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1. Introduction

Decentralized Autonomous Organizations ("DAOs") are a key innovation in blockchain technology. They are organizations that function based on smart contracts and algorithms, allowing them to operate autonomously and make decisions without the need for centralized management or mediation.

In recent years, decentralized project management technology has attracted increasing attention from the cryptocurrency community and blockchain enthusiasts. It has the potential to change the paradigm of traditional organizations by enabling collective management and decision-making in a transparent, secure and efficient manner.

We strive to remove some of the limitations and challenges faced by traditional financial systems by giving users full control over their financial assets and participating in decision-making processes.

Decimal, uses DAO to create a decentralized governance structure that provides a level playing field for all participants and promotes fair decision-making. As well as eliminating dependence on intermediate institutions, reducing costs and increasing the efficiency of system development by providing transparency and security using blockchain technology.

In this document, we will take an in-depth look at how DAO Decimal functions, the main features, the system architecture, and the benefits it offers to its members. We will also look at important security aspects and the measures taken to ensure the protection of users and their assets.

Prescription

This document is preliminary and is not the final version. It is subject to revisions and updates. We will work on further improvements and additions to ensure the most complete and accurate information for all project participants.

Please keep in mind that the document may be changed in the future due to project development and changes in external conditions. We will try to ensure that all participants are as transparent and informed as possible about any changes and updates to the document.

Thank you for your understanding and interest in our project!

2. Decentralized development

Decimal DAO is an important tool for creating a decentralized network in Web3 and the ownership structure, including the modules and contracts underlying the project. The DAO must be managed according to basic principles to ensure the efficiency and long-term sustainability of the project.

Decentralization. The organization must ensure an even distribution of power and control, eliminating the presence of a central governing body.

Autonomy. The organization must be able to make its own decisions and perform actions without external interference from centralized structures.

Transparency. The organization must ensure openness of its work and allow participants to track all transactions and operations within the system.

Voting management. The organization should have tools for voting and decision-making, allowing participants to influence various aspects of its activities.

Separation of rights and responsibilities. DAO must have clearly defined rights and responsibilities for each participant, as well as mechanisms to protect and ensure the safety of participants.

Self-management. The DAO must strive for self-governance and self-regulation, including through the application of market governance mechanisms and collective decision-making mechanisms.

Ecosystem development. DAO members can propose ideas, participate in the development of new features and modules, ensuring the continuous improvement of the platform, which contributes to a more sustainable and efficient development of the project.

From the very beginning of the project we were moving towards the creation of DAO, as it is an ideal method of management. Since the centralized management system, in which a small number of people make decisions, has biological limitations, everyone has a different range of interests and life experiences, which limits the choice of moves in the development of the project.

The main advantages of decentralized management include access to a wide range of information, ideas, and opinions, which facilitates the pooling of participants' knowledge and experience. This, in turn, allows for more informed decision-making and optimal strategy selection.

Reducing the influence of individual participants on voting and decision-making is another important aspect. This reduces the risk of manipulation and promotes a fairer and more equitable environment.

Legitimacy and support for decisions made is enhanced by the participation of a large number of people, which promotes active involvement and support at various stages of the project.

Using the efforts of a critical mass of minds aimed at solving common problems, we will be able to maximize the capabilities of the project. At the moment we are at the final stage of the transition to decentralized management.

Nevertheless, it is worth noting that the existing Decimal pte ltd will continue to perform certain functions, such as ensuring compliance with KYC requirements and listings. This is due to the need to comply with certain regulatory requirements, which are not always compatible with full decentralization.

Decimal pte ltd will maintain interaction with the outside world and ensure compliance with regulatory requirements, as well as the company is in the final stage of obtaining a license and is preparing for the release of algorithmic stablecoin. This will be the basis for decentralized development, guaranteeing a stable unit of account and sustainability of financial transactions.

In this way, Decimal DAO will be able to focus on the main goals of the project: developing and improving the platform for the benefit of all participants and opening up new opportunities in the DeFi sphere.

3. DAO Decimal structure

DAO Decimal is a complex organization based on a hierarchical structure that ensures the effective functioning and management of the project.

In this section, we will look at the main components and elements of the DAO Decimal structure, which allow its participants to make decisions and interact within the platform.

3.1 Internal Components:

- **The Main Governance DAO** is the top level of the structure which is the main decision making and project management body. The Main Governance DAO defines strategy, develops policies and regulations, and makes decisions that affect the entire Decimal ecosystem.

- **Treasury** - Responsible for managing the financial resources of the organization. This includes accounting and allocation of funds, budget management, investments, and financial planning. Treasury plays an important role in ensuring financial stability and efficient use of DAO resources.

- **Marketing department** - deals with promotion and communication with the community and stakeholders. It also develops marketing strategies, conducts advertising campaigns, and manages public relations. The Marketing Department plays an important role in attracting new members and partners to Decimal smart chain.

- **Technical Department** - deals with the development and support of the blockchain platform, management of smart contracts, application development and integration of new technologies. The technical department ensures the efficient operation and development of the technical component of the project.

- **The Security Committee is an** organization created to ensure security, it should be composed of experienced participants who can effectively assess risks and prevent security threats. And also to take emergency measures in case of a threat of a structural change or a decrease in the speed of the DAO voting procedure. The total number of committee members is no more than 15 people, of which up to 8 seats are allocated to validators, and the remaining 7 for significant participants in the project. The first committee is determined by the development team, with subsequent committee members determined by DAO voting. Re-election is held once every 6 months from January 15 to 30 and July 1 to 15.

- **Financial Management** - The creation of the DAO was also initiated to transfer the bulk of DEL mined, 80% of the total issue, about 2.7 billion coins were transferred to the DAO. These coins are sent to Stacking and hold the balance on the number of block rewards and the distribution of rewards. The resulting rewards from the stacking of these coins will be the property of the DAO, and participants can dispose of them as they wish if they vote to do so.

3.2 Elements of Decision Making:

- ***Voting mechanisms:*** Voting is an important part of participant participation and determining the further development of the project.

Types of proposals put to the vote:

- Making changes to the technical or documentary structure;
- Others (grants, marketing, etc.)

Within the Decimal structure, various voting mechanisms are available, such as voting on the platform and voting on third-party services (see ["Voting Cycles"](#))

- ***Decimal DAO control token*** - all addresses in the Decimal network can participate in public DAO discussions, but only DDAO token holders have voting power and can vote on proposals. To ensure that all participants have a stake in the success of the project, DDAO owners must lock their tokens into a special steaking contract (see [Steaking DDAO](#)).

4. DDAO (Decimal DAO) control token

The Decimal DAO (DDAO) control token is an algorithmic coin built in the Decimal system. The token has a reserve from the native Del token, as well as the CRR parameter (Constant Reservation Ratio*), which affects the price change when the DEL token is exchanged for the DDAO according to the Decimal blockchain rules. **IMPORTANT:** Reverse exchange of DDAO to DEL through the Decimal system is not possible until the end of the fifth round of issuance.

The control token issue will be realized in 5 rounds of 200 million DDAO. The first round is scheduled for May 14, 2023. Dates for the remaining 4 rounds will occur as the DAO roadmap is implemented. The end of the round of issuance distribution is determined by a period of 45 days or full redemption of the number of tokens. After 5 rounds, there will be 1 billion controlling tokens.

Initial issuance at token creation	142 500 000 DDAO
Starting Reserve	100 000 000 DEL
CRR	70%

A DDAO control token has a vote weight equal to 1 token = 1 vote. Adding up the total strength of the votes, we get the weight of the decision, the decision that gets the higher weight wins the vote. By answering a YES or NO voting cycle question, the DAO member adds their vote weight to the selected answer choice.

DDAO token stacking offers participants the opportunity to freeze their tokens for a certain period of time in exchange for additional rewards or privileges. Participants must have a minimum of 10,000 DDAO tokens on their DAO contract balance in order to vote or post an offer. This encourages participants to support and actively participate in the Decimal DAO network.

At the start of the DAO, the participation reward is distributed once a quarter (1-10th of the beginning of the next quarter), in the token that will be on the treasury balance and will get the most votes. To determine the remuneration token, the treasury generates a report and puts forward proposals for voting.

5. Voting cycles

5.1 Public community voting

Users can post suggestions on various issues related to the development and management of the ecosystem. Decimals console has [a Governance section](#), which contains a [community initiative](#) table containing all suggestions from DAO participants.

To submit a proposal, you must fill out the form and confirm the start of initial voting.

<i>Nº</i>	<i>Form component</i>	<i>Description</i>
1	Short Description	A field for entering a general proposal idea.
2	Community Purpose	Describes the goal to be implemented.
3	Community Motivation	Describes how achieving the goal will affect the community.

The public proposal is published on the Decimals DAO forum for 2 weeks for discussion by the community. The next stage of acceptance of the proposal is the vote of the validators, to move to this stage the proposal must pass the threshold of 5% of positive votes, of the total number of voting addresses.

5.2 Voting validators

Validators are the most interested members of the network who keep the Decimals smart chain running. They have the credibility and trust of users who have delegated their tokens to them.

All validators that were online at the start of the validator voting phase participate in the voting. The voting period is 7 days from the start of voting. To move to the "Snapshot Voting" stage, the proposal must receive a majority of positive votes.

5.3 Voting on Snapshot

Approved proposals will be placed in [Snapshot](#). Snapshot is a tool for creating and participating in polls and votes based on blockchain technology. Once a proposal is submitted, it is subject to community discussion and curatorial evaluation. During the discussion, participants can voice their opinions, ask questions, and suggest changes.

Requirements for the validity of the voting result:

- The minimum quorum must be 10 million votes;

The voting period must be at least 3 days;

- One of the voting options must have a 1% preponderance of the weight of the votes

5.4 Assessing specifications and resources

If the vote for the proposal was successful on Snapshot, then the responsible team makes an estimate of the resources needed to execute the proposal. The time for preparing the documentation is 14 days. A project roadmap, a solution implementation concept document, and a document with an estimate of the development effort are prepared. These data are recorded for the "Decisive Voting" stage.

5.5 Decisive voting DAO, reserving resources

Documentation is posted in the official Decentral sources on [Tally](#), the voting period is 14 days.

Tally is a voting and vote management platform for DAOs. We plan to use the platform to determine consensus and conduct a decisive vote. Users will be able to weigh the opportunities against the risks, evaluating the timing and cost of development, thereby making the best decision.

If the weight of the vote is against the implementation, the vote goes back to the first step to revise the specification and resources.

1. The proposal should get more votes for than against;
2. Votes from at least 5% of voting tokens.

If the conditions are met, the resources are reserved by contract, and the terms set in the vote are considered binding.

5.6 Example of voting

A user posted the following suggestion for public discussion.

Short description - [Creating an NFT marketplace on Decentral.]

The goal of the community is to [Develop the Decentral ecosystem, increase demand for DDAO tokens, and attract new content creators and developers.]

Community Motivation - [Creating your own marketplace to sell NFT will help attract new users, increase the total number of transactions on the Decentral network, and strengthen the economics of the DDAO token.]

1. Public voting by the community:

The proposal was put forward to the community initiative table on the Decentral console. After publication, the community began discussing the initiative. Within 2 weeks, the proposal was reviewed and discussed by more than 5,000 participants. There were 15,000 votes FOR and 1,000 votes AGAINST.

2. Voting validators:

After the initiative was approved by the community, it was submitted to a vote of the validators. At the time of the vote, there were 20 validators, each with 100,000 DDAOs. The vote lasted seven days. 19 of the 20 validators voted FOR, only one was AGAINST.

3. Voting on Snapshot:

The initiative passed the validators' vote and was posted on Snapshot. Within 3 days there were 150,000 votes FOR and 10,000 votes AGAINST. The voting conditions were met, so the proposal passed to the next stage

4. estimate specifications and resources:

The Decimal team assessed the resources and labor costs to implement the marketplace. A project roadmap, a document with the solution implementation concept, and a document with an estimate of development labor costs were developed.

5. Decisive voting DAO, reserving resources:

After the specifications and resources were evaluated, the proposal was submitted to a decisive vote by the DAO. There were 15,000 active addresses in the vote, each of which had the opportunity to vote FOR or AGAINST. After 14 days of voting, the results were tallied and the proposal was approved by a majority vote (12,000 FOR vs. 3,000 AGAINST). Resources were reserved by contract and the project was put into development. As a result, Decimal got its own NFT marketplace, which attracted new users and increased demand for the DDAO token.

6. Interaction with developers

- ***Feedback and collaboration mechanisms:*** The community and developers can interact through forums, chat rooms, and other platforms designed to discuss ideas and suggestions. These platforms provide an open channel of communication to discuss current challenges, propose new ideas, and get feedback from developers.
- ***Offer ideas and suggestions to developers:*** the community can offer ideas and suggestions to developers through the DAO suggestion system. Community members can create suggestions, which will be discussed and agreed upon in set voting stages.
- ***Implementation of proposals:*** *After* a proposal has passed all stages of voting and has been approved by DAO members, it is sent to developers for implementation. The final approval of the update takes place through voting and an automatic update transaction of the nodes.
- ***Multisig address and security committee:*** The implementation of a system to send transactions for network upgrades is done only from a multisig address managed by a DAO ([security committee](#)) network upgrade voting algorithm. This provides security and control over the network update process.
- ***Fixing and posting documents:*** After a successful decision is made and a proposal is implemented, documents related to the proposal are recorded and posted on the appropriate platforms. As a result, all changes and updates are reflected in the roadmap and are available for viewing by all community members.

Thus, interaction with developers is carried out through feedback mechanisms, the proposal and implementation of ideas, a system of sending transactions to update the network, and the fixing and posting of documents. This ensures openness, cooperation and flexibility in managing and developing the ecosystem.

7. Roadmap

Date	Stage
Q2 - 2023	<i>Finalizing Decimal DAO rules and documents</i>
Q2 - 2023	<i>Creating a DDAO token</i>
Q3 - 2023	<i>Creating a smart DAO contract</i>
Q3 - 2023	<i>Creating a blog, voting and proposal mechanics on the Decimal console</i>
Q3 - 2023	<i>Implementation of the module for moderating sentences by validators</i>
Q4 - 2023	<i>Snapshot implementation</i>
Q4 - 2023	<i>Implementing Tally</i>