

Scallop White Paper 1.1.2






Scallop Team

September 2021



Scallop

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1. Disclaimer

“Scallop whitepaper” is strictly intended for informational purposes only, it is neither an offer document nor investment suggestions nor an invitation to invest in the Scallop project or mentioned projects or any of their products.

Scallop whitepaper will update in real time without notifications, all of the rules and explanations might still change, make sure you've saved the link of Scallop whitepaper (<https://doc.scallop.io/whitepaper.pdf>) to have the latest version.

2. Preface

Smart Contract and DeFi technology has been growing really fast since 2014 when Ethereum was borned. In 2020, many DeFi projects were announced and it affected the financial concept of all humans.

Meanwhile on-chain collectibles and NFTs walk into people's lives too, they can be used to represent items such as photos, videos, audio, and other types of digital files. There are huge potentials in the usages of on-chain collectibles in many aspects.

In 2021, people only see numbers on most of Defi projects, it's hard to make app stickiness, make us want to make a product which users will usually visit, we think we can build a no-loss lottery plus on-chain collectibles gaming project, because there are only a few no-loss lottery projects on blockchain.

We are going to create tokens and NFTs to be unique collectibles, make them like Pokemon Cards or Yugioh Cards, it can also increase application stickiness like people will usually check his collection cabinet, and sometimes our collectibles will also interact with our application.

The fading reason for no-loss lottery projects is that users always win nothing before they win something, and it still costs gas fee. So we designed some tasks for users to make them have some extra chance to win something while they are having bad luck, and we chose Solana because it cost almost 0 gas fee which is a perfect match with no-loss lottery projects. And there's almost no no-loss lottery project on Solana we can use right now.

Besides super low gas fee, Solana is a super fast, high security, composability and decentralized blockchain and Scallop team think Solana will be a world computer and be a part of all humans life, just like we are all the witness of how internet entered our world, and it had changed everything.

3. What is Scallop?

Scallop is a DeFi game on Solana, users can stake their tokens into Scallop Pools to grow scallops in Scallop Tank, they can also get Scallop Token (SCA) while they staking tokens.

At the end of each week, one or a few winner(s) chosen by program randomly will share out some SCA as the staking reward. During the game users can win tokens and Scallop Decorations by carrying out some tasks ✨!

The screenshot displays the Scallop DeFi game interface. At the top, the 'Scallop' logo is on the left, and navigation links for 'Tank', 'Stake', 'Winners', 'Decorations', and 'About' are in the center. On the right, there is a 'Connect Wallet' button and a 'US' flag. Below the navigation bar, a row of four cards provides key statistics: 'Total Value Locked' at \$123,645.39, 'Have Sent Out' 22,573.56 SCA, 'SCA Price' at \$1.25, and 'Next Harvesting' in 5d 17h 3m 29s. The main area features a large 'Scallop Tank' illustration with a central timer for the 'Next Harvesting' event (13:03:29) and a notification 'You staked 100 RAY'. To the right of the tank, a 'Harvest' button is visible. Below these, a 'Staking' section lists three pools: 100 SCA (67.20% APY), 100 RAY (28.29% APY), and 10 SOL (7.91% APY). Each pool shows the current staking amount and the potential SCA reward for the next harvest, along with a 'Deposit' button. A 'Lending' section is partially visible on the far right. The footer contains social media links for Blog, Telegram, Twitter, and Discord.

Pool	Token	APY	Now Staking	Next Harvest Reward
100 SCA staking pool	SCA	67.20%	65,829 SCA	848.38 SCA for 1 winner(s)
100 RAY staking pool	RAY	28.29%	25,600 RAY	850.01 SCA for 1 winner(s)
10 SOL staking pool	SOL	7.91%	2,659.69 SOL	129.10 SCA for 1 winner(s)

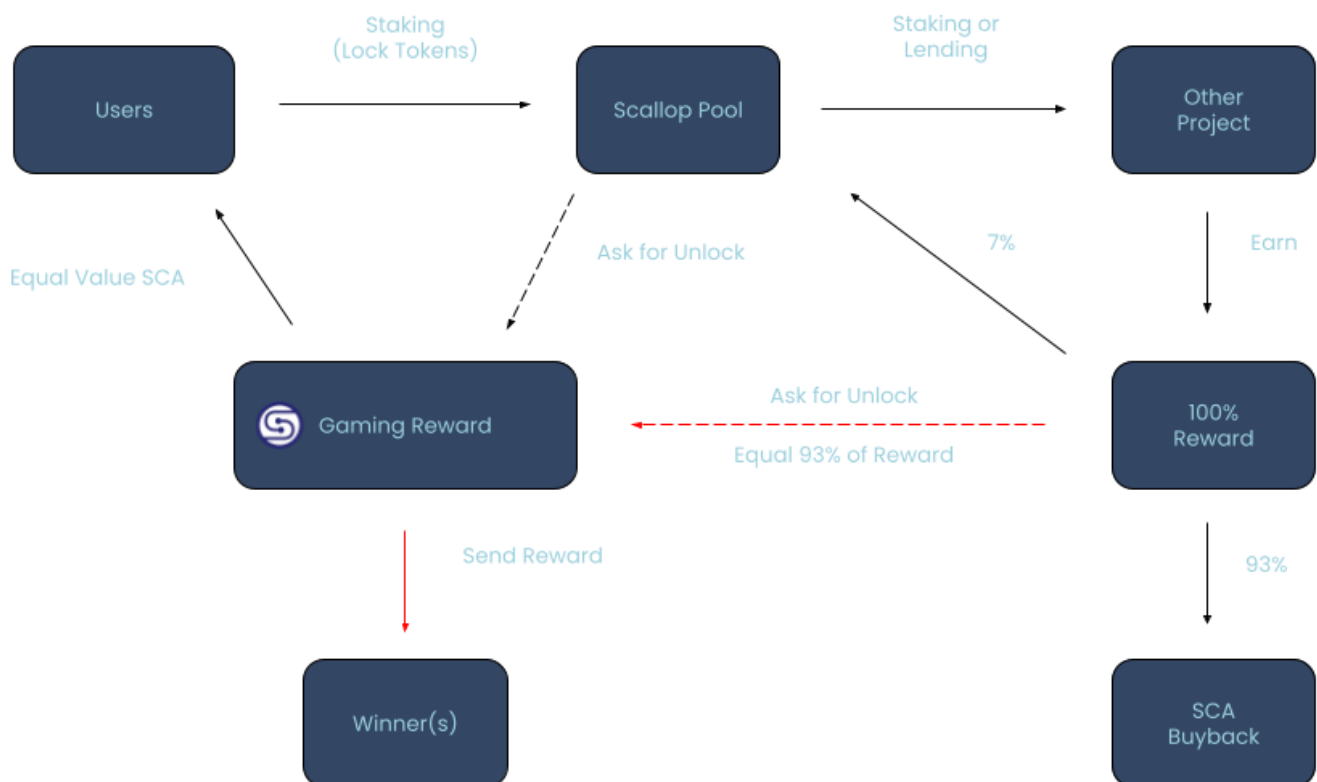
4. Rules

4.1. Rules

Users can stake their tokens into Scallop Pools to grow scallops in Scallop Tank, while they stake tokens they will also get the same value of SCA (Scallop Token) of the token they stake.

Every Friday 20:00 (GMT+8) will be the harvest time, users will have the qualification of harvesting after staking over 7 days.

After harvesting, one or a few winner(s) chosen by **Switchboard VRF** (Verified Random Functions) will share out the reward SCA (With the same value of 93% staking reward), 7% of staking reward will be kept in the staking pool and other will be SCA buyback.



There will be different tiers of pools with the different address limits, different SPL tokens to let users stake tokens, ex:

- 10 SCA/1000 address
- 100 RAY/1000 address
- 10 SOL/1000 address
- 100 USDC/ ∞ address

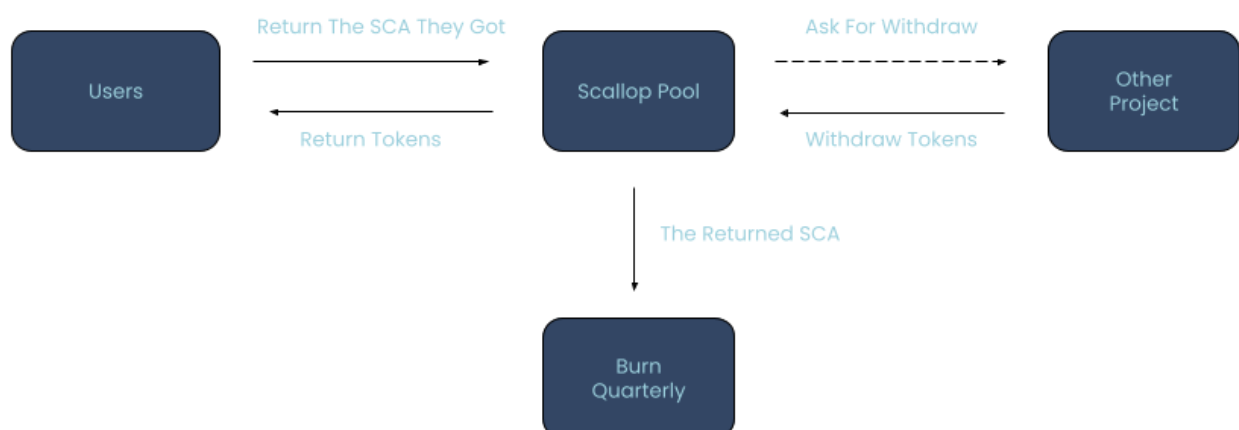
You can see where the funds will go, our program will use them to earn rewards by:

- Stake SOL on Solana Validator or other SOL staking projects.
- Stake the SPL tokens which have their own staking program.
- Lend to some lending projects.
- Join some liquidity mining pool.

Notice 🔍:

- If users keep staking, they can harvest every week.
- Users can get back the token they staked while they return SCA.

For example, if a user stakes 100 USDC, he will get \$100 worth of SCA, and he can't take back 100 USDC without returning the SCA he got while he joined the pool.



4.2. Tasks 🏆

During the game users can carry out some tasks to win some prizes because we won't let users join us for a month with win nothing, and this will also make app stickiness also make users love to stake their tokens at Scallop.

Users can carry out some tasks like:

- Stake at some staking pools for over a month.
- Stake more than 10K SCA over two weeks.
- Offer \$100 values to SCA/USDC Liquidity pools for a month.

To win:

- Scallop Decorations
- Extra SPL tokens
- SCA
- NFTs

There will be 2 ~ 3 tasks that will be parallel at the same time.

Extra SPL token rewards will be the token minted by partnership projects, most of them might be meme tokens, these are projects we wants to have partnership for the extra SPL token rewards:

- **Shoebill coin**
- **CATO**
- **Samoyedcoin**
- **Moonlana**

We will use SCA or Scallop Decorations to trade their tokens or NFTs.

5. Earn

There will be slide bars to let users choose which pool they can join and earn rewards, we will have 3 ways to use the funds to earn rewards.

5.1. Staking

At the beginning, our project will choose staking SOL to earn rewards, because SOL is the native token on Solana, to be more decentralized, we will not keep using the same Solana validator, we are also planning to set up our own Solana Validator in the future.

We might use these SOL staking projects:

- **Marinade (Priority)**
- **Steaking.io**
- **Scallop Staking Program**

We will also let users to stake some SPL tokens which their mother project have staking program for their native token to earn rewards, like the projects listed below:

- **Raydium**
- **Parrot**

5.2. Lending

We will also use lending projects to earn rewards, these are some great lending projects, we might choose tokens like USDC(srm) or wETH for lending because they have more users:

- **Acumen**
- **Mango Markets**
- **SolFarm**
- **Solend**

5.3. Liquidity Mining

We will also join liquidity pools to earn rewards, but there will be impermanent loss during liquidity mining, so we put them thirdly.

Liquidity mining projects:

- **Orca**
- **Serum**
- **Raydium**
- **Saber**

And we will also keep an eye on some special liquidity pools like:

- USDT/USDC at **ORCA**
- mSOL/SOL at **Marinade, Saber**

If they are suitable with our program, we will also use them to earn rewards in the future.

6. Scallop Decorations

6.1. What are Scallop Decorations?

In Scallop, if your address has some tokens, no matter these are Fungible Tokens or Non-Fungible Tokens (NFTs) which we listed, you can call them Scallop Decorations, it will be shown at Scallop tank and Interact with our game, which means **you can call Scallop a small on-chain collectibles ecosystem.**

We think this will be one of the most attractive models of our project, we can make many on-chain collectibles not only minted by us more useful and valuable.

The goal of Scallop Decorations will be On-chain collectibles, we want users to love collecting them like collecting Yugioh Cards, and holding some kinds of Scallop Decorations will have some benefit in Scallop app.

How do users get them:

- Carry out tasks in Scallop.
- We will give them away in some events in our community.
- Users might get them in events which are hosted by our friendship projects.
- Buy them on **Serum** DEX UI.
- There will be a **Decorations Market** (Q2 2022).

Users can check the details of all Scallop Decorations on Solana Explorer and some kinds of Scallop Decorations are unlimited but we won't mint it without any announcement, unlimited Scallop Decorations might be limited in the future.

6.2. Usage

- Make your Scallop tank more beautiful and colorful .
- There will be an **Illustrated book** of Scallop Decorations.
- Holding some kinds of Scallop Decorations might let you get more extra tokens in events or staking pools.
- We will note some trivia next to Scallop Decorations.

6.3. Minted by Us

6.3.1. Seagrass 🌱

Seagrass can reach heights of 200 feet (60m), which is as tall as a 20-story building 🏢.

Address : SeawdHf3NHG6gxCrezQxr5oJAHTLJd6JsQxxd144yaz

Symbol : Seagrass

Name : Scallop Seagrass Decorations

Decimals : 0

Supply : 338 (Unlimited)

Rarity : ★☆☆☆☆



We gave them to the addresses which voted us over 2 USDC at Solana Hackathon Asia 2021.

6.3.2. Scallop Fossil 🗿

There were archaeologists found Scallop fossils on Mount Everest 🏔️!

Serum Market ID (Fossil/USDC):

NF5PoXovc9wpWMPMrGeCQSmJRAEEUFCR3UZGVHTonf9

Address : FossilLkXJZ1rePN8jWBqHDZZ3F7ET8p1dRGhYKHbQcZR

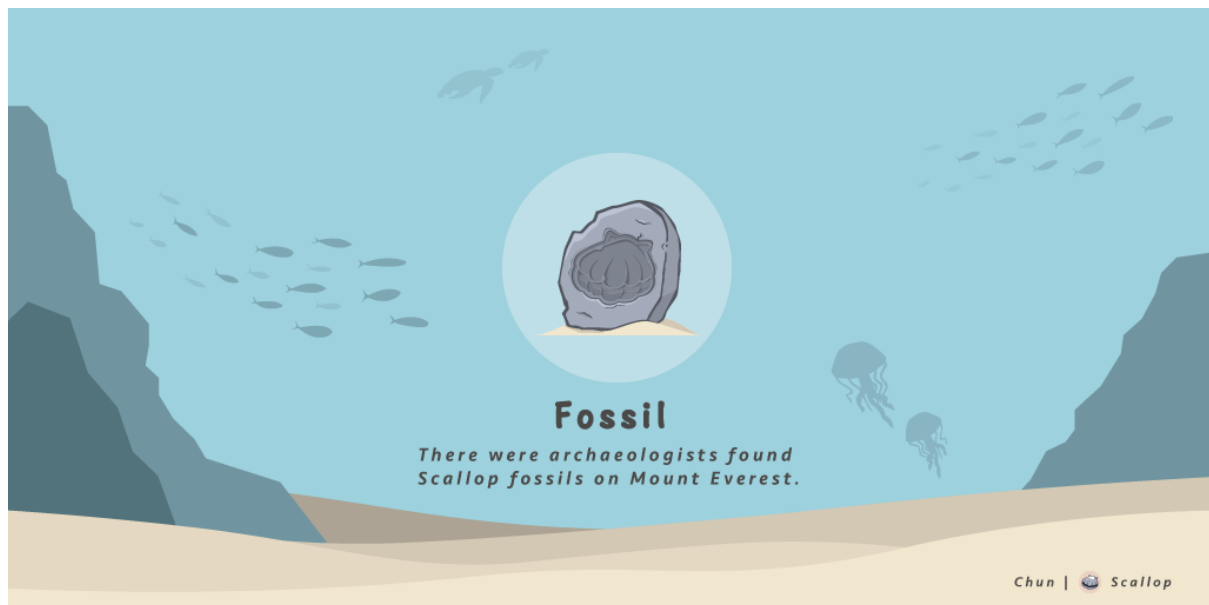
Symbol : Fossil

Name : Scallop Fossil Decorations

Decimals : 0

Supply : 400 (Limited)

Rarity : ★★★★★



We gave them to the addresses which are the first batch of Seagrass holders at Q3 2021.

6.4. Minted by Our Friends

We will not only list tokens minted by us, we would also want to list tokens from other projects like **Orca Collectibles** minted by **Orca**.

(Coming soon.)

6.5. NFTs Decorations

We will mint NFTs (Non-Fungible Tokens) by using **Metaplex** with Solana NFT Metadata Standard, and they are going to be Scallop Decorations too, like Scallop Hermit Crab NFTs.

Each NFTs Decorations will have many different attributes which mean each of NFTs Decorations will be one and only.

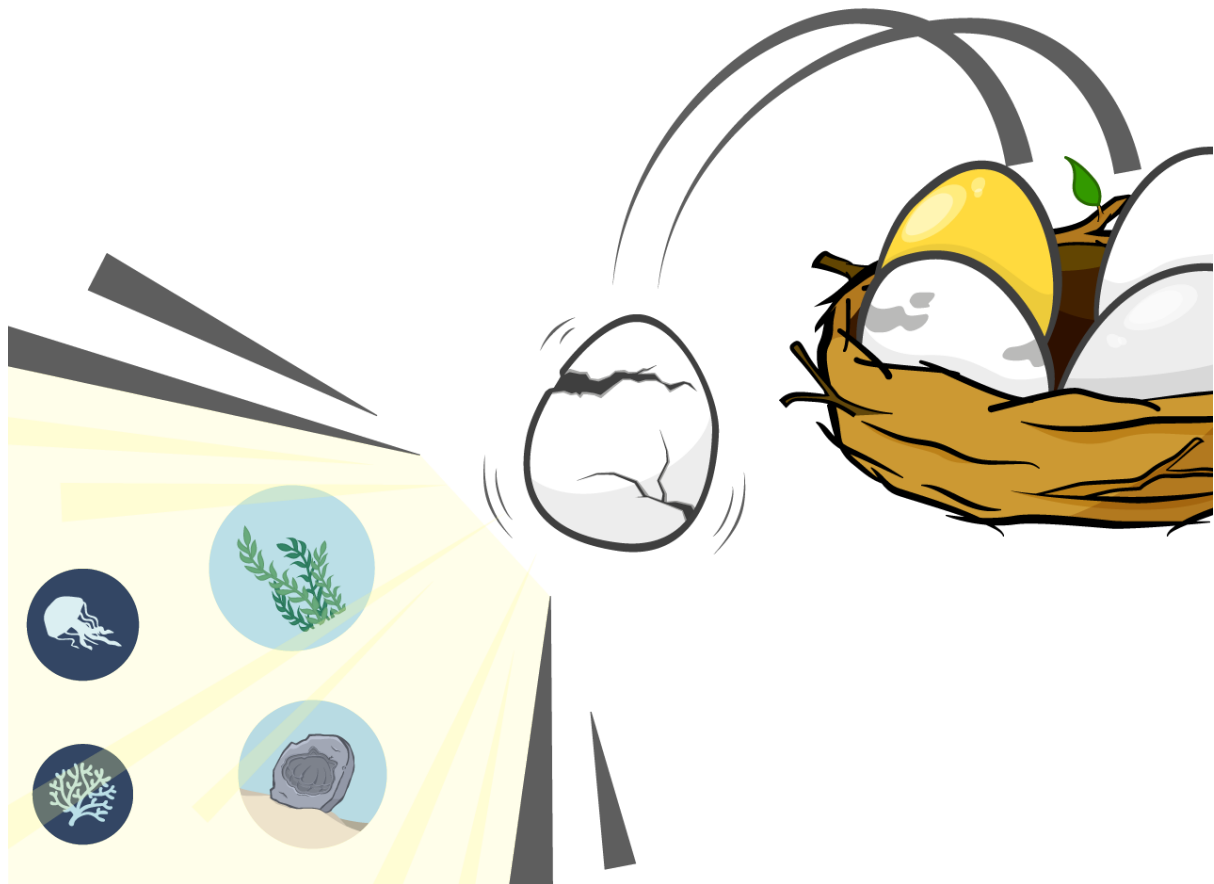
Total supply of each Scallop NFTs Decorations will be limited, we will sell them or let users bid them, part of income will be SCA buyback.

(Coming soon.)

6.6. Decorations Eggs 🥚 (Gashapon System)

This is the first Gashapon System on Solana, users can buy Scallop Decorations Eggs to get random Scallop Decorations or Scallop NFTs Decorations, we will announce how many kinds and the amount of Scallop Decorations are in the Scallop Decorations Eggs which user might get.

Scallop Decorations Eggs only be sold during some events and it will be limited, we will sell them or let users bid them, part of income will also be SCA buyback.



7. Scallop Token (SCA)

7.1. Overview

Address : ScaLopYHz9eKtDdKs4yLswwq2RSUtNMZVdPynMcYcc9

Symbol : SCA

Name : Scallop

Decimals : 6

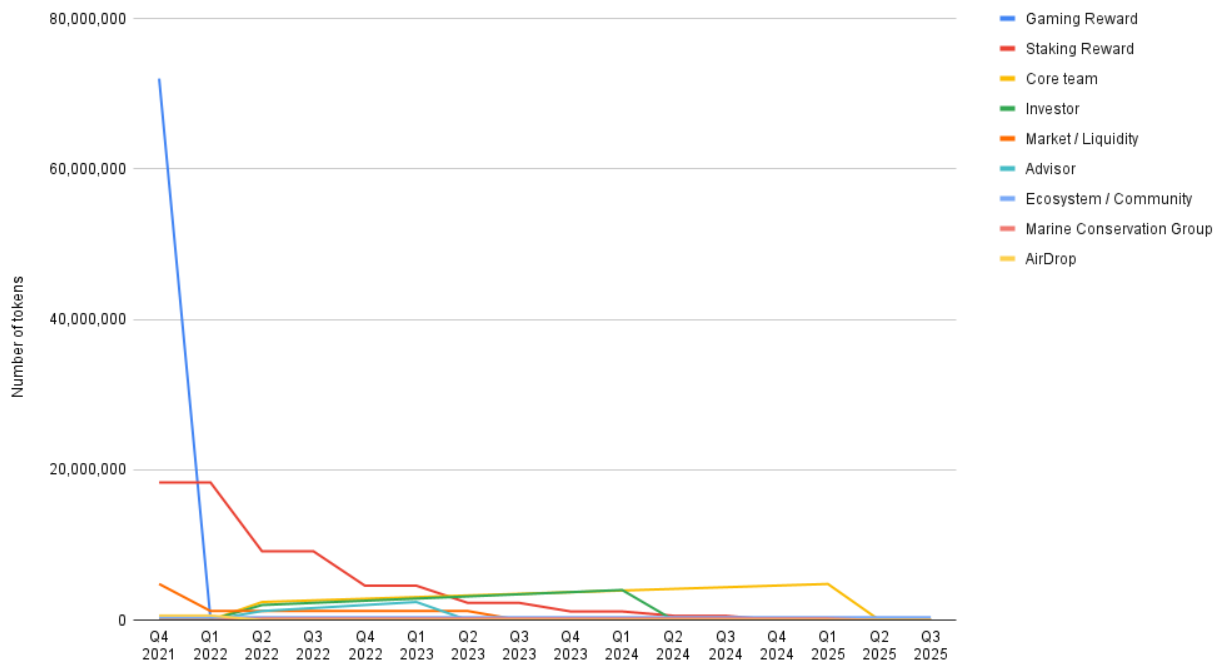
We will mint all of the SCA token at the beginning when it is launched, it will be a fixed supply token and burned quarterly which also means SCA is a deflationary SPL token on Solana.

We will divide all of SCA token to 9 parts:

- Gaming Reward
- Staking Reward
- Investors
- Core Team
- Market / Liquidity
- Adviser
- Marine Conservatio Group
- Ecosystem / Community
- Airdrop

7.2. Model

SCA Tokenomic



Allocation	Percentage	Number of Tokens
Gaming Reward	30.00%	72,000,000
Staking Reward	30.00%	72,000,000
Core Team	18.00%	43,200,000
Investor	10.00%	24,000,000
Market / Liquidity	5.00%	12,000,000
Advisor	3.00%	7,200,000
Ecosystem / Community	2.50%	6,000,000
Marine Conservation Group	1.00%	2,400,000
AirDrop	0.50%	1,200,000
Total	100.00%	240,000,000

7.2.1. Gaming Reward

locked on- chain in our program and unlocked while users staking or harvesting.

If users return SCA and get back the token they staked, the return SCA will be burned.

7.2.2. Staking Reward

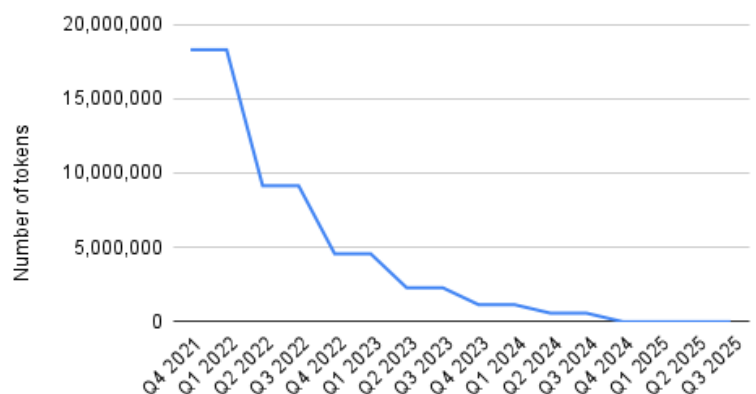
Emissions will last for 3 years, with halving every six months

Staking Reward will be released daily, all the staking addresses will share out the Staking Reward SCA according to staking weighting and different locked day limits.

	Month	Emission (SCA)
32x	1-6	36,571,428
16x	7-12	18,285,714
8x	13-18	9,142,857
4x	19-24	4,571,428
2x	25-30	2,285,714
x	31-36	1,142,857
63x	3 years	≈72,000,000

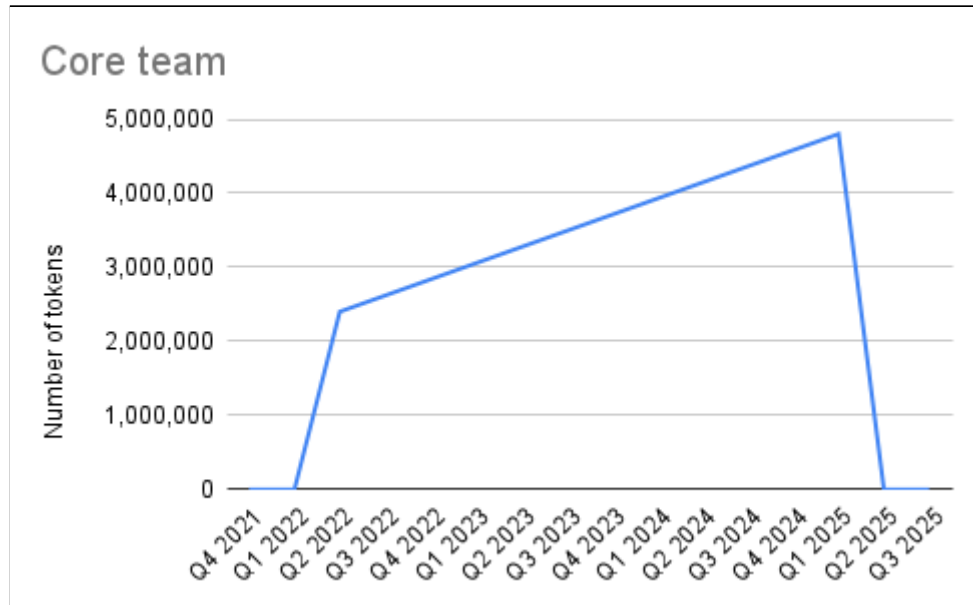
$$x = 72000000/63 \approx 1,142,857 \text{ SCA}$$

Staking Reward



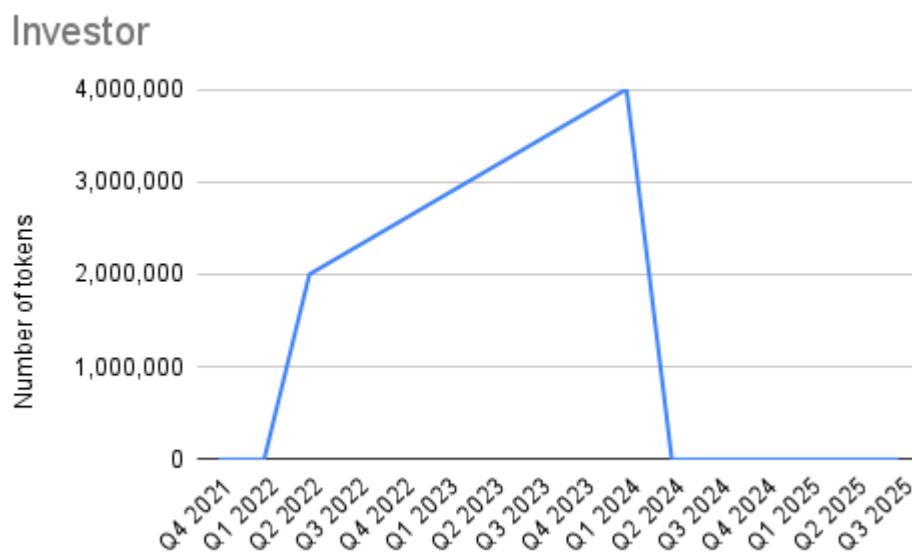
7.2.3. Core Team

Locked on-chain with a cliff of 6 months and 3 years linear unlocking.



7.2.4. Investors

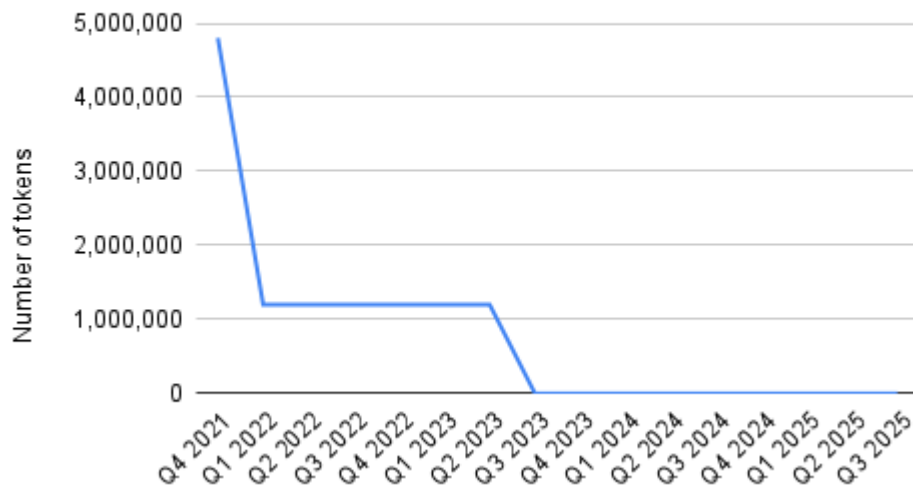
locked on-chain with a cliff of 6 months and 2 years linear unlocking.



7.2.5. Market / Liquidity

40% of Market / Liquidity will be unlocked at the beginning, 10% will be unlocked and join the market quarterly for one and a half years.

Market / Liquidity

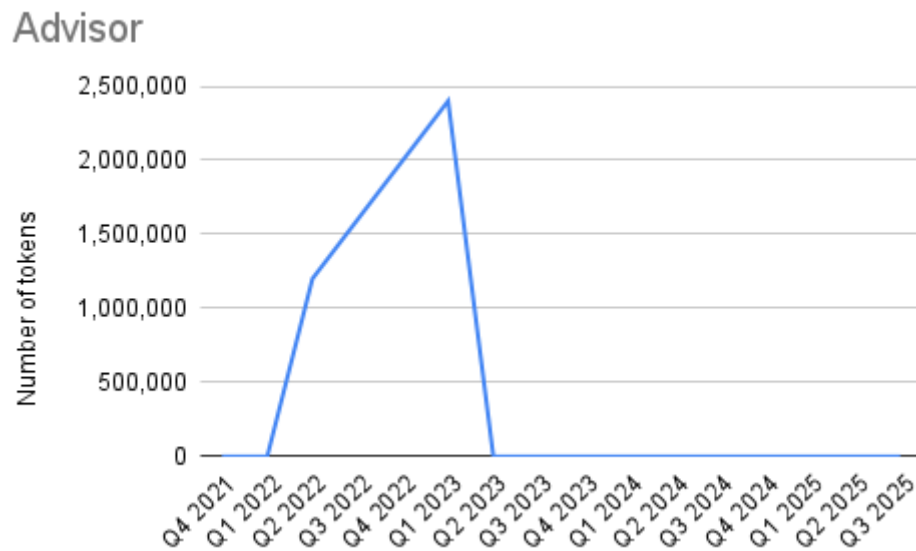


Solana IDO platform we might use:

- **Raydium**
- **Solster**
- **SolPAD**
- **Solanium**
- **BocaChica**
- **Solcubator**

7.2.6. Advisor

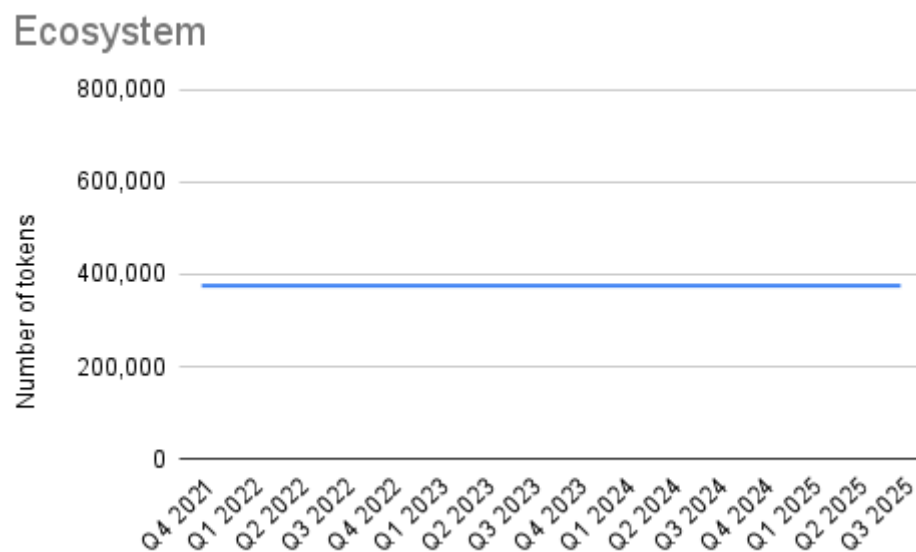
Locked on-chain with a cliff of 6 months and 1 year linear unlocking.



7.2.7. Ecosystem / Community

Locked on-chain with 4 years smooth unlocking quarterly.

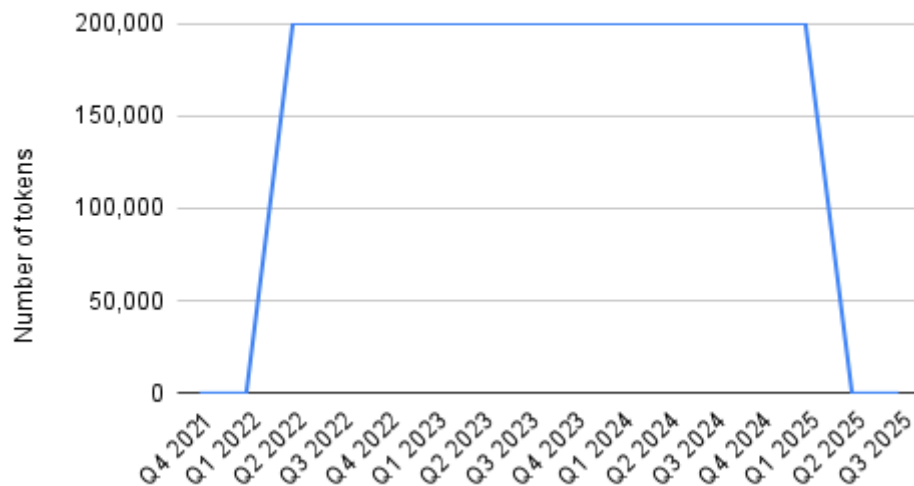
1/5 supply of "Ecosystem / Community 2.5%" will be given away to Scallop Moderators.



7.2.8. Marine Conservation Group

Locked on-chain with a cliff of 6 months and 3 years smooth unlocking.

Marine Conservation Group



7.2.9. Airdrop

0.5% or SCA token supply (1200000 SCA) are for airdrop to users, we planned to have 2 times airdrop.

AirDrop



First Airdrop

First SCA airdrop will be at Q3 2021 (Share out 600,000 SCA).

The airdrop targets will be every address which stakes more than a value at our program, the address which also has Scallop Fossil Decorations can get 50% bonus.

Second Airdrop

Second SCA airdrop at Q1 2022 (Share out 600,000 SCA).

The airdrop targets will be every address holding Scallop NFTs Decorations and Scallop Fossil Decorations, the address which also has Scallop Fossil Decorations can get 50% bonus.

7.3. Buyback & Burn

SCA is a deflationary token, these are where will we buyback SCA:

- 93% of staking reward at Scallop pool.
- Part of income of Scallop NFTs Decorations.
- Part of income of Scallop Decorations Eggs.

If users return SCA and get back the token they staked, some of the returned SCA will be burned too. The burning will be quarterly.

7.4. Token Utility

7.4.1 Voting

SCA token is designed to shift towards governance, we are focusing on some interesting voting projects on Solana, once ready, we will shift governance to token holders.

This will allow holders to vote on some subject like :

- Treasury Usage
- Scallop Improvements
- Set up new SPL token tank

7.4.2 Liquidity Mining

Offer liquidity to SCA/USDC, SCA/SOL liquidity pools setted by these project:

- **Orca**
- **Serum**
- **Raydium**
- **Saber**

7.4.3 Staking

Staking is an easy way to earn more SCA for SCA holders, users can choose different locked day limits for bonuses:

- No limit - 0% bonus
- 15 days - 3% bonus
- 30 days - 5% bonus
- 60 days - 10% bonus

The amount of SCA staking reward will be a fixed supply SCA according to the time and token model, all of the staking address will share out the staking supply every each 8 hours, which means the proportion will be:

$1(\text{no limit}) : 1.03(15 \text{ days}) : 1.05(30 \text{ days}) : 1.1(60 \text{ days})$

7.4.4 Shopping

Users can buy some kinds of Scallop Decorations and Scallop NFTs Decorations with SCA token.

8. Road Map

8.1. Q2 2021

Scallop Born 

Solana Hackathon  (**16th Place at Solana Hackathon Asia 2021.**)

- Solana Hackathon Global
- Solana Hackathon Asia

First Scallop Decorations (Seagrass )

8.2. Q3 2021

Scallop Fossil 

SCA Airdrop 

Scallop on Test-net

SCA Token

8.3. Q4 2021

Scallop on Main-net 

SCA Staking

SCA Swap, Liquidity Pools

- We will use **Orca**, **Serum** or **Raydium**.

Scallop Nautilus (Bidding)

- By using **Metaplex**.

8.4. Q1 2022

Scallop NFTs Decorations

- By using **Metaplex**.

SCA airdrop 2

Scallop Shop

- Scallop T-shirt, cup.

8.5. Q2 2022

Vote with SCA

- We will invoke “**Solana**的二次方投票” by **Dorahacks**.

Decorations Market

- By using **Metaplex**.

Decorations Illustrated Book

Scallop Decorations Eggs

- We will Invoke **Switchboard VRF**.