## Staking and Unstaking

Sui uses a Delegated-Proof-of-Stake (DPoS) system to secure and operate the network, meaning that the voting power of a validator in the network is determined by the amount of stake delegated to them by SUI token holders. The more stake delegated to a validator, the more voting power they have. In exchange for processing transactions and performing consensus, validators earn rewards based on the amount of gas fees collected. These rewards are then shared among stakers as staking rewards.

You stake your SUI tokens by sending a transaction to the network that calls the staking function implemented as part of the system Move package. This transaction wraps the SUI tokens in a self-custodial stake object. This stake object contains information including the validator staking pool ID and the activation epoch of the stake. With the introduction of SIP-6, you can participate in liquid staking protocols using your staked objects.

Sui-compatible crypto wallets typically have functionality to initiate staking and unstaking from your Sui address. See the respective documentation for these tools to begin staking your SUI.

Similar to staking, a user withdraws stake from a validator by sending a transaction that calls the unstaking function in the system Move package. This transaction unwraps the stake object, and sends both the principal and the accumulated rewards to the user as SUI tokens. You accrue rewards only during epochs where the stake is active for the entire epoch. The rewards withdrawn from the validator's rewards pool are calculated based on the activation epoch and unstaking epoch of the stake.

When you stake on Sui, you have to choose a specific validator you would like to stake with. The choice of validator can potentially impact the amount of staking rewards you receive. The factors determining this amount include, but are not limited to:

Sui-compatible crypto wallets and explorers typically provide validator information such as commission and APY. See the respective documentation for these tools for information on how to retrieve this data.

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## Choosing a validator for staking

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