

LYDA

Whitepaper

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1. Introduction

1.1 Social Capital



Social capital is a concept that has been actively discussed in the 1980s. The concept of social capital mentioned in various areas is known to have been first presented by Lyda Hanifan in 1916. Hanifan defined the concept of social capital as "not real estate, or personal property or cold cash, but rather to that in life which tends to make these tangible substances count for most in the daily lives of a people, namely, goodwill, fellowship, mutual sympathy and social intercourse among a group of individuals and families who make up a social unit, the rural community." [1] He also said, "If he may come into contact with his neighbor, and they with other neighbors, there will be an accumulation of

social capital, which may immediately satisfy his social needs and which may bear a social potential sufficient to the substantial improvement of living conditions in the whole community. The community as a whole will benefit by the cooperation of all its parts, while the individual will find in his associations the advantages of the help, the sympathy, and the fellowship of his neighbors."

Thomas Sander(2015) defines Social Capital as "the collective value of all social networks," and explains "values are created for connected individuals, and this is a special benefit that arises from trust, reciprocity, information, cooperation, and more." [2]

Coleman (1988) describes Social Capital from the perspective of a social structure and defines it as various entities that promote specific behaviors among individuals within the social structure. Coleman sees a network of trust and strong solidarity among Social Capital as its source, and sees this concept can be applied to individuals who have relationships within a community.[3] Bourdieu (1986) also defined Social Capital as "Social capital is the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition." [4][5]

Putnam(2001) classified Social Capital into two types.

1. Bonding Social Capital : values allocated to social networks among homogeneous groups

2. Bridging Social Capital : values allocated to social networks among heterogeneous groups

According to a study by Lin, Peng, Kim, Kim & LaRose (2012), Social Capital can be built through social media platforms such as Facebook. The study indirectly indicates that social capital is a concept that is partly measurable and can be measured online.

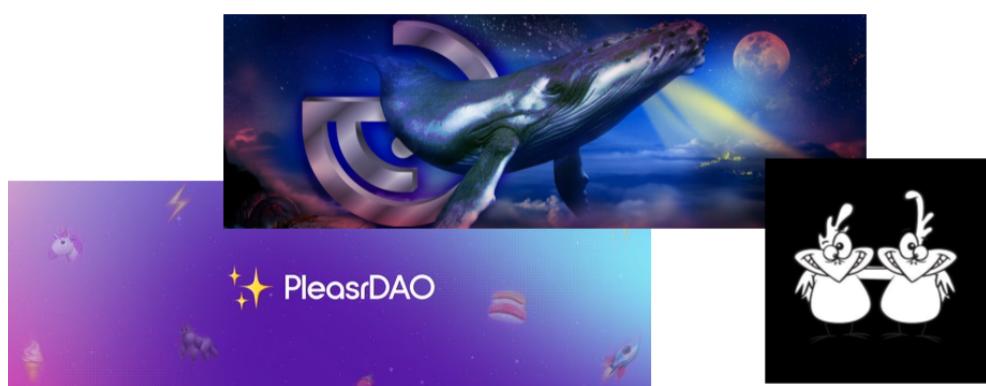
However, there is no broad consensus on how to measure Social Capital, which has become a controversy itself. Although the level/size of Social Capital can generally be detected qualitatively, quantitative measurements have not presented a consistent methodology or appear difficult to be analyzed. This limitation makes it difficult to derive the value of intangible Social Capital into real capital value. Thus, the concept of social value cannot break away from it being a tool for a subjective interpretation of social phenomena and is having difficulties to be realized into tangible and measurable capital values.

We wish to define Social Capital as 'collective value arising within social relationships' and attempt to capitalize and quantify the modern Social Capital.

1.2 FANDOM as a Social Capital

Modern social relationships are very different from traditional relationships which analyze "family" and "friends" with importance. People, corporations, and groups are building relationships through social media platforms such as Facebook, Twitter, YouTube, Twitch, and Discord. If traditional relationships form a "region-centric relationship" based on distance, modern relationships form an "interest-centric relationship".

Interest-centric relationships can form in various places such as social clubs, social circles, and more. We wish to highlight the phenomenon that shows the characteristics of forming a common social group while forming an interest-oriented relationship.

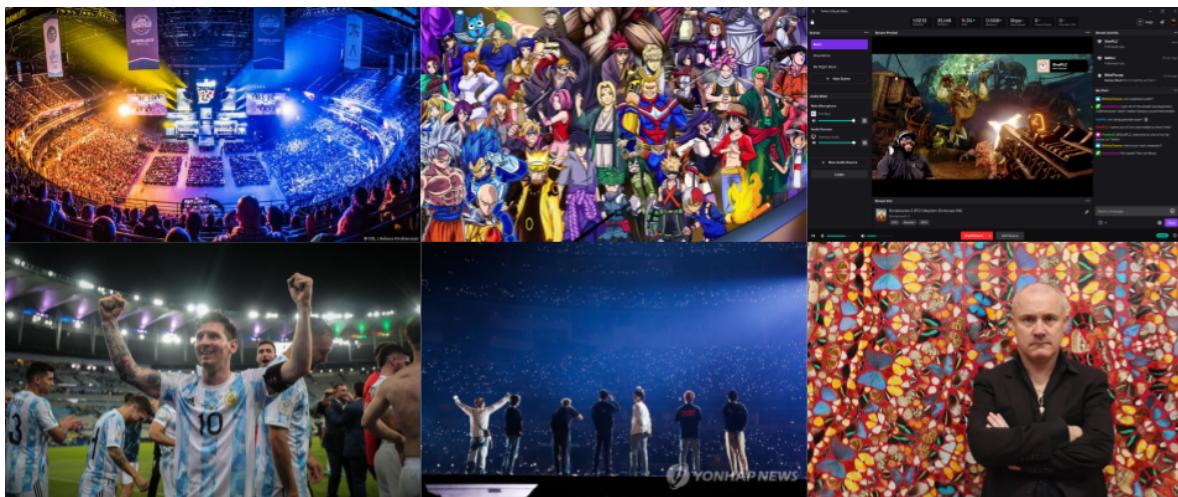


(Social DAO) PleasrDAO, WHALE, Friends with Benefits(FWB)

Fandom is a social network of connected individual fans interacting with each other. Influencers form fans through various types of content, and this content is delivered through online/offline media. In particular, the proportion of internet network-based "new media" has increased rapidly due to the improved accessibility of the internet. In addition, through the shift of internet access becoming more mobile, content consumption based on an individual's interests has become more globalized. This shift has also generalized fandom members forming a network of relationships based on a common interest in the global space instead of forming a network based on physical distance.

These fans spend a considerable amount of time, energy, and materials to participate in the fandom. The sum of the values created by these fandom includes not only the sum of the material value transactions that occur as a result of these activities, but also the social capital created by the fandom.

For example, a baseball team's fandom's social value includes the sales revenue of stadium tickets, team uniforms, collectors' commemorative cards or NFTs, as well as the phenomenon of fans taking interest in their favorite player's brand of glasses and its information going viral, fan community predicting and discussing the outcome of a match, community activation from community activities acknowledged by itself, and more. Through the process of measuring and capitalizing these social values, existing fan activities are converted into fandom as Social Capital.



(Fandom Case) eSports, Sports, Comic Books, Celebrities, Influencers, Artists

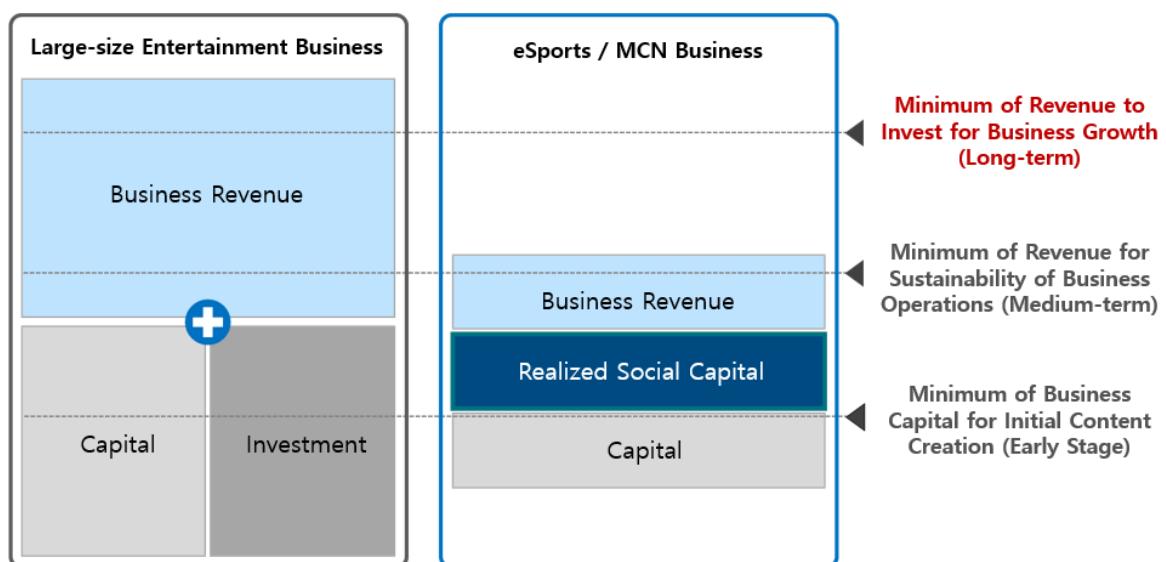
2. Vision

Digital content creators based on online followers and fandom, such as digital artists, eSports teams, streamers, entertainers and influencers, access digital content consumers by understanding and utilizing the attributes of the internet-based “new media” platform in delivering content. Modern digital content consumers tend to stay in individual’s specific areas of interest through the mobile internet revolution, but paradoxically, forming fandoms networks in a globally expanded online space where users interact through common interests has become the norm.

LYDA quantifies the social capital inherent in the fandom formed by digital content creators and converts it into real capital to help implement and sustain a circulating economic structure.

2.1 Vision

While large entertainment agencies can run content creation businesses cost-effectively and sustainably based on past capital and external investment, most new or smaller digital content creators often shut their operations down without realizing their economic potential sufficiently. However, by realizing “fandom-based social capital,” fandoms can actively contribute to the sustainability of the content creation business and reward creators based on the added value they create in their business. This value would exceed the minimum level of revenue created from sustainable content creation previously achieved in a dichotomous structure.



An eSports team operator can be regarded as a representative of digital content creators optimized for fandom-based social capital creation. While retaining the influence of individual players through social media platforms and streaming channels, eSports team operators can utilize the game digital content created by the teams and players collectively, large offline events and viral information, and exposure through numerous broadcast channels. Although the global eSports industry continues to grow and revenue channels such as advertising sponsorships have become more active, LYDA's role for fandom-based social capital is essential because business environments require more than a certain amount of capital injection.

In addition, digital content creators, influencers, and entertainer agencies are suitable to participate in LYDA's token economic structure on the premise that they have a value-added business model to share with the fandom participating in social capital realization just like eSports team operators.

- High activity of online-based fandom
- Applicability to the decision-making process required for content creation and activities
- Ease of program application to fan community activity

2.2 Problem & Market Opportunities

Common or similar problems and market opportunities exist in industries to realize fandom-based social capital through the Platform. LYDA can also play the role of a major economic component of a business.

We understand there are relatively more complex and advanced industrial environments, such as the "League of Legends" global eSports league, which have more specific problems and market opportunities listed below.

2.2.1 Problem

1) Limitations of the Industry

- Up until this point, the high dependence on the parent company's operating budget and external investment has provided the driving force for the development of the esports industry. Paradoxically, it has become an inherent

limitation to the organic growth of the industry. As the eSports ecosystem operates in an environment where it is difficult to improve profitability on its own, it relies on team sponsors. This is also directly related to the sustainability issue of the eSports ecosystem.

- There is also insufficient compensation system for fan experience/content consumption channels. The revenue generated from fan experience and content consumption should be used for development by contributing to the eSports ecosystem. This revenue, however, is not currently sufficiently cycled back into the fan or eSports ecosystem.
- Fans have great potential in diverse areas, but there is a lack of a utility creation system that allows the fans to fully satisfy their needs and desires.

2) Limitations of Team Management

- Due to insufficient cash flow through the business, there is a risk of justifying making a profit from asset trading such as player contracts and others instead of making a profit from managing a team.
- There are plenty of cases that have a negative impact on fandom culture and team operations due to the high dependence on investors, parent companies, and sponsors as well as management pressure and business reasons that go against the values of eSports.
- Lack of a risk management system that threatens the value of eSports which the players/staff/fans/organizers jointly built.

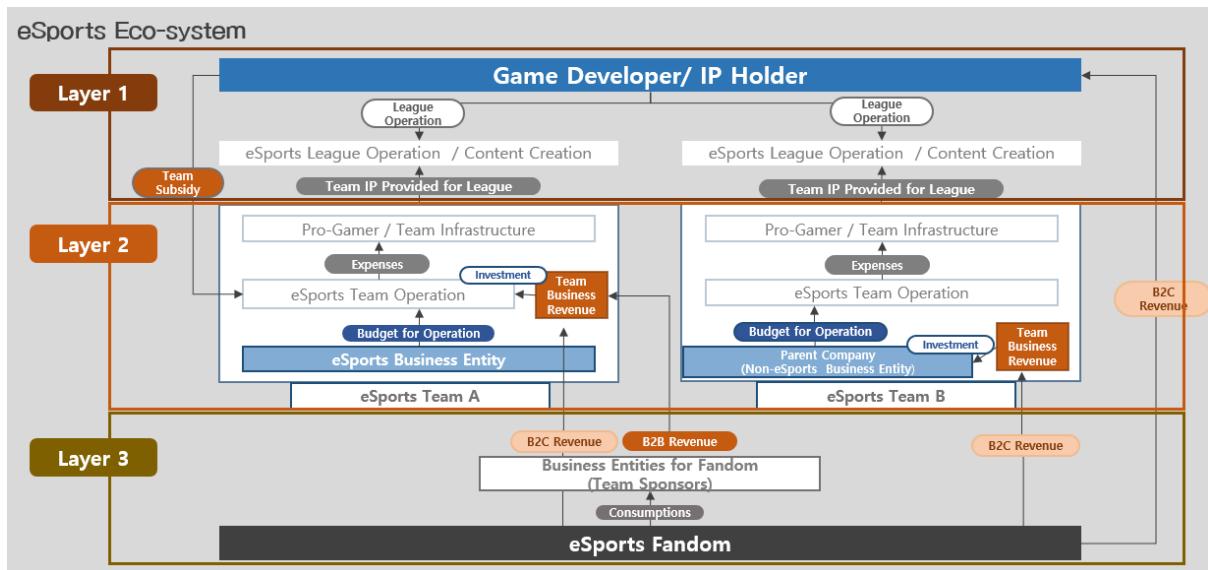
3) Limitations of Fan-Team Communication

- There are limited opportunities for fans to participate in the production area, ranging from the production of eSports content to sales, and most of them are done unilaterally.
- In terms of team management, the fandom's opinions have minimal influence on decision-making, and there is a limit to the formation of relationships between the company managing the team and the fandom.

2.2.2 Opportunities

Based on the birth of the information industry development society, eSports fandom has a high level of information sharing, operational participation, and voicing their opinions, which is higher than traditional sports fandom. As a result, we aim to expand the participation channel by connecting eSports teams and fans more directly and build a blockchain and fan participation-based eSports ecosystem that

creates new value throughout the entire process of financing, team operation, content production, transactions, and more.

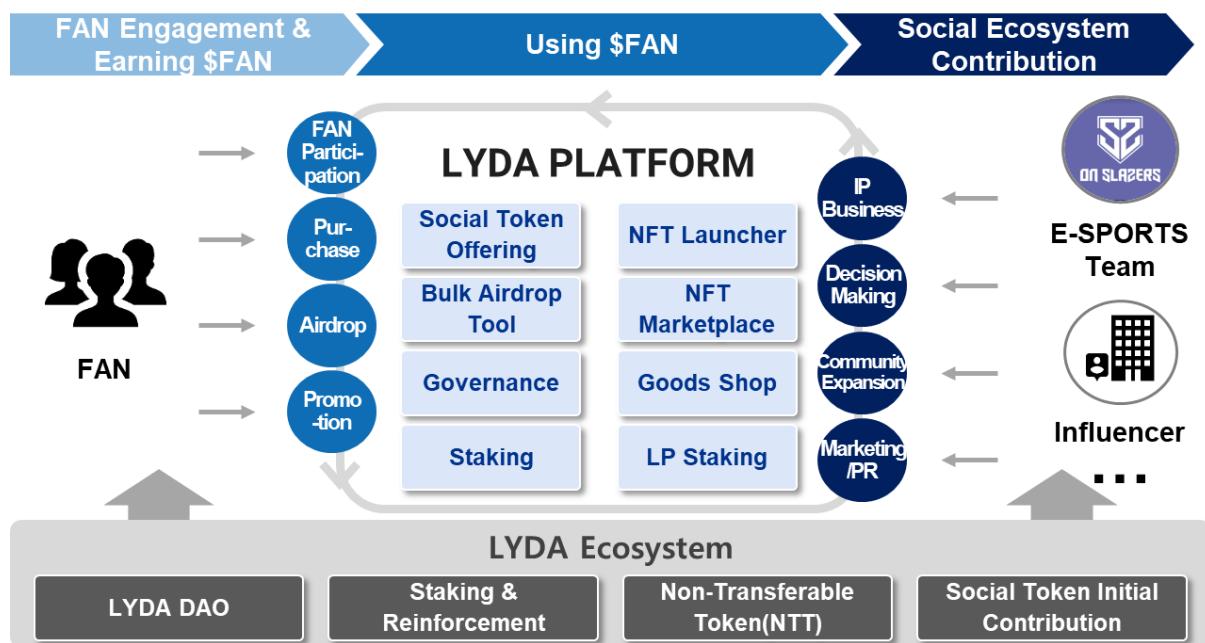


The eSports ecosystem consists of Layer 1, which produces eSports content centered around a specific game league organized by the intellectual property holder of the game, Layer 2, which runs teams and manages players participating in the league, and Layer 3, which has the fandom that serves as the basis for generating the revenue through the consumption of eSports League content and purchasing services/goods produced by teams and sponsors.

The league organizers and eSports teams are both the main producers and key stakeholders of Layer 1 and Layer 2 of the eSports industry. They recognize that Layer 3's fandom, eSports followers, players' supporters, and lifestyle consumers derived from the eSports ecosystem, makes up the industry's scale of consumption and continues to expand and stimulate the fandom's consumption. The amount of consumption directly paid by eSports fans (excluding media content consumption and ticket purchases) is expected to reach approximately 250 million USD by 2023 at a compound annual growth rate of 14.4%. According to IP standards, the eSports market has a globally integrated characteristic and a variety of game fandom with discriminatory aspects by cultures at the same time. Thus, the eSports market has higher growth and scalability than other sports leagues.

2.3 Solution

LYDA seeks to address the social ecosystems' challenges by encouraging fans to participate and contribute to the ecosystem through the LYDA Platform. LYDA also attempts to provide functions that connect fans and each fandom's main stakeholder (influencer, eSports team), allow more intimate social activities, and bilateral content creation.



1) A Social Platform that the Fans Can Participate in

LYDA Platform is a social platform that encompasses the whole ecosystem, from the publication of social tokens to utilization such as NFT Marketplace and Goods Shop to operations such as Governance. In the newly created marketplace, fans can participate in content production and receive rewards rather than just trading content created by creators or eSports teams (IP holders). Through these participation incentives, fans and teams can interact with each other and improve their experience participating in the fandom. Moreover, the fans can share and voice their ideas for the content they want, which will increase the fandom's rapport with the creators and eSports teams while participating in production and transaction. In addition, this process will provide an opportunity to generate additional revenue and contribute to building a healthy social ecosystem by sharing the revenue with creators, eSports teams, and fans.

2) Fan Decision-Based Social Ecosystem

Fans desire to access information and be an active part of the operation of their creators, eSports teams. LYDA platform's enhanced loyalty program provides the highest level of fan engagement by having fans vote to participate in the creators' and teams' decision-making process regarding operations and management. By breaking this unilateral structure and creating an appropriate feedback system, the fans would have a better solution to the fan engagement issue.

3) Securing Sufficient Liquidity in the Social Ecosystem

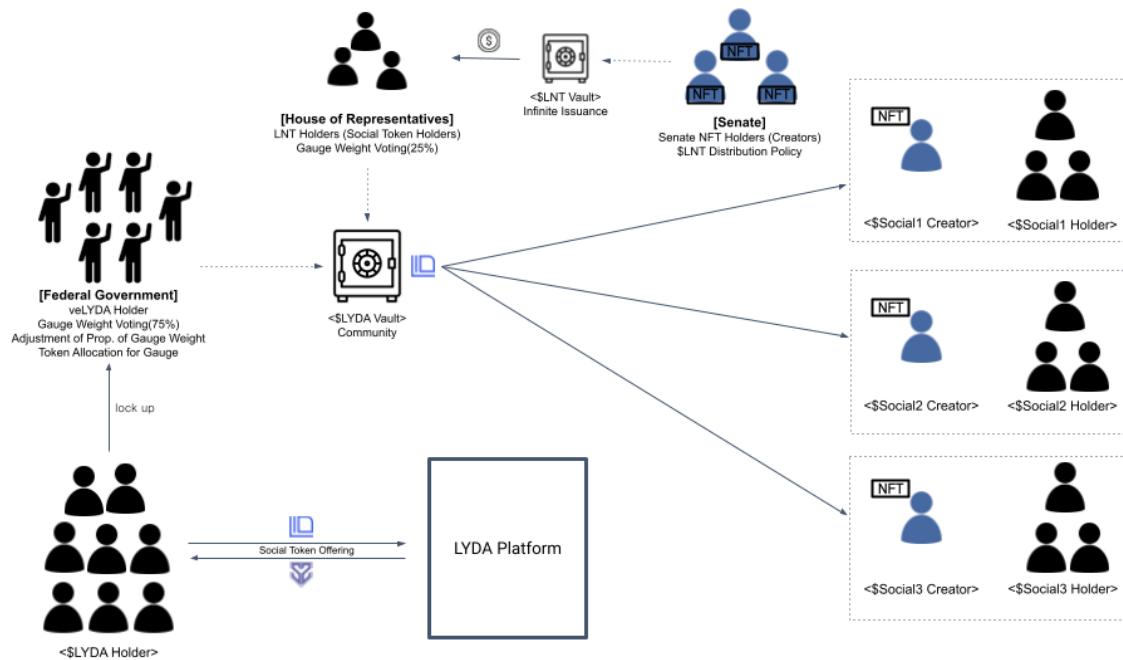
LYDA Platform, based on its tokenization, encourages more participants from diverse social and economic backgrounds into the eSports ecosystem. It ensures that creators, influencers, and eSports teams secure sufficient liquidity and continue to operate reliably. LYDA Platform participants will provide the foundation for a sound social ecosystem while contributing to its operation.

3. LYDA Ecosystem

3.1 LYDA Governance

LYDA governance was designed to allow financial contributors and non-financial contributors to participate and contribute to the platform's growth together. This is an attempt to transform intangible social values into tangible social capital. LYDA governance is run by three organizations: Federal Government, Senate, and House of Representatives.

| Type | Federal Government | Senate | House of Representatives |
|----------------|--|---------------------------------------|-------------------------------------|
| Holder | veLYDA | Senate NFT | LNT |
| Rights of Gov. | Gauge Weight LYDA Platform Vault Senate NFT Allocation | LNT Allocation LYDA Platform Tools | Gauge Weight LYDA Platform Tools |



3.1.1 Federal Government

The Federal Government is an organization that has and can exercise overall LYDA ecosystem authority. veLYDA holders exercise their decision-making rights through the Federal Government, and they can vote in proportion to the share of their veLYDA. veLYDA can be obtained by locking up LYDA, and the amount of veLYDA varies depending on the amount of LYDA locked up and the lockup period. Specifics

related to this are covered in Section 4.1. Federal Governance can decide on various agendas related to LYDA.

- Gauge Weight Voting (75%)
- Adjust overall Gauge Weight Voting Ratio
- LYDA allocation amount for Gauge Weight (Will initially be set by the LYDA corporation)
- Adjust LYDA Platform Vault's LYDA Ecosystem Allocation Ratio
- Senate NFT Distribution Right Requirements
- Adjust rights and policies related to the LYDA ecosystem

3.1.2 Bicameral Governance

Bicameral Governance is an organization for stakeholders and communities related to social tokens launched and distributed through the LYDA Platform. It represents the position of the social tokens, the main stakeholders of LYDA's ecosystem development, and the communities related to social tokens. The Bicameral Governance is constituted by two small organizations, the Senate and the House of Representatives.

3.1.2.1 Senate

The Senate is an organization that can determine the implementation of tools and functions that will be deployed on the LYDA platform. Only LYDA-issued Senate NFT holders can participate in the Senate's decision-making. LYDA Platform will provide 5 Transferable Senate NFTs and 5 Non-Transferable Senate NFTs to the social token issuers. Non-Transferable Senate NFTs are not transferable and can't be traded. These NFTs can only be used as a voting right for the Senate's decision-making. Transferable Senate NFTs can be transferred and traded, and the social token issuer who receives them can use them as voting rights for the Senate's decision-making process or transfer NFTs through various trading methods. The Senate can participate in the decision-making process of the following agendas:

- Decide LNT Distribution Method
- Adjust LNT Distribution Amount
- Vote on tools and functions that will be implemented to the LYDA Platform

*Based on the criteria determined by the Federal Government, Senate NFTs will be distributed for the first time once there are more than four social token issuers/organizations that are eligible to receive Senate NFTs.

3.1.2.2 House of Representatives

The House of Representatives is a decision-making body for community members with social tokens distributed through the LYDA Platform. The House of Representatives participates in the decision-making process based on LNT token

holders' decisions. Unlike LYDA tokens, LNT tokens are non-transferable tokens(NTT) that can't be traded and do not form a specific price. Initially, LNT tokens can only be used to vote on the House of Representatives agendas. LNT tokens can be minted without a limit and will be provided to social token holders according to the Senate's policy decisions. LNT token holders can participate in the following decision-making process:

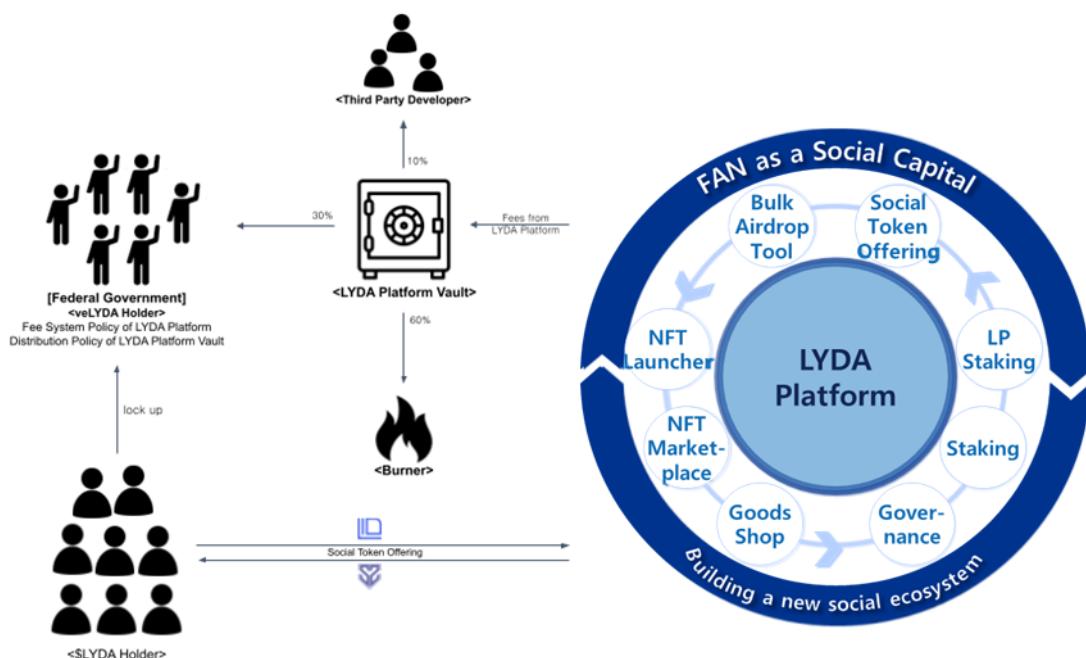
- Gauge Weight Voting (25%)
- Vote on tools and functions that will be implemented to the LYDA Platform

*Social Tokens that can receive LNT tokens can be adjusted by the Senate.

3.1.3 LYDA Platform Vault

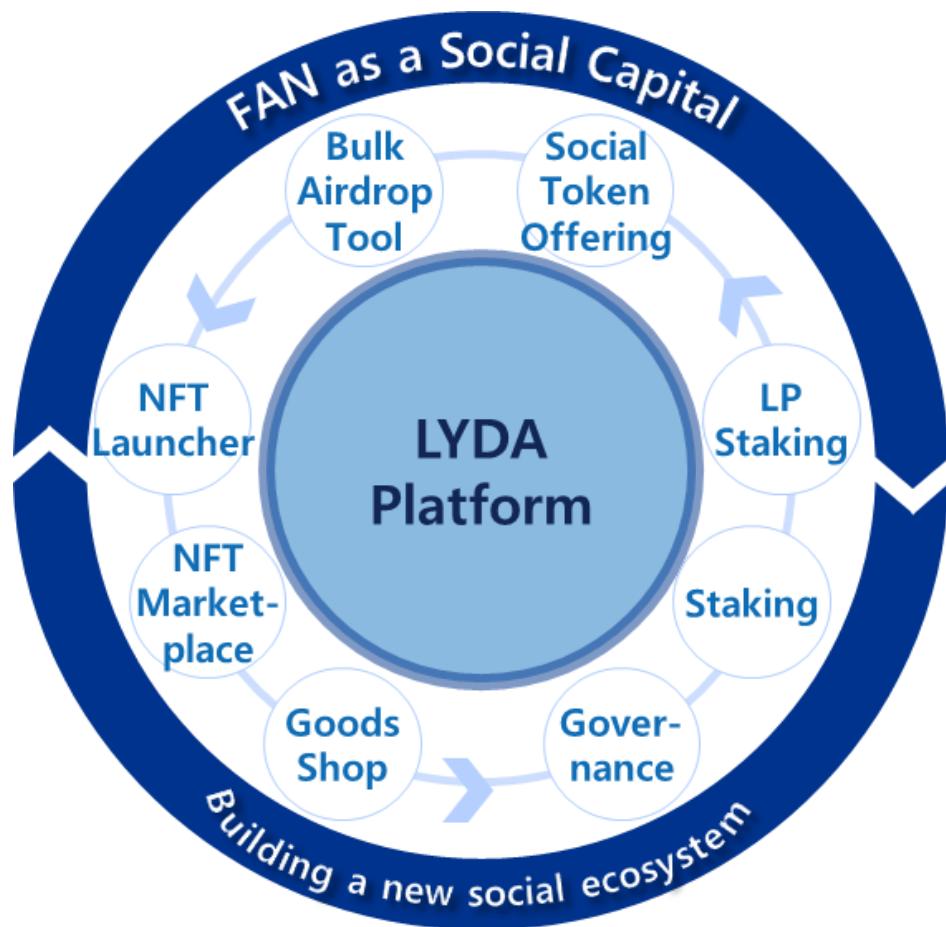
The LYDA Platform can help social groups engage in various activities such as activities provided in Section 3.2. The various tools and functions used on the LYDA Platform may charge a fee which will be stored in the LYDA Platform Vault. This fund will be distributed to the LYDA ecosystem by the Federal Government. Typically, the funds in the LYDA Platform Vault will be used to burn, buy back, distribute to veLYDA holders, reward third-party developers, and more.

The Federal Government can decide the fees of each tool and function implemented on the LYDA Platform, and also decide the distribution policies of the funds accumulated in the LYDA Platform Vault.



3.2 LYDA Platform

On the LYDA platform, anyone can easily mint and distribute their own social tokens and NFTs, sell goods, or provide features such as governance and staking. Creators and community members can participate in the LYDA Platform to utilize and trade social tokens. The LYDA Platform plans to encourage community members to participate in social activities and support creators and community members' activities.



3.2.1 Social Token Offering

Social Token Offering allows anyone, including influencers, creators, and players, to issue their own tokens. By minting social tokens, LYDA Platform users can create and sell NFTs and content, and to enable fans to participate in governance for greater social interaction.

Design & Mint Your Own Token

- Design and token model and supply
- Create Token Ticker

- LYDA Platform-based Token Utilization



3.2.2 Airdrop Tool

LYDA Platform provides a tool for distributing social tokens to the user's choice of social group community. Creators (social token minter) can encourage fans to participate through appropriate social token airdrops. Airdrops can be time-consuming and costly to individually send a large sum of social tokens to many fans. LYDA Platform provides a tool that allows large amounts of airdrop to be simultaneously distributed to multiple users.

A tool that allows you to batch send ERC20 tokens

Ethereum Mainnet Gnosis Chain (formerly xDai) BNB Smart Chain Arbitrum One Avalanche C Chain Fantom Opera
Polygon Chain Moonriver Moonbeam Metis Cronos Huobi ECO Chain Celo Harmony Mainnet IoTeX
ThunderCore

| Token Address | Deflationary | | |
|---|-------------------------------------|---|--|
| <input type="text" value="Select your Token"/> | <input checked="" type="radio"/> no | | |
| List of Addresses in CSV | | | |
| <input type="button" value="Upload CSV file"/> Show Sample CSV | | | |
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Airdrop Tool (Multisend App)

Airdrop to Community Members

- Can set airdrop date, amount, recipient selection, and scheduling

- Fans can check airdrop status and My Airdrop History

3.2.3 NFT Launcher

Social groups have their own unique content. In addition, community members have always had a need for collecting these goods and content. The latest trend in such collecting has expanded with the development of blockchain and NFTs. Minting NFTs can be used as a way to connect creators and community members and induce more participation.



Collectable Sports Cards (eBay Inc.)

NFT-fied Digital Card Creation System

Users can issue different types of NFTs by utilizing social group's IPs. Community members can purchase, own, and collect NFTs related to creators, such as NBA TOP SHOT. Various NFTs based on each social group's characteristics can be issued as well. By using eSports team as an example, users can create NFTs in the following ways:

- Profile images which includes eSports players' characteristics
- In-game footage which includes key moments of eSports team's performance
- Scenes which includes daily lives of eSports teams
- Digital goods with eSports team logos
- Limited digital images which includes eSports players' signature

Encourage Social Activities Through NFTs

Creators can mint NFTs with different levels and options. By having ownership of NFTs minted on LYDA Platform, fans are entitled to various rights depending on their NFT level and options. Users can also be granted exclusive rights by owning an NFT of a special collection designated by the creators.

- Provides access to unique content based on creator activity
- Participation rights for online and offline events
- Give incentives once various conditions are met (Gifts provided when the eSports team wins, etc)

3.2.4 NFT Marketplace

The LYDA NFT Marketplace is a platform where community members of all social groups can come together. The chart below shows a sharp rise in the "Global Sports Trading Card Market". On the LYDA NFT Marketplace, users can purchase and trade NFTs, including traditional social goods such as portraits of influencers and players, game videos, and fan art. They can also purchase and trade NFTs created from influencers, players, and fans' online activities, in-game achievements, and online data. The LYDA NFT Marketplace is not a place where creators sell their creations unilaterally. Anyone such as non-LYDA creators, game users, eSports analysis community members, and more can all participate and trade NFTs. Even if a user is not a part of a certain social group, they can trade NFTs minted by a social group in the secondary NFT marketplace.



3.2.5 Goods Shop

Community members can collect and get exclusive access to various goods and NFTs created by creators by using their social tokens. With this, the LYDA Platform provides an infrastructure that allows social tokens to be easily used, and community members can purchase goods at a discount. Users with certain social tokens or NFTs can get exclusive access to certain content. Also, community members and creators can give purchase rights of video content, audio content, eBook, event tickets, NFTs, and more to holders of certain NFTs.

All users can participate in the production process of products and content regardless of genres such as games, digital art, music, and artwork. Users can also create interactive content by forming a social group DAO.

3.2.6 Governance

Governance is a service that allows community members to participate in a social group's decision-making and social activities. Social token holders can participate in key decisions of their social group through DAO's voting function.

A Social Ecosystem Built Together

Through each social token DAO's Voting function, community members can participate in the social group and creator's decision-making and build a social ecosystem in the direction community members want.

- Provide ideas to creator's ecosystem operational strategies, including community management, marketing, and public relations
- (Sports and eSports Teams) Directly participate in the operation of their favorite teams, such as uniforms, team theme songs, and practice game matchup

Community Voting-based NFT and Content Creation

Typically, content management and supervision are done by the creators(influencers and eSports teams), but on the LYDA Platform, the creator's content plan and direction can be determined by community members or social token holders' votes. Through this Voting system, reasonable compensation based on quality content production and contribution can be achieved. In addition, various creations such as data from the fans and viral information from the community can be NFTed, and users can evaluate the content. Moreover, the Voting results can affect the publication and modification of the content. Through a series of Voting processes, the Platform will contribute to content quality improvement.

- NFT minting through social token holders' votes
- Social content creation/publication based on Voting, Setting community management direction

3.2.7 Staking

Incentives can be given to community members who lock up their social tokens. In addition to voting rights related to the social token's ecosystem, additional social tokens can be earned in proportion to the number of staked social tokens and the lockup period. Depending on the social token's policy, incentives can also be given in \$LYDA.

3.2.7 LP Staking

Incentives can be given to users who supply liquidity to social token liquidity pools. Differential incentives can be given to liquidity suppliers depending on the amount of LP and the range of the active LP. Users may earn additional social tokens as a reward in proportion to LP staking amount and period. They may also be rewarded \$LYDA depending on the social token ecosystem's policy.

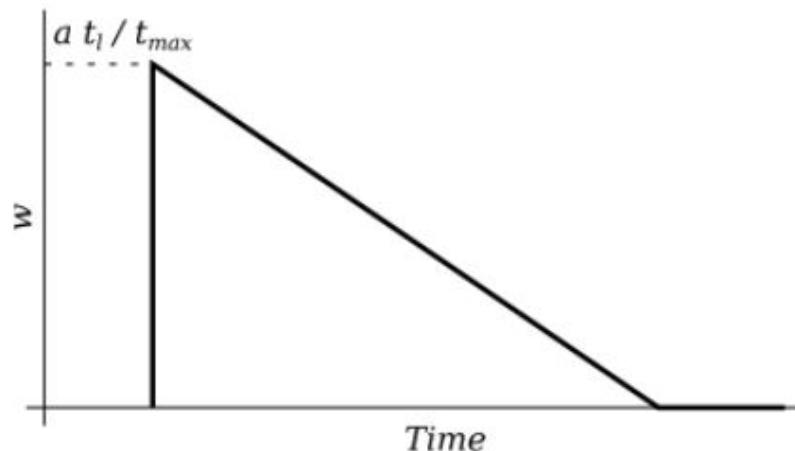
4. Tokens

4.1 \$LYDA

\$LYDA is the LYDA ecosystem's key currency and is utilized within the ecosystem in a variety of ways.

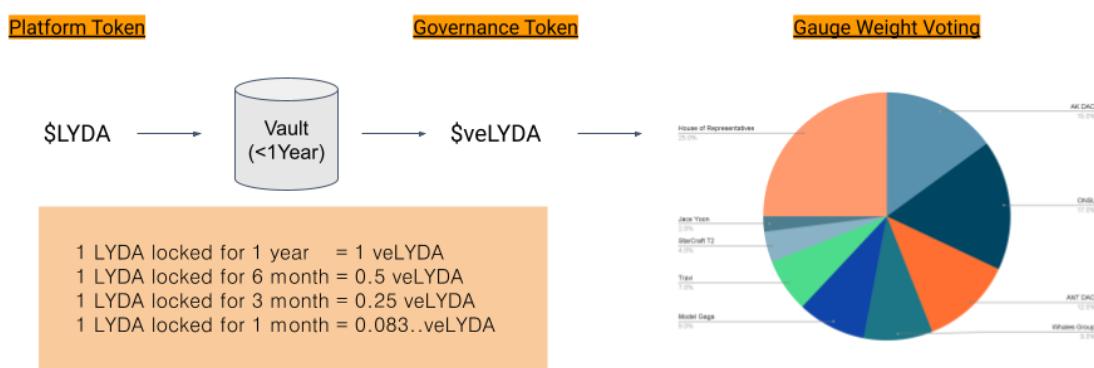
4.1.1 Federal Government Voting

Users can obtain veLYDA by locking up \$LYDA. Users can lock up \$LYDA for at least two weeks upto a maximum of one year. The amount of veLYDA decreases linearly from the start of \$LYDA lockup to the unlock date.



Even if the same amount of \$LYDA is locked up, users with the longer the lockup period will obtain a larger initial veLYDA value. This structure is similar to Curve Finance's veCRV.

- 1-year lock-up(1 LYDA) : 1 veLYDA
- 6-month lock-up(1 LYDA) : 0.5 veLYDA
- 3-month lock-up(1 LYDA) : 0.25 veLYDA



veLYDA holders can participate in the Federal Government decisions-making process. In general, the Federal Government can participate in a variety of agendas related to the LYDA ecosystem, and more information can be found in 3.1.

- Gauge Weight Voting (75%)
- Adjust overall Gauge Weight Voting Ratio
- LYDA allocation amount for Gauge Weight (Will initially be set by the LYDA corporation)
- Adjust LYDA Platform Vault's LYDA Ecosystem Allocation Ratio
- Senate NFT Distribution Right Requirements
- Adjust rights and policies related to the LYDA ecosystem

There is a special right among them.

Gauge Weight Voting

Some of the LYDA tokens are allocated to social token holders. veLYDA holders can vote through a gauge weight vote to ensure that \$LYDA is allocated to the social token of their choice. LYDA tokens are distributed proportionally to the voting distribution. The quantity of LYDA tokens distributed per cycle is also decided by the Federal Government.

Certain social token issuers and social token communities may use the Bribe strategy and distribute their social tokens to veLYDA holders to be selected by in the veLYDA holders' voting. The gauge weight vote will take place after more than four social tokens are issued that meet the requirements set by the Federal Government. This may be changed depending on the situation.

Not all gauge weight voting is done by veLYDA holders. Only 75% is voted by the veLYDA holders, and the remaining 25% is voted by the \$LNT holders. This rate can be changed at any time by veLYDA holders' votes.

4.1.2 LYDA Platform Reward

LYDA can be obtained as a reward in proportion to the veLYDA received by locking up LYDA. The amount of reward at a given period is derived from the fees collected by the LYDA Platform. The LYDA reward is given according to the ratio of (the amount one's veLYDA holding / the total supply of veLYDA). Fees incurred through LYDA Platform's various tools and functions are stored in the LYDA Platform Vault. The Federal Government can determine the percentage of rewards that the Vault will provide to veLYDA holders.

4.1.3 Token Burn

Some of the fees incurred on the LYDA Platform are used to burn LYDA. For example, 10% of the LYDA raised by the LYDA Platform to issue social tokens can be burned periodically. This means that the more social tokens are issued, the smaller the LYDA token supply may become. Also, LYDA collected by the sale of NFTs issued by LYDA Labs will be burned. The Platform may also burn LYDA if a fee is incurred through the NFT Marketplace.

4.1.4 Usage on LYDA Platform

LYDA will be used as a platform token that allows users to use a variety of tools and functions provided by the LYDA Platform (will also support social tokens). For example, a social token issued through the LYDA Platform can be acquired for the first time through the use of LYDA token. Users can get the opportunity to participate in social tokens offerings of promising projects early on.

4.2 \$LNT (LYDA Non-Transferable Token)

The LYDA platform will utilize LNT tokens, which are non-transferable tokens, in addition to the LYDA, transferable and tradeable tokens. LNT tokens will be distributed through the LYDA platform to the users who minted social tokens or holders of social tokens minted on the LYDA platform. Furthermore, it can attract new ecosystems to join the LYDA platform. Except in certain circumstances, LNT token does not have a particular asset value (exchange value) as LNT cannot be traded directly. It is similar to the point system in Discord or Twitch, but LNT is a token that actually exists on the blockchain. Thus, anyone can see and check how many tokens a particular holder has in their wallet. LNT is intended to induce non-financial contributions (social activities) in addition to financial contributions (\$LYDA and social token purchases). The Platform is utilizing social tokens as their value increases in nature as the social relationship deepens.

LNT has no maximum supply by default. The Senate can authorize which social tokens will be given LNT and the amount of LNT given for each social token ecosystem. The distribution of LNT is subject to change based on the Senate's decision. If LNT is given to token minters, the distribution may be arbitrarily determined by the minters of each social token or by social token governance. In addition, the Platform will support a program that allows LNT to interact between holders besides direct transactions. Depending on LNT holders' votes, the use of LNT may be expanded, but it may be changed or prohibited by the Federal Government and Senate.

Users can perform several functions aside from the aforementioned functions. Initially, the same LNT will be distributed per social token. Subsequent distribution

rates of LNT will be decided by veLYDA holders' votes. To obtain more LNT, users will need to hold more social tokens or participate in social activities to get LNT airdrop to the social token issuers.

4.2.1 Governance Voting

Gauge Weight Voting

LNT holders can participate in Gauge Weight Voting to vote on how to distribute the 25% of the allocated tokens. Based on the result of the voting, LNT holders can obtain LYDA tokens. It is important to get selected by the veLYDA holders to get a larger portion of LYDA.

House of Representatives

LNT holders can propose an agenda and vote at the House of Representatives to expand LNT's utility or enhance the use of social tokens. However, the Federal Government and Senate may choose not to proceed with the House of Representatives' agenda if they believe the said agenda can adversely affect the value of LYDA.

4.2.2 Social Games

The Platform will support projects that provide entertainment elements for interactions between LNT holders. Inclusion and support for such projects can be proposed by the House of Representatives and can be added depending on the situation. Although LNT does not have economic value as a non-transferable token, in the future, the Platform plans to promote additional uses through projects that provide entertainment elements.

4.3 Senate NFT

Users need Senate NFT to participate in the Senate's decision-making process. There are two types of Senate NFT.

4.3.1 Non-Transferable Senate NFT

As the name implies, Non-Transferable Senate NFTs cannot be transferred. Non-transferable NFTs (NTNFTs) do not have a specific trade value, but ownership alone can have its unique value. These NFTs have functional values (governance voting rights) and a social value of being creators and pioneering users of new technologies. The issuers and administrators of social tokens are key members/stakeholders of the LYDA ecosystem, and it is essential that they

participate in important decisions for their social groups. The Platform expects key stakeholders to exercise their voting rights as important members of a social group who can represent the positions of social groups with social values. It can be expected that social groups in different areas will be an interesting social experiment that can contribute to the development of the ecosystem.

4.3.2 Transferable Senate NFT

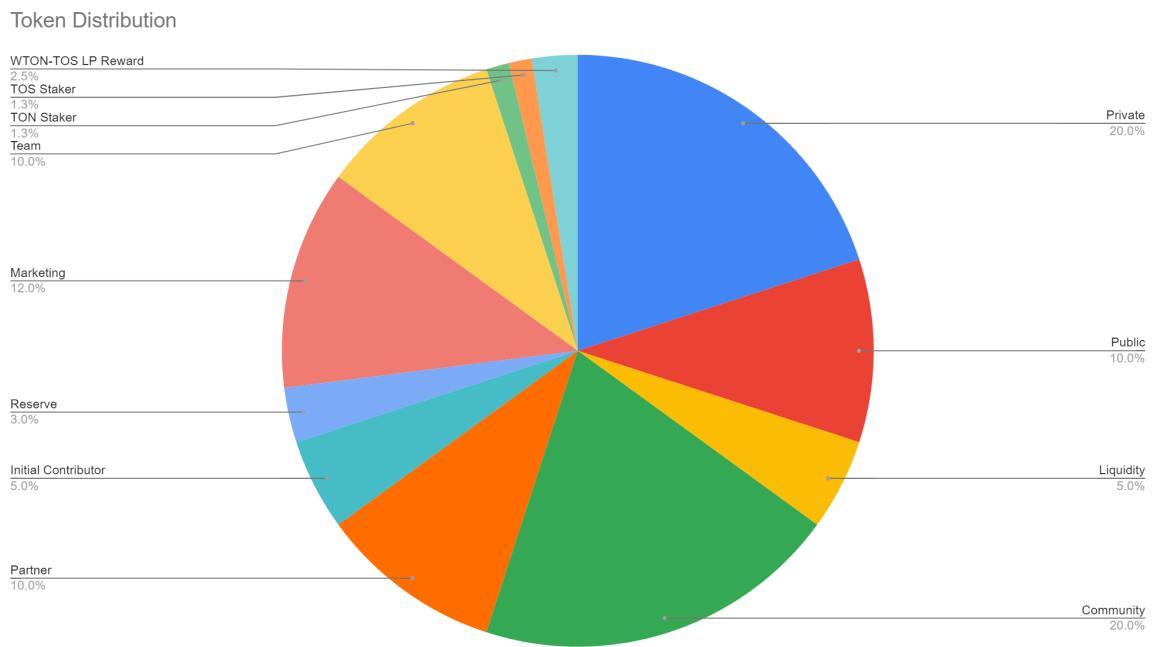
Transferable Senate NFTs have the same functional value (governance voting rights) as NTNFTs but can be given an economic value through various trading methods. Accounts first to receive this type of NFT may use it to empower the decision-making process for their social groups or distribute it and the voting rights to the members of their social group. Through trades, they can also be transferred to someone who wants to be involved in the Senate's decision-making process. Through this, the Senate's exercise of voting rights is expected to be balanced and show a unique distribution of Senate NFT holders.

5. Token Metrics

5.1 Token Allocation

The token matrix and distribution plan for LYDA are as follows:

- Total Token Supply : 10,000,000 LYDA



5.2 Private and Public Rounds

Private round took place in 2022 Q2 and public round will take place during 2022 Q2 on TONStarter.

1) Private Round (2022 Q2)

- Use: Allocated to organizations and individuals to foster the ecosystem
- Private Round Allocation Amount : 2,000,000 LYDA (20.00% of Total Supply)
- Private Round Price : \$0.20
- Participation Method : TON, WTON

- Private Round Distribution Schedule : 0% on the day of initial token distribution. After 6 months, remaining tokens are distributed evenly over 12 months.

2) Public Round (2022 Q2)

- Use: Allocated to TONStarter users and TON holders
- Public Round Allocation Amount: 1,000,000 LYDA (10.00% of Total Supply)
- Public Round Price: \$0.20
- Participation Method: TON, WTON
- Public Round Distribution Schedule: 50% of the allocated amount distributed on the day of initial token distribution, remaining tokens distributed evenly over 5 months.

5.3 Other Token Distribution Schedule

1) Liquidity Token Distribution Schedule

Tokens allocated to Liquidity are used to supply liquidity to DEX. 2.5% on the day of initial token distribution, remaining tokens are distributed evenly over 5 months. (5.00% of Total Supply)

2) Community Token Distribution Schedule

Tokens allocated to Community are used to strengthen the community. This also includes token rewards for staking and Gauge Weight Voting. It will be distributed after developing and reviewing the functions implemented to the Platform. 5.00% on the day of initial token distribution. Remaining tokens are distributed evenly over 36 months. (20% of Total Supply)

3) Partner Token Distribution Schedule

Tokens allocated to Partner are used for business activities such as finding business partners, designing and developing the Platform, and others that will help the Platform. 5.00% on the day of initial token distribution. Remaining tokens are distributed evenly over 36 months. (10% of Total Supply)

4) Initial Contributor Token Distribution Schedule

Tokens allocated to Initial Contributor are used for those who contribute to the LYDA ecosystem project early on. 5.00% on the day of initial token distribution. (5.00% of Total Supply)

4) Reserve Token Distribution Schedule

Tokens allocated to Reserve are used as a reserve for the LYDA project. 3.00% on the day of initial token distribution. (3.00% of Total Supply)

5) Marketing Token Distribution Schedule

Tokens allocated to Marketing are used for all marketing activities related to the LYDA ecosystem. 5.00% on the day of initial token distribution, 4.00% after 6 months, and 3.00% after 12 months (12.00% of Total Supply)

6) Team Token Distribution Schedule

Tokens allocated to Team are used for the LYDA team's incentive. 0.00% on the day of initial token distribution. Remaining tokens are distributed after 6months, evenly over 36 months. (10.00% of Total Supply)

7) TON Staker Token Distribution Schedule

Tokens allocated to TON Staker are distributed to TON Stakers who contributed to the formation of the Tokamak Network ecosystem. Since the date of initial token distribution, tokens are distributed evenly over 37 months. (1.25% of Total Supply)

8) TOS Staker Token Distribution Schedule

Tokens allocated to TOS Staker are distributed to TOS Stakers who contributed to the formation of the TONStarter ecosystem. Since the date of initial token distribution, tokens are distributed evenly over 37 months. (1.25% of Total Supply)

9) WTON-TOS LP Reward Token Distribution Schedule

Tokens allocated to WTON-TOS LP Reward are used to distribute to WTON-TOS Uniswap v3(0.3%) liquidity providers. Since the date of initial token distribution, tokens are distributed evenly over 37 months. (2.50% of Total Supply)

6. Roadmap

2Q. 2022

- Release LYDA WhitePaper
- IDO on TONStarter
- Listing on Uniswap v3
- LP Reward Program on TONStarter

3Q. 2022

- Build the veLYDA System
- Build the Federal Government Voting Environment
- Build the Social Token Offering

4Q. 2022

- Launch Senate NFT
- Build the Senate Voting Environment
- Launch LNT
- Build the House of Representatives Voting Environment
- Build the Airdrop Tool
- Development on Layer2

1Q. 2023

- Build Governance, Staking, LP Staking Service

2Q. 2023

- Build NFT Launcher, NFT Marketplace, Goods Shop

*The order and schedule of this roadmap may change depending on the development progress.

7. Founder



Seong Song (CEO, LYDA Labs)

After gaining experience in system accounting audits at PwC Los Angeles, Song Seong moved to a Samil Accounting Firm in Korea to develop his expertise as an auditor of internal control of large corporations. With the establishment of the eSportsConnected in 2015, he continued establishing and operating professional eSports teams in major eSports games such as League of Legends.

Education

- Bachelor, Business Economics(Major)-Accounting(Minor), University of California, Los Angeles. (Apr 2006)

Experience

Consulting

- Associate, PwC Los Angeles (Jun 2007 - Jun 2009)
- Manager, PwC Korea (Jul 2009 - Jun 2012)
- Manager, PwC Sydney (Jun 2012 - Jun 2014)
- Senior Manager, PwC Korea (Jun 2014 - Dec 2015)

eSports

- CEO, eSports Connected(ESC) (Dec 2015 - Present)
- Director, Korea eSports Association(KeSPA) (Dec 2018 - Mar 2021)
- Advisory Committee Member, eSports Industry Support Center (Jun 2018 - Dec 2019)
- Deliberation Committee Member, The Ministry of Culture, Sports and Tourism, eSports Selection Committee (Jun 2018 - Feb 2019)
- Evaluator and Reviewer, Daejeon eSports Stadium Construction Project (Nov 2019)

Blockchain

- CGO(Chief Gaming Officer), Onther Inc. (Nov 2021 - Present)

8. Partners



OnSla2ers

- OnSla2ers eSports team was founded in November 2021. The team participated in 2022 VCT Korea, the official Korean professional Valorant league, and finished as the runner-up. With this result, the OnSla2ers team has formed a fandom with positive reviews from the eSports community as a new professional team. The OnSla2ers team currently consists of five key players, two coaching staff for the Valorant league, and is planning to expand into becoming a professional multi-game eSports organization. The team also has a secretariat who is responsible for the team's operations and the professional eSports business operations.

Onther Inc.



- Onther Inc., the developer of Tokamak Network and TONStarter, was established in 2017 and has cooperated with various corporations, including a government department, for the development and implementation of blockchain technologies and has garnered attention based on practical results. In addition, Onther participated in the CBDC project conducted by the Bank of Korea and was recognized for its technical skills by providing scalability solutions. Onther is currently developing services such as TONStarter, Tokamak Network, TON Staking, Tokamak DAO, and NFTOn.

Tokamak Network

Tokamak Network

- Tokamak Network is based on Layer 2, a technology designed to improve Ethereum's scalability. Based on various types of Layer 2 solutions, the project is developing to allow users to create a custom Layer 2 environment that meets the purpose of each DApp and makes it easy for anyone to use the blockchain on Layer 2. Tokamak Network has been researching Plasma EVM, Optimistic Rollup, Fast Withdrawal, Cross Layer2 Transaction, and more.

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