FHDAO
Project White Paper

FIRE HORSE DAO

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catalogue

abstract

The leap from web1.0 to web2.0 marked a transformative shift in the internet's evolution. While content creators weren't limited to traditional state media outlets, virtually anyone with an online presence could freely share their perspectives, experiences, and photos. The web2.0 era witnessed explosive growth in digital content creation. Simultaneously, the public gained unprecedented opportunities to engage in discussions about social affairs and current events through various platforms. Essentially, web2.0 bridged the internet with everyday life, connecting ordinary users' daily experiences directly to online discourse.

However, with the rapid development of mobile internet, an increasing number of users are no longer satisfied with basic online interactions—they crave a deeper integration with mobile platforms. We've seen numerous mobile products actively pursuing this "intimate" fusion: WeChat's "Nearby People" feature has attracted massive users, NetEase News and Renren actively promote self-media content, group-buying apps leverage Location-Based Services (LBS) for product discovery and recommendations, while Weibo enhances user interaction through geolocation features. These innovations collectively demonstrate that this is no longer the same web!

Given these transformations, we believe a new internet era is dawning——web3.0! What defines web3.0? It transcends the basic content access and search of web1.0, goes beyond the crowd-sourced creation of web2.0, and ultimately represents the seamless integration of digital technology with our daily lives!

First, location-based information sharing and the added value it generates will become increasingly vital. In the near future, we'll be able to track our movements in real-time using GPS data while accessing nearby content like news updates, discount offers, and interactive events. Meanwhile, service providers can leverage this location intelligence to expand social connections, recommend tailored promotions, and deliver precise search results.

Secondly, the integration of daily life with internet technology will become a defining feature. In the Web 2.0 era, users had to stay glued to computers to participate in forum discussions or evaluate news articles, engaging in content creation and information exchange. Today, smart mobile devices have fundamentally transformed public behavior patterns. It's now commonplace to see people scrolling through Weibo or WeChat on their phones while riding buses or subway stations. More importantly, we've grown accustomed to using map apps for navigation, ordering group-buying meals anytime anywhere, making payments through Alipay wallets, and even hailing rides via Didi or Kuaidi... Behind all these conveniences lie customized services tailored by internet service providers for users' social lifestyles. The Web 3.0 era will undoubtedly witness a grand fusion between the internet and mass social activities! Interestingly, while Web 2.0 often required users to "come in" and sit at computers for digital living, Web 3.0 advocates for users to "step out," actively participating in social activities and utilizing services anytime, anywhere while sharing their experiences.

Ultimately, Web3.0 will be the convergence and evolution of multiple cutting-edge technologies. Emerging concepts like big data, cloud computing, high-speed mobile networks, IoT, and smart hardware—all trending technologies in recent years—are all deeply intertwined with Web3.0. The

explosive growth in big data demand stems from the seamless integration of Web3.0 across all aspects of social life, enabling ubiquitous connectivity. Cloud computing not only processes the massive data volumes of the Web3.0 era but also simplifies service development for providers, ensuring efficient and high-quality services. High-speed mobile networks guarantee instant web access, creating the medium for human-web integration. Smart hardware and IoT enable widespread device connectivity, embedding into users 'daily lives as the foundation of Web3.0. Without these technologies, Web3.0 would be impossible to implement. Similarly, the absence of big data, cloud computing, and advanced mobile networks would severely limit Web3.0's development and expansion.

If web2.0 integrates users into the digital realm through temporal dimensions (where information generated in online life forms a timeline), then web3.0 expands this integration across spatial dimensions (where user activities create a spatiotemporal network). We eagerly anticipate witnessing the seamless fusion of humans and the internet in the near future. Through web3.0, we may chronicle our lives to make more precise decisions, enhance work efficiency, and enjoy life with greater fulfillment.

Fire Horse Dao is building a new ecosystem for the circulation of digital and physical assets with WEB3 at its core, enabling the auction and purchase of physical assets and high-value digital products through the WEB3 model.

Fire Horse Dao champions decentralized design and organizational structures, challenging traditional centralized financial models. It aims to serve as a bridge between blockchain technology and users/investors, empowering participants to engage more effectively in the decentralized finance revolution. The platform fundamentally reduces transaction costs for both parties through smart transactions. By implementing web3-based applications like online auctions and asset swaps, Fire Horse Dao creates tangible value foundations for digital assets. Its innovative features — including liquidity-preserving collateralized lending, web3 product auctions, and blockchain gaming — further enable the free flow of digital asset value across the ecosystem.

This white paper provides a comprehensive overview of Fire Horse Dao's product architecture, technical features and advantages, as well as its industry applications. The commercial-grade blockchain products and industry solutions developed by Fire Horse Dao will serve as a high-performance, highly scalable aggregation platform for blockchain infrastructure services. Equipped with rapid development capabilities for upper-layer application services, it effectively addresses application scenarios requiring large-scale user bases.

Chapter 1 Blockchain Technology Web3.0

1.1 Global crypto investment landscape

In 2020, the global pandemic dealt an unprecedented blow to economies worldwide. Amid this crisis, DeFi emerged as a game-changer, igniting market frenzy and becoming the blockchain industry's hottest trend of the year. As 2021 began, the DeFi boom continued to thrive, with vertical sectors like WEB3 gaining momentum. This development has drawn increasing attention from traditional institutions and ordinary users across the cryptocurrency landscape.

Institutional investors from traditional financial sectors will continue to enter the market.

According to BlockResearch's 2021 investor survey, an increasing number of traditional financial institutions expressed plans to purchase Bitcoin in 2021. Data also reveals that some traditional enterprises aim to legally own Bitcoin through institutional investments. In 2020, we witnessed massive Bitcoin purchases by traditional financial institutions, which triggered significant price volatility. Undoubtedly, this trend will persist in 2021, as Bitcoin has proven to be the most profitable investment across all markets. The sustained institutional buying will drive further growth in Bitcoin's market capitalization.

With the launch of Ethereum smart contracts, the concept of DeFi (Decentralized Finance) emerged in 2018. The essence of DeFi lies in its ability to build financial ecosystems through smart contracts, enabling users to access financial services like lending, stablecoins, token trading, derivatives, insurance, and prediction without intermediaries. This paradigm fundamentally differs from traditional financial models. Key features include tamper-proof transparent ledgers and human-controlled contracts that developers cannot manipulate. This innovative ecosystem opens up vast possibilities for future financial innovation.

The DeFi market will continue to grow in 2020, with the Fire Horse Dao exchange accounting for over $270 billion in total cryptocurrency trading volume, 95% of which comes from Ethereum's DeFi ecosystem. At the start of 2020, many investors dismissed the DeFi market as a carbon copy of the short-lived ICOs (Initial Coin Offerings) that crashed in 2017, predicting its collapse. However, the reality that 1.7 billion people worldwide still lack access to traditional financial institutions continues to fuel DeFi's growth. DeFi isn't just speculation—it's real financial activity. By 2021, DeFi is poised to become a more mature financial sector and may even integrate into central banking systems. Meanwhile, Web3 is exploring possibilities across various industries.

The first step toward Web3.0 is embodied in the concept of "data networks," where structured datasets can be published online in reusable, remotely queryable formats such as XML, RDF, and microformats under the Standard Generalized Markup Language (SGML). Recent developments in SPARQL have provided a standardized query language and application programming interface for RDF-structured databases distributed across networks. Data networks elevate data alignment and application interoperability to new heights, making data as easily accessible and linkable as web pages. In the era of data networks, the focus lies on delivering structured data through RDF. The fully semantic web era will expand semantic coverage, enabling structured, semi-structured, and even fragmented data content (such as traditional web pages and documents) to become ubiquitous in RDF and OWL semantic formats.

Web3.0 is also used to describe a path of network evolution ultimately leading to artificial intelligence capable of reasoning with networks in a human-like manner. Some express pessimism, viewing this as an unattainable vision. However, tech giants like IBM and Google are already implementing groundbreaking technologies that provide astonishing insights—such as predicting future viral tracks by analyzing data from music-sharing platforms. Meanwhile, debates emerge about whether intelligent systems will drive Web3.0 or if intelligence might manifest in human form: through collaborative ecosystems (like Delicious' recommendation algorithms) and how people interact within these networks (as seen in platforms like Flickr and Digg).

Aligned with AI development trends, Web3.0 could serve as both an implementation and extension of the Semantic Web concept. Academic institutions are currently developing inference software powered by descriptive logic and intelligent agents. This technology performs logical reasoning operations by applying rules that articulate relationships between concepts and data within the web.

Web3.0 was proposed in response to Web2.0, and the most famous mention of it was in an article criticizing Web2.0 in JeffreyZeldman's blog in early 2006.

In May 2006, Tim Berners-Lee remarked: "People keep asking what Web3.0 really is. I believe that when scalable vector graphics are widely adopted on the foundation of Web2.0—— everything

will ripple, fold, and lose its sharp edges——— and a comprehensive semantic web will encompass vast amounts of data. You'll then have access to this incredible data resource."

At the November 2006 Technet Summit, Jerry Yang, founder and CEO of Yahoo, stated: "There's been extensive discussion about Web 2.0. The internet's power has reached a tipping point, leveraging its inherent capabilities. Over the past four years, we've witnessed more sophisticated devices and advanced interaction methods—not just in hardware like gaming consoles and mobile devices, but also in software. You don't need to be a computer scientist to create a program. This trend first emerged in Web 2.0, and Web 3.0 will further deepen it into a true public platform... The boundaries between professionals, semi-professionals, and consumers are blurring, creating a network effect for businesses and applications."

At the summit, Netflix founder ReedHastings outlined a simple formula for defining web terminology: 'Web1.0 was dial-up internet with 50K average bandwidth, Web2.0 was 1M average bandwidth, so Web3.0 should be 10M bandwidth, a full video network—that's what Web3.0 feels like.'

On August 7, 2007, during his attendance at the Seoul Digital Forum, Google CEO EricSchmidt was asked about the definition of Web3.0. He humorously responded, "Web2.0 is just a marketing term. You've just invented the term Web3.0." He then elaborated: "... The approach to creating applications in Web3.0 will be fundamentally different. So far, the emergence of Web2.0 primarily responded to the concept called AJAX... My prediction for Web3.0 is that it will feature a patchwork of applications with key characteristics: relatively small size, data stored in the Cloud, compatibility across all devices (PC or mobile), ultra-fast performance with extensive customization options, and viral-like proliferation through social networks and email."

At the November 16,2010 Internet Summit (Web2.0Summit), MaryMeeker pointed out that Web3.0 consists of Social networking, Mobile and search.

Since the end of 2006, the term Web3.0 has been getting more and more attention and is the focus of more and more debate, and this phenomenon continues to date.

With the advancement of information technology and the increasing complexity of organizational structures, traditional employment relationships and management models have become increasingly inadequate to adapt to evolving environments and meet the demands of new-generation individuals. Decentralized Autonomous Organizations (DAOs) integrate decentralization, autonomy, and token-based economic incentives. By treating system components as assets, they effectively combine monetary capital, human capital, and other factor capitals. This approach not only enhances organizational efficiency but also facilitates value circulation, offering a promising solution to current management challenges in modern organizations.

Blockchain DAO, officially termed "Distributed Autonomous Organization" (DAO), represents a blockchain-based organizational framework. Functioning through transparent and fair protocols, it operates autonomously without external interference. These protocols are typically open-source software, enabling participants to join by purchasing shares or contributing services. Essentially, a DAO resembles a fully automated system that activates upon successful configuration. During operation, it continuously self-maintains and upgrades through adaptive mechanisms, evolving to better align with its environment.

DAOs exhibit remarkable diversity in form, ranging from digital currencies to systems, institutions, or even self-driving cars. They provide valuable services to clients through various models: currency transfers (like Bitcoin), application platforms (such as Ethereum), domain name management systems (e.g., Domain Coin), or any other business framework. These models clearly resemble stock offerings of specific institutions rather than standalone currencies. Each DAO maintains its own terms and conditions. Users retain perpetual access to their owned, tradable digital currency-based DAO shares, with potential opportunities to earn rewards through participation.

1.2 New features of the encryption industry

The Web3 ecosystem first captured public attention through a game called Crypto-Kitties. This simple yet innovative platform allowed players to purchase virtual cats on the Ethereum (ETH) blockchain by paying digital currency. The core mechanism involved issuing Web3 tokens as proof of ownership – essentially serving as digital certificates. When someone bought a different cat, they received their own Web3 token, creating unique ownership proofs. These tokens naturally became distinct identifiers. Thanks to blockchain's immutable and transparent nature, the system automatically validated and protected players' ownership rights.

Unlike traditional virtual pets that were stored on service providers' servers and would vanish when those companies shut down, CryptoKitties utilize blockchain technology to permanently record ownership across the internet. This makes them irreplicable, tamper-proof, and indestructible, allowing users to permanently own these digital companions while storing, circulating, and trading them on any Ethereum blockchain platform.

The app was launched with millions of dollars in daily transactions, and the most expensive was a cryptocurrency cat named Dragon, which sold for 600ETH at the time, or $270,000 a month at that time.

However, the Ethereum Cat project declined due to a combination of poor gameplay, the emergence of a large number of similar games, lower coin price, lower attention in the coin circle, and slower transaction speed on Ethereum.

Web3 has now taken the art market by storm. Interestingly, the mechanisms of Web3 in art and gaming are remarkably similar: Artists can send details of their artwork to the ETH network using ETH payments, thereby obtaining a Web3 token containing metadata about the artwork – essentially a digital certificate of ownership. When buyers bid and pay in ETH, the Web3 token is transferred from the artist to the buyer, granting them ownership of the artwork through this digital certificate.

The history of WEB3 is far longer than most people imagine. The first attempt at WEB3 emerged during the ColoredCoin era (2012-2013). From 2018 to 2019, the WEB3 ecosystem experienced massive growth, with over 100 projects existing in this space and more continuously joining. In 2020, the DeFi concept's popularity gave WEB3 a new lease on life, laying the groundwork for its explosive growth in 2021. We believe that although it's now 2021, the WEB3 industry remains in its infancy. Despite the tremendous growth WEB3 has seen in the past year, the ecosystem is still very young, so the growth will only continue.

In fact, we believe the growth of the WEB3 ecosystem will accelerate as more people and companies recognize its potential and implement it. Developers will continue to create innovative WEB3 applications, and interoperable projects will revolutionize the industry. We predict that within five years, WEB3 will bring about a transformative shift in the industry!

1.3 Challenges and pain points

With the explosive growth of the cryptocurrency market and its expanding financing scale, project participants now require increasingly diversified services including investment advisory, brand management, and media promotion. Investors are seeking more personalized wealth management solutions and reliable, equitable methods to grow their assets. These evolving demands are driving service providers—such as KOLs (Key Opinion Leaders), media platforms, consultants, exchanges, and investment institutions—to break down existing barriers, rapidly connect with high-quality projects, and efficiently share resources. However, the booming decentralized investment and financing market faces dual challenges: the tension between service quality and operational efficiency, as well as the contradiction between demand expansion and resource allocation.

DeFi has created many miracles due to its unique advantages, but with the rapid expansion of the ecosystem, DeFi and its subdivisions such as WEB3, DAO and other fields still have the following pain points to be solved:

-How to achieve cross-chain asset exchange

-Decentralized storage

How to overcome TPS performance bottlenecks

The problem of too many DeFi platforms is easy to cause congestion

- Breakthroughs in Layer1 and Layer2 technologies of public blockchain

-Contract security testing and auditing

How to ensure the safe and reliable custody of digital assets, so as not to become a paradise for hackers

We believe that while some technical bottlenecks will gradually be resolved, non-technical challenges may prove to be the greatest obstacles for open finance – yet also where commercial opportunities lie. Currently, DeFi remains in its nascent stage, but certain operational models and systemic issues have already begun to surface.

In the DECENTRALIZED exchange (DEX) space, as previously mentioned, competition is centered around fees and fuel costs in a highly homogeneous environment similar to CEX. In the Lend&Borrow space, it is fully reflected in users' pursuit of high yields.

Like the evolution of centralized exchanges (CEX), decentralized exchanges (DEX) are entering a market that is both highly homogeneous and approaching perfect competition. Theoretically, DEXs could operate anywhere with internet access without KYC requirements. This trajectory inevitably mirrors the path of centralized finance, plunging into a race for high returns while resources continue to favor dominant projects. Moreover, driven by inherent human tendencies (greed and risk-seeking), this

pursuit of high yields will inevitably lead to a second critical issue and major challenge.

Human nature's inherent weaknesses, particularly the inherent tendency to chase high returns, will inevitably lead to a major challenge: the process of bad money driving out good. This is because the innate human tendencies toward profit-seeking and risk-taking will inevitably result in two predictable trends:

-Resources are tilted toward superior DeFi projects

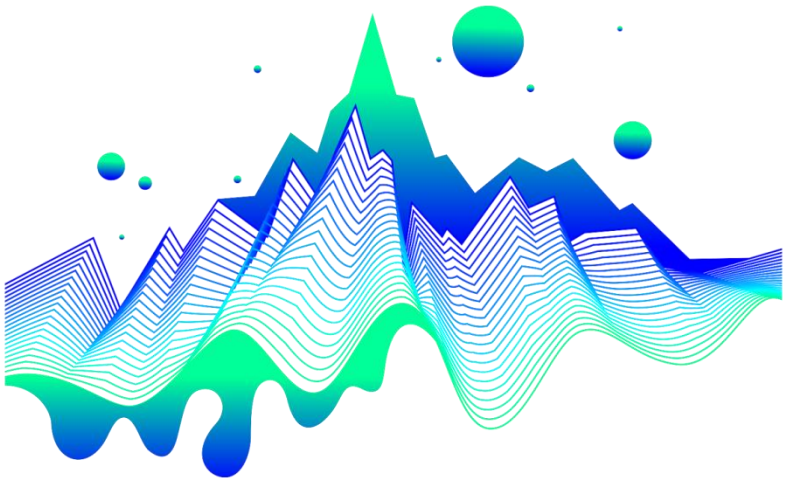
-Bad DeFi will drive out good DeFi projects

1.4 Acquire wealth through trusted platforms

InvestmentDAO establishes a DAO-orchestrated membership structure that outperforms traditional venture capital funds while offering flexible participation mechanisms. This platform enables members to pool capital for project investments, DEFI mining staking, and Web3 initiatives. Beyond its multi-domain empowerment capabilities, InvestmentDAO harnesses community social capital and network advantages to create innovative collaborative investment models. In April 2022, the secondary market value of its token CULT (InvestmentDAO's native token) skyrocketed by over 19,000%, marking the beginning of transformative reforms in the investment ecosystem.

IDO—— The primary channels for retail investors. Currently, crypto projects mainly rely on traditional investment funds, venture capital focused on the crypto sector, and ICO platforms. Compared to the former two, ICO platforms cater to a broader audience with lower participation barriers and greater investment flexibility. Aligning more closely with decentralized development trends, these platforms are increasingly favored by project teams. By leveraging ICO platforms, projects can secure funding while rapidly acquiring user engagement.

CryptoRank has selected projects invested through mainstream IDO platforms. After comparing investment return data, it was found that the maximum return reached 733 times, with an average



return rate of 236 times. As of April 2024, even under unfavorable market conditions, the average investment return still reached 24 times. This indicates that projects on the IDO platform demonstrate both remarkable short-term growth potential and impressive long-term profitability.

1.5Fire Horse Dao's birth and core operation

Amid the accelerating evolution of global financial systems and the deep integration of digital economies, decentralized finance (DeFi) has progressed from conceptual exploration to ecosystem restructuring. Having evolved through foundational protocol development (1.0), expanded ecosystem applications (2.0), and efficiency optimization (3.0), the industry now urgently requires a new paradigm that breaks trust barriers, eliminates data opacity, and prevents power concentration – giving rise to the DeFi 4.0 revolution. Singapore's R3 Financial Lab, a world-leading fintech research institution, has consistently prioritized financial system innovation. By identifying critical challenges in DeFi governance such as systemic imbalances and uneven benefit distribution, the lab collaborated with top economists to develop a mathematics-driven economic model over several years. Using the FHdao governance token as its core implementation vehicle, this groundbreaking model aims to fill industry gaps and establish a 100% decentralized benchmark for the sector.

Four core sectors: Fire Horse Dao exchange, Fire Horse Dao platform coin, DeFi pledge mining, NFT

Platform ecosystem: decentralized lending matchmaking investment, visual post-investment management, platform coin airdrop rewards, DAO incentive system

DAO ecosystem: global regional communities, expert communities, research institutions, investment institutions, credit systems, and auditing.

Fire Horse Dao aims to leverage blockchain technology to build a fair and transparent ecosystem of integrated applications. In the blockchain era, it strives to create a complete value ecosystem for global users, ensuring the protection of their free will, personal value, and particularly the value of time.

With the support of Singapore technology companies online and offline, Fire Horse Dao hopes to achieve interconnection between independent ecosystems and build a bridge between continents, allowing people to understand the new world of business built by blockchain from a new dimension.

Empowering the Real Economy: Through Fire Horse Dao's blockchain infrastructure platform, the token economy empowers the real economy, while digital assets lay the foundation for the circulation of real economy.

-Release of coinage rights: Fire Horse Dao creates its own value token--Fire Horse Dao, and releases coinage rights through liquidity and pledge, so that everyone has exclusive rights to its participation results.

-Asset Securitization: Fire Horse Dao aims to empower traditional industries through blockchain and innovative finance, enabling broader asset securitization and tokenization. Tokenized assets can participate in all purchases, auctions, and offset transactions with Singapore-based tech companies, thereby reducing transaction commissions.

- Distributed business applications: Fire Horse Dao believes that only by integrating Fire Horse Dao's consensus and openness into low-cost global business applications can we create huge new economic opportunities and new business value for the world's physical businesses.

- Developing self-governed communities: Fire Horse Dao is convinced that decentralized community management models will gain traction in global commercial exhibitions across industries. The formation of self-governed communities will enable more people to unite and

achieve greater value.

Chapter 2 Overview of Fire Horse Dao Project

2.1Fire Horse Dao introduction

FHdao Governance Token, independently developed by scientists at Singapore's R3 Lab, is a groundbreaking financial innovation in the DeFi 4.0 era. Built on an original mathematical reorganization economic model, this token employs dynamic algorithms to ensure fair value distribution and efficient circulation within the ecosystem, fundamentally eliminating centralized intervention issues common in traditional finance and early DeFi projects. As the industry's first fully decentralized governance token, FHdao delegates decision-making authority entirely to the community. Through DAO autonomy mechanisms, every token holder can participate equally in rule-making, ecological development planning, and major voting processes. This embodies the governance philosophy of "fairness, justice, and transparency," propelling the project to the pinnacle of autonomous ecosystems in the DeFi 4.0 wave. It provides replicable and scalable decentralized solutions for global financial revolution initiatives.

It is also an organization dedicated to advancing the crypto-technology and financial industry. By leveraging Web3.0 decentralized blockchain technology, it reshapes ecosystems through collaborative development. The pioneering Fire Horse Dao utilizes its proprietary "Safesphere" blockchain security technology, enabling users to enjoy truly risk-free investments.

The Fire Horse Dao Exchange, a decentralized financial platform integrating traditional capital expertise with blockchain innovations, addresses operational challenges in global lending and cross-sector applications. As a self-governed community dedicated to advancing blockchain-driven industries, it features a professional fintech architecture that seamlessly integrates wealth management with rapid capital lending. This innovative ecosystem creates a secure and user-friendly environment for next-generation decentralized finance.

[Platform Name] Fire Horse Dao

By integrating AI and smart technologies, we develop a one-click digital collectible (Web3) platform for creation and distribution. This decentralized finance platform, combining traditional financial expertise with blockchain innovation, addresses operational challenges in global lending and cross-sector applications. More importantly, it serves as a self-governed community dedicated to advancing blockchain-powered industrial development.

[Platform Framework] Technology development is funded by global investment institutions; Technology Development: Expert community in Silicon Valley, USA

1) Distributed finance

Singapore-based tech companies were among the pioneers in exploring blockchain applications within the financial sector, establishing a commanding lead in distributed finance. Their mission is to

empower ordinary citizens with access to the financial value embedded in their assets while enabling users of financial services to obtain services at lower costs. This approach has significantly enhanced operational efficiency across the financial system while substantially reducing associated expenses.

2) Digital transactions

The digital currency ecosystem developed by Singaporean tech companies, through both partnerships and independent R&D initiatives, now serves users across over 120 countries worldwide. Leveraging its cryptocurrency exchanges, the platform enables secure digital asset storage and trading for global participants. Its integrated solutions feature unified multi-chain asset management, one-stop decentralized services, robust security protocols, and multilingual support capabilities.

3) Cross-border payments

Singapore-based technology firms have consistently invested in, supported, and incubated cross-border payment initiatives. Through partnerships with IDG Capital, they have successfully implemented multiple payment-related projects. These companies are committed to advancing borderless value circulation, striving to make cross-border payments more efficient, convenient, and secure.

4) Digital asset technology application

Singapore technology companies are committed to promoting the creation of a third blockchain ecosystem beyond Bitcoin and Ethereum, and expanding the application and technical boundaries of blockchain technology, so that ordinary Internet users can feel the value of blockchain technology.

Singapore technology company is committed to building the world's leading WEB3 application and DeFi underlying blockchain system, and through the implementation of Fire Horse Dao project, change the existing distributed financial technology and application ecosystem, expand the application boundary and technical boundary of blockchain technology, so that ordinary Internet users can feel the value of blockchain technology.

2.2Fire Horse Dao Project

FHdao Governance Token, independently developed by scientists at Singapore's R3 Lab, is a landmark financial product in the DeFi 4.0 era built on an innovative mathematical reorganization economic model. Rooted in rigorous mathematical logic, this model achieves fair value distribution and efficient circulation within the ecosystem through dynamic algorithms, fundamentally eliminating centralized intervention issues prevalent in traditional finance and early DeFi projects. As the industry's first fully decentralized governance token, FHdao delegates complete decision-making authority to the community. Through DAO autonomy mechanisms, every token holder can participate equally in rule-making, ecological development planning, and major voting processes. This embodies the governance philosophy of "fairness, justice, and transparency," helping the project reach the pinnacle of autonomous ecosystems in the DeFi 4.0 wave. It provides replicable and scalable decentralized solutions for global financial revolution.

Fire Horse Dao exchange is a liquid nature of pledged mining, WEB3 physical or value product auction, chain game and other applications. It is expected to become a bridge between blockchain and users and investors, helping users to participate in the decentralized financial revolution faster and better.

Fire Horse Dao represents not merely technological innovation, but a transformative force that

drives collaboration between leading models to achieve self-transformation and industry evolution. By leveraging secure decentralized blockchain technology, Fire Horse Dao creates its proprietary Fire Horse DaoToken to boost user engagement across its ecosystem and third-party institutions. This mechanism establishes a virtuous cycle of value within the entire ecosystem through circulation-based valuation. Furthermore, the development of the Fire Horse Dao exchange application provides global users with a foundational tool for building a secure, reliable, and efficient distributed financial infrastructure.

In the future, Fire Horse Dao will enable all users, players and investors to own digital goods and currencies and trade them with each other, gain real property rights and create a thriving economy from which all interested parties can benefit.

-Fire Horse Dao Investor Protection Fund--our grant fund for WEB3, which aims to accelerate the adoption of blockchain technology and bring its benefits to the masses more quickly.

-Fire Horse Dao Incubator--We will play an active role in the community, build Fire Horse Dao incubator, help others better understand blockchain and WEB3 technology, and support and incubate more WEB3 products with application prospects, collection and investment value.

2.3Fire Horse Dao's value pursuit

Fire Horse Dao is building a community-owned WEB3 platform with groundbreaking technology and innovative economic models, presenting an opportunity to revolutionize the industry. The platform also tackles a series of previously unsolved complex challenges. To guide Fire Horse Dao's development in this new WEB3 domain, both the organization and its community have made five key commitments.

1） 1) Community economics

Today's applications are built on economic models that many in the industry recognize as unsustainable for the future. Fire Horse Dao is committed to rewriting the rules and creating a new type of economic platform, with community ownership, participation, and growth as its foundation and ultimate goal. By rewarding developers, players, and publishers who contribute to network health, a community-centric economic era will emerge.

2） 2) Openness and operation

We believe all platforms within the Fire Horse Dao community must be inclusive, independent, and interoperable. This is why we've built cross-chain and cross-platform capabilities into our platform architecture, removing entry barriers for community members while ensuring our platform evolves continuously through new protocols, tools, and standards to better serve the community.

3） 3) Progressive decentralization

Centralized platforms inevitably create a virtual ceiling, ultimately restricting growth by monopolizing opportunities from community members through monopolistic practices. As Fire Horse Dao's technology matures and adoption rates increase, the platform is transitioning to a fully

decentralized structure owned, controlled, and cultivated by its entire community. This evolution enables players and publishers of all scales to benefit from the community economy without relying on centralized management.

4) 4) Community governance

Fire Horse Dao's mission is to establish a transparent, intuitive, and well-structured governance framework that ensures no individual or group can monopolize control of the platform. Actions aligned with the collective best interests of the larger community will be rewarded. The team is tirelessly developing essential rules and mechanisms to create this groundbreaking yet vital governance system.

5）Lasting innovation

We are deeply committed to driving innovation in the WEB3 ecosystem. This conviction fuels our development of a comprehensive platform enabling full-scenario value circulation through Web3 technology. We are confident this platform will revolutionize the Web3 industry in positive ways: empowering developers with innovative business models, delivering cutting-edge Web3 designs for users, and fostering a community-driven economy that benefits all participants. Therefore, we prioritize long-term investments in building the necessary technological infrastructure and community ecosystems, rather than chasing short-term financial gains.

2.4Fire Horse Dao's WEB3.0

In order to realize the ultimate freedom of digital assets, build a truly decentralized WEB3 digital financial service ecosystem, and make blockchain technology and digital asset applications more widely popularized, Fire Horse Dao designs the following objectives based on the research of existing technologies and the consideration of decentralized characteristics of blockchain and its application scenarios:

1) 1) Multisector connectivity

Fire Horse Dao can connect to existing major digital token networks to complete asset exchange without changing the original chain mechanism. New digital token networks can also be connected to Fire Horse Dao at a very low cost.

2) 2) Provide privacy protection for transactions

In Fire Horse Dao, both parties can choose to conduct transactions with privacy protection; it can provide privacy protection for the transfer and transaction of digital assets; it can provide anonymity protection for digital asset holders.

3） 3) Scenarios are scalable

Fire Horse Dao is a distributed platform enabling multiple digital token exchanges, offering deposit and loan services for various tokens, facilitating digital asset transactions through tokens, and issuing and trading innovative digital financial assets.

4） 4) WEB3 Aggregated Trading Solution

At present, the traditional decentralized trading system has the following pain points: high cost, insecurity, lack of liquidity, fragmentation of the market, high risk for users, lack of trust and transparency, lack of experience of users.

Fire Horse Dao delivers a cutting-edge Web3 transaction aggregation solution, powered by a global community with built-in traffic. It features cross-chain interfaces and seamlessly integrates into the Web3 ecosystem, enabling global scalability.

Furthermore, leveraging the self-developed Fire Horse DaoWEB3 protocol, we provide a unified decentralized trading infrastructure for global exchanges. This innovation liberates transactions from fragmented silos, enabling rapid circulation of information and value while expanding transaction speed and scope. The Fire Horse Dao protocol supports all accounting systems while accommodating their diversity, establishing a globally unified payment standard and creating a standardized WEB3 transmission protocol.

Furthermore, the high-value tools provided by Fire Horse Dao's solution will attract experienced investors in crypto assets, digital assets, and blockchain projects to our platform. Fire Horse Dao's database tools and information products will lower the entry barriers for potential users and channel new investment funds into the blockchain industry. The blockchain sector and Fire Horse Dao's target audience are those interested in blockchain technology but currently lacking investment tools to enter the blockchain ecosystem. The high-performance investment tools offered by Fire Horse Dao will encourage more people to join the WEB3 market.

2.5 Fire Horse Dao's Multifaceted Service Support

In order to realize the global fission of Fire Horse Dao, we also provide diversified services including asset registration, asset inquiry, pledge lending, payment transactions, and decentralized financial services.

1） 1) Asset registration

Asset registration is a fundamental feature of Fire Horse Dao, typically conducted through gateways or gateway proxies. All assets registered via gateways or agents must gain the trust of the asset owner. Only when both parties are trusted can they transact on the same asset. The registered assets are primarily categorized into:

-Currency-type Assets: These assets primarily facilitate integration between the gateway and other digital currencies or asset platforms. For example, the gateway can register BTC as an asset code, enabling any BTC-holding account to trust the gateway and deposit BTC into its account. The number of currency-type assets is unlimited – the gateway can register as many asset symbols as it actually possesses in terms of monetary assets.

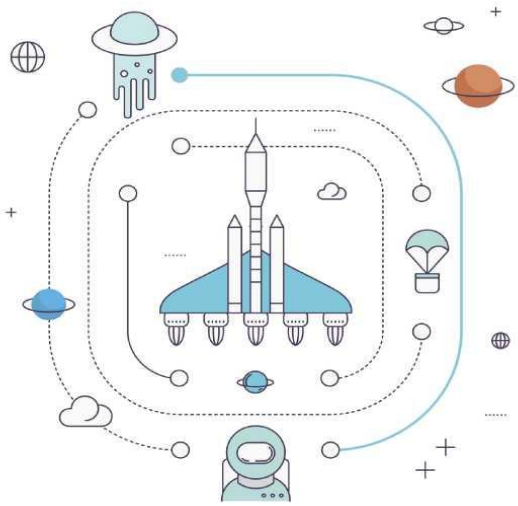
-Physical-type assets: These primarily refer to digitized assets, which are typically registered by enterprises or institutions and distributed through gateways. Such assets usually carry specific quotas. After registration, they will be restricted from issuing additional quotas by triggering operational permission thresholds.

2） 2) Node record query

Fire Horse Dao provides a node record query feature, where each participant's operations and transactions are fully documented. This allows ordinary users to verify asset quantities displayed by any application developed using the Fire Horse Dao protocol. The system supports linking different blockchain nodes to check ledger status, enabling real-time observation of block generation and transaction creation. When entering an account, users can access various asset balances and all transaction records.

3） 3) Digital currency transactions

When users purchase BTC, USDT, or any other cryptocurrency, the platform automatically matches them with the exchange offering the lowest current price. For selling, it pairs users with the exchange providing the highest global price. All this is powered by the Fire Horse Dao protocol, enabling effortless earning.



4) 4) Payment transactions

The Fire Horse Dao wallet exchange network, integrated with exchange APIs, delivers seamless, secure, and borderless payment and transaction services. Its standout feature enables cross-border payments anytime, anywhere. As a payment solution comparable to WorldPay, PayPal, and Google Checkout, Fire Horse Dao helps users manage funds, store digital assets, and perform transfers. By leveraging blockchain technology as the foundation for building a cross-regional, cross-industry commercial alliance, Fire Horse Dao bridges online and offline channels, facilitates smooth circulation of digital assets, breaks the deadlock of non-circulating digital transactions, and establishes a decentralized, secure, and highly reliable borderless payment ecosystem.

5) 5) Decentralized financial ecosystem

Unlike conventional internet services, financial services operate under distinct industry-specific rules and frameworks. Therefore, architectural design that accommodates these unique requirements proves more conducive to the development of DeFi applications. Fire Horse Dao demonstrates four distinctive features for DeFi applications:

-Highly scalable decentralized infrastructure;

-Financial distributed identity system;

-Decentralized credit system;

Flexible construction of distributed financial scenarios.

By pioneering DeFi applications, Fire Horse Dao has developed real-time trading technology with millisecond-level precision. Its transaction processing system handles millions of orders per second – surpassing competitors 'speeds by hundreds to thousands of times – while supporting over 100 million

concurrent online users. The operating system features kernel-level security through an advanced multi-layered, multi-cluster architecture. This layered design significantly enhances the system's security, stability, and scalability.

The Fire Horse Dao system integrates account management, identity verification, payment processing, distributed file systems, peer-to-peer communication, and scheduling of billions of devices. By consolidating global computing power into a single supercomputer, it enables digital currency transfers, payments, settlements, and ultra-complex scientific computations. This addresses security vulnerabilities and slow transaction speeds in traditional public blockchain systems, demonstrating Fire Horse Dao's distinct advantages.

2.6Fire Horse Dao Technical breakthrough

Fire Horse Dao utilizes its proprietary blockchain security technology "Safesphere" to enable users to enjoy truly risk-free investments. This core safeguard integrates multiple signature protocols, zero-knowledge proofs, smart contracts, and other advanced mechanisms. Safesphere technology enables genuine decentralized governance while automatically implementing stop-loss mechanisms during liquidation, ensuring investors' funds remain completely protected from financial losses.

Decentralized supervision: Through the random selection of multiple signatures and anonymous regulatory nodes, the security of funds and decentralization of supervision are ensured.

Smart contract: Through smart contract, ensure that both sides of the transaction comply with the rules of the agreement, automatic stop loss, avoid any loss risk.

Zero-knowledge proof: Use zero-knowledge proof technology to ensure user privacy and transaction security.

Loan matching pool: Through the automatic matching of loan matching pool, the transaction between investors and borrowers is more convenient and fast.

STO model: Similar to the Fire Horse Dao investment STO model, SafeFi will also provide equity returns, allowing users to become shareholders of the platform.

Decentralized Regulation (DecenFire Horse DaoalizedGovernance):

Safesphere achieves decentralized supervision through multi-signature technology and the random selection of anonymous regulatory nodes. When users seek to borrow funds, Safesphere selects a number of these anonymous nodes to jointly oversee the process, ensuring secure protection of user assets. This decentralized supervision model offers greater transparency, trustworthiness, and security compared to traditional centralized regulatory institutions.

SmartCon Fire Horse Daoacts:

Safesphere employs smart contracts to enforce compliance with agreement terms, automatically implementing stop-loss mechanisms to prevent losses. These automated contracts, executed directly on the blockchain without third-party involvement, ensure transaction security and reliability.

Zero-KnowledgeProofs (ZKP):

Safesphere employs zero-knowledge proofs to safeguard user privacy and transaction security. This cryptographic technique allows users to verify specific facts without disclosing sensitive

information, enabling secure transactions while maintaining personal privacy.

LendingPool:

Safesphere provides a lending matching pool that streamlines transactions between investors and borrowers. Investors can select preferred assets for investment, while borrowers can quickly access funds. The automated matching feature of the lending pool helps users save time and costs.

STO mode (Security Token Offering):

Similar to the STO model used by Fire Horse Dao, Safesphere will also offer equity returns, allowing users to become shareholders of the platform. STO is a financing method similar to traditional securities markets, which can bring higher returns and greater development potential for both the platform and its users.

In conclusion, Safesphere provides users with more secure, efficient and reliable blockchain financial transactions through multiple signatures, smart contracts zero-knowledge proofs, lending matching pools and STO models, bringing users richer investment opportunities and higher returns.

Chapter 3 Fire Horse Dao Technical Architecture Framework

Fire Horse Dao starts from reality and does not blindly use all the technologies of blockchain. Instead, it combines technology with practical needs to create an efficient WEB3 protocol.

Fire Horse Dao's technical support encompasses: a hybrid storage system powered by IPFS/Storj/CloudService; a high-performance underlying framework supporting multi-chain and cross-chain operations; and an open WEB3 ecosystem designed to create Web3 with unique attributes and rare-tier capabilities.

3.1 Smart Contracts

With the advancement of second-generation blockchain platforms led by Ethereum, the blockchain world is gradually entering an era of programmability. At its core, smart contracts are essentially programs that automate traditional contractual processes through computer instructions. Simply put, a smart contract is a piece of code that gets executed when two parties transact on blockchain assets – this code itself constitutes the smart contract.

A smart contract isn't just a computer program that runs automatically—it's a system participant that responds to received information, can receive and store value, and can send information and value outward. It's like a trusted entity that holds assets temporarily while always executing operations according to predefined rules.

Fire Horse Dao supports smart contracts in languages like C++, enabling the development of various traceability applications—such as game asset ownership platforms—thereby ensuring fair and efficient transactions.

In the context of blockchain-based art curation, critical metadata of artworks gets permanently recorded on the chain, with circulation and quality rigorously monitored by network nodes. All participants in the blockchain ecosystem publish their information on the public ledger, where nodes validate transactions through consensus protocols and earn cryptocurrency incentives. This system leverages two fundamental blockchain principles: First, every transaction recorded in a block – from its creation to subsequent transactions – is immutable, ensuring database integrity. Second, once a new block is finalized in the blockchain, its data becomes permanently unalterable, guaranteeing the authenticity and reliability of the recorded information.

Every piece of data on the blockchain can be traced back through its structure, verified transaction by transaction, forming an immutable and unforgeable database. Regarding the accuracy of data on-chain verification, current practices mainly rely on offline validation. However, due to the unique nature of digital works, new creations can now achieve full-chain processing from creation to transaction.

Regarding profit rights versus ownership, Fire Horse Dao will implement a unique derivative mechanism: the platform exclusively transfers profit rights of collectibles without transferring ownership. This ensures transactional divisibility and liquidity at the executable level. Users can initiate WEB3 mining, auctions, and transactions on the platform. By distributing product shares and selling profit rights to reward users, the platform guarantees product appreciation through value creation.

3.2 Multiple chains, cross-chain

In recent years, the popularity of blockchain has brought about the prosperous development of DIFcloud exchange ecology. However, as we all know, most DIFcloud exchanges are faced with the same dilemma: the existing blockchain performance in the market can not meet the enterprise-level high concurrency and large-scale application needs. It is specifically manifested in the following

aspects:

-The immutable nature of blockchain is necessary in some applications, but the increasing amount of ledger data makes the nodes of the blockchain network bloated and heavy, which consumes a lot of storage resources, resulting in storage expansion.

-The homogeneity of blockchain node types is serious, and the execution speed is slow, resulting in the transaction scale and transaction speed far from meeting the requirements of high concurrency and high response speed of commercial applications.

-The existing smart contract programming requires high requirements and insufficient business expression ability, and there is no suitable solution for large and medium-sized enterprise applications.

Drawing inspiration from the Polkadot project, Fire Horse Dao enables cross-chain transfers of Web3 assets while integrating application layer and underlying protocols. The platform supports high-performance multi-chain and cross-chain solutions that address parallel computing challenges. In its initial phase, Fire Horse Dao delivers efficient and low-cost services to users. As it evolves, the ecosystem will support multi-chain operations and expand to major public chains like Ethereum and BSC. During later development stages, decentralized cross-chain asset bridges will be deployed to facilitate seamless transfers across Polkadot, Ethereum, BSC, and other leading blockchain networks.

3.3 Hybrid data storage mode

In Fire Horse Dao, the comprehensive traceability tracking of all WEB3 assets generates massive data storage requirements. To address both large-scale storage needs and commercial deployment objectives, we have developed a hybrid data storage solution utilizing three storage mediums: TIPFS, Storj, and CloudService. This integrated approach delivers a faster, more secure, and reliable storage system for the underlying traceability blockchain.

1) IPFS

IPFS is a peer-to-peer network hypermedia protocol, officially named the Interplanetary File System. Its mission is to create a faster, more secure, and more open next-generation internet. As a content-addressable peer-to-peer hypermedia distribution protocol, IPFS enables each node in the network to form a distributed file system, thereby enhancing the network's speed, security, and openness.

As IPFS employs content-based addressing instead of traditional file names, it eliminates the need for users to worry about server locations or file storage paths. The system generates unique cryptographic Hash values based on content, directly reflecting the file's actual data. When receiving a file Hash request, IPFS uses the Distributed Hash Table (DHT) algorithm to locate the node containing the file, retrieve it, and validate its data. In Fire Horse Dao, we integrate IPFS as a foundational layer with blockchain technology. The virtual machine can read on-chain information from IPFS and store processed results within the IPFS network.

2) Storj

Storj is designed to be a censorship-resistant, surveillance-proof, and uninterrupted cloud storage

platform. As one of the first decentralized, end-to-end encrypted cloud storage systems, Storj consists of interconnected components that collectively form a unified framework. Since users interact with different parts of the system, their understanding of Storj varies. Home users can share storage space without needing to understand Bridge protocols or related technical details, while developers can utilize the StorjAPI without requiring prior knowledge of home users. This design philosophy is reflected in Fire Horse Dao, which also employs Storj as one of its underlying storage protocols.

3） CloudService

With the advancement of cloud computing, cloud storage has become increasingly favored and supported by blockchain vendors. On one hand, it provides massive, secure, and cost-effective cloud storage services with 99.9999999999% data reliability. On the other hand, cloud storage typically employs RESTful APIs, enabling storage and access from any location on the internet. It offers elastic scaling of capacity and processing power, along with multiple storage types to optimize overall costs.

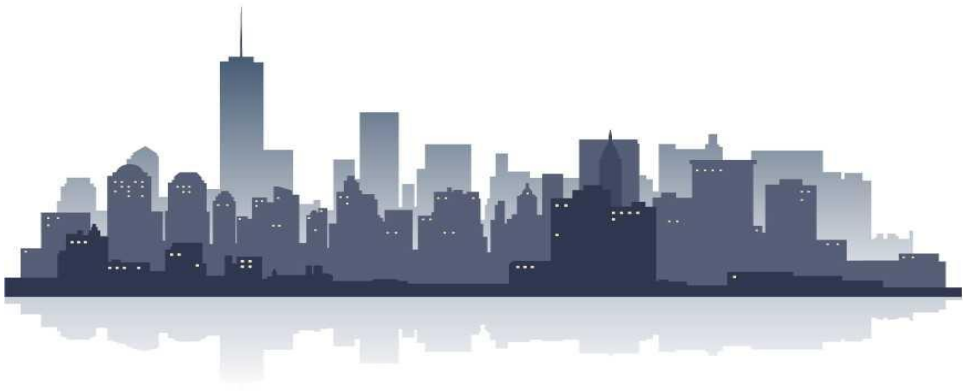
3.4 Identity systems

The token ownership system in Fire Horse Dao functions as an identity authentication framework, where verification credentials serve as the token's coordinates. Establishing economic incentives proves essential to ensure creators maintain their capacity to develop avatars, artifacts, and scripts for distribution. Given the inherent replicability of content, implementing social consensus mechanisms becomes crucial to enforce penalty measures.

Social consensus enables digital scarcity. In centralized systems, companies creating the platforms can resist scarcity. However, for Bitcoin and other proof-of-work blockchains, the computational challenges and economic costs of mining blocks inevitably create scarcity.

Fire Horse Dao can create ownership layers on virtual-world items using a decentralized identity system. Such systems must be user-friendly by linking public keys and signatures to human-readable names to verify the founder's consent.

Projects like uPort or Ethereum's naming service can be leveraged. Social reputation also serves to incentivize founders' contributions. Within decentralized economic systems, the ability to motivate content creation evolves rapidly. Potential solutions include Mediachain.BasicAttentionToken, Curation Markets, and RarePepe.



3.5 Payment channels

While generic public distributed HTLC networks (such as the Lightning Network) are at least a year away from being deployed, low-trust hub-and-spoke payment channel networks are fast, low-cost, and can be implemented now. Payment channels are important to Fire Horse Dao for two reasons:

-Make purchases in the virtual world

-Incentive content servers and P2P servers improve service quality

Nowadays, major platforms have mitigated the inherent risks of credit card payments: users trust the platform rather than the app to protect their payment details. With payment channels, users can purchase directly from developers without worrying about identity theft.

Fire Horse Dao's infrastructure fees support micropayments, covering costs such as hosting content, providing services, and running P2P protocols. Developers operating applications on Fire Horse Dao face marginal costs that closely match their actual expenses, as the platform operates on a commoditized model. To ensure barrier-free access for future developers, the token's sales revenue serves as compensation for these services.

3.6 System expansion and security

1) 1) Extensibility

-Multi-service compatible blockchain architecture: Fire Horse Dao's blockchain framework addresses diverse business requirements while enhancing system scalability and maintenance efficiency. It serves multiple purposes including asset tagging, transaction tracking, tamper-proof multi-dimensional event logging, and supply chain traceability to monitor product circulation processes.

-Permission Control Strategies: Provides two types of permission control strategies for data information: writing and reading. For data writing permissions, multiple users under the same account can be configured with corresponding permissions for different operations, meeting multi-signature control scenarios. For data reading permissions, users can grant or revoke operation permissions for individual users or user groups, with flexible configuration of user groups. Data includes user account information, transaction details, and other attributes that can be granularly refined to individual transaction or account attributes.

2) 2) Safety aspects

-Secure Private Key Access: To facilitate user access to blockchain services, Fire Horse Dao offers two solutions alongside traditional client-generated and stored mechanisms: network-hosted access and hardware-based private key storage (U-key). The network-hosted approach maps usernames and passwords into private keys through specific algorithms for server-side storage. All private keys stored on the server are encrypted, requiring decryption only at the client end. The hardware-based private key solution is designed to meet the operational demands of the financial and IoT industries.

Multi-layered Privacy Protection: The system features three-tiered privacy safeguards. First, the blockchain infrastructure employs homomorphic encryption, ensuring all user data remains encrypted and accessible only to the user. Second, Fire Horse DaoAdaptors provide encryption middleware services, allowing businesses to select their preferred solution. Third, upper-layer applications can encrypt data during input processing, with Fire Horse Dao handling the encryption and decryption of user-generated data.

3.7 Market Competition and Advantages

There are essentially two types of exchanges: those handling fiat currencies and pure cryptocurrency trading platforms. We will focus on the latter. Although currently small in scale, we firmly believe that pure crypto exchanges will grow exponentially larger than fiat-based exchanges in the near future. They will play an increasingly vital role in global finance, and we refer to this new model as Fire Horse Dao Finance.

With your help, Fire Horse Dao will build a world-class crypto exchange that will power the future of crypto finance!

Chapter 4: Design of the Fire Horse Dao Token Economy Model

1. Recommended Bonding: By holding the token, you can enjoy a daily stable dividend of 1.3%, with earnings credited daily for effortless asset appreciation. Successfully recruit 5 people to unlock tier 5 reward privileges: Tier 1 earns 5% of dividends, while tiers 2-5 each receive 3%. This boosts your network monetization efficiency.

2. After linking earnings rewards to superior relationships, participants can share 5% of the team incentive fund based on their coin holdings. The more coins held, the greater the reward share. The platform imposes a 3% transaction tax that destroys all coins, effectively reducing circulation volume and ensuring stable token value.

3. Fire Horse NFT: With a limited run of 2,100 units, this NFT follows a tiered release system where each sale of 200 units triggers a 50U price increase. This dual mechanism combines rarity with growth potential. Holders also receive platform profit tax dividends – one investment yields multiple returns through this unique mechanism.

4.1Fire Horse Dao Token

Total issuance: 210 million tokens, including 200 million dividend exchange contracts and 10 million base pool tokens.

The maximum number of coins you can hold is 50,000. If you hold more than 50,000 coins, the reward will go into the black hole.

Profit tax rate: 30%

15%NFT weighted split

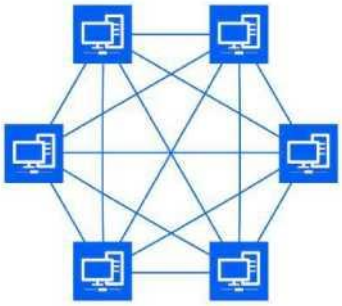
5%DAO

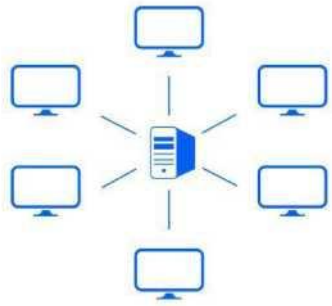
5% team incentive

5% marketing

Insurance tax (base pool 500,000 U) sells tax 10% destroyed

Sale 3% destroyed





4. 2NFT Cards

NFT name: FireHorseNFT

NFT symbol: FireHorseNFT

Total NFT issued: 2100

The NFT issuance mechanism grants a 50U increase for every 200 units, with Fire Horse NFTs eligible for profit tax dividends.

4.3 Fire Horse's Five Core Features

1）FHdao

The core governance carrier of the Fire Horse ecosystem relies entirely on DAO autonomous operation, with community members participating in ecological decision-making, rule making, and development direction planning, achieving decentralized ecological governance and value co construction.

2）Fire Horse Protocol protocol launched

The core protocol at the bottom of the ecosystem provides secure and efficient technical support for DeFi 4.0 applications, public chain operation, and full scenario interaction, solving the pain points of traditional blockchain performance and compatibility. The technical support for ecological operation is the cornerstone of sustainability.

3) Fire Horse public chain launched

A high-performance public chain tailored specifically for the ecosystem, with advantages of high throughput, low gas fees, and strong scalability, carrying DeFi transactions, NFT applications, and other full ecosystem businesses, ensuring efficient circulation of value within the ecosystem.

4) FHswap decentralized exchange

The decentralized trading infrastructure within the ecosystem supports secure and convenient trading of digital assets, relying on Fire Horse public chain technology to achieve a low sliding point and high liquidity trading experience, empowering asset circulation within the ecosystem.

5) Implementing NFT Web3 Real Application Implementation

An important carrier linking the Fire Horse metaverse with real value, covering applications such as digital collectibles, virtual asset certification, and metaverse scene interaction. With the uniqueness of NFTs and the credibility of blockchain, it builds a rich Web3 digital application scenario. Based on the changes in supply and demand of assets, the fund pool calculates interest rates using algorithms. The supplier and borrower of assets directly negotiate with the agreement

4.4Fire Horse Dao Mining with Collateral

1) Fire Horse Dao Mobile Mining

We have developed the Fire Horse Dao liquidity mining protocol. This Ethereum-based solution establishes algorithmically derived interest rate funding pools through asset supply-demand dynamics. Both asset providers and borrowers interact directly with the protocol to earn or pay floating interest rates. A critical step in designing this liquidity mining framework was defining its precise objectives. Our core goals are as follows:

-Long-term, sticky liquidity incentives;

-Attract a large amount of hot money to create momentum and improve product awareness;

-Decentralize protocol governance by distributing tokens without ICO.

To achieve decentralized governance, many protocols integrate governance rights into their tokens. However, when governance token ownership becomes highly centralized, maintaining decentralized governance becomes challenging. One of the primary challenges for protocol teams is distributing governance tokens to users. To address this, our designed Fire Horse Dao liquidity mining serves as a powerful solution compared to other methods like targeted airdrops.

The Fire Horse Dao pledge lending model employs an automated liquidity protocol based on the Constant Product Formula. Each trading pair maintains a reserve of two assets, ensuring liquidity for both while preventing the product of reserves from decreasing. The fundamental formula for price prediction is:

$$p_{t_1,t_2} = \frac{\sum_{i=t_1}^{t_2} p_i}{t_2 - t_1} = \frac{\sum_{i=1}^{t_2} p_i - \sum_{i=1}^{t_1} p_i}{t_2 - t_1} = \frac{a_{t_2} - a_{t_1}}{t_2 - t_1}$$

We have established a platform collateralized fund pool with insurance pool management to reduce collateral ratios. Through smart contracts and oracles, we capture real-time market value of collateral assets. When token valuations fluctuate beyond predefined thresholds, automated alerts are triggered via smart contracts to prompt users to replenish their positions.

If the user fails to complete margin replenishment, the smart contract will automatically liquidate positions by selling the user's collateral assets to ensure returns for the asset lenders. For risks not cleared by lenders, the insurance pool will provide 70% compensation, capped at its total capacity. In insurance pool management, interest rates increase with demand growth; rates should decrease when demand is low and rise conversely.

2) Fire Horse Dao exchange collateral

In the Fire Horse Dao collateral lending protocol, users secure continuous financing by rating the risk levels of pledged assets. After providing initial liquidity, market makers lock LPTokens as collateral in the Fire Horse Dao protocol, thereby maintaining a steady stream of liquidity buy orders. When users contribute liquidity on Fire Horse Dao with specified price ranges, the value fluctuations of these liquid assets based on their native currency remain relatively stable.

When suppliers pledge LPTokens in Fire Horse Dao, the collateral's risk resilience becomes significantly enhanced during extreme market conditions, thereby strengthening the staking pool system. This mechanism provides timely risk alerts when the project token surges and establishes protective buffers against sharp declines. Ultimately, Fire Horse Dao enables high-quality assets to sustain long-term growth while gradually phasing out and liquidating underperforming assets.

To achieve precise risk pricing, the platform implements a tiered risk classification system that generates structured fixed-income funds. Beyond the project's initiator (IP), two primary stakeholders participate: General Partners (GP) and Limited Partners (LP). Both provide continuous capital support: GPs, as direct investors, convert their principal into project tokens, while LPs leverage their capital to amplify value growth for the project.

Fire Horse Dao enables IP-pledged high-quality assets, providing a safeguard for GPs and encouraging substantial capital inflows. Each incoming GP funds are deposited into the Vault to hold LP risk reserves and profits. As the Vault's capital pool expands, LPs' investment willingness gradually increases.

as follows ：

LPwocVaultocIPcol*GPturnover*IPItv

GPturnoveroGPw

among ：

-IPcol serves as collateral for IP

-IPltv represents the current IP collateralization rate

•GPturnover refers to the turnover rate of GP

-GPw is the investment intention of GP

-LPw is the investment intention of LP

• Vault as a reserve

This demonstrates that through effective signal transmission, IP-pledged assets with lower volatility can effectively drive LP capital allocation. As a crucial component in the market feedback cycle, LP capital will generate positive multiplier effects. When dealing with distressed assets, GPs

who convert their local currency into project tokens face significantly higher volatility in leveraged targets compared to IP collateral. In such cases, GPs may be the first to exit due to asset price declines. Remaining GPs prefer holding collateral after IP liquidation to reduce turnover rates. This directly leads to shrinking Vault increments, substantially dampening LP investment willingness and gradually phasing out subpar projects.

LPwocIPcol*GPturnover

GPturnoverInLPwI

Such a transmission mechanism not only enables Fire Horse Dao to function well as a "cleaner" of non-performing assets, but also transmits a large amount of efficient market information as external feeding data for Fire Horse Dao's risk pricing, providing decision feedback to investors and liquidity providers.

4.5 Development planning

Phase 1: Project launch

Release-Fire Horse DaoCOIN White Paper-Building the Initial Team

Developed the automatic mining mechanism and decentralized governance model.

Conduct a first public token offering to ensure a fair and transparent distribution process.

Phase 2: Market expansion and global cooperation

Expand global partnerships to include environmental groups and technology companies.

Drive Fire Horse DaoCOIN's environmental and philanthropic mission to build a global community.

Phase 3: Charitable donations and environmental actions

Launch a charitable donation program supporting environmental projects worldwide when the market value reaches $100 million. Partner with Global Environmental Protection.

Act as a safeguard to promote green blockchain applications.

Phase 4: Public chain development

Start developing the Fire Horse Dao public chain, which will become the public chain's native token.

A portion of the public chain transaction fee (GAS) is used for environmental and charitable activities.

Phase V: long-term development and ecological expansion

Expand Fire Horse DaoCOIN's application scenarios to cover finance, environmental protection projects, and other fields. Support more environmental and charitable initiatives.

Projects to promote sustainable development

The early development is on the BNB chain. In order to better integrate with Wap3.0, Ai+WEB3 exchange needs to be oriented to the world. The core technical team will develop multi-chain interworking to ensure the multi-dimensional storage and transaction of digital assets (for example, cross-chain WEB3 assets between Ethereum chain and BNB chain).

In the future, the WEB3 market has a large space for development, and there will be more diversified asset types in the future. More artworks, cards, WEB3 games, and other new applications may come out. We should be pioneers and realize value in this field in advance.

WEB3 holds limitless possibilities and potential, with record-breaking sales volumes further propelling the evolution of this technology. WEB3 has pioneered entirely new pathways for blockchain innovation. By replicating physical assets within the digital realm, it is poised to become a pivotal component of blockchain ecosystems and broader macroeconomic frameworks. With its vast array of applications, developers are tirelessly creating exciting new projects that cultivate valuable ecosystems within this dynamic landscape.

Chapter V Technical Team and Investor Protection Fund

5.1 Technical team

Project Development Director
Mike Belsh
Mike Beers has over 25 years of experience leading sales and consulting teams in the UK, Europe, Asia, Middle East, US and Canada

Project Design Director
Elowen
Elowen leads investor relations and venture capital at Zilliqa, where he has over a decade of experience in investment management, start-ups and technological innovation.

Project Sales Director
Seraphina
He is responsible for leading the company's investment strategy and strategic partnerships. He has over 10 years of experience in leading venture capital, private equity and hedge fund groups.

Project Operations Director
Ed Reganelli
Ed Reginelli is Chief Financial Officer of BitGo Group, where he oversees accounting, tax and human resources. Steve has over 20 years of experience in the investment management industry.

5.2 Investor Protection Fund structure

To better protect investor rights and achieve the project's internationalization goals, while addressing regulatory requirements and operational efficiency, we established the Fire Horse Dao Investor Protection Fund (hereinafter referred to as the Foundation) with support from top-tier communities and Singapore-based tech companies. The Foundation will oversee the continuous development of the Fire Horse Dao system and establish transparent governance mechanisms, ensuring the project progresses as planned while promoting the secure and harmonious development of the open-source ecosystem.

The Foundation will continue to establish long-term strategic partnerships with global top-tier digital asset exchanges, venture capital firms, WEB3 communities, and service providers, thereby laying a solid foundation of resources, capital, and industrial support for the project. The governance structure of the Foundation is designed with three core objectives: ensuring sustainable development of projects, enabling effective strategy formulation, maintaining efficient management practices, and implementing robust risk control mechanisms to guarantee optimal operational efficiency.

To ensure transparency and openness in the Fire Horse Dao project, the foundation operates through a decision-making committee as its highest governing body. This committee oversees three specialized divisions: Operations, Technology, and General Affairs, alongside a Community Development Committee. The management structure combines developer input with functional departmental expertise.

The inaugural Decision Committee comprises core team members, blockchain industry leaders, legal experts, and early-stage investors, with subsequent members elected by the community. Its responsibilities include appointing and dismissing executive leaders and department heads, making critical decisions, and convening emergency meetings. Each term of the Decision Committee members lasts two years.

The members of the first Fire Horse Dao decision committee have rich industry experience in blockchain, DeFi and WEB3. Brief introduction is as follows:

1) 1) The decision-making committee

When the decision committee's term expires, all community members holding Fire Horse Dao tokens will vote to elect an odd-numbered core committee of up to nine members based on their holdings and token age. The elected members will represent the Fire Horse Dao community in making critical and urgent decisions, while undergoing credit checks and disclosing compensation details throughout their tenure.

2) 2) Operations Department

As a comprehensive functional department, the Operations Department oversees planning, execution, and control throughout the company's management processes. It provides guidance, coordination, and supervision for daily operations across all stores, ensuring seamless integration of business activities, financial workflows, and related processes. In practice, it must deliver targeted guidance, maintain balanced coordination, and enforce effective oversight to achieve optimal results.

3) Product Department

The product manager is the leader of each product in the Marketing Department. He is responsible for the profit and loss of a product in the group, coordinates all the people for the operation of the product, and fully coordinates all the operation links and business activities of the product.

A product manager is a dedicated professional responsible for ensuring high-quality products are completed and released on schedule. Their responsibilities include listening to user needs, defining, planning, and designing product features, making complex decisions to ensure team operations run smoothly, tracking program errors, and ultimately overseeing the final product's completion. Additionally, they must diligently gather new user requirements, analyze competitor products, conduct demand analysis, evaluate market trends, and research industry developments.

4） 4) Technical Department

The Technical Committee, composed of core developers, oversees the development and review of foundational technologies, as well as product development and audits. The committee regularly holds project tracking meetings to discuss requirements and progress updates. Members are required to stay informed about community developments and trending topics, engage with business stakeholders and Fire Horse Dao holders within the community, and organize technical exchange sessions on an irregular basis.

5.3 Foundation governance principles

1） 1) Integration of centralized governance and distributed architecture

While there have been persistent arguments that blockchain inherently represents a decentralized or distributed autonomous community system, we maintain that complete decentralization may lead to either absolute fairness or increased inefficiency. Therefore, the foundation will incorporate core principles of centralized governance into its management framework. This includes granting the Strategic Decision Committee supreme authority and centralizing deliberation power for major decisions, thereby enhancing operational efficiency across the entire community.

2） 2) Risk-oriented governance principles

In the strategic development and decision-making processes for the foundation and its projects, risk management will be prioritized as the foremost element. As a transformative computer technology, blockchain development remains in its nascent stage, making it crucial to grasp its evolving trends. By prioritizing risk management principles, the foundation ensures that critical decisions thoroughly consider risk factors, potential incidents, their likelihood of occurrence, and impact. Corresponding response strategies are formulated during decision-making processes. This approach guarantees Fire Horse Dao's development and iteration stay on the right path.

3） 3) Technology and business coexist

Fire Horse Dao is committed to the integration of technology and practical applications, aiming to facilitate the implementation of innovative models in the global DeFi market. The foundation's structure aligns with this vision. While operating as a non-profit organization, it strives to gain recognition from the business world, capture commercial application benefits, and reinvest these resources into the foundation and community to drive further development and upgrades for both the foundation and Fire Horse Dao.

4) Transparency and oversight

Drawing from governance practices in traditional business sectors, the foundation plans to establish dedicated oversight and reporting channels. Designated members of the Strategic Decision Committee will serve as liaison points, welcoming community participants to jointly engage in management, monitor operations, and file confidential reports regarding "discovered matters". These include, but are not limited to: groundbreaking innovations or proposals with significant implications for the foundation or blockchain technology, operational challenges within the community, crisis alerts, and fraud or misconduct reports.

The Foundation will establish a unified information portal while ensuring the privacy protection of contributors' data. Additionally, it will keep community members informed about its operations and project progress through regular reports and occasional press releases.

5.4 Risk assessment and decision-making

Blockchain, as an innovative technology, represents not only a revolutionary breakthrough in core computer technologies but also a transformative force within the industry. This underscores the critical importance of risk management systems. The Foundation is committed to building a sustainable blockchain community with a risk-oriented approach. It will implement continuous risk management measures for its operations, including establishing risk frameworks, conducting assessments, and developing response strategies. For major risks, decisions must be deliberated and approved by the Foundation's Strategic Decision-Making Committee through comprehensive discussions.

The foundation will classify the events according to their characteristics, such as the impact degree, scope, amount of tokens and probability of occurrence, and make decisions according to the priority. For the highest priority events, the relevant committee of the foundation will be organized as soon as possible to make decisions.

5.4 Safety instructions

Security is paramount. Many crypto exchanges fail due to inadequate security protocols. Most vulnerabilities can be prevented through basic protective measures for critical resources. When developing Binance, our team prioritized security above all else. To safeguard infrastructure and data, we rigorously adhere to industry best practices including ISO/CCSSI and C27001:2013 standards, along with cryptocurrency security benchmarks.

Chapter VI Risk Warning and Disclaimer

This document is intended solely for the purpose of conveying data and does not constitute advice for buying or selling. The data or analysis provided does not constitute investment decisions or specific recommendations. This document does not constitute, nor is it construed as, an offer to buy or sell, an invitation to buy or sell in any form, or a contract or commitment in any form.

Fire Horse Dao expressly states that prospective users fully understand the associated risks. By participating in the investment, investors acknowledge and accept these risks, committing to bear all consequences personally. The project explicitly disclaims liability for any direct or indirect losses arising from participation, including: errors, omissions, or inaccuracies in the data provided herein resulting from individual interpretation, or any actions arising from such data.

To participate in the Fire Horse Dao project, please carefully read the white paper to fully understand its technical features and risk-return characteristics of presales. It is crucial to recognize that Fire Horse Dao will never provide refunds for exchanged digital assets or withdraw cash under any circumstances. The Fire Horse Dao team will properly utilize the digital assets raised through presales as disclosed in the white paper, with regular updates provided. However, no matter how meticulous the precautions, risks remain. Currently identified risks include potential policy compliance issues, transaction vulnerabilities, coordination challenges, and information security threats.

Systemic risk refers to potential fluctuations in returns caused by global systemic factors that affect all securities equally. In market risk scenarios, when the overall value of digital asset markets is overvalued, investment risks escalate. Participants may expect excessive growth from Token Initial Public Offering (IPO) projects, though such high expectations may remain unfulfilled. Additionally, systemic risk encompasses various force majeure factors, including but not limited to natural disasters, large-scale global computer network failures, and political instability.

Regulatory gap risks: Digital asset trading platforms like Fire Horse Dao carry significant uncertainties. With the current absence of robust regulatory frameworks in this sector, electronic tokens face risks such as extreme price volatility and manipulation by market manipulators. Newcomers to the market who lack experience may struggle to withstand asset shocks and psychological stress caused by market instability. Although academic experts and official media occasionally issue cautious participation advisories, the lack of established regulatory methods and formal regulations makes it difficult to effectively mitigate these risks at present.

Regulatory Risks: It is undeniable that in the foreseeable future, governments worldwide will introduce regulations to govern blockchain and digital token ecosystems. Should regulatory authorities implement standardized management in this sector, tokens acquired during public token offerings may face impacts, including but not limited to price fluctuations, trading restrictions, or availability limitations.

Team-related risks: The blockchain technology sector currently sees intense competition with numerous teams and projects, creating significant market pressure and operational challenges. Whether Fire Horse Dao can stand out among these outstanding projects and gain widespread recognition depends on its team capabilities, vision, and strategic planning.

It is also linked to various aspects, and is also affected by many competitors in the market, even oligopoly, which may face vicious competition.

Internal Risks: The token team of Fire Horse Dao has assembled a dynamic and capable talent pool, attracting seasoned blockchain professionals and experienced technical developers. As a trailblazer in the blockchain technology sector, maintaining internal stability and cohesion is crucial for the overall development of the token. Going forward, there remains a possibility that core members may leave or internal conflicts could arise, potentially impacting the project's progress.

Project Coordination & Marketing Risks: The founding team will spare no effort to achieve the development goals outlined in this white paper and expand the project's growth potential. While the Fire Horse Dao protocol currently features a well-established business model analysis, unforeseen industry trends may cause existing commercial frameworks and coordination strategies to fail to align with market demands, potentially resulting in suboptimal profitability. Additionally, as this white paper may undergo updates with project developments, there is risk of public misunderstanding regarding the latest progress. Information asymmetry among participants or stakeholders could lead to inadequate understanding of the project, thereby impacting its future development trajectory.

Technical Risks of the Project: Firstly, the project is built on cryptographic algorithms, and the rapid development of cryptography inevitably poses potential risks of being cracked. Secondly, core business operations rely on technologies such as blockchain, distributed ledgers, decentralization, and tamper-proof mechanisms. The token team behind Fire Horse Dao cannot fully guarantee the implementation of these technologies. Thirdly, during project updates and adjustments, vulnerabilities may be identified. While patches can be released to address them, the extent of impact caused by such vulnerabilities cannot be fully guaranteed.

Cybersecurity Threats and Criminal Risks: While individual contributors to security initiatives may contribute modestly, the sheer scale of participation creates substantial challenges for project protection. Cryptocurrencies' inherent anonymity and anti-traceability make them particularly vulnerable to criminal exploitation – whether through hacking attacks or illicit asset transfers – posing significant risks to financial systems.

Potential unforeseen risks: As blockchain technology and industry trends continue to evolve, tokens issued by Fire Horse Dao may encounter unforeseen challenges. Participants are advised to thoroughly research the team's background, understand the project's framework and strategic direction, adjust their expectations appropriately, and participate in token crowdfunding with rationality before making investment decisions.

The information provided in this white paper is for community discussion only and is not legally binding. No party may enter into any contract or make a binding legal commitment regarding the acquisition of Fire Horse Dao, nor may they accept virtual currency or other forms of payment based on this white paper.

All statements contained in this white paper: press releases or publicly accessible statements, as well as oral statements that may be made by the Foundation and its team, constitute forward-looking statements.

Please note that you should not rely excessively on these forward-looking statements, as they involve known and unknown risks, uncertainties, and other factors that may cause actual future results to differ materially from those described herein. No independent third party has reviewed the reasonableness of any such statements or assumptions. This document does not constitute, nor should it be construed as, an offer to buy or sell any securities, nor does it represent any formal contract or commitment.