Fintradex Economic Litepaper

Economic Architecture and Tokenomics

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Abstract

Most DEX tokens fail because they pay users with inflation instead of real revenue. Fintradex solves this by giving $FINT holders actual trading fees, not newly minted tokens.

The system works through three mechanisms: time-locked voting that prevents governance manipulation, fee-backed rewards that tie value to protocol success, and adaptive buybacks that automatically reduce supply when the protocol is healthy. Instead of endless token emissions, $FINT distributes actual trading fees to stakers while systematically burning tokens with protocol revenue.

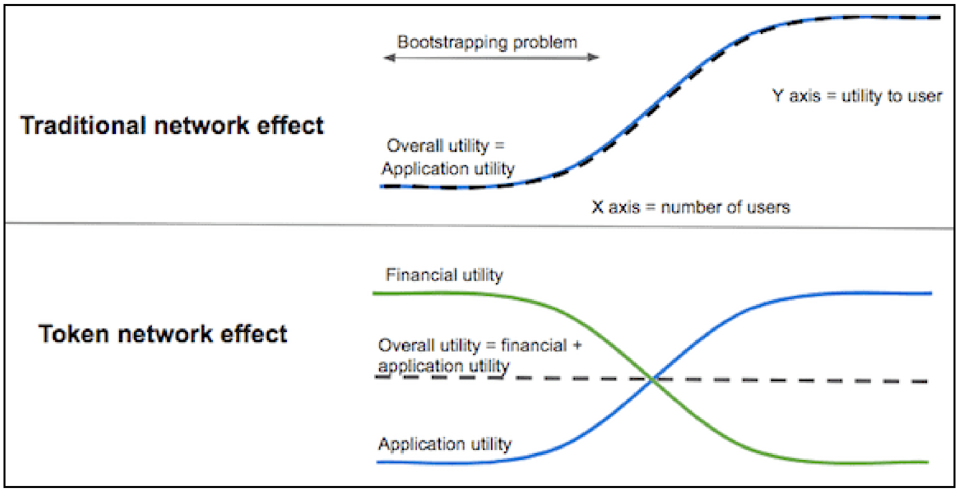
This design aligns incentives correctly: longer commitment periods earn higher governance power and fee shares, genuine protocol activity drives token value through real revenue rather than speculation, and supply automatically contracts during growth while maintaining operational reserves during stress periods. The result is a token economy grounded in actual economic activity rather than purely speculative dynamics.

Why a Token?

$FINT is not a substitute for product quality. It exists to (i) bridge the cold-start gap for liquidity and participation, (ii) allocate ownership to the users who create network value, and (iii) connect protocol performance to holder outcomes via transparent, governable rules. $FINT is the token that coordinates validators, builders, and traders: it confers specific rights/obligations in the network rather than being only a marketing device.

Cold-start Problem

Bootstrapping any network requires compensating users before native utility (liquidity, depth, spreads, order flow) is self-sustaining. Tokens provide temporary financial utility that diminishes as real utility grows. This “bootstrap with tokens” thesis is widely used: pay to overcome thin-network phases, then reduce emissions as usage and fees rise.



Community Ownership Over Mercenary Capital

DeFi competition is intense; durable traction comes from community ownership and utility over mercenary capital, not emissions alone. Vote-escrow models show that time-locked voting power and proportional reward boosts convert users into committed stakeholders; locks decay over time and scale rewards with lock length, aligning influence and fee participation with long-term commitment.

Coordination and Culture

Tokens also coordinate attention. PSG's fan-token episode, over $1.2B in secondary trading around Lionel Messi's arrival and at least €15M in primary proceeds to the club, illustrates that tokens can mobilize global communities when economic and cultural incentives align. For a protocol, the same mechanism can turn users into advocates when ownership, utility, and narrative reinforce each other.

Principles Fintra Follows

I. **Product first.** Incentives attract; product retains. Tokens bridge the cold start and taper as native utility and fee capture grow.

II. **Ownership with commitment.** Allocate influence and rewards in proportion to credible time-locked commitment; positions decay over time to favour long-term stewards over short-term flow.

III. **Fee-backed accrual over emissions.** Give stakeholders fee rights from actual protocol revenue instead of inflating supply.

IV. **Avoid low-float / high-FDV.** Thin floats and heavy unlock overhangs amplify volatility and drive structural underperformance as supply expands.

V. **Progressive decentralisation.** Start with operational agility; transition control to on-chain governance as the system stabilises.

VI. **Reward real work.** Direct token incentives to participants who create measurable protocol value, not passive holding.

VII. **Community-heavy distributions.** Allocate a substantial share of token supply and fees to users, contributors, and participants rather than concentrating ownership among founders and investors.

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Introduction to Cryptoeconomics

Cryptoeconomics is the operating system of open networks. It combines incentives, verifiable rules, and credible limits to steer scarce resources – security, liquidity, and attention – without centralized control. The survival of a project is determined not by narrative momentum but by its capacity to translate early subsidies (emissions) into sustained, fee-denominated demand while assigning ownership preferentially to valuable contributors.

Structure of Cryptoeconomic Design

I. **Objective.** In cryptoeconomics the objective is the specific outcome a system optimizes (security and liveness, market quality like depth and spreads, price stability, or credible neutrality, etc.).

II. **Agents.** Agents are the participants who create or consume value (validators, market makers, traders, builders, and governors, etc.).

III. **Mechanisms.** The rules that turn on-chain, verifiable behavior into rewards and penalties so the rational move is to help the protocol. They pay for measurable contribution, settle on a clear cadence in and treat equivalent actions the same. Cheating is made unprofitable, the cost to attack rises with usage, and changes happen through transparent, pre-set governance rather than ad-hoc decisions.

IV. **Security budget.** The security budget is the economic cost required to corrupt the system compared with the value at risk. A robust design keeps this cost comfortably above the benefit of attack and scales it with system usage.

V. **Governance and commitment.** Governance describes how parameters change and how control is exercised. Commitment refers to which policies are hard-coded and automatic versus those that are discretionary.

What Good Economics Do for a Project

I. **Tie economic value to measurable usage.** Designs that map on-chain activity to token holder benefit make the asset a claim on useful services rather than a point system, improving legibility to long-horizon capital.

II. **Allocate governance to committed contributors.** Ownership and influence align with credible commitment and demonstrable participation, which strengthens legitimacy and reduces opportunistic capture in open systems.

III. **Raise the economic cost of attack as the network grows.** Rewards and penalties scale with usage so that the cost to corrupt exceeds the value at risk, preserving security under strategic behavior

IV. **Improve system quality by paying for real outcomes.** Reward functions are based on observable performance and neutrality, so participants optimize toward metrics that matter and equivalent actions receive equivalent treatment.

V. **Avoid structural sell pressure from supply design.** Sensible float, vesting, and unlock profiles reduce overhang and volatility that otherwise depress performance as supply expands.

Economic State of Order-book DEXs

Order-book DEX economy have converged on fee-first, staking-anchored designs: on the dYdX Chain, trading and gas fees – predominantly in USDC – are allocated via Cosmos's distribution module to validators and stakers with per-block claimability, and trading-rewards issuance is explicitly capped by net fees each block to avoid overspending.

Beyond staking, tokens act as rights to fee flows for long-term participants under predictable settlement; for example, Vertex redirects a share of protocol fees to weekly buybacks for stakers, and Loopring routes the majority of protocol fees to LRC stakers.

Reward schedules increasingly weight market-quality observables - maker rebates for resting liquidity and formal scoring of depth, spreads, and uptime - so payouts track measurable contribution rather than raw volume.

On the supply side, several protocols favor credibility by tying value to fee burns or buybacks rather than perpetual inflation, as seen in Injective's weekly burn auctions that retire INJ using exchange-fee revenue. Fee schedules and incentive parameters are governed on-chain and published as subject to community control, reinforcing transparent procedures over discretionary changes.

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Sinks, Faucets & Revenue Splits

The protocol economy employs a **"faucets versus sinks"** framework to ensure sustainable supply-demand equilibrium. Faucets represent token emission sources (inflation, airdrops, vested releases), while sinks constitute token removal or immobilization mechanisms (staking locks, burns). The FINT protocol maintains systematic balance between these opposing forces:

- **Faucets (Token Emission Sources):**
  Airdrops: One-time distributions that put tokens in the hands of users to kickstart network effects.
  Collator Staking Inflation: Ongoing minting of new tokens to reward active network participants.
  Vesting Releases: Gradual unlocking of team, treasury, and other allocated tokens over several years.

- **Sinks (Token Reduction/Immobilization):**
  Time-Locked Staking (veFINT) & Collator Staking: A soft sink – tokens are locked out of circulation for long durations (though not destroyed). This significantly reduces effective circulating supply as adoption grows.
  Buyback and Burn: A hard sink – tokens removed permanently via revenue-funded buybacks whenever supply growth outpaces demand.

The interplay of these mechanisms ensure that as we use emissions to fuel growth, we simultaneously have mechanisms to recapture value and prevent oversupply. Early on, faucets (like airdrops) are wide open – we want tokens in as many hands as possible to encourage usage. But as the ecosystem matures, sinks take precedence – veFINT locks increase, fee buybacks ramp up, and airdrop faucets turn off. This transition is key to moving from growth mode to sustainability mode.

Revenue Split

FINT's fee allocation model puts ecosystem growth at the heart of everything we do. Rather than following traditional models that prioritize platform itself, we're flipping the script to ensure our community and token holders capture the majority of platform value creation.

Core Allocation Framework

Platform Operations Foundation Every successful ecosystem needs rock-solid infrastructure. A portion of trading fees ensures our platform delivers the reliability, speed, and user experience that traders demand while continuously innovating with new features and capabilities.

Ecosystem Growth Engine The majority of platform revenues fuel our ecosystem expansion through multiple strategic channels designed to create lasting value for our community:

Strategic Treasury Operations

Our treasury serves as the ecosystem's growth catalyst, funding community-driven initiatives that wouldn't exist otherwise. This includes strategic partnerships that expand FINT's reach, governance-approved community proposals that drive innovation, and reserves for major protocol developments. The treasury operates with full transparency and community oversight, ensuring every allocation serves the broader ecosystem's interests.

Token Economic Optimization

Buyback Programs: Regular market support operations that demonstrate our commitment to token value

Burn Mechanisms: Permanent supply reduction that benefits all holders

Market Stability: Strategic interventions during volatile periods

Liquidity Enhancement Systems

Deep, stable liquidity is the foundation of any great trading platform. Our liquidity programs reward individual providers and market makers who make trading possible while bootstrapping new markets and maintaining competitive spreads across all trading pairs.

Implementation Roadmap

Phase 1: Foundation & Community Building

We're currently in our foundation phase, where strategic priorities focus on building an unshakeable base for long-term success. Active Initially:

I. Platform development and optimization initiatives
II. Strategic treasury accumulation for future deployment
III. Community growth through targeted airdrop campaigns
IV. Infrastructure scaling to support growing user base

Why This Approach: During our airdrop campaign, we're prioritizing community acquisition and engagement. Token buyback programs and liquidity incentives will have maximum impact once our initial distribution completes and natural trading patterns emerge.

Phase 2: Full Ecosystem Activation

Post-airdrop, we activate our complete ecosystem toolkit with enhanced mechanisms that benefit every participant. Coming Soon:

I. veToken Launch: Staking rewards and fee-sharing for long-term holders
II. Active Buyback Programs: Regular token purchases supporting market value
III. Liquidity Campaign: Comprehensive rewards for individual liquidity providers and market makers
IV. Advanced Governance: Community-driven allocation decisions within ecosystem budget

The Long Game

This strategy creates a self-reinforcing growth engine where platform success drives community value, enhanced token utility attracts more users, and increased trading volume generates more resources for ecosystem development. We're not just building a DEX - we're architecting a sustainable economic ecosystem that grows stronger with every trade.

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Airdrop Strategy

Past to Present, and how $FINT Aligns

Era	Design	Outcome
2014-17 "primitive"	Pre-mined coins distributed broadly to existing crypto holders (snapshot of BTC balances) or exchange user lists.	High initial claim rates but very low long-term retention; little to no on-chain filtering.
2017-19 ICO-era	Chain-wide snapshots and airdrops to addresses holding at least a preset threshold of the network's native asset	Brief attention spikes with limited behavioural data collected; impact faded quickly.
2020-21 retroactive drops	One-time distributions to past users (Uniswap, ENS).	Rapid post-claim selling and weak holder retention over time.
2020-21 conditional-claim drops	Must perform new action to unlock (dYdX, Osmosis).	Improved retention but expensive to run as a

		single large emission event.
2022-25 recurring / phased / points farming	Multiple rounds, tunable rules (Optimism, Blur, Hyperliquid).	Iterative rounds refined targeting and boosted retention.

Programmatic token incentives compress coordination/CAC by subsidizing early participation, liquidity, and validator/LP bootstrapping – reducing reliance on off-chain marketing. Airdrops on their own don't keep users: if the token has no ongoing rights or utility, most people sell soon after claiming. Durable adoption requires wiring emissions to value-creating behaviors – staking-for-privilege, fee share/"real yield," ve-lock boosts, access gating – and backing them with credible demand sinks (locks, buybacks, burns). In short, incentives are an accelerator, not a substitute; they only compound where the product already delivers tangible user surplus.

Present State

I. **Points accrual:** Addresses earn points for defined on-chain actions – trading volume, maker activity, liquidity provision, referrals, or staking duration.

II. **Epoch snapshots:** At fixed intervals the protocol records balances, performs on-chain sybil analysis, and publishes a ranked points list.

III. **Tranche conversion:** Only a predetermined fraction of the total airdrop pool converts to tokens after each snapshot; the points-to-token exchange rate is announced immediately before claims.

IV. **Rolling seasons:** Next season (or multiple seasons) restart the points cycle – and projects then transition into perpetual points or ongoing incentive programs, keeping the accrual mechanism open-ended to maintain activity long after the initial distribution window.

Structure of $FINT Airdrop

A multi-phase airdrop campaign (totaling 34% of supply) is the cornerstone of FINT's user acquisition strategy. Rather than a one-off giveaway, FINT uses three targeted airdrop seasons over 9 months with a unified points system to maximize user growth and engagement:

Unified Allocation Model: All three seasons contribute to a single allocation pool of 170,000,000 FINT tokens (34% of supply). At each seasons' conclusion, tokens are distributed pro rata based on total points earned in the season, ensuring fair distribution based on cumulative platform engagement.

Season Structure

Genesis (Months 0-3): Starting at TGE mainnet launch, users begin earning points through on-chain activity (trading volume, number of trades, referrals, etc.). This foundational period establishes the core user base and initial platform liquidity. By rewarding active users from day one, we create engagement and decentralize token ownership from TGE.

Phase 2 – "Season 1" Activity Rewards (12% of supply): starting 3 months post-launch, an incentivized trading campaign distributes another 9% of tokens after 6 months. During this season, users earn points for on-chain activity (trading volume, number of trades, referrals, etc.), and at the end, $FINT is allocated proportional to points earned. This is effectively a trade mining program aimed at boosting platform usage. Distributing tokens based on usage ensures that active users who add value (volume and liquidity) are the ones who gain ownership.

Phase 3 – "Season 2" Activity Rewards (12% of supply): A second campaign of similar length (3 months) further rewards ongoing user engagement. We may introduce new goals or product features for users to try during this phase, incentivizing continued growth and loyalty. By structuring rewards in seasons, $FINT avoids the "big bang" of a single airdrop and instead encourages users to stick around and keep using the platform over time.

During mainnet, incentive scores are computed via weekly or bi-weekly snapshots over a fixed three-month season. Snapshot results are aggregated to form season totals. If monitoring indicates role-specific over-accrual, scoring parameters (e.g., weights, caps) may be updated prospectively from the next snapshot; past snapshots are not revised.

Program Integrity and Eligibility

Activity Thresholds: Minimum activity gates prevent points allocation for dust transactions. Referral points activate only after referred accounts demonstrate meaningful platform engagement through established activity thresholds. The exact numbers will be shared before the start of each seasons' campaign.

Anti-Gaming Measures: Wash trading detection identifies repetitive self-directed patterns and circular trading flows, which receive zero points and may result in disqualification. Sybil resistance through on-chain clustering analysis identifies and caps suspected coordinated networks, with reviews conducted at cluster level.

A unified dashboard displays lifetime points accumulation, current season progress, referral program status, and available feature tasks. Real-time indicators track seasonal milestones, while a streamlined claiming process becomes available once program requirements are satisfied.

Communication Protocol

Phase Announcements: Before each season launch, detailed communications cover distribution timeline, eligibility criteria, earning categories, claim windows, and official interface links.

Post-Phase Reports: After each season conclusion, comprehensive reports include distribution statistics, participation analysis, and prospective parameter updates for subsequent phases.

Transparency Reporting: Distribution statistics and participation metrics are published regularly to assess concentration levels and inform future parameter refinements.

By structuring rewards across seasons with unified distribution, FINT avoids the "big bang" of a single airdrop and instead encourages users to maintain longer-term platform engagement. The pro rata model ensures that consistent, valuable users across all seasons receive proportional rewards based on their total contribution to platform growth.

Calculation

During the points program we run weekly snapshots over a three-month season. Each snapshot assigns "points" to every account using four transparent components and then freezes the result.

Main Airdrop Components

I. Volume: Trading volume converted to points
II. Maker Orders: Points earned for maker orders
III. Trade Frequency: Points based on consistent trading activity
IV. Referral Assist: Points earned through successful referrals

Calculation of the snapshot

$F\_total\,(snapshot) \;=\; F_1 \;+\; F_2 \;+\; F_3 \;+\; F_4$

At each snapshot, an account’s score is the sum of all components

Calculation of the snapshot total

$F\_season(u) \;=\; \Sigma\_snapshots\;[\;F\_total(u)\;]$

Over the three-month season, a user’s season score is simply the sum of their snapshot totals. If you participate in more snapshots (or score higher in them), your season score is larger; if you skip weeks, you earn less.

Distribution of the season rewards

$tokens\_u \;=\; (\;F\_season(u)\;/\;\Sigma\;F\_season(all)\;) \times pool\_cycle$

When distributing tokens, each user gets a pro-rata share of the current reward pool. You take the user’s season score and divide it by the sum of all users’ season scores to get their fraction of the pie, then multiply by pool_cycle (the number of tokens allocated for this distribution event – e.g., seasonal pool).

Where $FINT Fits

$FINT's airdrop architecture is built for the modern standard:

I. **Three phases over nine months** – spreads learning and limits single-day sell pressure, matching the proven "recurring" pattern.

II. **Activity-gated unlocks** – participants can claim airdrop only after a certain volume and trade metrics; partial claims scale with usage, unused balance burned or recycled.

III. **Utility to retain holders** – immediate fee rebates, ve-locking boosts, and real-yield staking reduce the likelihood of immediate sell pressure.

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Collator Staking and Inflation Model

Polkadot separates block production/finality from application execution. The Relay Chain validators secure the network: they verify parachain candidates' Proof-of-Validity (PoV) and ensure data availability before finality. Validators are selected by Nominated Proof-of-Stake (NPoS) – token holders ("nominators") back validator candidates; an on-chain election (Phragmén) picks an active set that spreads stake evenly while maximizing total backing, reducing concentration risk and yield gaming. Economically, validators and their nominators are paid per era for correct work; misbehavior is slashable ("skin in the game").

NPoS balances three goals during elections: maximize the total stake securing the set, maximize the minimum-backed validator, and minimize stake variance across validators. This keeps effective security high and validator rewards roughly equal, discouraging stake pile-ups.

Parachain Layer

A parachain is its own blockchain (its own runtime, accounts, fees, and state) that plugs into the Polkadot Relay Chain for finality. It does not run its own consensus like PoS/PoW; instead, it supplies valid blocks to the Relay Chain and inherits security there. The parachain's job is execution (apply transactions, update state, price weights/fees, et.), plus liveness – keeping blocks coming on time.

Collators keep the parachain running. They (1) keep the parachain's current state, (2) pick up pending transactions, (3) run the chain logic to build the next block, (4) attach a proof that the block was computed correctly, and (5) submit it to the Relay Chain. Relay-chain validators double-check the block and make sure its data is available to the network. If everything checks out, they finalize it; if not (or if a dispute proves it wrong), the block is rejected and the at-fault party can be penalized.

Most parachains use delegated staking for collators. An operator (the person/team running a collator) locks their own, slashable stake – to join the candidate pool. Token holders then delegate to operators they prefer. At each epoch, the chain picks a capped active set (top-N by total backing = stake + delegations, with basic uptime checks) and only they produce blocks next round. Rewards come from the security budget (the share of emissions/fees reserved for collators + delegators) and split into an operator commission plus a pro-rata share to that collator's delegators. To keep payouts sane and deter sybils, only the top-K delegations per collator are paid. Exits use an unbonding delay; if an operator goes offline, they miss rewards and can be penalized/slashed. Most networks don't slash delegators – the operator's stake takes the risk.

Economic Picture (Why it Works)

The parachain allocates a security budget (issuance + possibly a fee slice) to keep the active set healthy and responsive. Delegation spreads stake across multiple collators, aligning incentives: good operators with fair commission and high uptime attract backing; underperformers lose it. The reward split and round cadence are predictable, which matters for retail user experience and for operators planning costs. Oversub caps prevent single collators from hoovering all delegations; unbonding/leave delays smooth churn.

Fintra's Collator-staking Monetary Policy

Fintra adopts a Polkadot/Kusama-style dynamic emission split for its parachain security budget. Each year, governance sets a gross issuance I. The share paid to stakers depends on s (the fraction of circulating supply currently delegated) relative to a target $s*$ (the "ideal" stake level). When $s < s*$, a larger slice of I flows to stakers to attract more delegation; when $s > s*$, the staker slice tapers and the remainder of I is redirected to the treasury, preserving circulating float and avoiding over-locking.

Roles & Flows

I. **Collators:** produce parachain blocks and earn commission fees directly proportional to their block production output.

II. **Delegators:** supply stake to collators and earn proportional rewards from the staking pool based on their delegated stake amount, subject to top-K eligibility requirements per collator

III. **Treasury/bond reserve:** receives the remainder of I (and fees), funding runway/coretime and absorbing emission when staking is saturated.

IV. **OpenGov:** enable tuning of critical protocol parameters including validator economics, delegation limits, network capacity constraints, and staking requirements.

The Fintra employs a three-tier token distribution model where annual issuance I is allocated across validator rewards (performance-based), staking incentives (participation-adjusted), and treasury funding (residual allocation), with governance-controlled weighting parameters determining the proportional distribution among these channels.

An adaptive reward algorithm automatically adjusts optimal network security while preserving token liquidity. This economic model automatically adjusts staking yields based on participation rates relative to a governance-defined target threshold.

When network staking falls below the optimal range ($s \leq s$ *), the system increases annual percentage returns proportionally to incentivize additional stake delegation. Contrarily, when staking participation exceeds target levels ($s > s$ *), rewards are progressively reduced through a tapering function that maintains a {minimum floor rate f, encouraging token holders to deploy capital in alternative network activities.

The reward function serves dual economic objectives: ensuring sufficient stake for network security during periods of low participation, while preventing excessive capital lock-up that could impair network liquidity and utility during periods of high staking activity. The mechanism maintains market efficiency by dynamically balancing the opportunity cost of staking against alternative token use cases.

$$R_{\text{pool}}(s) = \begin{cases} w_{\text{pool}} \cdot I \cdot \dfrac{s}{s^{\backslash *}}, & s \leq s^{\backslash *} \\ w_{\text{pool}} \cdot I \cdot \left[1 - (1 - f)\dfrac{s - s^{\backslash *}}{1 - s^{\backslash *}}\right], & s > s^{\backslash *} \end{cases}$$

Economic Rationale

- **Self-balancing security spend.** The network pays more only when it *needs* more delegation; it throttles spend when the network is already well-staked.
- **Predictable supply, adaptive distribution.** Maintain predictable token issuance while enabling adaptive reward distribution at the parachain level to optimize network participation and security.
- **The Treasury absorbs surplus.** When staking saturates, the taper routes more to treasury rather than over-rewarding locked capital; treasury can fund coretime, grants, or deflationary operations subject to governance.

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veTokenomics: Time-Locked Voting and Boosted Rewards

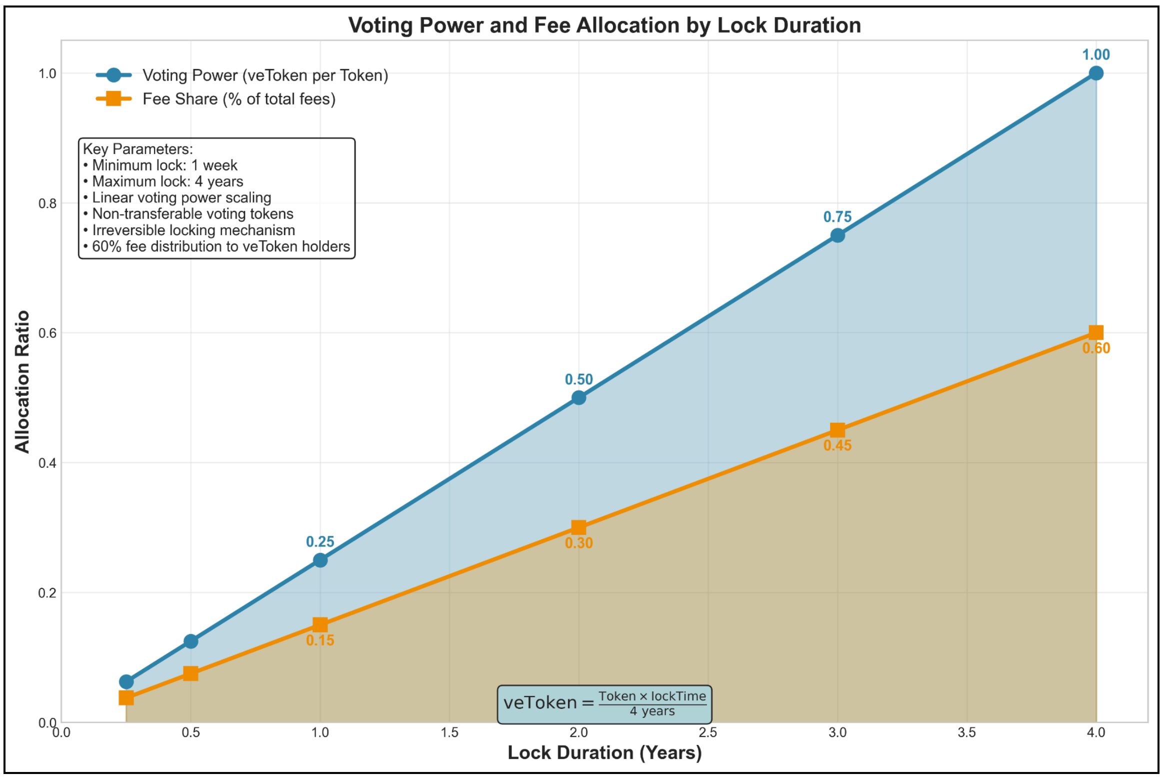
Fintra implements a vote-escrowed (ve) mechanism that combines governance participation with direct real yield distribution to align long-term stakeholder interests through both political and economic incentives. Under this framework, token holders may voluntarily time-lock their holdings in exchange for non-transferable veFINT tokens that confer enhanced governance influence, and proportional claims on protocol-generated revenue streams.

The voting mechanism employs a time-weighting formula where governance influence scales directly with lock duration and remaining commitment period. Specifically, the veFINT allocation follows the mathematical relationship:

$$veFINT = FINT \times (lock\_time\_remaining \,/\, max\_lock\_duration)$$

This temporal weighting creates a dynamic governance system with the following allocation parameters:

- 1,000 FINT locked for 4 years yields 1,000 veFINT initially (1:1 ratio)
- 1,000 FINT locked for 3 years yields 750 veFINT initially (0.75:1 ratio)
- 1,000 FINT locked for 2 years yields 500 veFINT initially (0.5:1 ratio)
- 1,000 FINT locked for 1 year yields 250 veFINT initially (0.25:1 ratio)



veFINT balances decay linearly over time as the unlock date approaches, requiring periodic relocking to maintain full benefits and governance weight. This temporal decay mechanism ensures continuous stakeholder engagement while providing natural exit opportunities as lock periods approach expiration. Users cannot have multiple locks with different expiry dates but can extend existing locks or add additional tokens at any time, similar to Curve's proven mechanics.

This structure prevents governance manipulation by short-term speculators who might otherwise buy tokens, vote, and immediately sell – a common vulnerability in 1 token 1 vote systems. The time-lock requirement ensures that governance participants have meaningful economic exposure aligned with the protocol's long-term success.

Real Yield Revenue Distribution

The ve-mechanism provides both yield enhancement multipliers and direct revenue participation for locked participants. veFINT holders receive amplified returns on liquidity provision and staking activities, with boost factors calibrated to reward commitment duration, while simultaneously earning proportional distributions from protocol fee generation. Economic benefits, including yield boosts and real yield fee distributions, decline proportionally with veFINT decay, incentivizing regular relocking behavior to maintain optimal reward rates.

Protocol-generated trading fees are systematically distributed to veFINT holders through a dedicated revenue-sharing mechanism, with allocations proportional to current veFINT balances. Trading fees flow (actual split will be confirmed after airdrop campaign) to veFINT participants, who receive their proportional share of actual protocol revenue that is distributed weekly as real yield. These distributions consist of native trading fees denominated in USDC, ETH, and other base assets rather than newly minted emissions, providing non-dilutive yield generation that constitutes genuine economic returns rather than inflationary rewards.

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  https://simpleswap.io/blog/vecrv-and-its-impact-on-curve-finance

Adaptive Buyback with Emergency Fund

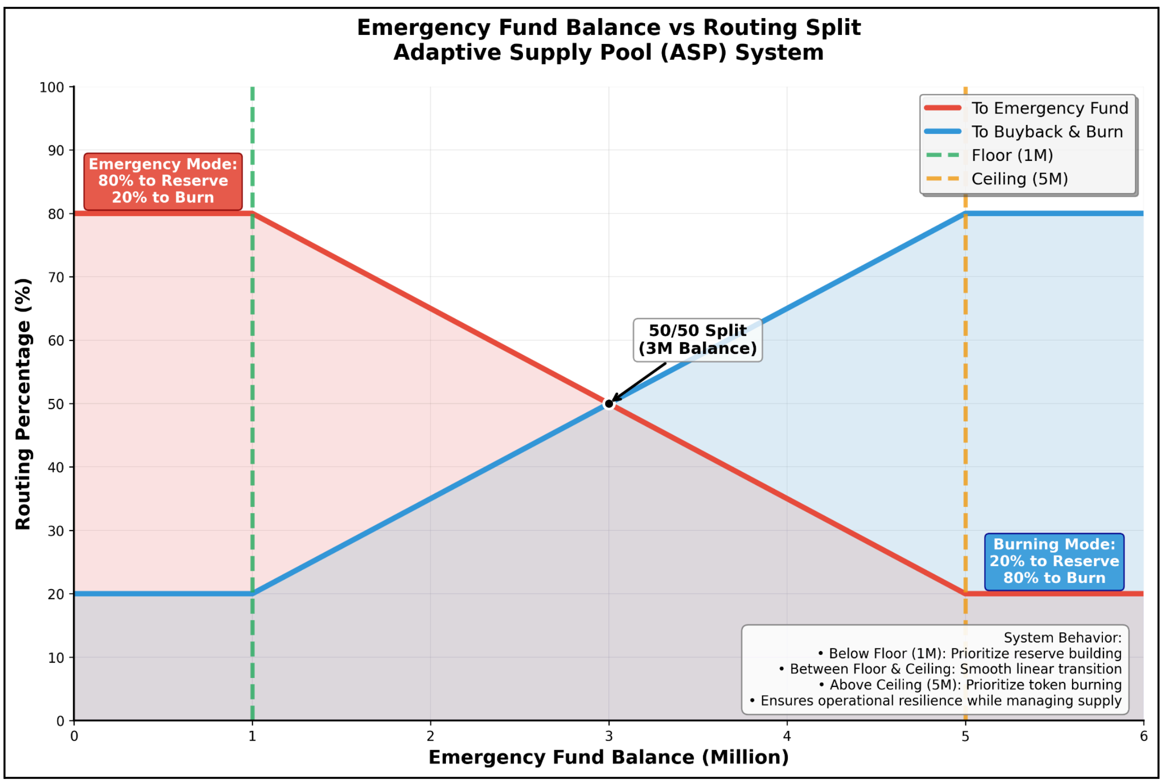
This mechanism seeks to: use protocol revenue to counterbalance issuance while maintaining an operational reserve that can absorb shocks. A fixed share of net protocol fees (after rebates/discounts) flows into an Adaptive Supply Pool (ASP). Each epoch, the ASP routes between two destinations: Buyback (market purchases of $FINT followed by an on-chain burn) and the Emergency Fund (a liquid, stable reserve for coretime, liquidity backstops, and incident response). Routing is rule-based and fully on-chain so the system doesn't depend on discretionary timing.

Routing follows a clear precedence. First come safety checks: if risk conditions deteriorate – e.g., the reserve has fallen below the floor, fee inflows have dried up, or market microstructure is thin – the controller automatically trims or pauses buybacks and diverts ASP flow to the reserve.

The reserve targets a floor and a ceiling. When the balance is below the floor, the ASP prioritizes top-ups even if other signals would otherwise favor burning; when the balance sits between floor and ceiling, routing defers to the supply bands; once the reserve is above the ceiling, overflow goes to buybacks by rule.

The supply-band curve maps circulating supply to a Reserve ↔ buyback split: at or below the lower band the system leans to reserve, at or above the upper band it leans to buybacks, and between bands it transitions smoothly.

To avoid starving either reserve or buyback, the controller enforces small non-zero floors – a persistent cut to reserve and a tiny always-on burn – so runway keeps accruing and supply keeps compressing even at the extremes. Circulating supply is calculated from on-chain data and smoothed over 14-30 days to prevent sudden policy changes



This controller pairs well with the rest of the token economy. Burns offset issuance, so long-run net supply is *effectively issuance minus buyback burns minus hard sinks.* Hard sinks – expired distributions after a fixed claim window and penalty/slashed tokens for rule violations – are burned permanently with due-process and appeals windows defined in governance.

In parallel, the ve-layer continues to drive participation and fee share; it does not compete with the ASP budget. Together, the mechanisms create a counter-cyclical, auditable incentives program: when float is ample and conditions are healthy, buybacks accelerate; when float is tight or risk rises, the reserve builds; and throughout, the system publishes enough data for the market to price policy credibly.

Supply-side Economy

Token Allocation

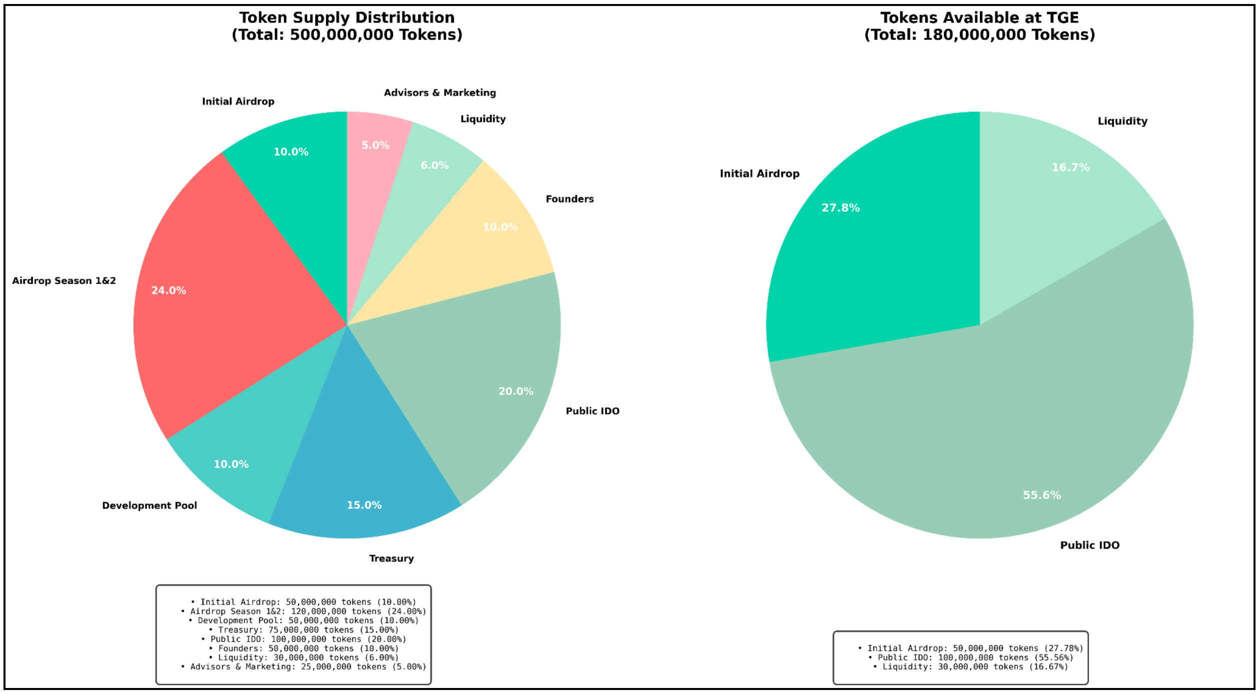
Starting Token Supply 500 Million $FINT. The initial allocation is designed to ensure broad community ownership while reserving sufficient tokens for development and long-term growth. The breakdown is as follows:

Starting Token Supply (500 Million)

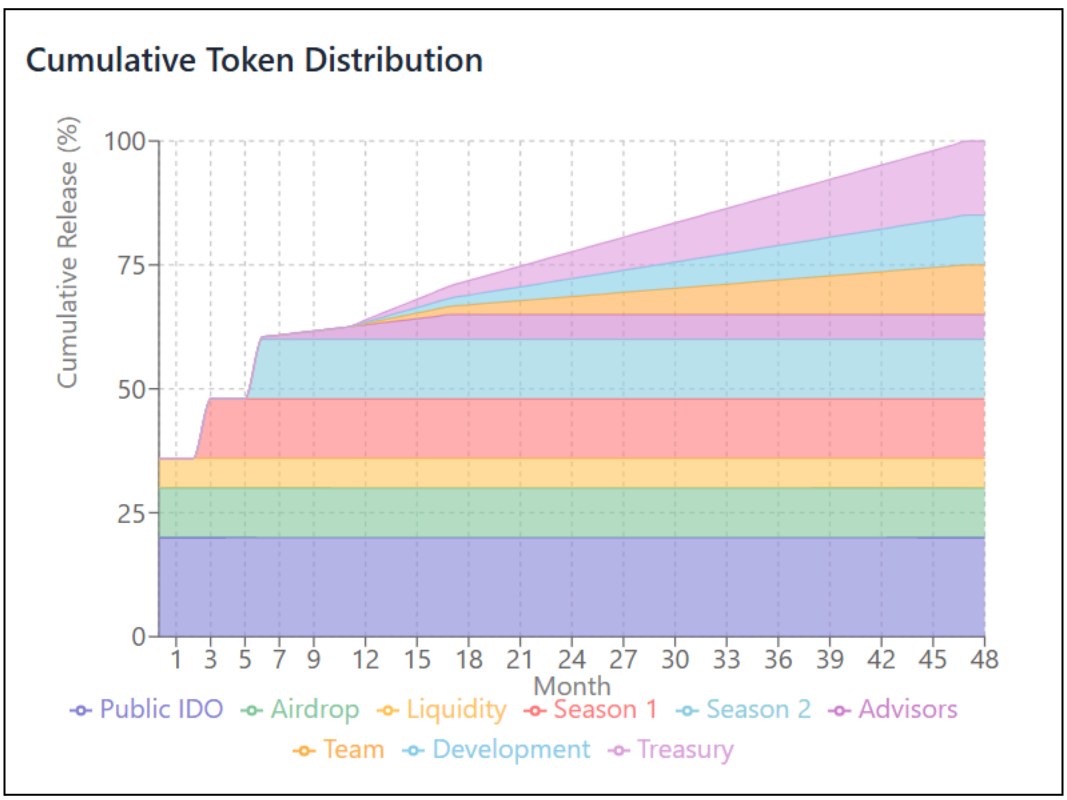
Description	Amount	Percentage	Available at TGE	Supply TGE
Initial Airdrop	50,000,000	10.00%	100.00%	50,000,000
Airdrop Season 1&2	120,000,000	24.00%	0.00%	0
Development Pool	50,000,000	10.00%	0.00%	0
Treasury	75,000,000	15.00%	0.00%	0
Public IDO	100,000,000	20.00%	100.00%	100,000,000
Founders	50,000,000	10.00%	0.00%	0
Liquidity	30,000,000	6.00%	100.00%	30,000,000
Advisors & Marketing	25,000,000	5.00%	0.00%	0
Total Allocated	**500,000,000**	**100.00%**		**180,000,000**

Key Insights:
- Total Supply: 500,000,000 tokens
- Available at TGE: 180,000,000 tokens (36% of total supply)
- Locked Tokens: 320,000,000 tokens (64% of total supply)
- Largest TGE Allocation: Public IDO (55.56% of TGE supply)
- Vesting Applies To: Team, Advisors, Development Pool, Treasury

TGE Supply Breakdown:
- Initial Airdrop: 50,000,000 tokens (27.78%)
- Public IDO: 100,000,000 tokens (55.56%)
- Liquidity: 30,000,000 tokens (16.67%)


Token Supply Distribution
(Total: 500,000,000 Tokens)
Initial Airdrop
10.0%
Advisors & Marketing
5.0%
Liquidity
6.0%
Founders
10.0%
Airdrop Season 1&2
24.0%
20.0%
Public IDO
10.0%
Development Pool
15.0%
Treasury
• Initial Airdrop: 50,000,000 tokens (10.00%)
• Airdrop Season 1&2: 120,000,000 tokens (24.00%)
• Development Pool: 50,000,000 tokens (10.00%)
• Treasury: 75,000,000 tokens (15.00%)
• Public IDO: 100,000,000 tokens (20.00%)
• Founders: 50,000,000 tokens (10.00%)
• Liquidity: 30,000,000 tokens (6.00%)
• Advisors & Marketing: 25,000,000 tokens (5.00%)
Tokens Available at TGE
(Total: 180,000,000 Tokens)
Liquidity
16.7%
Initial Airdrop
27.8%
55.6%
Public IDO
• Initial Airdrop: 50,000,000 tokens (27.78%)
• Public IDO: 100,000,000 tokens (55.56%)
• Liquidity: 30,000,000 tokens (16.67%)

Vesting


Cumulative Token Distribution
Cumulative Release (%)
100
75
50
25
0
1 3 5 7 9 12 15 18 21 24 27 30 33 36 39 42 45 48
Month
Public IDO
Airdrop
Liquidity
Season 1
Season 2
Advisors
Team
Development
Treasury

Category	Allocation	Delay Period	Vesting Duration	Monthly Release Rate	Total Duration
Public IDO	20%	None	Immediate	20% at TGE	Day 0
Initial Airdrop	10%	None	Immediate	10% at TGE	Day 0
Liquidity	6%	None	Immediate	6% at TGE	Day 0
Season 1	12%	None	Month 3	12% at month 3	Month 3
Season 2	12%	None	Month 6	12% at month 6	Month 6
Advisors & Marketing	5%	6 months	12 months	0.417% per month	18 months
Team & Founders	10%	12 months	36 months	0.278% per month	48 months
Development Pool	10%	12 months	36 months	0.278% per month	48 months
Treasury Reserve	15%	12 months	36 months	0.417% per month	48 months

Economic Rationale

- **Capital formation without insider drag.** Only 10 % of supply is reserved for the core team and early contributors, and none of it is liquid at launch. A one-year cliff followed by a 3-year linear vest ties every insider's upside to the protocol's long-term success.
- **Ecosystem growth through broad activity-driven ownership.** More than 54 % of tokens go straight to the public via airdrops, the IDO, and liquidity programs. This exceeds the industry rule-of-thumb (≈40 %) for community share and gives users immediate, meaningful skin in the game. Because distribution is gated by real on-chain activity – trade volume, liquidity depth, referrals – tokens flow to participants who actually grow the network.
- **No insider or core token holder will have unrestricted $FINT at launch.** Over 64% of the total supply (team, treasury, development pool, airdrops) is locked on day one. This controlled release schedule helps maintain price stability and aligns everyone with the project's multi-year roadmap.

References

- Cliff Vesting: How It Works and Types
  https://www.investopedia.com/ask/answers/09/what-is-cliff-vesting.asp
- Token Vesting and Allocations Industry Benchmarks
  https://www.liquifi.finance/post/token-vesting-and-allocation-benchmarks