



DAY BY DAY
insurance reimagined



Day By Day DAO

Technical Whitepaper

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Day By Day DAO Technical Whitepaper

DeFi & NFTs building blocks for Insurtech
(InsureFi)

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About Day By Day

Day By Day is reimagining insurance with DeFi and NFTs. This will be the first of a kind blockchain-based insurtech platform. Our Web 2.0 business management platform and asset registry mobile app will connect to our Web 3.0 insurance DAO to make insurance trustworthy and transparent. This also offers Web 2.0 users an easy opportunity to engage with Web 3.0.

Our decentralised insurance marketplace will connect insurers and buyers to provide cover for real world assets using NFTs. Investors will stake into these insurtech policies using DeFi.

Day By Day will not be a competitor for insurance companies, but rather be the enabler to promote insurance products, provide access to new customers and facilitate insurance transactions.

The Day By Day platform is supported and driven by the DBD Token which will be used for:

- Decentralised insurance transactions
- Powering the Insurance DAO (governance)
- Delivering premium accuracy
- Income for investors
- Insurer and investor risk management

“We’re bringing DeFi and NFTs into Insurtech”

– Bill Angelidis, Day By Day Founder

Problems With Traditional Insurance

While insurance exists to help mitigate the financial repercussions of risk, a large percentage of the services people end up paying for are document processing, fees, employee wages and administrative costs.

In order to stay liquid enough to be able to pay out claims, insurance companies also make strategic investments with the premiums insurance customers pay them. This increases their net wealth to be able to pay out claims as inflation and money changes value. However, it could also be seen as gambling with the income they receive, meant to be reserved for protecting their customers.

Centralisation comes with the problem of selection bias. Not every individual and business can get the personalised coverage they need and not everyone who puts in a claim request gets paid out. Insurance providers need data to understand aggregate risks for certain criteria and to pay insurance claims. These policies need enough liquidity from their reserved funds to be able to cover costs.

What is Insurance?

Insurance is a way to reduce the cost of liability if something unfortunate occurs. It is important to note that insurance does not decrease the likelihood of unfortunate events but offers financial freedom against the impact of the events to individuals and businesses.

There are many forms of insurance due to the many types of individualised risk scenarios. Insurance companies work on the same principle as banks where they weigh up the risk and likelihood of having to pay out an individual who has bought insurance cover based on their unique situation.

To prevent individuals and businesses claiming insurance for every minor event, insurance companies require what's called an excess fee be paid. This way, only damages past a certain value are worth claiming. Insurance companies also put a financial figure to the risk score of individuals and businesses called a premium.

Risk Management

Risk is part of life. While risk can be mitigated to an extent by individuals, in many cases we are at the mercy of others, the weather and of unpredicted events.

Deciding what is and isn't in our control is important. To do nothing is called risk avoidance. To bear the cost if something unfortunate does happen can ruin lives and forfeit thousands of dollars.

However, the measurement, planning for and protection against large cost for eventual risks form the basic principles of insurance.



DAY BY DAY
insurance reimagined

Vision

Our vision is to enable insurance that's transparent, fair and binding.

Mission

To create a global insurance DAO underpinned by blockchain, NFTs and cryptocurrency.

What is a DAO?

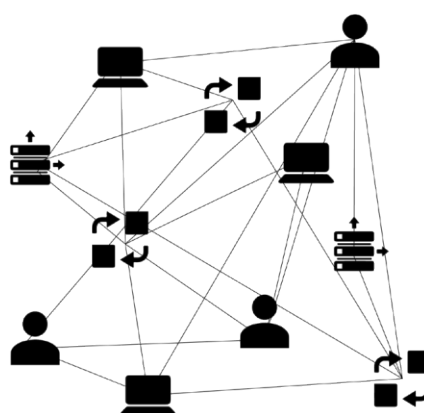
Decentralised Autonomous Organisations (DAOs) are fast becoming the gold standard for projects looking to create self-sustainable applications and services around the blockchain industry.

This concept unlocks new opportunities, whereby the average blockchain application user can contribute and vote on developmental and non-developmental changes.

Traditional Top-Down Organisations



Decentralised Autonomous Organisations (DAOs)



What is an NFT?

An NFT is a digital asset that represents real-world objects like art, music, in-game items, and videos. They are bought and sold online, frequently with cryptocurrency, and they are generally encoded with the same underlying software as many cryptocurrencies.

How will NFTs be used in the Day By Day platform?

NFTs will represent the following on the Day By Day platform:

1. Registered assets on the blockchain
2. Insurance Policies

What are we building?

We are building an insurance DAO. The first of a kind blockchain-based insurance platform.

Why are we building it?

The insurance market is dominated by large, traditional players including institutional underwriters, brokers, and resellers. Insurance companies act as intermediaries between protection seekers who want to share some risk on one side and investors who provide capital to cover risks on the other side. In return for the provision of capital investors get access to an insurance-backed asset class.

Insurance companies are highly centralized and hierarchical organizations with much longer software development lifecycles than modern technology companies.

At the same time, it is challenging for new competitors to enter the market because of strong network effects. Insurance is a big numbers game, and this gives incumbents strong statistical and marketing advantages. Tight regulation and entrenched interests have allowed the industry to resist business model disruption for many years.

As a highly automatable platform for efficient custom economics systems, blockchain technology is well-suited to disrupt the insurance industry. With the advent of decentralized smart contract platforms there is now sufficiently mature technology for viable end-to-end digital insurance solutions and thus disintermediation of these markets.

We foresee that blockchain technology will impact insurance products in the following core areas:

1. Efficiency and Automation

Smart contract technology enables end-to-end automation of payments, efficient risk model estimation, and semi-automated claims processing, thus substantially lowering operating costs.

2. Access for Insurance Customers

Lower costs enable insurance solutions for developing markets, low-income businesses, and new product verticals which have been previously unable to obtain insurance. For example, crop insurance for rural farmers in developing countries is an underserved market and a good candidate for further exploration.

3. Access for Insurance Investors

Digital assets on blockchains create opportunities to structure exposure to insurance products for a much broader range of investors.

4. Transparency

On most blockchains, transparency is a platform-level feature. All data in a smart contract-based system is publicly auditable and can be freely analyzed by third parties. Day By Day will also provide a user friendly, comprehensive frontend displaying the key performance indicators of the system.

Why are we building it as a DAO?

We will bring full transparency and autonomy to the insurance world

DAOs operate using smart contracts, which are essentially chunks of code that automatically execute whenever a set of criteria are met. Smart contracts are deployed on numerous blockchains nowadays, though Ethereum was the first to use them.

These smart contracts establish the DAO's rules. Those with a stake in a DAO then get voting rights and may influence how the organization operates by deciding on or creating new governance proposals.

Trusting that smart contract code is easier to do as it's publicly available and can be extensively tested before launch. Every action a DAO takes after being launched must be approved by the community and is completely transparent and verifiable.

DAOs are fully autonomous and transparent and solve the principal-agent dilemma through community governance.

What have we built so far? Web 2.0

The Web 2.0 Day By Day Ecosystem (SaaS Platform and Mobile App) for the registration and monetization of insured assets where users of the Day By Day solution earn/redeem rewards in the form of the DBD Token

How will we use what we built so far?

All Web 2.0 Day By Day users will be able to place their registered assets on the Day By Day Decentralised Marketplace where peer to peer insurance cover will be offered.

The Journey from Web 2.0 to Web 3.0

In 2018 (Web 2.0)

1. Built a broker/accountant/real-estate platform to invite users to share insured asset information
2. Developed User Mobile App for the Registration of Insured Assets
3. Minted DBD Token to reward users for registering assets (800,000,000 minted)
4. Partnered with Brokers/accountants/property managers and grow user base and registered assets
5. Partnered with Reputationaire – Social Reputation Scoring
6. Developed a marketplace for the insurance cover transactions using reputation scoring for risk management and smart contracts for buyer/seller transactions

Now in 2021 (Web 3.0)

DeFi Came Along

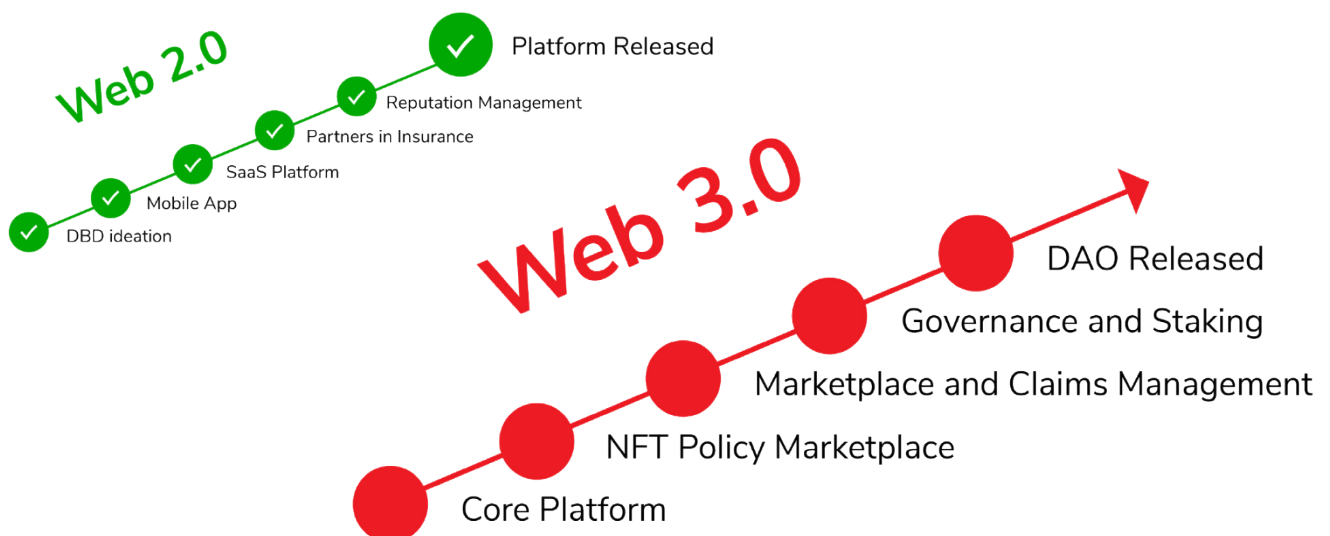
This brings to us claims pooling and investors

NFTs Came Along

This brings to us the possibilities of giving users more control of their digital data by creating NFTs that are managed in Web 3.0 wallets and policies minted as NFTs customizable and owned by investors who receive benefits when their NFT (Policy) is used to provide cover.

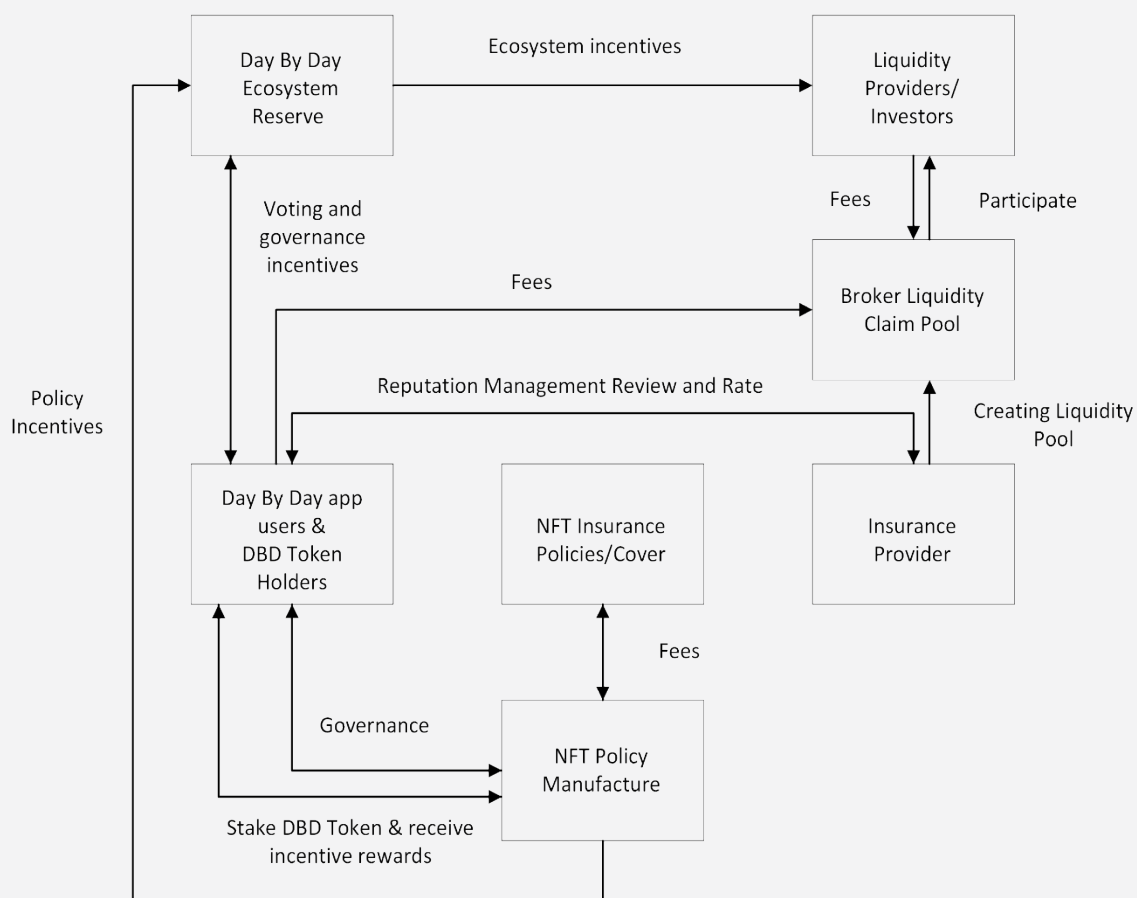
Smart Contracts/Oracles/IPFS

The technology available is bringing together parts of the real-world to blockchain infrastructure allowing us to build transparent user managed data applications that are trusted.

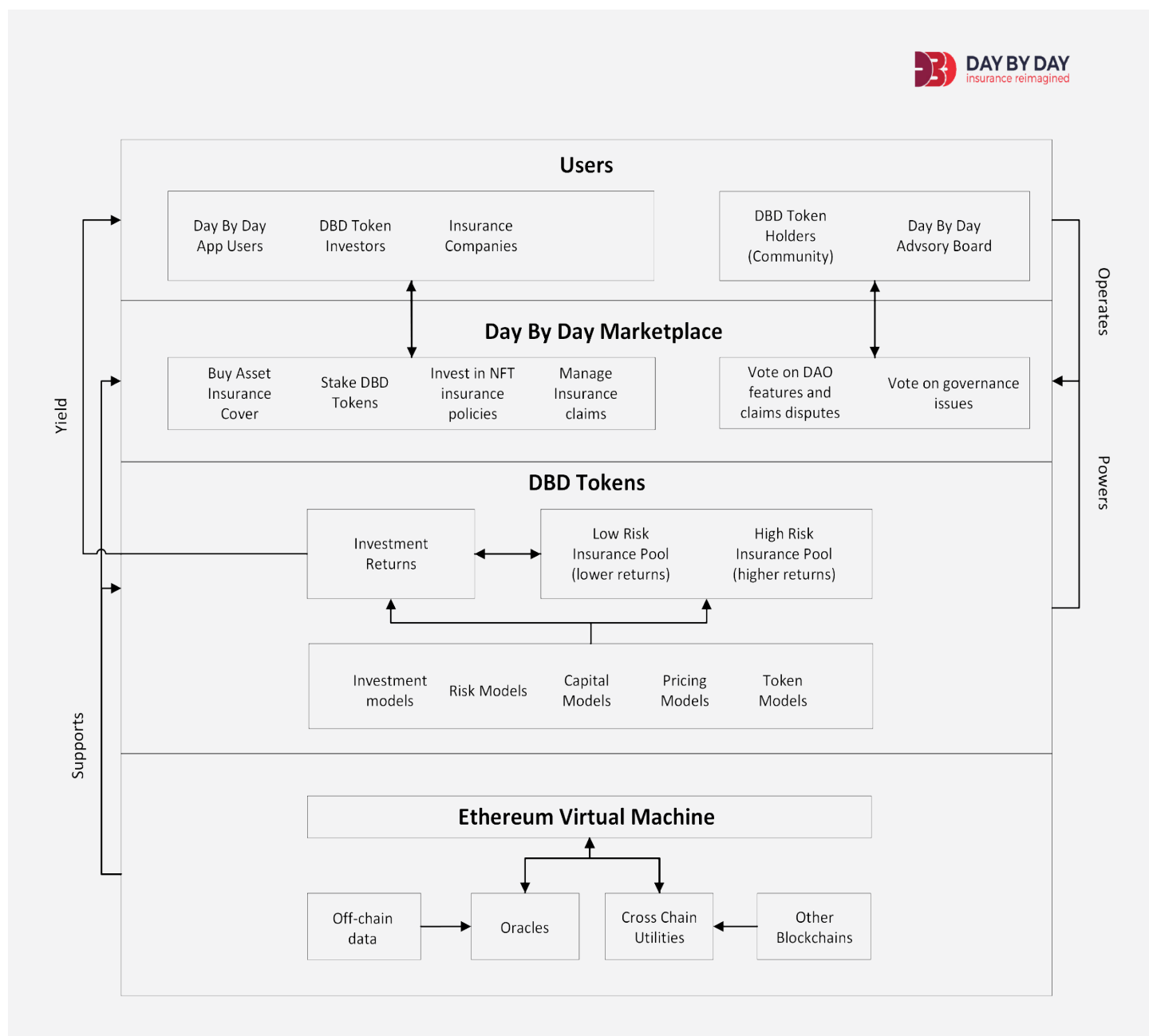


What will our DAO look like?

Day By Day DAO Solution Overview



Day By Day High Level Architecture



Core Features

Governance

Day By Day will adopt the DAO governance mechanism commonly deployed in DeFi projects nowadays with DBD token as the governance token for voting and incentive purposes.

The principles for Day By Day governance are:

1. Security of the capital that members deposit is at the highest priority. Use, movement, investment and/or any other key change to member capital shall be decided by the community;
2. The day-to-day operations of the Day By Day platform shall not be impacted even without community involvement;
3. Encourage maximum community participation in the key area changes such as business design, product listing/delisting, feature addition/removal, technology evolution, version releases etc.
4. In the event when community governance fails, there should be contingency procedures in place as the fall back plan to form a complete waterfall.

The governance framework will comprise of 2 approaches:

1. Community Voting

Where there are any new proposals, the community can vote for or against the proposals until consensus is reached.

2. Advisory Board

Consisting of Day By Day employees as well as 3rd-party independent advisors with technical, insurance, compliance and/or other required expertise. They work as the oversight committee to set certain rules, review the community proposal, as well as executing contingency plan when the community voting mechanism fails.

The fundamental voting mechanism is that the DBD token shares held stands for the voting rights with a cap per member set to avoid the concentration risk. The voting outcome will be based on factors such as the quorum, majority, voting right weight etc.

The general process for community proposal handling is:

1. Proposal Raise

Participants of Day By Day protocol to raise the proposal.

2. Advisory Board Preview

The Advisory Board to review the proposal first with their expertise, provide their comments as reference for community, set the incentives for the proposal, define the default outcome should voting fails, etc.

3. Member Vote

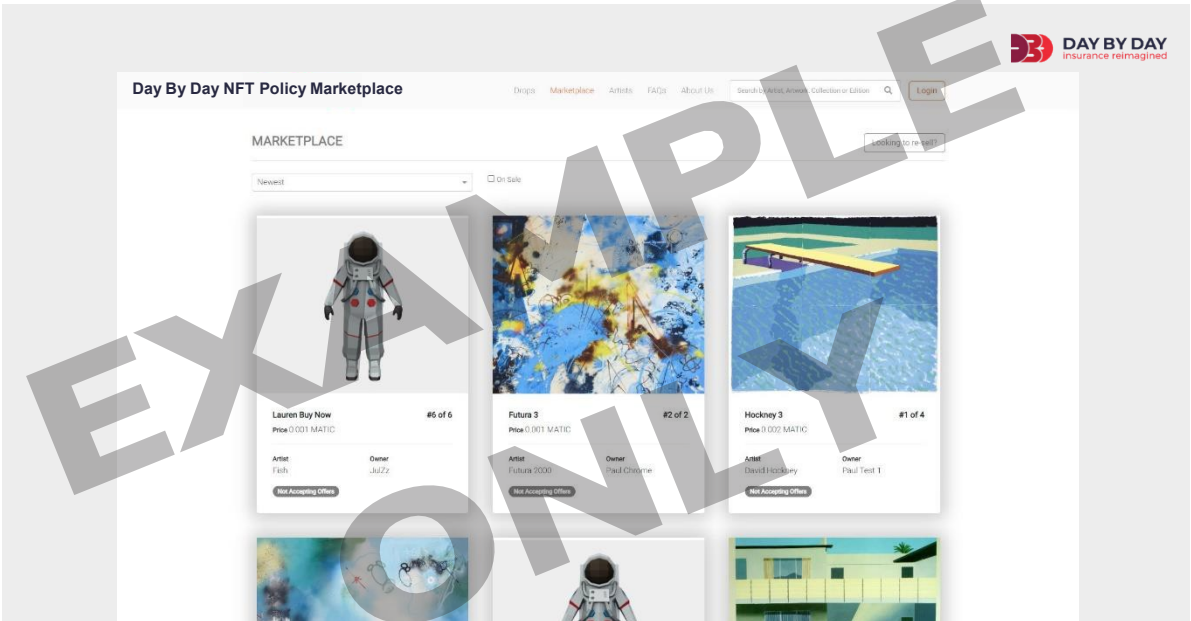
Members vote for or against the proposal in which DBD token lock-up might be needed and conclude with a definite outcome.

4. Execution

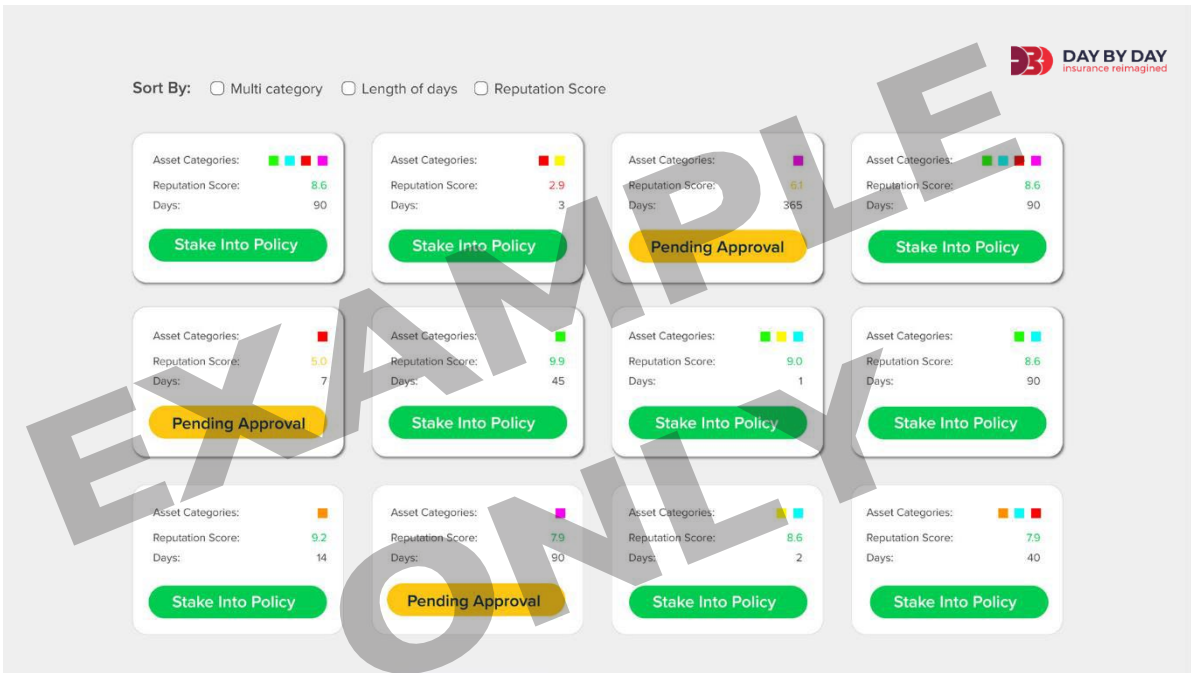
Day By Day project team and community contributors work together to implement the proposals and disclose with transparency accordingly.

We hope to build Day By Day as a secure and fair platform by the community, of the community, and for the community.

Decentralised Marketplace for Policies as NFTs



Decentralised Marketplace for Requesting and Accepting Cover

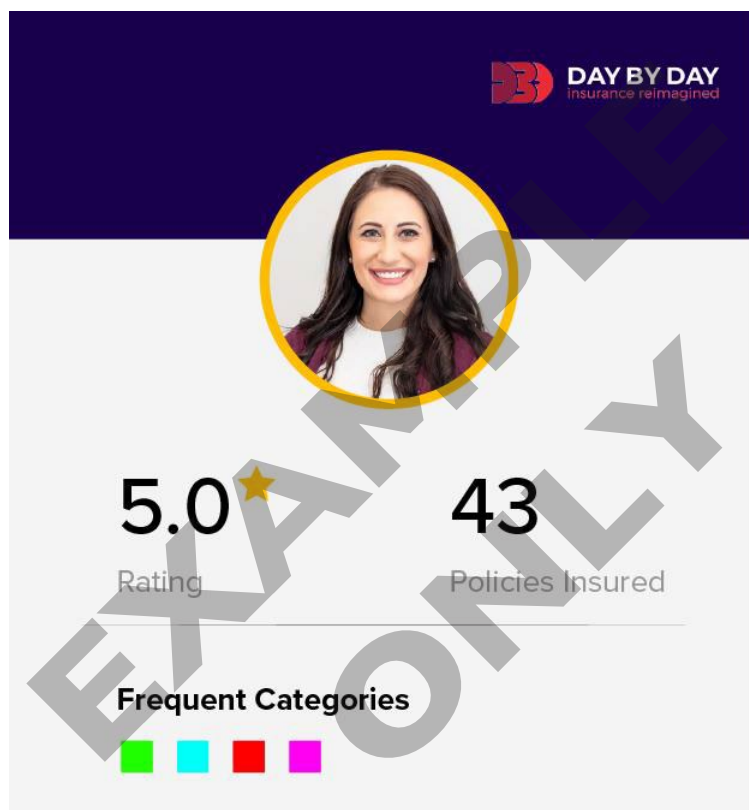


Staking

The main component of staking is to protect the Day By Day protocol is to build claim liquidity pool liquidity. Staking rewards will be calculated based on time staked (longer the better) and % of the premium fees collected.

Reputation Management/Social Proof/Rick Management Rating

All transactions will require an Uber-like rating from both parties. This along with reviews, DBD Token holdings and community recognition will provide a Day By Day Rating score visible to all Day By Day Platform users. The more you engage with the Day By Day Platform and fulfill your obligations, the better your reputation rating score and trustworthiness.



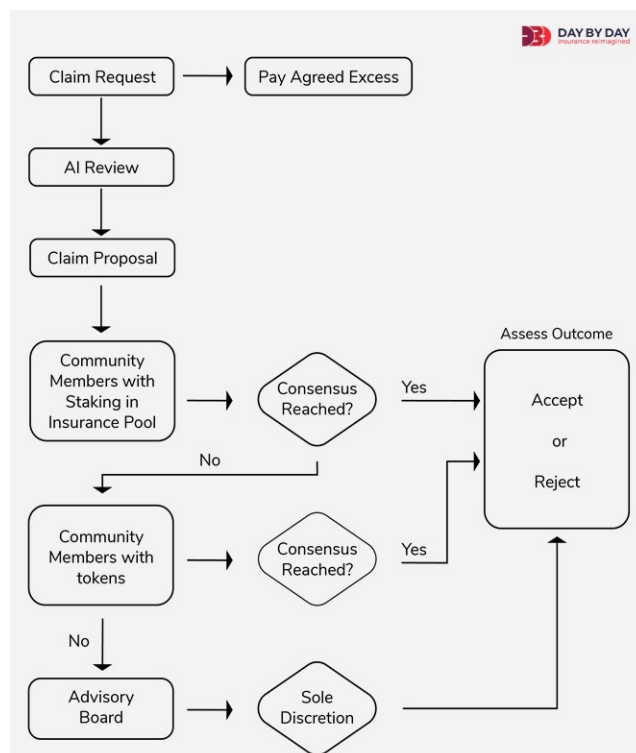
Claims Management

The claim assessment will heavily rely on community claim assessors and the Advisory Board. The assessors will need to meet a minimum requirement of DBD token stake. Instead of the simple Accept / Reject result of claim assessment on other platform, Day By Day will introduce a quantitative method to handle the claim in a more delicate manner.

When Day By Day receives a claim application, the Advisory Board will investigate into the matter and propose a claim amount. For example, 0% represents a reject on the claim, 100% represents a full compensation, and other ratio between 0% and 100% represents a partial compensation.

After the proposal is submitted to the community for DAO based decision making, there is a waterfall to run for the outcome.

1. The proposal will firstly be subject to voting by the community members with staking in the insurance pool. Let us assume the threshold to reach a consensus is 75%, the assessment outcome will be determined if the consensus is reached 22 / 26 Accept or Reject.
2. If 1. fails to reach a consensus, the proposal will be subject to the voting of community members with DBD token holdings, no matter they have staked in the insurance capital pool or not. The outcome will be settled once a consensus is reached.
3. If 2. still fails, the proposal will be determined at the sole discretion of the Advisory Board to provide the result.
4. Once the above processes are rolled out with an outcome, Day By Day will issue the claim to the applicant and all data will be disclosed on the website.



The DBD Token

Initially the development roadmap described in this document will be used for the development of the core product. The development team has the sole responsibility of determining the development decisions of the Day By Day project. Governance will be transferred to the community, where application user and holder of DBD tokens can contribute and vote on developmental and non-development changes.

The Day By Day DAO ecosystem is a collection of Smart Contract Templates, Rulebooks and Standards which are developed and maintained by the community. There are many possible governance schemes for the Day By Day DAO.

The governance should fit to the participants using it.

We propose to secure the platform and the products built on that platform via the platform token. Participants (not customers) will need a certain number of tokens to enter the platform “ecosystem”.

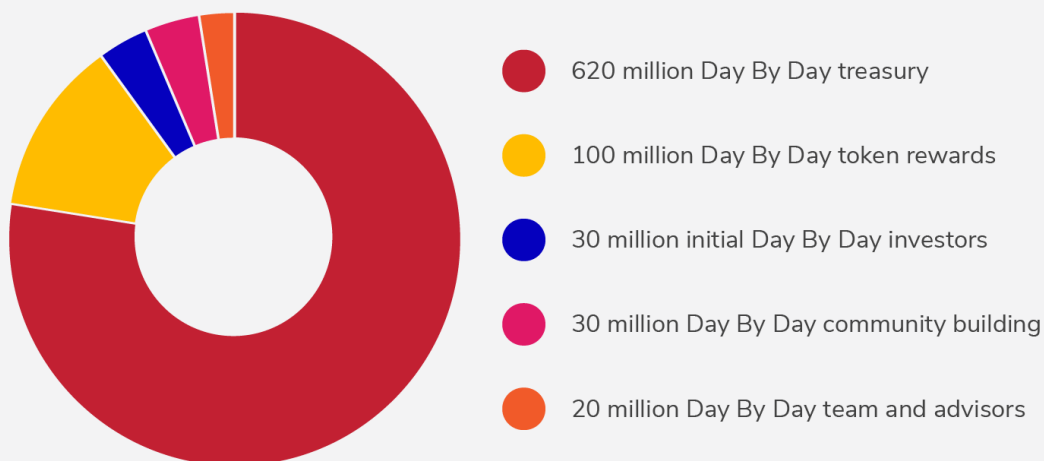
These DBD tokens are locked as collateral. Depending on the service offered, a different number of DBD tokens will be required to avail of the platform or provide services on the platform. Simple services require a small number of DBD tokens, complex or critical services will require a higher number of DBD tokens.

The amount of tokens which have to be provided as collateral will correlate to the potential damage from participant misbehavior or from the violation of the platform terms. These parameters may be subject to a platform governance model (in the future) where participants have voting power based upon tokens owned or governance may be conducted automatically by the use of smart contracts.

The proceeds from token sale(s) are used to nurture the development of the platform and reward stakers.



Token Economy - DBD Tokenomics



Web 3.0 Roadmap

Q4 2021 - Q1 2022

- DAO Scoping Solution
- DApp Architecture - UX Design Solution
- DAO Phase 1 development commences (Web 3.0)
- Core Platform UX Design
- Add unique ERC20 wallet into Day By Day App profiles
- Reputation Management (Scoring as per user details provided)
- Protocol Staking Pool
- Decentralised NFT Policy Marketplace

**PHASE 1 DAO DEVELOPMENT
COMPLETE AND RELEASED**

Q2 2022

- Set up DBD Token staking and NFT Policy claim pool staking
- Voting and Governance
- Decentralised Marketplace released
- Claims management (Community governance review, preconditions, web 2.0 claims form development)

**PHASE 2 DAO DEVELOPMENT
COMPLETE AND RELEASED**

The Day By Day Team



Bill Angelidis
Founder



Daniel Montoya
Chief Technology Officer



Anna Bezhenar
Chief Financial Officer



Scott Wilford
Chief Sales Officer &
Insurance Industry Advisor



Karen Cohen
Blockchain Industry
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Tengyun Jiao
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Developer



Darcy Giblin
Front-end & Blockchain
Developer



Ningran Li
iOS & Blockchain
Developer



Faisal Fiyyaz
Android & Web Developer



Shi Yan
Blockchain Developer

The Day By Day Advisory Board



Stephen Conroy
Chair of Advisory
Board



Scott Wilson
Commercial
& Strategy



Jenny Qin
Asian Market
Strategy
Development



Lee Cooper
Insurance Industry
Advisor



Andrew Bidese
Marketing Strategy