

# Tokenomics Document for LiberTea Coin (LTEA)

## 1. Overview

- Token Name: LiberTea Coin
  - Ticker Symbol: LTEA
  - Blockchain: Ethereum (ERC-20 compliant)
  - Supply Mechanism: Fixed total supply with a deflationary burn mechanism to maintain long-term value and scarcity.
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## 2. Token Supply and Allocation

**Total Supply: 21,000,000 LTEA**

### Allocation Breakdown:

1. Community Rewards (50%)
  - Purpose: To incentivize participation in the ecosystem.
  - Uses:
    - Play-to-Earn rewards for in-game achievements, tournaments, and challenges.
    - Airdrops to onboard new users and reward active participants.
    - Staking rewards to incentivize holding and ensure liquidity.
2. Development and Team (20%)
  - Purpose: To fund ongoing platform enhancements, operations, and team compensation.
  - Uses:
    - Development of platform features, including advanced governance and marketplace capabilities.
    - Covering operational expenses such as marketing, partnerships, and server costs.
3. Liquidity and Treasury (30%)
  - Purpose: To ensure liquidity across exchanges and provide a stable financial reserve for ecosystem growth.
  - Uses:
    - Liquidity provision for decentralized and centralized exchanges.

- Funding community-driven projects and developer grants.
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### **3. Economic Model**

#### **Earning Mechanisms:**

- Play-to-Earn:
  - Earn LTEA tokens by completing gaming achievements, participating in tournaments, and unlocking trophies.
  - Rewards scale based on difficulty and engagement levels.
- Staking:
  - Users can stake LTEA to secure the network and earn additional tokens as staking rewards.
- Community Participation:
  - Earn tokens by participating in LTEA governance, proposing ideas for development, and joining exclusive events.

#### **Spending Mechanisms:**

- Marketplace Transactions:
    - Finance gaming merchandise, in-game items, and exclusive content.
  - Governance Voting:
    - Use LTEA tokens to participate in community-driven decisions, such as funding indie game development or proposing new features.
  - Tournament Entry Fees:
    - Pay for entry to high-stakes tournaments and challenges to compete for larger rewards.
  - Purchase Merchandise:
    - Use LTEA to purchase exclusive LiberTea Coin merchandise, available only through LTEA tokens.
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### **5. Governance System**

#### **Decentralized Autonomous Organization (DAO):**

- Voting Rights:

- Token holders can vote on platform upgrades, developer grants, and community initiatives.
- Weighted Voting:
  - Voting power scales with the number of tokens held, incentivizing larger holdings while ensuring fairness.

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### **Examples of Governance Decisions:**

- Allocating funds to indie developers.
- Adjusting burn rates or staking rewards.
- Approving new game integrations or features.

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## **6. Tiered Membership System**

- Bronze Tier (0–1,000 LTEA):
  - Basic access to community events and small staking rewards.
- Silver Tier (1,001–5,000 LTEA):
  - Access to exclusive content, discounted marketplace prices, and higher staking rewards.
- Gold Tier (5,001+ LTEA):
  - Priority voting power, exclusive invitations to high-value tournaments, and premium staking rewards.

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## **7. Liquidity Strategy**

- Initial Liquidity Pool:
  - A portion of the treasury allocation will seed liquidity pools on decentralized exchanges (DEXs) to ensure smooth trading.
- Market Stabilization:
  - Treasury tokens will be used strategically to manage volatility and ensure liquidity across markets.
- Yield Farming:
  - Incentives for providing liquidity to the LTEA ecosystem, encouraging stable growth.

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## **8. Token Utility**

- **Play-to-Earn Mechanism:**
    - A reward system that promotes active engagement in gaming.
  - **Gaming Ecosystem Integration:**
    - Use LTEA tokens to cover gaming expenses, support indie developers, connect with fellow gamers, and contribute to meaningful causes.
  - **Seamless Swaps:**
    - Integration with major decentralized platforms for converting LTEA to fiat or other cryptocurrencies.
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## **9. Security Measures**

- **Scalability Enhancements:**
    - Ethereum 2.0 features such as sharding will ensure lower transaction fees and faster processing times.
  - **User Safeguards:**
    - Two-factor authentication and encrypted wallets for token storage.
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## **10. Roadmap Highlights for Tokenomics**

- Phase 1: Launch of initial staking and rewards programs.
- Phase 2: Rollout of marketplace functionality and DAO governance.
- Phase 3: Implementation of advanced DeFi functionalities like yield farming.
- Phase 4: Expansion of staking options with higher-tier benefits.