



The world's first IP-NFT Integration DAO  
CRIPCO DAO is built by creatives, for creatives



# Whitepaper

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## **CRIPCO**

### the IP-NFT Multiverse DAO

Whether for art, collectibles, gaming cosmetics or much more besides, it's clear that NFTs represent the future of digital ownership. Yet, in today's Web3 landscape, IPs are often reduced to mere consumables, with licensors hastily issuing NFTs and abandoning projects, leading to haphazard execution and escalating speculative trends. Consequently, IPs are trivialized in the Web3 realm, their true value unmerged with the NFT framework. CRIPCO aims to transform this narrative by curating IPs and integrating them into DAO-driven NFT projects, establishing officially recognized IP-NFT bindings within the Web3 world. Through our Creative IP Proposal, we enable both official fandom engagement and direct contributions to IP projects, depending on the permitted scope of involvement.

CRIPCO aims to change all that. As the world's first IP-NFT Integration DAO, it brings together industry stakeholders, brands, artists, influencers, platforms (and others) in the governance of CRIPCO. That way, customers can be assured of the quality, exclusivity, value and utility of their NFTs.

By implementing a Ethereum-native DAO to handle the curation process and manage platform development, CRIPCO can guarantee transparency in its decision-making, provide public accountability, and ensure the alignment of user and platform interests and outcomes.



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# Multiverse Overview

## What is the Multiverse?

At its most fundamental level, the 'multiverse' is the world infused with IP-NFTs, where the binding of genuine intellectual property with digital assets manifests, reflecting and integrating the value of IP into each NFT. Governed by a decentralized autonomous organization (DAO), with collections of individual NFTs known as the 'pocket-universes'. The Multiverse allows core IP rights holders and NFT users to distinguish between NFTs as mere digital collectibles and those that genuinely bind the core values of the IP.

The multiverse signifies a pledge by the core IP rights holders not to distribute NFT collections without DAO consensus and certifies that the NFTs from a particular IP company are carefully curated, binding the IP's value in Web3, not just indiscriminately issued digital tokens. The value of IP emerges from a spectrum of unpredictable interactions, for instance, through creative engagements with fans, sustained community involvement, dynamic brand activities, product development, events, gaming, culture, and memes. CRIPCO believes that such activities intrinsic to IP will culminate in tangible value.

To ensure a curated and certificated experience for customers, pocket-universe applications must be approved by the DAO before joining the multiverse, fostering an ecosystem where IPs are not merely consumed but actively contribute to and enhance the value of the Web3 space. This process is handled by the curation smart contract, the details of which can be found under the governance section of this Whitepaper.

The multiverse and the DAO will use a single token to operate, \$IP3, serving both as a utility and governance token. The \$IP3 token, serving as both a utility and governance token, underpins our IP community and ecosystem.

The DAO will operate on Ethereum for the purposes of security, liquidity and interoperability.

## Why use a DAO?

At its core, the Multiverse DAO called CRIPCO is designed to guarantee transparency and accountability in all platform decision-making, whether that be platform curation, smart contract upgrades, or treasury fund usage. All DAO proposals are public, therefore DAO members are incentivized to act in alignment with the interests of platform users, with ensuing reputational damages for dishonest or low-quality governance/voting. DAO's also offer a unique opportunity to coordinate skills, talent and information across the globe, enabling a dynamic organization which spans international borders. By integrating a wide pool of stakeholders and aligning their incentives, DAO's can enable cooperation between parties and draw from a huge pool of expertise. By integrating a diverse array of stakeholders into CRIPCO including creators, brands, influencers, programmers, platforms and more, the multiverse will become the world-leading NFT platform in the global metaverse.

By using a DAO to manage the curation process, the DAO can successfully maintain NFT quality within the multiverse and make strategic platform decisions which offer a curated experience for customers, whilst ensuring legal compliance where necessary through its wide array of stakeholder expertise.

Many current DAO implementations have limited tangible governance capabilities or well-defined governance processes. Multiverse DAO is committed to change that, with detailed DAO governance proposals outlined in this paper.

## How does the Multiverse operate?

CRIPCO's founding DAO members' first step will be to provide high-quality NFT collections. CRIPCO focuses on meticulously curating IP, integrating it into NFT projects within the DAO, thereby creating officially recognized IP-NFT bindings in the Web3 space.

This curation process allows for the elevation of IP beyond mere consumables, ensuring their true value is interwoven with NFTs. Small-scale contributors can engage as official fans of an IP, while those with more significant involvement can contribute directly to IP projects.

Through the Creative IP Proposal framework, CRIPCO enables a wide range of contributions, from basic support to direct project involvement. CRIPCO will continuously invite creators and IP holders to start their NFT projects in the Multiverse.

As the community, ecosystem and economy grow, the prospect of getting involved with CRIPCO will become ever more attractive to creators. By incentivizing the community through the privatization of IP and IP3 token economy, CRIPCO strengthens the network effect between members.

# DAO Structure

## DAO Overview

DAO offers a revolutionary way to coordinate talent and stakeholders across the world, guaranteeing transparency and accountability in all decision-making. Transparency is a key feature of DAO, with all on-chain governance decisions, applications and proposals made public. This creates accountability, aligning incentives between CRIPCO and the multiverse users.

The DAO will operate on Ethereum for the purposes of security, liquidity and interoperability. Ethereum has a long track-record of stability as well as being the most widely recognised L1 for smart contract development. The DAO has three primary governance functions which will be discussed in detail. These are the curation contract, protocol upgrades, and treasury decisions. All DAO decisions are strictly executable onchain.

Each IP3 confers its holding wallet a voting power of 1. All voting functions can be delegated to other IP3 addresses, allowing token holders to delegate their votes to other parties within the DAO, such as community artists, recognised brands/ companies or trusted programmers.

Besides public accountability, the DAO is designed to ensure that all NFT pocket universes on the platform meet a high standard of quality, originality and authenticity. This is achieved through the Curation Contract, discussed in detail under DAO Governance. By pooling governance across brands, artists, creators and more, CRIPCO can assure a diverse array of expertise when assessing these core qualities.

The DAO is also responsible for protocol upgrades. Whilst these are likely to be rare, given the limited scope of DAO responsibilities, certain changes may be desirable in the future. For example, adding additional application sub-types, token bridging mechanisms or readjustments of the voting mechanisms.

The Treasury accrues platform fees from NFT transactions and pocket-universe applications. These funds are intended to be used for platform development and promotion.

Finally, to enhance proposal adoption and fulfill various requirements, the DAO may integrate additional tools. These not only facilitate gas-free transactions but also ensure transparency and expand governance participation to all \$IP3 holders, underscoring our dedication to a transparent and inclusive governance framework.

# DAO Governance

## Curation Contract

The curation contract is the DAO's primary function and is used to keep a list of approved pocket universes. Only approved pocket-universes can be interacted with within the multiverse.

Pocket-universe applications cost IP3 to submit. The exact breakdown of this cost has yet to be determined, though a small portion will be sent to the Treasury, with the rest locked until the curation decision is confirmed.

Applications may also include an IP3 bounty shared between all voting wallets proportionate to voting weight. This bounty is designed to attract votes, and therefore scrutiny from the DAO. It will be shared between all voting wallets regardless of the ultimate outcome. Bounties also create a fixed cost for submitting applications, decreasing the likelihood of low-quality applications.

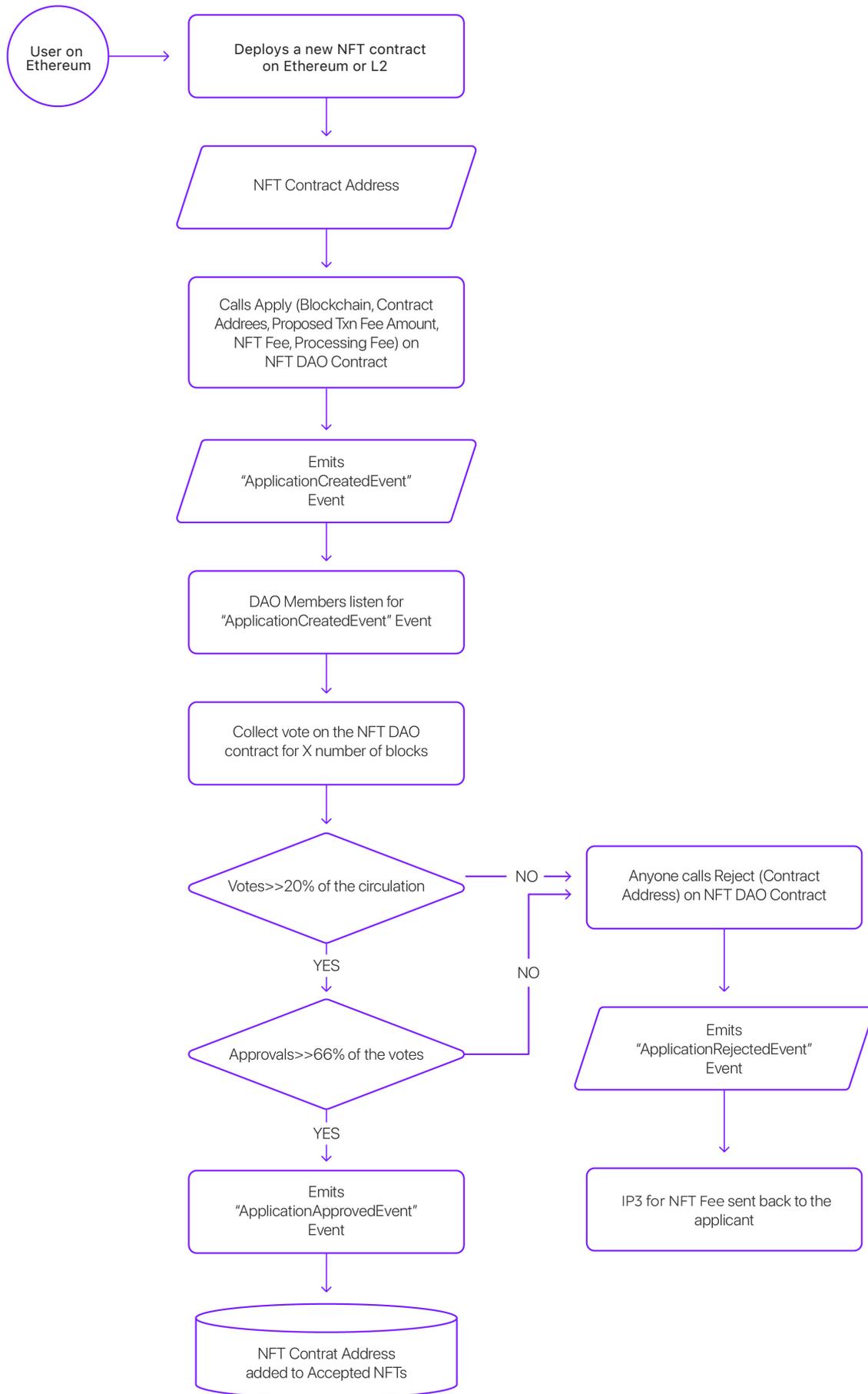
Successful pocket-universe applications require:

- Quorum of 20% of the total voting weight
- A 2/3rds majority

This relatively high approval threshold ensures that any accepted applications should be of high quality. Low-interest applications will be ignored. The Multiverse Application voting periods will last for 1 week, allowing time for a thorough assessment of the application's merits by all interested parties.

Once a multiverse application is approved, the address of the relevant NFT contract gets included in the relevant approval list, allowing it to function and interact with the CRIPCO platform.

Finally, the DAO can vote to remove a pocket-universe from the multiverse approval list. The exact process for this has yet to be determined, but will require a higher threshold than successful applications. Removals may be necessary in cases where inactivity, copyright infringement, security vulnerabilities or other unforeseen complications arise.



## Protocol Upgrade Process

The DAO is also responsible for protocol upgrades. Although such upgrades will likely be rare, given the development risks involved, they will be necessary to ensure the effective functioning and long-term adaptability of the DAO.

Protocol upgrade proposals are strictly executable code, and are added to the DAO's core code-set if approved. Any IP3 wallet can submit a contract upgrade proposal. For a proposal to be considered (voted on), it must have the support of 20% of the total DAO voting weight. This ensures that low-quality proposals are ignored, and that a period of consensus-building and proposal refinement is required before any proposal is officially submitted.

To allow enough time and place to discuss a proposal, each proposal will go through a pre-voting period. The pre-voting discussion will happen on a forum (off-chain) so that everyone has a chance to carefully read the draft proposal in detail and give feedback before the proposal is submitted. We will structure the proposal details and feedback referring to the ERC. A link to the proposal in the forum will get added as metadata when the proposal is submitted on-chain for the official voting.

Given the importance of such proposals, it is expected that such a proposal will include a detailed breakdown of any changes, their purpose, and include relevant third-party audits of any proposed code changes as well as any other supporting evidence.

Successful protocol upgrade proposals require an absolute majority of 51% of the total DAO voting weight. Voting period will be 3 weeks, in order to allow all stakeholders sufficient time to consider the proposals.

## Treasury Proposal Contract

The DAO is also responsible for allocating Treasury funds for platform development promotion, marketing, development insurance and so on.

Any IP3 wallet can submit Treasury proposals. For a proposal to be considered (voted on), it must have the support of 10% of the total DAO voting weight. As with the protocol upgrade, this threshold is designed to ensure that low-quality proposals are ignored, and that a period of consensus-building and proposal refinement takes place before any proposal is officially submitted.

To increase proposal adoption and satisfy various requirements, other DAO tools can be utilized, offering gas-free transactions, ensuring transparency, and extending governance participation to all \$IP3 holders.

To submit a proposal, the address must also stake 5+1% IP3 of the total IP3 funding requested, with 5% being locked by the assessment smart contract, and the other 1% allocated as DAO proposal voting rewards. The 5% is held by the smart contract until the project assessment stage.

Proposals must be made in the form of an executable smart contract, with the DAO voting decision simply determining whether funds are released to the nominated smart contract. It is up to the proposing party to develop the relevant smart contract, with an expectation of code audit provision and more. This smart-contract must also specify the on-chain condition for project completion, thereby triggering the assessment process. In the case of multi-stage proposals, the relevant smart contract can integrate DAO voting features. Finally, where possible, proposals should also include legal agreements between the implementing party and the DAO/any other included parties to ensure liability in the case of fraud or other forms of fund mismanagement.

Successful Treasury Proposal applications require:

- Quorum of 50% of the total voting power.
- 2/3rds majority.

Voting period will be 3 weeks, in order to allow all stakeholders sufficient time to consider the proposals.

Upon approval, Treasury funds will be automatically released to the nominated smart contract.

### **Treasury Assessment Process**

The final stage for Treasury proposals is assessment. Upon the smart contract-defined completion of any project, DAO members can vote on the project's success.

Assessment voting has a 10% quorum requirement, with success determined by a simple majority. If the quorum requirement is not reached, then the assessment will automatically be executed as a 'success'. IP3 addresses can vote for one of two outcomes:

- **Failure** : 5% proposal stake is burned.
- **Pass** : 5% proposal stake is unlocked and returned to the submitting address.

By design, this assessment approval relies on the good intentions and honesty of DAO members. Whilst DAO members could vote to burn staked tokens, thereby reducing supply, this would damage the DAO's fundamental reputational integrity and disincentivize future proposals. Acting honestly and in good-faith encourages highquality proposals and execution, given the alignment of financial and reputational incentives across both parties.

On the proposer-side, creating a potential punishment effect ensures that the proposing address designs the smart contract, and the overall proposal implementation structure, with sufficient care and attention.

# IP3 Technical Specifications

## Key Features

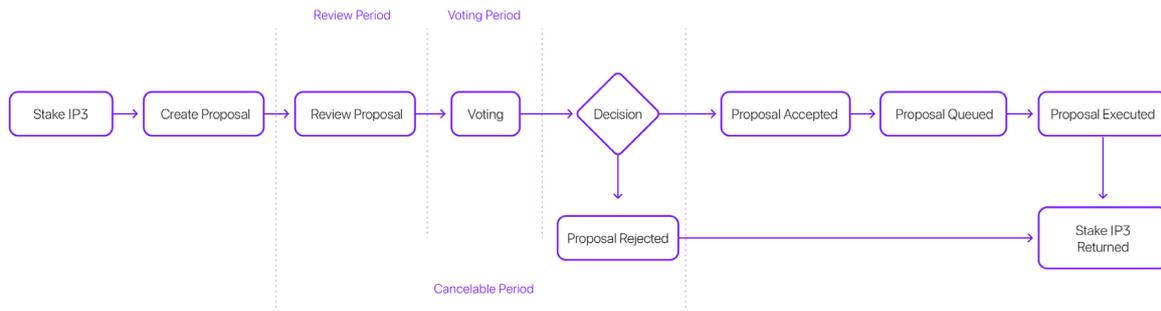
CRIPCO is designed following the Governor Bravo framework, a framework developed by Compound and widely adopted in the DeFi space. The DAO is set up as an upgradable immutable contract where:

1. no one can modify the proposal after it is created
2. The decision made by the DAO members is final:
  - a. no one can change the vote after it is cast.
  - b. once voting ends, the outcome is final.
3. the contract logic can be upgraded for bug-fixing or fulfilling requests from the DAO community (subject to the DAO community consensus)

Using the Governor Bravo framework, we enable the following features for CRIPCO:

- **Voting Right via Address:** A DAO member can only vote after they register their voting rights to an address.
- **Secure 3rd Party Delegation Vote Casting:** DAO members can authorize a third party to submit a vote on their behalf by using a digital signature. In this case, the DAO member uses their private key to sign a voting transaction which the 3rd party can then submit to the network. The authorized voting power is limited to a single proposal. The DAO member can still use their vote as long as the signed transaction hasn't been submitted.
- **Moderate Efficiency via Staking:** To create a proposal, a proposer must stake a certain amount of IP3. That same amount of IP3 will then be refunded back to the proposer when the voting is concluded. This helps reduce the protocol jam and prevent spam attacks.
- **Voting Reason:** Voters can add a text comment when voting. This enhances the transparency of both the voting and decision-making processes of the DAO members. Furthermore, the comments can facilitate more in-depth and nuanced discussion.
- **High Flexibility for Voters:** Voters can choose between Abstain, For, or Against a proposal rather than being forced into a yes/no decision or not voting at all. This flexibility makes vote delegation more practical.
- **Review Period:** The DAO contract allows a review/analysis period for each proposal. This ensures voters have enough time to read the proposal and aggregate corresponding data to come to the right decision. A review period substantially improves the accessibility, confidence, and safety of the voting process. This period is strictly safeguarded by the contract's admin.
- **Proposal Cancellation:** A proposer can cancel a proposal at any time (even after the voting process). When a proposal is canceled, it will be removed from the queue and voting process. This feature helps to reduce junk/erroneous proposals and enhance the efficiency of the DAO.

- Flow



## Security Considerations

- **Private key security:** since vote rights are registered to addresses, the security of each vote depends on the security of the address's private key. Since CRIPCO offers non-custodial service, users have a responsibility to protect their private keys by storing them in a secure place and ensuring the private key is retrievable when necessary. It is not possible for CRIPCO to restore the private keys for users when they are lost.
- **Presence of malicious voters:** since private keys can be stolen by malicious actors, the presence of malicious voters, although they may not hold the majority of a voting base, can influence other voters and affect the vote results. The malicious voters can spam the DAO protocol by submitting an unreasonable amount of proposals, however, this can be prevented by the staking mechanism when creating a proposal. To mitigate this risk we follow these approaches:
  - Increase the number of voters and participant rates
  - Require a high quorum for each voting process and acceptance rate.
  - Penalize proposers a small amount of staked IP3 if their rejected proposal exceeds a certain threshold.
- **Financial confidence risk relating to high-value transactions:** although we enforce a high quorum and acceptance rate to ensure the confidence and correctness of the voting process, processing very high-value transactions may cause concerns, especially at the early stage when the number of voters is small. To avoid that, we create a multi-tier acceptance rate for transactions, the transactions that have high value will need a higher acceptance rate to be accepted.
- **Reentrancy attacks:** as IP3 is working with external smart contracts to process proposals, it is susceptible to reentrancy attacks by nature. To reduce the risk, we require the proposal which includes a contract deployment/integration, to have the contract source code hash and the contract must be gone through a security audit before submission. The hash of the contract source code in a proposal must be identical to the one going through a security audit.
- **Operational risk:** since the IP3 is used to connect the mainnet and sidechains, there is an operational risk that happens when a proposal, which should be made to update the sidechain to reflect the corresponding change in the mainnet, is not made eventually and vice versa. For example, when a user creates an unpeg request from the sidechain but the proposal to transfer the unpegged token is not made in the IP3 in the mainnet. To reduce this risk, we plan to have a bridge to track the changes in both mainnet and sidechain to automatically create a proposal when necessary for the DAO community to vote. A bridge can be fully decentralized later on to enhance the efficiency and transparency of the DAO ecosystem.

# Tokenomics

As outlined earlier, CRIPCO will operate with a single token, \$IP3, which fulfills dual roles within its ecosystem. This token is ingeniously designed to streamline operations by serving as both the utility and governance token.

\$IP3 serves as both the utility and governance token, streamlining the ecosystem's functionality. This token facilitates all transactions and governance within the multiverse, ensuring cohesive and effective management.

## IP3

IP3 is the utility token of the CRIPCO platform. Its primary function is as the medium of exchange between transacting parties. All sales and transactions fees within the Multiverse will be settled in IP3.

Beyond this, holding IP3 will grant users certain privileges, benefits etc. when using the platform. Here is a description of the proposed IP3 token utility cases and values:

- **Medium of Exchange** - All sales, purchases and general transactions within the Multiverse will be settled in IP3.
- **Pocket Universe Application Fee**
- **Staking Fee** - All NFT universe applications must include a set amount of staked IP3 depending on the size of the collection. If the application is approved, then the corresponding IP3 application fee will be burnt. If the application is rejected, then the submitter will receive their IP3 back minus any fees.
- **Voting Incentive** - IP3 is used in the application process in order to attract DAO votes and reach the minimum quorum required for a listing. Submitters may attach a IP3 bounty which is shared amongst voting IP3 holders upon a completed application (regardless of the result).
- **Treasury Voting Applications** - IP3 can be used to submit Treasury governance decisions to the DAO in conjunction with DAO wallet support.

## Distribution

The IP3 token supply has been expanded through a token split, now totaling 21 billion, a seventy-fold increase from the original 300 million. This token split has been executed to enhance project scalability, with careful attention to maintaining the original distribution ratios. This ensures that the proportional shares of existing holders remain unchanged, preserving equity across the distribution framework. Through this approach, the integrity of the original distribution structure is upheld, directly reflecting our strategic design for an expanded yet stable token ecosystem:

1. **Private Sale:** 11%; 2.31B (9% each month for 10 months after 1 year cliff from TGE)
2. **Public Sale:** 1%; 0.21B (No lock-up)
3. **Team/Advisor:** 10%; 2.1B (10% each 2.4 month for 24 months after 18 months cliff from TGE)
4. **Marketing/PR:** 10%; 2.1B (No lock-up; held in reserve for marketing and PR of the CRIPCO DAO)
5. **Ecosystem fund:** 68%; 14.28B (No lock-up; held in reserve for the future contribution to the CRIPCO DAO)



CRIPCO

