$SNS Whitepaper

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1. Introduction

The **Solana Name Service (SNS)** is a decentralized naming protocol on the Solana blockchain, designed to simplify and enhance user interactions in the Web3 ecosystem. By mapping complex blockchain addresses to human-readable names like “yourname.sol,” SNS aims to make blockchain technology more accessible to a broader audience. SNS has worked to become a cornerstone of Solana infrastructure, supporting digital identity, asset management, and community building.

At its heart, SNS is a project **powered by its .sol community**. The **$SNS token** enables that important community to shape the future of SNS, ensuring it aligns with the collective vision of its stakeholders. This whitepaper outlines SNS’s purpose, technology, and governance, emphasizing its commitment to decentralization and user empowerment.

2. The Limitations of Conventional Blockchain Addresses

Traditional blockchain addresses, characterized by extended alphanumeric sequences (e.g., `7x9k...zPqM`), pose significant challenges to usability and accessibility. Their inherent complexity increases the likelihood of transactional errors, such as incorrect address entries, which may result in the permanent loss of assets. Furthermore, these addresses are neither easily memorized nor efficiently communicated, creating obstacles for both new

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and experienced users. A simpler, more intuitive system is needed to drive mass adoption of blockchain technology.

3. The Solana Name Service Framework

The Solana Name Service offers solutions to these challenges through the provision of `.sol` domains, which fulfill three primary functions: establishing digital identity, enabling asset ownership, and supporting network development. Each `.sol` domain constitutes a distinctive, user-friendly identifier that simplifies blockchain interactions while delivering utility within the Solana ecosystem.

3.1 Defining a Recognizable Digital Identity

A `.sol` domain transforms blockchain addresses into concise, recognizable names, such as `yourname.sol`. This identity serves as a tool across the Solana ecosystem, supporting applications such as:

- **Streamlined Transactions**: Facilitating the transfer and receipt of assets using easy to remember identifiers like `colleague.sol` rather than long strings of text strings.
- **Integrated Authentication**: Enabling the use of `.sol` domains as credentials for accessing decentralized applications (dApps).
- **Enduring Ownership**: Providing perpetual ownership of domains following a one-time acquisition.

This approach minimizes errors, bolsters security, and promotes seamless experience for users across varying levels of technical expertise.

3.2 Domains as Valuable Digital Assets

Each `.sol` domain represents a singular digital asset, comparable to exclusive collectibles or virtual property. The finite availability of coveted names, such as `coffee.sol` or `pet.sol`, establishes a market with potential value appreciation tied to the mainstream adoption and growth of the Solana ecosystem. Beyond their economic appeal, these `.sol` domains offer practical utility:

- **Decentralized Hosting Capabilities**: Supporting the deployment of decentralized websites via platforms such as IPFS or Arweave, ensuring resilience against censorship.
- **Interoperable Access**: Enabling compatibility with Web3-enabled browsers, such as Brave, to provide seamless entry to decentralized content.

This combination distinguishes `.sol` domains as a significant element within the blockchain paradigm.

3.3 Facilitating Network Expansion through Subdomains

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SNS allows `.sol` domain holders to further utilise their `.sol` domains by creating subdomains, fostering the development of structured networks and communities. Potential applications include:

- **Community Frameworks**: A domain such as `community.sol` may support subdomains like `defi.community.sol` or `meme.community.sol`.
- **Organizational Growth**: Enterprises and projects can allocate subdomains to affiliates, teams, or regional divisions, establishing a unified digital infrastructure.
- **Physical Asset Management (DePin)**: SNS subdomains can label and organize physical assets in decentralized networks, such as electric vehicle charging stations (e.g., `charger5.evnetwork.sol`) or IoT devices (e.g., `sensor12.iot.sol`). This simplifies user access and enables automated, blockchain-based interactions with physical infrastructure, enhancing the usability and integration of decentralized physical assets.
- **AI Agent Organization**: SNS subdomains can categorize decentralized AI services, such as a market analysis agent (e.g., `predictor.market.sol`) or a personal assistant (e.g., `assistant.personal.sol`). This clear labeling improves discoverability and user engagement, making decentralized AI technologies more accessible and intuitive for everyday use.

These applications highlight how `.sol` subdomains as facilitated by SNS provide a versatile toolset for expanding networks, managing resources, and integrating cutting-edge technologies within the Solana ecosystem.

4. Strategic Advantages of SNS

SNS is uniquely equipped to advance the adoption of decentralized naming protocols on Solana, distinguished by several competitive strengths:

- **Perpetual Ownership Structure**: Domains are acquired through a single payment, conferring lifelong ownership.
- **Efficiency and Cost-Effectiveness**: Leveraging Solana's high-performance architecture and minimal transaction fees, SNS ensures rapid and economical domain management.
- **Built for Solana, by Solana:** With integrations spanning wallets, dApps, and platforms, SNS is intricately woven into the Solana network. SNS focuses on *doing one thing extremely well* — Solana-native naming — without adding the complexity of cross-chain synchronization that can dilute security and user experience.

These attributes position SNS as both a pragmatic tool and a strategic resource for users, developers, and stakeholders within the Solana ecosystem.

SNS isn't just a standalone tool—it strengthens the entire Solana network by:

- **Attracting Users**: Simplifying blockchain use brings in more people.
- **Helping Developers**: dApps can use .sol domains to improve their interfaces.

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- **Building Confidence**: A secure, community-run system fosters trust.

With over 270,000 registered domains, 150 ecosystem integrations, and a network of global ambassadors, SNS provides a foundation for amplifying network-building initiatives. This capability is particularly advantageous for decentralized applications, social communities, daos, and institutional entities, ventures aiming to expand their operational scope.

5. The $SNS Token

The **$SNS token** serves as the community token of the Solana Name Service, which will be used as the medium of exchange between supporters of the SNS ecosystem in a decentralised manner, empowering the community to shape the protocol's development and evolution.

The goal of introducing $SNS is to provide a convenient and secure mode of payment and settlement between participants who interact within the ecosystem on SNS. It is not, and not intended to be, a medium of exchange accepted by the public, or a section of the public, as payment for goods or services or for the discharge of a debt; nor is it designed or intended to be used by any person as payment for any goods or services whatsoever that are not exclusively provided by the issuer. $SNS does not in any way represent any shareholding, participation, right, title, or interest in the Foundation, the Distributor, their respective affiliates, or any other company, enterprise or undertaking, nor will $SNS entitle token holders to any promise of fees, dividends, revenue, profits or investment returns, and are not intended to constitute securities in Canada, Singapore or any relevant jurisdiction. $SNS may only be utilized on the SNS ecosystem, and ownership of the same carries no rights, express or implied, other than the right to use $SNS as a means to enable usage of and interaction within the SNS ecosystem. The secondary market pricing of $SNS is not dependent on the effort of the SNS core contributors, and there is no token functionality or scheme designed to control or manipulate such secondary pricing.

Further, $SNS provides the economic incentives which will be distributed to encourage users to exert efforts towards contribution and participation in the ecosystem on SNS, thereby creating a mutually beneficial system where every participant is fairly compensated for its efforts. $SNS is an integral and indispensable part of SNS, because without $SNS, there would be no incentive for users to expend resources to participate in activities or provide services for the benefit of the ecosystem. Given that additional $SNS will be awarded to a user based only on its actual usage, activity and efforts made on SNS and/or proportionate to the frequency and volume of transactions, users of SNS and/or holders of $SNS which did not actively participate will not receive any $SNS incentives.

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With a total supply of **10 billion $SNS**, the token distribution is designed to prioritize community participation, ecosystem expansion, and long-term sustainability.

The $SNS token distribution is structured as follows:

- **Airdrop: 40% (4 billion $SNS tokens)**
  Claimable in phases by Genesis Airdrop SNS users, members of the SNS and Solana communities, and new users of the SNS protocol. This significant allocation both rewards early adopters for their contributions, and fosters broad participation across existing and new community members.
- **Future Emissions & Community: 20% (2 billion $SNS tokens)**
  Allocated to future emissions and continued support for the SNS and Solana communities. This portion ensures sustained incentives and active user engagement over time.
- **Ecosystem: 26.25% (2.625 billion $SNS tokens)**
  Dedicated to ecosystem growth, including funding for partnerships, development initiatives, and community-led projects aimed at enhancing and expanding the SNS protocol. This allocation is subject to linear unlocking over four years starting from TGE.
- **Core Contributors: 8.75% (875 million $SNS tokens)**
  Reserved for core contributors, subject to a four-year lockup period which includes a twelve-month cliff period (i.e., no tokens unlock during the first year), followed by linear vesting over the remaining three years.
- **Liquidity: 5% (500 million $SNS tokens)**
  Designated for liquidity provision, ensuring the $SNS token remains accessible and tradable across exchanges and decentralized platforms.

This distribution reflects a commitment to a decentralized, community-centric model, with the majority of tokens allocated to users, community initiatives, and ecosystem development.

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