

Ratel Token White Paper

Introduction

Ratel is a community-governed project focused on advancing its mission through decentralized decision-making and funding. This white paper outlines the key design elements of Ratel's governance token and DAO structure, including tokenomics and allocation, the governance model, staking and incentive plans, DAO treasury management, and the donation-based token distribution model. Drawing inspiration from successful governance projects such as Gitcoin, ENS, and AssangeDAO, Ratel's framework is built to empower its community while ensuring long-term sustainability and compliance.

Mission & Vision

Mission

Ratel exists to **bridge the gap between crypto communities and policymakers**, ensuring that **fair, transparent, and globally competitive regulations** are established for the blockchain and digital asset industry in South Korea and beyond.

South Korea is one of the **largest crypto markets in the world**, yet it faces a **regulatory void** where outdated financial policies fail to address the evolving blockchain space. Ratel is here to **mobilize individuals, advocate for change, and create a decentralized movement** that pushes for policy clarity and institutional adoption.

Through **blockchain-powered governance, transparency, and collective action**, Ratel empowers the **global crypto community** to actively shape the regulatory landscape rather than passively reacting to it. Our **governance token (RATEL)** allows anyone to participate in decision-making, propose and vote on legislative initiatives, and support politicians or organizations that work toward fair regulations.

Vision

Our vision is to build the **first decentralized political advocacy platform for crypto policy reform**, where **blockchain governance, activism, and legislative engagement converge**.

We envision:

- **A transparent and accountable policy-making process**, where **legislators' stances on crypto are tracked**, analyzed, and openly debated.
- **A global movement that demands regulatory clarity**, ensuring that crypto innovation is not stifled by uncertainty.
- **A decentralized ecosystem where anyone can participate**, vote, and fund initiatives that push for fair crypto legislation.

- **A long-term governance model** that allows the community—not corporations, regulators, or centralized entities—to steer the direction of crypto laws.

Ultimately, Ratel is more than a token—it's a **movement for financial freedom, innovation, and democratic participation** in the next era of global finance.

Tokenomics & Allocation

Total Supply: Ratel has a fixed total supply of **2 billion RATEL tokens**. This cap is designed to provide sufficient tokens for broad distribution and future growth without causing excessive dilution. The token allocation is structured to balance community empowerment, development needs, and strategic reserves, taking cues from comparable governance-focused projects and aligning with Ratel's mission.

Proposed Token Distribution:

- **Community Rewards & Distribution – 40%** (800 million): Reserved for community-centric programs, including rewards for early participants, contributors, and donors. This pool covers retroactive airdrops, donation-based token distribution, and other incentive programs to bootstrap a wide and fair distribution of tokens among Ratel's supporters. Ratel prioritizes getting tokens into the hands of those who will actively participate in governance.
- **DAO Governance Treasury – 30%** (600 million): Allocated to the Ratel DAO's treasury to fund future initiatives via community governance. This Treasury will be a cornerstone for long-term sustainability, used for grants, partnerships, and other DAO-approved programs (detailed in the Treasury section). Ratel's 30% treasury allocation (in addition to any funds raised from donations) ensures ample resources for the community to direct as needs evolve.
- **Development Fund – 15%** (300 million): Earmarked for core development, team compensation, and ongoing technical improvement of the Ratel platform. These tokens will support the developers and contributors who build and maintain Ratel, potentially via a vesting schedule to align their incentives with the project's long-term success.
- **Advocacy & Ecosystem Fund – 10%** (200 million): Set aside to support advocacy efforts, educational initiatives, and ecosystem growth aligned with Ratel's mission. These tokens can fund campaigns, grants to external organizations, or partnerships that raise awareness and drive adoption of Ratel's cause. For example, if Ratel's mission involves digital rights or public goods, this fund would back projects and events in those domains. By allocating tokens specifically for advocacy, Ratel ensures resources to champion its mission beyond the crypto community.
- **Liquidity – 5%** (100 million): Dedicated to providing initial liquidity on exchanges (DEX and/or CEX) and supporting a healthy market for RATEL tokens. This allocation will be used to seed liquidity pools and reduce volatility, making it easier for participants to trade the token. A liquid market further supports the donation model by providing a reliable price indicator. Many token projects allocate a small portion for liquidity to jumpstart trading and minimize early price instability; Ratel's 5% allocation is meant to fulfill that role.

Governance Model

Ratel will operate as a **Decentralized Autonomous Organization (DAO)**, where RATEL token holders collectively make decisions about the project's direction and resource allocation. The governance model is designed to be **inclusive, secure, and adaptable**, reflecting best practices from existing DAOs while allowing flexibility for the future. Key features of the governance model include:

- **Minimum Token Holding for Participation:** To maintain a robust governance process, Ratel may require a minimum token balance to propose or vote on initiatives. This threshold ensures that participants have a meaningful stake in the system, discouraging spam or Sybil attacks (where one actor uses many addresses to gain undue influence). Given Ratel's 2 billion supply, a proportional requirement (e.g., a few million RATEL to propose, and a few percent of tokens as quorum) can be established. The exact numbers will be determined through community discussion to strike a balance between openness and prevention of governance attacks. Even with a threshold, **any holder can have a voice** by either meeting the requirement individually or pooling support with others (for proposals), and by discussing and signaling off-chain even if they hold fewer tokens.
- **Voting Mechanism:** Ratel is considering **multiple voting system options** to ensure fair representation of the community's will:
 - **1 Token = 1 Vote (Token-Weighted Voting):** The simplest method where each token grants one vote. This is easy to understand and already used by many DAOs. However, pure token-weighted voting can lead to plutocracy (large holders dominate). Ratel may implement token-weighted voting initially for its simplicity, but with safeguards like quorum requirements and delegation to mitigate concentration of power.
 - **Quadratic Voting:** This innovative system aims to give more balanced influence to all holders by making additional votes progressively more expensive for those with large holdings. In quadratic voting, if one voter wants to cast n votes, it costs n^2 tokens (or voting credits), so the cost of each extra vote increases quadratically ([What Is Quadratic Voting?](#)). This way, a holder with 100 tokens could cast 10 votes at the cost of all 100 tokens, while a holder with 10 tokens could cast 3 votes at the cost of 9 tokens, for example. Quadratic voting better captures the *intensity* of preferences and prevents a whale from effortlessly outvoting thousands of small holders ([What Is Quadratic Voting?](#)). Bitcoin's grant funding famously uses a quadratic funding mechanism to favor broad support ([What Is Quadratic Voting?](#)). Ratel could adopt quadratic voting for certain governance decisions (like community grants or elections) to ensure equitable input. One challenge is preventing Sybil attacks (one person splitting tokens into many wallets to game quadratic calculations), but identity or participation measures can be explored to uphold integrity.
 - **Delegated Voting (Liquid Democracy):** Ratel will support delegated governance, allowing token holders to **delegate their voting power** to

another address (a representative or themselves) without giving up ownership of tokens. This is common in protocols like Uniswap, Compound, and others, where delegation increases voter turnout and lets knowledgeable community members vote on behalf of others ([Beginners' Guide to Voting | Uniswap](#)). For instance, a holder can delegate to their own address (self-delegate) to activate their votes, or to a community expert or advocacy leader who they believe will vote in line with their views. Delegation is reversible and flexible, and it helps involve participants who might not have the time or expertise to follow every proposal. Ratel will likely encourage new token holders (especially those receiving tokens via donation or airdrop) to delegate if they aren't participating directly, which can bootstrap effective governance from day one.

- **Governance Process & Proposal Lifecycle:** All governance actions will follow a transparent process. Initially, governance may be off-chain (using snapshot voting or forum consensus) for simplicity, and then transition on-chain for binding decisions when ready. **Proposal submission** would require meeting the token threshold (as discussed above) or garnering enough community support (some DAOs allow a certain number of lower-weight “co-sponsors” to collectively put forth a proposal). Once a proposal is formally submitted, there will be a defined voting period (e.g., 5-7 days) during which token holders or their delegates can vote. The proposal may be discussed on forums or community calls leading up to the vote. **Quorum** (minimum participation) and **approval** criteria will be enforced: for example, a proposal might need at least 5% of the total supply voting and a simple majority (>50%) of those votes to be “Yes” to pass. More critical decisions (such as changing fundamental rules or large treasury expenditures) could require higher thresholds (e.g., supermajority or higher quorum) as decided in the governance charter. These parameters can be fine-tuned by the community over time. The goal is to ensure that **governance decisions have legitimacy** by requiring broad input, similar to how Uniswap and ENS set participation requirements to avoid governance by only a small fraction of tokens.
- **Adaptability and Regulatory Compliance:** Ratel's governance structure is built to **adapt** to future needs and external requirements, including regulatory changes. Decentralized governance exists in a changing legal landscape; for instance, some jurisdictions are evaluating the legal status of DAO governance tokens and processes. Ratel is committed to remaining compliant and will proactively adjust if needed. This could mean updating the governance process, altering token holder rights, or even establishing a legal wrapper for the DAO. Notably, the ENS DAO set up a legal entity (ENS Foundation in the Cayman Islands) to represent the DAO and handle off-chain legal obligations, while still being controlled by token holder votes ([\\$ENS Token Allocation \(Claiming Opens Nov 8\) — ENS](#)). Ratel could pursue a similar strategy – for example, forming a non-profit foundation or trust to execute the community's decisions in the traditional legal world, ensuring that the DAO's actions (grants, contracts, advocacy efforts) are legally recognized. Additionally, if regulatory guidance dictates limitations on governance (such as excluding certain participants or changing how proposals are made), Ratel's governance can evolve via new proposals to remain in compliance. The governance model's smart contracts (if on-chain) may include upgradability or require a time-lock and supermajority for any

fundamental changes, balancing adaptability with stability. In summary, while Ratel's ethos is decentralization, it acknowledges real-world constraints and is prepared to adjust its governance mechanisms so the project can thrive under **future regulatory frameworks** without sacrificing its core principles.

Staking & Incentives

Current Status: Ratel's immediate focus is on governance utility for the token, and **staking features will be introduced cautiously** as a future enhancement. The decision to implement staking rewards is dependent on regulatory clarity and community approval. As of now, given the uncertain regulatory environment around crypto staking (especially in certain jurisdictions), Ratel will **not launch with staking rewards enabled**. This caution is intentional. Recent actions by regulators (for example, the U.S. SEC's enforcement against crypto exchange staking programs) suggest that offering explicit yield or profit-sharing on tokens could attract compliance scrutiny ([The Evolving Landscape of SEC Staking Rules: Insights and Implications - Montague Law](#)). Ratel will monitor these developments closely. Once there is sufficient clarity – such as regulatory guidelines that differentiate compliant staking from problematic offerings – the community can vote to activate a staking program aligned with those rules.

Staking Vision: Despite the initial caution, Ratel envisions a staking model in the future that **incentivizes long-term engagement** and aligns participants with the project's success. Staking would mean locking up RATEL tokens for a period, during which participants would earn rewards or increased governance influence. This mechanism can strengthen the network by reducing circulating supply (which can reduce sell pressure) and by giving loyal community members a greater voice or share in Ratel's growth. Several potential staking models could be considered when the time is right:

- **Inflationary Staking Rewards:** Ratel could allocate a portion of its token supply (either from the 40% community rewards pool or by introducing a modest inflation beyond the 2 billion cap if ever approved by governance) to distribute as **staking rewards**. For example, an annual token emission (say 2-5% of total supply) could be split among stakers proportional to their stake. This model is similar to how many Proof-of-Stake networks operate, rewarding participants for helping secure the network. In Ratel's case, staking would secure governance (by incentivizing holders not to sell and remain active). Any inflationary policy would be decided by the DAO and could include a **lock-up period** (e.g., stake for a minimum of 30 days to qualify) to discourage short-term farming. Inflation-funded rewards encourage long-term holding but need to be balanced to avoid devaluing the token. Governance would likely set a fixed reward schedule that could taper off as the project matures.
- **Treasury or Fee Sharing:** If the Ratel ecosystem generates revenue or holds significant assets (for instance, if donation funds or other income are invested), the DAO could decide to share some of these yields with token stakers. Under this model, staking rewards come not from new token issuance but from real cash flows or appreciation of treasury assets. For example, imagine Ratel's treasury is deployed

in safe yield-generating instruments or earns returns from funded projects – a portion of those returns (in ETH, stablecoins, etc.) could be distributed to RATEL stakers periodically. This approach, analogous to a dividend, would directly tie staking rewards to the success of Ratel’s investments and activities. However, it also edges into territory that might be seen as a securities-like return, so careful legal consideration would be required. Still, many DeFi protocols do this (e.g., some DEX tokens share trading fees with stakers), and if done transparently, it aligns token incentives with platform usage.

- **Governance Boost (“Lock-to-Vote” Incentives):** Another model focuses on **strengthening governance power** rather than direct yield. Ratel could implement a mechanism where staking (especially long-term locking of tokens) increases a member’s voting weight or grants other governance privileges. A known design is the vote-escrow (ve) model: holders lock their tokens for a chosen duration (up to a max, say 1-2 years) and receive an increase in voting power or boost in any governance reward proportional to the length of the lock. For instance, locking 10,000 RATEL for 1 year might yield 10,000 “veRATEL” voting units, while locking the same amount for 2 years yields 20,000 veRATEL, effectively doubling voting influence for long-term commitment. This model was popularized by Curve DAO and encourages participants to think long-term, as those who commit for longer benefit more. In Ratel, this could manifest as stakers being the only ones eligible for certain community reward programs or able to propose “fast-track” initiatives due to their demonstrated commitment. It’s a way to **incentivize loyalty and active governance** rather than just holding tokens passively for rewards.

Any staking program Ratel adopts will be designed with **community input and consent**. Prior to launch, the pros and cons of each model will be openly discussed. It is also possible to combine models (e.g., modest token rewards plus governance boosts). The implementation would likely involve audited smart contracts that manage locking and reward distribution, ensuring security and transparency.

Regulatory Considerations: A key reason Ratel delays staking is to ensure that whatever model is chosen does **not violate securities laws or other regulations**. If, for example, direct profit-sharing with token holders is deemed problematic in certain jurisdictions, the DAO might favor a model that rewards in non-monetary ways (like additional voting power or exclusive governance rights). The situation is dynamic – regulators in the US and elsewhere are currently deliberating how to categorize different crypto activities. By waiting, Ratel can learn from industry responses and perhaps even benefit from frameworks developed by larger projects. In the interim, Ratel will encourage participation and long-term holding through the other mechanisms described (governance participation, grants, and the inherent alignment of the donation model) so that even without staking rewards, token holders have incentive to remain engaged.

Legal Compliance & Risk Mitigation for Token Distribution





Given South Korea's strict regulations on token fundraising and ICOs, Ratel will implement the following strategies to ensure compliance:

- **Decoupling Donations from Token Distribution:** RATEL tokens will not be directly tied to donation amounts. Instead, distribution will be based on community participation and advocacy efforts.
- **No Investment Promise:** The RATEL token will be framed as a **utility and governance token** with no expectation of financial return.
- **Compliance with Tax Regulations:** Donors will be informed of potential **gift tax obligations** and provided guidance on reporting requirements.
- **Regulatory Consultation:** Ratel will proactively engage with legal advisors and South Korean financial authorities to ensure compliance with evolving digital asset regulations.



Roadmap



The Ratel project follows a **strategic roadmap** designed to establish, scale, and sustain a **decentralized governance and advocacy platform**. The roadmap is structured in **phases**, ensuring each milestone builds toward **global adoption and regulatory impact**.

Phase 1 – Launch & Infrastructure Setup (Q1-Q2 2025)

-  **Website & Community Launch:** Introduce the official **Ratel website, white paper, and social channels** to build awareness and onboard early supporters.
-  **Token Generation Event (TGE):** Launch **2 billion RATEL tokens**, ensuring a **fair and transparent distribution**.
-  **Community Onboarding & Awareness Campaign:** Start **ambassador programs, referral incentives, and advocacy content distribution** to educate the public about South Korea's crypto regulatory needs.
-  **Governance & DAO Framework Design:** Establish **the Ratel DAO structure**, define **governance parameters**, and finalize the **minimum token holding** requirement for proposal submission and voting.

Phase 2 – DAO Activation & Governance (Q3 2025)

-  **On-Chain Governance Activation:** Deploy **Snapshot or smart contracts** to enable **token holders to propose and vote on key initiatives**.
-  **Politician Stance & Transparency Dashboard:** Launch a **comprehensive database tracking legislators' positions** on crypto regulations.

-  **Legislative Discussion & Voting Mechanism:** Introduce a **blockchain-powered voting system** where users can **support, oppose, or propose changes** to existing or upcoming bills related to crypto policy.
-  **First Governance Votes:** Community members will **vote on initial treasury allocations, advocacy priorities, and first DAO-funded initiatives.**





Phase 3 – Public Advocacy & Expansion (Q4 2025)

-  **Major Advocacy Campaigns:** Organize **crypto policy awareness campaigns**, including **social media pushes, petitions, and public outreach efforts** to educate global communities and policymakers.
-  **First DAO-Funded Policy Proposals:** Fund **at least three community-driven proposals** focused on **regulatory clarity, public policy education, or legal frameworks** for crypto in South Korea.
-  **Offline & Online Conferences:** Host a **global crypto advocacy conference** where developers, policymakers, and industry experts collaborate on regulatory frameworks.
-  **Partnerships & Global Recognition:** Forge alliances with **crypto advocacy groups, blockchain organizations, and digital rights movements** to expand Ratel's influence beyond South Korea.

Phase 4 – Financial & Regulatory Integration (Q1 2026)

-  **CEX Listings & Market Expansion:** Secure **listings on major exchanges** for increased liquidity and accessibility.
-  **DAO-Funded Research & Legislative Consulting:** Initiate **research collaborations with universities and legal institutions** to draft model crypto policies.
-  **Crypto Political Contributions Pilot:** Begin **testing the process of converting RATEL donations into stablecoins for compliant political funding**, ensuring alignment with regulations.

Phase 5 – Global Governance & Multi-Chain Expansion (Late 2026 – Beyond)

-  **Multi-Chain Deployment:** Expand RATEL to **Ethereum and other EVM-compatible blockchains** for broader accessibility.
-  **Institutional Policy Influence:** Work with **international think tanks and regulators** to shape global crypto governance frameworks.
-  **Long-Term Treasury Growth & Endowment Fund:** Implement **yield strategies for DAO sustainability**, ensuring perpetual funding for governance initiatives.
-  **Full Decentralization & Autonomous Operations:** Hand over key governance functions entirely to the **community through decentralized decision-making.**

Conclusion

Ratel's design brings together proven concepts in decentralized governance with innovative approaches tailored to its mission. By carefully structuring its **tokenomics**, Ratel balances the need to empower the community (through generous distribution and a well-funded treasury) with the need to resource its development and advocacy work. The **governance model** ensures that every token holder can have a voice – directly or through delegation – while safeguarding the system with sensible requirements and openness to new voting methods like quadratic voting. On **staking**, Ratel chooses a responsible path: laying the groundwork for future incentives but prioritizing legal compliance and community consensus before rolling them out, thus protecting the project and its members. The **treasury strategy** outlined positions Ratel for both impact and endurance: funding important work in the near term (grants, development, advocacy) and saving for the future via reserves, echoing the practices of leading DAOs.

As Ratel launches and evolves, this white paper serves as a foundational blueprint. However, it is ultimately the community – the RATEL token holders – who will steer the project's course. Every parameter, from token allocation tweaks to governance rules or funding decisions, can be revisited by collective decision. This living aspect of Ratel's design means the project can learn and adapt faster than any centralized organization. The experiences of Gitcoin, ENS, AssangeDAO, and others provide valuable lessons, but Ratel will undoubtedly chart its own path as it encounters new challenges and opportunities.

The success of Ratel will be measured not just in market terms, but in how effectively it advances its mission through decentralized action. With a strong initial framework and an engaged community, Ratel is poised to become a model for how governance tokens can drive real-world impact. We invite all stakeholders and observers to hold us accountable to the principles and plans laid out in this document. Together, through open governance and shared purpose, Ratel can demonstrate the power of a DAO where **every donation, every token, and every vote contributes to a greater common goal.**