WHITE PAPER

**The 5 W’s**

LOTTREE was first conceived by our founder, Daniel Klugman, in early April of 2021. With alt coin season in full swing and deflationary tokens flooding the meme space, we thought it would be the ideal time to release one token to rule them all; and an actual use case! We’ve borrowed elements from community favorites like Safemoon, Hoge Finance and the lesser known Lottery Token to bring us to the next level. We took the good and left the bad behind.

But first, let’s make something clear. We aren’t developers! We are community members that saw a gap and decided to fill it. That means we had to hire outside help to develop our smart contract and parts of our website. It naturally followed that multiple audits before the launch of LOTTREE were mandatory. If we didn’t get the audits done beforehand, we would have had no way of verifying the contract was what we actually wanted and intended.

**General Tokenomics:**

Each LOTTREE transaction incurs a 5% tax:

2% Lottery Pool

1% Redistributed

1% Locked in Liquidity Pool

1% Planting Trees

The mechanics of each element of the 5% tax are described below.

**2 Use Cases**

**Charity - Done Differently**

As of late it seems as though every meme token looking for a use case defaults to the “we want to donate to charities” roadmap. We loved that idea but noticed that every token lacked a certain “forced followthrough” that we believe is the key to building trust within the LOTTREE community.

What do we mean by forced followthrough? Instead of sending money to a dev wallet with the hopes of it eventually being donated, we’ve decided to partner with a charity beforehand and give them full ownership of the charity wallet. 1% of each LOTTREE transaction goes directly to our charity partner, , REDACTED, to help plant trees. That means you don’t have to trust us when we say we help plant trees because it’s YOU, who is directly helping to plant trees.

**Volume Based Tiered Lottery**

LOTTREE’s lottery system was inspired by Lottery Token. We looked at what they did right and wrong and brought it to the next level. The wrong: no audit, contract not verified, not open source, no team doxxing, no locked liquidity. The right: volume based, no entry fee, forever ticket.

Volumed based lotteries are the lottery of the future and the future is now! As the daily volume of LOTTREE trading increases so does the frequency of lottery draws and the size of them. Unlike other lottery tokens, we don’t take an entrance fee. Instead of watching your holdings deplete, you’ll watch them grow through reflection. By holding at least 10 LOTTREE you have a ticket in every future draw… forever!

2% of each LOTTREE transaction gets added to the primary lottery pool. When the primary pool accumulates 0.3% of the total supply a draw is triggered. Each draw selects 3 random winners. 1 winner from the largest 33% of wallet holders, 1 winner from the middle 33% of wallet holders and 1 winner from the smallest 33% of wallet holders.

We wanted a system where the little guy always wins but at the same time needed to keep things fair and exciting. To encourage holders to increase their LOTTREE holdings, the tiered lottery doesn’t pay out equally. The 3 lottery winners receive the following portion of the 0.3% accumulation in the primary lottery pool:

Top 33% Winner - 0.14% or 46.67% of the total pool

Middle 33% Winner - 0.09% or 30% of the total pool

Bottom 33% Winner - 0.05% or 16.7% of the total pool

Only 93.34% of the lottery pool or 0.28% of the total supply is paid out to the 3 random winners. The remaining 6.66% of the lottery pool or 0.02% of the total supply is added to a secondary lottery pool.

The secondary or grand lottery pool gathers 6.66% of each primary lottery pool payout and slowly accumulates until it reaches 0.5% of the total supply - it then pays out, in full, to one random wallet.

Every wallet participates in the Grand Lottery no matter the size. When a Grand Lottery is won, a whale is made; hence we refer to the event of a Grand Lottery as the “Whale Maker”. But aren’t whales bad? In short, yes and no. To prevent a 0.5% dump, the Whale Maker pays out 1/5th of the winnings every other day rather than all at once. No this doesn’t completely prevent a dump - it aims to balance things out a little.

**Burn**

After our presale, we burned 10% of the total supply to increase scarcity and lower the market cap to give us even more room to grow.. Don’t worry about early dumps because everyone that participated in the presale is locked in for 3 months to help provide initial liquidity. We also limited the presale purchase to 0.1% of the total supply per wallet so we could limit the number of big fish to start. If you are asking yourself “How does this benefit me?” Unless you were part of the presale, it doesn’t. This was intended to act as a thank you to our initial investors for taking a chance on us and locking in their stake for the community.

In line with the trends, LOTTREE has 1% of each transaction get locked into the PancakeSwap liquidity pool. This both decreases the total circulating supply while at the same time helps to stabilize an ever-rising price floor. Don’t credit us on this clever trick because we borrowed this from the “secret sauce” of the Safemoon Protocol. Given the success of Safemoon, we mimicked this approach in that the 1% fee is split 50/50 - ‘half of which is sold by the contract into BNB, while the other half of the LOTTREE tokens are paired automatically with the previously mentioned BNB and added as a liquidity pair on PancakeSwap.’

**Redistribution**

From what we can tell, Hoge Finance was the first, then the tsunami of meme coins followed. Call it what you want: static rewards, redistribution, reflection… in the end, they all have the same function - to reward you with tokens for not selling. Like Hoge Finance, LOTTREE redistributes 1% of each transaction to existing wallet holders. That means you get a proportional cut of each transaction based on your wallet size.

**Initial Distribution**

We split up the initial token distribution over several areas. Team, Airdrops, Presale, PancakeSwap, Initial Burn. Yes the team has tokens. We made this token to make money. No team member has more than 1% of the total supply. Our tokens are locked in DxLocker and will unlock over the next 2 years at a rate of 25% every 6 months. It took a lot of time and money for us to develop and audit the smart contract and website. We want to invest more as the token grows and for us to do that we need to realize some of our gains. We feel that the unlocking period is overkill because of how little each team member holds but wanted to give potential holders the trust they need to get their LOTTREE ticket.

Airdrops will be used strategically to help build buzz and run contests in LOTTREE’s early days. We intend to give these tokens away early so that they don’t create a trust issue moving forward. At presale, the Airdrop allocations are the only tokens that will be unlocked so we limited it to 2.5% of the total supply (of which 20% will be distributed during the presale). The Presale is designed to benefit early adopters. The initial market cap will be set at 50,000USD. Presale participants will be allowed to purchase a maximum of 0.1% of the total supply at BNB equivalent of 50USD per wallet. As the presale allocation is only 25% of the total supply, there will be a maximum of 250 participants. Presale participants will have their tokens locked for 2 months before they can realize profits.

Once the presale is complete, the initial burn will take place and the remainder of the supply will be transferred to the PancakeSwap liquidity pool.

**Moving Forward**

LOTTREE has big plans including NFT’s and eventually an exchange. For now we are focused on organically growing the LOTTREE community and don’t want to bite off more than we can chew at this point.

**Short Term**

Listings, listings, listings. We need our name out there and getting our name, logo, price and charts everywhere is a primary concern. We are 100% focused on marketing and building the community.

**Long Term**

Once we have established ourselves we will start creating NFTs or as we like to say, ‘NFTrees’. A portion of sales will be going to other charity partnerships we form in the future. Building on the same concept and depending on our success, we are considering creating forks of the LOTTREE smart contract to help other charities as well.

Looking way out and a few forks down the line, we would build an exchange to trade our charity lotto tokens and create either a staking or yield farming platform. When the time comes we are going to look to the community on which way to move forward.