

Token Sales MVP

⌚ Pillar	Tokenization
⌚ Priority	High
⌚ Status	In progress
≡ Source	Competitive Analysis Sales
👤 Created by	👤 Nicolaus Sherrill
👤 Customer	<u>DRVN</u>
🔗 Linear Project	https://linear.app/decent-labs/initiative/public-sale-2e6403f6a824/overview
👥 PM	© Che Bajandas
⌚ Size	Extra Large

Reference

- [Public Sale Contract Specifications](#)
- [Updates to Contract Requirements](#)
- [Public Token Sales Launchpad Discovery \(whiteboard\)](#)
- [Founder Create Sale Flow \(lo-fi designs\)](#)

▼ Client Specific Requirements

▼ DRVN

Buyer requirements summary

- ERC20 token holding threshold
- ERC721 token holding threshold
- KYC

Specific sale buyer requirements

1. VIP Presale

Requires holding one of the following:

1. At least 10M \$BSTR (ERC20)
2. Carbon Founder's Club Key NFT (ERC1155)
3. Titanium level Founder's Club Key NFT (ERC1155)

2. Presale

Requires holding one of the following:

1. At least 5M \$BSTR (ERC20)
2. Steel level Founder's Club Key NFT (ERC1155)

3. **Public Sale**

Requires holding at least 1 \$BSTR token (ERC20)

Project scope reductions

Not needed:

- 2 - TTF disclosures
- 3 - Drafts
- 4 - Vesting
- Buyer/Seller - Sale page
 - 2 - Sale details
 - 3 - Buyer requirement validation
 - 2 - CTA to buy
 - 2 - CTA to claim

Must haves:

- 5 - Seller KYB
- 5 - Buyer KYC/KYB
- Seller - Sale creation forms
 - 1 - Project details
 - 2 - Token details
 - 3 - Fundraising details
 - 3 - Buyer requirements
- Seller - Sale management dashboard
 - 4 - List of active sales
 - 1 - Basic sharing options
 - Relevant link(s) / options as needed for white label usage
- Buyer/Seller - Sale page
 - Don't need to build this out yet, since DRVN wants to host this themselves
 - Provide SDK type solution for white label hosting

▼ Bitbasel

https://docs.google.com/document/d/1Caq2PnHx2YrhKmvuT2JNLAB_CN_HQCNKWkp005IyulA/edit?tab=t.xg0z21xewdiy#heading=h.cbug9qf5hzwx

Sale timeline

- Token deployment: ASAP
- Tentative sale date: February 2026

Buyer personas

- Non web 3 folks
 - Traditional art collectors
 - Membership club with early access to sales
- Web 3 folks
 - NFT collectors
 - Interested in more opportunities for their crypto portfolio

Sale details / requirements

- What's for sale: an **NFT** that represents an access pass
 - Should be **non-transferrable**
- Would like to have the token deployed as soon as possible, well before the sale ideally
- Early access to the sale as a "reservation"; tokens not delivered until sale goes live
 - Can either be gifted or be early purchases
 - Need to track the addresses of these recipients
- Need to consider how requirements apply to pre sales / reservations
 - Pre sale participants will not need to purchase the token at sale time
 - But they *will* need to meet the requirements in order to withdraw

Buyer requirements

- KYC
- KYB - Do anticipate that there will be entities participating in the sale

Feature requests

- Deploy non-transferrable NFT
- Web 2 payment options for the buyer
 - ACH wires
 - Credit cards
- Presale whitelist triggered at start of sale
 - Bypasses purchase flow, but not sale requirements

▼ Amerge



This isn't really a token sale, it's more like a custom integration for deploying sub DAOs, tokens, allocations, and staking.

Sale timeline

- Some material to share with investors: late October 2025
- Customer ready: late December 2025

Sale details / requirements

- Wish to host sale creation forms themselves along with sale page
- Ideally each token represents a 1% share of the revenue of a song
- Using existing functionality, this would be configured using **only staking (not asset splits)**, with Amerge receiving their cut using staked tokens as well
- *Ideally, token holders would be able to trade and sell them*
 - This is where using an NFT is more appealing, a la Liquid Splits
 - But this isn't a deal breaker for initial sales

Feature requests

- Use Decent contract and API calls on Amerge frontend for:
 - Kicking off new subDAO creation (new song revenue share)
 - Deployment of new token associated with above subDAO
 - Initial distribution of tokens
 - Ideally, this deploys the staking contract for the newly created subDAO from the same trigger
- For MVP, staking and claiming can happen with existing Decent frontend

▼ Artizen

https://docs.google.com/document/d/1ogwn1CROz8GSNS843T_Ayy_9MblaKmmUNIW5SIIJ6tQ/edit?tab=t.0

Sale details / requirements

- Essentially the same scope as DRVN

Prerequisites

1. The founder has a DAO on Decent
 - a. For new users of Decent, they may be best served by using a multi-sig DAO, but this is not a hard requirement; they can set up token voting with a new token or use their own
 - i. The sale token may or may not be tied to governance of the DAO at a future date; this also is not a hard requirement, just highly recommended
 - b. For existing users, they may wish to use their existing token voting DAO

Personas

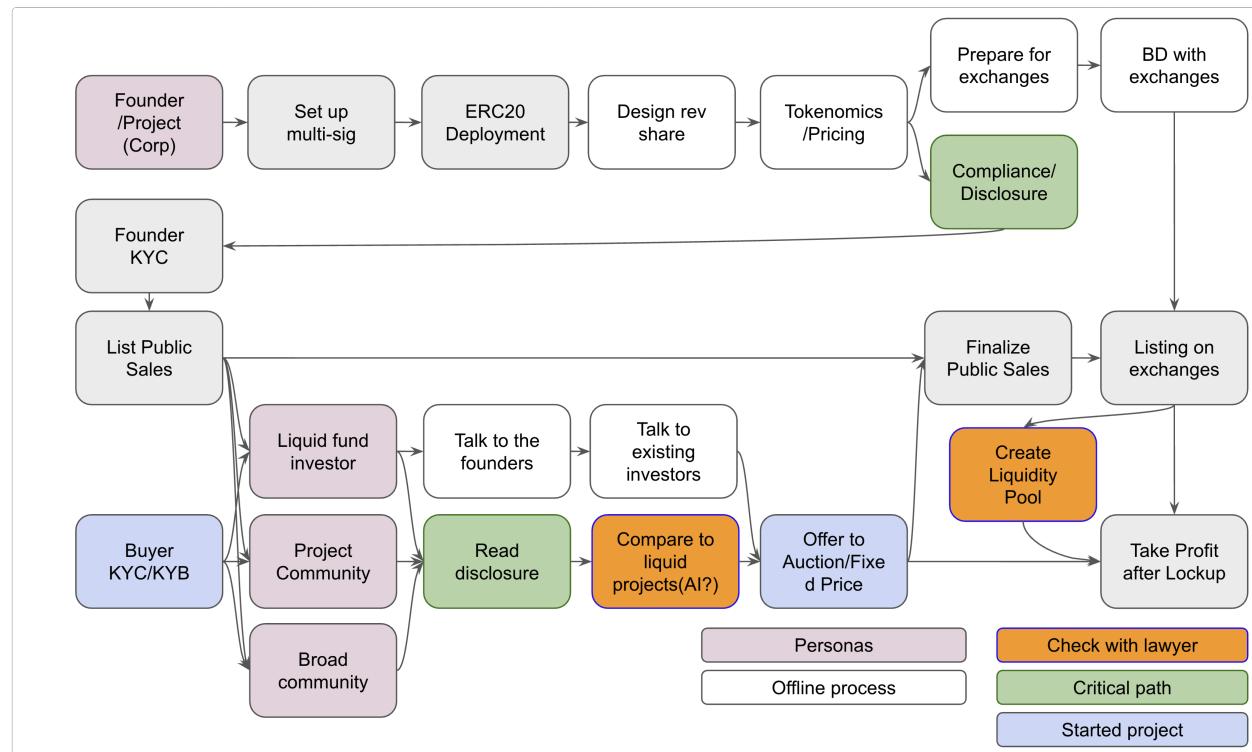


These definitions are for planning purposes. The end product will likely refer to users within these categories differently. For example, the "Seller" may be the "Issuer".

Each can be broken down more granularly, but from a high level UX perspective, the personas this document will be covering are:

1. Founder (Seller)
 - a. The foundation / organization (issuing entity)
 - b. A representative of the issuing entity
2. Investor (Buyer)
 - a. An individual
 - b. An entity

Foundation Lifecycle



(Not pictured: Liquid fund investor → KYB / Project and broad community → KYC)

Founder/Seller

Note that a Decent hosted DAO is already set up prior to entry into this user flow.

1. Set up token deployment
2. Set up KYB ([sumsub?](#))
3. Specify token sale parameters
 - a. Fundraising goal / timeline
 - b. Vesting schedule
4. Provide compliance details ([TTF](#))

Investor/Buyer

1. Set up KYB/KYC
 - a. KYB: Entity
 - b. KYC: Individual
2. Discover token sales
3. Commit to a token sale

Terms



These definitions are for planning purposes. The end product will likely refer to these concepts differently. For example, a "Sale" may be an "Offering".

- **Token Sales Page:** This is the page where sellers can see their DAO's active token sales launched with Decent. This is accessible through navigation options in the existing Decent app at a DAO level. Alternatives: "Offering Management Page", "Token Management Page", "Offerings Page"
- **Sale Page:** This is the "published" / launched sale landing page which is presented as a standalone app, separate from the Decent governance focused app. For MVP, this may have essentially no navigation options. It's a landing page, reached through a link, specific to a distinct sale. Alternative: "Offering Page"
- **Commitment Token:** This refers to the token the buyer uses to commit to purchasing the token that is up for sale. It is specified during sale creation and will be transacted either back to the buyer or to the seller depending on the sale outcome. Alternatives: "Purchase Token", "Payment Token", "Investment Token"
- **Sale Token:** This is the token that is up for sale (\$TOKEN). This is what the buyer is committing to. Buyers receive a quantity of this token relative to what they committed to the sale if it succeeds.
- **Commitment:** This broadly refers to what the buyer has committed to in terms of the dollar amount they are setting aside to purchase an equivalent value in the token being sold. If the sale succeeds, the buyer will receive sale tokens based on the value of their commitment.
- **KYC:** "Know Your Customer". For MVP, this will only be relevant to buyers and is an optional requirement a seller may set for a sale. This is a set of identity verification steps the user will need to complete and have reviewed before being certified.

- **KYB:** "Know Your Business". This primarily will be relevant to the seller. This applies to the token issuing entity, or the business entity, of the seller. This could be an LLC, DUNA, or Cayman corporation, for example. Similar in nature to the KYC checks, but not focused on an individual. This *could* be used by buyers if the buyer is a representative of a group, rather than making a personal purchase.

User Stories

Note that for the following: the seller defines a token they wish buyers to use in the sale which will be the "commitment" token.

When a buyer participates in the sale, they must use the defined commitment token, e.g., ETH. They can commit any amount according to the min/max set for the sale.

Only when the sale concludes, either successfully or unsuccessfully, are the committed tokens released, either to the DAO that initiated the sale, or back to the buyers.

Founder/Seller

As a founder, I want to launch and sell a token that represents a stake in my organization's success in a compliant way. My objective is to raise a certain amount of funds to get my project off the ground.

I know that for my organization to be compliant, I'll need it to be decentralized, therefore I fully expect to need to set up a DAO for governance.

I'd like to advertise to potential investors that I am serious about compliance and that my token is a safe investment. To that end, I am interested in filling out the necessary paperwork to meet the requirements of the Token Transparency Framework.

In a similar vein of communicating transparency and minimized risk, I'll may expect to be given the option to set up KYC/KYB as part of the selling/buying process.

As a jumping off point, if I don't already have one, Decent guides me through setting up a DAO using the Decent app. It is made clear to me that this is a prerequisite to deploying and/or launching a token. All of the configuration of the token launch, the compliance, and the sales details will be managed through DAO governance.

Given that it's the simplest form of governance, it is recommended to me that I set up a multi-sig DAO.

Through the DAO interface, I use the prominent navigation option to reach the token sale configuration pages, where I can begin setting up a new token if I wish and outline the token sale and compliance details for the sale.

I am able to carefully work my way through the details of setting up my token sale without the expectation that the process be completed in one sitting.

Once I've completed the onboarding process and all of the details have been provided, the token sale is submitted as a proposal on the DAO.

When the proposal meets the requirements and is executed, I'm able to now see and share a token sale page where investors can buy a share of the tokens up to the specified fundraising goal. I share this with my network and publicly, however I see fit.

Investor/Buyer

As a buyer, I want to invest into a company/project using crypto. I may have been rugged before or at least I know there's a big risk of that historically.

I see a token sale being advertised which was launched using the Decent platform. I see that the Decent platform supports a high level of compliance and transparency for token sales. This added reassurance in the earnestness of the project and the token it is backed by has me interested in making this my next investment.

The details shared about the token sale link to a standalone token sale app hosted by decent and direct specifically to the sale page for the sale I am interested in.

On this page, I see all of the details about the token sale: the objectives of the project/organization, the stated fundraising goal, the duration of the raise, and any sale requirements such as a minimum amount I need to purchase to participate or verification I need to complete.

I also see what sort of certifications the organization has which back the sale. There's information about the Token Transparency Framework filing (ideally including ratings) and relevant KYB details.

Using the sale page interface, I start by providing my KYC/KYB information to get access to sales on Decent, if it is required by the sale. Decent is able to confirm that my wallet address has met the criteria for the sale and sale options are presented to me.

I now able to submit a dollar amount within the minimum and maximum specified by the sale that I wish to commit. If I submit under the maximum, I will have the option to commit more to the sale while it is still active.

I can revisit the sale page at any time to view the progress of the sale, seeing how much has been raised and how much time is left in the sale.

Successful Sale



A sale can only "fail", or be "unsuccessful", if a minimum goal was set and not achieved.

A sale is complete when there is no time left in the sale. A sale is "successful" at that point if either a minimum goal was reached or there was no minimum specified.

At this point, all commitment tokens are used as reference to issue the target sale token according to the amount committed to.

If there is a vesting schedule

The issued sale tokens are held by a Hedgy contract, per buyer, according to the vesting schedule defined by the seller. Buyers will be able to withdraw the sale token up to an amount according to the vesting schedule until vesting is completed / they have withdrawn all of the tokens.

If there is not a vesting schedule

The issued sale tokens are held by the Public Sale contract and the whole amount that the buyer committed to can be withdrawn from there directly.

From a user perspective, the place where tokens are withdrawn is the same in either case from above.

Finally, the funds (commitments) collected from buyers initially are now released to the issuer. The issuer's receiving address, for MVP, will always be that of the DAO that created the sale.

Unsuccessful Sale

When the deadline is reached for the end of a sale, if the targeted **minimum** goal has not been met, then the sale is considered to be unsuccessful.

At this point, all committed tokens are redistributed to the **buyers**.

The **sellers** do not receive any committed tokens.

Both **buyer and seller** may reclaim their assets, either the commitment tokens or sale tokens, respectively, through the relevant sale page.

Features

Founder/Seller

Initial entry point for all of the following is from the DAO homepage / through DAO navigation options.



For MVP `saleTokenHolder` (origin of sale tokens) and `saleProceedsReceiver` (destination of proceeds) are both the DAO.

[V2] Onboarding

Present the founder with options indicating what type of sale they wish to perform / what they're objectives are which directs to the proper flow depending on how many options there are.

[V2] KYB Submission

The expectation for the seller is that they set up KYB for the issuing entity. The entity might be an LLC, a DUNA, or a Cayman corporation, for example.\

We want to be flexible in what we require for buyers and sellers, but not including this will dramatically lower confidence in the sale and would exclude the sale from getting Decent's endorsement / "seal of approval".

KYB should only need to be filled out once per address (for MVP, this means the DAO address). For all sales after this point, the app can run a check of the DAO address against the KYB service to validate that it has been completed.

Token Sale Forms



The calculations in this staging sheet may be helpful when considering the below.

Step by step form filling to gather all required information from the founder, including:

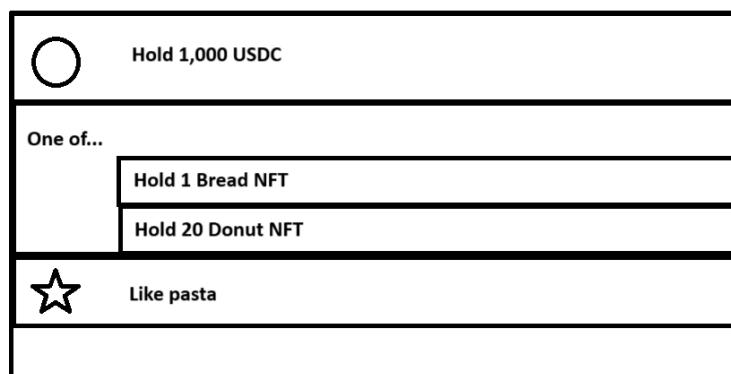
- [V2] Project details
 - Project Name
 - Simple description

- Original launch date (optional?)
- Link to website
- Link to whitepaper (optional)
- Social media and other links (optional): X, Farcaster, Discord, Telegram, GitHub
- Token details (`saleToken`)
 - Sale Name
 - In a similar vein to the naming of splits, this will make it easier for the user to differentiate between their sales
 - Existing token
 - `Insert token contract address` asset dropdown menu
 - A list of ERC-20 tokens in the DAO treasury
 - This should be filtered in some way so that it doesn't show ETH, USDC, etc.
 - Total Supply
 - Determined by token contract
 - Not configurable
 - [V2] New token
 - `Token deployment configuration`
 - Name
 - Symbol
 - `Total Supply` (set to 1 billion by default; not configurable)
 - Initial token allocations
 - FDV: "Fully Diluted Value"; dollar (USD) valuation of total token supply
 - $FDV / totalTokenSupply = tokenPrice$
 - `saleTokenPrice`
 - EX: $\$10,000,000 / 1,000,000,000 = \$0.01 \rightarrow \$0.01$ worth of USDC per token
 - Token Price
 - As determined by the above calculation using FDV and total token supply
 - Not configurable
- Fundraising details
 - Sale goals: maximum, with optional minimum, target raise amount (USD)
 - `minimumTotalCommitment` , `maximumTotalCommitment`
 - **IMPORTANT:** there need to be enough tokens assigned to the sale to cover Decent's fee. Whatever the maximum goal is set to, Decent's cut needs to be added *on top* of that. Assuming a 2.5% fee, if the buyer sets the maximum to \$1,000,000, then there needs to be at least

\$1,025,000 worth of tokens available in the DAO treasury and that amount will be locked in the sale contract until the sale concludes.

- “Commitment” token: what the buyers will commit to the purchase (EX: USDC)
 - `commitmentToken`
- Minimum and maximum commitment amount: buyer participation limits (USD)
 - `minimumCommitment`, `maximumCommitment`
- Duration / timeframe
 - `saleStartTimestamp`, `saleEndTimestamp`
- Tokens for sale
 - $maxSaleGoal/tokenPrice$
 - Not configurable
- Tokens required
 - $tokensForSale * 1.025$
 - The minimum number of tokens that need to be in the treasury and will be reserved as part of the sale, including Decent's fee
 - Not configurable
- Buyer requirements (any number, or none, of the following)
 - KYC
 - [V2] KYB
 - Whitelist
 - Custom, e.g., require certain NFT/token holdings to participate
 - [DRVN] ERC20 threshold
 - [DRVN] ERC1155 threshold

Requirements



- [V2] Vesting schedule (`start`, `cliff`, `ratePercentage`, `period`)
 - Either simple lock/unlock toggle or unlock schedule

- Cliff invest structure
- All investors will have the same vesting schedule
- Vesting starts at the end of the sale period, if a sale succeeds
- [V2] TTF specific disclosures
 - Gathered throughout the flow depending on context

Progress is clearly indicated alongside the current form being filled out and the user can navigate from step to step with ease.

[V2] Sale Draft Management



For MVP, drafts will be saved to local storage. The UX should provide the option to export or import the draft details to streamline customer support.

As this is an intensive process that may require research and time to fully fill out, there needs to be the option to save form progress as a draft.

This means saving the state of the form filling process and restoring to it the next time the user visits the sale creation flow.

The interface will need to support **multiple in progress sales**, but it only needs to support **one active draft**.

This means that the entry point for a draft could be the same as the initial entry point for beginning the sale creation process. Essentially, when entering the creation flow, the user is returned to where they left off with their last draft if there is one. They have the option to delete the draft and start over, or finish up and publish it.

A draft is considered submitted when a proposal has been created. The draft state of the forms should clear at this time.

Sale Creation



Sale creation and sale management will be done from the same page accessed from the same entry point. This will be wrapped into one Token Sales page accessed through the DAO interface.

Creation of a sale is gated behind the proposal process. All of the required information to set up the sale needs to be recorded in such a way that it will be activated as part of a proposal execution.

After the proposal to create a sale has been executed, the new sale will appear in the list of active sales available through the Sale Management page.

Sale Management - In Progress Sale

There will need to be a sale management interface where founders can go to view active sales. This will essentially be a list of active sales represented by cards or something similar. Each list item will link off to the appropriate standalone sale app page.

Each card on the Token Sales page will provide a summary of the status of the sale as well as a quick 'copy link' button. For our white label option, we may want to consider what sort of self service options we can

provide users on this page that link to hosting their own sale page.

Each sale will have a user defined name to make it easy to differentiate between them.

The sorting of the sales should first sort by status, with active sales at top and completed sales at bottom, then sort by closing date, with the later sales at the top of the list and older sales at bottom.

[V2] The Sale page itself will have a richer 'share' option with social media links, etc.

Sale Monitoring

Monitoring of the sale progress for a founder will happen in two places: there will be a condensed summary on the Token Sales page, **[V2]** but the full details of the sale will appear essentially the same for the founder and the buyer on the actual Sale page (on the standalone sale app).

The monitoring information that the founder will want to see in either case will include some or all of the following:

- How much time is left in the fundraise / sale
- How much progress has been made on the sale
 - How much funding has been secured
 - How close is the sale to reaching the minimum and/or maximum goal
- **(STRETCH)** A ticker of sales
 - **Timestamp**
 - **Address**
 - **Amount committed**

Sale Management - Concluded Sale



The settle transaction for a concluded sale does not need to go through the DAO (through a proposal). The CTA will be enabled in the same way as others in the app, based on whether the connected wallet can propose, but anyone can kick off the transaction.

At the conclusion of a **successful sale**, the founder will need the option to claim the funds from the sale which will take the form of a transfer to the DAO treasury.

This will be done using a claim CTA on the Token Sales page through the DAO interface (connects easily back to proposal creation).

At the conclusion of an **unsuccessful sale**, for MVP, the only action that a founder would take would be to reclaim the sale tokens that were deposited into the sale contract (**ownerSettle**).

This makes sense to operate in the same way as with a successful sale, as a CTA on the Token Sales page.

A stretch goal might be for them to easily kick off a new sale draft with the details of a failed raise.

Investor/Buyer

At the outset, the entry point for a buyer is essentially a link to the Sale page hosted on the standalone sale app. On its own, this doesn't represent an entry point to other sales, just the one that the link is tied to.

For MVP, it seems best to assume that there is no discovery UX in the Decent app at this point. Sales need to be shared / broadcasted by the seller's own discretion using their own methods.

Client Hosted Sales Page Support (White Label)

All of the initial customers seeking to use Decent to launch token sales wish to host the sales themselves. To facilitate closing those deals and being a platform for those sales, the scope of this section will initially be focused on providing an SDK/API type of option for customers to use rather than building a Decent hosted sale page.

This feature needs to provide a method to share the following data with the customer:

- All stored details about a sale (see the token sale creation forms)
 - Project details
 - Fundraise details
 - Buyer requirements
- Sale progress
 - Sale status: active vs complete
 - Money raised towards goal
 - Time left in sale
- Buyer requirements
 - Requirements details
 - Participation eligibility status

The following functions need to be available to the customer to trigger on their own site:

- Kick off KYC/KYB service / flow
- Kick off token purchase transaction
- Kick off token claim transaction

[V2] Onboarding

For each sale, there may be different requirements set by the sellers for verification. If the sale requires that the buyer submit KYC/KYB, then they'll be prompted to do so before carrying through with committing to the sale.

There needs to be a clear indication for each sale what the requirements are and whether or not the buyer meets them. If there's a whitelist, for instance, then the app can validate on the connected wallet address being in that list.

KYC/KYB should only need to be filled out once per address. For all sales after this point, the app can run a check of the wallet address against the KYC/KYB service to validate that it has been completed.

[V2] Sale Page - In Progress

The sale page will display all of the same information as a seller can see, showing the sale progress as well as all of the details provided during the creation of the sale, such as TTF disclosures.

There will also be options to commit tokens to the sale based on the parameters of the sale (min, max, specified commitment token) and a preview of the vesting schedule.

The buyer can revisit the sale page to monitor progress on the raise as well as commit more to the sale.

[V2] Sale Page - Successful Raise



For MVP, the Sale page will be where users claim tokens, rather than there being a separate dashboard for buyers.

There are several states to account for here:

- The *minimum* goal has been reached, but there's still time on the clock
- The *minimum* goal has been reached and the raise window has closed
- The *maximum* goal has been reached, but there's still time on the clock
- The *maximum* goal has been reached and the raise window has closed

Depending on the state from above, the page will need to communicate to the user whether or not there is still time in the raise and whether or not they can still purchase tokens.

As long as there's time on the clock and the maximum goal has not been reached, tokens are still for sale.



If there is no minimum goal specified, when the sale window closes, the sale is considered successful regardless of progress towards the maximum goal.

The buyer will have the option to claim the tokens they received as a result of the sale here. There will be a CTA that allows them to kick off a transaction to send the purchased tokens to their wallet (`settle`).

[V2] Sale Page - Unsuccessful Raise

If the sale time has elapsed and the minimum goal has not been met, the page should communicate to the user that the sale time ended and token sales are closed.

The buyer will have the option to reclaim the tokens they committed to the sale here. There will be a CTA that allows them to kick off a transfer transaction to send the committed funds back to their wallet (`settle`).

Fee Collection

Fees on transactions for Decent's cut of the proceeds of a token sale done through the platform.

All fees are collected only when a sale succeeds.

The current expectation is that Decent will collect 5% of the sale, split 50/50 between the sale proceeds via commitment token and an equivalent value of the sale token, but this needs to be variable and may differ from client to client.

Commitment Token Fee

This will be a percentage of the amount of money raised by the sale. If a sale collected \$1 million worth of USDC, then Decent receives a percentage of that total of USDC.

Example:

- The commitment token fee is 2.5%
- The seller sets a goal to raise \$1,000,000 USD
- Buyers commit USDC to the sale
- The goal is met, meaning \$1,000,000 worth of USDC is reserved
- The seller transacts and receives 97.5% of the proceeds, or \$975,000 worth of USDC
- Decent receives 2.5% of the the proceeds, or \$25,000 worth of USDC

Sale Token Fee

This will be a percentage of the total value of sale tokens sold in the form of sale tokens. If the fee is 2.5%, and the sale raised \$1,000,000, then the fee for that sale will be \$25,000 worth of Sale Tokens.

Configuration of the sale requires that enough tokens be reserved to cover this fee in the case that the maximum goal is reached and all tokens are sold.



Sale tokens Decent receives are subject to the same lockup and vesting schedule as a buyer.

Hypothetical user flow:

- Seller wishes to raise \$1,000,000
- The UX informs them that there is a 5% total fee on a successful sale
- The UX informs them that 2.5% of the fee is in the form of Sale Tokens and 2.5% of the fee is in the form of Commitment Tokens
 - The seller stands to collect up to \$975,000 worth of Commitment Tokens, e.g., USDC
 - Buyers stand to collect up to \$1,000,000 worth of Sale Tokens
 - Decent stands to collect up to \$25,000 worth of Commitment Tokens AND \$25,000 worth of Sale Tokens
- The Sale Page will display a goal of \$1,000,000
- If the goal is met, \$1,000,000 worth of Sale Tokens is held for buyers to collect and \$25,000 worth of Sale Tokens is held for Decent
- If the goal is not met, the 2.5% cut is applied to the actual sales and the remainder can be reclaimed by the seller / the DAO, so, for example:
 - \$950,000 worth of Sale Tokens is committed to by buyers
 - \$950,000 worth of Sale Tokens is held for buyers
 - \$23,750 worth of Sale Tokens is held for Decent
 - \$26,250 worth of Sale Tokens can be reclaimed by the seller / the DAO