



# Advantages of a blockchain built for securities



## Network Participation

### Challenge with general purpose blockchains

With traditional proof-of-work blockchains, rewards for securing the chain and the ability to participate in the direction of the chain are out of reach for most participants. These chains are also susceptible to contentious forks, which can expose major legal and tax challenges for tokens backed by real assets.

### How Polymesh overcomes it

Polymesh's proof-of-stake consensus mechanism and on-chain governance process ensures that financial institutions and their clients are both able to engage in decision making and share in rewards.

#### Governing Council

Polymesh relies on a council of key stakeholders to review [Polymesh Improvement Proposals](#) (PIP) submitted

by committees or token holders, find consensus, and chart a path forward for its future development. The Governing Council, combined with [Forkless Runtime Upgrades](#), lets Polymesh avoid forks stakeholders a greater ability to participate in the evolution of the chain.

#### Node operation

Regulated entities (for example, custodians and broker dealers) can earn rewards for the proper writing of blocks, and benefit from a purpose-built blockchain without creating one from scratch.

#### Staking

Institutions and their clients are becoming increasingly interested in staking and the rewards it can offer. Polymesh allows users to stake on operators, and both are rewarded or fined by the network based on blocks being added to the chain and fulfillment of their role.

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