



OPNX

\$OX: Stake To Trade For Free

May 2023

## If \$OX 🐮: Stake To Trade For Free, Forever

\$OX (Open eXchange token) introduces an innovative new exchange token model and is the heart of the Open Ecosystem, comprising OPNX, The Herd (where \$OX holders stake \$OX and participate in governance) and a host of upcoming products.

Historically, most CEXs have attempted to encourage their users to hold a quantity of their native token proportional to their trading volume by (1) enabling the use of the native token for a trading fee discount and (2) establishing fixed token holding and volume bands that entitle the users to reduced trading fees.

While the first approach has been successful to an extent, it encourages users to own only enough tokens to cover their short-term trading needs. Given the token is constantly being expended for trading fees rather than held, it fails to establish long term alignment. The second approach attempts to rectify this by incentivizing users to be holders, but extremely high minimum volume and/or holdings bands render it accessible only to whales. Additionally, these volume vs holding equivalency bands require constant adjustment to maintain fairness, creating significant confusion among users. As a result, few traders fully understand and leverage the benefits.

\$OX disrupts this by pioneering a staking fee discount model that is democratic, dynamically adjusting and promotes alignment between the exchange and traders.

Every user can receive up to a 100% fee discount in perpetuity by staking tokens proportional to their share of trading activity. This also provides clarity and eliminates the need for constant band adjustments, since the model is based on the users % share of trading volume and staked tokens.

This ends the previously misaligned dynamic— instead redefining traders as integral partners of OPNX. By staking sufficient \$OX, traders can secure free trading, for life.

**Specifically, traders secure a 100% rebate on trading fees if their staker \$OX as a % of total staked \$OX is equal to or greater than their trading volume as a % of total OPNX trading volume.**

**Example (A)** in one week, if Alice stakes 2% of total staked \$OX and trades up to 2% of the total OPNX trading volume, she will receive a 100% trading fee rebate.

**Example (B)** in one week, if Bob stakes 3% of total staked \$OX, then only trades 2% of the total weekly volume, he will receive a 100% trading fee rebate on all of his trading volumes.

**If their staked % is less than their trading volume %, they will receive a 50% rebate on the remainder, as outlined below.**

**Example (C)** if Rick stakes 5% of total staked \$OX, then trades 10% of the total weekly volume, he will receive a 100% fee rebate on his 5% free trading fee volume allowance. A 50% fee rebate will then apply to the remaining 5% of volume. This equates to an overall 75% trading fee discount for the week in question.

This model incentivizes traders to stake \$OX in order to trade for free, while \$OX holders are incentivized to stake and trade in order to fully utilize the value of their holdings. All trading fee rebates to stakers are paid in \$OX, further increasing token demand.

## The Herd 🐮🐮🐮🐮🐮

Where users stake their \$OX to:

1. **Trade for free by staking sufficient \$OX**, via 100% fee rebates.
2. **[REDACTED] from future RWAs** (Real World Assets) that may be onboarded, such as JTs (Justice Tokens), at the discretion of OPNX.
3. **Make signaling votes to change fundamental exchange variables** like fees, burns, coin listings and more.

**For example:** \$OX stakers might signal to change OPNX fees, or vote to burn all fees not returned in rebates to stakers i.e. those fees paid by non-staker traders and by \$OX stakers who exceed their free trading volume.

## \$OX Tokenomics

- Maximum supply 9.86B \$OX (no more tokens will ever be issued)
- 100% rebate for traders if their staked \$OX % is  $\geq$  their trading volume %
- Stakers exceeding their 100% rebate free trading volume will receive a 50% trading fee rebate on the remainder (ie trading volume % - staked \$OX %)
- Non-staker traders can receive up to 50% trading fee discounts. See here for more details:  
[support.opnx.com/en/articles/7209519-trading-fees](https://support.opnx.com/en/articles/7209519-trading-fees)
- Significant reductions in fees for RWA tokenization by paying in \$OX.
- The maximum \$OX supply of 9.86B \$OX reflects the maximum supply of \$FLEX minus the quantity of \$FLEX burned to date (100M - ~1.4M) \* 100.

**\$FLEX holders have two ways to convert their \$FLEX to \$OX. They can choose conversion into unstaked \$OX, or opt for conversion into staked \$OX to gain an additional 25% bonus \$OX:**

- A \$FLEX can be converted 1:100 into unstaked \$OX
- B If \$FLEX holders choose to convert and stake their \$OX, a bonus 25% \$OX will be paid to them from the OPNX treasury for a total 1:125 conversion

During the first year, a Bonus Staking Multiplier will be introduced for \$OX stakers, allowing them to trade fee-free at up to 12X higher multiples than their regular allowance. Usually, a trader would secure a 100% trading fee rebate if their staked \$OX as a % of total staked \$OX is equal to their trading volume as a %. Here, the initial multiplier will start at 12X, meaning traders can secure a 100% trading fee rebate on a trading volume percentage equivalent to 12 times their current staked \$OX tokens. The multiplier will decrease by 1 every month throughout the year until it returns to 1X. E.g. 12X for June, 11X for July, 10X for August and so on.

Here's an example to illustrate this:

Let's say Jenny stakes 1% of total staked \$OX, then trades 12% of total OPNX monthly volume in June. Given the Bonus Staking Multiplier is 12X (1% X 12) for June, she will therefore receive a 100% trading fee rebate for the month.

If Jenny then continues to stake 1% of total staked \$OX and trades 12% of total OPNX volume in July, she will receive a 100% trading fee rebate on 1% X 11 = 11% and a 50% trading fee rebate on the remaining 12% - 11% = 1%

See here for more details about the \$FLEX Supply: [flexstatistics.com](https://flexstatistics.com)

## Our Vision

The Open Ecosystem was founded on 3 principles:

1. **Open Markets:** We believe all asset classes should be tradable on public order books, accessible to everyone, with fair, real-time price discovery.
2. **Transparency:** We will have no internal market making and are building a zero-knowledge-proof network for real-time, public verification of all balances and leverage, ensuring accuracy while retaining total privacy.
3. **Tokenization of Real-World Assets (RWAs):** We're tokenizing traditionally inaccessible assets to enhance their liquidity and price transparency, starting with crypto bankruptcy claims to liberate \$20B+ of otherwise frozen capital.

We are building our products in alignment with these principles. We believe traders should no longer need to compromise on performance or security, nor accept misaligned incentives or adversarial platforms. The \$OX token reflects this, redefining traders as integral partners who can stake their \$OX to secure free trading in perpetuity and shape OPNX's future through governance.