

VeChainThor Governance Charter

Executive Summary

This VeChainThor Governance Charter outlines the blockchain governance framework, voting mechanisms for consensus and technical upgrades, staking formulas, and voting models that guide the ecosystem. By unifying Validators and Node Holders into a single voting pool, the model ensures that all stakeholders contribute to decision-making, with weighted multipliers reflecting their roles and commitments. This governance model aligns with the VeChain Renaissance Strategy, promoting long-term sustainability and decentralized decision-making.

Scope

The following proposals fall within the scope of this charter:

- **Consensus Upgrades:** Modifications to the consensus mechanism.
- **Technical Upgrades:** Enhancements to the blockchain's technical infrastructure.
- **Staking Formula Changes:** Adjustments to the formula that determines staking rewards and voting power.
- **Voting Model Changes:** Updates to the voting system, including weight multipliers and aggregation methods.

All proposals within this scope are subject to voting according to the mechanism described in this charter.

Governance Model

Unified Governance Structure:

- All stakeholders participate in a unified governance pool.
- Stakeholders include Validators, X Nodes, and Economic Nodes, each with specific weight multipliers that impact voting power.

Node Weight Multipliers:

- **Validators:** 2x multiplier, recognizing their operational role.

- **X Nodes:** 1.5x multiplier, rewarding long-term support.
- **Economic Nodes:** 1x multiplier, ensuring inclusivity.

The weighted system balances influence and ensures decisions align with stakeholders' vested interests.

Voting Mechanism

Voting Power Calculation

- **Base Voting Power:**
 - Base Voting Power is assigned proportionally to the minimum amount of VET locked required for a node.
 - The base voting power for each node type is calculated solely on the minimum VET requirement for that node. Any VET held above the minimum requirement does not contribute additional voting power.

Example: A Thunder Node holder with 5,600,000 VET tokens will still have a base voting power of 500, as it is calculated based on the 5,000,000 VET minimum requirement.

- **Weight Multipliers:**
 - Validators: 2x multiplier
 - X Nodes: 1.5x multiplier
 - Eco-Nodes: 1x multiplier

Node Tiers and Voting Multiplier

Node	Base Voting Power	Multiplier	Final Voting Power
Validator	2,500	2	5,000
Mjolnir X	1,560	1.5	2,340
Thunder X	560	1.5	840
Strength X	160	1.5	240
VeThor X	60	1.5	90

Mjolnir	1,500	1	1,500
Thunder	500	1	500
Strength	100	1	100
Flash	20	1	20
Lightning	5	1	5
Dawn	1	1	1

Voting Aggregation and Results

Unified Weighted Voting Calculation: All votes are aggregated in a single pool, with voting power determined by the above table.