



BLACKOLYMP DAO Token

WHITE PAPER



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DAO Tokens confer no equity, profit participation, or voting rights in BlackOlymp AG or its affiliates, unless and until such rights may be granted under future regulatory approvals. Any option to exchange DAO Tokens for equity instruments or regulated digital securities is conditional, non-binding, and subject to applicable licensing requirements in Liechtenstein and the European Union. No rights or claims arise from such forward-looking statements.

The proceeds from the DAO Token Generation Events (TGE 1 and TGE 2) are allocated solely to the acquisition of physical precious metals, held in strictly audited custody by a regulated, audited German precious metals provider. Legal title to these assets will be transferred to a Liechtenstein-based trust or foundation established for the benefit of DAO token holders. All subsequent project steps, including the formation of the BlackOlymp DAO Foundation, the incorporation of BlackOlymp AG, and the application for security token licensing, are financed through a secured credit facility collateralised against the metal reserve. DAO Token holders bear no financial liability or repayment obligation for these activities.

This document contains forward-looking statements, including but not limited to plans for future development, governance, and regulatory registration. These statements involve risks and uncertainties, and no guarantee is made as to their realisation. The information herein is subject to change without notice and does not constitute a binding commitment.

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TOKEN OVERVIEW

The following overview summarises the key technical parameters of the BlackOlymp DAO Token as defined at the time of issuance. It provides a structured reference for participants, compliance reviewers, and ecosystem contributors.

Pending fields will be finalised and published after smart contract deployment and DAO ratification. This summary does not constitute a binding legal document but reflects the intended technical configuration of the token and its governance environment.

Token Name	BlackOlymp DAO Token
Blockchain	Polygon
Token Standard	SPL
Total Supply	10,000,000 (fixed, non-inflationary)
Token Type	Non-transferable utility (initial)
Initial Mint	One-time, at contract deployment
Contract Ownership	Revoked (set to null address)
Transferability	Disabled until day 367 post-issuance
Listing Price (TGE 1)	0.08 USDC
Listing Price (TGE 2)	0.09 USDC
Intended Market Reference	0.10 USDC or DAO-governed
Lock-up Period	366 days
Vesting (Founders)	Linear, per block after lock expiry
Smart Contract Address	TBA post-deployment
Initial Listing Venue	TBA (subject to DAO governance)
Conversion Options	Subject to future regulatory approval



PLANNED LEGAL STRUCTURE AND FUNCTIONAL SEPARATION

BlackOlymp will operate through two distinct legal entities under Liechtenstein law: the BlackOlymp Stiftung and the BlackOlymp Aktiengesellschaft. These entities are currently in the planning phase and will be established following the completion of the DAO token generation events and the successful allocation of proceeds into a physical precious metals reserve. Both entities are designed to serve separate functions within a regulated, transparent framework and are legally and operationally separated to ensure clarity of obligations and alignment with European regulatory expectations.

The **BlackOlymp Stiftung** (Foundation) is intended to be a non-commercial foundation established under the Liechtenstein Persons and Companies Act (PGR, Articles 552 ff.). It will serve as a holding and governance vehicle on behalf of the DAO token holders. The Stiftung will not engage in any commercial activity and will not act as an issuer of tokens or securities. Its exclusive function will be to hold legal title to the LBMA-certified gold and silver acquired with the funds raised during TGE 1 and TGE 2. These metals will be stored under direct allocation with a regulated, audited German precious metals provider. Ownership will reside with the Liechtenstein Stiftung and be confirmed through individual bar numbers and third-party audits. DAO token holders will govern the Stiftung via on-chain voting, with no involvement from the token issuer after formation. The

DAO will appoint trusted individuals to act as fiduciaries or council members of the Stiftung. These fiduciaries will be legally responsible for executing DAO resolutions, managing the trust structure, and ensuring legal compliance within the scope of the Stiftung's defined purpose. They will have no discretionary authority beyond the DAO's mandate.

The **BlackOlymp Aktiengesellschaft** (AG; public company) is a planned private joint-stock company under the Liechtenstein Persons and Companies Act (PGR, Articles 261 ff.). It will be established to operate as a regulated digital funding and token issuance platform. Upon incorporation, the AG will apply for an EU-wide crowdfunding service provider licence under Regulation (EU) 2020/1503. This will allow the AG to offer regulated investment-based crowdfunding across the EU via the passporting mechanism. The AG intends to apply for the issuance of a fully registered security token under Liechtenstein's Prospectus Act (Vermögensverwaltungsgesetz, VVG), in alignment with the EU Prospectus Regulation (Regulation (EU) 2017/1129), and pursuant to the Liechtenstein Token and Trusted Technology Service Provider Act (TVTG). If approved, the AG will issue a security token classified as a dematerialised, FMA-registered financial instrument subject to formal supervision and audit. The AG will be independently managed by a board of directors and will bear all responsibility for platform operation, regulatory filings, commercial strategy, and legal compliance. While the DAO will not have management control, the BlackOlymp Stiftung may



hold up to 10 percent of the AG's shares, thus securing structural influence on behalf of DAO participants.

The strategic focus of **BlackOlymp AG** will be to support and structure investment into future-oriented, real-world projects across key sectors. These include artificial intelligence ventures and AI-driven startup companies, carbon credit and emissions-related projects, sustainability and ESG-aligned investments, and regulated real estate investments including REIT-like structures. The AG also intends to invest directly in Aumion Group AG as a strategic anchor project. All such initiatives will be structured and made accessible through the issuance of project-specific tranches or investment rounds, conducted exclusively via the BlackOlymp Security Token. This token, once registered and approved by the Liechtenstein Financial Market Authority (FMA), will serve as the standardised and regulated investment instrument for all project-level offerings within the BlackOlymp ecosystem. As a unique value proposition, each project investment facilitated through the platform will be structurally backed or collateralised—fully or partially—by the existing precious metal reserves held by the AG or its affiliated entities. This underlying asset linkage enhances transparency, capital security, and real-world relevance, and forms the core of BlackOlymp's differentiated approach to digital financial structuring.

These two entities, once formed, will provide the legal and operational foundation for a decentralised and asset-backed ecosystem. The DAO governs the BlackOlymp Stiftung; the Stiftung may hold up to 10% equity in the

BlackOlymp AG; and the BlackOlymp AG will conduct regulated commercial activities within a fully supervised framework under Liechtenstein and EU law.

DAO TOKEN STRUCTURE AND PARTICIPATION MODEL

This is a private, invitation-only offering, limited to pre-approved participants who have successfully completed identity verification under applicable KYC and AML procedures. It is conducted under a private placement framework and does not constitute a public offer of financial instruments.

TOKEN DEFINITION

The BlackOlymp DAO Token is in the beginning for 366-days a non-transferable, fixed-supply digital participation token deployed on the Polygon blockchain. It is designed to represent on-chain governance rights within the BlackOlymp Stiftung (foundation), which will be established under Liechtenstein law. The token does not confer ownership rights in BlackOlymp AG and does not represent a financial instrument within the meaning of MiFID II or the Liechtenstein Prospectus Act. Its primary utility is governance participation, eligibility for future conversion, and documented linkage to a trust-governed reserve of LBMA-certified precious metals. All tokens are locked for 366 days from issuance. During this lock-up period, the token remains fully non-transferable, non-tradable, and without utility outside the defined governance rights. Ownership is technically and contractually restricted. Following



the expiry of the lock-up period, the token becomes transferable and may be optionally converted—subject to future regulatory approvals—into either equity in BlackOlymp AG or a security token registered under Liechtenstein financial market law.

PROBLEM ADDRESSED

Asset-backed projects and early-stage funding structures typically suffer from regulatory opacity, dilution, and disalignment between early participants and long-term capital formation. Retail investors are often excluded from pre-market exposure, and institutional frameworks introduce delay, cost, and complexity. Traditional token sales, in turn, are frequently decoupled from legally enforceable rights or real-world assets, reducing their credibility and long-term value retention. BlackOlymp introduces a structured alternative: a trust-based, legally segregated asset reserve, transparently governed by a DAO structure, backed by physical gold and silver held outside of the issuer's balance sheet. The DAO Token creates a digital identity within this structure, allowing verified participants to enter a staged, compliant asset ecosystem with clearly defined legal ownership boundaries, without speculative overreach or unregulated exposure.

PARTICIPANT OUTCOME

Participants in this private DAO token issuance acquire access at predefined, preferential entry prices during TGE 1 and TGE 2. Tokens in TGE 1 are offered at 0.08 USDC, and in TGE 2 at 0.09 USDC. Following these closed rounds,

the token is expected to be listed for open market trading at a reference price of 0.10 USDC or as determined by DAO vote and prevailing market conditions. All tokens are subject to a 366-day lock-up period, during which no trading, transfer, or conversion is possible. After the lock period expires, tokens become fully transferable and tradable on secondary markets, with exchange listings subject to DAO governance decisions. The DAO token is structurally linked to a segregated trust reserve of LBMA-certified gold and silver. This metal reserve is held under direct legal ownership by a Liechtenstein-based foundation and is professionally stored and audited. The token indirectly reflects the value of this physical reserve, and its market valuation may respond to fluctuations in underlying asset value, secondary demand, or strategic DAO developments. Upon the conclusion of the lock-up period, and subject to regulatory approval, DAO token holders may be granted the option to convert their tokens into either:

- » *Registered equity in BlackOlymp AG*, based on the company's Series A share price or fair market valuation at the time of swap;
- » or a fully licensed *BlackOlymp Security Token*, to be issued under Liechtenstein law and aligned with EU financial regulation. This token will serve as the investable instrument for regulated participation in BlackOlymp's asset platform, enabling access to listed real-world projects such as AI, carbon credits, and real estate.

The availability and terms of such conversion options are entirely contingent upon successful regulatory approvals, including but not



limited to the approval of a prospectus, FMA registration, and compliance with the EU Prospectus Regulation and Liechtenstein's Token and Trusted Technology Service Provider Act (TVTG). No legal entitlement to conversion arises prior to such approval.

While the DAO token does not carry fixed income or dividend rights, the combination of below-market entry pricing, exposure to audited precious metal reserves, and future optional swap mechanisms presents a structured profit potential for participants who complete the full holding period. The offering remains private, invitation-only, and subject to regulatory onboarding and compliance verification.

TOKEN SUPPLY AND ALLOCATION

The BlackOlymp DAO token has a fixed total supply of 10,000,000 units. This supply is immutable and enforced at the smart contract level upon deployment to the Polygon blockchain. The token adheres to the SPL standard and is designed to support secure, auditable issuance with no possibility of future inflation, reminting, or discretionary allocation. All tokens are minted once and distributed strictly under the allocation parameters defined below. No additional token creation is possible.

The distribution is structured across three pre-defined segments:

- » *TGE 1* (Friends & Family Round) comprises 30 percent of the total supply, equivalent to 3,000,000 tokens. Tokens in this round are offered at a fixed price of 0.08 USDC per token and are allocated strictly on an invitation-only basis to approved and whitelisted participants.
- » *TGE 2* (Extended Private Round) represents 60 percent of the total supply, equivalent to 6,000,000 tokens. These tokens are offered at 0.09 USDC per token and are likewise available only to invited participants who meet eligibility criteria and complete regulatory onboarding.
- » *Founders' Allocation* comprises 10 percent of the supply, totalling 1,000,000 tokens. These tokens are subject to a full 366-day lock identical to investor tokens and are thereafter released via linear vesting over time. The vesting schedule is enforced per block on-chain, ensuring continuous, proportional release without administrative discretion.

All tokens—whether investor or founder allocations—are subject to a hard lock for 366 days from issuance. During this lock period, tokens are technically non-transferable, non-tradable, and non-convertible. No staking, delegation, or secondary rights may be exercised before the lock expires. Upon conclusion of the lock, the token becomes freely transferable and may be optionally converted under the terms defined in the post-lock section of this document.



FOUNDERS' ALLOCATION AND OPERATIONAL JUSTIFICATION

A total of 10 percent of the BlackOlymp DAO token supply, equivalent to 1,000,000 tokens, is reserved for the founding team. This allocation is fully locked for 366 days and subject to linear vesting thereafter. It does not carry any privileged rights, yield mechanisms, or early access. The purpose of this allocation is to compensate for the significant intellectual, legal, operational, and financial commitments undertaken by the founding team to create and launch the DAO structure.

The conception, design, and legal architecture of the DAO token, its issuance mechanism, and the surrounding governance framework were fully developed and financed by the founders prior to the TGE. This includes the technical deployment of the smart contract infrastructure, the creation and maintenance of the BlackOlymp web platform, secure domain acquisition, and the implementation of a compliant whitelisting and participant onboarding system.

Substantial time and financial resources have been invested to build and moderate the early community, develop informational materials, structure the Stiftung and AG framework, and establish direct relationships with service providers in Liechtenstein. These efforts include in-person travel, legal consultations, and jurisdictional filings—all coordinated without the use of third-party venture capital or public financing.

In addition to these proactive commitments, the founding team assumes a residual legal and administrative liability for the structural integrity of the DAO launch. While the Stiftung will assume ownership of the physical metal reserve, and while the DAO will govern its future direction, the legal and operational burden of setup—including any regulatory risk resulting from improper structuring—rests initially with the founders.

The DAO liquidity reserve will cover necessary operational costs related to the legal establishment of the Stiftung and AG, including moderate travel expenses, registry filings, and associated documentation. All expenditures will be subject to DAO oversight, with transparent reporting and cost control procedures.

A limited and predefined number of DAO tokens will be distributed to verified DAO Token Ambassadors who contribute to the community-building process by onboarding new participants. These commissions are minor in scale, fixed, and allocated from the existing supply. No additional minting or discretionary issuance is permitted.

Taken together, the founders' allocation reflects not speculative entitlement, but rather a fair and transparent compensation model for verifiable, measurable, and personally borne contributions that have enabled the creation of the DAO's legal, technical, and asset infrastructure.



SMART CONTRACT OWNERSHIP

Upon deployment, all minting rights, administrative permissions, and control over the DAO token smart contract will be *permanently revoked*. Ownership of the contract will be set to the null address, ensuring that no entity—including the issuer or founding team—can modify, remint, or reassign token parameters. This measure guarantees immutability of the token supply and eliminates the risk of discretionary intervention or administrative override.

ISSUANCE MECHANICS

The BlackOlymp DAO token is deployed on the Polygon blockchain using the SPL token standard. Token creation occurs only once, at the moment of contract deployment. The full supply of 1,000,000 tokens is minted immediately and allocated in accordance with the fixed token distribution plan. No further issuance is possible beyond the initial mint.

To ensure compliance, integrity, and regulatory defensibility during the private round, all token allocations are made directly to verified wallet addresses that have completed the required onboarding procedures, including full KYC and AML screening. Tokens are allocated programmatically and cannot be claimed, transferred, or otherwise moved until the 366-day lock period has fully expired.

Transferability of the token is technically disabled at the smart contract level. Transfer functions are restricted to prevent any move-

ment between wallets before the expiry of the lock period. During this time, the token serves only as a proof of allocation and governance credential within the BlackOlymp DAO. No trading, staking, wrapping, or delegation is permitted under the locked state.

To enforce the decentralised and immutable structure of the token, smart contract ownership will be permanently revoked upon completion of deployment and distribution. The contract administrator key will be set to a null address, making the code and token parameters immutable. This action eliminates all administrative control over the token and ensures that no future minting, reallocations, or technical modifications can occur. The contract becomes functionally autonomous and transparent, with no privileged access.

At the conclusion of the 366-day lock period, transfer restrictions are lifted automatically. At that point, the token becomes freely transferable and tradable. Any exchange listings or secondary market operations will be subject to DAO governance decisions, ensuring decentralised oversight of the token's post-lock lifecycle.

This issuance structure combines transparency, technical control, regulatory alignment, and decentralised execution to deliver a secure and credible foundation for DAO participation.



LOCK-UP AND VESTING

All BlackOlymp DAO tokens, regardless of allocation tier, are subject to a strict 366-day lock-up period from the date of issuance. This lock applies equally to participants in TGE 1, TGE 2, and to the founders' allocation. During this period, no transfer, trade, or conversion of the token is possible. The lock is enforced through the underlying token contract and binding participation terms. Token holders receive their allocation into whitelisted wallets but are technically and contractually restricted from initiating any form of movement or exchange.

The lock-up serves two core purposes. First, it ensures full compliance with private placement rules and mitigates the risk of regulatory classification as a financial instrument under EU or Liechtenstein law during the early phase. Second, it aligns participant incentives with the long-term development of the BlackOlymp ecosystem and prevents short-term speculative activity.

For founders and core contributors, the same 366-day lock applies. Following this period, their tokens are not released in full but are instead subject to a linear vesting schedule enforced on-chain. This vesting occurs per block and ensures gradual and transparent release of founder allocations over time. There are no cliffs, no early unlocks, and no discretionary override mechanisms.

At the conclusion of the lock period, investor tokens become fully transferable, and founder

tokens begin vesting automatically. From that point forward, DAO token holders may choose to hold, trade, or initiate conversion procedures in accordance with the options outlined in the following section. These include the potential to swap into equity of BlackOlymp AG or a fully regulated BlackOlymp Security Token, subject to regulatory approval.

This lock-up and vesting structure preserves regulatory clarity, ensures operational discipline, and confirms the long-term alignment between founders and participants.

GOVERNANCE RIGHTS

The BlackOlymp DAO token grants on-chain governance rights tied exclusively to the BlackOlymp Stiftung, a non-commercial foundation to be established under Liechtenstein law. DAO token holders collectively exercise 100 percent of the governance power within the Stiftung. This governance structure ensures that strategic decisions related to asset custody, fiduciary appointments, and structural oversight are directed by token holders rather than founders or external stakeholders.

All governance actions are executed via on-chain voting procedures. Token holders are able to submit proposals, vote on key operational matters, and ratify or reject fiduciary appointments to the Stiftung. These fiduciaries (Stiftungsrat) are natural or legal persons mandated to act in accordance with DAO resolutions and Liechtenstein foundation law. They may not act independently of DAO instruction



and do not hold discretionary power beyond the scope explicitly defined by DAO decisions.

Governance rights include, but are not limited to, the following areas:

- » *Appointment and dismissal* of Stiftung fiduciaries;
- » *Approval of any collateralisation* or encumbrance of the precious metals held in the trust;
- » *Strategic decisions* regarding the optional conversion of DAO tokens into equity or a security token, once regulatory approval has been obtained;
- » *Determination of token listing strategy* and selection of secondary market venues post-lock;
- » *Oversight of audits*, reporting cycles, and custodian confirmations.

Importantly, DAO governance does not extend to operational control over BlackOlymp AG, which remains a separate legal and commercial entity under corporate law. However, since the Stiftung may hold up to 10 percent of the AG's shares, DAO token holders retain indirect influence at a structural level.

GOVERNANCE LOGIC OVERVIEW

The governance model of the BlackOlymp DAO is executed entirely on-chain and follows a deterministic rule set based on token-weighted voting. Token holders may submit proposals

and cast votes proportional to their unlocked token balance. A proposal is accepted if two conditions are met: first, the minimum quorum of votes must be reached; second, the share of votes in favour must exceed the required approval threshold. These parameters vary depending on the proposal type (e.g. standard, structural, or strategic). The model is defined using formal logic and implemented via smart contracts on the Polygon blockchain. All voting is transparent, binding, and irreversible once executed.

GOVERNANCE EXECUTION

The governance system executes proposals based on a fixed rule set. Each verified DAO token holder may cast votes after the 366-day lock period has expired. Voting power corresponds to the holder's unlocked token balance. Proposals pass only if they meet two thresholds: minimum quorum (participation rate) and minimum approval (support rate).

```
01 function voteOnProposal(proposalId, voterAddress,
02   voteChoice):
03   ensure token lock period has expired for voterAddress
04   ensure voterAddress is verified and whitelisted
05   votingWeight = getUnlockedTokenBalance(voterAddress)
06   record vote for proposalId with voteChoice and votingWeight
07
08   if quorumReached(proposalId) and
09     approvalThresholdMet(proposalId):
10     executeProposal(proposalId)
```

Threshold logic:

```
10 function quorumReached(proposalId):
11   return totalVotes(proposalId) ≥ quorumThreshold
12
13 function approvalThresholdMet(proposalId):
14   return votesInFavor(proposalId) / totalVotes(proposalId)
15   ≥ approvalRatio
```



A governance proposal is accepted if the total number of tokens participating in the vote meets the required quorum and the proportion of favourable votes meets or exceeds the defined approval threshold.

$$\sum v_i \geq Q \wedge \frac{\text{VotesInFavor}}{\text{TotalVotes}} \geq \theta$$

Both conditions must be fulfilled simultaneously.

POST-LOCK OPTIONS AND CONVERSION PATHWAYS

At the conclusion of the 366-day lock period, all DAO tokens become fully transferable. From this point onward, token holders may exercise their governance rights without restriction, participate in secondary market trading, or choose to initiate conversion into alternative asset classes—subject to regulatory approval and DAO decision-making.

The DAO token is designed to provide a structured pathway toward regulated participation in the BlackOlymp ecosystem. Following the lock expiry, token holders may retain the DAO token as a governance and tradable asset or, if authorised under applicable law, elect to convert it into one of the following:

1. Equity Shares of BlackOlymp AG

DAO token holders may be offered the opportunity to convert their tokens into registered shares of BlackOlymp AG, subject to availability and within the limits of a private placement or Series A financing round. Conversion terms

will be defined by the AG's corporate valuation at the time of the offer, and may include preferential terms based on participation tier and holding duration. The swap ratio will be set by DAO governance in conjunction with the AG's board and subject to legal and financial opinion.

2. Regulated BlackOlymp Security Token

Alternatively, DAO token holders may opt to convert their tokens into a security token issued by BlackOlymp AG, subject to the approval of a full prospectus by the Liechtenstein Financial Market Authority (FMA) and registration under the Liechtenstein Prospectus Act (Vermögensverwaltungsgesetz, VVG). This token will be issued in accordance with the EU Prospectus Regulation (Regulation (EU) 2017/1129) and registered under the Liechtenstein Token and Trusted Technology Service Provider Act (TVTG). Once approved, the security token will serve as the regulated entry point for investment into BlackOlymp platform projects, including tokenised real-world assets in AI, sustainability, carbon credits, and real estate.

These conversion pathways are optional and contingent upon future regulatory developments. No legal right, entitlement, or guaranteed conversion exists prior to formal regulatory approval. Token holders bear no risk or obligation in connection with the AG's application process. All conversion proposals must be approved by DAO vote, with terms and ratios disclosed in advance.



The ability to either retain, trade, or convert the DAO token—combined with its underlying linkage to a legally segregated and asset-backed reserve—offers participants a unique structure that balances decentralised governance, regulatory alignment, and long-term economic optionality.

EXCHANGE STRATEGY PROPOSAL FOR DAO GOVERNANCE DISCUSSION

Following the expiry of the 366-day lock-up period, the DAO token becomes freely transferable and may be listed on one or more trading venues. The decision regarding where and how to list the token will be subject to a formal DAO governance vote. This section outlines the strategic considerations for two possible exchange pathways—centralised exchange (CEX) listing or the development of a dedicated BlackOlymp decentralised exchange (DEX) infrastructure.

Option 1: Centralised Exchange (CEX) Listing

A listing on one or more centralised exchanges would provide high visibility, external liquidity access, and exposure to wider markets. However, such listings typically involve substantial upfront listing fees, legal review procedures, and ongoing compliance costs. Moreover, centralised markets may be susceptible to manipulation by automated trading systems (e.g. front-running, wash trading, or order book spoofing), particularly in low-liquidity phases. The pricing of the DAO token on a CEX could

become more volatile and speculative, especially given the structural link between the DAO token and the DAO-controlled stake of up to 10 percent in BlackOlymp AG. While this volatility may drive price discovery and market interest, it introduces external factors that may undermine the long-term stability of the governance model.

Option 2: BlackOlymp DEX and Private Liquidity Environment

Alternatively, the DAO may choose to preserve exclusivity and price integrity by enabling token trading solely within a closed BlackOlymp ecosystem. This could be implemented as a dedicated BlackOlymp DEX—an internal liquidity pool accessible only to verified DAO participants. This model would restrict trading to wallets that have passed KYC and AML checks, and maintain DAO-level control over listing mechanics, market access, and token pair logic. Trading within the BlackOlymp DEX could be built on automated market maker (AMM) infrastructure, allowing decentralised price formation without reliance on third-party intermediaries.

Looking forward, this infrastructure may evolve into a fully public liquidity layer, serving not only the DAO token but also other regulated assets issued via BlackOlymp AG. The DAO may opt to explore integration with proprietary AI modules developed by Aumion Group AG, a strategic partner currently designing a high-performance enterprise AI stack capable of parsing and vectorising smart contracts at scale. Com-



bined with asset-backed collateral models, this architecture could offer a unique form of AI-assisted, real-asset DEX infrastructure.

Both options are valid and technically feasible. Each carries different implications for legal risk, market dynamics, and long-term governance control. The DAO will be invited to formally discuss and vote on the preferred pathway prior to the conclusion of the lock period. No exchange listing—centralised or decentralised—will proceed without verified DAO approval.

EQUATION FOR A CONSTANT PRODUCT MARKET MAKER (AS IN UNISWAP V2 AND V3 CORE)

The following equation could govern the invariant for a constant product AMM pool:

$$x \cdot y = k$$

To add the needed complexity and align with advanced AMM mechanics (concentrated liquidity and tick-based adjustment), a more nuanced form referencing Uniswap v3 liquidity logic may be used:

$$\left(x + L / \sqrt{p-b}\right) \cdot \left(y + L / \sqrt{p-a}\right) = L^2$$

The first equation, $x \cdot y = k$, defines a constant product invariant used in early Automated Market Maker (AMM) models, such as Uniswap v2. It maintains the product of two token reserves as a constant during trading operations, allowing continuous price adjustment based on reserve ratios. This model supports decen-

tralised price discovery without requiring an external order book. Within the BlackOlymp ecosystem, this formula could be applied to a closed liquidity pool restricted to verified DAO participants, ensuring trading integrity under DAO governance.

The second equation introduces a more refined reserve logic derived from Uniswap v3 Core. It applies concentrated liquidity within a defined price range using the liquidity variable as a structural control parameter. The model increases capital efficiency and reduces slippage, particularly in low-volume environments.

CUSTODY AND ASSET RESERVE STRUCTURE

The proceeds from TGE 1 and TGE 2 are allocated exclusively to the acquisition of physical precious metals. These assets consist solely of LBMA-certified gold and silver bars, held under direct, individual allocation in a professionally operated and regulated custody facility in Germany. The provider is an audited, award-winning precious metals institution subject to national financial oversight. No derivatives, futures, pooled allocations, or unallocated claims are involved. Only physically delivered and serialised metal bars form part of the reserve.

Legal ownership of the acquired metals is transferred in full to a Liechtenstein-based Stiftung (foundation), which is to be established expressly for the benefit of DAO token holders. This Stiftung will act as the formal trustee and legal owner of the asset reserve, with opera-



tional fiduciaries executing DAO-approved resolutions only. The token issuer, its affiliates, and the founding team have no legal claim, control, or beneficial interest in the assets once transferred. Ownership is recorded via individual bar numbers, and third-party audits are conducted regularly to confirm exact holdings and compliance with segregation standards.

Custody is governed by a legally binding storage agreement that ensures full separation of client and provider assets, supported by regulatory audit processes. The DAO may, through formal on-chain governance, approve the use of these assets as collateral for secured credit facilities. Any such use must comply with the Stiftung's purpose and legal obligations under Liechtenstein foundation law.

This custody model ensures that participant contributions are protected by legal title, asset traceability, and verified third-party audit. No operational or counterparty exposure exists to the issuer or founders following the successful deposit of metals in the Stiftung's name.

DAO FIDUCIARY GOVERNANCE AND ENFORCEMENT MECHANICS

The BlackOlymp Stiftung is designed to function as a non-commercial legal entity under Liechtenstein law, established pursuant to Articles 552 to 570 of the Liechtenstein Persons and Companies Act (Personen- und Gesellschaftsrecht, PGR). It serves exclusively as a governance and asset-holding structure for DAO token holders. The Stiftung will not en-

gage in commercial activities or issue tokens. Its role is limited to the custodianship of the precious metals reserve and, if so resolved by the DAO, the holding of a minority equity interest in BlackOlymp AG.

Under Liechtenstein law, a non-commercial foundation may legally hold and manage shares in a corporation, provided that such shareholding does not amount to the independent pursuit of economic activity. The Stiftung will not operate, manage, or influence the commercial business of BlackOlymp AG. It will act only as a passive shareholder, holding up to 10 percent of the AG's equity for structural governance purposes on behalf of DAO token holders. This configuration remains fully compliant with the non-commercial status defined under Articles 552 §2 and 552 §4 PGR.

The Stiftung acts through appointed fiduciaries (Stiftungsräte), who are legally obligated to execute DAO resolutions. These fiduciaries may not exercise discretionary authority and are individually liable under Liechtenstein law for any breach of duty or deviation from the DAO's mandate. DAO token holders maintain full control over fiduciary appointments, operational authorisations, and structural decisions via formal on-chain voting mechanisms. No change in the Stiftung's articles, asset use, or governance configuration may occur without DAO approval.

All fiduciary actions are subject to transparency requirements and must be traceable to corresponding DAO governance outcomes. This



structure ensures enforceable decentralisation by linking blockchain governance with Liechtenstein's foundation law.

COLLATERALISATION AND CREDIT FACILITY

Following the successful completion of TGE 1 and TGE 2, the full net proceeds are used exclusively to acquire LBMA-certified physical gold and silver. These assets are held under direct legal ownership by the Liechtenstein-based Stiftung on behalf of DAO participants. Once secured and independently audited, the metal reserve serves as the sole collateral base for obtaining a credit facility to fund all subsequent project steps.

The credit facility will be established with a regulated financial institution and structured as a secured, non-recourse loan to the Stiftung or its designated project entity. No DAO token holder bears any repayment obligation. The Stiftung's sole liability is limited to the pledged metal reserve. The collateralisation is designed to be capital-efficient: only a partial drawdown of the reserve value is expected, preserving the majority of the assets in unencumbered form.

Proceeds from this loan are allocated to:

- » The legal incorporation and operational set-up of BlackOlymp AG
- » Application and licensing procedures under the EU Crowdfunding Regulation (Regulation (EU) 2020/1503)

- » Application for the issuance of a registered security token under Liechtenstein's Prospectus Act and TVTG
- » Establishment of platform infrastructure and digital systems
- » Compliance, legal advisory, and third-party audit costs

All credit activities require prior approval by DAO vote. Fiduciaries of the Stiftung are legally prohibited from engaging in any collateralisation or encumbrance of assets without express DAO authorisation. Terms of the credit facility, including collateral ratio, drawdown conditions, and cost structure, must be disclosed and submitted for DAO review prior to execution.

This approach enables full funding of the platform development lifecycle without dilution of token supply, loss of DAO control, or introduction of outside capital. Legal ownership of the metals remains with the Stiftung, and any liability arising from the credit agreement is structurally limited to the collateral provided.

TOKEN CONVERSION OPTIONS AND POST-LOCK USE

After the mandatory 366-day lock period has expired, DAO tokens become fully transferable. Token holders are then entitled to hold, trade, or optionally initiate conversion procedures, subject to DAO governance decisions and applicable regulatory approvals. The DAO token may be listed on secondary markets, in-



cluding decentralised or centralised exchanges, depending on future DAO vote and available infrastructure.

In addition to unrestricted transferability, token holders may be offered the option—subject to regulatory clearance—to convert their DAO tokens into either:

- » Registered equity in BlackOlymp AG, based on its Series A valuation or an independently determined market price; or
- » A fully regulated BlackOlymp Security Token, to be issued under Liechtenstein law in accordance with the EU Prospectus Regulation (EU 2017/1129) and the Liechtenstein Token and Trusted Technology Service Provider Act (TVTG).

Both conversion paths are conditional. No automatic entitlement arises from holding the DAO token. All such conversions require prior approval from the Liechtenstein Financial Market Authority (FMA), including prospectus approval and fulfilment of all regulatory conditions for issuance, custody, and investor eligibility.

Token holders choosing not to convert may continue to hold or trade their DAO tokens freely. The DAO token remains valid as a governance credential and may continue to reflect structural or market-aligned value, particularly where the DAO exercises long-term influence over the Stiftung or associated real-world assets.

All conversion options, exchange listings, and post-lock functionalities will be implemented

through transparent governance mechanisms, and subject to legal review before execution.

REPORTING, AUDITS AND TRANSPARENCY COMMITMENTS

The BlackOlymp DAO and the associated Stiftung are committed to a transparency-first operational standard, combining verifiable blockchain records with formal third-party reporting. All governance activity related to the DAO token is conducted on-chain, ensuring immutable recording of votes, resolutions, and token movements. Proposal outcomes and governance metrics are publicly accessible and permanently stored on the Polygon blockchain.

Beyond on-chain governance, the Stiftung will maintain a structured reporting cycle, including the following elements:

- » Confirmation of precious metal reserve holdings, based on individual bar numbers, provided through third-party audit certificates issued by the regulated German custody provider
- » Annual legal and operational reporting, including the Stiftung's activity statements and fiduciary declarations, filed under Liechtenstein foundation law
- » Disclosures regarding any collateralisation, encumbrance, or financial use of the asset reserve, including terms of any outstanding credit facility
- » DAO-level treasury reports detailing any to-



ken-based allocations, ambassador distributions, or funding disbursements

- » Independent audit confirmations, where applicable, to verify compliance with regulatory frameworks related to security token issuance or crowdfunding operations

All reports will be made available to DAO participants through the BlackOlymp platform. Any failure to deliver mandatory reports, or any attempt to circumvent the DAO voting process for fiduciary decisions, constitutes a breach of foundation governance and may result in immediate dismissal of fiduciaries through DAO resolution. Transparency and traceability are integral to the structure of the BlackOlymp ecosystem. By integrating decentralised governance with institutional-grade auditability, the DAO combines legal enforceability with technological assurance—ensuring long-term legitimacy and participant protection.

CLOSING STATEMENT

The BlackOlymp DAO Token represents a new class of structured, asset-linked participation—legally separated, technically immutable, and governed transparently through on-chain mechanisms. This white paper defines the intended framework for issuance, governance, and asset management under Liechtenstein and EU regulatory expectations. It avoids speculative claims and focuses on enforceable structure, legal clarity, and decentralised control. The initial offering is private, closed, and conducted under strict eligibility and compliance conditions. It does not constitute a public offering of securities or financial instruments. No rights, dividends, or equity interests are

granted unless and until regulatory approval is obtained. All references to conversion mechanisms, platform expansion, or strategic partnerships remain conditional.

This document does not replace legal due diligence, nor does it create contractual obligations between the issuer and participants. Each prospective participant is expected to understand and respect the legal limitations of this structure and to engage solely within the permitted jurisdictional framework.

BlackOlymp will continue to communicate relevant developments through verifiable, on-chain governance and formal reporting mechanisms. All material changes to this framework—technical, legal, or operational—are subject to DAO proposal and approval. This structure ensures long-term alignment between participants, assets, and governance, independent of external influence.

AUTHORSHIP NOTE

This white paper was compiled by

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Founder and initiator of the BlackOlymp DAO framework, in best professional knowledge and belief, based on the information, technical infrastructure, and applicable legal and regulatory frameworks available at the time of writing. All descriptions, structural outlines, and forward-looking components reflect the project's legal and operational intentions as presently conceived. Where references are made to legal provisions, financial instruments, or regula-



tory procedures, these are stated in good faith and are subject to future confirmation, amendment, or approval by competent authorities.

This document does not constitute legal advice and must not be interpreted as a binding offer or prospectus. All details are provided for transparency and orientation only. Legal validity and enforceability of any mechanism described herein depend on actual implementation, jurisdictional approval, and regulatory recognition.

Participants are strongly encouraged to perform their own legal, financial, and technical due diligence prior to engagement.