# **Diversity Dollz Token Economics**

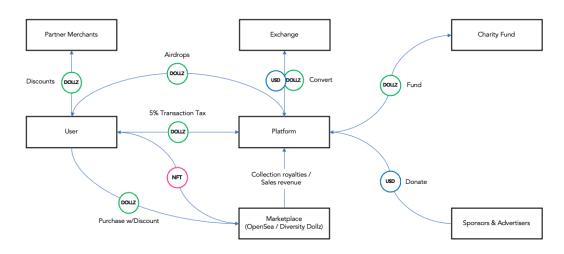
# Summary

DOLLZ is the cryptographic token on the Diversity Dollz application and network that powers its ecosystem. DOLLZ is issued natively on Ethereum as an ERC-20 token. This enables compatibility with the vast Ethereum ecosystem and infrastructure.

This document is prepared to describe the usage of the token and the economics of its token sale.

# **Token Topology**

# Diversity Dollz Token Economics Token Topology



Diversity Dollz is a token-powered NFT issuer and secondary marketplace. It is issuing a new token under the symbol DOLLZ to further enhance value creation and transfer across the platform. DOLLZ tokens enable users' new incentive mechanisms and an alternate way to participate in the growth of the platform through a fungible currency that is more divisible.

Users can now choose to own NFTs as well as tokens for better integration into the platform.

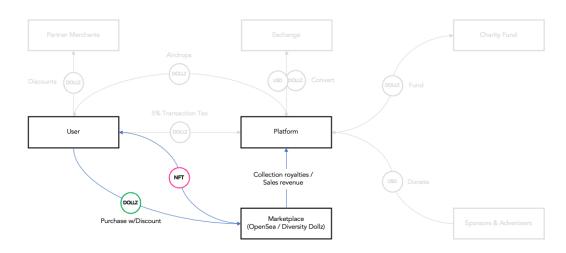
Below we describe how these tokens function within the ecosystem and drive value for their users.



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# Marketplace Sales

### Diversity Dollz Token Economics Marketplace Sales



An important use of DOLLZ is to be able to purchase NFTs minted and issued on the Diversity Dollz platform at a discount (10%) to the standard mint fee. Diversity Dollz may eventually host its own NFT marketplace, in which sellers do not have to pay transaction fees for receiving the sales proceeds in DOLLZ.

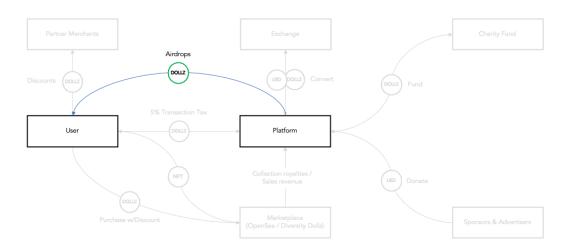
The platform will earn revenue from both the primary issuance and secondary sale of NFTs through a 5% royalty fee incorporated into the collection. The platform will also charge a 2.5% marketplace transaction fee for any NFT resales that occur on the marketplace.

These fees will be used, in part, to fund the Charity Fund.



# Airdrops

### Diversity Dollz Token Economics Airdrops



DOLLZ is also an incentive token used to simplify the transfer of value from one wallet to another. In this way, the platform can airdrop DOLLZ tokens as a form of promotion, or for users who fulfill certain bounty tasks.

An initial airdrop DOLLZ might also be performed to reward Diversity Dollz NFT holders, thereby incentivizing users to purchase and hold these NFTs.

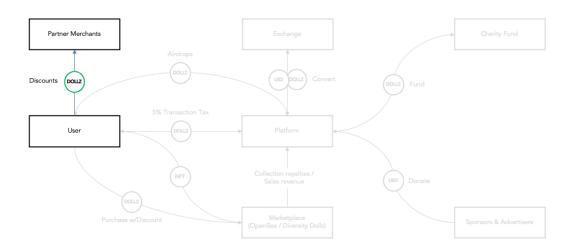
Airdrops are an excellent way to incentivize and reward loyal members of the community while leveraging their collective marketing power to further promote the platform and bring in new participants.



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## **Partner Merchants**

# Diversity Dollz Token Economics Partner Merchants



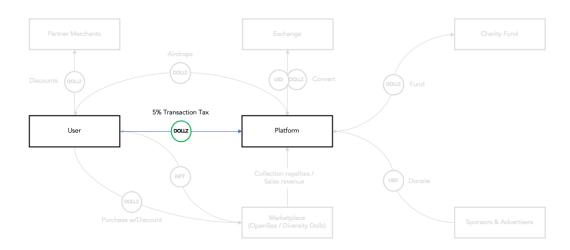
Diversity Dollz will work with partner merchants who believe in the vision of the project and seek to further its mission throughout the globe. Partner merchants can offer their goods and services for redemption using DOLLZ token, signaling their support of the platform and thereby growing their customer base with a new loyal customer set from the Diversity Dollz platform.

Partner Merchants not only help the platform spread its good word but also allow DOLLZ holders new ways of spending their airdropped or purchased DOLLZ, providing extended value and relevancy of DOLLZ in the real world.



## Transaction Tax

# Diversity Dollz Token Economics Transaction Tax



Diversity Dollz incorporates a 5% "reflection-type" transaction tax for all token holders on the platform. The transaction tax is used to capitalize the Charity Fund.

The transaction tax mechanism is built into the token contract code and the fee is automatically deducted from the transactor's wallet balance. The below activities are defined as taxable transactions:

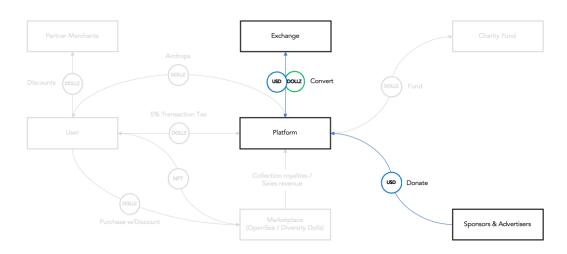
- Buy / Sell DOLLZ
- Add / Remove Liquidity
- Claiming LP staking rewards
- Distribution of rewards and pool tokens
- Transfer of DOLLZ between wallets



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## Sponsors & Advertisers

## Diversity Dollz Token Economics Sponsors & Advertisers



Sponsors and advertisers are important participants in the Diversity Dollz ecosystem. They contribute valuable resources and capital to enable the project to further its mission. In return, they get access to the platform's growing membership of token holders and partners. By sponsoring or advertising, they create awareness of their product or services to our tokenowning base, while signaling their support for the platform's vision. Sponsors and advertisers also get the satisfaction of watching their donations help positively impact the community through our Charity Fund.

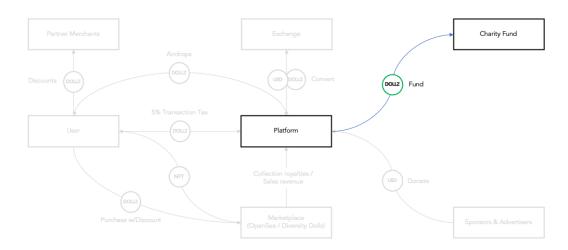
As donations are expected to come in, in the form of fiat, they may be converted to DOLLZ token before being held in the Charity Fund. Some portion of the USD funds received may also be directly held in the Charity Fund. More on this below.



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## Charity Fund

#### Diversity Dollz Token Economics Charity Fund



The Diversity Dollz Charity Fund is the platform's hallmark feature. Through fees earned in transaction taxes, sponsor and advertiser contributions, marketplace fees, and the sale of Diversity Dollz NFTs – the Charity Fund is capitalized allowing the platform to deploy its funds for causes that are aligned with the platform's vision.

The Charity Fund is governed by the platform DAO, using the DOLLZ token as a governance token, allowing its token holders to vote on how the funds should be appropriated – for example, by voting on the charity that receives a portion of the fund's holdings.

The Charity Fund may hold both DOLLZ token as well as other tokens, depending on the types of funding and fees it receives.

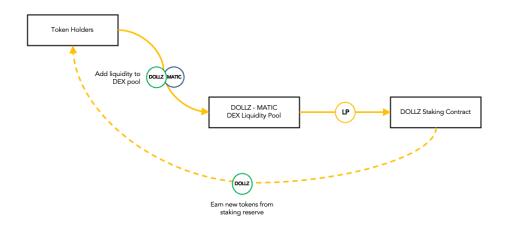
# Tax Exemption

Diversity Dollz intends to incorporate as a 501(c)(3) charitable non-profit company. If it is successful in doing so, all contributions to the platform by sponsors and advertisers, and redemptions of tokens by partners, can be written off as a legal donation to a charity under U.S. tax law. Partners, donors, sponsors, and merchants can feel good about helping the platform's mission while receiving a tax benefit on top of it.

# Staking



### Diversity Dollz Token Economics LP Staking



Post token sale, DOLLZ is expected to be available on decentralized exchanges, however, no new DOLLZ tokens will be created. New DOLLZ can be redeemed exclusively through token staking.

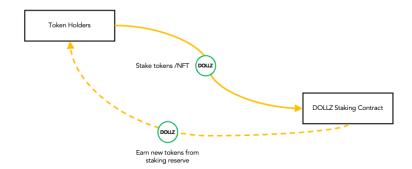
DOLLZ can be earned when participants add liquidity to the Diversity Dollz DEX liquidity pool. Diversity Dollz will create a staking contract that is activated when LP shares generated from liquidity providers are deposited into the DOLLZ staking contract. DOLLZ is paid into the staking pool and earned by LP miners based on their pro-rata share in the staking pool.

Staking is designed to reward participants who lock their DOLLZ tokens while providing much-needed liquidity to the DEX pool. In return, they are given DOLLZ from the staking reserve.



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### Diversity Dollz Token Economics Single-sided Staking



DOLLZ can also be earned by directly staking DOLLZ tokens and Crown-Collection NFTs into the token staking contract providing additional utility value for both DOLLZ tokens as well as Crown-Collection NFTs. In order to participate in direct, single-sided staking, users must have at least one Crown-Collection NFT and any number of tokens. However, users with larger token and NFT balances that exceed certain holding thresholds may be eligible for bonuses.

Staking reduces the overall circulating supply and may increase the value of tokens given the same demand, however, the introduction of new tokens from earned rewards is inflationary to the token ecosystem over the long term and therefore staking is designed to defer early sell pressure to provide the project with the time necessary to build and scale.

The staking reserve is a finite and exhaustible resource that is expected to incentivize early participants. Should the platform become profitable, the staking reserve may be replenished, in part, by token buybacks.



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## Bonus

### Diversity Dollz Token Economics Staking Bonus

Silver

10,000

DOLLZ

1

NFT

5%
APY Bonus

Gold
50,000

DOLLZ
2

NFTs
10%
APY Bonus

Diamond

100,000

DOLLZ

4

NFTs

20%
APY Bonus

Diversity Dollz allows stakers that fulfill the minimum NFT and token holding requirements to earn additional bonuses from LP staking simply by staking these token balances. There are three tiers of bonus enhancement depending on the number of tokens held.

Example staking reward bonuses are detailed below:

Tier	APY Bonus
Silver	5%
Gold	10%
Diamond	20%

For example, if the LP staking rewards are set at 120% APY, then a Diamond bonus tier participant will earn the equivalent of 144% APY.

Diversity Dollz also enables committed, long-term stakers to earn additional bonus rewards for locking their tokens over increasing intervals of time as per the chart below:

Lock Duration	APY Bonus Multiplier
0 weeks	1x
24 weeks	1.5x
52 weeks	2x



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# Governance and Voting

DOLLZ tokens are also limited governance tokens that allow token holders to propose and vote on community changes to the platform. Votes run through a 3-step process starting with an initial solicitation of interest on the community forum, followed by a consensus vote in the form of a Diversity Dollz Improvement Proposal, and finally implementation.

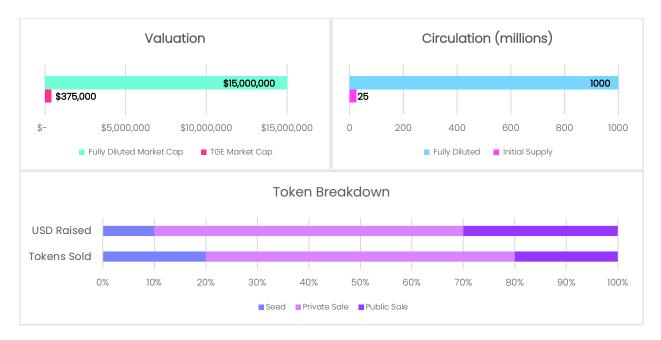
Examples of decisions that may be candidates for proposals and votes include uses for tokens acquired in buybacks, and votes around platform feature requests, improvements, and enhancements.

## Token Sale

DOLLZ shall only be made available for purchase through its token sale or on the secondary exchange market.

Diversity Dollz will create 1,000,000,000 (1 billion) DOLLZ tokens at the token generation event as its total token supply. No other tokens will be created. These tokens will be sold according to the following structure:

Sale Period	Tokens Sold	Selling Price	Amount Raised
Seed Sale	50,000,000	USD 0.005	USD 250,000
Private Sale	150,000,000	USD 0.010	USD 1,500,000
Public Sale	50,000,000	USD 0.015	USD 750,000
Totals	250,000,000 DOLLZ	-	USD 2,500,000

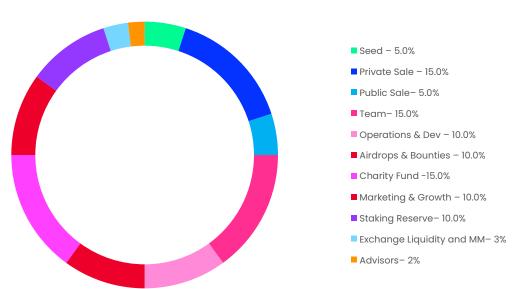




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Tokens created by the contract will be distributed based on the following:

# **DOLLZ Token Distribution**



#### Seed

5%

50,000,000 DOLLZ

## Vesting

- 6 mo. cliff
- 18 mo. linear vesting thereafter

## Operations & Dev

10%

100,000,000 DOLLZ

# Vesting

12 mo. linear vesting

#### **Airdrops & Bounties**

10%

100,000,000 DOLLZ

## Vesting

 Unlocked as per actual rewards

#### Private Sale

15%

150,000,000 DOLLZ

## Vesting

- 6 mo. cliff
- 12 mo. linear vesting thereafter

## **Charity Fund**

15%

150,000,000 DOLLZ

# Vesting

 Unlocked based on DAO vote

#### Exchange Liq. & MM

3%

30,000,000 DOLLZ

## Vesting

- 20M unlocked at DEX listing
- 10M unlocked at CEX listing

#### **Public Sale**

5%

50,000,000 DOLLZ

## Vesting

- 10% released at listing
- 6 mo. cliff
- 9 mo. linear vesting thereafter

## Marketing & Growth

10%

100,000,000 DOLLZ

# Vesting

- 1 mo. lockup
- 9 mo. linear vesting thereafter

## Advisors

2%

20,000,000 DOLLZ

## Vesting

- 12 mo. Cliff
- 24 mo. linear vesting thereafter

### Team

15%

150,000,000 DOLLZ

## Vesting

- 12 mo. cliff
- 24 mo. linear vesting thereafter

#### **Staking Reserve**

10%

100,000,000 DOLLZ

## Vesting

- Unlocked as per actual earnings
- Max 10M DOLLZ per mo.



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