Veno: Litepaper

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Introduction

Staking is a common mechanism to secure Layer 1 Blockchains; for $CRO, users can stake $CRO on the Crypto.org chain to receive $CRO staking rewards. However, with an increase in adoption of Web 3, staking may be unfriendly to users who prefer immediate liquidity on their $CRO holdings. In the case of $CRO, the unstaking period is an exceptionally long 28 days. Staking may also be quite a hassle as it requires users to select and frequently monitor their delegated validator status. Worst yet, many users are often unfamiliar with the inner workings of staking. This is where our one-stop liquid staking solution comes in.

What is Veno?

Veno is a liquid staking protocol built on Cronos. Our goal is to be a one-stop solution for all $CRO staking, and enable a liquid form of $CRO that is highly secure, with lower staking commission, and with deep integration across the Cronos ecosystem. Users will be able to stake their $CRO directly with our protocol and receive liquid $CRO token ($LCRO).

What is $LCRO?

$LCRO is the token receipt of liquid staked $CRO that users will receive after staking $CRO with Veno. $LCRO is an auto-compounding yield-bearing token, where its internal exchange rate on Veno will increase over time when compared to $CRO based on $CRO staking yield on Crypto.org.

As users automatically accrue yield value from their staked $CRO in their $LCRO token, they may also use their $LCRO freely across selected Dapps in the Cronos ecosystem. $LCRO holders will: (1) be able to utilize their $LCRO as collateral while earning staking yield, (2) swap to $CRO with low fees and spread, and many more.

Why Veno?

We are a vertically integrated liquid staking protocol. Our long-term goal is to provide a price-competitive protocol, one which maximizes reliability and efficiency, via

- Cost savings: we leverage our own node infrastructure and/or the infrastructure of our partners.
- Reliability: we have enterprise-grade node set-up and deep expertise in running node infrastructure.
- Security: We have an insurance module that will help secure user funds in the unlikely event of a slashing penalty.

We aim to maximize the adoption and utility of the $LCRO token across the Cronos ecosystem, and we are working with some of the largest ecosystem partners to make this happen.

- We want to maximize the liquidity of $LCRO in the Cronos ecosystem and beyond, attracting the largest amount of capital, and attaining the lowest spread, with our commitments to high reliability and low-fees.
- $LCRO is an auto-compounding yield-bearing token to maximize composability.
- We aim to further maximize user liquidity by providing a tradeable NFT "IOU" after user unstakes their $CRO.

Tokenomics

What is $VNO?

$VNO is Veno's native protocol token which can be utilized across the Cronos ecosystem.

Core Utility Modules

$CRO Staking

Users can stake their $CRO here to receive $LCRO based on the latest internal exchange rate. Veno will bridge users' $CRO from Cronos chain to Crypto.org chain, which will be staked and auto-compounded on Veno's validator(s).

$CRO Unstaking

Users can also unstake their $CRO on Veno, upon which their $LCRO will be burnt, and wait up to 32 days to receive their $CRO back, based on the exchange rate. There will also be a small withdrawal fee of 0.2% on unstaked $CRO. Note: $CRO takes 28 days to unstake on Crypto.org chain, and unstaking will be performed in batches every 4 days, hence the maximum wait time of up to 32 days.

Upon requesting to unstake their $CRO, users will receive an NFT representing their claimable $CRO as of a specific date, which can be transferred/sold on selected third party NFT platforms during or after the 28-32 day waiting period to further enhance users' liquidity. Note: The unstaked $CRO will be claimable for the NFT owner at the end of the waiting period, hence do keep the NFT for yourself if you wish to receive the unstaked $CRO.

Roadmap

Phase 1:
- $CRO staking and unstaking
- Veno validator setup
- NFT minting upon unstaking $CRO
- $LCRO ecosystem integration

Phase 2:
- $VNO token launch and ecosystem integration
- The Reservoir, Fountain, and Garden
- Vault penalty
- UI/UX improvements

Phase 3:
- Expand list of Veno validators
- NFT integration with the Garden
- Trustless bridging

Future roadmap
- Liquid staking of other L1 tokens
- More Veno features and partnerships

Risk Disclosure

Veno Finance protocol (“Protocol”) is a set of smart contracts made available by Veno Finance on a voluntary, “as-is” and “as-available” basis. It is not a service of any kind and you should not rely on Veno Finance to assist you to evaluate the Protocol, assess its fitness for any purpose or comply with any requirements. You assume all risks arising from interactions with the Protocol. Veno Finance is not liable for any claim, damages or other liability, whether in contract, tort or under any other theory of liability, arising from, out of or in connection with the Protocol.

There are several risks when using the Protocol. These risks include inherent risks associated with the use of a virtual platform, the decentralized nature of the platform, and participating in virtual asset transactions. Risks include, without limitation:

- Partial or total loss of virtual assets;
- Collapse in liquidity with respect to virtual assets; changes incompatibility of a virtual asset with the Protocol, changes in the smart contracts;
- Regulatory uncertainty and government action against virtual assets;
- Extreme volatility;
- Possibility of market misconduct by participants including for example market manipulation, trading on the basis of non-public information, and front running;
- Delays in or complete failure of virtual asset transactions being confirmed;
- Counterparty risk;
- Faults, defects, hacks, exploits, errors, or unforeseen circumstances occurring in respect of the platform or the technologies that the platform depends on;
- Loss of private keys; and
- Attacks on the platform or the technologies that the platform depends on including for example distributed denial of service, sybil attacks, phishing, social engineering, hacking, smurfing, malware, double spending, majority-mining, consensus-based or other mining attacks, misinformation campaigns, forks, and spoofing.

This list of potential risks is not exhaustive and is not intended to capture the extent of all possible risks. In the event of any of the above occurring, you may lose your virtual assets entirely. Participants should consider all of the above and assess the nature of, and their own appetite for relevant risks independently and consult their advisers before making any decisions in participating in the Protocol. USERS WILL BE RESPONSIBLE FOR THEIR OWN RISK.