WHITEPAPER v1.0 · $MAIN · SOLANA

Mainstreet

Real businesses. Real cash. On-chain.

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Abstract

Mainstreet is a decentralized investment vehicle that takes equity in operating businesses and returns a share of the cash those businesses distribute to token holders in USDC.

It is not a protocol. It is not infrastructure. It owns pieces of real companies with customers, revenue, and profit, and it pays out on-chain when those companies perform.

> Own a piece of dozens of real businesses, get paid when they do well.

§ 1

The gap

Two markets exist that never touch each other.

Operators with real businesses and no capital

Companies doing $1M to $5M in revenue with genuine margins and genuine customers. Invisible to venture capital because they do not grow tenfold a year. Too small for private equity. Bank debt is their only option and most do not qualify. These businesses are not failing. They are capital-starved, and no institution is built to reach them.

Retail with capital and no access

Public markets are picked over by institutions before retail sees them. Private markets are closed by accreditation rules and minimum check sizes. Crypto offers tokens that represent nothing at all.

The businesses need capital. The capital wants ownership of something real. Nothing connects them.

This is not a technology problem. It is a distribution and structuring problem, which is precisely what a DAO is built to solve.

§ 2

The closed loop

Crypto's liquidity problem is not a shortage of capital. It is that the capital never changes.

Nearly every token launched today is purchased with money already inside the system. Capital rotates between assets, the aggregate pool stays flat, and each new launch competes with every other for the same wallets. Prices move on rotation rather than on inflow. When sentiment turns, there is no external demand underneath to absorb it.

Bringing new participants in has been attempted mainly through marketing: better narratives, larger campaigns, more aggressive incentives. This reaches people who were already close to the edge of the market. It does not reach the people who have no reason to be there at all.

Mainstreet reaches them through products they already use.

A portfolio company has customers. Those customers are, overwhelmingly, not in crypto. They bought something because they wanted it. When that company launches a token backed by real equity and real distributions, its customers have a reason to hold that no purely financial asset can offer: they use the product, they know whether it is good, and they benefit when it succeeds.

This inverts the usual sequence. Normally a token is launched and a community is assembled around it. Here the community exists first, as customers, and the token gives them a way to own part of what they already buy.

Two consequences follow

— Capital enters from outside. A customer who buys a token is not rotating out of another position. That is net new demand, arriving from people whose participation is not conditional on the state of the crypto market.

— The relationship runs both ways. Token holders become customers, and customers become token holders. A company gains an audience with a financial reason to buy, refer, and advocate. This is the distribution advantage described in Section 3, and it is what makes a 20% to 40% equity stake worth accepting.

The same logic extends to consumer applications. A product with users has an audience that arrived for the product, not for the token, and that audience is reachable in a way a purely financial offering never is.

Crypto has spent a decade building rails and then trading the same capital across them. The next decade depends on giving people outside the system a reason to enter it. Real businesses with real customers are the most direct reason available.

§ 3

What Mainstreet does

Source

Underfunded operators with existing revenue. Consumer businesses, brands, and service companies, in categories where community and distribution convert directly into sales. We look where traditional capital does not.

Fund

Capital in exchange for 20% to 40% of the business, sized to stage and to what the company can realistically get elsewhere.

Build

Marketing, branding, launch support, distribution, and access to a holder base that is financially aligned with the company winning.

Distribute

Cash received from portfolio companies flows back to token holders in USDC.

Why a founder chooses us

Money is a commodity. What is not: thousands of people who own a piece of your success and want you to win.

For a consumer brand that is a customer acquisition engine, a launch audience, and a distribution network from day one. A bank gives you money and a repayment schedule. A venture fund gives you money and a board seat. Mainstreet gives you money and an army.

Companies that can raise conventionally on better terms should. Our pipeline is companies for whom conventional capital is unavailable or unsuitable.

§ 4

Structure

A DAO cannot sit on a company's cap table. The structure resolves this in three layers:

— Foundation. Holds the treasury. Governed by token holders.

— Operating entity. Sources, diligences, negotiates, and holds equity positions.

— Portfolio companies. Structured as LLCs, built to distribute cash rather than retain it.

The distribution covenant

Every agreement carries the same core terms:

— Mandatory quarterly distribution of a defined share of Distributable Cash

— Distributable Cash defined as cash from operations, less agreed capital expenditure, less a defined working capital reserve

— A ceiling on founder compensation, so distributions cannot be absorbed as salary

— Audit and inspection rights

— Quarterly financials delivered within 45 days

The ratchet

Strong performers earn equity back. Positions include a ratchet under which Mainstreet's stake steps down as the company hits defined milestones. A founder who executes ends up owning more of their company. This keeps the people we back motivated for the long build rather than resentful of the terms they signed when they had no options.

§ 5

The $MAIN token

$MAIN represents membership in Mainstreet. Holders who stake receive:

$MAIN is the index. It holds exposure to every company in the portfolio. As the portfolio grows, no single company determines the outcome, and $MAIN becomes a diversified claim on dozens of operating businesses.

What $MAIN is not

It is not a claim on the underlying equity positions. It does not represent shares in any portfolio company. It carries no redemption right, no guaranteed distribution, and no principal protection.

At launch, $MAIN generates no yield. Companies must be sourced, funded, and reach the point of distributing cash. The realistic timeline from first deployment to first distribution is 9 to 18 months per company. Some companies will never distribute.

Distribution mechanics

Distributions accrue continuously to staked positions and are claimable on demand rather than pushed on a schedule. This keeps costs low at scale and avoids creating predictable sell events.

Distributions are variable and performance-dependent. Small business cash flow is lumpy. A company that distributes consistently for three quarters may distribute nothing in the fourth because of seasonality, capital expenditure, or reinvestment. Expect irregularity.

§ 6

Company tokens

Each portfolio company may launch an associated token, backed by Mainstreet's real equity in that business.

ALLOCATION AT LAUNCH

Mainstreet treasury	40% to 50%
Company and founders	15% to 20%
Liquidity	10% to 15%
Ecosystem and incentives	5% to 10%
Public	Remainder

The treasury allocation is locked in a public timelock contract with a published vesting schedule, verifiable on-chain, disclosed before launch. Roughly 25% of the vested position is emitted to staked $MAIN holders over the following year. The remainder is retained as treasury assets.

Mainstreet publishes a sell policy for treasury positions in advance of any sale, covering maximum share of daily volume, execution method, and notice period.

Cash flow routing

Of the cash Mainstreet receives from a portfolio company, the majority is directed to that company's token holders and the remainder to the treasury for the benefit of $MAIN holders.

Understand the scale

A company generating $2M in revenue at a 20% net margin, distributing half of net profit, produces roughly $200,000 in owner distributions annually. A 40% interest yields $80,000. Against a company token with a $5M market capitalization, that is a yield of approximately 1.2%.

Company token prices will be driven primarily by market sentiment, not by this cash flow. Evaluate them on that basis. The equity behind them is real, and it is not large enough to set a price floor.

§ 7

Treasury

Founding capital is contributed by the founding team. Token proceeds fund deployment into portfolio companies, operating costs, and reserves.

The treasury reports quarterly: capital deployed, positions held, distributions received, distributions paid, operating expenses, and remaining reserves. Portfolio company financials are reported in aggregate, with individual reporting subject to confidentiality terms in each agreement.

Treasury holdings of company tokens are marked at cost, not at market. A position in an illiquid token that cannot be sold without moving the price is not deployable capital and will not be represented as such.

§ 8

Governance

Staked $MAIN holders vote on treasury deployment above defined thresholds, changes to distribution parameters, and structural amendments.

Sourcing and diligence decisions sit with the operating entity and are deliberately insulated from token holder vote. The reason is stated plainly: a token that needs cash flow creates pressure to favor whichever company offers the largest equity share, and willingness to give up the most equity correlates with weakness rather than quality. Investment decisions must not be driven by short-term token incentives.

§ 9

Built on Solana

Mainstreet is built on Solana. Stablecoin settlement is fast and cheap enough that distributing USDC to thousands of holders costs a rounding error, and that mechanism is what the entire model depends on. Distribution at this cost was not practical a few years ago.

§ 10

Roadmap

Foundation

Entity structure in place. First three to six companies sourced, diligenced, and funded. Agreements executed with full covenant terms.

First cohort

Portfolio companies operating with Mainstreet support. First company tokens launch. First distributions flow.

Proof

Distribution history established and published. Quarterly reporting cadence running. Portfolio expands to eight to fifteen companies.

Scale

Thirty or more companies. The index diversified enough that aggregate distributions hold steady regardless of individual outcomes. This is where the model compounds, and it is a multi-year objective rather than a near-term target.

Timelines are estimates and will move.

§ 11

Risks

We would rather tell you this now than have you find out later. A standalone summary of these disclosures is maintained on the risk factors page.

No cash flow exists at launch.

Token holders are funding deployment into companies that have not yet been contracted. There is no revenue, no distribution history, and no assurance that any distribution will ever occur.

Most portfolio companies will fail.

Small business failure rates are high. A material portion of deployed capital will be permanently lost. That is the expected outcome of this strategy, not a worst case.

Distributions, when they come, will be small at first.

See Section 6. Early per-holder distributions may amount to single-digit dollars annually. Anyone expecting meaningful income in the first several years will be disappointed.

Token prices are speculative and may go to zero.

Both $MAIN and company tokens will trade on sentiment. Underlying equity does not establish a price floor and will not prevent significant loss.

Illiquidity.

Private company equity cannot be sold quickly or at a predictable price. Mainstreet cannot liquidate positions to support token prices.

Founder dependence.

Company token values are substantially driven by public perception of individual founders. A founder's departure, reputational damage, or disengagement may impair a token independent of business performance.

Enforcement risk.

Distribution covenants require enforcement. An uncooperative founder may delay reporting, restructure operations, or divert activity outside the agreement. Legal remedies are slow and expensive.

Early concentration.

Until the portfolio reaches scale, aggregate distributions depend on a small number of companies. A single failure materially affects holders.

Regulatory risk.

The tokens described here may constitute securities under the laws of one or more jurisdictions. Regulatory action could restrict transfer, force restructuring, or end the project.

Key person risk.

Mainstreet depends on a small team for sourcing, diligence, and portfolio support. The service commitments in Section 3 do not scale linearly with portfolio size.

No obligation to continue.

Nothing here creates a binding commitment to fund any company, make any distribution, or continue operations.

Read the full risk factors →