



Independent Accountant's Report

To Management and USDtez holders
Tezos Stable Technologies, Ltd.
Road Town, Tortola, British Virgin Islands

We have examined the Collateral Holdings Report as of November 19, 2021 at 12:00 pm Pacific Standard Time ("PST") in accordance with the measurement and disclosure criteria presented in the accompanying Notes to the Collateral Holdings Report. Management of Tezos Stable Technologies, Ltd. (the "Company") is responsible for presenting the Collateral Holdings Report in accordance with the measurement and disclosure criteria in the accompanying Notes to the Collateral Holdings Report. Our responsibility is to express an opinion on the Collateral Holdings Report as of November 19, 2021 at 12:00 pm PST based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Collateral Holdings Report as of November 19, 2021 at 12:00 pm PST is presented in accordance with the measurement and disclosure criteria in the accompanying Notes to the Collateral Holdings Report, in all material respects. An examination involves performing procedures to obtain evidence about the Collateral Holdings Report as of November 19, 2021 at 12:00 pm PST and the accompanying Notes to the Collateral Holdings Report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Collateral Holdings Report as of November 19, 2021 at 12:00 pm PST and the accompanying Notes to the Collateral Holdings Report, whether due to fraud or error. We believe the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We did not perform any procedures regarding the operating effectiveness of the Company's internal controls. Accordingly, we do not express an opinion thereon.

The Collateral Holdings information in the accompanying Collateral Holdings Report relates to the **USDtez token**, which is a cryptographic digital asset residing on the Tezos blockchain at the smart contract address KT1LN4LPSqTMS7Sd2CJw4bbDGRkMv2t68Fy9 and the **USD-denominated digital asset units** residing on the Ethereum blockchain at the address 0x8aa1843E954f988c7ad758AAa64B048943346668. Digital assets are an evolving area of technology subject to changing regulatory oversight and marketplace activity. Anyone who acquires, trades, and utilizes USDtez tokens and other digital assets is responsible for informing themselves of the general risks and uncertainties.

In our opinion, the Collateral Holdings Report as of November 19, 2021 at 12:00 pm PST is presented in accordance with the measurement and disclosure criteria in the accompanying Notes to the Collateral Holdings Report in all material respects.

A handwritten signature in cursive script that reads "Armanino".

Armanino^{LLP}
San Jose, California

November 22, 2021



An independent firm
associated with Moore
Global Network Limited

Tezos Stable Technologies, Ltd.
Wickhams Cay 1
Road Town, Tortola, British Virgin Islands

COLLATERAL HOLDINGS REPORT November 19, 2021 at 12:00 pm PST

Balance of USDtez tokens issued and outstanding ¹	USDtez	1,512,972.17
USD-denominated asset units held in Collateral Account ²	USD Total Units	1,514,463.63

Breakdown of USD-denominated assets held in Collateral Account:



NOTES

1. The issued and collateralized USDtez tokens on the Tezos blockchain as of November 19, 2021 at 12:00 pm PST do not exceed the balance of the USD-denominated asset units held in the Collateral Account reported above.
2. The Ethereum address acting as the Collateral Account on the Ethereum blockchain is owned and controlled by Tezos Stable Technologies, Ltd. The asset balance held in the Collateral Account includes USD-denominated digital assets ("USD stablecoins") that approximates to the value of the United States Dollar. As of November 19, 2021, at 12:00 pm PST, the account includes USD Coin ("USDC"), Pax Dollar ("USDP"), and Gemini Dollar ("GUSD"). The Company may also add other USD stablecoins as collateral to the USDtez tokens in the future.
3. All collateral assets are governed by entities that have registered as Money Service Businesses ("MSBs") pursuant to the Bank Secrecy Act ("BSA") regulations at 31 CFR 1022.380(a)-(f), administered by the Financial Crimes Enforcement Network ("FinCEN"). Furthermore, each associated entity is chartered as a "limited purpose trust company" under the bank and trust company provisions of the New York Banking Law.
4. USDtez is an open-source project, developed through contributions by multiple participants in the Tezos DeFi ecosystem including Wealthchain, Inc., Cryptonomic, Inc., TokenSoft Inc., Draper Goren Holm LLC, and Bolt Labs, Inc. These institutions as well as their respective labor and resource contributions are coordinated by a consortium known as Tezos Stable Technologies Ltd. ("StableTech"). StableTech addresses 3 key matters of infrastructure for Tezos DeFi: (1) Assets (Stablecoins) – stabletez.com, (2) Trading (Liquidity exchange for interchain & intrachain transactions) – tezex.io, and (3) Lending (Tezfin) – tezos.finance. StableTech itself is a wholly-owned subsidiary of the Tezos Stablecoin Foundation, a non-profit and non-shareholder foundation.
5. Tezos Stablecoin Foundation ("TSF") is a non-profit and non-shareholder foundation serving the cause of advancing DeFi on Tezos. TSF seeks to achieve its mission in two ways: (1) Building the primordial elements of Tezos DeFi technologies that will enable the infrastructural functions and facilities of a larger Tezos DeFi ecosystem. This is done through its aforementioned operative arm StableTech and is executed by StableTech's coordinated independent entities; and (2) Providing grant opportunities to Tezos developers and entrepreneurs seeking support and resources to innovate the Tezos DeFi ecosystem through independent initiatives.
6. Tezos Stable Technologies, Ltd. has evaluated subsequent events through the date the report is available to be issued and has determined that there are no subsequent events that require disclosure.

To the best of the knowledge and belief of the undersigned, the information contained in the Collateral Holdings Report as of November 19, 2021 at 12:00 pm PST is accurate and complete.

Diana Muñoz

Diana Muñoz
Secretary
Tezos Stable Technologies, Ltd.
November 22, 2021

¹ The USDtez Tezos smart contract address is: [KT1LN4LPSqTMS7Sd2CJw4bbDGRkMv2t68Fy9](https://tezosblockchain.com/contracts/KT1LN4LPSqTMS7Sd2CJw4bbDGRkMv2t68Fy9)

² The Collateral Account Ethereum address is: [0x8aa1843E954f988c7ad758AAa64B048943346668](https://etherscan.io/address/0x8aa1843E954f988c7ad758AAa64B048943346668)