



Peer-to-peer decentralized Exchange for Terra.

Terra's ecosystem is very rich and gives many options to its users, lately with Anchor being launched, it can give access to stable interest rates never seen by many in the world.

One of the major barriers to entry in Terra's ecosystem is the difficulty to acquire UST, we want to make it easy for people to get UST anywhere in the globe.

LocalTerra will be a P2P, decentralized exchange of UST (and any other Terra assets) for fiat currencies.

P2P exchanges such as Localbitcoins and LocalCryptos are the main on-ramp to crypto in countries where access to crypto-fiat exchanges are limited. These services have 4M and 500k monthly visits, countries like Venezuela, Colombia and Pakistan are among the top countries by traffic.

(Source: <https://www.similarweb.com/website/localbitcoins.com/#overview>,
<https://www.similarweb.com/website/localcryptos.com/#overview>)

Timeline

8 Months of Development, we plan to deliver it to TestNet in 5 months and have 3 months of testing and smart contract auditing.

Founding Team

Gabriel Brettas - UI/UX & Front-End Development

Gabriel has been building User Experiences and Interfaces for 15 years. Worked inside some of the largest companies in Brazil like Itaú, Globo.com and Sky. Now works at Mercado Livre, the largest online commerce and payments ecosystem in Latin America.

Samuel Barbosa - Backend & Smart Contracts Development

Samuel has 11 years of experience writing software from websites to mobile apps for millions of users and clients like Globo (biggest media company in Brazil) and Disney. Working with blockchain since early 2018.

LocalTerra Architecture and Deliverables

The LocalTerra system will consist of a **Web Server (APIs)**, a set of **Smart Contracts** and a **Web App**.

Web Server

The Web Server will be a Node.JS server and will be used mostly to improve the user experience since the core of the system will reside on the set of Smart Contracts. The Web Server will host at least the following components:

- Notification service: will notify traders of new trades opened to their existing orders or updates regarding their active orders.
- E2E encrypted chat service: will allow the users to chat between themselves during an active trade.
- Username database and API: a simple database linking wallet addresses to their desired username inside our platform. In a future iteration we can evaluate the replacement of this service for a name service like starname.me.

Web App

The Web App will be built using React.JS and will have a responsive layout, being easy to use on desktop or mobile devices.

Smart Contracts

CosmWasm contracts that will be deployed on the current MainNet of the Terra Network. This list is not final and is subject to changes.

Offer: Store active buy and sell offers.

Trade: Store active trades for users.

Escrow: Will contain the escrow and arbitration logic. The arbitration, when needed in case of disputes, will be handled by votes casted by LTT token stakers.

FeeCollector: Will receive all the trading fees, swap it to UST in case of not receiving as UST (in case of trading fees being paid in different stablecoins or Luna) and then buy LTT (LocalTerra Token) on Terraswap using the LTT-UST pair. The LTT bought will be transferred to LTT Stakers using the Staking contract.

Staking: Will contain the logic of LTT staking. The Staking contract will receive LTT bought from the **FeeCollector** contract and distribute it according to staked amounts.

Factory: Will contain the addresses of all the contracts and also be the owner of the **Staking**, and **FeeCollector** contracts. This contract will also handle the minting and distribution of LTT to LTT-UST LP Stakers and Traders (addresses of owners of Trades in the finished state) to incentivize initial usage and liquidity.

Vesting: Handles the logic of the team vesting time for unlocking of LTT tokens.

Airdrop: Handles the distribution of Luna Stakers weekly airdrop

LocalTerra: Tokenomics

The LocalTerra Token (LTT) is LocalTerra's utility token. 100% of the trading fees accrued on LocalTerra will be distributed to LTT stakers. We plan to add governance features to LocalTerra in a future iteration where users will be able to vote on parameters of the system such as trading fees and arbitration fees. Stakers will also be incentivized to participate in arbitration events (voting) by earning arbitration fees.

LTT will also be used to incentivize usage and liquidity on the LTT-UST pair. To bootstrap usage and liquidity on our platform we will reward traders as they close orders on the 1st year.

LocalTerra Token Supply

There will be a total of 300,000,000 LTT tokens after 4 years. After that, no more LTT will be minted.

Distribution Schedule (amounts in Millions)

	Genesis	Y1	Y2	Y3	Y4
Team	12	12	12	12	12
Luna Staking Airdrop	24	24	24	24	24
LTT-UST LP	0	19	19	19	19
Trading Incentives	0	45	0	0	0
Total Token Supply	36	136	191	245	300

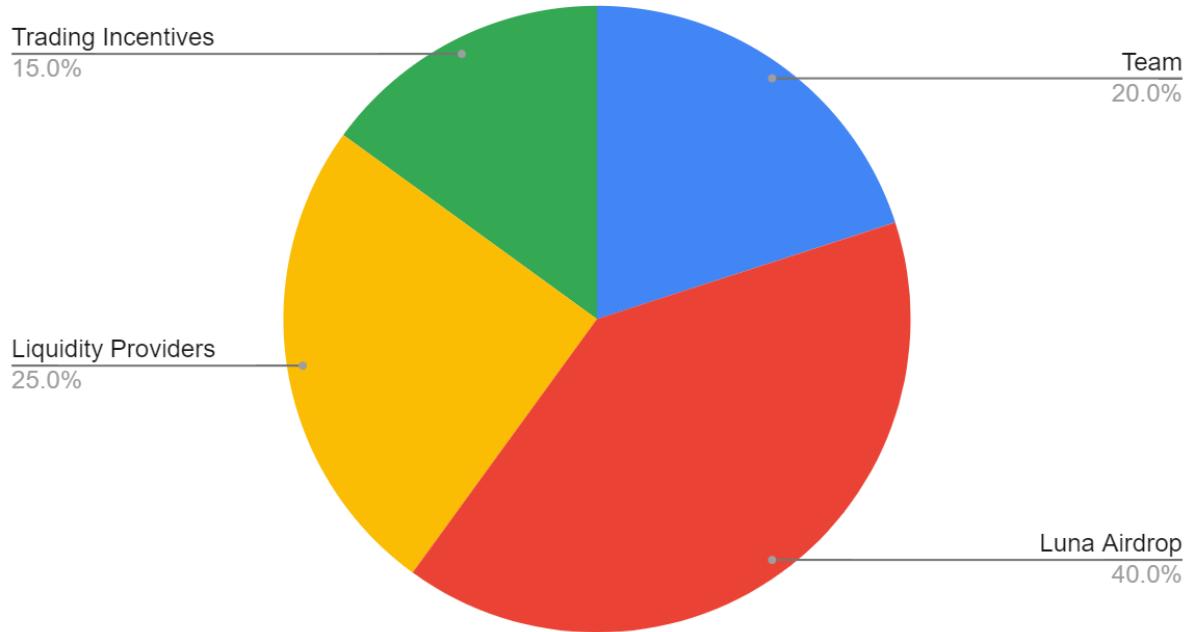
The **Team** will receive **20% of the total supply**, 20% at genesis and the remaining 80% with a vesting period of 4 years, these will be released at the end of every Year.

Luna Stakers will receive **40% of the total supply**, 20% at genesis and the remaining 80% spread along 4 Years, being distributed every 100,800 blocks (roughly every week).

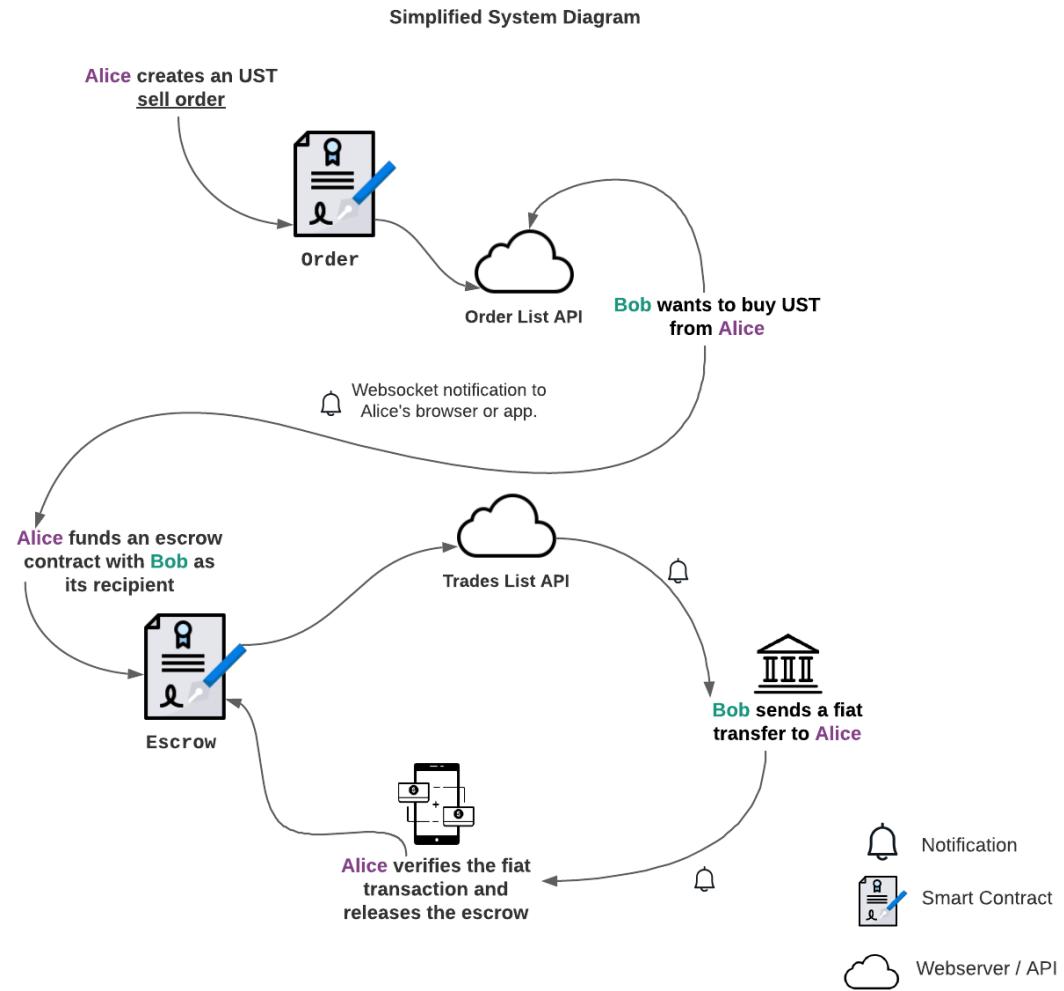
Liquidity Providers for the pair **LTT-UST** on Terraswap will receive **25% of the total supply**.

Traders on LocalTerra will receive **15% of the total supply**. These tokens will be airdropped weekly relative to the closed trades based on their total traded weekly amount, in the same period of the ongoing Luna Stakers airdrop. These incentives will be distributed only in the 1st year, we consider 1 year enough time to incentivize usage and bootstrap activity on the platform. Also condensing this reward in 1 year makes it more attractive to initial users of the platform to provide Fiat <-> Terra Stablecoins liquidity during this period.

LocalTerra Token Final Distribution after 4 years



Simplified System Diagram and a few initial mockups of the Web App:



The LocalTerra interface shows a list of four buy orders for UST to COP at a rate of COL\$ 3,659.50. Each order includes the seller's name, trade volume, payment methods, price, and a 'buy' button.

Seller	Trade Volume	Payment Methods	Price	Status
sambarboza	420 trades	PIX, Nubank, Itaú, Caixa, Bradesco	COL\$ 3,659.50	4% above market
gbrettas	352 trades	Nubank, Itaú	COL\$ 3,659.50	4% above market
roliveira	308 trades	Inter, Caixa, Nubank	COL\$ 3,659.50	4% above market
henry	157 trades	C6, Mercado Pago, Inter	COL\$ 3,659.50	4% above market

Order list mockup.

The LocalTerra interface shows an open trade between UST and COP. The trade amount is 100.00 UST for 365,900.00 COP. The trading fee is 3,659.00 COP, resulting in a net amount of 100.00 UST received and 369,559.00 COP paid.

UST	100.00	COP	365,900.00
Trading fee	3,659.00 COP		
You will get	100.00 UST		
You will pay	369,559.00 COP		

[open transaction](#)

Open trade mockup.