



SYNC NETWORK



SYNCHRONIZING CRYPTOGRAPHIC BONDS

REVISION 5

CONFIDENTIAL – SHARING IS PROHIBITED

SUBJECT TO CHANGE

SEPTEMBER 12TH, 2020

Abstract. Projects in the decentralized finance space started utilizing stake and proof-of-liquidity mechanics to develop a trustless economy but fundamental flaws have held these projects behind. The SYNC Network addresses these problems and offers a workable solution through tradeable stakes bonding Uniswap liquidity pairs with a fully trustless ERC-20 token (SYNC).

SYNC enables users to earn interest by staking a cryptographic bond to Uniswap liquidity pair tokens (Crypto Bonds).

Crypto Bonds are an ERC-721 token with collectible attributes, accruing interest rates, and the ability to trade and speculate on them within a secondary market.

SYNC Network works to bring stability and risk mitigation to decentralized finance by solidifying a guarantee on holding liquidity pairs for an extended period of time. The Sync Network can help build a needed, stable foundation for the DeFi space and a fully functioning, more robust trustless economy.



1 SYNCHRONIZED CRYPTOGRAPHIC BONDS

1.1 INTRODUCTION TO THE SYNC NETWORK

The SYNC Network is a two-contract project, composed of the SYNC ERC-20 contract and the Crypto Bond (Crypto Bonds) ERC-721 contract. SYNC tokens have an undefined total supply with inflationary and deflationary attributes through the interactions with Crypto Bond investors.

Despite being a long-term investment, Crypto Bonds do not share anything in common with traditional finance bonds. The name comes from the bonding of liquidity pairs and our own token.

Crypto Bonds introduce proof of long-term position in DeFi liquidity pools,

and will naturally strengthen the core of DeFi finance as a whole.

A Crypto Bond is a tradeable long-term (90 days - 3 years) stake - bonding Uniswap liquidity-pair tokens together with SYNC. Deflation of the currency happens when Crypto Bonds are created, burning SYNC from the total supply. Using a Crypto Bond, an investor is able to lock liquidity-pair tokens with the corresponding dollar to-dollar value in SYNC at some guaranteed interest rate of SYNC upon maturation.

Dividend paying versions are also available. Therefore, this occurs in inflation, minting the principle plus interest. Crypto Bonds are an ERC-721 token, which will forever be trustlessly tradeable.



1.2 WHY CREATE A CRYPTO BOND?

CRYPTOBONDS EMPLOY A UNIQUE RISK MITIGATION STRATEGY ALONG WITH A RETURN FOR INVESTORS.

AT TIME OF CREATION, A CRYPTOBOND TAKES EQUAL DOLLAR AMOUNTS OF LIQUIDITY TOKEN PAIRS FROM UNISWAP AND SYNC AND THEN LOCKS THEM INTO AN ERC-721 NON-FUNGIBLE TOKEN. THIS BONDING WILL PRODUCE QUARTERLY DIVIDENDS FOR BONDS

1 YEAR OR LONGER, OR OTHERWISE ACCRUE DAILY COMPOUNDING INTEREST ON YOUR SYNC UPON MATURATION. IF DIVIDENDS ARE CHOSEN, IT ALLOWS THE WITHDRAWAL OF A QUARTERLY PAYMENT OF SYNC ANY TIME AFTER EACH 90-DAY TIME PERIOD IS UP. WHEN A BOND MATURES, LIQUIDITY TOKENS ARE RETURNED AND ALL UNISWAP FEES ARE STILL THE HOLDER'S TO KEEP.

Trustless Transfer- The ability to transfer your Crypto bonds to another wallet address at only the expense of a GAS fee.

Trustless Trading- The ability to trade your Crypto Bonds at market value through either auction or our automated bond market maker.

Trustless Proof of Locked Liquidity- Time locking Uniswap liquidity pool tokens equaling monetary value to SYNC tokens placed in an ERC-721 NFT called a Crypto Bond. Thus, locking the liquidity on the Uniswap Decentralized Exchange.



2. FAIR RELEASE SCHEDULE

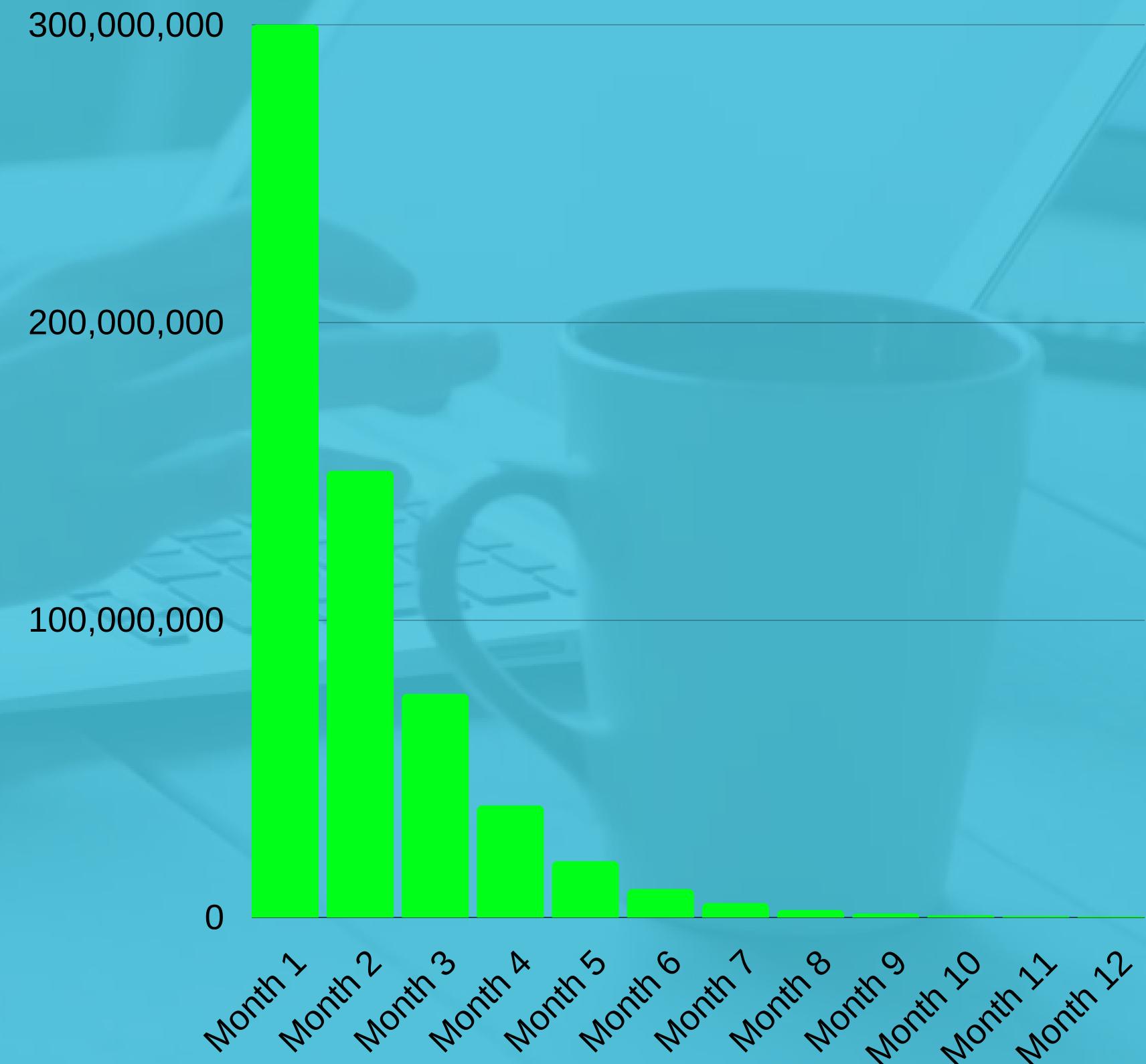
EVERY DAY FOR ONE YEAR, THE FAIR RELEASE SCHEDULE (FRS) RELEASES AN AMOUNT OF COINS AVAILABLE FOR MINTING. THE MINE WILL RELEASE A SHARE OF NEWLY MINTED COINS EVERY 24HRS. IN ORDER TO RECEIVE NEWLY MINTED TOKENS, YOU WILL NEED TO PLACE ETH IN THE DAILY MINE POOL. AT THE END OF THE 24-HOUR PERIOD THE TOTAL AMOUNT OF SYNC WILL BE DIVIDED PROPORTIONALLY AMONG THE ETH CONTRIBUTORS FOR THE DAY.

EVERY 30 DAYS THE MINE EMISSION HALVES, INCREASING THE PRICE DUE TO EXPONENTIAL SUPPLY DECREASE. FINISHING AT 12 MONTHS, THE MINE WILL STOP PRODUCING COINS, AND FUTURE SYNC WILL ONLY BE MINTED THROUGH THE MATURATION OF CRYPTOBONDS. SYNCHRONIZING CRYPTOGRAPHIC BONDS

DAY ONE OF THE SYNC NETWORK RELEASE, THERE WILL BE 10 MILLION MINTED SYNC - 5 MILLION PROPORTIONED TO THE PUBLIC'S DAILY ETH CONTRIBUTIONS. THE 5 MILLION WILL GO TO THE SYNC TEAM TO BALANCE THE MARKET BY CREATING CRYPTOBONDS WHICH WILL

EVENTUALLY BE PUBLICLY AVAILABLE TO TRADE. THE SYNC TEAM WILL USE HALF OF THE DAILY ETH TO GO DIRECTLY TO BOND CREATIONS FOR THAT DAY. 15 PERCENT OF SYNC FROM THE SYNC TEAM'S DAILY HALF, AND 15 PERCENT OF THE DAILY ETH WILL BE TAKEN AS A DEV FEE – TO GO TOWARDS OPERATIONS. THERE WILL BE A GRAND TOTAL OF 12 HALVINGS. BY THE TWELFTH MONTH ONLY 2,441 SYNC WILL BE AVAILABLE DAILY. THE TOTAL SUPPLY AFTER ONE YEAR; NOT INCLUDING THE INTEREST PAYOUTS OR TEAM AND MARKETING ALLOCATIONS (MORE ON THIS LATER), WILL BE 616 MILLION COINS.

AFTER EACH DAY, THE COINS YOU MINT ARRIVE IN YOUR ERC-20 COMPATIBLE WALLETS. THE COINS ARE IMMEDIATELY AVAILABLE FOR TRADE, TRANSFER OR BOND CREATION USING THE CRYPTOBOND SMART CONTRACT. THE SYNC NETWORK TEAM WILL ALSO BE DEVELOPING AND MAINTAINING A FRONTEND APPLICATION TO AID IN THE CREATION, CALCULATION, AND ANALYTICS OF YOUR CRYPTOBONDS.





3. PROBLEMS THAT CRYPTOBONDS ADDRESS

Lack of long-term incentives in DeFi With staking platforms comes the ability to un-stake at any point in time. This causes uncertainties with future, late investors. This has been seen many times over with proof of stake, as a coin launches the token supply and staking platform becomes emblematic of a pyramid, those at the base profit the most when 70-90% of supply is staked. Then new investors come along while there is a sharp increase in token price and then you see an equal and opposite reaction when the staked wallets are mass unstaking their coin out for profit. Thus, the market crashes quickly, and possibly results in collapse.

Proof of liquidity flaw Uniswap's decentralized exchange requires pairs to be added for liquidity. This gives new projects initial market value. For example, 100 ETH added with 1 million new tokens would list at the total value of the ETH divided by the total amount of coins paired with it. This gives initial value with no guarantee for liquidity lock. There is no known work-around to discern nefarious contracts vs. legitimate ones. Every day new tokens launch, are marketed, pumped and then the liquidity pool is drained, resulting in massive losses for those who weren't able to escape.



Security risks to traditional stakes In projects where you are staking your tokens back into the contract, you are under the false assumption that they are safe. [2] The stakes of your asset are typically placed into the contract, and if there was ever a security vulnerability to the admin wallet or the contract itself, your entire stake could be compromised. CryptoBonds allow you to hold your own assets as an ERC-721 collectible token. There is no code to ever supply anybody other than the bond-holder to their liquidity pair tokens. At the end of the Fair Release Schedule, ownership of the contract will be terminated by setting the owner of the smart contract to the zero address, effectively preventing any administrative changes to the contract ever again.

4. CRYPTO BOND INTEREST RATES

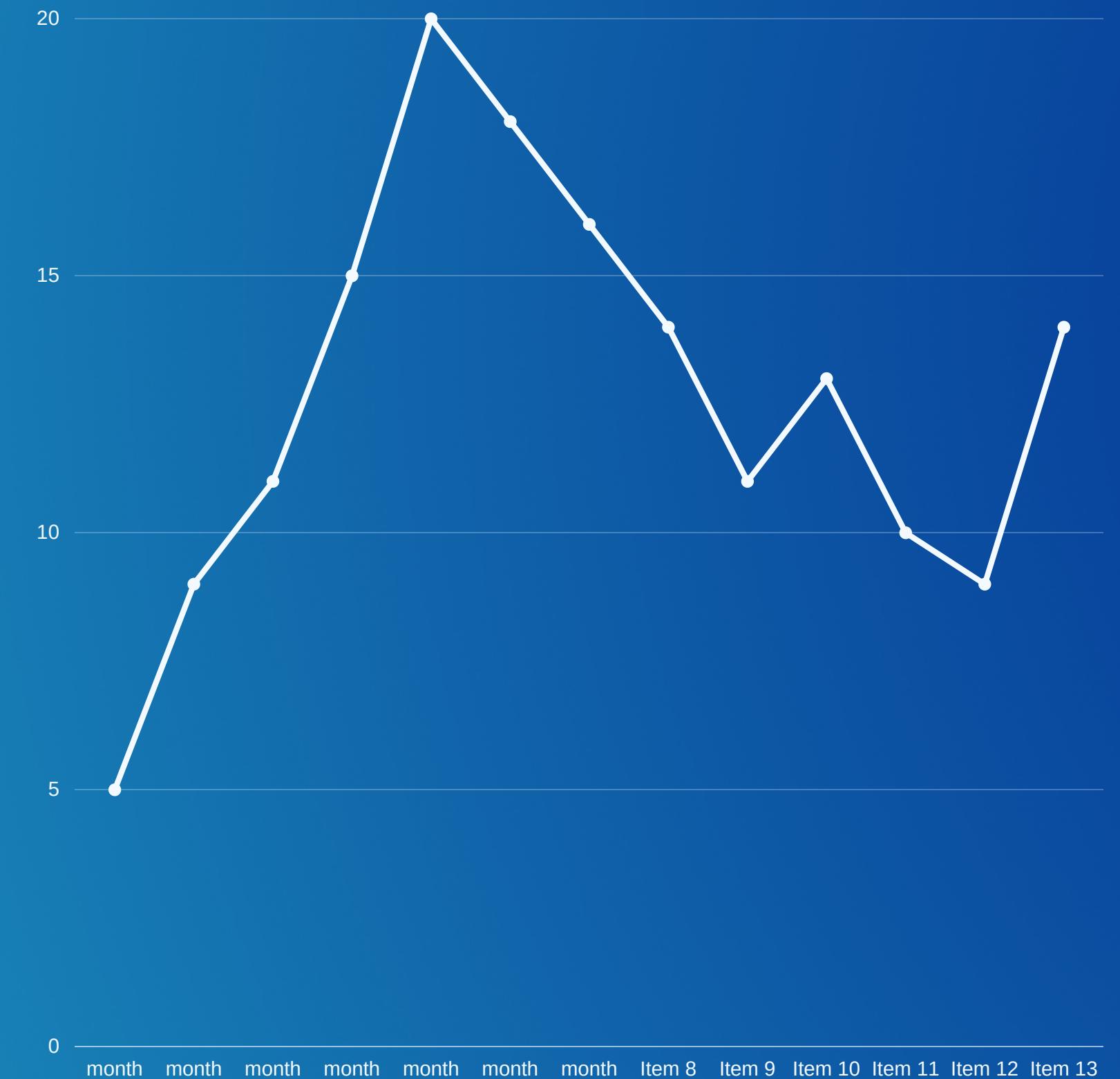
SYNC BALANCES ITSELF THROUGH DAILY, SELF-CORRECTING INTEREST RATES.

INTEREST RATES OF BONDS DEPENDS ON THREE FACTORS.

1. Total supply of sync in the market.

2. Duration of bond

3. Total bonded amount of that liquidity pair token





4.6 TYPES OF CRYPTO BONDS

TERM CRYPTO BOND

Offered at 3 month, 6 month, 1, 2, and 3-year time durations at creation and are also subject to daily compounding interest for the highest returns possible. Term Crypto Bonds earn daily compounding interest locked into the Crypto Bond for the entire terms' duration.

QUARTERLY CRYPTO BONDS DIVIDENDS

Pay out a flat non-compounded interest dividend every quarter (90days). If you miss a withdrawal; don't worry, you can withdraw your earned dividends at any point at no extra fee.

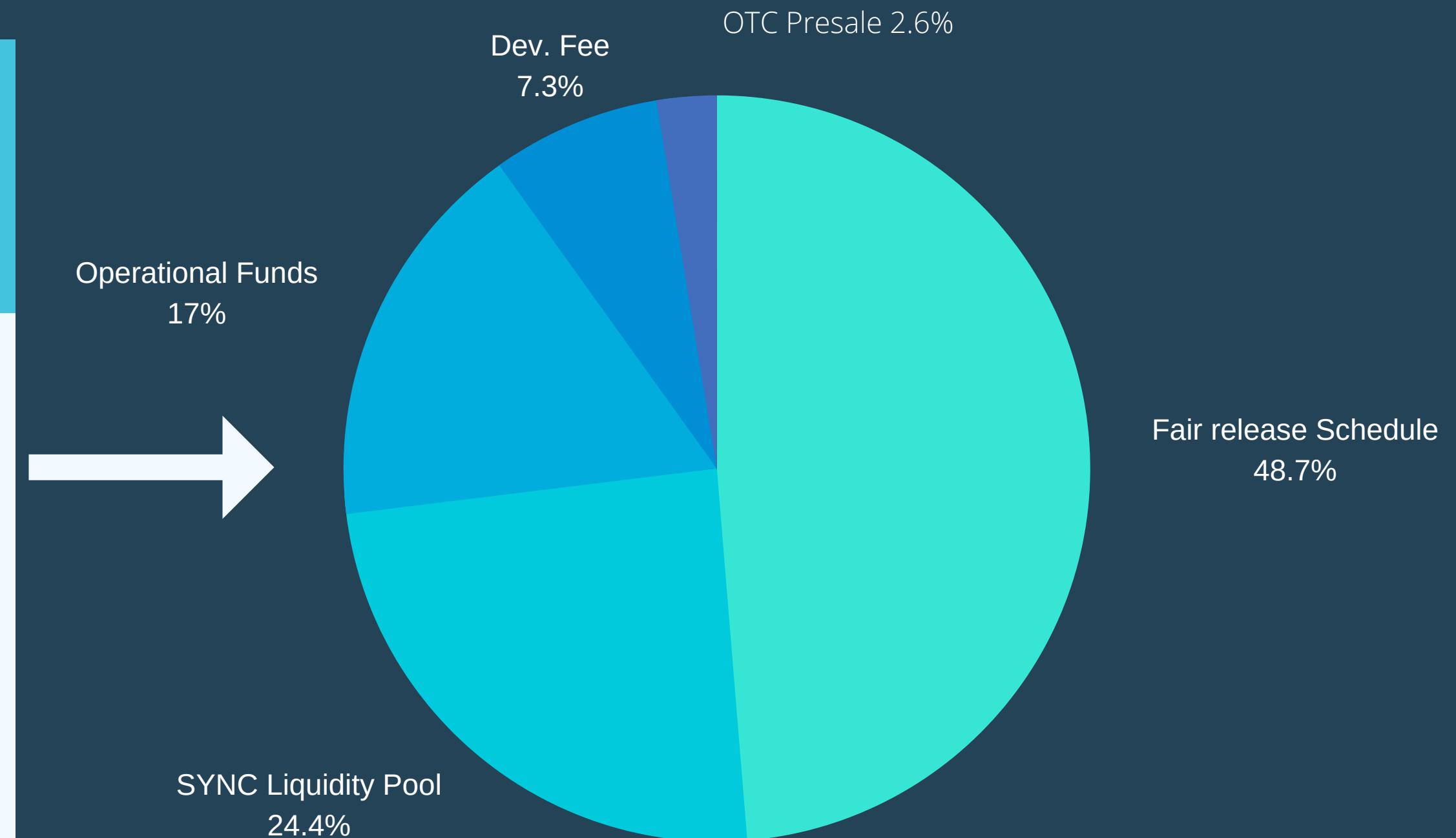
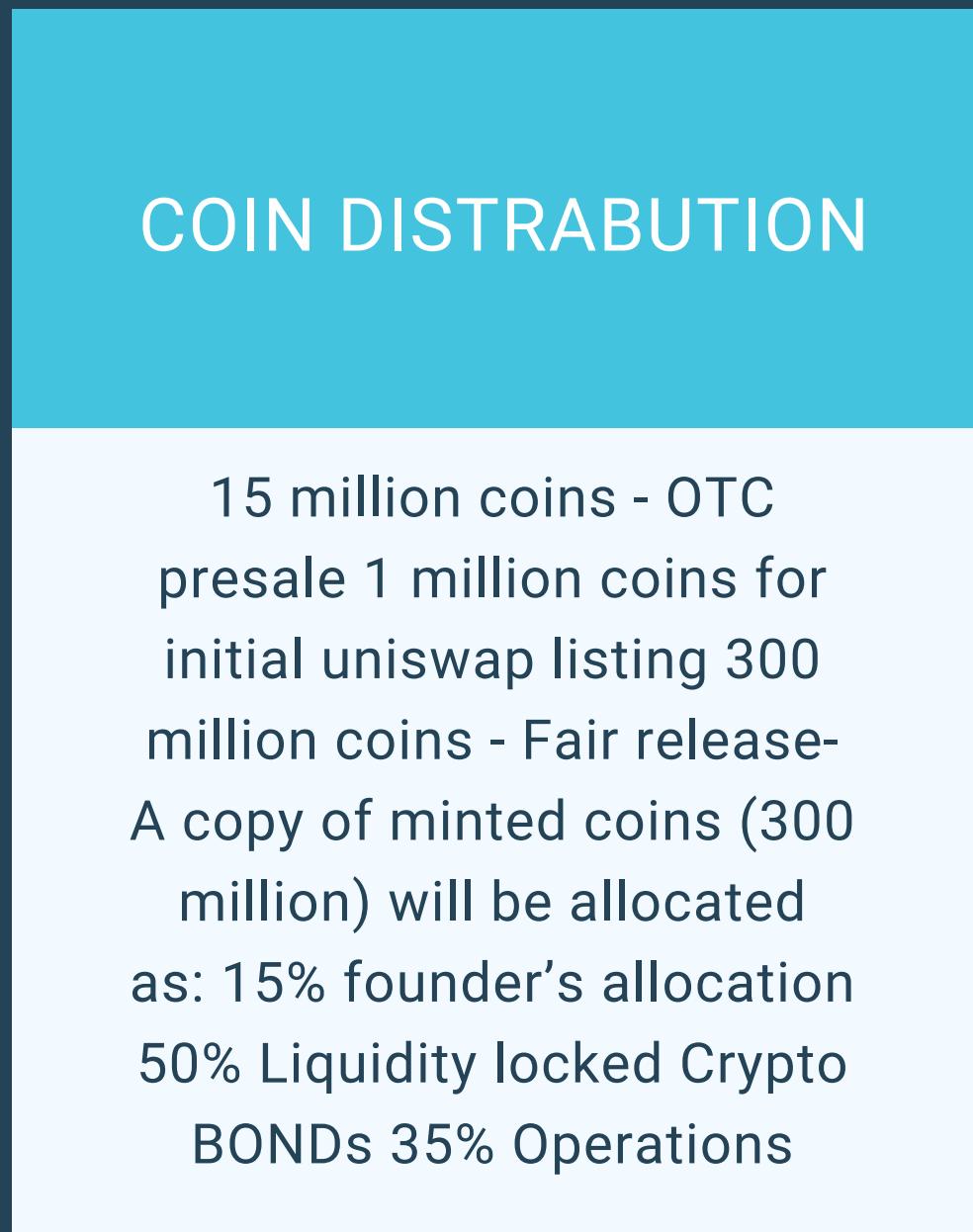
5. HOW SYNC NETWORK INTERACTS WITH THE MARKET



SYNC Network incentivizes Token Founders to strengthen their liquidity pools. The idea behind this is the more liquidity that is locked via Crypto Bonds directly correlates to more market certainty for investors. SYNC Network will be the standard for risk mitigation by incentivizing founders to use our network. Being listed on Crypto Bond will signify that the project has been thoroughly vetted by the Sync team as well as a third-party industry leading smart contract auditor. When a new contract is added, the founding team deposits liquidity into both sides of the tradeable pair. When doing this the coin sets its initial value along with the depositor's liquidity while receiving Liquidity Pool Tokens (LPT's) from Uniswap which also represents the corresponding liquidity provided. Sync Network introduces a tradeable proof of Long-term Position via Crypto bonds. After a project provides liquidity to Uniswap and receives their pool tokens, the pool tokens are then paired with an equal monetary evaluation of Sync tokens and time locked in a fully transferable and tradable Crypto Bond. This allows founders to prove that the liquidity provided to Uniswap will remain in Uniswap for the full duration of the Crypto bond's term. Once a Crypto Bond is created it cannot be broken, but it can be sold to another investor. While the Crypto Bond is in effect the LPT's earn Uniswap trading fees and the paired Sync tokens earn trustless interest.



6. FINANCIAL PLAN





7. ROAD MAP

JUNE-AUGUST

2020

Development of SYNC
ERC-20 token
Contract

Development of Crypto
Bond ERC-721 NFT
Contract

Development of User

SEPTEMBER

2020

OTC Presale and SNYC
token launch
exchange listing
commitments,
community outreach and
initial marketing.
Security audit Crypto
Bonds contract Launch on
Main Net.

OCTOBER

2020

Development of layer 2
platform and DAPPs

FEBRUARY

2021

Layer 2 is added to the
platform (more details
later)