

Scallop White Paper 2.2.1





Scallop Team

January 2022



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.

This 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 have been growing really fast since 2014 when Ethereum was born. 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 the 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 as 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 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 we can use right now on Solana. We also designed some tasks for users to make them have some extra chance to win something while they are having bad luck.

Besides low gas fee, Solana is a fast, high security, composability, and decentralized blockchain, 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 the internet entered our world, and it had changed everything.

3. What is Scallop?

Scallop is a no loss lottery on Solana, users can deposit their tokens in Scallop Pools to grow scallops in Scallop Tank.

At the end of each week, winners chosen by the program randomly will share out some SCA as the lottery reward. During the participation, users can win tokens and Scallop Decorations by carrying out some tasks ✨!

The screenshot displays the Scallop website interface. At the top, there is a navigation bar with the Scallop logo and links for Tank, Liquidity, Stake, Winners, Decorations, and About. A 'Connect Wallet' button and a 'US' flag are also present. The main dashboard features several key metrics: Total Value Locked at \$123,645.39, Have Sent Out at 22,573.56 SCA, and SCA Price at \$1.25. The Next Harvesting time is 5d 17h 3m 29s, and the current Harvest count is 0. The central part of the interface is a large illustration of an underwater scene with scallops on the ocean floor, fish, and jellyfish. To the right, there are sections for Staking and Lending. The Staking section lists three pools: 100 USDC staking pool with a 7.66% APR, 100 USDT staking pool with a 2.76% APR, and 100 SOL staking pool with a 0.82% APR. Each pool shows the current staking amount and the potential SCA reward for a winner. The Lending section shows three options: 368/1000 for USDC, 108/1000 for USDT, and 55/1000 for SOL. At the bottom, there are social media links for Blog, Telegram, Twitter, and Discord.

Pool Type	Token	APR	Now Staking	≈ SCA for 1 winner(s)
Staking	USDC	7.66%	36,859	40.28
Staking	USDT	2.76%	10,866	4.28
Staking	SOL	0.82%	5,527	99.96

Pool Type	Token	Current Balance	Max Balance
Lending	USDC	368	1000
Lending	USDT	108	1000
Lending	SOL	55	1000

4. Rules

4.1. Rules

Users can deposit their tokens into Scallop Pools to grow scallops in Scallop Tank and join the no loss lottery, while deposit tokens users will get the same worth of Scallop Wrapped Token (such as sUSDC, sSOL, sUSDT.), the amount will be the same amount with the token they deposited.

Every Friday 20:00 (UTC+8) will be the harvest time, users will have the qualification to join the no-loss lottery after staking over 7 days.

After harvesting, winners chosen by **Switchboard VRF** (Verified Random Functions) will share out the reward SCA (With the same value of 93% staking reward), and 7% of the lottery reward will be kept in the Scallop Pool.

Users can deposit any amount of SOL or SPL tokens, every time the deposit amount changes, users need to wait for another 7 days to join the lottery, the winning rate is the same as his tokens be deposited in the percentage of the pool token.

There will be different Scallop Pools with accepting different SPL tokens and different earning ways, ex:

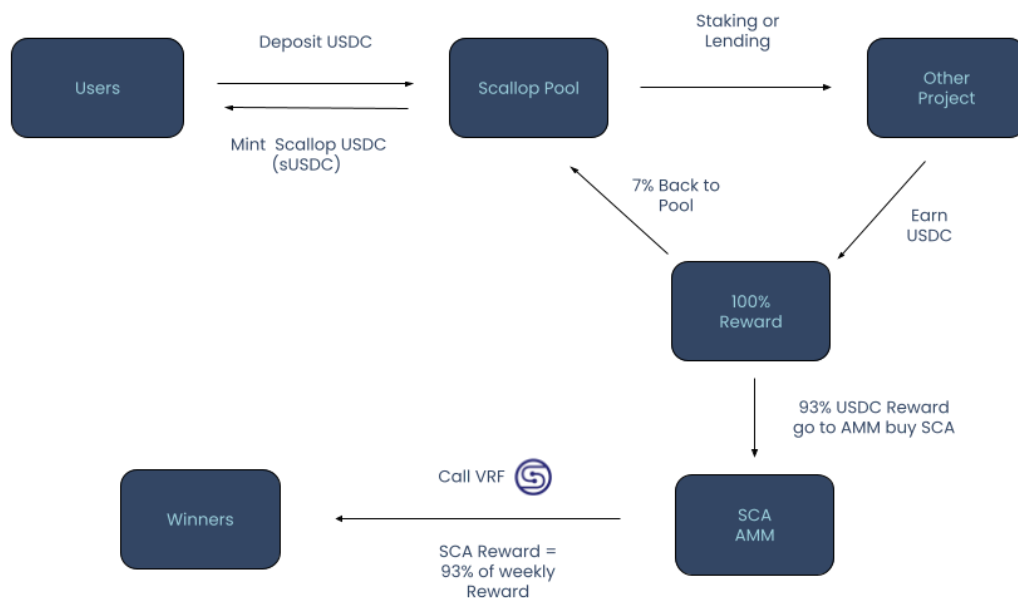
- SOL no-loss lottery by deposit SOL to stake at **Marinade**.
- RAY no-loss lottery by deposit RAY to stake RAY at **Raydium**.
- USDC no-loss lottery by deposit USDC to lend USDC at **Solend**.
- USDT no-loss lottery by deposit USDT and USDC (auto swap by Jupiter aggregator) to do LM at **Orca**.

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

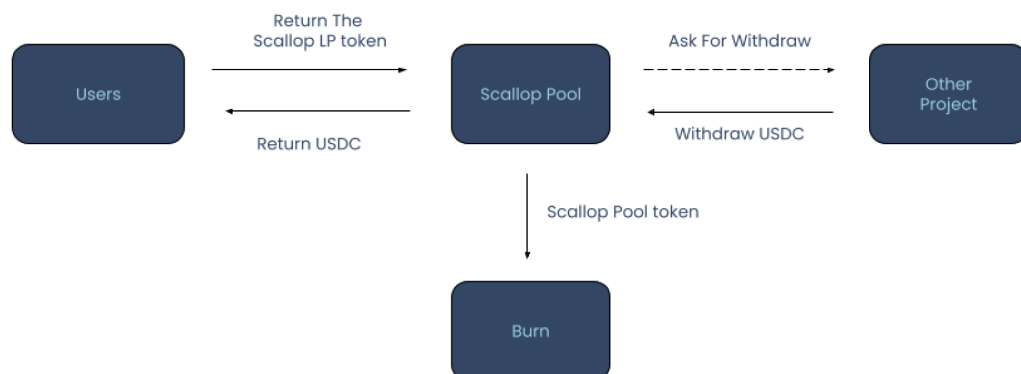
- Stake SOL on Solana Validator or other SOL staking protocols.
- Stake the SPL tokens which have their own staking program.
- Lend at some lending protocols.
- Join some liquidity mining pools (Especially stable pools).

If users want to leave the Scallop Pool (Withdraw), they can choose to leave immediately and it will cost some fee, or they can leave after the next harvesting and he can't be the winner in the week of leaving.

Scallop Deposit Logic



Scallop Withdraw Logic



4.2. Tasks 🏆

During the participation, users can carry out some tasks to win some prizes because we won't let users join us for a long time and win nothing, and this will also increase app stickiness.

Users can carry out some tasks such as:

- Join some Scallop Pools and didn't leave there for over a time.
- Deposit more than the number of tokens we set in the event.
- Offer \$1000 values locked to SCA/USDC Liquidity pools for a time.

To win:

- SCA
- Scallop Decorations
- Decorations Egg

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

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

Stake SOL will be one of the way for Scallop Pools to earn rewards, SOL is the native token on Solana, we are also planning to set up our own Solana Validator in the future.

We might use these SOL staking projects:

- **Marinade (Priority)**
- **Socean**
- **Scallop Staking Program**

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

- **Raydium**
- **ORCA**

5.2. Lending

Scallop Pools will also use lending projects to earn rewards, these are some great lending projects, we might choose tokens like USDC or SOL for lending because they have more users:

- **Jet Protocol (Priority)**
- **Solend**
- **Mango Markets**
- **SolFarm**

5.3. Liquidity Mining

We will also join liquidity pools to earn rewards, but there will be impermanent loss during liquidity mining, so we prefer some stable pools like:

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

6. Scallop Decorations

6.1. Overview

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**.

The goal of Scallop Decorations will be **On-chain collectibles**, we want users to love collecting them like collecting Pokemon Cards or Yugioh Cards, it can also increase application stickiness as people will usually check his collection cabinet, and sometimes our collectibles will also interact with our application., 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 at some events in our community.
- Users might get them at events hosted by our friendship projects.
- Buy them on **Serum** DEX UI.
- There will be a **Decorations Market**.

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. Scallop Decorations

6.2.1. Seagrass 🌱

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

Address : SeawdHf3NHG6gxCrezQxr5oJAHTLJd6JsQxxd144yaz

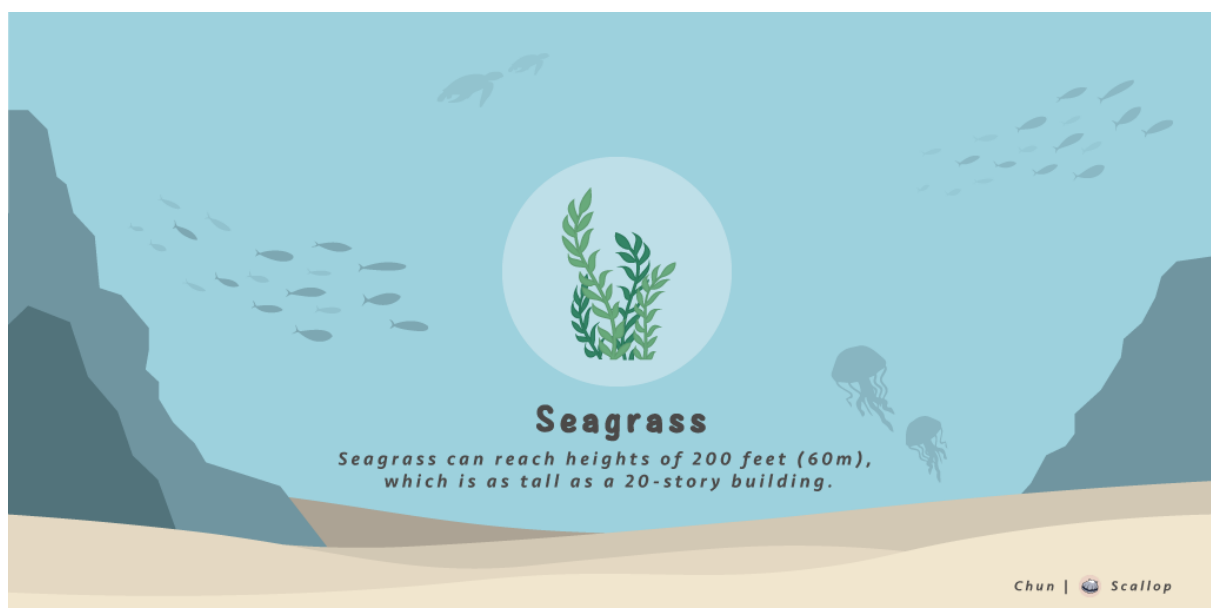
Symbol : Seagrass

Name : Scallop Seagrass Decorations

Decimals : 0

Max Supply : 10000 (Tentative)

Rarity : ★☆☆☆☆



6.2.2. 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

Max Supply : 400 (Fixed)

Rarity : ★★★★★



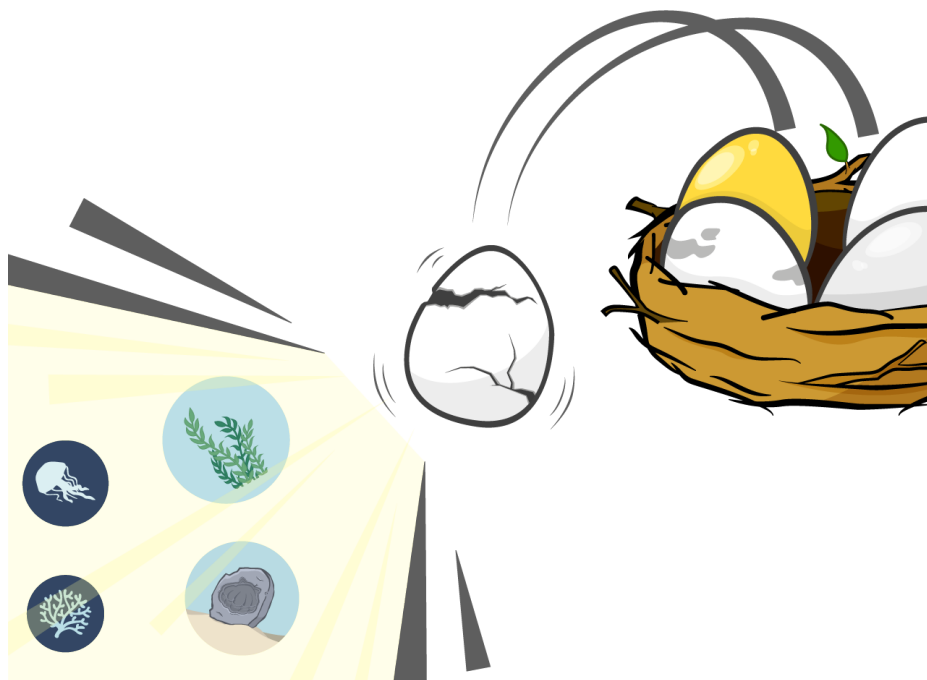
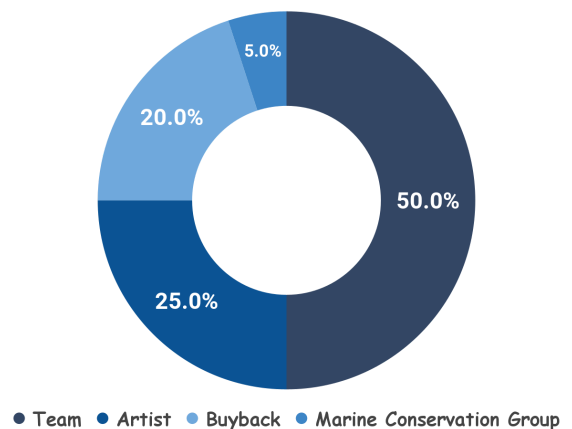
6.3. NFTs Decorations

We will mint NFTs (Non-Fungible Tokens) Decorations by using **Metaplex** with **Solana NFT Metadata Standard**, each NFTs Decorations will have many different attributes which means each of them will be one and only, total supply will be limited too.

You can mint NFT decorations by using SCA or SOL to buy NFTs Decorations Eggs, it's a kind of NFTs candy machine.

The income will be divided to 4 parts:

- Scallop Lab (50%)
- Buyback (20%)
- Artist (25%)
- Marine Conservation Group (5%)



6.4. Usage

- Make your Scallop tank more beautiful and colorful.
- Spend some kinds of Scallop Decorations will let you can join some VIP Scallop Pools.
- Holding some kinds of Scallop Decorations might let you get more extra tokens in events.

We will note some trivia next to Scallop Decorations.

7. Scallop Token (SCA)

7.1. Overview

Address : ScaLopYHz9eKtDdKs4yLswwq2RSUtNMZVdPynMcYcc9

Symbol : SCA

Name : Scallop

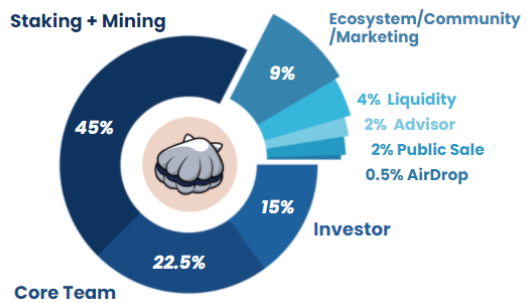
Decimals : 6

- SCA is a deflationary token.
- Initial Circulating Supply 15,625,000 SCA.
- Max Supply 250,000,000 SCA.
- Team tokens are locked on-chain with a cliff of 1~2 year and 2~3 year linear unlocking.

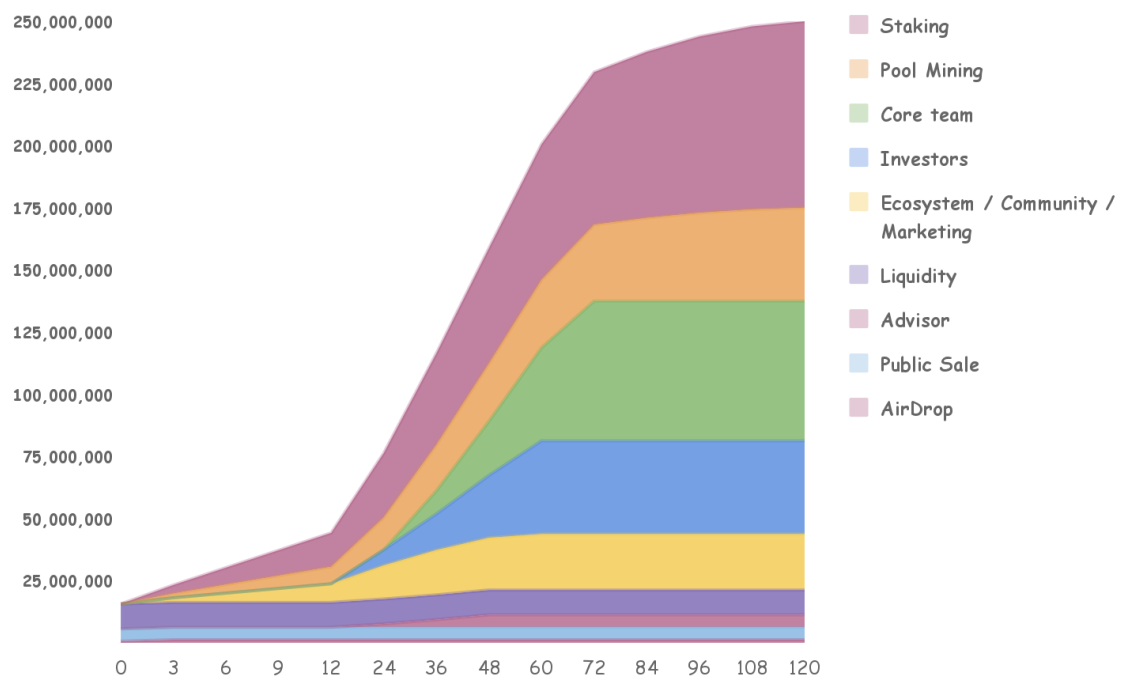
We use **Bonfida token vesting** to lock the tokens and divide them into 9 parts:

- Staking
- Pool Mining
- Core Team
- Investors
- Ecosystem/ Community/ Marketing
- Liquidity
- Advisor
- Public Sale
- Airdrop

7.2. Model



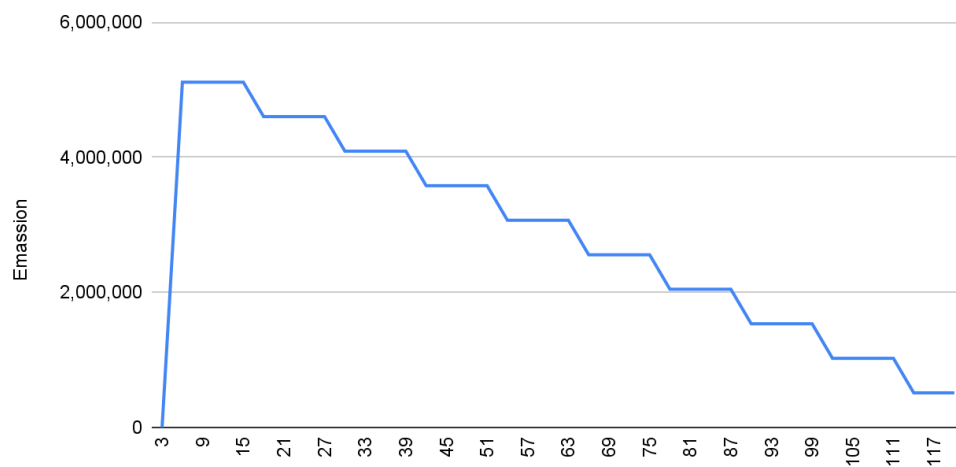
ALLOCATION	PERCENTAGE	NUMBER OF TOKENS
Staking + Mining	45.00%	112,500,000
Core Team	22.50%	56,250,000
Investor	15.00%	37,500,000
Ecosystem/Community/Marketing	9.00%	22,500,000
Liquidity	4.00%	10,000,000
Advisor	2.00%	5,000,000
Public Sale	2.00%	5,000,000
AirDrop	0.50%	1,250,000
TOTAL	100.00%	250,000,000



7.2.1. Staking + Pool Mining

Staking + Pool Mining part will be the 45% of SCA token model, emissions will continue for 10 years and decrease year by year in step-wise. The full amount of the budget will not necessarily be emitted during that period.

Staking + Mining (55.00%)



7.2.1.1. Liquidity Mining Reward (10%)

Users can do the Liquidity mining and share the pool mining reward at some SCA Liquidity Pools such as SCA/USDC, SCA/SOL.

7.2.1.2. Tasks Reward (5%)

There will be an amount of SCA to be the Tasks Reward irregularly, the tasks will be like if an address stakes some tokens over a month in Scallop, they can share out an amount of SCA.

7.2.1.3. Staking Reward (30%)

Staking Reward will be according to staking weighting and different locked day limits.

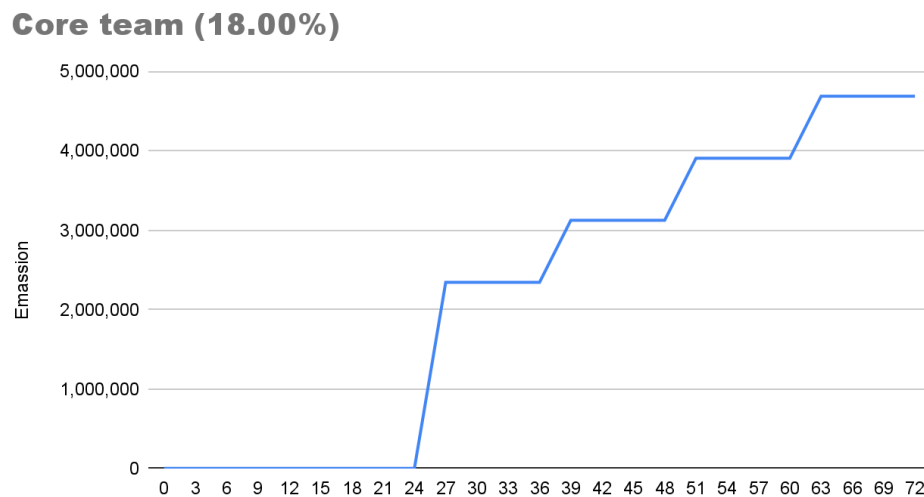
- No limit - 0% bonus
- 15 days - 3% bonus
- 30 days - 5% bonus

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 each 8 hours, which means the proportion will be:

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

7.2.2. Core Team

Core Team part will be the 22.5% of SCA token model, locked on-chain with a cliff of 2 years and 3 years of step-wise unlocking.



15% of SCA tokens are for Scallop core contributors who contribute Scallop projects before seed round, 7.5% are Scallop Lab operational fund for running Scallop.

Scallop Lab operational fund usage:

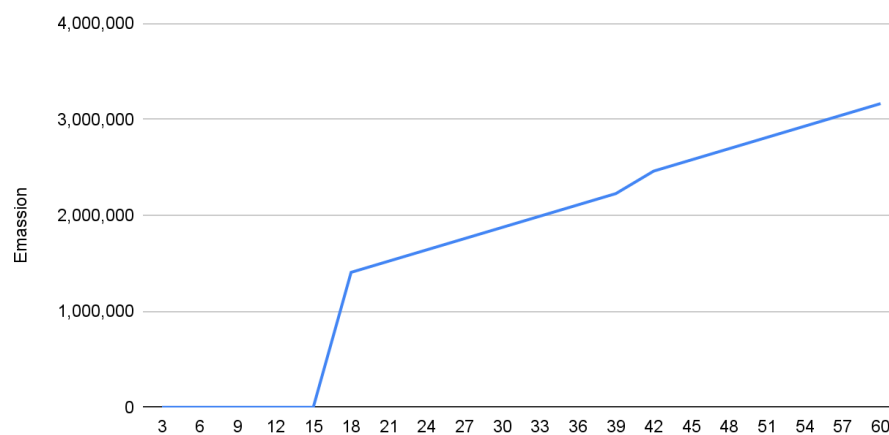
- Development
- Server, RPC Node, CDN, Security, Working tools, etc..
- Flexible Funds

7.2.3. Investors

Investors parts will only be seed round, locked on-chain with a cliff of 1 year and 3 years of linear unlocking.

We pand to have a Seed Round (10%) and others are for Future Round (5%).

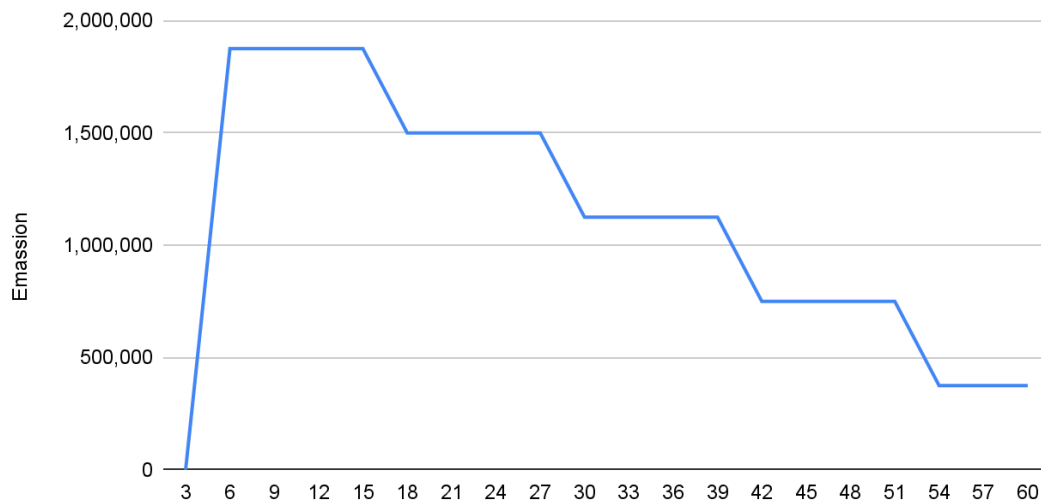
Investors (10.00%)



7.2.4. Ecosystem / Community / Marketing

Locked on-chain with 5 years of smooth unlocking quarterly.

Ecosystem / Community / Marketing (8.50%)



We will have some marketing events hosted with some Crypto Media, like:

- The Astronaut (English)
- SolanaArmy (English)
- Chainnews (Chinese)
- Zombit (Chinese)
- Abmedia.io (Chinese)
- Blocktempo (Chinese)
- Wind Crypto (Turkish)
- VIC Group (Vietnamese)

Or some Solana unofficial Telegram group with different languages. We've already had contact with Solana Chinese fans group, Solana French fans group.

To host some marketing events or have some materials like:

- Ask me anything
- Podcast
- Youtube Videos
- Articles

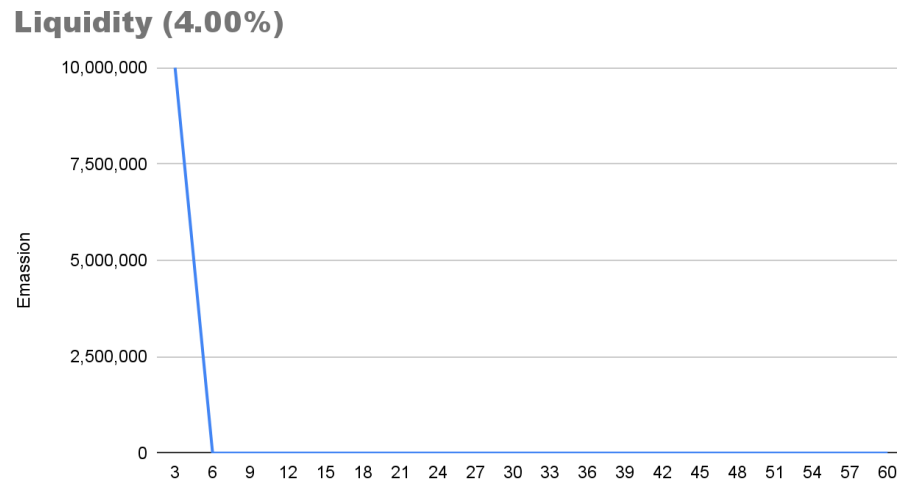
The topic will include:

- No loss Lottery protocols.
- Solana is a perfect match with no loss lottery protocols.
- Introduce Scallop.

Part of Ecosystem / Community / Marketing will give away to volunteer MODs of users, and we will have some community events and have some SCA give away.

7.2.5. Liquidity

Unlock and join the liquidity pools at the begining.



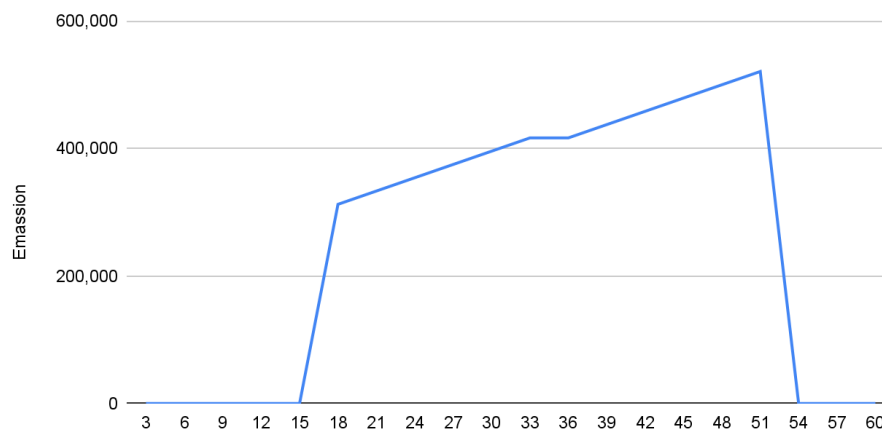
Liquidity / Market Makers:

- **Scallop**
- **Orca**
- **Raydium**
- **Serum**
- **Atrix**
- **Saber**
- **Cropper**

7.2.6. Advisor

locked on-chain with a cliff of 1 year and 2 years of linear unlocking.

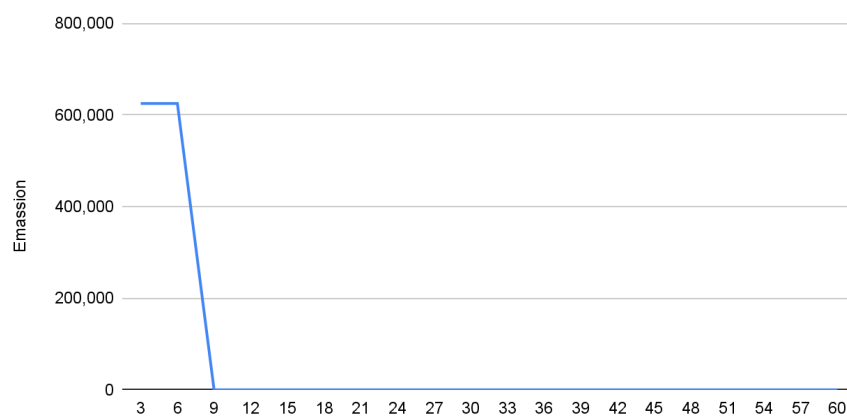
Advisor (2.00%)



7.2.7. Airdrop

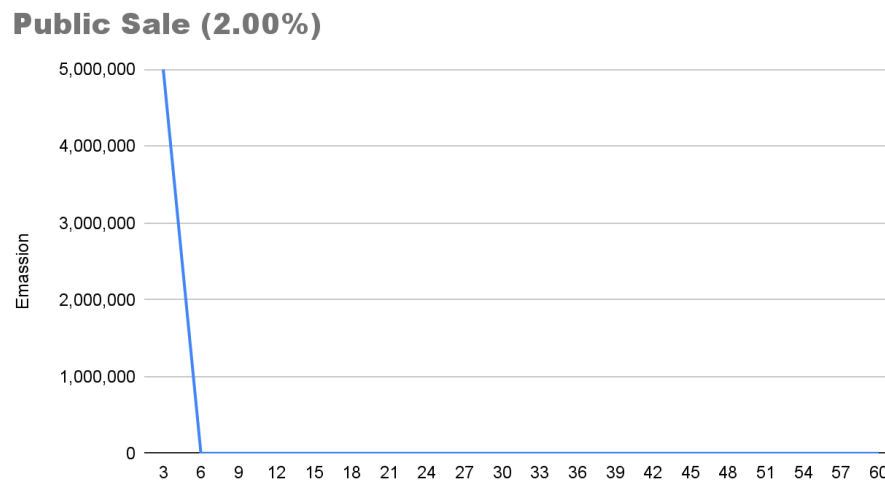
0.5% or SCA token supply (1200000 SCA) are going to airdrop to users while TGE.

AirDrop (0.50%)



7.2.8. Public Sale

Unlock at the begining, we will have 2 IDO with different platform.



Solana IDO platform we might use:

- **Scallop**
- **Raydium**
- **Solanium**
- **BocaChica**
- **StarLaunch**
- **Lightning**
- **Solster**
- **SolPAD**
- **Solcubator**

7.3. Buyback & Burn

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

- Part of income of Scallop Decorations Eggs.
- Scallop Pool in/out fee

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 :

- New Scallop Decorations
- Scallop Improvements
- Set up new Scallop Pools

7.4.2 Liquidity Mining

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

- **Scallop**
- **Orca**
- **Raydium**
- **Serum**
- **Atrix**
- **Saber**
- **Cropper**

7.4.3 Staking

Please jump to 7.2.2. Staking.


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 Season Hackathon  (**Community Contribution 16th Place at Solana Season Hackathon Asia.**)

First Scallop Decorations (Seagrass )

8.2. Q3 2021

Scallop Fossil 

Scallop Whitepaper

Solana Ignition Hackathon  (**Community Contribution 2th Place at Solana Ignition Hackathon Asia.**)

8.3. Q4 2021

Decorations Illustrated Book

Private Devnet Version

8.4. Q1 2022

Public Devnet Version

Scallop NFTs Decorations

- By using **Metaplex**.

8.5. Q2 2022

SCA Liquidity Mining Pools

Scallop IDO

Scallop on Main-net 

SCA Launch

SCA Airdrop 

8.6. Q3 2022

SCA Staking

Vote with SCA

9. Future Plan

There will be 5 main plan start from 2022:

1. More Functions

- Scallop Swap
- Scallop SDK
- Support more tokens
- Corss-chain

2. Scallop DAO

- Open source
- Governance to users

3. Scallop Aquarium

- Sea animals NFTs
- Gmaing element
- Real P2E gameFi

4. Mobile Dapp

- iOS + Android
- Mobile P2E aquarium gameFi

5. Scallop Ventures

- Invest Solana projects
- Host some Solana off-chain events
- Solana ecosystem news media