

# 2LYP Tokenomics Report

## 2LYP Computations

**This document provides a detailed overview of the tokenomics for the 2LYP Token, which is the native token for our decentralized ecosystem.**

The goal of this document is to present the distribution model, inflationary and deflationary mechanisms, token usage, and governance structure.

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# 1 Token Supply

The **2LYP Token** operates with a capped total supply, which means no more tokens will ever be minted beyond the predefined cap.

**1.1 Total Supply** The **total supply** of the 2LYP Token is set to **10,000,000** (10 Million) tokens, ensuring scarcity and value appreciation over time.

**1.2 Initial Supply** The **initial supply** of the 2LYP Token is set to **500,000** tokens (5% of the total supply), which will be minted at the time of deployment. These tokens are allocated to:

- Project team, early investors, and liquidity pools.
- Advisors and partners.

**1.3 Max Supply** The **max supply** is capped at **10,000,000 tokens**. This ensures that inflationary pressures are controlled and the token retains its value over time.

## 2 Token Distribution

The total supply of the token will be distributed according to the following model:

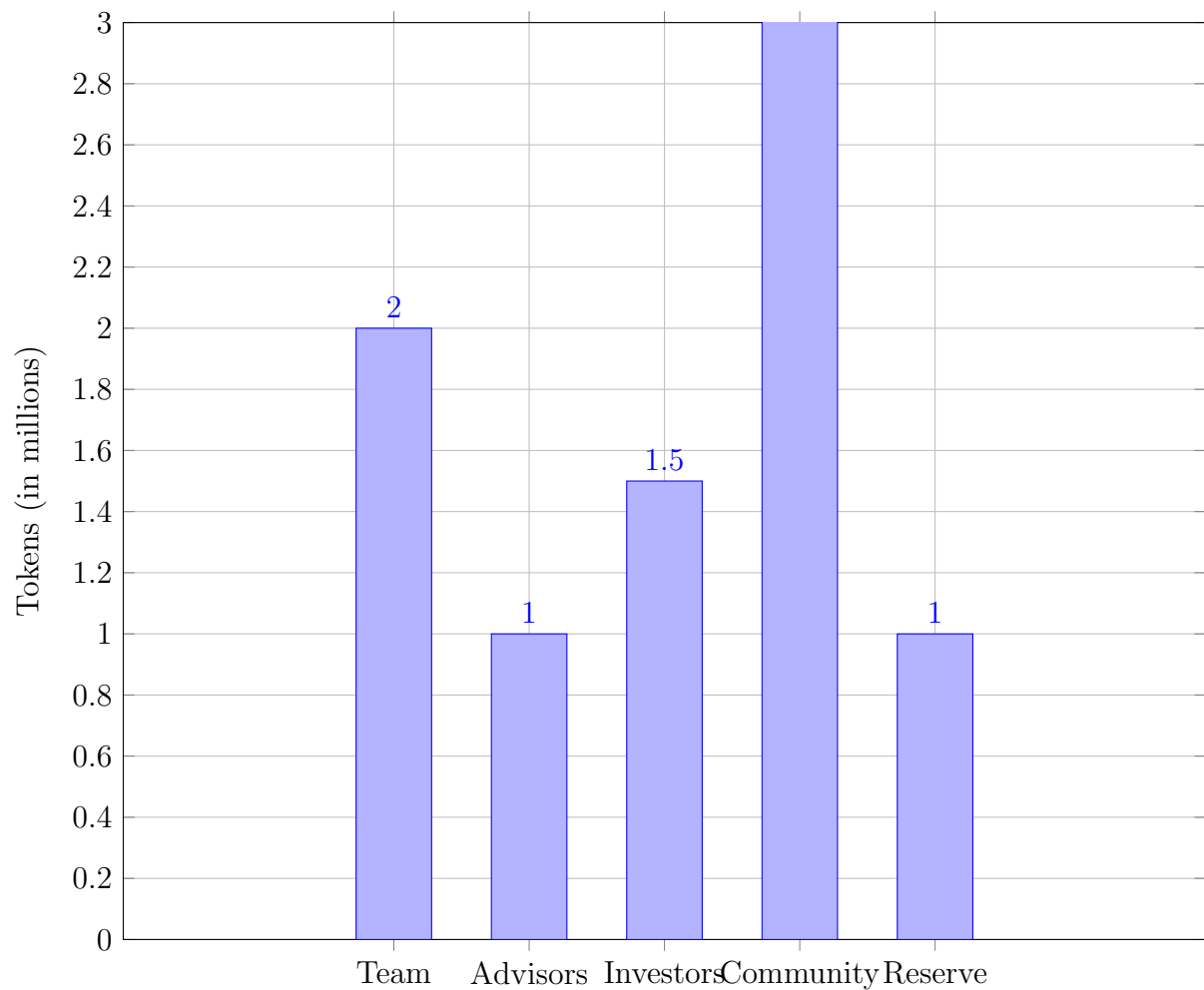


Figure 1: Updated Token Distribution Including Investors

- **Team and Founders:** 20% (2,000,000 tokens)
- **Advisors:** 10% (1,000,000 tokens)
- **Investors:** 15% (1,500,000 tokens)
- **Community and Ecosystem:** 45% (4,500,000 tokens)
  - Airdrops: 10% (1,000,000 tokens)
  - Liquidity Mining Staking: 20% (2,000,000 tokens)
  - Community Rewards Incentives: 7.5% (750,000 tokens)
  - Ecosystem Development: 7.5% (750,000 tokens)
- **Reserve Fund:** 10% (1,000,000 tokens)

### 3 Vesting Schedule

To ensure long-term alignment with the project's vision, vesting schedules are defined for team members, advisors, and investors.

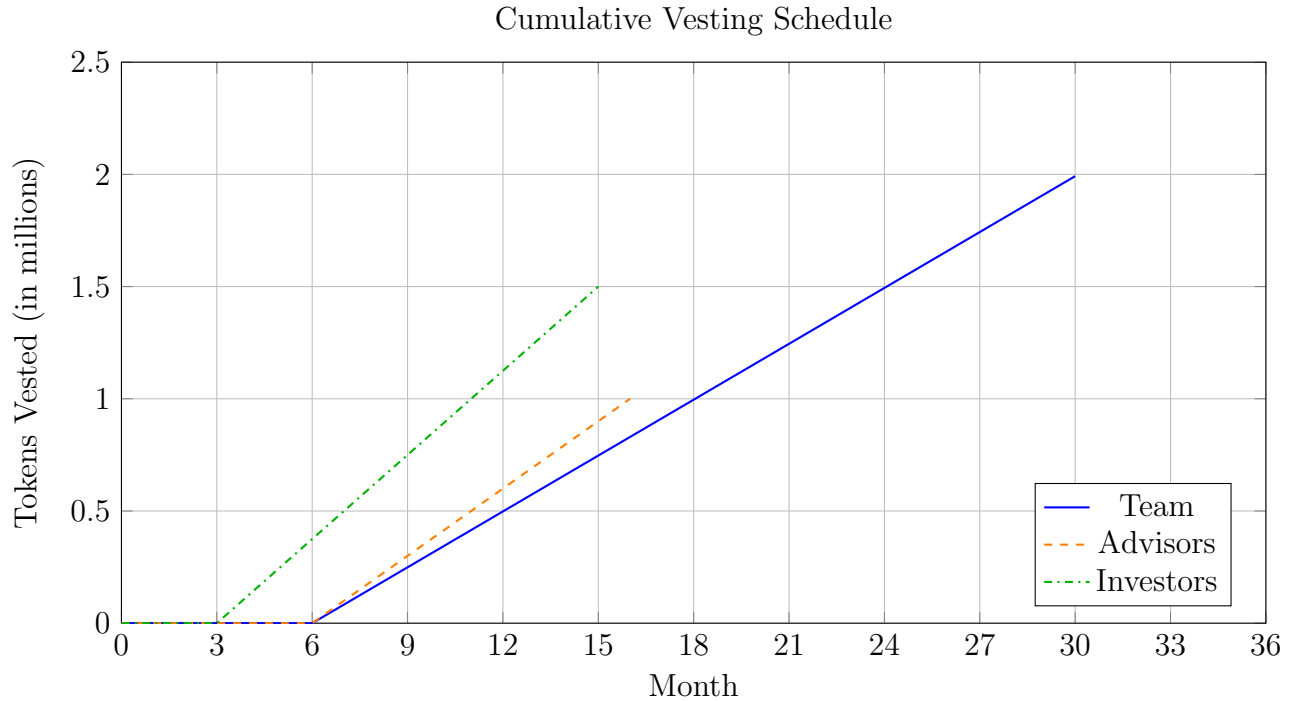


Figure 2: Cumulative Vesting for Team, Advisors, and Investors

#### 3.1 Team Vesting

- **Total Vesting:** 20% (2,000,000 tokens)
- **Cliff:** 6 months (no tokens released during this period)
- **Vesting Period:** 24 months
- **Monthly Release:** 83,333 tokens/month ( 0.83% of total supply/month)

#### 3.2 Advisors Vesting

- **Total Vesting:** 10% (1,000,000 tokens)
- **Cliff:** 6 months
- **Vesting Period:** 10 months
- **Monthly Release:** 100,000 tokens/month (1% of total supply/month)

### 3.3 Investors Vesting

- **Total Vesting:** 15% (1,500,000 tokens)
- **Cliff:** 3 months
- **Vesting Period:** 12 months
- **Monthly Release:** 125,000 tokens/month (1.25% of total supply/month)

## 4 Deflationary Model

The deflationary burn mechanism reduces the token supply over time. Every quarter (3 months), 1% of the total supply is burned, reducing the overall circulating supply. The deflationary measures aim to reduce the overall circulating supply over time, increasing scarcity and value.

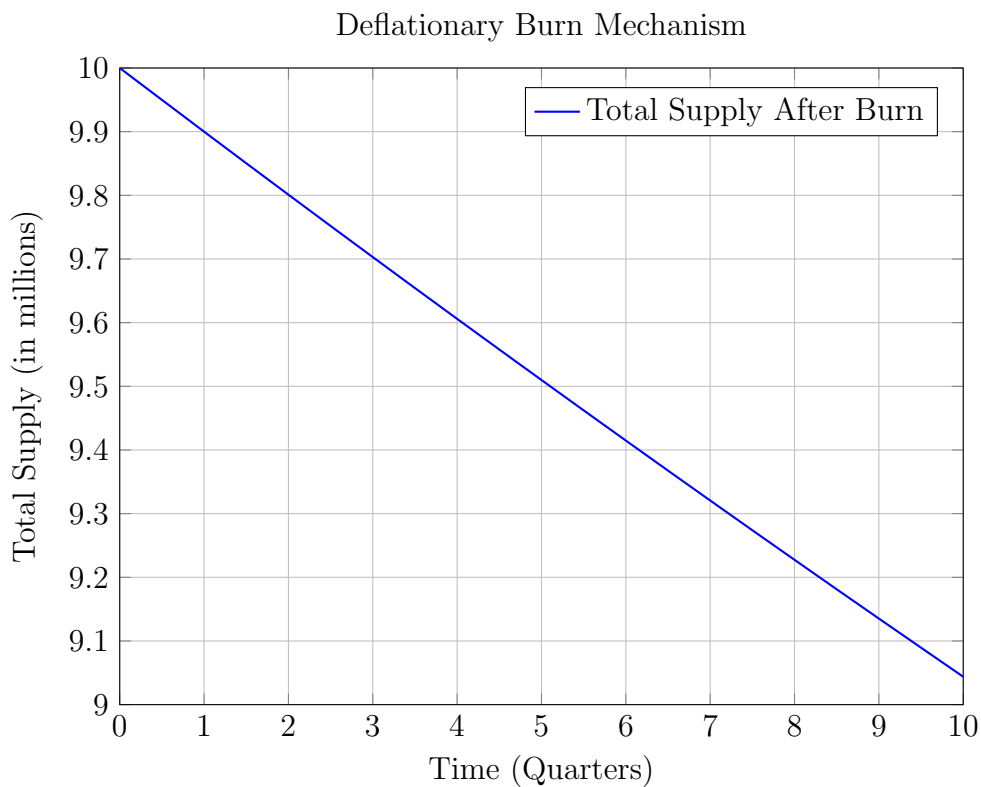


Figure 3: Deflationary Burn Model over 10 Quarters

### 4.1 Periodic Burn Mechanism

- Every quarter (3 months), 1% of the total supply will be burned.
- The burn process will be transparent and auditable.

**4.2 Goal of the Burn Mechanism** The periodic burn mechanism serves to:

- Reduce the overall supply, maintaining scarcity.
- Combat inflation and ensure that the token's value appreciates over time.

The following graph shows how the total supply of 2LYP tokens decreases as part of the burn mechanism.

## 5 Airdrop and Eligibility

The 2LYP Token will be distributed through an airdrop campaign. However, only eligible users can claim the airdrop.

### 5.1 Eligibility Criteria

- Users who have participated in early stages of the project.
- Users must meet the eligibility requirements as defined by the project team.

**5.2 Airdrop Allocation** A total of **10%** of the token supply (1,000,000 tokens) is allocated for the airdrop, distributed over multiple rounds.

## 6 Governance and Utility

**6.1 Governance** The 2LYP Token will enable decentralized governance, allowing token holders to vote on proposals, updates, and future development of the project.

**6.2 Staking** Users will be able to stake their tokens to earn rewards, including additional tokens or governance power.

**6.3 Transaction Fees** The 2LYP Token will be used to pay for transaction fees on the platform.

## 7 Conclusion

The 2LYP Tokenomics is designed to create long-term value for token holders and maintain the sustainability of the ecosystem. The distribution model ensures fairness, while the deflationary model guarantees scarcity. The airdrop and governance features will further empower the community, ensuring long-term success for the project.