Abstract

As the world gets closer to super-intelligence, the concept of “computation” is becoming increasingly important, yet challenging to understand. The amount of knowledge one needs to contribute meaningfully to “increasing the global knowledge” is exponentially increasing.

Motivation

The human body is an extremely efficient machine that runs 1 quadrillion operations per second with a power of just 20W. Large neural nets being developed in the last few years have been optimised to run more operations than this, but the training phase and inference phase is distinct, which makes it good for running large scale parallel operations. Although, the robust decision-making process that a human brain processes still cannot be captured with the same efficiency. Lately, AI agents with a paradigm of using a pre-trained model, a traditional deterministic software system and an external knowledge source have become highly popular. A model’s quality is only as good as its training data; and since most of the training data that the models have been trained on are for use cases that are commercially viable, the gap in today’s world is extracting economic value from real or virtual geographies that are upcoming in potential, but do not have access to the latest tech they can benefit from.

Project Dark Horse loyalty points are a permissioned-wallet blockchain token that aim to bridge the gap between traditional fintech and decentralised finance, while making sure that the ones who contribute to a community are well-positioned to profit from it in the long term, in order for fast yet more equitable progress.

Mechanism

There are two kinds of tokens in the PDH world: governance token (PDHG) and wealth token (PDHW). The system is expected to have a 1:1 value peg for these tokens, while having PDHG in a lower supply compared to the PDHW. In order to maintain the peg, the holders of PDHG tokens have a staking mechanism wherein the higher staked PDHG someone has, the more their “pledged wealth” is in percentage terms. This makes the system such that the ones with higher amounts of resources have more power over the economy, and yet more social responsibility; in line with the common adage “with more power comes more responsibility”.

Staked tokens ledger

Currently the staked tokens ledger is being maintained here. We are working on the FairyTaleDB blockchain, in WIP, that is intended to store this ledger in the future. Pledged wealth percentage increases quadratically with the amount of PDHG held by a wallet, how much it increases specified by the parameter PWSU (pledged wealth step up). The risk of staking tokens is that the CFO wallet holder can change the value of PWSU such that less of the PDHG can be converted to PDHW by the people who have more stake in the ledger. The

CFO can also deduct tokens from wallet holders who are taking fiat currency payments in exchange for working on the project further.

GTM

So far the projects being executed by the PDH collective are the following:

- Elite Aide: A productivity app with AI features
- ChefBytes: A food delivery service running in a DAO fashion
- PDH Work OS: An AI agent orchestration and marketplace platform for the enterprise world

The theme of all the products we have is this: you either trade-off time in favour of money, or vice versa. This way the free market efficiently pegs the PDH loyalty points to the “supposed market salary” of the governance staking participants.

Going forward, we intend to put the PDHG and PDHW tokens on EVM-compatible blockchains, while creating a bridge between them and the FairyTaleDB chain for staking. Payments for accessing any of the services can be made in fiat (starting with INR), USDC, ETH or BTC; and we intend to make it KYC and tax compliant with every major geography where we intend to have a presence.

Token Utility

The PDHW as well as the PDHG token can be utilised for any service provided by the overarching company “PDH holdings”. These can be in the form of 1:1 meetings provided by any of the PDHG wallet holders, or any piece of software developed by folks who wish to accept payment in the form of PDHG or PDHW tokens. The token represents a fraction of the time and effort spent by a governance staking participant to make the platform more efficient by either model optimisation, development effort, spending fiat money to buy the token, or all of the above.

Liquidity provisioning

As of writing, the exec team of PDH has pending payments worth 48 lakh INR, which includes the debt taken by them. This is represented by the “Pending payments pool” wallet and has the highest liquidity preference, in line with how any debt is paid off before equity holders have a share of the profits. There is a “Post closure commitment” wherein if the PDH collective decides to shut down, the post closure commitment is divided among “debtors” and “core team members” as per their “Convertible PDHW”.

Economic Sustainability

We intend to initially have smart contracts that can offer trading USDC, ETH and BTC at a discount when buying them via minting PDHW with fiat payments, with the trade-off of delayed settlement; and use our reserves to do yield farming on the 3 tokens using existing

platforms like Uniswap, Lido etc. Once the free market for PDHW is well established, we can run follow-on campaigns with airdrops to keep the momentum going.

Glossary

Note: values in the sheet in bold can be manually changed, values in italics are automatically computed.

PDH/min: cost of our services calculated on a per minute aggregated basis. People within the org must set their per minute rate lower than this.
Pledged wealth step-up (PWSU): At every PWSU step, the pledged wealth in PDHG tokens increases by 1%. This way the higher somebody is on the table, the more liability they have towards PDHW holders.
CTO's negative convertibles & CFO's reserve offset: This is for back-computing the equity to be given to the exec team in the future.
Reserves the exec team has access to (INR): Money in the bank account for the organisation.
Pending payments committed by the exec team (INR): This includes future payments, including loan repayments.
Post closure commitment (INR): This represents the debt that the exec team has towards the company's liabilities in case of closure.
LTCR: This is the last traded conversion rate of the token, equivalent to one share of the company.
PDH holdings valuation (INR): This is back-calculated using the count of PDHW tokens, the PWSU and the LTCR.