

KOTYA Token Concept V1

(Experiment Koryntia Labs)

Koryntia Finance

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This experiment aims to have regulated and open-source initiatives. In particular, the use of decentralized finance (“DeFi”).

Its objective is to refinance or finance the covered bond KOTYA token that is issued and granted with the relevant entity as a Green Bond through the public Ethereum blockchain and Koryntia Finance technology through the use of Smart Contract.

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1. Who could be the interested party in this warranty request?

Any institution or government interested in development and experimentation combining traditional capital market activities with the emerging and growing ecosystem of decentralized finance ("DeFi").

The main possible characteristics of KOTYA Tokens could basically have the following characteristics:

ISIN: Applicable Country Warranty;

Nominal amount: \$\$ M USD;

Interest: fixed rate at *0-1%;

Final refund amount: 100% of the face amount;

Issue date: ## / ## / 2 ####;

Expiration date: ## / ## / 2 ####;

Rating: Example: Moody's aaa and Fitch AAA;

Form of KOTYA tokens: dematerialized notes in fully registered form, registered on the public Ethereum blockchain;

Applicable law: A jurisdiction adaptable to the innovation of the experiment.

*

$$V = \$1000, b = 0.04, C = 2I = Vb / C$$

2. Focus on the application of the KOTYA token as collateral

Koryntia Finance aims to provide qualified issuers and investors with end-to-end services to issue, manage and trade native digital financial instruments registered on the blockchain ("Security Tokens"). A suitable partner for this pilot could be bonds from the European Investment Bank.

Koryntia's main financial instrument is based on the issuance of loans directly to end users.

Koryntia Finance aims to:

Establish the legal structure of the refinancing and apply the adequate accounting and operating principles;

Integrate with the Koryntia Finance protocol in DeFi;

Help shape and promote an experiment under the proper legal framework:

- security tokens;
- the compromise on security tokens on a blockchain;
- the use of a security officer;
- Improve a profitable service and promote the liquidity of digital Green Bonds.

General description of the financing structure of KOTYA Tokens:

1. Koryntia would provide a USD loan to the end user (the "USD Loan").
2. As a guarantee for the performance and fulfillment of its obligations under the Loan in USD, the user would transfer the ownership of the Tokens or digital asset as a guarantee to Koryntia.
3. After the settlement of the transaction, the following would occur simultaneously: the Loan in USD would be reimbursed by the user to Koryntia, Koryntia would exchange the received US dollars to KOTYA, the KOTYA obtained by Koryntia.

Koryntia loan features:

- From 0 to 10000 KOTYA (Example: Value: 1 KOTYA = 1 USD;
- Expiration: 0 to 48 months.

3. Source code of the system that acts with the proposed collateral and the Ethereum address of the smart contract.

<https://koryntia-finance.gitbook.io>

Example:

Smart contract address: 0x9915CeD2820082a25A8992752AA43bCB0E1d2021

4. Available project audits. Procedure like smart contracts.

The smart contract will be audited by a leading audit firm and provided to the main stakeholder units.

5. Community of the project.

To a greater extent, the connections with the community as the main long-term value.

In addition, the development of new business models based on digital technology and open source digital ecosystems, revolutionary innovations and the technological modernization of market participants and financial services provided to clients.

6. How is the type of guarantee requested currently used?

The KOTYA token, which will serve as collateral in this funding use case, is currently held by Koryntia.

7. Does any organization take legal responsibility for the warranty? In what jurisdiction does that organization reside?

The rights and obligations of the parties under the undertaking will remain in full force and effect until Koryntia has fully delivered the KOTYA to the user (through the Creator's Representative) under the KOTYA Loan.

In that case, the Security Agent will execute and deliver all the instruments and documents and will take all the measures that are reasonably necessary or appropriate in order to grant a definitive release with respect to the Compromise.

Koryntia will have a security agent (For example: under Swiss jurisdiction) and the representative of the structure will be the same.

The appropriate jurisdiction will be agreed with the partner for a better development of the Koryntia organization and the financial product KOTYA loans through Token.

Warranty testing and settlement procedure:

Monthly verification by an agent that the loan does not exceed the collateral calculation.

- Send additional collateral assets in the vault so that the value of the collateral assets meets the collateral test;
- Transfer an amount of USD that reduces the KOTYA loan to perform the Collateral Test.

In the event that a situation arises that the loan exceeds the collateral; proceed as follows:

A Notice of Settlement Event will be delivered:

- the automatic termination of the KOTYA Loan, which will expire and be payable immediately; and
- the automatic termination of the Loan in USD, which will expire and be payable immediately.

Blocking and adjusting all present or future bad practices; by programming the Koryntia smart contract.

Koryntia's vision is to continue building a sustainable, blue and scalable economy on a global level.

8. Where does the exchange of assets take place?

The exchanges, collaterals and formalization of KOTYA loans will take place through the Koryntia platform.

9. Concerned parties

This first experimentation of a security token financing structure through a DeFi protocol will allow us to shape the future of green bond financing business activity.

For this first step, we can rely on a liquid market (backed by green bonds), mainly because there is an exchange for security tokens with a guaranteed collateral.

DISCLAIMER OF LIABILITY

This document has been prepared by Koryntia Finance. And written by Gregorio Punzano, founder of Koryntia Finance.

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