

Sovryn Exchequer Committee Meeting Summary

May 11, 2021

In attendance:

Edan Yago
Slider
Max Shapiro
Stefan
Elan Nahari
Ororo

Not In attendance:

Jascha Samadi

Resolved by a vote of Exchequer Committee members:

1. Decisions made on Discord over the previous week:
 - a. Convert \$1.5M in BTC to USDT in order to provide liquidity in the system. This action will be hedged with a long position on BTC - Approved
 - b. [REDACTED] and [REDACTED] want to expand their time commitment to up to 40 hours a week with 15% of their future salary in SOV - Approved
 - c. The budget presented by Max Shapiro has been approved by the Committee and will be presented to Bitocracy through a SIP.
2. Decisions made by a vote of the Committee during the meeting:
 - a. Provide \$2M in ETH and \$2M in BTC for initial liquidity for the BTC/ETH pool. - Approved.
 - b. Perform an analysis of the treasury funds to understand what funds are available on an ongoing basis for liquidity provision.
 - c. Fees for FastBTC - perform analysis on FastBTC fees to ensure that the system is break-even.
 - d. **Fee Airdrop** - deposit \$5 in RBTC for the first 10,000 users who transfer ETH over the bridge, to ensure that they have RBTC to pay for transaction fees. It was initially proposed to allow this for the first 100K users, however it was decided to approve it for the first 10,000 at a soct of \$50K in RBTC, and monitor progress. - Approved.
 - e. **Liquality** have suggested that Sovryn run a Liquality rebalancing agent for them under the following conditions:
 - i. Liquality can programmatically rebalance between BTC and RBTC with our agent
 - ii. Sovryn users will have better depth and available liquidity for RBTC through Liquality
 - iii. Sovryn can earn a rebalancing fee - it was proposed for Sovryn to provide 6 BTC for this integration (3 BTC and 3 RBTC) and in exchange Sovryn will receive 0.2% on each transaction.
 - iv. It was decided to renegotiate the fee since the liquidity is provided by Sovryn and to explore whether Liquality will be willing to launch their token through Sovryn by raising a SIP for the community to review.

- f. **Liquidity Mining** - A discussion was held with regards to the SOV available from the adoption pool. Currently there is approx 1.2M SOV available per month for adoption purposes. The Committee agreed to explore a very aggressive liquidity mining program over the next couple of months to increase the Sovryn user base and volumes in the system.