

# GOVERNANCE & DECISION-MAKING MECHANISM

## 1. GOVERNANCE FRAMEWORK

The governance structure of LMGX is designed to ensure transparency, decentralization, and effective decision-making in the ecosystem.

## 2. DECISION-MAKING PROCESS

- On-Chain Voting: Token holders will participate in major decisions through blockchain-based voting mechanisms.
- Proposal Submission: Community members can propose changes, which require a minimum staking threshold for eligibility.
- Voting Power: The weight of votes is proportional to the amount of LMGX tokens held and staked in governance contracts.

## 3. GOVERNANCE TOKEN UTILITY

- Strategic Decision-Making: Token holders will vote on ecosystem development, liquidity allocation, and security upgrades.
- Incentives for Participation: Users actively engaging in governance will receive staking rewards and governance incentives.

## 4. TRANSPARENCY & AUDITABILITY

All governance decisions and voting records will be recorded on-chain, ensuring full transparency and public auditability.

