Commercial proposal for the creation and adaptation of tokenomics

1. Adaptation of tokenomics to attract investors + recommendations

We adapt your existing tokenomics to increase the project's attractiveness among investors. You will receive a table with calculations based on the current tokenomics model and including our recommendations for improvement.

Price: $1000
Completion time: 1-1.5 weeks

2. Creation of tokenomics with a sustainable economic model

We develop complete tokenomics for your project, considering all aspects of economic sustainability. Based on your resources, initial data, and project business processes, we create a model that will ensure long-term demand and control over tokens.

Includes:

- Project risk assessment
- Strategic planning
- Allocation and vesting for maximum benefit
- Asset price formation
- Token burning mechanisms
- Methods for maintaining demand
- Setting fundraising goals
- Calculation of token issuance, including calculations for each release round

Price: $1600
Completion time: 2-2.5 weeks

List of clarifying questions:

1. How much do you plan to raise in each round?
2. How many rounds are planned?
3. What volume of tokens do you plan to place in each round?
4. How many exchanges do you plan to use for token listing and what trading volumes are expected on each?
5. Is there a plan to implement a cliff (locking period) for tokens? If yes, for how long?
6. How will tokens be burned (methods and frequency of burning)?
7. What are your fundraising goals for each round and for the project overall?
8. What risks exist that could affect the project's tokenomics, and how do you plan to minimize them?
9. What features of your business model should be considered when developing tokenomics?
10. What will be the strategy for supporting token demand after their release?
11. What are your requirements for token allocation for the team, advisors, and partners?
12. How do you plan to manage token liquidity after their release?
13. What additional mechanisms or functions (e.g., rewards, incentives) are planned to maintain interest in the tokens?
14. What is the pricing strategy and how will it change at different project stages?
15. Are there special conditions or additional requirements that must be considered when developing tokenomics?

Problems with current tokenomics:

1. Token sale - 35%:

Problem: In conditions of current market instability and uncertainty, a high share of tokens allocated for sale may create excess supply, leading to a drop in their value. This is especially relevant if investor demand does not support such a volume of supply.

Alternative: Consider reducing this percentage and implementing a mechanism that will regulate the number of available tokens for sale depending on the market situation.

2. Marketing and referrals - 30%:

Problem: In a crisis, trust in marketing efforts and referrals may decrease. If the project does not have a strong track record, expenses on marketing and referrals may not justify themselves.

Alternative: Reduce the share for marketing and referrals, directing more funds to technical development and strengthening the team.

3. Long-term contracts and reward mechanisms:

Problem: Long-term contracts (30-90 days) can limit token liquidity and flexibility. In a volatile market where short-term changes can be significant, such a structure may prove ineffective.

Alternative: Reconsider the duration of contracts and think about more flexible reward mechanisms that can adapt to market conditions.

Suitable calculations and elements:

1. Reserve - 10%:

Advantage: Having a reserve can serve as protection against unforeseen market situations and create a buffer for unforeseen expenses. This is important for maintaining project stability.

Recommendation: Maintain this percentage, possibly with an additional increase if the market becomes even more unstable.

2. Software development - 15%:

Advantage: A significant share of funds for software development can be justified in conditions of high technical requirements and the need for constant updates and improvements.

Recommendation: Ensure these funds are used effectively, and possibly allocate additional resources for security audits and user interface improvements.

General recommendations:

- **Strategy adaptation:** Reconsider the current token distribution shares depending on market conditions and demand. It may make sense to use a flexible approach to regulate token supply and contract terms.
- **Transparency and trust:** Pay attention to increasing transparency and the justification for token distribution. This will help increase investor trust and their interest in the project.
- **Technical mechanisms:** Ensure that technical mechanisms, such as contracts and rewards, are effective and can be adapted to market conditions.

Improved token distribution model

Goal: Develop a sustainable tokenomics model for Startup Stable Metal (STBL), which ensures economic sustainability, supports long-term growth, and corresponds to current market conditions.

Token Distribution

Category	Tokens	Percent of total volume	Unlock at TGE	Cliff (Months)	Vesting Period (Months)	Vesting Details
Private Sale/ Investors	50,000,000	5%	10%	6	18	10% at TGE, 6-month cliff, then 5% per month linear vesting over 18 months
Team Distribution	150,000,000	15%	0%	12	24	0% at TGE, 12-month cliff, then 4.2% per month linear vesting over 24 months
Liquidity Pool	250,000,000	25%	5%	0	10	5% at TGE, then 9.5% per month linear vesting over 10 months
Ecosystem Development	200,000,000	20%	0%	6	24	6-month cliff, then 4.2% per month linear vesting over 24 months
Marketing & Partnerships	100,000,000	10%	2%	0	15	2% at TGE, then 6.53% per month linear vesting over 15 months
Reserve Fund	100,000,000	10%	0%	0	30	6-month cliff, then 3.33% per month linear vesting over 30 months

Category	Tokens	Percent of total volume	Unlock at TGE	Cliff (Months)	Vesting Period (Months)	Vesting Details
Community & Rewards	150,000,000	15%	2%	0	20	2% at TGE, then 5% per month linear vesting over 20 months

Rationale for the improved tokenomics for STBL

Goal: Ensure sustainable project development, guarantee liquidity, stimulate ecosystem growth, and support the long-term interests of all participants.

Rationale for token distribution

1. Private Sale/Investors (5%)

Reason: A small allocation for private investors helps prevent centralization and reduces the risk of sharp market fluctuations. A 6-month cliff and 18-month linear vesting ensure a smooth market introduction, reducing the likelihood of a massive token sell-off.

Favorable impact: Guarantees stable project financing without sharp liquidity jumps, helping to maintain price stability.

2. Team Distribution (15%)

Reason: A 12-month cliff and 24-month vesting promote long-term team commitment. This reduces the risk of immediate token dumping and ensures constant team motivation.

Favorable impact: Helps maintain the team's focus on the long-term success of the project and prevents potential conflicts of interest.

3. Liquidity Pool (25%)

Reason: A large allocation to liquidity ensures stable token trading and reduces price volatility. The initial 5% unlock at TGE helps stabilize the market and maintain a normal level of liquidity.

Favorable impact: Provides sufficient liquidity for trading, which contributes to better token accessibility and reduces price fluctuations.

4. Ecosystem Development (20%)

Reason: Allocating funds for ecosystem development and partnerships helps create a sustainable infrastructure and attract new partnerships. A 6-month cliff and 24-month vesting ensure continuous development and strengthening of the ecosystem.

Favorable impact: Supports project growth and strengthens its market position through strategic partnerships and technology development.

5. Marketing & Partnerships (10%)

Reason: A focused marketing budget helps conduct effective advertising campaigns and build strategic partnerships. Gradual budget allocation avoids excessive costs and directs efforts towards long-term development.

Favorable impact: Promotes sustainable project promotion, attracts the target audience's attention, and maintains interest in the project.

6. Reserve Fund (10%)

Reason: The reserve fund provides a financial cushion for unforeseen expenses and market fluctuations. A long vesting period helps preserve this fund throughout the project's lifespan.

Favorable impact: Supports the project's financial stability and allows effective handling of unforeseen circumstances.

7. Community & Rewards (15%)

Reason: Allocation to the community and rewards stimulates user participation and loyalty through staking programs, airdrops, and NFTs. An initial 2% unlock at TGE and subsequent gradual distribution support active community participation.

Favorable impact: Promotes long-term token retention and community engagement, increasing the project's value and strengthening its reputation.

Token price calculation and burning methods

Token Prices:

- **Price determination:** The token price can be set based on development costs, market demand, and investor offers. Metrics such as the total value of resources (metals) and estimated liquidity can be used for calculation.
- **Preliminary token price:** Initially, the price can be set at 1 STBL = 1 Euro to ensure initial liquidity and attract investors.

Token Burning Methods:

1. **Burning on transactions:** A certain percentage of each transaction can be burned to reduce the total token supply and increase their scarcity.
   Implementation time: From the start of trading on exchanges (Q2 2024).
2. **Burning from liquidity pools:** Regular burning of a portion of tokens from the liquidity pool to maintain price stability and increase scarcity.
   Implementation time: After reaching a certain trading volume (Q3 2024).
3. **Burning for milestone achievements:** One-time token burns can be conducted upon completion of key project development milestones.
   Implementation time: As important milestones are reached, such as listing on major exchanges (Q1 2025).

These measures will ensure control over the number of tokens in circulation and help maintain their value, contributing to the sustainable growth of the STBL project.