Love DAO Litepaper

Intro

For decades, the medical industrial complex has grown in size dramatically reaping in more profits every year than the last. Meanwhile, people are sicker than ever: today over 60% of Americans have a chronic illness. This calls into question the effectiveness of how we heal as a society.

Incentives play a key role in any system, and health is no different. Today's medical system is profit-driven and dominated by for-profit corporations. They play an important role, there's no doubt. That said, until now, there have been few routes for the people to have a say in health.

Millions have found alternative medicine paths on places like Reddit, Facebook Groups, or local communities. However, these communities lack financial means, or a pedestal, to stand on. More importantly, their beliefs are just stories; the things they claim heal them have no clinical data to back them. And, clinical data requires trials, which requires money.

Society has witnessed, across many sectors, both the good and bad of centralized institutions which has lead to stifled innovation across all sectors. Within academia, information gating and bureaucracy have led to scientific research being peer reviewed versus independently verified. While computer software development has seen explosive growth as a result of the open source movement, in contrast, drug development remains closed sourced and highly gated by a select few companies.

There was no greater moment for "health" around the world than during the COVID-19 pandemic, where science became politically polarized and society was challenged with whether or not they should rely on the institutions.

Introducing Love DAO

Love DAO is built from a simple belief: that science should be trustless, meaning research is verifiable, immutable, and funded by the stakeholders themselves.

In its mission, the Love DAO is designed to support decentralized science through community, infrastructure and the ethos of human empowerment. The Love DAO's infrastructure will revolutionize the pharmaceutical industry by allowing the people to discover, vote on, and fund tomorrow's healing solutions. Through open data sharing and crowdfunding, we can increase collaboration between stakeholders, reduce development time, and democratize ownership. For the first time, the people will have a platform, a voice, and capital to back their beliefs. This is what we call "people-powered pharma".

Initial Objectives

Love Health has kickstarted the Love DAO platform as a trusted infrastructure to support social innovation and solving society's most daunting health challenges. While these two organizations are independent of each other, they will work in harmony with the shared spirit of unlocking our collective potential for health innovation. In the early days, the Love DAO will be financially and operationally supported by Love Health, but in the long-term, Love DAO will become a fully decentralized organization that is owned and operated by its community. Love Health believes the future of drug innovation is decentralized and owned by its stakeholders.

Early considerations for funding distribution may be for the following categories:
- Infrastructure and service providers
- Funding a liquidity pool
- Community working groups and incentives
- Public goods funding - non-commercial trials
- DAO Treasury - used for grant funding for commercial drug trials

However, funding distributions will be led by the community via periodic governance cycles. Love Health will not automatically receive an allocation of LOVE tokens, rather they will have to buy (mint) them just like every other user. This makes for a clear path to community ownership over time.

Love Health's first initiatives have to do with funding studies related to non-patentable medicines, therapies and modalities. This includes categories such as meditation, breathwork, plant medicines and homeopathic solutions. These trials are funded with no IP ownership or economic upside. These are considered to be trials for public good, and will be driven by those communities committed to finding the truth of these treatments.

Next, Love Health will look to explore building out capabilities for economic interest in commercial projects. Research is currently being conducted on allowing for distributed ownership of Intellectual Property using NFTs and tokenization. Allowing more liquidity related to IP and royalties allows for faster transactions and therefore faster innovation. Inclusion of these features is yet to be determined.

Stakeholders

Love DAO will be governed by its community of tokenholders/stakeholders. These personas may have a variety of roles, skills, and economic interests in the community. Below are some broad examples of community stakeholders.

- **Changemakers** - those who care about global health impact, without consideration of economic upside. Examples: patient advocates, charities, survivors
- **Investors** - those interested in investing in social innovation projects and patenting new drugs. Examples: biotech investors, crypto investors, speculators, researchers
- **Research Institutions** - may be granted tokens for contributing labs volunteers etc
- **Patients** - the ultimate stakeholder and beneficiary of drug development

- Working Groups - groups within the DAO focused on community engagement, governance, DAO design/tokenomics, research, and legal.
- Service providers - such as legal, administration and compliance partners.

The community of stakeholders can contribute to the DAO in many ways.
- IP owners can decide to contribute new or underutilized IP to the DAO in exchange for tokens. This can be quite beneficial for those who are seeking partial liquidity.
- Members can contribute through participation in pushing forth governance and operations within the DAO
- Service providers such as law firms can earn tokens in the projects they support
- Community engagement, fundraising, and outreach efforts can earn members tokens using its bounty system.

Governance

The project's native LOVE token ("LOVE") is used to collectively curate the focus of the DAO and its initiatives and to vote on proposals within the DAO. Anyone can purchase the LOVE and participate in the success of the project and its unlying research initiatives, however in order to participate in governance, one must own a membership NFT. Once a user's membership NFT is authenticated, voting power is determined by total LOVE ownership. LOVE is staked at each governance cycle to signal which projects the community wishes to fund. Tokens will be distributed via a bonding curve, a pre-determined pricing formula based on total token supply. As new tokens are issued, the price to "mint" new tokens increases at a decreasing rate. To avoid voting manipulation, Love DAO will use quadratic voting, which makes buying votes increasingly cost prohibitive.

Proposals are where all projects and funding activities start. Anyone who is seeking funding within the community must be a verified member, token holder,

and provable owner of IP (if applicable). The proposal submission and voting process is as follows:

1. Proposals are first submitted to the community via the Discord proposal channel for temperature check, where community members signal their interest in voting on the proposal.
2. Feedback is given on the proposals, and a revision period is given for edits and resubmissions.
3. If approved, the proposal will move to Snapshot, an off-chain voting application. This application will be used while it develops its own on-chain voting mechanism.

DAO treasury assets will be managed via a multi-signature Gnosis Safe, managed initially by the DAOs founding council members. Council members are responsible for tasks such as project diligence, reviewing proposals, executing governance actions and managing treasury functions.

Love DAO also has elected leaders and council members. Leaders are responsible for driving the collective message of the community forward and are the face of the community. Both leaders and council members are elected and re-elected based on regular governance cycles and have pre-defined term limits. Governance actions will take place on Snapshot at first, later transitioning on on-chain voting. Council members have the power to veto proposals that they believe are incomplete, fraudulent, or spam. Proposal submissions have two different tracks. One is related to the governance and operations of the DAO, and the other is for funding projects themselves.

- **Leaders** - visionaries who want to shape the future of the project. Examples: founders, influencers, thought leaders. Leaders are responsible for driving community engagement and voting for projects. They represent the collective interest of the community.
- **Council Members** - Council Members have a fiduciary obligation for the DAO to carry out its mission. The council is responsible for approving

financial transactions and can veto actions that do not serve the best interest of the DAO and its community members.

Love Token Distribution

There will be no tokens issued to any party, and purchasing will be open to the public upon launch via a bonding curve. This mechanism provides price discovery for the cost of incremental token creation (minting) and distribution (burning). The initial token offering will be done via Juicebox or something similar, in order to ensure a stable mechanism for access and ease of use. The total supply will be theoretically unlimited, however a secondary market for trading is expected to emerge over time. Love DAO will also have a dedicated liquidity pool to offer partial liquidity for those community members looking to swap or liquidate positions.

Getting Started

Joining the Love DAO begins with joining the Discord. Users will need to fill out a form to inform the community of their skills and motivations for becoming a member. Next, users must purchase a soul-bound membership NFT. This NFT links the user's DAO profile to a social media profile to authenticate and verify that this user cannot be double counted. The DAO communicates with its members via Discord (for general discourse related to the project and sub-projects) and Twitter (for major announcements and community gatherings via Twitter Spaces). Approved proposals will be voted upon via Snapshot.