

Parody Coin: An Ecosystem on BNB Chain that Supports Minting, Trading, and Interacting with Parody NFTs

Parody Coin dev

Abstract

Parody Coin facilitates the minting, trading, and access to the utility of parodies of favorite NFTs on the BNB Chain and other blockchains. Users also find value in the DApps launched in the Paraverse, a metaverse that is part of the ecosystem. Fundamentally, users generate revenue for themselves in multiple ways. The ecosystem is powered by Parody coin, a BEP-20 meme token.

1. Introduction

The NFT industry is undergoing exponential growth. This is both in terms of market capitalization as well as the variety of digital assets on offer.

According to various projections, the NFT industry is expected to surpass US\$80 billion market capitalization by 2025 [1]. Meanwhile, while early NFTs were mostly digital artworks such as images, videos, or GIFs, new forms of digital assets are being minted as NFTs on various blockchains. The list includes NFTs that represent real-world collectibles, gaming assets, metaverses, as well as NFTs that perform utility functions.

This growth, however, has come with its pressing challenges. In particular, the current NFT ecosystem has become too bloated and expensive for most people around the world to participate in it. That is the case especially regarding the minting of new NFTs, trading of those already in the market, and being part of the emerging virtual worlds.

The major obstacles are turning out to be fees paid in marketplaces and the actual price of the traded NFTs. For example, it costs between \$100 and \$500 to mint a new NFT on most of the marketplaces on the Ethereum blockchain. It also costs almost the same amount in transaction fees to transfer an NFT from one address to another.

Meanwhile, the average price on major NFT marketplaces is thousands of dollars. Indeed, the prices can go extremely high. For example, *The Merge* by Pak sold on NFT marketplace *Nifty Gateway* for USD 91.8 million in early December 2021. In March 2021, the auction house Christie's facilitated the sale of the NFT art piece titled *Everyday – The First 5000 Days* by Beeple for US\$69 million. The prices for some of the Cryptopunk NFTs go over \$20 million [2].

The NFT market could easily exclude many from its most interesting aspects. While the price of digital art will continue being driven by market forces, everyone can get the opportunity to participate and share in the value that is being generated.

2. The Parody Coin ecosystem

Parody Coin ecosystem is designed to make the most interesting and benefiting aspects of the NFT markets more accessible to everyone interested. It provides the capacity to mint parodies of the most popular NFTs in the industry. It also provides the mechanism to trade these NFT parodies and generate revenue. If it is a functional NFT, users can derive utility value from it like they would from the original NFT.

2.1 The marketplace

This is a decentralized application (DApp) on the BNB Chain. It has a user-friendly interface to mint parodies of favorite NFTs on BNB Chain, Ethereum other blockchains. It is also a place where someone can put up their NFT parody for sale or buy one from a list of those put on sale by others.

The Parody NFTs on the Parody Coin marketplace are not completely detached from the original NFTs from which they are cloned. Through a robust *bridge*, the owners of the real NFTs can gain ownership of the parody NFT by locking up or burning the original NFT.

This creates the possibility that some parody NFTs might end up being the original NFTs, but that is only if the owner of the original NFT decides to acquire the parody and implement the changeover by burning the initial NFT. This could happen, especially if NFT owners begin to deem the Parody Coin ecosystem as providing features unavailable in other marketplaces.

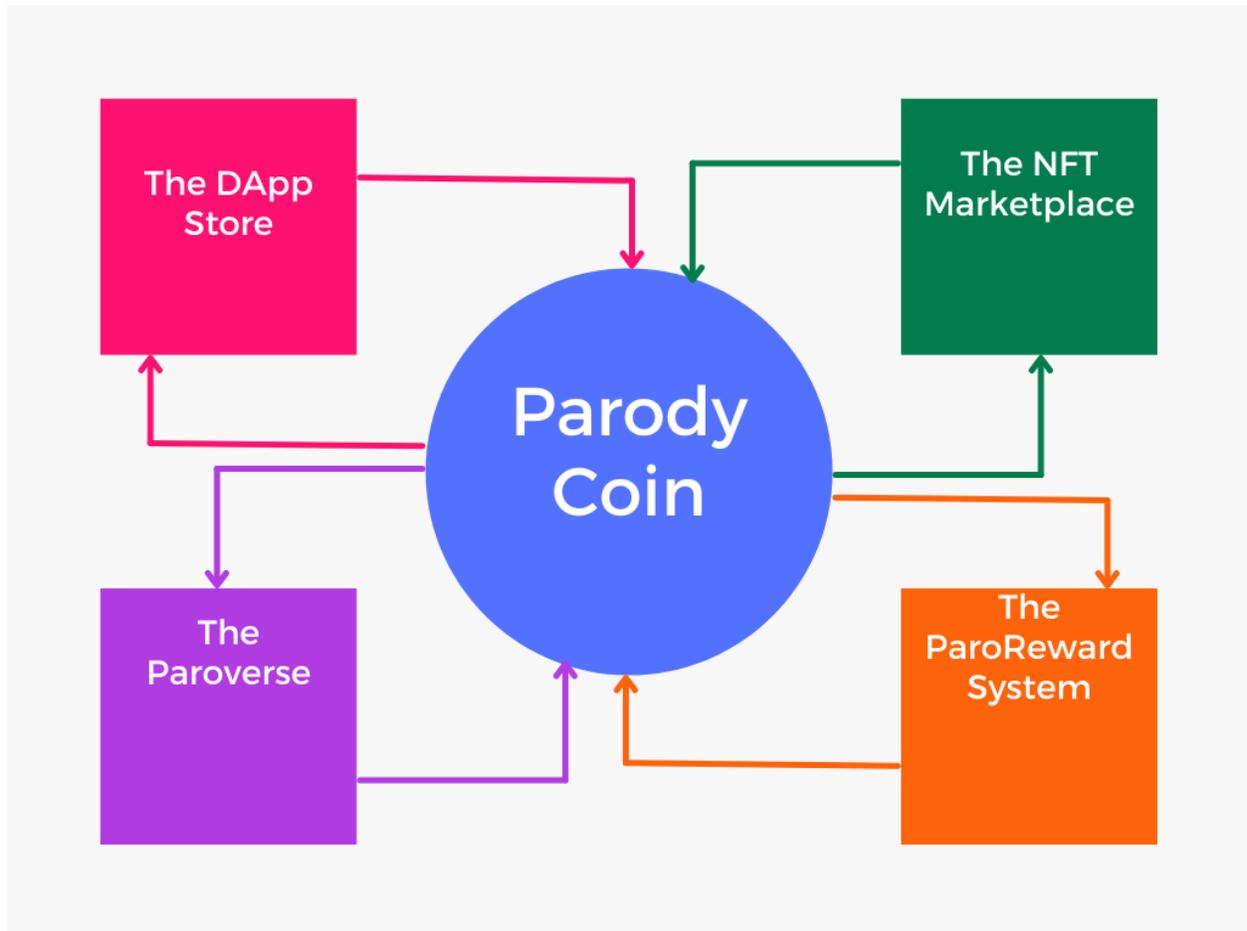
2.2 The DApp store

Parody Coin ecosystem functions as a Super app with its own (D)App store. The long-term goal is to have the capacity that allows third-party developers to build and launch applications within the ecosystem. These DApps will provide various services, especially those that facilitate the minting, trading, and access to the utility of parody NFTs.

2.3 The Paraverse

This is a component of the ecosystem designed to help accommodate the emergence of NFTs that interact with the real world. In particular, it meets the needs of the metaverse evolution. The *Paraverse* creates the ability to generate and interact with virtual worlds that are interfaceable with the real world through NFT parodies and other decentralized applications.

3. The Parody Coin



The Parody coin (\$PARO) is the native coin of the Parody Coin ecosystem. Through this coin, users pay fees to mint and transfer NFT parodies between wallets on the marketplace. The transactions involving the sale of the NFT parodies are also settled using the \$PARO token. In addition, it is the medium of exchange in the Paraverse as well as the other DApps launched in the ecosystem.

The \$PARO token will launch on PancakeSwap. In total, 72 Billion \$PARO coins will be pre-mined.

3.1 Exchanging Parody Coins

The Parody Coins will be exchangeable with other blockchain assets. This will happen primarily through liquidity pools on decentralized exchanges (DEXs).

Most liquidity pools out there depend on users volunteering to fund the wallet that facilitates the conversion between different coins. The system's robustness is always dependent on whether the liquidity providers consider

the incentive in the form of reward that comes from fees paid enough. If the liquidity providers feel they can get a better deal investing in a different system, they can easily cash out, which can cripple the system.

Parody Coin takes away the responsibility of maintaining the liquidity pool from users. Instead, the liquidity pool is funded through *token reflection*—the liquidity comes from the fees users pay to transact in the ecosystem.

3.2 Parody Swap

The Parody Coins can be swapped with any crypto on any blockchain. This is possible through the native *Parody Bridge* built into the Parody Coin protocol. The bridge maintains a liquidity pool wallet in other blockchains through a smart contract.

Suppose you need to exchange \$PARO coins for an asset on another blockchain. In that case, you send them to a special wallet on the Parody Coin protocol, and this action triggers a transfer of equivalent amounts of crypto on the other blockchain to a wallet address you provide. The Parody Bridge uses the *Chainlink oracle* network to set market-sensitive exchange rates.

3.4 The Paroflection mechanism

The Parody Coin protocol is built on the token *reflection model*. This means users of the platform are charged fees that are then distributed to various branches. In particular, the fees are shared as an incentive means to provide liquidity and also a way to cap token inflation.

Each transaction in the Parody Coin ecosystem is charged a 10% tax. The accrued tokens are distributed as follows:

- 5% to Parody Coin holders
- 3% to the liquidity pool
- 2% to the coin burn wallet.

4. Revenue streams for users

The Parody ecosystem has three primary revenue streams for those who choose to participate:

- Minting parodies of popular NFTs and selling them on an open marketplace.
- Earning from the *paroflection* (token reflection) system.

- Staking on the BNB Chain.
- Earning from the *ParoReward system*

5.1 The ParoReward and staking

ParoRewards is a system that generates earnings in BEP20 tokens for holders of the Parody Coins.

The system is designed to lend out funds for yield on money markets on the platform on the BNB Chain. This lets HODLers earn and gain compounding interest.

The ParoReward system also has a staking component. It facilitates earning a piece of the reward the foundational BNB Chain protocol pays. The Parody Coin protocol leverages a bridge to convert some of the tokens into BEP2 (BNB) tokens that can participate in the network consensus mechanisms. A smart contract distributes the reward to holders of the Parody Coin.

This model makes it possible that one can earn from the token reflection of the Parody Coin as well as from the reward paid by the foundational BNB Chain as part of the network consensus mechanism. However, to participate in this system, one needs to lock their Parody Coins for a period of more than two weeks.

Deflation of Parody coin

Parody Coin is a deflationary token. The number of coins in circulation does not increase but decreases over time. That is because part of the fees users pay is automatically sent to a burn wallet where they are destroyed to never come back into circulation.

Considering that all \$PARO coins are pre-mined and there is no perpetual emission, the net result is that if you HODL, the value of the coins will continue to grow over time. That is from both the *Paroflection system* and the deflationary nature of the Parody Coins.

5. The Parody Coin Tokenomics

In total, 72 Billion \$PARO coins will be pre-mined before the Initial DEX Offering (IDO) on PancakeSwap. The tokens will be distributed as follows:



6. Road Map

PHASE ONE JAN 2022-MARCH 2022	PHASE TWO APRIL 2022-JULY 2022	PHASE THREE MAY 2022- AUGUST 2022
<ul style="list-style-type: none"> • Group Formation • Marketing for Presale Phase One • Presale Phase One • Legal opinion's • Brand awareness and Narrative • White Paper V1 • Launchpad Design and Development • Start Advertising on Social Platforms • Certik Audit 	<ul style="list-style-type: none"> • \$PARO Token Launch on PancakeSwap • Upgrade Website, • Release ParoDAPP • CoinMarketCap Listing • Presale Phase End • Website v2 • NFT launch • Add Liquidity to PancakeSwap • Lock Liquidity • CoinGecko Listing • Begin Major Marketing Effort 	<ul style="list-style-type: none"> • Deploy ERC20 Token on Uniswap • Create BSC-ERC Bridge • Announce Upcoming Game • CEX Listings • Paro NFT Marketplace Launch • NFT Collection to target • The ParoSwap • Influencer Marketing

References

- [1] W. Canny, "Jefferies Sees the NFT Market Reaching More Than \$80B in Value by 2025," Coindesk, 20 Jan 2022. [Online]. Available: <https://www.coindesk.com/business/2022/01/20/jefferies-sees-the-nft-market-reaching-more-than-80-billion-in-value-by-2025/>.
- [2] G. Georgiev, "Top 10 Most Expensive NFTs Ever Sold," Cryptopotato, 14 Feb 2022. [Online]. Available: <https://cryptopotato.com/most-expensive-nfts-sold/>.