



Relevant Information Document

17 June, 2024

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Disclaimer

This document comprises a Relevant Information Document (the “**RID**”) relating to the Alloy by Tether tokens (“**AbT**”) specifically, (“**aUSD₳**”), that is part of a new category of Tethered assets issued by Moon Gold El Salvador Sociedad Anonima De Capital Variable that might be abbreviated Moon Gold El Salvador, S.A. De C.V. and Moon Gold NA Sociedad Anonima De Capital Variable that might be abbreviated Moon Gold NA, S.A. De C.V. both of which are incorporated and in effect under the Laws of El Salvador, whose registered address is Edificio Torre Futura, oficina 6, nivel 11, entre 87 y 89 avenida norte, Colonia Escalón, San Salvador, El Salvador (together, “**Tether AbT**”, “**we**”, “**us**” and “**our**”) and has been prepared in accordance with Article 22 of the Law for the Issuance of Digital Assets (the “**Law**”). The RID has been submitted to the EL Salvador National Commission of Digital Assets (the “**CNAD**”) pursuant to Tether AbT’s application to be registered as a stablecoin¹ issuers; Tether AbT has successfully obtained authorization as a stablecoin issuer under Article 5 of the Regulations for the Issuance of Public Offerings of Stable Coins (the “**Regulations**”). However, while the AbT tokens subject to this offering are registered in the Public Registry of the CNAD, their registration does not imply certification regarding the quality of the token or the solvency of Tether AbT. It is incumbent upon prospective customers to thoroughly review all information about the token and the associated risks contained herein.

Prospective User(s) of AbT tokens should consult the terms of use available at <https://alloy.tether.to> (the “**Terms**”). **In the event of any inconsistency between this RID and the Terms, the Terms shall prevail.**

¹ For the purpose of this RID, stablecoin shall have the meaning given to it under Article 5(e) of the Law, which states: ‘Stablecoin is a type of digital asset designed to minimize price volatility and that references, represents, or is backed by an asset or basket of assets’.

The RID relates only to the facts as of the date set out above. Except as required by the CNAD, Tether AbT undertakes no obligation to update or revise publicly any statements herein, whether as a result of new information, developments, future events or otherwise.

Apart from the responsibilities and liabilities, if any, which may be imposed on Tether AbT by the CNAD, the regulatory regime established thereunder or under the regulatory regime of any other applicable jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Tether AbT, nor any of its Associates accepts any responsibility whatsoever for the contents of this RID including its accuracy, completeness, verification and sufficiency or for any other statement made or purported to be made by it, or on its behalf, in connection with the AbT tokens. Except to the extent that Tether AbT is responsible for the content of this RID as set out in the Regulation for the Registry of Issuers and Issuances promulgated by CNAD. Tether AbT and its Associates waive and disclaim, to the fullest extent permitted by applicable law, all and any liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this RID or any such statement. Except to the extent that Tether AbT is responsible for the content of this RID as set out in the Regulation for the Registry of Issuers and Issuances promulgated by CNAD, no representation or warranty, express or implied, is made by Tether AbT or any of its Affiliates regarding the content of this RID nor may any of its content be relied upon as a promise or representation, whether or not to the past or future.

The distribution of this RID in certain jurisdictions may be restricted by law and therefore persons into whose possession this RID comes should inform themselves about and observe any such restrictions in relation to the AbT tokens or this RID, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the laws of any such jurisdiction. Except in El Salvador, no action has been taken or will be taken in any jurisdiction that would permit possession or distribution of this RID in any country or jurisdiction where action for that purpose is required. Accordingly, this RID may not be distributed or published in any jurisdiction where to do so would breach any laws related to digital assets, securities laws or regulations of any such jurisdiction or give rise to an obligation to obtain any consent, approval or permission, or to make any application, filing or registration. Failure to comply with these restrictions may constitute a violation of the laws related to digital assets, securities laws or regulations of such jurisdictions. This RID may not be used for the purpose of, and does not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorized or would impose any unfulfilled registration, qualification, publication or approval requirements on Tether AbT or its Associates or to any person to whom it is unlawful to make such offer or solicitation.

Tether AbT is under no obligation to assess the suitability of the AbT tokens for User(s)² and any comment or statement which may be made by Tether AbT or any of its Associates as to the suitability of AbT tokens should under no circumstances be considered as investment or legal advice and should not be received or relied upon as such. User(s) of AbT tokens should make their own assessment of the suitability of AbT tokens to their needs. The contents of this RID must not be construed as legal, business or tax advice. Each prospective User should consult their own lawyer, independent financial adviser or tax adviser for legal, financial or tax advice in relation to any dealing or proposed dealing in AbT tokens. User(s) must inform themselves as to: (i) the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of AbT tokens; (ii) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of AbT tokens which they might encounter; and (iii) the income and other tax consequences which may apply in their own countries as a result of the holding and/or transferring or other disposal of AbT tokens. User(s) must rely on their own representatives, including their own legal advisers, financial advisers, tax advisers and accountants, as to legal, financial, business, tax, or any other related matters concerning Tether AbT and the AbT tokens. None of Tether AbT, its Associates, nor any of their respective representatives is making any representation to any User of AbT tokens regarding the legality of the holding, transferring, or other disposal of the AbT tokens by such User under the laws applicable to such User.

Forward looking statements

This RID contains forward-looking statements that reflect Tether AbT's current expectations and views of future events. You can identify some of these forward-looking statements by words or phrases such as **"may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "is/are likely to," "potential," "continue"** or other similar expressions. Tether AbT has based these forward-looking statements largely on its current expectations and projections about future events that Tether AbT believes may affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements involve various risks and uncertainties and Tether AbT's expectations may later be found to be incorrect. Tether AbT's actual results could be materially different from its expectations. You should read thoroughly this RID and the documents referred to herein with the understanding that Tether AbT's actual future results may be materially different from and worse than what we expect. All forward-looking statements are qualified by these cautionary statements. You should not place reliance on these forward-looking statements.

² For the purpose of this RID, User(s) means KYC-Verified Customer(s) who has completed Tether AbT's onboarding procedure and agreed to the Terms of Use as disclosed on the Tether AbT's Platform. Unless the context otherwise requires, User(s) & KYC-Verified customers are used interchangeably throughout this document.

Third Party Information

Where third party information has been used in this RID, the source of such information has been identified. Neither Tether AbT nor any of its Associates accepts any responsibility for the accuracy or completeness of such third-party information.

Capitalized Terms

Where capitalized terms are used in this RID but are not defined in this RID, such terms shall have the meaning given to them in the Terms & Risk Disclosures as stated on the Website.

Company Information

Moon Gold NA, S.A. de C.V. is a Salvadoran company registered in El Salvador Commercial Registry and having its registered office in Edificio Torre Futura, oficina 6, nivel 11, entre 87 y 89 avenida norte, Colonia Escalón, San Salvador, El Salvador; is a Stablecoin Issuer authorized by the CNAD under the resolution CNAD-CD-048-2024; and Digital Assets Service Provider (DASP) authorized by the CNAD with the Registration Number PSAD-0021.

Moon Gold El Salvador, S.A. De C.V. is a Salvadoran company registered in El Salvador Commercial Registry and having its registered office in Edificio Torre Futura, oficina 6, nivel 11, entre 87 y 89 avenida norte, Colonia Escalón, San Salvador, El Salvador; is a Stablecoin Issuer authorized by the CNAD under the resolution CNAD-CD-047-2024 and Digital Assets Service Provider (DASP) authorized by the CNAD with the Registration Number PSAD-0022.

Both Moon Gold El Salvador and Moon Gold NA are wholly owned by Tether Holdings Limited (“**THL**”) and Zettahash Inc.; both British Virgin Islands (“**BVI**”) business companies incorporated pursuant to the BVI Business Companies Act, 2004.

Summary of the token



Tether AbT wishes to introduce a new token, aUSD₯, that is part of a new category of Tethered assets that is expected to offer stability and transparency to the cryptocurrency ecosystem.

aUSD₯ is a collateral-backed stablecoin denominated at US\$1 for each aUSD₯ and combines the attributes of fiat and gold-backed tokens. Tether AbT is currently exploring offering other types of the AbT tokens that follow the same principles and description disclosed herein.

The collateral asset backing the AbT tokens is the Tether Gold token³ (“**XAUT**”). Tether Gold tokens are digital assets offered by TG Commodities Limited⁴ which each represent ownership of an undivided specific interest in one fine troy ounce⁵ of gold on a specific gold bullion bar meeting the quality assurance requirements of “**London Good Delivery**” set by the London Bullion Market Association (**LBMA**) and held by a custodian, on behalf of the Tether Gold token holders, in a custodial vault, identifiable by a unique serial number, weight, and purity (such gold held by the custodian on behalf of the Tether Gold token holders, the “**Gold Reserves**”). TG Commodities Limited operates a “**Look-up Website**” where it is possible to search the specific gold bar(s) associated with each on-chain address.

aUSD₯ combines the attributes of XAUT and Tether’s fiat-denominated stablecoins in that it allows KYC-Verified Customer(s) to use their XAUT as collateral for the minting of aUSD₯, which is designed to track the value of the U.S. dollar and thereby the inherent functionality as a medium of exchange.

The main participants of the AbT tokens are:

- (1) **Tether AbT (Moon Gold NA & Moon Gold El Salvador):** Licensed entities managing the smart contracts and offering custody as well as the mint and return services to the User(s).
- (2) **User(s):** KYC-Verified Customer(s) who has completed Tether AbT’s onboarding procedure and agreed to the Terms as disclosed on the Website.
- (3) **Liquidators:** KYC-Verified Individuals or Corporations that are allowed to purchase the XAUT locked in the smart contract at a discount as outlined in section (2.3.) below.

³ The Whitepaper and Terms of Service for Tether Gold’s token can be found on their website <https://gold.tether.to>. The Whitepaper and Terms are subject to change at Tether Gold’s sole discretion.

⁴ TG Commodities Limited is a British Virgin Island Company that is fully owned by THL and is the entity responsible for issuing and redeeming Tether Gold tokens (**XAUT**). Tether is currently in the process of incorporating a new customer-facing entity that is intended to offer Tether Gold tokens together with TG Commodities Limited.

⁵ A one fine troy ounce of gold equals approximately 31.1034 grams.

Subject to the Terms and onboarding procedures, KYC-Verified Customer(s) can interact with the Collateral Mint Position (the “**CMP**”) and exchange their XAUt for aUSD₣(s) on Tether AbT’s Website <https://alloy.tether.to> (the “**Website**”). The CMP is the book entry records maintained through the Vault Smart Contract⁶ about the interactions of a Whitelisted Address⁷ with the Vault Smart Contract, including balances of Tether Gold tokens inputted (less Tether Gold tokens removed) and AbT tokens generated (less AbT Tokens returned) in respect of such Whitelisted Address.

KYC-Verified Customer(s) minting and returning aUSD₣ directly with the Vault Smart Contract, whether through the Website or by otherwise interacting with the Vault Smart Contract are doing so in what is referred to as the Primary Market. Our obligations exist only with those KYC-Verified Customer(s) and transactions taking place in the Primary Market.

AbT tokens can be traded freely on the Secondary Market by persons, irrespective of their status as a KYC-Verified Customer(s), subject to the terms of that Secondary Market. The Secondary Market refers to persons that create markets for the AbT tokens outside of the Primary Market such as by allowing their users to purchase, sell, or transact with Alloy by Tether tokens on or through their platform.

⁶ the Ethereum smart contract

⁷ the digital tokens address on the Ethereum blockchain which has been whitelisted by Tether AbT for interaction with the AbT Platform as defined in the Terms.

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I, the undersigned hereby affirm that to the best of my information, knowledge, and belief, but without personal liability, that the contents of this Relevant Information Document and any attachments provided with this Relevant Information Document are true, correct and not misleading.

Sole Director

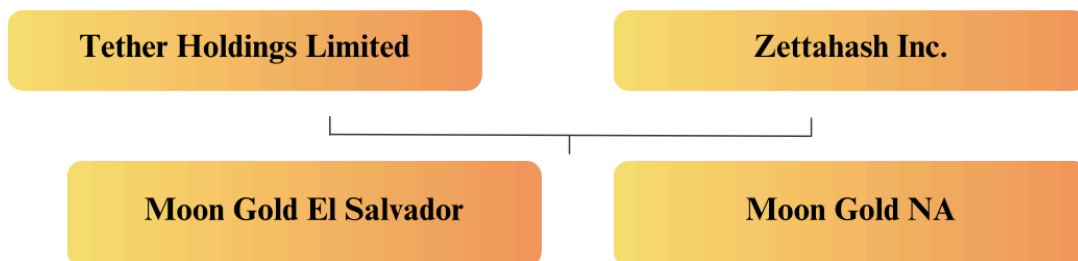
Ludovicus Jan van Der Velde

17 June, 2024

1. Company Information

1.1. Organizational Structure & Management

Both Moon Gold El Salvador and Moon Gold NA are wholly owned by Tether Holdings Limited (“THL”) and Zettahash Inc.; both British Virgin Islands business companies incorporated pursuant to the BVI Business Companies Act, 2004.



Recognizing the importance of having proper corporate governance arrangements, we endeavor to pursue a dynamic approach that amalgamates and synthesizes diverse governance practices to ensure transparency, accountability, and ethical conduct across all levels. Our governance framework encompasses well-defined reporting lines that facilitate clear communication and decision-making processes.

Tether AbT has furnished all pertinent information and documentation related to its directors and senior officers to the CNAD as part of its applications for Stablecoin Issuer and Digital Assets Service Provider licenses.

1.2. Key Management & Hiring Policy

The Tether Group of Companies is led and managed by a senior management team with extensive experience in financial services, technology, and compliance. The following link sets forth details of Tether’s key management personnel: <https://tether.to/en/about-us>.

All personnel, except specific roles as required in the relevant Laws and Regulations in El Salvador, are engaged on a contractual basis via Tether Operations Limited, a BVI company that provides operational support to all group entities to the Tether Group of Companies including Tether AbT. As a remote-first company, engaging contractors rather than establishing traditional employee relationships allows us to engage the best persons for each role, wherever they reside and without needing to create a presence in multiple jurisdictions.

1.3. Attestations

Recognizing the importance of transparency, the minting of aUSD $\overline{\text{T}}$ and the associated backing of XAUt can be monitored by anyone at any time using block explorers and other analytics platforms. Furthermore, Tether AbT is currently exploring engaging a third party to provide quarterly assurance reports to strengthen its transparency and disclosures.

1.4. Contact Details

For any inquiries, please reach out to us on support@tether.to or through our contact page at <https://cs.tether.to>. This page is designed to ensure seamless interactions with Tether AbT. It features an intuitive interface that allows users to submit their inquiries and complaints efficiently. To enhance the precision and efficiency of our response, we organize the submission process by categories. This categorization ensures that each inquiry or complaint is directed to the appropriate department, enabling us to address such communications with precision and care. We aim to provide an accessible, user-friendly platform to ensure your concerns and questions are acknowledged and resolved promptly.

2. Description of the characteristics of the token

2.1. Overview of the token

aUSD $\overline{\text{T}}$ is a collateral-backed stablecoin denominated at US\$1 for each aUSD $\overline{\text{T}}$ and combines the attributes of fiat and gold-backed tokens in that it allows KYC-Verified Customer(s) to use

their XAUt as collateral for the minting of aUSD₯, which is designed to track the value of the U.S. dollar and thereby the inherent functionality as a medium of exchange.

The collateral asset backing the AbT tokens is the Tether Gold token. Tether Gold tokens are digital assets offered by TG Commodities Limited which each represent ownership of an undivided specific interest in one fine troy ounce of gold on a specific gold bullion bar meeting the quality assurance requirements of “**London Good Delivery**” set by the London Bullion Market Association (**LBMA**) and held by a custodian, on behalf of the Tether Gold token holders, in a custodial vault, identifiable by a unique serial number, weight, and purity (such gold held by the custodian on behalf of the Tether Gold token holders. TG Commodities Limited operates a “**Look-up Website**” where it is possible to search the specific gold bar(s) associated with each on-chain address.

Subject to the Terms and onboarding procedures, KYC-Verified Customer(s) can interact with the CMP and transfer their XAUt to the Vault Smart Contract to act as collateral for the minting of aUSD₯(s). KYC-Verified Customer(s) can interact with the CMP via an interface on the Website or directly with the Vault Smart Contract.

To mint AbT tokens, KYC-Verified Customer(s) must first transfer XAUts into their CMP as collateral. For so long as the Mint-to-Value (the “**MTV**”⁸) is equal to or below the Liquidation Point⁹, the XAUt in the CMP remains the KYC-Verified Customer’s but is pledged to Tether AbT to secure the return of AbT tokens. KYC-Verified Customer(s) can select the number of AbT token(s) that they wish to mint provided that the MTV may not rise above the Liquidation Point. To mint AbT token(s), KYC-Verified Customer(s) must pay a fee in AbT tokens as provided in the AbT token Fee Schedule (“**Mint Fee**”). The Mint Fee will be assessed automatically at the time of each minting of AbT tokens and be deducted from the number of AbT tokens that you would otherwise receive.

⁸ MTV is, in respect of a particular CMP, the fraction, expressed as a percentage, calculated by dividing: (A) the value of the AbT tokens generated with respect to a CMP (the value of such AbT tokens is determined multiplying the number of AbT tokens by the price for each such AbT token reported by the Price Oracle, which will be one unit of the applicable Fiat currency (e.g., U.S.\$1.00 for aUSD₯)), and not returned by the CMP Holder (the holder of the Whitelisted Address in respect of which a CMP is maintained) or paid by Liquidators to purchase Tether Gold tokens from that CMP and (B) the value of the Tether Gold Tokens held within such CMP at the time of calculation (the value of such Tether Gold Token is determined multiplying the number of Tether Gold tokens by the price for each such Tether Gold token reported by the Price Oracle). For example, where in each example the applicable type of AbT tokens is aUSD₯

⁹ Liquidation Point means a MTV equal to 75 per cent, which is subject to change in Tether’s sole discretion upon notice (which may be by notification through the Website).

KYC-Verified Customer(s) may put additional XAUt into their CMP to mint additional AbT tokens or decrease the MTV (i.e., ensure they have an additional buffer against the Liquidation Point) for their CMP. KYC-Verified Customer(s) may decrease the amount of XAUt by transferring XAUt from their CMP and by doing so increase the MTV (i.e., removing some of the buffer they have against the Liquidation Point) for their CMP. Inputting Tether Gold tokens into the CMP or removing Tether Gold tokens from the CMP does not incur a fee payable to Tether AbT. However, KYC-Verified Customer(s) returning their AbT token(s) to their CMP, must pay a return fee in AbT tokens as provided in the AbT token Fee Schedule (“**Return Fee**”).

KYC-Verified Customers may open multiple CMPs with different levels of collateralization using different Whitelisted Addresses. Tether AbT reserves the right to impose additional restrictions at any time. Tether AbT makes no representations or warranties that new AbT tokens will be available on comparable terms or on any terms in the future.

AbT tokens transact on the Ethereum blockchain. The Ethereum blockchain requires that the initiator of any transaction pay gas fees to the Ethereum stakeholders in Ether in order to record the transaction. Gas fees are not payable to or controlled by Tether AbT. KYC-Verified Customer(s) are required to pay such fees.

2.2. Price Oracle

The Vault Smart Contract will utilize a price oracle (the “**Price Oracle**”), which will be made publicly available, on an as-is and as-available basis, including via the Website. The information made available via the Price Oracle will enable KYC-Verified Customer(s) to track their CMP and monitor their risk of liquidation. The Price Oracle’s price for one AbT token will always be one unit of a particular Fiat currency. For example, the Price Oracle’s price for one aUSD $\overline{\text{F}}$ will always be one U.S. dollar.

As of the date set out above, this data is an index constructed primarily from gold prices obtained from two independent gold market data providers, each contributing 45%, while the prices of Tether Gold tokens are sourced from two reputable digital assets service providers, each contributing 5%. To avoid erroneous or manipulated price information influencing the Price Oracle for Tether Gold tokens, it is proposed that we will utilize an automated process to check these prices (both the spot price for gold and the prevailing price for Tether Gold) for variance from the other prices used in the index. Prices that are outside of a pre-set tolerance for price fluctuations will be excluded from the index. When prices are

excluded, the weighting associated with the excluded price is redistributed, on a pro rata basis amongst the remaining data sources.

Tether AbT will select the data sources, number of data sources, and weightings utilized by the Price Oracle for determining the price ascribed to Tether Gold tokens provided as collateral (and may change those elements at its discretion).

For more information about the Price Oracle, kindly refer to the Terms.

2.3. Liquidation

If the MTV rises above the Liquidation Point, the Tether Gold token(s) in the CMP may be liquidated through purchase by one or more Tether AbT-approved liquidators ("**Liquidators**") in consideration for the return of AbT tokens to the KYC-Verified Customer's CMP. As stated in the Terms, the Tether Gold token(s) may be sold, and a Liquidator is permitted to acquire the Tether Gold token(s) at a discount as provided in the AbT token Fee Schedule in consideration for AbT tokens.

Such AbT tokens paid as consideration by a Liquidator will be deducted from the number of AbT Tokens outstanding in the liquidating CMP, will be treated as if returned to Tether AbT and cannot be withdrawn by the KYC-Verified Customer(s). If a KYC-Verified Customer's CMP becomes a Liquidating CMP¹⁰, the Tether Gold token(s) may be sold, and one or more Liquidators are permitted to acquire, some or all of the Tether Gold token(s) up until the entirety of the outstanding AbT tokens in the Liquidating CMP have been returned; provided that, after each transaction with a Liquidator, the MTV will be recalculated and, if it reaches or is less than the Liquidation Point the CMP will no longer be subject to liquidation. Our incentives model is designed to incentivize liquidators to prioritize actions based on a first-come, first-served approach. We anticipate that such liquidations will be completed in a timely manner, in accordance with the industry's best practices. Notwithstanding the foregoing, the timeframe for these activities is subject to change due to various factors, as disclosed in the Terms and Risk Disclosure.

¹⁰ a CMP for so long as its associated Mint-to-Value Ratio exceeds the Liquidation Point

2.4. Number of Stablecoins issued

As of the date set out above, AbT tokens will be available on the Ethereum blockchain. The project does not have any caps or a minimum number of tokens required for execution.

The number of aUSD₯ tokens in circulation is subject to change based on the supply and demand mechanism. There are currently no aUSD₯ tokens in circulation, and the number of tokens in circulation will be available on the Website as per Article (12/2) of the Law.

2.5. Customer Types

Subject to Terms and onboarding procedures, only KYC-Verified Customer(s) can interact with the CMP to input XAUt into their CMP and then use that XAUt to mint AbT tokens on the Website or directly through the Vault Smart Contract.

To be eligible to obtain aUSD₯ from Tether AbT or to act as a Liquidator, a prospective customer must agree to the Terms, complete the account verification process, and submit documents and information requested by Tether AbT to complete its anti-money laundering, counter-terrorist financing, counter-proliferation, sanction measures, and other checks. Tether AbT maintains the sole discretion to approve or reject requests to open an account and become a KYC-Verified Customer(s).

A verification fee of USDt\$150 applies to all applications to be a KYC-Verified Customer(s) of the Tether Group of Companies, including Tether AbT; this fee must be paid only once and, upon successful verification, will be credited back to the KYC-Verified Customer(s) for use on operations. For existing KYC-Verified Customer(s) of the Tether Group of Companies, there is no additional fee for verification with Tether AbT. This amount is intended to ensure that only those serious about establishing an account apply and, in the event of unsuccessful verification, is non-refundable.

Prohibited Persons (as per the Terms) are prohibited from using the services available at the Website or from otherwise interacting with the Vault Smart Contract.

2.6. Fees

As of the date set out above, Tether AbT will charge the following fees:

- **Mint Fee:** a fee of 0.25% when users mint aUSD₣.
- **Return Fee:** a fee of 0.25% when users return aUSD₣.
- **Liquidation Fee:** a fee of 0.75% of the amount of AbT paid by a liquidator to acquire XAUT from a user's Collateral Mint Position (CMP).

Notwithstanding the foregoing, the fees delineated above are subject to change at Tether AbT's sole discretion. Users must review the fee schedule periodically as posted on the Website and consult the Terms for the latest and most accurate details regarding fees and associated charges.

2.7. Digital Assets Service Providers & Platforms

Both Moon Gold El Salvador, S.A. de C.V. and Moon Gold NA, S.A. de C.V. have applied for and successfully obtained Digital Assets Service Provider (“**DASP**”) licenses under Article (7) of the Digital Asset Service Providers Regulations; with registration numbers **PSAD-0022** and **PSAD- 0021** respectively. Consequently, prospective customers can mint and return AbT tokens directly from the Website.

AbT tokens may be purchased and sold on the Secondary Market from exchanges and over-the-counter platforms that support AbT tokens outside El Salvador. KYC-Verified Customer(s) can also transact and store AbT tokens with any supported blockchain wallet. Due to the decentralized nature of the blockchain on which AbT tokens function, third-party platforms can list AbT tokens without the need for approval from Tether AbT to do so. While exchanges, wallets, and merchants are encouraged to reach out to Tether AbT about integrating AbT tokens, it is not possible to keep track of and list all Secondary Market participants.

2.8. Restrictions on Transferability



Tether AbT is committed to adhering to all applicable government laws and regulations. This includes the regulations and economic sanctions with respect to certain high-risk jurisdictions. The list of prohibited persons is available on the Terms.

The list of prohibited persons is subject to change, and KYC-Verified Customer(s) should consult the Terms to ensure their eligibility to access and use Tether AbT's Services.

Tether AbT retains the discretion to approve or reject any application to become a KYC-Verified Customer(s), and to suspend or terminate access to the Services in accordance with the Terms.

Furthermore, Tether AbT may restrict the access and transferability of AbT tokens held in wallets controlled by Tether AbT or its Affiliates in the following cases:

- if Tether AbT determines that a KYC-Verified Customer has engaged in a Prohibited Use (as defined in the Terms);
- when Tether AbT or its Affiliates are directed to do so by any government (including any court, law enforcement agency, tribunal, or regulatory body);
- if a KYC-Verified Customer's account or wallet is subject to pending litigation, investigation, or government proceedings; or
- if Tether AbT believes that someone is attempting to gain unauthorized access to a KYC-Verified Customer's account or wallet or that the AbT tokens have been obtained by fraud, theft or other criminal activities.

Additionally, in certain circumstances and at the behest of law enforcement, regulatory or government agencies, Tether AbT may take steps to freeze and burn the AbT tokens held in external wallets for which Tether AbT does not hold private keys.

Further restrictions on the use of, and ability to restrict, AbT tokens are set out in the Terms, which must be read in full alongside this RID.

2.9. Other restrictions on transferability

AbT tokens may also be purchased and sold on the Secondary Market from exchanges and other operators and may be held in third-party wallets and other custody solutions. The restrictions and verification requirements are subject to the standards set by such providers,

which may include restrictions on transferability that are more onerous than those imposed by Tether AbT.

2.10 Supervision

Tether AbT has arranged for, and successfully completed security audits on the smart contract computer code used by Tether AbT. Security Audits were completed by two companies: VeraBit Labs Ltd. d.b.a. Zelic, Decentralized Security AG d.b.a. ChainSecurity. Tether AbT is currently in the process of obtaining a third audit from Certora Ltd. d.b.a. Certora. The findings of the audit reports were submitted to the CNAD as an integral part of our application. Subsequently, upon review, the CNAD officially acknowledged and accepted the submitted audit results, which underscore and validate our compliance with the applicable requirements.

Furthermore, Tether AbT intends to follow industry standard practices going forward by maintaining the stability of the smart contract and related computer code for AbT. Where changes occur, Tether AbT intends to follow industry standard practice to review and confirm the information security of any such changes including, where appropriate, engaging third party auditors to complete further security audits.

3. Safeguarding Arrangements

In order to mint aUSD₳, KYC-Verified Customers must transfer XAUt to their CMP. As stated above, XAUt reflects ownership of an undivided specific interest in one fine troy ounce of gold in the Gold Reserves. TG Commodities Limited, the issuer of XAUt tokens, does not hold legal title to the Gold Reserves. Instead, the Gold Reserves are held by a custodian on behalf of XAUt holders and remain with the custodian throughout the lifecycle of the Tether Gold tokens, up until redemption. Customers can use the Look-up Website to search their specific gold bar(s).

The custodian acts as the custodian for the gold held on behalf of XAUt holders, pursuant to a contractual arrangement with TG Commodities Limited. The custodian may store the Gold Reserves in its own facilities, or facilities provided by third parties.

As stated in section (2.1.) above, for so long as the MTV is equal to or below the Liquidation Point, the XAUT in the CMP remains the KYC-Verified Customer's but is pledged to Tether AbT to secure the return of AbT tokens.

To fortify the safeguarding arrangements, we utilize multisig technology to enhance security measures. Within this framework, smart contract upgradability is secured through our multisig protocol. That entails that multiple authorized parties must provide their digital signatures to approve any upgrades to the deployed code. By implementing this multisig approach, we ensure that upgrades are subject to thorough scrutiny and consensus among key stakeholders, thus bolstering the integrity and reliability of the smart contract. As stated above, the smart contract software is certified by multiple independent audits to ensure that User (A's) XAUT tokens cannot be withdrawn or accessed by User (B).

The core functionality of the Vault Smart Contract is to ensure that each CMP is accurately accounted for and can only be accessed by the address that initiated it, with the exception of the liquidator who has access in the event of a liquidation. This mechanism is designed to maintain the integrity and security of the CMPs, thereby ensuring the trust of all stakeholders.

4. Risk Disclosure

No person should use the Services or hold AbT tokens unless they understand the AbT token and its risks. This Risk Disclosure discusses some of the principal risks of AbT tokens, but it does not and cannot describe every risk or consideration associated with AbT tokens and the Services. The risks associated with the AbT tokens are subject to change and User(s) must carefully review and understand the associated with the AbT tokens as described on the Risk Disclosure on the Website before using the Services.

Utilising AbT Tokens entails significant risks of financial loss. You should not commit resources to AbT Tokens that you are not prepared to lose entirely.

The risks of utilising AbT tokens include, but are not limited to, the following:

- 1. Financial Loss:** All forms of participation in digital assets involve a substantial risk of loss and it may not be appropriate for you. Past results are no indication of future performance. Holding of AbT tokens does not give you any right or power to take part in the management, direction, or economic benefits of Tether AbT or any Associate thereof. Holdings of AbT

tokens, or any Tether Gold tokens held within your CPM, are not backed by any government or protected through any deposit insurance by Tether Gold, Tether AbT or any of their Associates.

2. Price Fluctuations and Market Risk: While the Price Oracle, utilised to determine the value of AbT token and Tether Gold token(s), will always value one (1) AbT Token at one (1) unit of the applicable fiat currency, such as one (1) U.S. dollar for each aUSD₣, this value may not reflect the market value of the applicable AbT token. The market price of AbT tokens in a secondary or resale market could fluctuate in response to changes in the supply and demand for the AbT tokens, the trading activity in AbT tokens, the relative liquidity of AbT tokens, the ease and costs of redemption and other factors. AbT tokens are not a fiat currency and are not issued, backed, or guaranteed by any government so the price of AbT tokens could also be impacted by market actors' perception of Tether AbT. Tether AbT does not offer any guarantee or commitment that the value of an AbT tokens will steadily remain as one (1) unit of the applicable fiat currency, such as one (1) U.S. dollar for each aUSD₣.

As each Tether Gold Token represents ownership of one (1) fine troy ounce of gold, fluctuations in the price of gold and other market factors may impact the market value of Tether Gold tokens, which is the underlying collateral of the AbT tokens. For more information on the risks of Tether Gold Tokens, please see "**Gold Token Risk Disclosure Statement**" located [here](#). Market prices for the underlying gold or the Tether Gold tokens, which collateralize AbT Tokens, can be volatile and highly unpredictable. Whether the future market price for the underlying gold or Tether Gold tokens will move up or down or even sustain a market value is a speculation and unknowable. A decrease in the value of Tether Gold tokens would cause customers' Mint-to-Value Ratio to be near to the Liquidation Point and would result in Liquidation if the Liquidation Point is exceeded.

Although Tether AbT may select a different pricing source in the future, the Price Oracle will initially value Tether Gold tokens based upon an index comprised of published prices of the Tether Gold-Tether (XAUt-USDt) token pair and the Tether-U.S. Dollar (USDt-USD) trading pair and the published price for spot gold. During weekends (from Friday at 21:45 UTC until Sunday at 23:00 UTC), spot gold market prices generally are not published. Because there will be no spot gold prices published on the weekend to affect the pricing of the Tether Gold token for the purposes of the Price Oracle, there is a risk that the price of Tether Gold tokens, as valued by the Price Oracle, could gap up or down or otherwise experience volatility on Monday when spot gold prices will again be published. In addition, because the Mint to Value Ratio determines whether a CMP is liquidated, CMPs that are liquidated over a weekend may be liquidated based on stale market pricing data for spot gold from Friday.

3. Reliability of Pricing Information: The Vault Smart Contract will query the Price Oracle only when it is interacted with, and interactions will occur through transactions and certain queries. The Vault Smart Contract will therefore reflect a stale price during periods between interactions. Tether AbT will not independently verify data or the information furnished by the Price Oracle. Pricing information furnished by the Price Oracle will be transmitted to Tether AbT using computer hardware, systems, software, and internet connectivity, and there is a risk of failure in any of these systems or technologies. The data source(s) selected by Tether AbT for use by the Price Oracle may be changed without prior notice and based on Tether AbT's sole discretion and judgment.

4. Liquidation Risk: For so long as the Mint-to-Value Ratio is equal to or below the Liquidation Point, the Tether Gold token(s) in your CMP remain yours but are pledged to Tether AbT to secure your return of AbT tokens. If the Mint-to-Value Ratio rises above the Liquidation Point, Tether Gold token(s) in your CMP may be liquidated through purchase by one or more Liquidators in consideration for AbT tokens. A Liquidator is permitted to acquire some or all of your Tether Gold token(s) at a discount as provided in the AbT token Fee Schedule in consideration for AbT tokens, up to the entirety of the outstanding AbT tokens in your CMP. Such AbT tokens paid as consideration by a Liquidator will be deducted from the number of AbT tokens outstanding in your CMP, will be treated as if returned to Tether AbT and cannot be withdrawn by you. Liquidation may occur without notice to you, and it is solely your responsibility to monitor the value and maintain your own records of the Tether Gold Token(s) in your CMP to maintain awareness of your risk of Liquidation. If you have sold any AbT Tokens to a third party, there can be no guarantee that you are able to repurchase AbT Tokens for the same price originally received for their sale. There is no guarantee that a Liquidator will be available to acquire your Tether Gold Tokens and to prevent further losses. There are no restrictions on Liquidators being Associates of Tether AbT.

5. Blacklisting and Blocking Addresses: Tether AbT reserves the right to block the transfer of AbT Tokens to and from an address on chain as set out in the Terms or the terms of Tether AbT's Law Enforcement Requests Policy, with the intention to comply with applicable law or orders or requests of courts and law enforcement agencies. Tether AbT may block certain addresses and, if applicable, cause any associated AbT Tokens or Tether Gold Tokens to be frozen (temporarily or permanently) if it determines that the user is associated with illegal activity or activity that otherwise violates its policies. Where law enforcement agencies, courts or other bodies seek to freeze assets held within the CMP Smart Contract in respect of a user, Tether AbT could be required to delay or reduce returns of assets held by other User(s). In certain circumstances, as set out in the Terms or the terms of Tether AbT's Law Enforcement Requests Policy, Tether AbT may remotely destroy AbT tokens held in blacklisted, blocked or frozen addresses.

6. Interruption and Accessibility of AbT Platform: Tether AbT does not undertake or guarantee that the Website, Price Oracle or Vault Smart Contract (collectively, the “**AbT Platform**”) shall always be presented without interruption and in a manner accessible to the user, that it is or will remain compatible with any system and hardware, or that it will function uninterrupted. Failure of the AbT Platform shall not relieve you of your obligations with respect to your AbT Tokens. There are risks associated with using an internet-based transaction software application including, the failure of hardware and software. In addition to normal market risks, you may experience losses due to one or more of the following: system failures, hardware failures, software failures, network connectivity disruptions, and data corruption. Tether AbT may revoke your access to the AbT Platform at any time, including in response to any breach of the Terms. If you are unable to access the AbT Platform at any time, you may be unable to satisfy your obligations with regards to the MTV and may be subject to Liquidation.

7. Cyber Security Threats: The nature of digital assets may lead to an increased risk of fraud or cyber-attack. A breach in cyber security refers to both intentional and unintentional events that may cause Tether AbT to lose proprietary information or other information subject to privacy laws, suffer data corruption, or lose operational capacity. This in turn could cause Tether AbT to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures and/or financial loss. In addition, cyber security breaches of Tether AbT's Associates and third-party service providers can also give rise to many of the same risks associated with direct cyber security breaches. Tether AbT has established and maintains policies and procedures to manage and mitigate risks associated with cyber security threats. There could be a breach of security or a system failure that poses a risk to security (malware, ransomware, phishing). Advances in code cracking, or technical advances such as the development of quantum computing, may present risks to digital assets and smart contracts, including the CMP Smart Contract, resulting in the theft or loss of digital assets or breach or loss of data. Tether AbT cannot predict the success of any security precautions.

If the CMP Smart Contract fails to behave as expected, suffers a cybersecurity attack, experiences security issues, or encounters other problems, all Tether Gold tokens held may be irretrievably lost. Since smart contracts typically cannot be stopped or reversed, vulnerabilities in their programming and design can have damaging effects. The theft, loss, or destruction of private keys required to manage the CMP Smart Contract may be irreversible. If Tether AbT is unable to access its private keys or experiences a hack or other data loss relating to the AbT Platform, Tether AbT could become unable to manage the CMP Smart Contract. For smart contracts that hold a pool of reserves, attackers may also be able to

extract funds from the pool, liquidate assets held in the pool, or take other actions that decrease the value of the assets held by the CMP Smart Contract. In addition, assets held by the CMP Smart Contract may be stolen, misused, burned, locked up or otherwise become unusable and irrecoverable. If an attacker accesses or obtains the management privileges of the CMP Smart Contract, or if Tether AbT takes actions that adversely affect the CMP Smart Contract, User(s) of the Services may experience decreased functionality and value of the applicable digital assets, up to and including a total loss of the value of such digital assets.

8. Tether AbT and other CMP Smart Contract User(s) May Become Insolvent: In the event of the insolvency of Tether AbT or another user of the CMP Smart Contract, an insolvency practitioner or other official may seek to freeze access to the AbT tokens or Tether Gold tokens comprising collateral for generated AbT Tokens or seize and recover against any of the AbT tokens or Tether Gold tokens, or your interests therein. The Tether Gold Tokens transferred into your CMP will be commingled with Tether Gold tokens of other User(s) of the AbT Platform. Claims for the benefit of Tether AbT's or another user's creditors may be asserted against the Tether Gold token collateral. Further, the assertion of a claim by an insolvency practitioner or other creditor for unpaid fees due to Tether AbT could delay and reduce redemptions or transfers.

9. Liquidity and Listing Risk: Markets for digital assets can have varying degrees of liquidity. Some may be quite liquid while others may be thinner or possibly even illiquid. Thin and illiquid markets can experience greater volatility in market prices. There is never a guarantee that there will be an active market for one to trade AbT tokens. Trading exchanges or markets may list AbT tokens for trading and may delist them from trading without prior notice or consent. Furthermore, it is possible that any secondary or resale market, if it develops, for AbT Tokens could abruptly appear and then vanish. Price Oracle feed problems, stale published prices, unreliable expressions of the prevailing market value, irrational market dynamics that cause variations in the price of AbT tokens for an extended period of time can occur.

10. Legal Risk: The legality of AbT tokens and the trading of them may not be clear and may vary under the laws of different jurisdictions throughout the world. This can mean that the legality of holding or trading AbT tokens is not always clear. Whether and on what basis an AbT token may constitute property, an asset, a security, a financial instrument, or a right of any kind might vary from one jurisdiction to another and may depend upon the enforceability of the Terms.

11. Regulatory Risk: Tether AbT is subject to the regulatory requirements specified by the National Commission of Digital Assets ("CNAD") of El Salvador as a Digital Assets Service

Provider and a Stablecoin Issuer. Those requirements include without limitation periodic reporting and disclosures under the applicable laws and regulations. These public disclosures are intended to comply with CNAD requirements so may contain information that is immaterial to you and may omit information that you might consider material. Failure by Tether AbT to comply with these requirements could result in legal sanctions, fines, and reputational damage, which may adversely affect Tether AbT and its operations. The regulatory framework supervised by CNAD was adopted in 2022, and its interpretation continues to evolve. Whilst Tether AbT has engaged legal advisors in El Salvador to assist it in its efforts to comply with such regulations, Tether AbT cannot guarantee that regulatory enforcement actions, whether in El Salvador or otherwise, will not occur or that it has complied or will maintain compliance with all applicable requirements.

12. Conflicts of Interest: Tether AbT, Associates of Tether AbT, and certain parties involved in the development of the AbT Platform benefit from utilisation of the AbT Platform regardless of whether the utilisation is profitable to you. Associates of Tether AbT would receive fees in the event of the Liquidation of your CMP and may acquire your Tether Gold Tokens in a Liquidation. Associates of Tether AbT are not restricted from utilising AbT Tokens and may be a counterparty to any transaction conducted by you without your knowledge. Tether AbT may sell AbT Tokens for other fiat or cryptocurrencies in order to pay for expenses that are not denominated in Tether AbT. Tether AbT, its Associates, and parties involved in the AbT Platform have no duty to act on your behalf and undertake no responsibility to do so.

13. Risks in Depositing AbT Tokens with Third Parties: Depositing AbT Tokens with any third party has attendant risks. These risks include security breaches, risk of contractual breach, and risk of loss. Participants should carefully consider the risks of allowing third parties to hold their property for any reason. Digital asset transactions are not reversible. Once you send AbT Tokens to an address of a third party, whether intentionally or by a fraudulent or accidental transaction, you are subject to a risk that you may lose access to, and any claim on, those AbT Tokens indefinitely or permanently if the tokens are transferred to an address or wallet that you do not control.

14. Risks of Tether Gold Tokens: Tether Gold tokens are issued by TG Commodities Limited. By purchasing Tether Gold tokens (whether through TG Commodities Limited or otherwise) or transferring Tether Gold tokens, including for the purposes of the Terms, you are agreeing to be bound by the Tether Gold Terms of Sale and Service, available [here](#), which form a contract between you and TG Commodities Limited. Tether Gold tokens are products distinct from AbT Tokens and entail their own risks. You can view the Risk Disclosure Statement issued by TG Commodities Limited in respect of Tether Gold tokens [here](#).

5. Compliance & Risk Management

Recognizing the importance of having adequate risk management policies and procedures to ensure the integrity and continuity of the AbT token, Tether AbT relies on Tether's risk management policies and procedures to mitigate the risks associated with the AbT token. Below is a non-exhaustive list of how Tether AbT aims to mitigate some of the risks.

Technology Risks

To prevent malicious attacks, as disclosed above, Tether AbT has arranged for, and successfully completed security audits on the smart contract computer code used by Tether AbT. Tether AbT intends to follow industry standard practices going forward by maintaining the stability of the smart contract and related computer code for Tether AbT. Where changes occur, Tether AbT intends to follow industry standard practice to review and confirm the information security of any such changes including, where appropriate, engaging third-party auditors to complete further security audits.

Additionally, since only KYC-Verified Customers can interact with the Vault Smart Contract, it severely reduces the risk of potential bad actors trying to hack the code.

To mitigate the price fluctuations risks, Tether AbT is implementing over-collateralization dynamics that secure the positions. By requiring more collateral than the value of the AbT tokens minted, this approach is intended to cause the assets to remain well-supported and stable, even amid market ups and downs. This stability is vital for the asset's utility in the ecosystem.

A conservative maximum MTV ratio (75%) ensures a broad buffer that will allow Liquidators to act swiftly even in the case of large market turmoil, to liquidate insolvent positions and maintain the overcollateralization of the system.

To mitigate the Reliability of Pricing Information Risk, our oracle utilises in-house technology that correctly tracks the value of Gold coming from multiple reliable sources, correctly pricing the XAUt tokens in the vault as 1 Ounce of gold, to avoid manipulation of the price that could result in collateral mispricing inside the vault.

Further safeguards on the Oracle allow Tether AbT to stop the price feed and assess the situation, defending from potential manipulations.

Conflicts of Interest

Recognizing the importance of identifying and managing conflicts of interest, we ensure that all personnel are well-informed of their duties to identify, manage, and, where possible, avoid conflicts of interest as stated in our Conflicts of Interest policy and supporting documents to ensure ethical conduct and integrity. In doing so, we aim to identify the parties involved in a particular transaction or event, list the interests of each of those parties to identify any conflicting interests, and, if a Conflict of Interest is identified, we document the conflict along with all pertinent details, including the steps taken to address it.

If a conflict of interest cannot be managed, we may explore further measures to mitigate the risks associated with the conflict of interest, such as temporary or permanent withdrawal of oversight of a given matter or activity from the personnel concerned, discontinuing its involvement in the transaction or event, or disclosing the nature of such conflict to the affected customer or party.

The Conflicts of Interest Policy and corresponding arrangements have been formally submitted to the CNAD as part of Tether AbT's applications to be authorized as a Stablecoin Issuer and Digital Assets Service Provider.

AML/CTF Risk

Our current AML/CFT compliance landscape is shaped by standard-setting organizations such as The Financial Action Task Force ("**FATF**") and enhanced by aspects from The Wolfsberg Group of International Financial Institutions, The Bank Secrecy Act of 1970, the British Virgin Islands Anti-money Laundering Regulations, Revised Edition 2020, Proliferation Financing (Prohibition) Act, No. 20 of 2021, and Counter Terrorism Act, No. 33 of 2021, and El Salvador Money Laundering Act and Regulation for the prevention, detection and control of money and assets laundering, terrorism financing and mass destruction weapons proliferation financing issued by the Financial Investigation Unit of El Salvador's General Attorney Office.

We require all prospective customers to successfully complete its customer verification process prior to being permitted to use any of the services. Customer verification processes are governed by written policies and procedures for verifying customers and conducting risk-based enhanced due diligence processes on customers. Compliance team members are trained on and required to follow those policies and procedures in connection with all customer verifications. Verification processes use financial industry standard vendors and tools to verify prospective customers' information and screen their names against sanctions, politically exposed persons, and law enforcement lists. As a part of this process, all prospective customers are screened for adverse media using open source intelligence (“OSINT”) by trained investigators. To maintain the status as a KYC-Verified Customer, KYC-Verified Customers undergo on-going risk-based enhanced due diligence measures.

6. Information on the underlying technology and standards applied

At the outset, AbT tokens will initially be available only as an ERC-20 token on the Ethereum Blockchain. This initial choice leverages Ethereum's secure and well-established ecosystem, ensuring that our tokens benefit from high interoperability within the vast network of decentralized applications (**dApps**), exchanges, and wallet services that support ERC-20 standards.

However, recognizing the evolving landscape of blockchain technology and the growing importance of cross-chain compatibility, we are committed to exploring and implementing chain interoperability features in the future.

6.1. Smart Contract Description

At the core of our technology are smart contracts, which are designed to be Ethereum Virtual Machine (EVM) compatible. This includes chains such as Ethereum Mainnet, Polygon, Optimism, Arbitrum, BNB Chain and more. The choice of Solidity as the programming language for Tether AbT's smart contracts is strategic.

Solidity is the leading language for Ethereum smart contract development, known for its robustness and security features. By using Solidity, Tether AbT is not just versatile across different blockchains but also maintains the highest standards of security and functionality.

For those new to the world of Web3 and blockchain, understanding these components is crucial. Smart contracts can be thought of as self-executing contracts where the terms of the agreement between buyer and seller are directly written into lines of code. They run on the blockchain, can be immutable, and distributed, meaning they run as programmed without downtime, censorship or fraud.

This technology forms the backbone of Tether AbT and aUSD₯ tokens.

6.2. Technology Stack

There are three layers to AbT product offering, with each performing distinct functions:

1. The first layer is the native blockchain. Tether AbT uses the Ethereum blockchain's native transaction system.
2. The second layer is the tokenization system for the Ethereum blockchain. The Ethereum blockchain's tokenization system allows Tether AbT to
 - a. track and report the circulation of aUSD₯s; and
 - b. enable KYC-Verified Customers to transact and store aUSD₯s in a:
 - i. p2p, pseudonymous, cryptographically secure environment.
 - ii. supported blockchain wallet/software; and
 - iii. Multisignature and offline cold storage supporting system.
3. The third layer is Tether AbT, being the business entity that is responsible for minting AbT tokens.

6.3. aUSD₯ life cycle

There are (five) steps in the lifecycle of a aUSD₯

- **Step 1** - New customer(s) visit the Website and complete the KYC process.
- **Step 2** - Tether AbT links KYC-Verified Customer(s) to their respective Ethereum address and notify the Vault that the address has been verified, where KYC-Verified

Customer(s) can transfer their XAUt as collateral into the Vaults and pays the applicable fees as per the Terms.

- **Step 3** - When the XAUt is transferred into the Vault, the smart contract transmits the corresponding aUSD₯ to the customer's Whitelisted Ethereum address subject to an initial minimum collateralization equal to the Liquidation Ratio of 133.33%.
- **Step 4** - KYC-Verified Customer(s) can trade aUSD₯ on the Ethereum blockchain.
- **Step 5** - KYC-Verified Customer(s) can return their aUSD₯ for a portion or all of their XAUt within their CMP subject to the Terms.

Tether AbT may freeze, burn, or block the transfer of AbT Tokens, in accordance with the Terms and Risk Disclosure, which must be read in full alongside this RID.

7. Dispute Resolution

7.1. Complaints Handling Procedure

All complaints must be submitted through our customer support page <https://cs.tether.to>. We are committed to handling all complaints in accordance with our complaints handling procedure, which is designed to ensure a thorough review and resolution of all concerns raised. Our team commits to addressing complaints with due diligence and in compliance with applicable legal and regulatory requirements.

7.2. Mandatory Resolution of Disputes Through Arbitration

Except for excluded claims described in the following paragraph, any dispute, claim or controversy arising out of or relating to this RID or the accuracy, completeness, verification, sufficiency, interpretation or validity thereof, shall be governed by the Laws of the British Virgin Islands and will be subject to and finally resolved by confidential, binding arbitration on an individual basis and not in a class, representative or consolidated action or proceeding and in accordance with the International Institute for Conflict Prevention and Resolution International Non-Administered Arbitration Rules, as amended from time to time (the "CPR Rules").

Arbitration will be conducted through the use of videoconferencing technology (unless both parties agree that an in-person hearing is appropriate given the nature of the dispute) before a sole arbitrator. The sole arbitrator must be a Legal Practitioner in the British Virgin Islands with at least fifteen (15) years of experience in commercial disputes, that holds a current practising certificate. If an arbitrator cannot be jointly appointed by the arbitration parties within thirty (30) days of the commencement of the arbitration, an arbitrator meeting the above qualifications will be selected by the International Institute for Conflict Prevent and Resolution. Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof.

If the arbitral parties do not promptly agree on the seat of arbitration if an in-person hearing is selected, the seat will be Road Town, Tortola, British Virgin Islands. The language of the arbitral proceedings will be English. No discovery shall be conducted except by agreement of the parties or after approval by the arbitrator, who shall attempt to minimize the burden of discovery. The arbitrator may award any relief that a court of competent jurisdiction could award, including attorneys' fees when authorized by Laws, and the arbitral decision may be enforced in court. For claims less than U.S.\$15,000, Tether AbT will reimburse you for all initiating filing fees in the event that the claim is successful. The prevailing party, as determined by the arbitrator, will be entitled to its costs of the arbitration (including the arbitrator's fees) and its reasonable attorney's fees and costs.

The following claims and causes of action will be excluded from arbitration as described in the paragraph above: causes of action or claims in which either party seeks injunctive or other equitable relief for the alleged unlawful use of its intellectual property, including without limitation copyrights, trademarks, trade names, trade secrets, or patents or its confidential information or private data. Nothing in this section (7.2) will prevent Tether AbT from seeking any other form of injunctive relief in any court of competent jurisdiction, whether or not interim relief has also been sought from the Arbitrator.

The arbitrator will have the power to hear and determine challenges to its jurisdiction, including any objections with respect to the existence, scope, enforceability or validity of the arbitration provisions of this RID. This authority extends to jurisdictional challenges with respect to both the subject matter of the dispute and the parties to the arbitration. For the purposes of challenges to the jurisdiction of the arbitrator, each clause within this section (7.2) will be considered as separable from any contract of which it forms a part. Any challenges to the jurisdiction of the arbitrator, except challenges based on the award itself, will be made not later than the notice of defense or, with respect to a counterclaim, the reply to the counterclaim; provided, however, that if a claim or counterclaim is later added or

amended such a challenge may be made not later than the response to such claim or counterclaim as provided under the CPR Rules.

8. Tax Regime

As per Article (36) of the Law, Tether AbT falls under the scope of such Law; thus, the AbT's nominal value and the yields or income from AbT shall be exempt from all kinds of levies, duties, taxes, rates and contributions, of any kind and nature, present or future, whether ordinary or extraordinary or even special in El Salvador jurisdiction. The capital gain or ordinary income obtained from the purchase and sale or any other means of transfer of AbT, including debt forgiveness, shall be also exempt from any kind of taxation in El Salvador.

9. Certifier

This RID was certified by TR Capital, S.A. de C.V., a Salvadoran company incorporated on May 13, 2017, and registered in the Companies Registry of the Registry of Commerce under number 21 of Book 3736, with Registration Number 2017088178 and Tax Identification Number 0614-130517-102-0 (the "**Certifier**").

The Certifier was authorized as a Digital Asset Issuance Certifier by resolution CNAD-044-2023/04, duly registered under entry number CERT-0003.

The Certifier's report has been submitted to the National Commission for Digital Assets in compliance with the provisions of the Regulation of Registration of Issuers and Public and Private Issuances, and it has received a favorable judgment.

Please click [here](#) to view the certification report.