



Valkyrie Protocol V2
LITE PAPER

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What is Valkyrie?

Valkyrie Protocol is a DApp activation protocol that is designed to help protocols launch effectively. It builds on the Terra Network, and creates a 'rewardable ecosystem' that is focused on bringing together campaigners and users to drive adoption and growth for launching protocols.

Protocols can create Campaigns (projects) and depending on the requirement of their campaigns, can offer social referral rewards. Users can participate in the project and be exposed to new projects and be incentivized to experiment and also refer the campaigns to others.

Valkyrie offers different types of campaigns to fit a campaigner's stage of launch. Tailored to various phases such as initial launch, TGE and growth, campaigners can use the Initial Participation Campaign, the Smart Airdrop or the general Share2Earn campaign respectively. Each type of campaign offers both campaigner and users the unique opportunity to achieve a variety of adoption goals and ultimately earn profits.

A Valkyrie campaign is a fully customizable tool that is defined by a budget, a goal, reward weights, and participation requirements. Unlike typical referral programs, Valkyrie provides a robust methodology to encourage participation by granting rewards to not only participants in the campaign but also to those who induce further participation through content sharing.

- Increased participation through sharing with an incentivized structure between sharers and participants
- On-chain targeted marketing through definable eligibility criteria (wallet criteria, etc.)

Valkyrie Protocol launched in October 2020, with an updated Version 2 launch in April 2022. The following pages of this litepaper will highlight the distinctions of the Valkyrie Protocol with an update with Version 2 roadmap and capabilities.

Protocol Distinctions

Cascading Referral Chain

Valkyrie employs a cascading referral chain whereby rewards can be continuously earned by sharing the campaign with other users. This is an industry-first and is vital to the success of decentralized application and/or protocol activation.

Rewards for successful campaign referrals are paid out in the form of VKR allocated by the campaign creator. Thus active participation in Valkyrie as well as general DApp activity will correspondingly lead to a greater usage of VKR.

Target Wallet Setting

The Valkyrie Protocol's main interacting entity is the user's wallet. In order to prevent cases of abusing, the campaign creator can set minimum requirements that a wallet must have before being eligible to receive participation/referral rewards. The Valkyrie Protocol has security measures in place to mitigate the risk of misbehaviour. For example, a campaign can require VKR to be "locked" (later returned to the user) as a mandatory criteria to make a wallet eligible for participating in the campaign. These security mechanisms like locking VKR can make campaign abuse economically inefficient and therefore can minimize bad behaviour.

On-chain Data

Various on-chain data will be provided by the protocol with regards to the performance (proliferation, number of participants, participant trees, etc) of campaigns executed on Valkyrie. This will provide campaign creators with useful analytical data to manage the performance of their DApp activation.

Valkyrie V2

Valkyrie Protocol has made systematic and feature upgrades for its release of Version 2 in April 2022.

Version 2 was built with three pillars in mind for both Campaigners and Participants to maximize growth:

1. True Decentralization

- A. Build Your Own Campaign (B.Y.O.C)
- B. Campaign Process Participation

2. Simplicity and Fast Launches

Build Your Own Campaign

Valkyrie Protocol after all is a DAO. One of the key features for launching campaigns in V2 is to invite any protocol or user to build and launch their own referral campaign.

A campaigner will be able to propose their desired campaign parameters to the community on the forum (Valkyrie will provide a simple template). Each campaign proposal should cover at least the following:

- Campaign participation requirements
- Campaign rewards for participation
- Campaign rewards for sharing
- Campaign duration

Once a forum discussion has started, the Campaigner will be able to submit the proposal for vote in governance polls. Now anyone can launch their own campaign, maximize growth and partner with Valkyrie!

Vote to Launch (Democratized Campaign Proposals)

Another key feature in V2 invites all VKR holders to have a voice in the launch of a campaign.

Version 2 will launch campaigns only after they have been approved by the community through a discussion on forum and governance poll. Each poll will last for 7 days before determining being executed into a campaign or rejected. This is where Valkyrie Token holders can exercise their voting rights in campaign proposals.

Active Participation

Finally, reward claims have become more transparent and easier. When a user successfully participates in a campaign, they will be able to verify and claim their participation reward by submitting the transaction ID on the Valkyrie Campaign portal.

A detailed guide and walkthrough is available on the [User Guide > WebApp > Campaign](#) section

Simple, Fast and Transparent

The true advantage of Version 2 will be the shortened time from initiation to launch. As all potential campaigners can now easily propose and launch campaigns, the Valkyrie community will now have a greater number of campaign choices to participate.

In addition to all of the features in the first iteration of Valkyrie Protocol, Valkyrie has released a series of innovative features in Version 2 that is designed to enhance user experience, and help expand the protocol's role in becoming Terra's adoption driver.

| These include:

- New Campaign Types such as: Initial Participation Campaign, Swap Events and Smart Air drops (details in 'Campaign' section)
- A Loyalty Pass called **Valkyrian Pass** (details in 'Valkyrian Pass' section)
- Changes in Tokenomics (details in 'Valkyrie Token' section)
- Changes in the user participation (details in 'Campaign' section)

By leveraging on these principles and enhanced features, we believe that Valkyrie is well positioned to bring a larger number of campaigns to the Terra Community and ultimately be a profit driver for the whole of Terra Network, Valkyrie Campaigners and User Participants.

In the following pages, you can find informative documentation on what and how Valkyrie's Ecosystem works.

Campaign

Valkyrie Protocol's main objective is to build a rewardable ecosystem on Terra, that.... Through the use of Valkyrie campaigns, campaign creators are able to promote innovations as well as improve marketing and advertising efficiency through the usage of smart contract-based technology. Valkyrie's campaigns deliver greater transparency and trust whilst providing unprecedented reach to various users in the ecosystem.

Types of Campaigns

In the first version of Valkyrie, Valkyrie offered only one type of Campaigns called "Share 2 Earn" campaigns. With the release of Version 2, Valkyrie now offers referral campaigns that are tailored and suitable for all protocols at different phases including launch, TGE and growth. Both campaigners and users can now create and participate in the different campaign types as below:

**Share 2 Earn
General
Campaigns**

**Initial
Participation
Campaigns**

**Smart
Airdrops**

1. **Share 2 Earn General Campaigns:** The Share 2 Earn General Campaigns are the vanilla action-based sharing campaigns that are core to the Valkyrie Protocol. The Share2Earn Campaigns are the growth stage campaigns that are targeted for Campaigners who have already launched their protocol, webapp or governance tokens and are looking to drive growth by offering users an opportunity to experiment the protocol's core product.

2. **Initial Participation Campaigns:** The Initial Participation Campaign (IPC) is an innovative dApp-activation program focused on ICOs, IDOs, and other token generation events. Powered by Valkyrie, IPC will align incentives for both protocols and their users, and optimize for the most efficient and fair token launches by rewarding protocols' early adopters and supporters.

Simply put, IPC grants users exclusive access to a given protocol's token generation event via their participation in the protocol. By leveraging Valkyrie's IPC, protocols can limit or prioritize launch access to only their most engaged users who have committed time and resources to using their product and contributed to their early success. Concurrently, IPC participants will not only gain exclusive access to token launches but also learn about new protocol offerings and earn additional \$VKR for sharing with the community.

With IPC, the Terra ecosystem will finally have more equitable token generation events and benefit from amplified awareness of new protocols in such a burgeoning economy. It's time to reimagine token launches.

| IPC Creator / Protocol Benefits

- Targeted distribution to users directly interacting with the protocol
- Reward active community participants with early access to token launch sales
- Amplified protocol awareness and activity by leveraging Valkyrie's existing community and cascading referral structure

| IPC User / VKR Holder Benefits

- Receive exclusive access to a fair token launch sale
- Earn \$VKR rewards for IPC participation and sharing

3. The Valkyrie Smart Airdrop (SA) is an innovative campaign focused on distributing incentives to users that maximizes adoption growth. Simply put, the Smart Airdrop is a way for protocols to be highly selective in rewarding their users.

By leveraging Valkyrie's Smart Airdrop, protocols choose to incentivize only users who are in a mutually contract-enforced transaction — i.e. protocols reward in exchange for completing an action on chain. Users in the meanwhile, can charge their DApp Activation experience with additional reward tokens and also receive referral \$VKR rewards for sharing with their community.

With the Smart Airdrop campaigns, the Terra ecosystem will finally have more equitable token distribution and benefit overall from amplified awareness of new protocols.

| Smart Airdrop Campaign Creator / Protocol Benefits

- Targeted distribution to users directly interacting with the protocol
- Use highly customizable wallet status and entry barrier mechanisms
- Reward active community participants with additional token launches
- Amplified protocol awareness and activity by leveraging Valkyrie's existing community and cascading referral structure

| Smart Airdrop / VKR Holder Benefits

- Supercharge experiences
 - Earn \$VKR rewards for Smart Airdrop participation and sharing
-

Rewardable Ecosystem

Concept

Valkyrie allows for creators to specify campaigns that are in alignment with their targets and correspondingly distribute incentives to their participants. By creating a Cascading Reward Structure, a campaign's reach can be exponentially increased through incentivized referrals.

Rewards are distributed for wanted behavior, and additional rewards are accrued to participants who have additionally shared the content to other users, allowing for a continuous incentive structure for campaign participants. Valkyrie Protocol's rewardable system can be defined by the characteristics below.

- **Blockchain-as-a-Service:** the most accurate referral data, recorded immutably and transparently on the Terra blockchain
- **Incentives-as-a-Service:** more efficient capital outlay and campaign financing via dynamic tokenomics
- **"Equity"-as-a-Service:**

Usage

Campaign Participant Action

An 'action' is defined to be the target behavior that the campaign producer wants to be produced and is the action that will provide rewards defined by the reward structure of the campaign. By finding and sharing interesting campaigns that match the participants' interests, he/she can receive additional rewards. The participant can share the campaign with other users, and if a referral is successful (ie. there is a conversion of another new user for the campaign), he/she will be eligible to additional rewards allocated for referrals.

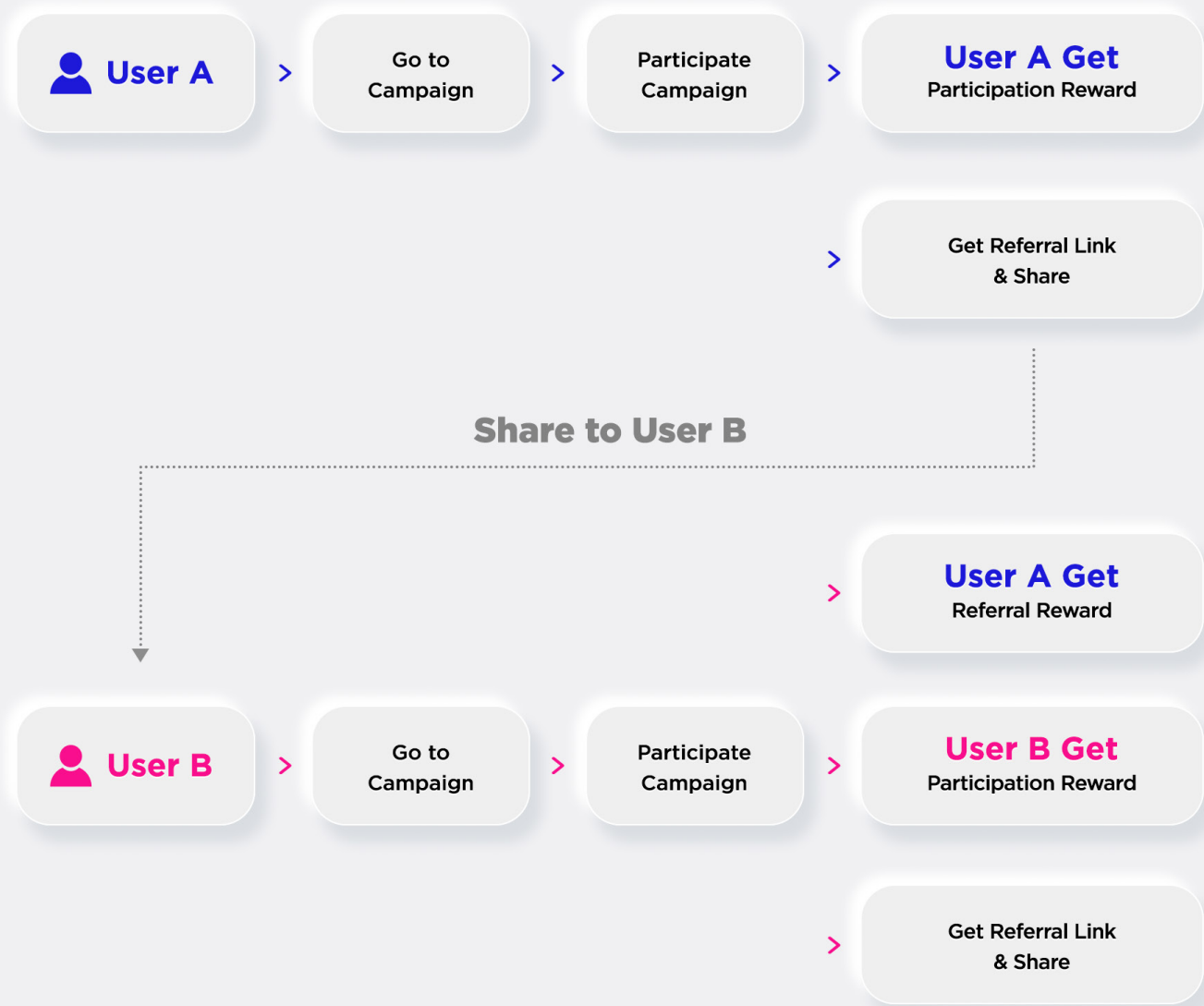
Campaign Share

A 'share' is an action taken by a campaign participant to advertise or share the campaign link/content to other users. Rewards for sharing are decided by the campaign creator when first creating a campaign. Valkyrie is a protocol that allows users to earn rewards through both 'participation' and 'shares'. Valkyrie has built a "connectable reward structure", whereby users can share a unique referral link that is generated once they participate in a chosen campaign. Once generated, these links can be shared among their community and if their referrals also participate in the campaign, the user is rewarded again for the successful referral. This cascading referral reward structure incentivizes users to become actively involved in participating and promoting a campaign, and allows participants to potentially see much greater rewards than compared to a traditional referral program.

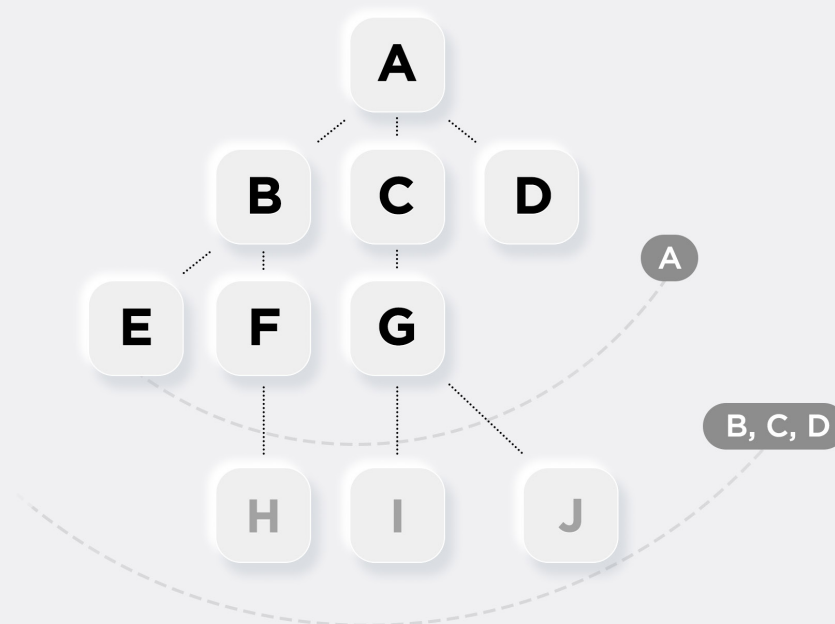
| Connectable (Cascading) Structure

A reward structure whereby all participants are able to receive rewards through content sharing and propagation is the main attraction of the Valkyrie Protocol for both campaign creators and participants alike.

Campaign participants are not only entitled to rewards accrued to them through direct campaign participation but also any participation by other users if it can be linked to the original sharer in a tree structure. The reward distribution schema for each campaign can differ and is set by the campaign creator.



Reward cascading example



As seen in the example above, Valkyrie Protocol’s design of a connectable reward structure delivers exponentially expanding rewards for campaign participants and corresponding campaign awareness for the creator.

Participation Requirements

A user may be required to deposit a **participation deposit or Valkyrie Passes** (more details below) in order to be eligible for participation. Participation deposits are set by campaign creators to reduce abuse on campaigns i.e. multiple wallets to take advantage of referral rewards for example. Participation deposits are minimum VKR required for participation eligibility; whereas Valkyrian Passes are entry tickets to certain campaigns. When participating in a campaign with participation deposit requirements, the user will be required to set aside VKR from their wallet which will be released in full after participation (after a set lock up period)

Referral Reward Cap

Valkyrie Protocol has Referral Reward Caps for all campaigns that act as a soft limit that can be increased to receive more referral rewards. Commonly the referral reward caps are based on the reward scheme set by campaign creators. In order to increase the limit, a user must stake VKR onto governance. The increase in limit will be proportional to the amount staked, i.e. 30%. ex)

If the reward scheme is a campaign set to **VKR [50,30]**, the base referral reward cap is **$(50+30)*2 = 160$ VKR**. In this state, if the user governance staking 1,000 VKR, the referral reward cap increases by 30%, **300 VKR**. Therefore, the user will have a **referral reward cap of 460 VKR**

Valkyrian Pass (VP)

In February 2022, Valkyrie Protocol introduced a Loyalty Program called the Valkyrian Pass (VP). Valkyrian Passes are awarded exclusively to Valkyrians who have staked onto governance for a considerable amount of time or in volume. VPs will have multiple uses going forward. Some examples include:

| Campaign Admission Tickets:

The VP is designed to grant priority access and other exclusive offers to IPC, Smart Airdrop and other campaigns.

| Yield Boosters(TBD):

In addition to acting like admission tickets in a Valkyrie loyalty program, the VPs can also be executed to **boost** up rewards such as being a yield maximizer. As Valkyrie LP reserves are decreasing, there will be an amplified incentive to collect VPs and maximize yield. The more exclusive the campaign is, the greater amount of VPs will be required for participation.

Examples of boosted campaigns can be found in the Roadmap section below.

| Participation Add-ons:

The Valkyrian Pass is non-exchangeable and non-refundable. This also means that it cannot be transferred to another wallet for use as well. However, Valkyrian Passes will be available for a one-way burn of 12.5VKR for those who need to top up for campaign participation.

Lastly, like many loyalty programs, Valkyrie Protocol is looking to implement a tier-ranking system that will further induce the use of VP and bring greater opportunities for the Valkyrie Pass member! The boundaries are limitless to VP usage. As a Valkyrian, we always welcome your feedback and proposal. You can submit them on the forum ([here](#)) or governance poll ([here](#)).



Valkyrie Token

The Valkyrie Token (VKR) is the protocol's native governance token. The VKR token has a wide range of uses including campaign participation and staking onto governance for new proposals or vote in on-going polls.

VKR is designed to linearly capture a portion of the protocol's fees and provide additional incentives for both campaigner producers as well as participants. Lastly, VKR stakers receive rewards allocated to the Governance Distribution schedule as well as a portion of the fees charged by the protocol pro-rata to their stake.

Value Accrual

Valkyrie Protocol has multiple value capture mechanisms in place to ensure that the VKR token is maintaining a liquid price level. A few examples of value captures include but not limited to:

- Inflationary Rewards (Tokenomics below) in LP or governance contract
- Continuous campaign launches for continuous participation
- 20% of reward budgets denominated in VKR for sharing rewards
- Increase base reward caps by staking additional VKR onto governance

The core of true value capture will come from the flow of campaigns that Valkyrie will launch with partner protocols. In addition to partner campaigns, Valkyrie will continuously launch own campaigns to superboost earning opportunities as well.

Fees

There are various fees associated with Valkyrie Protocol when running campaigns. These fees include:

- Reward Pool Fee
- Reward Pool Withdrawal Fee
- IPC fees

The Valkyrie Team is always looking for ways to accommodate partners to the best possible outcome while serving the Valkyrie Community. Fee negotiations are always opened for discussion.

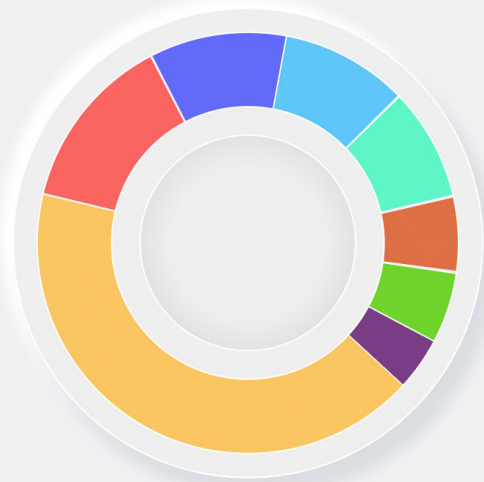
Valkyrie Token Supply

| Token Distribution

- **Foundation:** 100M (10%) tokens will be reserved for the Valkyrie foundation (It is basically a lock-up volume).
- **Investors:** 100M (10%) tokens are allocated to investors of Valkyrie, 2-year linear vesting schedule is applied
- **Team:** 100M (10%) tokens are allocated to the creators of Valkyrie, with a 6-month lockup period. Afterwards, a 4-year linear vesting schedule is applied
- **LUNA staking airdrop:** 50M (5%) tokens are airdropped to LUNA stakers on launch.
- **Valkyrie LP staking rewards:** 112.5M (11.25%) tokens are linearly distributed to the VKR-UST pair liquidity providers over a period of 4 year.
- **Valkyrie governance staking rewards:** 37.5M (3.75%) tokens are linearly distributed to the governance stakers over a period of 4 year.
- **Community fund:** 420M (42%)
 - Following the Tokenomics update:
 - a portion of LP and Governance incentives have been reallocated to the Community fund
 - Luna biweekly airdrops have been reallocated to the Community fund
- **Burn:** 80M (8%)
 - Following the Tokenomics update, a portion of LP and Governance incentives were burned

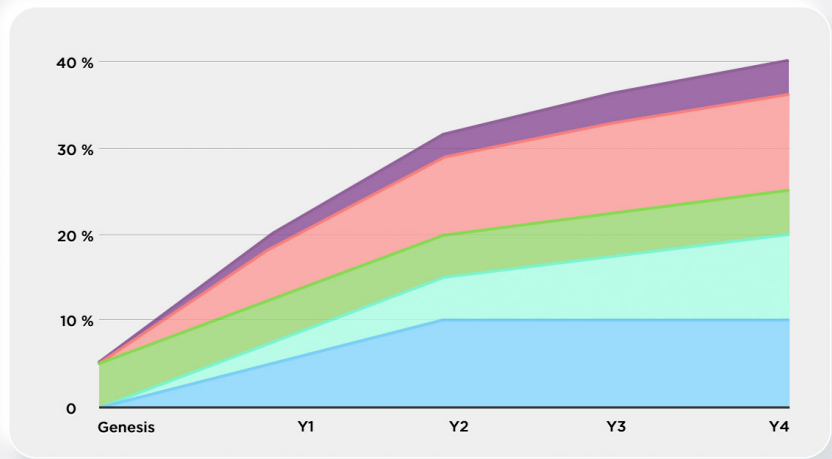
TOKENOMICS & EMISSIONS

Tokenomics



- Community Fund (42%)
420M
- Valkyrie LP staking rewards (11.25%)
112.5M
- Foundation (10%)
100M
- Investors (10%)
100M
- Team (10%)
100M
- Burn (8%)
80M
- LUNA staking airdrop (5%)
50M
- Valkyrie governance staking rewards (3.75%)
37.5M

Emissions



- Governance staking rewards
- LP staking rewards
- LUNA staking airdrop
- Team
- Investors

Road Map

With the launch of Version 2, the roadmap horizon remains bullish for Valkyrie Protocol. Simply put, the highlights of the upcoming journey includes:

| More Campaigns: With the simplicity of Version 2, we are expecting more campaigns to be launched. The Terra Community will now have more campaigns to choose from, which results in better campaigns. We expect an influx of money making opportunities with more campaigns.

| Positive Value Capture Mechanisms: Valkyrie will punctuate partner campaigns with more Valkyrie own campaigns to bring more buy pressure and rally the VKR price. This is in addition to more Share2Earn, IPC and Smart Airdrop campaigns.

| Yield Boosters: Going forward, VP holders will be able to use their VPs in various ways. Below are some examples of how to leverage VP to maximize benefits:

- **IPC Reward Boosts :** As mentioned above, IPCs are IDO Swap events that are focused around action-based campaigns. Successful participants will be entitled to a limited number of tokens per wallet. But with the use of VPs, a user can take advantage of increasing their entitlement cap for entitled tokens.
- **Sharing Reward Boosts:** Upon successful participation, a user will get a generated link to share with their community. VPs can be used to get an additional boost for sharing rewards in proportion to how much VPs a user uses
- **Yield Boosts:** Liquidity Pool Incentives (APR) and Governance Staking yields (APR) are essential to the Terra DeFi ecosystem. With the use of VP, a user can get additional yield on LP or Governance for a set period of time.
- **Governance Poll Voting Boosts:** In Version 2, all campaigns will have to submit a governance poll for community approval before launch. A VP holder can use exercise additional voting capacity by using their VPs.

These are some examples of potential future uses of Valkyrian Passes. As always, we welcome any suggestions on the forum for additional ideas of how these can be used to maximize benefits for our true Valkyrian members.

V2 will be packed with energy and momentum coming out of the gates in Q2 2022. In addition to the VPs and changed process, the Valkyrie Team hopes to bring more exciting campaigns to the Valkyrie Community. Pack your bags. We're ready for take off

PARTNERS



