DAOCLUB

A Decentralized Democratic and Autonomous

Organization Based on Sports Events

White Paper

V1.1

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Contents

1 Preface

1.1 What is DAO

As we know, smart contracts refer to agreements between two parties and even more. They verify data and decide whether to take corresponding actions according to the set articles. To avoid centralized hegemony, a special agency form has been introduced. Such decentralized democratic agency is called DAO (decentralized autonomous organization).

1.2 Economic benefits of sports events

The development history of sports events has been very long. In ancient Egypt early in three thousand years BC, there were the earliest sports events of humans which were organized as shows in worship ceremonies. As to 1896, the first term Olympic was held in Athens of Greece, symbolizing the formation of the largest comprehensive sports event of humans. Since then, sports events have stepped into the fast-growing period, making sports an important part of people's life in society.

Today, sports events have bene far beyond its inherent scope. Currently, commercial development depending on sports events is growing vigorously. Economic benefits from sports rebroadcast

and court advertisements have been very huge. As can be said, sports events have become a key carrier of commercial operation and economic benefit creation in the market economic system.

1.3 What is DAOClub doing?

DAOClub is established on the advanced Ethereum block chain. Ethereum is the most advanced dispersed block chain system at present. It provides fast transaction confirmation as well as its own programming language solidity to compile smart contracts.

The ecological system of DAOClub is composed by four core businesses, namely, decentralized event forecasting network, DCTC (DAOClub equity trade center), team appreciation fund and DAOClub community.

A democratic and autonomous organization and economic ecological circle will be established specific to sports events by DAOClub, and sports events will be shifted to the economic model of digital asset, which will be very interesting. Token property can be endowed to some team or athlete of any event. Investing teams by using the token of DAOClub will be possible. Of course, all that is operated in the democratic framework.

2 Economic driving model of digital asset

2.1 Four ecological systems

1. Decentralized event forecasting network takes smart contracts as the basis, providing event forecast for users in a fair and democratic way. The process is open and explicit, and the risk of centralized fraud can thoroughly be eliminated.

2. DCTC (DAOClub Equity Trade Center) is a trade network that takes players' ability value as the core and allows users to feel free to trade players' value stocks. Players' value stocks are produced via the democratic voting in DAO community. Voters in the community can vote according to players' ability value. Finally, the listing of players' value stocks will be determined by the executive board.

3. Team appreciation fund can provide sufficient fund pool for event forecasting network. Investors will get the quarterly fund dividend.

4. DAOClub community is the consensus platform of the whole community for voting, proposal, election and event forecast. To ensure sustainable development of the ecology, the community

development fund will be set by DAOClub to encourage participants to maintain and promote the community ecology jointly. These participants who have made contributions to the community will have more chances to be elected to the executive board or elected commons.

2.2 Participants' earnings

You can play one or more roles in the community to make profits of your own.

Community fans:

DAOClub community development fund enables more sports fans to be involved in by adopting the registration promotion award and contribution force, so as to create an ecological environment with sustainable development for the community.

Experts:

If you are an expert of some sports event, you can provide forecast analysis for the event, make payment-based or free plans and share feelings in the community, so as to make profits for yourself and allow fans to gain benefits at the same time.

Fans:

During various exciting sports matches, you can drink bear and invest the team you like or the player you admire with DAOClub

Token at home. For instance, if you expect the result of the match, you may use DAOClub Token in the match forecasting network to lock your expectation and make the match more brilliant.

Investors:

If you are an investor with unique sight, the fortune of DAOClub will be waiting for you to excavate.

2.3 Token mechanism

DAOClub is operated on reliable Ethereum network. The token name is DCB and it's created on the basis of ERC-20 standard, which means it has integrated all services driven by the community and meeting standards (block browser, website wallet, phone wallet). The total quantity of DCB is 1 billion without additional issuance. DCB is used for the circulation and trade within the community. DAOClub can be used for trade directly after it is online. DCB can be used for the following scenes:

1. Lock the match forecast in DAOClub forecasting network;

2. Trade players' value stock in DCTC (DAOClub Equity Trade Center);

3. Lock a certain amount of DCB for election, voting and proposal;

4. Lock investment for team appreciation fund.

2.4 Profit feasibility

In 2014, the income of global sports lottery industry was over 450 billion U.S. dollars. It is supposed that the number is expected to reach 525 billion U.S. dollars in 2019. In addition to the decentralized forecasting network, DAOClub also includes the issuance of team appreciation fund and players' value stock which is driven democratically and determined by the whole DAOClub community rather than just one person or one team. DAOClub will be an open community based on democracy and win-win solution.

3 DAOClub technical system

3.1 DAO solution

3.1.1 Trust degree

Trust degree refers to the ratio of the period sum of all locked tokens and the existing tokens. The longer lock time of tokens is, the higher the trust degree will be. Trust degree is a stable or slowly changing process.

The calculation formula of trust degree is shown below:

DoT = SUM(NLi*LTi) / N

DoT   Trust degree

NLi   Locked token quantity of the batch

LTi The rest lock period of the batch of tokens

N   All available tokens

3.1.2 Voting mechanism

Technically, voting mechanism is a smart contract which contains explicit rules and conditions to execute one action or grant some permission or privilege. In practice, these votes represent election or proposal in the contract.

The purpose of election is to reach the consensus about which addresses to be granted with high DAO trust level (TLS), including the privilege of the pre-defined time period. These trust levels are explicit, and the same trust level can be allocated to the same address. The purpose of proposal voting is to create the consensus about developing community issues, such as the community, fund and equity.

The smart contract of election will be sent from the creator's address first and then define the trust level as a repeated election process until it is canceled.

The proposal will be sent according to other addresses with appropriate DAO trust level and relevant rights.

Voting to a candidate in the election or proposal will be conducted via digital wallet. The vote can be changed till the final voting day and the result will be calculated after the registration of all votes.

After the vote, if your candidate is elected, you will get a 5% Award for the number of lock-in tokens.

3.1.3 Voting quorum and time

To make the vote effective, the vote from the minimum legal address that possesses at least 20% available labels has to be submitted. There's no need to make all tokens locked and the arbitration is calculated in a state independent from tokens.

All voting has to be last at least 14 days, so that all token owners can submit the vote.

3.1.4 Right to elect and right to be elected

Every address is entitled to vote and a certain amount of tokens have to be locked.

Every address is entitled to be elected to get the trust level and relevant rights.

The weight of each vote will be assigned to be in proportion to

the locked token quantity. In other words, to get the voting right, the host of an address has to lock some of his tokens. The same number of tokens can be used for voting for many times. The voting right can also be obtained via fund donation, through which, each address will have the voting right and get double votes compared to that of regular locks.

There are some restrictions about the election right, which cannot be executed compulsorily by technique. The trust level has to be distributed to several persons to avoid power concentration.

3.1.5 Election

Election is carried out every half a year. During the preparation, all candidates can run for the election. They may choose disclosing their own credit identity or keep anonymous by showing their public address only. The candidate can also express their loyalty to the community and lock some of their tokens. The election name list of all candidates will be collected and locked a month before the election day (31 days). All address hosts can vote to one or more candidates and provide equal support for them.

3.1.6 Trust level

1. Executive board (EB) is the trust level that enjoys the supreme power and privilege. It is an entity composed by five addresses winning in the election. Some of their identities are disclosed and there are regular EB meetings. They can create new voting and execute some smart contracts.

2. Elected commons (EC) is an entity composed by 30 addresses winning in the election which are entitled to elect EB and prepare the proposal related vote and task to development fund.

3. Hosts of all addresses are voters who have the right to vote.

3.1.7 Identity disclosure

Candidates of EB have to disclose their identities to make sure the five addresses belong to different persons. Members who have been elected do not have to disclose their identities, but we encourage each candidate to trust and support the forum by posting on the forum, providing innovative and feasible suggestions or promoting tokens in encryption meetings.

Task

The authorized period of EB and EC is 6 months. The election process starts automatically along with announcement of the election procedure a month before expiration.

Power of the trust level

Meetings are organized by EB regularly, the conclusion of which is open and published on media. Resolutions will be approved when there are at least 3 affirmative votes among 5. The main task of EB is to create proposals and trigger the voting process. It also manages the community development fund and contacts the public and media on behalf of DAOClub. It is expected EB members will take an active part in the development process as product owners and make developers have clear awareness of development priorities.

EC is the think tank of our community. It comes up with new ideas, prepare proposals and drafts, promote marketing campaigns and review and test new applications. A counselor and a gentle EC member for activity guidance will be appointed every 14 days by them. Furthermore, they are in charge of the technical development fund.

3.1.8 Fund management

Tokens of the community development fund, technical development fund and DAO foundation are locked forever. Only those from the DAOClub smart contract can be used as fund.

DAO foundation is under the charge of EB. Each deal has to be approved by EC proposals as well as at least 3 EB members. The purpose of expenditure is at their discretion, but the expenditure cause and nature has to be explained in the regular report.

The technical development fund is at the full authority of representatives of the development team who are at discretion. The fund can only be used for development and awards. Functions and applications under development will be uncovered in frequent reports by the development team.

The community development fund is at the full authority of EC produced via election. Voting for deals and awards will be in batches and released once in a month.

3.2 Forecasting network solution

The sports event forecasting market is developing increasingly vigorously. As the decentralization technology of block chain becomes gradually mature, the Ethereum-based block chain network is increasingly showing its advantage of decentralization. However, in the environment with insufficient supervision over centralized forecasting market, phenomena like snatching users' interest by means of centralized frauds like block case work are very common.

DAOClub will open the source of the smart contract code of forecasting network before it is officially online. The team appreciation fund will be set up based on the democratic supervision system. Thus, the forecast income and expense of all events will be open along with explicit fund flow, thereby ensuring the steady growth of the interest of fund investors.

3.3 Decentralized equity trade center solution

3.3.1 Players' value stock listing process

1. Players' stocks are voted by voters;

2. Review by EC will start at the end of the voting period;

3. High-quality players' stocks will be selected by EC and the original stock quantity will be evaluated and submitted to EB;

4. Via the consensus of EB members, the original stock quantity will be generated by the smart contract.

3.3.2 Technical solution

The Ethereum-based decentralized equity trade function has its inherent characteristics like block chain tampering prevention, trust prevention and review accessibility. The technical structure can be divided into the application level, the contract level and the duration level. Among them, the application level includes

DAOClub web client and APP client. The smart contract code of the contract level will open source before the project is online, thus ensuring the open running of the trade center.

3.4 Smart contract level

Smart contract belongs to the code part. It can be saved in the Ethereum block chain. Smart contract can be used to store values, conditions, complicated logics and even distribution systems. Each smart contract is equipped with certain rules, and one or more addresses are used to trigger functions or processes like trades, voting and election.

3.5 Support level

The support level includes the community website, APP (integrated with trades, match forecast, community voting and wallet).

4 Organizational structure

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                    │  directors  │
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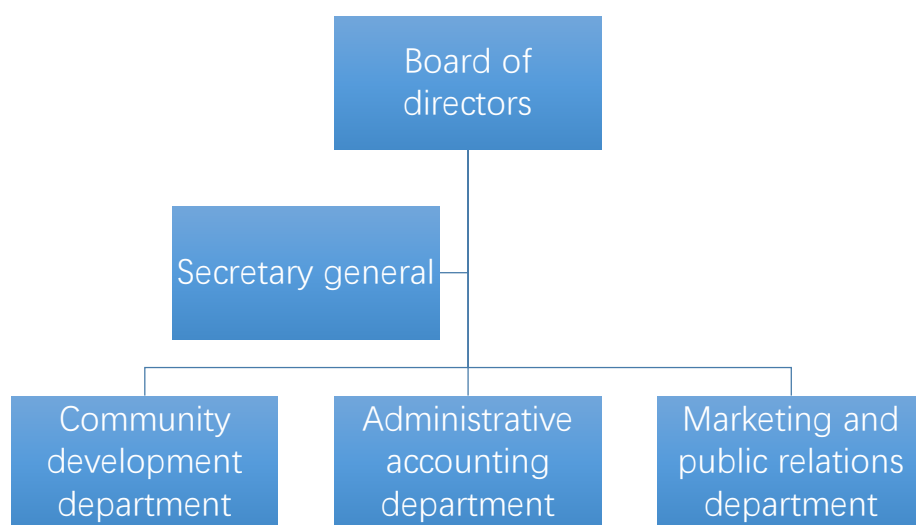
5 Token allocation scheme

1. Total amount of tokens: 1 billion

2. DAOClub token name: DCB

3. Fundraising hard-top 10 million U.S. dollars

4. Reference prices of fundraising

Private placement 1eth=30000 DCB

Public sales 1eth=26000 DCB

5. DCB allocation scheme is shown below:

(1) Angel round cognition chips of 8% (Lock for 6

months)(80,000,000): targeting early investors and strategic partners

(2) Private placement & public cognition chips 35% (350,000,000): targeting early investors, participants, community promoters and commercial customers of the community

The first round of private fundraising: recognizing 15% (150,000,000)

The second round of public fundraising: recognizing 20% (200,000,000)

(3) 15% technological development fund (Lock) (150,000,000), or the technological development fund, is used to reward developers for project development. The technical team award is released by smart contracts and the release of fund developed by the project should be approved by vote of the elected commons as well as the execution authority.

(4) 20% community development fund (Lock) (200,000,000) and the community promotion fund are used for social promotion award, which are released by smart contracts.
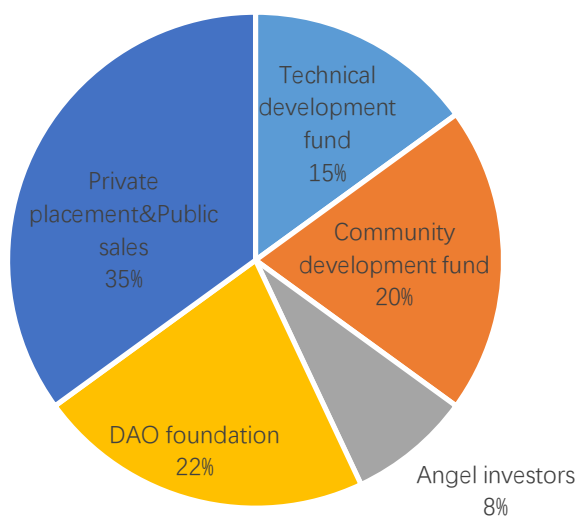
Public sales stage: sending the invitation code to friends and then you can get 5% (of the total investment amount) as the reward.

Public sales end stage: 2% of the currency and lock amount of
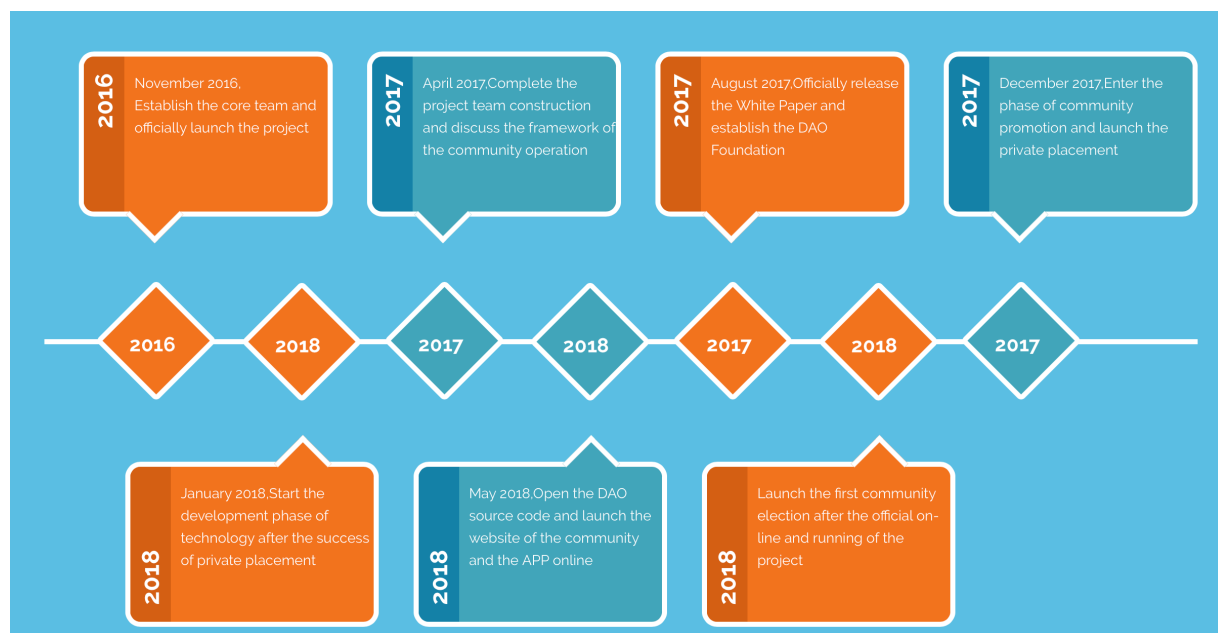
users obtained monthly.

(5) 22% DAO foundation (Lock) (220,000,000): DAO foundation is used to execute remuneration issuance for the execution board and the elected common 6 month after the service expiration. The rest fund purposes need to be approved by the elected common via proposal.

DCB allocation scheme

6 Development plan

DAOCLUB

2016
November 2016, Establish the core team and officially launch the project

2017
April 2017,Complete the project team construction and discuss the framework of the community operation

2017
August 2017,Officially release the White Paper and establish the DAO Foundation

2017
December 2017,Enter the phase of community promotion and launch the private placement

2016   2018   2017   2018   2017   2018   2017

2018
January 2018,Start the development phase of technology after the success of private placement

2018
May 2018,Open the DAO source code and launch the website of the community and the APP online

2018
Launch the first community election after the official on-line and running of the project

7 Team members

Bodrum Salvador Co-founder,CEO
Bodrum has been working as a sales and marketing leader in the data center and cloud service industry for over 18 years. Exodus Communications is a pioneer of the data center industry. Over the four years under his leadership, the company income has grown from 50 million U.S. dollars to 800 million U.S. dollars. Bodrum has obtained the MBA degree of University of California Berkeley and Columbia University.

John A. Co-founder
Smart contract architect, blockchain evangelist. 6 years in IT industry.Chief business development Mind-devHolds Masters degree in Computer science from Belarus State University

Gilbert K. Marketing Director
Marketed semiconductor technologies for NXP, ARM and RS Components in Asia-Pacific and global, Business Consultant for Johnson & Johnson. Graduate of the Manchester Business School (MBA).

The L. Blockchain Architect
He's a programmer proficient in multiple languages. He's a pioneer of the italki.com and ChinesePod.com solution developed by Alibaba as well as openlanguage.com and block chain. He's also the founder of the project about block chain power supply connection community gogo.tattoo. He has obtained the master's degree of computer in Harbin Engineering University and State Marine Technical University of St. Petersburg. He's fluent in Chinese and Esperanto.

Juliette Community Manager
worked as a social media management in Facebook, with experience in SEO copywriting and social media management. A record company and the founder of an e - commerce store.

Daugherty Project Manager
Former Marketing Executive at two technology startups, Portus and Aerifai. Completed an overseas program in Entrepreneurial Innovation at Nanyang Technological University in Singapore.

8 Risk warning and disclaimer

DCB tokens are not open to everyone. A series of steps need to be

completed and specific information should be provided for participation. Citizens of the People's Republic of China, United States of America and Singapore cannot participate in the token issuance this time.

DCB tokens have no intention of being part of securities in any jurisdiction area or any other controlled products. This white paper is not considered a prospectus or any form of offer document, nor does it have an intention to be an offer or solicit of securities in any jurisdiction area or any other controlled products.

There's no guarantee or commitment of any form for the DCB token issuance. Before contribution, please make sure you've fully understood the meaning of such contribution behavior and have reviewed regulations and relevant risks about the contribution agreement carefully.

Obtaining DCB tokens is taken as a donation act which cannot be refunded, canceled or compensated.

This white paper has not been reviewed by regulatory agencies of any jurisdiction area. It does not constitute any investment suggestion and it should not be taken as the basis for any contract or purchase decision.

We expect DAOClub to succeed but we cannot be sure about it, plus the high risk of digital asset investment, please be sure to evaluate risks and your risk tolerance.