

# **RESOLUTE GOLD**

- is a digital token backed by physical gold.

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## 1. INTRODUCTION

The world standard for investment-grade physical gold is the London Metal Exchange.

Derivatives such as forwards, futures and options on gold are the main way for investors to access changes in the fiat price of physical gold. These products are currently traded on various public exchanges around the world as well as various over-the-counter private markets. Gold futures are used as a hedging tool by commercial producers and users of gold, facilitating both the opening up of global gold prices and opportunities for portfolio diversification.

The wholesale OTC market for trading gold and silver is unfortunately underdeveloped, it has a strong shadow component and increased control by the fiscal authorities. It is also often used by criminal elements to launder illegal funds, which entails great commercial risks for potential investors. The most formalized trading is conducted by members of the London Bullion Market Association (LBMA) and freely controlled by the Bank of England. The LBMA is issuing the Good Delivery specification, a set of rules regarding the physical characteristics of gold and silver bars used in the settlement of the market.

The majority of participants in the stock trading sector are large international dealers, miners and processors of precious metals. Poliprom is one of them and has many years of experience in this market. We perfectly understand the features and specifics of the mechanism for conducting transactions related to the purchase and sale of metals on the stock exchange and, accordingly, the complexity of access for ordinary customers to this market.

In general, the picture is as follows: an individual, as an investor in metals or a buyer of physical gold bullion, can usually get access to this market only indirectly, through intermediaries acting as transaction administrators, while for the most part not wanting to be associated with small lots, ignoring the interests of small participants, or charging an unreasonably high interest rate for such operations.

Based on this, we can highlight the main disadvantages of this model:

1. Lack of direct contact between the seller and the buyer (using a broker as an intermediary)
2. The broker gives preference to large companies to the detriment of the interests of non-corporate clients.
3. Complex system of financial settlements.
4. Logistically difficult process of obtaining physical gold.
5. Complicated multi-level registration system and expensive market participant membership for non-corporate clients.

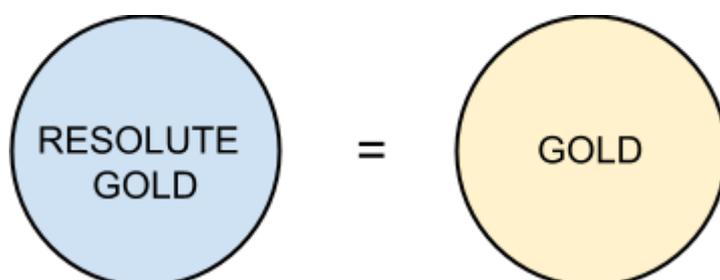
The Resolute Gold token allows you to solve these problems, eliminate risks, guaranteeing transparency and simplicity of operations and transactions. At the same time, clients receive a simple and effective tool that eliminates financial risks and guarantees high profitability. The indisputable advantage is the possibility of direct management and control of your own assets without intermediaries.

## 2. TOKEN RESOLUTE GOLD. GENERAL

Digital alternatives to physical gold ownership have expanded the ability of individuals and businesses to trade off monetary principles, such as accepting the indirect rather than direct impact of the gold price (counterparty risk) in exchange for lower storage and transaction costs (affordability). But the traditional market still lacks a cheap way for investors to get direct access to physical gold. At the same time, it is important to understand that the purchase of gold at the LBMA price does not bring profit to the client. The subsequent sale of gold leads to monetary losses, since the broker receives their marginal profit in any case during the transaction (both buying and selling).

Objectively, gold is not an attractive investment asset, while being a highly liquid financial instrument.

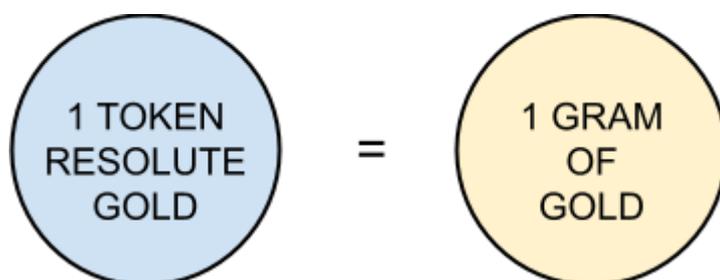
**Resolute Gold brings together the best of everything: the direct impact of the price of physical gold, guaranteed returns, the availability of traditional financial assets such as ETFs, and the transactional utility of a digital token.**



Using the technology and functionality of the world's leading stablecoins, such as fiat-backed 'Tether', the physical asset of gold is applied to Resolute Gold. This will significantly mobilize the gold market by lowering entry barriers for non-institutional investors.

### 3. BASIC FUNCTIONALITY

Each individual Resolute Gold token represents 1 gram of gold.



Stored physical gold will be in a bank vault in the banks of Peru and Panama, and they can be split up to two decimal places (i.e., in increments of 0.01 grams).

For example, at the price of 06/20/2022, the price of one gram of gold will be approximately 60 USD.

1 Resolute Gold token (gram)	60 USD
0.1 Resolute Gold token (gram)	0.6 USD
0.01 Resolute Gold token (gram)	0.06 USD

*Approximate ratio of Resolute Gold token to USD*

**Resolute holders will be able to exchange their tokens for the corresponding physical gold, subject to minimum redemption requirements.**

If necessary, the holder can instruct Poliprom to sell gold and transfer the proceeds from the sale to the specified account or crypto-wallet.

Gold bars will have a unique code that will be tied to the network address where Resolute Gold tokens are stored. Poliprom will make available a "Search Website" where customers can identify the specific gold bars associated with each network address holding Resolute Gold tokens.

In the event of a transaction to transfer Resolute Gold from its originating address to another address on the network, the physical gold associated with Resolute Gold stored at each address on the network

will be redistributed on-chain by Poliprom on behalf of the Resolute Gold holders in order to minimize the amount of physical gold bars, associated with each address containing Resolute Gold. **This reallocation will happen instantly, so that each Resolute Gold token will always represent ownership of the physical gold on a specific gold bar.**

In order to purchase, sell, receive profit from the deposit, and conduct transactions related to the redemption of Resolute Gold under the Poliprom Club program, users will need to go through the identity verification (KYC) process and agree to the Poliprom club membership policy.

## 4. OPERATING DETAILS

### 4.1. Platform and Protocol

Resolute tokens will initially be issued on the BEP-20 protocol (Binance protocol). After a deep analysis, we came to the conclusion that the Binance platform has a number of undeniable advantages over other crypto platforms, primarily its transparent policy towards clients, the reliability of protecting personal funds and wide tool functionality with a large user base.

### 4.2. Currencies

All purchases and buybacks will be made in USD (US Dollars), EUR (Euro), USDT (Tether) and BUSD (Binance USD).

### 4.3. Emission of tokens (Minting)

The issue of Resolute Gold tokens is directly related to the volume of gold mined by Poliprom and its transfer to the bank for storage. All gold bars are certified by SGS and have a quality certificate indicating the fineness and weight.

The initial issue of Resolute tokens is planned to be 15,000 units (15 kg of gold), which is exactly how much physical gold the company has in storage in the bank and which the company plans to use for the initial provision of Resolute Gold tokens. Subsequent emissions will be carried out as the mined gold accumulates in the bank vault.



### 4.3.1. Purchase of Resolute Gold tokens by clients

Poliprom mines gold in Peru, which, after refining, is transferred to storage in a depository vault in Panama. Gold will be held in the interests of Resolute token holders, and not in the interests of Poliprom.

As of this writing, in order to purchase Resolute, users will need to **purchase a minimum of 1 gram of gold** (i.e. 1 Resolute Gold token) and pay the gold purchase cost in (USD, EUR, USDT, BUSD).

<b>Buying</b> Resolute Gold Tokens	<b>Minimum 1 token (1 gram)</b>
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Payment will be made on the Binance platform or by transfer to Poliprom's personal crypto wallets. For the purchase of a large number of tokens, wholesale buyers will consider other payment methods, such as bank transfers SWIFT, SEPA, etc. All details are pre-agreed with Poliprom representatives.

### 4.3.2. Price of Resolute Gold token when purchased by a client

The standard for measuring the weight of gold is the troy ounce, which is equal to 31.103 grams.

$$1 \text{ troy ounce} = 31.103 \text{ grams}$$

The base price of Resolute Gold tokens will be based on the daily LBMA price (12:00 PM) per troy ounce of gold and will be converted to 1 gram in US dollars.

LBMA price per troy ounce of gold	1834.20 USD
Price for 1 gram according to LBMA	$1834.20 / 31.103 = 58.97 \text{ USD}$

*An example of converting the price of gold from a troy ounce to a gram*

1 Resolute Gold token at the time of purchase is equal to the LBMA price of 1 gram of gold.

Price for 1 gram according to LBMA	58.97 USD
=	
Price for 1 Resolute Gold token	58.97 USD

*Resolute token price to gold price ratio (1:1)*

When buying a Resolute Gold token, the client (buyer) receives on his wallet the number of tokens **5% more than the purchase amount**.

*For example: a client wants to buy 10 Resolute Gold tokens. After payment, Poliprom sends 10.5 Resolute Gold tokens to the client.*

Client paid for <b>10 tokens</b>	589.70 USD
The company sent <b>10.5 tokens</b> (+5%)	619.19 USD

*Approximate ratio of tokens and the amount in dollars*

An additional number of tokens will be credited only if the company has physical gold. If an order for the purchase of a certain number of tokens is received, but the company does not have enough tokens, then the company has the right to refuse the client to purchase tokens.

It is worth recalling that the Resolute token is equal to a gram of gold, so paying the client five percent of the purchase amount is justified. Read more about buying back gold in clause 4.4.1

#### **4.4. Sale of Resolute Gold tokens**

##### **4.4.1. Buyback tokens for physical gold**

At the time of this writing, in order to exchange a Resolute token for its associated natural gold, the holder **must have at least 1000 Resolute Gold tokens** (i.e. 1 kilogram of gold).

The owner of the tokens contacts the company and, by filling out a written form, expresses a desire to redeem physical gold. The client also

provides the necessary KYC documents for verification of an individual (legal entity) by Poliprom lawyers.

After making sure that the buyer is reliable, Poliprom contacts the buyer and discusses the details of the transaction, the place of delivery of gold, etc.

The transaction is carried out according to the P2P type, as with the usual purchase and sale of cryptocurrency for fiat. The guarantor of the transaction (the transfer of tokens in exchange for gold) is a third party, in the form of a crypto platform.

The Poliprom company contacts the client's bank and clarifies the availability of gold for sale from the bank. Further, the Poliprom company pays for the declared amount of gold and instructs that the client will take the gold. After receiving the gold, the client unlocks the frozen tokens.

#### **4.4.2. Sale of tokens for fiat or cryptocurrency**

If a token holder asks Poliprom to sell his gold, Poliprom will do so in the Panamanian gold market. When the gold is successfully sold, Poliprom will provide the Resolute holder with the fiat money (cryptocurrency) for which they sold the gold. Poliprom will not charge a commission for this operation.

#### **4.4.3. Sale of tokens for fiat or cryptocurrency back to Poliprom Company**

If a client has bought tokens and wants to sell them back to Poliprom, he can do this, but **not earlier than 3 months from the date of purchase.**

The company will redeem all tokens purchased by the client at the LBMA market price.

It should be clarified that the company will buy back only those tokens that have been sold to customers and whose transaction date from the company's wallet is greater than or equal to three calendar months.

#### 4.4.4. Earnings for clients on Depositing tokens (Staking)

Poliprom Company gives customers the opportunity to earn on deposits of Resolute Gold tokens. In addition, we called earnings Resolute Club, since only the owners of the token are given the opportunity to earn good money for the client.

The table on deposit rates is presented below:

<b>Name of the deposit</b>	<b>Months</b>	<b>Rate per month</b>	<b>Rate, per annum</b>	<b>Interest withdrawal monthly</b>
Standard	<b>3 - 6</b>	0.5%	6%	Yes
Business	<b>6 - 12</b>	1%	12%	Yes
V.I.P.	<b>12 - 24</b>	1.5%	18%	Yes

**The minimum deposit amount is 50 tokens.**

Replenishment - **no**.

Early withdrawal - **no**.

**Withdrawal of interest - monthly.**

Only one deposit is provided for one client wallet.

#### **Here's an example:**

You open a "Standard" deposit and deposit 100 tokens into the company's wallet for 8 months. at 12% per annum.

With an average price of gold at the end of June 2020, an average of 60 USD per gram (buy/sell).

At the end of the deposit period, you will have 107 Resolute Gold gold tokens in your account. (+12% per year)

If the price remains the same, you will get your investment back and earn on top.

If the price of gold for some reason falls or rises, the company will credit you with the tokens due under the agreement, but will recalculate the entire contribution at the current LBMA value.

#### 4.5. Withdrawal (Burning) Resolute Gold tokens.

When transferring physical gold to a client (buyback from 1000 grams), the client sends tokens to the issuing wallet and the company burns the entire amount received. This fixes the fact that Poliprom can no longer provide Resolute Gold tokens with gold and prevents the possibility of token inflation.



## **5. ADVANTAGES OF RESOLUTE GOLD TOKEN OVER OTHER CRYPTOCURRENCIES AND TOKENS**

### **5.1. Highly mobile shelter asset**

Physical gold has long been considered a safe-haven asset. However, due to its physically bulky nature, physical gold is difficult and expensive to handle and store. By endowing a digital token with the economic characteristics of physical gold, Resolute Gold removes many of the frictions and costs associated with owning the underlying asset. While the physical gold itself will mostly remain in vaults, Resolute Gold will allow certain economic qualities of gold - like ownership, value - to move seamlessly around the world.

### **5.2. Liquid and effective portfolio hedging**

Many investors are not tied to the global monetary system, they include gold in their asset portfolios as a hedge against financial instability. However, while there are many gold-related investment products today, it has historically been expensive and burdensome for non-institutional investors to access physical gold, especially in small quantities. Cheaper gold-related investment products are widely available but often lack the liquidity and hedging performance of physical gold. By allowing lower denominations at wholesale prices, Resolute Gold democratizes access to physical gold as an asset class.

### **5.3. Neutral monetary asset**

The broadest use case for Resolute Gold is as a sovereign-neutral currency. By separating and combining the monetary principles associated with gold and bitcoin, respectively, users will have access to a monetary asset that has a scarcity basis and gold price stability.

While many talk about bitcoin's lack of political affiliation and the resulting resistance to censorship, physical gold was originally a neutral currency. Bitcoin and physical gold exist outside the control of monetary authorities, but the huge price volatility of bitcoin does not allow it to be used as a monetary unit on which trading is based. By combining the most desirable qualities of these two assets, Resolute Gold could

become the first widely traded sovereign currency with a high degree of price stability. By making gold-based contracts and global settlement accessible to all, Resolute Gold tokens will provide a new and real monetary basis for global trading. Governments may no longer be on the gold standard, but Resolute Gold will empower people to do so.

## Sources

1. [Poliprom Company](#) (company website, online presentation).
2. Platform [Binance](#).
3. [LBMA](#) (website).

Edition dated 06/22/2022.

This white paper has been prepared by Poliprom S.A.C. (Resolute Gold) and any subsidiary or affiliate of Resolute Gold, and any person or entity associated with any of them. This white paper is confidential and by accepting it you agree to keep all information contained therein confidential. This white paper is a marketing document and does not claim to be legally binding.

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