

Neighbor Boris NFT Reward System

Overview

This document outlines the reward system for a collection of 1,000 NFTs, divided into three types: Usual, Rare, and Super Rare. Each type of NFT allocates a specific percentage of the total reward pool based on rarity. However, if a holder possesses multiple NFTs, only **one NFT** per holder will be counted for reward distribution, prioritizing the **rarest NFT** they hold.

NFT Types and Supply Distribution

- **Usual NFT**
 - Total Supply: 900
 - Percentage of Total Supply: 90%
 - Reward Pool Allocation: 62.1%
- **Rare NFT**
 - Total Supply: 90
 - Percentage of Total Supply: 9%
 - Reward Pool Allocation: 31%
- **Super Rare NFT**
 - Total Supply: 10
 - Percentage of Total Supply: 1%
 - Reward Pool Allocation: 6.9%

Reward Pool Allocation and Rules

Rewards are distributed based on the type of NFT a holder owns, but **only one NFT per holder is counted** toward rewards. If a holder owns multiple NFTs across different types, the **rarest** NFT they own will be considered for the reward allocation.

NFT Reward Allocation Breakdown

1. **Usual NFTs (900 NFTs, 62.1% of Reward Pool)**
 - **Reward Pool Share:** 62.1% of the total reward pool is allocated to Usual NFT holders.
 - **Holder Selection Rule:** If a holder only owns Usual NFTs, they will be included in this pool. However, if they also own Rare or Super Rare NFTs, the rarer NFT will take precedence for their rewards.
2. **Rare NFTs (90 NFTs, 31% of Reward Pool)**
 - **Reward Pool Share:** 31% of the total reward pool is allocated to Rare NFT holders.
 - **Holder Selection Rule:** If a holder owns both Usual and Rare NFTs, only their Rare NFT will be considered for the reward pool. A holder with multiple Rare NFTs will count as holding one Rare NFT.

3. **Super Rare NFTs (10 NFTs, 6.9% of Reward Pool)**
 - **Reward Pool Share:** 6.9% of the total reward pool is allocated to Super Rare NFT holders.
 - **Holder Selection Rule:** If a holder owns a Super Rare NFT along with other types of NFTs, only the Super Rare NFT will be counted for the reward pool.

Reward Distribution Mechanism

1. **Snapshot:** A snapshot of all NFT holders will be taken at regular intervals (e.g., weekly or monthly) to determine eligibility for rewards. During this process, if a wallet holds multiple NFTs, **only the rarest** NFT is counted for that holder.
2. **Reward Calculation:** Rewards are calculated based on the holder's rarest NFT, and the distribution of rewards will follow the allocated percentages for Usual, Rare, and Super Rare NFTs.
3. **Distribution:** After the snapshot, rewards are distributed to the holders of each type of NFT. If a holder owns more than one NFT, their rarest NFT will determine the reward category, and no additional rewards will be given for other NFTs they own.

Example Calculation

Assume the total reward pool for a given period is 10,000 units. The reward distribution will be calculated as follows:

1. **Usual NFTs (900):**
 - Total Pool for Usuals = 62.1% of 10,000 = 6,210 units
 - Each Usual NFT will receive: $6,210 / 900 \approx 6.9$ units per NFT.
2. **Rare NFTs (90):**
 - Total Pool for Rares = 31% of 10,000 = 3,100 units
 - Each Rare NFT will receive: $3,100 / 90 \approx 34.4$ units per NFT.
3. **Super Rare NFTs (10):**
 - Total Pool for Super Rares = 6.9% of 10,000 = 690 units
 - Each Super Rare NFT will receive: $690 / 10 = 69$ units per NFT.

Holder Prioritization

1. **Single Type Ownership:** If a holder only owns one type of NFT (e.g., only Usual), they will participate in the reward pool corresponding to that NFT type.
2. **Multiple Type Ownership:** If a holder owns multiple NFTs of different types (e.g., Usual and Rare), the **rarest NFT** will be used for calculating their rewards. For example:
 - A holder with both a Usual and a Rare NFT will only receive rewards from the Rare NFT pool, not the Usual pool.
 - A holder with a Super Rare NFT will only receive rewards from the Super Rare pool, regardless of whether they also own Usual or Rare NFTs.

3. **Multiple NFTs of the Same Type:** If a holder owns multiple NFTs of the same type (e.g., several Usual NFTs), only **one NFT** will count toward the reward distribution for that type.

Conclusion

The NFT reward system prioritizes rarity and ensures that holders with multiple NFTs do not receive disproportionate rewards by counting only one NFT per wallet. This encourages the collection of rare NFTs while maintaining fairness in reward distribution.