



PARAGONZ.ME

The Open Network

Partial-collateralized Stablecoin



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What is zTON?

zTON token is a partially collateralized token, soft pegged TON. The protocol aims to maintain zTON token's price stability, in other words, the peg, by storing sufficient collateral in the time-locked smart contracts. This collateral is used for redemptions, helping to maintain price stability.

The collateral consists of two tokens: TON and ZRG token. The TON token is deposited into the protocol when a user mints zTON token, while the ZRG token, serving as collateral, is burned when a user mints zTON token and minted by the protocol when a user redeems zTON token.

The ratio of TON and ZRG token used by the minting and redeeming function is determined by the **Target Collateral Ratio (TCR)** (page 13) and the **Effective Collateral Ratio (ECR)** (page 12).

Quick Facts

- Collateralized with TON and ZRG.
- Minted with approximately 1.00 \$TON worth of deposit.
- Redeemed for approximately 1.00 \$TON worth of tokens.



Minting

Minting is the process that creates zTON tokens. To mint 1 zTON token, the user must deposit approximately \$1.00 worth of collateral into the protocol in the form of TON and ZRG token. The ratio of TON and ZRG token required for minting is determined by the **Target Collateral Ratio (TCR)**.

The percentage of TON required always equals the TCR percentage, while the required percentage of ZRG is 100% minus the TCR percentage. The ZRG token used in the minting process is burned, decreasing the circulating supply of ZRG tokens.

Example

If you would like to mint 1,000 zTON tokens and the TCR percentage is 75%, then you need 75% TON and 25% ZRG token (or 750 TON and 250 TON worth of ZRG token) as collateral.



Redeeming

Redeeming is the process where the user returns zTON token to the protocol in exchange for collateral. The protocol burns the redeemed zTON token and pays the user approximately \$1.00 worth of value in TON and ZRG tokens.

The ratio of TON and ZRG tokens paid to the user is determined by the **Effective Collateral Ratio (ECR)**. The ECR percentage equals the percentage of TON the user receives in the redeeming process, while the percentage of ZRG tokens paid to the user is the sum of 100% minus the ECR percentage. The ZRG tokens received in the redeeming process are minted, increasing the circulating number of ZRG tokens.

As of June 10, 2021, redeeming zTON token comes with a 0.4% fee, which is deducted from the amount the user receives.

Example

If you would like to redeem 1,000 zTON tokens and the ECR percentage is 85%, then you should receive 850 \$TON and 150 \$TON worth of ZRG tokens.



Collateral

The protocol works with two collaterals: TON and ZRG token. TON is received by the protocol when the user mints zTON tokens, and this deposited TON is stored in the protocol's time-locked smart contracts. The ZRG token used in the minting process is dynamically collateralized, meaning that when the user mints zTON using TON + ZRG tokens, the ZRG tokens are burned. When the user redeems zTON, ZRG tokens are minted.

The **Effective Collateral Ratio (ECR)** expresses the percentage of TON stored as collateral relative to the supply of zTON tokens.



Road map

Q1 2025: Establishing the Foundations

1. zTON Launch

- Official release of **zTON Stablecoin**, designed to power the ParagonZ ecosystem with a reliable and scalable stable asset.
- Integration with ParagonZ mini-app and related platforms, enabling zTON as the default currency for in-game purchases, market transactions, and staking.
- Initial liquidity pools were established to ensure smooth transactions and stability for zTON.

2. Staking zTON for TON

- Launch of **zTON Staking Program**, allowing users to stake zTON and earn zTON rewards directly from ParagonZ game profits, including: Revenue from **level-ups, in-game chess matches, and marketplace transactions**.
- Transparent staking dashboard launched for tracking earnings and rewards.

Q2 2025: Ecosystem Expansion

3. IDO for ZRG

- Conduct an **IDO** for **ZRG**, the governance token of the ParagonZ ecosystem.
- ZRG will empower users with voting rights and participation in ParagonZ's decision-making processes.
- Detailed tokenomics and allocation plans released prior to the IDO.

4. ZRG Airdrop for PRG Holders

- **Exclusive airdrop campaign** to reward loyal PRG holders with ZRG tokens.
- Distribution will be proportional to users' PRG holdings, incentivizing community engagement and long-term support.

5. Launch of zTON Mainnet (Q2 2025)

- Deploy the official **zTON Mainnet**, marking a significant milestone in the evolution of the ParagonZ ecosystem.
- zTON Mainnet will serve as the backbone of ParagonZ's stablecoin infrastructure, ensuring a decentralized, transparent, and efficient network for all ecosystem transactions.

Q3 2025: Scaling and Diversification

6. Expansion of Utility for zTON

- Introduce zTON use cases beyond gaming, including partnerships with other TON-based ecosystems for payments and services.
- Launch DeFi protocols enabling users to lend and borrow zTON within the TON ecosystem.

7. Enhanced Staking Rewards

- Introduce boosted APR rewards for users staking zTON and ZRG, tied to long-term commitments and ecosystem participation.

Q4 2025: Full Ecosystem Integration

9. Marketplace Expansion

- Expand the **ParagonZ Marketplace**, enabling cross-ecosystem trading of NFTs and other assets using zTON.
- Partnerships with other TON projects to support asset interoperability.

10. **zTON Governance via ZRG**

- Implement governance mechanisms, allowing ZRG holders to vote on key ecosystem decisions, such as staking rates, reward allocation, and future developments.

11. **Annual Ecosystem Report**

- Release a comprehensive report summarizing the progress and achievements of the year, along with updates on tokenomics, community engagement, and roadmap adjustments for 2026.