



Kaspacats

White Paper

Kaspa Cats Ecosystem

Kaspa Cats (KTZ) is a Kaspa Chain Fair Launch, Token & NFT Project with a focus on decentralised growth and staking rewards. The project is designed to reward its stakers with an implemented passive rewards protocol All while contributing to a locked liquidity pool. The token has a fixed initial supply of 900 billion (900×10^9) and operates with a fully locked liquidity pool. The liquidity pool is locked within the Deep Lock liquidity vault, ensuring a safe, secure and rug proof ecosystem for investors. The priority of KTZ is to create a secure staking platform and PVP NFT Gaming platform. The KTZ protocol's further objective is to achieve sustainable growth and rewards for our loyal user base.

The protocol builds on a variety of security and incentivised holding mechanisms to ensure it attracts and retains users by forming a framework of trust via the: Audited code, audited and penetration tested website, locked liquidity, fair launch conditions, full disclosure on our team members and 100% transparent regular PVP gaming competitions.

Kaspa Cats is based on a model which comprises three fundamental principles: **Community**, **Rewards** and **Growth**. These three fundamentals serve as a guiding hand and strongly correlate with our core values. These fundamentals are broken down below.

C - community

The community aspect of the project extends to not only token holders but to the wider community in general. Technology has always been at the forefront of humanitarian and charitable activities. It increases processing times and reduces human error to the barest minimum. Blockchain and DeFi technology is being utilised within a growing number of organizations because of its many benefits. These include the capability of frictionless exchanges of tokens across borders without the interference or penalties associated with international fiat money transfers from banking organisations.

The Kaspa Cats team fully believe that crypto is for everyone, and everyone should be able to participate and benefit from the fruits of this technology. KTZ is built on a foundation of community support and the protocol's design is to reward and engage

users via incentivised staking benefits and PVP NFT gaming protocols. The focus of the protocol's efforts is initially targeted towards explosive growth and adoption. To meet the protocol's commitments to the community during the development of the staking platform, Kaspa Cats will facilitate a monthly air drop to the top 5 holders of KTZ and 5 randomly selected NFT holders.

R - Rewards

The rewards program is a separate initiative which is designed to benefit holders. It can be broken down into two main areas - Passive rewards and non-passive rewards.

Passive Rewards

Purchase Protocol - Every purchase transaction incurs a 5% taxation. 1% of this taxation is automatically added to the staking pool and redistributed proportionally to holders who have staked their tokens, During the development of the staking platform (Kaspa Cats Stake House) this 1% will be distributed between the top 5 public holders of KTZ Tokens and 5 random NFT holders at a rate of 0.5% for each category. The remaining 4% has a variety of functions: it adds to the liquidity protocol, funds the marketing & development of KTZ, and adds to the burn protocol. Further details on the tax protocol will be broken down in the tokenomics section.

Sales Protocol - Every sale transaction incurs a 10% taxation 2.5% of this taxation is automatically added to the staking pool and redistributed proportionally to holders who have staked their tokens, During the development of the staking platform (Kaspa Cats Stake House) this 2.5% will be distributed between the top 5 public holders of KTZ Tokens and 5 random NFT holders at a rate of 1.25% for each category. The remaining 7.5% has a variety of functions: it adds to the liquidity protocol, funds the marketing & development of KTZ, and adds to the burn protocol. Further details on the tax protocol will be broken down in the tokenomics section.

NFT Rewards

The Kaspa Cats NFTS are more than just an NFT investment. The team is designing a PVP Dapp which will allow holders to connect their NFT and battle each other in an attempt to become the Ultimate Cat Fighting Champion. The Dapp will lock each NFT as holders battle 3 rounds in a Tekken style Cat fight. The NFT which wins the three round bouts will be returned to its holder and can be re-entered into another bout in the future. Each win will cause the NFT to be marked with a tally and will be a step closer to winning the UCFC Purse. The UCFC purse will contain 10% of NFT

sales in Kaspa. Payable to the UCFC champion. Kaspa Cat NFTS with multiple stars will inevitably increase in retail value. Holders can sell their NFT at any time.

However, the losers NFT will be knocked out of the tournament. The NFT will be black listed by the Dapp and will no longer be able to compete in the UCFC.

G - Growth

The growth aspect of the KTZ protocol addresses the need for a project to grow and adapt to both current market and community driven trends and thus to ensure a place in the future of the cryptocurrency ecosystem.

This also includes the capability of a more structured and targeted marketing campaign designed to accelerate community growth and promote large scale adoption.

The implemented taxation protocol also addresses the requirement for development funding acquisition and enables the team to follow the well-defined KTZ roadmap. Additionally, it enables the prospects of larger scale exchange listings and the faster development of both the Kaspa Cats Stake House and the UCFC NFT PVP Dapp.

Future development areas have been identified by the development team and include:

- Optimized website with Web3 wallet integrations
- Official Kaspa Cats Merchandise Store
- The Kaspa Cats Stake House and NFT PVP gaming centre

Token functionality

The overall designed functionality of the token is to be transparent, deflationary and a community driven asset, with an inbuilt automatic and locked liquidity generating protocol. Kaspa Cats is implementing an incentivised strategy to promote long-term holding through both passive staking rewards and token burns.

Pre-launch Liquidity

An initial liquidity pool has been created prior to the launch date to ensure a solid price floor from the very beginning. Kaspa Cats has ensured that the launch is under **fair conditions**. This means that the listing price matches with the price paid for setting up the initial liquidity pool. A percentage of this initial liquidity pool will then be used to purchase the marketing and development wallets before being locked. Ensuring that no one can drain the funds. The purchasing of the development and marketing wallet ensures that each action taken by the team is backed by liquidity.

Post launch Liquidity

Kaspa Cats operates an Automatic Liquidity Generating Protocol. This token protocol is effective because it combines tokens from both buyers and sellers and adds them into the locked liquidity pool. With the use of an arbitrage resistant mechanism, the volume of Kaspa Cats (KTZ) will also be secured as a reward for stakeholders who hold.

The 10% tax on sales transactions provides a key aspect in the functionality for maintaining an adequate liquidity pool. 2.5% of this tax is automatically rewarded back to holders via the Kaspa Cats Stake House while the other 7.5% is transferred back to grow the liquidity pool and perform secondary functions automatically. Of the extracted 7.5% a amount of 4% will be retained as liquidity (effectively 4% of each transaction. 3.5% of each transaction will be extracted for the growth of the project, business needs, and the token burn. This principal is broken down further within the visualised tokenomics section.

The subsequent acquired liquidity is then permanently inaccessible to the development team. Having a secure liquidity pool ensures safety for all the token holders and implements confidence in the project from the community.

Holder Passive Rewards

Passive rewarding for holders is a relatively new and successful method of growing a tokens community. Recently popularised by other tokens, the passive rewards scheme incentivises users to hold the token longer, increasing market growth and the tokens user base.

Kaspa Cats passive holder rewards are derived from the applied 10% sales transaction tax. 2.5% of that tax will be redistributed to all existing holders at a rate proportionate to holdings and also the 5% purchase transaction tax with 1% going directly to holders staking their tokens. In essence, the more KTZ you stake, the more you are rewarded. With a combined purchase and sales tax of 3.5% redistributed automatically by the protocol.

Holder Non-Passive Rewards

Non-Passive holder rewards refers to the possibility for token holders to participate in all functionalities of our staking and PVP NFT Dapp. Each day, the algorithm will automatically identify, wallets staking KTZ, and distribute tokens proportionally to these diamond handed holders.

Token Burn

The burn process is undertaken automatically (1% of the sales tax transactions and 0.5% of purchase transactions will be automatically burned). This will be automated by the protocol and will be carried out at the time of purchase or sale.

Dev Wallets

All development wallets are transparent and available to be viewed by holders. The Kaspa Cats team follows a 100% transparency approach, as nothing is more important to the team than the trust of the community. A list of development and functioning wallet addresses pertaining to the project will be available via the official Kaspa Cats website www.kaspacats.io

Tokenomics

Initial Total Supply: 900,000,000,000 – (900 x 10⁹) (in words: 900 Billion)

Initial supply purchased for the Project Development wallet: 2.0% (this wallet will be 100% transparent and will be used to facilitate the development of the Staking and PVP gaming Dapp)

Initial supply purchased for the marketing wallet: 2.0% (again, this wallet will be 100% transparent and actions will be fully disclosed to the community).

The Kaspa Cats team will continuously update the community on usage of tokens in the abovementioned wallets as part of the weekly updates.

Circa 30-35% of the initial total supply will be used to build the initial liquidity pool. Kaspa Cats ensures fair launch conditions for its new investors. Therefore, the public launch price and initial liquidity provider price will be the same at the time of launch. Furthermore, the liquidity providers' tokens are broken down between initial investors to prevent whale accumulation. There are no VCs or other early investors buying in at a lower price than the public launch price.

30-35% of the initial total supply will be attributed to the liquidity pool and will be set against 100% of the initial raised liquidity. This way, the Kaspa Cats team can ensure a fair launch at equal prices between initial liquidity providers and first public investors.

The remainder of the total initial token supply, i.e. 30-35%, will be completely burned and proof will be provided, ensuring that there are no hidden dev tokens left.

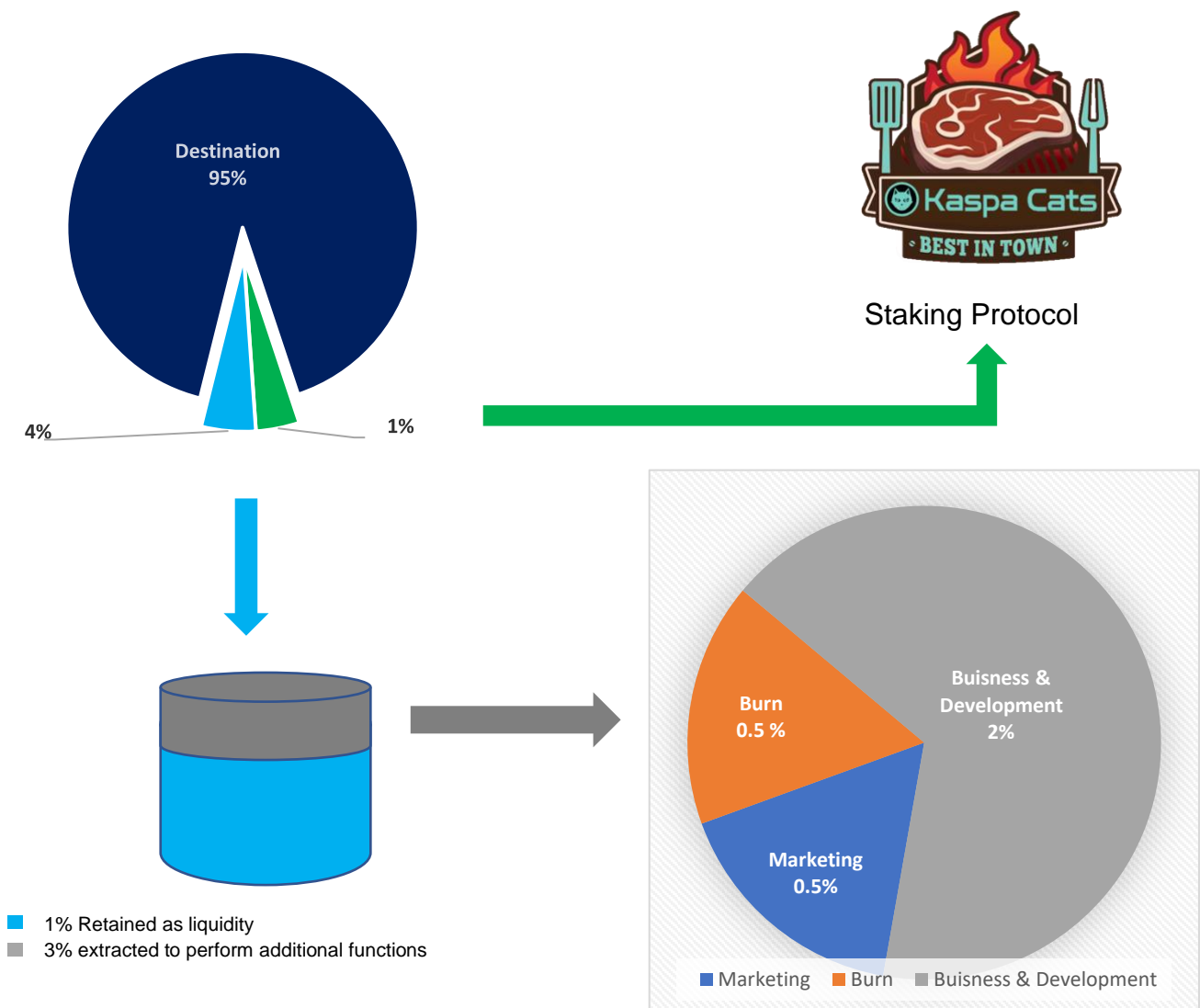
The KTZ protocol provides a transaction tax induced burn and no other means of future token minting. The initial total supply minus the number of tokens burned is the maximum supply of KTZ tokens at the time of launch and can subsequently only decrease from then on - Solidifying KTZ token as a deflationary asset.

The initial listing price will be set according to the following exchange ratio:

$$1 \text{ KTZ} = 0.000\ 000\ 250 \text{ KAS}$$

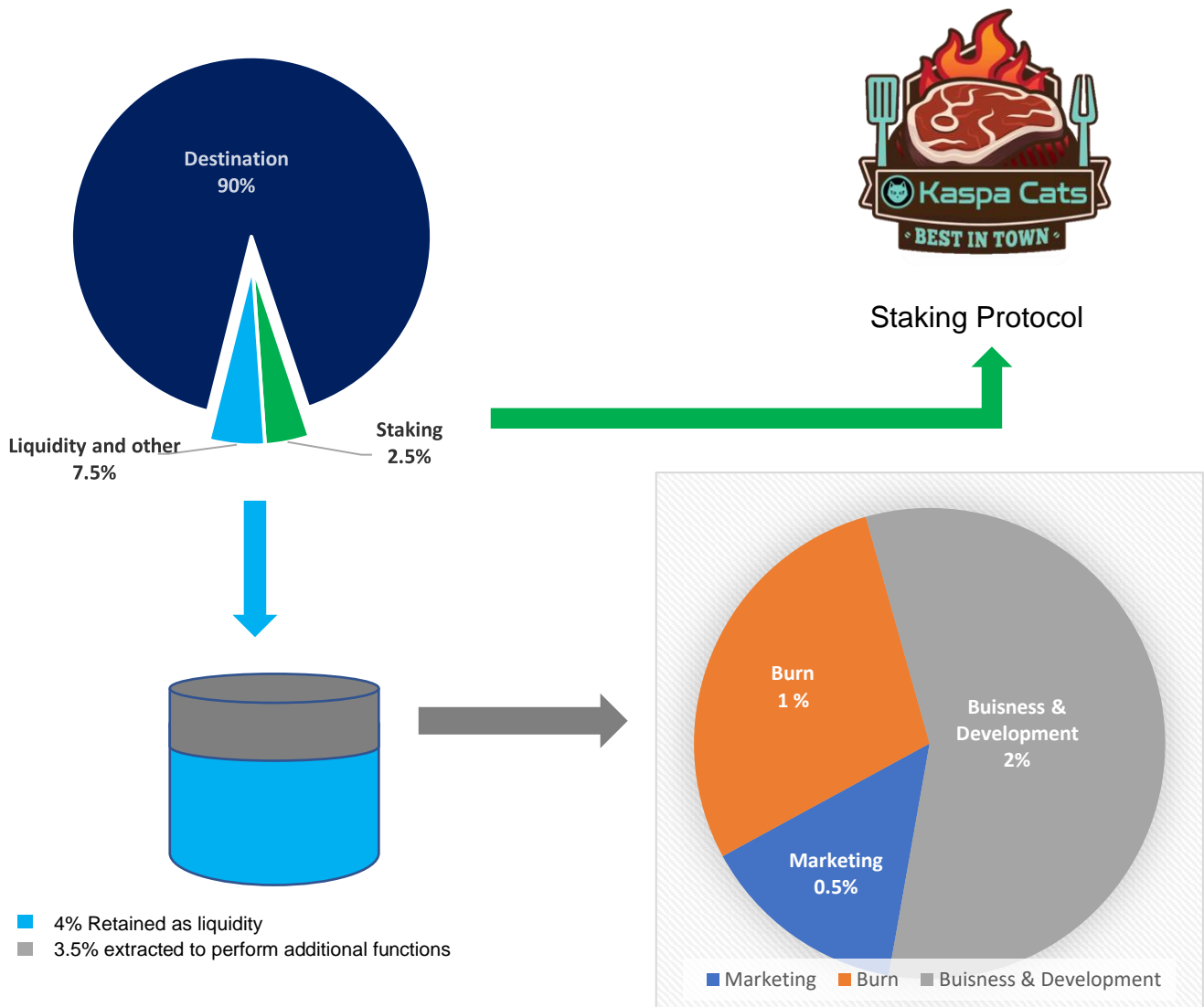
Tokenomics at time of PURCHASE

- Users submit a **PURCHASE** exchange transaction, and 5% taxation is applied to the amount. 1% is then immediately distributed to the staking protocol wallet.
- The remaining 4% is moved to the liquidity funding protocol
 - Of the liquidity funding, (1% of the transaction amount) is then retained as liquidity and (3% of the transaction amount) is extracted to perform additional token functionality:
 - The extracted tokens (3% of the transaction amount) will be split between 3 wallets.
 - Burn Protocol wallet to support price levels
 - Project & Business development fund
 - Marketing Wallet



Tokenomics at time of SALE

- Users submit a **SALE** exchange transaction, and 10% taxation is applied to the amount. 2.5% is then immediately distributed to the staking protocol wallet.
- The remaining 7.5% is moved to the liquidity funding protocol
 - Of the liquidity funding, (4% of the transaction amount) is then retained as liquidity and (3.5% of the transaction amount) is extracted to perform additional token functionality:
 - The extracted tokens (3.5% of the transaction amount) will be split between 3 wallets.
 - Burn Protocol wallet to support price levels
 - Project & Business development fund
 - Marketing Wallet



Road Map

Ensuring project sustainability is a fundamental aspect of any emerging crypto project. The need to adapt and provide functionality within a fluid crypto community that is continuously changing is highlighted as a fundamental factor to the overall success of a project. The Kaspa Cats Road Map provides details of the vision for the project for this year and moving forward. Updates to the road map will be published on the official website moving forwards.

Q4 - 2023

- Launch of the Kaspa Cats website and necessary social media channels
- Marketing and community expansion plan formed headed up by our marketing manager
- Launch of E-commerce platform for KTZ merchandise items
- NFT Art completion

The Kaspa Cats official website has been launched with a view for periodic functionality reviews throughout the year, allowing for upgrades, improved optimisation, and functionality.

The merchandise store will go live with a number of products to facilitate growth and reach. Merch will be sold at cost and used as a means to expand the projects reach.

Q1- 2024

- Applying for CoinGecko and CoinMarketCap listings
- Manual rewards to token and NFT holders
- Quarterly review of marketing and public engagement strategy

Q1 is intended to be aimed at community growth and engagement with a view to develop the Kaspa Cats Stake House and the NFT PVP Dapp. This will also include a potential upgrade of the official website and I migration to facilitate wallet connections and development of the Kaspa Cats Dapp.

Q2 - 2024

- Release of the Kaspa Cats Stake House and UCFC PVP platform.
- Project expansion and tokenomic strategy assessment
- Team expansion
- Larger exchange listings

The team will be full throttle to deliver the PVP NFT platform and the Kaspa Cats staking platform. Although these projects are already under construction additional funding generated through NFT and Token sales will fast track this process and allow our Dev to increase his team size.

Disclaimers

The White Paper

The whitepaper is a general overview and conceptualisation of the project as viewed from the position of the project team. Each investor accepts that it is their sole responsibility to conduct their own due diligence and that this whitepaper shall not be used for legal or business advice of any kind.

In no way are the authors of this white paper or any member of the Kaspa Cats team liable for any user's reliance upon its content. Any action taken in conjunction with any content within this whitepaper is done so at the individuals own risk.

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Kaspa Cats recommends that all individuals wishing to use the service are aware of the risks associated with the purchase of crypto currencies. Users can potentially lose their entire investments. As per the terms of service, Kaspa Cats accepts no responsibility for any loss of any kind incurred by a user. Further details can be found within the terms and conditions listed on the official website.

Tax

Kaspa Cats does not guarantee taxation compliance with any nation. Individual users are recommended to comply with their host nation tax laws. Kaspa Cats or any associated entity will not be held responsible for any individual's failure to comply with such requirements and all users are encouraged to familiarise themselves with the legislation pertaining to them prior to purchase.

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