

Finquarium Tokenomics

1. Introduction

This document outlines the tokenomics for the FINQ token, the native cryptocurrency of the Finquarium platform. Finquarium is a decentralized prediction market focusing on financial assets, where analysts submit predictions, validators verify them, and buyers access these insights. The platform operates on the Vana Network, which uses VANA as its native token for transaction fees.

2. Token Overview

- **Name:** FINQ Token
- **Symbol:** FINQ
- **Blockchain:** Vana Network (Ethereum-compatible)
- **Token Standard:** ERC-20
- **Total Supply:** 42,000,000 FINQ

3. Token Utility

The FINQ token serves multiple purposes within the Finquarium ecosystem:

1. **Staking:** Analysts and validators stake FINQ tokens to participate in the platform.
2. **Subscription:** Buyers purchase subscriptions using FINQ tokens to access predictions.
3. **Rewards:** FINQ tokens are distributed as rewards to top-performing analysts and validators.
4. **Governance:** Token holders participate in platform governance decisions.

4. Token Distribution and Allocation

Phase Allocation:

- **Insider Pre-Sale:** 10% (4,200,000 FINQ)
 - Whitelisted insiders
- **Investor Pre-Sale:** 5% (2,100,000 FINQ)
 - Whitelisted investors
- **Community Pre-Sale:** 10% (4,200,000 FINQ)
 - Whitelisted community members

Total Pre-Sale Allocation: 25% (10,500,000 FINQ)

Subsequent Phases:

- **Phase 1:** 25% (10,500,000 FINQ)
 - Open to broader community
- **Phase 2:** 25% (10,500,000 FINQ)
 - Further distribution as needed
- **Validator Rewards:** 5% (2,100,000 FINQ)
 - Initial allocation with a halving mechanism

Community Treasury:

- **Community Treasury:** 20% (8,400,000 FINQ)
 - Reserved for future initiatives and rewards

5. Vesting Schedule

- **Insider Pre-Sale:** 6-month cliff, then vested over 18 months
- **Investor Pre-Sale:** 3-month cliff, then vested over 12 months
- **Community Pre-Sale:** 1-month cliff, then vested over 6 months
- **Phase 1 & 2:** 30% unlocked at distribution, 70% vested over 6 months
- **Validator Rewards:** Released according to the halving mechanism
- **Community Treasury:** Managed by governance, released as needed for initiatives

6. Token Economics

6.1 Staking Mechanism

- **Analysts:** Must stake 1 FINQ token to submit predictions
- **Validators:** Must stake 150 FINQ tokens to validate predictions
- **Dynamic Staking for Validators:** Stake requirements adjust based on the token's 30-day moving average price, reviewed quarterly

Staked tokens are locked for:

- Analysts: Minimum 30 days, 7-day cooldown for unstaking
- Validators: Minimum 45 days, 10-day cooldown for unstaking

6.2 Subscription Model

- **Monthly Subscription:** 40 FINQ tokens
- **Quarterly Subscription:** 108 FINQ tokens (10% discount)
- **Annual Subscription:** 384 FINQ tokens (20% discount)
- **Pay-as-you-go:** 5 FINQ tokens per prediction access

6.3 Reward and Fee Distribution

90% of subscription fees are allocated to the reward pool, distributed monthly:

- 75% to top-performing analysts (based on prediction accuracy and impact)
- 15% to active validators (based on validation frequency and consensus alignment)
- 5% to a community-voted development fund
- 5% for platform fees

6.4 Governance

- 1 FINQ token = 1 vote
- Minimum token hold: 500 FINQ to create proposals
- Quorum: 15% of circulating supply must participate for a vote to be valid
- Timelock: Approved proposals are subject to a 3-day timelock before implementation

6.5 Validator Rewards Halving Mechanism

- **Initial Allocation:** 5% of total tokens (2,100,000 FINQ)
- **Halving Period:** Every 4 years
- **Mechanism:** Rewards are halved periodically to ensure long-term sustainability

7. Token Burn Mechanism

- 15% of platform fees are used to burn FINQ tokens quarterly
- Target: Reduce total supply by 0.5% annually, subject to governance approval
- Burn events are publicly verifiable on-chain

8. Liquidity Provision

- 7% of the Community Treasury allocated to provide liquidity on decentralized exchanges
- Liquidity mining programs to incentivize FINQ/ETH and FINQ/USDC pairs

9. Economic Sustainability

Gradual reduction in inflation rate:

- Year 1: 3% annual inflation
- Year 2-3: 2% annual inflation
- Year 4+: 1% annual inflation, subject to governance votes

Inflation is minted to the Community Treasury.

10. Marketing, Early Adoption, and Airdrop Initiatives

To drive adoption and engagement, a portion of the Community Treasury will be allocated for:

- Airdrop campaigns to attract new users
- Referral programs to incentivize community growth
- Educational content creation to enhance platform understanding
- Strategic partnerships to expand the ecosystem
- Community-driven marketing initiatives

Specific allocations and program details will be determined through governance proposals to ensure alignment with community goals and market conditions.

11. Conclusion

This tokenomics model is designed to create a sustainable and engaging ecosystem for Finquarium. It emphasizes accessibility for new users, rewards for active and accurate participants, and long-term platform growth.

Key points to remember:

- FINQ tokens are used for staking, subscriptions, rewards, and governance on the Finquarium platform.
- There are no fees for submitting or validating predictions.
- 90% of subscription fees go to the reward pool for analysts and validators.
- 5% of subscription fees are allocated to a community-voted development fund.
- 5% of subscription fees are collected as platform fees.
- A portion of platform fees is used to buy back and burn FINQ tokens, potentially reducing supply over time.

As the platform grows, these tokenomics may be adjusted through community governance to best serve the evolving needs of the Finquarium ecosystem.