0001
 1 THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 2
 3 In the Matter of:)
 4   ) File No. HO-14164
 5 MIRROR PROTOCOL   ) Amended: 8/7/2023
 6
 7 SUBJECT: JihoonKim Seongsu-dong2(i)-ga6_HO-
 8   14164_ARCHIVE-000005053.mp4
 9 PAGES: 1 through 53
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16   AUDIO TRANSCRIPTION
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24   Diversified Reporting Services, Inc.
25   (202) 467-9200
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 1   P R O C E E D I N G S
 2 JihoonKim Seongsu-dong2(i)-ga6_HO-14164_ARCHIVE-
 3 000005053.mp4
 4   AARON MYUNG: Hold on. Cool. Yeah. Um. Just
 5 looking to, like, crypto stuff, other businesses, like,
 6 there's a lot of uh various ideas. Um. Yeah, so it would be
 7 like, actually like announcing to the org in the coming days
 8 that I'm going to take um a leave of absence.
 9   JIHOON KIM: Mm-hmm.
10   AARON MYUNG: And that, basically um -- I spoke
11 with Dan yesterday.
12   JIHOON KIM: Mm-hmm.
13   AARON MYUNG: And the plan is to get
14 investment from Chai for venture connected to more of
15 the long-term.
16   JIHOON KIM: Mm-hmm.
17   AARON MYUNG: So um at least that's the plan. Um.
18 And yeah, I mean, it could be crypto related, it could
19 be non-crypto related --
20   JIHOON KIM: Mm-hmm.
21   AARON MYUNG: Um. You know, there's a lot of
22 different ways that it can go with that, but, um you know,
23 I have a very good understanding of the Port side and

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24   the system.
25            JIHOON KIM:  Mm-hmm.
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 1            AARON MYUNG:  I don't have any understanding
 2   on the Chai side.
 3            JIHOON KIM:  Mm-hmm.
 4            AARON MYUNG:  Um. In terms of, like, um you know,
 5   like, how -- how crypto is used --
 6            JIHOON KIM:  Mm-hmm.
 7            AARON MYUNG:  Like, how it has been used,
 8   like, uh you know, if there's -- you know, what the plans
 9   are for the future, if anything --
10            JIHOON KIM:  Mm-hmm.
11            AARON MYUNG:  Like, with architecture.  You
12   know, just, like, these assumptions, so --
13            JIHOON KIM:  Mm-hmm.
14            AARON MYUNG:  -- that, like, I can think --
15   you know, I think as we talk about it, I'll probably
16   be, like, okay, here's an idea, there's an idea.
17            JIHOON KIM:  Mm-hmm.
18            AARON MYUNG:  You know?
19            JIHOON KIM:  Sure.
20            AARON MYUNG:  So, like, maybe if we could
21   just, like, whiteboard --
22            JIHOON KIM:  Mm-hmm.
23            AARON MYUNG:  Um.  It would be a lot easier than,
24   like, um talking --
25            JIHOON KIM:  Mm-hmm.
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 1            AARON MYUNG:  Well, we'll talk while
 2   whiteboarding.
 3            JIHOON KIM:  Mm-hmm.  Mm-hmm.
 4            AARON MYUNG:  Yeah.
 5            JIHOON KIM:  Mm-hmm.  (Inaudible).  So, there
 6   are two parts -- two main parts that --
 7            AARON MYUNG:  Yeah.
 8            JIHOON KIM:  (Inaudible) connected.
 9            AARON MYUNG:  Mm-hmm.
10            JIHOON KIM:  So, one is mirroring the
11   transaction.  So how TX --
12            AARON MYUNG:  Mm-hmm.
13            JIHOON KIM:  is mirrored.
14            AARON MYUNG:  Mm-hmm.  So, like, why is this
15   mirrored, as opposed to, like, any other -- like, and
16   what does it mean to be mirrored?
17            JIHOON KIM:  Oh --
18            AARON MYUNG:  Because I hear that term a lot.
19            JIHOON KIM:  Mm-hmm.  So -- transaction -- so,
20   in one transaction --
21            AARON MYUNG:  Mm-hmm.
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22              JIHOON KIM:  -- they -- instead of
23  transactions (inaudible) use payments here, so for a
24  payment to be processed --
25              AARON MYUNG:  Mm-hmm.
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 1              JIHOON KIM:  Um. So -- within -- within -- this is
 2  Chai -- so, within Chai --
 3              AARON MYUNG:  Yeah, yeah.
 4              JIHOON KIM:  There are three ledgers --
 5              AARON MYUNG:  Mm-hmm.
 6              JIHOON KIM:  -- that plays a major role --
 7              AARON MYUNG:  Mm-hmm.
 8              JIHOON KIM:  Which is merchant ledger -- so we
 9  give out a ledger to each and every merchant.
10              AARON MYUNG:  Okay.  Is that in our database,
11  or is that --
12              JIHOON KIM:  (Inaudible) this is in our
13  database.
14              AARON MYUNG:  Mm-hmm.
15              JIHOON KIM:  So it's, like, within our system.
16              AARON MYUNG:  Okay.  So in our database,
17  there's, like, a set of tables --
18              JIHOON KIM:  Yeah.
19              AARON MYUNG:  Or -- specifically each
20  merchant.
21              JIHOON KIM:  Yeah.  (Inaudible) tables
22  (inaudible) --
23              AARON MYUNG:  Okay.
24              JIHOON KIM:  (Inaudible) and there's a user
25  ledger.
0006
 1  03:12
 2              AARON MYUNG:  Mm-hmm.
 3              JIHOON KIM:  And there, uh there is a Chai ledger.
 4              AARON MYUNG:  Oh, so this is the -- the PR key
 5  (phonetic)?
 6              JIHOON KIM:  Yeah.
 7              AARON MYUNG:  Okay.
 8              JIHOON KIM:  The PR key, or --
 9              AARON MYUNG:  Yeah
10              JIHOON KIM:  -- or KRW.
11              AARON MYUNG:  Okay, KRW.
12              JIHOON KIM:  Mm-hmm.
13              AARON MYUNG:  Okay.  So Chai (inaudible) KRW.
14  Okay.
15              JIHOON KIM:  (Inaudible) so far.  So whenever
16  user purchase -- let's say (inaudible) --
17              AARON MYUNG:  Mm-hmm.
18              JIHOON KIM:  And so this is a checkout amount.
19              AARON MYUNG:  Okay.
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20          JIHOON KIM:  And there's a um charging amount,
21   and there's a billing amount.
22          AARON MYUNG:  Mm-hmm.
23          JIHOON KIM:  And there's a discount amount.
24          AARON MYUNG:  Okay.
25          JIHOON KIM:  So while charging is the amount
0007
 1   we charge a user's bank.
 2          AARON MYUNG:  Mm-hmm.
 3          JIHOON KIM:  And billing is basically the
 4   checkout minus um charging.
 5          AARON MYUNG:  So this is for the card
 6   transactions, right?
 7          JIHOON KIM:  It's for every transaction.
 8          AARON MYUNG:  Or is it for all -- okay.  So
 9   card or wallet.
10          JIHOON KIM:  Mm-hmm.
11          AARON MYUNG:  Okay.
12          JIHOON KIM:  And discount -- this is uh coupon,
13   cash back.
14          AARON MYUNG:  Mm-hmm.
15          JIHOON KIM:  And charging -- and there is a --
16   let's say um Chai money as well.
17          AARON MYUNG:  Okay.
18          JIHOON KIM:  So --
19          AARON MYUNG:  And Chai money is uh the Chai
20   ledger?  Or, like, what does Chai money --
21          JIHOON KIM:  Chai money --
22          AARON MYUNG:  -- mean --
23          JIHOON KIM:  -- of user.
24          AARON MYUNG:  Chai money of user --
25          JIHOON KIM:  (Inaudible) user.  So, Chai
0008
 1   money.
 2          AARON MYUNG:  Okay.
 3          JIHOON KIM:  So, like (inaudible) user don't
 4   have any Chai money, so user ledger starts from zero.
 5          AARON MYUNG:  Mm-hmm.
 6          JIHOON KIM:  So, again, one transaction, say
 7   it's -- checkout amount is not (inaudible).
 8          AARON MYUNG:  Mm-hmm.
 9          JIHOON KIM:  Then since there is no -- so we
10   deduct a user's Chai money.
11          AARON MYUNG:  Mm-hmm.
12          JIHOON KIM:  Whatever user has in the ledger.
13          AARON MYUNG:   Mm-hmm.
14          JIHOON KIM:  So, in this case, user has no
15   Chai money at that moment.  So we charge -- so we charge
16   (inaudible).
17          AARON MYUNG:  So this user ledger and merchant
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18   ledger -- like, we just keep it -- track of it in our
19   database, uh and then, like, once a month or once a
20   quarter, we settle with them --
21   JIHOON KIM: We settle with them --
22   AARON MYUNG: -- by depositing like, Korean
23   Won to them to their bank account, or --
24   JIHOON KIM: Yeah. To --
25   AARON MYUNG: So, like, they (inaudible) with
0009
 1   us, with a bank account, right, and then --
 2   JIHOON KIM: Uh-huh.
 3   AARON MYUNG: -- we manage the the transactions --
 4   that's, like -- that's going to them, right, let's say
 5   if it's TMON (phonetic) --
 6   JIHOON KIM: Mm-hmm.
 7   AARON MYUNG: -- transaction going through
 8   TMON --
 9   JIHOON KIM: So that's another -- there's a
10   (inaudible) table called settlement.
11   AARON MYUNG: Okay.
12   JIHOON KIM: So therefore (inaudible) date --
13   AARON MYUNG: Mm-hmm.
14   JIHOON KIM: And (inaudible) settle date --
15   AARON MYUNG: Mm-hmm.
16   JIHOON KIM: So this is today.
17   AARON MYUNG: Mm-hmm.
18   JIHOON KIM: And every day --
19   AARON MYUNG: Mm-hmm.
20   JIHOON KIM: -- there -- the worker --
21   AARON MYUNG: Mm-hmm.
22   JIHOON KIM: (Inaudible).
23   AARON MYUNG: Mm-hmm.
24   JIHOON KIM: And calculate the settled amount.
25   AARON MYUNG: Mm-hmm.
0010
 1   JIHOON KIM: And the way settled amount is
 2   calculated --
 3   AARON MYUNG: Mm-hmm.
 4   JIHOON KIM: Is -- so D minus N --
 5   AARON MYUNG: Mm-hmm.
 6   JIHOON KIM: Which is settle peer.
 7   AARON MYUNG: Mm-hmm.
 8   JIHOON KIM: So looks for -- first looks for
 9   um every TX -- so in this case it's --
10   AARON MYUNG: Mm-hmm.
11   JIHOON KIM: -- transaction. So there's
12   another table called transaction. And this is highly
13   tangled to the ledger table. So this how (inaudible) so
14   the -- so it looks for the transaction --
15   AARON MYUNG: Mm-hmm.

16   JIHOON KIM: -- of the merchant.
17   AARON MYUNG: Mm-hmm.
18   JIHOON KIM: And D minus N.
19   AARON MYUNG: Okay. So this is all in our
20   database, right?
21   JIHOON KIM: Yeah, everything is Chai.
22   AARON MYUNG: Okay. So, like -- like, at what
23   point does, uh like, Terra and KRT come into play? Um.
24   JIHOON KIM: So, like, this is settled, so
25   this -- let's um, let's skip settle. (Inaudible).
0011
 1   07:20
 2   AARON MYUNG: I'm just trying to understand,
 3   like, the crypto --
 4   JIHOON KIM: Mm-hmm.
 5   AARON MYUNG: -- side of this.
 6   JIHOON KIM: Yeah.
 7   AARON MYUNG: Yeah.
 8   JIHOON KIM: So, like, actually, there's no
 9   crypto going on within Chai.
10   AARON MYUNG: Mm-hmm.
11   JIHOON KIM: It's (inaudible) in Mirror.
12   AARON MYUNG: Okay. So, basically, like, uh with
13   -- we have user accounts and we have, like, merchant
14   accounts. And this ledger is between users and
15   merchants. And we keep the ledger of settlements such
16   that at a certain settlement period, we calculate how
17   much we owe them and we send them through a bank
18   transfer?
19   JIHOON KIM: Yes.
20   AARON MYUNG: Like, is it once a month, or,
21   once a quarter?
22   JIHOON KIM: We're settled?
23   AARON MYUNG: Yeah.
24   JIHOON KIM: So, settle -- we settle every
25   day.
0012
 1   AARON MYUNG: Every -- every day?
 2   JIHOON KIM: Uh-huh. It's just D plus N.
 3   AARON MYUNG: Oh, okay. So, I mean, like
 4   (inaudible) let's say we did, like, a boost (phonetic)
 5   campaign and stuff, like -- so, is boost campaign
 6   different from, like, these --
 7   JIHOON KIM: Uh-huh.
 8   AARON MYUNG: -- (inaudible) transactions?
 9   JIHOON KIM: Uh-huh
10   AARON MYUNG: Completely separate?
11   JIHOON KIM: Yeah. Complete separate. It's
12   all just transactions. Boost is calculated in -- boost
13   is using, like, different tables and different

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14    settlement period.
15             AARON MYUNG:  Is boost mirrored as well, or is
16    that just completely separate?
17             JIHOON KIM:  I mean, boost is part of discount
18    amount.  So there is a discount amount.
19             AARON MYUNG:  Mm-hmm.
20             JIHOON KIM:  And there's a cashback amount.
21             AARON MYUNG:  Mm-hmm.
22             JIHOON KIM:  And --
23             AARON MYUNG:  How is that different?  Discount
24    and --
25             JIHOON KIM:  Discount is -- is amount that is
0013
 1    discounted by coupon.
 2             AARON MYUNG:  Mm-hmm.
 3             JIHOON KIM:  And this is a boost.
 4             AARON MYUNG:  I see.
 5             JIHOON KIM:  And the -- the way we deduct the
 6    charging or the billing amount is different in each
 7    scenario.  So we deduct discount before transaction
 8    happens.
 9             AARON MYUNG:  Mm-hmm.
10             JIHOON KIM:  And we give back the cashback
11    amount after the transaction.
12             AARON MYUNG:  So, like, basically -- okay, so,
13    like -- like, I guess boost is not relevant to the
14    crypto thing.
15             JIHOON KIM:  No.
16             AARON MYUNG:  It's really more for the wallet
17    transactions, right?
18             JIHOON KIM:  Or --
19             AARON MYUNG:  For --
20             JIHOON KIM:  Just --
21             AARON MYUNG:  For (inaudible) --
22             JIHOON KIM:  Yeah.
23             AARON MYUNG:  Just payment in general.
24             JIHOON KIM:  (Inaudible).
25             AARON MYUNG:  The transaction level --
0014
 1             JIHOON KIM:  Yes.  (Inaudible) payment.
 2             AARON MYUNG:  Mm-hmm.
 3             JIHOON KIM:  Checkout comes in.
 4             AARON MYUNG:  Mm-hmm.
 5             JIHOON KIM:  And we um calculate um charging amount.
 6             AARON MYUNG:  Mm-hmm.
 7             JIHOON KIM:  Which is checkout --
 8             AARON MYUNG:  So if --
 9             JIHOON KIM:  (Inaudible).
10             AARON MYUNG:  If Terra -- if the KRT were to
11    completely disappear, then, like, Chai would just keep
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12   on running, like, just fine?
13            JIHOON KIM:  Yeah.
14            AARON MYUNG:  Mm-hmm.
15            JIHOON KIM:  So -- so we just write whatever
16   whenever that amount here.
17            AARON MYUNG:  Mm-hmm.
18            JIHOON KIM:  And let's say -- so this is --
19   this could be P1 or P2, um merchant sold something worth
20   (inaudible) user had a (inaudible) coupon.
21            AARON MYUNG:  Mm-hmm.
22            JIHOON KIM:  So we pay for the coupon and user
23   only pays for the amount.
24            AARON MYUNG:  So I'm missing like -- like, a
25   long time ago, though, like, when, uh you know -- like,
0015
 1   when KRT Top Up (phonetic) stuff as possible, right?
 2   Like, those (inaudible) possible --
 3            JIHOON KIM:  So, like, they were two different
 4   topics.
 5            AARON MYUNG:  Uh-huh.
 6            JIHOON KIM:  The bear (inaudible) is
 7   different.
 8            AARON MYUNG:  Okay.
 9            JIHOON KIM:  So bear is the -- whatever -- so,
10   like, money goes -- so the -- how the money flow --
11            AARON MYUNG:  Uh-huh.
12            JIHOON KIM:  -- is first um users --
13            AARON MYUNG:  Uh-huh.
14            JIHOON KIM:  -- bank -- so let's say from --
15            AARON MYUNG:  Uh-huh --
16            JIHOON KIM:  -- user's bank to user's ledger.
17            AARON MYUNG:  Mm-hmm.
18            JIHOON KIM:  And if -- if discount --
19            AARON MYUNG:  Mm-hmm.
20            JIHOON KIM:  -- or if um cashback --
21            AARON MYUNG:  Mm-hmm.
22            JIHOON KIM:  Let's -- let's just focus
23   (inaudible) discount.  Um.  So if discount from Chai's --
24            AARON MYUNG:  Mm-hmm.
25            JIHOON KIM:  -- ledger --
0016
 1   11:05
 2            AARON MYUNG:  Mm-hmm.
 3            JIHOON KIM:  -- to merchant --
 4            AARON MYUNG:  Mm-hmm.
 5            JIHOON KIM:  -- ledger --
 6            AARON MYUNG:  Mm-hmm.
 7            JIHOON KIM:  And the amount is -- um charging
 8   amount.
 9            AARON MYUNG:  Mm-hmm.
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10          JIHOON KIM:   (Inaudible) two, and this is
11   discount --
12          AARON MYUNG:  Mm-hmm.
13          JIHOON KIM:   -- two.  And three, from user's
14   ledger --
15          AARON MYUNG:  Mm-hmm.
16          JIHOON KIM:   -- to merchant ledger, and this
17   is um billing amount.
18          AARON MYUNG:  Okay.  So, like, let's say that uh
19   -- so, like -- like, the top -- so, like, when the Top
20   Ups are happening, like last year, right -- so
21   basically, you would top up these KRT tokens --
22          JIHOON KIM:   Mm-hmm.
23          AARON MYUNG:  Which uh -- like, at that time --
24   so, like, with (inaudible) right --
25          JIHOON KIM:   Mm-hmm.
0017
 1          AARON MYUNG:  But now -- but, like, long time
 2   ago (inaudible) basically, with Senior Ridge (phonetic)
 3   you would allow from Terra to (inaudible) --
 4          JIHOON KIM:   Mm-hmm.
 5          AARON MYUNG:  To top up onto the Chai app.
 6          JIHOON KIM:   Mm-hmm.
 7          AARON MYUNG:  Right?
 8          JIHOON KIM:   Okay.
 9          AARON MYUNG:  So the KRT tokens, right --
10          JIHOON KIM:   Uh-huh.
11          AARON MYUNG:  So, like uh -- and then uh once you
12   had the KRT tokens, you could send the KRT tokens to the
13   merchant, right?
14          JIHOON KIM:   Um, um.  That's the overview concept.
15          AARON MYUNG:  Uh-huh.
16          JIHOON KIM:   But actually there's um -- we don't
17   need to really transact KRT from Terra to Chai.  So it's
18   -- so that -- so this is how, like -- so, what I was
19   going to um describe here is that every -- so, there are at
20   least two actions --
21          AARON MYUNG:  Mm-hmm.
22          JIHOON KIM:   -- for the -- every payment.
23          AARON MYUNG:  Mm-hmm.
24          JIHOON KIM:   And we send this action -- like,
25   this from --
0018
 1          AARON MYUNG:  Mm-hmm.
 2          JIHOON KIM:   -- to amount --
 3          AARON MYUNG:  Mm-hmm.
 4          JIHOON KIM:   -- to the server, called LP.  So
 5   this is still in Chai.
 6          AARON MYUNG:  Mm-hmm.
 7          JIHOON KIM:   And LP is just one small server
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 8   that resides somewhere in our um server.
 9             AARON MYUNG:  Mm-hmm.
10             JIHOON KIM:  And its job is to send uh this
11   transaction data to Terra -- a node.  So, this is
12   (inaudible) every node.
13             AARON MYUNG:  Mm-hmm.
14             JIHOON KIM:  And it's their job to write or
15   (inaudible) create a block for these.  So this is how
16   Mirror -- so for every action --
17             AARON MYUNG:  Mm-hmm.
18             JIHOON KIM:  -- that is sent to LP --
19             AARON MYUNG:  Mm-hmm.
20             JIHOON KIM:  -- LP's job to tell Terra Tmon or
21   GOAT (phonetic) --
22             AARON MYUNG:  Mm-hmm.
23             JIHOON KIM:  -- to um verify this --
24             AARON MYUNG:  So this is a mirroring process
25   right here?
0019
 1             JIHOON KIM:  Yeah.  This is Mirror --
 2             AARON MYUNG:  Okay.
 3             JIHOON KIM:  So there's a blockchain.
 4             AARON MYUNG:  Mm-hmm.
 5             JIHOON KIM:  So this is how --
 6             AARON MYUNG:  So basically the blockchain is
 7   used to -- uh like, as a copy of the transaction going
 8   on --
 9             JIHOON KIM:  Mm-hmm. It's a copy.
10             AARON MYUNG:  -- through Chai --
11             JIHOON KIM:  Mm-hmm.
12             AARON MYUNG:  Between the users and the
13   merchants.
14             JIHOON KIM:  User, merchant, and Chai --
15             AARON MYUNG:  So it's not the transactions
16   themselves, it's -- always so, like, I had  thought that,
17   like -- like, basically users had the KRT on their wallets.
18             JIHOON KIM:  Mm-hmm.
19             AARON MYUNG:  They were sending KRT tokens --
20             JIHOON KIM:  Mm-hmm.
21             AARON MYUNG:  And then, like, the transaction um
22   -- like, the -- like, the finality of the transaction
23   was through the blockchain and our Chai service was
24   mirroring the block chain, not the other way around.
25             JIHOON KIM:  Mm-hmm.
0020
 1             AARON MYUNG:  Like -- like, why would
 2   (inaudible) like, the other way around?
 3             JIHOON KIM:  I mean, like, using blockchain --
 4             AARON MYUNG:  Uh-huh.
 5             JIHOON KIM:  -- on the payment --
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 6              AARON MYUNG:  Mm-hmm.
 7              JIHOON KIM:  It's not legal yet.
 8              AARON MYUNG:  Oh.
 9              JIHOON KIM:  Mm-hmm.  Because, like, you can
10   laundry your money in chain.
11              AARON MYUNG:  I see.  So it was a legal
12   decision.
13              JIHOON KIM:  Yeah.  It was a legal
14   decision, like  We couldn't afford to have blockchain
15   technology within our transaction --
16              AARON MYUNG:  Like, that's the flow of the
17   transaction --
18              JIHOON KIM:  Uh-huh.  So, like, we just cut
19   the tag here.
20              AARON MYUNG:  So -- so this -- is this, like,
21   the, kind of, basis of why Terra and Chai split?  Like,
22   these type of issues?
23              JIHOON KIM:  Mm-hmm.  Because, like, there's
24   no legal way --
25   15:21
0021
 1              AARON MYUNG:  Mm-hmm.
 2              JIHOON KIM:  -- for us to be --
 3              AARON MYUNG:  So then Chai was more, like,
 4   credit cards and banking --
 5              JIHOON KIM:  Credit cards and banking --
 6              AARON MYUNG:  And Terra like -- like, all out
 7   blockchain --
 8              JIHOON KIM:  Yeah, it's a FinTech blockchain.
 9              AARON MYUNG:  I see.
10              JIHOON KIM:  Mm-hmm.
11              AARON MYUNG:  And this happened, like -- like,
12   last (inaudible) around October-ish.
13              JIHOON KIM:  Um.  October of -- October of 2019.
14              AARON MYUNG:  Yeah.
15              JIHOON KIM:  Yeah, so, like early last year --
16              AARON MYUNG:  Yeah.
17              JIHOON KIM:  (Inaudible) right?
18              AARON MYUNG:  Yeah.  There was, like, a period
19   of a few months where I was talking to (inaudible) I met
20   Justin (inaudible) --
21              JIHOON KIM:  (Inaudible).
22              AARON MYUNG:  -- the whole time, so, like --
23              JIHOON KIM:  Yeah, yeah, yeah.
24              AARON MYUNG:  But like maybe talking about, like,
25   oh, we're going to split.  We're going to split.
0022
 1              JIHOON KIM:  Yeah.
 2              AARON MYUNG:  And then, like, we finally
 3   split.
```

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 4              JIHOON KIM:  Finally -- we did, yeah.  And it
 5   was because of mostly the legal issue.
 6              AARON MYUNG:  I see.  So, like, basically --
 7              JIHOON KIM:  (Inaudible) this type of loop
 8   here.
 9              AARON MYUNG:  I see.
10              JIHOON KIM:  Uh-huh.
11              AARON MYUNG:  So, like, was the intent to, you
12   know -- like, was the intent to get the actual
13   transactions -- get finality through the blockchain
14   itself?
15              JIHOON KIM:  Yeah.
16              AARON MYUNG:  But that was the original intent,
17   right?
18              JIHOON KIM:  Yes.  And we have a service
19   called MimiPay (phonetic) --
20              AARON MYUNG:  Uh-huh.
21              JIHOON KIM:   -- up and running in Mongolia.
22   Which uses the blockchain as their transaction system
23   directly.
24              AARON MYUNG:  Okay.
25              JIHOON KIM:  Uh-huh.
0023
 1              AARON MYUNG:  So, uh for MimiPay, it's using the
 2   blockchain for payment --
 3              JIHOON KIM:  Uh-huh.
 4              AARON MYUNG:  For Chai, it never used
 5   blockchain for payment.
 6              JIHOON KIM:  Mm-hmm.
 7              AARON MYUNG:  So for MimiPay it used the
 8   blockchain for payment --
 9              JIHOON KIM:  Mm-hmm.
10              AARON MYUNG:  But Chai didn't use the
11   blockchain --
12              JIHOON KIM:  No.  And it takes, like, at least
13   three seconds --
14              AARON MYUNG:  I see.  You know -- like, I --
15   like, and actually noticed that it's possible to still
16   use Terra though.  Like (inaudible) limit though.  Like,
17   why -- why is there a limited amount?
18              JIHOON KIM:  That's the (inaudible).
19              AARON MYUNG:  Huh?
20              JIHOON KIM:  That's the long (phonetic).
21              AARON MYUNG:  Oh, that's the long.
22              JIHOON KIM:  That we didn't much aware of.  We
23   weren't really aware until we actually launched it.
24              AARON MYUNG:  Oh, okay.  So this is probably
25   (inaudible) where it's like, hey, well, we can do KRT,
0024
 1   but has to be (inaudible).
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 2            JIHOON KIM:   (Inaudible) yeah (inaudible).
 3            AARON MYUNG:  Okay.
 4            JIHOON KIM:   So the -- how the Top Up works is
 5  -- it's very simple actually.  It's Top Up like Terra.
 6            AARON MYUNG:  Mm-hmm.
 7            JIHOON KIM:   It's just another bank to us.
 8            AARON MYUNG:  Okay.
 9            JIHOON KIM:   Like --
10            AARON MYUNG:  Like, to our perspective.
11            JIHOON KIM:   Yeah.  To our perspective.
12            AARON MYUNG:  Obviously not a bank --
13  (Laughs).
14            JIHOON KIM:   So, like, how the Top Up API
15  works --
16            AARON MYUNG:  Uh-huh.
17            JIHOON KIM:   So -- user -- so that's in
18  mobile --
19            AARON MYUNG:  Mm-hmm.
20            JIHOON KIM:   Um.  Chai, Terra.
21            AARON MYUNG:  Mm-hmm.
22            JIHOON KIM:   And let's (inaudible)
23  blockchain --
24            AARON MYUNG:  Mm-hmm.
25            JIHOON KIM:   (Inaudible).  So it's (inaudible)
0025
 1  server.
 2            AARON MYUNG:  Mm-hmm.
 3            JIHOON KIM:   And (inaudible) it's a very
 4  simple request.
 5            AARON MYUNG:  Mm-hmm.
 6            JIHOON KIM:   Um.  First we request -- so, like,
 7  this is -- I think this is async.
 8            AARON MYUNG:  Uh-huh.
 9            JIHOON KIM:   I think it just create a hash,
10  and then -- then -- create a hash, and returns
11  (inaudible).  So let's -- let's -- let's put Top Up into
12  connect.
13            AARON MYUNG:  Mm-hmm.
14            JIHOON KIM:   And then actual Top Up.  So this
15  is how we connect the wallet --
16            AARON MYUNG:  Uh-huh.
17            JIHOON KIM:   So, um the mobile request -- so it
18  kind of opens up the webpage --
19            AARON MYUNG:  Mm-hmm.
20            JIHOON KIM:   (Inaudible) so it's a web app.
21  So it just opens a web app, and web app requested to
22  Chai.
23            AARON MYUNG:  Mm-hmm.
24  19:07
25            JIHOON KIM:   And we give back some key.
```

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 1          AARON MYUNG:  Mm-hmm.
 2          JIHOON KIM:  And the key retrieved from Chai's
 3  server --
 4          AARON MYUNG:  Mm-hmm.
 5          JIHOON KIM:  It calls a Terra --
 6          AARON MYUNG:  Mm-hmm.
 7          JIHOON KIM:  -- request to connect wallet.
 8          AARON MYUNG:  Mm-hmm.
 9          JIHOON KIM:  And it creates hash -- and then
10  returns the hash.  And then um store --
11          AARON MYUNG:  Mm-hmm.
12          JIHOON KIM:  Returns it to the web.
13          AARON MYUNG:  Mm-hmm.
14          JIHOON KIM:  In store and we -- so this is
15  where the server creates a -- a Terra bank.
16          AARON MYUNG:  I see.  So --
17          JIHOON KIM:  (Inaudible).
18          AARON MYUNG:  So basically, like, Chai has a
19  wallet on uh -- such that when the user does this, Chai
20  will request to the blockchain for some funds, right?
21          JIHOON KIM:  Uh.  So, this is just connect.
22          AARON MYUNG:  Okay.  Yeah --
23          JIHOON KIM:  So when it first connect the
24  wallet --
25          AARON MYUNG:  Mm-hmm.
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```
 1          JIHOON KIM:  This is how the wallet is
 2  connected so --
 3          AARON MYUNG:  Okay.
 4          JIHOON KIM:  -- there's a web app in between
 5  the mobile and Chai.
 6          AARON MYUNG:  Mm-hmm.
 7          JIHOON KIM:  Check server --
 8          AARON MYUNG:  This is, like, on the Chai side,
 9  not the user --
10          JIHOON KIM:  Yeah.
11          AARON MYUNG:  Like, (inaudible) doesn't obtain
12  -- Chai does --
13          JIHOON KIM:  Yeah (inaudible) this is Chai,
14  and this is Terra.  Here --
15          AARON MYUNG:  And so this just reflects, like,
16  generation of money?  Like, you know, once you connect,
17  you top up to generate the money --
18          JIHOON KIM:  Uh-huh.
19          AARON MYUNG:  Then, like, the money appears on
20  the user's interface because on Chai's database --
21          JIHOON KIM:  Mm-hmm.
22          AARON MYUNG:  -- it -- you know, like, we
23  generate that money, right?  Through (inaudible)?
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24   Right?
25             JIHOON KIM:  Uh.  That could have been true, like,
0028
 1   year back.  But, like -- like, we don't transfer any
 2   funds through the um APIs.  Yeah.
 3             AARON MYUNG:  Oh --
 4             JIHOON KIM:  And so, for -- for banking --
 5             AARON MYUNG:  Uh-huh.
 6             JIHOON KIM:  -- we add -- we actually, before,
 7   like, normal banks --
 8             AARON MYUNG:  Uh-huh.
 9             JIHOON KIM:  (Inaudible) with normal banks, we
10   transfer money, and we settle the day after, or --
11             AARON MYUNG:  Yeah.
12             JIHOON KIM:  D -- D plus N.
13             AARON MYUNG:  Yeah, yeah.
14             JIHOON KIM:  But for the Terra, it's pretty
15   similar, but um -- so Top Up is much simple.
16             AARON MYUNG:  Uh-huh.
17             JIHOON KIM:  So um Top Up mobile, Chai server,
18   and then it just request for Top Up.  We just request
19   for Top Up, and that -- this is the black box -- it have
20   what happens in Terra.
21             AARON MYUNG:  Mm-hmm.
22             JIHOON KIM:  But with (inaudible) request, and
23   return --
24             AARON MYUNG:  Mm-hmm.
25             JIHOON KIM:  And at this moment, we just
0029
 1   update user's ledger --
 2             AARON MYUNG:  Mm-hmm.
 3             JIHOON KIM:  So, like, plus (inaudible) on
 4   that table.
 5             AARON MYUNG:  Mm-hmm.
 6             JIHOON KIM:  So -- I see.
 7             AARON MYUNG:  I see.  So, like, basically, like,
 8   whatever happens on Terra is a complete black box, but
 9   from Chai's perspective, like, we call Terra and then we
10   get a response back and say, okay, fine we'll credit
11   (inaudible) --
12             JIHOON KIM:  Yeah.
13             AARON MYUNG:  -- to (inaudible)?
14             JIHOON KIM:  And then we just collect all this
15   event --
16             AARON MYUNG:  Uh-huh.
17             JIHOON KIM:  On a monthly basis, and then we
18   charge Terra.
19             AARON MYUNG:  Okay.  So Terra actually pays
20   Chai --
21             JIHOON KIM:  Uh-huh.
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22          AARON MYUNG:  -- like, on a monthly basis --
23          JIHOON KIM:  Uh-huh.
24          AARON MYUNG:  -- for, like, the amount of --
25  the number (inaudible) Top Ups.
0030
 1          JIHOON KIM:  Yes, yes.
 2          AARON MYUNG:  I see.
 3          JIHOON KIM:  Mm-hmm.  So, like, with the KRT,
 4  it's transfer from user's wallet to the LP wallet.
 5          AARON MYUNG:  Uh-huh.
 6          JIHOON KIM:  Here.  Mm-hmm.  And then -- this
 7  is how Terra --
 8          AARON MYUNG:  Mm-hmm.
 9          JIHOON KIM:  Probably what Terra is doing --
10  and this -- sum of this action --
11          AARON MYUNG:  Mm-hmm.
12          JIHOON KIM:  -- should be equal to sum of this
13  credit.
14          AARON MYUNG:  Okay.  So, like, Top Up actually
15  is very simple, as you mentioned.  But uh so like -- like,
16  going back to, I guess, the transactions --
17          JIHOON KIM:  Mm-hmm.
18          AARON MYUNG:  If you (inaudible) like, to say um
19  -- like, had, like, a token -- um like, from your
20  experience, like, do you think it would be possible to,
21  you know, continue the direction that, you know, you --
22  I mean, like, is that, like, an impossible path?  Like,
23  I'm guessing you've tried every possible path to go down
24  23:28
25  that direction --
0031
 1          JIHOON KIM:  Mm-hmm.
 2          AARON MYUNG:  -- for doing, like, actual
 3  wallet --
 4          JIHOON KIM:  (Inaudible) token and
 5  transaction --
 6          AARON MYUNG:  For actual token transactions --
 7          JIHOON KIM:  Um.  It's more of a legal and business
 8  decision than engineering.
 9          AARON MYUNG:  Mm-hmm.
10          JIHOON KIM:  So um last year -- or early this
11  year, um Dow (phonetic) --
12          AARON MYUNG:  Mm-hmm.
13          JIHOON KIM:  -- used pay called Pay Token --
14          AARON MYUNG:  Mm-hmm.
15          JIHOON KIM:  -- in their transaction.
16          AARON MYUNG:  Mm-hmm.
17          JIHOON KIM:  And they had it up and running
18  for about three months.
19          AARON MYUNG:  Mm-hmm.
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20   JIHOON KIM: They turned it off after.
21   AARON MYUNG: Uh-huh.
22   JIHOON KIM: So I'm not sure what exactly
23 happened there.   But um in order for us to transact a
24 token, we would have to have different um legal entity --
25   AARON MYUNG: Mm-hmm.
0032
 1   JIHOON KIM: -- other than Chai --
 2   AARON MYUNG: Mm-hmm.
 3   JIHOON KIM: That acts as a -- like, just
 4 exchange for us.
 5   AARON MYUNG: Mm-hmm.
 6   JIHOON KIM: So we just give them KRW, and
 7 they give us -- they give us the -- the token.   And
 8 still we -- I think the way we would work is very
 9 similar to how Terra Top Up its stuff.
10   AARON MYUNG: Mm-hmm.
11   JIHOON KIM: So it's not -- I mean, using
12 token and using blockchain is a different.
13   AARON MYUNG: Mm-hmm.
14   JIHOON KIM: And using blockchain um -- it's
15 doable, but it's going to be slow.
16   AARON MYUNG: Yeah.
17   JIHOON KIM: So --
18   AARON MYUNG: So, like, basically um -- so, like
19 -- like, even if there weren't the legal issues, you're
20 saying that, because of the technical limitation of
21 speed --
22   JIHOON KIM: Mm-hmm.
23   AARON MYUNG: It would be not advisable to
24 actually use tokens as part of payment and settlement?
25   JIHOON KIM: As a payment settlement, not
0033
 1 really.
 2   AARON MYUNG: Like -- so, like --
 3   JIHOON KIM: But in the future, once we have
 4 bigger and more (inaudible) --
 5   AARON MYUNG: I mean, so like -- it basically
 6 means that this dream of the original Terra was, like,
 7 dead to begin with, then, because even if there were no
 8 legal issues, it's like -- it's absolutely not that
 9 functional.   Like, the centralized transaction system is
10 much more faster, more reliable, more, like, you know --
11 easier to settle --
12   JIHOON KIM: Easier to settle um -- it was much
13 faster, but -- because, like, two years ago, it's about,
14 like, 100 milliseconds to 6 seconds.   But, like, now the
15 way -- the time it takes to create a single block is
16 getting um much, much faster.   So -- and we can't even make
17 it down to two seconds for the Terra.

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18          AARON MYUNG:  I don't really understand Terra.
19   So, like, Terra doesn't have its own blockchain, right?
20   It's using other --
21          JIHOON KIM:  Terra is (inaudible).
22          AARON MYUNG:  Okay.
23          JIHOON KIM:  Mm-hmm.  (Inaudible).
24          AARON MYUNG:  For some reason, Justin said
25   that Terra doesn't have its own blockchain.  Like, I
0034
 1   don't think he understands what he's talking about.  So,
 2   like, basically, it's its own blockchain.  It's maybe,
 3   like, built on top of -- what is it -- something mint --
 4   (Laughs).
 5          JIHOON KIM:  Tether Mint (phonetic)?
 6          AARON MYUNG:  Yeah, yeah, yeah.  So it's,
 7   like, basically, like a fork of that?
 8          JIHOON KIM:  Uh-huh.  Uh-huh.  Uh-huh.
 9          AARON MYUNG:  I see.  So it was a fork of
10   that, and there's, like, nodes, who's validating --
11          JIHOON KIM:  Mm-hmm.
12          AARON MYUNG:  And then it's processing
13   transactions.  Is it possible to do, like -- is it, like
14   a Turing complete type of thing, or is it just, like,
15   basic transactions?
16          JIHOON KIM:  Um.  What is?
17          AARON MYUNG:  So, like, what type of
18   transactions can uh -- can the actual blockchain do?  Is
19   it, like, more like the Ethereum type of thing?  Or is
20   it more like a Bitcoin type of thing, in terms of, like,
21   the types of things you can do?
22          JIHOON KIM:  Uh um, um.  What blockchain -- what
23   blockchain does is create a -- a block.
24          AARON MYUNG:  Mm-hmm.
25          JIHOON KIM:  And the way of creating a block
0035
 1   is different from Ether and Bit.
 2          AARON MYUNG:  Mm-hmm.
 3          JIHOON KIM:  And I think you can utilize this
 4   chain technology in a way we want to.
 5          AARON MYUNG:  Mm-hmm.
 6          JIHOON KIM:  So, like, we could use it in
 7   transaction we could use it validating something.
 8          AARON MYUNG:  Mm-hmm.
 9          JIHOON KIM:  Just writing something, like --
10          AARON MYUNG:  Mm-hmm.
11          JIHOON KIM:  So, like, I'm not quite sure if I
12   understand your question.
13          AARON MYUNG:  Oh, no.  Like -- like, uh I'm not
14   really super sure -- like, because -- like, I actually
15   read the documentation for Terra, but, like, not
```

16   super --
17   JIHOON KIM: Mm-hmm.
18   AARON MYUNG: -- sure, like, what it does.
19   Like -- you know, with Ethereum, it's, like, a Turing
20   complete, where you can do any kind of computation, you
21   can write entire programs on it, right?
22   JIHOON KIM: Uh-huh. Yeah.
23   AARON MYUNG: Like, with enough cost. Like,
24   28:09
25   Bitcoin is, like, a super simple language, where it only
0036
1   supports, like, you know -- like, you know, inputs,
2   outputs, you know, sending, you know --
3   JIHOON KIM: Uh-huh.
4   AARON MYUNG: Like, that's literally all it
5   does. A very super simplified machine --
6   JIHOON KIM: Uh-huh.
7   AARON MYUNG: -- compared to Ethereum.
8   JIHOON KIM: Uh-huh.
9   AARON MYUNG: So I'm guessing, like, Terra's,
10   like, somewhere in between.
11   JIHOON KIM: Oh. I think Terra is more of
12   Ether,
13   AARON MYUNG: More of Ether?
14   JIHOON KIM: Yeah, I mean, the most of block
15   -- the most of chain projects --
16   AARON MYUNG: Mm-hmm.
17   JIHOON KIM: -- is on Ether.
18   AARON MYUNG: Mm-hmm.
19   JIHOON KIM: (Inaudible) Bitcoin.
20   AARON MYUNG: I see.
21   JIHOON KIM: Mm-hmm. It's just a difference
22   in um consensus -- creating a consensus. So Bit is proof
23   of power and Ether is proof of consensus.
24   AARON MYUNG: So, like, again, what point did um
25   -- like, like was that one of the reasons why, like, Dan and
0037
1   Do, like, was -- kind of went their separate ways, is
2   because -- so, like, I'm also asking in the context of,
3   like um, you know, there's a small chance I might go to the
4   Terra side as well.
5   JIHOON KIM: Mm-hmm.
6   AARON MYUNG: You know? So just kind of -- um
7   you know, like, you're, like, an insider, because, like,
8   you've been there for a while.
9   JIHOON KIM: Mm-hmm.
10   AARON MYUNG: Like um -- I don't know -- like,
11   what was, like, the reason behind -- so, like, apart
12   from, like, the legal stuff and stuff like that --
13   JIHOON KIM: Mm-hmm.

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14          AARON MYUNG:  Like, what -- like, was, like,
15   the business model and stuff like that just not working
16   out?
17          JIHOON KIM:  Mm-hmm.
18          AARON MYUNG:  Or, like, the -- what, you know,
19   Do had envisioned --
20          JIHOON KIM:  Uh-huh.
21          AARON MYUNG:  -- for Terra --
22          JIHOON KIM:  Uh-huh.
23          AARON MYUNG:  Like, was that kind of like the
24   main -- was, like, the visions kind of diverging, I
25   guess, or --
0038
 1          JIHOON KIM:  Yeah.
 2          AARON MYUNG:  -- just not possible?
 3          JIHOON KIM:  Yeah.  We thought that having
 4   (inaudible) having both tried Chai and Terra company --
 5          AARON MYUNG:  Mm-hmm.
 6          JIHOON KIM:  -- with creating a big synergy
 7   for us --
 8          AARON MYUNG:  Mm-hmm.
 9          JIHOON KIM:  And now the legal blocks -- now
10   finding out the legal blocks (inaudible) every
11   opportunity that Terra and Chai could work together --
12          AARON MYUNG:  Mm-hmm.
13          JIHOON KIM:  And then we found out -- we found
14   out that Terra and Chai both have its own, like, clear
15   path in front of us.
16          AARON MYUNG:  Mm-hmm.
17          JIHOON KIM:  And there's no -- so why not just
18   pursue each one's goal and vision --
19          AARON MYUNG:  Mm-hmm.
20          JIHOON KIM:  Which is by itself pretty --
21   um seems to be a good opportunity for us to pursue and to
22   set the (inaudible) --
23          AARON MYUNG:  So, you know, like, Do wasn't
24   able to achieve what he wanted with Chai, in terms of,
25   like, payment and settlement here, with the consumer
0039
 1   app.  But think he's still generally wanting to do that
 2   with Terra?
 3          JIHOON KIM:  Um.  I mean, the Chai was -- the
 4   reason we came up with Chai was to um create a very popular
 5   and simple -- to provide a simple way to -- for users --
 6          AARON MYUNG:  Mm-hmm.
 7          JIHOON KIM:  For, like, just average users,
 8   people, to utilize blockchain technology.
 9          AARON MYUNG:  Mm-hmm.
10          JIHOON KIM:  And so (inaudible) blockchain,
11   and there's a -- just world, and we thought the payment
```

12   could be a -- a solid bridge --
13   AARON MYUNG: Mm-hmm.
14   JIHOON KIM: -- that connects to a large
15   portion of the world.
16   AARON MYUNG: Mm-hmm.
17   JIHOON KIM: But that seems to be
18   impossible --
19   AARON MYUNG: Mm-hmm.
20   JIHOON KIM: -- by the law in most countries.
21   And -- for Mongolia, it was possible, so we did it.
22   AARON MYUNG: Mm-hmm.
23   JIHOON KIM: But now that the portion of the
24   world that bridge can connect seems to be small and --
25   and still there is a DeFi world (inaudible) --
0040
 1   AARON MYUNG: It looks like the whole -- this
 2   kind of dream has to be realized in the DeFi world, not
 3   the centralized world. (Laughs).
 4   JIHOON KIM: Mm-hmm.
 5   AARON MYUNG: Yeah.
 6   JIHOON KIM: Yeah, so in DeFi -- it's
 7   definitely a buzzword. So, like, why not just go to
 8   DeFi?
 9   AARON MYUNG: Mm-hmm.
10   JIHOON KIM: I think Do is really ahead.
11   AARON MYUNG: Yeah, he's way ahead of the game
12   now.
13   JIHOON KIM: Is -- is super ahead of things in
14   many field.
15   AARON MYUNG: You know, like --
16   JIHOON KIM: Mm-hmm.
17   AARON MYUNG: This is, like, something that
18   came up, um like, during, like, multiple kind of interviews
19   I've had at the company --
20   JIHOON KIM: Mm-hmm.
21   AARON MYUNG: You know, like, where people
22   come in interested in blockchain, but they find out that
23   32:37
24   we're not connected to the blockchain in any way.
25   JIHOON KIM: Oh. Mm-hmm.
0041
 1   AARON MYUNG: Like -- like, what's your --
 2   like, what's your thoughts on that? Like -- you know,
 3   like one of the reasons why I asked that -- that Tebu
 4   (phonetic) guy --
 5   JIHOON KIM: Uh-huh.
 6   AARON MYUNG: Like -- like, one of the reasons
 7   why he didn't want to join um -- and I feel like I
 8   shouldn't have said this to him --
 9   JIHOON KIM: Uh-huh.

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10          AARON MYUNG:  Is, like, during the interview,
11   like, I actually told him that Chai and Terra act like
12   -- like, Chai's not using blockchain --
13          JIHOON KIM:  Uh-huh.
14          AARON MYUNG:  Um.  And he wanted to absolutely,
15   like, work on work on, like, blockchain technology.
16   That's why he wanted to come and interview.
17          JIHOON KIM:  Uh-huh.
18          AARON MYUNG:  Um.  I don't know.
19          JIHOON KIM:  I mean, like, the Chai is not
20   using blockchain technology at all, so -- I don't think
21   what you said is --
22          AARON MYUNG:  I think that's -- that's
23   probably more because, like, all the PR out there with,
24   like, Chai and Terra, like, using buzzwords of, like,
25   using --
0042
 1          JIHOON KIM:  Yeah.
 2          AARON MYUNG:  Chai uses Terra to do payments
 3   and stuff like that.
 4          JIHOON KIM:  But that is, like, still -- that
 5   is already two years ago.
 6          AARON MYUNG:  Oh, no, it's still up there.
 7   Like, if you search --
 8          JIHOON KIM:  Mm-hmm.
 9          AARON MYUNG:  Um.  Like, I've been sending articles
10   to Dan for the past, like, you know, couple months.
11          JIHOON KIM:  Mm-hmm.
12          AARON MYUNG:  Like -- for, like, recent
13   articles, like, hey, I think uh -- I think Do's overplaying
14   his hand.  (Laughs).
15          JIHOON KIM:  Oh.
16          AARON MYUNG:  You know?  Like, just keep on
17   mentioning Chai, about, like, that Terra -- you know,
18   Terra's being used to do payments and settlements at
19   Chai.  And stuff like that.
20          JIHOON KIM:  Wow.
21          AARON MYUNG:  I'm like, dude, what's up?  You
22   know, like, this is, like, affecting our, like, you
23   know, hiring and branding, and --
24          JIHOON KIM:  Yeah.  Hm.  And from Terra's
25   perspective, the transaction has mirror, so I think they
0043
 1   are settling, just not paying.
 2          AARON MYUNG:  Yeah.
 3          (Phone rings.)
 4          AARON MYUNG:  So do you think, like -- like,
 5   if I were to pursue, like, something like the crypto
 6   route um --
 7          JIHOON KIM:  Mm-hmm.
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 8            AARON MYUNG:  And, you know -- like, let's
 9  say, like, for, like, payments and stuff like that --
10            JIHOON KIM:  Uh-huh.
11            AARON MYUNG:  Do you think it's probably a
12  dead end for that -- you know, like -- I'm looking more
13  currently in the opportunities in Port, but, you know,
14  like -- like, as I look into, like, the Chai side --
15            JIHOON KIM:  Uh-huh.
16            AARON MYUNG:  -- it seems like that road has
17  already been a dead end, and, you know, there's no --
18  you know, apart from trading, right --
19            JIHOON KIM:  Uh-huh.
20            AARON MYUNG:  There's really no plans or
21  motivation to actually use, um you know, like -- to use --
22            JIHOON KIM:  Uh-huh.
23            AARON MYUNG:  -- to use it for the actual
24  payments, you know?  Like, is -- like, is that better
25  technology that we want to keep going with, or -- you
0044
 1  know, try?
 2            JIHOON KIM:  (Inaudible).
 3            AARON MYUNG:  Because this could actually --
 4  with synergy with Port if the -- if there is actual
 5  wallet technology -- you know, like, with, white label,
 6  like, reward point systems, stuff like that, we could
 7  actually integrate, you know, like, the ecosystem with,
 8  like, the Chai path with, like the Port (inaudible) the
 9  checkout experience, and stuff like that.  But --
10            JIHOON KIM:  Uh-huh.
11            AARON MYUNG:  You know -- that's only if
12  there's motivation to actually see that through.
13            JIHOON KIM:  Oh.  Um.  Honestly it's a bit early,
14  before we say anything on Chai using blockchain.  Because
15  that -- I've been hearing both token --
16            AARON MYUNG:  Mm-hmm.
17            JIHOON KIM:  -- recently --
18            AARON MYUNG:  Yeah.
19            JIHOON KIM:  For about the last, like, six
20  months.  But I haven't actually gotten any um white paper,
21  or to have --
22            AARON MYUNG:  Yeah.
23            JIHOON KIM:  -- the Chai service, it's going
24  to be this old token.
25            AARON MYUNG:  Yeah, yeah.
0045
 1            JIHOON KIM:  So -- so that's (inaudible)
 2  but --
 3            AARON MYUNG:  Yeah.
 4            JIHOON KIM:  Using blockchain directly on
 5  payment is not possible, so -- but we can still have
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 6   users to pay something with Bitcoin or with some token.
 7           AARON MYUNG:  Mm-hmm.
 8           JIHOON KIM:  And that's just our job to --
 9   just like we -- just, like, the way we handle the KRW
10   from user's ledger to Chai's ledger and merchant ledger.
11           AARON MYUNG:  Mm-hmm.
12           JIHOON KIM:  We can do the exact same thing,
13   just in different uh currency.
14           JIHOON KIM:  Mm-hmm.
15           AARON MYUNG:  Bitcoin or (inaudible) token and
16   I -- once a week I -- or once a month, we just exchange
17   whatever we have within our Chai wallet --
18           AARON MYUNG:  Mm-hmm.
19           JIHOON KIM:  -- to KRW, and we can sell the
20   merchant.
21           AARON MYUNG:  Mm-hmm.
22           JIHOON KIM:  So there's going to be a -- some
23   37:26
24   more steps added.
25           AARON MYUNG:  Mm-hmm.
0046
 1           JIHOON KIM:  Once we use the token --
 2           AARON MYUNG:  Mm-hmm.
 3           JIHOON KIM:  -- as our currency.  But as long
 4   as we give out -- um we pay our merchants in KRW --
 5           AARON MYUNG:  So you think that, like, as -- as we
 6   expand our services, um the better route would be to just
 7   keep a centralized way, like, payments and settlements,
 8   and keep on adding new currencies as needed, but, you
 9   know, basically uh not use the blockchain itself for the
10   payments and settlement, right?
11           JIHOON KIM:  Mm-hmm.  And --
12           AARON MYUNG:  That's -- that's --
13           JIHOON KIM:  -- using -- yeah, using
14   blockchain -- yeah.  This -- it's feasible, it's doable,
15   and only using the blockchain itself is not illegal, but
16   it's slow.  It's still slow.  And there's no reason for
17   us to change it from traditional database to blockchain.
18           AARON MYUNG:  I see.
19           JIHOON KIM:  Mm-hmm.  It's not illegal, but
20   it's also hard to get --
21           AARON MYUNG:  I feel like there could be a way
22   to find some way that's legal -- (Laughs) -- for it
23   to --
24           JIHOON KIM:  I mean, it's not --
25           AARON MYUNG:  Yeah.
0047
 1           JIHOON KIM:  It's not illegal.
 2           AARON MYUNG:  Mm-hmm.
 3           JIHOON KIM:  But that doesn't mean it's legal.
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 4   And that doesn't mean we would be able to um get a PKey
 5   (phonetic) uh license.
 6              AARON MYUNG:  I see, so basically it's a gray
 7   area, first of all, so --
 8              JIHOON KIM:  Mm-hmm.
 9              AARON MYUNG:  And then, like, if it's gray,
10   then -- if it wouldn't be working with financial
11   institutions --
12              JIHOON KIM:  Yeah.
13              AARON MYUNG:  -- they're going to be like,
14   hold on.  (Laughs).
15              JIHOON KIM:  Yeah.
16              AARON MYUNG:  But --
17              JIHOON KIM:  So it's --
18              AARON MYUNG:  Don't want to do it.  (Laughs).
19              JIHOON KIM:  Huh?
20              AARON MYUNG:  (Inaudible) -- I don't want to
21   do it --
22              JIHOON KIM:  Yeah, yeah.
23              AARON MYUNG:  Basically -- right --
24              JIHOON KIM:  Yeah, it's a bit early for
25   fintech, or for financial systems to adapt to
0048
 1   blockchain.  That's the early (inaudible).
 2              AARON MYUNG:  Mm-hmm.  So, like -- like, in
 3   the early days, like, when you were here, though, like,
 4   before switching to mirroring it, like -- like, was
 5   there, like, a time when it was actually, like MimiPay?
 6   So basically, like, MimiPay and Chai, like --
 7              JIHOON KIM:  It's the two -- completely two
 8   different entities.
 9              AARON MYUNG:  So who developed MimiPay?
10              JIHOON KIM:  (Inaudible).
11              AARON MYUNG:  Oh, so, like, the company in
12   Mongolia called MimiPay?
13              JIHOON KIM:  Yeah, the service is called
14   MimiPay, and we had -- we had a group of people in
15   Mongolia -- Mongolians working -- operating the system.
16              AARON MYUNG:  Mm-hmm.
17              JIHOON KIM:  And aided in (inaudible) the
18   blockchain.  Mm-hmm.
19              AARON MYUNG:  Okay.
20              JIHOON KIM:  Mm-hmm.
21              AARON MYUNG:  Is that -- is that a successful
22   service?  Like, if I go to Mongolia, the people
23   (inaudible).
24              JIHOON KIM:  Mm-hmm.  Mm-hmm.
25              AARON MYUNG:  Dang.  That's pretty cool.
0049
 1              JIHOON KIM:  I think Brian and David visited
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 2   Mongolia.
 3             AARON MYUNG:  Oh, really?
 4             JIHOON KIM:  (Inaudible) times, back in --
 5             AARON MYUNG:  David from the --
 6             JIHOON KIM:  (Inaudible).  The infosec.
 7             AARON MYUNG:  Oh, infosec -- yeah, yeah.  Oh,
 8   that's pretty -- that sounds like a fun trip.
 9             JIHOON KIM:  (Inaudible).  So it's actually a
10   running service in Mongolia.  But we -- uh, um we can utilize
11   blockchain somewhere, but uh utilizing blockchain
12   transactions or payment --
13             AARON MYUNG:  Mm-hmm.
14             JIHOON KIM:  Transaction is okay.
15             AARON MYUNG:  (Inaudible).
16             JIHOON KIM:  But payment is a bit different.
17   Payment has to be fast.
18             AARON MYUNG:  Wait, how is that different?
19   Transaction and payment?
20             JIHOON KIM:  A transaction -- like, in terms
21   of engineering, transaction could be a very secure way
22   to store payment data --
23             AARON MYUNG:  Uh-huh.
24             JIHOON KIM:  -- is what transaction could
25   mean.
0050
 1             AARON MYUNG:  Uh-huh.
 2             JIHOON KIM:  And payments, like, just,
 3   purchase, settle, pay out.
 4             AARON MYUNG:  Uh-huh.
 5             JIHOON KIM:  So, like, it could -- so, it
 6   could (inaudible) different.
 7             AARON MYUNG:  Oh, so you mean, like
 8   transaction is logging, basically --
 9             JIHOON KIM:  Yeah, transactional logging.
10             AARON MYUNG:  Okay.  So there's payment,
11   there's settlement, there's, like, logging --
12             JIHOON KIM:  Logging.
13             AARON MYUNG:  Yeah, so right now it's, like,
14   logging -- (Laughs).
15             JIHOON KIM:  Yeah, yeah.  It's just --
16             AARON MYUNG:  Yeah, yeah.
17             JIHOON KIM:  -- logging the blockchain.
18             AARON MYUNG:  Yeah.
19             JIHOON KIM:  So that's (inaudible) --
20             AARON MYUNG:  And MimiPay is the actual
21   payment and settlement?
22             JIHOON KIM:  Yeah.
23   41:24
24             AARON MYUNG:  And logging.
25             JIHOON KIM:  And logging.  Uh-huh.
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1   AARON MYUNG: Interesting.
2   JIHOON KIM: So I think Chai will actively look for
3   any opportunity to utilize token or blockchain technology,
4   but I think in terms of payment --
5   AARON MYUNG: Yeah.
6   JIHOON KIM: -- I'm kind of --
7   AARON MYUNG: So, like, you know, Block
8   Crafters (phonetic), they're actually pretty close to
9   finishing up their whitepaper --
10   JIHOON KIM: Oh, nice.
11   AARON MYUNG: For a Chai finance token.
12   JIHOON KIM: Mmm. Chai -- so is it CF --
13   AARON MYUNG: CFT.
14   JIHOON KIM: Oh, nice.
15   AARON MYUNG: Yeah. I don't think you'll be
16   very impressed though. I -- I reviewed it. Um. I actually
17   -- I was, like, a lot of buzzwords just put together.
18   JIHOON KIM: Mmm.
19   AARON MYUNG: But curious what you think of it
20   when --
21   JIHOON KIM: Mm-hmm.
22   AARON MYUNG: -- it's out. Yeah.
23   JIHOON KIM: I heard this person went to the
24   neo-financial system (inaudible) they gave more
25   (inaudible).
1   AARON MYUNG: I'm not sure.
2   JIHOON KIM: Mm-hmm. Yeah.
3   AARON MYUNG: Well, it's -- it should be out,
4   like, in the next month. So --
5   JIHOON KIM: Okay.
6   AARON MYUNG: Yeah, yeah. I think Dan is
7   pretty much leading it. So --
8   JIHOON KIM: Nice. Nice.
9   AARON MYUNG: Yeah. Cool.
10   JIHOON KIM: Okay.
11   AARON MYUNG: Thank you. Very insightful.
12   (End of recording.)
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0053
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 6   recorded proceedings in the matter of:
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