

## **ABSTRACT**

DAOs are decentralized entities of operation. By Decentralized, it means an organization or network that relies on an undefined number of operators/holders without a singular central governing authority to operate instead overall governance authority relies on the consensus of all collective holders/operators. These holders/operators must leverage their voting rights or equipment to have a say (vote) in the process of how the organization operates and functions. Therefore, anyone with a stake (tokens, equipment etc) in it has a right to vote using this vested interest.

OsmiumDAO however is a decentralized investment unit with a common goal of creating value to members/participants within its DAO ecosystem.

This whitepaper is a reader friendly description of the OsmiumDAO ecosystem which is built on the Cardano ecosystem.

## **ABOUT CARDANO AND WHY WE CHOSE CARDANO**

Cardano is a 3rd generation new age sustainable, globally distributed innovative Blockchain built on the belief that technology should ignite positive changes to empower many in the world. It uses a ground breaking Ouroboros proof-of-stake consensus protocol developed in Haskell which has enabled Cardano to pursue evidence based scientific development for unparalleled security and stability. Cardano however envisages how to interact, transact, create and ultimately operate as a global society which is why it is a suitable Blockchain for building OsmiumDAO.

## **THE OSMIUMDAO ECOSYSTEM**

Web3.0 and Cryptocurrency is maturing fast, users are beginning to witness a flood of traditional and retail investors into the crypto space. Crypto startups have plenty of equity and more centralized institutional investors are coming to view them as viable investment vehicles which from past statistics, has been true and mostly enriching them at the detriment of the decentralized crypto community. A pool of investors known as Venture Capital (VC), wishing to make a considerable amount of money quickly, are inherent to most startup projects. However most of these institutional investors enrich themselves at the detriment of the small everyday retail crypto users leaving most small investors with almost worthless bags of cryptos.

The OsmiumDAO ecosystem will be an entirely community owned project with the aim of providing a suite of values to its members otherwise known as DAO participants. OsmiumDAO will be a community driven investment unit where all members/participants decide and vote on certain investment opportunities of which upon consensus, such investments will be taken upon with treasury funds (otherwise known as DAO funds) and all proceeds from such investments, will be used for further development of the DAO as well as incentivizing its members.

This will be governed and managed by people around the world who hold the OsmiumDAO native token (\$OSM) and the community membership card (NFT) through a democratic on-chain system of governance. The project will leverage already existing open source DAO tools to implement all its governance structure which include public multi sig wallet to manage community funds, multi sig wallet to hold and manage \$OSM token emission, decentralized on chain voting and implementation mechanism and other DAO specific management elements. The OsmiumDAO community will form the basis for short, medium, and long term investment strategy. It will initially commence as an investment unit on Cardano and eventually extend to all other blockchains as suggested by the community. Presumably, OsmiumDAO will control a multi-sig wallet on different blockchains, centralized exchanges and other market options decided by the pioneers. Proceeds from all such investments will be used to further develop the DAO and or reward participants through \$OSM tokens buyback, governance reward, airdrops, incentivized community events etc. all of which will be decided by pioneers.

Investment options includes but not limited to:

- A) Preseed and seed sales, IDO, ICO, IEO, ISPO.
- B) Long term token holding.
- C) DEFI staking, yield and participation in liquidation markets (CDP protocols).
- D) Stocks.
- E) NFTs.
- F) Running blockchain validator nodes
- G) Arbitrage (among others)
- I) Product development

All investment options and decisions will be vetted and handled by pioneers through a sound distributed governance mechanism.

Lastly, OsmiumDAO will be a blockchain education and knowledge sharing hub for new entrants to cryptocurrency, help new traders understand the crypto market and how to manage risks and maximize returns,

## **OSMIUMDAO FORMATION**

It is true that a healthy DAO has all its members working in the same direction under an agreed operational structure that suits the purpose of the DAO as well as its participants. As such, it is prudent to structure our DAO in accordance with incentives and also ensure that there is a self correcting equilibrium of power checking between each structured branch such that at all times a balance is maintained.

OsmiumDAO will be formed based on three structured branches that represent various segments/sections of the entire interest of the DAO.

- The Board.

- The Investment Committee.
- The NFT Holders with a minimum required \$OSM token amount.

OsmiumDAO will use the concept of meta governance (the governance of governance or organization of self organization) where each branch functions to check and restructure other branches.

### **THE BOARD**

Its purpose is to represent the interest of the Pioneers, maintain and implement changes in the products that it governs. The board is responsible for coordinating all DAO activities (workgroups, fundraising, community management. etc.). and implementing the outcome of the community votes with the exception of investment decisions of the treasury. They are also responsible for proposing members to pioneers for final consideration into the role of the DAOs Investment Committee (IC) membership.

### **THE INVESTMENT COMMITTEE**

The Investment Committee is characterized as the treasury of OsmiumDAO. It is tasked with managing and growing the treasury. Furthermore, it is the default manager of custodial accounts. The IC is responsible solely for accounting and management of the treasury as various initiatives within the DAO will require dynamic funding. IC members are responsible for proposing new investment ideas for the treasury. The Investment Committee is responsible for advising the DAO on investments, managing, marking the market, risk analysis, etc of any proposed investment idea..

The end goal should be to create a risk managed, community owned treasury for everyone. A treasury that is self-sustaining, can pay a certain percentage to pioneers and last forever. The overall goal is to manage an endowment or foundation. Have a hurdle rate that is constant (maybe grows with inflation).

### **THE NFT-HOLDERS (PIONEERS)**

The Pioneers have 2 roles,

- a) To vote for and remove Board Members.
- b) To propose investment ideas for the Investment Committee.

Pioneers are OsmiumShare NFT Holders who also own a minimum amount of OSM tokens required to vote. Since OSM tokens will be released to NFT holders over a set schedule, the amount of required OSM tokens will start low and increase over time as more tokens are made available (The float increases).

1NFT + Minimum OSM tokens = 1 vote.

There is a quorum needed. This quorum adapts as more NFT holders vote (higher % of NFT holders need to vote to approve a Board Member). Removal of Board Members is based on a simple majority as long as the quorum is met.

The three branches above will be composed and made up initially by the following group of individuals from among the community.

**CO-FOUNDERS:** The co-founders will form the core bootstrapping layer of OsmiumDAO (At first will be chosen through consultation in the ecosystem. The co-founders will constitute a group of 29 members who equally and entirely agree with the idea, principles and vision of OsmiumDAO. This set of individuals together with other pioneers (sharing equal rights over the project) will elect, based on competence and commitment, pioneers to form the three branches of the OsmiumDAO governance structure. The elected pioneers will moderate the DAO for a period of 1 year after which they will be reviewed for possible adjustment by pioneers and then subsequent DAO moderators cohorts will be reviewed at an interval decided by the pioneers and consideration for the role will only be open for individuals who have demonstrated and shown notable initiative/contribution to the overall development of the DAO.

The co-founders will be tied by an obligation and responsibility of contributing not less than 300 ADA each which will be used as initial liquidity for \$OSM tokens and also uphold further activities and ownership of the project pending when more members join the DAO.

**PIONEERS:** The pioneers will be the next and most important layer of OsmiumDAO. The pioneers however, exercise the same right as the founders and cofounders when it comes to ownership and decision making. Pioneers are the entire community (founders and co-founders inclusive) that form the OsmiumDAO project. A person will be considered a pioneer by holding the OsmiumDAO NFT and at least 1 \$OSM token initially (This amount will increase over time). In a nutshell, a founder, co-founder is also a pioneer but a pioneer is not a founder and or co-founder but can be elected into any of the three governance branches.

It is highly recommended that members saddled with the responsibility of community wallet/treasury custodians (Investment Committee) and DAO moderators (Board) must demonstrate a high level of integrity, transparency, trust and whose real life identity is known by the court (pioneers).

## **OSMIUMDAO WORKGROUPS**

Work groups will be the mechanisms via which pioneers can more actively participate in the maintenance, protection and ultimately, growth of OsmiumDAO in return for additional rewards. Each working group will be a small group of pioneers, focused on a specific area that the DAO requires. For example Education, Legal, Marketing, Technical and product development etc. Pioneers are welcome to participate in these workgroups. They are also able to just hold their NFTs and earn the rewards that come from simply owning part of the DAO and voting on proposals that define the direction of the DAO and the treasury.

These workgroups will exist as part of the DAO's governance branches to form various teams within the DAO. As a DAO, we understand how critical and important teamwork is regardless of the aims of the DAO. We are an investment DAO and we believe investment opportunities

sprout from different sectors and through different skills and strengths. We want to harmonize and foster those skills and strengths from amongst us and through the working groups for disruptive growth and innovation. Find out about workgroup rewards in [workgroup rewards](#).

## FUNDRAISING

OsmiumDAO will entirely bootstrap by the community and for the community. The project will form a genesis foundation through Twitter and Discord. Initial \$OSM liquidity will be provided by co-founders (Completed). However, when the most basic layer is formed and full ownership is transferred to community co-founders, the following fundraising options will trigger.

**A) NFTs:** Non Fungible Tokens are going to play a crucial role in the OsmiumDAO ecosystem. Holding these NFTs will provide access to rewards and incentives beyond the simple utility of governance rights. This includes \$OSM token distribution, governance, community pass, access to events, educational contents and others as determined by the community. The DAOs treasury will be seeded through the NFT sales. OsmiumDAO will feature two series of NFT collections namely OsmiumShare and OSPioneer.

**OSMIUMSHARE:** The OsmiumShare is a collection of 10,000 unique art collectibles on the Cardano blockchain. The OsmiumShare NFT will be auctioned in two stages (1000 as OG collections and the remaining 9000 for public). OsmiumShare will virtually represent a share of a portion of the \$OSM tokens. Holders of this NFT will be eligible for a per Epoch OSM token claim for 8 years (find more details in tokenomics), OsmiumShare NFT will serve as membership cards/pass for the ecosystem, governance and further relevance as decided by the community. In a more generic outlook, OsmiumShare NFT holders are the owners of the DAO and will play an important role in the entirety of the project.

- a) **OG OSMIUMSHARE NFTs:** 1000 units of the OsmiumShare NFTs will be auctioned at 103 ADA as OG collection. This collection will contain the 29 unique 1:1 co-founders NFTs and will be minted in four phases of 250 NFTs during each phase. The OG NFTs have higher perks compared to the non-OG NFTs. 21 units of the OG collection will be reserved in treasury for future giveaways / community events.



# Osmium DAO OG Mint Phases

Total Phases: 4

NFT Type	Rarity	Mint Qty Phase 1	Mint Qty Phase 2	Mint Qty Phase 3	Mint Qty Phase 4
Osmium	Legendary	1	1	1	1
Gold	Rare	2	2	2	2
Silver	Rare	2	2	2	2
Pink Diamond	Rare	4	4	4	4
Black Opal	Uncommon	4	4	4	4
Platinum	Uncommon	4	4	4	4
Ruby	Uncommon	4	4	4	4
Other	Common	202	231	231	231
Total:		221	250	250	250

b) **NON-OG OSMIUMSHARE NFTs:** The remaining 9000 units of the Osmiumshare NFTs will be auctioned at a later date after all four auction phases of the OG NFTs. This set of NFTs will also be released in phases that suit the growth of the DAO and as decided by the pioneers. It will also be auctioned at an amount decided by the pioneers. 500 units of the Non-OG Collection will be reserved for partnerships.

**OSPIONEER:** The OSPioneer will be an unlimited supply collection. This will also serve as a membership pass to the ecosystem. Any individual who wants to have access to the DAOs exclusive information and educational contents such as smart passive investment options in DEFI, learn risk management strategy and its benefits, liquidity mining, portfolio management and diversification, understand market dynamics from different viewpoints, participate in OsmiumDAO governance discussion and any other crypto educational content, must possess the OSPioneer NFT. This collection will be auctioned at a uniform rate of 10ADA.

**NOTE:** Co-founders will take as reward, a one time 3% of the funds realized from all NFT sales at a certain time period.

**B) RANDOM \$OSM TOKEN PULLS:** This event is scheduled to commence sometimes in the first year of project launch where pioneers will be able to acquire \$OSM tokens through random pulls until the yearly allocated amount of tokens runs out. By sending a certain amount of ADA (to be decided by pioneers in accordance to \$OSM token price and ADA price at the time of the event), you will get a randomly predetermined amount of OSM tokens. For this round

of distribution, only pioneers will be eligible to participate and will run for a certain period of time (as decided by pioneers). Any token remaining from this round of distribution will be moved to the treasury which will then be used as rewards for DAO activities participation.

The above models are the initial fundraising ideas not forfeiting the fact that the DAO will also accept grants and donations from community members, partner projects and or external entities. All funds in the above mentioned round of fundraising will be deposited into the community treasury wallet except for the expenses incurred during NFT production process (payment for artist, minting fee etc) which will be fairly communicated to the community. It is from the funds realized from this round of fundraising that the project website will be developed.

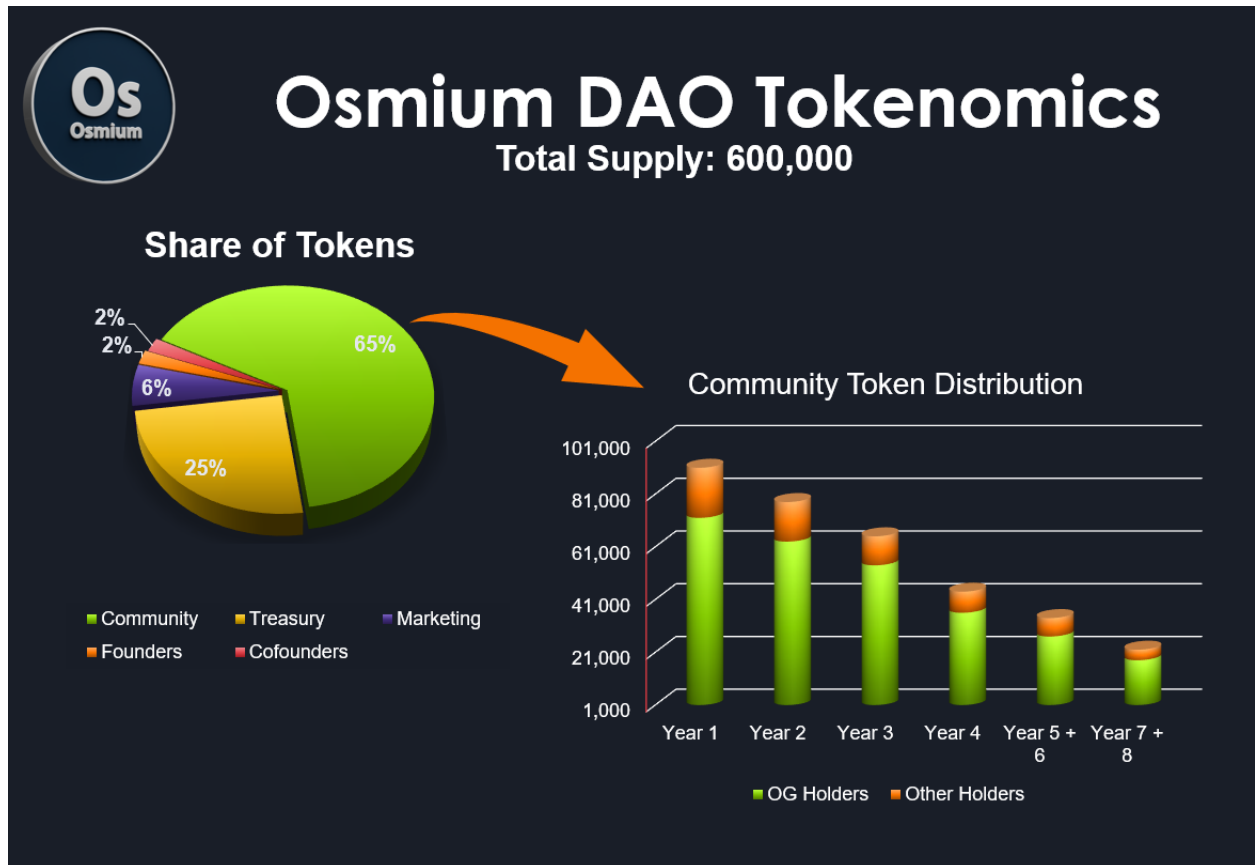
However, After the first round of fundraising (OG NFT auction phase1), the DAO is expected to have a minimum value in its treasury which can be used to kick start some investments, and or any initiative that the community decides on. The treasury wallet will also receive 20% of all NFT secondary market trading royalties and all OSPioneer NFT sales revenue.

**NOTE:** Co-founders will take as reward, a one time 10% of all funds realized during the random token pull period every year for 8 yrs.

### **THE OSMIUMDAO (\$OSM) TOKEN**

The OsmiumDAO native token \$OSM will serve as a residual claim on the treasury. The treasury is essentially owned by OSM tokens. If the community decides to make distributions from the treasury, they will be made to NFT holders pro-rata to OSM tokens held. The investment committee may also choose to propose a buyback (through open market operations) tokens and may also propose to sell some of the treasury owned tokens to raise additional capital. The OSM tokens will also be used for governance of the DAO (voting) alongside the OsmiumShare NFTs. The total supply of \$OSM will be 600k. The entire supply of \$OSM will be distributed to DAO members/pioneers over the course of eight years and through a fair distribution model.

## TOKENOMICS



TOTAL SUPPLY 600,000

Founders 2%

Co-founders 2%

Treasury 25%

Marketing 6%

Community 65%

### TOKENOMICS BREAKDOWN.

**FOUNDERS:** The 2% allocation for founders will be held/vested in the community wallet for a period of 6 months after which 100% of it will be released to the founders..

**CO-FOUNDERS:** The same schedule as the founders.



**TREASURY:** The treasury funds/tokens will be held in the community multi sig wallet. All other community tokens, income from investments, NFT sales, grants and donations will be deposited into the treasury wallet with at least seven community chosen signatories. 20% of all OsmiumShare NFT secondary trading royalties will be deposited into the treasury wallet and should any transaction occur in the treasury wallet, it must be approved by pioneers. Funds/Tokens from treasury will also be used to pay for maintenance services of the project, future hires, rewarding community workgroups, DAO custodians and moderators etc.

**MARKETING:** Pioneers will decide if to create a separate wallet with different community members as signatories or have all allocations kept in the treasury wallet. These tokens will be used for DAO marketing and outreach activities.

**COMMUNITY:** The community allocation holds the highest share of the supply (390k \$OSM) whose emission is scheduled to span a period of eight years and each year has a unique emission schedule.

This is further broken down below:.

**A) OsmiumShare NFT holders.....97.5% of community allocation**

**B) Community fair distribution through random pulls of predetermined lots by sending a certain amount of ADA (as determined by pioneers but subject to \$OSM value and ADA value).....2.5% of community allocation**

Therefore, 100% of community token allocation will be distributed in the above percentage with an annual emission rate as thus:

Community Token Distribution By Year	NFTs	OG OSMIUMS HARE NFT HOLDERS	Other OsmiumShare NFTs	Per 1 OG NFT	Per 1 other NFT	Random Pulls
0-1	95,062K	19,012K	76,050K	19	8	2,438
1-2	76,050K	15,210K	60,840K	15	7	1,950
2-3	57,038K	11,408K	45,630K	11	5	1,463
3-4	38,025K	7,605K	30,420K	8	3	975
4-5	38,025K	7,605K	30,420K	8	3	975
5-6	38,025K	7,605K	30,420K	8	3	975

6-7	19,013K	3,803K	15,210K	4	2	488
7-8	19,013K	3,803K	15,210K	4	2	488
<b>TOTAL</b>	<b>380,250k</b>	<b>76,050</b>	<b>304,200</b>	<b>76</b>	<b>34</b>	<b>9,750</b>

The OSM token is decentralized, unbiased, ADA backed cryptocurrency which can be held in cryptocurrency wallets or within DEFI platforms/protocols and is supported initially on Cardano but will eventually be supported on other blockchains. \$OSM can be obtained by buying from exchanges or by receiving it as a means of payment. Once bought or received, OSM can be used in the same manner as any other cryptocurrency (can be sent to others and used as a means of exchange for work). Pioneers are saddled with the responsibility of creating an avenue for \$OSM holders to hold their token as savings while earning passive income through some already established DEFI vaults.

As a claim on the treasury. If the pioneers ever decide to dissolve the treasury, all treasury funds will be distributed to OsmiumShare NFT holders pro-rata to how many OSM tokens held. With an extremely low supply, supportive community, slow and decentralized emission rate and periodic secondary market buyback, \$OSM tokens are expected to keep their value without significant depreciation overtime. The DAO is designed to ensure that external funds are always sought for through numerous ways which in the long term, will hedge the overall value of OSM.

As DEFI grows stronger on Cardano, OSM token will be accepted in various decentralized finance protocols and will/can eventually be used to settle debts within such protocols. OSM tokens will be established to be used to borrow other cryptocurrencies.

**THE OSM BUYBACK AND DISTRIBUTE PROGRAM**

The buyback or repurchase program is considered an all encompassing way of distributing value to all pioneers, OSM token holders as well as our goal of boosting the value and stability of the token regardless of the market condition. This program however embodies our aspiration to accelerate the growth of our entire ecosystem through sustainable business practices. A certain percentage of all profits from all DAO investments held in treasury will be allocated for this event. At first, the buyback program will be conducted annually but as the ecosystem grows, the pioneers can adjust the timing.

The repurchase event will be implemented in utmost transparency and with full consent of the pioneers. A proposal with clear, concise and well thought parameters that indicate the overall best interest of the DAO shall be passed. Such a proposal will be written by the Investment Committee and approved by the community.

All tokens repurchased will undergo the following:

- **Vesting:** The repurchased tokens will be placed into a vesting wallet/treasury for a period of 3 - 6 months after which it can be used for reinvestment, payment or rewards for DAO participants.
- **Reinvestment/Secondary Fund Raises:** After the vesting period, the unvested repurchased tokens may be reinvested into the community as governance rewards, DAO hires, incentivized community events, DAO moderators/treasury custodian rewards and or added to the treasury for further community investments.