

Voting escrow ENTER (veENTER)

A governance and yield-boosting framework engineered to incentivize NFT listings and generate marketplace activity.

Version 1.0

EnterNFT

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1. Introduction

veENTER is a vesting and yield-boosting system that allows users to participate in governance and receive additional emissions from gauges. Participants can also gain access to extra perks and features on the Enter NFT marketplaces by accumulating veENTER. veENTER allows the platforms to align strategic decisions and initiatives with community incentives and decentralization. Participating in governance via veENTER allows users to earn while incentivizing volume and floor price liquidity from the most prominent collections in the NFT space.

2. Voting power

To receive voting power as veENTER, participants lock up their ENTER tokens for a duration of their own choice.

Participants gain veENTER in proportion to the quantity of ENTER staked and the duration of the lock-up period. The protocol applies a multiplier to the ENTER amount to calculate the resulting veENTER quantity, and the multiplier increases proportionally to the length of the lock-up. The longer the lock-up, the more initial veENTER will be awarded to the participant.

Each veENTER has 1 vote in governance proposals. Participants can increase their veENTER balance by staking more ENTER or by locking their tokens for a longer duration.

veENTER is neither transferable nor tradable due to the design of the smart contract, i.e., they are locked in the private wallet of the participant. The veENTER balance decreases linearly over time as tokens approach their lock expiry. This encourages long-term staking, community participation and incentivizes the participants with the most influence to vote in good faith.

3. Time Locks

Participants are provided with the option to lock their ENTER tokens for specific, predetermined durations. This commitment is subsequently assigned a corresponding weight and a multiplier, which are integral to the calculation of the amount of veENTER given out.

The veENTER calculation is governed by the following formula:

Amount (of tokens) x Duration (in months) x Multiplier.

The multiplier is designed to incentivize long-term commitment of tokens. It operates on an incremental basis, with each month of token lock-up adding 0.025 to the bonus multiplier. The specifics of the incrementations are as follows:

- A lock-up period of 2 weeks results in a base multiplier of 1.
- A lock-up period of 1 month increases the multiplier to 1.025.
- A lock-up period of 3 months further increases the multiplier to 1.075.
- A lock-up period of 6 months results in a multiplier of 1.15.
- A lock-up period of 12 months yields a multiplier of 1.3.
- A lock-up period of 24 months, or 2 years, results in the highest multiplier of 1.6.

This structure encourages participants to consider longer-term commitments of their ENTER tokens, as the potential returns increase proportionally with the duration of the lock-up period.

Here are some examples of how this works:

- A participant staking 100 ENTER tokens for 1 month would receive 102.5 veENTER. This is calculated as $100 \text{ (Amount)} \times 1 \text{ (Month)} \times 1.025 \text{ (Multiplier)} = 102.5 \text{ veENTER}$.
- A participant staking 100 ENTER tokens for 3 months would receive 322.5 veENTER. This is calculated as $100 \text{ (Amount)} \times 3 \text{ (Months)} \times 1.075 \text{ (Multiplier)} = 322.5 \text{ veENTER}$.
- A participant staking 100 ENTER tokens for 24 months would receive 3840 veENTER. This is calculated as $100 \text{ (Amount)} \times 24 \text{ (Months)} \times 1.6 \text{ (Multiplier)} = 3840 \text{ veENTER}$.

3.1 Early withdrawal and penalties

Participants retain the flexibility to withdraw their ENTER tokens at any point in time. However, it is important to note that an early withdrawal action, prior to the expiration of the lock-up period, will trigger a penalty. The haircut penalty is calculated proportionally to the remaining duration of the lock-up period, effectively "slashing" the funds that are withdrawn early.

The tokens deducted as a result of this penalty are not discarded. Instead, they are redistributed among the remaining participants in the governance system, allocated on a pro-rata basis. This mechanism ensures that the overall system maintains its balance and continues to incentivize long-term commitment.

To illustrate this, consider a scenario where a participant decides to withdraw their tokens with one year remaining on a two-year lock-up period. In this case, the withdrawal penalty would be 50% of the staked tokens. This substantial penalty underscores the system's design to encourage

participants to adhere to their initial commitment period.

4. Locking Rewards

veENTER includes a baked-in functionality to distribute rewards to participants locking up ENTER. The rewards are in the form of extra ENTER that are awarded relatively to the percentage of veENTER a participant holds.

The rewards schedule is configured in gradually decreasing tranches. A tranche is defined by a time window and amount of ENTER rewards to distribute per day in said tranche. The participants can collect their rewards at any time.

5. VE Multiplier Boost NFTs

Participants can increase their veENTER multiplier further by staking eligible NFTs from enterNFT Labs. The first collection that will be integrated is Strays. Staking NFTs from the Strays collection will add an extra 0.025 to the bonus multiplier per NFT. A maximum of 4 Strays can be staked by each participant.

6. Gauges

The primary role of the gauges is to facilitate deposits in various forms of assets, including but not limited to ERC20 tokens, liquidity provider (LP) tokens, non-fungible token (NFT) positions, and collection bids. In exchange for these deposits, the gauge contract rewards depositors with yield in the form of ENTER tokens, and potentially other tokens. It's worth noting that gauge contracts are designed to handle a diverse range of deposits.

The overarching objective of the gauge mechanism is to incentivize strategies and behaviors that contribute positively to the Enter protocol. This could encompass a range of activities such as promoting an increase in NFT listings, enhancing liquidity, growing protocol revenue, and nurturing partnerships and integrations with other projects. The ENTER emissions allocated to each gauge are known as their "gauge weight."

Participants have the flexibility to distribute their voting power across multiple gauges or concentrate it on a single gauge. This mechanism empowers long-term participants to influence the future distribution and emission rate of ENTER tokens.

Initially, the gauge weights will be updated every 2 weeks based on Snapshot votes.

6.1 NFT Pool Gauges

The NFT pool gauges ensure a dynamic and responsive marketplace, rewarding active participation and incentivizing optimal pricing strategies. Importantly, it also encourages the provision of high floor price liquidity for popular collections. This, in turn, fosters a competitive and vibrant NFT trading environment.

6.1.1 NFT Listing Rewards

Once an NFT is listed within the required price range, the participant becomes eligible to receive rewards in the form of ENTER emissions. This reward mechanism continues until the NFT is either sold, delisted, or the NFT moves outside of the required price range.

6.1.2 Collection Bid Rewards

Once a collection bid is placed within the required price range, the participant becomes eligible to receive rewards in the form of ENTER emissions. This reward mechanism continues until the bid is executed, removed, or the bid moves outside of the required price range.

7. Upgradability

The ENTER protocol is developed as a set of upgradeable smart contracts using the UUPS Proxy patterns from OpenZeppelin, and ensures a non-disruptive user experience and seamless veENTER operations during contract maintenance and upgrades.

Upgradability allows the protocol to benefit from its participants' feedback and effectively improve over time. Further down the road, the UUPS proxy pattern could allow governance to remove the upgradability, resulting in a contract logic that's essentially immutable.

8. Governance

8.1 Principles

ENTER is a decentralized protocol governed by multiple stakeholders around the world. Everything from yield generation to fee collection and distribution is managed by a set of smart contracts on the Binance blockchain. These contracts are upgradeable with a time lock and controlled by hundreds of governance token holders all around the world. While the initial contracts and yield-earning strategies were developed by the Enter team, any participant can shape the future of the protocol by creating or voting on proposals, submitting new strategies, or contributing code improvements. All important decisions are intended to be made through community governance.

ENTER is initially governed by a multi-sig wallet with a plan to transfer ownership to veENTER stakeholders. While most of ENTER's contracts are upgradeable, they are subject to a time lock that prevents changes from taking effect without advance notice.

8.2 Fully decentralized governance

The ENTER smart contracts are governed entirely by veENTER votes. Proposals can be submitted by any participant with enough veENTER. To reach a quorum, a minimum percentage of the veENTER supply is necessary. Depending on the risk level of the proposal, this percentage ranges from 10 to 20%. For low to moderate-risk proposals a simple majority decision is sufficient, while high-risk proposals require a supermajority.

There is no minimum to vote on existing proposals. All passing proposals will be subject to the time lock before being executed.

8.3 Governance process

1. Deliberation

The first step for any Governance Proposal is to go through open deliberation, where the proposal is thoroughly discussed and critically considered. If the proposal passes Deliberation, it may pass to the next stage: Consensus.

1. Post your proposal in the Deliberation category in the forum and label it as “Deliberation - Proposal Name”
2. Use the Proposal Template for your post and invite the rest of the community to participate in deliberation.
3. If your proposal receives 25 votes, it may pass to a consensus vote.

2. Consensus

After passing deliberation, the proposal is put to a vote on snapshot, where every veENTER holder can participate. To pass, the proposal must reach the quorum and majority specific to the proposal type and risk level.

1. Use the feedback from deliberation to improve your Proposal and post it in the Consensus category and label it as “Consensus # - Proposal Name”
2. Contact a moderator to create a Snapshot poll and provide the following information:
 - The proposal
 - Relevant links
 - Deliberation Thread
 - Consensus Thread
3. The vote will be open for 14 days - remember to add the snapchat poll link to the consensus thread.
4. Remain neutral and respond to questions and concerns the community might have.

8.4 Types of governance proposals

Proposal Type	Examples	Risk	AP	Quorum(ve)
Protocol Initiatives				
NFT listing pools	Add a NFT listing pool for X collection	Low	Simple majority	10%
New platform features	Create a loot box deployer	Low-medium	Simple majority	10%
Gauges	Add gauge for X token	Medium	Simple majority	10%
Adjust protocol parameters	Adjust inflation rate	High	Supermajority	20%
Community Treasury				
Spend less than 1%	Marketing campaign	Low	Simple majority	10%
Spend more than 1%	CEX listing	Medium-high	Supermajority	20%

9. Vote Delegation

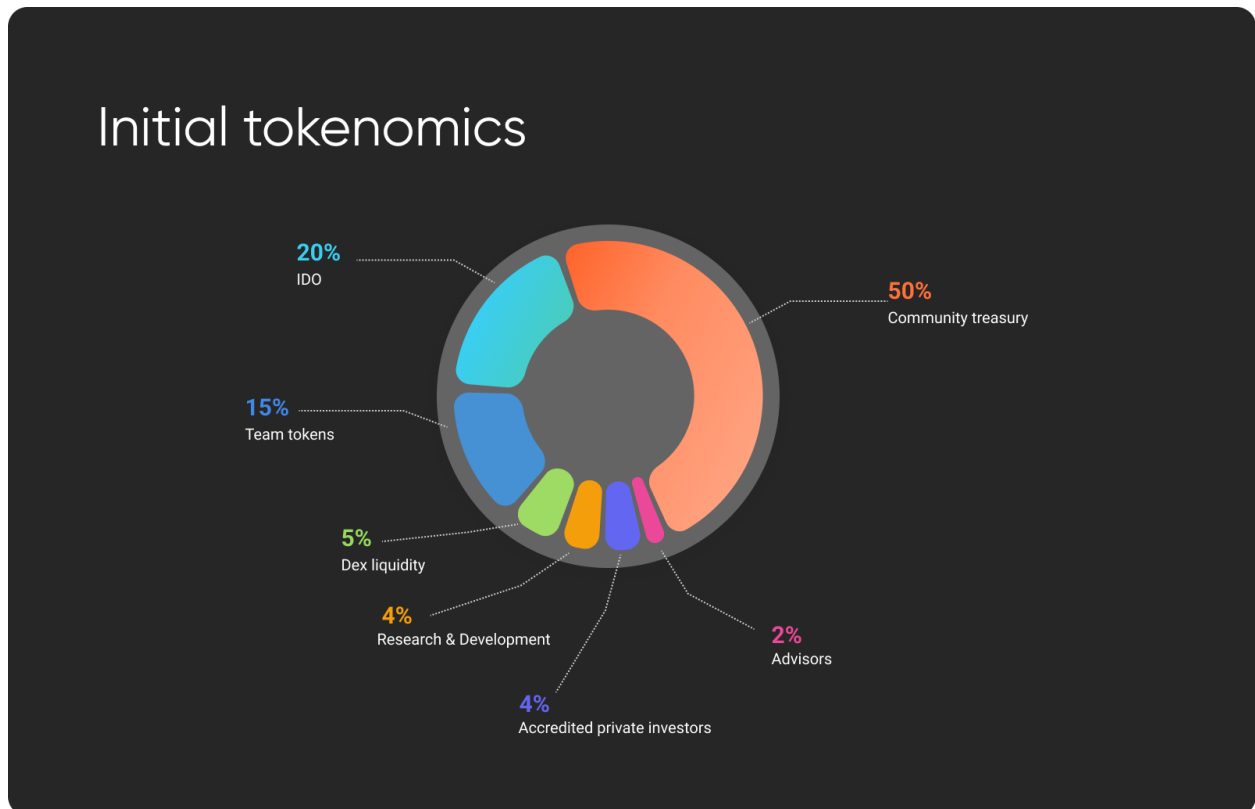
The incorporation of vote delegation within the Enter protocol is primarily motivated by two key considerations.

Firstly, it offers participants the opportunity to delegate their voting rights to individuals who possess a higher level of technical proficiency or a deeper understanding of the protocol's proposals. This ensures that votes can be cast in an informed and strategic manner, even if the original veENTER holder may not have the time or expertise to fully engage with the complexities of each proposal.

Secondly, vote delegation enhances convenience for participants. It allows for active voting participation while simultaneously enabling the delegation of votes to a hot wallet. This enables the secure storage of ENTER tokens in a cold wallet, providing an optimal balance between active participation and asset security.

A limited amount of voting power will be delegated to trusted contributors and DAOs by the Enter team.

10. Initial Tokenomics



Initial supply: 10 000 000 ENTER

Community Treasury:	50.00%	5,000,000
IDO:	20.00%	2,000,000
Team:	15.00%	1,500,000
DEX liquidity:	5.00%	500,000
Research & Development	4.00%	400,000
Accredited private investors:	4.00%	400,000
Advisors:	2.00%	200,000

10.1 Community Treasury

The community treasury is controlled by veENTER governance and can be used to incentivize liquidity mining programs, provide grants to developers, bug bounties, marketing, partnerships, and other programs to improve the protocol. 10% of this supply is unlocked immediately, and the remaining is vested linearly over 4 years.

10.2 Team

These tokens are reserved for the current team and subsequent team members. 10% of the quantity is immediately unlocked upon token generation. Half of the tokens will be locked up for two years in the ENTER protocol. The rest of the tokens are subject to a linear vesting scheme that extends over two years, ensuring the team's long-term commitment.

10.3 Accredited private investors

These tokens are reserved for future fundraises with accredited private investors. The entire allocation will have a 1-year linear vesting schedule after a 3-month cliff from when the agreements are executed.

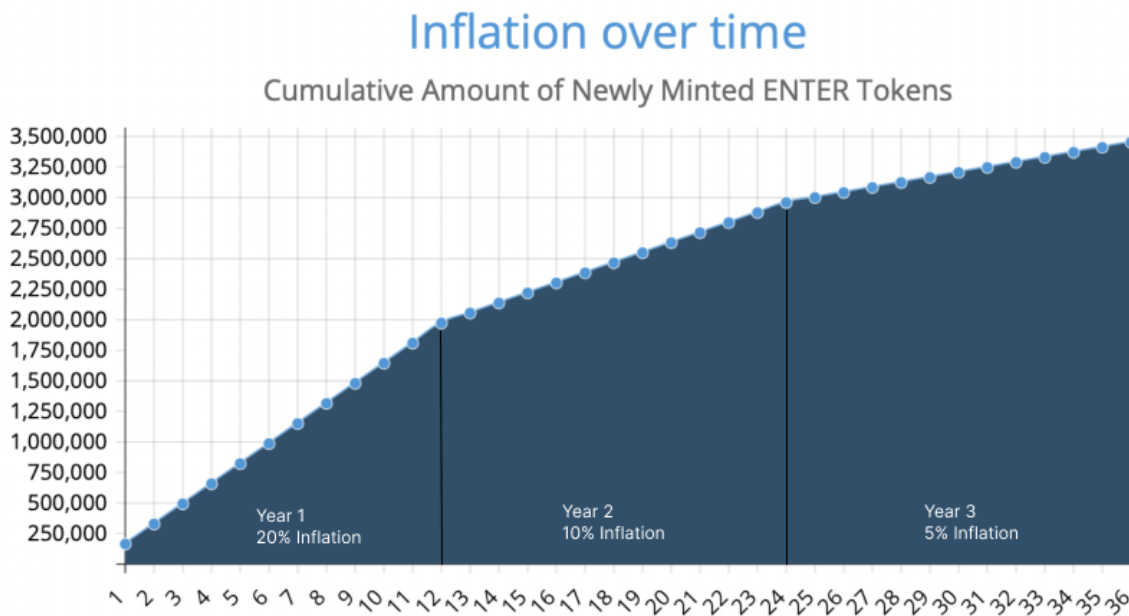
10.4 Advisors

These tokens are reserved for advisors. The entire allocation will have a 1-year linear vesting schedule, with a 3-month cliff from when the agreements are executed.

11. Inflation

In the ENTER protocol rewards are distributed by minting more ENTER tokens, which dilutes the existing supply. However, this is kept within the boundaries defined by the protocol's inflation rate. The initial emission rate is established at a 20% annual inflation rate, halving every 12 months. This is designed to serve as a bootstrapping mechanism for the protocol.

Inflation is a variable subject to the decisions of governance votes and can be reconfigured via the introduction of governance proposals. All emissions are used to reward veENTER stakeholders and gauges.



During the first year, the approximate inflation of circulating supply is 5480 ENTER per day.

During the second year, the approximate inflation of circulating supply is 2740 ENTER per day.

During the third year, the approximate inflation of circulating supply is 1370 ENTER per day.

12. Admin rights

The development of the ENTER protocol, particularly in its early stages and possibly for a considerable duration, will be mainly managed by the current team.

As such, throughout this initial time frame the enter team retains an absolute right to administer, implement, and effectuate the following tasks and functions without the obligation of passing any governance proposal:

- Add additional functionalities to the protocol
- Add new or update existing NFT listing pools
- Update, change or adjust protocol settings
- Upgrade smart contracts & assets
- Expand the protocol to other chains
- Pause gauges