



PunkAss CNFT

Tokenomics & Rewards

Tokenomics V1.4

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Introduction

PunkAss CNFTs are NFTs minted on the Cardano blockchain and are the functional native token of the PunkAss ecosystem. PunkAss is designed and will be implemented as a sustainable royalty based passive rewards ecosystem.

What this means is that as long as PunkAss CNFTs produce secondary market transaction volume, all PunkAss CNFT holders will benefit from having rewards automatically delivered to the wallet address that held the NFT at the time of the snapshot for that rewards period.

In this document we will provide token statistics, explain each rewards system that will be implemented as well as provide mathematical proof of the tokenomics.

These calculations in this document are based on the complete sellout of all 3 seasons. There are multiple factors that can contribute to a reduction or increase in the final counts.

Please note that there may be limited series or special collaboration tokens added over time. The maximum number of functional PunkAss CNFTs will never exceed 15,000.

Token Total Supply

Season 1	Season 2	pIASSticine*	Season 3	Cheek Peek
1,111	2,222	2,222	8,888	≤57*

* Total possible number of mints for all three seasons

** As voted by the community, pIASSticine will replace 2,222 Season 2 NFTs and will be considered as Season 2 NFTs for the remainder of this document.

Token Mint Price

Season 1	Season 2	Season 3	Cheek Peek
25 ADA	44 ADA	55 ADA	Free*

*Cheek Peek CNFTs are reserved for contests, promotions and giveaways

Token Type

Season 1	Season 2	Season 3	Cheek Peek
5% Royalty Token	10% Royalty Token	10% Royalty Token	10% Royalty Token

Rewards Distribution

Each PunkAss CNFT will reward its holder passively, depending on its edition :

Season 1	Season 2 + Cheek Peek	Season 3
1 S2 PunkAss CNFT 1 S3 PunkAss CNFT Bonus Liquidity Pool 30% of Royalty Pool	30% of Royalty Pool	30% of Royalty Pool

Rewards Distribution Schedule

Season 1 CNFT holders will receive the Season 2 and Season 3 CNFTs seven days before their scheduled mint dates.

Bonus Liquidity Pool rewards will begin to be distributed weekly, after the completion of the Season 3 minting sale.

Royalty Pool rewards will begin to be distributed weekly, after the completion of the Season 3 minting sale.

A schedule for address snapshots for reward periods will be released as a separate document.

Please note, the S2 PunkAss CNFT reward for Season 1 holders has already been distributed.

Bonus Liquidity Pool Rewards

The Bonus Liquidity Pool is a rewards pool that will be distributed to Season 1 PunkAss CNFT holders. The pool's liquidity will be provided by 50% of the ADA from Season 2 and Season 3 PunkAss CNFT minting sales.

S2 CNFT Total	4,444
S1 Rewards	- 1,111
S2 CNFT Sales	3,333
Mint Price	x 44 ADA
Est. Sales	146,652 ADA
S3 CNFT Total	8,888
S1 Rewards	- 1,111
S3 CNFT Sales	7,777
Mint Price	x 55 ADA
Est. Sales	427,735 ADA
S2 + S3 Total Est. Sales	574,387 ADA
Est. Bonus Liquidity Pool Contribution	287,193.5 ADA

An estimated 287,193.5 ADA will be distributed weekly to 1,111 Season 1 PunkAss CNFT holders over the course of 52 weeks.

$(287,193.5 / 1,111) / 52 = 4.97$ ADA per week OR an ROI of 35 days

Holding a Season 1 PunkAss CNFT through all 52 rewards snapshots will earn 258.5 ADA in passive rewards - this is a return of over 10x ADA on the mint price!

Royalty Pool Rewards

The Royalty Pool is a rewards pool that will be distributed to all PunkAss CNFT holders. The pool liquidity is provided by 100% of the royalties accumulated from secondary market sales of PunkAss CNFTs. The rewards are generated and distributed in ADA.

S1 CNFT Royalties Received	30%
S1 Holders	/ 1,111
S2 CNFT Royalties Received	30%
S2 Holders	/ (4,444 + <57*)
S3 CNFT Royalties Received	30%
S3 Holders	/ 8,888
PunkAss Team	5%
Reserve Pool	5%

*Total possible Cheek Peek CNFTs

The total amount of ADA received in rewards in royalties will depend on which season of PunkAss CNFT is held, the duration and the secondary market sales volume.

The following reward calculations are based on hypothetical secondary market sales at an avg 7.5% combined royalty accumulation.

PunkAss Combined 7 Day Volume	1,500,000 ADA
Accumulated Royalty Rewards	112,000 ADA
S1 Royalty Weekly Total	37,333 ADA
S1 Holders	/1,111
Weekly Payout	33.60 ADA

S2 Royalty Weekly Total	37,333 ADA
S2 Holders	/<4500
Weekly Payout	>8.30 ADA
S3 Royalty Weekly Total	37,333 ADA
S3 Holders	/8,888
Weekly Payout	4.20 ADA

Royalty rewards accumulated before the launch of PunkAss Season 3 and the rewards program will be distributed at launch in one airdrop to Season 1 and Season 2 holders.

Other Funds

ADA received from minting sales that is not added to the Bonus Liquidity Pool will be used for project development, community engagement, marketing, donations and compensating our team for all their hard work!

Conclusion

Being a PunkAss CNFT holder is a smart idea - BUTT 🚫 please remember -

The entire crypto space is still young, and anything can happen - good or bad. We suggest you do as much research as possible before making any decisions related to the purchase of crypto-currencies and NFTs.

That being said, make sure to get your Season 1 PunkAss CNFT and hold it to receive a free Season 2 and Season 3 CNFT, all of which will earn you passive rewards!

More to come...

Mullet Lord

Appendix

ADA

The 'principle currency' that runs on the Cardano blockchain.

Cardano

One of the only truly decentralized proof-of-stake blockchain platforms.

CNFT - Cardano Non Fungible Token

A NFT minted on the Cardano blockchain.

Liquidity

Measure of assets that can be used to meet financial obligations.

Minting

The function of creating and storing immutable data in the form of a native token or in our case a NFT.

Mint Price

The total amount of ADA required to mint a NFT.

NFT - Non Fungible Token

A unique and non-interchangeable unit of data stored on a blockchain - typically used to represent various forms of art. An NFT provides verifiable public proof of ownership.

Passive Rewards

Rewards that are generated without requiring daily active involvement.

Pool (Royalty Pool, Bonus Liquidity Pool..)

A 'pool' or wallet containing tokens.

Royalty (Royalty Token)

A token that when sold on a secondary market, pays a predetermined amount into a pool.

Secondary Market Sales

Sales generated on a market or platform that is not the initial minting sale.

Snapshot

The act of recording the state of a blockchain on a particular block height. We will use this function to determine which wallet addresses receive rewards for holding through particular rewards periods.

Token Total Supply

The maximum possible tokens that will ever be minted.

Tokenomics

The study of the economics of a crypto token.

Token counts may change throughout the course of the project depending on decisions made by the community.

By purchasing a PunkAss CNFT, you recognize that the tokenomics described in our 'Official Tokenomics & Rewards Documentation' or 'PunkAss CNFT Tokenomics' can only be upheld if all (3) seasons of PunkAss CNFTs completely sell out. (Season 1, Season 2 & Season 3)
