



**LOLLYCOIN**

**UNLOCKING THE NEXT ERA OF  
HOSPITALITY REWARDS**

**LOYALTY DAO WHITE PAPER**

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# Unlocking the Next Era of Hospitality Rewards

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## Loyalty Coin “LOLLY” - A global loyalty infrastructure for modern travel commerce

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# 1. Introduction

LOLLY is an enterprise loyalty infrastructure layer for modern travel commerce.

It enables travel fulfillment partners and consumer platforms to launch branded travel rewards without building their own loyalty stack from scratch. Rather than operating as a consumer-facing travel company, LOLLY provides the ledger, issuance, and redemption coordination systems that partners integrate into their own products and communities. Booking, inventory access, and fulfillment remain with third-party travel partners.

This separation is the foundation of the model. LOLLY is not a booking engine, travel marketplace, or inventory operator. It is the loyalty coordination layer that allows enterprises to offer travel rewards as a native part of their own customer experience while relying on external travel partners for fulfillment.

The LOLLY ecosystem includes two connected components.

The first is the **Universal Loyalty Product**, which is the core operating business of the ecosystem. The ULP is an infrastructure layer that allows enterprises to issue, administer, and redeem their own branded travel rewards across supported categories. The ULP is not a points exchange platform - clients are establishing their own white-labeled “points”, not purchasing them from an outside vendor. The ULP is also not a travel seller; it integrates with external travel redemption partners to facilitate a seamless customer experience.

The second is the **Arbitrage Liquidity Pool**, or ALP, which is intended to launch alongside the December Token Generation Event. ALP is a secondary launch module designed to broaden ecosystem participation by offering a smart-contract managed investment pool that can generate substantial returns by acquiring and reselling travel ahead of high-demand events.

These two components are complementary. The Universal Loyalty Product is the primary long-term driver of enterprise adoption, protocol usage, and recurring revenue. ALP is an important launch component that adds a differentiated economic layer around travel inventory and demand dislocation, and incentivizes community engagement.

Together, they form a broader travel-commerce ecosystem: an enterprise-owned rewards infrastructure at the core, complemented by a launch-phase capital module.



## 2. Why the loyalty market is shifting

Travel rewards are among the most effective incentives for consumer loyalty, but the infrastructure behind them remains closed, fragmented, and expensive to access.

Fintechs, superapps, ecommerce platforms, membership businesses, universities, insurers, and travel sellers increasingly want to offer high-value rewards that drive retention and deepen engagement. Travel is one of the most compelling reward categories for that purpose. Major issuers such as American Express, Chase, Capital One, and Citi anchor their flagship cards in travel rewards because consumers value travel points, miles, and experiences far more than cash. Customers will switch cards, consolidate spending, and increase overall use purely to earn travel benefits, making travel rewards the proven engine of loyalty across financial services and beyond. The 2025 market size specifically for Travel Loyalty Programs is estimated at \$34.08 billion.

However, most enterprises that want to offer travel rewards face an unattractive choice. They can enter rigid points-buying relationships with airlines and hotel groups, or they can avoid travel rewards altogether and rely on lower-value alternatives such as discounts, cashback, or store credit. In either case, they usually give up control over branding, economics, redemption logic, and customer experience.

What is missing is a loyalty infrastructure layer that allows enterprises to issue and manage their own travel rewards while connecting to external redemption and fulfillment partners.

LOLLY is designed to solve that problem. It gives enterprises a way to own the rewards relationship while relying on external partners for booking technology and fulfillment. It turns travel rewards from a rented feature into an owned strategic asset.

## 3. LOLLY's strategic value

LOLLY is a protocol-level loyalty infrastructure designed to support enterprise-issued travel rewards at scale.

Its purpose is to give enterprises the tools to create branded reward programs that are flexible, interoperable, and connected to real travel redemption opportunities. The protocol coordinates the rules, logic, and accounting that make a modern travel rewards program possible.

LOLLY is built around a simple operating premise. Enterprises want to offer better rewards, and travel is one of the most compelling reward categories. But legacy travel loyalty systems are too closed and too expensive. Enterprises need a travel loyalty layer that integrates seamlessly with their chosen booking and fulfillment provider, enabling them to optimize a custom travel rewards offering for their audience.



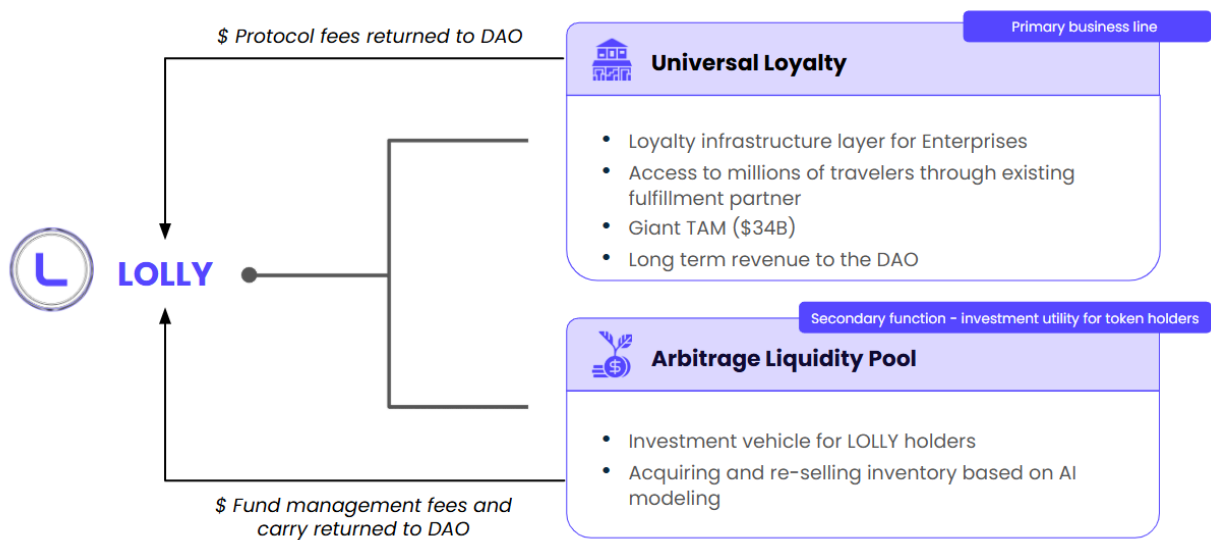
LOLLY includes two integrated components.

The first is the **Universal Loyalty Product**, the core enterprise-rewards infrastructure business and the foundation of the ecosystem. This product will be developed by LOLLY's contracted engineering team, with expected launch less than a year following TGE.

The second is the **Arbitrage Liquidity Pool**, a secondary launch module debuting alongside the December TGE. It introduces a travel-native capital participation layer tied to inventory and demand dislocation.

The LOLLY token and governance framework connect these components. The Universal Loyalty Product defines the company. ALP expands the ecosystem by offering opportunities for attractive yields and active participation.

### Exhibit 1: Overview of the LOLLY Ecosystem





## 4. Universal Loyalty Product

The Universal Loyalty Product is LOLLY's flagship product and the foundation of the ecosystem.

It is a white-label loyalty engine that enables enterprise clients to issue, administer, and redeem branded travel rewards without building their own loyalty infrastructure. The product is designed for travel sellers and consumer platforms that want to embed travel rewards directly into their own user experience.

At the product level, LOLLY provides three core functions.

First, the **loyalty ledger**. LOLLY records reward balances, issuance events, redemption activity, and reward-related settlement logic.

Second, the **issuance layer**. Enterprise clients can define how rewards are earned, distributed, and administered within their own ecosystems.

Third, the **redemption coordination layer**. When users redeem rewards, LOLLY coordinates the redemption flow across approved partner environments.

This means enterprises can create sovereign, brand-owned travel rewards programs without building their own bespoke loyalty system. The customer experience remains native to the enterprise brand, while LOLLY provides the underlying infrastructure that makes the program function.

The Universal Loyalty Product is designed to support a wide range of enterprise use cases, including fintech and neobank rewards programs, ecommerce and subscription businesses, universities and alumni platforms, insurers and affinity networks, superapps, travel membership clubs, and white-label travel platforms seeking native loyalty capabilities.

## 5. Launch partner and distribution model

LOLLY is partner-agnostic, but it benefits from launching with a meaningful inaugural travel partner in Xeni.

Xeni is a white-label travel technology platform that provides booking and inventory capabilities to enterprise customers. Within the LOLLY ecosystem, Xeni serves as an early redemption and distribution partner, not as the product itself. Xeni brings several existing enterprise-level clients that have expressed interest in launching a travel loyalty program.



That distinction is essential. LOLLY is the loyalty engine. Xeni is a downstream travel technology partner that connects the loyalty layer to real travel inventory and booking functionality.

This relationship gives LOLLY an early route to market. It demonstrates the separation between loyalty infrastructure and travel fulfillment. It also provides a practical path for enterprise deployment without requiring LOLLY to own the booking stack.

Over time, LOLLY may integrate with additional redemption and fulfillment partners across the travel ecosystem. The protocol is not designed to be exclusive to Xeni. It is designed to work with multiple partners across the travel stack.

For clarity, Xeni should be understood as LOLLY's inaugural travel redemption and distribution partner. Still, LOLLY is travel redemption partner-agnostic and will likely integrate with competitors to Xeni in the future.

## 6. How the system works

### 6a. Architecture

LOLLY is designed to be simple for enterprise clients and largely invisible to end users.

An enterprise client integrates the LOLLY loyalty engine into its own product or platform and defines the logic of its branded rewards program, including how rewards are earned, distributed, and redeemed. Users experience the rewards program as a native part of the enterprise brand.

When users redeem rewards, LOLLY coordinates the redemption logic and settlement flow with supported travel partners. Those partners handle booking, inventory access, fulfillment, and related travel operations. LOLLY handles the reward validation, ledger accounting, and coordination required to make the redemption flow work.

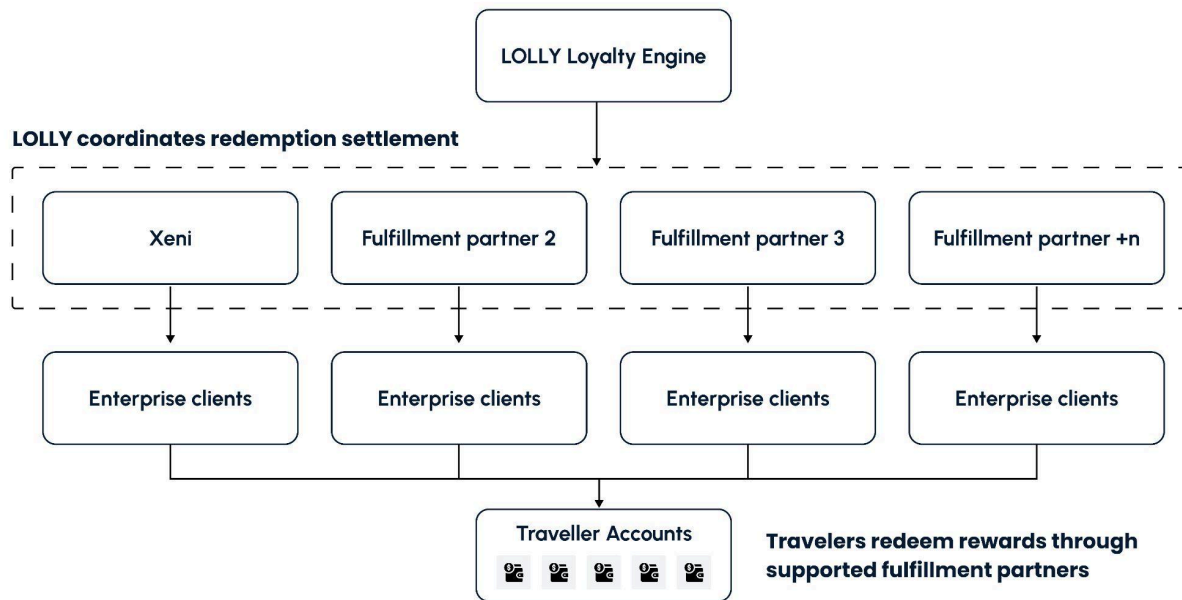
In practical terms, the model is straightforward.

An enterprise client launches a branded rewards program using LOLLY. Users earn rewards through activity inside that client's ecosystem. Users redeem those rewards through supported travel channels. LOLLY validates and coordinates the redemption logic with partner systems. The redemption partner fulfills the travel product or service. LOLLY earns protocol fees tied to the loyalty and redemption layer.

This structure allows the enterprise to retain the customer relationship, the partner to handle travel fulfillment, and LOLLY to serve as the infrastructure layer connecting the two.



## Exhibit 2: Overview of the LOLLY Loyalty Engine



### 6b. Global demand for travel loyalty rewards

Travel rewards have moved from being a premium add-on to becoming a meaningful strategic lever for user retention, engagement, and brand differentiation.

For many enterprises, traditional loyalty products no longer create enough emotional value. Discounts are easy to replicate. Cashback is commoditized. Store credit is narrow. Travel, by contrast, is aspirational and behavior-shaping. It can increase engagement, deepen brand affinity, and improve the perceived value of a program far beyond its nominal cost.

The problem is that most enterprises still lack access to a flexible, enterprise-owned travel rewards infrastructure. Instead, they are pushed into legacy systems that are slow to customize, expensive to access, and tightly controlled by airlines, hotel groups, and established loyalty intermediaries. These systems often lock the enterprise into someone else's economics, redemption rules, and brand framework.

LOLLY changes that equation.

It gives enterprises a way to offer travel rewards that are branded to their platform, integrated into their user journey, administered under their program logic, connected to partner-enabled redemption, and not dependent on building a booking engine from scratch.



LOLLY is not simply digitizing points. It is giving a broad new class of businesses the ability to own a high-value rewards layer that was previously impractical to build.

### **6c. Universal Rewards Across Travel Categories**

One of LOLLY's core advantages is that it is designed to support rewards that work across multiple travel inventory categories rather than being trapped inside a single supplier ecosystem.

In legacy loyalty systems, reward value is often fragmented. Points earned in one context may be redeemable only with a specific airline, hotel chain, or narrowly defined reward catalog. This limits utility for users and reduces the enterprise's strategic flexibility.

LOLLY is designed to reduce that fragmentation.

Through a unified loyalty ledger and coordinated redemption logic, enterprise partners can offer rewards that function across supported travel categories within the broader partner ecosystem. Depending on integrations and program design, these categories may include flights, hotels, villas, activities, events, transportation, and other supported travel products.

For the user, this makes rewards more intuitive and more valuable.

For the enterprise, it creates more flexibility in designing incentives, redemption pathways, and customer experiences.

For the ecosystem, it introduces a more scalable, modern model for travel loyalty than category- or brand-specific closed loops.

Universal rewards are not simply a feature. They are one of the reasons the LOLLY product becomes strategically differentiated.

## **7. Arbitrage Liquidity Pool**

The Arbitrage Liquidity Pool, or ALP, is a secondary launch module within the LOLLY ecosystem and is intended to debut alongside the December Token Generation Event.

ALP is designed to pursue event-driven travel inventory opportunities in markets where temporary imbalances between demand and supply may create meaningful pricing dislocation. These opportunities may emerge around major conferences, sports events, entertainment events, seasonal peaks, and other travel periods when accommodation demand is expected to exceed available supply.

In practical terms, the strategy is built around identifying high-conviction travel-demand opportunities, acquiring inventory or contractual exposure ahead of peak demand, and



distributing or reselling that exposure through established travel channels as market conditions evolve.

ALP is intended to combine travel-market relationships, inventory contracting capability, historical room-rate and demand data, event-specific pricing analysis, operational coordination, and smart-contract infrastructure for pool administration and settlement.

It is designed to reflect a specific market view: that travel demand around major events often creates temporary opportunities that are difficult to access through traditional structures, but may become more investable when paired with data, contracting capability, and protocol-level coordination.

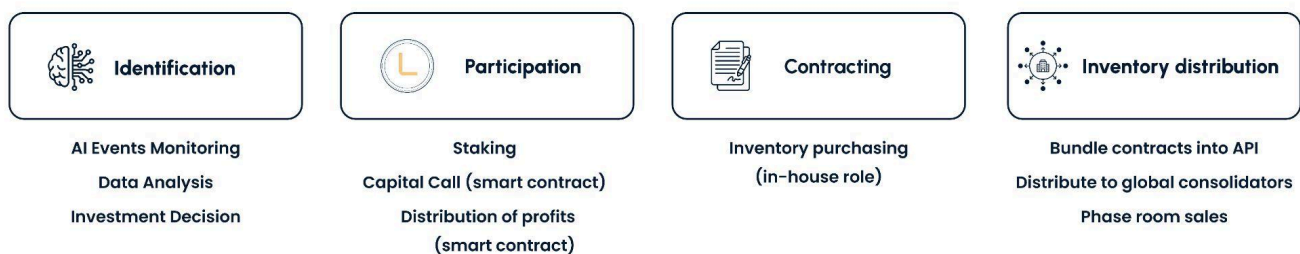
ALP matters for three reasons.

First, it gives LOLLY a differentiated second layer at launch.

Second, it creates an additional participation mechanism within the ecosystem alongside the core loyalty business.

Third, it broadens the network's economic profile at launch by linking token-linked participation to a category-specific capital strategy.

### Exhibit 3: Arbitrage Liquidity Pool (ALP) launch model



## 8. LOLLY revenue model

LOLLY is designed to generate value through two economic layers.

The first and most important layer is the Universal Loyalty Product.



Enterprise clients use LOLLY to power branded rewards programs. As users earn and redeem rewards through supported partner environments, LOLLY earns fees tied to issuance, redemption coordination, and reward-related activity. Over time, this fee-based business is intended to become the primary source of durable protocol revenue.

The second layer is the Arbitrage Liquidity Pool.

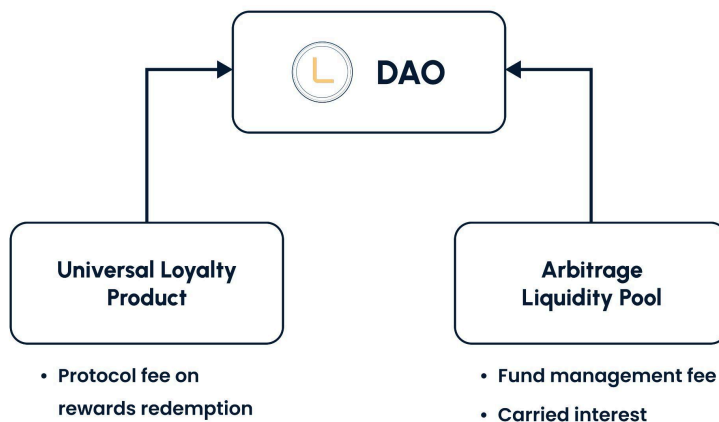
ALP broadens the ecosystem's economic profile at launch by introducing an additional travel-native participation module that ties into inventory and demand opportunities.

This structure matters because it grounds LOLLY in real-world operations while also providing the ecosystem with a differentiated secondary launch component. LOLLY will earn fund fees and carried interest on its investment pools.

Over time, protocol revenue and ecosystem proceeds may be directed toward product development, security and audits, partner enablement, ecosystem expansion, community initiatives, and governance-approved strategic uses.

The core principle is straightforward: long-term value should be tied to real partners, real usage, and real economic activity inside the ecosystem.

#### Exhibit 4: LOLLY revenue model





## 9. Governance Roadmap

LOLLY is intended to evolve through phased governance rather than rely on full decentralization at launch.

In the earliest stage, launch execution, partner onboarding, technical development, and commercial operations are expected to be operator-led. This is the most practical model for early-stage ecosystem formation, particularly given that the December launch includes both the core loyalty infrastructure and the ALP module.

As the protocol matures, governance can expand in a structured way.

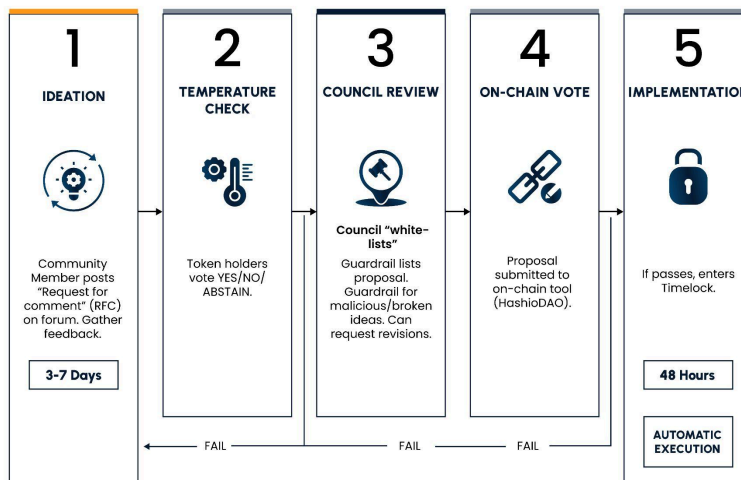
Early governance may include advisory or council-based review functions intended to maintain technical quality, strategic alignment, and risk controls. Over time, token holders may participate in defined governance domains, including treasury priorities, ecosystem initiatives, selected protocol parameters, and governance-approved expansions of launch modules across the ecosystem.

Broader on-chain governance should be introduced only where it is operationally useful and aligned with the network's maturity.

The objective is not to maximize decentralization on day one. The objective is to build governance that supports execution, partner trust, ecosystem resilience, and long-term strategic alignment.

LOLLY's governance philosophy is progressive rather than absolute: professional execution first, broader participation over time.

### Exhibit 5: Illustrative governance roadmap





## 10. Token role and utility

The LOLLY token is the protocol's governance and ecosystem alignment token.

Its primary role is to support long-term participation in the network, align stakeholders around ecosystem growth, and provide a mechanism for structured governance over time.

At launch, the token also plays an important role in connecting participants to the broader ecosystem, notably through participation in the ALP.

The core product is the loyalty infrastructure itself. The token exists to support governance, participation, and ecosystem alignment around that infrastructure and around adjacent modules launched within the ecosystem.

## 11. Tokenomics

LOLLY's tokenomics are designed around three priorities: long-term ecosystem growth, operational flexibility for early partner and community expansion, and disciplined alignment across founders, contributors, and investors.

The allocation framework is intended to support the full launch ecosystem, including both the core enterprise loyalty infrastructure buildout and the secondary ALP module, which launches alongside the December TGE.

Total supply: 10,000,000,000

<b>Allocation Group</b>	<b>Proposed Percentage</b>	<b>Vesting Details</b>	<b>Purpose</b>
Community	[15%]	10% unlock at TGE, 60-month linear vesting	User growth, community activation, grants, and aligned participation.
Grants & Partnerships	[15%]	10% unlock at TGE, 48-month linear vesting	Strategic partner onboarding, new supplier relationships, technology integrations, and ecosystem expansion.
Treasury	[25%]	Straightline monthly unlock over 60 months.	Long-term protocol development, ecosystem resilience, product expansion, security, and



			governance-approved strategic initiatives.
Ecosystem Development	[15]%	7% unlock at TGE, 60-month linear vesting	Protocol infrastructure, technical development, and launch support across the broader ecosystem.
Founders & Team	[15]%	6-month cliff, 36-month linear vest.	Long-term alignment of core contributors and builders.
Private/Seed Investors	[5]%	20% unlock at TGE, 12 month cliff, 36-month linear vest.	Initial capital formation and strategic support.
Liquidity	[5%]	100% unlock at TGE	Launch liquidity, market readiness, and support for responsible trading conditions.
Public Sale	[5]%	50% at TGE, 6-month vesting	Broader market participation in the Token Generation Event.

The central principle of the tokenomics is simple: the token structure must support real adoption, real operations, and ecosystem durability.

## 12. Design Principles

LOLLY is built around a small set of core principles that guide product design, governance evolution, partner alignment, and ecosystem growth.

**Enterprise Utility:** the protocol must solve a real enterprise problem. LOLLY exists to help travel sellers and consumer platforms launch branded travel rewards without building their own loyalty stack or relying entirely on legacy closed-loop systems.

**User Value:** rewards must be meaningful, flexible, and easy to use. The end user should experience a rewards program that feels native, intuitive, and materially more valuable than lower-impact alternatives such as discounts or store credit.

**Partner Alignment:** the protocol must remain attractive to enterprise clients, redemption partners, and service providers. This requires clear economics, operational reliability, and a structure that supports multiple ecosystem participants rather than concentrating value in a single bottleneck.



**Transparency and Auditability:** key protocol actions, accounting logic, and governance processes should be transparent and verifiable over time. The system should be designed to support trust through observable rules rather than opaque administration.

**Progressive Governance:** Governance should evolve as the ecosystem matures. LOLLY should not overstate decentralization at launch. It should build toward broader participation in a way that supports execution and long-term resilience.

**Sustainable Ecosystem Economics:** the network should be grounded in real usage, real partners, and real economic activity. The long-term value of the ecosystem should come from the adoption of the loyalty infrastructure, productive expansion of the partner network, and complementary launch and growth modules such as ALP.

## 13. Summary

LOLLY is building enterprise loyalty infrastructure for modern travel commerce.

Its flagship product is the Universal Loyalty Product. This white-label rewards engine enables travel sellers and consumer platforms to issue, administer, and redeem branded travel rewards across supported categories without building a loyalty stack internally.

The protocol separates the loyalty layer from the booking layer. LOLLY provides the ledger, issuance, and redemption coordination systems that enable enterprise-owned travel rewards, while outside partners such as Xenia provide downstream booking, inventory access, and fulfillment.

At launch, LOLLY also includes the Arbitrage Liquidity Pool, a secondary ecosystem module intended to debut alongside the December Token Generation Event. ALP broadens the economic profile of the launch ecosystem through a travel-native capital-and-inventory strategy.

The Universal Loyalty Product is the core operating business and the primary long-term driver of enterprise adoption, protocol usage, and recurring revenue.

ALP is an important complementary launch component that expands participation and ecosystem upside.



## 14. Glossary of Terms

### **ALP**

Arbitrage Liquidity Pool. A secondary launch module intended to debut alongside the December TGE. ALP is designed to pursue travel inventory opportunities arising from temporary demand and supply dislocations around major events and peak travel periods.

### **Booking Layer**

The part of the travel stack responsible for booking, inventory access, and fulfillment. In the LOLLY model, this sits downstream from the loyalty layer and is handled by travel partners rather than by LOLLY itself.

### **Council**

An advisory or review body that may evaluate proposals, help maintain strategic alignment, and support governance quality as the ecosystem matures.

### **Enterprise Client**

A business, platform, or organization that uses LOLLY to launch and operate a branded travel rewards program. Examples may include fintechs, superapps, ecommerce platforms, membership businesses, universities, insurers, and travel sellers.

### **Enterprise Loyalty Infrastructure**

The core category LOLLY is building. It refers to the systems required for enterprises to issue, administer, track, and redeem branded rewards without having to build a loyalty stack from scratch.

### **Fulfillment Partner**

A travel partner that handles inventory, booking, and downstream fulfillment of travel products redeemed through the LOLLY ecosystem.

### **Governance Roadmap**

The phased approach through which LOLLY governance is expected to evolve from operator-led launch execution to broader stakeholder participation over time.

### **Loyalty Engine**

The core LOLLY product layer. It includes the ledger, issuance, and redemption coordination systems that enable enterprises to launch branded travel rewards.

### **Loyalty Ledger**

The underlying record-keeping system that tracks reward balances, issuance events, redemption activity, and related accounting logic within the LOLLY ecosystem.



### **On-Chain Governance**

A governance process in which approved decisions are executed or recorded through blockchain-based voting and smart-contract systems. In LOLLY, this is envisioned as part of the longer-term governance evolution rather than the starting point of the business.

### **Partner-Agnostic**

A design principle meaning LOLLY is not dependent on a single booking, redemption, or fulfillment partner. Xenii may be the inaugural partner, but the protocol is intended to support additional partners over time.

### **Program Operator**

The enterprise client or platform that defines how rewards are earned, distributed, and redeemed within its branded loyalty program.

### **Protocol Fee**

The fee earned by LOLLY for supporting issuance, redemption coordination, or related reward activity within the ecosystem.

### **Redemption Coordination**

The logic and infrastructure LOLLY provides to validate rewards, coordinate settlement, and connect the loyalty layer to supported travel redemption partners.

### **Redemption Partner**

A travel technology or fulfillment partner that enables users to redeem rewards for travel-related products or services.

### **Sovereign Rewards Program**

A branded rewards program controlled by the enterprise itself rather than rented from or subordinated to a legacy airline, hotel, or third-party loyalty provider.

### **TGE**

Token Generation Event. The formal launch event for the LOLLY token is targeted for December, alongside the debut of ALP as a secondary launch module.

### **Token Role and Utility**

The set of governance, participation, and ecosystem-alignment functions the LOLLY token supports within the protocol.

### **Travel Commerce**

The broader market category that includes travel booking, rewards, fulfillment, distribution, and related infrastructure.

**Universal Loyalty Product**

LOLLY's flagship product and core operating business. It is the white-label loyalty infrastructure that enables enterprises to issue, administer, and redeem travel rewards.

**Universal Rewards**

Rewards are designed to work across multiple supported travel categories rather than being limited to a single supplier, brand, or closed ecosystem.

**Xeni**

LOLLY's inaugural travel redemption and distribution partner. Xeni provides booking and inventory capabilities, while LOLLY provides the loyalty infrastructure layer.

