

# Welcome to Unslashed!

This is our policy covering the dollar peg stability for UST. We want to make sure that you understand what you're paying for, so here we are.

Please feel free to contact us if you have any questions. We'll always be happy to help. Let's go!

## What's insured?

Any wallet address which contains the insurance token **PTKN\_UST**, issued by the smart contract address **0xe2B532515aff5DfeB88dED719B983b797204c1Af**

Or any UST or representation of UST supplied directly as liquidity or deposited in a decentralized exchange or to which there is an exposure through a cross chain protocol (ie. Orion Money), or any UST or representation of UST held on a centralized, a Terra wallet or any other blockchain wallet, of which ownership prior to the policy period can be proven through deposits, message signing, trading activity, any onchain transactions or other verifiable means.

## What's covered?

UST is a stablecoin pegged to the US dollar. It happens that UST trades above or below the peg.

Your claim may be accepted under this policy if:

- the loss is related to UST-US dollar peg, UST trading below \$0.87 on CMC, Coingecko or other reputable sources; and
- the loss on UST-US dollar peg results in a TWAP, based on market data extracted from reputable sources, below \$0.87 in a two-week span at least; and
- the loss occurred during the policy period.

## What's our policy period?

The policy begins after an initial waiting period of 10 days that starts as soon as the insurance token **PTKN\_UST**, related to the smart contract address **0xe2B532515aff5DfeB88dED719B983b797204c1Af** is in the insured wallet. Losses resulting from events starting or taking place before or during the waiting period are not covered by this policy.

Users are encouraged to rebalance their cover as ETH price might vary over time. Newly added covers as part of regular rebalancings performed by a wallet are not subject to the initial waiting period. Regular rebalancings are defined as happening every 2 to 4 weeks.

The policy ends:

- as soon as the insured wallet doesn't contain the aforementioned insurance token anymore.

The time unit is in block numbers.

### **How much is covered?**

The amount we cover depends on the quantity of insurance tokens the insured wallet holds. A clearly specified quantity of tokens matches a definite amount in Ether that falls under our coverage. The ratio between the quantity of tokens and the covered amount changes every cycle according to a formula described in our documentation. The length of one cycle is 30 days starting from the end of the previous cycle. The first cycle started at the contract's deployment. Please check your covered amount and rollover date of cycle on your User Interface.

### **How much premium do I pay?**

The premium you'll need to pay is determined algorithmically and depends on supply and demand for this policy, always varying between a minimum price and a maximum price. The premium price is a percentage of the sum that is covered in Ether (ETH). The minimum premium price amounts to **0.5%** per year and the maximum premium price amounts to **12%** per year. A target fair pricing range for this policy is defined between **2.5%** per year and **3%** per year.

### **Do I need to submit a claim?**

You are required to submit a claim as soon as the loss occurs and provide all necessary information.

You are required to provide us with truthful pieces of information, otherwise your claim will be rejected.

### **Are there any exclusions?**

In no case whatsoever will your loss be covered if:

- it is due to the operation of a computer virus, a phishing attack, a hack or any other malicious activity where the UST smart contracts and the Terra blockchain continued to behave as intended (e.g. a bridge smart contract being hacked); or
- it is related to a hacked Smart Contract Network for which a hack or bug has been made public before the beginning of the policy period; or
- it is due to a false business logic in the code which entailed a bug an arbitrageur was able to exploit; or
- it is due to external inputs such as oracles - including price feed manipulation - or miner behavior, network congestion, etc. which didn't operate as intended but the covered UST Smart Contracts and the Terra blockchain continued to behave as intended; or
- it is related to an attack vector which was communicated in any official documentation; or
- it is related to the act of breaking trust assumption, whether through decentralized governance or admin key abuse; or
- it is related to a smart contract or set of smart contracts which was generated for the sole purpose of submitting a claim and getting cover, and not to be used by other users.

**We're almost done!**

**Amendments & Additions**

We may change this insurance policy in order to make it match new market circumstances when necessary. You'll always be able to check the updated policy.

### **Arbitration & Complaints**

We do our utmost to provide you with the insurance you need. The claim process is supervised by Kleros, the world's first decentralized court. Kleros is a trustless dispute resolution system that guarantees security, fairness and transparency.

**Well, now we're done. Thanks!**

We've tried to give you all the information you need in the shortest possible way. If anything remains unclear, please let us know.

Sincerely,

The Unslashed Team  
Unslashed.finance

### **Appendix**

Smart Contracts Networks are defined as sets of Smart Contracts designed to work together and deployed as part of one same protocol or application.