

COPE Tokenomics

<https://www.unlimitedcope.com/whitepaper/>

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Introduction

There are currently 16.5 million **COPE** tokens in circulation, with over 90% of these tokens residing within the Community. The initial launch of **COPE** involved a Community-wide airdrop where close to 5000 wallets each received 2000 **COPE**. Since then, **COPE** has been listed on FTX and the Serum DEX, obtained backing from well-known investors, integrated across numerous applications such as Blockfolio and Trust Wallet, and has had an AMM pool setup on Raydium where users can swap **COPE** for USDC or stake their **COPE** for earning farming rewards. The **COPE**-USDC pool is one of the most liquid pools on Raydium at the time of writing.

With the incredible support of the amazing Community the **COPE** project has been elevated, and continues to garner more traction every day. This support defines us. All of us. It has been a thrilling journey so far and we wish to work together, harness this energy, and drive the **COPE** Community to new heights.

As a starting point, **COPE** is defined by three products. The **COPE Leaderboard**, the **COPE Index** and the **COPE Trading Pools**. These products will use the Solana blockchain and integrate with its ecosystem. The **COPE Leaderboard** allows us to catalogue and understand the skills of the most effective investment minds in the community. The **COPE Index** allows the Community to harness and invest in those minds. The **COPE Trading Pools** will allow Community members to select call makers with the most effective performance.

Members of the Community have expressed an interest in helping the **COPE** team develop these core products. This represents the intricate Community engagement-based model that helps us build better products together. Additionally, the Community has expressed an interest in distributing **COPE** to philanthropic causes. All this should be taken into account when modelling the token distribution.

COPE has already been distributed across the Community and organisational verticals with an established market structure. It is imperative to bear this in mind when determining the token distribution model. As a consequence, the allocated amounts will always be a % of the circulating supply and will be impacted by a burn model so as to target a maximum 8% yearly inflation rate, with the goal of becoming deflationary over time.

The COPE Leaderboard

The **COPE Leaderboard** will rank call makers based on the accuracy of their calls.

As described in the [whitepaper](#), call makers who survive bi-weekly **COPE Leaderboard** reformation will be awarded **COPE** tokens. These emissions will occur on the following basis:

- Every 2 weeks, the top 100 call makers will be grouped across a **COPE Performance Zone** spectrum.
- The call makers **COPE Score** will determine which zone they go into.
 - The default starting **COPE Score** for all call makers is 400.
 - The maximum **COPE Score** is 1000.
 - The **COPE Score** value will be impacted positively or negatively by the following variables:
 - i. Size of the call makers audience
 - ii. 24 hour trading volume delta for the market on the day of the call
 - iii. Timeframe - The engine will use the call makers previous calls to classify the timeframe they typically use in their calls.
 - iv. The calls ROI - based on the classified timeframe, direction and the markets price delta over the timeframe
 - The final calculated score will be subject to a discount factor modelled on the following function:

A Size of the call makers audience

$dV24$ 24 hour trading volume delta for the market on the day of the call

T Timeframe

R ROI

Sp Previous **COPE Score**

ds $f(A, dV24, T, R)$ Score delta

$0 < K < 1$ Discount factor

The higher Sp goes the greater the discount Factor K applied to the score delta. Wrong calls are penalised more severely for higher Sp .

Fs Final **COPE Score**

P Inactivity penalty

$$Fs \Rightarrow \text{if } ds \neq 0 \text{ then } \min(Sp + K \times ds, 1000) \text{ else } Sp - P$$

This approach has the effect of penalising previously higher scoring participants who make wrong calls, more than those with lower **COPE Scores**.

- **COPE Performance Zone** placement is based on the following ranges:
 - i. >950 to 1000

- ii. >900 to 950
- iii. >850 to 900
- iv. >800 to 850
- v. >700 to 800
- vi. >600 to 700
- vii. >500 to 600
- viii. >400 to 500
- ix. >300 to 400
- x. 250 to 300

- At the point of **COPE Leaderboard** reformation, call makers with a **COPE Score** of < 300, will be removed from the leaderboard. New call makers will be added with a **COPE Score** of 400.

The COPE Index

The **COPE Index** will take a quantitative view of market liquidity and overlay the weightings established by the **COPE Leaderboard** call makers. This index consists of a constituent eligibility criteria and Index price calculation. It will rebalance based on the predictions made by call makers.

The implementation and operation of the **COPE Index** will endeavour to take into account IOSCO's principles for Financial Benchmarks.

Constituent Eligibility Criteria

Once a satisfactory number of **COPE Leaderboard** reformations have occurred, 20 tokens will be considered for listing in the **COPE Index**. The maximum number of constituents can be reviewed by the community over time.

A token must meet the following eligibility criteria to become a constituent of the index:

- An average market cap over the last 30 days (e.g. > \$200mIn)
- A daily trading volume over last 30 days (e.g. > \$5m)
- Liquidity
- The token has a USDC trading pair on the Solana Serum Dex (The community can vote to add additional Dex's and/or Cex's)

The following list of data attributes can be used to programmatically determine eligibility:

Market Cap	- (Numerical)
Volume	- (Numerical)
Liquidity	- (Categorical, Bucketed)
Number of Trading Pairs	- (Numerical)
Volatility	- (Numerical)

The community will have the opportunity to vote on amending or adding new eligibility criterias. For example, it may decide to include qualitative factors as part of the eligibility criteria e.g. Associated project status, github activity etc.

Index Price Calculation Methodology

Select a number of constituents required for the index e.g. 20. This number should remain constant unless the community decides to increase or decrease it.

- Decide weighting of each constituent
 - Constituent weights are dynamically determined by the call maker **COPE Performance Zone** results.
 - Weight caps and floors are also applied so as not to overweight or underweight.
 - If constituent exceeds cap, weight is reduced and excess weight redistributed to across all other constituents in proportion to their weight.
 - If the constituent is below floor, it will be rounded up with the increase removed from the balance of the constituents below the cap proportional to their weights.
 - Weights are calculated at each rebalancing.
 - The volume of a token that is in actual circulation, could be used rather than just being hodl-ed. For example, if 15% of a token is being 'moved around' then a 'float factor' of 0.15 is applied to the market capitalisation before weighting is applied. (Note: 'float-adjusted weighting')
 - Decide on an initial index value (e.g. \$10,000,000)
 - Calculated as $IV_{(0)} = \sum_{i=1}^n X_{(i,0)} \times P_{(i,0)}$
 - $IV_{(0)}$ = Initial value of index on trading day t=0
 - $X_{(i,0)}$ = Number of units of component i in index after cap and floor rules applied
 - $P_{(i,0)}$ = Price of component i in the index on trading day t=0
 - n = Number of components in the index
 - The index price is then calculated:
 - $IP_{(s)} = \frac{(\sum_{i=1}^n X_{(i,t)} \times P_{(i,s)})}{D_{(t)}}$
- where
- $IP_{(s)}$ = Current index price at time s

- $D_{(t)}$ = Index Divisor
- The index divisor ($D(t)$ above) is a number used to set the index price at a base level (e.g. 2,000). If the market cap changes significantly because of an event such as a hard fork, deletion or alteration of a constituent, then a new index divisor will be calculated so that the index price remains constant.

The community will have the opportunity to vote on adding or amending index price calculations.

Index Rebalancing Period

The **COPE Index** will rebalance every few days, giving time for call-makers predictions to play out, and this is typically the case based on analysis of the average timeframe these calls tend to work across.

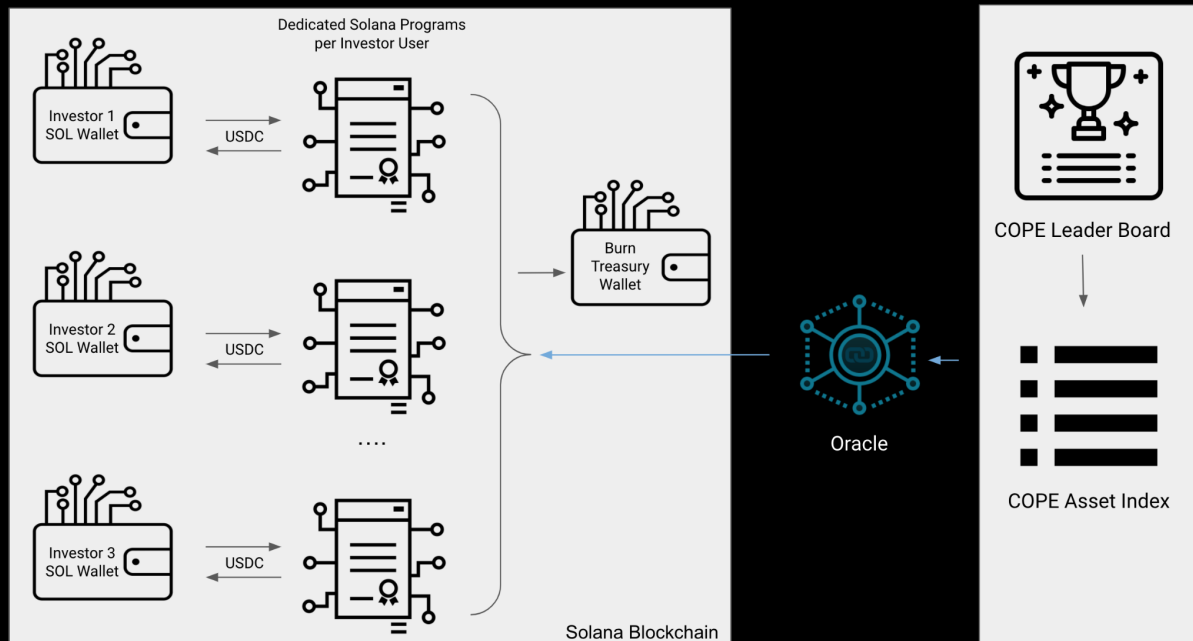
Tokenomics

Leaderboard Tokenomics

- **COPE** tokens will be awarded as a % of the total emission just before leaderboard reformation, as follows:
 - Zone i = 25%
 - Zone ii = 18%
 - Zone iii = 15%
 - Zone iv = 12%
 - Zone v = 10%
 - Zone vi = 8%
 - Zone vii = 6%
 - Zone viii = 4%
 - Zone ix = 2%
- The emission amount for the first 3 months will be fixed at 4000 **COPE** tokens which will be distributed to the participants across zones. This amount can be reviewed by the community after the launch of the leaderboard.
- During the first few weeks, the full emission amount will be allocated across the best to worst scores e.g.
Using the emission amount of 4000 **COPE** tokens:
 - In normal operation, if the best score is 500 and the lowest score is 250, only a proportion of the emission amount will be allocated across zones.
 - However during the first few weeks, the full emission amount will be distributed across the best and worst zones.
- A dispute process will exist where call classifications can be disputed within a short time window. Call makers will need to stake tokens to raise the dispute. If a dispute is won, the call maker will receive **COPE** tokens based upon the amount staked. If they lose the dispute their staked tokens are subject to burning or entering re-circulation. There will be a maximum amount that can be staked. This maximum limit can be reviewed and changed by the community.

Methodology & Tokenomics Associated with Investing in the COPE Index

The unlimitedcope.com website will provide investor users with functionality to invest in the COPE index. This will be achieved using the following approach:

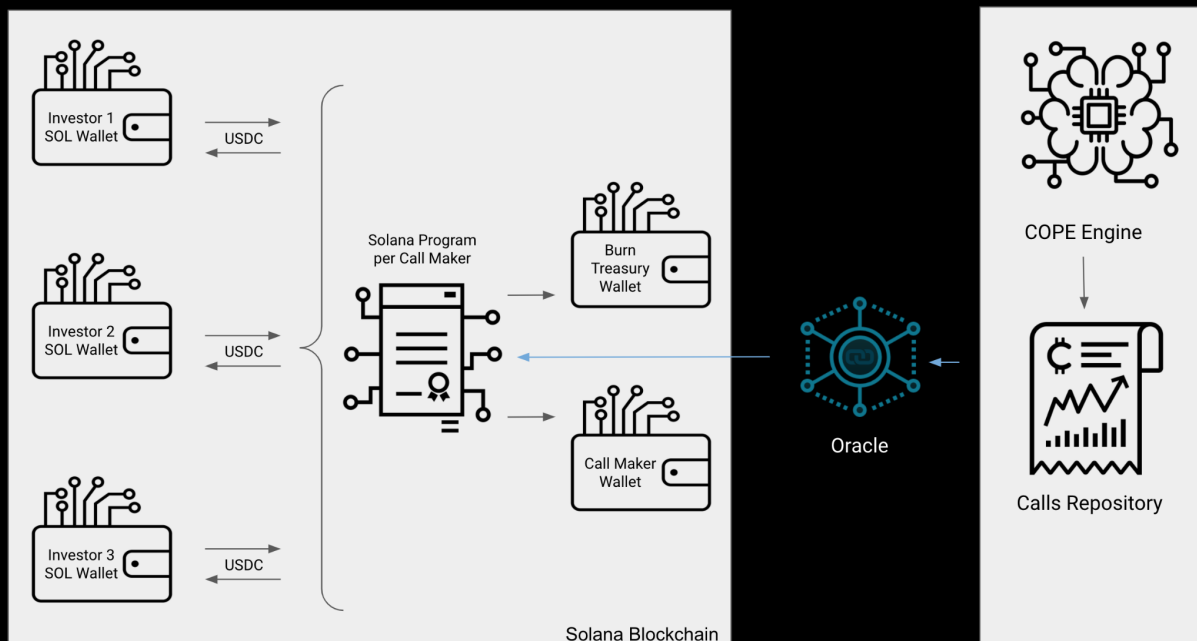


- A user will connect their wallet to the unlimitedcope.com website.
- Any required USDC and **COPE** holdings will be verified.
- The user will specify how much USDC they would like to invest.
- Once successfully verified, a solana program, dedicated to the user, will be generated and deployed. The user will have to pay the SOL fee required to generate and deploy this solana program.
- The users' USDC will be sent to their dedicated solana program and remain locked-up.
- The Solana program will automatically allocate the users' USDC by placing orders across Serum markets associated with Index token constituents based on their weightings obtained via an oracle.
- Positions are exited based on index rebalancing and stop-losses being triggered.
- Profits will be automatically harvested every 48 hours on the following basis:
 - 80% of profits go to the investors wallet.
 - 15% of profits will go to the organisation's burn-treasury wallet. COPE tokens will be purchased using these profits after which they will be burnt.
 - 5% of profits will go to Help The World Cope projects nominated by the community.

- Users will be required to pay a 0.5% withdrawal fee to the burn-treasury wallet. The fee payment will be used to buy back and burn **COPE**.
- The TVL locked within all solana programs will be counted and aggregated for reporting purposes.
- The harvesting period can be reviewed and changed by the community.

Methodology & Tokenomics Associated with Investing In COPE Trading Pools (Token Markets Referenced by Call Makers)

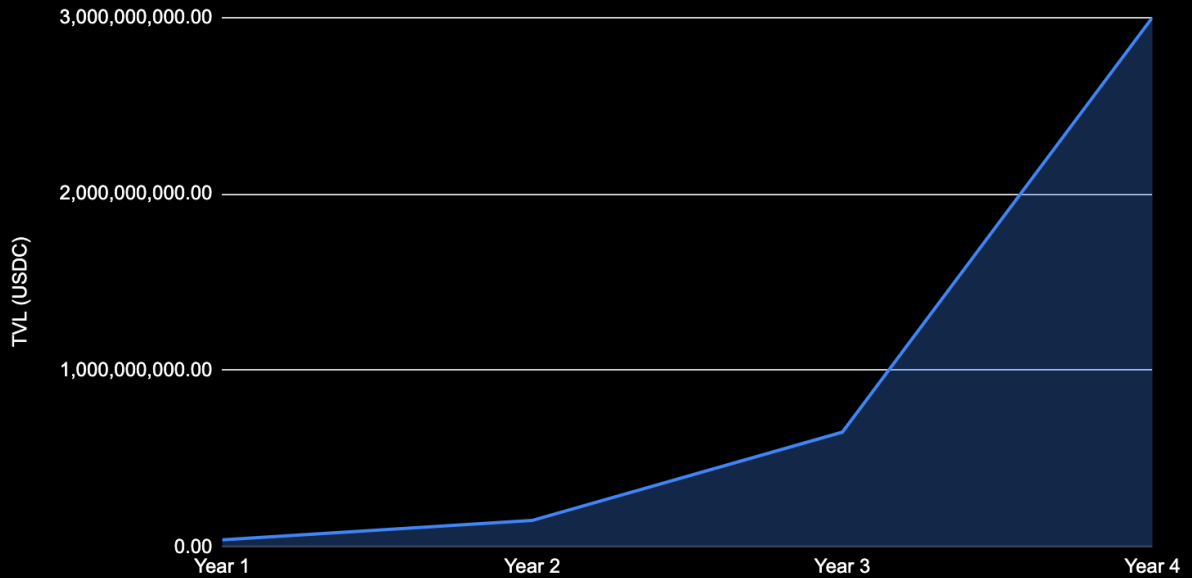
The unlimitedcope.com website will provide investor users with functionality to invest in token markets mentioned by call makers. This will be achieved using the following approach:



- Each call maker, in the **COPE Leaderboard**, will have a dedicated Solana program that can:
 - Receive USDC.
 - Submit orders to Serum, based on the markets called.
 - Exit based on timeframe, stop-loss or a default profit target.
- A user will connect their wallet to the unlimitedcope.com website.
- Any required USDC and **COPE** holdings will be verified.
- Users will be able to send their USDC to a call maker's solana program.
- Each Solana program will invest the users USDC in a Serum market, associated with the call makers most recent token mentioned in their call.
- Profits will be automatically harvested every 48 hours on the following basis:
 - 65% of profits go to the investors wallet.
 - 20% of profits will go to the call makers wallet.
 - 10% of profits will go to the organisation's burn-treasury wallet. **COPE** tokens will be purchased using these profits after which they will be burnt.
 - 5% of profits will go to **Help The World Cope** projects nominated by the Community.
- The harvesting period can be reviewed and changed by the community.

- The TVL locked within all call maker Solana programs will be counted and aggregated for reporting purposes.

Estimated TVL in COPE Index and Call Maker Solana Programs



Year 1	Year 2	Year 3	Year 4
\$40,000,000	\$150,000,000	\$650,000,000	\$3,000,000,000

COPE Staking and Spending

Call makers who stake their **COPE** will receive LP tokens and this will allow them to unlock their **COPE Report** highlighting strengths and weaknesses on a call by call basis and highlighting recurring strengths and failings that can be used to improve performance. The **COPE Engine** will be looking over thousands of reports and will be able to categorise the many different common types of strengths, weaknesses and failings. It will give tips on what might be done better next time, based on retrospective statistical analysis.

Staking of **COPE** will be accepted across 3 main pools:

1. **COPE -USDC pool on Raydium** (Already exists)
2. **COPE-RAY**
3. **COPE-SOL**

The availability of the new pools will be announced in due course. The community can vote to add new **COPE** pools in the future.

Users will need to spend 10 **COPE** tokens to unlock their report as well as other user's reports(who provide permission) and users who have over 1000 LP tokens have unlimited unlock-ability of reports on the platform. 75% of **COPE** tokens spent will be burned
This report will continuously update over time.

The suite of products coming out of the **COPE** project in the near term that will contribute to the burn model include:

- SPL Token Distributor
- **COPE** Call Reports (10 **COPE** per report or 1000 LP tokens for unlimited unlock ability)
- **COPE Index** and Trading Pools
- Market Reports
- Serum Dex Analytics
- **COPE** Merchandise
- **COPE** Limited Merchandise (Unisocks style Bonding Curve Merch with very low supply)

Year 1 burn model based on the following **COPE** spending (with 75% of **COPE** being burned) estimates (this can be reviewed by the community).

SPL Token distributor -> As the Solana Ecosystem gets bigger there will be more projects wanting to carry out airdrops. We will charge a small fee of 200 **COPE** to allow these projects to send their tokens to 10,000s of solana based wallets with just a few clicks => An estimated 300 projects in Year 1 will result in 60,000 **COPE** spent.

Report unlocking → If an estimated 3,500 users unlock 3 reports (10 **COPE** per report) in Year 1 → 105,000 **COPE** spent.

COPE Index and Trading Pools → There will be a 0.5% withdrawal fee (1.5% for early withdrawals). 15% and 10% of the ROI respectively will be used to engage in buyback/burn of **COPE** in Year 1 → 210000 **COPE** spent.

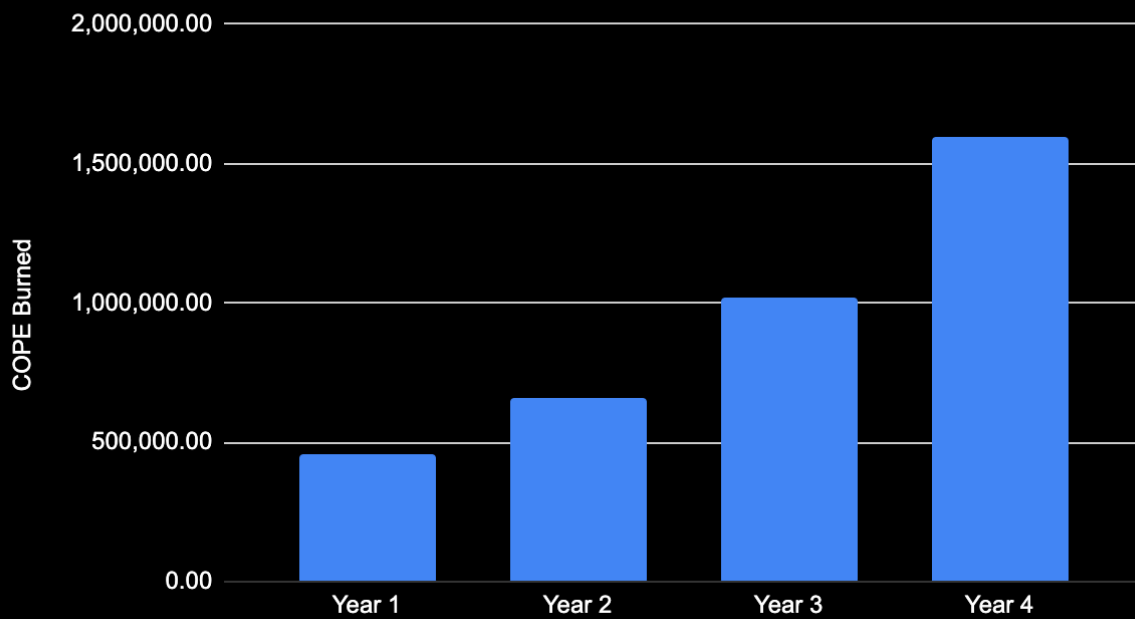
Access to Premium Serum Dex Analytics -> Will include a myriad of analytics & functionality, including providing users access to all their trades on the Serum DEX by simply typing in their sol wallet address → An estimated 3500 Users will each spend 15 **COPE** in Year 1 → 52500 **COPE**.

Access to Premium Market Reports -> **COPE** holders will have access to exclusive up-to-date reports from well-known members in the community → An estimated 2000 users will each spend 12 **COPE** in Year 1 → 24000 **COPE**.

COPE face masks, Merch & Limited edition Merch → Targeting 5000 **COPE** masks sold at 10 **COPE** per mask in Year 1 → 50000 **COPE**.

SPL Token Distributor	60,000
Report unlocking	105,000
COPE INDEX and Trading Pools	210000
Dex Analytics	52,500
Market Reports	24,000
Merch	50,000
Limited Merch	5000

COPE Burn Model



Estimated COPE Burn

Year 1	Year 2	Year 3	Year 4
476,850	683,400	1,041,469	1,613,929

COPE Token Distribution

Here is a list of Community Verticals through which we intend to distribute **COPE** going forward. Given the **COPE** token has already been distributed, this has to be taken into account when looking at how we can organise **COPE** across the different verticals for the ongoing development of the **COPE** project.

Community Verticals (as a % of circulating supply)

These figures are subject to change based on maintaining an inflation rate < 8% year on year (which means at the end of Year 3 there will be less than or equal to 20,785,248 **COPE** tokens in circulation). The percentages below can be subject to change based on community staking and voting

1. **Help the world COPE:** (0.3% with 75% of this coming from COPE fees)
Most of the **COPE** going to the Help-the-world **COPE** fund will originate from **COPE** revenues made through the spending of **COPE** on products in the **COPE** ecosystem. The community will be able to stake their **COPE** to nominate causes that require financial assistance. Only those causes for which there are boots on the ground that are accessible by the **COPE** community globally will be funded so as to ensure 100% of contributions go to those who need it.
2. **Early Contributors:** (0.8%)
There are many people from the community who have supported the **COPE** project from the beginning and continue to do so. Their on-going contributions to the **COPE** project will be rewarded.
3. **Liquidity Reserves:** (2.5%)
Users should be able to buy **COPE** from exchanges. As a result **COPE** liquidity should be provided to exchanges and market makers that decide to list it and provide markets, respectively. Priority should be given to decentralised exchanges operating on the Solana blockchain as and when they go live. Distributions from this segment will be governed by **COPE** holder voting and staking.
4. **Community Grants:** (1%)
COPE grants can foster the development of a micro-ecosystem of highly talented people who can create sophisticated farming strategies, algos, and applications we cannot think of, that create upside for the entire **COPE** community. The community will have an opportunity to stake their tokens to nominate projects. Examples may include funding:
 - a. the construction of optimised yield farming strategies. The resulting ROI can be split between the creator, community and organisation.
 - b. the creation of merchandise that can be purchased with **COPE**.

- c. Actively helping manage the **COPE** community globally across different platforms and regions.
 - d. Producing creative **COPE** material to broadcast **COPE** to the wider community.
 - e. **COPE** | GAMES → Retro style 'insert quarter' for Hi-Fi 2D multiplayer battles.
5. **Ecosystem:** (2.2%)
- Given our products will run on Solana, **COPE** can be used to fund projects in the Solana ecosystem in order to benefit the community. The **COPE** community will have an opportunity to stake their tokens to nominate projects. These include funding the development & productionisation of:
- a. Analytics for Serum and other Solana DEXes.
 - b. Solana Smart contracts that can interact with oracles.
 - c. Stop-Loss for liquidity provision on Raydium Pools.
6. **Pools:** (5%)
- COPE** will be distributed to liquidity pools and yield farms which the community benefit from. LP tokens originating from staked liquidity will be eligible for unlocking the **COPE** report. The **COPE** leaderboard emissions will also originate from this vertical. Governed pools will emit **COPE** in phase 2 of the project based on the automated investment protocol mentioned in the [whitepaper](#). Distributions from this segment will be governed by **COPE** holder voting and staking. E.g. users can stake their **COPE** to nominate and vote for new pools such as **COPE-RAY** or **COPE-SOL**.

Organization Verticals (as a % of circulating supply)

We intend to maintain the Community/Organisation Split, which is currently approximately split as 90%/10% respectively.

All verticals that form part of the organisation will undergo a vesting time lock.
The roadmap development, operation, support and maintenance of the core products will be carried out by the organisation.

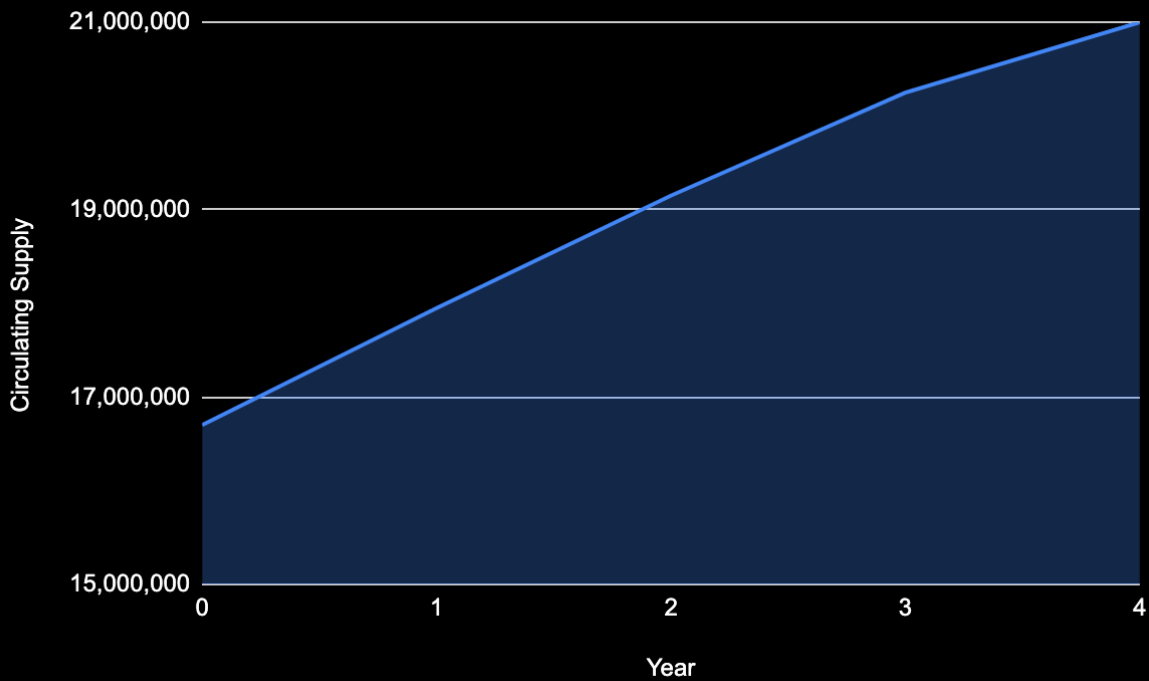
Going forward the organisation will seek to raise capital only if needed from investors which will be used to execute development of the roadmap and operational management. This will be done carefully so as to not disrupt the Community/Organisation Circulating Supply Ratio balance.

The Organisation consists of Advisors, Investors and the Core Team and allocations are subject to a 1-3 year lockup.

- 1. Advisors (2%)** - vesting on a 1-3 year linear time lock.
- 2. Investors (3%)** - vesting on a 1-3 year linear time lock.
- 3. Core Team (5%)** - vesting on a 1-3 year linear time lock.

For example this means that the CORE Team will receive 1.66% out of the 5% in Year 1.

COPE Circulating Supply Schedule



Present	End Of Year 1	End Of Year 2	End Of Year 3	End Of Year 4
16,700,000	17,950,000	19,150,000	20,250,000	21,000,000

YOY Inflation	End Of Year 1	End Of Year 2	End Of Year 3	End Of Year 4
16,700,000	7.48%	6.68%	5.74%	3.71%

The **COPE** circulating supply will gradually increase over time. This increase is a function of the community and ecosystems anticipated demand for **COPE**. Our current model targets a circulating supply approaching 21 million by year 4. The community may take a view on changing the circulating supply schedule based on new demand for the **COPE** token.

Community Governance Roadmap

- Automated Token Distribution: solana programs, with community agreed rules, will ultimately control the distribution of **COPE** into the circulating supply. These programs will be audited before go-live.
- Voting Infrastructure: Causes, grants, Index weighting equations etc all require important decisions during their lifetime. A structure needs to exist that allows the community to vote on all major decisions.
- Product Roadmap governance: A structure will be required to organise the roadmap based on votes, feedback, bug bounties and new ideas etc.