Nomination Pools

Nomination pools is a way for people to collectively express their support for one or more validators. The pool nominator is responsible for selecting suitable validators to nominate. All stake of pool members goes to support the same set of validators selected by the pool nominator.

Creating a pool

Go to VTBDex, navigate to staking tab, select the Pools subtab. Click the `Create` button to open pool creation popup. This popup shows pool roles. Currently all roles are assigned to the same account. In future it will be possible to assign different roles to different accounts. Pool roles are as follows:

- **Depositor:** Creates the pool and is the initial member. The depositor can only leave the pool once all other members have left. Once they leave by withdrawing, the pool is fully removed from the system.

- **Nominator:** Can select the validators that the pool nominates.

- **Bouncer:** Can change the pool's state and kick (permissionlessly unbond/withdraw) members if the pool is blocked.

- **Root:** Can change the nominator, bouncer, or itself. Further, it can perform any of the actions the nominator or bouncer can.

Click continue . The next section asks for the amount of tokens you want to bond in this pool.
Enter your desired value and click Confirm , and sign the transaction.

Nominating for the pool
The next step is to nominate on behalf of the pool. Go back to the Pools tab, click the Nominate
button to open the nomination popup. Select the validators you want to nominate and click
 Confirm to sign the transaction.

Staking

Account 2

Validators   Nominations   **Pools**

Overview   Members   All Pools

| 2 | 10.0 VTBC | 10.0 VTBC |
| Active Pools | Minimum to Join Pool | Minimum to Create Pool |

Bonded Funds
1000.0 VTBC
+   -   🔒 0

■ Bonded   ■ Unlocking   ■ Available
1000.0 VTBC   0.0 VTBC   4301.89 VTBC

Pool Membership
5EYCAe5iizxgPydZh1SwiVjU8eeRzNRASwa4EJBEgMULcos1
⊕ Update Pool Name   ⊕ Nominate   ⊕ Manage

Unclaimed Rewards
0.0 VTBC

Pool Nominations

Roles

| Depositor | Root |
| 5Cvee4SWvyPrscCaKKZQkZDu4MzYvXTh6fjGeSK3qpJrU4CP | 5Cvee4SWvyPrscCaKKZQkZDu4MzYvXTh6fjGeSK3qpJrU4CP |

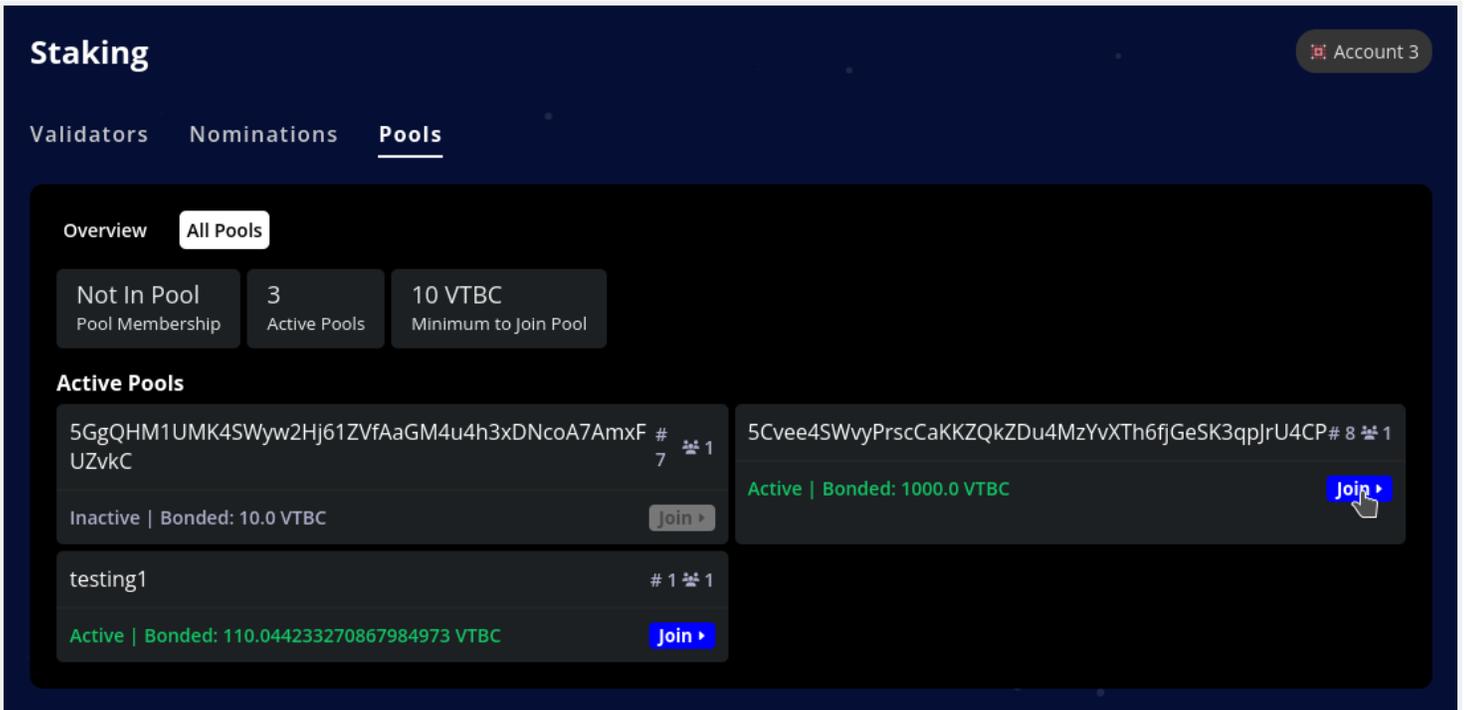| Nominator | Bouncer |
| 5Cvee4SWvyPrscCaKKZQkZDu4MzYvXTh6fjGeSK3qpJrU4CP | 5Cvee4SWvyPrscCaKKZQkZDu4MzYvXTh6fjGeSK3qpJrU4CP |

Nominate   ✕

| 5DP3mCevjzqrYhJgPpQFkpoERKg55K422u5KiRGPQaoJEgRH | 5EtMni1z8bHkrFboqro7R7PvfDcPqkpnS8tbW14SaR38rt4c |
| 0.00% | 0.00% |

| 5FNCTJVDxfFnmUYKHqbJHjUi7UFbZ6pzC39sL6E5RVpB4vc9 | 5DJQ1NXeThmu2N5yQHZUsY64Lmgm95nnchpRWi1nSBU2rgod |
| 0.00% | 0.00% |

| 5EFVaEDYxZ4xc8UAr8crx5gcHVBtx8KMvoKJaXUcYtQ8fXAS |
| 0.00% |

1
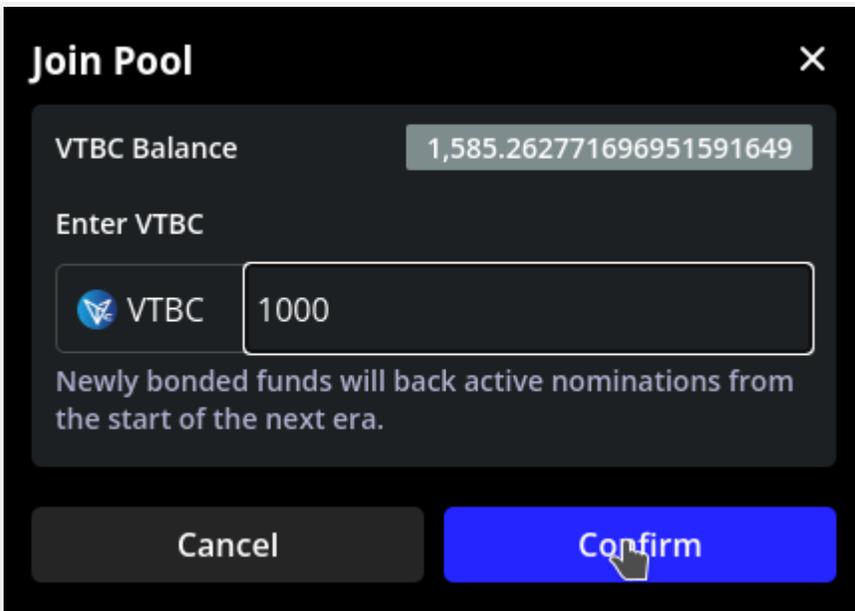
Cancel   Confirm

Joining an existing pool
To join an existing pool, go to the Pools tab and select All pool subtab. All pools section shows all pools on the chain. Each pool has a Join button, click the Join button to open the joining popup.
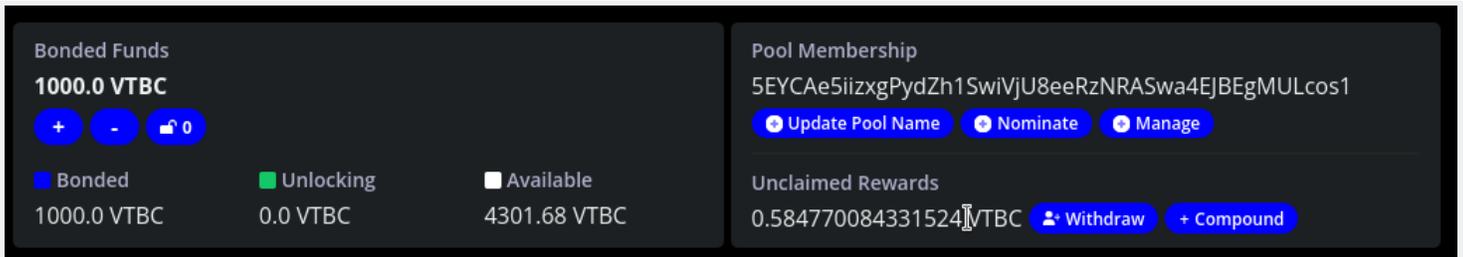
Enter the amount of tokens you want to bond into the pool and click Confirm to sign the transaction.
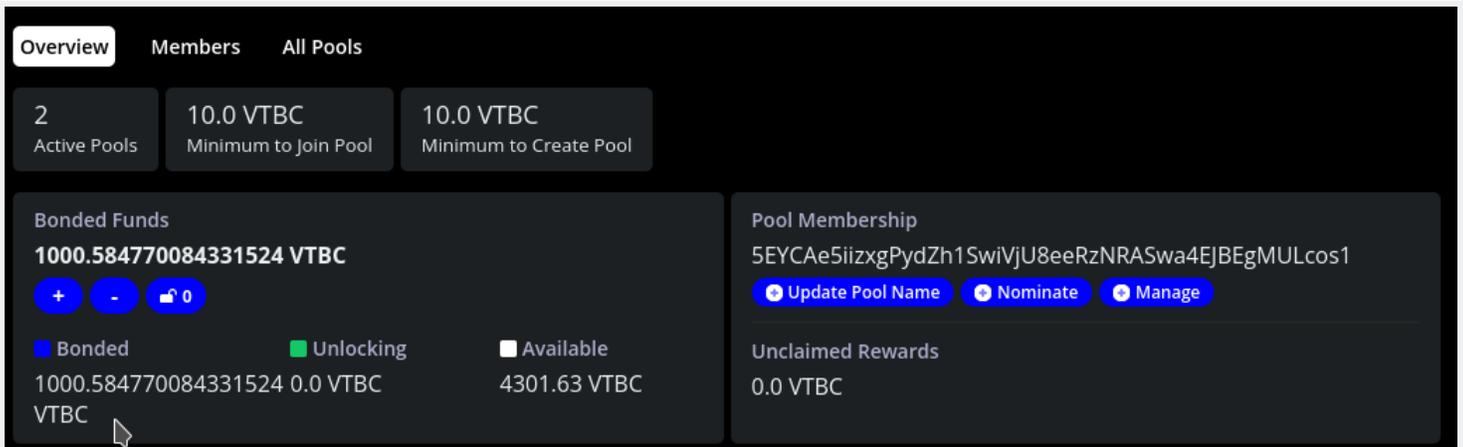

Claiming rewards

Rewards in pools work slightly differently compared to nominating directly. When directly nominating a validators, your rewards are automatically deposited into your account whenever someone claims rewards for the validator you nominated. But in case of nomination pools, the rewards are accumulated in the pool itself (not in your own account), and you have to manually claim the rewards.

Go back to the pools tab to see the accumulated rewards.

This shows that about 0.58 VTBC can be claimed. You can either withdraw this amount to your account or compound it to increase your current stake. Click on either Withdraw or Compound and click Confirm to sign the transaction.

This is how the dashboard looks like after combounding:
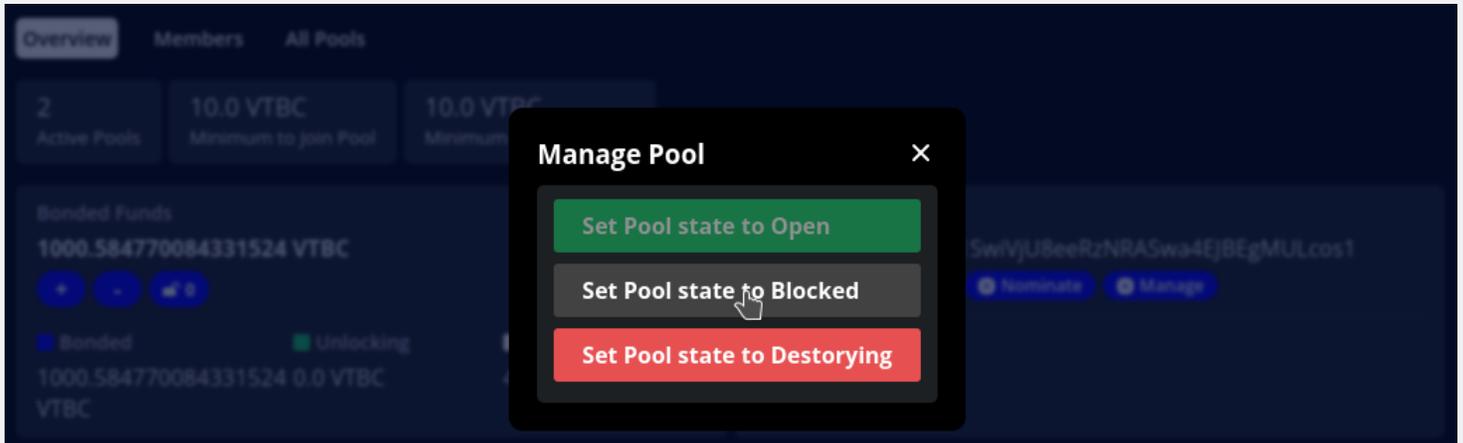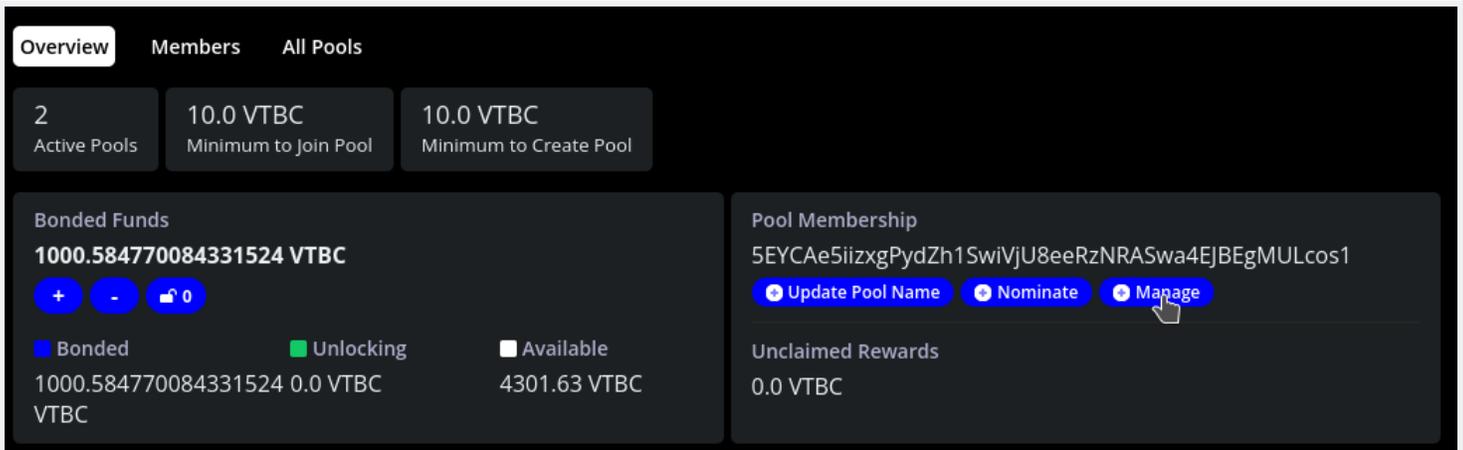

Changing pool state

A pool can be in one of the following three states:

- Open - The pool is working normally and new members can join.
- Blocked - The pool is working normally but no new members can join.
- Destroying - The pool is in the process of being destroyed. Once the pool is in this state, it can no longer go back to Open or Blocked . In this state members can still leave the pool, but no new members can join.

To change the pool state, go back to the pools tab and click the manage button to open the change state window. Select the state to change to and sign the transaction.

Destroying a pool

A pool can only be destroyed once it is in Destroying state. Once in Destroying state all pool members must leave by unbonding and withdrawing their tokens. When the final pool member leaves the pool, the pool will be destroyed.

Note that the depositor (the member who created the pool) must be the last member to leave. The depositor can only unbond their tokens after all other pool members have left.