

# Questionnaire - Alprockz

## 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?**

Ethereum-based; our stablecoin, RKZ is ERC compatible and our utility token is ERC20.

ii. **How does the stablecoin work?**

The RKZ stability is guaranteed by fact that each coin issued are backed 1:1 by the equivalent amount of Swiss Franc held in up to 90% in physical money (i.e. banknotes) and 10% in bank accounts with Swiss financial institutions.

iii. **What is the purpose of your coin? What does it aim to achieve, and which problems does it solve?**

The purpose of the coin is to offer the most secure and bulletproof cryptocurrency on the market. Offering a coin acting as a legal tender and offering legal enforceability to the asset it is backed with. The RKZ solves the problem of trust that current stablecoins have (e.g. TUSD, USDT,...) and is the first to offer direct access to the underlying assets to its holder.

- iv. **When we say something is stable what do you think it means? And when it comes to monetary policy specifically?**

I see stability as a state where security and solidity are guaranteed against any shocks and changes. In financial terms stability is achieved by an asset when its intrinsic value does not fluctuate vis-à-vis another asset class. In the case of RKZ.

- v. **What is your revenue model?**

Declined to answer due to current trade secret.

b. Launch & marketing

- i. **What does the market need to be confident in the stability of your token?**

The legal enforceability offered by our token as well as the auditing of the funds which are held to back the coins issued.

- ii. **How are you bootstrapping to that level of confidence?**

Do not understand the question.

- iii. **What are your go-to-market strategies?**

Declined to answer due to current trade secret.

c. Economics

- i. **What is your coin stable with respect to?**

Swiss Francs at MVP, other fiat currencies going forward.

- 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?**

Any volatility can be sustained given that it is back each, and every coin is backed and can be redeemed by their holders in the equivalent amount in fiat (i.e. CHF).

- iii. **How easy is it to analyze the band of behavior from which it can recover?**

N/A

- iv. **How expensive is it to maintain the peg/stability mechanism?**

1. **How transparently can traders observe the true market conditions?**

The traders will have to rely on the monthly auditing done by a third party of the funds held with Swiss banks and in Swiss vaults.

- v. **Which monetary theory (theoretical) assumptions do you think are not true and how does your protocol account for that?**

Our model is similar to the Bretton Woods system, no coin (RKZ) can be pre-minted, we only issue the coins on demand, therefore we cannot influence the liquidity or market cap artificially.

- vi. **Does your stablecoin supply scale in response to demand? If so, how?**

- 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 opps?**

See the answers above.

- viii. **An eventuality plan in case of a "black swan" event.<sup>1,2</sup> The 1% case will happen eventually.**

Do not understand the question

d. Tech

- i. **Are any novel consensus mechanisms used, over and above the underlying blockchain?**

Declined to answer due to current trade secret.

- 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?**

One key features of the Ethereum blockchain is its unlimited scalability.

- 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)**

N/A

- iv. **Are there any centralized components of your system? Would any of these be easy for govts to shut down?**

The platform is solely and centrally responsible for the issuance of our stablecoin. Nevertheless, in case due to the swiss fiduciary set-up we have built, in the event of default of our platform, the coin holders will always be granted access to their funds held with third parties (e.g. Banks, vaults).

- 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?**

Yes, pricing and market making is done by working with several brokers.

- vi. **Which participants can see which transactions? What is the data and metadata available, and to whom? How does this impact privacy?**

- vii. **Are you doing anything with formal verification? Smart contracts used?**

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

N/A

- ix. **Can we make this automated?**

1. **Do we use a smart contract, or network rules of the blockchain operators?**

N/A

e. Regulation

- i. **What are your perceptions of local and global regulation in supporting stable coin, asset backed token economies?**

It is growing and becoming more and more sophisticated.

- ii. **What could be done to improve regulation in terms of speed, quality, value for your company?**

Declined to answer due to current trade secret

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<sup>1</sup> [https://en.wikipedia.org/wiki/Black\\_swan\\_theory](https://en.wikipedia.org/wiki/Black_swan_theory)

f. Testing

i. **What kind of simulations have you done and what have they helped you learn? (simulating broad array of market conditions)**

Declined to answer due to current trade secret

- 1. Mental models for simulations**
- 2. Econometric models**
- 3. Agent-based Modelling / Computer simulations**
- 4. Other (Please describe)**