



SAXO

BANK

REDEFINE FINTECH IN DIGITAL INVESTMENT BANKING

WHITEPAPER

CORPORATE WHITEPAPER

**WITH DETAILED GUIDE ON ACCOUNT OPENING, FUNDING AND
GENERAL USE**

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SAXO BANK

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BACKGROUND

Saxo Trustees LLC ("Saxo Bank" or "the Firm") is a decentralized international and multicultural retail banking institution, accepting deposits, paying interest, and offering loan and other products as well as other investment banking services.

Saxo Bank caters to the worldwide crypto community, and operates a comprehensive online retail banking presence, allowing crypto and fiat depositors to transfer funds internationally, access credit and debit card services as well as other banking functions while earning interest. More importantly, Saxo Bank expects to make a significant investment in cryptocurrency technology that it plans to bring to the marketplace.

As a FinTech firm, Saxo Bank believes it brings a unique level of operational experience to the needs of the financial community. Although blockchain technology has exploded over the past few years with the success of Bitcoin, alternative coins and other applications, the banking community has traditionally resisted adopting blockchain technology in retail applications. With a decentralized currency and payment infrastructure being extremely disruptive to the banking industry, it is no wonder major banks have resisted adopting blockchain technology to support its retail business. Bitcoin has been belittled by many banks, even while in the background banks have been making investments in blockchain technology for applications such as internal funds transfers and "hyper-ledger" functions etc.

All this has occurred in the backdrop of a cryptocurrency marketplace that has had overwhelming attention over the past year. Even with a retrenchment at the start of the year, the alternative coin (or "altcoin") space has come into its own. Many altcoin companies have brought considerable enhancements to blockchain technology, making important contributions to the crypto ecosystem which have further been adopted (and enhanced again) by other companies. The innovation in this industry and the speed of its adoption is unprecedented, even when compared to the major achievements of other already existing firms.

PURPOSE

Saxo Bank seeks to position itself as major player in this space by offering a unique suite of financial services to crypto participants, and by innovating with a variety of blockchain enhancements that are focused on the financial industry. To accomplish these goals, Saxo Bank intends to undertake a Security Token Offering (STO) for a new digital token.

Saxo Bank intends to marry present-day retail banking with the benefits of blockchain infrastructure to allow decentralization, autonomous transactions and smart contracts. To help drive crypto adoption to the mainstream, Saxo Bank also intends to make the more familiar functions available to cryptocurrency holders, such as demand deposit accounts, interest bearing savings, certificates of deposit and access to money market funds. However, the Firm believes that all the banking products in



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the world will not drive adoption in the crypto space until a bank can provide enhanced security, ease of use and a few exciting developments found nowhere else.

Some key aspects of **Saxo Bank's** anticipated technology are:

The development of Smart **Contracts** that implement the depository options for cryptocurrency associated with the bank's retail offerings;

Proprietary **Smart Wallets** that unlock functions contained in the smart contracts and communicate with the bank using a proprietary protocol;

A security protocol that uses data provided by **Smart Wallets** to enhance the security of wallet balances;

A **KYC - AML** blockchain solution that provides instant validation and verification for KYC required transactions across the ecosystem; and

A "**deposit commitment**" protocol enabling the earning of interest for all digital assets held in decentralized wallets in any location.

THE STATE OF THE BLOCKCHAIN ECOSYSTEM

Blockchain technology, cryptocurrencies, and token sales have had an unprecedented rise over the past year. It wasn't too long ago that founders and VCs were mainly focused on centralized exchanges, enterprise or private blockchain solutions, and wallets amongst several other popular blockchain startup ideas that dominated the market from 2012 till date.

However, the rise of Ethereum with its **turing-complete** scripting language and the ability for developers to include state in each block, has paved the way for smart contract development.

This has led to an influx of teams building decentralized projects seeking to take advantage of an important property of blockchains the ability to reach a shared truth that everyone agrees on without intermediaries or a centralized authority.

Although enabling transactions without a centralized authority is the mainstay of blockchain technology, this obviously is a barrier to adoption by banks for their retail transactions. While it's possible that this is a welcome outcome among crypto enthusiasts who would prefer to do all their financial transactions "off the grid", this factor also inhibits the widespread adoption among mainstream consumers who are not as concerned about anonymity but look for the familiarity, credibility and support from their banking relationship.

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With anything new, there are always early adopters. In the crypto market, although the growth has been phenomenal over the past couple of years to over a US\$1.1 Trillion market cap at the end of 2019, the market is still only a tiny fraction of the size of traditional banking.

The speculative aspects of the marketplace are exciting to some, but there are still barriers to widespread adoption, such as:



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Security risks: The crypto marketplace has been affected by a large number of hacks and breaches that have resulted in millions of stolen tokens representing billions of dollars of lost funds from traders, miners, and other participants. Mainstream adoption will be limited until a security solution becomes widespread.

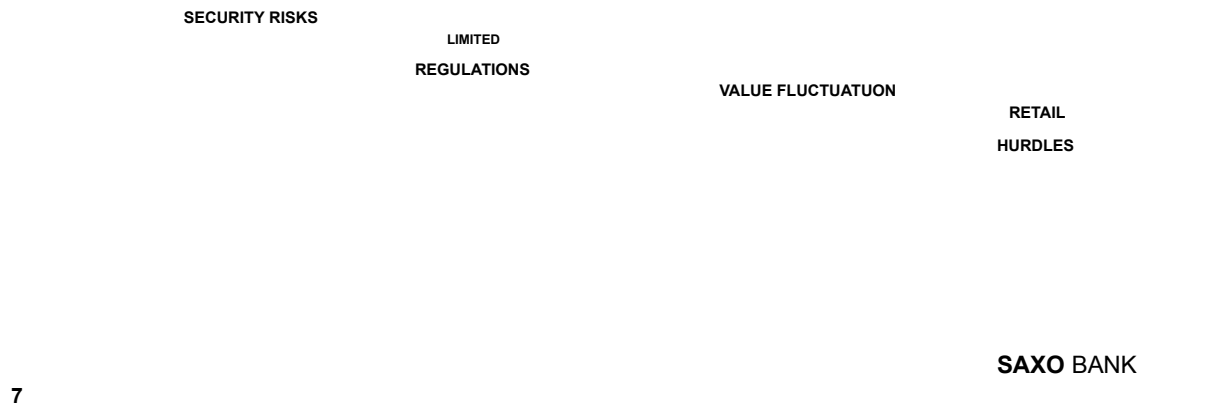
Limited regulations: The crypto marketplace has been affected by a large number of scams, including ponzi schemes and questionable investments that have eroded the fortunes of participants. As with any new financial instrument or marketplace, it takes time for legislators to "catch-up" with issues affecting potential victims.

Volatility: Most people are risk adverse, unlike the existing crypto speculators who deal with the daily ups and downs of this market. (Many people would prefer to earn interest in a stable investment space instead of engaging in the "gamble" of trading between cryptos, only to lose principal on a daily basis.)

Retail Hurdles: Existing providers have not served the retail community effectively. Consumers still struggle simply buying bitcoin, and altcoins are not usually available for a direct purchase. For the most part, a bitcoin purchase is the only way to enter the altcoin space, by buying bitcoin first and then trading it within an exchange for another cryptocurrency. And because of slow (or non-existent) service, getting through **KYC Verification (KYC – 'Know-Your-Customer')** at some providers can take days or even weeks.

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ISSUES PLAGUING AND HINDERING THE WIDESPREAD ADOPTION OF CRYPTO



INTRODUCING SAXO BANK

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Saxo Bank as an investment banking firm with a top-tier level of expertise in banking and finance aims to address these barriers with a better and more robust banking offering aimed at the crypto community. In addition, the Firm is rolling out new technology which implements needed functionality, security, and operational simplification in the space. An in-depth discussion of the technical aspects of the technology are contained later in this document. For now, visualize a bank with blockchain technology and systems that will be able to accomplish the following:

Crypto participation now goes beyond token ownership for speculation and trading. Now, decisions made about token functionality enable additional ownership benefits to be made available. This function reduces volatility by building intrinsic value into the token - not just some perception of value driven by speculation.

Crypto purchase hurdles will be eliminated. Streamlined KYC Validation results will be stored on the blockchain with a token owned by each individual consumer. This system will create a standard that will be used industry wide with shared tokens offering instant KYC or AML validation across numerous transactions and vendors.

Unauthorized transactions or stolen tokens are retrievable even though the perpetrator is anonymous and covers their tracks with sophisticated cloaking and obfuscation techniques. (i.e. untraceable transactions now

become retrievable.)

Although operating on a decentralized and distributed blockchain, a new set of rules protects the participants, taking an important step in self-regulation to protect the entire network and economy.

Because **Saxo Bank** is an actual financial institution, it desires to bridge the blockchain gap left empty with no central authority. Through new proprietary Smart Wallet technology, block-chain KYC solutions, specialized Smart Contracts, **Saxo Bank** plans to provide the key cryptographic and operational components to the ecosystem that enable retail banking. These functions can also enhance token ownership - allowing token owners to participate in the management of their portfolio. For example, based on choices made by digital assets collectors owners in Smart Wallets, deposits can be made remotely to enable interest payments (by **Saxo Bank**) depending on the kind of deposit that was made. (i.e. a savings account.)

SAXO TECHNOLOGY FACILITATING CRYPTO BANKING

SMART WALLETS AND SECURITY

Any virtual currency aspires to achieve widespread and mainstream adoption. It is not farfetched to say that many crypto enthusiasts would like their crypto currency to replace their fiat currency for retail payments, savings and investments. They generally like the value proposition that comes with crypto, but its functionality brings only a subset of what fiat provides.



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Let's take interest for example, parking your money at your local bank and getting interest payments in return is nothing new. But what if you could take your Ripple into your local bank, make a deposit and get paid interest, while also watching its market value double or triple in comparison with your fiat deposits. While we all know this is coming someday to your local bank, **Saxo Bank** brings this to the marketplace today for multiple fiat and crypto currencies.

Let's take it one step further, it's one thing to physically make a deposit in a bank and earn interest. But what if you could "commit funds" located in your exchange wallet to a bank and earn interest without having to make a transfer or

a physical deposit? Although banks have spent billions of dollars over hundreds of years extending their branch networks to make it easier to service their clientele, **Saxo Bank** intends to prove that a branch network is unnecessary with virtual or crypto currency technology.

The **Saxo Bank** Smart Wallet technology is special in that it has two states of operation. It defaults to a standard "crypto-container" that stores an amount of digital assets and facilitates deposits and withdrawals on the **Saxo Bank** network. When activated, the "**Smart**" technology utilizes a new proprietary protocol of communication that allows a Smart Wallet to connect with **Saxo Bank** to identify the options chosen within a given Smart Wallet. Conversely, interest meant to be paid-out to a token use the same protocol to travel back to the applicable Smart Wallet wherever it may be.

For security, we can agree that hacking and malicious theft is a major digital issue and will continue unabated. Huge companies concentrate exclusively on securing and hardening their client's systems. But security is an ever-changing environment, and smart people with malicious intent will always find new ways to cheat the system. In our view, blockchain technology is one of the most exciting technological developments in the history of computing. Anonymity is key, and trust is paramount. This is why it's so important. But theft in this environment is just too easy, and the bounties involved are just too enticing.

Smart Wallets eliminate security threats because they communicate with **Saxo Bank** over our proprietary protocol. All new Smart Wallet addresses on the network are registered with **Saxo Bank**. The registration will enable interest payments to the Smart Wallet based on deposit options chosen by the token owner. By keeping track of addresses in this fashion, **Saxo Bank** can also see debits (withdrawals) and credits (deposits) in the network for every transaction completed. **Saxo Bank** has no control over the transactions themselves, but having the data is a by-product of communicating with Smart Wallets as described in this paper.

In the event of an unauthorized transaction, **Saxo Bank** plans to track the beneficiary address of a theft, and retrieve funds even if hundreds of addresses are used in a chain to obfuscate the destination of a theft. Wallets or addresses associated with a fraudulent transaction can be frozen until an investigation is completed.

While this system is being designed to support decentralized transactions that are independent of a central authority, **Saxo Bank** plans to provide an important oversight role that establishes a level of security that mainstream clientele can adopt as a state-of-the-art solution.

FACILITATING CRYPTO COMMERCE

Saxo Bank seeks to position itself to support the needs of both retail and corporate customers. Retail customers desire to make purchases of bitcoin (and alt-coins directly) without KYC delays or problems with credit card authorizations. Corporate customers look to make larger crypto transactions possible without causing problems with their existing financial institutions, (who might have "**anti-crypto**" policies in place)



Saxo Bank plans to support both of these constituents by establishing the infrastructure, relationships and capital required to enhance these functions in this marketplace. **The anticipated result:** more ownership, better support and larger transactions made available across all markets.

ESCROW SERVICES AND POINT OF SALE SERVICES

Saxo Bank is currently developing a guaranteed-value point of sale merchant payment service that will allow vendors of large ticket items to sell products directly for crypto without concerns about crypto-market volatility. Likewise, for two or more parties looking to sell or buy crypto in larger quantities, **Saxo Bank** also has guaranteed-value escrow service services available to facilitate these transactions. These systems are positioned to bring large crypto transactions to the mainstream and service an under-supported niche in this marketplace.

MODEL

Saxo Bank's goal is to establish itself as the preeminent retail banking solution for the global crypto community. It aspires to pursue the following lines of business:

Retail Banking:

Multi-currency deposits by offering a unique suite of high yield products. These include **Saxo Bank** index funds, (crypto, money market etc.), standard certificates of deposit, and other retail accounts. (DDA, Savings etc.)

Crypto deposits in a standard "**transfer to Saxo Bank or leave on deposit**" scenario to offer its high yield deposit products to crypto holders.

- A limited suite of high-yield deposit products to decentralized - digital assets holders.

- Payment services - **Saxo Bank** will be offering credit and debit cards, including high-end "prestige" cards manufactured in gold, silver, steel, aluminum and palladium, as a business-to-business solution to marketing partners with large affiliate customer bases.

- **Saxo Bank** will offer many lending products, achieving a **Return on Equity** as set by the board of directors.

Licensing:

● **Saxo Bank** will package the Smart Wallet technology to be licensed to major banks world- wide. The Company hopes to demonstrate the benefits of using **Smart Wallet Technology - SWT**.



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IN-DEPTH-SAXO BANK

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FINANCIAL TECHNOLOGY

Saxo Bank expects to add a suite of enhancements to the blockchain ecosystem. By creating a number of significant improvements, the Company hopes to bring needed financial expertise to the industry. **Saxo Bank's** technology is designed to support blockchain transactions completed in a decentralized environment, but further include an oversight component that enables essential functions required by retail banking.

By maintaining the benefits of blockchain infrastructure, which allow decentralization, autonomous transactions and smart contracts, **Saxo Bank** plans to take advantage of the prior art. But to drive adoption to the mainstream, **Saxo Bank** believes it is necessary to introduce the more familiar functions customers expect from their banking provider, such as DDA accounts, interest bearing savings accounts, certificates of deposit and access to money market funds. But all the banking products in the world will not drive adoption in the crypto space until a bank can provide enhanced security, ease of use, and a few exciting developments found nowhere else. The following sections take a more detailed snapshot of **Saxo Bank's** technology and why it makes sense for retail banking today.

Saxo Bank's technology is expected to reside in these core areas:

- The development of Smart Contracts that implement the depository options associated with **Saxo Bank's** retail offerings;

Proprietary Smart Wallets that unlock the functions contained in the contracts and communicate with the bank using a proprietary protocol;

- A security protocol that uses data provided by Smart Wallets to enhance security of wallet balances;

- A KYC - AML blockchain solution that provides instant validation or verification for KYC required transactions across the ecosystem; and

- A **"deposit commitment"** protocol enabling the earning of interest or dividends held in decentralized wallets in any location.

SMART CONTRACTS

Saxo Bank has created unique **"Smart Contracts"** that establish all digital assets as a specialized financial platform, containing the functionality associated with retail bank products, which in turn, enables the control and placement of deposits at a bank. The **Smart Contract** at the core represents a **"Unit of Deposit"** at the bank and it allows the owner to make choices and control the disposition of funds - even while the balance is still in a decentralized wallet. (i.e. at an exchange.) For example, one choice might allow the currency to be linked to an interest-bearing account, while another choice would allocate the balance to a demand deposit account associated with a debit card. The Smart Contract contains built-in options that can be controlled by



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Saxo Bank's Smart Wallet technology (below) that change the "personality" of the funds in applicable Smart Wallet even though it is not located on the **Saxo Bank** network.

Saxo Bank plans a number of retail banking products that will be incorporated into Smart Contracts which may include:

- Demand Deposit Accounts - Merchant Services (DDAs)

- Interest Bearing Savings

Certificates of Deposit

Money Market Accounts

- Index Funds (Stock, Crypto etc.)

In its default state, our system allows any digital traded on an exchange of other cryptocurrency, but when activating the Smart Contract, it can also be associated with any of the deposit options built into the contract. Used in conjunction with a Smart Wallet, the owner can make choices about how to utilize his portfolio. By "**Committing**" the balance to Saxo Bank's deposit base, the funds can earn interest enabled by Smart Wallet technology.

SMART WALLETS

The introduction of **Saxo Bank Smart Wallet** will be a new technology that enables user control of optional Smart Contracts and communicates these choices to the bank. **Saxo Bank's** platform is designed to be integrated with options based on any kind of Smart Contract. (It can apply to the purchase of an item - stipulating color or size etc.; or the purchase of a service - providing a choice of amount or duration etc.) As it relates to retail banking, we are using it for enabling the Smart Contracts that are the basis of blockchain - options relating to "**Unit of Deposit**" at the bank.

A Smart Wallet is designed to be integrated into any exchange or vendor looking to service the blockchain community. It defaults to a standard "**crypto-container**" that stores an amount of digital assets and facilitates deposits and withdrawals on the **Saxo Bank's** blockchain network. But when activated, the "**Smart**" technology utilizes a new proprietary protocol of communication that allows a Smart Wallet to connect with Saxo Bank to identify the options chosen. Conversely, interest or other awards meant to be paid-out use the same protocol to travel back to the Smart Wallet wherever it may be. This allows interest to be earned even if they reside in an exchange. The question is, how do interest payments get awarded to an owner who is essentially the beneficiary of an anonymous transaction on the blockchain?

Like other banks, **Saxo Bank** is subject to KYC - AML guidelines. The objectives of these guidelines are to prevent banks from being used by criminal elements for money laundering activities. Taking a deposit at a bank (even online) can trigger a number of forms and procedures which start the verification process so that KYC guidelines can be met.

With digital assets banking, earning interest in decentralized wallets (without a traditional deposit interaction), the challenge is

how to uphold KYC rules with interest payments going to an anonymous owner of funds? The answer likely resides in how users interact with the Smart Wallet and how **Saxo Bank** handles their option choices.



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SECURITY - CRYPTO-BANKING - DECENTRALIZED AND REMOTE ACCOUNTS

In our view, global mainstream adoption of the crypto space cannot occur without getting a handle on security. Over the past 7 years, over 2 Billion Dollars in various crypto funds have been hacked, stolen or misappropriated. However, you describe it, this is far too important an industry to be deterred by theft, and although we live in a digital age where smart people can figure out ways of cheating the system there are many simple ways to not only deter a theft, but in the event one occurs, to retrieve the funds that were taken.

Many people in the crypto space want a solution, but truthfully, they also want anonymity, no central authority, peer to peer exchanges and established trust. As **Saxo Bank**, we want this too, but this does not address the simple case of leaving your laptop lit to go to the bathroom while someone can peek into your wallet passwords. People make security mistakes and in truth, blockchain technology is analogous to a simple door lock. As the old saying goes, **"it keeps honest people honest."**

We live in a world where malicious hacks are increasing, not decreasing. Leaving the blockchain to fend for itself in terms of security, with so many touch points and so many **"peers"** using the system is like eliminating the sheriff in the wild west. You can try to board up the doors and even the windows in your bank, but malicious people will always find a way in.

Because **Saxo Bank's** Smart Wallet technology communicates with Saxo Bank to facilitate interest payments (among other things) Smart Wallets should introduce a new concept to the blockchain **oversight**

OVERSIGHT

Smart Wallets eliminate security threats because they communicate with **Saxo Bank** over its proprietary protocol. All new wallet addresses on the network are registered with **Saxo Bank**. As stated above, we use this to enable payments or

awards to the wallet based on options chosen by the token owner. By keeping track of addresses in this fashion, we can also see debits (withdrawals) and credits (deposits) in the network for every transaction completed. **Saxo Bank** will have no control over the transactions themselves, but having the data is a by-product of communicating with Smart Wallets as described in this paper.

By introducing this oversight, **Saxo Bank** plans to react to an unauthorized withdrawal by freezing the wallet that is the beneficiary of a theft. Funds can be retrieved in the event of an unauthorized transfer because **Saxo Bank** is in communication with all the wallets in the block-chain system. Although this concept might be contradictory to the core philosophies of the blockchain, the benefits of the security enhancement far outweigh the loss introduced by simple oversight.

With the **Saxo Bank** system, we plan to track the beneficiary address of a theft, and retrieve funds even if hundreds of addresses are used in a chain to obfuscate the destination of a theft. Wallets or addresses associated with a fraudulent transaction can be frozen until an investigation is completed.

DECENTRALIZED AND REMOTE ACCOUNTS

When is a deposit a deposit? Traditional banking would obviously say when a bank takes possession of your funds and puts it in your account for safe keeping. From there, they can leverage the funds in their portfolio to lend-out, to charge interest and make profits. This is the way it has worked for thousands of years and there has been no reason to change it, until now.

In **Saxo Bank's** model, we take advantage of digital currency to make changes to the paradigm.



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With Crypto, a physical deposit is no longer required. If digital assets are **"committed"** to us, we can leverage those funds as if they were physically deposited into an account.

Traditionally, a cash deposit is put into any number of instruments to earn interest. If a bank has a credit card portfolio charging **20.5%** interest per month, some of this cash might be allocated to fund purchases on their credit card base. In this case, cash deposited is utilized to make a purchase on a credit card for a customer and that customer is charged the interest on the revolving credit. This is an overly simple example, but it helps to explain how Westfort Bank can take deposits remotely.

When digital or crypto assets or currencies are committed, **Saxo Bank** does not have access to those funds to **"spend"** on financial instruments or credit card portfolios to earn interest. But the funds are set aside in the Smart Wallet and are secured (no withdrawals allowed) until they are released. There are a number of strategies to enable access to those funds but the simplest will have **Saxo Bank** selling an equivalent amount of digital assets in the open market for cash.

By "**covering**" these deposits with equivalent transactions resulting in cash, **Saxo Bank** can make investments just like any other bank to earn interest or margins on other financial instruments.

This process is analogous to taking a loan out using your savings as collateral. There are costs associated with doing business this way (transaction fees etc.) but the benefits far outweigh the extra overhead.

Like any other bank, **Saxo Bank** intends to operate on ratios and reserves. In traditional banking when a deposit is made into a savings account, there is a good chance that the deposit will be left for a considerable period of time. In our view, commitments of digital assets in Exchange Savings Accounts will have a much smaller duration, but across all the Smart Wallets the pooled amount will be very significant. We anticipate studying the ratios and duration of committed digital assets in our initial stages to maximize efficiency in the bank's leverage and trading to maximize earnings.

KYC

The **Know Your Customer** and **Anti-Money Laundering** guidelines are an important development affecting retail banking and the crypto community at large. There has been a great deal of resources applied by larger institutions to comply, and a large number of service providers have cropped up with validation services or techniques that assist smaller operators to conform. The overhead for large and small operators alike has been a significant issue, but more importantly with every new account, customers have had to "**re-do**" their validations and in many cases, been forced to wait days before being "**verified**" new accounts. Some potential customers "**give up**" during the wait, looking for easier more streamlined applications with other service providers.

Saxo Bank is developing technology that solves the frustrations surrounding the overhead, multiple applications and the processing time with KYC. Operating on a stand-alone blockchain backbone, our "**KYC token**" is being developed with Smart Contracts that contain standardized KYC information encrypted in the blockchain. KYC tokens can be created on **Saxo Bank's** web- site and stored in a KYC "**wallet**" on a customer's computer.

The KYC Smart Contracts are being designed to include "**attachments**" of various kinds that contain a user's personal information, including images, forms, data and other "**holders**" of information that relate to a person's identity. After providing this personal data one time, a token will be created, encrypted and stored on behalf of the user. As an important line of business, **Saxo Bank** will certify the validity of the information, so that other vendors or service providers can take the KYC Token at face value and with a private key exchange, decrypt the information for their application for easy verification.



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BUSINESS MODEL

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RETAIL BUSINESS MODEL

JURISDICTION

Our existing privileges in **EEA**, **Hong Kong**, and the **USA** already enables the bank to operate, but we seek additional to increase our correspondent banking capabilities in favorable jurisdictions as well as to establish additional lines of business. As a bank, **Saxo Bank** will be regulated under various Offshore Banking Legislation in each jurisdiction with regards to that of the International Community.

Therefore, **Saxo Bank** will be subject to its authority as guided by the regulations in the regions of operations. Among other things, this authority permits the applicable regulatory authority to restrict or prohibit activities that are determined to be a serious risk to the bank.

The bank must have sufficient capital and an effective capital planning process, consistent with its overall risk profile and considering the size, scope, and complexity of its operations, to ensure its safe and sound operation.

BUSINESS OVERVIEW

The anticipated principal business of **Saxo Bank** is to provide retail banking and certain wealth management services to individual and corporate customers through its online web platform.

Traditional banking activities will include extending secured and unsecured personal and commercial loans, and accepting consumer and commercial deposits. These banking activities will be conducted online, with **24-7** personal banking support provided in multiple languages by **Saxo Bank** loan officers and personal bankers located around the world.

Saxo Bank's retail product delivery network is planned to include access to funds from a worldwide **Automatic Teller Machine - ATM** network, a dedicated online video chat support system (in lieu of contacting support via international telephone) and a comprehensive online application software suite that provides access to the bank's products and services.

DEPOSIT ACCOUNTS

Saxo Bank will accept deposits in multiple currencies, including **USD, Euro** and **British Pound Sterling**. The Company will also be the first retail bank to accept key crypto currencies on deposit including **Bitcoin, Ethereum, LiteCoin, Ripple, USDT, Bitcoin Cash** and others which will be made available on request. These currencies will be on par with the bank's fiat deposits, and will be provided access to all high-yield deposit products, which are anticipated to include Savings Accounts, Money Market Accounts, Certificate of Deposits, and accounts linked to certain **Index Funds**.

Interest rates on high-yield accounts will be set from time to time by management to stay competitive in the marketplace but also to maintain minimum operational margins as set by the board of directors.

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LENDING

Saxo Bank plans to create a number of lending products that will offer secured and unsecured commercial and personal loans through an automated application process.

Types of loans will include:

Lines of Credit (associated and linked to DDA accounts).

- Personal Loans (unsecured - based on credit and ability to pay).
- Personal Loans (secured collateralized by deposits).

Commercial Loans.

Based on **Saxo Bank's** intended licensing expansion into additional geographical areas, the bank will also launch automotive and mortgage financing.

DEBIT AND CREDIT CARDS

Saxo Bank plans to offer a wide range of proprietary credit and debit cards. This includes high-end "**prestige**" cards manufactured in gold, silver, steel, aluminum and palladium. **Saxo Bank** owns the "**saxo.com**" domain and will be aggressively marketing its prestige solution to the crypto marketplace.

Manufacturing and production capabilities are already in place and this line of business will be rolled out quickly. The primary sources of revenue for this line of business includes interest income, interchange income and fees collected from customers.

DETAILS OF COMPANY

COMPANY NAME

REGISTRATION STATUS

COVERAGE SCOPE

COMPANY TYPE

HEADQUARTER ADDRESS

PRINCIPAL ACTIVITY

STATUS

SAXO TRUSTEES LC

DECENTRALIZED

INTERNATIONAL

LIMITED COMPANY

PHILIPS HEYMAN ALLES 15, DENMARK

INVESTMENT BANKING AND DIGITAL ASSETS MANAGEMENT

ACTIVE

AMOUNT

5M

USD

SHARES

5000

UNITS

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AMOUNT

1.00

USD PER SHARE

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STARTING UP WITH SAXO BANK

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SETTING UP A NEW ACCOUNT FOR FRESHERS OR NEWBIES

Saxo Bank has carefully designed its platform - **saxo.com** to contain numerous features to cater for users of any ethnicity, religion, country region or location around the globe, financial capacity or budget and of all, any level of knowledge in digital assets investment banking and management.

On getting onto our webpage as a newbie or a fresher and you wish to bank with us, click on the **"GET STARTED"** or **"OPEN ACCOUNT"** option.

Once you have clicked on either of these options, you will be redirected to a portal where you will have to enter your information as required, ranging from your **Personal Information, Contact Information** and then down to the **Authentication** processes and then agreeing to company operational policies and terms.

You are required to enter your details as thus:

**FIRST NAME LAST NAME - GENDER DATE OF BIRTH - ADDRESS - CELLPHONE - COUNTRY STATE - EMAIL - DESIRED USERNAME -
PASSWORD - PASSWORD CONFIRMATION**

On accepting the company terms and operational policies, please ensure that the details filled in this area as demanded are true and are easily memorable to prevent you running into forced verification issues which may trigger a level one security protocol on your account hence, freezing it.

After you are done accepting the operational terms, policies and conditions, to finalize the creation process, click on the **"SUBMIT"** option.

Accounts created with us are guaranteed **100%** secured with top tier encryption, similar to that of the world bank. However, we advise our users to ensure they protect their information as provided on here their own way by ensuring that they do not permit access to their information from third- party website, particularly the untrusted ones.

LOGGING INTO AN ALREADY EXISTING ACCOUNT

To log into an already existing account which has been previously created with us, visit our homepage at: **saxobank.com** and click on the "e-banking" option on the top corner of our homepage.

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On clicking on this option, you will be redirected to a portal where you will log into your account. This portal only has room for three entries which are:

USERNAME OR EMAIL - PASSWORD

Once these details are provided correctly and confirmed, you will be automatically granted access to your account on clicking on the **"LOGIN NOW"** option.

Saxo Bank offers diversified sustainable portfolios as pertaining the services we render as a financial institution. These investments and trading portfolios such as FDR, ANNUITIES, TRADING, ARBITRAGE and HALAL INVESTMENT contains several plans and packages for any user at any level notwithstanding the level of knowledge in investment banking.

FIXED DEPOSIT RECEIPT - FDR

As one of the most common savings and investment options used by individuals, **fixed deposits** provide investors with an interest rate that is higher than what is offered on normal savings accounts. The maturity value of a **fixed deposit** is based on the date of maturity chosen by the individual. Individuals opt for **fixed deposits** as they are not risky and also provide assured returns.

Saxo Bank also offers **Deposit Pension Scheme** referred to as **DPS** which is an installment-based savings deposit for individual customers. In this account a customer deposits a certain amount of money for a certain period, and on maturity an agreed amount will be paid to the customer. This could be referred to as **Pension Funds Investment**.

ANNUITIES

An **annuity** is an insurance product designed to provide consumers with guaranteed income for life. **Annuities** are insurance contracts that provide a fixed income stream for a person's lifetime or a specified period of time. An **annuity** can be purchased with a lump sum or a series of payments and begin paying out almost immediately or at some point in the future. Annuities are often used as a way to fund retirement.

Annuities can be optimized for income or long-term growth, but they are not short-term investment strategies. These products appeal to people whose objectives include long-term financial security, retirement income, diversification and principal preservation.

ARBITRAGE

Arbitrage trading is a relatively low-risk trading strategy that takes advantage of price differences across markets. Most of the time, this involves buying and selling the same asset - like Bitcoin - on different exchanges. Since the price of Bitcoin should, in theory, be equal on Binance and on another exchange, any difference between the two is likely an **arbitrage opportunity**.

Arbitrage describes the act of buying a security in one market and simultaneously selling it in another market at a higher price, thereby enabling investors to profit from the temporary difference in cost per share. In the stock market, traders exploit arbitrage opportunities by purchasing a stock on a foreign exchange where the equity's share price has not yet adjusted for the exchange rate, which is in a constant state of flux.

The price of the stock on the foreign exchange is therefore undervalued compared to the price on the local exchange, positioning the trader to harvest gains from this differential.

Although this may seem like a complicated transaction to the untrained eye, arbitrage trades are actually quite straightforward and are thus considered low-risk.

This is a very common strategy in the trading world, but it's mostly been a tool of large financial institutions. With the democratization of financial markets thanks to cryptocurrencies, there might be an opportunity for cryptocurrency traders to take advantage of it, too.

HALAL INVESTMENT

Halal Investment, also referred to as Islamic finance or shariah-compliant finance, refers to financial activities that adhere to shariah (Islamic law). Two fundamental principles of Islamic banking are the sharing of profit and loss, and the prohibition of the collection and payment of interest by lenders and investors.

Islamic banking is grounded in the tenets of the Islamic faith as they relate to commercial transactions. The principles of Islamic banking are derived from the Qur'an-the central religious text of Islam. In Islamic banking, all transactions must be compliant with shariah, the legal code of Islam (based on the teachings of the Qur'an). The rules that govern commercial transactions in Islamic banking are referred to as **fiqh al-muamalat**.

Other primary services, products and opportunities we offer as a financial institution are further described with the following terminologies - SAVINGS, FIXED DEPOSITS, STAKING, **ASSETS**, TRADING, LOAN, **AFFILIATE SCHEMES**, **CITIZENSHIP OR RESIDENCE BY INVESTMENT**.

All the above listed as offered by **Saxo Bank** are further explained thus:

SAVINGS

Savings, refers to the funds that a person or an institution has left over they subtract out their expenses from disposable income over a given period of time. Savings therefore, represents a net surplus funds for a person or an institution after all expense and obligations have been paid.

Saxo Bank keep savings for its clients, exposed to absolutely no risks of loss but also come with correspondingly minimal returns or interests as opposed to dividends. For the yield from savings to be increased exponentially, it must be put through investments programs, schemes or plans.

FIXED DEPOSITS - FD

A **Fixed Deposit – FD** is a financial instrument provided by **Saxo Bank** which provides investors with higher rates of interests or returns than a regular savings account, until a given or specific maturity date. It may or may not require creation of a separate account.

In regions such as Canada, Australia, New Zealand, India and the United States, they are referred to as **term deposits** or time deposits but in the EU and United Kingdom, they are referred to as **bonds**.



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For a fixed deposit, it is the money that cannot be withdrawn from such account as compared to recurring deposits or a demand deposit before maturity.

STAKING

Crypto-staking, refers to a process used to verify cryptocurrency transactions which allows participants to earn passive income on their holdings. You can earn anywhere between **5 - 20 percent per annum** on the amount of cryptos you stake while with Saxo Bank.

ASSETS DIGITAL ASSETS

Digital assets are digital representations of values that are not issued or guaranteed by a central bank or public authority, hence, uncontrolled by it and do not have the legal status of currency or money. They are accepted by natural or legal persons as a means of exchange or payment or are used for investment purposes and can be transferred, stored and traded electronically.

LOAN

In finance, a **loan** refers to the lending of funds or assets by one or more individuals, organizations, or other entities to other individuals or organizations as where it applies. The recipient who is the borrower incurs a debt and is usually liable to pay interest on the debt until it is repaid as well as to pay the principal amount borrowed.

There is always an issuance or document evidencing the debt which normally specifies among other things, the principal amount of money borrowed, the interest rate the lender is charging, and the supposed date of repayment. **Saxo Bank** offers loans to prospective individuals and corporate bodies with little or no interests with the aim of empowering them.

AFFILIATE SCHEMES AND PARTNERSHIPS

This describes a means of earning by being an indirect member of the mechanical part of the firm being **Saxo Bank**. As an affiliate or a supposed partner, you contribute to the progress of the firm through a supposed referral pattern which is intended to facilitate the growth and expansion of Saxo Bank. These efforts are duly rewarded automatically based off the investment deposits made by the supposed downlines or chain of the affiliate or partner.

Partnerships can also be from any form of colossal contribution which stimulates the growth of the firm in a big way. Saxo Bank also offers corporate partnership programs for organizations who wish to become an affiliate.

CITIZENSHIP OR RESIDENCE BY INVESTMENT

Saxo Bank offers its clients **residency** and **citizenship opportunities** in country regions where they have jurisdictions for operation or could be regarded as strong footholds. This program provides families with the privilege of acquiring an alternative citizenship or residency which in turn gives them the rights to travel freely to various destinations and to settle in another country.



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More than ever before, wealthy individuals and elites are pursuing citizenship and residency options as the most effective way to access previously unimagined opportunities. Saxo Bank gives its clients this opportunity on a platter depending on their investment portfolios. The most credible and successful citizenship and residency programs offered by Saxo Bank are from investments as low as **150,000.00USD**.

TRADING

Trading digital assets involves the act of speculating on these assets' price movements or value fluctuations through a contract for difference trading account or buying and selling the underlying assets through an exchange.

Contract For Difference (CFD) trading on digital assets - CFDs trading are derivatives, which enable you to speculate on digital assets prices and value fluctuations without taking ownership of the underlying assets. You can go long ('buy') if you think a cryptocurrency will rise in value, or short ('sell') if you think it will fall.

Both are leveraged products, meaning you only need to put up a small deposit - known as margin - to gain full exposure to the underlying market. Your profit or loss are still calculated according to the full size of your position, so leverage will magnify both profits and losses.

Buying and selling cryptocurrencies via an exchange – when you buy cryptocurrencies via an exchange, you purchase the coins themselves. You'll need to create an exchange account, put up the full value of the asset to open a position, and store the cryptocurrency tokens in your own wallet until you're ready to sell.

Exchanges bring their own steep learning curve as you'll need to get to grips with the technology involved and learn how to make sense of the data. Many exchanges also have limits on how much you can deposit, while accounts can be very expensive to maintain.

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RISKS

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PLEASE READ THIS SECTION AND THE FOLLOWING SECTIONS CAREFULLY AS THEY CONTAIN IMPORTANT INFORMATION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR PERSONAL LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISOR(S).

ABOUT THE DOCUMENT - WHITEPAPER

This Whitepaper does not constitute a prospectus or offering document of any sort and is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction.

This Whitepaper does not constitute or form part of any opinion or any advice to sell, or any solicitation of any offer by the distributor or issuer of any digital asset to purchase any digital asset nor shall it, or any part of it, nor the fact of its presentation, form the basis of or be relied upon in connection with any contract or investment decision.

No person is bound to enter into any contract or binding legal commitment in relation to the sale and purchase of cryptocurrency or other form of payment is to be accepted based on this Whitepaper.

Any agreement relating to the sale and purchase of any digital or crypto asset is to be governed by a **Simple Agreement for Future Tokens (a "SAFT")** or such other agreement or document as **Saxo Bank** may require (collectively with the SAFT, the "Purchase Documents") and no other document, (including this Whitepaper). If there is any inconsistency between the Purchase Documents and this Whitepaper, the Purchase Documents shall govern.

No regulatory authority has examined or approved of any 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. The publication, distribution or dissemination of this Whitepaper does not imply that any such applicable laws, regulatory requirements or rules have been complied with. There are material risks and uncertainties associated with **Saxo Bank** as every other financial institution, its business and operations.

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To the maximum extent permitted by applicable laws, regulatory requirements or rules, Saxo Bank and its affiliates 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.



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Saxo Bank's blockchain-based technology is in an early stage of development, will be subject to modification as issues inevitably emerge, and ultimately may not be accepted in the market place. Accordingly, **Saxo Bank** and its affiliates do not make or purport to make, and hereby disclaim, any representation, warranty or undertaking in any form whatsoever to any entity or person, including any representation, warranty or undertaking as to the continued accuracy and completeness of any of the information set out in this Whitepaper.

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This Whitepaper may contain forward-looking statements including, but not limited to, statements as to future operating results and plans that involve risks and uncertainties. The use of words such as "expects", "anticipates", "believes", "estimates", "aspires" or similar expressions identify forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of **Saxo Bank** to differ materially from any future results, performance or achievements expressed or implied by those projected in the forward-looking statements for any reason.

NO ADVICE

No information in this Whitepaper should be considered business, legal, financial or tax advice regarding **Saxo Bank**. You should consult your own legal, financial, tax or other professional adviser regarding **Saxo Bank**, and its business and operations. You may be required to bear the financial risk of any purchase of our products or services for an indefinite period of time or suffer the complete loss of any amounts deposited.

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This Whitepaper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities or a solicitation for investments in securities in any jurisdiction. No person is bound to enter into any contract or binding legal commitment, and no cryptocurrency or other form of payment is to be accepted based on this

Whitepaper. Any agreement relating to the sale and purchase of any of our products or services is to be governed solely by the Purchase Documents as **Saxo Bank** may require and no other document - including this Whitepaper.



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APPRECIATION

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On behalf of the entire team of **Saxo Bank**, we would like to acknowledge and express our immense admiration and gratitude for the amazing efforts and relentless attitudes of our sponsors and affiliates who did everything in their power and jurisdiction to make sure that this document as a prioritized project is completed successfully.

We also would use this medium to congratulate our various heads of operation units and departments for putting in their very best in this project.

Finally, we most appreciate the relentless efforts of our shareholders, members and clients as we further pride in your hard work and dedication in making every of our critical projects a great one.

Thank you all once again for your contributions.

Best Regards,

SAXO BANK-SAXO TRUSTEES LLC



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