Abstract

Public Mint bridges the worlds of traditional fiat with the innovative world of crypto, offering a complete platform for synthetic fiat, regulated and fully collateralized with funds held at FDIC-insured institutions. It includes a fiat-native blockchain, APIs and an embeddable web widget, open for anyone to build fiat-enabled applications and accept credit cards, ACH, wire transfers and more. No bank accounts needed.

After 2 years in development, Public Mint launched to the public in July 2020. It is now launching the MINT Global Earn program, bringing direct fiat liquidity to CeFi and DeFi, and exposing the opportunities they provide to the world at large, by creating earnings-bearing synthetic fiat currencies.

The MINT utility token is central to these efforts, and will be used to govern allocation of funds and the whole protocol, and reward participants for their votes.

1. Introduction

1.1. The Future is Stable

Cryptocurrencies have moved from being a cypherpunk pipe dream to become a global reality. Breakthrough technology initiated by Bitcoin back in 2008 and subsequent innovative platforms, coupled with growing adoption has brought us ever closer to the promise of a decentralized, borderless, censorship-resistant, and useful digital form of money. Individuals from across the globe are reaping the benefits of blockchain today.

On the business side, cryptocurrencies have spawned a thriving and profitable industry, opening up unthinkable new roads which we are only just beginning to explore. Volatility, one of the biggest problems of crypto assets, is in the process of being solved. Thanks to the advance of stablecoins, crypto-native companies can already operate with more certainty within the space, countering some of the volatility of native crypto assets - although with limited reach outside of the crypto-savvy community.

This evolution is making it ever more attractive for traditional companies to bring their business into the blockchain, even if there are still problems to be solved apart from monetary stability. According to a 2020 report from PWC, the global blockchain's economic impact around the world is expected to be around $1.7Trn by 2030[1]. This trend is bringing traditional companies one step closer to the crypto economy.

For a growing number of individuals and businesses, the present is already crypto, with more to come. And as we tackle other pain points beyond volatility, **a future where crypto and fiat can work together seamlessly is imminent**.

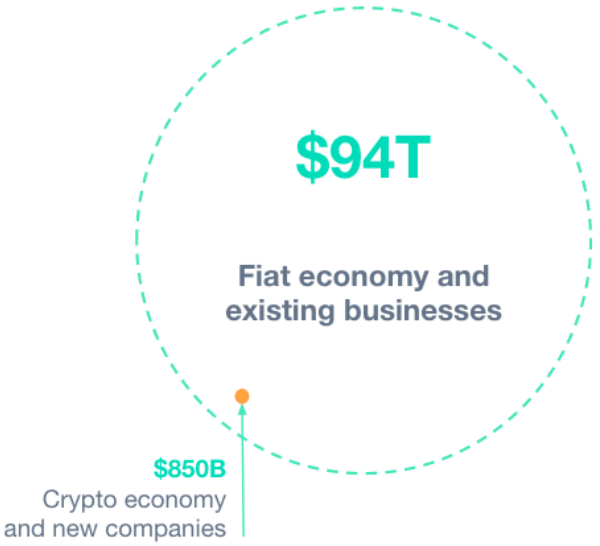
That is the future Public Mint is ushering in. And this future is stable.

[1] https://www.pwc.com/gx/en/industries/technology/publications/blockchain-report-transform-business-economy.html
Source: PwC "Time for trust" report, 2020. This report looks at GDP (in US$, 2019 prices) which is the net additional value created by blockchain.

1.2. Today's Challenges

Despite their many benefits, cryptocurrencies still suffer from shortcomings that cause businesses and individuals to struggle to operate in the space.

Crypto-native companies find it hard to work outside of the blockchain boundaries, and traditional businesses are wary of the uncertainty in operating with native crypto assets.



Stablecoins have taken the first step towards wider adoption, but in their current form still suffer from many shortcomings - they only really solve a part of the problem. **On their own, most stablecoins do not fully bridge the gap between crypto and fiat**. Even if they do add some stability to the ecosystem, they are simply not designed to address business processes outside the cryptosphere.

Public Mint's platform effectively connects the two realms, expanding crypto into the **$94+ trillion fiat** economy and ushering traditional businesses in to grow the whole ecosystem.

1.3. Pragmatic Approach

Public Mint recognizes that by its very nature, our fiat-based economy will always be subject to regulation by authorities, and there are inescapable centralized components. This is how our world works, and this is the world we work on.

However, we also believe that decentralization is a spectrum, and various aspects can be greatly improved from being less centralized, primarily in terms of governance and making decisions that affect a community of people.

1.4. Enter Public Mint

Public Mint is a platform for synthetic fiat, fully-collateralized with funds held at FDIC-insured institutions. It has been live **since July 2020** with unique features that bridge the gap between the crypto and fiat realms.

The Public Mint network brings fiat to the blockchain and integrates crypto into the global economic system of ***today***. It does so in a secure, scalable, and efficient way, in full compliance with regulations, creating the ideal platform for businesses to thrive without the uncertainty that comes from the volatility of crypto assets.

Public Mint goes beyond solving just issues with volatility. We understand that enterprises also need business solutions that have so far been hard to replicate on-chain, and on which the economy runs today. **Public Mint addresses several other pain points for crypto businesses to operate outside of the blockchain, and enables easy access for traditional businesses to access the blockchain space.**

In essence, **Public Mint combines the best of both worlds: the stability of fiat with the efficiency and instant finality of the blockchain.**

1.4.1. Fiat-native Blockchain

Fiat is native to the Public Mint blockchain and network fees are paid in fiat. This greatly improves usability by allowing users to immediately interact with the blockchain without having to acquire additional crypto assets.

There is no price uncertainty from the fluctuation of underlying assets, or skyrocketing gas costs due to network congestion. Fees are stable and transparent so users can anticipate their costs well in advance.

1.4.2. User Friendly Key Storage

One of the biggest impediments for adoption of decentralized solutions is the aspect of key-management. Having to manage your own keys creates a barrier of entry that most users are incapable or unwilling to overcome, but without which there is no decentralization.

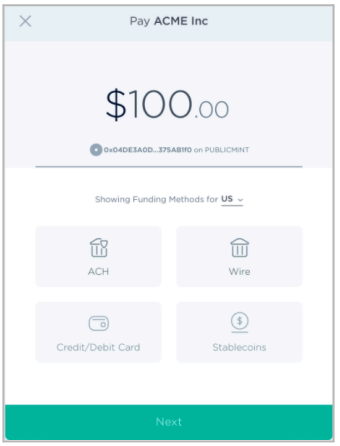
We address this problem in a simple way: we provide users with the ability to store an encrypted copy of their key in their cloud provider of choice. This simple solution keeps Public Mint's platform from becoming a centralized service and leverages the best practices of existing third party storage services to ensure the

user's key isn't lost in any specific device, while at the same time allowing anyone to begin using the system with minimum friction.

Public Mint provides the right balance between privacy and user experience.

1.4.3. Direct Fiat Access

Public Mint's *bank-to-chain* feature offers the ability to onboard funds directly into an address from various sources, while its *chain-to-bank* approach allows for secure offboarding.



Currently accepted are wire transfers (both US and international) as well as direct US ACH from users bank accounts. We will soon also offer debit/credit card support in the US, Europe and several other countries.

Public Mint will also support USDC, allowing for easy connection and seamless interaction with other blockchains and blockchain platforms.

1.4.4. Multi-custodial Structure

Public Mint's custodial structure is open to any banks and regulated as such as well as other compliant financial institutions (e.g. Trust companies). Having multiple custodians adds robustness to the network and guarantees no single point of failure. This structure also makes the system much more scalable and able to expand into many geographies and currencies.

Public Mint's platform is already live with US Dollar (USD) and is fully-collateralized with funds held at FDIC-insured institutions. This will soon be followed closely by the Euro (EUR) and British Pound (GBP) in early 2021. We will continue to add new currencies, widening Public Mint's reach with an increasing range of onramp and offramp fiat options for international adoption.

1.4.5. Immediate Transactions

Public Mint's blockchain offers finality after just one confirmation, which allows for even faster transactions than other stablecoins. Transactions are fully confirmed within 3-5 seconds.

This means that you no longer have to keep fiat funds in third parties like exchanges, and you can now transfer funds immediately before you actually execute your trade.

1.4.6. Ethereum Compatible

As an Ethereum-compatible network, Public Mint benefits from the huge talent pool of Ethereum developers, who can build on top of our system from day one via our developer's portal. At the same time, the network also takes advantage of tried and tested Ethereum DApps that can be deployed on Public Mint with little to no change. If you have an Ethereum address, the same private key can also be used to derive a Public Mint address.

1.5. Other Concepts

1.5.1. Centralised Finance (CeFi)

CeFi stands for Centralized Finance, which is the way the traditional financial system works. In this model, lenders offset the custody (and risk) of their funds to a financial institution, who then acts as a lender to collect earnings on loans to borrowers - usually against some equivalent collateral.

The key aspect of CeFi is that these intermediaries have full custody of funds, and must be trusted by both parties to fulfill their obligation and execute payments.

Examples of well known CeFi solutions include Nexo, Celsius Network, Abra and Drawbridge, to name just a few.

1.5.2. Decentralised Finance (DeFi)

DeFi, or Decentralized Finance, does away with the middleman. Instead of institutions, funds are managed by smart contracts. Financial obligations are automatically and transparently executed by code, impartially and with no human intervention.

DeFi greatly reduces counterparty risk from financial services, as one can always audit the code before transacting.

Examples of well known DeFi solutions include Compound, AAVE, dYdX, Curve, Yearn.Finance, to name just a few.

1.5.3. Retail Fiat vs Synthetic Assets

At its core, there are two types of money in the common fractional-reserve banking system operated by a central bank.

On one hand, there is central bank money that is created or adopted by the central bank (e.g. precious metals, commodity certificates, banknotes, coins, electronic money loaned to commercial banks). On the other hand, there is commercial money used by the commercial banking system, also known as “cheque book money”, “sight deposits” or simply “credit”.

Commercial bank money follows a fractional reserve approach, which means only a fraction of commercial bank deposits is backed by actual cash on hand and available for withdrawal. This mechanism widely used by the banking industry is done to theoretically expand the economy by freeing capital for lending.

This is the inherent risk of *retail fiat*.

Using USD as an example, the US Treasury issues USD, but reality is that banks only keep a fractional reserve, and the USD accessed by retail is actually encumbered by a factor of risk that results from the lending & borrowing activity that takes place in banks.

In other words, the USD retail banks have in their account is not the same type of USD that is issued by the central reserve - it is actually a version of that core asset with additional risk and liabilities, which is why FDIC insurance is needed.

In order to mitigate the risk of a commercial bank going bankrupt and not being able to pay back its customers, the FDIC provides deposit insurance coverage up to $250,000 per depositor, per FDIC-insured bank, per ownership category[2].

A similar concept is making its way into the crypto space, with the notion of synthetic assets, where the main asset is held under some application (eg, staking), and a representation of that asset in its current state is then created and transacted.

[2] https://www.fdic.gov/deposit/deposits/faq.html

2. Vision for the EARN Program

Public Mint has built a set of solutions that help bridge the gap between fiat and crypto, live since July 2020.

It is now focusing on **taking the benefits of CeFi and DeFi to the masses**, which will be done via earnings-bearing fiat currencies, starting with **USD Earn (USD+)**.

2.1. Why Earnings-bearing Synthetic Fiat?

2.1.1. Abstract complexity

For someone outside the crypto industry to properly choose a CeFi/DeFi solution would require understanding the financial workings of each, along with the ability to learn how to use each solution properly and take action to move funds around in a timely manner as needed across various solutions. This is a daunting task, and is a major barrier to mass adoption for such solutions, which if left unsolved will keep CeFi and DeFi on the fringes of the financial system.

As a result, there is a need to simplify such complexities, and one way to do so is to create **versions of earnings-bearing synthetic fiat currencies**, which carry a blended earnings rate based on the underlying financial instruments used.

2.1.2. Maintain Fungibility

In theory, multiple versions of each synthetic fiat currency with different risk profiles and earnings can be launched. However, too much choice is often the enemy of adoption, therefore, one single currency that regular users all around the world can both use for payments or hold to receive earnings, without handling any of the complexities underneath is initially being launched.

As an example, consider that there is a single synthetic USD in circulation, with a single risk profile based on all the participating banks, and it's clear how such fungibility and underlying diversity are positive traits that provide resilience to the system.

With that being said, there is nothing stopping third parties from launching their own currencies with different risk profiles and their own dedicated management community or private label supply-chain payment ecosystem

2.1.3. Usable for Payments

A synthetic currency that earns revenue, that is fungible and easy to convert or withdraw can itself be used for payments, and can ultimately become the norm.

At the same time, the underlying CeFi and DeFi Partners can gradually increase their footprint in the retail banking ecosystem by the ability to access larger liquidity pools and being able to provide better borrowing conditions to support SMEs.

From the perspective of corporate working capital, the ability to have sufficient cash available to be able to pay bills/invoices on time and access discounts is a huge advantage. The cost of holding cash is no longer an issue. By being able to use an earnings-bearing fungible cash-like instrument, corporates can now optimize their working capital in orders of magnitude while still maintaining their credit ratios by keeping the current and acid-test ratios in line with the industry standards they operate in.

2.2. Requirements

2.2.1. Access Fiat

Public Mint offers all the tools needed to access fiat money, including onboarding, offboarding, a blockchain ledger and explorer, and mobile and web applications that include a simple user experience *accessible to everyone,* instead of being limited to a small group of crypto savvy users.

2.2.2. Generate Earnings

At Public Mint, fiat balances represent actual fiat money held in our custodial structure, managed by our custodial partners, and in such a way that Public Mint has no access to those funds. As a result, capital held in legacy financial structures cannot generate earnings on its own.

However, the crypto space offers a plethora of CeFi and DeFi solutions that can take fiat and offer significant returns. These solutions can be leveraged to generate earnings on synthetic fiat currencies.

2.2.3. Manage Risk

Using DeFi and CeFi for the purpose of generating earnings poses clear risks for users, whether in terms of trust, technical ability and understanding of such solutions. There is a need to assess such risks while keeping pace with the innovation in the sector, and those who can make decisions in order to both generate yield and minimize risk, will have a competitive edge in the overall financial market.

To address this problem we are launching the MINT token and a governance community, where MINT token holders decide on everyday aspects of distributing funds via various yield-generating partners and protocols.

3. How the EARN Program Works

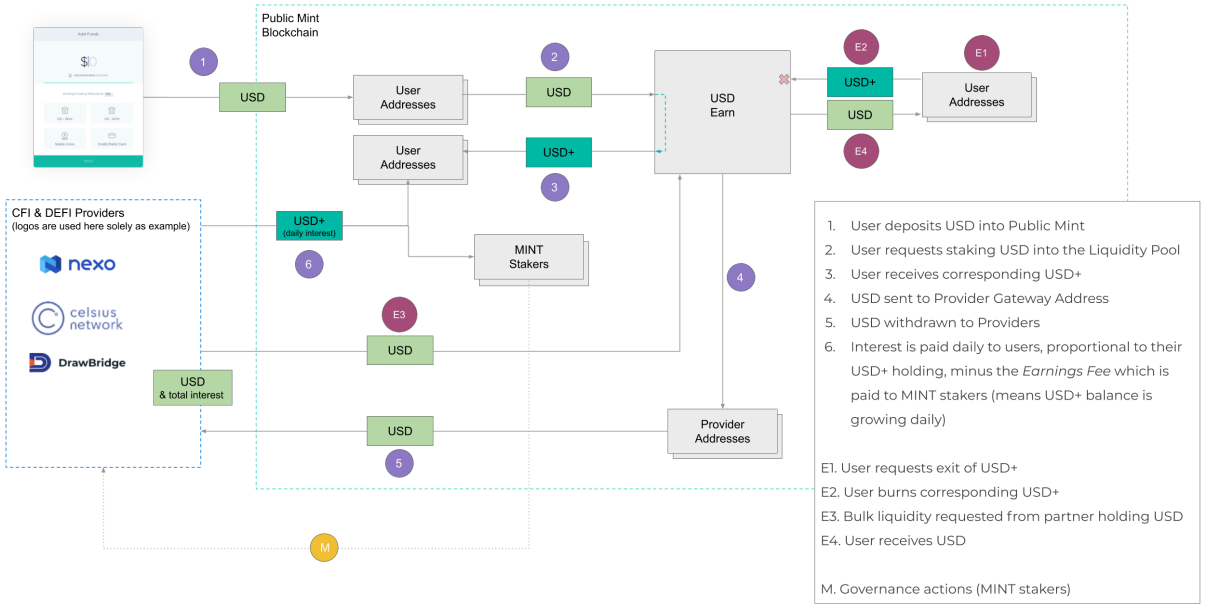
The first earnings-bearing synthetic currency launching is USD Earn (USD+), with the participation of an initial set of CeFi partners and select DeFi solutions.

3.1. Overview

When money is staked in the Earn Program, users benefit from a balanced market approach resulting from a portfolio of CeFi and DeFi offerings available in the market.

The portfolio is regularly updated and voted upon by the MINT Governance token holders (typically crypto experts with a financial incentive to vote on the best portfolio options available).

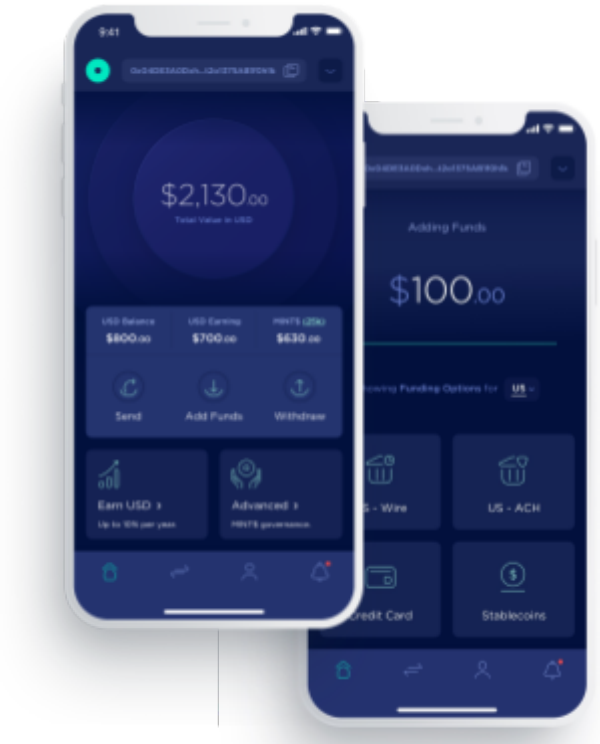
From a user perspective, one can always be reassured that money is available at all times and ready. This apparent simplicity essentially allows the product to be usable by the masses.



The above is a high-level diagram of operational flow, as some of these operations are asynchronous and follow a two step process (Request -> Complete). The CeFi and DeFi Partners mentioned in the diagram for illustrative purposes only.

3.2. Mobile & Web Applications

The design[3] of our mobile and web applications focuses on simplicity and accessibility. This means putting aside industry-specific terminology, unless absolutely necessary, while at the same time keeping the interface as straightforward as possible.

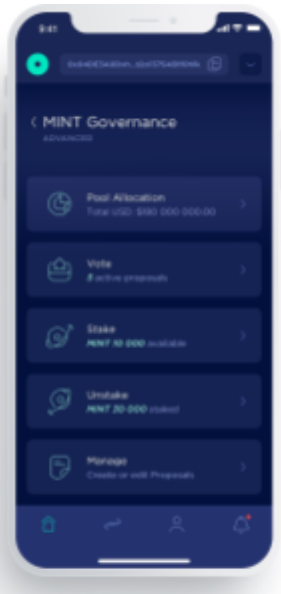


3.2.1. Main Interface

The main interface of the application exposes the primary features focused on the end-user:

- **Send or Pay**
  Move funds to another wallet
- **Withdraw**
  Move funds back to your bank account
- **Deposit**
  Add funds from external sources
- **Earn**
  Generate earnings on USD. Under the hood, this involves staking USD and receiving USD+.

3.2.2. Advanced



The Advanced section provides access to features specific to the governance of the MINT project:

- **Vote & Create Proposal**
  MINT Stakeholders can create proposals and vote in allocation of funds and improvements.
- **Stake & Unstake**
  Manage MINT tokens staked for governance and voting purposes.
- **Pool Allocation**
  Consult details on how funds are allocated.

[3] These screens are intended to showcase functionality. Visual design likely to change before final product launch.

3.3. Fees

There are three fee components in the EARN system, which are paid to users who stake their MINT tokens and engage in governance by actively voting in key decisions.

3.3.1. Earnings Fee

MINT token stakers make governance decisions on the details of the platform (covered in the governance section below) to effectively ensure the EARN program continues to operate as designed. Such roles are comparable to that of managers of a fund.

Regular users can easily generate earnings by participating in the EARN program with any amount of USD they choose, and receiving earnings-bearing USD+ in return.

MINT stakers can, on the other hand, vote on earnings-bearing solutions (assessing corresponding risk vs reward) to become part of the portfolio of the EARN program.

Thus, whenever yield is paid out to participants in the EARN program (those who own USD+), MINT stakers also get a portion of those earnings as a reward for their governance participation.

As a comparison, investment funds managing money will take a share often in the range of up to 40% of earnings. On Public Mint Earn, this fee is set at 15%, which is then split between Public Mint and MINT token stakers.

3.3.2. Unstaking Fee

Unstaking essentially converts USD+ into regular USD. Under the hood, it often requires funds to be moved among partners and providers, and such funds obviously cannot be leveraged to generate yield.

Unstaking takes advantage of the Unallocated portion of funds in the EARN program, and costs a small fee of $1.00 or 0.25%, whichever is higher.

3.3.3. Transfer Fee

In a typical banking system, it is difficult to use funds that are generating yield, without incurring a penalty - if at all , as those funds are often locked.

USD+ can be transferred between users, and can thus be used for payments, without having to unstake. There is real benefit in this flexibility, and the Public Mint network carries the costs to allow this service. For instance, the underlying smart contracts are more complex than raw USD+, which entails a slightly higher network fee. As a result, a typical transfer of USD on Public Mint costs $0.05 cents, whereas transferring USD+ costs $0.10 or 0.01% - whichever is higher.

3.4. Operations

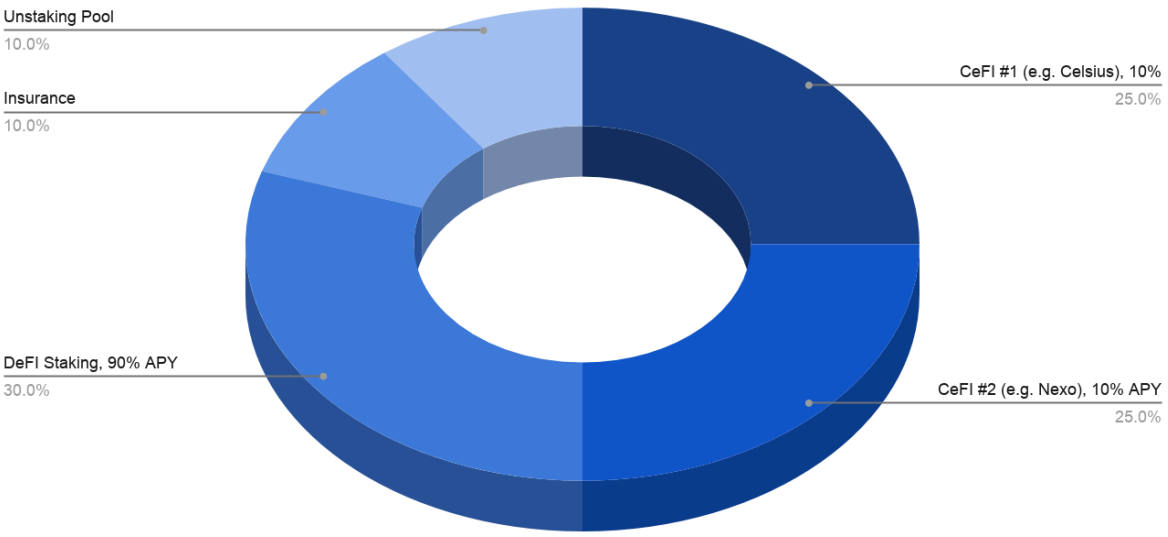
3.4.1. Aggregation of Funds

Users in Public Mint can stake funds into the USD EARN program, and those funds are then allocated across various CeFi partners and DeFi providers in order to generate daily yield.

This highlights one of the main advantages of the EARN program, the ability to process funds in bulk, and send/request funds to partners in aggregate. In other words, the EARN program processes changes across partners as a bulk change, which ensures that the majority of funds remain allocated and earning yield, rather than spending time in transit across partners.

Importantly, MINT token stakers vote on the allocation of funds across the various partners, which allows for distribution of risk across various partners.

Here is an *example* allocation table (for illustrative purpose only):



25%	CeFi	CeFI Partner #1 (e.g. Celsius Network), 10% APY
25%	CeFi	CeFI Partner #2 (e.g. Nexo), 10% APY
30%	DeFi	DeFI Platforms, 90% APY, paid on exit
10%	Unallocated	Insurance
10%	Unallocated	Unstaking Pool

To avoid unnecessary transfer of funds which could result in loss of earnings, MINT token stakers also vote on a percentage flexibility margin, which means that funds will not be redistributed unless current funds exceed the margin. For instance, with the margin at 2%, this means that an allocation of 35% would be considered met as long as the funds sit between 33% and 37%.

Given the example above, the average daily earnings generated by the pool would be:

10% * 0.25 + 10% * 0.25 + 90% * 0.3

This adds up to 32% APY. (This results in a higher return in a single day compared to an entire year in an average savings account).

It's important to understand that while the native yield of some of these partners and providers, individually, is upwards of 8%, participants on USD+ are getting the advantages of insurance (through the usage of open insurance protocols), and also benefiting from the fact that the pool will be mostly immediately liquid for those who exit their yield-generating USD+ and transfer funds back to USD.

3.4.2. Staking & Unstaking

Users can request USD to be staked into the EARN program and receive USD+ in return, which identifies their stake in the pool.

The act of staking immediately locks USD, and creates a "Staking Request", which is settled daily, and can be cancelled anytime before settlement time.

USD+ is a unit of account and is a means of payment in its own right, which can be easily transferred between users. Users can request their USD+ to be converted back from the Earn program, and their USD to be returned. Such a request immediately locks the specified amount of USD+ and creates an "Unstaking Request'' which can be cancelled anytime before the settlement time.

Typically, requests are settled immediately, as long as there are remaining unallocated funds in the EARN program, or the day after, if funds must be requested from partners and providers.

3.5. Settlement

Settlement events[4] are triggered daily at 00:00 UTC, at which time, staking/unstaking requests are processed, balances across partners and providers are reconciled, earnings are processed and USD+ balances are incremented.

3.5.1. Process Earnings

Partners normally report earnings asynchronously, and increment an amount that remains pending processing by the EARN program. At this stage, that pending amount is converted to USD+ and is distributed proportionally to existing

[4] MINT Token Holders can vote on reducing or enlarging the Settlement frequency.

owners of USD+. Each USD+ holder receives a proportional portion of those funds, minus the Earnings Fee.

The amount accrued from Earnings Fee is then distributed to MINT stakers.

3.5.2. USD+ Netting (Process Requests)

In the process request, the net difference between staking and unstaking requests is calculated, resulting in the net amount to be settled via CeFi partners and DeFi providers, either by sending new funds from USD+ stakers or requesting funds to be freed up for delivery to USD+ stakers.

If the net difference is positive, it means that the EARN contract has enough new funds being staked to cover the unstaking requests. In this case, unstaking requests are processed, USD is delivered to users, and the remaining funds are sent to partners and providers.

If the net difference is negative, funds are then requested from partners and providers, following the allocation parameters. Unstaking requests remain unprocessed until those funds are made available.

It’s important to mention that the netting and settlement is done via smart contracts and funds are not otherwise available.

4. Governance

In the evolving ecosystem of governance best practices,, a self-governed system is similar to a young person maturing into a responsible adult. The lessons learned from the study of dozens of governing tokens is encapsulated as such. A strong desire for self-governance should not be confused with mob-rule, and cannot be separated from working towards creating a mature decision making process. This is particularly critical when decisions are made that affect risk-taking and user funds.

In the EARN program, MINT stakers are compensated for their efforts in maintaining a stable and functional system that operates in a sustainable manner.

That being said, our mission is strongly based on the notion that governance is a responsibility - a public service - not an inherent right. We understand that governance systems only work insofar as incentives are properly structured and participants are properly informed, and focused on issuing opinions based on facts, with an eye toward the ultimate public good.

While the goal of our governance system is to drive the system to a point where MINT stakers can fully decide on proposals, we balance that with an incremental self-governance process that learns and iterates gradually. .

As such, Governance on Public Mint will be introduced in phases, and there will be controls on the amount of disruption that proposals can introduce into the ecosystem..

4.1. Phases

Governance will be introduced in phases, but proposals can be presented to extend each phase by an additional number of months - such proposals are binding as per the rules of the Community Phase.

4.1.1. Referendum Phase

To ensure the health of the system, during the first 12 months after launch, proposals will be considered as *non-binding referendums*. They will strongly inform how Public Mint evolves and assesses its progress, but will not be guaranteed to take effect.

4.1.2. Veto Phase

After the Referendum phase, the roadmap will include votes towards a Board which together with Public Mint will maintain veto power over proposals, for a period of 6 months.

During this period, proposals with the necessary votes can still be vetoed by any of the appointed entities, but will otherwise be binding.

4.1.3. Community Phase

After the Veto phase, votes will become, and can only be vetoed by a majority of the Veto Board. During this period, adding or removing an entity to the Board can happen anytime, and is not subject to veto.

4.2. Allocation Proposals

One of the key goals of the EARN program is to reduce risk, and make sure that people who participate can rely on the community of MINT stakers to make financially sound choices; firstly reducing risk, and secondly maximizing earnings.

With this in mind, funds are mostly distributed through a set of partners and providers that generate yield, but there are also amounts which will be kept aside to ensure stability and reduce risk - even at the expense of yield.

4.2.1. Unallocated

Initially, 10% of funds will not be allocated to partners and providers, and will be kept aside to fulfil any unstaking requests.

In practice, this means that as long as the net difference between staking and unstaking requests does not surpass 10% of the totality of funds in reserve, such requests will be met immediately. Otherwise, if there is a run on unstaking requests, the remainder will be handled once funds are obtained from partners & providers in the next settlement cycle.

In reality, this means that this percentage of funds are not generating yield. However, this reserve provides much needed timeliness to anyone who wants to exit the system.

4.2.2. Insurance

Initially, 10% of funds will be allocated to an Insurance fund, to handle situations where one of the partners or providers may become insolvent. While we recognize that again, this means a portion of funds are not generating yield, creating this form of insurance trumps absolute gains.

As an example, the recent collapse of Cred[5] as an ongoing CeFi project has served to validate this approach, and in such a case, with adequate insurance, the EARN program is able to minimize socialized losses and ensure a degree of resilience to systemic failure.

For perspective, think of this layer of insurance for USD+ as comparable to what the federal government offers via its FDIC insurance for retail USD.

4.2.3. Partners and Providers

CeFi partners and DeFi providers are a robust and rapidly growing cornerstone of the high yield marketplace, which are capable of generating yield based on funds allocated to them. The EARN program offers a vetted and greatly simplified access to these sometimes complex innovations.

Proposals can be published to request adding a new partner or provider, which in itself does not guarantee any allocation of funds. The details, and risk/reward scenarios must be requested specifically as part of the proposal.

Finally, MINT stakers may vote to allocate funds to the various available options. This is the most direct expression of the role of MINT stakers in managing funds, seeing as distribution across multiple solutions is essential to the resilience and stability of the system.

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5 https://www.finextra.com/newsarticle/36904/crypto-lender-cred-files-for-bankruptcy-protection#:~:text=Crypto%20lending%20and%20borrowing%20firm,%24100%20million%20and%20%24500%20million.

4.3. Parameter Change Proposals

4.3.1. Governance Parameters

Changes to the Governance process include changing vote thresholds, majority requirements for any Proposal, or even the minimum amount of MINT tokens required to publish a Proposal.

4.3.2. Fee Parameters

Proposals for Fee Changes include modifying the Earnings Fee, the Unstaking Fee and the Transfer Fee.

4.3.3. Operational Changes

Proposals for Operational changes include anything to do with timings, such as the Settlement frequency, or the amount of funds that are allocated for Unstaking or Insurance.

4.3.4. Stability Parameters

Each parameter in the system will have an inherent maximum change per vote, and the minimum timespan between votes.

As an example, changes in the Earnings Fee will be limited to changes of 1% every 3 months.

5. MINT Token Economics

5.1. Staking

5.1.1. Rewarding Governance

Staking MINT tokens is required to participate in Governance and receive the ability to vote, higher rewards for voting, and discounts. Participants in the governance process receive up to 10% of the platform Earnings.

5.1.2. Rewarding Liquidity (USDC)

Converting USDC to USD+ results in additional rewards beyond the Earnings, paid out in MINT tokens from the Public Mint Reward Pool.

As a result, anyone can hold USDC on Public Mint, receive extra MINT tokens - in addition to earnings - on a weekly basis, with the ability to exit the system at any point in time.

5.2. MINT Token Utility

5.2.1. Create Proposal

MINT tokens are required to open up a proposal for vote. To reduce spam and encourage meaningful votes, whomever introduces the vote pays the reward, and there will be a minimum threshold of MINT tokens required to post a vote.

To encourage turnout, Public Mint automatically matches 10% of each vote reward from the Reward Pool.

5.2.2. Cast a Vote

Staked MINT tokens can be used to cast a vote on Governance proposals, and the amount of staked MINT tokens allocated to a vote is indicative of voting power.

Voting Power is not directly proportional to the number of MINT tokens, and is calculated in such a way that higher amounts have proportional lower weight (comparable with a logarithmic function). The intention of this approach is twofold. First , to incentivise those with large holdings to vote across more proposals in parallel, rather than stake all their MINT tokens on a single vote. Additionally, this algorithmic process helps ensure that smaller MINT token holders are not dwarfed by larger participants.

As Public Mint infrastructure already offers the ability to know whether someone has submitted their identity, a future roadmap may consider requiring an ID, which would essentially ensure that votes are per person, and not per address. This can be accomplished by obtaining a hash built from the Vote ID and the original private ID, to track with confidence that a person only votes once, without being able to derive their ID.

5.2.3. Discounts

Having MINT tokens staked allows for a reduction in fees for Unstaking and Transferring. Those with large MINT tokens are therefore rewarded with the ability to unstake USD+ or transfer it with relatively low costs.

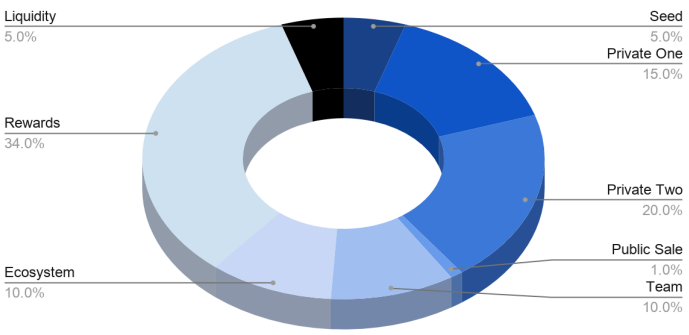
5.2.4. Rewards

The Earnings Fee is shared between Public Mint and MINT stakeholders. Users with small amounts of MINT tokens staked will earn 70% of their portion of the Earnings fee, with the remaining 30% going to Public Mint. Conversely , those with large stakes of MINT tokens will ultimately be able to claim 90% of their share of the Earnings fee.

5.3. MINT Token Sale

5.3.1. Overview

A total of 250,000,000 MINT will be issued, and this supply will be split into various tranches, as follows.



5.3.2. Distribution

MINT Tokens will be made available in stages. In order to qualify participants in the governance function, initial MINT Token distribution will be via sales agreements though MINT Tokens will not be offered for sale to US residents or citizens. MINT Token holders perform an important function in protecting the viability of the Public Mint system, and it is based on the commitment of these participants to the governance function and their performing these responsibilities fairly and professionally, that the MINT Token holders are rewarded accordingly.

Some MINT tokens will be made available *upfront* prior to the Public Sale, while others will begin *vesting* 3 months after the Public Sale is concluded, which happens daily in order to avoid large chunks of MINT tokens hitting the market at once, helping with price stability. Daily MINT token distributions are scheduled for 00:00 UTC and will be available via a claim function on the Public Mint website.

	Tokens	Percentage	Token Price	Release Upfront	Release Start After	Release Period
Seed	12,500,000	5.00%	$0.035	10.00%	3 months	9 months
Private One	37,500,000	15.00%	$0.055	12.50%	3 months	9 months
Private Two	50,000,000	20.00%	$0.075	15.00%	3 months	9 months
Public Sale	2,500,000	1.00%	$0.100	100.00%	0 months	0 months
Team	25,000,000	10.00%		0.00%	12 months	12 months
Ecosystem	25,000,000	10.00%		0.00%	3 months	9 months
Rewards For $MINT stakers and $USD liquidity providers	85,000,000	34.00%		0.00%	0 months	proportional to TVL
Liquidity Used for Uniswap and CEX liquidity	12,500,000	5.00%		40.00%	0 months	6 months
Total	**250,000,000**	**100.00%**	**$6.5 M**			

6. Implementation

6.1. Roadmap

Launch	**Category**	**Feature**
Q2 2018	Institucional	Public Mint Inc Registered Office in the state of Delaware
Q3 2018	Core	Design of overall Architecture Layer 0: Custodial Layer 1: Protocol Layer 2: Contracts Layer 3: KYC/AML/Integration Research blockchain architectures Business model research
	Legal & Regulatory	Meeting with OCC (Washington) Design of Multi-Custodial structure
Q4 2018	Core	Proof of Concept (Geth) Proof of Concept (Tendermint) Proof of Concept (Fabric)
Q1 2019	Core	Proof of Concept (Pegasys Pantheon) Public Mint Testnet (poc)
	Legal & Regulatory	FinCEN BSA Money Services Business Registration
Q3 2019	Core	Rebase to Hyperledger Besu Public Mint Testnet (alpha)
	Applications	Public Mint Web Wallet (alpha)
Q4 2019	Core	Public Mint Testnet (beta) Developer's portal (blockchain)
	Applications	Blockchain Explorer (alpha) Public Mint Web Wallet (beta)
Q1 2020	Core	Public Mint Testnet (live) Developer's portal (API)
	Applications	Blockchain Explorer (beta)
Q2 2020	Institucional	Corporate website launch

		Setup the BSA Compliance Program
	Core	Public Mint Mainnet (live)
	Applications	Blockchain Explorer (multi network) Public Mint Web Wallet
	Currencies	USD
	Connectivity	FedWire ACH
(live July 1st)		
Q3 2020	Commercial	Onboarding Customers / partnerships Use Case Development (instant fiat-payouts)
	Core	Transaction Monitoring KYC/AML Backoffice Stress tests
	Applications	Concepts and Overall Model for MINT Global Earn
Q4 2020	Institucional	MINT Global Subsidiary
	MINT Token Sale	MINT Global Earn Whitepaper MINT Token Economics MINT Global Earn Token Sale (Seed, Private)
		Architecture Design and Governance Model for MINT Global Earn
Q1 2021	MINT Token Sale	MINT Global Earn Token Sale (Private, Public) MINT Token Distribution
	Applications	Google Drive Integration Apple iCloud Integration
Q2 2021	Connectivity	Stablecoin (USDC) Credit Cards
	Applications	Metamask Integration
Q3 2021	Applications	**MINT Global Earn Program** **Public Mint Mobile Wallet** **Public Mint Web Wallet (v2)**
Q4 2021	Currencies	EUR, GBP
	Connectivity	Stablecoin (Other[6])

[6] Research is ongoing on which stablecoins to integrate.

6.2. Team

Executive Team	
Paulo Rodrigues CEO	Experienced blockchain and payments professional with over 20 years in the cards & payments Industry. He is the former CEO of a blockchain R&D center, global blockchain business developer and Head of a SWIFT service bureau at a clearing house and payment processor. As operations manager he also led SWIFT operations service bureau technical support and business process outsourcing for payment instruments operations.
Jorge Pereira CTO, Founder	Seasoned Systems Engineer and entrepreneur. As founder or CTO in various fintechs, Jorge has architected, developed and deployed applications and platforms with payment and banking integrations, trading engines, compliance and anti-fraud tools, blockchain integrations, custom distributed ledgers and many other components of modern fintech solutions.
Diane Gray-Smith CFO	Finance professional with a strong leadership record within global organisations, building and restructuring businesses in the Fintech, Blockchain, Financial Services and Media sectors.
Thomas Brooke Legal Counsel	Fintech lawyer with 20 years experience working with emerging technologies including e-wallets, exchanges, e-money and money service businesses. Legal and technology executive providing guidance on state, federal and global regulatory licensing, compliance and data privacy matters for publicly traded and private companies, from startup to growing and sustainable businesses, IPOs and M&A transactions.
Rafael Torres VP Engineering	Experienced team and product manager, Rafael has led the implementation of several products across a wide range of digital industries, including retail, ecommerce and mobile. Responsible for product development, staff management. Hands-on in smart contract development, API usage and overall testing.
Core Team	
Nelson Mota	System Operations
Helder Pinto	Blockchain Engineering
Diego Braga	Blockchain Engineering
Bruno Ramos	Backend Engineering

Fernando Viana	Application Design
Joana Abreu	Frontend Engineering
David Branco	Backend Engineering

7. Conclusion

The market for blockchain based financial technology solutions is predicted to grow by 75% per annum to $6.7bn by 2023. Public Mint and specifically the Earn Program are the basis for a better and simpler approach to finance.

Legacy payment systems are closed, not easily programmable and do not work with blockchain applications. They cannot be used to create peer-to-peer payment networks, incapable to interact with CeFi and DeFi solutions and often require bank accounts.

Public Mint offers the first fiat-native blockchain-based payments solution, open for anyone to build fiat-enabled applications and accept credit cards, ACH, wire transfers and more.

Public Mint is the new foundation for the global movement of Money on top of which we're now launching the Earn Program that allows any corporate or end-user to access the high earnings provided by CeFi and DeFi.

The EARN Program provides a simple and seamless user experience, available to everyone and not only to a closed group of crypto-savvy users.

More importantly, the Earn Program looks to offer the best earnings as a result of an on-going voting process supported by MINT Governance tokens holders that have the financial incentive to identify the best solutions in the market and include them in the Earn Program portfolio.

To achieve this, Public Mint brings together a distinctive group of skilled professionals that uniquely connect traditional Banking and Payments to cutting-edge blockchain technology and new business models.

Together we've launched the Public Mint platform on July 1st 2020, on top of which the MINT Governance token and the EARN Program are now being built.

Disclaimer

The MINT EARN Litepaper Version 1.0 presents our vision for a fiat multi-custodial structure powering a scalable and interoperable blockchain that runs entirely on fiat and enables the EARN Program providing real benefits to businesses, bringing value to Corporates and end users.

While we make every effort to ensure that any material herein is accurate and up to date, it may not be exhaustive. It contains forward-looking statements and is likely subject to further changes without notice.

The current Litepaper is for informational purposes only. The contents of the Litepaper do not constitute a solicitation of any offer to sell Tokens or Sales Agreement. The document is not meant as investment advice and does not imply any elements of a contractual relationship. Any offer to sell Tokens will be made pursuant to a specific sales agreement that provides appropriate disclosures, disclaimers and risk factors relating to the sale of Tokens.

MINT Governance utility tokens are not intended to constitute securities in any jurisdiction, and you may not acquire any if that conflicts with any laws in the jurisdiction or geography you are subject to. If in doubt, please seek professional legal advice.

Terms and conditions available here: https://publicmint.com/mint-token-sale-terms-of-service