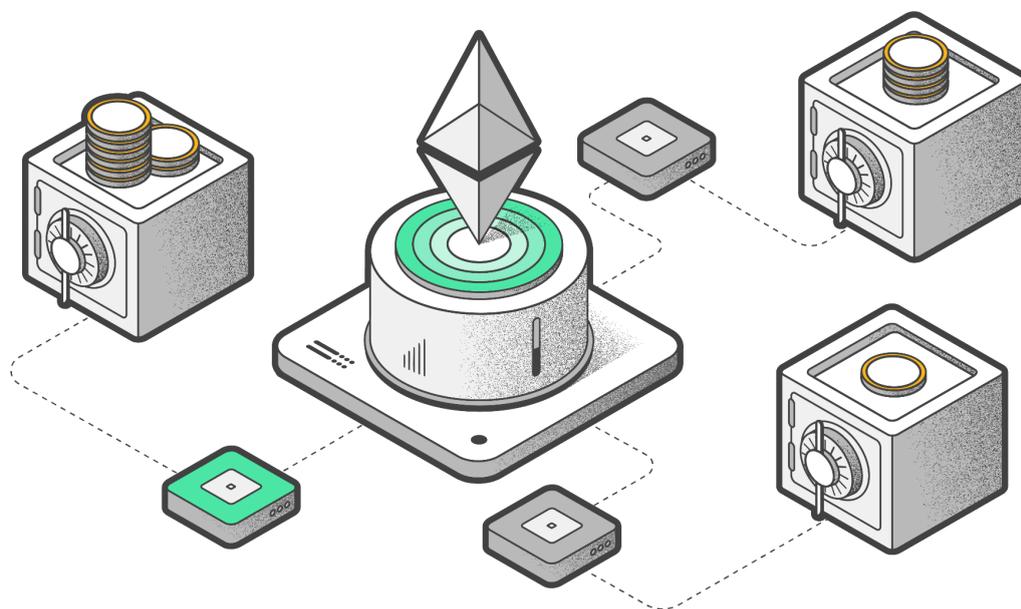


# Proof of Stake



## What is Proof of Stake?

- Proof of Stake is basically a mechanism that processes transactions in the form of blocks by creating new blocks in a blockchain, whenever a transaction has been executed in order to secure it from malicious behaviour and bad actors coming into play. This helps secure your information better on decentralized platforms, protocols and blockchains.

## How does Proof of Stake work?

- The way a Proof of Stake system works, is by staking your tokens to a protocol, which in exchange rewards you with either more tokens or other crypto relevant rewards, which help benefit both the user that staked their cryptocurrencies and the protocol by setting them to work, securing and further developing on the protocol they've been staked on.
- The way your tokens secure the protocol when staked is by making sure all transactions are verified, prevents any hackers, phishings, scams, etc. from entering the protocol, etc.

## What type of Proof of Stake is there within the Crypto realm?

- Liquid Staking: Within the DeFi space there exists the Liquid Staking mechanism, which gives users special access to different stuff within the protocol which other users (in some cases) can't have. You can also earn rewards, trade on different conditions, get yields, become validators, use the tokens within other DeFi protocols,

etc. There are many different functions and rewards which you get access to by just simply Liquid Staking them.

**Protocols to Liquid Stake on:**

- Lido Finance: <https://lido.fi/>
- Rocket Pool: <https://rocketpool.net/#header>
- Stargate Finance: <https://stargate.finance/stake>