

Nereus Tokenomics

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Token Design

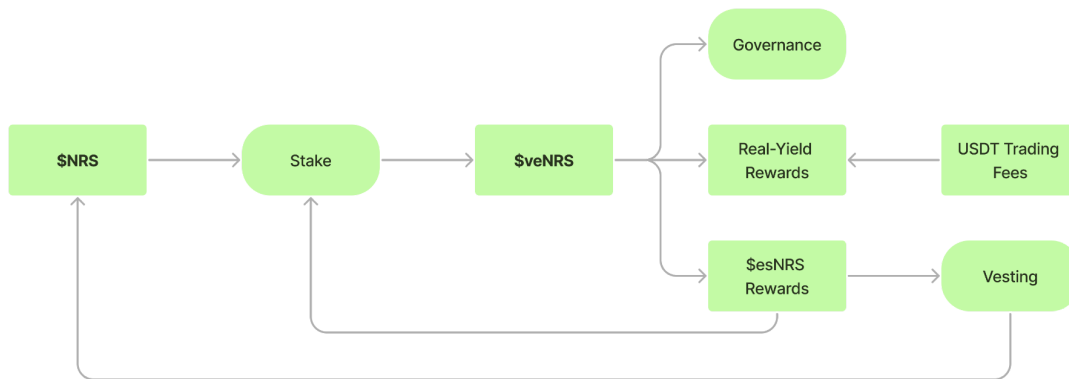
Introduction

The \$NRS token serves as a fixed-issuance utility token within the Nereus ecosystem, crafted to enhance user engagement and platform integrity through a multifaceted approach to token utility.

Key Functionalities

- **Staking:**
 - **Real-Yield:** Participants in the ecosystem can earn returns from the platform's transaction fees, creating a direct correlation between platform usage and individual benefit.
 - **Yield in \$NRS:** Returns are exclusively disbursed in \$NRS tokens, reinforcing its circulation and utility within the ecosystem.
 - **Escrow Model:** This model is strategically implemented to regulate the distribution of staking rewards, ensuring stability and reducing the potential for market saturation.
- **Governance:**
 - **VeToken Model:** Empowers \$NRS holders to partake in governance decisions through a specialized token model, enhancing their influence on the platform's operational and strategic directions.

This comprehensive utility design is structured to foster a robust and interactive environment where token holders are rewarded and empowered, driving both growth and sustainability within the Nereus ecosystem.



Staking

Overview

The staking mechanism on the platform utilizes a Vote-Escrow Model, providing users with ve-tokens that represent their staked interest and influence within the ecosystem.

Staking Dynamics

- **Vote-Escrow Model:** Stakers are awarded ve-tokens, with the quantity depending directly on the duration for which their funds are locked.
- **Flexible Staking Periods:** Users have the flexibility to choose their staking duration, ranging from 1 to 104 weeks, allowing for both short-term involvement and long-term commitment.
- **Token Locking and Rewards Calculation:**
 - The veNRS tokens are calculated based on the linear relationship between the number of tokens locked and the duration of the lock:

$$veNRS = locked\ NRS * \frac{weeks}{104}$$

locked NRS – Indicates the total number of \$NRS tokens that a user decides to stake.

Weeks – Specifies the staking duration selected by the user.

Incremental Staking

- **Mid-Period Augmentation:** If a user opts to increase their stake partway through an existing period, the additional veNRS tokens are calculated based on the remaining duration of the lock.

Example: A user initially staking 1000 \$NRS for 52 weeks would receive 500 veNRS. If after 26 weeks, they add 250 \$NRS, the new veNRS is recalculated for the remaining period:

$$\text{New } veNRS = \frac{250 \times (52 - 26)}{104} = 62.5$$

Lock Extension

- Users are also afforded the opportunity to extend the locking period of their existing stakes.
- **Recalculation Upon Extension:** When the lock period is extended, the calculation of veNRS is adjusted accordingly to reflect the new term.

Example: Extending the staking from an initial 2 weeks (where 1000 \$NRS earned 19.2307 veNRS) to 52 weeks increases the veNRS based on the revised duration:

$$\text{Additional } veNRS = \frac{1000 \times (52 - 2)}{104} - 19.2307 = 480.7692$$

This detailed staking mechanics framework is designed to incentivize prolonged engagement and increased participation in the platform's governance through flexible and user-centric staking options.

Real-Yield

Overview

Holders of \$veNRS tokens are directly linked to the platform's economic performance through a structured revenue-sharing model. They benefit from the fees generated by the transactions conducted on the platform.

Revenue Distribution Mechanism

- **Source of Income:** The primary source of revenue that is redistributed to token holders is derived from transaction fees collected on the platform.
- **Proportional Allocation:** Eighty percent of the daily accumulated commissions are systematically distributed among the holders of \$veNRS tokens using the following formula:

$$USDT\ Reward = \frac{veNRS_{user's}}{\sum veNRS_{of\ all\ users}} * USDT\ Reward\ Pool$$

$veNRS_{user's}$ – The number of veNRS tokens held by an individual, determining their proportion of t

$\sum veNRS_{of\ all\ users}$ – The total amount of veNRS tokens held by all users on the platform.

$USDT\ Reward\ Pool$ – The total sum of USDT collected from transaction fees designated for distrib

Key Features

- **Revenue Sharing:** This structure ensures that 80% of the platform's daily transaction fee income is shared with \$veNRS token holders, rewarding them for their stake in the platform and incentivizing continued participation and support.

This enhanced real-yield framework motivates \$veNRS holders to maintain or increase their stake in the ecosystem, aligning their interests with the long-term success of the platform and fostering a strong, committed community.

Escrow Model

Overview

To mitigate the potential market impact from the release of inflationary staking rewards in \$NRS, we have implemented a robust escrow model within our tokenomics framework.

Mechanism

- **Token Distribution:** Rewards accrued from staking, denoted as \$NRS within the ecosystem's economic structure, are allocated to users as esNRS tokens. These tokens are non-transferable and designed to be used within the platform's staking system.
- **Conversion to veNRS:** Users can stake esNRS to receive veNRS tokens, adhering to previously established staking models.
- **Vesting Process:** Additionally, esNRS tokens can be sent to a vesting schedule where they are gradually converted into regular NRS tokens over the course of the year.

Reward Distribution

- **Periodic Allocation:** The distribution of both USDT and esNRS rewards occurs at the conclusion of each epoch, which spans one week.
- **Distribution Formula:**

$$esNRS \text{ Reward} = \frac{veNRS_{user's}}{\sum veNRS_{of \ all \ users}} * esNRS \text{ Reward Pool}$$

$veNRS_{user's}$ – Represents the amount of veNRS tokens held by an individual user..

$\sum veNRS_{of \ all \ users}$ – The aggregate of all veNRS tokens held by all users within the system.

$esNRS \text{ Reward Pool}$ – The designated pool of esNRS tokens allocated for distribution each epoch.

APR Limit

Overview

To safeguard against the potential hyperinflation effects caused by staking rewards, the platform implements a cap on the Annual Percentage Rate (APR) that users can earn from staking their tokens.

APR Cap Mechanism

- **Maximum APR:** The platform limits the maximum APR that can be received from staking to 50%. This cap is crucial in maintaining the token's economic stability and preventing inflationary pressures that could devalue the token.
- **APR Adjustment Process:** According to the staking model detailed in the Tokenomics section below, the APR only exceeds this cap when 20% or fewer tokens are staked. Under these circumstances:
 - **Reallocation of Rewards:** The excess NRS tokens that contribute to an APR above the **50% threshold** are reallocated to the next month's reward pool.
 - **Monitoring and Adjustment:** This process continues monthly until the average APR stabilizes below the **50% cap**, ensuring a balanced distribution of staking rewards.

Strategic Implementation

This approach not only prevents the dilution of token value but also encourages more widespread participation in staking. By capping the APR, the platform ensures that rewards are distributed more evenly across a broader base of token holders, promoting fairness and long-term engagement.

This policy reflects a proactive stance in monetary governance, aligning with best practices to foster a healthy economic environment within the ecosystem.

Note: The reward in esNRS tokens is distributed once a week, so as to balance the distribution due to the calendar shift, each month, the allocated tokens are divided into 5 parts.

Early Vesting Exit

Overview

To accommodate users who may need early access to their staked rewards, the platform offers an option to withdraw vested rewards before the completion of the vesting period, albeit with a financial penalty for early withdrawal.

Early Withdrawal Mechanics

- **Penalty on Early Withdrawal:** Users who choose to access their vested rewards early will incur a penalty, which is designed to discourage premature withdrawals and maintain economic stability within the platform.
- **Calculation of Withdrawn Tokens:**
 - The number of NRS tokens a user can withdraw before the vesting period ends is calculated using the formula:

$$NRS = esNRS * \max\left(1 - \frac{days\ left}{365}; 0.5\right)$$

esNRS – Represents the number of tokens currently in vesting.

days left – The number of days remaining until the vesting period is officially completed

Considerations

- This formula ensures that the penalty is greater the earlier the withdrawal is made relative to the end of the vesting period.
- The minimum value that can be received is 50% of the esNRS, ensuring that even with early withdrawal, a significant portion of the rewards remains locked until the scheduled end of the vesting period.

Benefits

- **Flexibility:** This option adds a layer of flexibility for users, allowing them to manage unexpected liquidity needs.
- **Economic Incentives:** By imposing a penalty, the platform balances the need for user flexibility with the necessity to maintain a stable and predictable economic environment.

This early withdrawal feature is crafted to align users' immediate financial needs with the long-term health of the platform, encouraging thoughtful consideration before deciding to withdraw vested rewards prematurely.

Governance

Overview

To maintain a decentralized governance structure and prevent centralization or collusion, the platform employs a quadratic voting model.

Quadratic Voting Mechanics

- **Voting Power Calculation:** The voting power of each user is determined by the square root of the number of governance tokens (veNRS) they hold. This method ensures that the influence of voting power grows more slowly than the number of tokens:

$$\textit{Voting Power} = \sqrt{\textit{veNRS}}$$

- **Implementation:** This formula moderates the influence of large token holders, promoting a more equitable distribution of voting power among participants.

DAO Treasury Allocation

- **Token Allocation:** According to the platform's tokenomics, 47.636% of all tokens are allocated to the DAO Treasury.
- **Community Disposal:** These tokens are under the stewardship of the community, which can utilize them through collective voting decisions.

Benefits

- **Enhanced Fairness:** The quadratic voting model reduces the risk of a small group dominating decision-making processes, ensuring that all stakeholders have a meaningful impact on governance.
- **Community Control:** Allocating a significant portion of tokens to the DAO Treasury empowers the community to directly influence the platform's development and strategic direction.

This governance structure is designed to balance power within the community, fostering transparency and participation while safeguarding against potential abuses of concentration in token ownership.

Tokenomics

Introduction

The strengths of Nereus tokenomics are structured to support both short-term functionality and long-term growth, enhancing the platform's stability and appeal to a broad user base. Here's how:

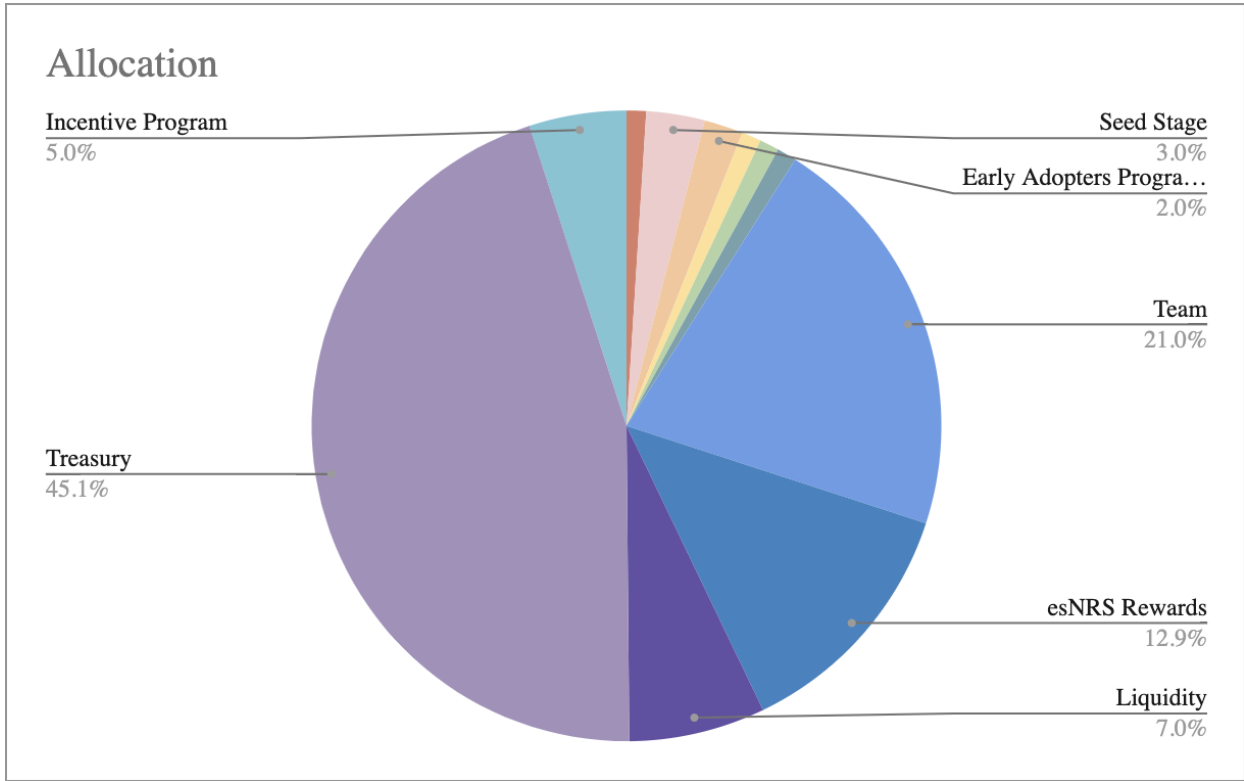
- **Vesting Schedules Across Allocations:**
 - Extended vesting periods for major stakeholders such as the team, Series A investors, and the treasury help prevent market flooding with tokens, thereby controlling price volatility and maintaining token value over time.
- **Strategic Token Distribution:**
 - By allocating significant portions of tokens to governance and liquidity reserves, Nereus ensures that there is always a buffer to support operational needs and unforeseen market conditions, promoting sustainability.
- **Governance Model:**
 - The implementation of quadratic voting reduces the risk of centralization, as it dilutes the voting power of large token holders relative to smaller ones, promoting more democratic and equitable decision-making.
- **Fixed Token Issuance:**
 - With a capped total supply, Nereus tokenomics protect against inflation and encourage scarcity, potentially increasing the token's value as demand grows on a controlled supply model.
- **Incentives for Long-term Holding:**
 - Programs like the Early Adopters Program and esNRS Rewards not only incentivize platform use and loyalty but also gradually introduce tokens into circulation, aligning user interests with the long-term success of the platform.

These elements collectively form a robust economic framework that aims to balance liquidity, incentivize participation, and manage token supply effectively, thus fostering a stable and engaging ecosystem for users and investors alike.

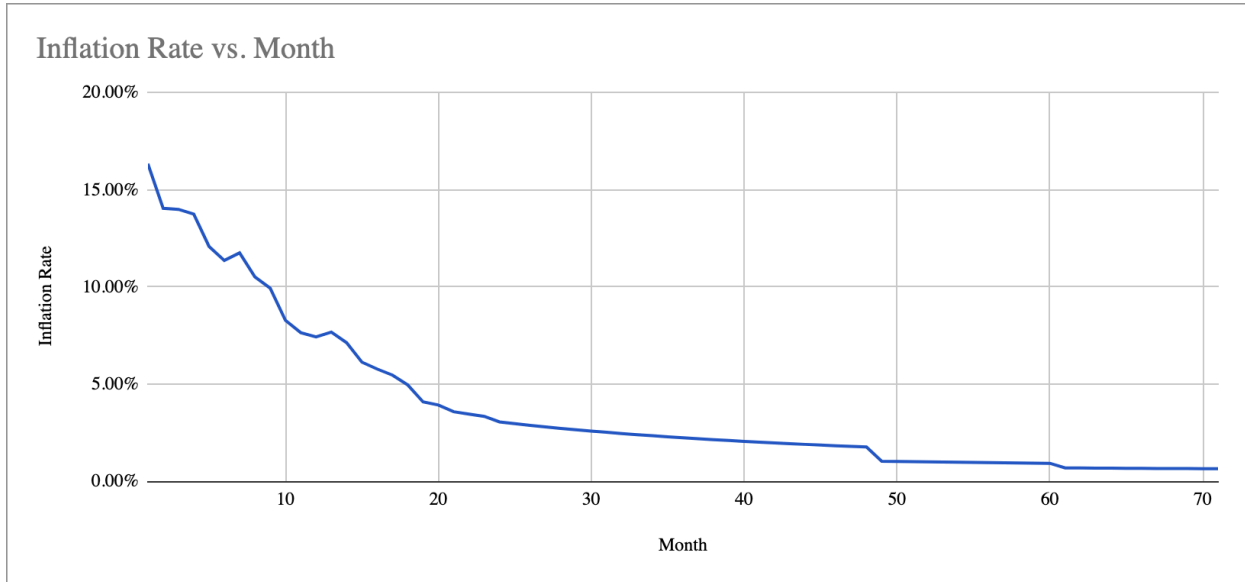
Distribution

Token Distribution							
Article	Allocation	Quantity of tokens	% on TGE	Quantity on TGE	Cliff/Lock-up	Vesting	Vesting Type
Pre-Seed Stage	1.00%	10,000,000	0.00%	0	3	6	Linear Daily
Seed Stage	3.00%	30,000,000	0.00%	0	6	12	Linear Daily
Early Adopters Program 1	2.00%	20,000,000	0.00%	0	2	12	Linear Daily
Early Adopters Program 2	1.00%	10,000,000	0.00%	0	5	12	Linear Daily
Early Adopters Program 3	1.00%	10,000,000	0.00%	0	8	12	Linear Daily
Early Adopters Program 4	1.00%	10,000,000	0.00%	0	11	12	Linear Daily
Team	21.00%	210,000,000	0.00%	0	12	36	Linear Daily
esNRS Rewards	12.86%	128,600,000	0.00%	0	0	60	Linear Daily
Liquidity	7.00%	70,000,000	100.00%	70,000,000	0	0	Linear Daily
Treasury	45.14%	451,400,000	0.00%	0	0	71	Linear Daily
Incentive Program	5.00%	50,000,000	10.00%	5,000,000	0	12	Linear Daily
Total:	100.0%	1,000,000,000					

Key Allocation Details



Inflation Rate



Vesting

