

Oasis ETH Gas Token

The Oasis Network [1] is a high-performance and privacy-first blockchain network. It is operated by a group of independent and decentralized nodes. Each node is free to run its own software and to provide computing services to the public, as long as the network can reach consensus on the computational results.

Second State has created the Oasis Ethereum ParaTime [2] that supports both EVM and Ewasm smart contracts and dapps. The Oasis Ethereum ParaTime can support confidential smart contracts [3] where the contract's internal state and transactions are hidden from anyone, including the node operators themselves. For example, users could deploy a confidential ERC20 contract that only provides the token balance for a given address and hides the addresses list and transaction history for each address.

A network of Oasis validator nodes deploy the Oasis Ethereum ParaTime and provide Ethereum services to the public. Through those nodes, the public can use Ethereum smart contracts on the Oasis network.

The node operators incur hardware, bandwidth, personnel costs to provide Ethereum services, and they must pay the Oasis

network fees (gas) to persist Ethereum transactions and results on-chain. Hence, the users of Ethereum services must pay a “gas fee” as defined in the Ethereum protocol to access those services.

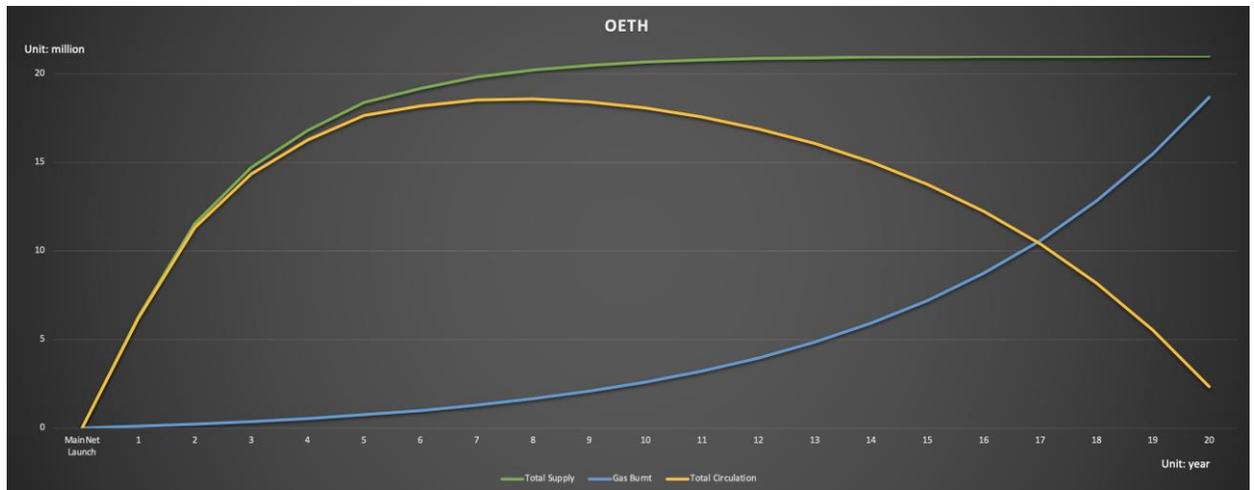
The Oasis ETH

An independent non-profit foundation [4] will be created to issue gas tokens, known as Oasis ETH or OETH, on the Oasis Ethereum network. Users purchase OETH as a prepayment for cloud computing services he or she will consume later. Each OETH can pay 100,000+ smart contract transactions. The OETH gas paid to the network is burnt and causes the total supply of OETH to go down over time.

The blockchain will unlock OETH tokens to the foundation for each new block created and verified. The foundation will distribute the unlocked tokens to node operators, developers, and the community, as outlined in this document.

Token Economics

There is a total fixed supply of 21 million OETHs, which is sufficient for 2 trillion smart contract transactions. **There is no token sale, no pre-existing investor, and no pre-mine.**

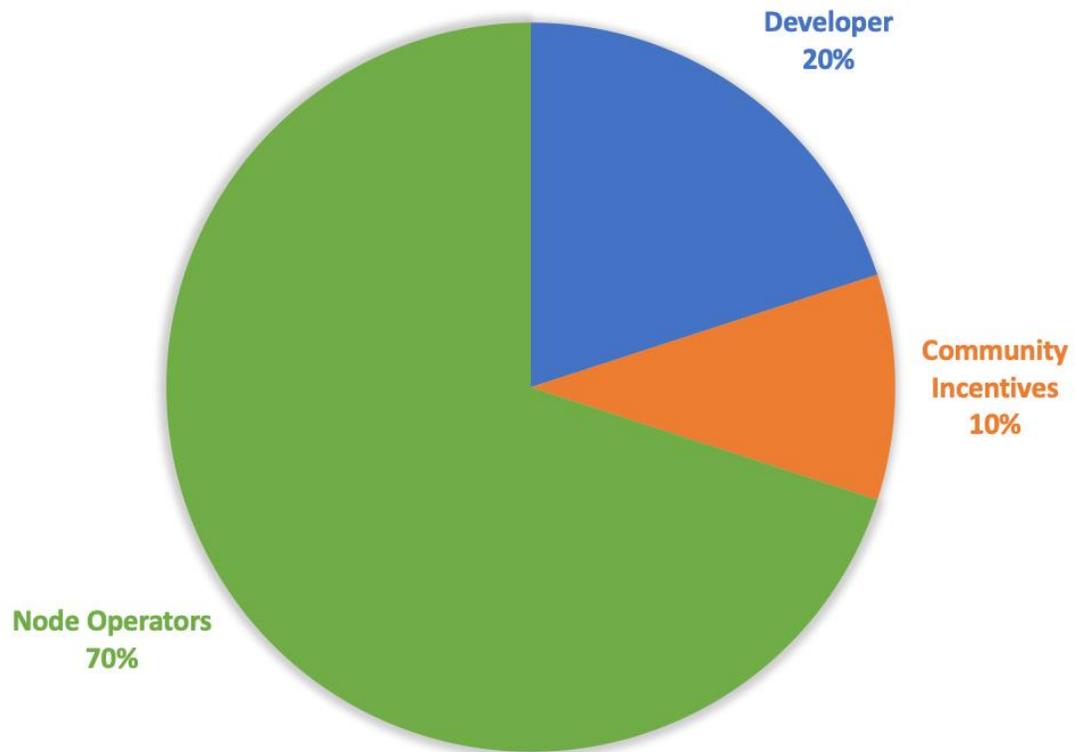


(Figure: The OETH total supply, projected gas burnt, and circulation supply in the next 20 years)

- The blockchain unlocks 525,000 OETHs every month in the first 20 months after the mainnet launch. The monthly release is cut to 1/2 every 20 months. It takes perpetuity to release the entire 21 million OETHs.
- 20% of the unlocked OETHs will be awarded to developers actively engaged in Oasis Ethereum development.
- 10% of the unlocked OETHs will be allocated for community incentives. Examples include airdrop of OETHs for DApp developers and traders. The foundation expenses will also come from this allocation.
- 70% of the unlocked OETHs will be awarded to node operators running the Oasis Ethereum paratime.
 - The node operator must stake enough ROSE [5] to be in the Oasis mainnet's consensus committee in order to qualify for this award.

- The award amount is determined in proportional to the staked ROSE amount at the time of the award.

TOKEN DISTRIBUTION



As users use the OETH to pay for gas, OETHs will be burnt.
OETH is a deflationary token.

Relationship with ROSE

The OETH token is generated and managed independently of the Oasis network native token ROSE. However, since the OETH network depends on the ROSE network to function, there are significant synergies between the two token economics.

- Node operators only qualify to receive OETH awards after it has staked enough ROSE tokens to become a member of the Oasis consensus committee.
- The award to node operators is proportional to the ROSE tokens it staked.
- The node operators must spend ROSE to pay Oasis gas so that Ethereum transactions can be recorded on the Oasis mainnet. So, they must convert OETH to ROSE on a regular basis.

Timeline

During the Oasis “testnet” and “mainnet beta” periods, we run a “developer preview” ParaTime on each of these Oasis networks. Those testnet OETH tokens are only intended for developer testing. They will be wiped clean when the ParaTime officially launches.

We will launch the official genesis of the Oasis Ethereum ParaTime, and start generating OETH awards, once both the Oasis mainnet and the ParaTime reach stability. We expect the OETH genesis to happen in Q4 2020.

References

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