

Money for the World in a Digital Age

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Registered Address:

123 Isdkf Isdfkj, Switzerland 11223333

Contact Numbers:

Europe:

Basil, Switzerland: Head Office +42 32 334433

Asia & Austrailia:

Hong Kong: +852 47 333227

Brisbane (Australia): +61 27 34545

Middle East:

Dubia: +973 11 234434

USA:

Nevada: +1 222-333-4444

Email:

General: info@eco-coin.com

Support: help@eco-coin.com

Websites:

Corporate Website: <https://eco-coin.com>

Web Client Application: <https://app.eco-coin.io>

Introduction

The core innovation behind Bitcoin is its decentralized structure. Unlike traditional fiat currencies, Bitcoin has no central control, no central repository of information, no central management, and no central point of failure. However, one of the challenges facing Bitcoin is that most of the actual e-services and e-businesses built around the Bitcoin ecosystem are centralized. Due to the centralized nature of the current system, e-commerce is ran by individuals in specific locations that utilize vulnerable computer

systems, that are susceptible to legal entanglements. Digital Gold is one of the truly decentralized currencies available today due to its standing commitment to building off of the core fundamentals of Bitcoin, while bringing an entirely new layer of anonymity to realization.

Digital Gold is the digital monetary system the world has been waiting for; simple to understand, high security, international access, and a value pegged to vaulted and insured gold.

The Digital Gold Coin is a title of ownership in digital form, backed by gold and other commodities and created through the act of converting a fixed weight of physical precious metals where the title of ownership is recorded on the Blockchain. The amount of gold per Digital Gold Coin, hence the value of the Digital Gold Coin is fixed at the ratio of 1/1000 oz of gold per issued coin. Digital Gold Coins are traded directly from within a unique eWallet System using live price-feeds for buy or sell operations as well as enabling the transfer of coins between accounts. Digital Gold Coins can also be bought by and sold for fiat currencies and can be redeemed in physical metal.

Each transaction of Digital Gold is levied a small transaction fee. This fee is shared with parties involved with the creation of the Digital Gold Coins and merchants. Coin creation starts within the primary market where investors purchase wholesale contracts of physical gold or other recognized commodities which are then converted into digital ownership titles called Digital Gold Coins. These eligible investors also receive a generous share of the transfer fee on all subsequent transactions that take place in the secondary market on the coins that they help to create. These fees will continue with each transaction for the life of the coin. This conversion creates an additional supply of money base (Digital Gold Coins) and takes place on a wholesale physical trading platform where the metals are securely allocated, segregated, vaulted and insured. The digital title of the Digital Gold Coin is then incentivised to be sold on the secondary market platform via blockchain technology which will generate long-term income to the investors.

Digital Gold's money base becomes available for buying and selling on the secondary market platform via blockchain technology to individuals and businesses whether directly from within their unique eWallet or through third party distributors.

Agents for Digital Gold are further incentivised to recruit and enroll new Digital Gold wallet users and receive both a share of initial creation of Digital Gold Coins and a portion of all future transfer fees associated with those coins. There is no limitation as to how many individuals an agent may recruit. Earnings are communicated via through app notifications.

Merchants are enrolled by Agents of Digital Gold. Merchants are not charged any transaction costs for purchases made from them. This can represent a 2-3% savings over the acceptance of a standard Visa/MasterCard transaction. Merchants are

encouraged to pass some of that savings to the purchasers of their products in the form of a reduction of the retail price. This will encourage purchasers to select them over other merchants. Merchants also receive a portion of transactions fees for products they sell through Digital Gold.

Digital Gold is thus engineered to be a win-win ecosystem of shared-wealth for all participants. It highly incentivises adoption and the propensity for transactions. The higher the volume of transactions, the higher the velocity Digital Gold money reflects; the higher earnings payout to eligible participants. Entities are thus incentivised to convert, trade, promote and recruit, making Digital Gold a unique monetary architecture built upon solid low volatility gold backing. Digital Gold transactions require no tradition banking systems, and are designed for transfer executions and confirmation to occur within approximately 4 seconds. Digital Gold is honest money resilient to debasement and manipulation. It also returns stable financial sovereignty to individuals and businesses. By it's 100% backing by Insured gold holdings, Digital Gold Coins value will track the physical spot price of gold itself. This allows for holdings to automatically benefit from the increased value of gold when compared to a fiat monetary instrument which has no physical backing and is easily biased by printing presses.

Executive Summary

XYZ Limited is launching a revolutionary digital asset call Digital Gold (Digital Gold.com). The ability to bring back the Gold Standard was seen as urgent as it solves a few key inherent problems with physically allocated precious metals and the need to:

- provide a more liquid solution to transfer gold titles instantaneously,
- bypass slow and uncompromising traditional banking,
- create gold income generating assets for individuals, companies and institutions,
- move away from ETF's that are often used to suppress gold prices.

Digital Gold is launched as a perfectly engineered money solution to bring big change to the gold industry. Digital Gold is the antidote to monetary debasement inherent to all fiat money systems which create both inflation and deflation via the manipulation of interest rates and the money base (expansion / contraction). Digital Gold is independent from the backing of government entities or central banks. Digital Gold money is high attractive and modeled in unique ways since it is a:

- real product launch (no ICO involved),
- 100% asset backed,
- Not volatile,
- high propensity to trade (money velocity),

- exchangeable with fiat currency or redeemable in physical bars and coins,
- coin creation takes place only with the deposit and insurance of precious metal,
- economically viable for institutions, individuals and merchants,
- full featured buy/sell and price discovery exchange built into software (smartphone, table, webClient),
- earnings and incentives are built in at the block-chain level,
- Digital Gold Coin creation and circulation is preferable to fiat for all participants.
- The 'Last' participant has the same benefits as the 'First'.

A major revolution is taking place with the advent of Blockchain technology and the virtual currencies like Bitcoin, Ethereum, Ripple, etc. driving an almost geometric market growth. Barring a few exceptions, these crypto-currencies are not asset-backed digital assets and therefore, can experience huge price volatility. This has been dramatically shown by both the fast rise and fall of most of these currencies that have no intrinsic value. Because of low velocity, they are driven almost entirely by speculation.

Today's financial world is filled with major risks; political, economic and societal. Digital Gold was introduced to diminish risk exposure for individuals and institutions by creating a gold backed medium of exchange which focuses on liquidity, trade, exchangeability, independence plus a long term yield.

Digital Gold sets out to unite the precious metals industry with the digital asset market, but also represent a novelty for the financial markets. It is a digital asset which solves the historic problem of how gold can generate an uninterrupted yield for eligible participants. For the first time, Gold is comparable to other investment choices, while retaining their safe haven status and uniquely still being able to act as true money. This is the return to the gold standard through decentralization.

Digital Gold is an asset backed medium of exchange with intrinsic value and limited volatility. Each unit can be seen as a title of ownership that is easily purchased, exchanged or traded. Each Digital Gold Coin is backed by vaulted, insured, physical metal at a fixed weight. As the price of Gold changes, the price of the Digital Gold immediately changes. The settlement value at all times is designed to maintain 1 Digital Gold Coin to 1/1000 oz of Gold.

Digital Gold Coins are not "mined" into existence like most crypto-currencies. They are converted into existence by anyone, by transferring physical Gold into the insured vaulting facilities of Digital Gold by anyone with access to the physical trading platform.

No Digital Gold Coins are "reserved" for developers, stock-holders, etc. Digital Gold Coins are only created with an appropriate physical deposit within an insured value, assuring that there is 100% backing at any moment. This applies to every coin holder.

Digital Gold's Mission

Digital Gold's mission is to become the world's leading honest digital Money, 100% backed by vaulted precious metal and fully insured, for any sized account. This means that the Digital Gold Coin is fully exchangeable with other fiat and alternative currencies, transferable across borders, while at the same time providing a significant earnings potential.

The digital portability of Digital Gold empowers the user and provides full financial control, privacy and transparency. Digital Gold is immune to traditional banking problems and counter-party risks and has epic disruptive potential.

Digital Gold aims to become a pre-eminent digital and major world asset. It is perfectly engineered money. It incentivises trade and generates a return for eligible participants: institutions, individuals and merchants, who contribute to Digital Gold's dissemination.

It restores freedoms and safety no other mediums of exchange have. Manipulation free, debasement proof, transparent, portable, exchangeable, private and limits external interference. It is the perfect hedge against external political and economic shocks. Based upon blockchain technology Digital Gold aims to re-establish Gold as money and provide diversification from fiat currencies and an obsolete banking system.

Gold with a Yield

Historically Gold is one of the best stores of value, however, it is perceived by the financial industry to have a monumental weakness namely that it produces no yield (income return) and is thus priced and treated as a commodity.

Digital Gold solves this problem without compromising its asset backing. Pension Funds and Institutions for the first time will be able to invest in Gold and receive a yield without compromising the asset base. Digital Gold allows a reserve currency surrogate for fiat currencies which by their nature are being typically devalued.

Problem with Fiat Currencies - The Need for Honest Money

Fiat money is a currency enforced as legal tender by government decree that differs significantly from physical gold money since it is open to supply and contraction manipulations. Fiat currency is issued as debt by central and member banks. i.e. a government, institution or individual takes a loan (IOU) from banks at interest, but the interest amount to pay back the debt is never created, forcing the financial system to perpetually search for ways to extract “growth” to pay back the interest, and because of this the current monetary system is in continuous imbalance, with unsustainable deficit spending, exploitation and bankruptcies.

A new loan is created through an accounting entry as a new bank deposit and on the other side an accounting entry is made for the debt, so when the debt is repaid, the currency is extinguished. Fiat currencies are promissory notes and have no intrinsic asset value.

Thus Money and Debt are equivalent

It is two sides of the same coin. When fiat currency is printed, debt is issued; when debt is paid-off, currency is destroyed. If all the debt today were repaid, there would be no currency left. By definition, the increase in fiat money supply creates price inflation of goods and services due to the value devaluation of the currency itself and a contraction creates deflation. Both are harmful since they rob from savers and destroy wealth. The world's debts, therefore, can never be paid off by definition and balancing government budgets or eliminating deficits is therefore an impossibility.

Fiat currencies lose purchasing power (wealth shrinking) over time like a leaking bag of water. The global debt based fractional financial system model is an extractive “Ponzi” scheme, abusive, destructive and unethical in nature and is mathematically doomed to fail. The current financial system prefers to compare exchange rates with other fiat currencies. This is because they are all “leaking bags of water” and are all losing value through devaluation. Physical gold however, is a stable benchmark that cannot be debased. Therefore ongoing price suppression practice by banks and central banks take place through paper certificates manipulation which can be printed “out of thin air” to ensure gold cannot be used as a benchmark to reflect how much purchasing power is being lost by fiat currencies.

The Solution is Digital Gold

Only physical gold can be considered as money since it carries no counterpart risk. It cannot be created “out of thin air” and is not created as debt and generates no inflation. It is the best store of value for over 5,000 years. Physical gold money is honest money, it is debt-free and most importantly, free of interest and is an excellent store of wealth over time. Interest (usury or money earned from the loaning of money) is banned in both Christianity and Islam, making physical gold the only compliant form of money since interest cannot be charged.

The era of fiat central banking is in terminal decline, it has brought the global economy into a serious turmoil, and all serious experts are predicting a repeat of 2008 - just much, much worse. Globally, there are less good jobs, more unfunded entitlements, speculation, increased risks, bankruptcies, authoritarianism, loss of freedoms, austerity and wars. High level financial fraud is pervasive and unpunished, invasion of privacy, erosion of free speech and loss of liberty is formed to quell unrest. Bailouts and bail-ins are frequent where losses are socialized and profits are privatized. Individuals no longer feel they have a voice or control over their destiny and financial sovereignty. Banks now impose limitations on transfers, cash withdrawals and charge exorbitant, unjustifiable fees and even negative interest rates. With plans to eliminate cash, all transactions will be forced to go through banks depriving individuals of their financial sovereignty and anonymity. Bank runs will not be permitted and bail-ins and bail-outs will be automated. George Orwell's “1984” vision will be fulfilled.

These negative trends have accelerated since the two key events in 2001 and 2008. It is precisely for these reasons that cryptocurrencies since 2009 have increased in popularity to provide safety-nets where individuals can to a degree control their own financial dignity and hedge against market manipulations without interference and freely trade outside of the fiat monetary system.

Demand for physical gold is being driven by a flight to safety and lack of trust. Very significant demand is coming from savers. Physical and allocated ownership are preferred to minimize counterpart risk, even when the costs of processing, storage and insurance are factored in

Yet, savers of physical Gold suffer from the lack of price discovery which is suppressed through the manipulation of speculative “paper certificate” trade and cheap access to central bank fiat credit by large institutions and banks. It is an absurdity that future contracts which rarely end up as physical delivery dictate the physical gold and silver prices. It is truly the equivalent of the tail wagging the dog. The only way to change this

trend is for physical gold and silver to offer an attractive yield whilst still offering allocated physical metal backing.

This is where the genius of Digital Gold comes into play and it has the architecture to impact physical prices and weaken the influence of paper certificates.

Market Position / Concept

Digital Gold is positioned to be the preeminent asset backed medium of exchange and is poised to be a leading top contender alongside other technologies which all have market capitalization in billions of dollars such as:

- a. Bitcoin the original and leading cryptocurrency and specifically promotes decentralized anonymous transactions. It is not backed by assets and has a huge flaw due to execution speeds taking hours or days to complete.
- b. Ripple targets the banking industry and is built on an early precursor to Digital Gold's core system. It has equally fast execution speeds, but is focused solely on speeding up international bank transactions and is not backed by assets.
- c. Ethereum offers the unique ability to program smart contract conditions, which are self-executing upon reaching milestones, that are built on top of a cryptocurrency architecture. It has execution speeds of approximately 14 seconds. Again it is not backed by assets.

Target Audience of Digital Gold

The key audience can be segmented into the following groups:

1. **Coin Creators-** institutions, investors
2. **Secondary Market -** individuals, businesses
3. **Secondary Market -** merchants
4. **Secondary Market -** conversion to fiat currency

Coin Creators

This is an individual, company or institution that purchases gold through the Digital Gold's wholesale physical trading platform. A summary of the transaction is given below:

- A. **Spot price of Gold is determined for the fiat currency of to be used**
- B. **Wholesale price of Gold is determined. A 10% discount from spot price**
- C. **Investor determines amount of Gold to be purchased (in fiat currency)**
- D. **Gold is purchased from Digital Gold's wholesale supplier**

- E. **Physical Gold is transferred to Digital Gold's control in a vaulted and insured facility**
- F. **Appropriate amount of Digital Gold Coins for the discounted price is credited to investors account**
- G. **A discount below spot is only possible because of the wholesale contracts established directly with the miners.**
- H. **Because of the 10% discount below spot, The investor has an immediate gain in value over the fiat currency used to purchase the gold.**

Secondary Market - individuals, businesses

This is an individual, company or institution that holds Digital Gold Coins. They are held in an E-Wallet. They desire to transfer Digital Gold Coins to another entity.

- A. **Holder determines how much equivalent fiat currency is to be transferred.**
- B. **Spot price of Gold is determined for the fiat currency to be used.**
- C. **Determination if sufficient Digital Gold Coins are in Holders account to do the transfer**
- D. **Digital Gold Coins are transferred to the designated new holder's E-Wallet**
- E. **A 1/2 of 1% transfer fee is applied against the Holder's account**

Secondary Market - merchants

This is an individual, company or institution that holds Digital Gold Coins. They are held in an E-Wallet. They desire to transfer Digital Gold Coins to another entity.

- A. **Merchant determines how much equivalent fiat currency is to be transferred.**
- B. **Previously approved merchant discount is applied**
- C. **Spot price of Gold is determined for the fiat currency to be used.**
- D. **Determination if sufficient Digital Gold Coins are in Holders account to do the transfer**
- E. **Digital Gold Coins are transferred to the merchant's E-Wallet**
- F. **A 1/2 of 1% transfer fee is applied against the Holder's account**
- G. **Merchant receives a portion of the transfer fee.**

Secondary Market - conversion to fiat currency

This is a Holder that wants to convert Digital Gold Coins to a local fiat currency.

- A. Holder has to have an account in bank that can accept a wire transfer that accepts the desired fiat currency**
- B. Holder specifies how much equivalent fiat currency is to be transferred.**
- C. Your account will have limitations on how much can be received.**
- D. Spot price of Gold is determined for the fiat currency to be used.**
- E. Determination if sufficient Digital Gold Coins are in Holders account to do the transfer**
- F. A 10% conversion fee will be applied, this covers the insurance, coinage costs and storage costs that have already been occurred to manage the coins assets.**
- G. Funds are transferred to your local account**
- H. The Digital Gold Coins will be destroyed for this transaction**

Business Model of Digital Gold

Definition of Digital Gold

Digital Gold is a tradable digitized form of a warehouse receipt against a deposit of a commodity and is a representation of title of ownership of underlying physical Asset.

Digital Gold is a unit of account that is backed 100% by precious metals. The value of 1 Digital Gold Coin is established as 1/1000 oz of Gold.

Digital Gold's holder has direct sole ownership of the underlying physical assets and granted the option to redeem in bullion bars and coins or fiat currency.

Description of Digital Gold

Digital Gold is a global asset-backed token, with intrinsic value and low volatility, that is carefully created, and freely traded, transferred or exchanged. Digital Gold represents 1/1000 oz of Gold per coin.

Properties of Digital Gold

Structure of Digital Gold

XYZ Limited operates a closed physical trading platform for the purchase and sale of physical bullion bars of Gold, and utilizes a private decentralized distributed ledger technology (block-chain) for those who want to receive Digital Gold.

Digital Gold-Coin Market is comprise of:

- **Physical Market or the primary market from where Digital Gold is created into existence.**
- **Digital Market or the Secondary Market where Digital Gold is circulated - Digital Gold Network.**
 - A. **Move between users on a title transfer basis**
 - B. **Get exchange with merchants on bartering mechanics, and**
 - C. **Be traded between users as buy/sell commercial activity**

All funds received in the primary markets are classified as pre-payment on-account for all future purchases.

Holding of Physical Assets

Title of underlying physical assets is directly linked to account / ewallet. All assets are held in the Gold Warehouse as vaulted, insured physical gold.

Withdrawal/ Redemption

Withdrawal of bullion bars from Digital Gold is a logistical process. The cost of withdrawal includes the warehousing fees, insurance and other fees that were paid to maintain that gold in storage. The customer instructs the operator via the trading platform to courier the bullion bars from the vault to the customer's registered address. Cost of the shipment depends on destination and weight. Delivery is made in either kilogram bars or one-ounce coins. No transfer of fractional units will be allowed. All costs and taxes are covered by the customer.

Pricing of Digital Gold Coins

Since new coins are constantly being added into the system that are tied to the spot price of Gold, then the Digital Gold price will be tied directly to the spot price of Gold.

Digital Gold is free of price manipulation where the token market price is consistently tied.

Digital Gold is priced in US Dollars with its value being 1/1000 oz of spot price of Gold. The production cost is not reflected in any transaction cost unless the Digital Gold Coins are being delivered physically or being sold for fiat currency. Production cost will be determined by current production costs and the number of Digital Gold Coins being converted.

Primary Market

The Digital Gold's wholesale physical trading platform (DGX) is the market where Digital Gold is created. DGX is an online physical trading platform where investors buy and sell eligible gold and convert the gold into Digital Gold digital units. Each conversion makes additional supply of Digital Gold tokens in the Secondary Market of Digital Gold. In other words, investors of DGX bring Digital Gold Coins into existence by converting tangible gold at a fixed conversion rate based upon 1/1000 oz of gold per Digital Gold Coin.

Secondary Market

Digital Gold Network (DGN) is the digital market where Digital Gold is circulated. DGN is an electronic ecosystem accessed via a web-browser, tablet or smartphone that provide end-users with features to trade, transfer or exchange Digital Gold Coins.

General Benefits

Adopting and benefiting from the Gold Standard

The Gold Standard is a monetary system in which the standard economic unit of account (monetary unit) is based on a fixed weight of gold. Digital Gold Coins follows the Gold standard by establishing a direct link between Digital Gold Coins and Gold by weight. 1 Digital Gold Coin represents the ownership of 1/1000 oz of Gold in a vaulted and insured facility.

Digital Gold provides a number of direct benefits for using the Gold Standard.

- The creator of the Digital Gold purchases and controls gold for a discounted price.
- Transactions utilize the full spot price of Gold to establish the current value of the Digital Gold
- Assuming that the price of Gold doesn't change between the time of creation and usage, the creator would realize an immediate 10% gain in value over a cash only account.
- If the price of Gold increases, then the value of Digital Gold also changes
- This allows a small investor to benefit from appreciation of the Price of Gold without the costs of physically possessing it (coinage, storage, insurance, and conversion costs
- Normally a small investor would need to see an approximate 10% increase in the price of Gold to overcome the costs of ownership and insurance.

- The creator can also earn income from his gold holdings from subsequent transactions, even if the coins are not currently owned by the creator.

Velocity and its benefit to the creator of Digital Gold Coins

- A significant portion of the transaction fees are distributed proportionally between the Digital Gold creators
- This distribution continues even after the 'creator' has transferred them to another account
- When a creator 'spends' his Digital Gold Coins, the real investment is reduced, reducing his investment exposure but the distribution continues
- The Digital Gold Coins can be transferred from one party to another many times a month, each time creating a transaction fee
- The greater the number of transactions that accrue (the higher the velocity), the greater the total distribution to the creator
- An average of 1 transaction/month will result in approximately a 3% yield per annum.
- It is estimated that the yield to the Digital Gold creators will average between 3%-12% per annum

Economic Benefits

Creation of Digital Gold Coins goes into circulation from the Primary Market into the Secondary Market based upon only the value of the gold that the Digital Gold represents. Digital Gold does not have a built-in inflationary effect, it is not issued as debt and therefore, Digital Gold does not earn interest. However holders of Digital Gold can benefit from the following incentives.

- 1.Digital Gold creators are given a 10% discount from spot price of Gold for their entire purchase. No cost for production, storage or insurance.
- 2.The Digital Gold Coins are traded at spot price. No cost for production, storage or insurance. This represents an addition 5-10% savings over traditional physical gold transactions.
- 3.Creators are credited with a distribution based upon velocity, even if they have spent their credits, this distribution can last years beyond their initial investment.
- 4.Agents receive Digital Gold Coins for referring investors that become Digital Gold Creators.
- 5.Low Transaction costs
- 6.Long Term holding appreciate with the price of Gold

7.No debasement of currency

Since Digital Gold Coins wealth sharing mechanism is non-interest bearing, Digital Gold, thus, becomes Sharia Compliant.

Digital Gold Coins offers investors a method of investing in Gold and yet obtain substantial returns without putting their Gold at any risk.

Prepaid Digital Gold denominated Card

In order to simplify payments into fiat currencies, Digital Gold end-users have the flexibility to request for a Digital Gold prepaid card denominated in Digital Gold. This is a product where members are not required to sell Digital Gold Coins for fiat currency in order to top-up their prepaid card. This highly convenient prepaid card facility allows members to pay directly in equivalent of Digital Gold at any moment. The prepaid card converts instantly, in real time the represented Gold into any fiat currency to complete the payment transaction. The prepaid card payments are limited only by the balance of Digital Gold on the member's e-wallet.

1. This is a payment solutions in which pre-paid cards are loaded with Digital Gold and not fiat currency. In most cases, customers are asked to sell their gold, then top-up their prepaid card with the proceeds of the sale in fiat denomination. With Digital Gold this is linked directly to the users account and priced in real time.
2. **Liquidity:** users are able to make payment at any card payment points as well a ATM's. The Digital Gold is converted at spot rate upon payment in to fiat.
3. **Pricing:** Users can time usage of their pre-paid card conveniently during times of capital appreciation of Gold
4. **Portability/Divisibility:** User can exchange exactly the amount they need to pay. There is not need to sell large metal amounts for small payments.
5. **Merchant Benefit:** merchant processing costs of 2-4% are eliminated increasing profits
6. **Buyer Benefit:** In many parts of the world the buyer is asked to cover the card charges (2-4%). With Digital Gold there is only a .5% transaction fee

Coin Supply Explained

Digital Gold Coins come into existence through the purchase of Gold from Digital Gold's wholesale physical trading platform (DGX). The physical gold is then vaulted, stored and insured. There is no limit on the number of Digital Gold Coins that can be created (subject to any physical supply-chain logistics issues). Digital Gold does not

follow an ICO approach, but adopts a conversion mechanism for issues new digital units.

Comprehensive Storage Solutions

Digital Gold offers a comprehensive storage solution through an approved / out-sourced vaulting facility. Our vaulting operators are leading names in the logistics solutions industry who offer secure, efficient and reliable services of the highest quality. Their modern infrastructure, cutting-edge security systems and comprehensive insurance facilities ensure maximum security and minimum risk for the global storage of bullion bars and coins.

Inspection and Audit

Digital Gold has engaged industry specialists to provide inspection and audit services on bullion bars and coins stored inside the vaulting facilities. The services include weight reconciliation of all bullion bars and coins stored in each vault location compared to issued Digital Gold Coins.

Custody Fees

All Digital Gold Coins that are converted to delivered bullion and coins will pay vaulting and insurance costs as though the Gold has been in their possession. This fee is collected at the time of conversion. The cost of redemption and physical delivery will be calculated on a case by case depending on weight, final destination and insurance. The redeemer is liable for covering all transportation costs inclusive any taxes and incidentals without exception. Physical delivery terms and conditions are subject to change without prior notice.

Every time a redemption request is executed, the exact number of digital assets in weight is eliminated from circulation.

Cryptography

Digital Gold Network uses industry-standard public-key cryptography tools and techniques, which means the code is well tested and understood. The system is based upon the open source, private and secure Verge block-chain system.

Tor Integration

Tor, derived from an acronym for the original software project name The Onion Router is an IP obfuscation service which enables anonymous communication across a

layered circuit based network. Tor directs internet traffic through a free worldwide volunteer overlay network consisting of more than seven thousand relays to conceal a user's location and usage from anyone conducting network surveillance or traffic analysis. The layers of encrypted address information used to anonymize data packets sent through Tor are reminiscent of an onion, hence the name. That way, a data packet's path through the Tor network cannot be fully traced. Tor's use is intended to protect the personal privacy of users, as well as their freedom and ability to conduct confidential communication by keeping their Internet activities from being monitored.

Onion routing is implemented by encryption in the application layer of a communication protocol stack, nested like the layers of an onion. Tor encrypts the data, including the next node destination IP, multiple times and sends it through a virtual circuit comprising successive, randomly selected Tor relays. Each relay decrypts only enough of the data packet wrapper to know which relay the data came from, and which relay to send it to next. The relay then rewraps the package in a new wrapper and sends it on. The Final relay decrypts the innermost layer of encryption and sends the original data to its destination without revealing, or even knowing, the source IP address.

Because the routing of communication is partly concealed at every hop in the Tor circuit, this method eliminates any single point at which the communicating peers can be determined through network surveillance that relies upon knowing its source and destination.

I2P Integration

I2p was originally built to provide hidden services which allow people to host servers at unknown locations. I2p provides many of the same benefits that Tor does. Both allow anonymous access to online content, make use of a P2P-style routing structure, and both operate using layered encryption. However, I2p was designed to be a "network within the internet,"(see figure 2.1) with traffic staying contained in its borders. I2P performs packet based routing as opposed to Tor's circuit based routing. This provides the benefit of permitting I2p to dynamically route around congestion and service interruptions in a manner similar to the internet's IP routing. This provides a higher level of reliability and redundancy to the network itself.

The first time a client wants to contact another client, they make a query against the fully distributed "network database" - a custom structured distributed hash table (DHT) based off the Kademlia algorithm [2]. This is done to find the other client's inbound tunnels efficiently, but subsequent data between them usually includes that information so no further network database lookups are required.

I2p is a highly obfuscated tunneling service using ipv6 that anonymizes all Verge data being sent over the network. Each client application has their i2P "router" build several inbound and outbound "tunnels" - a sequence of peers that pass data in one direction (to and from the client, respectively) [2]. In turn, when a client wants to send Verge data to another client, the application passes the message through one of their outbound tunnels targeting one of the other client's inbound tunnels, eventually reaching the destination.

Rather than relying on a centralized set of directory servers, like Tor, I2p uses two distributed hash tables to coordinate the state of the network. Distributed hash tables or DHTs are a distributed and often decentralized mechanism for associating hash values with content. The primary advantage to DHTs are their scalability. A successful decentralized P2P network requires good scalability of its services to ensure the size of content or transaction sharing can continue to grow as required. Additionally I2P does not rely on a trusted directory service to get route information. Instead, network routes are formed and constantly updated dynamically, with each router constantly evaluating other routers. Lastly, I2p establishes two independent simplex tunnels for traffic to traverse the network to and from each host as opposed to Tor's formation of a single duplex circuit.

Digital Gold's Network

Digital Gold's is based upon a branch of Electrum. Electrum's (Verge's Network) strength is speed and simplicity, with low resource usage. It uses secure remote servers that handle the most complicated parts of the Verge network and also allows users to recover their wallets with a secret seed phrase. Additionally, Electrum offers a simple and easy to use cold storage solution. This allows users to store all or part of their coins in an offline manner. Moreover, Electrum is one of the only wallets to provide native Tor and i2P support. By integrating Electrum with Tor and i2P, one can achieve anonymity while using the desktop/mobile wallet. Both IP address and transaction information is secured and does not leak to the connecting servers; increasing user privacy. Electrum enables multi-signature support, which requires more than one key to authorize a Electrum transaction. Standard transactions on the Verge network could be called 'Single-signature transactions' [4], because transfers require only one signature - from the owner of the private key associated with the Verge address. An Electrum transaction, with multi-signature support, requires the signatures of multiple people before the coins can be transferred. Verge then requires multiple different party addresses to be provided in order to do anything with them. Here is an example: One Electrum wallet is on your primary computer, the other on

your smart phone - the coins cannot be spent without a signature from both devices. Thus, an attacker must gain access to both devices in order to steal your coins.

Key Features of an Digital Gold Wallet

Deterministic Key Generation

If you lose your wallet, you can recover it from its seed. You are protected from your own mistakes

Instant ON

The client does not download the blockchain, it requests blockchain information from a server. No delays, always up-to-date.

Locally signed Transactions

Your private keys are not shared with the server. You do not have to trust the server with your coins.

Freedom and Privacy

The Digital Gold server does not store user accounts. You can also export your private keys, meaning YOU own your address.

Multi-Algorithm Support

Digital Golds branch of Verge is a multi-algorithm cryptocurrency that is designed to enable people with different types of mining devices to have equal access to earning coins. It is one of the only cryptocurrencies to support 5 hash functions combined on one blockchain. This results in increased security. What makes Digital Gold (a branch of Verge) stand out from other cryptocurrencies are the 5 Proof-of-Work algorithms that run on its blockchain, namely Scrypt, X17, Lyra2rev2, myr-groestl and blake2s. All 5 algorithms have a 30-second block target block time. The difficulty is influenced only by the algorithm's hash rate. This allows improved security and protection against 51% attacks.

Android Tor + I2P

Digital Gold (a branch of Verge) sits at the forefront of innovation in the mobile cryptocurrency space. We have pioneered and developed two very unique and first of their kind android wallets. One of which operates exclusively on The Onion Router Network (Tor) and the other operating exclusively on The Invisible Internet Project (i2P). The Verge Tor and I2p wallets are built around the premise of anonymity. The wallets have no built-in ability to connect to or broadcast user information over Cleartnet. Transactions are completed via Simple Payment Verification (SPV), a technique described in Satoshi Nakamoto's paper that allows for the wallet to verify transactions through proof of inclusion; a method for verifying if a particular transaction is included

in a block without downloading the entire block (similar to how an Electrum wallet functions). SPV allows for nearly instant payment confirmations because it acts as a thin client that only needs to download the block headers, which are drastically smaller than full blocks. The Digital Gold Tor and i2P wallets also have built in security features such as a 4 digit pin code and biometric locking options for an added layer of physical security. Additionally, the Verge Tor and i2P wallets are able to handle P2P QRcode scan transactions with instant verification. Clients are able to also import QRcodes from paper wallets to pull balances from cold storage if required.

P2P Platform-Integrated Portals

Peer-to-Peer (P2P) transaction support for Telegram, Discord and Twitter is supported by Digital Gold. Telegram is a free cloud-based instant messaging service that supports Android, iOS, Windows Phone, Windows NT, macOS and Linux. Telegram uses a symmetric encryption scheme called MTProto. The protocol was developed by Nikolai Durov and other developers at Telegram and is based on 256-bit symmetric AES encryption, RSA 2048 encryption and Diffie-Hellman key exchange. Discord is a proprietary freeware VoIP application that has widespread adoption in the crypto community. Like Telegram, Discord has support on Windows, macOS, Android, iOS and has a browser accessible web client. Implementing Digital Gold P2P capabilities on these platforms allows users to send and receive funds on the fly, no matter where they are (regardless if they have an actual wallet installed or not). P2P is an online technology that allows users to transfer coins via the internet or mobile device. To do this, consumers use an online application, or in this case a bot to designate the amount of coins to be transferred. The recipient is designated by just their username and once the transfer has been initiated by the sender, the recipient then receives a notification to use the online bot. that he has received a payment at a newly established deposit address. The user is then allowed to tweet or message the bot with a simple command such as '!withdraw' and is then prompted with a set of instructions on how to receive their newly acquired Digital Gold. This service does not require any additional information past the amount you want to send and who to send to. No privacy information such as IP addressing, location, name is retained during this process. Your personal identity outside of initiating the transaction remains completely anonymous. Digital Gold is one of the only cryptocurrencies to already offer P2P solutions for Telegram, Discord, Twitter and Internet Relay Chat (IRC) with Reddit, Slack and Steam support coming at a future date. These P2P offerings allow users to transfer Verge to anyone on the same social platform as them.

Wraith Protocol

Wraith Protocol makes it possible to choose between a public or private ledger for the first time in cryptocurrency history, while staying anonymous in both cases. Through this innovative new system, users who value transparency and accountability, e.g. merchants, have the option to have transactions viewable on the blockchain. On the other hand, it also provides an option to those who prefer transactions to vanish entirely. Wraith Protocol allows for complete anonymity to be maintained while providing a safe and secure method of sending and receiving Verge coins without transactions being traceable on a publicly accessible ledger. The update includes stealth Addressing and the latest Tor+SSL integration that will take our core QT users off of clearnet, and migrate them to exclusively operate on the latest Tor network. Also included are the capabilities to designate which ledger a user wishes to transact across, public or private. With elegant simplicity, the Wraith Protocol update will enable users to toggle a switch within the Core QT wallet that allows them to transact via stealth addressing with an additional layer of IP obfuscation through the Tor Network.

Chat on Digital Gold's Ewallet: Visp

Visp is a P2P (peer-to-Peer) Instant messaging system utilizing state-of-the-art encryption technology to keep your communications private. All messages are encrypted by the proven AES-256-CBC algorithm, and distributed between nodes in such a way as to prevent the recipients of messages from being inferred by assailants utilizing sophisticated traffic analysis. Whisper utilizes The Elliptic Curve Digital Signature Algorithm, which is a variant of the digital signature algorithm used in elliptic curve cryptography. ECDSA is used to give you the confidence of knowing messages you receive come from the original recipient and remain untouched in propagation. Messages are distributed via the preexisting Verge P2P network, and a copy of each encrypted message is stored on each node for a period of 48 hours.

How to create an eWallet

Digital Gold is available to download through the iOS AppStore and Google Play Store (Android) or you can access through the Web-client application at (www.DigitalGold.io) or through our website www.DigitalGold.com. Simply, sign up and follow the simple instructions to sign-up and complete the simple KYC process to activate the eWallet. Accounts are limited by default to in value to US Dollars 10,000, but the limit can be removed by simply providing additional information as per BCN eWallet onboarding requirements.

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