# LOT ARENA • LOTARENA An entertaining mining protocol that issues a token from bidding activity at NFT auctions. Bids mine the Loot Ticket (LTT) while paying talented creators worldwide and contributing to good causes. By invitation only. Patent Pending. Copyright 2021, Loot NFT Co LLC.

# Join the arena and battle-bid for NFTs...

# Mining Loot NFT's Native Currency

Miners use BUN, tokens of limited supply, to bid at NFT auctions and mine the Loot Ticket (LTT). The auction's winner is rewarded with the NFT, and all miners receive LTT based on a mining ratio (i.e., how many BUN they must bid to obtain an LTT).

### **Bid Units (BUN)**

Buy BUN with Credits (1 Credit equals 1 USDC ERC20). BUN are bought in packs of 25 for 5 Credits (around \$0.20 each).

# **Loot Tickets (LTT)**

LTT is the native currency of the Loot NFT ecosystem. They are used to buy virtual real-estate, real-world items, inviting people, paying dues for member governance, and more (some functionalities introduced over time).

# Non-Fungible Tokens (NFTs)

Only curators can list NFTs for auction. NFTs are unique, sourced directly from creators, and part of a themed set of 5. Curators are the custodian of the physical creation until their owners request to transfer them into their custody (shipping at their cost). Only NFTs won on Loot Arena can be re-listed for auction on the platform.

# **Auctions: Simple Rules, Infinite Strategies**

Miners bid one BUN at a time to win an NFT. The last miner to bid before the timer expires wins the NFT. A bid received in the last 15 seconds of an auction resets the timer back 15 seconds.

# **Mining Ratios**

Each miner has a mining ratio (how many BUN they must bid to receive 1 LTT). There are six mining ratios (from 13 BUN for 1 LTT to 42 BUN for 1 LTT). These can be varied by the Parliament, a member governance group. To get more efficient mining ratios, miners must win and collect NFTs on Loot Arena.

### The BUN, the Oven, and the NFT chain

BUN are trapped in live auctions. When they conclude, BUN are sent to the Oven, a time-locked wallet, for redistribution to the ecosystem once a week; 10% as a reward to miners and 90% for resale. At the same time, creators are paid in USDC ERC20 for their work, LTT are issued to miners, and the sold NFT is chained to prior concluded NFT auctions.

# Joining and bidding at auctions

Miners pay a fee in BUN to join a first-listed NFT auction. This fee goes up over time, making it more expensive for latecomers to join. For re-listings, miners must pay a portion of a reserve as a fee.

# **Re-listing**

Miners can list NFTs they won for resale at auction. The BUNs collected in that auction are converted to USDC ERC20 and paid to that miner.

#### The Virtual Motherboard

Our ecosystem replicates hardware mining operations in a robust web-contained, and fun environment. A miner's goal is to win as many NFTs or mine as many LTT as possible. LTT and NFTs are extractable out of the ecosystem, and NFTs can be sold for USDC ERC20 (functionality coming soon). LTT are burned when redeemed for products and services.

## **Blockchain Technology**

We use blockchain technology in three ways (functionalities released over time): (1) track and mirror all transactions on our permissioned-blockchain, (2) allowing LTT and NFTs to be custodied by their owner (edge-extractions), and (3) the dismantling experiment of centralized operational modules towards a Decentralized Autonomous Organization (DAO).

... in the process, mine LTT while creators anywhere, known and unknown, get recognized and are paid for their talent.