

# Nimiq Pre-staking Rewards and Giveaway Campaign Description and Terms

Pre-staking is a technical requirement for the migration of Nimiq's consensus algorithm from Proof of Work (PoW) to Proof of Stake (PoS). Given that the pre-staking process is decentralized by nature, a safe migration is defined by:

1. Maximizing the total amount of NIM pre-staked
2. Distributing that NIM across as many validators as possible

The intent of the Pre-staking Rewards and Giveaway Campaign is to support the successful migration to Nimiq PoS by encouraging users to pre-stake in ways that maximize 1.) and 2.).

## Eligibility

Anyone who holds or acquires NIM and wants to engage in pre-staking will be eligible to participate, with the exception of individuals from countries on the OFAC sanctions list and the USA (see the Restrictions section below for more details).

## Participation and Duration

### To participate:

1. Go to <https://wallet.nimiq.com>, access your Wallet and pre-stake NIM (this function will become available on Monday October 7, 2024).
2. Log in to <https://prestaking.nimiq.com/pre-staking>, selecting the Nimiq account address you are using for pre-staking. This address will also be used to pay out any campaign rewards.
3. Click the CLAIM Button.

### Duration:

**Start:** October 7, 2024 00:01 UTC

**End:** November 10, 2024 23:59 UTC

## Official Communication Channels

All official news regarding both campaigns will be shared on Nimiq's Official Blog. Official announcements will also be shared over Nimiq's social media channels:

- Nimiq [X \(former Twitter\)](#)
- Nimiq [Discord](#)
- Nimiq [Telegram](#)

Do not trust any other communication channels and beware of impersonators.

## Rewards and Bonuses

A total of 200 million NIM are allocated for the Pre-staking Campaign:

1. 100 million NIM as Pre-staking Rewards
2. 100 million NIM as additional Bonus Giveaways

All users pre-staking must log in, with the account address they used for pre-staking, at <https://prestaking.nimiq.com/pre-staking> to be eligible for receiving Pre-staking Rewards and Pre-staking Bonus Giveaways.

### 1. Pre-staking Rewards

Pre-staking Rewards incentivize as large a NIM amount pre-staked as possible. The reward is based on the individual NIM pre-stake amount in proportion to the total amount of NIM pre-staked.

A total of one hundred million NIM (100'000'000 NIM) in Pre-staking Rewards will be distributed as follows:

EXAMPLE

User	Amount Prestaked	Total Amount Pre-staked	Relative Contribution	Reward (NIM)
User A	5'000'000	3'300'000'000	0.152%	121'212
User B	30'000'000	3'300'000'000	0.91%	727'272

**Reward = Relative Contribution \* 100'000'000 NIM**

### 2. Pre-Staking Bonus Giveaway

An additional Bonus Giveaway incentivizes the distribution of the total pre-staking amount among as many validators as possible, commencing pre-staking early and attracting new community members. The chances to receive a bonus increase as you accumulate points and multipliers through such related actions.

A total of up to an additional one hundred million (100'000'000) NIM will be distributed (see Winners Draft and Bonus section for more details). Participants who follow specific guidelines, which improve the overall health and security of the migration, can increase their chances to receive a bonus (see Points and Multipliers section for more details).

## Winners Draft and Bonus

The winning addresses will be drawn at random in three rounds from all eligible entries.

Every participating address can win one bonus only. When an address wins a bonus, it will be removed from the list of participating addresses for further draws.

The bonuses will be distributed as follows:

Number of winners	Bonus (NIM) per winner
10	3'000'000
25	1'500'000
65	500'000

## Points and Multipliers

The chances to win a Bonus will be based on accumulated Points. **Points are Capped at 10'000 Base Points (10 million NIM) PER ACCOUNT ADDRESS .**

Point Multipliers are applied and designed to increase the overall security and decentralization of the migration, with the goal of:

- Encourage as many users to Pre-stake as Possible,
- As early as possible in the Pre-staking phase,
- With as much NIM as possible,
- To as many Validators as possible,
- As evenly distributed as possible.

Points are calculated the following way:

Base points  
+ (Base points \* time multiplier)  
+ (Base points \* validator multiplier)  
+ (Base points \* GalxE multiplier)  
= Total tickets

Table of Points and Multipliers:

Category					
Amount of Pre-stake	Base Points = NIM pre-staked /1000 Capped at 10'000 Base Points (10 million NIM) PER ADDRESS				
Time of Pre-stake (from Pre-stake opening)	Week 1	Week 2			Last week
	3x	2x			1,5x
Validator Choice	Select a Pre-staking Validator that has less than 10% of the total Pre-stake at the time the participant allocates to Pre-staking. If none exist, stake with the validator pool that has the least NIM staked.				Select a Pre-staking Validator that has more than 10% of the total Pre-stake at the time the participant allocates to Pre-staking.
	5x				0x
Nimiq Galxe leaderboard	top 10%	top 11%-25%	top 26%-50%	top 51%-75%	above 75% or not a member
	5x	3x	2x	1x	0x

**Note: Each staking transaction receives its own multipliers.** For example, the amount staked in the first week will be multiplied by 3, while the amount staked in the 4th week will not receive any multiplier. This applies only up to a total of 10'000 base points. If a subsequent transaction causes the total to exceed 10'000 base points, only the portion up to the 10'000 point limit will be multiplied.

## EXAMPLE

<b>Example A – small stack but early and active</b>			
Category	User's interaction	Values and Multipliers	Points
User's NIM	150'000 NIM	150	150
Time	After 8 days	x2	300
Validator	Choses underdog	x5	750
GalxE	Is in the top 50%	x2	300
		Total Points:	1'500
<b>Example B – big stack but inactive</b>			
Category	User's interaction	Values and Multipliers	Points
User's NIM	9'254'029 NIM	9'254	9'254
Time	After 16 days	x0	0
Validator	Choses underdog	x5	46'270
GalxE	Not a member	x0	0
		Total Points:	55'524

<b>Example C – Chances to win based on points (using only 4 users to simplify the example)</b>		
User	Points	Chances
User A	1'500	1.5%
User B	55'524	56.5%
User C	5'500	5.6%
User D	35'800	36.4%
Total	98'324	100.0%

## Reward and Bonus Delivery and Restrictions

The Pre-staking Reward and Bonus will be delivered within three (3) months after the migration takes place (See Official Communication Channels for more details). This will encourage a smoother process throughout the migration period and its initial post-migration period.

The claim to a Pre-staking Reward as well as Bonus is unequivocally tied and paid out to the winning address. The Reward eligibility cannot be reassigned, is not transferable, is not amendable, not changeable and is not payable in any other form of currency other than NIM. The project reserves the right to review any suspicious circumstances to verify eligibility.

## Restrictions

Participation in this Pre-staking Reward and Bonus campaign is subject to restrictions. The following limitations apply:

**Residents of the United States:** United States citizens or Green Card holders are not eligible to participate in Pre-staking Rewards and Bonus Opportunity.

**Embargoed Countries:** Individuals who are residents of or physically located in countries that are subject to trade embargoes or economic sanctions by the United States government are not eligible to participate in this giveaway. This includes any country listed by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC).

Entries from individuals residing in or physically located in these countries will be considered void and ineligible for any reward.

NimiQ reserves the right to verify the eligibility of any participant. This may include, but is not limited to checking the participant's residency status and ensuring compliance with the above-stated geographic restrictions. Any false statements regarding eligibility may result in disqualification from the campaigns.

NimiQ reserves the right to exclude participants who use unauthorized aids or otherwise obtain advantages through manipulation or unauthorized means.

Furthermore, NimiQ reserves the right to prematurely terminate, suspend or modify the campaign at any time in any way if unforeseen circumstances beyond control occur that make the original implementation infeasible. This includes, but is not limited to, the unauthorized intervention of third parties, technical problems with hardware and software, as well as violations of rights that are directly related to the implementation of the campaign, in this case in particular the manipulative intervention in the course of the campaign.

NimiQ team members, the NimiQ Foundation, ImpactX Charity and its related entities are barred from participating in the pre-staking campaigns.