# **XON Utility Token**

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In the XODE Blockchain, the native utility token is called XON. The XON token serves several critical functions within the blockchain, including:

#### **Governance**

XON holders have the ability to participate in the governance of the network. This includes voting on proposals related to the management and future direction of XODE Blockchain, such as upgrades and changes to the network.

#### **Staking**

XON tokens are used in the staking mechanism, which is essential for XODE Blockchain’s consensus algorithm. Collators, who are responsible for securing the network by collating transactions and adding new blocks to the relay chain, need to stake a significant amount of XON. Nominators can also stake XON to back collators they trust, and in return, they receive a portion of the rewards earned by those collators.

#### **Bonding**

XON is used for bonding or to provide liquidity, an LP deposits an equal value of both tokens in the pair into the pool. For example, in an XON/USDT pool, an LP would deposit an equivalent value of XON and USDT.

#### **Fees**

Transaction fees and other forms of computational fees within the XODE Blockchain network are paid using XON. This incentivizes efficient use of the network's resources.

These functions make XON an integral part of the XODE Blockchain ecosystem, enabling it to operate securely and efficiently while allowing its community to have a say in its future development.