

XDM Business Plan

- DRAFT -

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DeFiMind.ai: AI Safety as a Service - Layer 2 for AI.

A decentralized platform for advanced DeFi analytics, leveraging the XDM token and open-source DeFiPy tools to drive adoption and innovation.

1 Executive Summary

DeFiMind.ai is a decentralized finance (DeFi) analytics platform designed to empower users, developers, and institutions with advanced, AI-driven tools to navigate the evolving DeFi ecosystem. Our mission is to establish DeFiMind.ai as the leading provider of trusted DeFi analytics by uniting three core components: a user-friendly web interface for retail participants, a robust API service for developers, and the open-source [DeFiPy](#) library for AI-agent builders. At the center of this ecosystem is the XDM token, which governs access to analytics, incentivizes contributors, and sustains the platform’s economic model.

With the integration of the [ngeodesic.ai](#) Micro-LM sidecar framework, DeFiMind.ai introduces an additional layer of trust and security to its platform. Micro-LM sidecars act as a deterministic “Layer 2 for AI,” employing the Warp → Detect → Denoise (WDD) pipeline to enforce safety, compliance, and auditability in all AI-driven analytics and autonomous actions. This innovation positions DeFiMind.ai not only as an analytics provider but also as the safe AI layer for DeFi.

AI hallucinations—incorrect or fabricated outputs generated by large language models—represent a critical risk factor in high-stakes domains like finance. Studies estimate that hallucinations occur in 15–20% of complex prompts across general-purpose LLMs, with potential downstream costs to enterprises and users projected at over \$30 billion annually when accounting for financial errors, compliance violations, and reputational harm. By embedding deterministic guardrails through Micro-LM sidecars, DeFiMind.ai directly addresses this challenge, creating a trusted environment for AI adoption in crypto and DeFi.

Users acquire off-chain “insights” tokens by burning XDM, which are then spent to unlock analytics and sidecar verifications. This system drives continuous demand for XDM while ensuring that every analytic output or AI-agent action is filtered through verifiable guardrails. Our target is to achieve a market capitalization of \$500 million, with long-term scalability toward \$2 billion, as the combined DeFi and AI-driven DeFi (DeFAI) markets expand.

2 Token Utility and Ecosystem

DeFiMind.ai’s ecosystem is designed to serve multiple market segments, each with tailored solutions. The integration of Micro-LM sidecars expands these segments to include institutional and enterprise users who require trusted AI safety guarantees.

2.1 Multi-Segment Appeal

- **Retail Users:** A web interface offering intuitive dashboards, educational resources, and actionable insights that simplify DeFi participation for non-technical users.
- **API-First Developers:** A robust and scalable API service with comprehensive documentation, SDKs, and a free tier (funded by a 3.5% faucet) for developers building dApps.
- **AI-Agent Builders:** The open-source DeFiPy library, with modular tools and XDM-backed rewards, enables innovators to design autonomous agents powered by

verified insights.

- **Institutions:** Through the integration of ngeodesic.ai’s Micro-LM sidecars, DeFiMind.ai offers Safety-as-a-Service to exchanges, custodians, and protocols, providing deterministic, auditable AI guardrails.

2.2 Off-Chain Insights as the Unit of Account

The insights system remains the primary mechanism for accessing services. Users burn XDM to receive insights, which are spent across the web platform, API, or DeFiPy library. With the sidecar integration, every insight-driven action must pass through deterministic PASS/ABSTAIN verification, providing institutional-grade assurance. This enhancement strengthens the efficiency, scalability, and safety of the ecosystem.

3 Tokenomics

The XDM economic model balances community ownership, long-term sustainability, and expanded token utility through sidecar integration.

- Total Supply: 1 billion XDM tokens.
- Distribution: 47.5% to the community (airdrops, rewards, governance), 52.5% to insiders and treasury.
- Deflationary launch phase, with XDM burns for insights reducing supply.
- Transition to an inflationary staking model 6–12 months post-launch, dynamically tuned to sustain a 1–2% annual deflationary rate.
- Additional utility: sidecar verification cycles create tiered demand for insights, further strengthening token value.

4 Market and Competition

The DeFi market reached \$85.83 billion in capitalization and \$211.43 billion in TVL in 2025, with projections exceeding \$200 billion by 2030. Alongside, the DeFAI niche is emerging, with projects such as Virtuals Protocol and GT Protocol demonstrating early demand for AI-driven solutions.

Competitors like The Graph (\$1.2B) and Dune Analytics focus on data indexing and centralized analytics but lack both open-source extensibility and AI safety features. DeFiMind.ai differentiates itself by combining:

- AI-driven analytics and automation.
- The open-source DeFiPy library with token incentives.
- Micro-LM sidecars from ngeodesic.ai, providing deterministic safety and auditability.

This unique positioning establishes DeFiMind.ai as the only platform delivering analytics, automation, and verifiable safety in a unified tokenized ecosystem.

5 Technology and AI Integration

DeFiMind.ai’s technology stack blends open-source collaboration with advanced AI safety mechanisms.

- **DeFiPy:** A modular, open-source Python library for DeFi analytics, incentivized through XDM rewards.
- **API Service:** Real-time, insight-based analytics for developers, now verified through sidecar enforcement.
- **Micro-LM Sidecars:** Developed at ngeodesic.ai, sidecars enforce Warp → Detect → Denoise safety rails, ensuring deterministic outputs.
- **AI Agents:** Autonomous DeFi agents that consume insights, routed through sidecars for compliance and safety before execution.
- **Token Mechanics:** A launch phase emphasizing deflationary burns, transitioning to staking rewards while maintaining net deflation through adaptive inflation.

5.1 Micro-LM Sidecar Request Cycle

To ensure deterministic, auditable outcomes, all AI-assisted activity in DeFiMind.ai is mediated by a Micro-LM sidecar developed at ngeodesic.ai. The request cycle is:

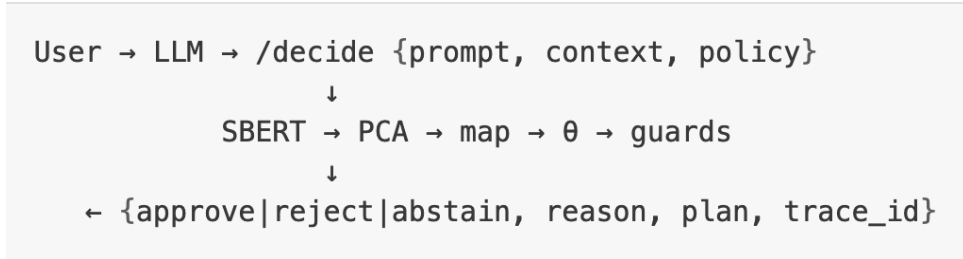


Figure 1: Micro-LM Sidecar Request Cycle

Step-by-step

1. **User request:** A retail user, developer (API), or agent (DeFiPy) issues a natural-language prompt. An LLM drafts a candidate plan/interpretation but does not execute.
2. **Sidecar ingress (/decide):** The LLM (or client) calls the sidecar endpoint with *prompt*, *context* (e.g., chain, assets, limits), and *policy* (risk, compliance, guard rules). The call consumes off-chain *insights* (purchased by burning XDM).
3. **Latent mapping (SBERT → PCA):** The sidecar embeds the prompt with SBERT and projects to a compact PCA space tuned for DeFi semantics, minimizing noise and stabilizing distances.
4. **Primitive routing (map):** In latent space, the request is mapped to a candidate primitive/family (e.g., `swap_asset`, `deposit_asset`, liquidity ops) plus a calibrated confidence vector.

5. **Decision scoring (θ):** Thresholded scores and priors (domain prototypes) produce PASS/ABSTAIN candidates without executing anything.
6. **Guards / verification:** Warp→Detect→Denoise (WDD) checks are applied along with policy guards (limits, KYC/AML flags, protocol allowlists/denylists, slippage caps). Any ambiguity triggers ABSTAIN.
7. **Deterministic verdict:** The sidecar returns: `{approve|reject|abstain, reason, plan}` (ordered primitives with parameters), `trace_id`. `trace_id` links to an immutable audit record for governance and compliance review.
8. **Execution or halt:** On `approve`, execution proceeds (or the LLM renders a final, safe response). On `reject` or `abstain`, no action is taken; the caller may revise inputs or escalate to a human.

Why this matters for DeFi—The cycle prevents unsafe actions, contains hallucinations before they reach users or on-chain systems, and yields reproducible, auditable traces demanded by institutions.

6 Roadmap and Go-to-Market Strategy

DeFiMind.ai’s roadmap balances technical delivery with community growth, aligning token distribution and technology releases.

- Q3 2025: Uniswap airdrop (75M XDM).
- Q4 2025: Launch DeFiPy with contributor bounties (125M XDM).
- Q4 2025: Release the first Micro-LM sidecar prototype for DeFi primitives.
- Q1 2026: Integrate sidecars into the API, ensuring verified analytics.
- Q2 2026: Activate governance (125M XDM allocation).
- Q2 2026: Roll out institutional Safety-as-a-Service tier.
- Q3 2026: Introduce staking and adaptive inflationary mechanics to maintain 1–2% net deflation.

7 Team and Governance

The DeFiMind.ai team brings expertise in DeFi, AI, and open-source software. Governance is fully community-driven, with XDM holders empowered to vote on feature prioritization, bounty allocation, and treasury use. With the integration of Micro-LM sidecars, governance will also extend to domain expansion decisions, such as supporting NFTs, cross-chain protocols, and other emerging verticals.

8 Financial Projections

By 2027, DeFiMind.ai anticipates the following outcomes:

- 50,000 retail users leveraging the web platform.

- 5,000 developers integrating the API.
- 500 AI agents built using DeFiPy.
- 20+ institutional partners subscribing to Safety-as-a-Service.
- Market capitalization reaching 500*million, with the potential to scale toward* 2 billion.