



# PYRRHOS GOLD

## WHITEPAPER V. 2.0

Pyrrhos Gold (PGOLD) is an asset-backed token where thousand token represents one gram of gold bar, stored in professional vault facilities.

Anyone

who owns PGOLD has ownership rights to that gold under the custody of Pyrrhos Trust Company. Since PGOLD represents physical gold, its value is tied directly to the real-time market value of that physical gold.

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## TABLE OF CONTENT

1. Abstract	2
2. Introduction	3
3. Cryptocurrency Market Problems	
4. Project Description	
5. Technical Overview	
6. Benefits of PGold Token	12
- Easy Access to Gold	
- Wealth Storage	13
- Anonymity	14
7. Uses Cases	
- Payments for Physical Items	
- Protection in Times of Price Volatility	15
- A Means of Payment for Other Blockchain-based Assets	
- Settlement	16
- Remittance	17
8 Our Goals	18



## **L** ABSTRACT

There are three major functions of money: to serve as a medium of exchange, to serve as a unit of account, and finally to store value.

Digital currencies were created to serve these needs in a more convenient manner; hence they were built on the basis of blockchain technology.

Unfortunately, the widely used cryptocurrencies haven't been able to meet these needs.

Cryptocurrencies are often referred to as "digital money", which makes it imperative for them to perform the functions of money and in an improved manner.

However, the cryptocurrencies of today cannot be trusted as a medium of exchange due to price volatility. None have truly succeeded in improving all three functions of money and this issue still boils down to their volatility. Instead, they are largely used for speculative purposes.

The few that were designed specifically to operate as a means of exchange have very low usage.

The volatility of digital currencies discourages merchants and consumers from using them as a standard for storing value or as a medium of exchange.

Nobody would want to store their life savings in a currency that may depreciate drastically and be worth nothing after retirement. Similarly, nobody would want to spend a currency that may be worth twice as much in a month.

It is a very bad idea to use such volatile currency if you negotiate rent, wages, or loans as these currencies aren't stable, hence they can't be relied upon. Relying on a volatile currency for these purposes is risky and makes it more difficult to coordinate effectively.

To solve this problem, a reliable digital currency that performs the functions of money in a more convenient way is needed.

## INTRODUCTION

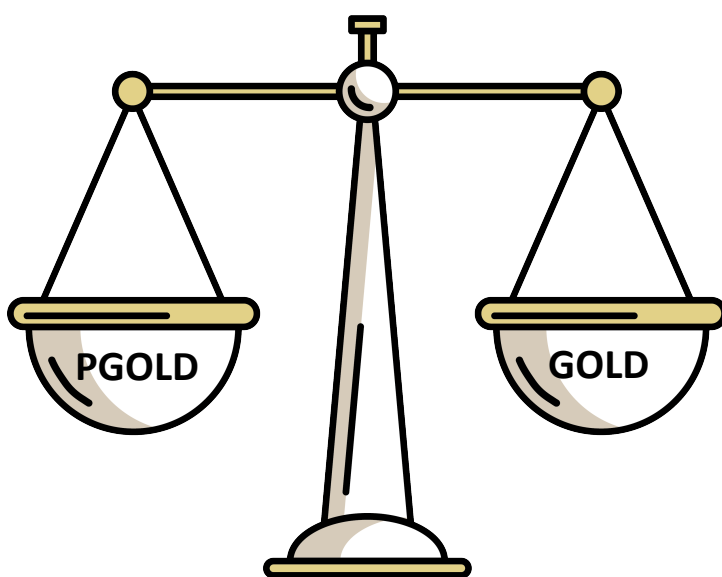
Stablecoins are cryptocurrencies that are specifically designed to minimize the volatility of the price of the stablecoin, relative to some stable asset.

One downside of the existing cryptocurrencies is volatility and this reduces their usefulness, hence making it difficult for more people to adopt the technology.

The major cryptocurrencies like Bitcoin and Ethereum are too volatile and it could be impossible to effectively use them as everyday currencies.

A cryptocurrency with a stable value would permit much wider adoption as a stable means of storing value, a medium of exchange, and can be trusted as a standard for deferred payment.

This paper talks about Pyrrhos Gold; a gold-backed stable cryptographic token where a thousand token represents one gram of gold bar, stored in professional vault facilities.







A stablecoin can be pegged to a cryptocurrency, fiat money, or exchange-traded commodities. In this case, PGold is pegged to gold.

Pyrrhos Gold is a digitized version of real, physical gold of the highest quality. The PGold token is issued by the Pyrrhos Trust company and is built on the Ethereum network based on the ERC20 standard for tokens.

In this paper, we explain the benefits that Pyrrhos Gold offers to the crypto community and the financial market in general, allowing users of the token to enjoy seamless transactions

using a secured and reliable digital asset that is backed by gold and built on the basis of the blockchain technology.

Anyone who owns PGOLD token has ownership rights to gold under the custody of Pyrrhos Trust Company. Since PGOLD represents physical gold, its value is tied directly to the real-time market value of that physical gold.

By tokenizing this gold and putting it on a blockchain, PGOLD gives users the benefits of actual physical ownership of specific gold bars with the speed and mobility of a digital asset.

One thousand PGold tokens represent one gram of physical gold from a specific serialized gold bar. If customers own enough PGold tokens to represent an entire gold bar, they can redeem their tokens for a bar of gold.

On an exchange, holders of PGold tokens can convert their tokens to fiat currency (and vice versa) quickly and efficiently, reducing their exposure to settlement risk.

## **L** CRYPTOCURRENCY MARKET PROBLEM

Over the years, the cryptocurrency market has been experiencing tremendous growth. There seems to be much increase in the number of people getting into the market and adopting the technology.

However, despite the growth, there are some problems in the industry.

Below are the major problems being faced by the cryptocurrency market:

### ❖ **Price Volatility**



The biggest problem in the cryptocurrency market is excessive volatility. The prices of cryptocurrencies on exchange platforms rise and fall considerably in a short time.

When a marketable asset can drop to 49% in less than 24 hours, market volatility is high. There are a number of reasons that contribute to excessive market volatility, but perhaps the biggest contributor is the activities of "whales".

Whales are individuals who possess large holdings of cryptocurrencies. They are able to balance the market by manipulating the price of a cryptocurrency. They achieve that by creating "buying and selling walls".

A buy wall is simply when you open a "buy position" that is worth a lot of money (probably reaching millions of dollars) on a trading platform.

Traders who deal in small quantities will notice these "fake" large buy walls and then misinterpret that as an increase in price.

When that happens, the price of the cryptocurrency will inevitably rise.

The problem with this usual scenario is that whales can raise the price without really investing in the market. The actual transactions that increased the price of cryptocurrency come from small traders.

When the price is at a level that favors the whales, they can adjust their buying and selling walls, take advantage of the price increase and once they do, the price of the cryptocurrency drops dramatically.

This process is repeated over and over as the whales keep benefitting from it.

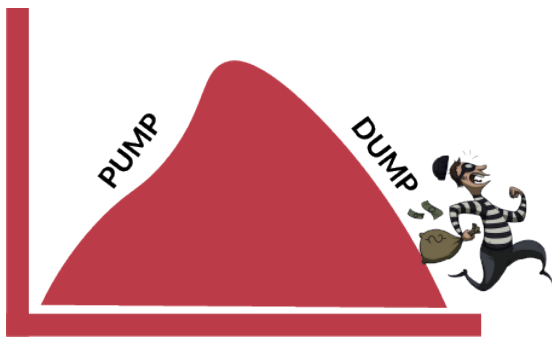
### ❖ Regulation

The lack of consistent regulation hampers confidence and adoption. The several occurrences of crypto scams, continuous use of technology for illegal purposes, and a seemingly endless supply of drug-themed cryptocurrencies can undermine the reputation of legitimate projects and send rather alarming signals to potential adopters.

The natural solution to at least some of these problems is regulation, but the global nature of the technology makes it difficult to be regulated using the traditional regulation system being offered by the states.



## ❖ Activities of Pump and Dump



Recently, there have been lots of ICOs in the cryptocurrency market and they have grown to become a part of the industry. Different tokens are introduced into the market via the means of ICOs with investors owning these tokens in exchange for fiat currencies.

Now there seems to be some problem with a lot of these tokens that were introduced into the crypto market via ICO.

Due to the lack of proper regulation, some of the persons behind these ICOs drive the attention of investors to their coins through speculation and as a result, the price increases.

When this is achieved, they disappear with the funds raised and leave the investors with shitty coins that are worth little or nothing.

## ❖ Lack of Price Uniformity

Regarding pricing, the price of a cryptocurrency can vary widely on different trading platforms. Price charting is important when it comes to asset/commodity trading, investment analysis and development of trading strategies.



Since there is such price difference on different trading platforms for the same cryptocurrency, price charting becomes a difficult task to achieve. Also, this will add to the volatility problem of the market as earlier discussed.

## **PROJECT DESCRIPTION**

At Pyrrhos Trust Company, our main purpose of embarking on this project is to digitize and mobilize gold assets while creating a stable means of payment that will be used globally.

Our aim is to create an Ethereum-based, ERC-20 token that our users can leverage to easily buy, sell, trade, store, or transfer gold assets.

We also want transactions on the PGold network to be carried out in a convenient and secure manner.



Our tokens take the form of a stablecoin since it is backed by gold and the price is directly linked to the current prices of gold. Hence liquidity is guaranteed.

Users can purchase and sell gold with ease whenever they like. For the PGold project, 1000 PGold tokens are equivalent to 1gram of physical gold.

Users holding up to 1000 grams in PGold can redeem their tokens for 1gram of physical gold.





In addition, users of the PGold tokens can convert PGold into U.S. Dollars, Euro or unallocated gold in an unallocated gold account, and vice versa.

Since the parent company Pyrrhos is a liquidity supplier, users will be able to purchase physical gold with PGold tokens at a price that is very close to the current market rates.

Pyrrhos will create and destroy PGold tokens as needed to ensure that the amount of PGold tokens in circulation matches the amount of physical gold stored in the reserve.

A lot of people are interested in holding gold as an asset, and with PGold; they can achieve that conveniently. They can easily store their gold without any storage fee and access it whenever they want to.

More so, investors who already hold physical gold will find PGold more convenient for storage and accessibility.

We also carry out periodic audits of our gold reserve vaults to determine the amount of gold in storage. Users of the PGold tokens are allowed to view the live audit of the vault to ensure transparency and further improve trust.



## TECHNICAL OVERVIEW

The PGold token has been specifically designed as a stable coin backed by the price of gold.

Pyrrhos operates on a simple technology to keep the price of the PGold token stable. When users purchase a certain amount of PGold tokens with Bitcoin, the equivalent in physical gold is stored in the Pyrrhos reserve vault.

When a user is able to accumulate up to 1000 PGold tokens, such a user is qualified to redeem 1gram of physical gold from the storage vault.

The exchange is basically 1000PGold:1g of Gold and can be demonstrated as a basic smart contract on the Ethereum blockchain to ensure that the conditions are interpreted in a programmed manner.

The integrity of this data and the fidelity of procedure executions are ensured by the distributed consensus protocol of the underlying technology; in our case, that happens to be the Ethereum blockchain.

Stablecoins are generally pegged to some other assets or currencies. This implies that the circulating supply of the token is directly backed with its equivalent in assets and is stored in the company's reserves.

With this system, the users' funds are safe from market volatility that is common with the cryptocurrency market.

PGold is also protecting the tokens of its users using this strategy. PGold is a stablecoin that is built on the Ethereum's ERC-20 protocol. We have chosen the Ethereum blockchain so as to allow our users to leverage on the benefits associated with the Ethereum blockchain.

Some of these benefits include the utilization of smart contracts, token security, fast transactions, immutability and a lot more.



Hence, all transactions within the PGold system are done with the aid of Ethereum-powered smart contracts.

As a stablecoin backed by gold, transparency is one factor that is required to create trust within our community.

We have chosen the ERC-20 protocol because it is a well known standard that has already provided a high degree of trustworthiness that many other cryptocurrencies are unable to offer.

Our ethereum-based smart contract ensures that the circulating tokens are equivalent to the amount of gold stored in our reserve.

Specifically, the smart contract must possess certain token characteristics (name, symbol, decimal precision), track the total number of circulating tokens and balances, and also permit address owners to transfer portions of their balance to other addresses.

The Ethereum smart contract code is “open source” and this provides an even higher degree of transparency as tokens created within the Ethereum blockchain cannot be directly controlled by any entity once they have been deployed into circulation.

Since PGold is built following the ERC-20 standard, most of the Ethereum supporting exchanges and wallets applications will be compatible with the PGold token.

Hence, users can easily make use of these applications for viewing and running transactions with PGold.

In the initial stage, PGold tokens can be acquired through the Pyrrhos Company website. However, subsequent issuance of the token will be done on the trading exchanges.

Click the button below to see our smart contract.

[Smart Contract](#)

## **L** BENEFITS OF PGOLD TOKEN

Being a part of the PGold community comes with some benefits. There won't be any need for the PGold tokens if they can't solve user needs.

Below are to benefits of PGold token to users:

### ❖ **Easy Access to Gold**

Before now, getting access to gold is a quite hectic process. To own gold, buyers will have to go through the hassle of finding a trustworthy seller and do a bit of paperwork before owning the precious metal.

Now it doesn't end there, owners of gold also need to find a safe place to store their assets. The most common storage method is the bank, but then, that is not entirely convenient.

To store gold assets in the bank, customers will have to pay storage fees and do more paperwork.

However, in the midst of these challenges, there isn't a better storage option as storing gold at home is a very risky move. Hence, customers are left with no choice than to use the bank.

With PGold, it is a different ballgame. Customers can own gold in digitized form and not worry about any of the troubles mentioned above. Now customers can conveniently buy gold and still have them stored in safe storage vaults.



Also, customers can now have access to gold even if the budget is as low as \$10. Gone are the days when you would have to be very rich to acquire gold; now you can get a fraction of it with the help of the PGold token.

To add to that, users can also enjoy the security of blockchain which is the underlying technology backing this digitization of gold. With the blockchain, security is guaranteed as long as users are educated on the security measures to implore.

The Ethereum's blockchain immutability ensures that all transactions are permanent and this will make no room for any form of chargebacks.

PGold can be sent to or received by anyone with an Ethereum wallet. Every transaction is done on the Ethereum network via the ERC-20 protocol, hence, there won't be any form of human errors in the record of transactions as the system only operates in the manner in which it has been programmed.

Finally, with PGold, customers can have easy access to gold and run transactions through a secure and convenient network.

### ❖ **Wealth Storage**



It is obvious that there have been enough fluctuations in the prices of the current cryptocurrencies. This is enough reason why the current set of cryptocurrencies cannot be trusted to store wealth or value. Nobody would want to store life savings these cryptocurrencies only to discover in a few months that their money is worth nothing.



Up until now, these currencies haven't been able to prove to keep their value in the long run; rather they are used mainly for speculation.

In the case of PGold, gold is a reliable financial asset that has proven to maintain stable value over time. It gives holders enough confidence in price stability. Gold is unarguably one of the secured means of storing wealth.

Now with the digitization of gold via PGold tokens, users can now store their wealth in gold, but in a digital form this time making it easy for them to easily move their assets around, and access stored assets from several locations.

### ❖ **Anonymity**

A lot of customers aren't comfortable with making their identity public. To own physical gold, customers will have to disclose personal information in the course of the paper works. This is to ensure compliance with the regulatory bodies.



With PGold, you do not need to reveal personal information to own digitized gold and this is a safer option for customers who do not like to disclose their personal information.

## USE CASES

We expect PGold to be used for the following:

### ❖ Payments for Physical Items



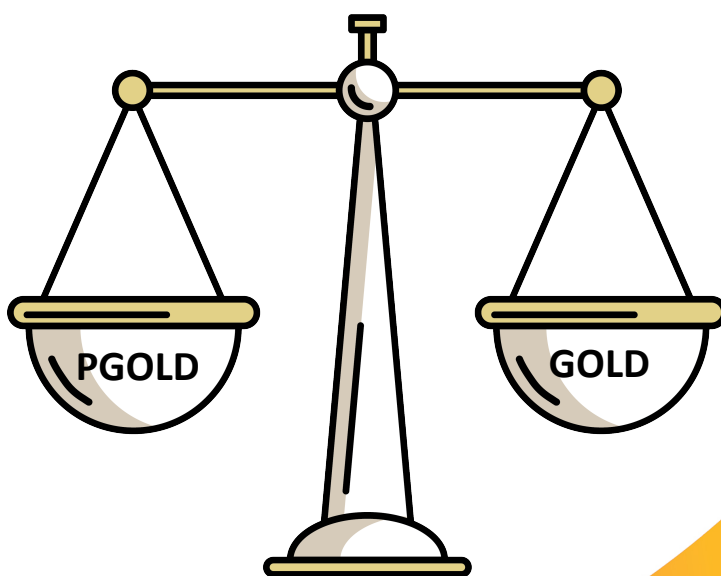
Existing cryptocurrencies like bitcoin haven't been widely accepted by merchants as a medium of payment due to its volatility. In truth, retailers need a digital payment option but the existing digital currencies haven't fully met the criteria to be used as a medium of payment.

In the coming years, PGold will be used as a means of payment by retailers.

The options offered by financial institutions for cashless transactions come with heavy transaction fees. However, there are no such high transaction fees for transactions done using the PGold token.

### ❖ Protection in Times of Price Volatility.

Some crypto traders are already practicing this using other stable currencies. On popular exchanges like Binance, traders store their funds in the stablecoin "Tether" to prevent them from getting affected by the volatility of the cryptocurrency market.



Similarly, investors who trade digital assets can store their assets in PGold and enjoy the protection that comes with the stability of gold. With the help of the available exchanges, users can easily convert their assets back to other currencies whenever they want without delay.

### ❖ A Means of Payment for Other Blockchain-based Assets

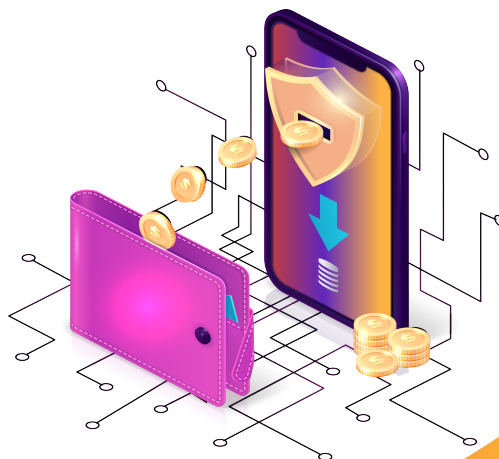


Usually, when payments are made in the bitcoin network, the recipients receive a slightly different amount due to the volatility of these currencies. PGold can be used as a payment standard for doing business transactions within the blockchain community.

PGold can be used as a medium of exchange for other assets within the blockchain community. It is quite inconvenient to run transaction within the blockchain industry using the common currencies like Bitcoin and Ethereum as a medium of payment.

### ❖ Settlement

As a stablecoin, PGold operates 24/7 since it runs on the blockchain and isn't controlled by any financial institution that works based on business hours. Hence, when settlements are paid out, the parties receiving the



compensation from settlements can receive their money immediately without delay.

## ❖ Remittance



Making cross-border payments with fiat currencies sometimes come with many troubles, and one of them is the issue of high transaction fees.

This has been a problem for overseas workers when they try to send money to their loved ones at home.

PGold as a stable coin would make this

ease as transactions in the network is not just cheap, but also very fast. In a few minutes, users can easily send money across borders from the comfort of their homes.



## OUR GOALS

- ❖ Our goal is to spread our token as far as possible and establish the PGold token as an accepted gold alternative.
- ❖ To list the PGOLD Token on many larger exchanges.
- ❖ To further spread cryptocurrency and increase acceptance by private individuals and companies.
- ❖ Cryptocurrencies are indispensable in an increasingly digital world, hence, we want to simplify the transport of precious metals across borders.
- ❖ To penetrate further markets and offer our token exchange service through the European Union.
- ❖ The PGOLD Token is intended to be used by private investors and larger organizations as a store of value.

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