

FTH GOLD — TRC20 Launch Map & Fee Architecture

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Prepared for Zagan / Live the Dream · Issuer: FTH TRADING LLC (FTHT) · Unykorn = rails only

**Status: NOT ISSUED. No token has been minted and no gold reserves are evidenced.
Nothing herein is a public claim.**

Part A — Launch Map

1. Decision & readiness

Overall: NOT READY. Risk Capital scoring: **PASS 0** · **FAIL 10 (engineering)** · **BLOCKED 10 (counsel/evidence)**. Mint nothing, sell nothing, make no public launch claims.

Direction under review: TRON TRC20 primary, with spin-offs. Specialist consensus: TRC20 is workable (XAUT has used TRON), but TRON-first needs market-maker and listings pre-wired, because tokenized-gold liquidity sits on Ethereum/BNB.

2. Product overview (locked terms)

Term	Value
Issuer	FTH TRADING LLC (FTHT) — entity/owners UNVERIFIED
Unit	1 token = 2 troy oz 24k gold on redemption
Transfer	Fully transferable
Holder redeem	After 5 years
Issuer call	FTH may redeem (call) anytime
Rails	Unykorn — rails only
Staging site	fth.genesis402.com — staging, noindex, 0.00 oz, NOT ISSUED

Custodian, vault, auditor, insurer, bar list: **ABSENT**. Implied unit value $\approx$ \$8k+ per token at assumed spot (fractionalization question open).

3. Comparables (CoinGecko, ~27 Oct 2026; sector ~\$5.58B)

Token	Mkt cap	Chains	Redemption	Attestation
XAUT	~\$3.24B	ETH/BNB + XAUT0 multi-chain	Anytime after KYC; whole bars, 0.25%	BDO Italia quarterly
PAXG	~\$1.79B	ETH	Anytime, USD/bars, 0.125-0.50%	KPMG monthly; NYDFS
Kinesis KAU	~\$353M	—	—	—
Matrixdock XAUm	~\$68M	—	Verified 1 kg redeem (Apr 2025)	Live bar count

Failed peers: PMGT (2023), DGX inactive. **Gap vs FTH:** every leader allows redemption anytime; FTH's 5-year holder lock plus issuer call is expected to trade below gold NAV and reads note-like (securities question for counsel).

4. Chain strategy

- Gold liquidity on ETH/BNB; Binance XAUT deposits on BNB+ETH, not TRON. TRON gold volume: ABSENT (unverified).

- Tier-1 listing of a new gold TRC20 unlikely; expect tier-2/3 + SunSwap + self-MM.
- Options: (a) TRON primary only with MM + listings pre-wired; (b) ERC-20 parallel; (c) XAUT0-style native multi-issue.
- Spin-offs: stay single-chain until clean attestation + 30 days reconciliation; prefer native multi-issue with one global supply ledger and per-chain caps over bridged wraps. If bridged: issuer-controlled burn-mint (CCIP/OFT) with rate limits; pause/blacklist must propagate.
- Nothing on the box or site uses TRON today (site practices on Stellar test + EVM wallets).

5. Compliance "sniffers" (screening stack — NOT DESIGNED)

- OFAC SDN + crypto addresses, Consolidated list, 50% rule; block sanctioned jurisdictions; named sanctions officer.
- Chain analytics primary + secondary (TRM / Chainalysis / Elliptic); auto-hold on risk score; register contract with screeners. TRM has deep TRON coverage (T3 FCU).
- KYC/KYB on mint and redeem; secondary market governed by blacklist + redeem screening.
- Travel Rule if MSB (31 CFR 1010.410, \$3k) — vendor + counsel.
- Blacklist ingest: OFAC + Tether-frozen TRON addresses + vendor clusters.

Regulatory checklist (all BLOCKED / NEEDS COUNSEL): token classification; GENIUS Act payment-stablecoin question (USDF on separate track, blocked for US persons without permitted-issuer path); FinCEN MSB; state MTL + NY; disclosures/terms not drafted; custody/audit (LBMA vault, allocated bars, insurance, monthly attestation); advertising (no "risk-free/guaranteed/insured/regulated/audited/stablecoin" without documents); tax 1099-DA + ex-US (MiCA).

6. Contract & operations

- Pause: governance multisig + guardian pause-only key.
- Separate blacklist/destroy role with court/OFAC procedure and public log.
- Mint only after custodian allocation; daily caps; 2-approver; HSM/custody.
- Invariant: supply $\times 2 \text{ oz} \leq$ allocated oz across all chains; redeem burn-atomic.
- Upgradeability UNDECIDED: proxy needs $\geq 48\text{h}$ timelock + multisig + audit per upgrade, else immutable.
- PoR: daily recon, monthly attestation, annual audit, public multi-chain supply page; block mint if attestation > 35 days old.
- Two independent audits + bug bounty pre-mainnet.

Kill switches (proposed): reserve break $\rightarrow$ stop mint, keep redeem $\cdot$ redeem backlog $> 2 \times$ SLA or $> 5\%$ supply $\rightarrow$ stop mint $\cdot$ gold feed divergence $> 0.5\%$ or stale > 15 min $\rightarrow$ freeze cash redeem/MM $\cdot$ TRON energy $> 3 \times$ 7-day median or confirmations > 5 min $\rightarrow$ pause settlement $\cdot$ flagged inbound $\rightarrow$ hold + SAR per counsel $\cdot$ spin-off supply $\neq$ locked $\rightarrow$ pause bridge $\cdot$ admin anomaly $\rightarrow$ guardian pause.

7. SEO & public content

- Staging fully noindex — keep until blockers 1-3 clear.
- Fix copy drift: home "mint module BUILT $\cdot$ NOT ISSUED" vs llms.txt "not built"; redeem wording ("anytime after 5 years" vs "only after 5 years"); Earn yield sitting in same menu as gold.
- At launch: drop noindex, canonicals, transparency/bar-list page, plain-language terms, no unsupported claims.

8. Launch sequence

1. Counsel: securities opinion, entity, classification, MSB/MTL.
2. Terms: call floor, notice, settlement (physical/cash), early-redeem window, fee schedule.
3. Reserves: custodian, vault, bars, insurance, attestation.
4. Contract: TRC20 with controls; two audits; testnet with every kill switch fired once.
5. Closed pilot $\leq$ \$25k outstanding, KYC-only, until first clean attestation.
6. Public: SEO on, listings packs, MM.
7. Spin-offs after 30-day clean recon.

9. Open blockers

FTH entity/owners · token classification · USDF/GENIUS path · FinCEN MSB/AML · state MTL + NY · vault/bars/insurance/auditor · disclosures/ads · exchange packages · custody onboarding for FTH · Risk Policy v0 (8/8 open). FTH GOLD must not draw on any other project's metal.

Part B — Fee Architecture: "If we have x402 and ERC-8004, why fees?"

1. What each actually is

- **x402** is a payment protocol: an API answers HTTP 402, the caller pays (USDC on Base) per request, no API keys or subscriptions. It does not make things free — it makes paying frictionless, at cents per call. It is itself the fee mechanism.
- **ERC-8004** is an identity/reputation registry for agents. It charges nothing by itself; agents with 8004 identity **earn** via x402 payments. It builds trust, not revenue.
- **btc402** (Lightning) and any-coin-in swaps are additional payment-in paths, not discounts.

So having x402 + 8004 does not remove fees — it replaces subscriptions/keys with **metered micro-fees** and lets agents carry reputation.

2. What is free vs paid today

Surface	Free	Paid
fth.genesis402.com staging	Browse, docs, Labs, demo	Nothing live (NOT ISSUED)
FTH GOLD mint UI	Viewable	Gated / not issued
genesis402 / x402 tools	Discovery, docs, examples, MCP listings	Per-call USDC on Base
btc402	Docs	Per-call sats
ERC-8004 agent registry	Identity listing (gas only)	—
Amplify modules	—	PROPOSED tiers \$25k/\$75k/\$150k+ setup + bps (not market data)
Proof explorers / transparency page	Free (public)	Resale as a service PROPOSED
Actual x402 call volume/ revenue	ABSENT	ABSENT

3. Why free layers still exist

Free = acquisition and trust: SEO pages, developer docs and sandboxes, public proof/reserve explorers, agent identity. Charging there kills adoption and undermines transparency. Charge where value is consumed: a settled payment, an API call, a mint, a redemption, custody.

4. Keep FTH GOLD fees separate from rails

Gold fees (mint premium, redemption/delivery, storage) are regulated primary-market fees disclosed in token terms and tied to custody costs. x402 fees are software usage fees. Mixing them confuses disclosures, accounting (CPA: separate revenue lines and entities — FTHT vs Unyknor), and regulatory analysis. **Recommendation: separate schedules, separate ledgers, separate entities.**

5. Recommended settlement tokens per surface

Surface	Primary	Secondary	Not recommended	Rationale
(a) FTH GOLD primary market (mint/redeem)	USD wire / USDC (KYC'd)	USDT-TRON (screened) if TRON-first	FTHX/FTHG self-tokens; USDF until licensed	Regulated, auditable, deep liquidity; USDT-TRON matches TRON user base but needs frozen-address screening
(b) Amplify Transit/Earn	USDC	USDT-TRON for Transit corridors	USDF (BLOCKED for US persons per Risk Capital)	Fiat-redeemable, compliant payment stablecoin path
(c) Unykorn machine rails	USDC on Base via x402	BTC/Lightning via btc402; any-coin swap in	Native gold token as gas	Already built; sub-cent fees; agent ecosystem standard
TRON operations	TRX for energy only	—	TRX as fee currency to users	Pre-fund energy; keep users paying in stablecoins

USDF: revisit only if/when a GENIUS Act permitted-issuer path exists. FTHG/FTHX: do not use as fee/settlement currency (circularity, securities risk).

6. Fee schedule sketch (ranges from comps; no volume assumptions)

Fee	Suggested range	Comp basis
FTH GOLD mint	0.125–0.25% (+ spot premium disclosed)	PAXG 0.125–0.50%, XAUT 0.25%
FTH GOLD redemption (cash)	0.125–0.25%	Same
Physical delivery	Pass-through cost + fixed handling	Peers charge delivery separately
Storage	0% initially (peers mostly 0) or disclosed bps	PAXG/XAUT no storage fee
Transfer	0% (gas only)	Peers 0%
Issuer call	Pay holders at $\geq$ spot NAV, no fee to holder	Call protection required
Amplify	Per PROPOSED tiers (bps AUM / route fee)	Internal sheet, not market data
x402 calls	\$0.001–\$0.05 per call	Micropay norm
Lightning calls	Sats-equivalent	btc402

Revenue/volume projections intentionally omitted (ABSENT data).

Research notes, not legal, tax, or investment advice. No affiliation with Paxos, Tether, or any issuer named. All figures approximate; verify before external use.