

Saon Whitepaper

Introduction

Saon is a crypto-backed Stablecoin that will hold in its portfolio a number of different cryptocurrencies. With the majority of the proceeds Saon produces, we will re-invest back into the crypto exchanges. Saon will hold both large cap and small cap coins, selling and exchanging the coins we mine to increase Saon value and increase stake in each of the coins we are investing in utilizing both long term and short term investment techniques. Saon will also have 100% financial transparency posting what Saon holdings are and amounts held. Saon will always hold a minimum of 50% Bitcoin in its asset group to stabilize the overall value of Saon as well as a complete portfolio of different cryptocurrencies. Saon's mining operation will be conducted using ASIC and GPU hardware for added versatility in an evolving marketplace, with the purpose of mining the most profitable coins possible, then exchanging those coins for more stable cryptocurrencies. Solar energy will also be utilized during "Peak Hours" of operation to ensure that the overall cost of conducting mining operations will be at the lowest cost available.

Saon's goals are to increase stake in the cryptocurrency ecosystem thus increasing the value the value for Saon. We feel that the entire crypto-economy is linked together, this is why we feel that Saon is a natural evolution in the crypto market. Holders of Saon can be confident that the portfolio of Saon will continue to increase over time as the mining operations will ensure that more crypto will be deposited into the portfolio account. A stablecoin that is backed by other cryptos and all stays on the blockchain.

Description of Token

A large issue that Saon helps to address is the costs associated with owing percentages of mining proceeds to initial investors. By offering Saon as a token for the public to take part in the initial investment process, the market will decide what the future value of the tokens will be and a percentage of the mining operation will not be parcelled out to the initial investors. In doing this, everyone that participates in trading or holding Saon will be investing in the initial startup and continued growth of the mining and the overall health of Saon as a whole.

With Saon being a Stablecoin and having the proceeds of the mining operation go back into the Saon portfolio the goal of the token is to have an increasing value over time equivalent to the amount that is held by the portfolio. Since only 210,000,000 Saon will ever be minted the equivalent value can be easily calculated. This is not a promise that the equivalent value will ever be achieved, but it is the goal of Saon that this is the benchmark for the value to be calculated and would continue to grow over time as Saon would continue re-investing in equipment and staff to increase computational power, rate of return, and exchange desk efficiency.

Since a minimum 50% of the holdings of Saon will always be in Bitcoin the value of Saon will mainly be linked to Bitcoin, but we will also diversify our holdings with other smaller cap coins with the goal of trading those coins over time to acquire the larger cap coins. Saon is overwhelmingly in favor of the "HODL" approach to cryptocurrency investing, but we do know that there is always opportunity with smaller cap coins to be invested in and hopefully increase in value. Saon will not shy away from these opportunities but will of course do its due diligence in respect to different investments including, overall risk associated with the project, what is the community's opinion of the project, and what is the growth plan. Saon's number one priority will always be the financial health of Saon so these small cap opportunities will not be taken lightly.

With the added financial transparency of Saon, posting its holdings on a weekly basis, utilizing social media, our hope is that the community will see that Saon is increasing its portfolio value on a consistent basis. Announcements will always be done in USD and according to the Binance.US Exchange.

Example of holdings announcement:

Portfolio is as follows:
239.00234598 Bitcoin
3,112.3382828526 Ethereum
Portfolio value as of this announcement according to Binance.US Exchange:
\$2,242,497.68
Saon equivalent value from portfolio: \$0.0423

This is intended to be an example of transparency announcement and is no way associated with the current or future value of Saon Token

The Saon inherit value in this example is derived from taking the total value of the portfolio at the time of announcement, and dividing by the number of Saon tokens in circulation (which after successful completion of IEO will be 52,959,549). Saon has four zeros after the decimal point (.xxxx) the same format will be used in the portfolio transparency announcement with the final digit rounded up or down.

Since the concept of the Stablecoin is well understood and received by the community, it is our hope that the concept of a crypto-backed Stablecoin will also be well received as well. With the added benefit of the main driving force behind the portfolio increase being mining, we feel that Saon brings something new, stable, and profitable to the cryptocurrency community.

Token Overview

SAON is built on the Ethereum blockchain and is an ERC-20 token. The token is open source and is available for view on Etherscan with address:

0xC1f92E4753d206678e2ff0B4b860FA06618Cd899

For the purposes of the IEO, Saon will be offering 60% of the total amount of Saon to the exchange. This will give investors an opportunity to invest in the setup of the mining operation and all initial groundwork needed to move forward profitably. From the proceeds of the IEO, 50% will be used on equipment for the starting of the mining operation, 25% will be held in reserve for the costs associated with running the mining operation (i.e. utilities, industrial space, insurance, etc.) 25% will be used to compensate current and new team members to ensure that Saon will be able to start as quickly as possible with building its portfolio. We will begin work on listing the IEO and will have announcements moving forward as to what platform it will take place on.

We have completed our initial token distribution plan.

1. 210,000,000 SAON have been created and that is all there will ever be created
2. 60% SAON will be utilized for both straight sale and exchange implementation (126,000,000 SAON)
3. 15% will be team held (31,500,000 SAON)
4. 15% will be held in reserve for the ongoing costs associated with running Saon (31,500,000 SAON)
5. 5% will be used for initial marketing (10,500,00 SAON)
6. 5% will be used for legal (10,500,000 SAON)

Saon Advantage

Saon is taking a new approach to the already accepted Stablecoin. Since Saon is utilizing cryptocurrency as the backing for its token value everything is able to stay within the crypto-ecosystem. What this means is that the fundamental concept of Saon is all operating on the blockchain. There is no Fiat currency that is linked to it's value and there is no physical commodity (i.e. gold or silver) that has any bearing on Saon.

With the added benefit of expected growth overtime from the mining operation, our hope is that the community's perception of the value will also increase overtime. Saon will hold no secrets when it comes to its portfolio. The community will be able to have input on what Saon is doing with what holdings Saon has. This will not make it a vote based system but Saon will be able to hear what you think and will have regular meetings regarding the validity of that input. Saon will want to know what the community is mining and why, what news is coming up, and what is exciting in the crypto community.

The founding team of Saon would like to remain anonymous at this time.

Risks

The purchase of SAON carries with it significant risk. Prior to purchasing SAON, the purchaser should carefully consider the risks involved in purchasing cryptocurrency and, to the extent necessary, consult a lawyer, accountant, and/or tax professional prior to determining whether to purchase SAON.

Disclaimer

To the maximum extent permitted by the applicable laws, regulations and rules, SAON, any entities of SAON and officers and employees thereof shall not be liable for any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with any acceptance of or reliance on this whitepaper or any part thereof by you. Any entities of SAON and officers and employees thereof shall not be liable for your loss of SAON after it is transferred to you by any reason including but not limited to your failure to maintain or backup an accurate record of your password or password cracking by somebody due to your poor maintenance of your password.

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in any legal, tax or financial matters. Acquiring SAON shall not grant any right or influence over SAON's organization and governance to the purchasers

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SAON does not make or purport to make, and hereby disclaims, any representation, warranty or undertaking in any form whatsoever to any entity or person, including any representation, warranty or undertaking in relation to the truth, accuracy and completeness of any of the information set out in this whitepaper.

Representations and warranties by the purchasers

By participating in the token sale of SAON, the purchasers represent and warrant to SAON as follows:

- (a) you are authorized and have full power to purchase SAON according to the laws that apply in your jurisdiction of domicile;
- (b) you are solely responsible for determining whether the acquisition of SAON is appropriate for you;
- (c) You are not acting as an agent on behalf of any other person or entity who wish to purchase SAON or participate in its token sale;
- (d) You have carefully considered the risks, costs, and any other demerits of acquiring SAON and understood such the risks, costs, and any other demerits associated with SAON and it's token sale;
- (e) you are not acting for the purpose of speculative investment;
- (f) you agree and acknowledge that SAON does not constitute securities in any form in your jurisdiction;
- (g) you agree and acknowledge that this whitepaper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities in your jurisdiction or a solicitation for investment in securities;

(h) you agree and acknowledge that no regulatory authority has examined or approved of the information set out in this whitepaper, no such action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction and the publication, distribution or dissemination of this whitepaper to you does not imply that the applicable laws, regulatory requirements or rules have been complied with;

(i) you agree and acknowledge that this whitepaper, the undertaking and/or the completion of the SAON token sale, or future trading of SAON on any cryptocurrency exchange, shall not be construed, interpreted or deemed by you as an indication of the merits of SAON;

(j) the distribution or dissemination of this whitepaper, any part thereof or any copy thereof, or acceptance of the same by you, is not prohibited or restricted by the applicable laws, regulations or rules in your jurisdiction, and where any restrictions in relation to possession are applicable, you have observed and complied with all such restrictions at your own expense and without liability to SAON

Market Risk - Stablecoin

In the collateralization method, market risk exists because the price of the asset being used as collateral can move in an adverse direction to the price of the asset it's backing/pegging. This would cause the total value of the collateral to become less than the total value of the issued asset and make the system insolvent. This risk is mitigated by the custodian closing the position before this happens; that is, when the collateral price equals the pegged asset price then the collateral is liquidated (sold on the open market) and the position is closed. A great approach, with merit, and used in many liquid markets across the traditional banking and financial markets. However, as seen from the global financial crisis, situations can arise in which the acceleration of such events causes a "liquidity crunch" and thus the collateral is unable to be liquidated fast enough to meet trading obligations, subsequently creating losses. With the cryptocurrency markets being so small and volatile, this type of event is much more likely.

Additionally, the overall approach suffers from other liquidity and pricing constraints since there must be a sufficient supply of users posting collateral for the creation of the pegged assets to exist in the first place. In the derivatives approach, the

price of the asset is pegged through entering one of several derivatives strategies, such as: swap strategies, covered and naked options strategies, various futures and forwards strategies.

Each of these pegging processes themselves have similar “market risk” characteristics as the aforementioned collateralization method. It should be noted that the two methods are not mutually exclusive and often paired in a specific trading, hedging, or risk management function at legacy system financial institutions. Some combination of the above approaches may become a secure, reliable, and generally riskfree process for backing/pegging assets; however, at this point in time, this is not a direction that is feasible to take to ensure liquidity and price stability. Furthermore, a reserve based approach will always be in existence and complement these other approaches as the entire industry grows.