

Cosmic Coin — Burn Mechanics

Burns are **permanent removals from circulation**, replacing traditional transaction fees, and are publicly visible on-chain.

A. Blackhole Burn (Validation Failure)

- **Trigger:** Submitter fails either Micro PoW or Micro PoS.
- **Penalty:** Small, fixed transaction amount burned from submitter's wallet.
- **No redistribution** — 100% destroyed.
- **Purpose:** Discourages frivolous block attempts while keeping protocol fee-free.

B. Inactivity Lifecycle Burn

Trigger: Wallet inactivity (no outgoing transactions) for set time periods. 1. **5–10 Years Inactive** - 2% annual decay from wallet balance, burned permanently. 2. **10–20 Years Inactive** - Wallet frozen (read-only; no outgoing transfers allowed). 3. **20+ Years Inactive** - Wallet erased, funds split as follows: - 50% burned (permanent removal). - 25% allocated to miner pool. - 25% allocated to community treasury.

C. Dust Cleanup Burn

- Automatic burn of balances below spendable threshold to reduce bloat.

D. Failed Transaction Burn

- Invalidated transactions (e.g., double spend) trigger a small burn from sender's wallet.

Key Principles

- **Pure burns** — no base-layer fund redirection to any entity.
- **Circulation health** — burns encourage active participation and remove dead supply.
- **Full transparency** — all burns visible via block explorers.