

# GOLDBACK CURRENCY

Bankless reflation commodity currency

~~Ending Fiat Money~~

VERSION 1  
10 - 10 -2021



## Abstract

God created man in freedom, the suffering economy of the world today is the result of the decision of the cowardly and angry rulers of the past. This document; as a first draft, explains the basis of EAU and provides the base standard in the design and production of a commodity-backed global currency. This type of banknote is deliverable and enclosed of pure gold, which is intrinsic of value and does not require a governing guarantee.

The root of most of the world's economic problems and injustices lies in the printing of fiat money banknotes by Western governments in line with the political positions and intentions of those governments.

"EAU" is a proposed currency for the Eurasian Economic Union designed and manufactured through blockchain, ERP and MT5 infrastructure that is deliverable and intrinsic in value by gold.

EAU is gold that can perform in the market.



Gold benefits from diverse sources of demand: as an investment, a reserve asset, jewellery, and a technology component. It is highly liquid, no one's liability, carries no credit risk, and is scarce, historically preserving its value over time.

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INVENTOR AND FOUNDER: **MAJID NAGHEDINIA**

# I N T R O D U C T I O N

Humanity has not experienced real money since the 11th century when China issued the first governmental fiat money banknote (Bernholz, 2003), making the money we earn today in exchange for our time, freedom, energy and youth a future accumulating debt. Paper money, or fiat money, was one of the first virtual currencies to exist, and emerging digital currencies are continuing to replace and super-virtualize money.

There is an urgent need to address and overcome the perception of a suitable solution of a global currency that will reevaluate the monetary system that manages the global wealth. Several attempts have been made to reform the IMS, however, they do not correspond to its economic role and defeat contemporary socioeconomic challenges. The intrinsic illusion of power that the market makers of fiat money have used against developing economies through sanctions, restrictions of international trade and manipulation of hyperinflation has increased uncertainty and confiscated the access of global trade from traders and governments. Reengineering money as we know it requires its core objective to be valued on its own merit and not devalue the services and products that are exchanged in return. Although it should remain independent of any government, it must be accepted in the international network and should function as a medium of exchange, a unit of account and store of value, parallel to the promise of money. Driven from history, the most suitable money in the metallic systems is commodity money that is backed by gold. The lack of absence of a global currency directly links the manipulation of national currencies, slackened productivity growth, inequality in growth, the appearance of global imbalances, growth of protectionism and a threat of trade and currency wars (Sajnoski, Madjova, & Sajnoski, 2017).

Gold is money, not a commodity – however, commodities on their own are not able to perform exchanges in the market like they once did in the barter economy. Hence, to restore the gift economy that bartering created there must be a double coincidence of wants, meaning one participant must want what the other has (Graeber, 2011). The appeal to a real form of a gold standard is a reformation of bartering into the international monetary system that will directly influence the integration of national economies on the overall global level as gold is globally accepted and recognized. This proposes a lucrative opportunity to create an honest and real commodity global currency; EAU – the only honest common currency backed by deliverable gold that hedges against inflation.

From December 2020, the United States has active sanctions against 29 countries and territories (United States Department of the Treasury, 2021) which include trade and financial restrictions. From these sanctioned countries, most notably are countries of the Eurasian Economic Union that have their intelligence, energy, defence, mining, and railway industries targeted by the US. With the dropping purchasing power of the US dollar from 1950 by 90% because of overprinting of the dollar beyond its gold reserve (Wallanbit Media LLC, 2020), it is alarming for nations to be dependent on a valueless currency. In line with this, President Vladimir Putin and Nursultan Nazarbayev have expressed the urgency of a common currency for the Eurasia Economic Union as a steppingstone to protecting their joint markets against external financial and economic threats (Kim, 2015).

The root of most of the world's economic problems and injustices lies in the printing of fiat money by Western governments in line with the political positions and intentions of those governments. EAU is the proposed currency for the Eurasian Economic Union, designed and manufactured under the "Precious Money" standard, with the intention of building a secure trading channel in bilateral or multilateral monetary agreements without the involvement of a third currency. And without the impact of Western banking and control sanctions, designed in the Eurasian Economic Union.

**EAU** is an independent and private gold-backed currency that has capitalized on functionality, use-value, and worldwide recognition and acceptance. We developed EAU to be a neutral medium of exchange that's backed by deliverable gold to be used in international transactions and local expenditures. EAU can be used to give a valuable unit to a product or service, spent on everyday use, business, or governmental transactions as well as import and export logistics. This can benefit both trading parties as EAU is independent of any government while having complete legality, and its infrastructure from sourcing, storage, payment, and currency conversion are managed by modern blockchain technologies, ERP and MetaTrader 5 Trading platform.

# Mission

Replacing the bank notes in the world with the only honest currency; EAU.

# Vision

To create the platform for economic justice in the world.

To create the currency that will reflate the economic betrayal done to humanity.

# Values

Appreciation of humanities time, energy and youth through a globally accepted currency.

# EAU Infrastructure

EAU is an independent gold-backed currency that has capitalized on functionality, use-value, and worldwide recognition and acceptance. We developed EAU to be a neutral medium of exchange that's backed by deliverable gold to be used in international transactions and local expenditures. EAU can be used to give a valuable unit to a product or service, spent on everyday use, business, or governmental transactions as well as import and export logistics. This can benefit both trading parties as EAU is independent of any government while having complete legality, and its infrastructure from sourcing, storage, payment, and currency conversion is managed by modern blockchain technologies, ERP and MetaTrader 5 Trading platform.

Sanctions and restrictions on access to international currency don't allow easy business. EAU allows its users to trade without dependency and the personal availability of any currency. Its independence makes it a non-national, non-political, non-governmental money that is not in the interest of any government or organization and is completely private. By supporting the value of gold, EAU is the best currency for insuring against inflation. Using EAU brokers will no longer be dependant and limited on government-backed fiat money that is not stable to their local currency to be used as a trade asset.

Every 1000 EAU is considered 1 gram of pure 24 karat raw gold and can be delivered and deposited from EAU treasuries around the world. Customer trust is at the core of EAU's business model; hence, customers can withdraw their balance in any form of gold whether in raw form, coin, bullion, or any form of refined gold that is 24 karat and certified for quality and authenticity. Additionally, EAU offers custom paper notes for governments, companies and individuals with the gold enclosed within the note.

## Ability

- EAU is an instrument or medium of exchange.
- EAU is a unit of counting, measuring and valuing.
- EAU is traded and stored in Blockchain.
- EAU production is limited.
- EAU has global valuation and pricing.

## Advantages

- EAU is intrinsically valuable
- EAU is for storing real value and wealth.
- EAU is globally accepted.
- EAU is convenient, accessible and divisible.
- EAU is almost constant in value and parity with other commodities over the past hundred years.
- EAU is independent of any government or private organization.

EAU is a medium of exchange that values goods compared to gold, this allows for capital appreciation and wealth-building as the value of gold has not depreciated throughout history. In fact, gold does not go up or down – when gold “goes up”, the purchasing power of the dollar is decreasing, when gold “goes down”, the purchasing power of the dollar is getting stronger. To understand this into practice, in 1947 the middle average family income was \$26,548 in the United States (The State of Working America, 2012) with the price of gold per ounce as \$34.71, making the income in gold 765 oz per year. Taking into consideration 1947 to 2000 (Table 1) we are witnessing a decline in the store and transfer of value of each family’s annual income, although the amount is increasing in dollars over time; making the hard-earned cash families earned worthless over time as it was devaluing with the dollar.

| YEAR | Gold Price (oz) | Bottom  | Bottom in Gold | Middle   | Middle in Gold | Top       | Top in Gold |
|------|-----------------|---------|----------------|----------|----------------|-----------|-------------|
| 1947 | \$34.71         | \$7,808 | 225            | \$26,548 | 765            | \$67,152  | 1935        |
| 1979 | \$306           | 17,318  | 57             | 56,466   | 185            | \$133,340 | 436         |
| 1989 | \$381           | 16,575  | 44             | 59,906   | 157            | \$162,284 | 426         |
| 1995 | \$384           | 16,508  | 43             | 59,550   | 155            | \$175,047 | 456         |
| 2000 | \$279           | 18,444  | 66             | 66,279   | 237            | \$204,946 | 734         |

Table 1: Household income in US compared to gold

## Principles



# 1000 EAU = 1GRAM OF PURE GOLD

1000 EAU is considered 1 gram of pure 24-karat raw gold and can be delivered and deposited from EAU treasuries around the world. Customer trust is at the core of EAU's business model; hence, customers can withdraw their balance in any form of gold whether in raw sheet, coin, bullion, or any form of refined gold that is 24 karat and certified for quality and authenticity. Additionally, EAU offers custom paper notes for governments, companies and individuals with the gold enclosed within the note.



**1000 EAU paper note**  
Ten pressed 0.1 gram gold sheet's totaling 1 gram of pure gold enclosed.



**500 EAU paper note**  
Five pressed 0.1 gram gold sheet's totaling 0.5 gram of pure gold enclosed.



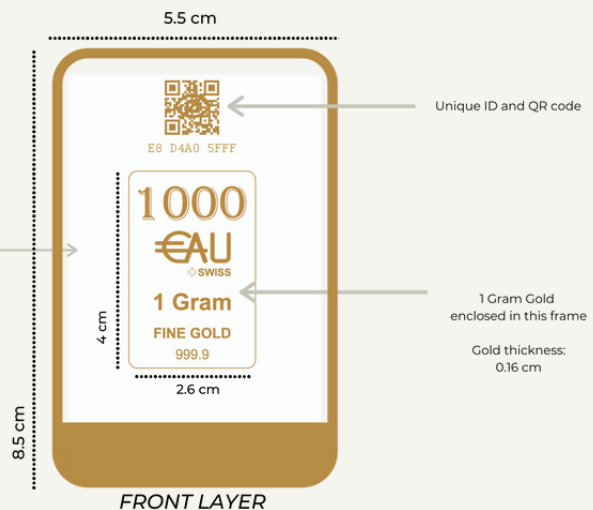
**200 EAU paper note**  
2 pressed 0.1 gram gold sheet's totaling 2 gram of pure gold enclosed.

note: above design is proposed for the Eurasian Economic Union

**1000 EAU standard**

1 gram of fine gold enclosed in a transparent anti-counterfeiting sleeve

- Transparent film
- Thickness: 0.2 cm
- Laminated coating
- Printing is on front film



NOTE: Final design is subject to change



## EAU TREASURY AND DELIVERY

- Exchange of gold (not EAU) to EAU > monetized
- Breakdown of value unit into smaller and bigger
- On-premise accreditation
- Delivery management (on-premise/location)
- Inventory management
- Verifies the availability of inventory
- OTC sale



## EAU EXCHANGE

- International price management
- Online exchange between and from EAU to other currencies
- Online application tutorial and management
- Wallet management/ statement management
- Provider of EAU's digital money in the wallet
- Management of the online EAU customer's wallet

## EAU SWAP

- Swapping from one treasury of EAU to another.
- Transaction and storage fee from swapping is monetized

## EAU Customer Service

- Assists and trains existing customers.
- Attracts potential customer
- Respond to calls, questions and complaints

## EAU Trading services

- Lock, hold and release EAU
- Risk management analyzer
- Letter of credit (out of bank/private sector)
- Accreditation of broker and deal
- Proof of fund documentation statement
- Capital intermediate between buyer and seller

## EAU Guarantee certificate (GG)

- This service guarantees to the third party, the beholder holds gold; similar to a bank guarantee

## EAU REGULATORY AND AUTHORITY

- Accredits EAU exchange units
- Accredits the expertise and professions
- Accredits mean and channel of sale and distribution
- Accredits the EAU (gold)

## EAU Credit

- Capitalizes on intermediating and managing loans given
- Accredits and researches the loan seeker
- Monitors spending of funded loan given
- Manage and secure the given and returning loans.
- Seek EAU holders for loaners

## EAU Investor

- Access to exclusive conferences, expo and networking events.
- Access to extra benefits and services.

## EAU Market Maker

- Revenue generating
- Creates liquidity in the market.

## EAU advisor

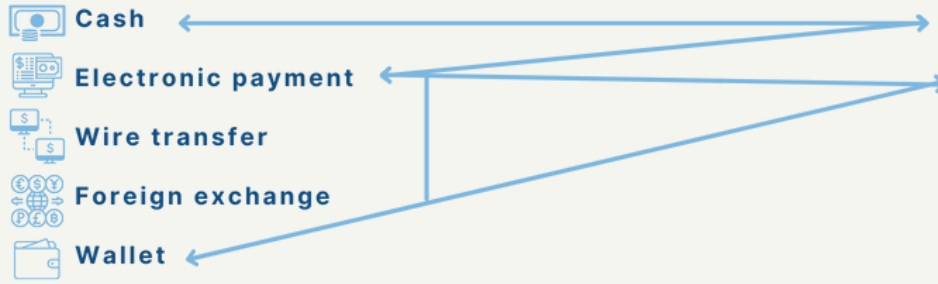
## EAU payment

## EAU manufacturer

## EAU miner (raw material)

# EAU Infrastructure Map

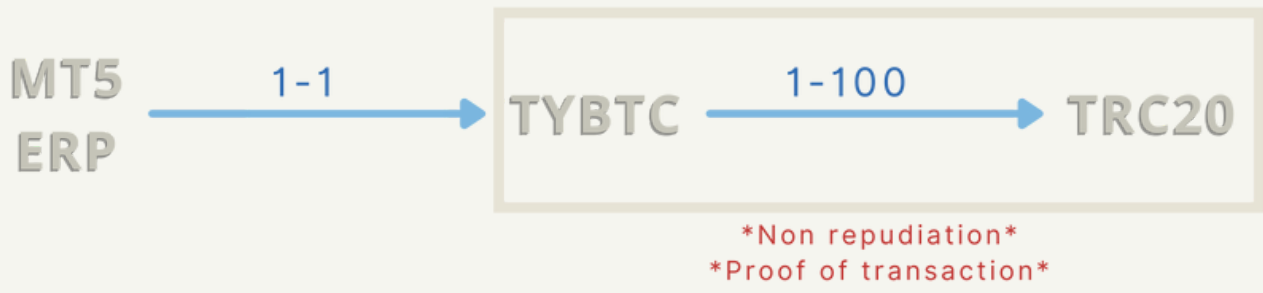
## EAU CURRENCY



## EAU INFRASTRUCTURE



## CORE TECHNOLOGY



## Use of Blockchain

Ten years ago, it was difficult to set up institutions and systems that were completely transparent and practically independent. As a result, it was almost impossible to create secure, independent private currencies that could pose relatively low risk, confidence, stability to their owners, and be able to compete with national currencies.

The invention and use of blockchain allows you to solve important problems. Only today can effective private currencies be created, and EAU is the first common currency deliverable by demand. In EAU's infrastructure, Blockchain will be utilized for:

- Management and control of gold reserves: as an important component of reliability and transparency, the generality of this system will be controlled by local (Teamyar Blockchain) and public (TRC20 Blockchain).
- Banking network (for payment, money transfer, cross-border currency exchange) to ensure speed, reliability, comprehensiveness as well as a combination with a functioning foreign exchange.
- Currency exchange: to guarantee the speed and security of transactions in unprotected and cryptocurrency exchange.
- In general, Blockchain technologies seek to decentralize, control, link unsecured and cryptocurrencies, and enable banking and foreign exchange transactions with maximum speed and minimum cost to the user.

The establishment of the EAU as a currency and its infrastructure will be based on the Blockchain, Teamyar Enterprise Resource Planning software, and MetaTrader 5 application.

One of the key principles of EAU is independence. Our main goal is to create a sustainable system that continues to operate despite the removal of any individual or institution from the system.

In this case, we mean blockchain and secure legal initiatives using the Swiss Foundation, independently managed currencies, segregation of legal entities by function, and so on.



## Prerequisites for project implementation

At the present we are witnessing individuals troubled by their asset management as they don't want them devalued by the decisions governments take. Investors have shifted towards investing in precious metals to hedge against inflation as it has been a safe haven against devaluation and economic and political uncertainty for over 5,000 years. Nevertheless, their asset remains inefficient when in its physical form and raises security concerns when privately stored. The World Gold Council recognizes gold as the most effective commodity investment in a portfolio as it has continued to stand apart, despite several times of economic stress. This is because historically, gold has shown the following characteristics (WGC, 2021):

- It has delivered superior absolute and risk-adjusted returns to other commodities over multiple time horizons
- It is a more effective diversifier than other commodities
- It outperforms commodities in low inflation periods
- It has lower volatility
- It is a proven store of value
- It is highly liquid



As seen in chart 2, gold is used as a safe haven in times of systemic risk, its important diversification properties like other commodities, gold is positively correlated to stocks during periods of economic growth when equity markets tend to rise. However, gold is also negatively correlated with other assets during risk-off periods, protecting investors against tail risks, and other events that can have a significant negative impact on capital or wealth – a protection not always present in other commodities.

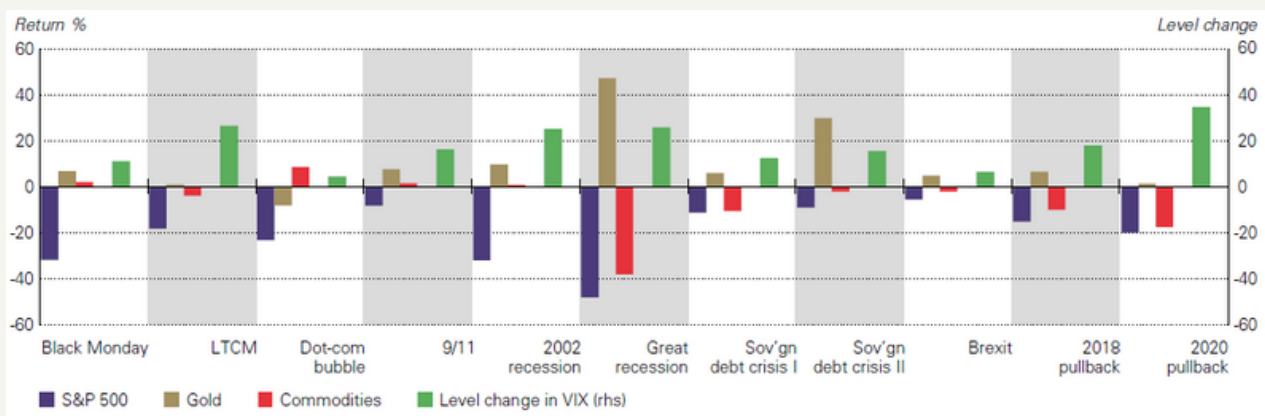


Chart 2: Performance of stocks, gold, commodities, and VIX during periods of systemic risk

This dynamism reflects gold's dual nature as both a consumer good and an investment. When economic conditions are benign, expenditure tends to increase on items such as jewellery or technological devices, and this works in gold's favour. During times of systemic risk, however, market participants seek high-quality, liquid assets that preserve capital and minimise losses. This can also benefit gold by boosting investment demand and driving up prices.

# Market Size

With the vision to become the universal medium of exchange, EAU's long term vision is to replace the banknotes in circulation with money that is merited on its own value. The total addressable market is approximately 40 trillion dollars that are in circulation which both includes banknotes in physical and deposited money in savings and checking accounts (Rankred, 2021), moreover, this further includes the conversion of 1.3 quadrillion dollars of investments, derivatives and cryptocurrencies into capital appreciating and a non-devaluing investment portfolio.

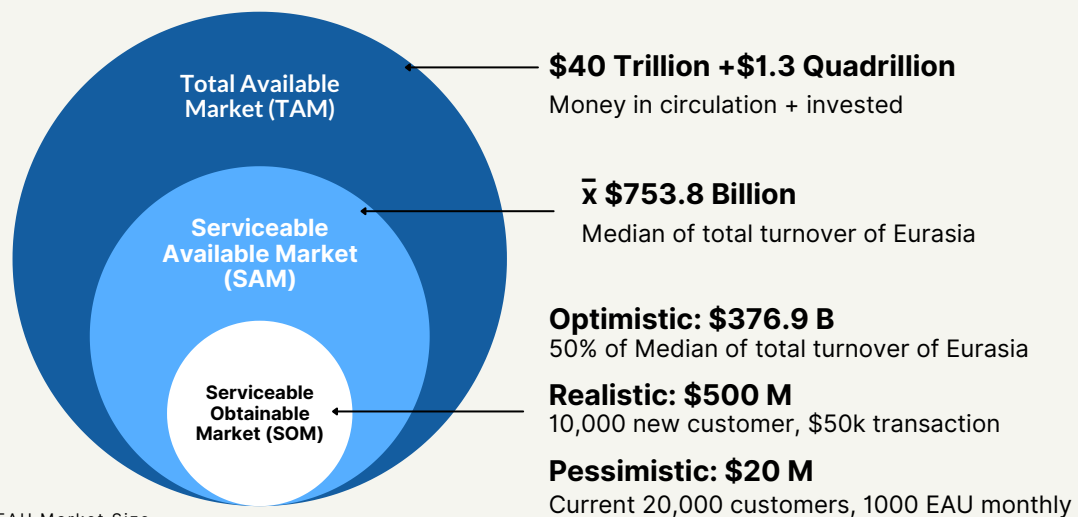


Figure 1: EAU Market Size

For market establishing stages the serviceable available market accounts for 70% of the world population, 75% of the world's energy resource and 70% of the world GDP; also known as the Eurasian Economic Union (EAEU) with 624.63 billion dollars in total trade turnover in 2020 (Statista Research Department, 2021) and an all-time high peak of 938.8 in 2012; with a medium of 753.8 between 2011 to 2020 (Figure 2). EAU's serviceable obtainable market can be categorised into three scenarios of optimistically, pessimistically, and realistic. Scenarios are as follows:

- 1. Optimistic:** 50% of the total transactions of Eurasia are done using EAU.
- 2. Realistic:** 10,000 yearly new customers who trade an average of 500,000 to 1 million EAU.
- 3. Pessimistic:** The current customer portfolio of 20,000 users make transactions of 1000 EAU monthly.

The realistic market size for EAU is a constant addition to the customer base that make transactions of \$50,000 monthly for trade and other business purposes; this amounts to \$500,000,000 monthly.

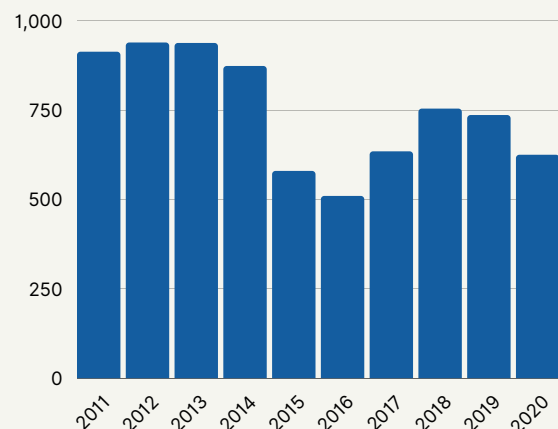


Figure 2: Total trade turnover of Eurasian Economic Union (EAEU) countries from 2011 to 2020.

# Customer Segmentation



## EURASIA

One of the initial target markets of EAU in practise are the merchants, general traders, and chambers of commerce in the Eurasia economic union. EAU has been proposed to be used as a neutral medium of exchange between Eurasian countries to strengthen the intra-regional trade and economic cooperation while challenging the dollar and euro's role in economic interactions.



## NATIONAL AND INTERNATIONAL EXPORT AND IMPORT

Gold is an excellent means of payment for goods that are imported and exported that would benefit from convenient cross border transactions. It is easy to negotiate with as gold is globally recognisable making it reliable and understandable.



## EMERGING COUNTRIES/DEVELOPING ECONOMIES/SANCTIONED COUNTRIES

Countries under financial sanctions are suffering from manipulated hyperinflation and a restriction from international trade due to a lack of availability of foreign currency. In this instinct, EAU can become a transition currency, allowing the traders of these countries to become part of the global market.



## INDIVIDUALS/HOLDERS

Future-oriented individuals may use EAU as a means of long term asset for savings or even in circulation. Despite high inflation and unstable political influences, EAU; backed by gold is stable. Although EAU is deliverable, it is a convenient investment infrastructure as an individuals asset won't be devaluing parallel to the currency or crypto is it kept in.



## INVESTORS

EAU is a currency backed by gold, when investors buy EAU they are buying an advancement in time and an opportunity to save in gold that will become a passive income from its growth. Additionally, it is an appropriate risk hedging tool.

# PESTLE Analysis

## P

- Non-dependency on a third party currency like USD.
- Unites countries that are under sanctions of the US.
- The role of money in government will change to purely being a medium of exchange rather than a weapon.
- Role of government and banks will change.

## E

- Decreases illegal activities that harms the economy.
- Inflation won't have a meaning when you value everything upon gold.

## S

- Brings satisfaction and ease of mind for the people.
- Unites people with governments to do bigger things.
- People of different countries with different languages can easily trade and make transactions for product or services.

## T

- Using blockchain technology for its security and ease of use.
- Highly secure and easy way to make transactions.
- Fast and user-friendly which after decades it will replace all other currencies.
- Use of ERP for back-office ensures zero human error.

## L

- Consumer protection laws to keep users safe
- In case of war, revolution or etc. Treasury is promised to give back people's earnings .

## E

- Replaces all the paper money's and fewer trees will be deforested.
- Mining for gold will be done under restrictions and more sustainable.

# RoadMap



The first sample of the global private gold currency with the name "Zarg" meaning the golden leaf (figure 1).

- Scaling up the use of gold money and its infrastructure (banks, exchange offices, etc.)
- Expansion of additional issues of global presence (banking network). Gold becomes a global currency and a number of countries recognize gold as a reserve currency.



## 2011

## 2019



Figure 2: 1000 EAU paper note enclosed 1 gram gold.



Figure 3: Ambassador of Iran in Moscow at the Eurasia Expo.

## OCTOBER 2021

Soft Launch of EAU, available to deliver in Dubai.

## APRIL 2010

Idea of 'Gold Money', (bank note with gold enclosed within the note) began.



Figure 1: First design of Zarg

## APRIL 2018

- Iran joined into a free trade agreement with the Eurasian Economic Union.
- Eurasia set for the new target market.
- Rebranded as EAU to be proposed to the EEU as the Eurasian common currency.

- Name changed to precious money
- Initiation of the legal and technical processes.
- The first draft of the white paper.
- Website design
- Team up

## 2020

New EAU design and idea completion (figure 2)

## JULY 2021

- Participation in Eurasia Expo in Tehran
- Meeting the Iranian ambassador in Moscow (figure 3).
- Presenting the idea to Eurasia's chamber of commerce.

## AUGUST - SEPTEMBER 2021

- EAU whitepaper
- Local and public Blockchain infrastructure set up
- MT5 and ERP set up



# ACKNOWLEDGEMENTS

Thank you for believing in our vision;

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Hatam Khorramian Pour

Teamyar ERP Team  
Forexer Exchange Team  
Saxo Bank Team  
Supporting Family and Friends

*We thank you for your continued support in our efforts to contribute to ending the economic betrayal fiat money has indebted humanity with.*



## CONTACT

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