



AgAu AG
Silver & Gold

**Introduction to AgAu -
Unique Selling
Proposition**

TEASER

EXECUTIVE SUMMARY



AgAu Tokens are backed **1:1** by LBMA-certified physical gold (**Au**) and silver (**Ag**), ensuring full collateralization.

COMPANY OVERVIEW

AgAu AG, a Swiss company based in Zug, is a VQF Registered Swiss Financial Intermediary. AgAu issues payment tokens backed by physical Silver ("**Ag**") and Gold ("**Au**"), leveraging Switzerland's robust regulatory framework. AgAu tokens are ERC-20 compatible, seamlessly integrating with the Ethereum Blockchain.

According to a legal opinion by PWC Legal Switzerland, **Au** tokens represent direct ownership of physical, allocated LBMA gold bullion bars. AgAu has received a non-action letter from The Swiss Financial Market Supervisory Authority (FINMA), confirming that AgAu tokens are not classified as securities. The FINMA non-action letter confirms that AgAu tokens are classified as payment tokens, equivalent to private money, and are not restricted to securities regulations. **Au** Tokens are redeemable for LBMA gold bars, which are allocated, audited, and securely stored in a regulated private vault in Switzerland.

UNIQUE SELLING PROPOSITIONS

Stability and Security

Each AgAu token represents direct ownership of physical gold or silver, mitigating derivative exposure and under-collateralization risks. Ownership is secured through a decentralized cryptographic protocol.

Accessibility

AgAu tokens democratize gold and silver investments, making them accessible to small investors and underserved communities.

Price & Liquidity

AgAu Tokens are priced based on the value of physical bullion in traditional financial markets, offering high liquidity and stability.

Regulatory Compliance

AgAu operates within a stringent regulatory framework, ensuring compliance and trustworthiness. Supported by a legal opinion and a FINMA Non-Action Letter, AgAu Tokens are legally recognized as asset and payment tokens, not securities.

Innovative Financial Solutions

AgAu Tokens are versatile financial instruments, suitable for corporate treasury management, loan collateral, and stable digital currency. Users can also deposit or collateralize these tokens to earn yield.

COMPARATIVE ANALYSIS

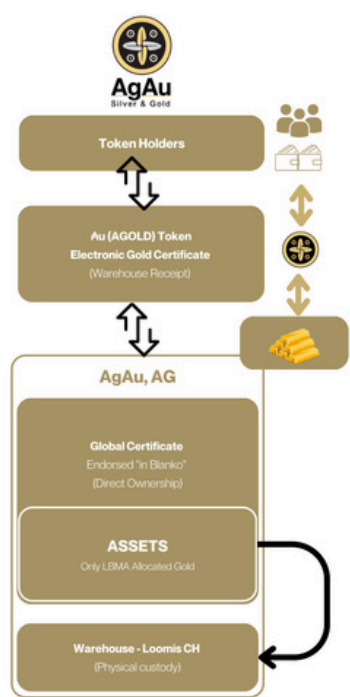
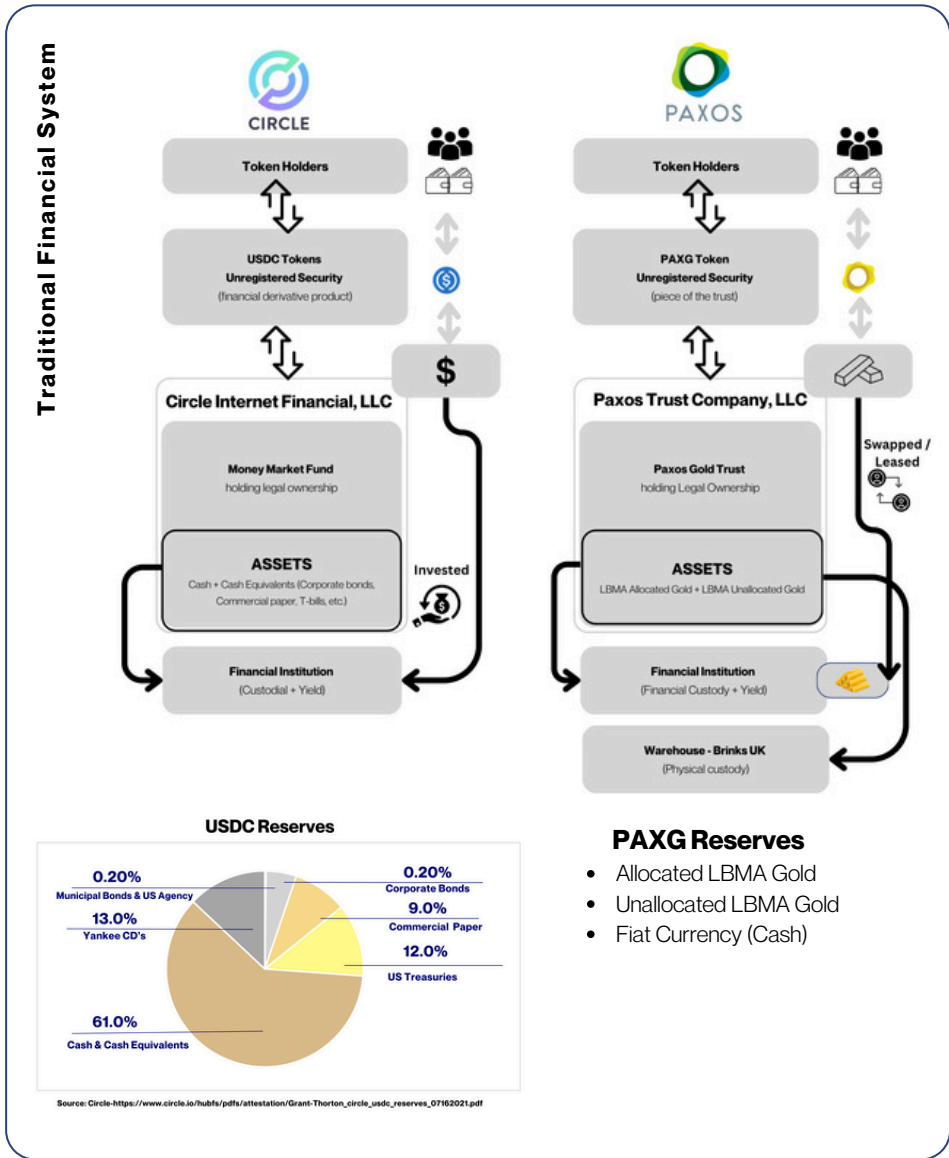


Company	Circle Internet Financial, LLC	Paxos Trust Company	AgAu AG
Jurisdiction	USA (SEC, US. Treasury)	USA (CFTC, SEC, US. Treasury)	Switzerland (FINMA)
Fundamental Threat	Confiscation / Legal Action	Confiscation / Legal Action	Strong Private property laws
Product / Token	USDC 	PAXG 	Au (AGOLD)
Protocol	Ethereum	Ethereum	Ethereum (circa September'24)
Underlying	USD	LBMA Gold	LBMA Allocated Gold
Location of assets	Banking System	London	Switzerland
Collateral	Cash, Bonds, T-bills, CDs, etc.	Unallocated troy ounces	Allocated LBMA gold bars
Legal Structure	Money Market Fund	Trust	Commodity Trading Company
Ownership	Circle Reserve Fund	Paxos Trust Company	Direct ownership by the token holder
Structure	Derivative	Derivative	Commodity
Classification	Unregistered Security (SEC)	Unregistered Security (SEC)	Payment token (FINMA Approved)
	SEC Investigation	SEC Investigation	Change in legal framework

MARKET METRICS (INVESTMENT OPPORTUNITY)

Go-to-Market	Retail	Retail	Corporate / Institutions
Company Valuation	USD 9.0 billion	USD 2.4 billion	USD 56 million
Token Market Cap	~ USD 34.0 bn	~ USD 430.0 m	Up to USD 336.0 m at launch
Total Adressable market	USD M2 (21 Trillion)	Gold (USD 14 trillion)	Gold (USD 14 trillion)

RISK ANALYSIS



- PAXG Reserves**
- Allocated LBMA Gold
 - Unallocated LBMA Gold
 - Fiat Currency (Cash)

- AgAu Reserves**
- Only Allocated LBMA Bars (Locally in Switzerland)

- **Systemic Financial Risk:** Traditional financial products are exposed to systemic risks inherent in the financial system.
 - AgAu operates outside the traditional financial system as the assets are not custodied in a bank subject to fractional reserve banking. **Au** Token holders can decide whether or not to deposit **Au** tokens in a Financial institution.
- **Fractional Reserve Deposit Risk:** Assets subject to fractional reserve banking hold only a fraction of deposits in reserve, increasing risk during high withdrawal demands.
- **Bank and Custodial Risk:** Assets custodied in banks depend on the stability and solvency of those institutions, with bank failures posing significant risks.
- **Counterparty Risk:** Using gold within the financial system exposes holders to the risk of counterparty default.
- **Financial Collateral Risk:** Relying on financial institutions to manage gold as collateral introduces risks if these institutions face financial distress or insolvency.
- **Contagion Risk:** The interconnectedness of financial institutions means that the failure of one can trigger a cascade of failures, affecting other institutions and managed assets..

THE PATH FORWARD

Collaborating with AgAu offers a unique opportunity to transform the financial landscape. Together, we can provide reliable, affordable, and sustainable financial solutions that drive economic growth, improve quality of life, and foster social and economic freedom. This partnership will empower institutions and investors, contributing to the socio-economic development of the global financial ecosystem by democratizing a sound money system. AgAu is more than a provider of digital assets; we are a principled partner committed to offering better quality money and payments. Together, we can unlock immense potential for trade and socio-economic freedom

It's not about money. It's about freedom.
AgAu

Call to Action:

We invite Central Banks, Corporate Partners and Financial Institutions to a preliminary meeting to discuss this proposal, align on strategic objectives, and outline the next steps for the pilot project's initiation.

Please use the contact details below for the full report.

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