PEGISAI GLOBAL HOLDINGS

The Alkaimi Financial Ecosystem: Introductory Report

Value recognition method, measure and legal basis

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Section 1. Introduction and Overview.

This report introduces the Alkaimi Financial Ecosystem: how value is recognized and measured, how the Digitized Tangible Asset holds that value, and the law under which the ecosystem operates. Pegisai Global Holdings administers the Alkaimi ledger under contract to the member financial institutions, and in this report Pegisai Global Holdings states and verifies the system-level record of the ledger. Member financial institutions are responsible solely for their own engagements. This report names no member, no client account and no individual transaction.

The ecosystem recognizes, measures, holds and conveys value. Value held on the Alkaimi ledger is property: recognized value, held whole, the holder in full possession. The monetary mechanism used throughout the system is the Digitized Tangible Asset, the DTA, which embodies the holder's title to recognized value.

The following sections contain:

- Section 2 details Alkaimi's value recognition method and the unit of value in which the Alkaimi ledger counts.
- Section 3 details the Digitized Tangible Asset: the contracts, rights and surety the DTA carries, and the forms in which the DTA moves.
- Section 4 states how member financial institutions settle on the Alkaimi ledger.
- Section 5 states what the neutral rail means for scrip currency issuers.
- Section 6 states the standard under which a scrip currency is listed for a transmutation reference point reading.
- Section 7 states the legal basis of the ecosystem, the Alkaimi ledger and this report, and the standards the ecosystem sets for itself.

The Report of Record, released with this report, states the activity of the ecosystem for the period 1 September 2026 through 30 October 2026.

1.1 Operations to date

Member financial institutions of the Alkaimi Financial Ecosystem began wholesale settlement on the Alkaimi ledger on 1 September 2026. Since that time, members have conducted services via a global secure network, and a walled garden nexus point. The nexus point is conducted through gateway financial institutions embedded into the walled garden nexus and members are connected via the global data network. Correspondent financial institutions join the ecosystem's financial network through de novo licenses, issued with restrictions.

De novo licensed member institutions are limited in operations on the ecosystem until the probational institution meets full licensure criteria, and passes a required audit. Alkaimi.com, the informational website for the ecosystem's member institutions, launched on 12 September 2026. Ecosystem network, value recognition and asset verification services are provided under contract to member institutions by Pegisai group companies, subsidiaries of Pegisai Global Holdings, the ecosystem's technology and operating model license provider.

Financial institutions from across the world regions have submitted requests, engaged or have submitted packages for consideration of correspondent (ACI) licensure. Pegisai group companies are diligently working to facilitate these requests, and the expansion of the network system to support these emerging ecosystem providers.

Note: Currency figures in this report, including figures in United States dollars, are dated equivalents, stated for reference only. The Alkaimi ecosystem is currency neutral. A currency appears only on the price label at entry, which Alkaimi's value recognition method strips, and at a member's desk, when the member buys DTA value and pays the holder in currency. No currency is used for settlement or transfer of payment on the Alkaimi ledger. No member financial institution, and no institution that has engaged in or been denied the licensure process, is named. No member count by location is stated, in adherence to the members' licensing and membership agreements.

2. Alkaimi's Value Recognition Method

Alkaimi's value recognition method measures the whole value of an owned asset in one unit that no nation, market or currency issues. This section states how the measure is fixed, how the unit is defined, how an asset's market price is removed at entry, and how every scrip currency reads the result.

2.1 The common-to-uncommon interface

Alkaimi's value recognition method fixes the measure of unit and value at a parity: the point on the atomic scale where a set count of quartz molecules and a set count of californium-252 atoms weigh the same.

Quartz is the most common mineral and the main ingredient of beach sand. Californium-252 sits at the other end of the commonality scale. The most common and the least common matter meet at one weight on one atomic scale. Every form of matter weighs on that scale, so the matter of any asset reaches the scale on which the parity sits.

The parity is derived from the published molecular weight of silicon dioxide, the molecule of quartz, and the published atomic weight of californium-252.

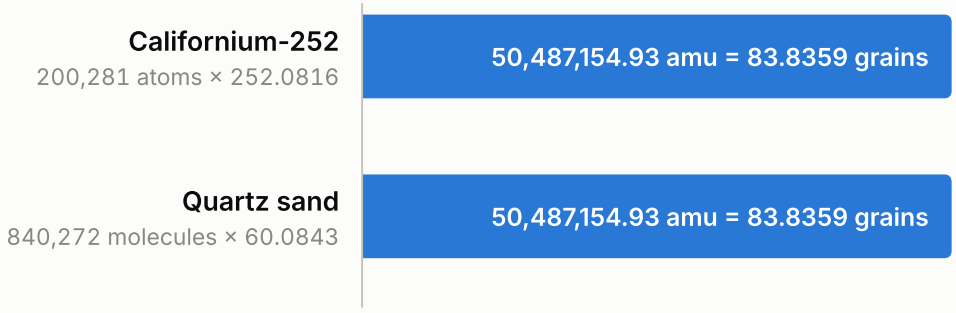


Chart 2.1. The parity: equal weight on each side, in atomic mass units and in grains. Atomic masses stated to four decimal places: californium-252, 252.0816 atomic mass units; silicon dioxide, 60.0843 atomic mass units.

2.2 The grain, denomination and reference point

Granular value is held within the Alkaimi ecosystem ledger in the universal value anchor (UVA, also known as "the grain"). The UVA is both the measure of and the holder of value. As this value is recognized onto the ledger at the sub-atomic level, it is condensed into denominational units called the universal value unit (UVU). The UVA/grain for measure of unit factors is fixed at an atomic scale weight where quartz molecules and californium-252 atoms meet in parity. These two items were chosen for parity as they represent two ends of the commonality scale, yet also reference jointly at the sub-atomic level.

Quartz being the most common, and californium-252 being the least common two currency priced items on the planet. While quartz pricing is manipulated in value by changes in material output, californium-252 is static in value, and half-lives rapidly so the ability to hoard either item and manipulate the pricing market is not a factor in any treatment under consideration here. These unique features when conjoined create the transmutation reference point (TRP) which references the true value of grains in the denominational box and every scrip currency. The TRP is set based on 26 years of data measuring static value against adjusted currency pricing which establishes an effective, accurate reference point that no single currency and no monetary policy sets, or influences.

This process locks both value in the measure and value of what is measured using the granular value process. Every currency floats around this foundational TRP, and every value recognized into the system evolves from it as new asset stacks are entered into the system. The value recognition process efficiently removes currency pricing, establishes a universal method to measure unit values between two dissimilar asset types within the 68-type value recognized asset matrix, and provides proper recognition of value into the system, while retaining that value from market manipulation and currency fluctuations. The process also allows for value to be properly re-introduced at the currency price level correct as all currencies fluctuate around the TRP in real time.

Form	Definition	Role
UVA (the grain)	The universal value anchor, fixed at the parity of quartz and californium-252 on the atomic scale	The measure of value and the holder of value
Universal Value Unit (UVU)	The denominational unit into which recognized UVAs are condensed	The universal denomination of value

Table 2.1. The forms of value. Each UVA is a DTA. The UVU counts UVAs.

2.3 The price label and the pathway to the unit

Every asset enters the Alkaimi ledger with two numbers the client already knows: the asset’s audited volume and the asset’s market price. Alkaimi’s value recognition method turns those two numbers into a count in the unit, in four steps.

(a) Audit. The member financial institution audits the volume and the specification of the asset.

(b) Price label. The member financial institution takes a market snapshot at entry: the audited volume multiplied by the market price at that moment, in the currency in which the asset trades. The snapshot is the price label.

(c) Sign-off. The client signs the price label. The signature is the client’s agreement to the full market value being recognized.

(d) Strip. The underwriting team strips the price label against the transmutation reference point (TRP) in the label’s currency and marks the asset’s value to the measure. The result is the asset’s count in UVU.

The strip removes the currency. The label’s currency divides out against the TRP in the same currency, and the count that remains belongs to no currency. Each asset that enters this way carries a pathway to the unit of its own, so oil, metal, timber and every other asset class are stated in one unit. The goal of Alkaimi’s value recognition method is to state the value of any asset that exists in this form.

2.4 The transmutation reference point

Californium-252 anchors the transmutation reference point (TRP). The TRP is held by Pegisai Global Holdings, as administrator of the Alkaimi ledger, and the TRP is never published.

The measure and the TRP meet at the parity. The parity is read twice: once on the atomic scale as the measure, and once against californium-252 as the TRP.

Californium-252 anchors the TRP for five reasons.

(a) The common and uncommon ends close the scale. Quartz sand closes the scale at the common end. Californium-252 closes the scale at the uncommon end. The matter of every asset sits between the two ends.

(b) The supply is administered, not bid. Two government producers make californium-252: Oak Ridge National Laboratory in the United States and the Research Institute of Atomic Reactors in Russia. The United States Department of Energy isotope program sells californium-252 in microgram units to licensed buyers. No exchange, spot market or futures market exists for californium-252, so no trader can move the reference.

(c) Californium-252 cannot be hoarded. A held quantity of californium-252 loses 23.05 percent of itself each year (Section 2.5). A stockpile destroys itself, so no store-of-value demand exists to move the reference.

(d) Demand comes from use alone. Californium-252 serves as a neutron source: to start nuclear reactors, to log oil wells for porosity, permeability and hydrocarbons, and to scan coal, cement, explosive devices, fuel rods and aircraft components. The High Flux Isotope Reactor at Oak Ridge produces an average of 25 milligrams a year.

(e) Californium-252 carries no monetary role. Industrial use consumes the material, and decay reduces every quantity held in storage.

(f) The identity is exact. The atomic mass of californium-252 is published to seven decimal places, 252.0816196 atomic mass units, so anyone can check the parity.

Californium-252 is sold in two currencies. The United States Department of Energy isotope program sells in dollars, and the Research Institute of Atomic Reactors sells in rubles. *Article 317 of the Civil Code of the Russian Federation* permits foreign currency in settlements within Russia only where the law provides, and requires an obligation referenced to a foreign currency to be paid in rubles at the official rate. A domestic sale by the Research Institute of Atomic Reactors is therefore settled in rubles. The dollar and the ruble are the two competing currencies on which the TRP is set (Section 2.5).

2.5 The decaying reference and the permanent measure

Californium-252 decays, and the measure does not. At a half-life of 2.645 years, californium-252 loses 23.05 percent of any held quantity each year (1 minus 0.5 raised to the power of 1 ÷ 2.645). The TRP is set to a decaying reference. The size of the grain is fixed by a weight, and a weight definition does not decay. The decaying reference and the permanent measure together form the reference and measure of value matrix.

The TRP is set from 26 years of data, 2000 to 2026. Californium-252's position is held static across the period. The dollar and the ruble are each measured against californium-252 by each currency's own inflation, year by year, and the gap between the two currencies is averaged over the whole period. A market move in the dollar or the ruble is held out of the TRP until that currency's inflation record is trued up. The transmutation function process (TFP) reads every scrip currency against the TRP in real time, through the forex rate at entry and at transmutation, so a move in one currency does not skew another.

2.6 Worked scenario: petroleum in place

A client holds 1,509,820 barrels of crude oil in the ground and brings that reserve to Member A, a member financial institution of the Alkaimi Financial Ecosystem. The barrels stay in the ground throughout. The DTA

carries the recognized value, and the DTA moves on the Alkaimi ledger while the barrels never move. The scenario uses the ICE Brent December 2026 contract final settlement of 30 October 2026 and the exchange rates captured on 31 October 2026. Table 2.2 states each step, and Chart 2.2 shows the holdings after each step.

Step 1, the price label and the strip.

Member A audits the reserve at 1,509,820 barrels. The price label is 1,509,820 barrels multiplied by USD 117.64 a barrel, the ICE Brent settlement, which is USD 177,615,224.80. The client, client 1, signs the price label.

The underwriting team strips the price label against the TRP. The recognized value is taken whole as one stack, carried in DTAs under client 1’s title and borne by Member A in custody. Each later step is stated as a share of the recognized stack.

The pound reading gives the same count.

A price label in pounds gives the same stack. At the capture, GBP 0.747088 buys one United States dollar, and the price label reads GBP 132,694,203.07. The pound divides out against the TRP in pounds, and the recognized stack is the same.

Step 2, client 1’s pound settlement to client 2.

Client 1 owes client 2 GBP 10,000,000. With client 2’s agreement, client 1 settles the obligation in DTA value. GBP 10,000,000 against the price label of GBP 132,694,203.07 is 7.536 percent of the recognized stack.

Member A, acting on the direction of Member A’s client, client 1, moves the DTA value to client 2’s holding account at Member B.

Step 3, client 2’s euro settlement to client 3.

Client 2 owes client 3 EUR 3,500,000. At the capture, EUR 0.895588 buys one United States dollar, and the price label reads EUR 159,070,063.95.

With client 3’s agreement, client 2 settles the obligation in DTA value. EUR 3,500,000 against the price label of EUR 159,070,063.95 is 2.200 percent of the recognized stack. Member B, acting on the direction of Member B’s client, client 2, moves the DTA value to client 3’s holding account at Member C.

Step 4, dirham transmutation.

Client 2 needs AED 1,200,000 to buy a car. The dirham is pegged at AED 3.6725 to one United States dollar, and the price label reads AED 652,291,913.08.

Client 2 transmutes DTA value at the desk of Member B. AED 1,200,000 against the price label of AED 652,291,913.08 is 0.184 percent of the recognized stack. Member B buys the DTA value and pays AED 1,200,000 to client 2 from Member B’s own operating retail bank. The DTA value stays on the Alkaimi ledger, in Member B’s own holding account.

After step 4, the audit of transactions in this example.

Client 1 holds DTA value of 92.464 percent of the recognized stack.

Client 2 holds DTA value of 5.152 percent of the recognized stack.

Client 3 holds DTA value of 2.200 percent of the recognized stack.

Member B holds DTA value of 0.184 percent of the recognized stack as Member B’s own property.

The four holdings total 100 percent, the whole stack recognized at step 1. No currency moved on the Alkaimi ledger at any step.

Step	Movement	Currency reading (reference only)	DTA value (share of the recognized stack)
1	Price label signed by client 1 and stripped against the TRP	1,509,820 barrels at USD 117.64 = USD 177,615,224.80	100 percent recognized
2	Client 1 settles a pound obligation to client 2; Member A to Member B	GBP 10,000,000	7.536 percent moved
3	Client 2 settles a euro obligation to client 3; Member B to Member C	EUR 3,500,000	2.200 percent moved
4	Client 2 transmutes at the Member B desk; Member B buys the DTA value	AED 1,200,000 paid to client 2 from Member B's own operating retail bank, off the Alkaimi ledger	0.184 percent to Member B's own holding, on the Alkaimi ledger

Table 2.2. The worked scenario by step. Each share is the currency amount stated against the price label in the same currency, at the 31 October 2026 capture.

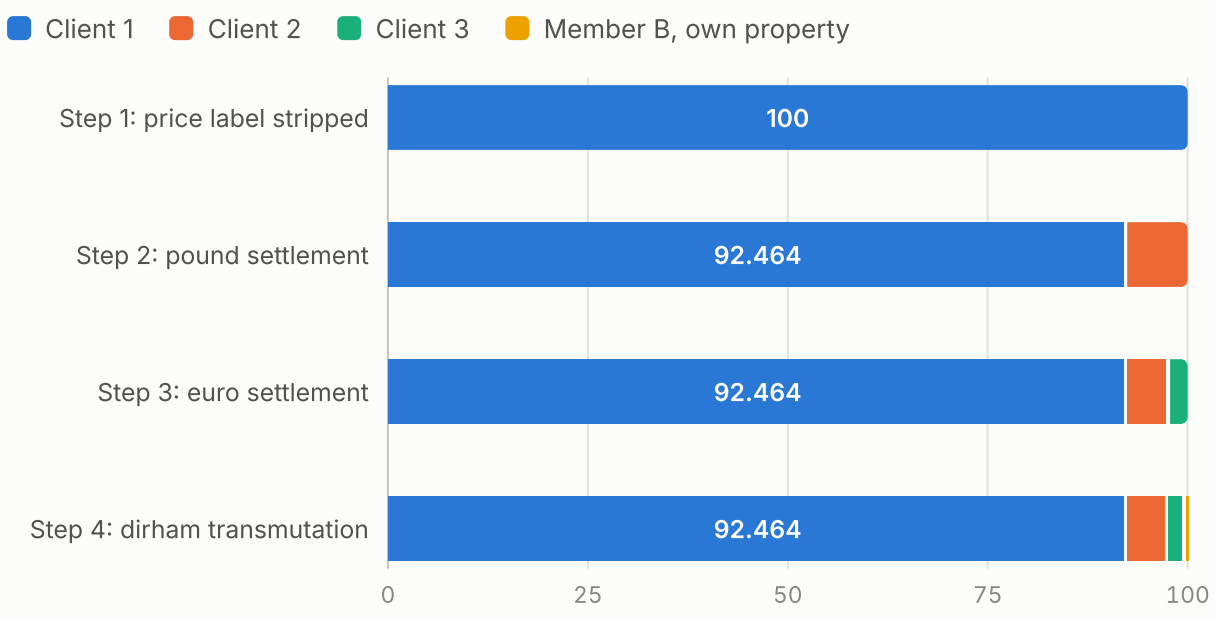


Chart 2.2. DTA value held on the Alkaimi ledger after each step, as a share of the recognized stack. Source: Table 2.2.

2.7 Currency as a fixture

No currency enters the count, and every currency reads the count through the TRP. Each currency meets the TRP through that currency's forex rate, at entry and at transmutation, so no currency stands as the pathway for another. Currency appears at two points only: on the price label at entry, and at a member's desk, when the member buys DTA value and pays currency for goods or services outside the rail. Between those two points, value is held and settled in the unit.

Every scrip currency floats around the same TRP, side by side.

A currency that holds purchasing power meets the TRP with a steady amount of that currency. A currency that debases needs more of that currency, period after period. A holder keeps value in the unit and transmutes at the desk, taking the currency the seller accepts, as client 2 did. Each scrip currency keeps legal tender status, and each central bank still issues and manages the national currency. Value, the measure of value and the settlement of value no longer depend on any one currency. Scrip currencies compete as holders of commerce at the street level, on stability and acceptance.

As more value settles in whole assets on the neutral rail, currency markets could see lower volatility from settlement and reserve flows. Alkaimi's value recognition method is the first step to whole value retention, movement and usage within the Alkaimi ecosystem's currency neutral rail on the ecosystem's ledger.

Note: Currency figures in this section are dated readings for reference only, never prevailing rates.

The scenario in ***Section 2.6*** is an illustration: the clients, the members and the obligations are not actual parties or transactions.

Forward-looking statements are stated as possibility.

Exchange rates: open exchange-rate reference, United States dollar base, captured 31 October 2026, 00:02 UTC.

Crude oil: ICE Brent Crude Futures, December 2026 contract, final settlement 30 October 2026.

Atomic and molecular weights: KAERI nuclide table (californium-252); standard atomic weights of silicon and oxygen (silicon dioxide). Quartz: University of Waterloo Earth Sciences Museum. Californium-252 half-life, sale in microgram units: United States Department of Energy isotope program.

Uses and Oak Ridge production: Frontier Technology Corporation. Russian producer: Institute of Nuclear Materials Management. Civil Code of the Russian Federation, Article 317.

3. The Digitized Tangible Asset

This section states what the Digitized Tangible Asset is, how a DTA comes to exist, and how the value inside a DTA is held. The law that classifies the DTA, and the rights each DTA carries, are stated in Section 7.

3.1 What the DTA is

The canonical definition of the DTA reads:

> *"A Digitized Tangible Asset (DTA) is a digitized bearer instrument, used for the creation of capital, or settlement in a walled garden ledger system, exercised solely by licensed regulated financial institutions who operate independently but cooperatively within a whole-asset based correspondent global network of like-minded institutions."*

A DTA is never created alone and never one to one against an asset. A verified asset is first segmented: a portion is carved out of a greater holding, such as a series of wells off a field, a block from a deposit, or a lot from a warehouse position. The segmented portion is then segregated into one stack, so that the portion stands alone and is recognized on the portion's own facts. The stack is segmented again into a series of uniquely issued DTAs, and each DTA in the series is unique. One field may give rise to several stacks, each recognized separately and each carrying a value arrived at on the stack's own facts.

The DTA is not a digital representation of value held elsewhere. The DTA contains value, as contracts and drawing rights, and the digital form of the DTA is the carriage of those documents.

3.2 How a DTA comes to exist

Three parties act, in a fixed order, before a DTA exists.

(a) Alkaimi's value recognition method establishes the recognized value of the stack, as Section 2 states.

(b) The underwriter stands behind that recognized value. An authorized insurer, reinsurer or treasury gives the underwriting contract to the Pegisai Mint under Pegisai's rules, and the contract carries the agreed loss surety on the value of the identified property.

(c) The Pegisai Mint issues the stack's DTAs against the underwritten value. Each UVA is a DTA.

The order never runs in reverse. The underwriter stands behind recognized value, never behind an issuance decision made afterward. Assets are never pooled, and DTAs issued from different stacks are not interchangeable.

3.3 The value inside the DTA

Each UVA is a DTA, complete. The UVU counts UVAs, and no UVU exists apart from the UVAs counted. What moves is a portion of the recognized stack's DTAs, any number of UVAs, counted in UVU. The worked scenario in Section 2.6 states each portion as a share of the recognized stack.

Each UVA carries the rights, surety and contract elements of the stack in full. A recognized count is taken whole in UVU, and a movement may carry any number of UVAs. The portion moved remains a portion of the identified stack, segregated on the Alkaimi ledger and counted in UVU.

3.4 The DTA as a smart contract

Each UVA is a smart contract in the original sense of the term. Nick Szabo defined a smart contract in 1994 as "a computerized transaction protocol that executes the terms of a contract." Each UVA carries a title package that records ownership, the holder and the asset, and each transfer of ownership is tracked and recorded in the title package of each UVA moved. The term carries none of the later usage of the cryptocurrency industry.

3.5 What Section 7 carries

Section 7 states the rights each DTA carries and the law under which the DTA is classified: the holder's title to identified, recognized asset value, held whole; the power of conveyance; the agreed loss surety; the custody right; the drawing rights over the underlying asset; and the classification of the DTA: as property in classification and monetary in function.

4. Settlement on the Alkaimi Ledger

Member financial institutions settle by moving the DTA on the Alkaimi ledger. This section states how a client reaches the Alkaimi ledger, how a movement is recorded, how value moves onward, how a member buys DTA value at the member's desk, and how every holder is identified. Section 7 states the law under which each movement stands.

4.1 Access: the walled garden gateway and the two licenses

A client reaches the Alkaimi ledger only through a member financial institution, and every member financial institution reaches the Alkaimi ledger through the walled garden gateway.

Pegisai Global Holdings issues two licenses. The AGI license is the primary gateway license: an AGI holder is a member financial institution on the platform. The ACI license is the correspondent access license: an ACI holder works directly through an AGI holder, and each ACI holder has one primary AGI gateway. Holders of both licenses are Alkaimi Ecosystem Member financial institutions (hereinafter “member institutions” or “AMI”). Every AGI holder today is a regional retail bank engaged in wholesale settlement.

An ACI holder brings a client to the Alkaimi ledger through the ACI holder’s primary AGI. AGI holders build ACI networks across nations, so the network is a graded mesh with primary entries, never a hub and spoke. Where clients of two ACI holders deal with each other, each side of the deal runs through that side’s own primary AGI.

4.2 The movement

Every movement is an entry on the Alkaimi ledger’s custodial register, and the DTA value that leaves one holding account arrives whole in another.

Each client holds DTAs in a holding account on the Alkaimi ledger, through the client’s member financial institution, under a custodial agreement. The member bears the client’s DTAs in custody. DTA value a member buys at the member’s desk is recorded in the member’s own holding account, on the member’s own books. A movement takes DTA value from the paying client’s holding account and records the same DTA value in the receiving client’s holding account. Arrival equals departure: the count that leaves one holding account is the count that arrives in the other, and nothing is netted, pooled or held in transit. No correspondent chain sits between the paying member financial institution and the receiving member financial institution.

Title to the underlying asset never moves when DTAs move between holders. The DTA carries the recognized value, and the movement conveys the DTA. The payment obligation the movement discharges is extinguished by that movement, and the movement is final on recording, as Section 7 states.

4.3 The value forward

A holder who receives DTA value can use that value again at once: pay onward, hold the value, or transmute the value at a member’s desk.

The forward use is not use of currency and is not barter. The forward use is a value exchange transaction, by two parties via banks as custodial agents over a single ledger, using digitized contracts with rights. The underlying asset never moves while the DTA value passes from holder to holder. Step 3 of the worked scenario in Section 2.6 shows client 2 paying onward with DTA value received in step 2.

4.4 Transmutation at the desk

Transmutation is the exchange of DTA value for currency at a member’s desk: the member buys the DTA value and pays currency from the member’s own operating retail bank.

Currency never enters the DTA system. Currency appears at the desk when the member buys DTA value, and the DTA value stays on the Alkaimi ledger. The desk reads the currency amount through that currency’s transmutation reference point at the moment of transmutation, as Section 2 states. A client can acquire DTA value with currency only by exchange, and only where DTA value is already present for that exchange: the DTA value a client acquires

by exchange is DTA value a member already owns. New DTAs come only from assets recognized through Alkaimi's value recognition method. Step 4 of the worked scenario in Section 2.6 shows a transmutation into dirhams.

4.5 The three-layer KYC and AML structure

Every holder on the Alkaimi ledger passes three layers of identification and anti-money-laundering control, in real time.

(a) Layer 1. The member financial institution vets the client under the member's know-your-customer rules at the gate.

(b) Layer 2. The Pegisai Mint reviews the asset for anti-money-laundering purposes at DTA creation, and the member financial institution reviews the holder. Both reviews are held within the walled garden.

(c) Layer 3. The title package inside each UVA tracks and retains ownership, the holder, the asset, the usage and the other information regulation requires, in real time.

All three layers are monitored by artificial intelligence for regulatory compliance, and that monitoring is the "AI" in the Alkaimi name. The statutory duties remain each member financial institution's duties under that member's own license, as Section 7 states.

5. What the Neutral Rail Means for Scrip Currency Issuers

Section 2.7 states that every scrip currency floats around the same TRP. This section states what that position means for the nation and the central bank that issue each currency.

5.1 The TFP scoreboard, read by an issuer

Each issuer's currency floats around the same TRP as every other currency on the active list (Section 6), against a reference no issuer controls.

A currency that strengthens meets the TRP with less of that currency, and a currency that weakens needs more of that currency. Every currency floats around the same reference, so no currency's movement can be explained away by pointing at another currency's moves. The movement shows at a member's desk, in the amount of currency the member pays for the same DTA value. The TRP itself is never published.

5.2 How an issuer strengthens a currency

An issuer strengthens a scrip currency by strengthening what stands behind the currency, and the currency then meets the TRP with less of that currency.

(a) Monetary tightening. Higher policy rates and a smaller central bank balance sheet leave less currency standing against the same output.

(b) Fiscal consolidation. Smaller deficits and falling government debt relieve the central bank of pressure to finance the government.

(c) Credible institutions. An independent central bank with a stated inflation target gives holders reason to trust the currency to keep value.

(d) Reserve backing. Reserves standing behind the currency, as under a peg or a currency board, support the currency's value. Section 5.4 adds recognized value to the reserves a nation can hold through a member financial institution.

(e) Productive growth. More output and more exports against the currency in circulation strengthen what the currency buys.

(f) Redenomination. Removing zeros changes the label of a currency, not the currency's position around the TRP, and the issuer gains nothing.

5.3 Why strengthening pays now

On the neutral rail, an issuer that strengthens a currency keeps the gain, because the issuer no longer has to give the gain back to fund growth, debt or trade.

(a) Debt reduction without new currency. The operating guidelines of the Alkaimi Financial Ecosystem permit a nation to use the nation's recognized asset reserves for debt reduction: buying back existing government debt with recognized value instead of new currency. A nation can reduce debt without the borrowing, buying and debasing that new currency requires.

(b) Growth without loosening. The same guidelines permit recognized reserves to fund economic expansion, so an issuer can hold the currency firm while the nation funds growth.

(c) Trade without another nation's currency. Trade between clients of member financial institutions settles in whole-asset value on the rail, so a nation does not need to accumulate another nation's currency to settle trade.

(d) Holders choose at the desk. A holder keeps value in the unit and transmutes only when spending, taking the currency that keeps value best between the desk and the purchase. A strengthening currency could be chosen more often at the desk.

5.4 Reserve backing and stabilization swaps

A nation can hold recognized value as backing for the nation's currency, through a member financial institution, and two nations can swap DTAs for economic enhancement and stabilization.

Reserves held today are mostly claims denominated in other nations' currencies. DTAs from a nation's own recognized reserves back the nation's currency with whole value: identified property, held whole, with the agreed loss surety traveling with each DTA. Backing never fixes a currency to the UVU. A fixed amount of a currency per UVU would print a UVU rate, and the Alkaimi ledger prints none. The recognized value supports the currency's position around the TRP without fixing that position.

Two nations can swap DTAs drawn from each nation's recognized reserves. Each side conveys identified DTAs through member financial institutions, source identity and surety are kept, and nothing is pooled. The Alkaimi ledger states a swap in volume units and UVU counts only, never priced in a currency.

The operating guidelines permit a nation's recognized reserves to be used for four purposes: economic expansion, debt reduction, stabilization swaps and currency backing.

5.5 The reference and the two producer currencies

The TRP is set from a 26-year record, and every currency moves around the TRP in real time.

The reference is unspeculated. Two government producers administer the supply of californium-252 and sell under license, and no exchange or futures market exists. Californium-252 is sold in two currencies: the United States Department of Energy isotope program sells in dollars, and the Research Institute of Atomic Reactors sells in rubles (Section 2.4). Two producers in two monetary blocs sell the same material, so no single nation sets the reference.

The TRP averages the dollar and the ruble against californium-252 over the period 2000 to 2026, each currency measured by that currency's own inflation, year by year (Section 2.5). The averaging takes managed currency swings out of the reference. A market move in the dollar or the ruble is held out of the TRP until that currency's inflation record is trued up, so neither producer currency carries a market move into the position of any other currency.

Market rates today carry the demand for dollars that settlement and reserves create. As more value settles in whole assets on the rail, that demand could fall, and the market rates themselves could become fairer.

Inside the ecosystem, no nation holds another nation's currency to settle trade, and no currency carries a reserve privilege over another. Parity and fairness between scrip currencies are restored on the rail.

5.6 Currency market volatility

Settlement and reserve flows are one source of currency market volatility, and the neutral rail is designed to remove those flows as more value settles in whole assets.

(a) Fewer forced conversions. A trade settled in whole-asset value needs no currency purchase, so the conversion behind that trade leaves the currency market.

(b) Less hedging. A party settling in whole-asset value carries no currency mismatch, so the hedging behind that mismatch, and the sudden unwinding of the hedging, shrink with the mismatch.

(c) Steadier reserves. A nation holding recognized value through a member financial institution, or swapping DTAs with another nation, is not forced into the currency market to defend or rebalance foreign currency reserves.

Settlement flows are a small part of currency trading.

In April 2025, currency markets turned over 9.6 trillion United States dollars a day. Non-financial customers, the businesses and other end users whose trade the rail settles, accounted for 5 percent of that turnover, and financial institutions accounted for the rest. Policy decisions and speculative positioning still move rates. The rail is designed to remove the volatility that comes from settlement and reserve flows, and the policy side stays with each issuer, in that currency's position around the TRP.

Note: Forward-looking statements in this section are stated as possibility, never as promise. No nation is named as an example. Currency turnover: Bank for International Settlements, Triennial Central Bank Survey, OTC foreign exchange turnover in April 2025.

6. The TRP Listing Standard

A scrip currency earns a transmutation reference point reading only as a sovereign obligation of the issuing nation. This section states the gate a currency passes and the reason for the gate, the active list member financial institutions hold, and the items the gate excludes.

6.1 The sovereign-obligation gate

A currency is listed for a TRP reading only where the currency is issued as an obligation of a nation, or of the central bank the nation charters for issuance, and carries legal tender status under that nation's law.

Federal Reserve notes are the exemplar: Federal Reserve notes are obligations of the United States under 12 U.S.C. 411 and legal tender under 31 U.S.C. 5103. A currency issued by a group of nations, such as the euro, meets the gate on the same terms. The gate follows from the purpose of a TRP reading. A TRP reading is used at two points. At recognition, underwriting strips the client's price label against the TRP reading to mark the asset to measure (Section 2). At transmutation, a member's desk buys the holder's DTA value and pays the holder in currency drawn from the member's own operating retail bank (Section 4.4).

The gate protects both points.

The two statutes in the exemplar carry the two operations a listed currency must carry. Under 12 U.S.C. 411, Federal Reserve notes are receivable "for all taxes, customs, and other public dues": the nation takes the currency back in payment. Under 31 U.S.C. 5103, United States coins and currency "are legal tender for all debts, public charges, taxes, and dues": the law makes the currency discharge what the holder owes.

A price label stated in a currency carrying both operations rests on a price the issuing nation itself receives in payment, so the measure taken at recognition rests on a sovereign price an auditor can verify. Currency paid out at the desk discharges the holder's debts, taxes and dues by law, so the value the holder receives is value the holder can lawfully spend. An item carrying neither operation gives underwriting no sovereign price against which to strip the price label, and gives the desk nothing to pay out as currency, so the item is never read.

6.2 The active list and the reference roster

Member financial institutions hold an active TRP list covering every scrip currency in the world that passes the gate in Section 6.1: every currency issued by a nation, or by a group of nations, as a sovereign obligation with legal tender status.

This report states a reference roster of twenty currencies, the currencies of the ACVI release of 17 September 2026, in Table 6.1. The reference roster illustrates the active list. The reference roster does not limit the active list, and a currency outside the reference roster is read on the same terms as a currency inside the reference roster.

Currency	Code	Currency	Code
Kuwaiti dinar	KWD	Japanese yen	JPY
Saudi riyal	SAR	Chinese yuan	CNY
Qatari riyal	QAR	United States dollar	USD
UAE dirham	AED	Bahraini dinar	BHD
Omani rial	OMR	Jordanian dinar	JOD
Swiss franc	CHF	Egyptian pound	EGP
Euro	EUR	Pakistani rupee	PKR
Pound sterling	GBP	Philippine peso	PHP
Indian rupee	INR	Brazilian real	BRL
South Korean won	KRW	Russian ruble	RUB

Table 6.1. *The reference roster: the twenty currencies of the ACVI release of 17 September 2026. The active list held by member financial institutions covers every scrip currency that passes the gate in Section 6.1.*

A TRP reading is not an ACVI score. The ACVI rates the intrinsic value of a scrip currency over time. A TRP reading is the point at which a currency meets the TRP at the strip or at the desk, and no TRP reading is published. The two measures are never merged.

6.3 First generation digitals

Cryptocurrencies, stablecoins and tokenized deposits fail the gate in Section 6.1, and none is listed for a TRP reading. Pegisai's term for the class is first generation digitals. Each item fails the gate for a reason of the item's own.

(a) Cryptocurrencies.

No nation issues a cryptocurrency as the nation's obligation, and a cryptocurrency fails both operations in Section 6.1. No nation receives a cryptocurrency for taxes and public dues, and no nation's law requires a creditor to accept a cryptocurrency for a debt. The two nations that made bitcoin legal tender have withdrawn both operations. The Central African Republic removed legal tender status from cryptocurrencies on 23 March 2023. El Salvador amended the nation's Bitcoin Law in January 2025 to make acceptance of bitcoin voluntary and to bar payment of taxes and public fees in bitcoin. With no issuing nation and no measured asset behind a cryptocurrency, the value of a cryptocurrency is the price the next buyer pays.

(b) Stablecoins.

A stablecoin is a claim on a private issuer, pegged to a currency. The stablecoin is the issuer's obligation, not the nation's obligation, and the stablecoin is not legal tender. The peg holds only as long as the private issuer holds the reserve behind the peg, so the stablecoin carries no sovereign guarantee or similar sovereign standing.

(c) Tokenized deposits.

A tokenized deposit is a commercial bank's liability recorded in token form: new money a bank creates by lending, not currency a central bank issues. The tokenized deposit is the bank's obligation, not the nation's obligation, and fails the gate on that ground.

6.4 Central bank digital currencies

Central bank digital currencies are barred from the transmutation function process, and the Alkaimi Financial Ecosystem does not acknowledge the legal standing of a central bank digital currency.

A central bank digital currency is an obligation of a central bank, so, read on form alone, a central bank digital currency meets the gate in Section 6.1. The bar overrides the gate for three reasons, each drawn from the enforcement warning of 20 April 2022 on pegisai.com.

(a) Programmability removes full possession.

Value held on the Alkaimi ledger is property, held whole, the holder in full possession *(Section 1)*. At transmutation, the DTA value stays on the Alkaimi ledger and the member financial institution obtains the DTA value. The holder receives currency from the member's own operating retail bank *(Section 4.4)*. The holder's possession after transmutation is possession of that currency. A central bank digital currency is recorded on a ledger the issuing central bank keeps, so every control over the currency stays with the issuer.

Each control removes a part of the holder's possession.

- A holding cap limits amount.
- An expiry date limits time.
- A spending restriction limits use.
- A freeze removes control of the balance.
- Published central bank designs propose a holding cap per person, and a central bank's pledge not to use the other controls is a policy the central bank can change. A note or coin is a bearer item, possessed physically, and none of the four controls reaches a note or coin in the holder's hand. Paying the holder in a central bank digital currency would hand the holder currency the holder does not fully possess, so no central bank digital currency is read.

(b) Trust and surety.

Programmability destroys the trust elements financial transactions in global trade require, and digital currencies carry trust and surety problems that stand in the way of use as a mechanism of exchange. A payment earns trust when settlement is final. The standard for payment systems issued through the Bank for International Settlements requires *"clear and certain final settlement, at a minimum by the end of the value date" (Principles for Financial Market Infrastructures, Principle 8, 16 April 2012)*.

A programmable currency can carry a condition set after the payee receives the payment, so a payee holding the currency at settlement cannot know the value received will stay spendable. Surety fails at the next step. The payee needs the value received to pay the payee's own suppliers, taxes and dues, and a condition the issuer can attach leaves the payee unable to rely on that value. A TRP reading must rest on a currency on which every party in trade can rely.

(c) Intellectual property.

A member financial institution's use of an infringing item exposes that member to liability and erodes the license under which the member uses the technologies of the Pegisai group. Pegisai issues no license to any group that

attempts to circumvent law, whatever the form of the group or governmental entity.

The bar reaches the digital currency form only. A nation’s notes and coins, issued as the nation’s obligation and legal tender, remain on the active list under Section 6.1. The bar names no nation.

7. Legal Basis

7.0 General provisions

The Alkaimi ledger records recognized value in the units of the assets themselves: weights, gallons, barrels. This section states the legal basis of that record: the holding of digitized value, and the ability to use any portion of that value granularly, in a universal form of denomination, in a currency neutral format, inside the banking system, through one special item, without invoking and without violating any law, rule or regulation. The statements run in the order the value runs, and the worked scenario of Section 2.6, stated step by step in Table 7.0, carries the whole section.

The Alkaimi Financial Ecosystem recognizes, measures, holds and conveys value. Through a value recognition process, each segmented and segregated asset which enters the ecosystem is translated against a universal value. This granular value process utilizes a universal unit of value, the grain, which enables all forms of value pricing and all currencies to be equalized. Units of granular value are then condensed into universal value units, which are then compressed into a digital carriage mechanism called the Digitized Tangible Asset (the DTA).

The DTA carries the contracts and rights that convey the uniform value, and every contract and right travels inside the DTA, so the uniform value is universally transposable: the value arrives in any jurisdiction, at any member financial institution, against any currency, in one universal denomination of value, carrying the title, the protection, the custody and the terms the value needs.

The Alkaimi Financial Ecosystem operates as a single-ledger system: one custodial register, the Alkaimi ledger, administered by Pegisai Global Holdings (Pegisai) under contract to the member financial institutions, with no distributed ledger and no blockchain (the ledgered system). A DTA is held and moved only through a member financial institution, and each member financial institution conducts that member’s own business under that member’s own license and answers to that member’s own regulator.

The worked scenario of *Section 2.6* utilized in this section is an illustration only: the clients, the members and the obligations are not actual parties or transactions. In overview: 1,509,820 barrels of crude oil in place are recognized at Member A as one stack under client 1’s title. Client 1 settles a pound sterling priced debt obligation to client 2. From proceeds of that transaction, client 2 then settles a euro priced debt obligation to client 3 across two Alkaimi ecosystem member institutions. Additionally, client 2 then transmutes DTA’s to dirhams at Alkaimi ecosystem Member B’s currency desk.

Table 7.0 walks this scenario from value recognition through several transactions across multiple member institutions as illustrated on the ledger. Beside each step stand the law a reader would expect to reach the step and the ground on which the step stands outside that law.

Step	The operation	The law a reader expects	Why the step stands outside that law
1	The recognition. Member A audits 1,509,820 barrels, client 1 signs the price label of USD 177,615,224.80, and the underwriting team strips the label against the TRP and takes the recognized value whole as one stack. The Pegisai Mint issues the stack's DTAs, each UVA a DTA, borne by Member A in custody under client 1's title.	Securities, collective investment and benchmark law	The barrels never move, and no interest in an enterprise is offered. Client 1 holds title to identified, recognized value, held whole. No TRP reading is published (7.1.1; 7.1.5; 7.3.2; 7.3.3).
2	The accord. With client 2's agreement, client 1 agrees in writing to settle a GBP 10,000,000 obligation by conveyance of DTA value.	Payment services and money transmission law	No funds move and no payment order exists. The agreement is an accord and satisfaction at common law, a dation en paiement in civil law: settlement forms the contract law of every nation recognizes (7.3.4; 7.4.6).
3	The sizing. The accord states the GBP 10,000,000 obligation, and the Alkaimi ledger sizes the conveyance against the TRP: 7.536 percent of client 1's recognized stack.	Benchmark regulation	No TRP reading is published, and none is stated in the accord. The accord is neither a financial instrument nor a financial contract, so no benchmark is used (7.1.5).
4	The segregation and the conveyance. The Alkaimi ledger marks 7.536 percent of client 1's stack. Member A, on client 1's direction, conveys that portion to client 2's holding account at Member B by recording on the Alkaimi ledger.	Pooling, clearing, electronic money, crypto-asset and securities law	Nothing is pooled, netted or cleared. Each UVA is a DTA, unique, identified property, and the register records title, never balances. What passes is title to identified property, held whole. The use hook fails on uniqueness, the form hook fails on the one custodial register, and a security is a claim. (7.2.1; 7.3.5 to 7.3.7; 7.4.7).
5	The discharge. The recording extinguishes client 1's GBP 10,000,000 obligation to client 2. The conveyance is final on recording.	Legal tender and currency law	Acceptance of property in discharge of an obligation has never reclassified the property as money, and the parties' accord, not a tender statute, gives the conveyance effect (7.3.4; 7.4.2; 7.4.7).
6	The onward settlement across members. With client 3's agreement, client 2 settles a EUR 3,500,000 obligation with DTA value of 2.200 percent of client 1's recognized stack. Member B, on client 2's direction, conveys that portion to client 3's holding account at Member C.	Correspondent banking and cross-border payment law	No correspondent chain sits between Member B and Member C, and no currency crosses a border. Steps 2 to 5 repeat on DTA value client 2 received at step 4 (7.3.4; 7.3.5; 7.4.7).
7	The transmutation. Client 2 transmutes DTA value of 0.184 percent of client 1's recognized stack at the desk of Member B. Member B buys the DTA value as Member B's own property and pays AED 1,200,000 to client 2 from Member B's own operating retail bank.	Money transmission and redemption law	Member B accepts nothing for transmission to another person and pays out Member B's own currency. No issuer redeems DTA value. The DTA value stays on the Alkaimi ledger, in Member B's own holding account (7.3.7; 7.5.3; 7.5.7).

Step	The operation	The law a reader expects	Why the step stands outside that law
8	The books after. Client 1 holds 92.464 percent of the recognized stack, client 2 holds 5.152 percent and client 3 holds 2.200 percent, each borne by that client's member in custody, the agreed loss surety traveling with each portion. Member B holds 0.184 percent as Member B's own property. The four holdings total the whole stack recognized. No currency moved on the Alkaimi ledger.	Deposit-taking and charter law	The client holdings are not currency deposits: client property, held whole, in the holder's full possession, inside existing banking powers. Member B's holding is Member B's own asset, read by Member B's supervisor (7.5.1 to 7.5.8).
All	Every step. Every party acts as an identified holder, through a licensed member financial institution, on one custodial register.	Anti-money-laundering and sanctions law	The duties stand and are met: identified participants, licensed gatekeepers, documented provenance, complete records, traceable movements, and a record auditable by every party lawfully entitled (7.4.8; 7.8.4).

Table 7.0. The worked scenario of Section 2.6 in law: the operation at each step, the law a reader expects, and why each step stands outside that law, with the clauses carrying each step.

Table 7.0 states eight steps and one condition standing across all eight. At no step does currency move on the Alkaimi ledger, and at no step does a currency balance exist on the Alkaimi ledger. What passes at every step is title to identified, recognized value, held whole.

The holding is digitized value; the use was granular, a measured portion of one identified stack; in one denomination; and the conduct ran inside the banking system, through licensed member financial institutions, from first agreement to final record. Every body of law a reader could raise is met at the step where that reader would raise that law, and the subsections below return to the table's rows.

7.0.1 This section states the chain in law, in the order the chain runs: the creation of universal value (7.1); the carriage mechanism, the DTA (7.2); the surety and rights carried within the DTA (7.3); the action of the Alkaimi ledger (7.4); and the treatment of the sured value item by the item's users (7.5). The parties and the conduct stand behind every step: Pegisai as administrator (7.6); the member financial institutions (7.7); regulators (7.8); this report (7.9); and the standards of conduct Pegisai imposes on itself (7.10). The subsections from 7.1 to 7.5 each open by naming the carried steps of Table 7.0; every clause states the position taken, and the basis stands beside the position.

7.1 Universal value

Unlike units meet nowhere in a price, because a price names a currency and a date; the units meet in a measure. This subsection states how the ecosystem creates that measure and why the creation raises no question any law is built to ask. Steps 1 and 3 of Table 7.0 run on this subsection.

7.1.1 Alkaimi's value recognition method translates each segmented and segregated asset entering the ecosystem against a universal value and establishes the asset's whole value. The client submits the asset. The member financial institution audits the asset and takes the price label. The client signs the price label. The underwriting team strips the price label against the TRP (Section 2.3). At step 1 of Table 7.0, the strip takes the recognized value whole as one stack.

7.1.2 The granular value process utilizes a universal unit of value, the grain: a position of value. The grain equalizes all forms of value pricing and all currencies at a stated measure of value, with no currency as the reference point for any other.

7.1.3 Units of granular value are condensed into universal value units: the Universal Value Unit (the UVU) is the DTA's universal denomination of value, carrying the grain's measure. Every DTA states recognized value in the same denomination, so any DTA is commensurable with any other DTA. Each UVA is a DTA, and the UVU consolidates UVAs (Section 3.3). What moves is a portion of a recognized stack's DTAs. At a member's currency desk, the holder transmutes DTA value, and the member buys the DTA value with a scrip currency.

7.1.4 Law reaches things and claims; law does not reach a measure. The creation of universal value therefore raises no classification question, and the questions law asks begin where the value is held: at the carriage mechanism.

7.1.5 The benchmark regulations. A benchmark regulation reaches a figure only where the figure is published or made available to the public, and is referenced to set an amount payable under a financial instrument, a financial contract or an investment fund. No TRP reading is published, and no value of the grain is published (Section 5.4), so no figure exists for any instrument to reference. At step 3 of Table 7.0, the accord states the GBP 10,000,000 obligation, and the Alkaimi ledger sizes the conveyance against the TRP inside the ecosystem.

The accord is a contract of settlement between two holders, neither a financial instrument nor a credit agreement, and the DTA is not a financial instrument (7.3.7). The administration contracts bar a member financial institution from referencing a TRP reading to set an amount payable under a credit agreement. A member financial institution's own products answer under that member's own regulator (7.7.1).

Since 1 January 2026, the European Union regulation reaches only critical benchmarks, significant benchmarks, EU climate benchmarks, and commodity benchmarks referenced by financial instruments above an average notional value of EUR 200 million. No financial instrument references a TRP reading. Basis: *Regulation (EU) 2016/1011, Article 3(1); Regulation (EU) 2025/914; the United Kingdom Benchmarks Regulation, as onshored.*

7.2 The DTA

Universal value units are compressed into a digital carriage mechanism: the DTA. A Digitized Tangible Asset embodies the holder's title to identified, recognized asset value, held whole and in the holder's full possession: ownership as property. The Alkaimi Financial Ecosystem rests on a class of special items with that character: each DTA in the class is unique, identified property, established by Alkaimi's value recognition method. The DTA is not the underlying asset: the DTA contains recognized value as contracts and rights (Section 3.1). An item of this character is new to the statute books and settled in the law's oldest categories: property, custody and contract. The law classifies a carrier by the rights the carrier embodies, never by the paper or the code carrying the rights, and the clauses below state the carrier's place in that law. What moves at step 4 of Table 7.0 is this carrier.

7.2.1 The documentary line. A bill of lading embodies title to goods; a warehouse receipt embodies the right to delivery; a bearer bond embodies a claim to be paid. The DTA stands in that documentary line, and the classification follows the primary right: ownership of identified, recognized value, held whole, so the DTA is property. The guarantee right and the custody right are accessory claims, and accessory claims never reclassify the carrier.

7.2.2 The property classification in law. Three legal families confirm that the rights of ownership attach to a thing held in digital form. Basis: *the Property (Digital Assets etc) Act 2025 (England and Wales); the UNIDROIT Principles on Digital Assets and Private Law (2023) for civil-law nations; Article 12 of the Uniform Commercial*

Code (United States). The DTA is held as a controllable electronic record under Article 12, and no DTA is elected into Article 8 as a financial asset.

7.2.3 The bearer. The DTA is a digitized bearer instrument (Section 3.1). Every DTA is borne by a member financial institution, and the title package of each UVA records the identified holder. A member financial institution bears a client's DTAs in custody (7.5.2) and bears DTA value the member owns for the member's own account (7.5.7). No DTA is borne outside a member financial institution, so no anonymous bearer can exist.

7.3 The rights within the DTA

Value compressed into a carrier moves only by the rights the carrier carries. The DTA carries those rights in the contracts under which each DTA is created, held and moved, and every right travels inside the DTA to each holder. Steps 1, 2, 4 and 6 of Table 7.0 run on the rights this subsection states.

7.3.1 A DTA is one item carrying five rights:

(a) the holder's title to identified, recognized asset value, held whole;

(b) the power of conveyance, exercised by recording on the Alkaimi ledger;

(c) the guarantee right: the underwriter's surety, an enforceable right to payment against lost value, attesting the value of the digitized underlying asset and traveling with the DTA to each holder;

(d) the custody right against the member financial institution that bears the DTA for a client; and

(e) the rights under the terms on which the DTA is created, held and moved.

7.3.2 The underlying asset. The underlying asset remains reserved in location at the time of placement, under drawing rights stated in the DTA's contract as a pre-mint line item. Movement of the underlying asset, or an attempted extraction of the underlying asset, is a condition of default by the asset owner under that contract. At step 1 of Table 7.0, the 1,509,820 barrels stay in the ground.

7.3.3 The agreed loss surety. The underwriter's surety is an agreed loss surety on the value of identified property: the underwriter pays the holder against lost value, the surety is agreed at recognition as a pre-mint term, and the surety travels with the DTA to each holder. At step 7 of Table 7.0, the surety travels with the DTA value Member B buys.

7.3.4 The specialized monetary item. The DTA is a specialized monetary item: monetary in function, property in classification. A DTA is accepted in discharge of an obligation, for products given or services rendered. Acceptance of property in discharge of an obligation has never reclassified the property as money. Steps 2, 5 and 6 of Table 7.0 are this clause in operation. Basis: *accord and satisfaction at common law; dation en paiement in civil law.*

7.3.5 Definitions hooked on use. A DTA is not currency and is not an item of exchange. Currency is generic: one unit replaces another, and no unit is anyone's identified property. An item of exchange circulates as a class. Each DTA is unique, identified property, and a unique item can do neither, so every definition reaching value intended to function as a medium of exchange fails at the threshold. Where a holder conveys a portion of a DTA stack, the conveyed portion remains a portion of that identified stack, segregated on the register and counted in the universal denomination of value, and the conveyed portion defeats no part of this position. Step 4 of Table 7.0 records exactly that segregation: 7.536 percent of client 1's stack. Basis: *the digital payment token definition, Payment Services Act 2019 (Singapore), and the definitions following the same form.*

7.3.6 Definitions hooked on form. The definitions reaching records held on distributed ledger technology or similar technology fail at the register: the Alkaimi ledger is one custodial register, and nothing in the design, construct, usage or format of the ledgered system is similar to distributed ledger technology. A contrary reading would sweep every core banking register into the definition. The Markets in Crypto-Assets Regulation is answered with both legs together: the DTA is unique, identified property outside the use hook, and the ledgered system stands outside the form hook. Basis: *Markets in Crypto-Assets Regulation (EU) 2023/1114, Article 3(1)(5); the Basel Framework's cryptoasset standard, SCO60.*

7.3.7 The classes the DTA is not. Electronic money is a claim on an issuer, issued on receipt of funds; a DTA is issued on receipt of no funds and carries no claim to redemption. A bond is a claim on an issuer. A share is a claim on an enterprise. A derivative takes value from something else's price. A stablecoin is a claim pegged to a currency. Central bank money is a central bank's liability. A crypto-asset is a record whose value rests on a protocol and a market.

The DTA is none of these: not money, not a security, not electronic money, not a crypto-asset, not a derivative, not a stablecoin, not central bank money, and not a currency deposit. At step 7 of Table 7.0, Member B buys DTA value from client 2, and no issuer redeems DTA value. Section 6 states the gate a currency passes for a TRP reading and the items the gate excludes. Basis: The Legal Position of the DTA at pegisai.com, incorporated by reference.

7.3.8 Full possession. Full possession is the holder's exclusive power to direct the DTA, exercised through the member financial institution that bears the DTA. No issuer controls the holder's DTA value, and the holder's direction is limited only by law, lawful process and the administration contracts (7.8). At step 4 of Table 7.0, Member A conveys on client 1's direction, and at step 6, Member B conveys on client 2's direction. Basis: *Article 12 of the Uniform Commercial Code, control.*

7.4 The Alkaimi ledger

A reader who accepts the DTA as property will next ask what kind of system moves property of this kind, and whose law reaches the system. The instinct is to reach for the payments statutes, because value moves; the statutes themselves say otherwise, because what moves is identified property, not money. The clauses below state what the Alkaimi ledger is, show that the law reaching a register is the law of the thing registered, walk the designation question through every jurisdiction in which member financial institutions operate, and state why the conduct anti-money-laundering law polices cannot occur on the register. Steps 4 to 7 of Table 7.0 are the register's work: each conveyance recorded, each re-registration extinguishing the obligation the conveyance discharges, final on recording.

7.4.1 The Alkaimi ledger is an audited property register: custody, title and rights, recorded on one custodial register.

7.4.2 The register's operations. The Alkaimi ledger performs six operations:

(a) the ledger records title to each DTA;

(b) the ledger holds each client's DTAs in custody, off the balance sheet and outside the estate of the member financial institution bearing the DTAs, and records DTA value a member owns in that member's own holding account, on that member's own books;

(c) the ledger records the rights attached to each DTA;

(d) the ledger records each conveyance of a DTA from one holder to another holder, and the re-registration extinguishes the obligation the conveyance discharges;

(e) the ledger records each pledge as an encumbrance on the pledging member's holding (7.5.8);

(f) the ledger carries a complete audit record of every one of these operations.

7.4.3 The law that reaches a register. The law that reaches a register is the law of the thing registered: a land registry answers to property law, and a securities register answers to securities law. The Alkaimi ledger registers property that is neither money nor a security, and the Alkaimi ledger therefore answers to property law, custody law and the administration contracts under which Pegisai conducts the register.

7.4.4 Designation. Regulation of a payment or settlement system attaches by the act of a named authority. No authority in any jurisdiction has designated, recognized, licensed or declared the Alkaimi ledger under any such statute, and Pegisai has made no application under any such statute. Basis: *Table 7.2, the law of each jurisdiction.*

7.4.5 The United States, designation first. The United States entry runs in the opposite order, designation first, because Title VIII of the Dodd-Frank Act defines payment, clearing and settlement activity broadly, reaching "other financial transactions." Title VIII nevertheless reaches a financial market utility only when the Financial Stability Oversight Council designates that utility as systemically important, and no designation exists. Basis: 12 U.S.C. 5462(6); 12 U.S.C. 5463.

7.4.6 Characterization. The Alkaimi ledger is not money transmission and not securities clearing. The member financial institutions conduct the settlement; Pegisai holds no client value, settles nothing on Pegisai's own behalf, and takes no deposit of any kind. The payments family and the securities-settlement family both fall away at the classification stated in 7.2 and 7.3. Basis: *the Central Securities Depositories Regulation, the Settlement Finality Directive's securities limb, and the United States clearing agency definition, each regulating securities, which the DTA is not.*

7.4.7 Finality, rules, governing law, segregation. A conveyance recorded on the Alkaimi ledger is final on recording, including against a member financial institution's later insolvency, under the administration contracts. The register's rules live in the administration contracts and the license terms. The governing law of conveyances between members in different nations is stated in those contracts. Client property is segregated; nothing is pooled. DTA value a member owns sits in that member's own holding account, apart from every client holding. Basis: the administration contracts.

7.4.8 Anti-money-laundering. The outcomes anti-money-laundering law exists to force (identified participants, licensed gatekeepers, documented provenance, complete records and traceable movements) are produced by the DTA's design and the Alkaimi ledger's operation; the statutory duties remain the member financial institutions' duties under their own licenses. A DTA exists only as an entry on the single custodial register, registered to an identified holder, so an anonymous holder cannot exist and no value circulates outside the register. Access runs only through member financial institutions, each an obligated entity under that member's own national anti-money-laundering law, on the three-layer KYC and AML structure. Alkaimi's value recognition method documents the underlying asset, the owner and the underwriter's signature before the DTA exists. Every movement is a re-registration on the register, permanent, auditable by every party lawfully entitled.

7.4.9 The law of each jurisdiction. Table 7.2 states the law of each jurisdiction in which member financial institutions operate: the statute, the subject each statute regulates, the authority whose act attaches the statute, and the status in respect of the Alkaimi ledger.

Jurisdiction	Statute	Subject regulated	Designating authority and act	Status
United States	Dodd-Frank Act Title VIII; 12 U.S.C. 5462(6), 5463	Payment, clearing and settlement activity	FSOC designation of a financial market utility	None
European Union	ECB Regulation (EU) No 795/2014; MiCA (EU) 2023/1114	Systemically important payment systems; crypto-assets	ECB identification; MiCA definitions	None
United Kingdom	Banking Act 2009, Part 5, s. 184	Inter-bank payment systems	HM Treasury recognition order	None
Singapore	Payment Services Act 2019	Payment systems; digital payment tokens	MAS designation or license	None; no application
Hong Kong	Payment Systems and Stored Value Facilities Ordinance (Cap. 584), s. 4	Clearing and settlement systems; retail payment systems	Monetary Authority designation	None
Bahrain	Decree No. 64 of 2006 (CBB Law)	Licensed financial services	Central Bank of Bahrain license	None
Qatar	Law No. 13 of 2012	Financial institutions and services	Qatar Central Bank license	None
Saudi Arabia	Law of Payments and Payment Services, Royal Decree No. M/26	Payment systems and payment services	Saudi Central Bank license; SIPS classification	None
United Arab Emirates	Decretal Federal Law No. (14) of 2018, Art. 126	Financial infrastructure systems	Central Bank of the UAE license and designation	None
Kuwait	Law No. 20 of 2014	Electronic payment of funds	Central Bank of Kuwait oversight	None
Oman	National Payment Systems Law, Royal Decree No. 8/2018	National payment systems	Central Bank of Oman license	None
Israel	Payment Systems Law 5768-2008, ss. 2-3	Payment systems	Bank of Israel declaration	None
South Africa	National Payment System Act 78 of 1998, ss. 4A(4), 6(3)(a)	Payment system management, clearing and settlement	South African Reserve Bank recognition and designation	None

Table 7.2. The law of each jurisdiction: the statute, the subject each statute regulates, the authority whose act attaches the statute, and the status in respect of the Alkaimi ledger as of 30 October 2026.

7.4.10 The pattern. The pattern across the thirteen jurisdictions is one pattern: each statute reaches money moving or securities settling, each statute attaches by the act of a named authority, and no named authority has acted.

7.4.11 The listing rules. The administration contracts set the rules on which a currency is read for a TRP reading: the sovereign-obligation gate and the bar on central bank digital currencies stated in Section 6. The gate rests on

each nation's legal tender law (Section 6.1). The bar is a term of membership binding the member financial institutions, and the bar is no ruling on any nation's currency.

7.5 Treatment of the DTA

By this point the chain has shown conversion to a bankable item: universal value, carried in the DTA, protected by the underwriter's agreed loss surety, registered on the Alkaimi ledger. Step 8 of Table 7.0 ends with each party holding that item: three clients in custody, and Member B for Member B's own account. The clauses below state how each user treats the sured value item, on that user's own books and in that user's own framework; every reading in this subsection belongs to the user's book, and no reading enters the DTA.

7.5.1 The uses of the DTA. Each use of a DTA stands on settled law, and the law follows the embodied rights. Table 7.1 states the six uses, the right each use exercises, and the law carrying each use.

Use	Right exercised	Carrying law
Settlement of an obligation	The power of conveyance	Accord and satisfaction (common law); dation en paiement (civil law)
Collateral for a debt owed to the holding bank	Title, pledged under control on the register	The pledge; the banker's lien, Brandao v Barnett (1846); Articles 9 and 12 of the Uniform Commercial Code, perfection by control
Collateral pledged to a central bank	Title held by the member, pledged under control recorded on the register	The pledge; Article 12 of the Uniform Commercial Code, control; the central bank's own collateral framework (7.5.4; 7.5.8)
Custody as the client's property	The custody right	The bailment; the special deposit
A member bank's own asset, obtained at transmutation	Title, held on that bank's own books	The Basel framework; guarantee recognition under CRE22 (7.5.3; 7.5.7)
A holding stated in the universal denomination of value	Title, denominated in the UVU	The administration contracts, stating the denomination

Table 7.1. The six uses of the DTA: the use, the right exercised, and the carrying law.

7.5.2 A member bank's capacity as custodian. A member bank lawfully holds a DTA in custody as the client's property: the special deposit, the bailment, under which title stays with the client and the DTA never enters the bank's own books as the bank's property. A member bank lawfully holds a DTA as security for a debt owed to that bank: the pledge and the banker's lien, a security interest perfected by control on the register, the electronic equivalent of possession. Custody of property sits inside existing banking powers. *Basis: 12 U.S.C. 24 (Seventh)* and the custody authority of the Office of the Comptroller of the Currency; *Brandao v Barnett (1846); Articles 9 and 12 of the Uniform Commercial Code; guarantee recognition under the Basel framework, CRE22.*

7.5.3 The supervised bank's book and the supervisor's reading. Where a member bank holds a DTA as that bank's own asset, that bank's supervisor reads the holding through the supervisor's own framework: the Basel framework's guarantee recognition (CRE22) reads the underwriter's agreed loss surety, and the protected holding takes the protection provider's standing in the supervisor's grammar. The reading is the supervisor's, made on the

bank's book, and nothing in the reading enters the DTA. At step 7 of Table 7.0, Member B holds 0.184 percent of client 1's recognized stack as Member B's own asset (7.5.7).

7.5.4 The central bank's decision. A central bank deciding what that central bank accepts as eligible collateral decides under that central bank's own framework. The sured value item presents an identified asset, an established value and the underwriter's agreed loss surety, documented before the DTA exists; the decision remains that central bank's own. Clause 7.5.8 states how the Alkaimi ledger records a pledge to a central bank.

7.5.5 The capital party's book. A capital party holds DTA value as a client of a member financial institution, in custody under 7.5.2: identified, recognized value, protected by the underwriter's agreed loss surety, with title whole on the holder's side of the register.

7.5.6 Deposits and insurance. A member financial institution's currency deposits follow that member's own charter regime. Value held in custody on the Alkaimi ledger is not a currency deposit at any financial institution and is not insured by any deposit insurer. The underwriter's surety within each DTA is an agreed loss surety on the value of identified property, not deposit insurance in form or in substance, and the surety replaces no deposit insurance.

7.5.7 Transmutation at the desk. At transmutation, a member financial institution buys the holder's DTA value and pays currency from the member's own operating retail bank, and the DTA value stays on the Alkaimi ledger. At step 7 of Table 7.0, Member B buys DTA value of 0.184 percent of client 1's recognized stack from client 2 and pays AED 1,200,000, and the DTA value passes to Member B's own holding account. The purchase is not money transmission.

Money transmission is the acceptance of currency, funds or other value from one person and the transmission of value to another location or person. Member B accepts nothing for transmission and pays out Member B's own currency, and a bank stands outside the definition. The currency side is the member's own banking business, under the member's own charter (7.7.1). Basis: 31 CFR 1010.100(ff)(5) and (ff)(8).

7.5.8 The pledge on the register. A member financial institution may pledge DTA value the member owns to a central bank as collateral. The Alkaimi ledger records the pledge as an encumbrance on the member's holding, and the DTA value stays on the Alkaimi ledger. Control of the pledged DTA value is recorded on the register for the central bank under the administration contracts, and the central bank never holds DTA value. On repayment, the encumbrance lifts. On enforcement, a member financial institution's desk buys the pledged DTA value and pays the currency to the central bank. The DTA value Member B bought at step 7 of Table 7.0 is DTA value Member B may pledge on these terms. Basis: *Article 12 of the Uniform Commercial Code, control, including control through another person; the administration contracts; the central bank's own collateral framework (7.5.4).*

7.6 Pegisai as administrator

Behind every register stands a registrar, and the registrar's character shapes what the law asks of the register. Pegisai is the registrar here: an administrator under contract, not a bank, not a counterparty, and not a party to any conveyance the Alkaimi ledger records. The clauses below state the administrator's duties, the lawful reach other parties hold over the administrator's conduct, and the authority under which the administrator publishes this report.

7.6.1 Pegisai administers the Alkaimi ledger under contract, takes no position in any conveyance, and publishes the system-level record.

7.6.2 Neutrality. The Alkaimi ecosystem and the Alkaimi ledger are neutral, and the administrator's duty is ensuring that neutrality is upheld. Pegisai takes no position in any member financial institution's transaction, holds no client relationship of any member, and stands on no side of any conveyance the Alkaimi ledger records. The rules of the register apply equally to every member; no member is preferred; no member's conduct is exposed; the published record carries aggregates only.

7.6.3 Reach to the administrator's conduct. Three vectors reach the administrator's conduct, each reaching conduct and none designating the system: examination of the services performed for a supervised United States member financial institution; critical third-party designation of a service provider in the European Union; and the critical third parties regime of the *United Kingdom. Basis: 12 U.S.C. 1867(c); the Digital Operational Resilience Act; the Financial Services and Markets Act 2023.*

7.6.4 The authority for this report. Pegisai issues this report and the Report of Record as administrator of the Alkaimi ledger, stating the system-level record that the administration contracts place in Pegisai's charge. The report states factual business information: no raise reference, no projection, no valuation opinion; every figure accurate, dated and sourced. Publication takes on the duty to keep the published record current. Basis: the administration contracts; the factual-business-information doctrine.

7.6.5 Standing toward published standards. The standards Pegisai imposes on Pegisai's own conduct of the register, and the ground for choosing those standards, close this section at 7.10.

7.6.6 The license. Pegisai Global Holdings licenses the ecosystem's technology and operating model to the member financial institutions under the administration contracts (Section 1). A member financial institution's use of an infringing item exposes that member to liability and erodes that license (Section 6.4). No license runs to any group that attempts to circumvent law, whatever the form of the group or governmental entity.

7.7 The member financial institutions

The member financial institutions conduct every service in the ecosystem, and a reader will ask why this report does not name the members. The answer is a duty, not a choice: the same confidentiality law that protects every bank client in every jurisdiction binds Pegisai through the members' licenses and the administration contracts. The clauses below state that bar jurisdiction by jurisdiction, and state how each member's own supervisor reaches each member.

7.7.1 Each member financial institution conducts that member's own business under that member's own license and answers to that member's own regulator, in each of the jurisdictions stated in Table 7.2.

7.7.2 The confidentiality bars. Pegisai is barred, by law and by license, from naming the ecosystem's member financial institutions, the size of any client account, the number of clients held by any member, and any individual transaction or account. The bars stand one jurisdiction per line:

(a) United States: the Right to Financial Privacy Act (12 U.S.C. 3401 and following); the Gramm-Leach-Bliley Act.

(b) European Union: the General Data Protection Regulation (EU) 2016/679, with banking secrecy under the national law of each member state.

(c) United Kingdom: Tournier v National Provincial and Union Bank of England [1924] 1 KB 461, the duty of confidentiality implied into every contract between a bank and a customer.

(d) Singapore: section 47 and the Third Schedule of the Banking Act 1970.

(e) Hong Kong: the common-law duty of confidentiality, following Tournier; the Personal Data (Privacy) Ordinance (Cap. 486).

(f) Bahrain: Articles 116 to 120 of the Central Bank of Bahrain and Financial Institutions Law (Decree No. 64 of 2006).

(g) Qatar: the banking secrecy duties of Law No. 13 of 2012.

(h) Saudi Arabia: the Banking Control Law (Royal Decree No. M/5 of 1966), under which disclosure of customer information outside approved procedures is a criminal act, with the Saudi Central Bank's banking-information secrecy rules.

(i) United Arab Emirates: Article 120 of Decretal Federal Law No. (14) of 2018, extended by Article 120(4) to every person holding professional access.

(j) Kuwait: the banking secrecy duties of Law No. 32 of 1968 concerning Currency, the Central Bank of Kuwait and the Organisation of Banking Business, as amended.

(k) Oman: Article 98 of the Banking Law (Royal Decree No. 2 of 2025), extended by Article 137 to financial institutions after the client relationship ends.

(l) Israel: the Protection of Privacy Law 5741-1981, with the bank-client duty of confidentiality the Israeli courts enforce.

(m) South Africa: the duty of confidentiality the courts of South Africa recognize at common law.

In every jurisdiction named in this report, the license of each member financial institution binds that member to the confidentiality of client information, and the administration contracts carry the same duties to the administrator.

7.7.3 Supervision per zone. Each member financial institution's regulator supervises that member under the law of that member's jurisdiction, and that supervision feeds the access pathway stated at 7.8.2. Basis: the authority column of Table 7.2.

7.7.4 Holding through a member. Only a member financial institution bears a DTA. Every other party, including a nation and a nation's treasury, holds DTA value only as a client of a member financial institution, in custody under 7.5.2. A non-member lacks a license to engage in the ecosystem and is barred from holding a DTA directly in any form. The uses stated in Section 5 run through that client position, and the three clients of Section 2.6 hold on the same footing.

7.8 Regulators

A regulator's question is practical: by which pathway does lawful access run? The structure gives the answer before the question arrives, because every participant already stands under a regulator of that participant's own, and the record is complete. The clauses below state the three doors the law provides, and why the three are all the doors there are.

7.8.1 A regulator reaches the conduct of the Alkaimi ledger by three lawful pathways and by no other pathway.

7.8.2 Supervision through the supervised member. A member financial institution's own regulator examines that member, and the examination reaches the services performed for that member. Examination through a member is member-scoped and reaches no other member's record. Basis: 12 U.S.C. 1867(c); each jurisdiction's supervisory law.

7.8.3 Lawful process. A court order, a subpoena, or an equivalent lawful demand under the law of the jurisdiction concerned, served through the channels each statute provides. Basis: the Right to Financial Privacy Act; section 47 of the Banking Act 1970 (Singapore), among the process channels.

7.8.4 Lawful sanctions. Where lawful sanctions reach a member financial institution or a member's client, the DTA record stands auditable by every party lawfully entitled to access that record. Nothing in the Alkaimi ledger operates as a route around lawful sanctions.

7.8.5 No general access. No authority holds general supervisory access to the Alkaimi ledger as a whole, because no statute grants general supervisory access over a property register absent designation, and no designation exists.

7.9 This report

Publishing a record is itself a legal act, and this subsection states the law of the act: the right to publish, the duties publication creates, and the lines the publication never crosses. A reader can hold every page of this report against the clauses below.

7.9.1 This report and the Report of Record published with this report state the system-level record, published as factual business information, dated and sourced, carrying the duty to keep the published record current.

7.9.2 The publication. This report offers no security for sale, solicits no investment, and states no valuation opinion. The worked scenario in Section 2.6 uses a published settlement price as an illustration. Every figure carries the date on which the figure stood and the source from which the figure is drawn. Completeness at the system level answers the duty against half-truths: the record is stated whole, and nothing beneath the system level is stated.

7.9.3 Inference from composition. The Report of Record states composition in volume units at the system level. No member financial institution's position and no client's position is computable from the stated record. Where a class is thin enough that one party's position would show, the class is folded into an aggregate line. The worked scenario in Section 2.6 is an illustration and states no actual member's or client's position.

7.9.4 Not a financial promotion. This report carries no invitation and no inducement. Basis: the financial promotion restriction of England and Wales; the standing declaration on the Legal page of pegisai.com.

7.9.5 The regulatory position, stated once. The Alkaimi ledger is not designated a systemically important financial market utility, and no authority has reviewed, approved or endorsed this report. Basis: the standing section of the Legal page of pegisai.com.

7.10 Self-Imposed Standards of Conduct

Every DTA is held and moved by a licensed bank under that bank's own regulation. No statute addresses the DTA by name. No statute addresses the capabilities of the ledgered system in the form in which this system performs those capabilities: the custody and settlement of recognized asset value held as property, without currency. Of all the parties positioned to evaluate the DTA, we believe the Bank for International Settlements is the most relevant. Our position is that the technologies, interested parties within the financial space and the stakeholders who use these technologies, benefit from rational guidance and fair rules. Pegisai's goal is to retain the neutrality of the Alkaimi Financial Ecosystem, a rail for the fair conduct of value.

7.10.1 The Committee on Payments and Market Infrastructures and the International Organization of Securities Commissions, hosted at the Bank for International Settlements, publish the Principles for Financial Market Infrastructures. The Principles do not apply to the Alkaimi ledger in fact, in form, or in reason: the Principles

govern designated payment systems, central securities depositories, securities settlement systems, central counterparties and trade repositories, and the Alkaimi ledger is none of these. Pegisai nevertheless takes the Principles as self-imposed guidance where the Principles are relevant, rational, lawful and prudent for a property register of this scale. A pioneered space requires standards, and Pegisai offers the standards at 7.10.3 as a rational, neutral and transparent baseline. The statement is Pegisai Global Holdings' own and is made by no authority.

7.10.2 The ground for the choice. The choice of the Bank for International Settlements rests on reach and scope together. Every member financial institution is supervised under law derived from the Basel framework, written by the Basel Committee on Banking Supervision, hosted at the Bank for International Settlements, and a member bank's holding of a DTA raises questions the Basel framework answers whatever the DTA's classification. The Principles for Financial Market Infrastructures are the conduct standard for systems that record, move and settle value, and the Principles' question set is the measure any assessor would open if any party ever measured the conduct of the Alkaimi ledger. The standards travel to every nation ahead of the ecosystem: through the member central banks of the Bank for International Settlements; through the assessments of the International Monetary Fund and the World Bank, which measure every reviewed nation's banking supervision against the Basel Core Principles and every reviewed nation's settlement systems against the Principles for Financial Market Infrastructures; and through correspondent banking, which holds any bank seeking access to the global system to Basel-derived expectations. Other bodies reach as far and govern less here: the standards of the Financial Action Task Force govern the member financial institutions' anti-money-laundering programs, already carried under their licenses, and the International Organization of Securities Commissions governs securities, which the DTA is not. The Bank for International Settlements belongs to no single nation and no single currency, and the ecosystem is built for every nation: the chosen standard is the standard already standing wherever the ecosystem arrives.

7.10.3 Six standards govern Pegisai's conduct of the Alkaimi ledger. Each standard states the operation the Alkaimi ledger performs and the objective the standard serves.

(1) Neutrality. The administrator takes no position in any conveyance the Alkaimi ledger records. The objective is a register no participant can bend.

(2) Property held whole. Every DTA on the register is unique, identified property, held whole, and a conveyed portion remains a portion of that identified stack. The objective is a register carrying no claim without identified property beneath the claim.

(3) Finality. A conveyance recorded on the Alkaimi ledger is final upon recording, subject only to law and to the administration contracts. The objective is certainty of settlement.

(4) Licensed access. A DTA is held and moved only through a licensed financial institution, under that institution's own regulation. The objective is a system with no unlicensed gateway.

(5) Transparency. Pegisai publishes the system-level record, dated and sourced, as this report does. The objective is a public record a reader can verify.

(6) Segregation. Client property on the Alkaimi ledger is segregated from the property of every member financial institution and from the property of Pegisai. The objective is client property that remains client property.