

DXdao 5-Point Plan

Over the last few weeks, there has been a robust discussion on the DXD bonding curve across the calls, forums, and Keybase. This is a healthy and important discussion for the community, and it's important that REP holders and the DXdao contributors listen and address this input.

Concerns may be summarized as follows:

- The DXD bonding curve could lead to DXD inflation when funding is unnecessary.
- A linear curve does not provide enough incentive for investors to participate.

Many ideas were presented and some argued that the bonding curve should be paused as soon as possible while the issue is more deeply explored. However, there are reasons to believe that the immediate pausing of the bonding curve is not in the best long-term interest of DXdao:

- Stopping the curve could lead to an increase in price for DXD, an upswing in interest, and an influx of new members. It's not clear that the community or governance is ready for this at the moment. The rocket fuel should be used wisely.
- The risk of a short-term price pump followed by a price decline is real and would harm DXdao and its ability to raise capital.
- While selling DXD from the treasury could be a substitute, it is unclear if this is the best use of the pre-mint.
- DXdao needs to maintain the ability to fundraise. Given DXdao's ambitions, \$8m in ETH is not enough to support ambitious product development and provide liquidity to DXdao products. It's not clear if "pausing" now is reversible.

The discussion over the last couple weeks also highlighted the need for more robust documentation and planning. To address this as well as the questions about the bonding curve, we propose the following 5-point Plan to be executed over the next two months.

5-point Plan

1. Generate In-depth Budget Analysis
 - Operating budget projections
 - Revenue projections
 - Treasury diversification
 - Modeling of liquidity provisioning
 - Explore product & guild budgeting
 - Process for budget reporting
 - Capital efficiency & utilizing capital base
2. Community Onboarding & Collective Development
 - Updated whitepaper/landing page with clearer information

- Community expansion
 - Operations research for decentralized remote org
3. DXtrust Research Team - commissioned by DXdao to investigate the future of the bonding curve and present findings to DXdao community. Ideas to explore:
- DXdao control of fundraising (e.g. pause / resume)
 - Shape of curve (e.g. exponential?)
 - DXtrust buyback reserve & capital efficiency
 - Relying on DXD in treasury for fundraising
 - Secondary market liquidity for DXD (via DXswap)
 - Potential participants
 - DXdao developers
 - Delphi Digital
 - Fairmint
 - CL + Andrew Kang
 - Others?
4. Product Roadmaps
- Omen
 - Mesa
 - DXswap
 - Rails
 - Governance as a service
 - Additional products / longer term vision
5. Governance
- Governance 1.X - improvements to the current DAOstack governance structure
 - DXD guild
 - Locking for REP
 - Gasless voting
 - Signalling and consensus improvements
 - Governance 2.0 - migration plan for next generation governance stack for DXdao
 - Layer 2 and a post ETH1.0 world
 - Long-term incentive alignment between REP & DXD
 - Decentralized & sovereign tools for DXdao governance, product development and community