

This guide is proudly presented by the Eon validator.

Delegation of stake is the most important consideration for Velas token holders. Choosing the right validator requires thoughtful consideration across 4 major categories: decentralization, commission, performance and contribution.

In terms of decentralization, it's important to make sure that 1/3 of total network stake is distributed among as many top validators as possible. Validators that collectively control 1/3 of the network stake can halt the network or do something malicious. In addition, if all of your personal stake is assigned to one validator, you may lose tokens if that validator misbehaves or underperforms. Creating multiple stake accounts and delegating to several validators helps to secure the network and your own tokens.

Commission is the percentage of rewards a validator charges you for delegating your stake to them. Delegating your stake to validators that charge a really low commission could mean more rewards for you. However, you and the validators earn based on *their* performance and participation in the network. Delegating your stake to a validator that charges a really low commission might sound great, but you will receive little to no rewards if this validator has terrible performance.

Validator performance can be observed and measured across a number of indicators. Skipped slot percentage is the most common metric. Low skipped slot percentage is good and high is bad. Every time a validator skips a slot it loses an opportunity to earn credits and rewards, for themselves and for you. In addition to low skipped slots, a well-performing validator will have low vote distance and low root distance. All of these performance statistics are further explained and nicely displayed for your convenience on velasity.com.

Last but not least, when choosing a validator consider their contributions to the community, such as software they developed or educational materials they produced. Delegate your stake to validators who go above and beyond their block production duties.

Thanks for taking the time to learn how to be a better delegator. Happy staking!