

SOLIDUS DAO LLC

White Paper

Executive Summary

Solidus Decentralized Autonomous Organization DAO LLC (“Solidus DAO” or the “DAO”) is a Wyoming-registered Decentralized Autonomous Organization (DAO LLC) designed to serve as a compliant, blockchain-native governance, coordination, and networking layer for individuals interested in business, community, public-benefit, and ecosystem initiatives.

Solidus DAO deliberately separates **governance and coordination** from **investment activity**, achieving a structure that minimizes securities risk, preserves regulatory clarity, and enables flexible participation in external opportunities through independently structured special purpose vehicles (SPVs) or third-party entities.

The DAO operates using a **single non-security governance and utility token (SOLID)**, with on-chain governance, transparent administration, and a member and algorithm-managed operational framework consistent with Wyoming DAO statutes.



SOLIDUS DAO LLC

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Introduction

Solidus DAO represents the next evolution of this ecosystem. Rather than replacing the institutional model, we are expanding it. By leveraging blockchain technology, Solidus DAO creates a collaborative environment where institutional expertise meets decentralized community engagement. Through governance and proposal-making, regular participants now work alongside seasoned investors to discover, critique, and externally support the next generation of projects, creating a more robust, liquid, and inclusive financial future for stakeholders.

1. Legal Structure and Jurisdiction

1.1 Wyoming DAO LLC

Solidus Decentralized Autonomous Organization DAO LLC (“Solidus DAO” or the “DAO”) is organized under:

- The Wyoming Limited Liability Company Act
- The Wyoming Decentralized Autonomous Organization Act (W.S. §17-31-101 et seq.)

The DAO exists as a legally recognized DAO LLC, combining statutory limited liability with blockchain-native governance mechanisms.

1.2 DAO Status

Solidus DAO is:

- Member and algorithm-governed through token-based governance
- Operated via smart contracts, multisignature execution, and formal DAO processes
- Structured to comply with mandatory Wyoming legal requirements.

Where implemented, smart-contract logic governs DAO operations and supersedes off-chain processes, subject to applicable law.

2. Purpose and Mission

2.1 Core Purpose

Solidus DAO exists to function as a **governance, coordination, and oversight layer** for:

- Decentralized governance and collective decision-making

- Review, discussion, and voting on member-generated proposals
- Coordination of third-party service providers
- Community, public-benefit, educational, and ecosystem initiatives

2.2 What the DAO Is Not

To ensure regulatory clarity:

- The DAO is **not an investment fund**
- The DAO does **not pool capital for profit**
- The DAO does **not issue securities**
- The DAO does **not promote or execute investments**

Any investment opportunities discussed within the DAO are external, independently structured, and subject to separate qualification, documentation, and compliance processes.

2.3 Strategic Positioning

Solidus DAO is intentionally designed as:

- A networking and coordination environment
- A governance forum for evaluating ideas and initiatives
- A public-benefit and ecosystem-oriented organization
- A community of resources for identifying and nurturing high-potential proposals of public benefit, community benefit, and for-profit projects

3. Tokenomics — SOLID

3.1 Token Overview and Blockchain Deployment

At initial launch, Solidus DAO will utilize a **single token**, SOLID, which serves as the native **governance and utility token** of the DAO.

- Blockchain: Base
- Initial token price: USD \$0.05
- Initial total supply: 1,000,000,000 SOLID

SOLID is designed exclusively for governance, coordination, and utility purposes within the DAO and is not intended to function as an investment or yield-bearing instrument.

3.2 Initial Allocation

The initial SOLID supply is allocated as follows:

- 250,000,000 SOLID allocated to the five founders; founders' tokens will be subject to the following lock-up schedule: 25% will be released at 6 months from

the start date of the initial token offering, another 25% will be released at 9 months, and the final 50% will be released at 12 months (locked tokens cannot be transferred or sold, but can still be used for voting).

- 200,000,000 SOLID offered in the initial DAO launch offering
- Remaining supply reserved for future DAO-approved purposes, including inter alia future offerings, operations, incentives, and ecosystem activities.

The maximum allowable purchase in the initial offering by any individual or entity is capped at **20,000,000 SOLID**.

4. Governance Token – SOLID

4.1 Membership

Ownership of SOLID confers membership in Solidus Decentralized Autonomous Organization DAO LLC, subject to compliance requirements where applicable.

4.2 Rights of SOLID Holders

Subject to smart contracts and the DAO Constitution, SOLID holders may:

- Submit proposals
- Vote on DAO matters
- Participate in community and public-benefit initiatives
- Approve DAO-level policies and service providers

4.3 No Economic or Investment Rights

For clarity and avoidance of doubt:

- SOLID does not represent equity or ownership of assets
- SOLID provides no profit participation rights
- SOLID does not require members to invest in external investments
- SOLID is not a security

4.4 Token Overview

SOLID is the sole governance and utility token of Solidus DAO.

4.5 Membership

Ownership of SOLID confers:

- Membership in Solidus DAO LLC
- Participation rights in DAO governance

Membership remains subject to applicable compliance requirements for specific activities, if and where required by law.

4.6. Rights of SOLID Holders

Subject to DAO smart contracts, Articles, and the DAO Operating Agreement inclusive of the DAO Constitution, SOLID holders may:

- Submit governance proposals
 - Vote on DAO matters
 - Vote on and participate in community and public-benefit initiatives
 - Approve DAO-level policies and service providers
 - Submit proposals of for-profit endeavors, for an evaluation by the committee, which if approved, go to a vote on whether the DAO members find the project to be of interest.
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5. Governance Framework

5.1 Voting Mechanics

- Voting is conducted on a **one token, one vote** basis
- Initial quorum requirement: 20% of outstanding (circulating supply) SOLID
- Initial voting period: 5 days
- Extensions of 1 day may be made until quorum is satisfied up to a maximum of 14 days after the initial voting period

5.2 Proposal Rights

Any DAO member may submit proposals, subject to procedural requirements defined in the DAO Operating Agreement inclusive of the DAO Constitution and implemented via smart contracts.

5.3 Proposal Staking and Vetting

- Proposals for projects members may find interesting initially require staking **\$200 worth of SOLID (4,000 SOLID at launch pricing)**
- Proposals are submitted to a DAO Vetting Committee, initially composed of the founders
- Vetting review period: 7 days
- If a proposal is not reviewed within 7 days, staked tokens are immediately returned and the proposal may be resubmitted

5.4 DAO Voting on Approved Proposals

- Proposals approved by the Vetting Committee are submitted to the DAO for a governance vote
- If a proposal passes the DAO vote, the proposer's staked SOLID is returned, (potentially along with a community reward to be defined by the DAO)

5.5 Failed Proposals

- If a proposal fails vetting or does not pass a DAO vote, the staked SOLID is locked for six (6) months
- During the lock period, all rights associated with the staked SOLID are suspended, except for voting.
- After the lock period, the staked SOLID and associated rights are fully restored

5.6 Individual Member Participation

DAO members may, in their individual capacity, choose to invest in, donate to, or participate in any external project. Such participation is voluntary and occurs entirely outside of the DAO.

5.7 Mechanics

DAO governance is conducted through a combination of:

- On-chain voting systems
- Snapshot or equivalent signaling mechanisms
- Multisignature execution
- Smart-contract automation
- Founders Committee / Administrative Committee oversight

5.8 Governance Supremacy

Where governance logic is implemented on-chain, such logic controls DAO operations, subject to mandatory Wyoming law.

5.9. DAO Operating Agreement and Constitution

A separate Operating Agreement inclusive of a DAO Constitution governs:

- Proposal mechanics
- Quorum and voting thresholds
- Procedural rules

The Operating Agreement with Constitution is adopted and amended by DAO vote.

Where smart contract logic is implemented based on the Articles or Operating Agreement with Constitution, the smart contract logic is controlling except as otherwise required, in accordance with Wyoming DAO law.

6. Management and Administration

6.1 Member and Algorithmically Managed Structure

Solidus DAO is member and algorithmically managed under Wyoming law.

6.2 Management Company

The DAO may appoint a management company, by DAO vote, to provide:

- Operational execution
- Legal and compliance coordination
- Treasury execution
- DAO tooling and infrastructure
- Coordination with external opportunities surfaced by members

The initial management company is Solidus Management, Inc., a Georgia, USA corporation, whose employees include the DAO founders.

6.3 Authority and Limitations

The Management Company:

- Acts solely as an agent of the DAO
 - Holds no ownership interest in DAO assets unless separately approved
 - Operates under DAO-approved mandates and budgets
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7. Fees and Contributor Compensation

7.1 Management Company Fees

The DAO contracts with Solidus Management, Inc. a management company established by the founders to provide management and operational services.

- Management fees are paid from DAO treasury funds, including proceeds from SOLID token sales
- Initial management fees are set at one million dollars (\$1,000,000) per annum, paid semi-annually in advance
- Fees are not investment management fees
- Fee structure, scope, and approval mechanisms are defined in a separate DAO-approved services agreement

7.2 Contributor Compensation

The DAO may compensate contributors for approved services, including:

- Governance administration
- Technical development
- Legal and compliance coordination
- Community and public-benefit operations

Compensation structures may include:

- Monthly retainers
- Fixed fees
- Performance-based bonuses
- SOLID-based incentives, where lawful

7.3 DAO-Level Fees

The DAO may approve service fees payable to the Management Company for governance and operational services.

These fees:

- Are not investment management fees
 - Are treated as DAO operating expenses
 - May be paid in fiat or digital assets
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8. Treasury and Financial Controls

8.1 DAO Treasury Purpose

The DAO may maintain a treasury for:

- Operating expenses
- Community and public-benefit initiatives
- Ecosystem grants
- Infrastructure and tooling costs

The DAO will not initially offer a DAO-sponsored liquidity staking program.

8.2 No Profit Distributions

The DAO does not distribute profits to members.

Treasury funds are used solely for approved DAO purposes and legally required expenses.

8.3 Treasury Governance

- Treasury expenditures require Administrative Committee approval
- Until a separate Administrative Committee is established, the Founders Committee serves this role
- Expenditures require >50% approval of committee members
- Limited delegated spending authority may be granted for small, routine expenses

8.4 Known DAO Expenses

Known DAO-paid expenses include:

- Wyoming DAO registration and maintenance

- Registered agent services
- DAO smart contract development, audits, and upgrades
- Smart contract deployment fees
- DAO website hosting
- Management Company services

The DAO may incur other expenses at various times, which shall be approved by the DAO, ahead of time where practicable.

9. Risk Management, Security, and Insurance

9.1 Insurance

The DAO intends to obtain appropriate insurance coverage following initial token distribution, potentially including:

- Smart contract failure coverage
- Cybersecurity and hacking insurance

9.2 Security Monitoring

Planned safeguards include:

- Treasury monitoring and anomaly detection
- AI-assisted alerts for abnormal activity
- Multisignature controls for fund movement
- Kill-switch capability

9.3 Incident Response

Mitigation and recovery protocols may include:

- Smart contract upgrades
 - Temporary transaction halts
 - Token freezes or burns where lawful
 - Governance-led remediation actions
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10. Data Protection and Privacy

Solidus DAO is a blockchain-native organization and does not generally collect personally identifiable information through on-chain activity.

Key principles:

- On-chain data is immutable
- Off-chain interfaces will comply with applicable data protection laws

- Where deletion or correction is required, corrective transactions and disclosures will be used
- Privacy and data protection terms apply to any DAO user interfaces

The data protection program will be designed to be compliant with the most stringent applicable regulatory frameworks.

11. AI Usage and Compliance

AI systems may be used to support:

- Governance processes
- Proposal vetting assistance
- Treasury monitoring
- Security and anomaly detection
- Operational coordination

Smart-contract-based governance rules are designed to be:

- Clearly executable
- Readily auditable
- Secure against hacking or error

AI and smart contract usage will be designed to comply with applicable laws and the most stringent existing regulatory frameworks.

AI systems may be used for:

- Governance support
- Treasury monitoring
- Security alerts
- Operational coordination

AI usage will be governed by:

- Transparency principles
- Human oversight
- Evolving regulatory compliance

The DAO will not attempt to predict future AI regulation but will design for compliance with existing stringent frameworks.

12. Transferability and Succession

12.1 Token Transferability

SOLID tokens may be transferred, including by inheritance.

12.2 Rights and Responsibilities

Rights and responsibilities remain attached to the token holder.

Heirs or transferees are responsible for understanding the DAO Operating Agreement and Constitution.

12.3 Founder Succession

- Founder tokens transfer to heirs without founder privileges. The DAO is designed for long-term continuity independent of individual founders
 - A future continuity plan may be adopted by DAO vote
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13. Transparency and Records

13.1 Records

DAO records may be maintained on-chain and off-chain.

The DAO maintains a public “Books and Records” repository, initially hosted on GitHub, including:

- Operating Agreement inclusive of DAO Constitution
- Annual summary of DAO payments

13.2 Inspection Rights

Members may inspect DAO records in accordance with DAO policy, confidentiality rules, and membership verification procedures.

14. Dissolution

The DAO may be dissolved by DAO vote or operation of law.

Upon dissolution:

- Liabilities are satisfied
 - Any remaining assets are applied to DAO-approved purposes
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15. Strategic Outcomes

This structure delivers:

- Clear separation of governance and investment
 - Single-token simplicity
 - SPV-level flexibility for external Reg D, Reg S, and offshore structures
 - Strong alignment with Wyoming DAO statutes
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Disclaimer

This White Paper is for informational purposes only and does not constitute legal, financial, or investment advice. Participation in Solidus DAO is subject to the DAO Operating Agreement with Constitution, and applicable law.

SOLIDUS DAO LLC

Exhibit 1: DAO Process with External For-Profit Projects

Solidus DAO sells blockchain based non-economic governance tokens (“SOLID”) to individuals and institutions interested in business, community, public-benefit, and ecosystem initiatives.

- Owners of SOLID tokens have the following rights:
 - Submit proposals (must stake 4000 tokens)
 - Vote on DAO matters
 - One token equals One vote
 - Initial quorum is 20% of outstanding tokens
 - Participate in community and public benefit initiatives
 - Approve DAO-level policies and service providers
 - No economic or investment rights. SOLID is not a security
- When a SOLID token holder submits a proposal, that proposal is sent to a Vetting Committee (initially the Founders Committee), and if it passes that committee, then to the DAO members who vote on the proposal.
 - If approved, the DAO informs the target project that members may be interested in investing in the project, if the target project wishes to prepare an appropriate Special Purpose Vehicle (“SPV”) and/or other financing options to facilitate the funding of the project.
 - The SPV must comply with all securities laws and regulations
 - The SPV may be domestic or off-shore
 - The SPV is then communicated to the Solidus DAO members, who have no obligation to invest in the project, but who may do so if they wish, provided they meet the legal and KYC/AML requirements of the particular project.
- The SPV may contain the following or other provisions:
 - Defined ownership percentage of the target
 - Possible income sharing
 - Two percent service fee (2%) to the management company for administrative work

- Probable defined waterfall for distribution of profits from an event (sale of the target, IPO, etc.) as follows:
 - Return of capital to the investors
 - Preferred return rate to investor (10% IRR)
 - Remaining profit, if any, is split 80% to investors and 20% carry to management company.