INVICTUS

HYPERION

DAV

DAV FOUNDATION SUMMARY

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COMPANY NAME	HYPERION FUND INVESTMENT	
DAV Foundation	ETH 1,000	
STAGE PARTICIPATED	**DATES**	
Pre-Sale	Presale	January - June 2018
	Public Sale	11 June 2018 - 25 June 2018
		14-day period

STAGE OF PROJECT DEVELOPMENT

DAV Network smart contracts are live on the Ethereum mainnet and several test suites have been completed. They are now focussed on further developing the capabilities of the network and increasing adoption.

ABOUT THE COMPANY

FOUNDED JANUARY 2017	WEB DOMAIN https://dav.network/

FOUNDERS

Noam Copel	CEO
Tal Ater	CTO
John Frazer	CCO
Joe Lopardo	CMO

KEY TEAM MEMBERS

Tung Chan	General Counsel
Shahar Frank	R&D Team Lead

ADVISORS

	ADVISORY AREA	EXPERIENCE	
Dr. Alan Messer	Automotive	Former CT: General Motors	General Motors
Dr. Scott Horowitz	Aerospace	Former Astronaut Current: NASA	NASA
Dr. Greg Colvin	Technology	Lead Ethereum VM Developer	ethereum
George D. Zamka	Aviation	Former Astronaut Current: FAA	Federal Aviation Administration
Jay Adelson	Internet Infrastructure	Founder of Equinix	EQUINIX
Priyanka Khaitan	IoT	Head of emerging technologies: SAP	SAP
Jerome Ferguson	Autonomy	Director of Autonomous Systems: UPS	UPS
Eyal Hertzog	Crypto-economics	Co-Founder: Bancor	Bancor
Dr. Giovanni Lanfranchi	Technology Architecture	VP Global Technology: IBM	IBM
Nick Johnson	Blockchain	Creator: Etheruem Name Service	ENS
Biren Gandhi	Drones	Head of Drones: Cisco	CISCO
Sai Yagnyamurthy	Mobility	Director of Corporate Strategy: Ford	Ford

DAV NETWORK SUMMARY

THE PROBLEM DAV AIMS TO SOLVE

Ownership, maintenance and safekeeping of a means of transport consume the resources of many, while public transport is often fraught with inefficiency and discomfort. Rideshare apps are making the most visible impression on our perceptions of transportation, but they are still subject to the fierce intermediation of a well-established and dated industry.

Autonomous vehicles (AVs) will solve many current issues, including the tethering of vehicles to human-imposed limits on hours, locations and costs. With the autonomous era already beginning, there exists no infrastructure that will connect these resources and create a market.

The autonomous cars, ships, and aircraft that will both carry people and deliver goods all need to be discoverable on a single platform, and be able to enter into contracts and make or receive payments. An autonomous Uber must be able to pay for recharges autonomously at any station, not only Uber stations. These types of interactions seem to have just subtle differences to what takes place today, but they require a revolutionary protocol that defines the rules of interaction between vehicles built by any number of companies for any purpose if they are to be truly autonomous.

WHAT IS DAV

DAV is an open source software platform that allows anyone to buy or sell transportation services in a decentralized market. DAV integrates into any vehicle, enabling those vehicles to discover, communicate, and transact with one another using a digital currency called the DAV token. DAV accomplishes this through the DAV protocol which connects vehicles, users, and service providers all on one network.

Decentralized Discovery

Trustless Cooperation Tools

Communication Protocol
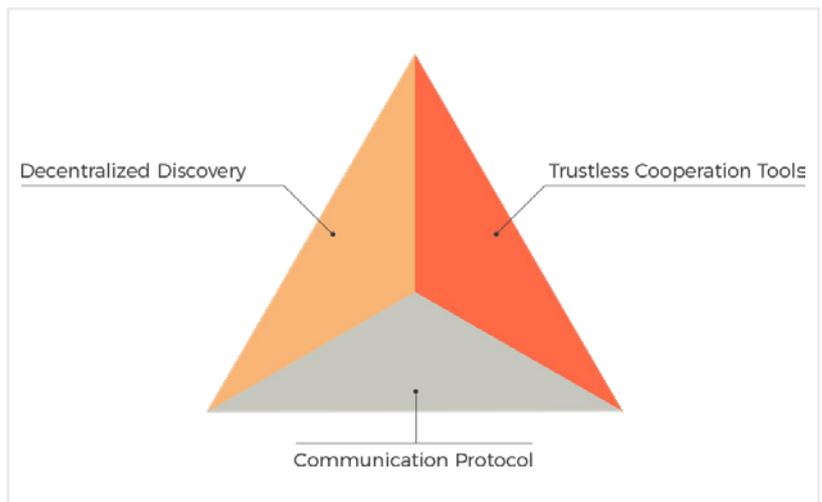
INVICTUS ANALYSIS

PROCESS

DAV Network has been known to Invictus analysts for some time, primarily due to the originality of the project, and the visibility of the Advisory team's distinguished members.

Invictus analysts first made contact with DAV's CEO Noam Copel in May 2018, initiating a round of discussions that concluded with a successful internal pitch to the Invictus Advisory Committee. A final call to satisfy all outstanding questions was then held and attended by Noam Copel and Invictus' VP of Analytics Ciaran MacDevette. A formal due diligence procedure was then initiated, aided by Invictus's legal counsel, Danilov & Konradi. On 7 June 2018, a SAFT agreement finalizing the investment by the Invictus Hyperion Fund was signed.

TECHNOLOGY

DAV's blockchain components will be built on Ethereum, the motivation for which is that Ethereum has the highest concentration of developer talent in the blockchain space as well as the most traction and a proven, stable track record. The scalability issues currently experienced by Ethereum have appropriate and credible solutions on the horizon for 2018 which is acceptable within DAV's timeline. Should, however, another platform show itself to be more appropriate, DAV has communicated that migration would be an option.

The DAV Network is described as a developer-centric open source platform, harnessing the benefits of diverse contributors who are able to focus on their areas of expertise to complement the R&D efforts of the DAV Foundation. The technology stack comprises five main components necessary to achieve a functional AV ecosystem:

Identity - Logging in a decentralized ledger allows for transparency of historical performance and transactions, enabling effective security, arbitration, and insurance.

Discovery - Peer-to-peer node discovery based on Kademlia8 DHT (the same algorithm used by Ethereum's node discovery, as well as popular peer-to-peer protocols such as BitTorrent).

Communication - Can occur on or off-chain. On-chain communication is facilitated by smart contracts whereas the peer-to-peer node system is used for the non-smart contract, non-token communication.

Mission Flow - Statement of need, bidding, service fulfillment, and payment are executed off-chain but are governed and enforced through smart contracts on-chain.

Payments - DAV tokens can be transferred between participants directly via the DAV token contract, while mission contracts use a specialized design to gain additional functionality when making payments between DAV Identities.

PRODUCT AND TOKEN

DAV offers the opportunity for any actor to purchase or sell transportation services by participating in a decentralized market. This will disintermediate the industry and make transport more affordable for users. The DAV Network's development, occurring in parallel with the emergence of AVs, will support the nascent industry by providing broader functionality and more use-cases for AVs. This first mover advantage increases the chances of DAV's incorporation as native for vehicles of all types in this emerging industry.

Though the DAV Network went live in May 2018, the previous MVP test cases include an autonomous boat mission, a successful drone delivery, and drone negotiation of battery recharge.

The DAV utility token will acquire value as it is required for participation in the platform as the sole means of payment for all services. Demand for services transfers to the token, which combined with scarcity, would increase token value. Total supply is capped at just under 2bn DAV, with 40% allocated to the token sale (in line with other projects) and 15% to the team (modest percentage, but not when considering the raise), which vests in quarterly cliffs for 15 months. Another 25% of tokens are reserved for bounties and partnerships which bodes well for incentivizing broader contribution and adoption for the project through the token itself.

Unsold tokens will be burned, with the tokens being allocated to the team and the DAV Foundation also being burned in proportion.

The first DAV token exchange listing is planned for 10 July 2018 on HitBTC.

COMMUNITY

DAV network has an active community evidenced by their online engagement as well as their connections to other communities through their exceptional team of advisors. They have also scored highly on popular ICO review sites and are discussed on various channels and podcasts not directly connected to the project. They have 55k telegram members and 4k twitter followers, which is considered high for telegram and average for twitter by ICO standards.

MARKET

The drone logistics and transport industry alone is projected to be worth over $10bn USD in the next four years. The existing trillion dollar transport industry is partially accessible to the DAV Network, but the emerging AV industry which is expected to grow into the hundreds of billions of dollars in the next 5-10 years, is the primary focus. Given DAV's existing partnerships and connections to the industry through their advisors, the probability that DAV will play a significant role in the development of the protocols that will govern this new industry is high. The case is a long-term one and difficult to assess many years out. However, the progress already made and the security that AVs are and will continue to feature in transportation news confer solid prospects for the value of the DAV token in the short term, as investors seek opportunities to gain exposure to this industry via the most efficient means possible.

Investing in the larger tech companies pursuing AVs has very limited upside as these companies have already experienced the majority of their growth, and equity participation in startups is still mostly reserved for traditional venture capital. The ICO space presents the only opportunity to get in early and easily on technological advances that may be many years away, and where the value of the investment is updated with every step toward the realization of the final goal.

DAV is occupying a niche in which there is currently no direct competition. The goal is to create an 'internet of transport' which could be used by perceived competitors like Uber, or built upon by them. DAV is therefore well positioned to enjoy some of the benefits of other open source projects like Linux or Kubernetes have.

TEAM

Noam Copel, CEO, and Founder, has extensive experience in developing software for smartphones and facilitating global distribution. The rest of the team brings together skills at the intersection of software development, R&D, blockchain (Ethereum) and marketing. All are relevant to marshall the resources necessary to develop and guide DAV Network to technical success and broad adoption. Their advisors are immensely impressive and connected to the project, so much so that they can distract inquiries from the strong fundamentals of the project itself. Their high-level connections into the motor and aerospace industries as well as the Ethereum Foundation will allow for the successful navigation of the issues and hurdles that need to be overcome in the pursuit of integrating massive, separate industries onto one platform.

The platform is open source and has acquired more than 100 contributors, which promises to take full advantage of the growing enthusiasm for AVs and blockchain in the global developer community.

DUE DILIGENCE

Invictus Hyperion employs a rigorous due diligence process to ensure that all aspects of the company, its team, and their business proposal are legitimate. Invictus Hyperion has had legal consultants review all documentation provided by DAV and sought their council for aspects believed to be of utmost importance with regards to aligning stakeholder interests. We would like to thank DAV for their cooperation in this regard.

The Due Diligence process was highly comprehensive. A few of the risk categories covered are mentioned below:

· Risks to Leadership
· Risks to Business Continuity
· Risks to Intellectual Property
· Risks to Financial Standing
· Regulatory Risk
· Risks to Feasibility