ZVChain Genesis Staking Nodes Program Handbook

For ： Staking Node Operators

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Introduction to ZVChain - Financial Public Chain

ZVChain is a financial public chain that delivers high-security, performance and scalable standards. ZVChain provides a decentralised account system that complies with traditional financial logic and its vision is to build a Decentralized Finance Ecosystem for businesses and to simplify their business interactions in the future.

ZVChain's native coin "ZVC" is a cryptocurrency used in the ZVChain ecosystem as the fuel for the network. Through a compact infrastructure design, it achieves a balance between privacy and data security features. Users will have the option to select their transactions recorded on the blockchain to be in the form of public or encrypted private data. ZV Chain is managed by a non-profit foundation. The protocol utilises a Proof of Stake (PoS) mechanism.

ZVChain "Proof of Stake" Ecosystem

The Relationship of our staking ecosystem will be as follows:
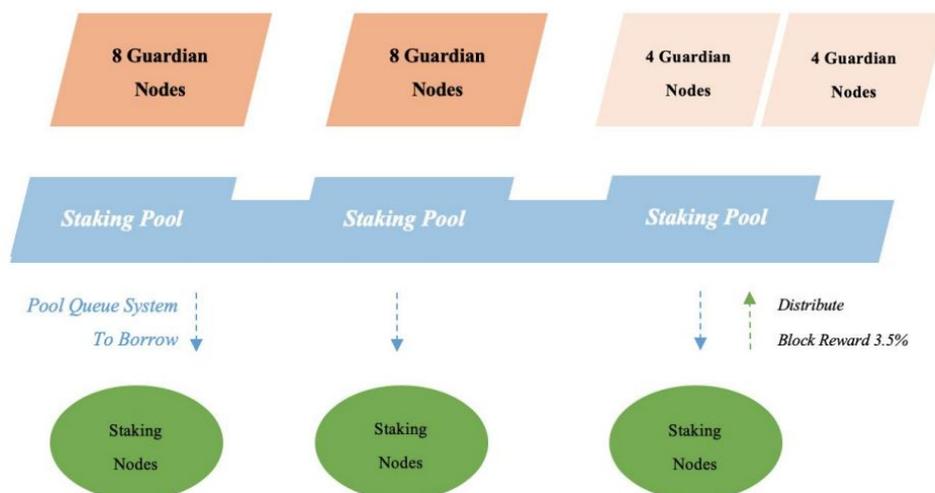
Guardian nodes will be established by staking 2.5 Million ZV Coins, ZVC. Each staking pool will be established by 8 guardian nodes together, staking a total of 20 Million ZVC. Guardian nodes can join with other guardian nodes to form a staking pool together. Stake ZVC in this phase will be subjected to a "6+5" block reward

distribution schedule, as explained in the following segment. Guardian node will also receive a portion of block reward that's being proposed and validated in the network. The role of guardian nodes will become increasingly significant as the number of staking nodes and network usage increases.

The minimum requirement to stake will be 500 ZVC. Operators that are interested to become a staking node can borrow from the staking pool as lending rights or through secondary market purchases. Stable staking node operators will be expected to receive monthly block reward production between the range of 3.5% ~ 7%. Operators that borrow from staking pool will have to fulfill an initial borrowing fee, that is estimated to be 3.5% of the total borrowed ZVC amount. The process of borrowing and distribution of block reward will be conducted via smart contract, to designated wallet address. Guidance to operate staking node is available at https://developer.zvchain.io/#/miner to setup the proper server and instructions.

ZVChain Staking Nodes

ZV Staking Nodes Staking nodes will play a role in the protection of the network that uses VRF + BLS technology layer for our proposal and validator selection process. Selected nodes will be rewarded with a proportion of block reward.

ZVChain Staking Pool Queue

ZVChain's staking pool will provide an option for staking node operators to borrow ZVC. The lending rights of ZVC will be issued in a first-come-first-served manner through smart contract. Any participants that have left the staking pool queue will be required to re-join the queue. Upon receiving the lending right issued by the staking pool, the staking nodes will start the validation stage of ZVChain Network. Henceforth, the staking pool is a mechanism to incentivise more staking nodes participation.

ZVChain Staking Pool Plan

In the genesis stage, ZVChain staking pool will be involved in the "6+5" release plan for their staking involvement.

ZVChain Genesis Staking Program

Attributes	Utility Coin
Total Amount	5 Billion
Available Coin Amount	500 Million

Among the total initial circulation supply, 400 Million ZVC have been allocated to guardian nodes in "6+5" distribution plan. There are currently 20 staking pools, with each pool consisting of 8 guardian nodes that have each staked 2.5 Million ZVC respectively. After six month of main-net launch, the first initial release of "6+5" distribution plan will happen. Guardian nodes can decide to continue staking for the next six months or choose a linear release for the following 5 months.

The remaining 100 Million ZVC will be used in the growth of ZVC staking network participation. To allow operators to borrow staking rights and other exchange options, thereby reducing the participation threshold for new staking nodes operators. This will reduce the risk and entry barrier to new staking nodes operators to participate in ZVChain network validation.

Details for ZVChain Genesis Staking Nodes Program

1. Currently, staking node operators can generate a wallet address in the testnet phase of ZVChain. Users addresses being used in testnet will be the same as their mainnet address. Operators can borrow staking rights from staking pools, whereby up to 250 Million staking rights can be issued out by the staking pools. Note that the function of staking rights behave like ZVC in staked position. The staking rights is not transferable between wallets and will generate block reward in transferable ZVC.

2. For the borrower of staking rights, the borrowing fee incurred will be 4% monthly over a period of 9 months. The total initial borrowing fees will then be 4% x 9 = 36% of ZVC in exchange for staking rights. An example will be paying 185 ZVC for 500 staking rights. The maximum borrowing limit will be 2.5 Million staking rights in exchange for a borrowing fee of 0.9 Million ZVC.

3. Block reward production will be in ZVC, that is transferable between wallets and for staking node operators to keep. The initial borrowing fee will distribute 87.5% back to staking pools as part of the reward in the "6+5" distribution plan, while the remaining 12.5% of borrowing fee will be burned.

4. Staking node operators will also receive a 9-month option in the form of TZVC. This is also the expiration date for the initial borrowing period of 9 months of staking rights.

Borrowing Interest	Maximum Interest Burn Rate	Lending Period	Option Exercise Price	Lending Ratio	Maximum Borrowing Limit to A Single Address
36%	4.5%	9 Months	0.21USDT	9:25	2,500,000

4. 9-months after the staking rights has been issued, that is the expiration date of TZVC, creation miners can exercise their rights at the option price. If the market price of ZVC is lower than TZVC's option exercise price at 0.21 USDT, staking node operators can exercise their rights with TZVC to cover for the difference of ZVC pricing and exercise price.

In the near future, as more users will be able to stake ZVC in staking pool. With the growth of user staked amount, new staking pools will be formed that can set their own borrowing fees. This will incentivise more staking nodes and staking pool to participate in ZVChain network development.

In the future, with the joint efforts of staking node operators, we look forward to greater development of ZVChain's network. This will benefit the consensus building of ZVChain and decentralisation of the platform and native coin. Achieving a greater dynamic balance of decentralisation and performance through the market-oriented behavior of staking node operators. ZVChain's foundation look forward to the development of ZVChain's ecosystem.