Revenue Share Mechanism

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1 Proposed Formula

$$X_i = \frac{RS * (\#Staked_i * LF)}{\sum_{n=1}^{N}(\#Staked_n * LF)} \tag{1}$$

X_i: Income of shareholder i.
RS: # of tokens to revenue share.
N: Total NFT supply.
LF: Loyalfty factor.
MV: Maximun Variation (Protocol Param).

Conditions:

1.
$$\sum_{n=1}^{N}(\#Staked_n * LF) = \sum_{n=1}^{N}(\#Staked_n) \tag{2}$$

2.
$$0 < MV < 1 \tag{3}$$

3.
$$1 - MV < LF < 1 + MV \tag{4}$$

2 Loyalty System

LF: Loyalfty factor = Work in progress.

Example Idea:

The idea it is determine a LF value for each token holder based on:

1. Amount staked.
2. Staked date.
3. Staked period.
4. Maximun period of stake (Protocol Param)
5. Total revenue to distribute.
6. Total NFT holder with their respectives params.

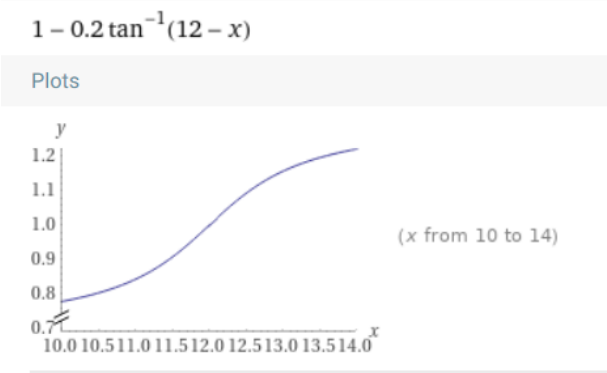

Figure 1: Example of LF distribution

An example it is to distribute all the holders on this graph:

Have to fulfil the condition:

$$\sum_{n=1}^{N}(\#Staked_n * LF) = \sum_{n=1}^{N}(\#Staked_n) \tag{5}$$

The mechanism that detrmine the amount that any NFT will recieve is similar of AirDrops, with a Snapshot and Merkle Three. But the distribution of the rewards are different, the finally idea it is to incentive long term holders and generate passiva income.

The algorithm to determine the distribution of the reward it is work in progress...