

LDO holders can stake their token as like xLDO.

xLDO is a proof token of LDO deposit to staking module. Lido treasury allocates certain number of Lido tokens to the staking module every 00:00 UTC.

The conversion rate of LDO to xLDO is 1:1. When a xLDO holder decides to quit staking LDO, the xLDO will be burnt and the amount of LDO the holder can receive is equal to

$(\text{total LDO belonging to the staking pool}) * (\text{xLDO token amount the holder has}) / (\text{total xLDO token amount})$

or maybe certain percent of LDO reward will be charged and send back to staking pool. Let the rest xLDO holder enjoy it.

And xLDO can:

1. Keep the same governance power as Lido.
2. or have higher governance power depending on lock-up tenor if fixed term deposit is needed