



KOUNOTORI

LITEPAPER // NOV 2021
(revision 1)

Introduction

鶴 - Kounotori (Oriental White Stork)

In Japanese culture, the stork is believed to be a symbol of prosperity and longevity. As recounted in the folklore of old, storks would be seen to dive into the water, only to emerge with a mouthful of hidden treasures instead of fish. It is this imagery that has us believe this is the perfect symbol for our token, as we aim to provide a service that will return wealth to our investors for years to come.

Tokenomics

KOUNOTORI (\$KTO) is an ERC-20 token, that will be launched on the Ethereum network in Q4 2021

Contract Address - TBA.

Total supply of **1 Quadrillion** (1,000,000,000,000,000) \$KTO

To prevent early whale manipulation we will be using the following restrictions at launch;

Maximum transaction at launch: **0.2%** of total supply. This will remain in place until further notice.

Maximum held per wallet at launch: **0.5%** of total supply value.

Upon reaching a total market cap of **\$50,000,000** (\$50m) the maximum held per wallet will increase to 1% of total supply value.

Supply Distribution

9.5% (95,000,000,000,000 \$KTO) of the total supply will be allocated to a team wallet and will be released over a period of 12 months, starting 1 month after launch.

Allocation breakdown:

4 Core Team Developers - 6% of the total supply (60,000,000,000,000 \$KTO)

7 Core Moderators/Advisors - 3.5% of the total supply (35,000,000,000,000 \$KTO)

40% (400,000,000,000,000 \$KTO) of the total supply is to be burned at launch, to a dead wallet.

50.5% (505,000,000,000,000 \$KTO) of the total supply will be used to provide liquidity on Uniswap to kickstart the launch.

A Different Kind Of Transaction Tax

Imagine a token that looks after not just itself, but its investors as well. A project where **the rewards increase as the token grows**, yet also ensures it has the ability to recover should it flounder.

For this project to begin with a healthy boost and marketing campaign, we will be implementing a scaling tax on transactions of 10%:

- **3%** reflected to holders of \$KTO in the form of \$KTO.
- **7%** reflected to the treasury in the form of Ethereum (ETH)

As the project grows, these reflections will gradually increase for holders, and decrease for the treasury to form the ultimate reward:

- Up to **9%** reflected to holders of \$KTO in the form of \$KTO.
- Up to **1%** reflected to the treasury in the form of Ethereum (ETH)

The unique value of this scaleable tax is demonstrated in its power to combat a decrease in the value of \$KTO, AKA a 'dip'. In this event, the transaction tax will be adjusted as needed to ensure the treasury has what it needs to redouble the marketing effort and get the project back on track. This increase in available funds will also facilitate necessary buy-backs of tokens to be used for the benefit of the project (see below). To protect the interests of both the developers and holders, the maximum scaling of the treasury tax will not exceed launch figures:

- **3%** reflected to holders of \$KTO in the form of \$KTO.
- **7%** reflected to the treasury in the form of Ethereum (ETH)

Why will the treasury reflections be in ETH?

Though teams typically hold a store of their own project's token (in this case \$KTO) for development, this also requires the token to be sold, thus affecting its price. To avoid the positive usage of project funds being overshadowed by a decrease in token price, the team has chosen to retain this fund in the form of Ethereum (ETH). Given Ethereum's significance and growth, this should ensure the monetary requirements to have us competing with the best can always be achieved without negatively impacting \$KTO's performance or its investor's pockets.

As we won't have a treasury in \$KTO, the ETH treasury will also periodically be used to purchase tokens which can be used for burns, giveaways, promotions, **and even to buy the tokens required for liquidity on any future exchanges we list with.**

Why is there no LP redistribution?

LP redistributions are a common strategy used by the developers of new tokens to retain a supply of liquidity through transaction taxes that return LP tokens (liquidity provider/pool tokens) to the relevant exchange. However, this strategy does not add new ETH to the liquidity pool and results in a negative impact on price with each transaction.

The explanation for this can be demonstrated as follows:

Let's assume \$KTO had a 5% LP tax on each transaction. Now, as you can't add purely \$KTO or ETH to the liquidity pool, they must be paired. The pairing requirement is a 1 to 1 ratio of each token/coin in equivalent value. Therefore, should a transaction be made bearing a 5% LP tax, the proceeds of the tax would require half the value of the \$KTO to be swapped into ETH within the same liquidity pool, thus the LP tokens provided from the tax would not contain a 'new' supply of ETH.

A detailed example has been provided below:

A \$KTO transaction worth \$2000 is made, subject to a 5% LP redistribution tax of \$100 worth of \$KTO. To create the LP tokens for the tax, \$50 of the \$100 worth of \$KTO is then swapped for the equivalent value in ETH and paired together. These new LP tokens are then redeposited to the pool, thus replacing the \$50 worth of ETH that had just been removed. This results in the supply of \$KTO (in the LP) increasing, while the supply of ETH remains constant, causing the price of \$KTO to fall and a subsequent increase in exposure to impermanent loss for liquidity providers.

Maintaining a healthy treasury also provides the team with the ability to buy tokens at random intervals and burn them, meaning new quantities of ETH are added to the liquidity pools, and \$KTO is removed, causing the price to **increase** and become more stable instead.

So the contract won't be renounced?

To maintain the scalability of the transaction tax we need to keep control of the contract. We acknowledge that this is off-putting to many investors, and to counteract this, **our dev team will be fully 'doxxed'**. In addition to sharing our identities with the world, we will also be **publishing every single transaction** made by the treasury fund with the community to ensure our ongoing transparency. The treasury wallet will also be protected by the **Gnosis Safe 4/5 multi-signature** ('multi-sig') protocol, and the **liquidity will be locked** to Unicrypt.

What is our long term vision?

We plan to create something that many before us have attempted but none have succeeded (at least not without major flaws). Where possible, we aim to improve on or entirely eradicate said flaws. Just as the stork plunges into the murky depths of the mundane lake only to burst forth, its beak glistening with treasure. So too, shall we dive headlong into the monotonous world of ERC-20 tokens and bring forth the unseen, amazing treasures that lie in wait, begging to be uncovered.

Our team is a group of crypto-enthusiasts that have grown tired of rug-pulls, honeypots, and devs that, quite frankly, have no idea how to treat their community or their project. We endeavour to provide an **honest, clean project**, that will **always** listen to its people. After all, without the will of the people, the investors, the storks braving the depths; this project cannot be a success.

Roadmap

Phase One:

- Kounotori concept creation
- Set up Social Media Accounts
- Website Launch
- Initial Community Building
- Contract Creation and Verification
- Initial Research and Development of our own Staking Platform

Phase Two:

- Marketing on Social Media
- Kounotori Stealth Launch on Uniswap
- Contract Audit and KYC application
- Coingecko and Coin Market Cap Application
- Whitepaper V1 Release
- Part-time Social Media Marketing Team
- Regular AMAs
- Build a Team of Experienced Solidity Coders who will work on our Staking Platform
- Begin Staking Platform Development

Phase Three:

- 10000+ Holders
- Partnering with Influencers on Twitter and Youtube
- Start of Platform Building
- Listing on Lower Tier Portfolio Trackers
- Listing on Lower Tier Exchanges
- Competitions, Buybacks and Burns
- 'Token B' Launch
- Kounotori NFTs

Phase Four:

- 25000+ Holders
- Bigger CEX Listings
- Charity Donations
- Mass Marketing
- Collaborations
- Kounotori Staking Platform Beta Tests

Phase Five:

- 50000+ Holders
- Cutting all Tax to 0%, Making a Ground for Top Exchange Listings
- Contract Renouncing
- Staking Platform Audit
- Listing on Top Tier Exchanges
- Staking Platform Launch

Please Note: *At the time of publication, this document is up-to-date and reflects all current information available. Information contained within this document does not equate to financial advice and should not be treated as such. Before investing, you should always ensure adequate research, investigation, and consideration of your financial situation and risk profile has been conducted by yourself and/or a licensed professional.*

Upon purchasing \$KTO the team cannot be held liable for any losses or taxes that may incur as a result of fees, errors, market position, or breaches of regulatory bodies, policies, and laws affecting the investor. In such circumstances, in which you have not sought adequate advice, we recommend that you do not invest, as the Kounotori team cannot ensure compliance on your behalf.