

# Baron Chain

- Tokenomics -

Rev. II

Liviu Ionuț Epure

*"Anything that can conceive of as a supply chain, blockchain can vastly improve its efficiency - it doesn't matter if its people, numbers, data, money."*

2023

## CONTENTS

Vision.....	3
Transcend the Boundaries: Unveiling Baron Chain's Cross-Chain Architecture.....	7
Deconstruct the Tokenomics Architecture: Unveiling the Engine of Baron Chain's Interoperable.....	9
Baron Chain's Inflation System: A Multi- Pronged Approach to Network Security and Growth.....	17
Conclusion.....	25
Disclaimer.....	26

## Vision

### - Interoperability as the Core Principle -

The main objective of Baron Chain is to achieve seamless interoperability across all existing blockchains and their respective cross-chain protocols.

The vision of Baron Chain, as outlined, revolves around the concept of **interoperability within the blockchain ecosystem**. We aim to achieve this by:

- **Connecting all known chains:** Baron Chain envisions a future where any blockchain can seamlessly interact with any other, regardless of their underlying technology or protocols. This fosters a more unified and interconnected blockchain landscape.

- **Cross-chain protocol integration:** The vision extends beyond individual chains, aiming to integrate existing cross-chain protocols like IBC (Inter-Blockchain Communication), XCC, LayerZero and others into the Baron Chain framework. This fosters collaboration and leverages the strengths of existing solutions.

- **Developer-centric approach:** Baron Chain aims to empower developers by enabling them to build decentralized applications (dApps) and decentralized finance (DeFi) protocols that can function across any blockchain without needing to redeploy or adapt their code. This promotes flexibility and reduces development overhead.

- **Protocol agnostic:** The vision emphasizes inclusivity by **not aiming to replace existing cross-chain protocols** but rather to encourage their continued development and adoption. **Baron Chain aims to act as a unifying layer that facilitates communication between them.**

- **User-centric access:** The vision prioritizes user experience by enabling seamless communication and interaction between different blockchains without requiring users to switch

protocols or platforms. This simplifies the user experience and fosters broader adoption.

#### **Key Aspects:**

- **Universality:** The vision strives for a truly universal blockchain network, encompassing all existing chains and protocols.
- **Inclusivity:** The approach encourages collaboration and avoids competition with existing solutions, promoting a more integrated ecosystem.
- **Developer empowerment:** The focus on developer-friendly tools and seamless integration aims to attract and empower developers to build innovative applications.
- **User experience:** The vision prioritizes user-friendliness by simplifying cross-chain interactions and eliminating the need for complex platform switching.

#### **Academic Framing:**

Universal interoperability resonates with the notion of blockchain convergence, a concept explored by scholars like Swan (2015) and Narayanan et al. (2016).

Inclusivity and protocol integration align with the open blockchain ecosystem vision advocated by scholars like Tschorsch and Lasco (2020).

Developer empowerment and ease of use echo the blockchain usability research of scholars like Bélanger and Josefowicz (2019).

User-centric design and seamless communication connect with the human-centered blockchain approach proposed by scholars like Wright and De Filippi (2015).

Baron Chain is developing mainly as a novel communication layer that enables:

- **Universal Compatibility:** Connection to any blockchain without the need for individual integrations.
- **Developer Ease:** Use of existing Decentralized Applications (dApps) and Decentralized Finance (DeFi) protocols across any blockchain

ecosystem, eliminating deployment, recoding, or communication protocol adjustments.

- **Protocol Synergy:** Collaboration with existing cross-chain protocols, promoting their adoption and development, rather than seeking to replace them.

- **Decentralized Unity:** Creation of a unified network where protocols and blockchains connect seamlessly without compromising their individual functionalities.

- **User-Centric Design:** Empowering users to interact with any blockchain using Baron Chain as the single point of access, not forcing them to abandon existing protocols.

Baron Chain's vision presents a compelling vision for a more interconnected and accessible blockchain ecosystem. By focusing on interoperability, inclusivity, and user-friendliness, it has the potential to significantly impact the development and adoption of blockchain technology. However, successfully achieving this ambitious vision requires overcoming significant technical challenges and gaining widespread adoption within the blockchain community.

## Intro

In the ever-evolving tapestry of blockchain ecosystems, isolated threads often hinder the free flow of value and innovation. Baron Chain, however, steps onto the scene with a bold vision: to dismantle these walls and weave a new fabric of interoperability - one powered by its unique cross-chain tokenomics. This paper delves deep into the intricate design of Baron Chain's economic mechanisms, unveiling how it aims to:

**Transcend the boundaries:** We'll dissect the specific cross-chain solutions employed by Baron Chain, be it bridges, sidechains, or innovative protocols, and analyze their effectiveness in facilitating seamless asset transfer across various blockchains.

**Deconstruct the tokenomics architecture:** We'll shed light on the distribution and function of Baron Chain's native token(s) - RYAL, examining how they incentivize participation, secure the network, and fuel the cross-chain ecosystem.

**Explore the utility landscape:** We'll delve into the diverse use cases enabled by Baron Chain's tokenomics, encompassing DeFi applications, NFT integration, and novel forms of value exchange.

**Unmask the competitive edge:** We'll compare Baron Chain's tokenomics against existing solutions, highlighting its unique strengths and potential differentiators in the cross-chain race.

**Peer into the future:** We'll conclude by envisioning the impact of Baron Chain's tokenomics on the wider blockchain landscape, exploring its potential to shape the future of interoperable value exchange and decentralized finance.

This paper serves as your gateway to understanding Baron Chain's economic engine, offering a comprehensive analysis of its cross-chain tokenomics design, potential benefits, and implications for the blockchain industry. Join us as we embark on this journey to decipher the fabric of Baron Chain, thread by thread, and unravel the potential it holds for the future of blockchain.

## **Transcend the Boundaries: Unveiling Baron Chain's Cross- Chain Architecture**

In the fragmented landscape of blockchains, each with its own strengths and weaknesses, true innovation can be stifled by isolated ecosystems. Baron Chain, however, emerges as a pioneer, its cross-chain architecture designed to dismantle these walls and unlock a world of boundless interoperability. This chapter delves into the ingenious mechanisms employed by Baron Chain to transcend the boundaries of individual blockchains, fostering seamless asset transfer and unleashing the full potential of blockchain technology.

### **Shattering the Silos: A Multi-Pronged Approach**

Baron Chain recognizes the limitations of singular solutions. Instead, it adopts a multi-pronged approach, strategically leveraging a combination of technologies to bridge the gaps between distinct blockchain ecosystems. Here, we unveil the key components of this interoperable architecture:

- **Bridges:** As the workhorses of cross-chain communication, bridges like BCB (Baron Chain Bridge) facilitate secure and trustless value transfer between Baron Chain and other blockchains. These bridges employ various mechanisms, such as lock-and-mint or atomic swaps, to ensure the integrity and finality of transactions across chains.

- **Sidechains:** For scaling specific functionalities or experimenting with different consensus mechanisms, Baron Chain utilizes sidechains. These independent blockchains operate alongside the main chain, tethered by secure bridges, offering tailored environments for specialized use cases.

- **Interoperable Protocols:** Beyond bridges and sidechains, Baron Chain integrates emerging interoperable protocols like Cosmos IBC or

Polkadot XCM. These protocols enable seamless communication and asset transfer across a wider network of blockchains, further expanding Baron Chain's reach and interoperability potential.

### **Beyond Technology: The Power of Community**

The success of Baron Chain's cross-chain architecture hinges not only on technology but also on a vibrant community. Active developer support, ongoing governance processes, and strategic partnerships with other blockchain projects are crucial to foster trust, collaboration, and continuous innovation within the ecosystem.

### **A Glimpse into the Future: Boundless Possibilities**

By transcending the boundaries of individual blockchains, Baron Chain unlocks a plethora of possibilities:

- **Enhanced Liquidity:** Users gain access to a wider pool of assets and liquidity, fostering more efficient markets and diverse investment opportunities.
- **Innovation Unleashed:** Developers can leverage Baron Chain's interoperability to build applications that seamlessly interact with various blockchains, accelerating the pace of innovation across the industry.
- **Unified DeFi Landscape:** Fragmented DeFi ecosystems can be bridged, without the need to recode or change anything, enabling users to access a broader range of financial services and products regardless of their underlying blockchain.
- **The Metaverse, interconnected:** Cross-chain capabilities pave the way for an interoperable Metaverse, where virtual assets and experiences seamlessly flow across different blockchain-based worlds.



Baron Chain's cross-chain architecture stands as a testament to the power of collaboration and innovation. By shattering the silos between blockchains, it paves the way for a future of boundless interoperability, unlocking a universe of possibilities for users, developers, and the blockchain industry as a whole. As Baron Chain continues to evolve and expand its reach, one thing remains certain: the boundaries are transcended, and the future of blockchain is interconnected.

## **Deconstruct the Tokenomics Architecture: Unveiling the Engine of Baron Chain's Interoperable**

Standing at the crossroads of interconnected ecosystems, Baron Chain transcends the boundaries of individual blockchains. This chapter delves deep into the intricate details of its tokenomics architecture, the economic engine that fuels its ambitious vision of seamless cross-chain value transfer and DeFi innovation.

### **A Bridge Between Bridges: Unveiling the Multi-Protocol Architecture**

Unlike relying on a single point of connection, Baron Chain embraces a **multi-protocol approach**. This intricate architecture seamlessly integrates diverse bridge and interoperability protocols, including:

- **Baron Chain Bridge:** Facilitating efficient and secure asset transfers between Baron Chain and other ecosystems like Ethereum and BNB Chain and direct asset and message transfers between other blockchains.

- **IBC Protocol (Cosmos Hub):** Enabling seamless communication and value exchange with the expansive Cosmos ecosystem.
- **XCC (Hyperledger):** Providing high-speed and low-cost cross-chain transactions, catering to users prioritizing efficiency.
- **Parachains (Polkadot):** Offering specialized execution environments for dApps through Baron Chain, fostering innovation and scalability.
- **Sidechains and Paychains (similar to Ethereum's Polygon):** Scaling specific functionalities or experimenting with different consensus mechanisms, enhancing network flexibility.

This strategic integration offers several advantages:

- **Unparalleled Flexibility:** Users can choose the most suitable bridge or protocol based on their specific needs, be it speed, cost, security, or desired blockchain ecosystem. In the future this will be advised by integrated AI.
- **Reduced Reliance on Single Points of Failure:** By leveraging diverse solutions, Baron Chain mitigates risks associated with depending on a single bridge or protocol, enhancing overall network resilience.
- **Network Effects Amplification:** By integrating established protocols like IBC and XCC, Baron Chain can tap into existing user bases and communities, accelerating ecosystem growth.

However, this multi-protocol approach also presents challenges:

- **Complexity Management:** Integrating and maintaining compatibility with diverse protocols requires ongoing technical expertise and resource allocation.
- **Interoperability Challenges:** Each protocol has its own governance, fee structures, and

security considerations, necessitating careful coordination and management.

- **Competition Landscape:** Other cross-chain projects might also utilize similar protocols, requiring Baron Chain to constantly innovate and differentiate itself through unique features and a superior user experience.

### **The Power of Baron Coin (\$RYAL): A Token with Multifaceted Utility**

At the heart of Baron Chain's tokenomics lies Baron Coin (\$RYAL), a single token serving multiple purposes:

- **Network Fees:** Users pay RYAL for various cross-chain transactions across different protocols integrated within Baron Chain.

- **Staking:** Securing the network, participating in governance, and earning rewards all involve staking RYAL, promoting active community engagement.

- **DeFi Integration:** RYAL serves as the primary utility token within DeFi applications built on Baron Chain, facilitating lending, borrowing, and other financial activities, fostering a vibrant DeFi ecosystem.

- **Ecosystem Incentives:** Grants and rewards to developers and projects building on Baron Chain are distributed in RYAL, attracting talent and accelerating ecosystem growth.

This single-token model simplifies user experience and avoids complexities associated with managing multiple tokens within the ecosystem. However, it's crucial to carefully balance the token's diverse functionalities to avoid inflation and ensure long-term value stability.

### **Incentivizing Participation: Aligning Interests for Sustainability**

A well-designed tokenomics model aligns the interests of various stakeholders. Baron Chain employs several mechanisms to achieve this:

- **Attractive Staking Rewards:** Offering competitive rewards in RYAL incentivizes users to stake their tokens, securing the network and participating in governance, fostering a more robust and secure ecosystem.
- **Dynamic Fee Sharing:** Implementing a dynamic fee sharing mechanism where a portion of fees collected from cross-chain transactions is distributed to stakers based on their contribution, directly aligning their interests with network growth.
- **DeFi-Integrated Rewards:** Collaborating with DeFi protocols to offer additional rewards for holding and utilizing RYAL within DeFi activities, creating a synergistic relationship between network usage and token value.
- **Targeted Grants and Programs:** Allocating RYAL towards grants and programs that attract developers to build innovative dApps and projects on Baron Chain, diversifying the ecosystem and driving long-term sustainability.

However, it's essential to monitor and adapt these incentive mechanisms based on market conditions, user behavior, and network activity to ensure their effectiveness and avoid unintended consequences.

### **Beyond Utility: Governance and Community Empowerment**

RYAL empowers the community through active governance so holders can vote on key protocol decisions, shaping the future of Baron Chain and ensuring a community-driven approach.

### **What is the Baron Coin?**

Baron Coin fuels the Baron Chain network, serving four key purposes:

1. **Paying Network Fees:** Users pay transaction fees and other usage charges in Baron Coin to validators who secure the network.
2. **Governance & Staking:** Holders stake their Baron Coin and delegate voting rights to participate in network governance, proposing and voting on changes.
3. **Incentivizing Security:** Validators receive Baron Coin rewards for securing the network through Proof-of-Stake consensus, encouraging a healthy and decentralized validator set.
4. **Rewarding Ecosystem Builders:** Baron Coin incentivizes developers and contributors to build on Baron Chain, fostering a vibrant ecosystem.

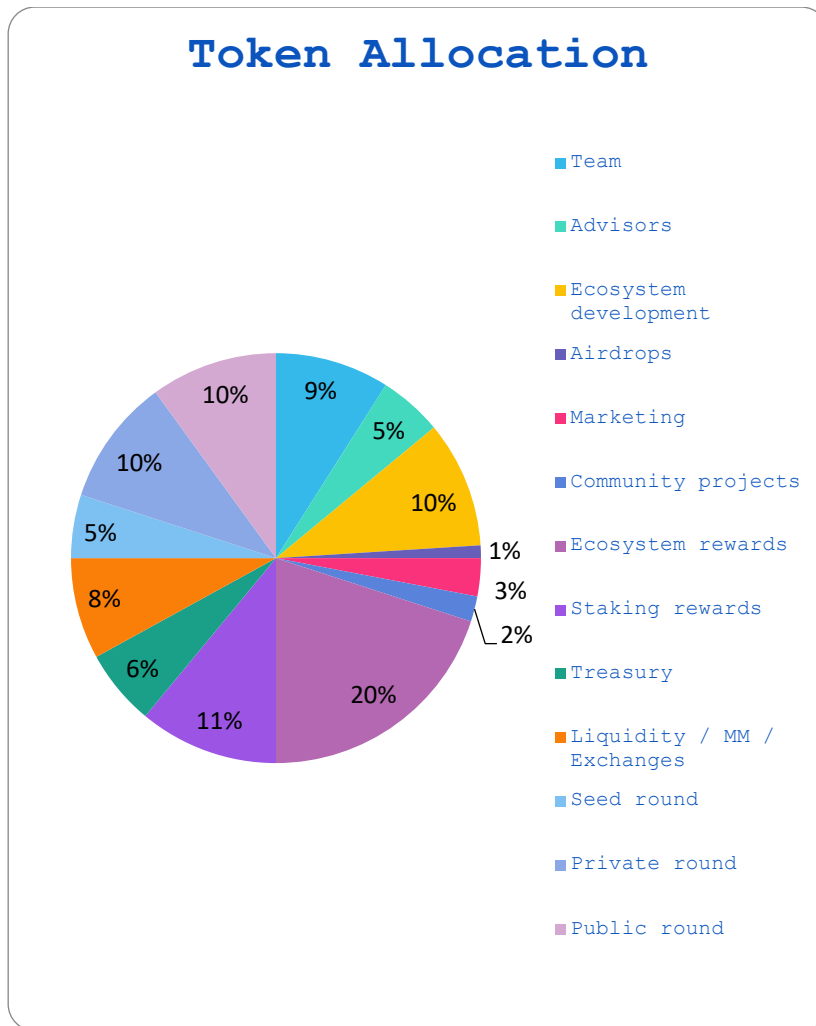
**Baron Coin's tokenomics aim to achieve specific goals:**

- **Security:** A robust incentive system attracts a large validator set, ensuring network security.
- **Decentralization:** Widespread token distribution empowers a decentralized community to govern the network.
- **Longevity:** The token structure encourages long-term network maintenance and development.
- **Ecosystem Growth:** Incentives attract developers to build dApps on Baron Chain, driving ecosystem expansion.

**Baron Coin genesis allocations**

At the Baron Chain genesis block, 4,75 billion Baron coins in total will be issued and allocated to the following stakeholders and programs:

- Team - current workforce and advisors
- Ecosystem - including development, operations, rewards, staking, airdrops, marketing
- Availabilities - including treasury, liquidity, exchanges and all other
- Investors - including all funding rounds



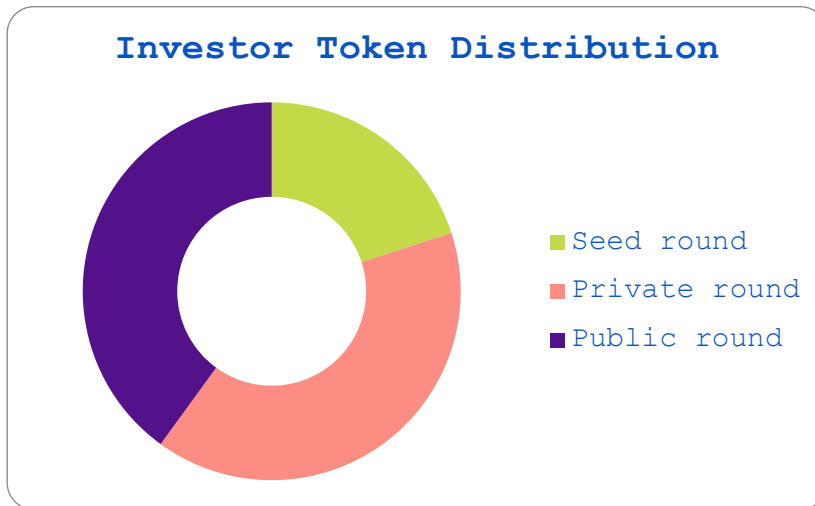
The figure above provides a chart showing the allocations of Baron Chain genesis coins, which are as follows:

#### Token Allocation

Allocation	Tokens	Percentage
Team	427.500.000	9%
Advisors	237.500.000	5%
Ecosystem development	475.000.000	10%
Airdrops	47.500.000	1%
Marketing	142.500.000	3%
Community projects	95.000.000	2%
Ecosystem rewards	950.000.000	20%
Staking rewards	522.500.000	11%
Treasury	285.000.000	6%

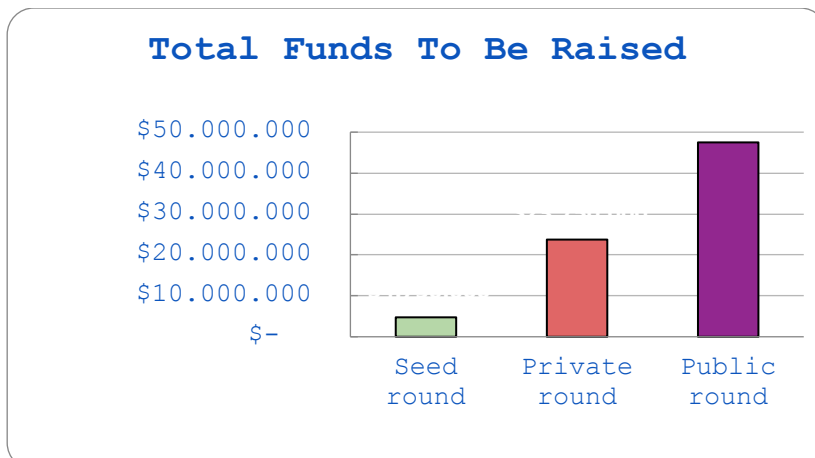
Liquidity / MM / Exchanges	380.000.000	8%
Seed round	237.500.000	5%
Private round	475.000.000	10%
Public round	475.000.000	10%

The coins for investors have the following structure:



### Investor Token Distribution

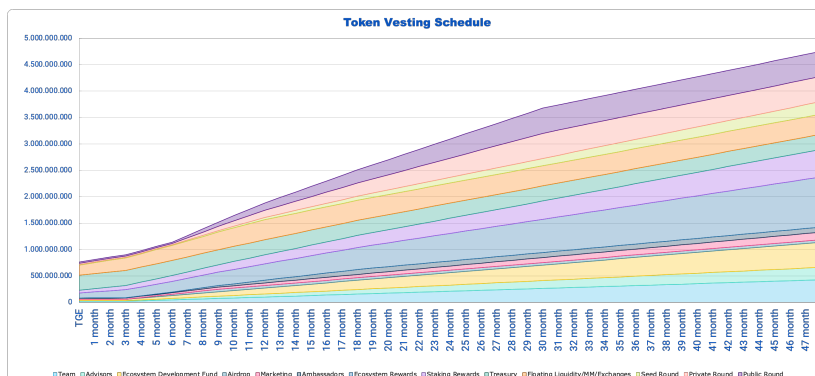
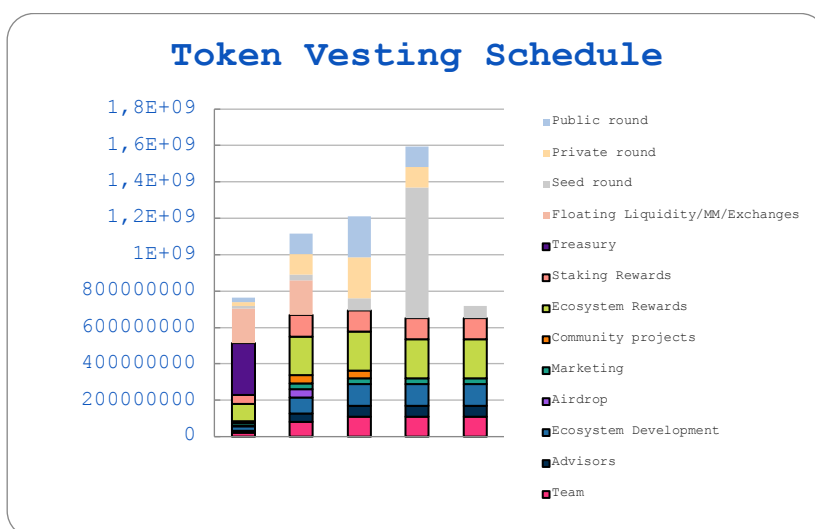
Allocation	No. of tokens	% of tokens for sale
Seed round	237.500.000	5,00%
Private round	475.000.000	10,00%
Public round	475.000.000	10,00%



## Genesis token release schedule

Most tokens are locked at genesis, they can be staked, but cannot be spent or transferred until they are unlocked, or released. Each stakeholder category has its own release schedule that determines when tokens enter the circulating supply and can therefore be spent. The release schedule start date is targeted for Feb. 15th, but may be adjusted due to technical or other constraints. Backers, community sale participants and core team members all have special start dates:

- Backers and core team members' release schedule begins three months after Day 1.
- On Day 1, 10% of community-sale tokens will be released. The remaining tokens will release linearly over the following months.





## **Baron Chain's Inflation System: A Multi-Pronged Approach to Network Security and Growth**

Effective tokenomics design plays a pivotal role in the success of any blockchain network. This chapter focuses on the inflationary mechanisms employed by Baron Chain, a novel network facilitating interoperability between diverse blockchains. By meticulously examining the interplay between staking rewards, multi-party signing incentives, and external chain integration, we aim to provide a comprehensive understanding of how Baron Chain incentivizes participation and secures its network.

The foundation of Baron Chain's inflation stems from its participation in the underlying consensus protocol. Validators who dedicate computational resources to secure the network are rewarded with Baron Coin tokens. This base inflation rate, currently set at 5%, is further divided equally between validators participating in signing protocols and those securing the core consensus mechanism.

Baron Chain's inflation system comprises three distinct components:

- **Base Inflation:** This is a function of the total stake delegated and is split equally between participation in the underlying consensus mechanism and signing protocols. The base inflation rate incentivizes validators to secure the core network and participate in governance.
- **External Chain Inflation:** As Baron Chain integrates additional external blockchains, each introduces its own inflation rate. This rate initially stands at 1% per chain but gradually declines over the years, encouraging validators to maintain and secure these external connections.
- **Validator Commissions:** Validators are not mere participants; they act as service providers, incurring operational costs. Baron Chain implements a minimum commission rate of 5% (subject to governance adjustments) to ensure validators are adequately compensated for their services.

**Signing and its Incentives:**

Baron Chain uses signing for external protocols, enabling validators to sign sensitive network transactions. Participation in these protocols is incentivized through a share of the base inflation rate, fostering collaboration and distributed authority within the network. This approach mitigates the risk of single points of failure and bolsters overall network security.

**External Chain Integration and Inflation:**

A unique feature of Baron Chain is its ability to connect with external blockchains. Each integrated chain contributes an additional inflation rate to the system, initially set at 1% per chain. This rate gradually declines over a period, incentivizing early adopters and encouraging validators to maintain connectivity with a wider range of external chains. This dynamic inflation model fosters the network's interoperability and promotes its growth as a bridge between diverse blockchain ecosystems.

**Governance and Adaptability:**

Baron Chain empowers its community through on-chain governance mechanisms. The inflation rate schedule presented here serves as a starting point, with the flexibility to be adapted based on community feedback and learnings gathered during the network's initial operational year. This commitment to adaptability ensures that the inflation system remains responsive to the evolving needs of the network and its stakeholders.

**Validator Rewards and Distribution:**

Rewards earned through participation in consensus, signing and external chain validation are distributed to validators. These validators then deduct a commission, determined by their operational costs and complexity, before distributing the remaining rewards to their delegators. This commission structure incentivizes efficient validator operation and aligns the interests of validators with those of their delegators.

### **Minimum Validator Commission:**

Recognizing the increased resource demands associated with network maintenance, Baron Chain implements a minimum validator commission rate of 5%. This measure safeguards the network's long-term sustainability by ensuring validators retain sufficient resources to effectively fulfill their critical roles. The ability to adjust this parameter through on-chain governance further underscores the network's commitment to dynamic adaptation and community involvement.

So, The rewards generated from these inflation mechanisms are distributed through a tiered system:

- **Validators:** They receive the initial share of rewards based on their stake and participation.
- **Validator Commissions:** Validators deduct a pre-defined commission (minimum 5%) to cover operational costs.
- **Delegators:** The remaining rewards are distributed to token holders who have delegated their stake to validators, effectively rewarding their contribution to the network's security.

The multi-faceted inflation system serves several key purposes:

- **Incentivize Early Participation:** Higher initial inflation attracts validators and secures the network in its nascent stages.
- **Promote Decentralization:** By rewarding participation in signing and external chain maintenance, Baron Chain encourages a wider distribution of power and decision-making.
- **Ensure Long-Term Sustainability:** The declining external chain inflation and minimum validator commission ensure the system remains economically viable in the long run.
- **Adapt to Evolving Needs:** The governance-upgradable nature of the minimum commission rate

allows for adjustments based on network dynamics and community feedback.

Baron Chain's inflation system presents a well-crafted approach to incentivizing network participation and securing its operations. By combining base inflation with rewards for signing and external chain integration, the system fosters a distributed and secure network environment. Furthermore, the emphasis on community governance and adaptability ensures that the inflation model remains responsive to the evolving needs of the Baron Chain ecosystem. This careful balance between economic incentives and community empowerment positions Baron Chain as a promising player in the interoperable blockchain landscape.

Effective incentive design lies at the heart of a secure and functional blockchain network. The Baron Chain Network implements a nuanced slashing mechanism to motivate validators towards honest participation and penalize undesirable actions. We delve into the intricacies of this system, exploring its various components and their underlying economic rationale.

### **Consensus Rewards and Slashing:**

Within the consensus layer, Baron Chain adopts a standard slashing approach. Validators who fail to maintain liveness, defined as signing a minimum percentage of blocks within a designated window, incur incremental reward deductions proportional to their downtime. Double signing, a particularly egregious attack, leads to a more substantial penalty. Notably, prolonged inactivity exceeding a threshold results in temporary validator "jailing", preventing participation and necessitating an unbonding period before rejoining the network. These measures align with academic literature emphasizing the importance of liveness and Byzantine fault tolerance (BFT) in consensus protocols.

### **External Chain Voting and Incentives:**

The Baron Chain Network extends its slashing mechanism to incentivize participation and correct voting behavior during external chain event validation. Validators registered as chain maintainers cast votes based on their delegated stake, and only those aligned with the majority vote receive accrued rewards. This structure, reminiscent of "coin voting" protocols explored in academic research, encourages active engagement and discourages apathetic or malicious voting behavior.

The Baron Chain Network's slashing mechanism exemplifies a deliberate blend of economic incentives and penalties aimed at fostering a secure and robust ecosystem. By drawing inspiration from established BFT consensus protocols and adapting them to the context of interoperable blockchain networks, the network encourages validator participation, penalizes misbehavior, and ultimately safeguards the network's integrity. Future research could explore the empirical effectiveness of the chosen parameters and slashing penalties, potentially leading to further refinements and optimizations for the Baron Chain Network and other blockchain systems employing similar incentive structures.

### **Transaction Fees in Baron Chain**

The Baron Chain Network, like many blockchains, utilizes transaction fees to incentivize network participation and cover operational costs.

#### **Fee Structure:**

- **Base Fee:** Each cross-chain request incurs a base fee, serving as a minimum contribution to network maintenance. The specific fee schedule is documented publicly (e.g., in whitepapers or network proposals).
- **Contract Flexibility:** Transactions initiated through deployed contracts allow any actor to

bear the associated fees, offering flexible payment options within the network.

**Broadcaster Account Exemption:**

- **Rationale:** To ensure smooth and efficient consensus processes, messages originating from validator-registered broadcaster accounts are exempt from transaction fees. This incentivizes validators to actively participate in consensus activities.

- **Gas Fee Refunds:** Any gas fees incurred by broadcasters for network messages are automatically refunded, further bolstering their participation.

**Fee Collection and Utilization:**

- **Dedicated Fee Collector:** A designated on-chain account collects transaction fees associated with network operations. This account, potentially managed by the Baron Chain (or a similar governing body), serves as a transparent repository for accumulated fees.

- **Fee Allocation:** Collected fees potentially cover various expenses:

- **Relay Fee Payment:** Facilitating cross-chain transactions often involves intermediary relays, and these fees are covered using collected funds.

- **Community-Driven Activities:** Supporting initiatives like token buybacks, burns, and community programs could be financed through fee allocation.

- **Network Maintenance:** Operational costs associated with running the network infrastructure might be covered by fees.

**Deflationary Potential:**

The Baron Chain Network's tokenomics possess inherent deflationary characteristics. If the cumulative fees collected from cross-chain transactions exceed the combined costs of network processing, potential Foundation buybacks, and token burns, the total token

supply could decrease over time. This dynamic incentivizes efficient network operation and fosters long-term token value appreciation.

By implementing a multifaceted fee system with specific exemptions and dedicated allocation mechanisms, the Baron Chain Network strives to create a sustainable and incentivized environment for its participants.

### **An Examination of Circulating and Total Supply in Baron Chain**

Defined as the readily available tokens for spending, the circulating supply encompasses two components:

- **Released Genesis Tokens:** Tokens distributed at network launch, constituting a fixed initial quantity.
- **Minted Rewards:** Newly created tokens awarded to incentivize network participation, such as staking and consensus activity.

These minted rewards are immediately unlocked upon creation, entering the circulating pool. The reward issuance rate dynamically adjusts based on several factors, including:

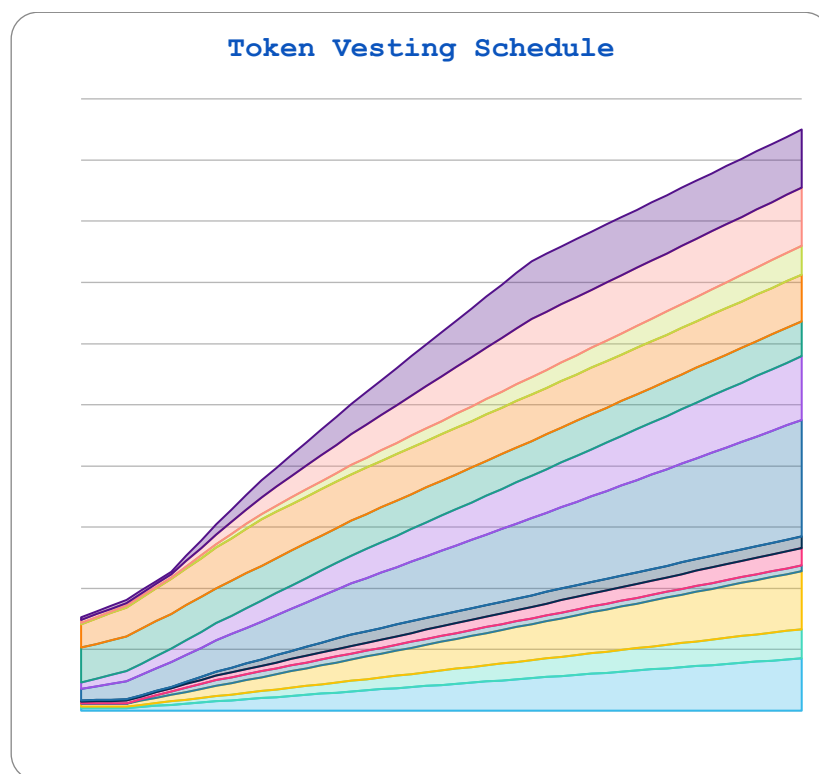
- **Staked Token Volume:** Higher staked token amounts correlate with increased rewards.
- **Connected Chain Count:** Each integrated external chain contributes to the reward pool, influencing the overall rate.
- **Governance Decisions:** The community voting process can determine adjustments to the reward schedule.

Additionally, a portion of network fees collected could be allocated towards token burning, potentially creating a deflationary environment where the circulating supply decreases over time.

### Total Supply:

Encompassing all token units ever created, the total supply exceeds the circulating supply until all genesis tokens are fully released. It comprises:

- **Total Genesis Tokens:** The sum of released and still-locked genesis tokens, representing a fixed quantity.
- **Total Minted Rewards:** All rewards emitted since network launch, regardless of their current circulation status.



The figure presents a hypothetical circulating supply chart based on specific assumptions, including constant 15% APY staking and complete token unlocking within four years. Notably, the possibility of delegating locked tokens remains under evaluation due to technical considerations.

Understanding the distinct roles of circulating and total supply is crucial for assessing the economic health and value proposition of the Baron Chain Network. This academic examination sheds light on these concepts, their influencing



factors, and potential future considerations, contributing to a comprehensive understanding of the network's tokenomics design.

## **Conclusion**

Baron Chain stands at the forefront of a bold vision - a future where value seamlessly flows across blockchain boundaries. Its innovative multi-protocol architecture breaks down silos, connecting diverse ecosystems through established bridges and interoperability solutions. This approach offers unparalleled user choice, enhanced network resilience, and the potential to tap into vast existing user bases.

At the heart of this vision lies the Baron coin, a single token with multifaceted roles. From powering cross-chain transactions and securing the network to fueling DeFi innovation and incentivizing ecosystem growth, RYAL plays a crucial role in fostering a vibrant and interconnected landscape.

However, challenges lie ahead. Managing the complexity of diverse protocols, navigating interoperability nuances, and staying ahead of the competition require ongoing innovation and adaptability.

Despite these challenges, Baron Chain's ambitious vision, strategic architecture, and carefully designed tokenomics model hold immense potential. After we successfully address these challenges and attract a thriving community of users, developers, and projects, Baron Chain has the potential to become a key player in shaping the future of interoperable DeFi and unlocking a truly borderless financial landscape.

## **Disclaimer**

This document is a whitepaper that presents the current status and future plans for Baron Chain platform and ecosystem of Baron Chain (RYAL). The sole purpose of this document is to provide information, and is not to provide a precise description on future plans. Unless explicitly stated otherwise, the products and innovative technologies organized in this document are still under development and are yet to be incorporated.

Baron Chain does not provide a statement of quality assurance for the successful development or execution of any of such technologies, innovations, or activities described in this document. Also, within legally permitted scope, Baron Chain rejects any liability for quality assurance that is implied by technology or any other methods. No one possesses the right to trust any contents of this document or subsequent inference, and the same applies to any of mutual interactions between BARON's technological interactions that are outlined in this document. Notwithstanding any mistake, default, or negligence, Baron Chain does not have legal liability on losses or damages that occur because of errors, negligence, or other acts of an individual or groups in relation to this document.

Although information included in this publication were referred from data sources which were deemed to be trusted and reliable by BARON, Baron Chain does not write any statement of quality assurance, confirmation or affidavit regarding the accuracy, completeness, and appropriateness of such information. You may not rely on such information, grant rights, or provide solutions to yourself, your employee, creditor, mortgagee, other shareholder, or any other person. Views presented herein indicate current evaluation by the writer of this document, and are not necessarily

representative of view of BARON. Views reflected herein may change without notice, and do not necessarily comply with the views of BARON. Baron Chaindoes not have the obligation to amend, modify, and renew this document, and is not obliged to make notice to its subscribers and recipients if any views, predictions, forecasts, or assumptions in this document change, or any errors arise in the future.

BARON, its officers, employees, contractors, and representative do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omitted from this document. Neither Baron Chainnor its advisors have independently verified any of the information, including the forecasts, prospects and projections contained in this document.

Each recipient is to rely solely on its own knowledge, investigation, judgment and assessment of the matters which are the subject of this report and any information which is made available in connection with any further investigations and to satisfy him/herself as to the accuracy and completeness of such matters.

While every effort has been made to ensure that statements of facts made in this paper are accurate, and that all estimates, projections, forecasts, prospects, and expression of opinions and other subjective judgments contained in this document are based on the projection that they are reasonable at the time of writing, this document must not be construed as a representation that the matters referred to therein will occur. Any plans, projections or forecasts mentioned in this document may not be achieved due to multiple risk factors including limitation defects in technology developments, initiatives or enforcement of legal regulations, market volatility, sector volatility, corporate actions, or the unavailability of complete and accurate information.

Baron Chainmay provide hyperlinks to websites of entities mentioned in this paper, but the inclusion of a link does not imply that Baron

Chainendorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. Baron Chain accepts no responsibility whatsoever for any such material, or for consequences of its use.

This document is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.

This document is only available on [www.BARONCHAIN.com](http://www.BARONCHAIN.com) and may not be redistributed, reproduced or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of BARON. The manner of distributing this document may be restricted by law or regulation in certain countries. Persons into whose possession this document may come are required to inform themselves about, and to observe such restrictions. By accessing this document, a recipient hereof agrees to be bound by the foregoing limitations.

This white paper is an information paper subject to update pending final regulatory review. This paper does not constitute an offer. any such offer will be subject to final regulatory review and governed by a revised paper and conditions of sale document that will prevail in the event of any inconsistency with the paper set out below. Accordingly, any eventual decision to buy Baron Coins (RYAL) must only be made following receipt of the final paper, and tokens cannot be purchased until the final paper has been issued by Baron Chain when all final regulatory requirements have been satisfied.

This paper is not a prospectus, product disclosure statement or other regulated offer document. It has not been endorsed by, or registered with, any governmental authority or regulator. The distribution and use of this paper, including any related advertisement or marketing material, and the eventual sale of tokens, may be restricted by law in certain jurisdictions and potential purchasers of tokens must inform themselves about those laws

and observe any such restrictions. If you come into possession of this paper, you should seek advice on, and observe any such restrictions relevant to your jurisdiction, including without limitation the applicable restrictions set out in the Regulators' Statements on Initial Coin Offerings at the website of the International Organization of Securities Commissions ("IOSCO") (<https://www.iosco.org/publications/?subsection=ico-statements>). Restrictions are subject to rapid change. If you fail to comply with such restrictions, that failure may constitute a violation of applicable law. By accessing this paper, you agree to be bound by this requirement.