



SPECTRE.ai's dividend token (SXDT) is a dividend paying token that entitles token holders to receive both, weekly and end-of-year dividends. Dividends are paid in Ethereum (ETH). Spectre.ai's trading platform receives liquidity from a mechanism known as the DALP (Decentralised Autonomous Liquidity Pool). The DALP is an amalgamation of various multi-signature online and offline secured cryptocurrency wallets along with pools of liquidity stored in secured vaults to ensure proper diversification in the event of attacks and hacks.

The DALP can act as a liquidity provider to a range of DAPPS (Decentralised Applications), one of which is the Spectre.ai trading platform. For prediction market based DAPPS or other financial applications where the DALP acts as an ongoing counter-party to trades and transactions, the DAPP is thoroughly stress tested for a period of 8 weeks with thousands of transactions to ensure that liquidity provision is DALP positive and thus, dividend positive for SXDT token holders. Such type of liquidity, which involves risk, is known as **Active Participation**. The DALP may, however, also participate in select, low-risk **Passive Participation** projects that offer SXDT token holders solid diversification or yield and ideally both. For example, the DALP is invested in diversified mining operations and select tokens that offer stable dividend yields along with capital appreciation opportunities.

Active Participation DAPP revenue share typically is in favour of the DALP, which means the DALP may receive over 50 cents on the dollar (with the remainder going to SXDT token holders) as it takes on active risk. Passive Participation revenue share, however, may be more in favour of SXDT token holders as the DALP is not actively taking on any significant risk.

The combination of Active Participation and Passive Participation allow the DALP to, theoretically, book significant non-operating and operating gains over time, a significant portion of which are channeled back to SXDT token holders. Said gains allow ongoing growth in the DALP regardless of the performance of any individual connected DAPP.

The ratio of DALP funds allocation to Active Participation versus Passive Participation DAPPs/projects is typically 85/15. All projects are vetted and reviewed by the Spectre.ai management team and board and where appropriate, the Spectre.ai token holder community.