

FACTSHEET

USDC & Euro Coin

Circle is a global financial technology firm that enables businesses of all sizes to harness the power of digital currencies and public blockchains for payments, commerce and financial applications worldwide. As the sole issuer of USD Coin (USDC), a fully-reserved dollar digital currency that enjoys price parity to the U.S. dollar and is powered by blockchain technology, Circle is committed to helping business customers transfer value quickly and cost-effectively.

Circle launched USDC in 2018 to more effectively enable the frictionless exchange of financial value. USDC has played a significant and growing role in the digital asset economy and has a circulation of about \$54 billion (as of June 14, 2022). Circle is now introducing Euro Coin (EUROC), which will provide more powerful tools for cross-border transactions in one of the world's largest currencies.

How USDC & Euro Coin Work

- Circle issues (or “*mints*”) USDC and EUROC to business customers directly through a Circle Account. Minting occurs when a customer deposits dollars or euros in their Circle Account for USDC or EUROC.
- When business customers want to withdraw dollars from their Circle Account, Circle burns (or takes out of circulation) the corresponding amount of USDC or EUROC and deposits dollars or euros into the customer's account.
- USDC is currently available through intermediaries like exchanges, and Euro Coin's availability on exchanges will begin after its official launch on June 30, 2022. Individuals and businesses will be able to trade USDC for Euro Coin and withdraw Euro Coin to Ethereum wallets after this point.
- USDC is fully backed by cash and short-dated U.S. government obligations, so that it is redeemable 1:1 for U.S. dollars. Similarly, Euro Coin will be fully backed by euro-denominated reserves and always 1:1 redeemable for euro.

Quick Facts

USDC and Euro Coin are designed to promote competition and interoperability in payments through leveraging open-source technology and public blockchains.

8 chains

USDC AVAILABILITY

USDC is available on Algorand, Avalanche, Ethereum, Flow, Hedera, Solana, Stellar, and TRON.

Ethereum

EURO COIN'S AVAILABILITY

Euro Coin will be available on the Ethereum blockchain, with plans to expand to additional blockchains.

\$6.6T

IN FOREIGN EXCHANGE

USDC and Euro Coin will unlock new possibilities in multi-currency digital banking and near-instant foreign exchange, where the daily volume in traditional markets can top \$6.6 trillion globally¹.

¹ <https://crsreports.congress.gov/product/pdf/IF/IF10112>

USDC & Euro Coin's Main Use Cases

Both USDC and Euro Coin will be used in various ways by businesses to take advantage of a method of high-trust, low-friction payments.

TRADITIONAL AND CRYPTO-NATIVE BUSINESSES:

Circle users can accept USDC and Euro Coin payments to expand their customer base and get faster cash flow. Users can also make payments globally with funds that can settle in minutes.

GLOBAL PAYMENTS & REMITTANCES:

Together, USDC and Euro Coin can facilitate foreign exchange at the speed of the internet – making global value transfer cost-effective and conversion back to local currencies through hundreds of exchanges possible.

DECENTRALIZED FINANCE (DEFI):

USDC and Euro Coin can play an important role in crypto capital markets that are driven by blockchain-based smart contracts.

DIGITAL ASSET TRADING:

Institutional and retail traders may use USDC and Euro Coin as a base currency for entering and exiting positions.

Circle is Committed to Transparency

- USDC reserves are held in cash and short-dated U.S. government obligations at U.S.-regulated financial institutions, which are equal to or greater than the amount of USDC in circulation. Euro Coin will be fully-backed by euro-denominated reserves at leading U.S.-regulated financial institutions.
- Since USDC was launched in 2018, Circle has published monthly reserve attestation reports, which are prepared by Grant Thornton LLP, regarding the reserve balances backing USDC. Circle will continue this practice with Euro Coin, starting with an attestation for the month of July 2022 from Grant Thornton LLP. All attestations are made publicly available on Circle's website.
- Circle's financial statements, which will include the euro-denominated reserves backing Euro Coin, are audited annually and filed with the SEC.
- Circle is compliant with the prevailing U.S. regulatory standards that apply to leading fintech and payments firms, having money transmitter or equivalent licenses in applicable U.S. states and jurisdictions, and registered as a money services business with the U.S. Treasury Department's Financial Crimes Enforcement Network. Euro Coin will be issued under Circle's current U.S. licenses.