STABILIZE (STBZ)

Earn yield by maintaining stablecoin peg

Background:

Stablecoins have value because they are stable and attempt to stay pegged to $1 USD. Sometimes they deviate with sudden demand changes or protocol shocks. Stabilize is a project that uses incentives to return major stablecoins (DAI, USDC, sUSD, USDT) back to their pegs.

How does it work:

The Stabilize token (STBZ) is rewarded to those that deposit stablecoins into the protocol. When a stablecoin is below its peg, it receives a larger proportion of the total reward. When it is above its peg, it receives a smaller proportion of the total reward. This encourages users to sell stablecoins above their peg and buy stablecoins below it. There are no stablecoin liquidity pools utilized in Stabilize thus limiting impermanent loss for depositors.

Pools:

Initially there will be 5 pools on Stabilize:

- DAI
- USDC
- USDT
- sUSD
- STBZ/ETH Uniswap LP

STBZ/ETH Uniswap LP pool is needed to create liquidity for the protocol and will collect a plurality of the reward (have the highest APY).

Tokenomics:

There will be a total of **1,000,000** STBZ tokens created during its first 52 weeks/1 year. After the first year, its inflation rate will be **1%**, which is expected to be offset by a **per transaction burn rate** that starts **only after** the first year has ended to offset the inflation. This means every time someone sends STBZ, there is a percent of that value that is burned. This encourages continued use of the protocol while preventing uncontrolled inflation.

1% of the total tokens emitted during the first year will go to the development team to bootstrap the project, manage audits, maintain the platform and pay for other services. After the first year, **0%** will be reserved for the development team.

There is no VC funding, no pre-selling of tokens thus when the protocol starts, there will be 0 tokens available initially. To create initial token liquidty, the development team will use part of its 1% allocation from the first week to create a liquidity pool before the protocol starts.

Emission/Minting Rate:

Week 1: 76,000 STBZ

Week 2: 57,000 STBZ

Week 3: 38,000 STBZ

Week 4: 19,000 STBZ

Week 5-52: 16,875 STBZ

Week 53 and onward: 1% yearly emission with a set per transaction burn rate

Those who deposit earlier will be rewarded with larger emissions of the STBZ token to encourage early onboarding.

Governance:

Initially the development team will manage the platform to make it successful but the long term goal is to utilize the STBZ token to manage important aspects of the protocol including emission rate, burn rates and stablecoin pools utilized. Eventually, STBZ token holders can promote and earn a shared income from new stablecoin projects seeking liquidity for their tokens.

Technical Details:

Since many people have been burned by various yield mining protocols, we want to be very transparent in how the protocol operates. There is no infinite mint function as the smart contracts themselves control the minting rate. What the team can do is change the burn rate of the tokens which will decrease the token supply in cases that the minting rate is too high.

All contract modifications by the team requires a timelock of 24 hours after the protocol starts. This includes pool changes, emission rate changes, burn rate changes and ownership changes. This allows depositors to have enough time to determine whether they want to continue to use Stabilize.

Price oracles for the contracts are sourced from on-chain decentralized protocols Aave and Chainlink. These oracles are resistant to manipulation and flash crashes. The price can only be updated at least once every 6 hours.

All periodic calls to the contract (pool rebalancing, new week minting) can be called by anyone.

Price Oracle Address: 0xB54e7175db55D0Effcc974f146b3714910907A58

STBZ Token Address: 0xB987D48Ed8f2C468D52D6405624EADBa5e76d723

Operator Address: 0xEe9156C93ebB836513968F92B4A67721f3cEa08a

STBZ/ETH Uni LP Token: 0xdb28312a8d26d59978d9b86ca185707b1a26725b