Shift Association White Paper

1. Introduction

Mission and Vision

SHIFT (Formerly Auroca) is on a mission to explore, develop, introduce and promote the use of Asset-Referenced Tokens (ARTs). Utilizing new technologies, it shall deploy the Governance Interface, which shall introduce and promote Asset-Referenced Tokens (ART), primarily RWA-based.

The DAO shall explore and utilize known methods and technologies that promote transparency, trust, and credibility using the public blockchain. The SHIFT DAO shall aspire to introduce 100%-backed, Asset-Referenced Tokens under the relevant regulations. Through these efforts, the SHIFT DAO strives to inspire people all over the world to subscribe to the SHIFT Vision, which aims to introduce 100%-backed ARTs, primarily designed to promote on-chain inclusivity and its ecosystem growth.

To increase awareness for Asset-Referenced Tokens and promote its ecosystem growth, the SHIFT DAO may engage in the following activities:

1. Educating and promoting awareness to its mission.
2. Endorsing and promoting innovative projects.
3. Deploying smart-contracts on the blockchain.
4. Overseeing and managing the DAO treasury.
5. Build strategic partnerships and engagement.
6. Intellectual property management.
7. Community events, PR and marketing.
8. Promoting the integration of ARTs into existing DeFi and blockchain ecosystems.
9. Develop decentralized on-chain protocols and dApps.

Community Governance

The SHIFT association shall deploy a decentralized governance protocol (DAO) and issue the SHIFT Utility Token (SHFT).

SHFT token sole purpose is to grant its holders access to the SHIFT Interface, enabling them to become community members and access to exclusive features as described in this document. SHFT token is not an Asset-Referenced Token nor a Payment token to acquire Asset-Referenced Tokens.

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Through the DAO Interface, members may participate in the pursuit to introduce Asset-Referenced Tokens under a regulatory framework.

To ensure its longevity and sustainability, the DAO obtained a legal advice to confirm that the tokens introduced comply with a regulatory framework. The DAO shall primarily focus on propositions concerning RWA-based, ARTs and innovative decentralized technologies that may drive ARTs adoption. The SHIFT DAO shall refrain from proposing or promoting tokens that promise quick profits, or any other deviation from its core mission.

Key Values

Empowering ARTs adoption stands paramount, alongside an unwavering commitment to promote transparency, trust, and credibility. The community shall forge alliances with partners who share the same dedication to blockchain transparency and innovation, possess a similar vision, and have the ability to grow the ecosystem while adhering to regulatory framework.

2. Value Proposition

The SHIFT Association's value proposition is built upon the following foundational principles:

- Accessibility: Simplifying the process of accessing and accessing real-world assets.
- Transparency: Utilizing blockchain technology to ensure verifiable and tamper-proof transactions.
- Innovation: Developing and researching tools to promote ARTs.
- Inclusivity: Lowering barriers to entry for individuals and institutions to participate in asset-backed token ecosystems.
- Sustainability: Building robust and scalable systems to support long-term growth and adoption.

2.1 Unlocking Real-World Assets

SHIFT aims to bridge the gap between traditional finance and blockchain by enabling seamless access to real-world assets (RWAs). Using ARTs, SHIFT promotes and democratizes access to tokenized RWAs, creating new opportunities for individuals and institutions alike.

2.2 Transparent and Trusted Tokenization

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SHIFT's blockchain-based approach ensures that every asset-backed token is verifiable and transparent. By leveraging on-chain oracles, SHIFT instills trust in its ecosystem.

2.3 Enhanced Liquidity and Market Access

Through its innovative protocols, SHIFT enhances liquidity by enabling fractional ownership and 24/7 access to RWA-backed ARTs. This accessibility unlocks new opportunities for users to participate in the web3 ecosystem.

2.4 Scalable, Secure and Regulated Frameworks

SHIFT provides a robust ecosystem designed to support the growth of ARTs. By focusing on regulatory compliance, scalability and security, SHIFT ensures a sustainable and longevity of its ecosystem.

2.5 Empowering Ecosystem Participants

From retail DeFi users to institutional players, SHIFT offers a platform that empowers all participants. With user-friendly dApps, compliance-ready protocols, and a commitment to inclusivity, SHIFT is setting the standard for the next generation of DeFi innovation.

3. Technology Overview

The SHIFT DAO shall engage with partners capable of driving the growth of its ecosystem and fulfill the SHIFT Vision, focusing primarily on three types of technology:

Transparency and Trust

The SHIFT DAO shall leverage widely available transparency tools facilitated by underlying blockchain technology, such as:

1. Proof of reserves: stands as a pillar of transparency and trust within the ecosystem. It acts as a mechanism to verify and authenticate the value of the assets backing the ARTs. This shall ensure that any ART introduced by the SHIFT DAO is transparent and provides its holders with full confidence in the integrity of the ART.
2. Open source code: Transparency is at the core of the SHIFT DAO, and one of the fundamental ways we uphold this principle is by publishing open-source code. The smart-contracts' codebase of the SHFT and the ARTs that the SHIFT DAO aims to introduce, shall be openly available to the public, enabling thorough review by developers, auditors, and stakeholders.

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3. Immutable records: serve as a cornerstone of credibility within the ecosystem. Each transaction or interaction within the blockchain is recorded in a tamper-proof and irreversible manner, establishing an indelible audit trail of activity.

Governance Interface & SHIFT Utility Token (SHFT)

The SHIFT DAO Governance Interface for the SHFT Utility Token holders shall embody the decentralized governance, forming the foundation of the SHIFT DAO. Through this Governance Interface, holders of SHFT shall gain access to governance functionalities, empowering them to propose, debate, and vote on key initiatives, resource allocation, R&D, and more.

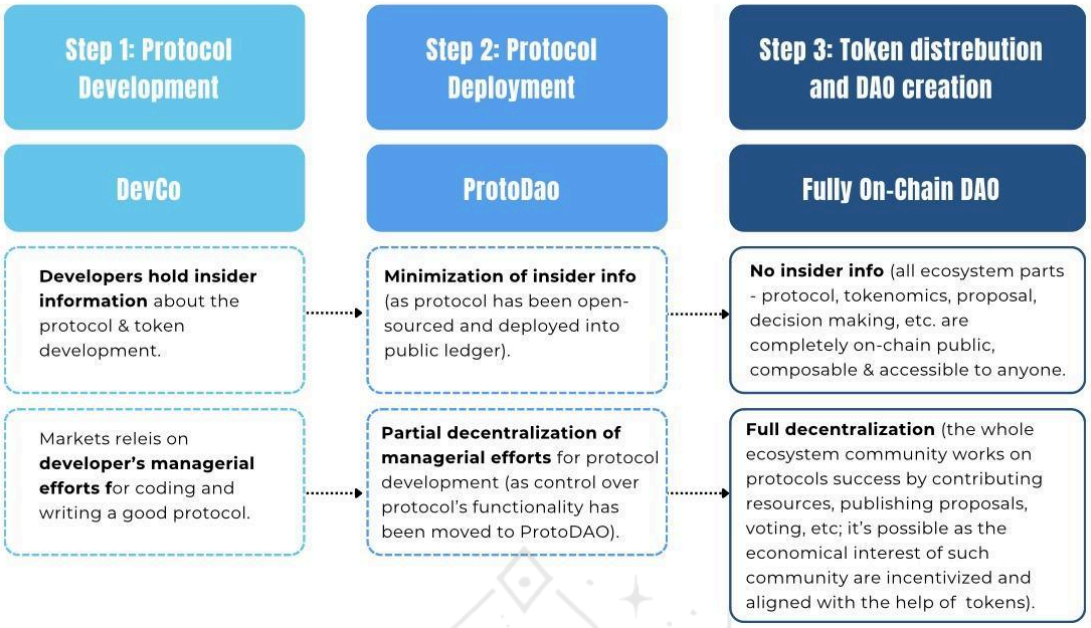
To ensure trust and transparency within the DAO, users cannot vote to allocate resources, monetary or otherwise, for their own benefit. However, users can propose their services to the DAO, and the community will collectively vote on whether to allocate resources accordingly.

By decentralizing governance, decision-making power is distributed equitably among stakeholders, promoting transparency, inclusivity, and resilience within the SHIFT DAO ecosystem.

Aiming to align the evolution of the SHIFT DAO decentralized governance protocol with industry standards and regulatory frameworks, the community shall leverage existing Progressive Decentralization models, as detailed in the table below. The SHIFT DAO is conducting its research to identify a suitable Governance Interface and blockchain network that shall empower the SHIFT DAO Interface, with extensive decision-making capabilities, taking into account factors such as EVM compatibility, low transaction fees, scalability, industry adoption standards, user-friendly UI, and more.

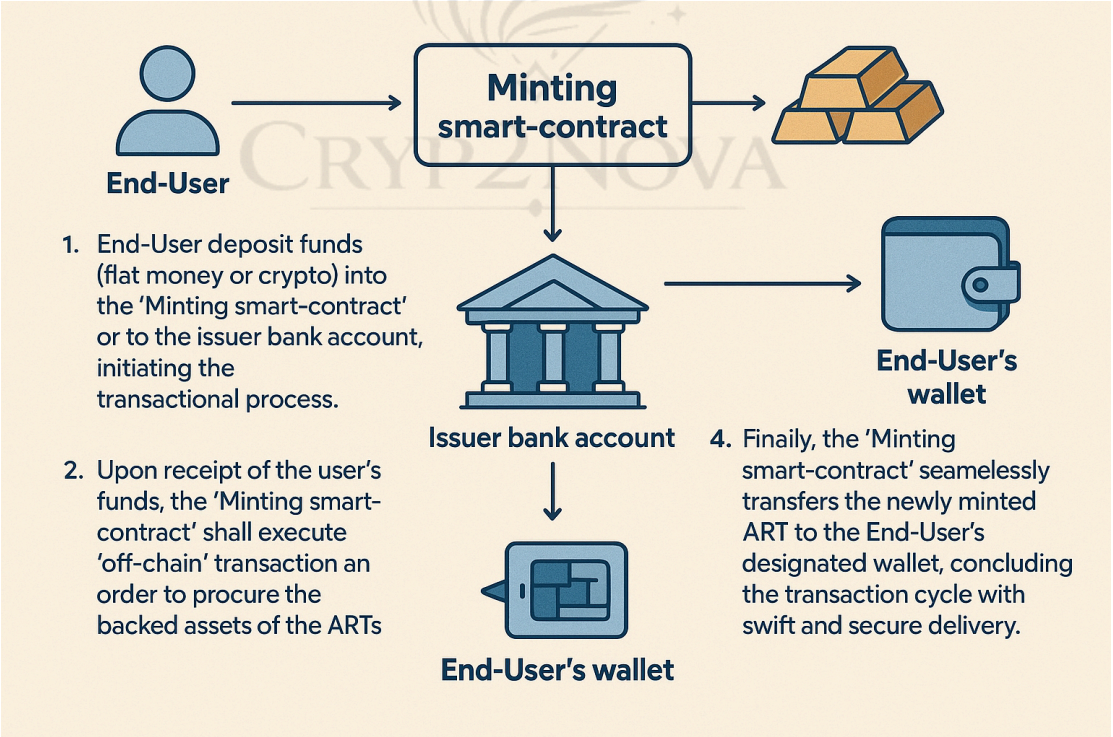
The SHIFT DAO shall make the Governance interface available before the Pre-sale of its SHFT utility tokens.

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Asset-Referenced Tokens

ARTs minting process: In its pursuit to introduce tokens that can be classified as ART under a regulatory framework, the SHIFT DAO shall deliberate on engaging with partners who can promote growth within its ecosystem by offering the necessary technology alongside other expertise. The technology shall rely on a smart-contract to facilitate the unification of a basket of smart-contracts or a single smart-contract, seamlessly integrating them to form a single, unified ART, consolidating the collective value of the smart-contract utilized.



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ARTs in the ecosystem:

1. End-User deposit funds (fiat money or crypto) into the ‘Minting smart-contract’ or to the issuer bank account, initiating the transactional process.
2. Upon receipt of the user's funds, the ‘Minting Smart-Contract’ shall execute ‘off-chain’ transaction an order to procure the backed assets of the ARTs.
3. Utilizing the acquired backed assets, the ‘Minting smart-contract’ initiates a unified ART generation process through a minting process, ensuring accuracy and reliability.
4. Finally, the ‘Minting smart-contract’ seamlessly transfers the newly minted ART to the End-user's designated wallet, concluding the transaction cycle with swift and secure delivery.

Off-chain Automated Mechanism

The ‘Off-chain Automated Mechanism’ in the ecosystem acts as the cornerstone of trust, safeguarding the underlying assets supporting the ART.

The SHIFT DAO shall deliberate on the composition of the underlying assets backing the ART aiming to establish dependable backing for the assets. Managed through a blockchain-based smart contract and web 2 API, the ‘Off-chain Automated Mechanism’ shall remain transparent and auditable at all times. The ‘Minting smart-contract’ shall mint new ART only if has a prove that the backed assets are in the issuer account, thereby maintaining equilibrium between the token circulation and the collateral assets backing the token as the token’s supply expands.

Minting smart-contract

The ‘Minting smart-contract’ in the ecosystem is set to oversee the issuance and circulation of the ART. It will enable users to receive newly minted ART in exchange for their funds (fiat or cryptocurrency). The smart-contract shall calculate the appropriate amount of ART to be minted based on the value of the assets in the Off-chain Automated Mechanism and the existing number of ARTs in circulation. Additionally, it shall be designed to ensure that new tokens are not created unless there is sufficient collateral in the Off-chain Automated Mechanism. Utilizing data from blockchain oracles, the Minting smart-contract shall evaluate the combined asset value in the Off-chain Automated Mechanism, allowing token minting to proceed only as long as the assets' value surpasses the current circulating volume of the ART. Minting shall be halted once equilibrium is reached or proceed with burning

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process should the assets value decrease, thus reflecting the correct Off-chain Automated Mechanism assets value in respect to the circulating volume of the ART.

Blockchain oracles

Blockchain oracles shall play an integral part in the ecosystem, sourcing real-time prices for the underlying assets within the Off-chain Automated Mechanism from a variety of sources. These oracles shall facilitate a seamless interaction between isolated blockchain networks and off-chain data sources. This capability may be critical for developing hybrid smart-contracts that merge on-chain protocols with off-chain data, enabling decentralized applications to adapt to real-world events and integrate efficiently with traditional systems when required.

4. Tokenomics

Token supply and distribution model

SHFT operates on a fixed supply model, ensuring scarcity and value preservation over time. The total token supply is set at 1 billion tokens.

Token supply and distribution model		
Core Team		14%
Advisors	Advisors who help the project	4%
Community incentives	Compensations for work by community members	10%
Token's sell	All kind of sells: Seed, private, public, community	28%
Reserve	Can be used for market making, stacking, LP and incentives for the community	29%
Liquidity		15%

Distribution breakdown

- Token sale: 28% of the total token supply (280 million tokens) will be allocated for the initial token sale to bootstrap the project and ensure widespread distribution among early supporters and investors.
- Reserve: 29% of the total token supply (290 million tokens) will be reserved to support ongoing development, marketing, partnerships, and future initiatives aimed at growing the ecosystem.

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- Team and advisors: 18% of the total token supply (180 million tokens) will be allocated to the core team members, advisors, and strategic partners as incentives to drive the long-term success and sustainability of the project. These tokens will be subject to a vesting schedule to ensure alignment with the project's objectives.
- Community incentives: 10% of the total token supply (100 million tokens) will be earmarked for community incentives, including rewards for active participation, contributions, and engagement within the ecosystem. These incentives will foster a vibrant and supportive community around the project.
- Liquidity: 15% of the total token supply (150 million tokens) will be allocated to fund ecosystem growth initiatives, including liquidity incentives, grants for developers building on the platform, and other initiatives aimed at expanding the utility and adoption of the ecosystem.

Vesting schedule for team and advisors

The team and advisor token allocations will be subject to a vesting schedule to ensure alignment of interests and long-term commitment to the success of the ecosystem. The vesting schedule will be as follows:

- Duration: The vesting period will extend over a duration of 36 months (3 years) from the token generation event.
- Cliff period: There will be a cliff period of 6 months, during which no tokens will vest. After the cliff period, tokens will begin vesting linearly on a monthly basis.
- Monthly vesting: Following the cliff period, tokens will vest monthly in equal installments over the remaining vesting period.
- Example: For instance, if an individual receives 100,000 SHFT as part of the team or advisor allocation:
    - No tokens will vest during the first 6 months (cliff period).
    - Starting from month 7, tokens will vest at a rate of 1/30th (approximately 3.33%) of the initial allocation per month.
    - By the end of the 36-month vesting period, the individual will have vested the full 100,000 SHFT tokens.

This vesting schedule is designed to incentivize ongoing commitment and contribution to the development and growth of the ecosystem, ensuring that team members and advisors are fully aligned with the project's long-term objectives and success.

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Details of token sale

The token sale will be conducted through a seed and private sale following an Initial DEX Offering (IDO), providing an accessible and decentralized means for participants to acquire SHFT tokens. The exact dates, prices of the sales and the participating exchanges will be announced at a later stage.

The Vesting Schedule for the Token distribution shall commence from the date of the TDE and be a linear vesting for 24 months. A linear vesting schedule for 24 months means that the distribution of tokens is equal in each month.

The SHIFT DAO shall make the Governance interface available before the minting of its SHFT utility tokens.

Full Tokenomics:

https://docs.google.com/spreadsheets/d/15-dcWtEW9wD8hDG_4NfZutmKX1CAn9djn9IE4qq7XnI/edit?gid=1620775641#gid=1620775641

5. Legal and Compliance

DAOs are not recognized as legal entities in the majority of jurisdictions. As a result, they lack the capacity to be parties to legal contracts such as investments or transactions, and do not have access to courts. Consequently, enforcing legal actions or recuperating losses in real-world scenarios becomes exceedingly challenging. Without legal grounding in a jurisdiction pertaining to investments, lawmakers may categorize a DAO as a collective investment scheme or similar entity. This classification often entails stringent regulatory requirements and penalties, or in extreme cases, complete prohibition.

DAOs engaging with RWA often rely on centralized intermediaries, such as banks, to serve as asset managers and custodians. However, this dependence on centralized parties poses challenges in providing proof of funds and navigating real-world operational complexities. In addition to complying with intricate regulations concerning specific RWAs (e.g., property in many jurisdictions), DAOs shall address issues such as restricted asset ownership, verification of fund sources, anti-money laundering (AML) and counter-terrorism financing (CTF) measures, as well as tax obligations.

The SHIFT DAO shall address these challenges with a focus on legal clarity and financial efficiency. For the purpose of establishing a tangible real-world association with legal standing in a reliable and stable jurisdiction, the SHIFT DAO initiated the registration of a "Verein" in Zug, Switzerland.

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In Switzerland, an association holds legal status and operates with formal decentralized governance structures such as articles of association, a president, general assembly, audit processes, and membership protocols. Such a model has proven to be highly effective for organizing activities in a decentralized manner.

While registration in the commercial registry is not mandatory, to adhere to the SHIFT DAO key values such as transparency and trust it is strongly recommended. Furthermore, the proposed real-world setup and governance framework can be seamlessly digitized and managed using smart-contracts on Distributed Ledger Technology (DLT).

6. SHIFT Token Utilities (SHFT)

1. Governance Participation: Holders of the SHFT token may utilize their tokens to access the Governance Interface, enabling them to actively engage in the governance process of the SHIFT DAO. SHFT token holders shall have the opportunity to vote on proposals, elect representatives, and exert influence on decision-making within the decentralized organization.
2. Proposal Submission: Holders of the SHFT may access the Governance Interface and submit proposals for new initiatives, or changes within the decentralized operations of the SHIFT DAO. As a Swiss association, SHIFT DAO must be compliant with the Swiss financial market laws and the practice of the Swiss Financial Market Supervisory Authority (FINMA), and adhering to other Regulatory frameworks. To enable decentralized governance while maintaining the legality and integrity of the SHIFT DAO, all proposals submitted via the SHIFT DAO Governance Interface shall be approved by a lawyer or a law firm specializing in the respective regulatory legislation and directives, before the proposal may be escalated to the SHIFT DAO members vote.
3. Content Curation and Moderation: Holders of the SHFT token may play a role in content curation and moderation. Participants shall be compensated for identifying and creating high-quality content, flagging inappropriate content, or providing valuable feedback to content creators.
4. Resource Allocation: Holders of the SHFT token may utilize their tokens to exercise their voting rights on resource allocation within the Governance Interface. This could involve directing funds or assets towards specific projects, partners, contractors, or legal entities, allocating computing power or storage space, or distributing rewards to contributors. DAO members cannot vote to allocate resources, monetary or otherwise, for their own

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benefit. However, members can propose their services to the DAO, and the community will collectively vote on whether to allocate resources accordingly.

5. Purchase and Redeem: The SHIFT DAO may launch SHFT token through a PreSale via a reputable Launchpad, where users shall be able to deposit supported cryptocurrencies in exchange for future SHFT tokens. The SHFT tokens shall become available for users to redeem during the Token Generation Event (TGE).

Staking Tokens: To promote the ecosystem growth, staking the SHIFT Utility tokens (SHFT) shall reward the user with additional “power” or “influence” in the community, such as voting rights. Staking ensures fair play by linking voting power to the amount of stake held by participants. This means that those who have a greater commitment to the DAO, demonstrated through higher stakes, have a proportionately greater influence on decision-making processes. Secondly, staking helps to ensure that the allocation of assets is aligned with users' commitment levels, promoting a fair and equitable distribution based on their investment in the DAO. Additionally, staking can help secure the network by incentivizing participants to act honestly and in the best interest of the DAO, as their staked assets are at risk if they engage in malicious activities.

Future Features

As part of the Progressive Decentralization Model of the SHIFT DAO, some features shall be made available for users during later stages of the decentralization process:

a. Protocol Development and Upgrades: Holders of the SHFT token shall have access to the Governance Interface, where they may contribute to the development and improvement of the SHIFT DAO decentralized underlying protocol. They shall have the opportunity to propose protocol upgrades, review code changes, and participate in testing and auditing processes. b. Community Membership: The SHIFT DAO may determine that members staking or holding more than a certain threshold of SHFT tokens, shall confer membership status within the Governance Interface, granting access to exclusive benefits, events, and resources. Membership may also entail additional voting power or influence within the organization.

Staking Options

Staking and Rewards: As a Utility Token, Holders of the SHFT token will not offer rewards to its users in form of assets. However, staking the SHFT token may allow users the following benefits:

1. Staking SHFT to access Staking of ART tokens.

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2. Staking Utility tokens (SHFT) will allow users to create new ART tokens models or new ‘Vault smart-contract’ combinations for Basket of Assets. (customize/create your own ART token model).
3. Staking the ART tokens the community shall introduce, to receive SHIFT Utility tokens (SHFT) to grow the user’s “power” or “influence” in voting rights, etc.
4. Staking SHFT for other exclusive features

7. Roadmap

H2 2024: DevCo/Pre-DAO

Research and Conceptualization

- Identifying Key Partnerships.
- Legal Research & Assessments.
- Developing Decentralized Protocol.
- SHIFT Community Conceptualization.
- Publishing SHIFT Community Whitepaper.
- Registration of a “Verein” in Zug, Switzerland.

H1 2025: DevCo/Pre-DAO

Raising Funds / SAFT

- Seed / private sale of the SHIFT Utility Token SHFT. the proceeds of the private sale will not be used to fund the development of the SHIFT DAO Interface.
- Legal Advice for ART issuance under a Regulatory framework.
- Engagement with Key Partners & other Collaborations.

H2 2025: ProtoDAO - FlatDAO

- Developing Decentralized Protocol.
- SHIFT DAO Governance Interface deployment.
- Token Generation Event (TGE).

Promoting the SHIFT DAO

- SHIFT Utility Token (SHFT) Audit & Bug Bounty program.
- Branding, Brand strategy & Messaging.

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- Marketing Funnels and Content creation.
- PR & KoL marketing campaign launch.

Launching the SHIFT Utility Token SHFT

- Token Distribution Event (TDE).
- Launch a social media marketing campaign to increase engagement via channels such as Telegram, Discord, and other media channels.

Full-DAO and 1st ART launch

Step 5: Early Engagement with the DAO

- SHFT Listing with Liquidity Providers, CEX & DEX.
- RWA & Other Assets Research for first ART token.
- Deploy the SHIFT ‘Vault smart-contract’ for Unifying Tokens.
- SHIFT ‘Vault smart-contract’ audit & Bug Bounty program.

Step 6: Scaling the DAO and Developing its 1st ART

- Formation of sub-DAOs with specific roles.
- Integrate Blockchain Transparency technologies.
- Determine the basket of Assets backing the first ART.
- Branding, Brand strategy & Messaging for the ART.
- Engagement with Key Partners & other Collaborations.
- Marketing Funnels and Content creation.
- PR & KoL marketing campaign launch.
- Launch a social media marketing campaign.
- ART smart-contract Audit & Bug Bounty program.

Full DAO Status! Launching the First ART token.

Step 7: Launching SHIFT DAO’s first ART Token

- Launching SHIFT’s 1st ART.
- Listing with Liquidity Providers, CEX & DEX.

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8. Risk Management

To mitigate various risks, both technical and financial, the SHIFT DAO shall develop a comprehensive suite of actions and procedures, as well as implement plans for external control parties to assess and enhance its security capabilities.

Technical risks

1. Smart contract risk

Explanation: Smart-contract vulnerabilities, hacking attempts, or other cybersecurity threats could compromise the security of the SHFT Token and ARTs it aims to introduce.

Mitigation: Smart-contract audits shall be implemented during the deployment of SHFT Token as well as in further steps of development. Additionally, SHIFT DAO shall launch a Bug Bounty program to incentivise its community members and developers to identify and report vulnerabilities in the smart-contracts, facilitating proactive risk management.

2. DAO technology risk

Explanation: Dependencies on third-party technologies or infrastructure could expose the SHIFT DAO to technical failures, downtime, or disruptions in service.

Mitigation: The SHIFT DAO shall implement robust monitoring and alerting systems to proactively detect and respond to potential technical issues or disruptions, monitoring key performance metrics, such as blockchain node health, transaction throughput, and network latency, in real-time. The SHIFT DAO members shall have the voting power to control the choice of underlying technology and suggest changes to its underlying infrastructure.

Financial risks

1. Risk of insufficient funding:

Explanation: Insufficient funding poses a significant risk to the SHIFT DAO, potentially compromising its ability to cover development, marketing, and operational expenses, thus hindering its capacity to achieve its goals and sustain growth.

Mitigation: To address this risk, the SHIFT DAO shall employ a diversified fundraising strategy, including token pre-sales, token sales, strategic partnerships, and community crowdfunding campaigns. Furthermore, meticulous financial planning and budgeting shall be conducted to precisely estimate funding needs and ensure the prudent allocation of resources.

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2. Liquidity risks:

Explanation: Low trading volumes or a lack of liquidity on cryptocurrency exchanges could create challenges for token holders seeking to buy or sell their SHFT tokens and/or ARTs at fair market prices.

Mitigation: To address this risk, the SHIFT DAO shall engage liquidity providers, market makers, pursue listings on reputable exchanges, and offer incentives for liquidity provision. Through strategies such as ensuring widespread token distribution, fostering community engagement, and integrating with stablecoins, we aim to enhance liquidity and accessibility for token holders. * The SHIFT DAO Interface will be functional when the minting and distribution starts

9. Disclaimer

This whitepaper is for informational purposes only and does not constitute an offer or solicitation to sell shares or securities in SHIFT DAO or any related or associated company. Any such offer or solicitation will be made only by means of an official document of the association and in accordance with the terms of all applicable securities and other laws. None of the information or analyses presented are intended to form the basis for any investment decision, and no specific recommendations are intended. Accordingly, this document does not constitute investment advice or counsel or solicitation for investment in any security. This document does not constitute or form part of, and should not be construed as, any offer for sale or subscription of, or any invitation to offer to buy or subscribe for, any securities, nor should it or any part of it form the basis of, or be relied on in any connection with, any contract or investment decision.

The SHIFT DAO Governance Interface shall not be made available to access from restricted jurisdictions due to FATF concerns un clear regulation. The list may be subjected to changes.

Restricted jurisdictions include the Democratic People’s Republic of North Korea, Islamic Republic of Iran, Burundi, Burkina Faso, Cameroon, the Democratic Republic of the Congo, Côte d’Ivoire, Crimea, Haiti, Iraq, Lebanon, Libya, Mali, Mozambique, Myanmar, Nicaragua, Somalia, South Sudan, Senegal, Sudan, Syrian Arab Republic, Tanzania, Trinidad and Tobago, Yemen and the United States of America (including its territories).

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10. Glossary of terms

SHFT - SHIFT Utility Token, using the token users may access the SHIFT Governance Interface and engage with the SHIFT DAO development and decision-making. SHFT will not be accepted as a form of payment on the SHIFT DAO Interface.

ART(s) - Asset-Referenced Token, digital assets backed by tangible resources, that purports to maintain a stable value by referencing another value or right, or a combination of the two.

DAO - Decentralized Autonomous Organization is an entity with no central leadership, governed by a community organized around a specific set of rules enforced on a blockchain.

Proto-DAO - Prototype Decentralized Autonomous Organization: An early-stage or basic version of a decentralized autonomous organization (DAO). It serves as a prototype or experimental model for testing governance mechanisms, operations, and functionalities before full deployment.

TGE - Token Generation Event, represents the moment when, for the first time, a token is generated on its blockchain and made available to the public.

Tokenization - the process of converting rights to an asset into a digital token on a blockchain. This process allows for the representation and transfer of ownership of assets in a digital format, enabling increased liquidity, efficiency, and accessibility in asset trading and management.

Proof of reserves - A cryptographic method used to prove that an entity holds the assets it claims to have. It involves providing cryptographic proofs, such as hash values or digital signatures, to demonstrate the existence and authenticity of reserves.

Utility token - Utility tokens are tokens which are intended to provide access digitally to an application or service by means of a blockchain-based infrastructure. Utility tokens are not designed as an investment tool or means of payment but rather as a means of accessing and participating in a platform's functionality.

IDO - A decentralized fundraising method for cryptocurrency projects, where tokens are issued and distributed directly on decentralized exchanges instead of traditional centralized platforms.

RWA - Real World Assets, refer to tangible assets that exist outside the digital realm. These can range from bonds to commodities, machinery, etc. The concept of RWAs in the blockchain context is about digital tokens that represent these physical and traditional financial assets.

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Progressive Decentralization - is the process of gradually revoking permissions over a protocol and transferring decision-making powers to a distributed network comprising members of the protocol's community (e.g., users and developers).

Cliff - Tokens distributed pending a Cliff cannot be accessed or transferred before the Cliff term comes to its end. Should a token holder earn or receive tokens bound by a Cliff seize their activity before the cliff period comes to term, this will result in forfeiting their claims to the accumulated tokens bound to the Cliff period.

Vesting - The gradual release of tokens to holders according to predetermined conditions, such as time-based milestones or performance goals. This process helps align incentives, promote long-term commitment, and mitigate risks of token dumping.

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