



Litepaper
v1.1



DELTAP3

Platform and Token Overview

DeltaP3 is an application specific blockchain designed to improve how public-private partnerships(P3s) are performed around the world. The application's primary purpose is to serve as a decentralized rendezvous point for P3 procurement, coordination, investment, and design. Its token, DP3 maintains the DeltaP3 chain while serving as the core consensus mechanism for administering the services provided by the platform.

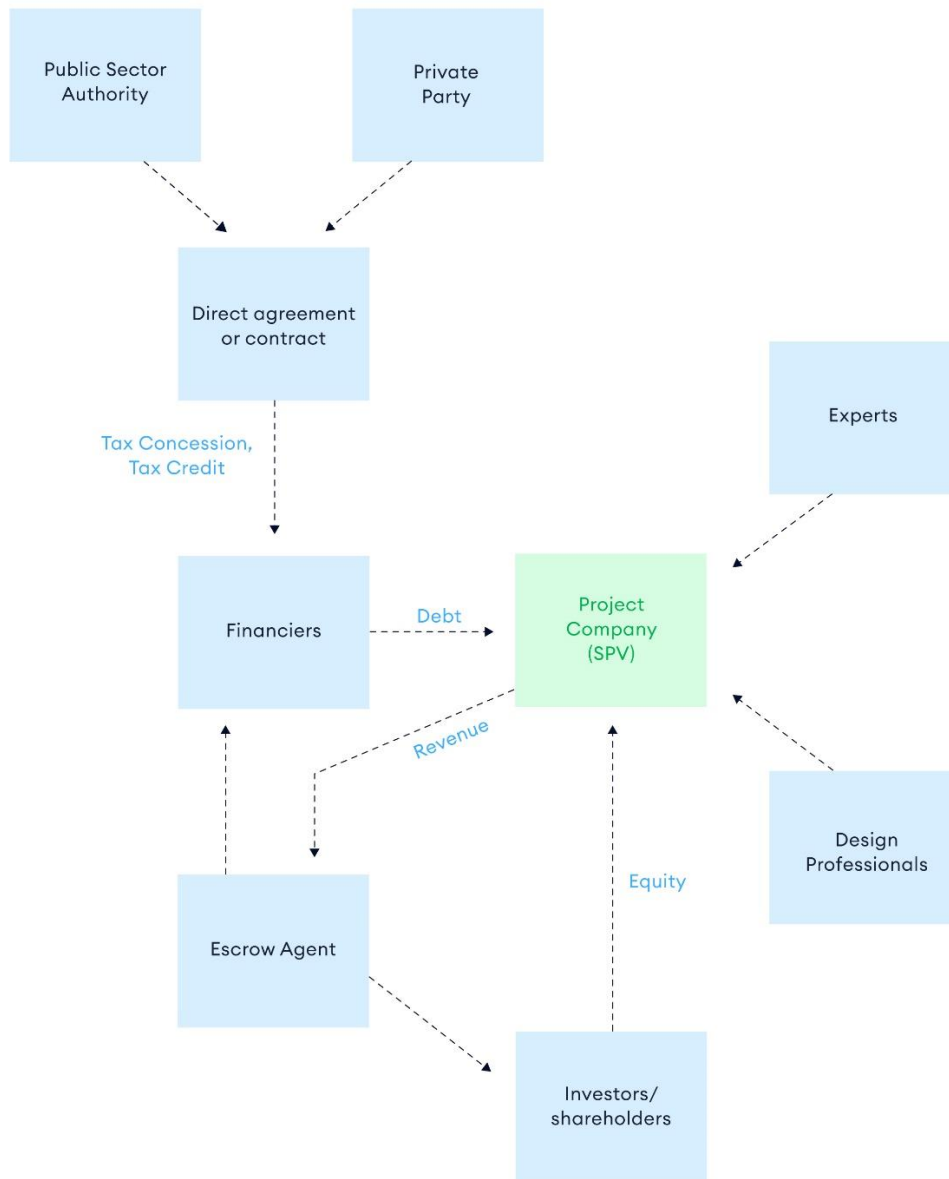
Today, governments are incentivizing private companies to build and operate projects for the benefit of the general public. The most common incentives award tax breaks and tax credits to private organizations capable of executing government-sponsored projects. These incentives exist because P3s often require specialized skill sets that only the private sector possesses. To mitigate risk and to ensure successful outcomes, governments look to private industry for support with financing, designing, constructing, and operating projects. At times, they are the most important projects looking to solve some of the most challenging problems in the world. Including creating or improving access to electricity, housing, water, health services, telecommunications, and transportation. Currently these projects are executed based on top-down planning and procurement which often fails to address the needs of the population they are created for.

Public-private partnerships as a sector embody a healthy balance between impact and profit potential. Yet despite its cultural relevance with projects like Starlink and hyperloop P3s are still largely sealed off from any retail participation.



P3 Investing

Legacy P3

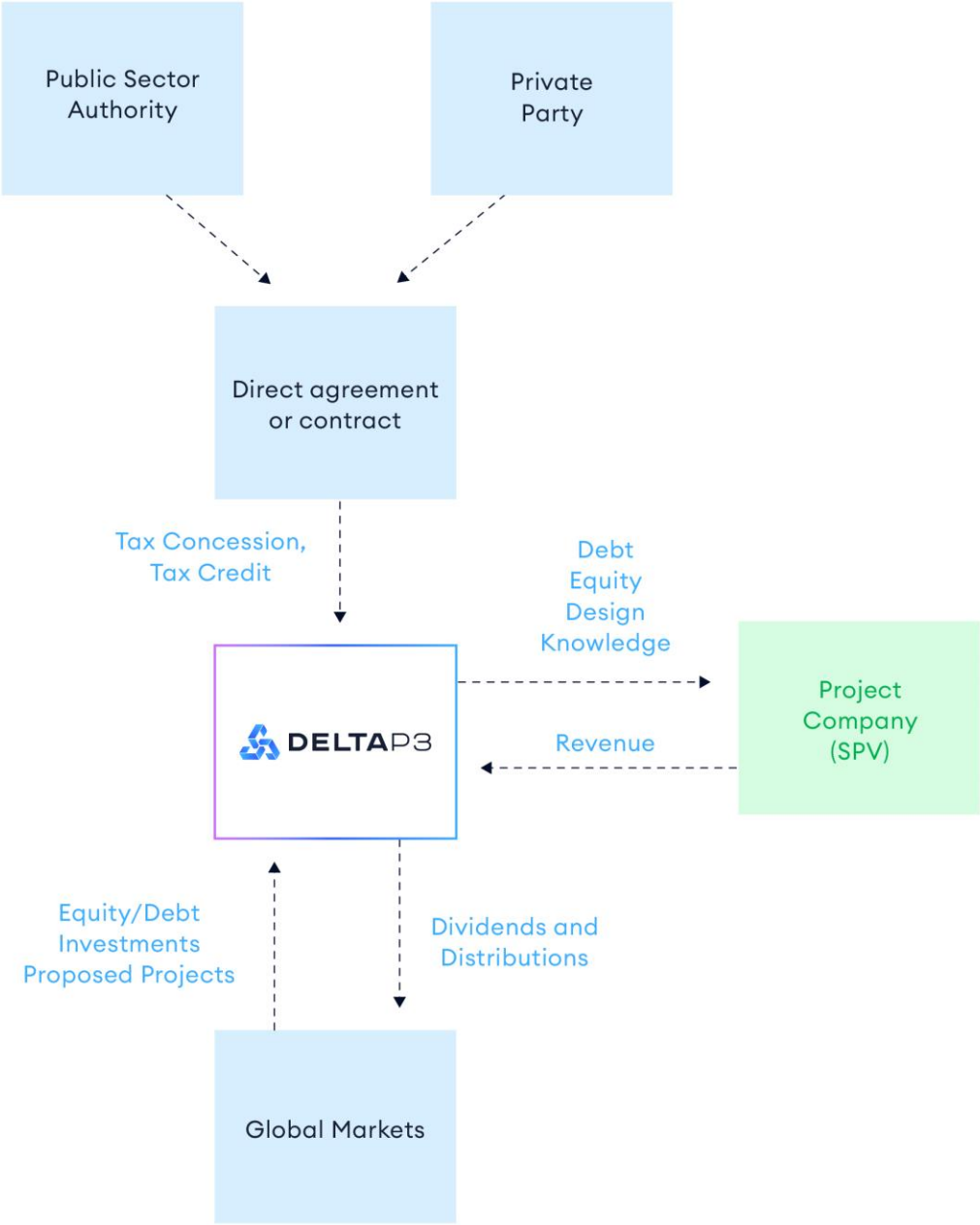


At the start of every P3 there is a contractual agreement made between a private party and a public sector authority. These contracts typically define the method for incentivizing the private party's participation. The contract is then presented to financiers who eventually contribute debt capital to the project. Typically, in the form of a loan that covers anywhere from 70-90% of the project's total estimated costs.



In parallel the private party will raise equity dollars to address the collateral requirements for receiving the loan from the financier. The debt provider charges an interest rate on the loan while the equity providers receive ownership of the project. Since the equity providers carry the greater risk, they have greater exposure to the upside potential of the project.

DeltaP3 Model



The incentives used to attract (or subsidize) private investment into P3s often use taxpayer dollars to enhance the potential profitability of the project. This is inherently controversial as this is also the typical point of failure for centralized institutions (both public and private) to participate in corruption, nepotism, and fraud. Since these partnerships typically deal in large-scale infrastructure projects, owners are able drag projects out, draw fees, and selectively “save money” to sacrifice quality and design with little to no accountability.

In terms of profitability, the P3s that most individuals are familiar with typically yield an IRR between 7-11%. These typically deal with essential infrastructure, like highways and water pipelines. However, P3s take on many shapes and sizes. Projects like apartment buildings in US opportunity zones yield IRRs over 25%. While other projects like condo hotels in the Caribbean can yield IRRs over 35%.

Public-private partnerships are executed differently everywhere, and each country has a unique set of needs. While some need to improve their transportation, others need to attract businesses. But at the center of all their needs are subsidized investment opportunities that generate cash flow over long-time horizons.

Token

DP3 serves as the gateway into the DeltaP3 ecosystem. DP3 is the core denomination for all investments made by the DP3 association and creates the necessary liquidity for making investments. The liquidity used to invest in P3s is primarily drawn from bonded tokens as well as other assets held (and managed) by the DAO treasury. DP3 differentiates from traditional tokens as its yield is enhanced by tokenized real assets as opposed to yield generated solely from farming or liquidity pools.

DeltaP3 also offers a new blockchain enabled gig economy where XP3(staked DP3) token holders can access a new class of incentive-based compensation, i.e., rewardable duties for lobbyists, architects, writers, brokers, project managers, bug identification, and much more.

All decision-making on DeltaP3 will flow through XP3 and these democratic procedures. For example, an XP3 holder can submit a project proposal to the DeltaP3 community. If that proposal is approved, the user who proposed the project is then awarded with a disproportionate amount of XP3 relative to the pure staking yield. Similarly, once a project is approved it triggers the beginning of a community-based design competition, in which all XP3 holders have the right to vote on their preferred designs. At its conclusion, the pool of funds delegated to the competition will be distributed among the top 3 designs on a Pro-Rata basis, in the form of DP3.



DP3

Max Supply: 80,000,000

DAO Treasury: a 65% allocation will be set aside to periodically draw funds that will be invested into projects that the DeltaP3 community chooses to support. In addition to deploying capital for new P3 investments, the treasury will distribute staking rewards and exchange liquidity. In short, this allocation will be DAO governed and will allow DeltaP3 to reach its full ROI potential as a community governed P3 coordinator.

Team: To ensure DeltaP3 is continuously improving its functionality, security, and overall return profile, a 10% token allocation is made for the DeltaP3 team. This allocation serves as an incentive for the team to grow its community as well as the quality and quantity of the projects the platform finances. Although there is a founding team who will receive their Pro-Rata allocation, the core team is expected to evolve over time as new members prove their sophistication as capital allocators, designers/architects, and community leaders.

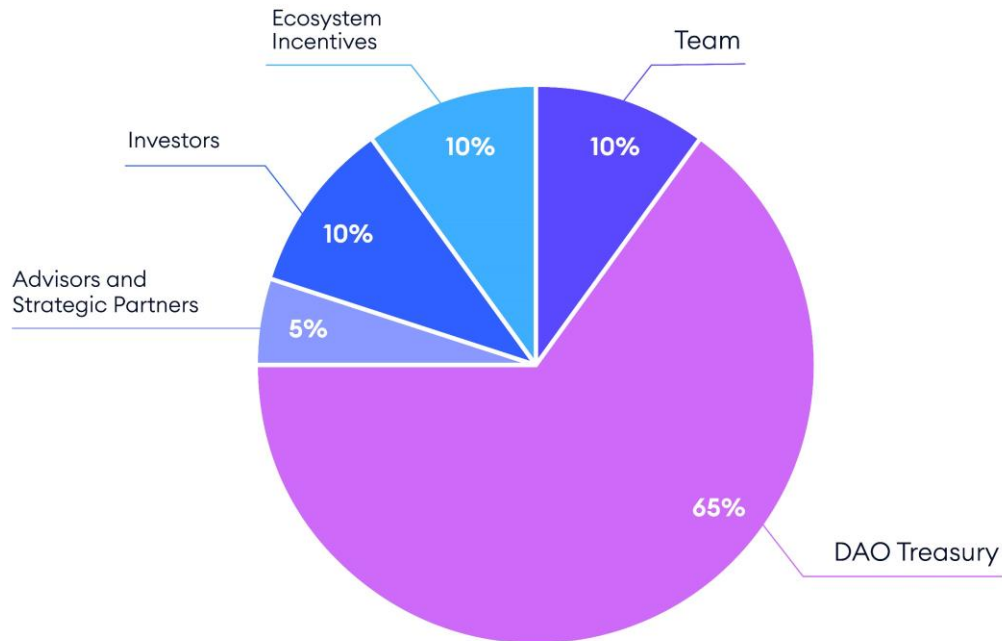
Advisors and Strategic Partners: The DeltaP3 team and community will need as much help as it can get from leading industry experts to ensure our projects are socially and environmentally conscious, properly structured, compliant, and credibly endorsed. This allocation serves as an important incentive and/or reward system to those high-level contributors that disproportionately contribute to the success of DeltaP3.

Ecosystem Incentives: Used to incentivize all community duties via bounties/airdrops, reward Avalanche validators for securing the network, and support various Avalanche community members who serve a core functional area within DeltaP3.

Investors: 10% of DP3 will be sold through a series of private funding rounds. These funds will be used to develop the DeltaP3 platform (i.e., the application layer where one can invest, vote, and take part in the DeltaP3 ecosystem), deploy the native DP3 Token, and ensure that upon launch, the product is optimized for safety and security. Each investor from these rounds will be subject to a minimum vesting period of 18 months. The DeltaP3 team has worked diligently to ensure all investment partners share DeltaP3s stated goals and vision.



Illustrative Token Distribution

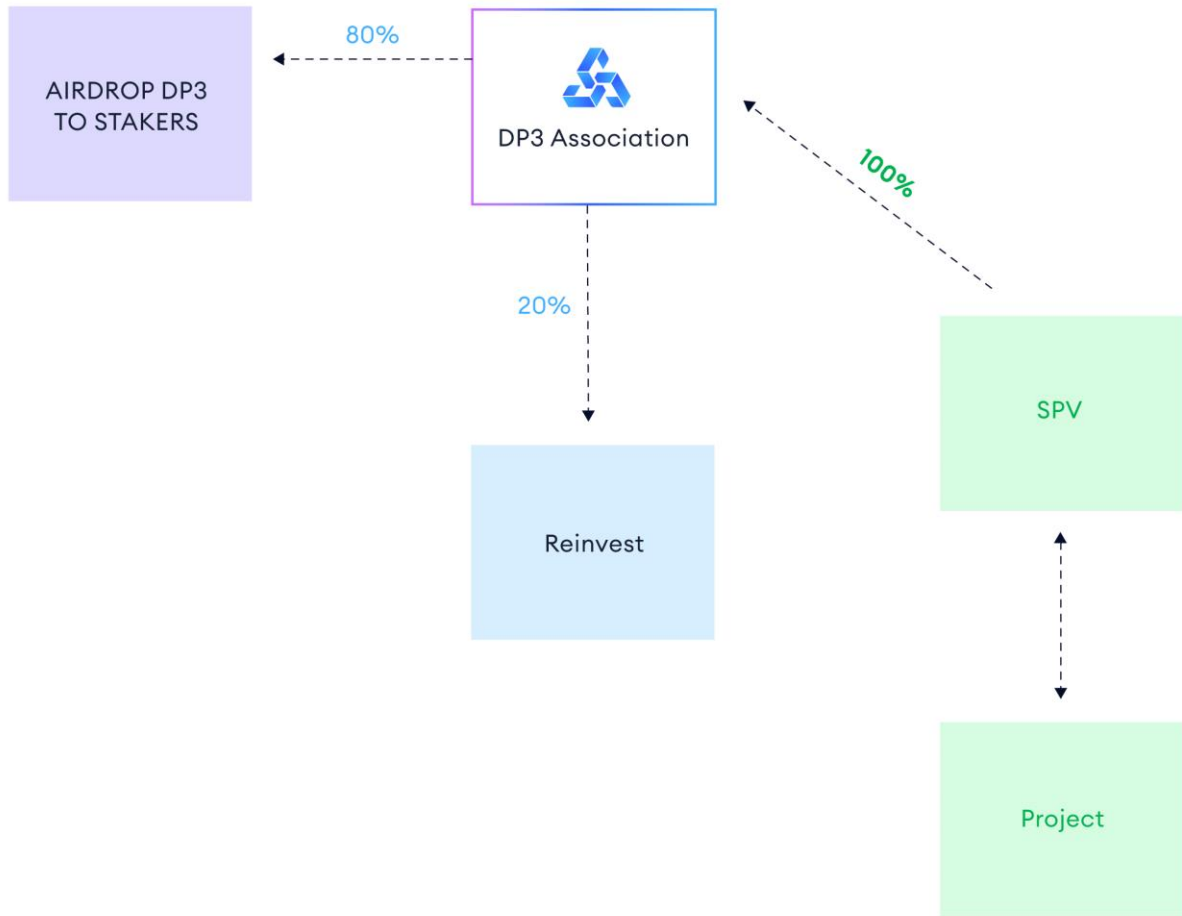


How it works

The DeltaP3 platform utilizes its liquidity towards investing in the public-private partnerships procured by its community. To maximize the platform's investment capacity as well as access to its investment opportunities, multiple methods are used to create liquidity. Liquidity is created from bonding and staking primarily through DP3 and USDC. DeltaP3 specializes in participating in crowd-funded government-sponsored projects that are contractually bound and generate real returns in the analog world.

To maintain liquidity and maximize the capital efficiency of DP3, the protocol is designed to continuously maintain sufficient liquidity to support its operations. This allows DeltaP3 to supply both on-chain liquidity (for the immediate benefit of DP3 token holders) and off-chain liquidity (for deploying capital into P3s that generate real-world returns, which are then re-distributed to XP3 token holders). When returns from these investments are realized the DP3 Association will airdrop 80% of each distribution to each wallet holding at least 8 XP3 (if your wallet stakes 10% of the total tokens staked on DeltaP3 you will receive 10% of the airdrop.) The distributions of the remaining 20% will be reinvested in new projects, other tokens, or donated to community sourced organizations.

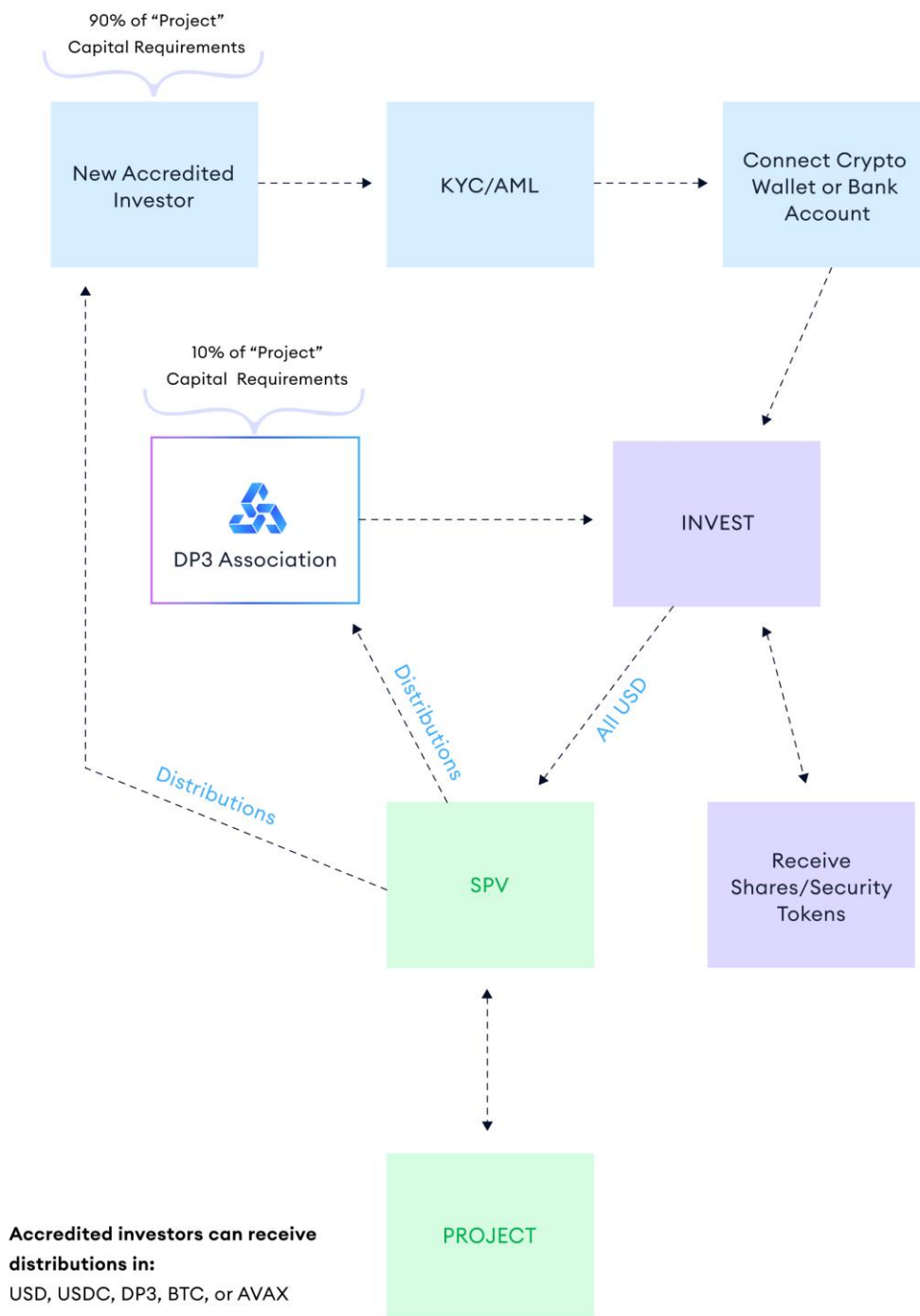




When investing, the liquidity provided from these sources is then used to create special-purpose vehicles (SPV) that fit the financial requirements of the projects DeltaP3 crowdfunds. All investments made by the DP3 Association will seek to address 10% of the capital requirements for any project listed on DeltaP3. Depending on the type of project, varied terms will apply. Most often they will include equity and debt mechanisms.

With this approach DP3 also creates an index level exposure to all assets that receive its funding on DeltaP3, leaving room for participants who wish to support the project, but may not be able to keep up with the pace of governance activity.



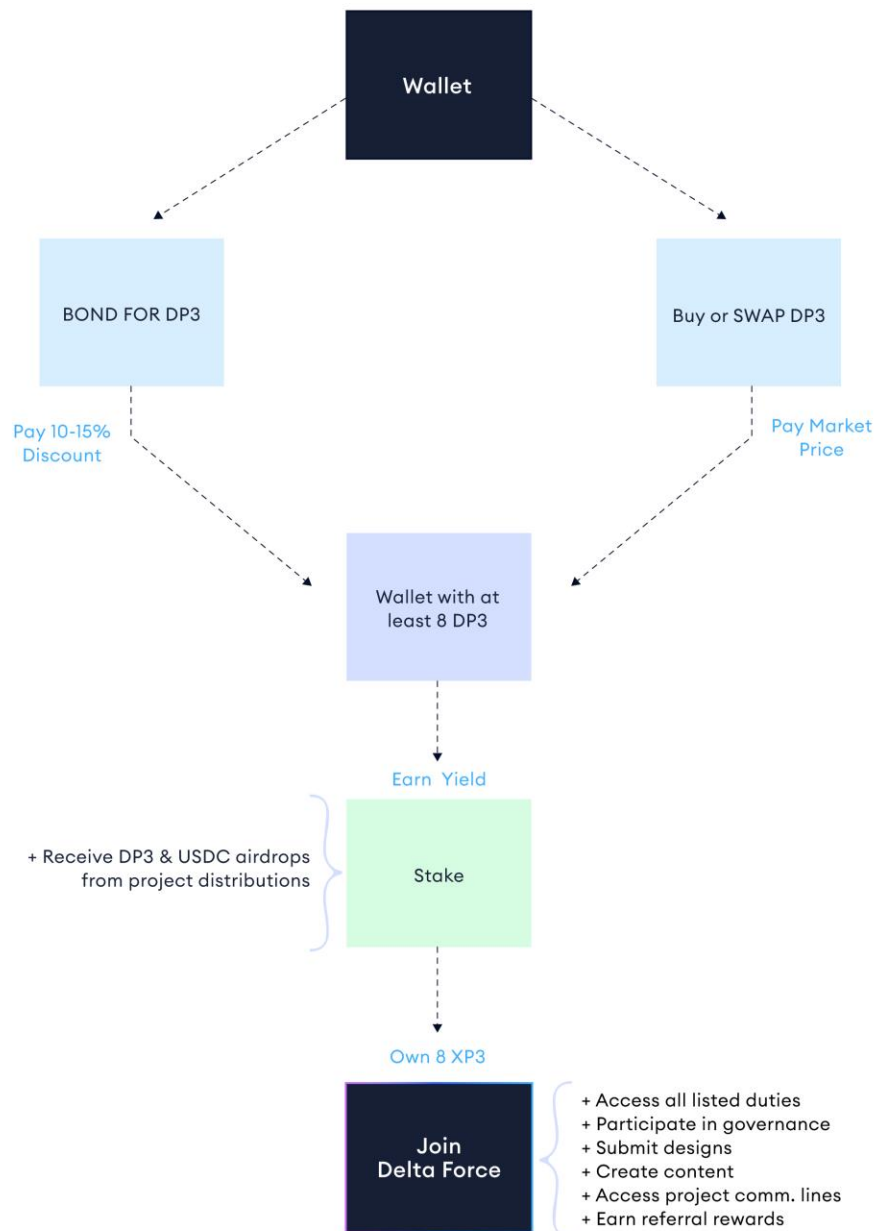


To ensure proper execution the DP3 association will be temporarily constrained to one real world investment per quarter. This is to avoid over-collateralization, low governance participation, and regional favoritism.



As the number of funded projects grows, DeltaP3 will expand to include the trading of security tokens as well as host opportunities for governments (or private companies) to monetize existing assets. DP3 will by proxy become a mechanism that provides index exposure to all native crowdfunded projects while providing the necessary incentives for supporting and expanding the network.

Governance



DELTA FORCE

8 XP3 – Duties, Project Sourcing, Pre-proposal

All members with at least 8 XP3 will have access to:

- Voting rights.
- All listed duties.
- Exposure to the success of projects.
- Proposal incentives - Earn DP3 if a project you submit is selected for funding.
- Content creation to drive engagement with the community.
- Communication lines with P3 projects.

DUE DILIGENCE COMMITTEE

8,000 XP3 – Due Diligence Committee / Access Deal Flow

While all Delta Force members can vote on all DAO proposals, access to deal flow and due diligence materials will be restricted to XP3 holders that hold more than 8,000 XP3 tokens.

Due Diligence Committee members will:

- Conduct due diligence on deals and discuss within their group(s).
- Vote on which project(s) DeltaP3 invests in.
- Proposal incentives - Earn DP3 if a project you refer is selected for funding.
- Content creation to drive engagement with the community
- Help guide early-stage projects through the funding, construction, and refinancing processes.
- Pass proposals to the DP3 Council.
- Early access to various security token offerings.

DAO COUNCIL

80,000 XP3 – Proposals rights

Individuals with 80,000 XP3 will join the DP3 council. The DP3 council will have intimate access to the DeltaP3 team as well as the projects that are seeking or have received investment.

This council has proposal rights over the DAO. This is to ensure that all proposals adhere to our core principles. All DP3 Council members must own 80,000 XP3 and therefore have a personal stake in the long-term success of the DAO. While only DP3 Council members can send proposals for community review, all Delta Force members can vote on each proposal, and anyone with more than 8,000 XP3 can send a pre-proposal to the council for review.

Note: All proposals will be voted on by individuals holding a minimum of 8 DP3 to ensure that the decision-making power resides within the community.

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