

Dated 26 June 2019

Draft Version 1.0.0



Argentas

CRYPTO BANKING

WHITE PAPER



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SUMMARY

Introduction

The financial services industry is on the brink of profound transformation. New technologies enable emerging disruptors of the old financial order, putting the incumbent actors on the defensive. Traditional banks and other financial services providers are and will be the losers of this financial revolution caused by technological advances: They cannot transform fast and efficiently enough, and they do not have the courage to cannibalize their existing businesses in order to recreate themselves.

From one end, intensifying competition from nimble new entrants, and the knee-jerk, excessively intrusive and often abusive regulation from the other make the lives of traditional banks intolerable. One of the most powerful recent developments is the emergence of distributed ledger technologies enabling a new generation of currencies, payments, other value transfers, clearing and settlement of trades – you name it – a plethora of functions that have traditionally been exclusively in the hands of commercial and central banks. These powerful developments are causing a deconstruction of the traditional banking and financial services business and their reconstruction in an unprecedented way into a new global financial architecture that combines elements of both distributed and closed ledger technologies.

Some people say that this will lead even to the 4th industrial revolution, with distributed ledger technologies (DLT) dramatically altering the way many businesses are conducted.

These circumstances of technological disruption create vast opportunities in banking and other financial services. Many start-ups are claiming to revolutionise financial services. However, they rarely have any credible basis for their claims. Also, they mostly focus on limited niche areas and do not have the ability to leverage economies of scale the way traditional banks can. This keeps them small and disadvantaged in terms of size and scale.

Argentas has the ability to bring in the elements to achieve this: a universal digital banking offering enhanced by DLT features and scale it up to a volume normally seen only in traditional banks. Eventually, Argentas will become a global digital one-stop-shop for all banking and other financial service needs.

Argentas is not only a concept on a 'white paper': Argentas has achieved substantial progress in developing its digital banking platform 'Argentas Operating System' AOS. There is significant infrastructure in place in the form of a live prototype representing the core functions of the transactional operating system that are being used by ca. 85,000 people globally as members of an ongoing campaign that is part of the Argentas Project. Many functionalities are hidden from the users at this stage and will be exposed as to the scope of operation and what is required and allowed to be used.

The system prototype contains features for accounts, payments (internal, different currencies, regional with IBAN account numbers, traditional international), foreign currency conversions (which will also include major cryptocurrencies) that will be convenient, cost-efficient and fast. Advanced features bringing the blockchain and cryptocurrency applications to the users' fingertips and making them as easy to use as fiat money will be combined with 'traditional' payment card issuance to make the bank entity a true bridge between traditional and digital



economies, with the users being able to seamlessly operate between fiat and crypto currencies. Recognising the operating reality today, membership in certain global payment networks and card schemes is still necessary.

Argentas is building a digital banking platform and entity/entities to last. It will be focusing on perfecting the core banking services, expanding upon them, scaling them up and eventually offering a global one-stop-shop directly to the user, eliminating any unnecessary intermediaries.

For such banking entities, appropriate licenses will be applied for in jurisdictions, where regulation is smart, friendly, honest, knowledgeable and constructive. For the global banking operation, a number of entities will eventually be required, based in different parts of the world. A complete network will generate additional scale benefits e.g. in the areas of fiat currency conversion rates and internal transfers, which are further enhanced by blockchain technology.

Argentas will create its product and service offering with innovative, cost-effective solutions for:

- **Transaction banking** - Account, payment and card products and services denominated both in crypto and fiat
- **Private banking** - Wealth management for digital and traditional assets
- **Custody services** - Institution-grade custody service including robust secure storage of crypto assets
- **Asset & investment management** - crypto and traditional investment products
- **Trading & liquidity management** - for digital and fiat currency assets
- **Corporate finance** - Advisory services for digital projects such as ICO fundraising advice, token design and risk management

In the first phase, the service rollout will start from the core transaction banking services and advance towards a full universal digital bank.

To help achieve these objectives, a utility token distribution will be conducted. The distribution will be of an ERC-20 compatible token known as Argentas Currency Units ("ARG"). ARGs will have the utility to purchase products and services of Argentas when launched. Funds raised by Argentas will be allocated as grant towards the development of Argentas as a project.



BACKGROUND

Digital transformation of finance

Digital transformation of businesses and even everyday life is accelerating. The daily time spent online, often using smartphones, is only increasing. Communicating, transacting, making purchases – so many things are silently taking place on those small screens. Banking and finance are undergoing a dramatic transformation due to digitalisation of the industry. Money and payments are becoming increasingly digital due to the introduction of virtual, or digital currencies such as bitcoin, enabling global payments from anywhere to anywhere, across borders like never before.

There are many start-ups trying to disrupt finance by introducing blockchain-based applications. Most of these applications are single purpose, focusing on a single application such as payments. New technologies enable the creation of agile new market participants leveraging these technologies and in certain areas surpassing the incumbent, traditional players that are heavily burdened by legacy systems and can turn the ship very slowly, if at all.

However, such new entrants can rarely if ever provide a viable alternative to existing banks, given that these new applications normally focus on one or a very limited number of services, which helps the traditional banks to maintain their clientele and position. Also, many banks acquire such Fintech start-ups to eliminate the competition or try to replicate such applications with their substantial resources, to try to modernise their own services and stay competitive. Such actions erode the competitive advantage of such single product start-ups fast.

This leads to a situation, where there is no pure-play digital universal bank as of today. Further, this means that the opportunity to create one is completely open: there are vast blue oceans ahead for a full-blown digital universal bank.

The vision of Argentas in this regard is different from any such Fintech apps and startups: Argentas will create a digital universal bank for the new era, where digital currencies and other distributed ledger or blockchain technologies will play and increasing part enhancing the features and possibilities beyond what was possible ever before. Eventually, this digital universal bank will be an online one-stop-shop for all financial services without the need to ever touch any brick-and-mortar facility.

Now, the new momentum in the cryptomarkets strengthening in June 2019, with bitcoin reaching its levels of back in early December 2017, just a month before its all-time high, makes this case for digital bank to serve the crypto and other digital economy stronger than ever before.

The case for crypto banking

Vast creation of crypto-driven income and wealth

Vast amount of new economic activity and wealth will be generated in the digital currency and blockchain sphere. Blockchain, or “distributed ledger technologies”, will enable the creation of the next generation internet making possible real-time online transfer of any item of value, the “Internet of Value”. Digital currencies represent a new global medium of exchange.



Convergence of digital and physical realms

The traditional and digital realms converge, and this process will require bridge entities enabling flow of funds and transactions between the traditional and digital economies. Traditional assets will be 'tokenized' into digital ones, stored in the blockchain in a permanent, tamper-free and immutable way, making them directly transferable and exchangeable in the digital realm.

Need for 'crypto friendly' banks to bridge the gap

Today, many incumbent banks and regulators are hostile to crypto users and investors, often blocking access to crypto products and services entirely – they either do not understand crypto and/or are afraid of it, causing a paralysis. To change this and enable growth of commercial and financial crypto activities, a new generation of "crypto friendly" banks bridging the gap between physical and digital must be created.

Fueling digital economy and boosting growth

Bridge banks will help to fuel the digital economy and make digital currencies part of the everyday life. They have an important role in catalyzing this revolutionary development. More and more income and wealth will be generated and stored in the digital realm, which will require a completely new concept of a "hybrid" bridge bank with the ability to transact in, transfer and hold both digital and traditional assets.

ARG token distribution

In line with this trend of increasing distributed ledger applications, Argentas is making available a digital utility token Argentas Currency Unit ("ARG") to its supporters, to allow them to contribute to the development of this universal digital bank and then, when it has been launched, use its products and services.

To help to understand, the logic of this token is in that sense similar to that of e.g. Binance Token, where the users of their service can use the Binance Token to pay for the products and services of Binance, and for certain products and services receive substantial discounts too. This will give

Argentas may also adopt policy to retain the used tokens up to e.g. 50% of the supply and take it out of circulation, which would in that case positively affect the value of the remaining supply.

By doing this, Argentas is not trying and testing any speculative idea, but to providing funds to enable Argentas to expand its technology platform, and launch and grow products and services distributed via appropriate structures to compete with existing banks as an equal across various areas of operation such as accounts, payments, cards, foreign exchange, and investments.



WHAT IS ARGENTAS?

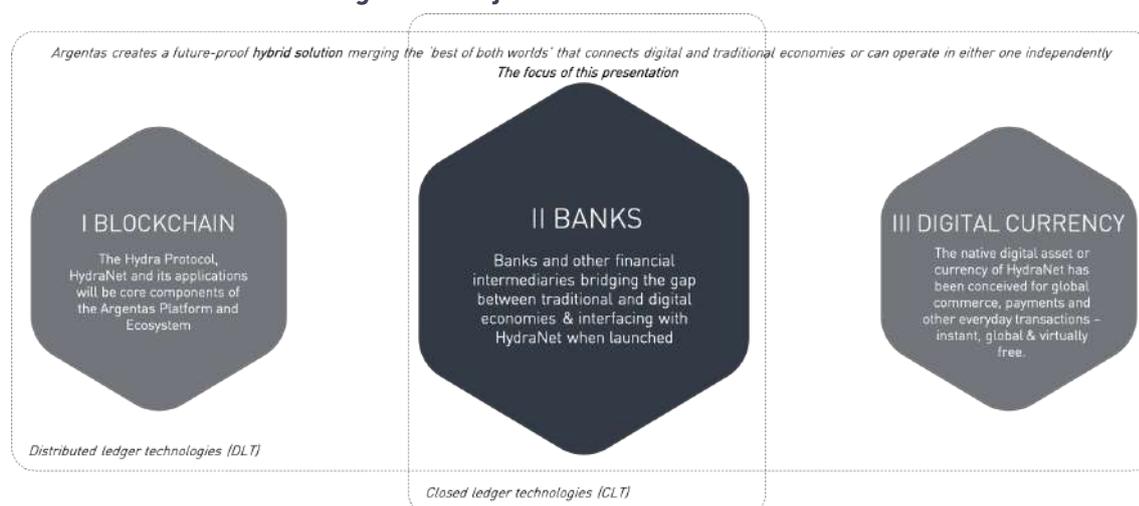
Argentas digital bank will be built for the digital era of financial technologies such as blockchain and cryptocurrencies, leveraging the latest distributed and closed ledger technologies to maximize the efficiency and convenience, and minimize the operating costs and the number of intermediaries, thus substantially lowering the cost and increasing the ease and convenience of banking for the end user.

The world has seen the creation of entirely new architecture and infrastructure in the areas such as e-commerce, where major firms such as Amazon and Alibaba have globally removed the middlemen, increased the efficiency of distribution and added a whole new set of other products and services powered by their robust international infrastructure.

Among Fintech firms, regrettably, most players are nothing but interfaces with sleek design copy-pasted upon old-world architecture, where nothing really new, disruptive or revolutionary has been created or offered. Among such Fintech firms, there is no similar fundamental disruption so far e.g. in the area of e-commerce. E.g. many Fintech firms offering remittance / cross-border payment solutions are nothing more than a set of correspondent banking accounts or subsidiaries in a number of countries, where payments are netted between such accounts with much money moving between these accounts on a net level, if at all – moving the gross amounts across the old-world infrastructure is still slow, expensive and cumbersome, and they have not offered any revolutionary way out of it.

By creating (i) a network of such bank entities and (ii) enhancing them with access to distributed ledger technologies enabling global real-time clearing and settlement of transactions wholly new level of performance can be achieved.

The context of the wider Argentas Project



At the headline level, Argentas is a technology project transforming financial services via development and application of advanced technologies. In this context, Argentas has prepared its plan for its next generation blockchain and its native digital asset or cryptocurrency to provide for an end-to-end solution leveraging advanced distributed ledger technologies. To build the user base for its future digital currency, Argentas is running a campaign to reserve this future digital currency for free. This campaign has a constantly growing base of more than 83,000



registered members. Many of these members will have the interest of using the Argentas banking entities providing a gateway to the future blockchain and connecting the physical economy with the crypto economy via the Argentas HydraNet blockchain. HydraNet and its native digital currency are described in the overall technical whitepaper of Argentas that is separate from this one focusing on the banking entities.

This campaign leverages many components already developed for the Argentas Operating System that will be used to power the banking entities, so de facto certain functionalities of the AOS are already under live testing with these 85,000 members, also providing with a further proof of concept. What has already been developed will serve as a minimum viable product for Argentas to begin such operations.

The creators of the Argentas Project have already built and operated Fintech banking systems in a real live operating environment, so they have the complete knowledge to create and run them all the way from the bottom to the top. Argentas is indeed not trying and testing things but building upon its robust knowledge and expertise, with a significant existing global audience that grows bigger every day. This means that the operating system required for the banking operations can be completed for the live stage in a matter of months, boosted by the live prototype with certain core functionality and infrastructure in place as explained further in the Technology section. Basic products that are seen in traditional banking, such as debit cards, payment processing, international bank account numbers, foreign exchange and so on will be put into live production fast. Thus, Argentas already developed significant parts of the core infrastructure comparable to traditional banks. A natural extension of this is to leverage the existing technology base to build and complete Argentas, a revolutionary universal bank for the digital era. Further, as a part of the Argentas project, simple cryptocurrency wallet was developed for a previous stage, accruing further expertise in that area as well.

The contribution of the existing work done so far will be not only the basis for the operating system infrastructure, but also an introduction of Argentas services to the current, growing group of 85,000 members globally, subject to any compliance (KYC) requirements at that time.



MISSION AND VISION

Our mission

This is the starting point for us, explaining both our *raison d'être* and objectives:

Our mission is to make global financial services faster, cheaper, easier, more convenient and secure, and offer them with style and substance.



Creating the Argentas project and building this digital bank entity or a network of such entities is towards the fulfilment of this mission.

Even if many financial services products are rather homogenous with little difference between them, fulfilling this mission a great difference and value added can be generated, when global financial services are made

- *faster* – advanced closed and distributed ledger technologies enable e.g. instant global payments and value transfers, where the clearing and settlement equally takes place instantly
- *cheaper* – evolving technologies help lower the cost structures of financial services via digitalization and automation of operations, with the gradual emergence of artificial intelligence also taking over many lower value-added tasks
- *easier & more convenient* – technology is worthless if it at the same time does not make the products and services easier to use and more accessible anywhere, anytime – an important function of advanced technology is to simplify and maximize the positive user experience
- *secure* – technological developments like modern cryptography help to even better safeguard users' assets in the digital realm



- *offered with style & substance* – our passion is not only the optimal functionality and simplicity and ease of use, but also the design and quality inside out, to truly offer the products and services on the platforms with style and substance.

Realizing all this helps us create things that are entirely unique and unprecedented, all towards fulfilling our mission.

Our vision

As regards the banking entities, our vision is to create a universal digital bank for the world, representing an entirely digital one-stop-shop for financial services.

In practice, this may mean several banking entities globally running on the AOS and interacting with the digital realm covering e.g. blockchain and cryptocurrencies.

The future of money

The whole Argentas Project has been created around the theme of the future of money, banking and payments. The nature of money is undergoing a period of disruption that will only increase. Digital currencies will only increase their market shares in the future and they are here to stay. It is obvious that there is strong defensive campaign against them by such incumbent powers that fear them reducing their powers, which is entirely normal. It is never about protecting someone else, it is always about the fear of losing one's own power for a new thing coming.

There are perhaps three key trends regarding money in today's environment. First, cash – the fiat currencies – is still the dominant form of money not only in developing economies but also in many developed ones, and that will not change anytime soon. Secondly, digital money is increasing in popularity but is far from being the dominant form of money. Thirdly, in the near future, technology will enable the development of and demand for entirely new types of money.

Fiat currencies

Fiat currencies or cash is still the predominant form of payment and that is inevitably part of everyday business. Argentas banking entities will not have any physical branches like traditional bricks and mortar banks. Argentas banking entities will not deal with any physical cash but only cash transferred between accounts.

When payment cards are issued, via various schemes relating to the debit or credit card use, cash withdrawals will be possible at ATMs according to the normal rules.

Digital currencies

Argentas will offer accounts in fiat currencies, covering all the major currencies such as USD, EUR and GBP.

In addition, Argentas will also support emerging digital currencies such as bitcoin, ethereum and others (including the one that the Argentas Project will be launching later on), ensuring that Argentas will be at the forefront of the emerging digital currency ecosystem.

Even central banks in certain countries are discussing of implementing new forms of central bank digital currency. When and if such currencies emerge, Argentas banks will also function



ass gateways between these currencies and end-users to provide access to these emerging currencies.

New types of money

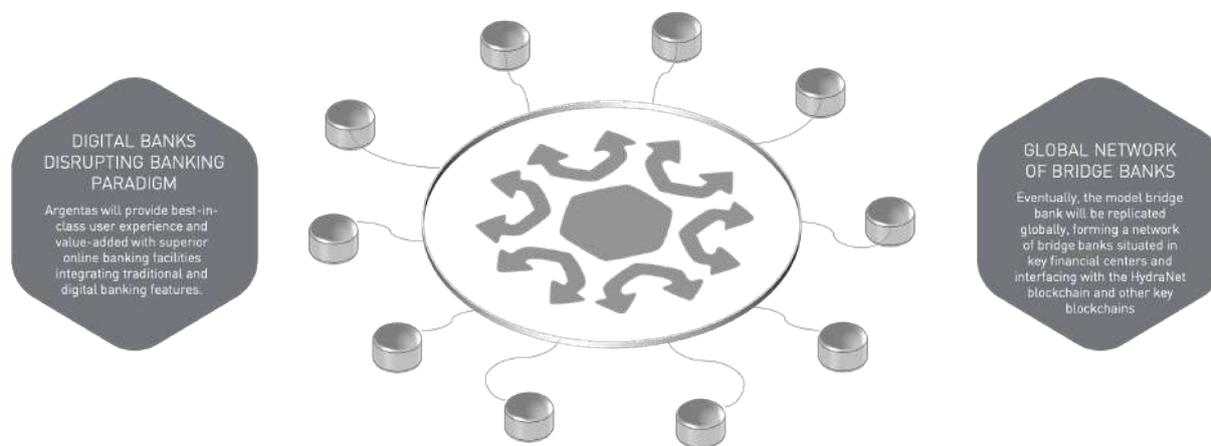
Being an actor at the frontier of financial innovation, Argentas will aim to solve problems using innovation in advanced technology and its applications. It is possible that entirely new types of money will emerge, when the distributed ledger technologies advance (in essence, such money is just 'credit' issued in ledgers that are globally, virtually distributed). Such new types of money may derive their value or be backed by physical or digital / synthetic assets, e.g. market indices for a certain securities, currency or commodities basket.

It is possible that in the long run, such developments may eventually render banks and bank accounts redundant, when money and other assets are stored in blockchains, distributed ledgers outside of any closed ledger banking systems. Today, however, banks play an important role in serving both the digital and traditional economies, and banks can be taken much further than where they are today.



BUILDING THE DIGITAL BANK

To catalyze and accelerate the growth and convergence of the digital economy with the physical one, Argentas will create a digital banking entity, a 'digital bridge bank', and gradually replicate it into a global network.



As a dimension of the overall project, Argentas will build a digital banking entity that facilitates the movement of assets between digital and traditional financial markets as well as transactions thereon. It will eventually interface with the eventual proprietary HydraNet blockchain network as well as with other key blockchains and digital currencies.

There are three important elements to ensure success when building a bank: technology, capital and compliance. Argentas has already developed core parts of the technology platform AOS and for that part already has a minimum viable product.

The successful implementation of all these dimensions will set the foundations for the success of the bank.

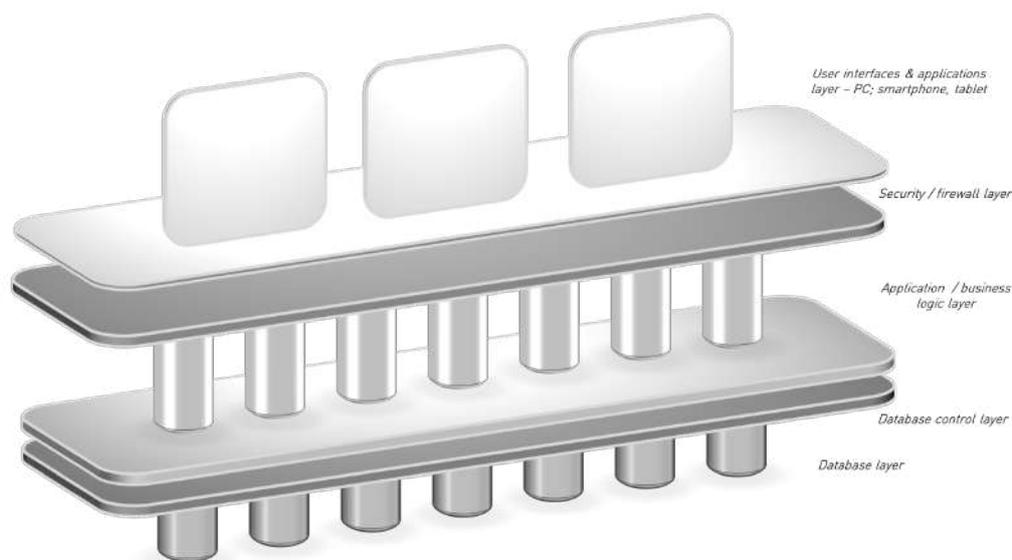
Technology

Curiously, even traditional banks often describe themselves as "technology companies". However, Argentas has a significant advantage over them with in-house core technology platform that is built for the digital era. Traditional banks have legacy systems such as old mainframes, SWIFT (interbank payment messaging), SEPA payments or payment cards such as Visa and MasterCard schemes at the heart of their technology platform, which makes these old-world technology platforms rather cumbersome. In contrast, such components to interact with the 'old world economy' are simply bolt-on items for Argentas and can be disposed of without interrupting core technology platform AOS. Having no legacy systems or components at its core will make sure that Argentas will always remain nimble as modern technologies emerge and old



technologies become redundant.

AOS leverages an advanced cloud-based infrastructure to run its databases and servers seamlessly across the globe, offering maximum availability and performance. The neatly structured system architecture follows the industry best practices in organizing different layer that contain unique and innovative technology, products and services between the device-agnostic user interfaces, the business logic / applications and the database layer storing the system data.



Core parts of the technology required for successful operations for Argentas has already been developed as a prototype and will be ready for testing as a minimum viable product, to be finalized for the live production after launch. The core elements of Argentas's technology include modules for e.g. accounts, payments and currencies (inclusive cryptocurrencies).

To maintain a competitive edge in a rapidly developing technological market, Argentas will constantly be improving existing infrastructure and developing cutting edge solutions for the constantly evolving digital era. Technology development is strictly separate from any regulated entity. The AOS platform is provided to any banking entity as a service so that it can be replicated to any banking entity of Argentas in accordance with the respective needs.

Capital

Operating a bank is different from many other businesses, because banks' capital is not only required to fund business and operating requirements but also for meeting regulatory requirements. In the financial services sector, the regulation is in place to ensure banks have sufficient capital and liquidity buffers to stomach any material credit losses often due to economic downturns and any sudden increases in deposit withdrawals. Therefore, a significant part of the capital will be required towards satisfying the capital adequacy (CAD) ratios that are defined in applicable regulation as an ongoing requirement. Each banking entity will always require its own regulatory capital base.

For example, if the project was to raise the equivalent of USD 100 million, which on the surface looks like a very substantial amount, but because of capital adequacy requirements for the sake of illustration, Argentas could only hold gross assets of USD 500-1,000 million depending on their risk weights as determined in the regulation. Earlier, the capital requirement was 8%, but nowadays it in many places has been de facto hiked up to 15-20%.

Regulation

Licensing is one of the key requirements of financial institutions. People behind Argentas know the applicable regulation and regulatory environment as well as the respective licensing



processes throughout. For the banking entity or later on entities, appropriate operating licenses will be required.

The digital banking units will be fully regulated and supervised in their domiciles – but in the smart way.

Intelligent, pragmatic, constructive regulators are important global partners in promoting the adoption of cryptocurrencies and blockchain in value-adding everyday use to realize their potential.

Argentas is analyzing the regulatory landscape and will locate the bridge bank entities in jurisdictions, where (a) regulation is smart, stable, predictable and supportive of the development of digital and crypto banking, and (b) regulators are intelligent, friendly, pragmatic, constructive, and solution-oriented to help the sector flourish so that it will create vast value-added to the communities where such entity or entities are based.

Also, Argentas will be obtaining memberships in various organisations like SWIFT and global card schemes such as Visa or MC that are still today necessary for providing a complete service to the clients.



PRODUCTS AND SERVICES TO BE OFFERED

Argentas digital banking unit(s) will be offering industry leading digital asset financial products and services to individual, institutional, qualified and professional investors.

They will help both traditional and digital / crypto market participants make the most out of attractive opportunities arising from the emerging growth of digital currencies and assets through a comprehensive range of banking services.

Product & service areas

Argentas is aiming to become a fully-fledged digital bank and will create its product and service offering with innovative, cost-effective solutions for:

- Transaction banking - Account, payment and card products and services denominated both in crypto and fiat
- Private banking - Wealth management for digital and traditional assets
- Custody services - Institution-grade custody service including robust secure storage of crypto assets
- Asset & investment management - crypto and traditional investment products
- Trading & liquidity management - for digital and fiat currency assets
- Corporate finance - Advisory services for digital projects such as ICO fundraising advice, token design and risk management



Some key product types

Some basic products and services among those listed above are discussed as follows.

Payments



For payments, the objective of Argentas is to offer free real-time global payments. These can happen using two different approaches: the internal transfers between Argentas account holders, and the value transfers that will be offered via the HydraNet blockchain later on, enabling true instant, borderless global payments. This represents the side of the digital economy.

To be able to meet the needs of the traditional economy, Argentas' payment solution will also include traditional regional and international payment products, debit cards and payment processing services.

As a banking entity, Argentas will become an authorised issuer and acquirer of payment cards. Argentas's cards will give an option for clients to access funds practically anywhere where payment cards are accepted.

All services will be accessed online through an easy and elegant, intuitively designed user interface in several languages combined with live 24/7 support.

Digital currencies

Argentas by default will support major cryptocurrencies including bitcoin, ethereum and others including the one to be launched by the Argentas Project. This not only means that Argentas' clients will be able to store and exchange these currencies, but they will also be able to keep their balance in accounts linked to Argentas payment cards, which will allow users to spend these currencies like fiat money – it is the intention of Argentas to provide a seamless user experience between traditional and digital currencies.

Loans

The ability to take deposits and issue loans is at the core of any banking business. Nowadays the barriers to entry to the banking industry are very high due to regulatory requirements, especially those related to capital. If Argentas obtains the relevant banking licenses, the scale and scope of its operations will still be limited by the size of the capital base. Therefore, it is very important that Argentas banking units enter the market with sufficient capital to achieve economies of scale in its operations, to be able to compete with existing banks.

The calculation of capital adequacy ratios requires knowledge about the structure of tier 1 and tier 2 capital as well as the portfolio of a bank's assets, to be able to calculate the capital amount as well as the value of risk-weighted assets. To illustrate the limitations imposed by the minimum requirement of the total capital ratio of 8% required by relevant regulations (which *de facto* has been made much higher, even up to 15-20%), we can assume that Argentas only has capital in the form of common equity. This way, the total allowed value of the risk-weighted assets (let's assume that the asset side contains loans with a risk weight of 100%) can be calculated as:

$$\text{Max value of risk-weighted assets} = \text{total capital} / \text{min total capital ratio} = \text{total capital} / 0.08$$

However, 8% is the minimum capital requirement and if we put a hyper-prudent capital requirement 20%, assuming total capital of USD 100 million, the maximum value of risk weighted assets (or loans with a risk weight of 100%) is:

$$\text{Max value of risk-weighted assets} = \text{USD } 100 \text{ M} / 0.20 = \text{USD } 500 \text{ M}$$



A value of USD 500 million assets is equivalent e.g. to 20,000 loans averaging USD 25,000, which is of very small scale compared to existing banks, but it is a starting point.

Savings

Advanced technology will lower the operating costs substantially compared to traditional banks with heavy overhead, which will enable offering better rates on clients' savings accounts.

Investments

In the future, Argentas will offer various investment solutions for individual clients as well as businesses, such as trading, advisory, brokerage, custody, wealth management and other services. Most of the services, such as advisory or wealth management solutions, will be developed in house and eventually enhanced with the artificial intelligence (AI) optimizing the efficiency of such products.

For corporate clients, Argentas initially will offer investment banking services required by corporate clients including deal financing.

Security & compliance

Concerning the digital bank entities, important features are absolute security of assets held in custody and transacted, and the compliance with KYC and AML regulation to keep the realm clean of tainted assets and transactions. Security and compliance will help increase trust and confidence in the digital assets and provide with a safe way in dealing with them.

Compliance

The digital banking entities will adhere to strict KYC and AML requirements. This is important in increasing the credibility of digital and blockchain realms. Tools to identify compromised transactions and assets will be developed, acquired and used.

Security

There has been great concern of the safety of digital asset holdings. Argentas digital banking units will deliver the most secure solution in the market. "Military-grade" storage for cryptographic keys and digital assets will be offered.



FINANCIALS

The business model of Argentas is very simple. It can be described as ‘flow & float’. Flow means fees and commissions from any transactions such as payments, card transactions, foreign exchange conversions, trades and other transactions. Float means revenue from assets that yield recurring fees and commissions being issued, acquired, held for custody or the like: loans, investments and other assets.

Superior operating efficiency with growth results in superior franchise value

Given the advanced operating platform, the digital bank will be able to achieve strong operating margins even with much less revenue per client than traditional banks with heavy overheads. Argentas digital banking entity will not have any burden of legacy systems or the like, as the AOS operating system will represent the most modern technology available.

Efficient systems with low cost base will result in better margins. Better margins i.e. better returns on assets with high growth rate will generate superior value, far beyond that of traditional banks. This indicates, how value will migrate from old world entities to the new era digital banks.



Cost base

Most of the costs will consist of salaries and other employee related costs (for 50 employees in the first year, growing to 2000 employees within ten years) as well as other administrative and IT costs. These estimates are based on the cost structure of a modern bank enhanced with latest technologies.

Profitability from early on

Given that the core products can be launched in a matter of months and the vast experience running them, the operation is expected to be profitable from its first year.



TOKEN DISTRIBUTION

During the token distribution, Argentas will issue virtual currency tokens called Argentas Currency Units ("ARG") on the blockchain operated by a smart contract.

Why token distribution?

There are many arguments why we have chosen to do a token distribution instead of alternatives ways to raise funds. A token distribution offer allows us to onboard participants from different regions globally to broaden the potential future clientele. Second, tokens provide liquidity since they can be traded on various exchanges after the token distribution. Participants can liquidate their position like holding shares in a publicly listed company.

The token

Token holders will be able to use ARG to pay for services and products of Argentas at a discounted rate. To help to understand, the logic of this token is in that sense similar to that of e.g. Binance Token, where the users of their service can use the Binance Token to pay for the products and services of Binance, and for certain products and services receive substantial discounts too. This will give

Argentas may adopt policy to retain the used tokens up to e.g. 50% of the supply and take it out of circulation, which would in that case positively affect the value of the remaining supply.

The token distribution

The price of tokens will be 8000 ARG for 1 ETH i.e. 0.000125 ETH for 1 ARG

The hard cap is the total number of tokens issued i.e. 10,000,000,000 less the team reserve of 20%.

In case at least 40% all tokens will be sold but less than the hard cap, the remainder will be distributed pro-rata to token holders.

20% of tokens will be attributed to the team as a motivation.

This implies that the total HARDCAP is ARG 8,000,000,000 worth ETH 1,000,000.

Token allocation

The tokens will be allocated among participants of the token distribution as well as the Argentas team. The participants of the token distribution will be allocated 80% of all tokens issued.

Management team and employees will be allocated 20% of all tokens over time as a motivational tool to align the interest with the value of tokens.

Additional benefits

Participants of the token distribution contributing more than the equivalent of USD 1,250 will be eligible to receive the Argentas premium card and account for free when launched. However, some restrictions might apply depending on the country of residence of the participant.



ROADMAP

Upon a successful token distribution, Argentas' operator will acquire licenses for the banking entity and become an issuing bank for payment cards.

In terms of revenue streams, Argentas will initially focus on core banking activities such as payment processing, following the establishment of a banking license. Eventually, the bank will offer a full range of investment services including trading, custody and investment banking services for its clients.

The preliminary timeline for the digital banking entities is:

Q1/2019

Initial research and development

Preparation of plans

Q2/2019

Planning of legal and operating structures

Release of key details of plans and core functional prototype

Preparations for token distribution

Q3-Q4/2019

Token distribution

Execution of structures upon completion of distribution

Team expansion

Q1/2020

Application for digital banking entity (or earlier, if token distribution completed sooner)

System development

Q2-Q3/2020

System testing & preparation for launch and first phase products and services

Q4/2020

Licensing & launch of operations

2021

Growth & expansion of digital banking operations to become a true 'digital world bank', a 'central bank of crypto' for the digital currency community



PEOPLE

Behind the Argentas' project is exceptionally strong Fintech substance, with decades of experience mastering both the financial services and financial technology realms. The team has already created and operated robust, stable and error-free banking platforms in real Fintech / banking environment:

Finance

Superior banking and financial services experience of 20 years at founder level encompassing online retail, investment banking / corporate finance, asset and fund management, private banking and wealth management, brokerage, research, trading, treasury, corporate banking etc.

Technology

Unsurpassed mastery of financial technologies from banking and financial services to blockchain and cryptocurrency platforms, with hands-on development experience in blockchain area e.g. smart contracts in different environments creation of digital assets, wallets, tokens, live transactional web applications.

Mastering FinTech

Unique among most Fintech / blockchain projects, Argentas represents an exceptional command of both banking and financial services experience and expertise, producing pioneering, innovative solutions for the industry, combined with a robust knowledge, expertise and hands-on experience in dealing with and developing banking, blockchain and other related financial technologies and their applications.

Digital bank operations

For the operations of digital bank entity / entities, Argentas will assemble an expert management team with a diverse range of skills. These experts include experts in Fintech also including areas such as distributed ledger technologies such as cryptocurrency and blockchain, banking operations and compliance, payment processing, artificial intelligence, internet marketing and finance, legal and public relations.

Progress achieved

The team has already achieved several milestones including having all the live prototype for the core infrastructure in place.

Argentas definitely has all that it takes to get there – with success, and with style.