COMTECH GOLD

MAKING GOLD EASY TO OWN AND EASY TO TRADE

WHITEPAPER

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1. Background

Dubai is called the 'City of Gold' with almost 1,200 tons of the metals traded in the city's gold souks. With the vision of making Dubai also as **'City of eGold'** this Company will be set up for issuing Standardised e-Gold following **Sharia Guidelines** and using Blockchain-based wallet Technology which will follow Shariah principles and backed 100% by physical gold. The underlying physical Gold which backs the e-Gold unit will be stored with Transguard a reputed secured Vault operator in the UAE. These Gold Tokens are available for trading on Bitrue, a Globally Regulated Exchange and shall also be available soon on other BlockChain as well as Traditional exchange Platform (product features are described in detail in the product section of the document).

Digitization using Blockchain Technology will allow a global user base to get access to E-Gold. This will solve the Storage issue, and price variation issue as it will provide one global price for the E-Gold, Easy Gold fractionalisation, and remove Transportation Risk for the wholesalers, traders, and retailers. Observing Shariah Principles makes it an ideal investment product for the Local Investors.

2. Offering Person's Identity

The company issuing the tokens would be ComTech FZCO which is incorporated in the UAE and registered in the Dubai Airport Free Zone Authority (DAFZA).
ComTech FZCO is 100% owned by Trade Fintech Ltd. which is incorporated as a Private Company under the Companies Law, DIFC Law No. 5 of 2018 on October 4, 2021, with registered number 5102. The prime promoters of the company are blockchain Industry Experts and have set up similar ventures in the blockchain space both in the UAE and internationally (Singapore, UK, Malta, and India) as well.

Trade Fintech Ltd. is a blockchain and tokenization technology provider for trade finance distribution initiative, a group that consists of 55+ world's biggest banks and emerging fintech, regulators, etc.

More details on TFD Initiative.
https://www.tradefinancedistribution.com

3. Product Feature

Gold tokens will be standardised tokens issued by the company and will have the following features

3.1 Token Size and Pricing

Each Gold token would represent 1 gram of Gold and will be priced at the prevailing gold rate.

3.2 Gold Backing

All Gold tokens will be 100 % backed by physical Gold in the form of Standardised 1 kg bars of 999 purity. The Gold bars would be identifiable through their bar numbers and will be of internationally accepted refineries. We are in discussions with Gold Supplies which are internationally renowned (e.g. StoneX) who will be able to provide physical golds to support the tokens. This will ensure that the quality of the underlying Gold is maintained to provide the required comfort to the investors.

3.3 Shariah Principles

The product will be 100% following Shariah Principles and thereby will be the first of its kind in the region. Each Gold token will be backed by physical gold which would be identifiable and segregated. Each Purchase and Sale of Gold will result in the actual delivery of Tokens from the Seller to the Buyer following Shariah Compliance. The backing of Gold and the Purchase/Sale of Gold Token will be completely auditable, allowing it to be completely tracked from Creation to Purchase to Sale to Redemption.

3.4 Conversion of Gold Token to Physical Gold

Holders of Gold Tokens will have the facility to convert their tokens to Physical 1 Kg Gold bars. Any investor holding gold tokens equivalent to 1 kg (1000 tokens) can request for cancellation of their tokens in Exchange for physical 1 kg Gold Bars.

3.5 Vaulting and Storage

The physical bars will be stored with Transguard in the UAE which is one of the internationally accepted vaults on a segregated basis.

3.6 Digital Custodian

The Gold tokens issued will be held with an approved digital custodian. These will be held on a segregated basis and will complete the accountability and audit trail of tokens held under each user's wallet account.

3.7 Self-Custodian Digital Wallet

Gold Tokens will be made available on a Digital Wallet which will allow users to view and transfer their balances. Wallets work on the fundamentals of cryptography to provide access to the owner only.

3.8 Initial Investors

We are in discussions with the investor community who are looking to take exposure in Digital Gold. We are looking to start with at least 50 kgs of Gold which can be expanded with the increase in demand.

4. Product Benefit

4.1 Ease of Use and access

These Gold units will be available for trading on an international blockchain platform thereby allowing investors to access this product easily wherein they can buy or sell gold units at ease through the exchange where it will be listed. Currently, investors in the UAE have to visit the Gold Souq to buy and sell gold and also have to pay additional charges in the form of making charges when they have to buy Gold.

4.2 Guaranteed Gold Backing

Each of the Gold tokens will be 100% backed by physical Gold. Therefore, investors will have guaranteed Gold backing for each unit held by them.

4.3 Ease of Storage and Fungibility

Storage and handling of Gold are not very convenient. Retail investors store gold in their houses or in bank lockers which always have risks related to safety issues. Under the new product, investors will be able to hold and store gold in an electronic form. They will also be moved around with their holdings and will be able to sell their investments from anywhere in the world.

4.4 Investment Product

Anyone investing in Gold currently must do so in a minimum of 10 grams else it does not become economically feasible due to the making charges. However, with this Gold Token product investors will be able to buy as low as 1 gram and hold it.

4.5 Lending and Borrowing

At a later stage, this product will be expanded to offer lending and borrowing facilities on the units held by the investors. It will allow investors to borrow using their Gold Tokens as collateral and thereby can make use of their investments to avail loan facilities. There will also be a provision for lending Gold holdings and earning returns against the Gold tokens held.

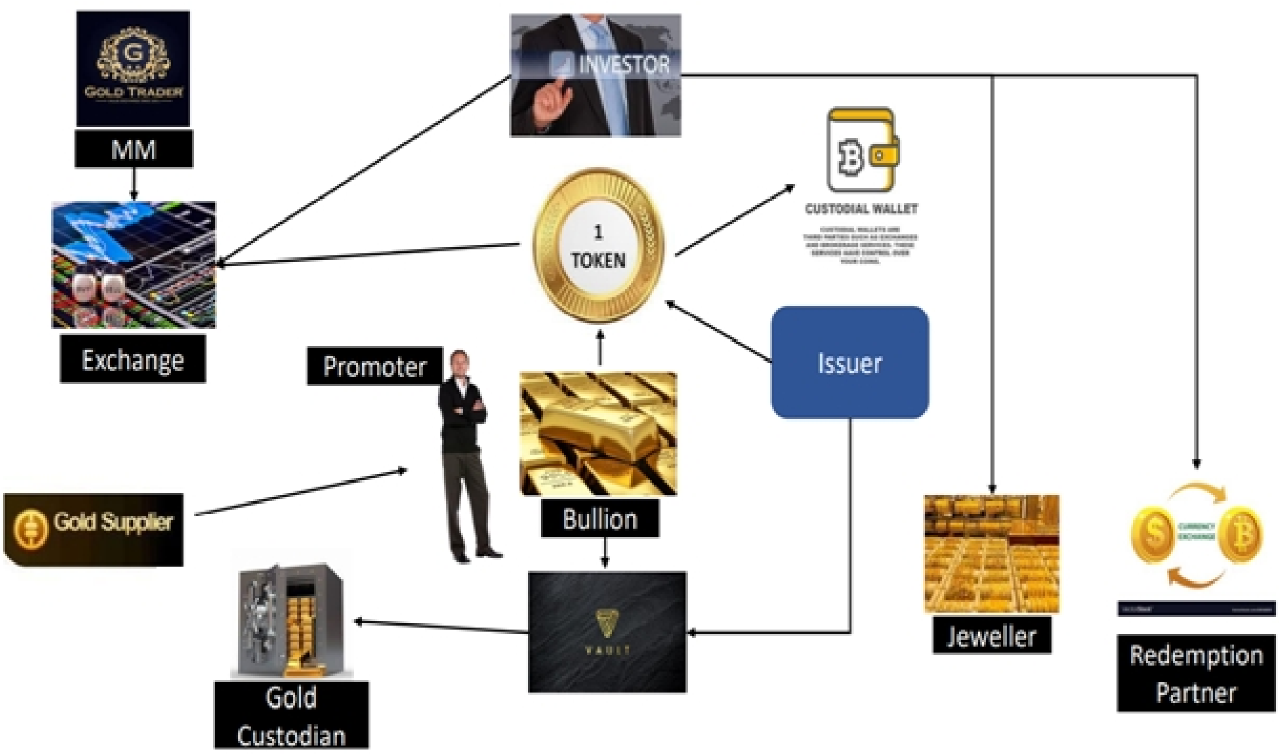
4.6 Shariah Principles

The product follows 100% Shariah guidelines making it an ideal product for the local population and also for corporates who are looking for investments in Shariah Compliant products.

4.7 Redemption Option

At a later stage, this product investors will be able to convert their holdings into actual physical Gold in smaller units of 10 grams, etc through Redemption Partners or can exchange for any Gold jewelry through a retail jewellery shop.

PRODUCT DESIGN



5. Listing and Trading

The Gold tokens are listed on Bitrue an international Digital Exchange outside of the UAE and will be available for trading on a blockchain platform. We are also in discussions with multiple Exchanges for the listing of these tokens.

6. Custody

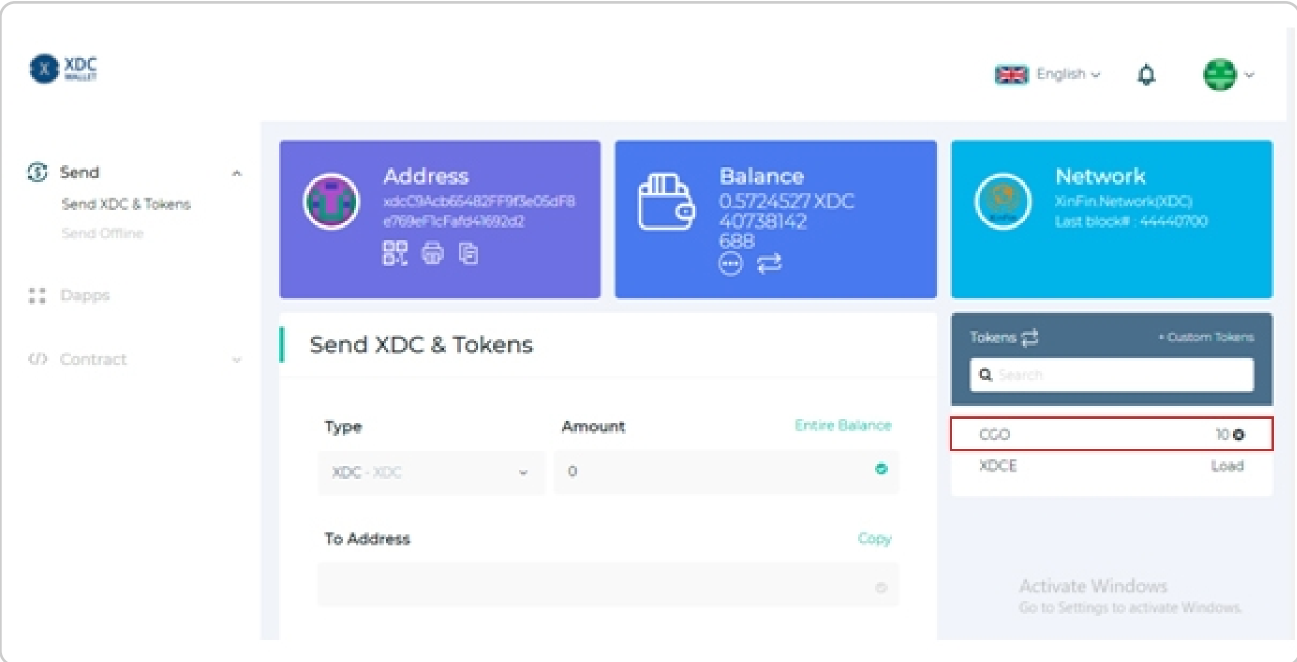
6.1 Underlying Gold Custody & Storage

The Gold will be stored with Transguard in the UAE ensuring that the Gold is stored on a segregated basis. There will be audits and inspections regularly to ensure there is complete traceability of the Gold which can be linked to the Tokens issued. We will also be appointing external auditors to audit the records of Gold Storage and these reports will be published periodically.

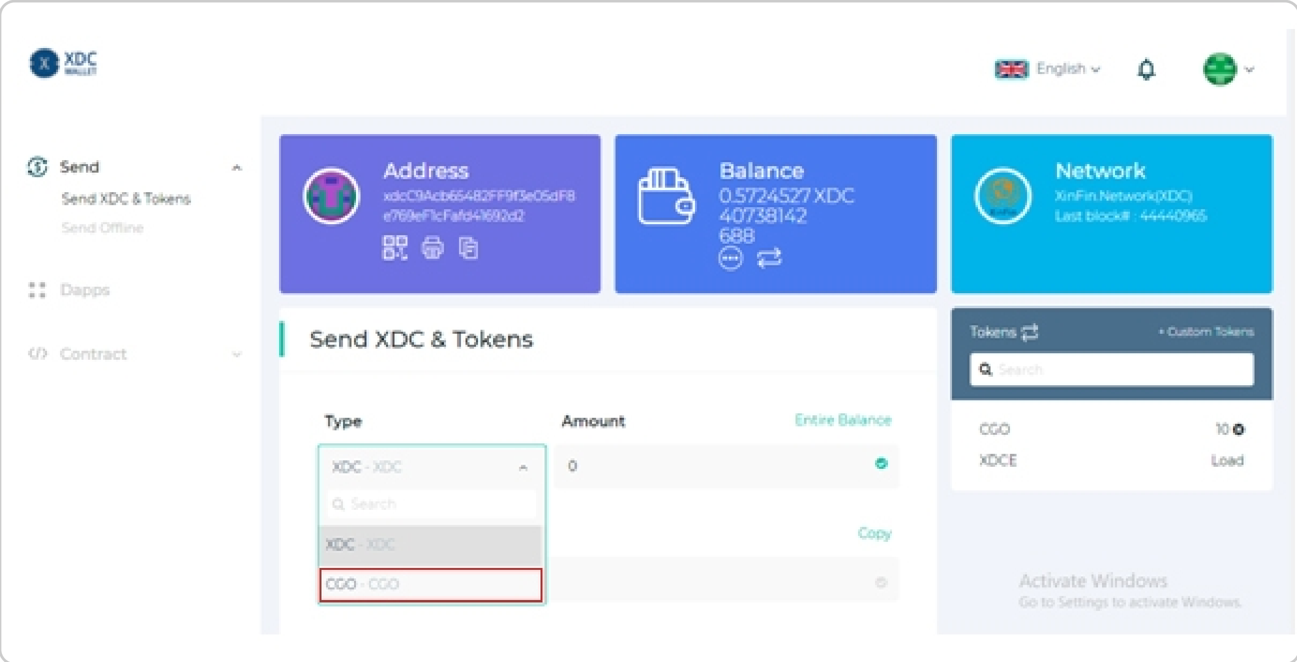
7. Technology

Digital Gold Storage tokens are called “CGO”. Wallet Transfer and Blockchain Ledger infrastructure have been developed on the XDC Blockchain Network.

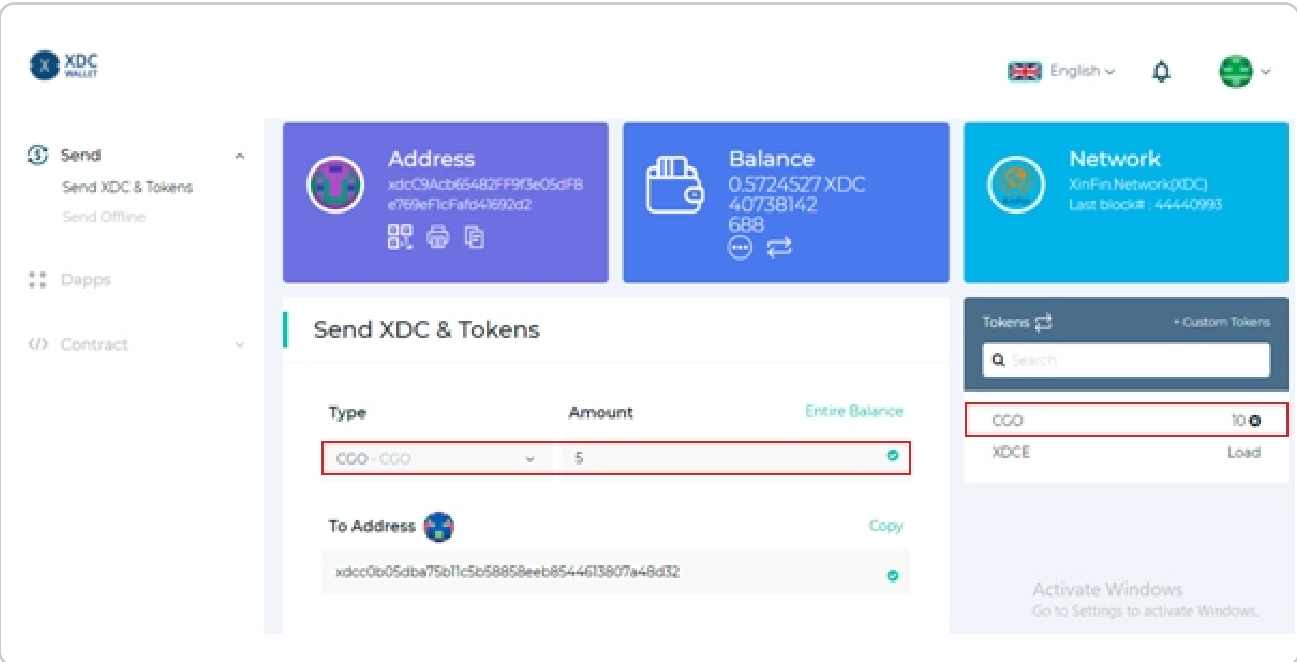
We are sharing a few screenshots of the technology and wallet platform (using Web Wallet)



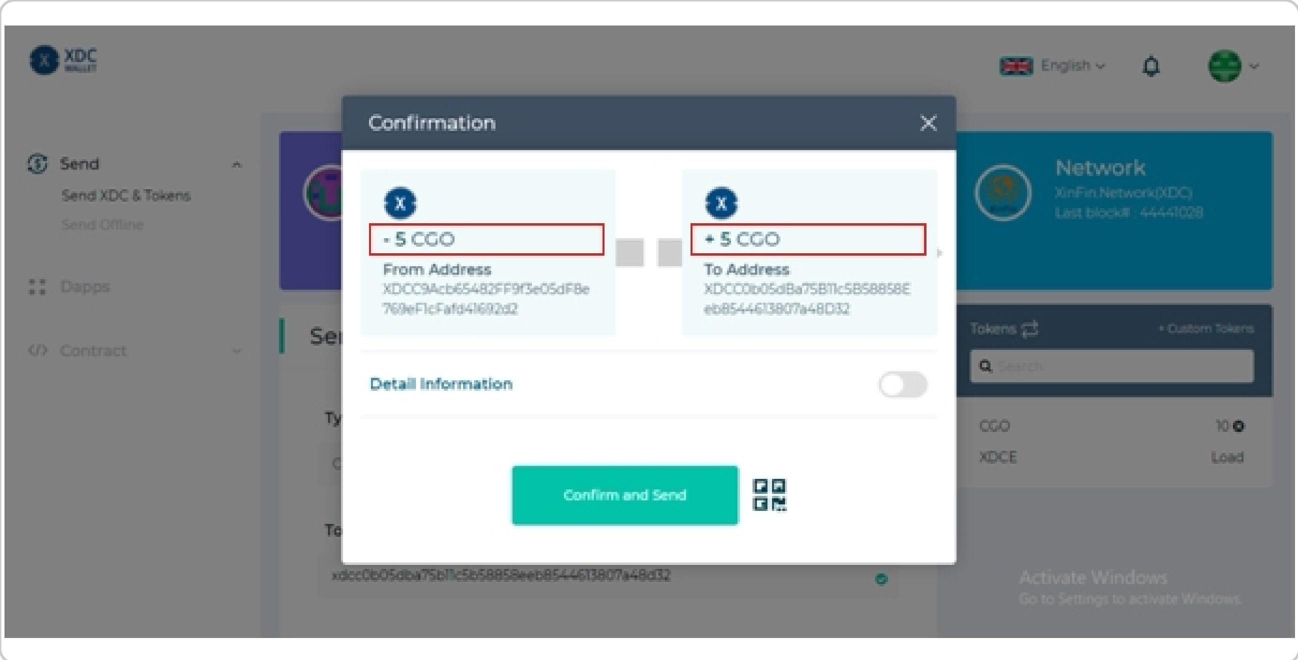
Screen1: You can see the balance of ComTech Gold (CGO) tokens on the left side.



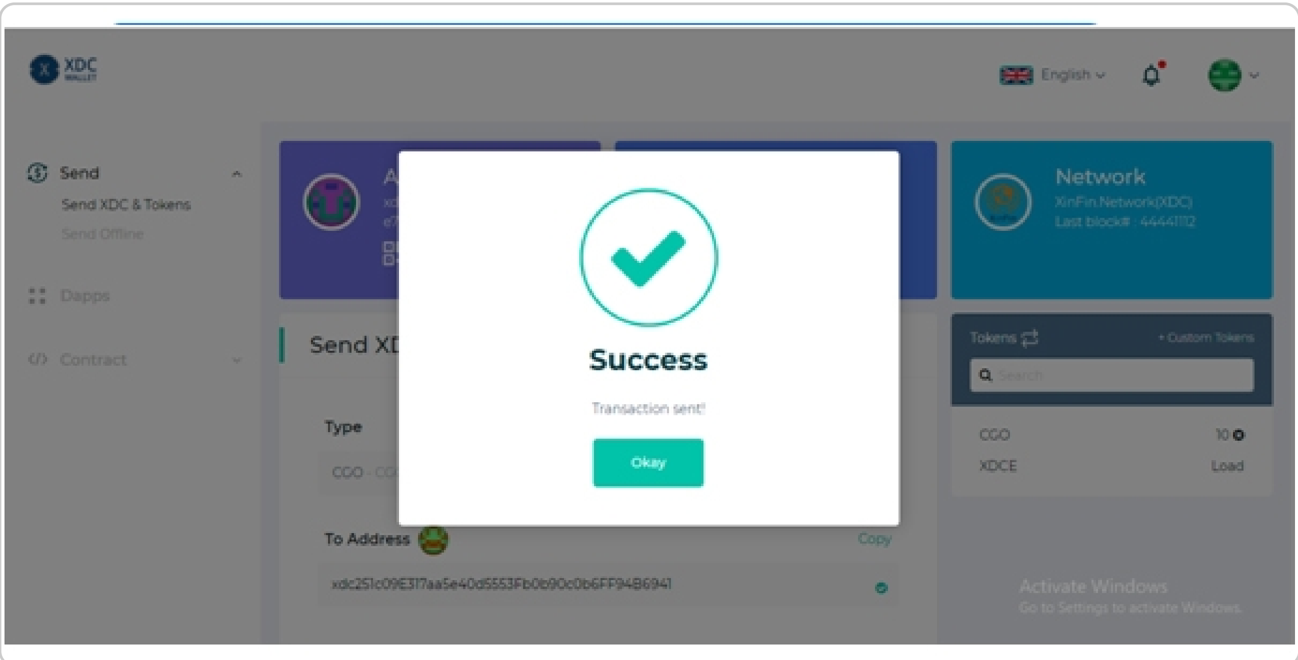
Screen2: To send the ComTech Gold (CGO) tokens you need to scroll down and select CGO.



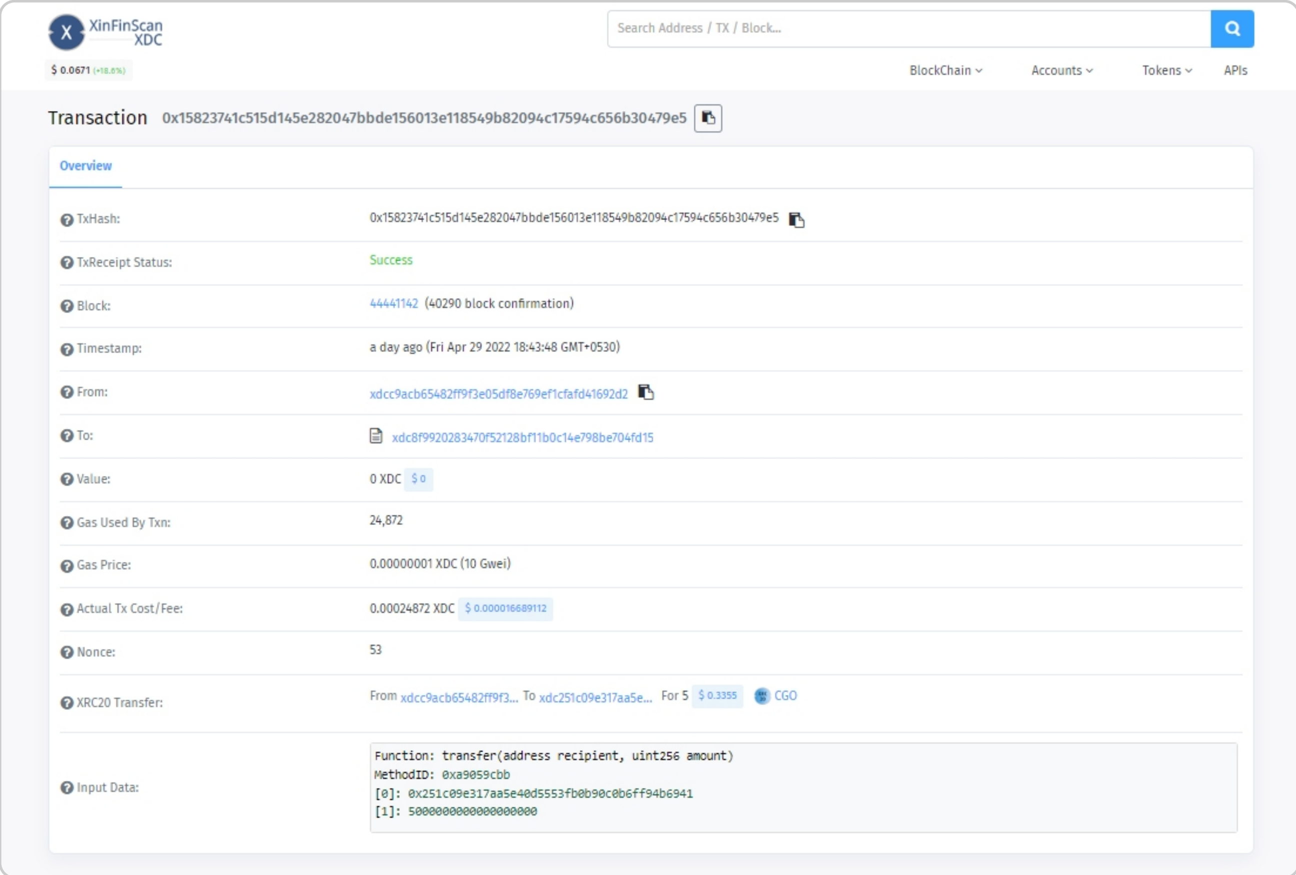
Screen3: You need to enter the amount of ComTech Gold (CGO) tokens you want to send and the address you want to send the tokens.



Screen4: You need to confirm the transaction after confirming the transaction tokens will be sent to the receiver address.



As the transaction is compelled you can see success and you can also check the transaction on the XinFin Explorer.



Screen5: Transaction Tracking, Recordkeeping on a blockchain network, you can see the Transaction has been completed and tokens have been transferred. The entire transfer process takes 2-3 seconds with near-zero transaction fees.

8. Market Making

We would be appointing Market Makers to ensure the availability of adequate liquidity and quotes to allow investors to buy and sell at any point of time. We are in discussions with multiple market makers and liquidity providers who have adequate experience and expertise in this field.

9. Target Audience

The product will be catered to all variety of investors starting from retail investors to corporates who want to take exposure in Gold. This product will serve as an investment product for retail investors who are currently required to visit Gold Souk to buy gold for investment purposes. This product will also be targeted toward Corporates and investment houses who want to take exposure on Gold and are currently holding such investments in actual physical forms.

10. Disclosure & Risk

Since Gold Token will be 100% backed by physical gold, the price of these tokens will tightly follow the international gold prices. Accordingly, investors in the gold token will be subject to market risk applicable to the Gold Market. Gold is traded globally across multiple exchanges and is considered as a safe heaven against inflation. The price of Gold is impacted not only by economic factors but other multiple factors including demand and supply, political instability, and inflation including the strength and weakness of the dollar.

Investment in gold is also considered for achieving diversification of the portfolio and investments are done through multiple forms e.g. Physical bullion, Gold ETF, Gold Receipts, Gold derivatives, etc.