

### Investment Objectives

Pax Gold (PAXG) is a digital asset where 1 token is backed by 1 fine troy ounce of gold, stored in LBMA vaults in London. PAXG can be purchased with or redeemed 1-to-1 for loco London gold.

PAXG offers investors a cost-effective way to own investment grade physical gold through a digital form of the underlying asset.

Ownership of PAXG is the equivalent to ownership of allocated gold bars. Purchasing PAXG is free from settlement and credit risk.

### Pricing

PAXG pricing reflects that of the underlying XAU spot price against USD in real time. Trades minimum size of 0.01 TOZ.

### Creation

PAXG can be purchased with USD or unallocated gold. Both forms of payment are converted into allocated gold bars through an LBMA clearer and tokens are minted in relation to those specific bars. At any time PAXG holders can see the serial number, value and physical characteristics of their vaulted gold.

### Redemption

Institutional investors can redeem PAXG for LBMA accredited Good Delivery gold bars, unallocated loco London gold, or for USD.

### Custody

Custody of the allocated gold backing PAXG is in LBMA vaults. A nationally ranking auditor attests to the matching supply of PAXG tokens and underlying gold assets every month.

Custody of PAXG tokens is with Paxos Trust Company, LLC, a New York limited purpose trust company regulated by The New York State Department of Financial Services.

### Product Information

<b>Asset Class</b>	Commodities
<b>Product Type</b>	Spot Commodity
<b>Ticker</b>	PAXG
<b>Settlement terms</b>	T0, T1, T2
<b>Base Currency</b>	USD
<b>Product start date</b>	Sept 2019
<b>Custody Fee</b>	Zero
<b>Minimum trade size</b>	0.01 TOZ
<b>Domicile</b>	New York
<b>Assets</b>	Backed by LBMA standard allocated gold
<b>Custody of underlying gold</b>	LBMA Vaults
<b>Vault(s) Location</b>	London
<b>Token Issuers</b>	Paxos Trust Company LLC
<b>Legal Form</b>	Digital Token
<b>Replication method</b>	LBMA Physical Gold
<b>Blockchain</b>	Ethereum
<b>Price Reference</b>	XAU Spot Price

**How does PAXG compare to other ways to hold gold?**

	Pax Gold	Major Gold ETFs	CME Gold Warrant	LBMA 400 t oz gold bar	Unallocated	Other gold tokens
<b>Annual Custody Fees</b>	Zero	19-40bp	\$15 storage \$35 delivery out	5-25bp	0-10bp	Up to 100bp
<b>Minimum Purchase</b>	0.01 TOZ	1 share Currently \$130	1 contract 100 TOZ	1 bar	0.001 TOZ	Variable
<b>Time to Settle</b>	INSTANT*	T+2 days	Expiration	T+2	T+2	Instant
<b>Allocated</b>	Yes	Variable	No	Yes	No	Variable
<b>Instantly Redeemable for Physical</b>	Yes	No	No	Yes	No	Variable
<b>Regulated</b>	NYDFS	SEC and equivalents	CFTC	No	No	No

\*Typical on-chain transactions for Pax Gold moving on Ethereum settle near instantly. When you create PAXG on the Paxos platform, tokens will typically be minted and delivered the same day (some larger transactions will settle the next business day)