

SIMD Tokenomics Explained

Simplified

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What is SIMD, in simple terms?

SIMD is the token that runs the entire simulation network. If you want physics simulations (fluid flow, heat, cryogenics, etc.) to run, everything is paid, settled, and rewarded in SIMD. There will never be more SIMD created. The supply is fixed forever.

Who is involved?

There are four main roles:

- **Customers:** Companies or users who want simulations done. They pay in normal money (USD).
- **Operators:** People or entities who provide CPU/GPU power. They do the actual computing work and are paid in SIMD.
- **Stakers:** People who lock SIMD to support the network and earn rewards.
- **The Protocol / Treasury:** The system that manages payments, verification, disputes, insurance, and long-term stability.

How does paying for a simulation work?

- A customer approves a budget (example: “I approve up to \$1,000 for this simulation.”).
- The system converts that budget into SIMD once, locks it in a customer vault, and uses it as the job balance.
- As the simulation progresses step by step, SIMD is released gradually; if the job stops early, unused SIMD stays available for later.

Customers are not exposed to price swings mid-job because settlement is decided upfront.

What about slippage when converting money into SIMD?

The customer pays a small conversion buffer (usually 2–3%) to cover swap fees and price impact when routing USD/USDC into SOL and then into SIMD. If the buffer is not fully used, the leftover becomes extra rewards for locked stakers.

How is SIMD distributed while work is being processed?

- **Stakers (30% + leftover buffer):** Locked stakers earn a share whenever a job releases SIMD, and longer locks earn more.
- **Team / Protocol (40%):** This funds building the platform, verification, dispute handling, operations, and long-term stability.
- **Compute Bucket (30%):** This is reserved for paying operators for the actual CPU/GPU-hours they provide, not a percentage of the job.

How are operators paid?

Operators are paid like contractors: each CPU/GPU type has a known hourly rate, and payouts depend on verified compute-hours and reliability. They are paid in SIMD, using the job's upfront conversion rate, so there are no surprises later. Operators must also lock SIMD as a bond; if they abandon jobs or cheat, that bond can be slashed.

Why do operators and stakers have lockups?

Lockups prevent abuse and align incentives: operators lock SIMD to participate and cannot instantly withdraw their bond, while stakers must lock SIMD for a period to earn rewards. Longer commitment earns more, and “jumping in and out” right before payouts is prevented.

What happens if someone cheats or fails?

Missed uptime reduces rewards, abandoned jobs can trigger slashing, and fraud or invalid results can trigger heavy slashing and bans. Slashed SIMD does not disappear; it goes into insurance and treasury to fund reruns and disputes.

Why is this token model different?

This model does not rely on hype mechanics like buybacks, burns, or inflationary emissions. Value comes from real customers paying for real compute, predictable settlement (convert once, escrow), long-term locking (stakers and operator bonds), and honest work getting rewarded. SIMD is used, not just traded.