

## **Floki Inu DAO Approves Plan to Burn Tokens Worth More Than \$100 Million**

A fresh governance plan that aimed to burn 4.2 trillion FLOKI tokens on a cross-chain bridge and lower transactional tax was approved by the Floki Inu community. According to developers, the proposal was approved by a 99.97% majority in support of burning the bridge tokens and 0.03% against it. As a result, the 4.2 trillion tokens will be permanently burned at 8 PM UTC on February 9, 2023, and the FLOKI transaction tax will be reduced to 0.3% as of 8 PM UTC on February 3. According to statistics from CoinGecko, as of Monday, the planned token burn is valued at more than \$100 million. As long as the amount of demand stays the same, burning tokens is a method of lowering the supply, which ultimately increases the value of each token. As a result, the Floki Inu plan listed security threats related to bridges as an additional justification. CoinDesk reported that nearly \$2 billion was lost or stolen using cross-chain bridges just last year. The proposal said that "more exploits and statistics have shown how big of a threat cross-chain bridges might offer, especially if they retain a sizable portion of a token's supply." "In Floki's plan, an exploit on our primary cross-chain bridge would have a devastating effect on the project since this bridge now houses 55.7% of the entire circulating supply of FLOKI. Developers stated in the now-assed proposal, "This is a lot of tokens, and that's more than enough to deplete the project's liquidity pools and effectively kill the project if abused. Shiba Inu dog breed-themed project's developers earlier told CoinDesk that the

move was a part of a larger strategy to establish Floki Inu as a significant decentralized finance (DeFi) initiative. The team has created continuing projects in the last several months, including Floki Locker and the metaverse game Valhalla. **The bridge at Floki** With a 10 trillion token supply originally on Ethereum, Floki subsequently moved to the quicker and less expensive BNB Chain in 2021 in response to community demands. A new contract with a total quantity of 10 trillion tokens has to be put into operation by the team on the BNB Chain. But to prevent the FLOKI's total circulating quantity from ever going over a total supply of 10 trillion tokens and enable users to move their FLOKI from Ethereum to BNB Chain, a cross-chain bridge was necessary. At that moment, the company funded the bridge with 600 billion tokens from its treasury on Ethereum and BNB Chain and vice versa. Since then, most holders have moved their FLOKI tokens off Ethereum and locked them on BNB Chain. The lack of a bridge would not endanger the stability of the project, developers said in the proposal, even if the majority of the supply remained on the Ethereum chain.

**Source:** [The Pipsafe Team](#) - Floki Inu DAO Approves Plan to Burn Tokens Worth More Than \$100 Million

**Disclaimer:** The information on this website is provided for educational and informational purposes only. Any action taken by readers based on the information contained on our website is entirely at their own risk.