



Interim Protocol Governance Policy

Pi Technologies Ltd. (“Pi”)

Owner: Chief Executive Officer

Effective date: September 2025

Review and Approval Version Control

Date(s)	Version	Change Summary	Author
17 September 2025	2024.1	Initial Publication and CEO Approval	Avtar Sehra, CEO

Scope: Applies to STBL Protocol governance functionality.

Pi, and its affiliates and subsidiaries, if any, develops a free and open-source blockchain transaction protocol software for use by third parties (the “STBL Protocol”) and associated governance token “STBL.” Adherence to applicable legal requirements for the publication and development of blockchain software, including, without limitation, U.S. securities laws, is an important part of ensuring that the STBL Protocol can be adopted by developers across the world and supported by virtual asset service providers including, *inter alia*, cryptocurrency exchanges.

This policy sets out the current design principles informing the protocol governance features of the STBL Protocol. Chief among Pi’s priorities in protocol design are to ensure that the protocol does not constitute a security in the eyes of U.S. or international regulators.

To that end, the STBL protocol’s governance features are to be designed, as far as possible, to avoid generating guaranteed yield or any type of promised return for holders and are to be designed so that functionality and features are limited to protocol network governance only.

The below sets out the present state of Pi's thinking on STBL Protocol design. This policy will be updated as design proposals harden into specifications.

1. Principles

- **Utility & participation:** STBL is used to participate in network governance (proposals, signaling, and advisory votes).
- **No financial return:** STBL does not presently provide any staking functionality at TGE which would result in a financial return for users. STBL will never claim to offer a guaranteed or fixed rate of return. If protocol staking is enabled at a later date, it is probable that staking will serve as a mechanism for voting eligibility (and possibly for increasing voting power). If protocol staking is involved which generates additional STBL tokens this will be by way of decentralized staking.
- **Transparency:** All proposals, rationales, tallies, and decisions are published.
- **Security:** Wallet ownership is verified on-chain. Never share private keys or seed phrases.
- **No expectation of profits:** STBL will **never** offer guarantees or promises of yield. Governance participation and any incentives, if any, will be purely discretionary. Rewards and incentives will not be hard-coded into the STBL Protocol. STBL will, furthermore, not promise any rewards to holders of STBL tokens.
- **Staking or rewards for on-chain activity:** Not active at TGE, with no plan to implement currently on the roadmap. This functionality may be implemented in future as a result of a protocol governance vote, but prior to implementation any such features will be subject to a robust compliance review.
- **Eligibility:** Only addresses holding STBL may submit proposals or vote; eligibility is verified at submission or snapshot.

2. Roles

- **Token holders:** May submit proposals, ask questions, signal preferences, and participate in votes.
- **Foundation:** Curates proposals, ensures safety/compliance, runs the interim workflow, and enacts approved changes. The Foundation may reject or defer proposals that pose technical, legal, or security risks.
- **Editors (optional, appointed by Foundation):** Help standardize proposals into SIPs (STBL Improvement Proposals).

3. What token holders can vote on (initial scope)

- **Collateral onboarding:** Add/remove collateral types, risk parameters, and limits, subject to any compliance and risk management guardrails which STBL may implement in its sole discretion, to include any requirements of the GENIUS Act and any U.S. crypto market structure legislation.
- **Protocol fees & parameters:** Mint/burn fees, redemption spreads, and staking configuration (if any).

- Final approval: The Foundation retains final decision rights during the interim period but will publish a rationale if it diverges from the advisory vote.

4. How to submit a proposal (fast path)

- Step A – Typeform intake (any holder):
 - Complete the form via Typeform or other form intake with proposal details,
 - Details must include public address, title, full description and TXHash (below)
 - Your public address (must hold STBL at submission time), and
 - verification transaction hash.
- Step B – Wallet verification (proof of ownership):
 - Send a low-gas transaction from your address to the designated governance address `0x[governance-address]`.
 - Your address must hold STBL at transaction execution time
 - Paste the tx hash in the Typeform.
- Step C – Screening (Foundation):
 - Proposals are checked for relevance, safety, and compliance.
 - Accepted proposals are converted into SIP drafts.
 - The proposal is assigned an ID and converted into a formal **SIP (STBL Improvement Proposal)**.

5. SIP lifecycle (interim)

- **SIP Draft (D):** Editor formats the submission (problem, spec, parameters, risks, alternatives, testing/rollout).
- **RFC & Forum Discussion:** SIP-D posted to the community forum for 5–14 days.
- **Advisory Vote (Snapshot-style, off-chain tally):**
 - **Record block:** Announced with the vote so balances are measured at a fixed block height.
 - **Eligibility:** Only addresses holding STBL at the snapshot block may vote.
 - **Voting power:** 1 STBL = 1 vote. Locked (staked) STBL counts.
 - **Quorum:** $\geq 4\%$ of circulating STBL (configurable).
 - **Pass threshold:** Simple majority ($\geq 50\%$) of votes cast.
- **Foundation Decision & Rationale:** Within 7 days after the vote, the Foundation posts one of: Approve, Approve with modifications, Defer, or Reject, including a clear rationale and, if approved, the execution plan & timeline.

6. Anti-Sybil & integrity measures

- One address, one verification.
- Proposers must disclose material conflicts.
- Duplicate proposals may be merged.

7. Interim staking (governance lock)

- It is most likely that staking will be implemented as a simple tool for governance alignment with no generation of rewards.
- Locked STBL required for STBL balances to count in protocol governance votes.
- Foundation may grant discretionary governance participation rewards (not financial returns).
- Rewards, if any, will be manually calculated and published with on-chain proofs.
- For the time being, the only reward planned is that locked STBL can vote.
- Protocol staking which generates tokens may be implemented at a future date but is not presently active at TGE or on the roadmap.

8. Transparency & publishing

- All proposals, SIPs, votes, and outcomes will be published on the forum, docs, governance address, and dashboards.

9. Code of conduct

- Be respectful; argue ideas, not people.
- No unlawful or dishonest conduct, doxxing, hate speech, spam, or manipulation.
- Violations may lead to removal from governance discussions.

10. Privacy

- Typeform collects only minimal required data.
- Typeform will never collect private keys or seed phrases.
- Typeform will make express reference to Privacy Policy for data handling.

11. Amendments

- Policy or terms of service will be publicly posted and may be updated by the Foundation with 7 days' notice for security, legal, or operational reasons.

12. Roadmap to full on-chain governance

- Deploy on-chain proposal creation and voting.
- Automated staking or other rewards for engaging in bona fide on-chain activity may be hard-coded into the protocol by user vote, but is not presently active at TGE or on the roadmap. Foundation veto limited to emergencies.
- Expanded frameworks for risk and parameter management.

13. Queries & Support

For any questions, clarifications, or support regarding governance processes, proposals, or staking, implement the following procedure:

- Email us at **governance@stbl.com**
- We aim to respond within **14 business days**
- Please include your **wallet address** (if relevant) and reference the **proposal ID** or **staking transaction hash** to help us assist you efficiently

Signed: 

By: Avtar Sehra, CEO

Date: 17 Sep 2025