What is NFTY Token?

NFTY is a DeFi Reputation Protocol

NFTY is an ERC-20 token that represents an individual's reputation through staking and advocacy.

Value Proposition

NFTY is a utility token used throughout the protocol to create a reputation layer, using gamified staking and farming activities to crowdsource reputation data. The process uses economic incentives and rewards, that are taken from the final payout of an auction (7.5%). The reward is distributed to a pool of "endorsers" proportionally to their respective endorsement allocation amount, in NFTY token. This reward is received in USDT stabletoken. This incentive gives the participants the challenge to define the best strategy to "endorse" auction based on their ability to close the sale, possible amount of the final payout and the number of current endorsers.

This creates a multitude of possible strategies but will not incentivize the endorsement of non-sellable product and spammy content as they are not economically viable actions. Overall, this will act as a filter and data analytic platform on which a user can determine the degree of "trendiness" and expected sale and potential value of an NFT.

Token Type

NFTY is a utility token for crowdsourced reputation, accessibility, advocacy & governance

Token Details

Native Ledger: Ethereum
Name: Nifty
Symbol: NFTY
Decimals: 18
Type: ERC20
Initial Supply: 5,000,000
Maximum Supply: infinite
Mintable: per staking (13.579% APR, compounded daily, minted upon unstaking)
Uniswap fair launch supply: 5,000,000
Starting liquidity (USD): 500,000
Starting price (USD): 0.10

NFTY is short for Nifty, which is NFT. NFT is known as "**non-fungible token**" and represents an online marketplace where digital collectibles or creations are bought and sold, sometimes fetching prices in the millions.

NFTY token is used for:

- advocacy
- social rank
- social power
- creating auction
- staking
- participating in auction
- access to soirées
- governance voting

NFTY tokens represent status, think about American Express Black Card or an ambassador to Marriott Hotel. NFTY Status must be earned, it cannot simply be purchased.

NFTY is a gamified utility token used both to create a reputation layer and crowdsource data for NFT auctions. The process uses economic incentives distributed to the community in proportion to their participation to create the challenge of defining the best strategy to "endorse" auctions based on their saleability, likely final payout, and number of current endorsers for that auction. This creates many possible strategies without incentivizing low quality or spammy content. This acts as a filter and analytics platform for users to determine "trendiness" and an NFT's value.

Token Information

Nifty (NFTY) is a utility token for crowdsourcing reputation, accessibility, and advocacy. At launch, NFTY is an ERC20 token with 18 decimals on the Ethereum ledger with an initial supply of 5,000,000 and no cap. The initial price at which the first token(s) will be sold is $0.10.

New tokens are only mintable through staking at a 13.579% daily compounded APR. New tokens are minted and sent to the patrons wallet upon unstaking, subject to a 30 day minimum staking period. Unstaking before 30 days results in a forfeiture of accrued interest. This would provide a maximum of about 5,727,062 after one year if all tokens are staked for the duration. This is the only mechanism to mint new tokens - the protocol cannot do so by any other means.

Revenue model

For each auction using NFTY, 10% of the payout is deducted from the sales price. 2.5% goes to the protocol and the other 7.5% is returned to the community members who used NFTY to support that auction. The protocol shares it's 2.5% with the platform that hosted the auction.

Staking

Like many DeFi protocols, NFTY's use cases are primarily dependent on staking. The main 3 benefits of staking are APR yields paid in NFTY, social power, and "farming" or "advocacy". Staking also allows community members to collectively vote as part of the governance board.

Social Power

Locking NFTY in smart contracts generates social power, which grows over time and as more tokens are staked. Your social power is effectively your "rank" or "level", denoting your status as an expert on NFT quality and value. The requirements for each rank are given below:

Rank	Social Rank	Total NFTY staked	Time Staked	Vote power
1	Patron	1 NFTY	1 Day	**1**
2	Iron	500 NFTY	30 Days	**500**
3	Silver	10,000 NFTY	45 Days	**10,000**
4	Gold	25,000 NFTY	90 Days	**25,000**
5	Platinum	50,000 NFTY	180 Days	**50,000**
6	Diamond	100,000 NFTY	365 Days	**100,000**

Vote power is the weight of a vote as part of the protocol governance, equal to the tokens that must be staked for a given rank. Falling under the 1NFTY threshold resets the time staked.

Annual Percentage Return (APR) Yields

The 13.579% staking APR is compounded daily and paid in NFTY. This provides a daily gain of roughly 0.0372% for about a 14.54% annual return. The token reward is minted upon unstaking, so unstaking half provides half the yield. In the case where unstaking would mint enough tokens to reach a new social rank, an option to claim those tokens without unstaking will be offered.

Farming - Advocacy

Using NFTY to endorse auctions is known as "farming" or "advocacy". Patrons can allocate 50% of their unallocated staked NFTY to advocate for an auction, increasing its visibility and earning a payout equal to 7.5% of the final sales price. The payout is distributed proportionally amongst advocates - if A advocates for an auction with 10NFTY and B advocates for the same auction with 20NFTY, B gets ⅔ of the payout equal to 5% of the final price.

Fair Launch

The team behind NFTY does not receive any token distributions. The only advantage offered to the eight founders is the right to purchase a maximum of 100,000NFTY at the starting price prior to opening the Uniswap liquidity pool to the public. The company itself will also have the right to purchase 500,000NFTY during that same round, for use in airdrops and marketing efforts.

Tech Advances

NFTY provides decentralized data storage for NFT metadata via IPFS, which represents an advancement over the centralized marketplace databases where that data is currently stored. This eliminates the security risk posed by the traditional approach, which could render the NFT functionally useless if the marketplace's servers are compromised. While NFTY is starting on Ethereum as an ERC20 token, it will eventually be ledger agnostic and serve as a bridge for all popular chains which support NFTs.

Twitter: @NFTYtoken