



CONFIDENCE IN YEM

THE AUTHORITY FRIENDLY
DIGITAL CURRENCY

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Issued by

YEM FOUNDATION

Legal Regulatory Authority
for the YEM Digital Currency

Registered as a
Nonprofit Corporation
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under the Laws of Nevada, USA

International
Non-Governmental
Organization (INGO)
XM7617

Union of International Associations

www.yem.foundation

The YEM (Your Everyday Money) was conceived in 2017 with the aim of creating an international digital currency that combines all the available strengths of blockchain technology without adopting the weaknesses of other cryptocurrencies:

REQUIREMENTS FOR DIGITAL CURRENCIES

Back in 2014, the European Banking Authority (EBA) issued a detailed 46-page study on the risks and opportunities of digital currencies (EBA/Op/2014/08), which explained 70 risks in detail. The YEM was designed to eliminate or at least minimize these risks.

DIGITAL CURRENCIES AS A FORM OF PAYMENT

In February 2018, the German Federal Ministry of Finance (BMF) provided a circular letter (III C3 - S 7160-b/13/10001) to all tax authorities regarding the treatment of virtual currencies as a form of payment. The BMF clarifies:

"Virtual currencies (...) are treated as equivalent to legal tender insofar as these so-called virtual currencies have been accepted by the parties to the transaction as an alternative, contractual and direct means of payment and do not serve any purpose other than use as a means of payment."

Therefore, the YEM is to be treated the same as the Euro for accounting and tax purposes in financial transactions.



SUSTAINABLE

STABLE

SAFE

THE STATUS QUO OF CRYPTOCURRENCIES

In recent years, tens of thousands of so-called cryptocurrencies have been created around the world. However, many of them have turned out to be fraudulent and/or were used in projects that failed in the early stages.

Most of the other digital currencies are not pure currencies, but rather corporate investments, or tokens representing a certain asset or value.

Many cryptocurrencies are proud to be operated outside the established financial system, and they support anonymous transactions, which is highly welcomed by criminal minds.

THE STATUS QUO OF YEM

YEM is one of the few "real" digital currencies that serve the sole purpose of being money for payments and other financial transactions. Actually, YEM strives to be 'Your Everyday Money'.

Thus, YEM is regulated and represented by its own Regulatory Authority, the YEM Foundation, which is accredited as an international non-governmental organization.

Every 3 years, all YEM holders elect the Board of International Directors (BID) of the YEM Foundation.

THE CURRENT BOARD OF INTERNATIONAL DIRECTORS (BID)



Jorge Sebastião
President
Head of
Public Communications



Dan Settgest
Vice President
Head of
Strategic Planning



Andrew Reid
Treasurer
Head of
Finance



Amante C. Elnar
Secretary
Head of
Administration



**Empress
Namagembe**
Director
Head of
Controlling



Dr. Henry Mbidde
Director
Head of
Authorities Affairs



**Martha Isabel
Castaño Rodas**
Director
Head of
National Directors

The YEM Foundation is the regulatory organization for the YEM and takes measures for the protection and stability of the YEM, comparable to the central bank of a fiat currency.

By fulfilling the requirements set by the United Nations (UN) in their statutes, the YEM Foundation has the status of an International Non-Governmental Organization (INGO).

The Union of International Associations (UIA) that keeps records of all active non-governmental organizations on behalf of the United Nations, has officially listed the YEM Foundation as an INGO.

Currently, the YEM FOUNDATION is seeking participant status to the UN Economic and Social Council as well as in the Council of Europe, following its inherent support of several United Nations goals, such as the global fight against poverty.

It also represents the YEM to: the International Monetary Fund (IMF), national central banks, various other governmental and non-governmental institutions and organizations.



THE YEM FOUNDATION

The YEM Foundation was established in 2017 under the name Rainbow Currency Foundation by all YEM holders, and a 7-member Board of International Directors (BID) has been democratically elected. The Foundation is registered in the Business Registry of the State of Nevada, USA, as a non-profit corporation.

To ensure optimal representation, the BID members are carefully chosen to ensure global representation. An additional Board of National Directors (BND) ensures YEM to be fully represented at all regional, national and continental levels.

The Foundation will be completed by an advisory board, to which experts from the fields of business, FinTech, law and taxation will be invited.

To avoid patronage and undue influence, YEM Foundation finances its activities from an initial budget of 5 billion YEM (worth 5 million USD at the time). This makes the Foundation independent from donations and other financial support from the business communities.

CONCEPTUAL WEAKNESSES OF MANY CRYPTOCURRENCIES

Many cryptocurrencies, such as bitcoin, have several critical weaknesses that make them virtually impossible to be used for daily legal and tax-compliant transactions like payments at points of sale (PoS) or international money transfers.

Unfortunately, these failures are conceptual in nature, which means that they cannot simply be fixed through rework or modifications.

1. ANONYMITY

Bitcoin and many other cryptocurrencies are based on anonymity. This encourages fraud, manipulation and illegal transactions (drug trafficking, terrorist financing, extortion, money laundering).

No authority in the world will tolerate an anonymous payment system beyond their control in the long run.

For example, the People's Bank of China said in a public notice that due to anonymity "virtual currencies disrupt the normal economic and financial orders, breed the risks of illegal cross-border transfer of assets, money laundering and other illegal and criminal activities, and seriously infringe the people's property safety."



THE DISADVANTAGES OF TRADITIONAL CRYPTOCURRENCIES

Sooner or later anonymous payment systems will be highly regulated or even be banned in more and more countries, which will lead to an extreme decline in value.

2. VOLATILITY

Bitcoin and co. are traded worldwide on unregulated exchanges. Many traders use cryptocurrencies for the sole purpose of speculative day trading. As a result, the performance often resembles a roller coaster. Price gains, but also losses of 20% and more per day are not uncommon.

No entrepreneur in the world will risk the success of their business by keeping such an extremely volatile currency.

3. TAX INSECURITY

The German Federal Ministry of Finance as one of many authorities specifies that the receiver of a payment in any digital currency is obliged to record the exact value in Euros at the time of transaction, so that VAT and other taxes can be calculated, accounted, and paid correctly.

This essential information is missing for all transactions with Bitcoin, Ether and most other cryptocurrencies, making the use of these currencies as a daily means of payment practically impossible.

CONCEPTUAL STRENGTHS OF YEM

The YEM is an independent, strong, and legally compliant currency that can easily be integrated into daily payment transactions of any country's economic system because it was designed to avoid weaknesses common with several digital currencies.

1. PRIVACY INSTEAD OF ANONYMITY

All YEM holders must be clearly identified and verified before they can make any transactions. For this purpose, a bank-level KYC (Know Your Customer) process has been embedded.

Thus, anonymous payments with YEM are literally impossible, as sender and recipient can be identified at any time.

At the same time, the privacy of all users is secured, as all data is encrypted at the highest level and stored in the blockchain in a way that cannot be manipulated.

Each user is identified by a personal number, which is assigned to them right when they open a wallet. This personal number also serves as an account number for the online account.



THE ADVANTAGES OF YEM

2. STABILITY INSTEAD OF VOLATILITY

The YEM is officially traded on the YEM Exchange (www.yem.exchange), whereby the last completed trade always determines the current value in USD.

From time to time, the YEM Foundation as the Regulatory Authority for YEM is announcing a current price range, which may not be crossed upwards or downwards when trading YEM.

Thus, speculative day trading with YEM is not possible, which leads to a second-to-none stability.

3. FISCAL SECURITY

To the best of our knowledge, YEM is the only digital currency where all relevant tax information is automatically stored for each transaction.

Not only the amount in YEM, but also the USD value (as the official reference currency) and the value in the national currencies of the sender and receiver at the exact time of transaction is stored on the blockchain. Thus, every user can download statements for any tax-relevant transaction at any time and fulfill their tax obligations.

Government representatives and central banks from various countries have responded very positively to this special feature of YEM.

The YEM as a digital currency is made available to users with the help of modern blockchain technology. After the launch in 2017, it quickly became clear that the available public blockchains did not meet the high security, quality and functional requirements of the YEM Foundation.

Therefore, in 2018, the development of YEMCHAIN, a blockchain perfectly tailored to the specific requirements of YEM, was commissioned.

The YEMCHAIN is in operation since August 2018 and has been working quickly and flawlessly ever since.

For each transaction, not only the sender, the recipient and the transaction amount in YEM are logged, but also the purpose and value of the transaction in U.S. dollars, as well as in the sender's and recipient's national fiat currencies.

Thus, all information is stored on the YEMCHAIN in an untamperable manner for proper accounting and tax treatment. This is unique in the crypto world.



THE YEMCHAIN

Each transaction is provided with a so-called hash code. With this hash code, each transaction can be viewed publicly at any time on the YEMCHAIN website.

To ensure maximum privacy for all transacting participants their account numbers are hidden.

Compared to most other blockchains, which consume a lot of energy through their complicated computational tasks for transaction (Mining), YEMCHAIN is exceedingly energy and resources efficient.

That is why the transaction fees on the YEMCHAIN are comparatively low (maximum 0.1% per transaction, and the transaction times are many times faster than Bitcoin and Co. (fraction of a second)).

In addition, the YEMCHAIN is also designed for other functions, e.g. data management, smart contracts, digital mapping of tangible assets, land registry functions and much more.

The YEMCHAIN is proud to be home of the non-profit Water Wallet Project, where water is digitized and fairly distributed to those in need

The YEM has been used daily in payment transactions worldwide for more than 3 years. With more than 1 million users and transactions totaling over 500 billion USD, the YEM is already one of the most widely used digital currencies in the world.

YEM has several unique and unprecedented advantages including:

1. SPEED

Transactions in YEM are executed in a fraction of a second, no matter where the sender and receiver are located on the planet or how many transactions are executed at the same time.

2. SECURITY

Transactions in YEM cannot be manipulated or diverted. Human error as a source of error is eliminated.

3. LOW FEES

The standard fee for transactions in YEM is only 0.1%. Compared to banks, credit cards and other payment service providers, there is no lower priced alternative in daily payment transactions.

4. NO EXCHANGE RATES

While banks and financial service providers charge up to 5% fees, cross-border transactions in YEM do not incur any exchange rate losses.



YOUR
EVERYDAY
MONEY

5. FULL TRANSPARENCY

Every transaction in YEM is stored on multiple computers and published on the YEMCHAIN website. Thus, any kind of manipulation is impossible.

6. HONESTY

Each participant in the economic circuit of the YEM must identify and verify himself in detail. This makes the YEM unattractive for money laundering, tax evasion and other criminal activities.

7. STABILITY

While other virtual currencies are highly volatile, the value of the YEM moves within a price range set by the YEM Foundation, which is adjusted from time to time depending on market conditions. This range allows for price fluctuations of no more than 10% but has never been fully utilized.

8. AVAILABILITY

Billions of people do not have access to the current financial system. In contrast, YEM is available to anyone who has access to the Internet.

YEM is used daily as an alternative means of payment around the world. More than 1.2 million individuals and businesses already hold YEM as part of their financial and wealth planning. Here are some highlights of YEM usage:

1. BUYING REAL ESTATE WITH YEM

Already in 2018, the first property was fully paid for with YEM. What made it special was that even the notarized purchase agreement documented the price and payment in YEM. The purchase price was then paid from wallet to wallet.

Since then, YEM has been used several times in real estate purchases. From the German condominium to the Austrian single-family home and the vacation villa in Nicaragua to the luxury apartment in Dubai, YEM has always been the means of payment in whole or in part.

2. BUYING A CAR WITH YEM

Also in 2018, the first new car was auctioned against YEM. A Hyundai i10 has since been driving as the first cryptomobile on Germany's roads. Today, there are countless new and used cars, motorcycles, and other means of transportation purchased in Europe, Africa, or elsewhere with YEM.



YEM SUCCESS STORIES

3. YEM AS A FORM OF INVESTMENT

Several financial service providers offer investment opportunities for YEM holders, some of them located in London and Switzerland.

4. APPRECIATION OF THE YEM

Since October 2017, the YEM has had a game-changing success story: 1,000 euros in YEM has become worth more than 650,000 euros to date. *

5. YEM AS SHARE CAPITAL

YEM is also a welcome alternative to the euro in the corporate sector: In February 2019, the first limited liability company was established 100% with YEM.

6. YEM AS CAPITAL RESERVE

More and more companies, including publicly listed corporations, are holding YEM as a capital reserve, accepting YEM as a means of payment, and integrating YEM into their financial and liquidity planning.

* = Results from the past have no predictive value for the future.

Central banks and financial authorities are neutral by nature. Therefore, there are only opinions that relate to digital currencies in general.

BAFIN (Germany)
Federal Financial Supervisory Authority

"Virtual currencies are cryptographic, i.e. encrypted, substitute currencies that can now be used to purchase numerous goods, services and IT applications on the Internet."

"Virtual currencies are among the business models of FinTechs, young companies that use technology-based systems to offer specialized and particularly customer-oriented financial services."

SEC (USA)
Securities and Exchange Commission

„We at the SEC are committed to promoting capital formation. The technology on which cryptocurrencies and ICOs are based may prove to be disruptive, transformative and efficiency enhancing. I am confident that developments in fintech will help facilitate capital formation and provide promising investment opportunities for institutional and Main Street investors alike. ”



THE YEM
FROM AN
AUTHORITY'S
POINT OF
VIEW

EUROPEAN BANKING SUPERVISORS (CEBS)

"Initially used in the context of online computer games and social networks, currencies later evolved into means of payment accepted offline or in "real life."

Today, virtual currencies can increasingly be used as a means of payment for goods and services in retail stores, restaurants and entertainment venues. These transactions often do not incur fees or charges and do not involve a bank."

CONCLUSION

Digital currencies like YEM are legal tender, and they are becoming more and more regulated by law. Blockchain technology has undeniable benefits, though there are justified warnings about fraudulent and legally questionable offerings.

Thanks to its unique security features and consistent risk minimization, the YEM is already one of the world's leading digital currencies in international payments.



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