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**WHITEPAPER**

08.30.2022

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## 1. Introduction

In the current economic and commercial finance world, customers, retailers, and service providers are currently struggling with unequal, inefficient, and expensive payment mechanisms. Banks, processors, global payment systems and other financial institutions have established a system of monopoly that cannot be easily washed away. The monopoly system formed by these institutions, whose transactions are extremely slow and costly, is offered to customers with inadequate service and high profits. The actual value of 100 USD in the accounts of US citizens who are condemned to use these systems is only 92-97 USD. The Sardis Network and our fintech solution will simplify and speed up today's processing methods by creating point-to-point and transparent transfers where customers do not have to pay the associated bank fees. Sardis Ecosystem: Blockchain network, Social Payment App, Stablecoins, and Stablecoin Exchange ushers in a new era in purely public benefit financial systems.

Many customers use Mastercard, Visa and PayPal to handle their daily business transactions. Financial platforms charge expensive costs starting at 2% and/or offer long waiting times due to the large number of intermediaries involved in the transaction. However, paying using the Sardis ecosystem will be almost zero fees. Sardis blockchain technology with hybrid Proof of Stake and Sardis payment application provides unlimited, near-zero fees, secure transaction process in seconds without intermediaries. Under the umbrella of the Sardis ecosystem, payments will be secure, inexpensive, and almost instant.

Sardis Ecosystem will successfully unite professional traders, companies and individuals wishing to use cryptocurrencies and FIAT currencies on a single platform without the risk of volatility. After our main blockchain is ready, we will produce stable cryptocurrency blockchains based on the FIAT currency of the country where we operate the Sardis Social Payment Application. We will take advantage of the speed of horizontal scaling. First, a stable USD cryptocurrency will be created to be backed up with 100% FIAT USD in an escrow account at an FDIC-insured bank for use in the Sardis Social Payment App in the USA. This will enable Sardis users to enjoy all the real-life blockchain benefits seamlessly.

Sardis Social Payment App converts FIAT currency into stablecoin as soon as you deposit FIAT currency into account with no fees. Stablecoin in the app will be used as FIAT currency. Our ecosystem automatically provides instant conversions between FIAT and crypto stable currencies on the back. When they need to withdraw FIAT currency from an ATM, the Sardis system converts stablecoins to FIAT currency instantly and free of charge. Our user can use ATMs to withdraw or deposit FIAT currencies. This stablecoin replacement system will solve regulation and adoption issues between Sardis Social Payment App, merchants, payment gateways, Sardis payment system, Sardis exchange and governments. Sardis will support swapping between other reliable stablecoins and Sardis stablecoins. Sardis technology enables speed, flexibility, mobility and accessibility. Therefore, using stable cryptocurrencies will be no different than using FIAT currency in a Sardis user's account.

Sardis Social Payment App is a stable crypto-focused, omni-channel, modular, smart, and open digital blockchain application. Money transfer made simple. You do not



need to know the average 42-digit crypto addresses. If you know the recipient's mobile phone number, you can easily transfer money. Transfer to a mobile phone number or an email address can be done in seconds using the Sardis mobile phone application. Sardis Social Payment App provides personalized crypto experience with aggregated account data, instantly converts FIAT to crypto, one click accesses to Sardis Stablecoin Exchange, using any ATM to withdraw or deposit cash, multi-currency account, nationwide or international money transfers, easy bill payment, transactions, sending or receiving money, sharing, goals, budget, funds, p2p loans, escrow and custody services, business solutions and more.

Money transfers (especially international) are expensive, time-consuming, and poorly maintained traction records. The main benefits of the Sardis social payment are near zero fees and high speed of processing transactions, as well as a guarantee of complete security. Our global payment network is a decentralized payment system that speeds up, cheapens, secures, and simplifies payment messaging, clearing and settlement for cross-border stablecoin transactions on the Sardis network. Each Sardis user can transfer national or international currencies in seconds, thus avoiding the risk of freezing and unpleasant moments.

What Western Union, Swift, TransferWise, PayPal and other money transfer systems lack is high fees, slow speed, and transparency. The technology underlying Sardis brings lower costs and faster solutions. With the adoption of our system, Sardis will have an extensive network with millions of users worldwide. The global economy will become more collaborative. Unbanked, and underserved people will join the global economy.

Sardis payment solutions aim to solve expensive and inefficient payment mechanism by using smart contracts that will enable billing methodologies via blockchain. The aim is to promote the frequent use of stable cryptocurrencies in both online and offline markets, thereby significantly increasing the volume of payments made in cryptocurrencies and improving the global decentralization trend.

Sardis is a comprehensive solution that offers robust payment mechanisms that are reliable, fast, cost-effective, and more efficient than existing technologies. Compared to today's payment methods that include virtual coins, Sardis technology was designed from the ground up to solve all existing problems. Sardis will use the Proof-of-Stake blockchain consensus mechanism that will allow instant transactions and enable over 100,000 transactions in seconds. Sardis have the potential to increase economic efficiency, minimize risks, and eliminate intermediaries such as money transfer companies that charge exorbitant fees.

We have been investing in blockchain for several years, through which we have developed a clear understanding of the pros and cons of blockchain and cryptocurrencies. Not being able to use stable cryptocurrencies in daily life, a very time-consuming process to onboard new customers, very high fees for transferring funds from bank and crypto accounts, costly, uncertain and slowdown in nationwide and international transactions, we thought of solving such problems permanently. The idea to create comprehensive fintech solutions arose to bring wealth to the community.

One of our goals is to expand the Sardis solution by establishing partnerships, especially with businesses with high turnover, by encouraging them to adopt the Sardis ecosystem. We aim to achieve solutions in industries with millions of daily users spanning multiple markets.

Over the years and based on the challenges we have faced; we understood the pros and cons of blockchain and cryptocurrencies. We have designed tools to permanently solve this problem of below-par payment methodologies. Our idea includes building a comprehensive fintech solution based on the Sardis blockchain platform.

## **2. Motivation**

To date, the dominant online payment method has been payment cards such as credit, debit, and prepaid cards. Credit cards were created even before the advent of computers and the internet. They were used for offline transactions, where customers confirmed the transaction simply by signing a receipt. Payment cards were not developed to cope with the modern and fast global economy. Their popularity was due to the lack of alternative electronic payment systems and hence suffering from infrastructure inefficiencies.

The ecosystem structure of the payment card is very complex and outdated. The market is oligopolistic with players controlling the network and dictating rules and costs. As this centralized system uses its power to increase the gap between value added and value achieved, it leads to inefficiencies like other systems with intermediaries in the payment ecosystem. Merchants who depend on card acceptance are expected to comply with various rules set by the owner of these networks. However, they are subject to a complex fee structure issue and are exposed to the risk of fraudulent activities and chargebacks.

The introduction of Bitcoin as an electronic cash system was the first step towards an online crypto payment solution. It was designed to increase security, but at the expense of speed and cost. This is the reason why Bitcoin cannot offer flexible crypto payment solutions for most of the current online invoicing methodologies. None of the cryptocurrencies released over the years have provided a comprehensive crypto payment solution that allows crypto holders to use their cryptocurrencies as a means of payment.

There is a need for a social payment solution for both smartphones, tablets, and desktop computers that moves any currency unlimitedly, securely, simply, and quickly, and must be accessible to everyone. There is a need for a complete crypto payment solution built to serve merchants rather than exploit them – a system built from scratch, thus making it flexible, scalable, and accessible as payment cards without any flaws.

## **3. Vision**

Our vision is to integrate robust blockchain technology with a social payment application and stablecoin exchange to enable a successful blockchain finance

system implementation, and to use stablecoins as means of payment and medium of exchange to make financial systems simple, secure, and faster for Sardis users.

#### **4. Mission**

Our mission is to solve the fundamental problems of today's financial systems using fintech payment solutions based on stable cryptocurrencies as well as blockchain technology. The blockchain protocol and global crypto payment system we develop will be open to all people, banks, and financial institutions around the world. We aim for smooth, easy, and secure use of stable cryptocurrencies through Sardis social payment app and Sardis stablecoin exchange.

#### **5. The Problem**

##### **5.1. High Fixed-cost Mainframe Data Centers, Branch Networks, and Paper Based System**

Traditional financial services require high fixed-cost mainframe data centers and branch networks, so costs are higher and more variable. Sardis optimizes a single link of the financial services value chain to provide a bank-beating solution that can connect to the rest of the Sardis ecosystem. This means delivering services directly to users' mobile devices instead of using bank branches, giving up private communication lines by using encrypted Internet transmissions, or avoiding the cost of data centers by using blockchain. Sardis has fintech offering point solutions in product areas such as social payments, remittances, savings, investments, personal financial management, trade and invoice finance, small and medium enterprises (SMEs) and lending.

##### **5.2. Poor Architecture in Traditional Financial Systems**

This leads to performance and loading transactions issues that delay the entire process. Sardis is a comprehensive fintech solution based on the Sardis hybrid proof of stake blockchain consensus platform. Sardis will empower blockchain association to break out of an unbending heritage approach with adaptable, freely deployable microservices applications that enable our payment solution and exchange to create a cutting-edge, incorporated innovation ecosystem.

##### **5.3. High Fees and Time-consuming Transactions for Money Transfers**

Accepting payment cards has a cost, and businesses are subject to a complex and high fee structure. Likewise, international money transfers are slow and expensive. Sardis payment solutions through stablecoins with the underlying technology will be the guarantee of high speed, low fees and complete security of all transactions being processed.

##### **5.4. Lack of Social Payment System Built on Blockchain Which Can Benefit Unbanked**

1.7 billion people in the world do not have a bank account. They need access to electronic fund transfer, debit card and the ability to quickly access cash. With the



innovation technology underlying the Sardis Social Payment System, the unbanked population can benefit from the digital experience cost-effectively. A Sardis user can easily transfer digital stablecoins to anyone, even if they don't have the Sardis app, using only the recipient's mobile phone number, without long wallet addresses.

### **5.5. Lack of Stablecoin Exchange**

There is no decentralized or over-the-counter market for stablecoins trading. Sardis Stablecoin Exchange is a stablecoin focused exchange. For web or mobile trading, Sardis user will have maximum performance for every currency s/he trades with super trade execution.

### **5.6. Volatility of Crypto Assets**

Our Sardis protocol designs stable cryptocurrencies backed 100% FIAT currencies for use in transactions to eliminate volatility. Also, the crypto market has nearly 200 million people accessing it so far. Sardis Payment System Sardis Stablecoin Exchange will open the cryptocurrency market to hundreds of millions of people with its user-friendly infrastructure.

## **6. Sardis Solution**

Sardis technology has been designed from scratch to solve most existing financial problems. Sardis Ecosystem is integration and interaction of a robust Blockchain, Stablecoins, Social Payment App, and Stablecoin Exchange. Sardis Ecosystem includes a decentralized social payment, which is based on proof-of-stake Sardis Blockchain technology, and various stable crypto currencies that have successfully unified professional traders, companies, and individuals that wish to use stable crypto currencies as a medium of exchange in a single platform.

### **6.1. Sardis Social Payment App**

Most crypto currencies try to cut the middleman, but this is not ideal for major consumer retail operations. Consumer-focused companies have sweetheart deals with banks, so they can save huge management costs in dealing with large-scale consumer spending.

Most businesses and utilities already know the excellence of using blockchain and crypto currencies, but they also understand the value of shifting liability away from their operation to their bank. Not only does it save cost, but it also allows them to integrate deposits with a range of other financial services. Sardis Social Payment will take their business model into the crypto age, and remain as a tool, even in a peer-to-peer trading network.

Sardis Social Payment App is the ultra-light platform for services that Sardis offers. The app holds the user private key giving the user the opportunity to execute actions on the blockchain. Mobile phone numbers are mapped to public keys for easy peer to peer payments. The system is in communication between back-end systems, third-party services, and front-end widgets. Sardis Platform has the capability to integrate any type of third-party systems. Sardis social payment is interactive, modular app

which uses strong biometric blockchain authentication. You can easily monitor balances of your stablecoin accounts. You will be able to import your financial products from other banks. Users can jump into stablecoin exchange, money transfer, funds, business solutions or products. All transaction fees will be paid from the same stablecoin account by the same stablecoin sent. Our total user control app lets you add or remove widgets with drag and drop functionality and create customized dashboard that will be remembered for every device. You can search transaction details with multi-level categorization. You can transfer your currencies to any of your account or exchange or hardware wallet instantly. Domestic or international money transfers to person, account or member payments are supported. The app provides you cash flow, budget, and goals. NFC technology is embedded to the app.

Sardis Social Payment is a crypto focused digital blockchain solution supported by omni-channel, modular, smart, and open systems. Sardis users will perform a seamless handover between devices to accomplish a task and send, share, or spend stablecoins easily in seconds like sending a text to another mobile phone. Sardis focus on Blockchain, digitization, fintech widgets and simplified process as being key success factors and introduce superior experiences by becoming an active part of user's digital life.

Sardis payment app will be able to hold stablecoins. Sardis Stablecoin Exchange will allow users to convert between coins seamlessly straight from their account.

Sardis Social Payment will offer strong authentication, not only to protect our own services but also to protect the retailers' services. Sardis will use biometric blockchain authentication method for KYC (Know Your Customer).

To access and participate in certain features of Social Payment App, users will need to create a password-protected account. Users may register for an account using certain third-party accounts which we only accept Facebook, Apple and Google. Such a registration is limited only for individual users and is not accepted to use the app on behalf of a business.

You can link or unlink certain payment methods such as a credit card, debit card, a bank account (at first only U.S. bank accounts) or Sardis Social Payment App's balance. Our Social Payment App allows users to make payments via bank account, debit card or credit card linked to payment app as well as making payments from App's own balance using Sardis Stablecoins.

By a feature in Sardis Social Payment App users can snap of both sides of a signed check and follow next steps to receive money in their account. Users can access cash within a way of enjoying the simplicity and convenience, by this way.

Users can get paychecks or government payments automatically sent to their Sardis Social Payment App accounts up to few days earlier. To use this feature, users need to identify their employer or government agency by adding e-signature. All process will be completed in the App with just filling a form.

Both individual and business users have typically public or private posts and profiles. Our App allows users to broadcast transactions to a private social activity stream and a fully public transaction feed. All payments on Sardis Social Payment App appear in a public feed until the relevant user opts out the public feed to make payment notifications private. The public feed does not include the amount of money requested or paid, but instead includes usernames and a memo field (i.e., a recognizable post/status update field) that usually includes a description of the transaction or charge.

From the menu on the App users buy and sell cryptocurrencies in a few taps. Users can also toggle on price alerts for any type to get push notifications when the value changes in a day. Any user can share crypto purchases on App's feed with custom stickers and celebrate with our growing crypto community. Paying for goods or services with cryptocurrencies will not be available.

User has an option to keep their private key only by himself or in our very secure data centers. If a user's private key is stolen, the account may be frozen. If a user has lost or forgotten the private key of social payment, the user can request the new private key under very strict KYC rules by applying to Sardis. Upon an account holder's death, the account can be transferred to the heir.

Sardis Social Payment will be fully compliant with the PSD2 regulation. Sardis will use newest version of 3DS2 to meet PSD2 obligations. Sardis Social payment can integrate third-party API's if we can rely on their fintech capabilities.

Also, Sardis payment app dashboard will enable users to pull information from other banks and provide a consolidated view of multi bank details on a single location by the help of Account Information Service Provider (AISP) if local government regulations let.

Sardis Social Payment App using state-of-art technologies moves the crypto payment capabilities to the next level. Sardis delivers personalized crypto experience includes aggregated account data, converting FIAT to crypto instantly, one click accesses to Sardis Stablecoin Exchange, money transfer to a mobile number, using any cash machine to withdraw or deposit cash, multi-currency account and forex, nationwide or international money transfers, easy bill pay, remote check deposit, transactions, goals, budget, funds, loans, business solutions and more.

Although crypto currencies have many advantages, when it comes to use it in daily life, businesses don't want to price their product via different currencies. Businesses in the USA have USD price for their products or services, and so on. Volatility and lack of crypto payment systems are other problems. Sardis Integrated Platform offers a frictionless solution for this problem once and for all. For each country where Sardis operates a payment solution, Sardis will produce and use stable crypto currency to replace that country's FIAT currency and will back up stable crypto coin with 100% FIAT currency in an audited escrow account. Our system converts FIAT currency to stable currency as soon as FIAT currency deposited to the account. Our users benefit to use their balance as FIAT or crypto currency whichever and whenever they need. Our system automatically converts between FIAT and crypto stable currencies in the back instantly. When they need to withdraw FIAT currency, Sardis system



converts stable crypto coin to FIAT currency instantly and free. Our user can use cash machines to withdraw or deposit FIAT currencies. This stablecoin replacement system will solve regulation and adoption problems between Sardis crypto payment wallet businesses, and governments. Sardis technology provides speed, flexibility, mobility, and accessibility by this stable crypto coin system. Therefore, using crypto currencies is not different than using fiat currency in your account for Sardis users.

Today's customers expect seamless customer journeys – any time, any place, and any device – that are easy to use, without any friction. Sardis Debit Cards will be offered to customers as a way of Visa, Mastercard, are being offered. Sardis will participate in a widely accepted ATM network in order to offer users a surcharge-free access cash when they need to withdraw money with Sardis Debit Card.

### **6.1.1. User Case**

Alice deposits 100 USD FIAT currencies to her Sardis account. She will see her deposit as 100 USD stable crypto coin in her account immediately and with no FIAT to crypto fee. Sardis Bank will back up the same amount of USD FIAT currency. Our protocol will convert between USD stablecoins and USD FIAT currency whenever needed at the back seamlessly.

1. She can use our Sardis Stablecoin Exchange with one click as soon as she deposits FIAT currency. She can enjoy the benefits of exchange seamlessly with her all-in-one payment app.
2. She can pay her bills.
3. She can transfer her currency internationally or nationwide in seconds to any mobile number without the need of long crypto address.
4. When Alice goes to Starbucks and buys a coffee, she can pay with a Sardis Debit Card or NFC device.

By using Sardis Social Payment App, you get

- Simplicity: The ability to remove steps or make a current process easier to perform
- Integration: The ability to access every financial service with one click.
- Engagement: The ability to encourage greater user involvement that will increase loyalty.
- Contextuality: The ability to leverage user insight to improve the functionality of the app.

### **6.2. Remittance in Sardis Social Payment App**

International banking has cost, speed, and error rate problems. For a single cross border payment, many correspondent banks take a piece of the action in the form of fees or foreign currency exchange charges. The initiating bank does not know in advance what the total cost of the payment will be. International payment fees usually look like this: International wire transfers between banks are \$10 to \$50, foreign exchange fees are 0.25% to 3%, landing fees are around \$20, and error rate fees are 3% to 5%.

All traditional financial payment systems require handshakes, contracts, corporations, laws, audits, governments, and faith. SWIFT transactions are very expensive and usually take several business days due to the number of intermediaries involved. The SWIFT system is not automated; more parties are involved, and it is not transparent. The other payment method is Ripple, peacetime, low stakes financial software. But Ripple is not guaranteed to have the same nominal value across the border. In financial services, people want the benefits of cryptocurrencies but at the end of the day they want to receive dollars, and other FIAT currencies. They are not particularly interested in receiving Ripple or other cryptocurrencies.

Sardis Blockchain will be built on the consensus-based distributed open-source Internet protocol and will support stable cryptocurrencies and other value units. The Sardis Protocol will use many features of Bitcoin, or Ethereum such as decentralized design, cryptographic hash functions, private and public key encryption, and P2P networking. It allows Sardis users to make cross-currency transactions, so Sardis users and businesses can pay each other in seconds at almost zero cost in any stable cryptocurrency. Sardis Blockchain is designed to facilitate ultra-fast, secure, and inexpensive global transfers and enables real-time gross settlement. Sardis transfers the information to each part in real time to verify the payment details before the transaction starts and confirms the delivery after the payment is made. All accounts and transactions are cryptographically signed, algorithmically verified. Users do not have to pay high fees for this point-to-point and transparent, simple transfers. Payments are irreversible, cannot be frozen and there are no chargebacks once payments are confirmed by the account holder.

### **6.2.1. User Case**

Emma in the US wants to send \$1,000 to Rima's USD account in India. She can send \$1000 using Rima's phone number or email address. Upon proper verification and confirmation of the transaction, USD stablecoin will be instantly credited to Rima's account with a fee of up to 0.1%. If Rima requests the amount in Rupees, the Sardis Platform will convert USD to Rupees.

### **6.3. Sardis Stablecoin Exchange - Orontes Forex**

The dedicated Sardis stable-coin blockchains will be created for each major FIAT currency. This means that the USD Sardis stablecoin will have its own blockchain, as well the EUR, GBP, RUB, AED, TRY, JPY, and so on. When a specific stablecoin is minted, Sardis will open an escrow account with a cooperating bank in the country of origin where the FIAT currency is located to maintain a 1:1 ratio with the stablecoin and the FIAT which it is pegged. Sardis Stablecoin Exchange provides real-time P2P FX service based on blockchain. This will provide unlimited horizontal scaling, supporting potentially millions of transactions each second. Each wallet account on these stablecoin blockchains will have its own private ledger-blockchain. Thus a transaction between two parties will minus the sending account, while writing the corresponding plus to the receiving account almost instantaneously.

Crypto firms holding large volume of assets face high risk in case of failure. Hackers and scammers are constantly trying to break into exchanges, which they see as the weakest link in the cryptocurrency infrastructure.

Faced with this challenge, many exchanges have shown themselves to be insecure, unreliable, incompatible, and not transparent. Since 2011, over 1 million BTC has been taken from rights holders by hackers and scammers. Users of non-compliant exchanges have their accounts frozen or hacked. Traders faced unexpected platform shutdowns and unresponsive, incomprehensible management.

Regulators and institutional investors have drawn attention to these shortcomings that are currently hindering the growth of cryptocurrencies and crypto networks.

Sardis is determined to fix these issues:

- Security Breaches
- Non-compliance
- Opacity
- Outages

Sardis Stablecoin Exchange, Orontes has many advantageous:

- Sardis launches the first blockchain based Forex, Orontes
- Sardis will be regulated and licensed as a money transmitter by the New York State Department of Financial Services.
- Insurance will be huge comfort for Sardis users.
- Easy to use, friendly user interface, strong privacy, high speed, high limits, low fees, easy and fast bank transfer, high liquidity.
- The integration of the Sardis social payment application allows users to easily trade and quickly cash in or out.



## 7. Competitors

### 7.1. Comparison with Banks

Table 7.1: Comparison of Banks to Sardis

	Traditional Banks	Sardis Social Payment App
Client quantity	Limited	No limits
Technology	Paper Based, Human controlled, slow systems	Digital payment powered by blockchain, fintech and micro services solutions
Development	Expensive and slow	Fast and relatively inexpensive
Debit & Credit Card Verification Speed	5-15 seconds	1-4 seconds
Transaction Fees Between FIAT and Stablecoins	3-10% Wire transfer and Exchange fee	No Fee
Transaction Time Between FIAT and Crypto Currencies	3-10 Calendar Days	Instant
Transfers	High fee	Low fee
International Transfer price	Commission up to 9%	Commission up to 0.1%
International Transfer speed	Some days	Few seconds
Large sum withdrawal	Some days	Some minutes
Control	Centralized	Decentralized
Currency exchange	Commission up to 8%	Commission up to 0.1%
Security	Centralization of checking system	Decentralized blockchain account
Work Hours	Depends on labor legislation	7/24
Offices	Necessary for business development	Only one headquarter for each country

### 7.2. Comparison with Other Apps

By acting as an intermediary, PayPal ushered in a new era in payment systems. Thanks to the different features developed over time, it has become widespread around the world and has reached millions of users. Then Venmo, Cashapp and many similar applications came out. It must be admitted that the number of users of these applications has increased considerably. However, none of such applications work on the blockchain.

The difference of Sardis is not only using blockchain technology, but also combining stable cryptocurrencies and an exchange platform in its ecosystem. Among the available alternatives, we acknowledge that blockchain-based payment applications have emerged recently, and some are even functional now.

Stablecoins are mostly pegged to USD. We aim to create stablecoins not only in USD but also in many currencies around the world. Sardis's unique horizontal blockchain technology will enable the active use of stable cryptocurrencies both in the financial life of businesses and in people's daily spending just as we use FIAT currencies. In fact, the blockchain revolution has been aiming for this since its birth and Sardis is making it happen.

Moreover, although the existing alternatives offer similar applications on mobile platforms, there is no ecosystem that includes exchanges of stable cryptocurrencies tied to different national currencies. Sardis does not aim to replace or restore existing financial instruments, but rather to augment them.

Table 7.2: Comparison of Sardis Social Payment App with PayPal and Venmo

	Sardis Social Payment App	PayPal	Venmo
Fee for International Money Transfer	Up to 0,1% fee	High fee	Not Available
Money Receiving for Sellers/Businesses	Low fee	Higher than Sardis	Higher than Sardis
Instant Transfer	Free	Available for an extra fee	Available for an extra fee – only domestic
Exchange Rate for Currencies in International Transfers	Low fee	Higher than Sardis	Not Available
On Blockchain	Proof of Stake	-	-
Sign up with Facebook, Google or Apple Account	Available	-	Only Facebook

## 8. Sardis Payment Platform

Multiple methods (patching, advanced authentication, etc.) have been used to "patch" the insecure nature of credit card payments, but the size of the solutions is quite low compared to the security offered using Blockchain technologies.

The Sardis Ecosystem is the digital disruption for financial services. Sardis blockchain network has the power to revolutionize payment solutions with its most efficient features such as decentralization, transparency, scalability, security, stability with stablecoins, and low-cost, high-speed horizontal scaling.

One thing is for sure: Users can only adopt a payment method if it is made available to them. Merchants will only offer a new payment method if it costs less than existing methods or provides a higher speed and transaction completion rate.

Here are some Sardis Payment system benefits:

- Much more cost-effective than other forms of debit cards.
- Fastest checkout.

- Less vulnerable to theft.
- Fastest and guaranteed payment for transactions
- Secure, immutable, and verifiable record keeping
- Money transfer to phone number or email address

Visual 8.1: Sample Models of Sardis Social Payment App and Debit Card



## 9. Sardis Technology

A modern, digital payment architecture is crucial in achieving swift time to market with digital touch points. However, without clear, defined integration with back-end services, your data cannot be sourced, and the architecture is undermined.

Sardis technology has been designed from the ground up to solve all existing problems. Our world-class team of agile software and blockchain developers, business analysts, and UX designers develop Sardis Blockchain and fintech software. We develop and implement completely cutting-edge software and best practices in the best possible way.

Sardis is a carefully crafted ecosystem, including a horizontally scaled, Layer-1 blockchain platform, a payment app with the stablecoins to facilitate seamless domestic, and international fund transfers, and a currency exchange platform(Forex). Sardis Ecosystem is powered by a multi-chain blockchain technology based on the ultra-efficient hybrid Proof-of-Stake(hPoS) architecture. Sardis allows you to make daily payments, money transfers or online purchases etc. on the Social Payment App. Stablecoins on Sardis blockchain is pegged to major currencies and backed one to one by corresponding fiat currencies. On our forex trading platform-Orontes, stablecoins are traded in pairs.

Sardis blockchain technology aims to positively change the payment industry; payment problems will be solved with the Sardis protocol, which will enable the scalability and flexibility of payment cards through a decentralized platform. The Sardis Protocol is designed to address transaction fees, scalability, and security. Sardis processes payments with rich data attachments and eliminates risks with bidirectional messaging and real-time settlement. This protocol will streamline the transaction process between a merchant and other parties, thus eliminating many of the costs of intermediaries along the way and providing huge cost savings for merchants and users. The protocol will reduce risk and increase overall efficiency.



Sardis uses an open-source distributed consensus ledger. Sardis supports stable cryptocurrencies and other value units, aiming to be single solution for financial institutions. Sardis will empower blockchain association to break out of an unbending heritage approach with adaptable, freely deployable micro services applications that enable our payment app and exchange to make a cutting-edge, incorporated innovation ecosystem. Our Sardis protocol designs stable cryptocurrencies based on 100% FIAT currencies in an escrow account for use in transactions to eliminate volatility.

The Sardis blockchain will be much faster and cheaper than other solutions because the Sardis protocol does not need to spend huge amounts of energy, time, and money to reach consensus. Sardis allows each currency to pay transfer fees with the same coin. This allows users and businesses to estimate the cost of each transaction. Sardis Blockchain is designed to facilitate ultra-fast, secure, and inexpensive global transfers and enables real-time gross settlement. Sardis will initially be able to process more than 100,000 transactions per second. The secret behind Sardis is not only the advantages of Sardis blockchain technology, but also connecting stable cryptocurrencies and financial institutions in real life.

Sardis social payment technology is a stablecoin-focused fintech solution powered by omni-channel, modular, smart payment. Sardis uses biometric blockchain authentication method for KYC (Know Your Customer) and AML (Anti-Money Laundering). Sardis will be fully compliant with the PSD2 regulation. Sardis can integrate third-party APIs if we rely on their fintech capabilities.

The Sardis platform will allow other retailers to act as Payment Initiation Service Providers (PISPs) to simplify transaction and payment flow. Sardis's own infrastructure will execute the payment.

## **10. Sardis Blockchain**

Blockchain based Sardis financial ecosystem consist of an interconnected series of stablecoins pegged to major FIAT currencies each supported by its own dedicated blockchain, plus a traditional main blockchain. Additionally, the system introduces new cryptocurrency instruments that enables unprecedented payment and transfer speeds together with empowering end-user tools to facilitate immediate transfers, crypto-to-FIAT conversions.

Sardis HPoS is a hybrid between Proof of Authority(PoA) and Delegated Proof of Stake(DPoS). With Sardis' hybrid proof of stake consensus, a limited number of base hash power miners generate the blocks for transactions to be written on. Active validators then validate the transactions on the mined blocks and write them onto the blockchain. The selected POS validators also do checkpoints, which is a mechanism that improves the security of a blockchain by making the blocks behind the checkpoints irreversible regardless of any reorgs, permanently preventing blocks older than a specific set value from being reorganized, thus rendering the blockchain much more difficult to tamper with and considerably more secure.

Sardis adopts open source HPoS consensus mechanism with low transaction cost, low transaction latency, high transaction concurrency, and supports up to active 21

validators for each chain. Out of certain amount of candidate nodes, 21 are elected(active) validators. These validators are selected on a few criteria. When any active validators encounter instability problems, they can be quickly replaced by candidates in the next epoch.

Sardis Mainnet is designed to support NFTs, dApps and smart contracts. Purpose-built design developed by Sardis Labs delivers seamless digital user experience across the touchpoints of our user journey and aims for developers and companies to partner with Sardis to sell their digital assets and build blockchain-based projects. Sardis encourages cooperation, collaboration and engagement with its users and developers worldwide for the purpose of continuous innovation and improvement.

### **10.1. Sardis hPOS Consensus**

Sardis HPoS is a hybrid between Proof of Authority(PoA) and Delegated Proof of Stake(DPoS). With Sardis' hybrid proof of stake consensus, a limited number of base hash power miners generate the blocks for transactions to be written on. Active validators then validate the transactions on the mined blocks and write them onto the blockchain. The selected POS validators also do checkpoints, which is a mechanism that improves the security of a blockchain by making the blocks behind the checkpoints irreversible regardless of any reorgs, permanently preventing blocks older than a specific set value from being reorganized, thus rendering the blockchain much more difficult to tamper with and considerably more secure.

One of the advantages of Sardis hPOS is that it mostly eliminates the chance for miners to achieve a hash-power monopoly, rendering the infamous 51% attack near impossible. This is because POS validators validate the newly mined blocks and vote on any changes to the network's consensus roles, and the consensus they provide is derived from their staking and not their hash powers. Another advantage of Sardis hPOS consensus is, compared to pure POS blockchains, that the Sardis' consensus is less vulnerable to long-range attacks, the counterpart to 51% attacks on pure POS consensus systems because their block production is still gated by the Sardis-owned computational power of the bootstrap nodes, which is used in pure POW systems.

Thus hPOS consensus systems regulate and negate the disadvantages of pure POW and pure POS systems, while taking advantage of the strengths of these systems, enabling an embedded balancing for better security and price stability. When POA and POS consensus systems are used in tandem with an hPOS consensus like the Sardis', the disadvantages of those systems are reversed to being advantages.

### **10.2. Sardis Contract Mainnet**

The contract mainnet is responsible for providing the computational power to 99% of the smart contracts running on the Sardis Ecosystem. The native coin of the chain, SRDX is minted 314+ million and for only internal usage. The SRDX is used in the payment of all validators in the system, including those of stablecoin chains, and the payment chain. Our unique V+ validator system is built on the SRDX chain. The SRDX coin is pegged to a one-to-one dollar. The contract mainnet also carries the smart contracts of the Sardis bridge and dApps running on the network. Our aim is to scale the computational needs of the ecosystem and distribute them to two chains, thereby avoiding lag in operations that occur in traditional setups over time.

### **10.3. Sardis Payment Mainnet**

The payment mainnet is dedicated to handling only the ledger and finalization activities of its native coin, the SRDS. Sardis Payment mainnet is a hybrid proof of stake blockchain with EVM smart contract capabilities. The payment mainnet is dedicated to handling only the ledger and finalization activities of its native coin, the SRDS. The SRDS coin can be used for smart contract developments, securely transferring data within parties in nodes, in external transfers/payments, and internally it can be swapped with the SRDX coin on the Sardis bridge. The “SRDS” cryptocurrency minted can be purchased by end users to facilitate cheaper transaction fees and earn staking awards. The smart contracts on the main blockchain govern the behavior of the smart and stabilizing wallets.

### **10.4. Sardis Dedicated Stablecoin Blockchains**

Sardis will also scale the operations of its stable coins horizontally. Each stable coin pegged to major FIAT currencies or derivatives will be ledgered on its own dedicated blockchain. These will not support smart contracts, having a lean, energy efficient structure. The transaction times for these will be measured in seconds, just as with the contract and payment mainnets. The horizontal scaling paradigm will extend to user accounts as well, with each user account supporting their own micro blockchain that finalize payments in real time. Instead of writing each transaction on the main chain ledgers, the stable coin ledger will only account for the current balance information of the user accounts as reported by their micro chains.

### **10.5. Sardis Stablecoins**

Based on newest, yet battleground tested blockchain technology intensely built for speed, the dedicated Sardis stablecoin blockchains will be created for each major FIAT currency-pegged stablecoin. This means that the USD Sardis stablecoin will have its own blockchain, as well the EUR, GBP, RUB, AED, TRY, and so on. This will provide unlimited horizontal scaling, supporting potentially millions of transactions each second. Each wallet account on these stablecoin blockchains will have its own private ledger-blockchain. Thus, a transaction between two parties will minus the sending account, while writing the corresponding plus to the receiving account almost instantaneously.

### **10.6. Sardis Stabilizing Wallets**

Each Sardis Stablecoin blockchain will be governed by a Stabilizing Wallet. These wallets will have a reserve of stablecoins, put into, or pulled out of circulation as needed, keeping the price of the respective coin one-to-one with the FIAT currency it is pegged to. The behavior of these wallets will be hard coded to the smart contracts situated on the main blockchain thus no after-intervention will be possible to their functioning.

### **10.7. FIAT Reserves Transparency**

When an end user purchases a given amount of stablecoins the FIAT currency inserted into the system will be sent immediately to an escrow account. The number



of coins purchased will be put into circulation (sent to the said user's Smart Wallet) by the Stabilizing Wallet of that blockchain. When the coins are sold for FIAT, the opposite measures will be taken. Anyone, at any time, will be able to view, in real time, the amount of stablecoins that are in circulation and their corresponding FIAT reserves through the proprietary explorer of each stablecoin blockchain.

### **10.8. Sardis Smart Wallets**

When an end user enters the system by purchasing stablecoins on any one of the Sardis stablecoin blockchains a "smart wallet" is created for that user. The wallet address will have a format of FIAT currency prefix, followed by the cryptographic wallets address. As in: USD\_0xca3ee64d4e7bd24984a5e6d43a39294d43722ec8. At the same time, similarly formatted addresses will be created for each stablecoin blockchain for the user on the same wallet. As in EUR\_0xc...c8, GBP\_0xc...c8, etc...

The user will be able to switch between wallets and transfer their cryptocurrency between coin denominations at will. Thus, the users will be able to keep their funds at any currency to their liking, switching between currencies to make FOREX profits, or stop losses at will. Same-chain transfers will be immediate, while cross-chain transfers will require that the smart wallet first transfers the amount to the target chain's currency and then transfer the funds to the other wallet address. For example, a father sends 100USD worth of stablecoins to his daughter studying in Europe, in EUR currency. Upon recognizing the send address as EUR\_, the wallet transfers 100 USD worth of coins to the users EUR account, and then sends the money to the receiving account almost immediately, with minimal expenses accrued. Upon receiving the funds the recipient will be able to use the funds immediately in stores via NFC or QR code transactions, or withdraw any amount of physical currency from ATMs irrespective of the hour of the day, or day of the week.

### **10.9. Creating Non-Fungible Tokens (NFT) and NFT Marketplace**

Choosing a blockchain for an NFT project is a sort of experience. NFT enthusiasts, developers or users who want to start their own journey should consider technical features of the blockchain on which their projects will run. In this context, the Sardis team acknowledges that choosing one among the many different blockchains supporting existing NFTs is not an easy choice. Sardis team is aware of different blockchains with various attractive features to choose from. Specific criteria to consider are transaction cost, smart contract compatibility, transaction speed, and consensus mechanism.

For NFTs, the transaction speed of the blockchain plays a major role in the overall success. More importantly, unlike popular NFTs being overpriced on NFT marketplaces, most current NFTs are relatively low-priced and affordable by ordinary users. In this sense, there is no need to pay a high transaction fee to get an NFT that is not too costly, meaning that low transaction fees are the key instrument for broad adoption of NFTs. Having a low fee structure makes a blockchain preferable and this blockchain attracts more users and developers to NFT platforms. Also, regardless of what type of NFT they provide, all NFT platforms rely on smart contracts that set the terms and conditions of trade between buyer and seller. In other words, the smart contract functionality provides entire security of an NFT platform; this is the main

reason to make sure that the blockchain of choice should have a trustworthy, bug-free smart contract compatibility.

The unique Sardis blockchain architecture with its scaling capability and low transaction fees make it an inviting choice for NFT users and developers. Undoubtedly, Sardis, which is eco-friendly as in the PoS concept, meets the priorities of users and developers in the NFT world with its low transaction fees and ultra-high speed. The Sardis blockchain does not sacrifice security in exchange for a higher speed that users typically experience on several blockchains. In addition to instant transaction finality, Sardis is ideal for microtransactions with incredibly cheap transaction costs. Sardis developer-friendly blockchain has the potential to make its mark in the NFT space with partnerships in music, world-leading game studios, digital arts, collections, or events. Comparatively, the Sardis blockchain is the preferred amongst others for NFTs and NFT marketplace development. With the solutions offered by Sardis, users and developers can easily create their own marketplaces and NFTs with maximum security seamlessly.

### 10.10. Building Decentralized Apps (dApps)

One of the main ideas of the Sardis platform is to provide developers with an effective tool for developing dApps. Choosing the ideally suitable blockchain platform for developers to build their own dApps is kind of a challenge. Among the blockchain platforms on the market, Sardis stands out with its EVM smart contract capabilities. In addition, tools, and ready-made models with functionalities for developers are also provided. Since it runs as a decentralized platform, anyone can develop a dApp to run on the Sardis mainnet.

All features, including but not limited to low transaction fees, high scalability, efficient bug recovery, innovative smart contract deployment and execution, easy-to-use, highly configurable, and well-designed blockchain, make Sardis a secure, unbreakable, and cost-effective decentralized platform to meet needs and requirements.

### 10.10. Executing Smart Contracts

Smart contracts are critically important since dApps and DeFi industry are being built on them. Sardis, which uses EVM to run smart contracts, stands out with its technical maturity that can be used on a simple interface. In this context, Sardis supports Solidity. Unlike some other platforms, Sardis offers a wide range of applications including but not limited to digital asset management and digital currency. As a smart contract platform, Sardis is public and permissionless in nature, meaning access is not granted after authentication. Anyone can participate the Sardis network at any time.

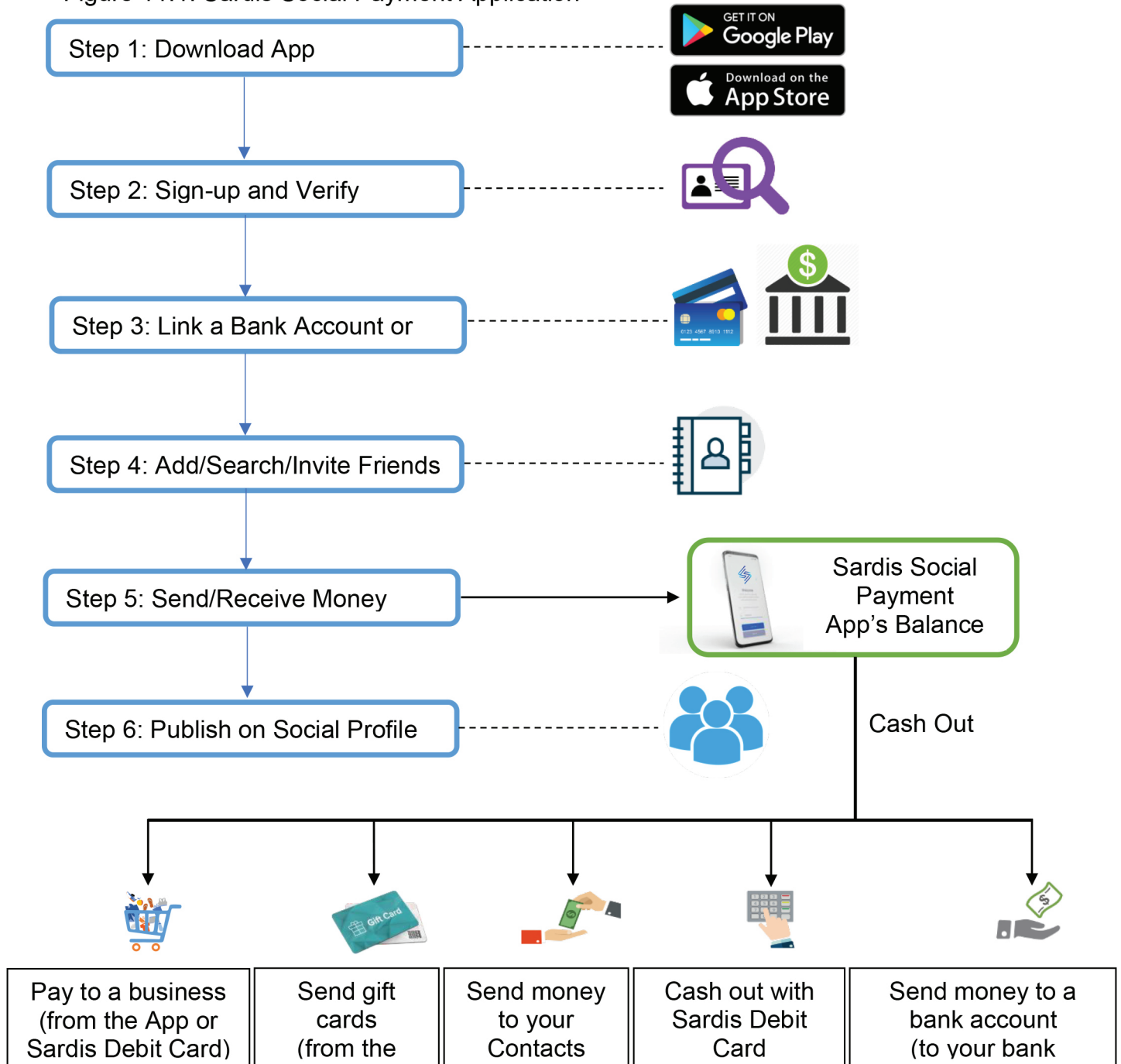
Table 10.1: Sardis as a Smart Contract Platform

Execution Environment	Turing Completeness	Applications of Smart Contracts	Supported Language	Permission	Consensus Algorithm	Data Model
EVM	Turing complete	General	Solidity + Native RUST	Public	hPoS	Account-based

## 11. Sardis Business Model

### 11.1. Mary Starts Using Sardis Social Payment App

Figure 11.1: Sardis Social Payment Application

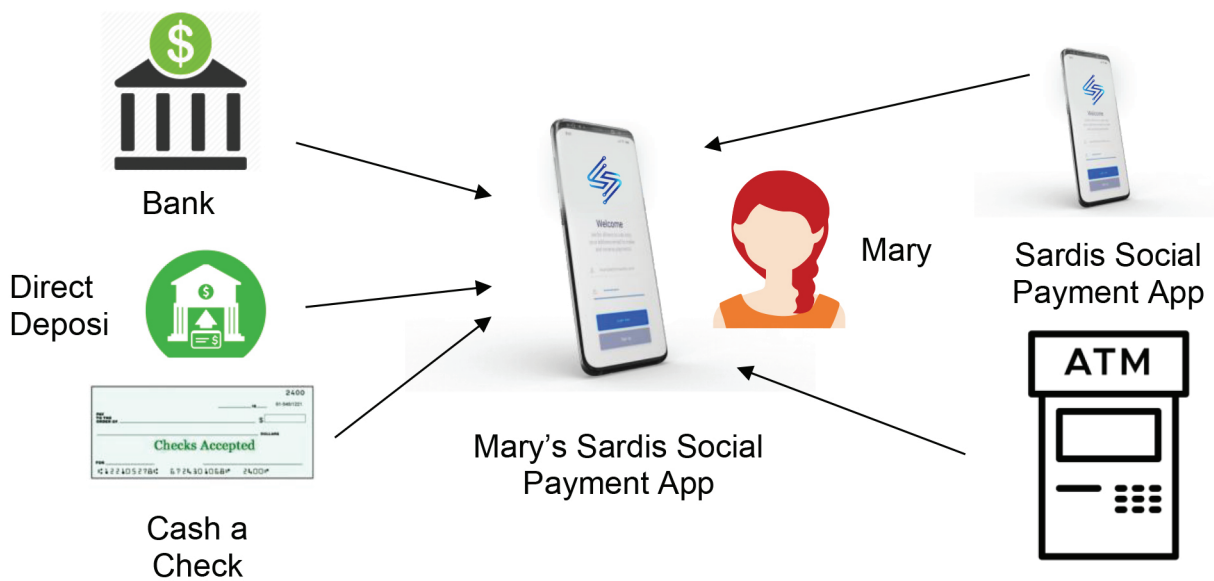




## 11.2. Mary Deposits Cash on Sardis Social Payment App

- a. Bank Account: Mary can link her bank account to Sardis Social Payment App to fund balance on the App.
- b. Direct Deposit: Mary can receive paychecks or government payments automatically sent to their Sardis Social Payment App accounts.
- c. Cash a Check: Mary can snap of both sides of a signed check and follow the next steps to cash out her account on the App.
- d. From the App: Mary can request money from any of her friends, family members or her contacts.
- e. From ATM: Mary can deposit FIAT with Sardis Debit Card from contracted ATMs.

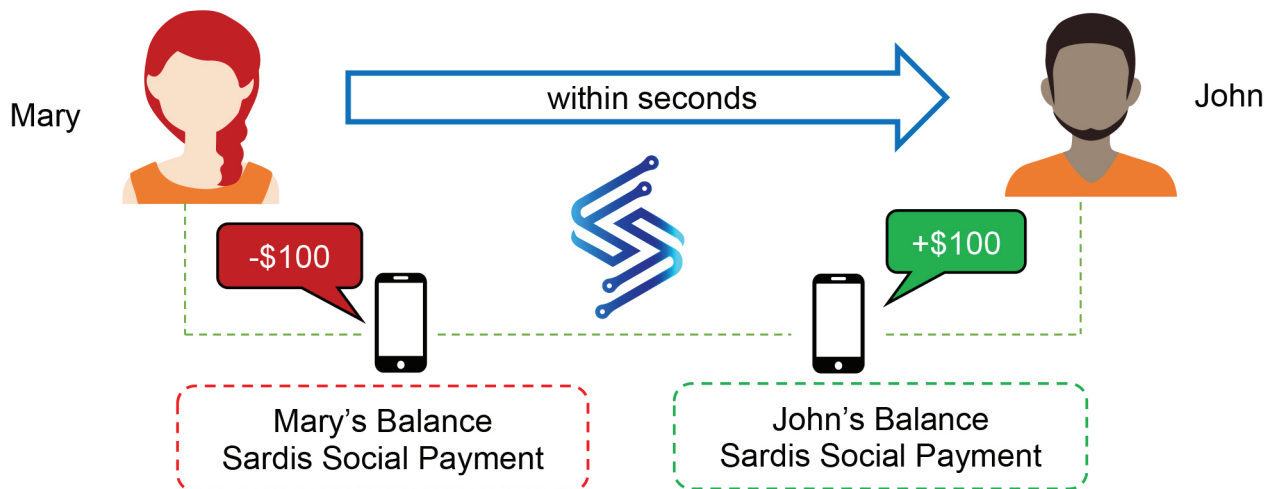
Figure 11.2: How to Deposit Cash to Sardis Social Payment App



When Mary deposits 100 USD FIAT into her account, this balance instantly appears on the Sardis Social Payments App as 100 Sardis USD stablecoin. There is no FIAT to crypto conversion fee for this transaction. The bank with which Sardis is collaborating will back up the same amount of USD FIAT currency.

### 11.3. Mary Sends \$100 to John (Same Currency Transfers)

Figure 11.3: How Same Currency Transfer Works



Step 1: Mary sends \$100 to John's USD account. She may only use John's phone number or email address as the account number.

Step 2: After proper verification and confirmation of the transaction, Sardis USD Stablecoin will be credited to John's account instantly. Thus, a transaction between two parties will deduct the sending account while the receiving account writes the corresponding plus almost instantly.

### 11.4. Forex Starts between USD and EUR

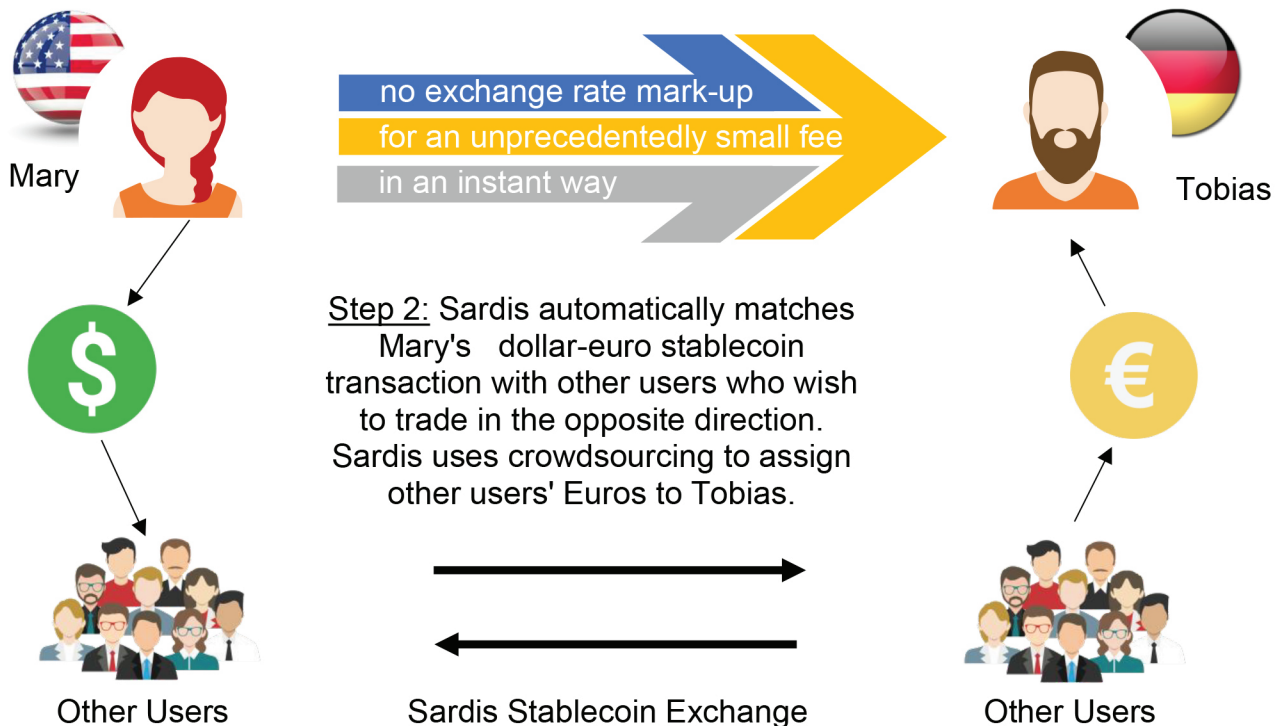
- Forex between two stablecoins only starts after sufficient FIAT reserves are held in escrow accounts for both stablecoins. Thus, cash outflow will be easily supported in both countries.
- When a stablecoin is minted, Sardis will open an escrow account with a cooperating bank in the country of origin where the FIAT currency is located to maintain a 1:1 ratio with the stablecoin and the FIAT which it is pegged.
- Sardis Stablecoin Exchange provides real-time P2P FX service based on blockchain.
- Sardis Stablecoin Exchange has Reserve Stablecoin Wallet for each currency. When there is not enough volume, Sardis Stablecoin Exchange bots will be market makers with the use of real-time interbank exchange rates.
- In a situation where an amount cannot be exchanged from one Sardis stablecoin to another because there is no real person(s) transacting with the requested order, Reserve Stablecoin Wallets will be used by the bots to complete the transaction.
- When the amount of any Reserve Stablecoin Wallet is above/below the maximum/minimum limit amount, these amounts will be redistributed accordingly to the Stabilizing Wallet and FIAT escrow accounts.
- If there is no direct exchange between the two different currencies, the USD will be the bridge currency.

## 11.5. Mary Sends \$100 to Tobias EUR Account

Figure 11.4: How International Transfer Works

Step 1: Mary clicks send button on the Sardis Social Payment App to send money to Tobias in

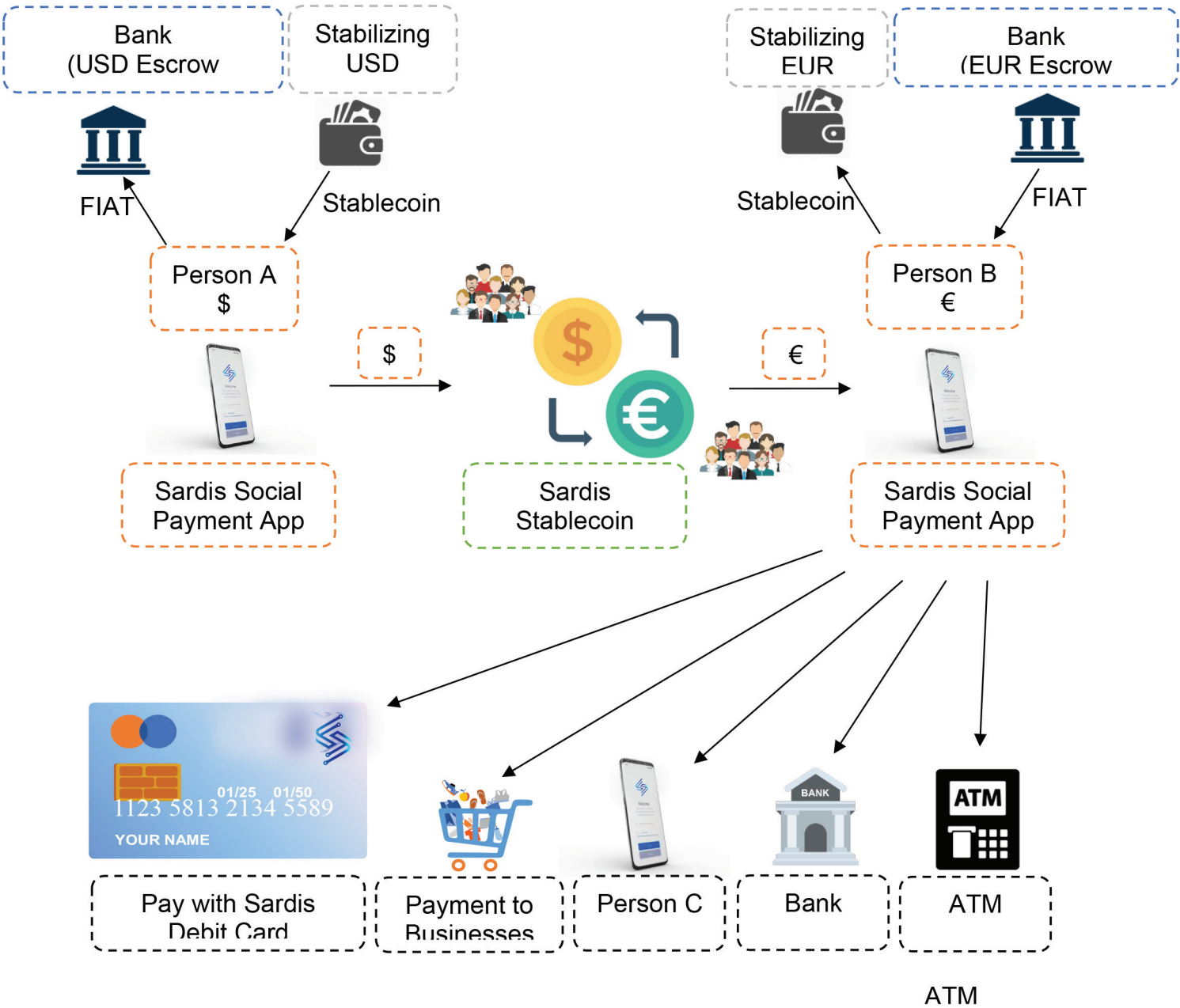
Step 3: Tobias receives EUR Stablecoins in Germany after Mary's USD Stablecoins are converted to EUR Stablecoins on the Sardis Stablecoin



No FIAT funds have moved internationally in this transaction. Sardis keeps the respective FIAT currency in an escrow account in each country. In our example, 100 Sardis USD Stablecoins were transferred directly from Mary's account to the Sardis Stablecoin Exchange, and the amount was converted from stable dollar coin to stable euro coin with one or more real persons. The equivalent FIAT EUR for these EUR stablecoins is already in an escrow account in Germany. Ownership of Sardis USD stablecoins and Sardis EUR stablecoins was exchanged between Mary and the other person(s). Finally, the App completes the transaction by sending Sardis EUR Stablecoin to Tobias' account. Tobias can withdraw money in Germany. This way the money was never moved abroad, and the bank change fees could be cut off completely.

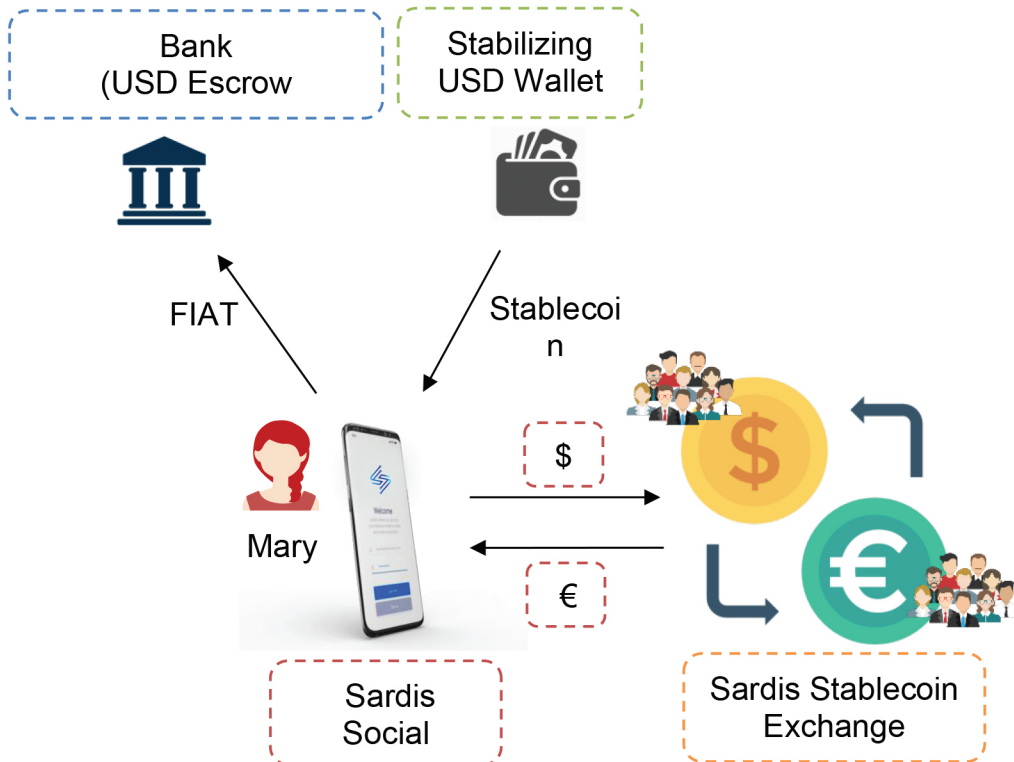


Figure 11.5: International Money Transfer Working Mechanism



### 11.6. Mary Converts \$100 to EUR on Her Sardis Social Payment App

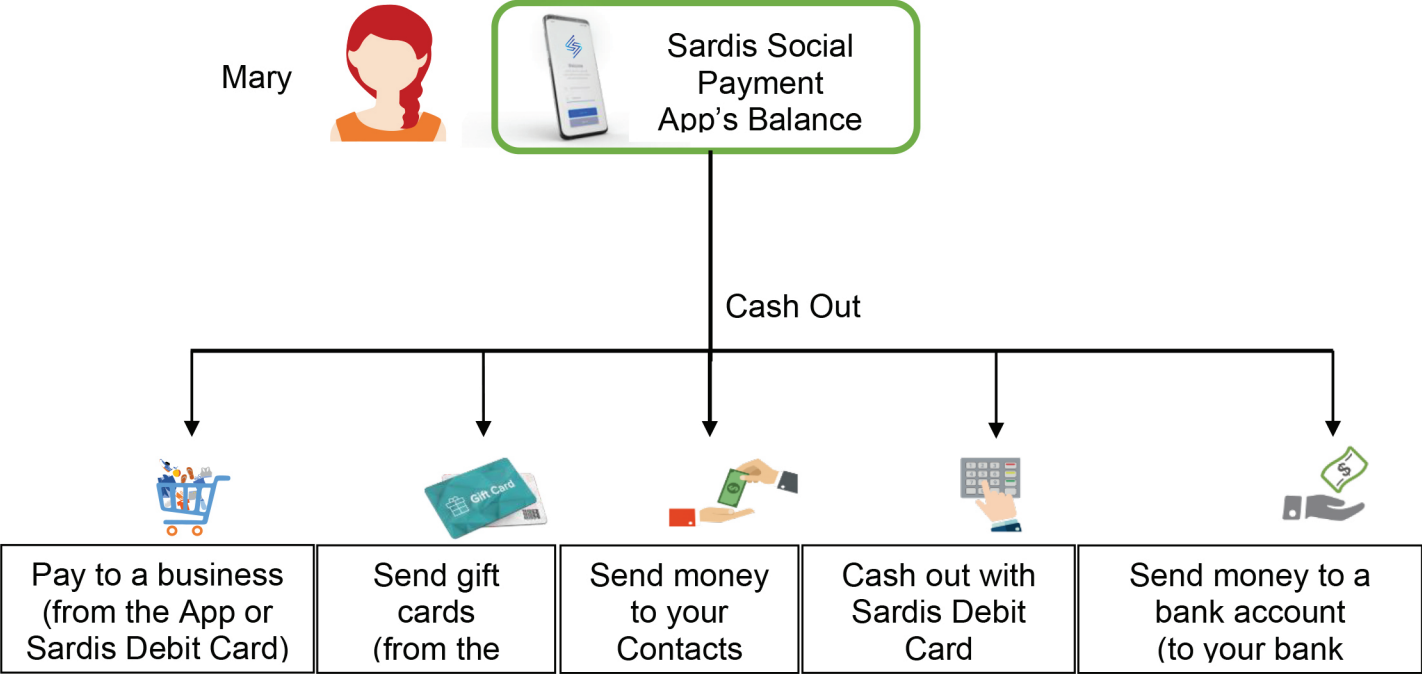
Figure 11.6: Currency Conversion in Sardis Social Payment App



- When an end user enters the system by purchasing a stablecoin, a Smart Wallet is created for that user. Simultaneously, wallet addresses for each stablecoin will be generated in the same Smart Wallet (Payment Application) for that user.
- The wallet address will have a format of FIAT currency prefix, followed by the cryptographic wallets address. As in:  
USD\_0xca3ee64d4e7bd24984a5e6d43a39294d43722ec8. At the same time, similarly formatted addresses will be created for each stablecoin blockchain for the user on the same wallet. As in EUR\_0xc...c8, GBP\_0xc...c8, etc... Also, there is no need to know these crypto addresses. You can easily transfer if you know recipient's mobile number. A transfer can be finalized in seconds to a mobile number or an email address by using Sardis mobile phone app.
- Users will be able to switch between wallets and exchange stable cryptocurrencies among themselves. Thus, users will be able to keep their money in the currency of their choice, gain Forex profits by switching between currencies or stop their losses as they wish.

11.7. Mary Cashes Out \$ from Sardis Social Payment App

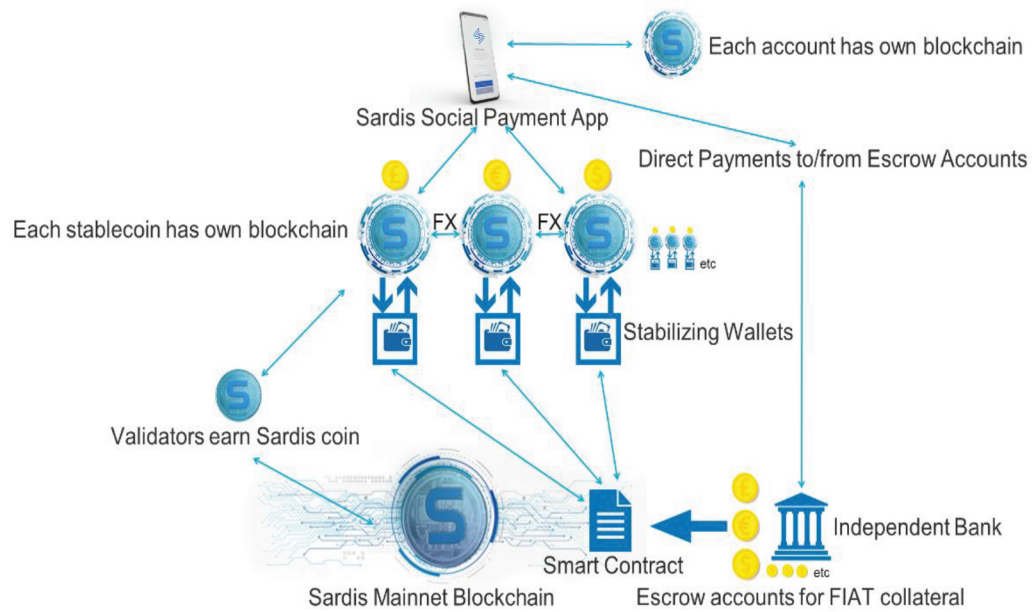
Figure 11.7: How to Cash Out from Sardis Social Payment App





## 11.8 Sardis Blockchain Ecosystem

Figure 11.8: How Sardis Blockchain Ecosystem Works



- Each stablecoin has a dedicated blockchain, and the transactions of the same stablecoins take place on these separate chains to be processed later to the main chain, which is shown in Figure 8 as the Sardis Mainnet Blockchain.
- Each stablecoin blockchain is governed by its own Stabilizing Wallet whose behaviors are encoded into smart contracts located on the Sardis Mainnet.
- Each Stabilizing Wallet has a fixed amount of stablecoin on its own blockchain for each FIAT currency in the Sardis Ecosystem. The sum of all balances of all users can never exceed the fixed supply, which gives the system an upper limit on the amount and has no ability to increase it.
- Stablecoins are put into or pulled out of circulation by Stabilizing Wallets as needed to keep the price of the stablecoin associated with the FIAT to which it is pegged, in a 1:1 ratio.
- Smart contracts on the mainnet constantly check balances in escrow accounts and instruct Stabilizing Wallets to circulate/deactivate stablecoins.
- When an end user enters the system by purchasing stablecoin, a Smart Wallet is created for that user. Simultaneously, wallet addresses for each stablecoin blockchain will be generated in the same Smart Wallet (Payment Application) for that user.
- As a medium of exchange in the ecosystem, Sardis Coins will be used to pay transaction fees and validator rewards.

## **12. Sardis Coin (SRDS)**

### **12.1. Sardis Coin**

Sardis Coin is the native token of Sardis Blockchain. The Sardis coin is implemented at the protocol level of the blockchain and is required for the chain to function properly. The Sardis coin is used for the incentive mechanism of the Sardis chain and is necessary for the hybrid proof of the stake consensus mechanism to work.

The Sardis coin is the facilitator of the overall's protocol unique functionality. It serves as the means of transfer between parties and can be converted to or from other crypto currency or FIAT.

Sardis Coin is a digital tool that provides access rights to Sardis network. Sardis Coin is used as "fuel" for the network. Sardis Coin is a utility token. Owners of Sardis Coin have access to digital services Sardis Ecosystem provides. SRDS is native token to the Sardis Ecosystem. Users and developers will not be able to access the products and services offered by Sardis Ecosystem unless they obtain the required SRDS.

Sardis Coin is a work token. Those who own Sardis Coin have the right to contribute to the Sardis Ecosystem as a validator. Validators stake SRDS into the network and then gain the right to run nodes and earn both fees and coins. Delegators may delegate their coins to validators and earn rewards.

SRDS coin holders (delegators) stake SRDS coins to validators running the nodes processing the Sardis network by validating blocks, executing smart contracts, and securing the network. They are rewarded with SRDS coins for their efforts.

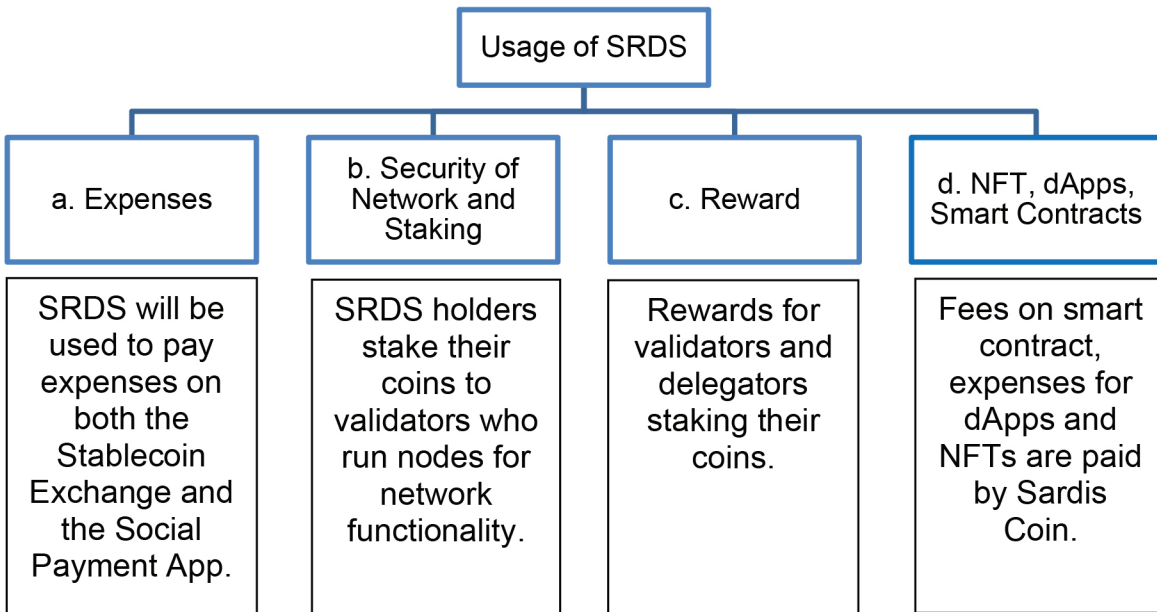
Our goal is to create an ecosystem that's both decentralized and automated, so that our involvement is minimal. In other words, we only supervise the economy – the system run on its own, which makes Sardis, truly decentralized as well.

## 12.2. Usage

Sardis Coin, as a store of value, is the native token of all ecosystems and will be used as a medium of exchange. As the community increases in terms of the number of users, there might be an increased need for SRDS within the ecosystem.

SRDS coin has different usage areas described below.

Diagram 12.1: Usage of Sardis Coin (SRDS)



- SRDS can be used to pay expenses on both the Social Payment App and the Stablecoin Exchange and is not intended to represent an investment like security tokens. It will be used as a payment tool in the Sardis Ecosystem developed by Sardis Information Technologies Inc.
- SRDS coin holders (delegators) stake a predetermined amount of SRDS coins to validators running the nodes processing the Sardis network by validating blocks, executing smart contracts, and securing the network.
- Delegators and validators are rewarded with SRDS coins in return for offering proposals for new blocks as well as attesting to blocks they have reviewed. At the end of each network epoch, the number of SRDS minted for that epoch is split evenly among all nodes that joined the network before the start of the epoch.
- Sardis allow developers to build low-cost, Solidity compatible, fast, secure, and fault-tolerant dApps that can confirm transactions instantly and outperform other blockchain platforms. The fees for each smart contract transaction, dApp development, and costs of creating, buying, or selling an NFT or developing an NFT marketplace are paid by Sardis Coin (SRDS).



### 12.3. Distribution and Circulating Supply

The Sardis protocol is based on the Sardis Blockchain Technology with 314,159,265 Sardis Coin.

Table12.2: Token Distribution (100%)

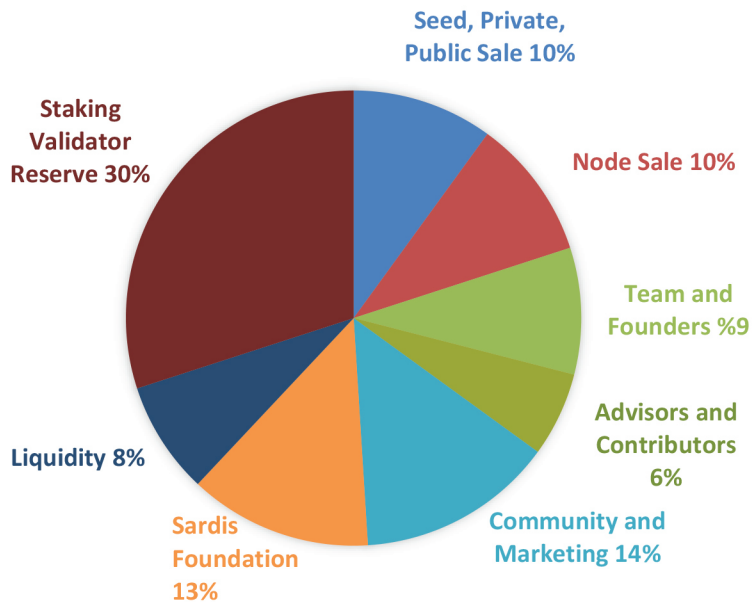


Table12.3: Fundraising

Stakeholder	%	Amount	Price/Token	\$ Per Round
Seed Sale	2%	6,283,185 \$SRDS	\$0.08	\$502,655
Private Sale 1	3%	9,424,778 \$SRDS	\$0.10	\$942,478
Private Sale-2	2%	6,283,185 \$SRDS	\$0.11	\$691,150
Node Sale L	3%	9,424,778 \$SRDS	\$0.11	\$1,036,726
Node Sale M	3%	9,424,778 \$SRDS	\$0.12	\$1,130,973
Node Sale S	4%	12,566,371 \$SRDS	\$0.13	\$1,633,628
Public Sale-1	2%	6,283,185 \$SRDS	\$0.13	\$816,814
Public Sale-2	1%	3,141,593 \$SRDS	\$0.159	\$499,513
Team and Founders	9%	28,274,334 \$SRDS		
Advisors and Contributors	6%	18,849,556 \$SRDS		
Community and Marketing	14%	43,982,297 \$SRDS		
Sardis Foundation	13%	40,840,704 \$SRDS		
Liquidity	8%	25,132,741 \$SRDS		
Staking and Validator Reserve	30%	94,247,780 \$SRDS		

Table12.4: Vesting

Stakeholder	TGE %	TGE (\$SRDS)	Cliff	Distribution Schedule After Cliff
Seed Sale	5%	314,159	12 months	12 months linear monthly release
Private Sale 1	10%	942,477	6 months	9 months linear monthly release
Private Sale-2	15%	942,477	6 months	8 months linear monthly release
Node Sale L	0%	0	12 months	12 months linear monthly release
Node Sale M	0%	0	12 months	12 months linear monthly release
Node Sale S	0%	0	12 months	12 months linear monthly release
Public Sale-1	25%	1,570,796	3 months	5 months linear monthly release
Public Sale-2	50%	1,570,796	no cliff	2 months linear monthly release
Team and Founders	0%	0	12 months	48 months linear monthly release
Advisors and Contributors	0%	0	12 months	48 months linear monthly release
Community and Marketing	2%	879,646	no cliff	49 months linear monthly release
Sardis Foundation	2%	816,814	no cliff	49 months linear monthly release
Liquidity	2%	502,655	no cliff	49 months linear monthly release
Staking and Validator Reserve				

Table 12.5: Circulating Supply

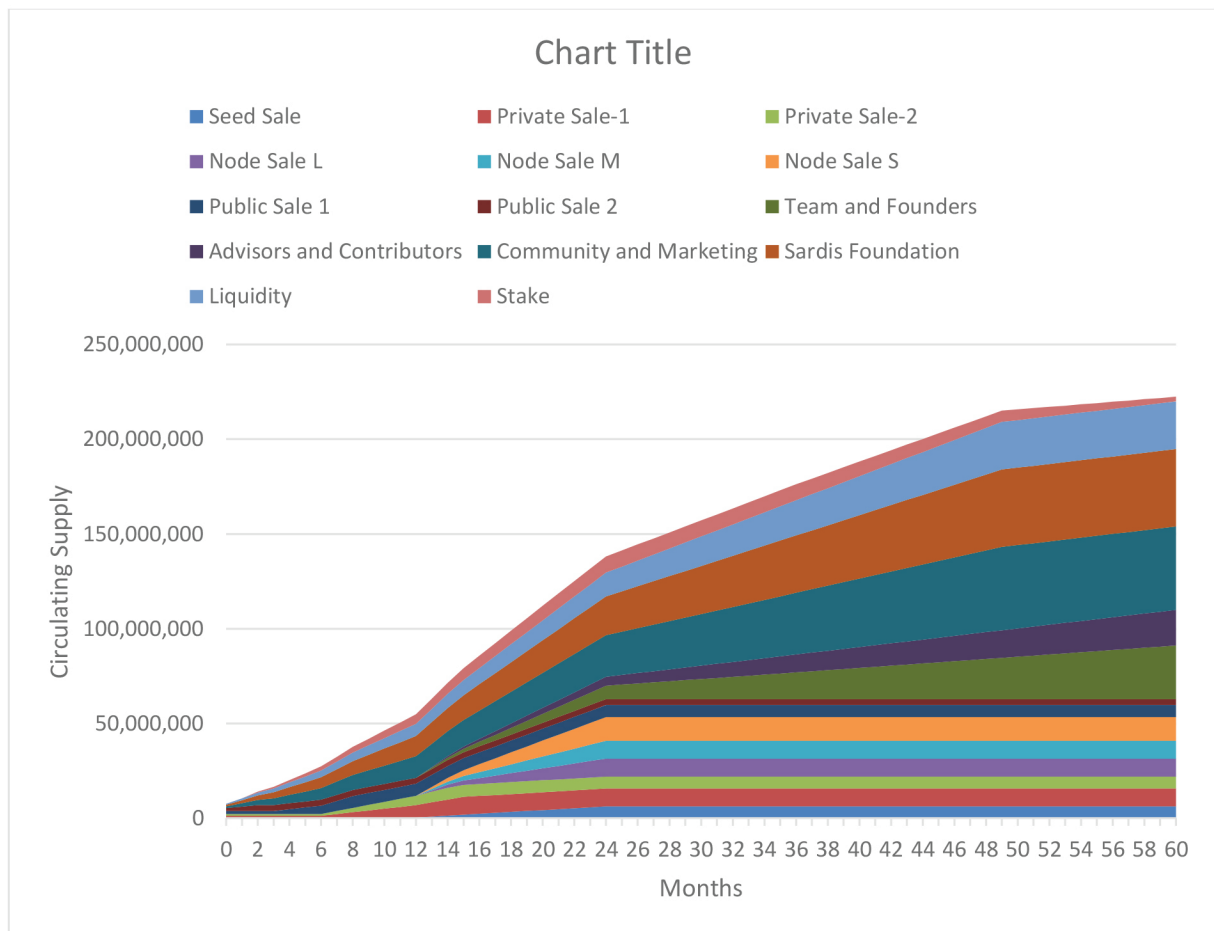


Table 12.6: Circulating Supply

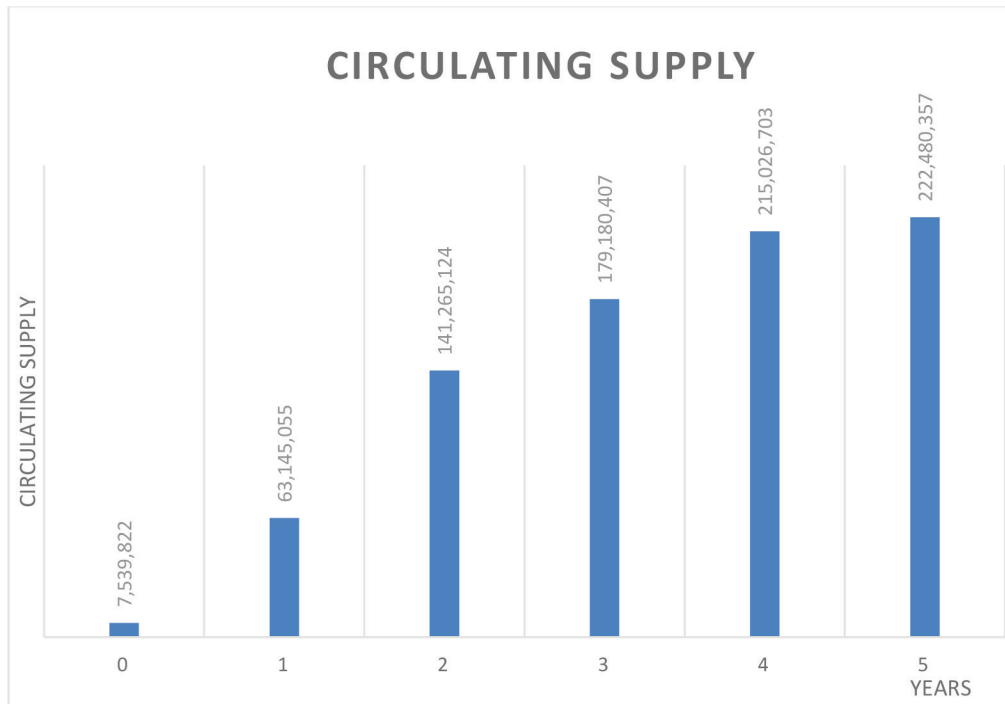


Table 12.7: Circulating Supply

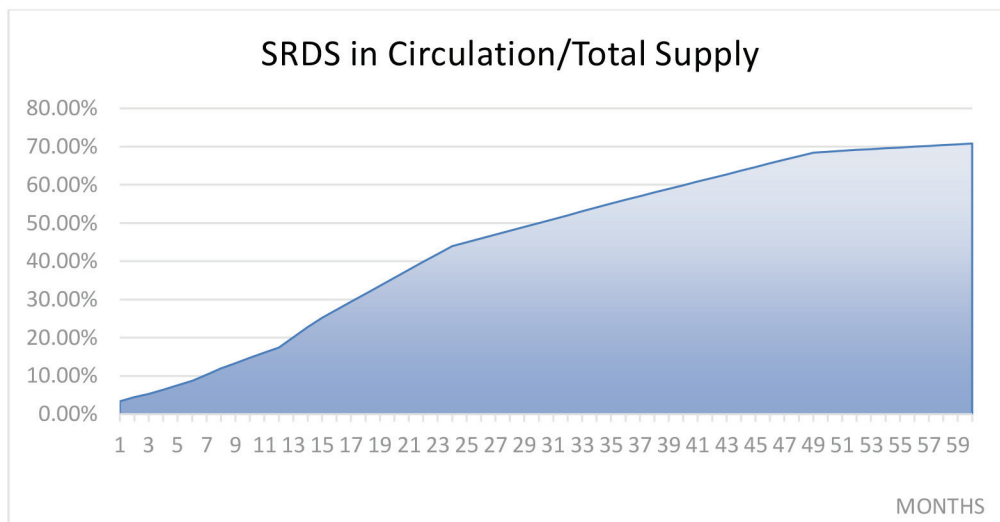


Table 12.8: Funds Allocation

R & D	30%
Maintaining the Liquidity	30%
Legal	5%
Marketing and Business	15%
Operational Grants	10%
Reserve	10%



## 12.4. Risk Warnings and Terms of Use for SRDS

You acknowledge and agree that there are numerous risks associated with purchasing SRDS, holding SRDS, and using SRDS for its usage areas. In the worst scenario, this could lead to the loss of all or part of the SRDS which you had purchased. It is the responsibility of any purchaser of SRDS to inform themselves of, and to observe and comply with, all applicable laws and regulations of any relevant jurisdiction. Prospective purchasers for any SRDS shall be expected to consider the risk factors identified in this section. If you decide to purchase SRDS, you expressly acknowledge, accept, and assume the following risks:

- a. **Uncertain Regulations and Enforcement Actions:** The regulatory status of SRDS and distributed ledger technology is unclear or unsettled in many jurisdictions. The regulation of crypto currencies has become a primary target in all major countries in the world. It is impossible to predict how, when or whether official authorities may apply existing regulations or create new regulations with respect to such technology and its applications, including SRDS. Regulatory actions could negatively impact SRDS and/or Sardis Information Technologies Inc. in various ways. Sardis Information Technologies Inc. or its respective affiliates may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction. After consulting with a wide range of legal advisors and continuous analysis of the development and legal structure of crypto currencies, a cautious approach will be applied towards the sale of SRDS. Therefore, for the coin sale, the sale strategy may be constantly adjusted in order to avoid relevant legal risks as much as possible. Sardis Information Technologies Inc. is subject to various laws and is at risk in relation to changes in the laws and the timing and effects of changes in the respective legislation. This includes changes in the interpretation thereof which cannot be predicted by us.
- b. **Inadequate Disclosure of Information:** As at the date hereof, SRDS is still under development and its design concepts, consensus mechanisms, algorithms, codes, and other technical details and parameters may be constantly and frequently updated and changed. Although this whitepaper contains the most current information relating to SRDS, it is not complete and may still be adjusted and updated by our team from time to time. The team has no ability and obligation to keep holders of SRDS informed of every detail (including development progress and expected milestones) regarding the project to develop SRDS, hence insufficient information disclosure is inevitable and reasonable.
- c. **Competitors:** Various types of decentralized applications and networks are emerging at a rapid rate, and the industry is increasingly competitive. It is possible that alternative networks could be established that utilize the same or similar code and protocol underlying SRDS and/or attempt to re-create similar facilities. SRDS may be required to compete with these alternative networks, which could negatively impact SRDS and/or Sardis Information Technologies Inc.
- d. **Loss of Talent:** The development of SRDS greatly depends on the continued co-operation of the existing technical team and expert consultants, who are highly knowledgeable and experienced in their respective sectors. The loss of any member may adversely affect SRDS or its future development. Further, stability and cohesion within the team is critical to the overall development of SRDS. There

is the possibility that conflict within the team and/or departure of core personnel may occur, resulting in negative influence on the project in the future. If one or more of the members of our team were unable or unwilling to continue in their present position, we might not be able to replace them within a short time, which could in turn have a material adverse effect on our business.

- e. **Security Weaknesses:** Hackers or other malicious groups or organizations may attempt to interfere with SRDS in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, there is a risk that a third party or a member of the company or their respective affiliates may intentionally or unintentionally introduce weaknesses into the core infrastructure of SRDS and/or Sardis Information Technologies Inc., which could negatively affect SRDS and/or Sardis Information Technologies Inc. Further, the future of crypto currencies and security innovations are highly unpredictable and advances in crypto currencies, or technical advances could present unknown risks to SRDS and/or Sardis Information Technologies Inc. by rendering ineffective the cryptographic consensus mechanism that underpins that blockchain protocol. Certain parts of the infrastructure may be outsourced to third parties. In such cases, we are reliant upon technology arrangements developed by such third parties for the running of its undertaking, and it is exposed to the risk of failures in such technology arrangements.
- f. **Other Risks:** In addition, the potential risks briefly mentioned above are not exhaustive and there are other risks associated with your purchase, holding and use of SRDS, including those that Sardis Information Technologies Inc. cannot anticipate. Such risks may further materialize as unanticipated variations or combinations of the aforementioned risks.

If any of the indicated risks were to materialize, then they could have a negative impact on our finances and operational performance which can hinder the ability of ours to fulfill obligations under this whitepaper. The challenges and risks are identified here do not exclude the possibility of there being other risk threats and the purchaser must be aware that the impact on us may be heightened due to a combination of several risks materializing simultaneously.

We operate in an emerging and disruptive industry that is under rapid and dynamic development. This includes, but is not limited to, the developments relating to the business itself, the underlying technology, and the regulatory and legal implications thereof. Specifically, in relation to public knowledge and understanding of emerging technologies, such distributed ledger technologies, smart contracts and other innovative technology arrangements, are still limited as at the date of registration of this whitepaper. The risks arising out of such may not be fully comprehended as of yet and new additional risks may arise in the future.

### **13. Legal Entity Details**

- a. Prospective crowd sale participants should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile, and place of business with respect to the acquisition, holding or disposal of the coins. Law may restrict the distribution of this Whitepaper and the offer and sale of the coins in certain jurisdictions. This

Whitepaper does not constitute an offer to sell or the solicitation of an offer to buy to any person for whom it is unlawful to make such offer or solicitation.

- b. Sardis is not providing you with legal, business, financial or tax advice about any matter. You may not legally be able to participate in this private, unregistered offering. You should consult with your attorney, accountant, and other advisors about those matters (including determining whether you may legally participate in this crowd sale). You should contact us with any questions about this crowd sale or the coins.
- c. It is the responsibility of any persons wishing to acquire the coins to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdictions. Prospective crowd sale participants should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile, and place of business with respect to the acquisition, holding or disposal of the coins, and any restrictions that may be relevant thereto.
- d. Nothing in this Whitepaper is intended to create a contract for investment into Sardis, and each potential crowd sale participant acknowledges that Sardis will rely on this assertion of and crowd sale participant's statements with respect to compliance with the laws of the jurisdiction in which the crowd sale participant is legally domiciled.



## 14. Roadmap



### Layer 1 Blockchain Project



## 15. Disclaimer

The information in this whitepaper is subject to change or update and should not be construed as a commitment, promise, or guarantee by Sardis or any other individual or organization mentioned in this whitepaper relating to the future availability of services. The purpose of this whitepaper is to provide potential purchasers and users with the information on Sardis ecosystem to allow the purchasers to make their own decision.

The document does not constitute an offer or solicitation to sell shares or securities. It does not constitute or form part of and should not be construed as any offer for sale or subscription of or any invitation to buy or subscribe for any securities not should it or any part of it form the basis of or be relied upon in any connection with any contract or commitment whatsoever. Sardis expressly disclaims any and all responsibility for any direct or consequential loss or damage of any kind whatsoever arising directly or indirectly from reliance on any information contained in the whitepaper, any error, omission or inaccuracy in any such information or any action resulting therefrom.

Any possession of Sardis Coin shall not grant any rights in any form to the user, including but not limited to any rights of ownership, interest, profit, redemption, property or intellectual property, decision making, or any other such rights, such as any rights of financial or legal nature, in Sardis the incorporation or its affiliates.

This is not a recommendation to buy or financial advice, it is strictly informational. Do not trade or invest in any coins, companies or entities based solely upon this information.

We have prepared all information herein from sources we believe to be accurate and reliable. However, such information is presented “as is,” without warranty of any kind—whether expressed or implied. The graphs, charts and other visual aids are provided for informational purposes only. None of these graphs, charts or visual aids can and of themselves be used to make investment decisions. No representation is made that these will assist any person in making investment decisions and no graph, chart or other visual aid can capture all factors and variables required in making such decisions.

## 16. References

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