Mile Unity Questionnaire

Note: you can decline to answer certain questions (like marketing / go to market) which may be trade secrets and we will put in "declined to answer due to current trade secret".

a. General
   i. Which blockchain / DLT are you building on top of?
   Own blockchain MILE
   ii. How does the stablecoin work?
   In the Mile system, there is a stablecoin XDR tied to the SDR IMF, which allows you to minimize the risk of currency volatility and solves currency risks. The transaction rate is more than 10,000 fractions per second. Applicable in cross-border payments, money transfers, attraction of investments in infrastructure and innovation projects and etc.
   iii. What is the purpose of your coin? What does it aim to achieve and which problems does it solve?
   Global trading and money remittance in real economy.
   iv. When we say something is stable what do you think it means? And when it comes to monetary policy specifically?
   Stable means low on no price volatility.
   v. What is your revenue model?
   Growing price of MILE coin.
b. Launch & marketing
   i. What does the market need to be confident in the stability of your token?
   XDR is tied to IMF SDR, Special drawing right that have fluctuated during last 30+ years no more 11%. XDR turnover amount is in tens of million of USD daily.
   ii. How are you bootstrapping to that level of confidence?
   XDR is already used in real life in cross-border transactions, for example this one.
   iii. What are your go-to-market strategies?
   Our priority is to reach deals to use our stablecoin in cross-border transaction. To do so, Mile Unity board members are in negotiations about the MILE blockchain real world applications with many governmental and

commercial organizations in Japan, China, South Korea, Turkey, Brazil, Russia, Kazakhstan, Namibia, Uganda and others.
Partnership agreements with several international organizations, including BRICS, G-Global, Global Silk Road Association, Astana Hub, Astana Invest have already been signed for the use of the MILE Ecosystem.

c. Economics
   i. What is your coin stable with respect to?
   XDR is pegged to Special drawing right (SDR) of International monetary fund. The SDR is an international reserve asset, created by the IMF in 1969 to supplement its member countries' official reserves.
   ii. How much volatility can this peg withstand? Is that the same for upwards and downwards pressure? How wide is the band of behavior it can support?
   The price of XDR is pegged to IMF SDR, so the price is 100% correlated. Since almost 1980 SDR is one of the most stable currencies in term of price volatility.
   iii. How easy is it to analyze the band of behavior from which it can recover?
   Each day, ones a day there is the voting on MILE/XDR price.
   iv. How expensive is it to maintain the peg/stability mechanism?
   This is confidential info.
      1. How transparently can traders observe the true market conditions?
      Everything could be monitored in the explorer: http://explorer.mile.global
   v. Which monetary theory (theoretical) assumptions do you think are not true and how does your protocol account for that?
   We can assume that there are 3 types of stablecoins:
   1) pegged to fiat money
   2) pegged to cryptocurrencies
   3) algorithmic stablecoins
   The first one (Tether, for example) is nothing more than bank receipt. The second type is not connected to real

economy that is also recklessly in term of such kind of currency future. Stablecoin with the most perspectives are those, that are fully digitalized and non-reliant on any types of collateral, with their supply and target price are to be controlled only by the program code, plus could be used in real economy money remittance, as MILE ecosystem does.

vi. Does your stablecoin supply scale in response to demand? If so, how?
It is based on algorithms, so yes, in pretty much balanced.

vii. Who provides the capital to maintain exchange rate peg? How are they compensated / Why do you think they would continue to lock up capital, given other investment opportunities?
XDR stablecoin in not listed now. MILE coin (that is an index of demand on XDR) is listed on two exchanges and more to come.

viii. An eventuality plan in case of a "black swan" event.[1] The 1% case will happen eventually.
This is confidential info but for sure we do have the action plan.

d. Tech

i. Are any novel consensus mechanisms used, over and above the underlying blockchain?
sdBFT was chosen as the algorithm that has a higher operation capacity in comparison to BFT algorithms. There's a lot of potential participants of consensus in sdBFT, plus, it's a short timeframe between the blocks, so it's very complicated to corrupt the voting and push malicious transactions to the block content.

ii. What transaction throughput can the blockchain currently handle and how does it plan to scale? Do its plans coincide with your plans for your estimated demand?
Mile has transparent emission, free (0% commission) and fast transactions (10 000/second), decentralized on 10'000 nodes all over the world. So, 10K transaction per second in

[1] https://en.wikipedia.org/wiki/Black_swan_theory

enough for current demand and for future of our stablecoin.

iii. What tradeoffs does your protocol make and why did you make those tradeoffs? (supply/demand, temporarily peg breaking) (censorship resistance) (privacy tradeoffs) (accuracy of present market data and ease of manipulation of the data feed protocol uses (responsiveness of market and ease of manipulation)
We do have no tradeoffs.

iv. Are there any centralized components of your system? Would any of these be easy for govs to shut down?
No.

v. Does your protocol require information outside the blockchain such as a feed of price data? If so, how does this oracle work? Who manages it, what are the incentives for managing it, and what happens if the data they provide has a glitch?
No

vi. Which participants can see which transactions? What is the data and metadata available, and to whom? How does this impact privacy?
All transaction are available at http://explorer.mile.global
Anyone can see all the transaction but there is no info of the owners of the wallets. Basically it is much like Bitcoin works.

vii. Are you doing anything with formal verification? Smart contracts used?
No

viii. What is the rebase period? (Length of time between currency adjustments.)

ix. Can we make this automated?
    1. Do we use a smart contract or network rules of the blockchain operators?

e. Regulation
    i. What are your perceptions of local and global regulation in supporting stable coin, asset-backed token economies?
    Crypto industry for sure is moving forward to stablecoins adoption in 2019. We'll see lots of new projects.

ii. What could be done to improve regulation in terms of speed, quality, value for your company?
Popularization of cryptocurrencies itself and education activities so we have to spend less time to explain what is stablecoin and how it could be used in real life cross-border trade.

f. Testing
   i. What kind of simulations have you done and what have they helped you learn? (simulating a broad array of market conditions)
      1. Mental models for simulations
         This is confidential information.
      2. Econometric models
         This is confidential information.
      3. Agent-based Modelling / Computer simulations
         This is confidential information.
      4. Other (Please describe)
         This is confidential information.