knows that sustainable liquidity is key for operating a node project. To attract liquidity the team focuses mainly on two things:

- Pursuing protocol owned liquidity.
- Exploration of alternative liquidity solutions

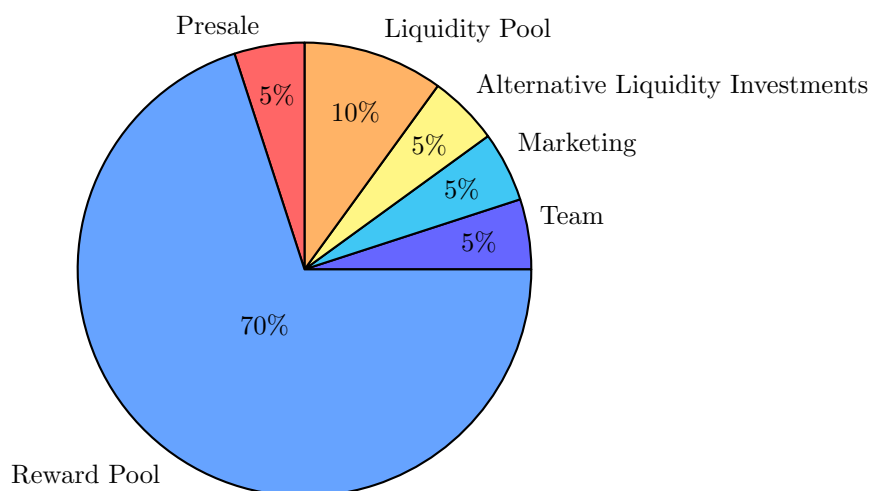
This is important as it will allow further growth. The rewards that can be distributed can change over time. If this happens, OctaNode wants to use a progressive reduction in Node Rewards for sustainable emissions. In addition, the exploration of alternative liquidity solutions has been our objective since the beginning. For the short-to-medium term, OctaNode is mainly exploring different kinds of liquidity mechanisms that can contribute to the treasury.

### Medium-To-Long Term

OctaNode wants to explore different types of projects such as NFTs Metaverse. Our initial plan is to create 'enclaves' and/or external projects that are managed by community leaders. OctaNode's enclave projects refer to creating liquidity through abstract projects. For instance, OctaNode develops NFT that pays out rewards. Instead of using \$OCTA we could wrap the LP token of \$OCTA and create an eco-system that will actually use the \$LP-OCTA, for instance, so it can contribute to pursuing protocol owned liquidity.

### 4.1 Tokenomics

The original supply of OctaNode is **20.456.743** \$OCTA out of which **19.456.743** \$OCTA has been initially burned. This means there are **1.000.000** \$OCTA tokens in total to distribute.



In addition, whenever there is a node creation, the cost of creating a node will be 10 \$OCTA, the distribution is as follows:

- 70% is allocated to the Reward Pool
- 20% is allocated as Liquidity
- 10% is allocated to the further explorations by the genesis crew

Lastly, the node rewards are variable. We cannot yet state a predetermined rate that will be used for paying out the nodes. The distribution will happen every 4 hours, and the cash-out fees will be around 5-8%. This automatically allocates funds for further cash-outs.

## 4.2 OctaNode Rewards

As mentioned before, the node rewards will be flexible in case there is too much sale pressure on \$OCTA by node holders. Sustainable Rewards are a good indicator that a project will last.

What can you do with the rewards? OctaNode wants to create opportunities, hence, an \$OCTA holder will probably have the option to buy pre-sale spots in projects that are managed by the community leaders.

OctaNode does not believe in high rewards that doesn't have the proper reserves. This will doom projects to fail. Most peers lure people in with high daily rewards, even though in a long-term this cannot work. The sale pressure that is being created by the high daily rewards only benefits the node-holders. This should not be the case, as it should rather be beneficial for whomever buys the token. That being said, OctaNode cannot prevent pull-backs.

## 4.3 Presale

The presale will commence on the 19th of January. The role 'OCTA' that has been given out in the past represents a presale spot. In total there will be 200 OCTA roles that are eligible to buy 250 tokens at a price of 5 USD a piece'..

This indicates the allocation of 50.000 \$OCTA tokens for the presale. If this amount cannot be sold during the presale, OctaNode plans to hold a public sell for the tokens that are considered to be

left-over.

In addition, let's assume OctaNode has a successful presale and generates a fund of 250,000 USD. Our objective is to launch against a price of 6.25USD, i.e. increase of 25%. This means that initially 40,000 \$OCTA tokens need to be supplied if 250,000 USD is used as liquidity. This indicates that only 4% is used to provide for liquidity at first, however, OctaNode plans to add more liquidity over time through gradually emitting 3% of the Liquidity Reserve. At this point it is hard to give an estimate of when this will happen and at what price.

Our intention is to pursue less volatility in price, as it all depends on

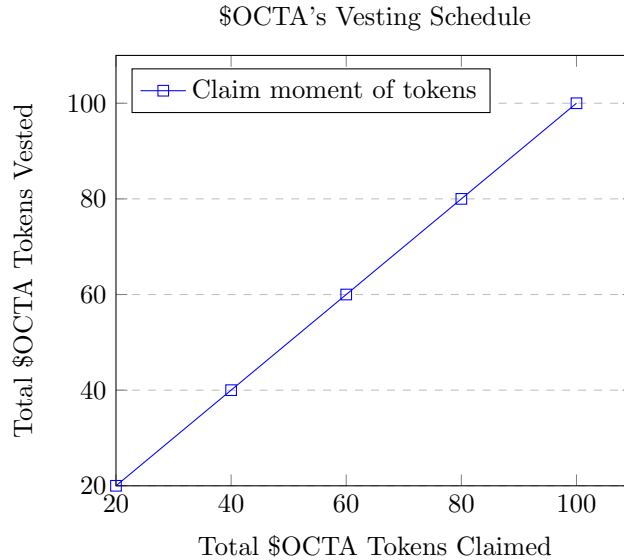
$$X \times Y = K \quad \forall X, Y > 0 \quad (1)$$

Where **variables** X and Y refers to the USD- and OCTA liquidity pair and K is considered a **constant**. The amount that the team initially reserved is there to jumpstart the project and to minimize the volatility of the price.

Lastly, considering the issues of peers \$OCTA wants to provide as much security transparency before launch.

- Gnosis i.e. Multi-Signature with existing CT Influencer
- Vesting
- Bi-Weekly Reports
- Liquidity Lock

To be more specific about the points OctaNode is considering, the vesting period is as follows:



The vesting has an indirect relationship with funding external projects that are managed by community leaders. Every investor will be able to claim 20% after the presale. Every week 20% of the vesting will be paid out to the OctaNode crew for further investments that can contribute to positive expected value for the treasury.

#### 4.4 Treasury

As mentioned in the tokenomics section, a node will cost 10 \$OCTA. However, how does this contribute to the treasury? As a matter of fact none of our peers have actually invested properly, purchasing



tokens from existing projects that have already had their momentum. Opportunities can be created, and our objective at OctaNode is to create opportunities.

The treasury will be used for creating different projects that will be managed by community members. However, this can change due to the market sentiment. If this happens, OctaNode will propose to allocate the investments that have been done through the treasury to projects that have survived extreme conditions e.g. bear market.

OctaNode is aware that most of our actions will be reflected in the market price. This is nevertheless a good indicator, and a very important one as it reflects the Return-On-Investment.

In addition, the initial team members are aware that this is a multi-year project that will allocate a portion of finances buying in the bear market. It is no secret that crypto is extremely volatile, but at the same time this volatility also creates opportunities.

Our strategy is to be flexible in a very volatile market, which means to launch projects profitable for OctaNode through community leaders in both the short and long term.

Lastly, as mentioned before, OctaNode wants to provide the holders with bi-weekly to weekly reports that give an overview of where the funds have been allocated to.

## 5 Conclusion

The development in the crypto ecosystem has made it possible to use smart contracts. Smart contracts can be used to program DeFi- and NFT applications. OctaNode wants to be one of the first that offers a DAVE i.e. Decentralized Autonomous Venture Ecosystem, initially starting as a node provider to create perpetual rewards that are dynamic in case too much sell pressure is created.

In addition, the vision and mission of OctaNode is to raise funds elsewhere for the protocol that pays out node rewards. OctaNode will do this through community leaders that are appointed by the community. In return, the base of OctaNode will support these ventures as it strengthens their own position.

Projects will be funded if they have passed the voting on given proposals through snapshots. Though, there are a couple of steps before getting featured on the snapshot i.e. forum discussions that measure the sentiment of the proposal by votes.

Transparency for using the treasury is done through bi-weekly/weekly reports that measure the well-doing of the protocol. Lastly, OctaNode wants to recruit outside members to be on the Gnosis/Multi-Signature.