



MINIMUM SELF DELEGATION

Guardians are responsible for operating the validator nodes, maintaining the security of the network and upholding its long term vision. As such, Guardians are required to gain the trust of both the Delegators and the enterprises that rely on the network with their business applications.

In order to ensure a secure, available and performant network, Guardians are required to have a commitment to an honest and secure operation of the network. Guardians are also expected to be committed to their communities and their Delegators staked tokens. Therefore, Guardians are required to own a personal stake of at least 8% of their total delegated stake.

The requirement to stake their own tokens provides a higher level of commitment. A high commitment of the ones operating the validator nodes is important for applications adoption and is required by enterprises applications.

Delegators are expected to select a Guardian that will act on their behalf, maintain the network and distribute their rewards in an honest and timely manner. Delegators are expected to conduct due-diligence regarding their Guardian and select a trustworthy one. Having a minimum self- stake requirement, provides an additional layer of trust, knowing that the Guardian has a “high stake in the game”.

A minimum self- stake also contributes to the Guardians' dynamics and mitigates some potential abuse scenarios. For example, a player with no long-term consideration may try to solicit Delegators by offering an excessive percent of the reward. Such a short-term player may make a profit or gain political power without regard to the potential negative impact on the ecosystem. An attacker may further abuse the delegation by distributing all the rewards and even provide additional funds as a bribe to overcome the network. Minimum self-delegation mitigates such attacks, as a Guardian that abuses the ecosystem is likely to lose the value of his own staked tokens.

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