TLDR Summary:

- Significantly cut emissions.
    - July 1, 2023 - One-Off Emissions Cut event that would cut emissions by 60%.
        - Annual emissions would drop from ~667M STARS to ~267M STARS
        - Daily emissions would drop from ~1.8M STARS to ~730K STARS
        - Inflation Rate would drop from ~33% to ~11%
        - Staking STARS would no longer dilute stakers: 17% APR vs. 11% inflation
    - January 1, 2024 - The next Thirdening would cut emissions again by 33%
        - Annual emissions would drop from ~267M STARS to ~178M STARS
        - Daily emissions would drop from ~730k STARS to ~487K STARS
        - Inflation Rate would drop from ~11% to ~7%
        - Next Thirdening would occur on January 1, 2025.

- Lower the max supply from 4B to 3B STARS
    - There are currently 1.22B STARS in circulation, 1.8B are still to be emitted + 860k stuck in the community pool. => no way STARS will see a positive price movement anytime soon.
        - The STARS price suffered massively from the high inflation and with it NFT holders, traders and the entire Stargaze community.
        - HIgh inflation keeps artists, NFT traders and investors away
        - We can’t keep inflating STARS for another decade +
    - Tail-end emissions (95% of max supply) will be achieved faster.
        - By the year 2027 vs. 2040 (if we were to extend the Thirdening period to 3 years to maintain 4B max supply.)

- Use Community Pool Funds to supplement the emissions cut.
    - Currently - About 50% of daily emissions flow to the community pool (CP).
        - This caused the CP to become super bloated, holding ~35% of the current supply.
        - An annual budget will be established via governance (or an Sub-DAO) to shrink the CP size, supplement inflation as it drops over the years and distribute most of these funds back to the community.
    - July 1, 2023 - Adjust emission rate sent to community pool back to 5%
        - Results in ~50K STARS sent to the community pool daily while ~900K STARS are used to incentivize other activities such as staking, NFT staking, infinity swap, etc.

Usage of Community Pool Funds over the next years:

Year	Inflation as % of Total Supply	Daily Emissions	Inflation including community pool spending	Emit Additional Stars from the Community Pool to augment emissions and shrink CP	Community Pool Spend in yearly emissions	Total Daily Emissions
				Current Comm Pool:	860,000,000	
				Total Community Pool Spend:	662,475,000	
2022	100.00%	2,739,726	100.00%			2,739,726
Jan - June 2023	33.33%	1,826,484	33.33%			1,826,484
July - Dec 2023	11.43%	730,594	12.99%	100,000	36,500,000	830,594
2024	7.21%	487,062	8.83%	110,000	40,150,000	597,062
2025	4.48%	324,708	6.21%	125,000	45,625,000	449,708
2026	2.86%	216,472	4.51%	125,000	45,625,000	341,472
2027	1.85%	144,315	3.46%	125,000	45,625,000	269,315
2028	1.21%	96,210	3.10%	150,000	54,750,000	246,210
2029	0.80%	64,140	2.92%	170,000	62,050,000	234,140
2030	0.53%	42,760	2.69%	175,000	63,875,000	217,760
2031	0.35%	28,507	2.44%	170,000	62,050,000	198,507
2032	0.23%	19,004	2.07%	150,000	54,750,000	169,004
2033	0.15%	12,670	1.68%	125,000	45,625,000	137,670
2034	0.10%	8,446	1.32%	100,000	36,500,000	108,446
2035	0.07%	5,631	0.98%	75,000	27,375,000	80,631
2036	0.05%	3,754	0.65%	50,000	18,250,000	53,754
2037	0.03%	2,503	0.40%	30,000	10,950,000	32,503
2038	0.02%	1,668	0.26%	20,000	7,300,000	21,668
2039	0.01%	1,112	0.14%	10,000	3,650,000	11,112
2040	0.01%	742	0.07%	5,000	1,825,000	5,742
2041	0.01%	494	0.01%		0	494
[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]

- Change allocation of rewards
  - Current state:

Bucket	Current State
Staking	35%
NFT Staking	0%
Infinity Swap	0%
Commmunity Pool	50%
Devs	15%

- Net Staking Yield is ~-7%
- Stakers receive ~641K stars daily

- July 1st 2023, allocation of rewards will be changed to:

Bucket	Current State
Staking	80%
NFT Staking	0%
Infinity Swap	0%
Commmunity Pool	5%
Devs	15%

  - Results in Net Staking Yield of ~+8%
  - Stakers receive ~584K STARS daily

- Once NFT Staking or Infinity pools go live (estimate Q3-Q4 2023):

Bucket	Current State
Staking	60%
NFT Staking	10%
Infinity Swap	10%
Commmunity Pool	5%
Devs	15%

  - It's hard to assign an exact percentage to be allocated to these two buckets, since nobody can predict how much traction these features will gain.
    - Over-Incentivization will tank the STARS price
    - Under-Incentivization will impede liquidity to flow into these new NFT-DeFi features.
  - Thus, we would propose to form a NFT-DeFi SubDAO, that runs through the numbers and coordinates in close touch with the Stargaze team the launch and incentivization of these novel NFT-DeFi primitives.
    - SubDAO reports to the main DAO
    - Main DAO can always revoke any action of the SubDAO or totally dissolve it.
    - This SubDAO could also be tasked to calculate the ideal annual budget to supplement staking rewards via community pool funds.
    - Furthermore, the SubDAO could propose changes to the FairBurn mechanism if needed/deemed impoartant, in order to react to changing market conditions.

- Changes to the FairBurn (FB) mechanism:
    - Currently most FB mechanisms burn 50% of the FB fees to counteract inflation, while 50% of the fees are redistributed to stakers (real yield).
        - a) NFT listing fees, 0.5 STARS per listing, should be totally burned rather than split up 50/50 between stakers and burning.
            - Listing fees account for about 1% of total FB.
            - As long as inflation is >10%, slightly more STARS should be burned than redistributed to stakers.
        - b) Stargaze Name minting fees should be split up 50/50 between stakers and burning.
            - Thus far ⅓ of these fees went to the community pool (CP)
            - CP is already large enough, no need to fund it further via FB.
    - Once inflation comes down to lower single digits or unexpected macroeconomic changes occur, the FB mechanism can always be adjusted accordingly via governance or a SubDAO.
        - 100% fee redistribution to stakers
        - 100% fee burning
        - 25/75, 40/60, 50/50 split
        - or any other imaginable division

Current FAIR BURN mechanisms on Stargaze:
1) NFT mints: 5% =>2.5% to stakers, 2.5% burned, 95% to collection creator
2) Secondary Sales on the Marketplace: 2% => 1% to stakers, 1% burned
3) NFT listings: 0.5 STARS per listing => 50% burned, 50% to stakers
4) Stargaze Name mints: 1/3 to stakers, 1/3 burned, 1/3 to comm. Pool
5) NFT collection approval: 3K STARS => 50% burned, 50% to stakers
6) Create WL: 100 STARS => 50% burned, 50% to stakers

Newly proposed FAIR BURN mechanisms on Stargaze:
1) NFT mints: 5% => 2.5% to stakers, 2.5% burned
2) Secondary Sales on the Marketplace: 2% => 1% to stakers, 1% burned
3) NFT listings: 0.5 STARS per listing => **100% burned**
4) Stargaze Name mints: => **50% to stakers, 50% burned**
5) NFT collection approval: 3K STARS => 50% to stakers, 50% burned
6) Create WL: 100 STARS => 50% burned, 50% to stakers

- This acts as a signaling prop to approve the following governance proposals.
  - Prop 1 - One off emissions cut (-60%) in July 2023. This includes that max supply will decrease from 4B to 3B STARS.
  - Prop 2 - Use Community Pool Funds to supplement the emissions cut.
  - Prop 3 - Redirect token emission from the bloated Community Pool towards staking. Adjust the token emission allocation to NFT-DeFi primitives as these features become available.
  - Prop 4 - Change the FairBurn mechanism for NFT listing fees & Stargaze Name minting fees.