Silvers.fun

Real Assets, Earn Silvers.

A token whose trading fees buy silver, and never sell it.

Token	$SILVER
Venue	PONS launchpad, Robinhood Chain (Arbitrum Orbit L2, chain ID 4663)
Reserve asset	SLVon — iShares Silver Trust, tokenised by Ondo Global Markets
Version	0.1 — pre-launch

ABSTRACT

Every trade in the $SILVER pool pays a 1% fee, of which 70% is routed to the token creator. Silvers.fun assigns that share to a contract rather than a wallet, and the contract has exactly one instruction: convert it into tokenised silver and place it in a vault with no exit. Supply is fixed and the vault never sells, so the quantity of silver standing behind each token can only grow. The single number that matters is ounces per million tokens. This document sets out the mechanism, the reserve asset and why it was chosen, the invariants that make the promise enforceable rather than stated, and the risks that remain.

1. The mechanism

PONS charges 1% on every swap in a pool and splits it 70/30 between the token creator and the protocol. That creator share is normally paid to whoever launched the token. It is ordinary revenue, and nothing obliges its recipient to do anything in particular with it.

The design here rests on a single decision: the creator payee is a contract, and it is set at the block the token is created. It cannot be changed afterwards. Fees therefore never touch a human hand, and the rule holds without anyone needing to be trusted to keep it.

This distinction is the whole product. A team that promises to buy silver with its fees is making a statement about its own future behaviour. A contract that can only buy silver is making a statement about arithmetic. The market prices these very differently, and it is right to.

The path a fee takes

1. A swap in the PONS pool pays 1%. 70% of it arrives as ETH at `FeeCollector` on Robinhood Chain.
2. The collector swaps ETH into USDC and holds it until the balance clears a threshold, so that each purchase is large enough to execute well.
3. The balance crosses to BNB Chain over LayerZero, where SLVon trades.
4. `SilverBuyer` acquires SLVon. Above the threshold it mints at net asset value directly with Ondo, which makes pool depth irrelevant; below it, it fills against the DEX on a time-weighted schedule with a slippage bound and a price bound taken from the Chainlink XAG/USD feed.
5. The silver is transferred to `SilverVault`, which has no function capable of sending it anywhere.

2. The metric

Ounces per million tokens is the only figure a holder needs to follow. It is a view function on the vault: the silver held, divided by the fixed supply. Because supply never changes and the vault never sells, the share count behind it only rises.

It is worth being precise about what can and cannot fall. The number of SLVon shares in the vault is monotonically increasing by construction. The ounces those shares represent are not quite, because the underlying trust charges 0.50% a year and pays it by selling a sliver of its own metal. At any realistic trading volume the inflow dwarfs that drag, but the honest claim is that ounces per million rises net of trust expenses, not that it can never tick down. The site reports it net.

3. What backs the token

The reserve asset is **SLVon**, the iShares Silver Trust tokenised by Ondo Global Markets. A share carries economic ownership of BlackRock's silver ETF, whose metal is held in JPMorgan's London vaults.

Asset	SLVon
Issuer	Ondo Global Markets (BVI) Limited
Underlying	iShares Silver Trust (SLV), BlackRock
Backing per share	approximately 0.92 oz of silver
Custody of metal	JPMorgan, London
Networks	Ethereum, BNB Chain, Solana
Contract (BNB Chain)	`0x8b872732b07be325a8803cdb480d9d20b6f8d11b`

Why this one

The choice was made on a single criterion: can a contract actually buy it, repeatedly, in the sizes fees arrive in? On that test the field narrows to one.

Kinesis Silver (KAG) is the largest tokenised silver asset by a wide margin and holds allocated metal in LBMA vaults. But its volume sits on centralised exchanges and its own platform, not on-chain. Routing the treasury through an exchange account with API keys would reintroduce precisely the trust this design exists to remove, so it was rejected on principle rather than on price.

Aurus tSILVER is a clean ERC-20 denominated in grams, which suits small recurring purchases. It was the initial choice and it was wrong. Measured rather than assumed, it carries on the order of a couple of thousand dollars of pool liquidity against daily volume in the tens of dollars. A single purchase would have exceeded the pool it was buying into.

SLVon is the one asset that clears the test. Ondo builds its tokens for smart-contract composability, secondary transfer and DEX trading are open outside the United States, and above a size threshold the treasury can mint at net asset value directly with the issuer, which sidesteps pool depth entirely. It also has institutional standing: Ondo Global Markets holds regulatory approvals in multiple jurisdictions and its tokenised equities are distributed through major wallets and venues.

What it costs

Three things are given up in exchange, and they are stated here rather than left to be discovered. The trust charges 0.50% a year, which erodes ounces per share over time. The chain of custody is longer than allocated metal: Ondo, then BlackRock, then the vault operator. And the issuer restricts minting and redemption to eligible non-United States persons, so the treasury entity must qualify.

A fourth point is structural rather than specific to this issuer. All tokenised silver is thin on-chain, SLVon included. That is why the purchase logic is built around minting at net asset value rather than around a decentralised exchange, and why the buy threshold is set high enough that fills are infrequent and large instead of frequent and small.

4. The invariants

The promise is carried by four properties of the contracts. Everything else on the site is presentation; these are the product.

1. **The vault cannot pay out.** `SilverVault` exposes no outbound transfer, no withdrawal, no emergency exit, and no administrator able to add one. It is not upgradeable.
2. **The metric is a view.** Ounces per million is computed on-chain from the share count and the published backing per share. It is not asserted by a server and cannot be edited.
3. **Purchases are bounded.** `SilverBuyer` refuses to execute when the implied price departs from the Chainlink XAG/USD feed by more than a set tolerance, which is what protects a shallow pool from being sandwiched.
4. **The payee is fixed.** The PONS creator-fee recipient is set to the collector at the creation block and is immutable thereafter.

None of these are enforceable until the contracts are deployed, verified and their ownership renounced. Until that has happened and the addresses are public, this document describes an intention, not a guarantee.

5. Risks

Price. Fees buy silver. That guarantees neither the price of the token nor the price of the metal. Silver is volatile and the vault can be worth less tomorrow than today.

Volume. The entire mechanism is funded by trading. No volume means no fees, and no fees means the vault stops growing. Nothing in the design creates demand; it only routes what demand produces.

Counterparty. Holding a tokenised ETF share is not holding metal. It depends on Ondo, on BlackRock and on the vault operator each continuing to perform.

Liquidity. Tokenised silver markets are small. Large purchases move them, and the mint-at-NAV route depends on the issuer continuing to offer it to the treasury entity.

Execution. Bridges and automated purchase logic are software, and software has bugs. Until an audit is published, treat the contracts as unaudited.

Regulatory. Routing token fees into a tokenised United States security through an offshore issuer is not a neutral structure. It has not yet been qualified.

6. What this is not

It is not a claim on metal. Holding $SILVER gives no right to any ounce in the vault and no right of redemption. The vault backs the token in the sense that it exists, is verifiable and cannot be emptied. It does not back it in the sense of a redeemable receipt.

It is not a yield product. Nothing is distributed. The vault accumulates and the metric rises; that is the entire return mechanism, and it accrues to the token, not to a payout.

It is not investment advice, and nothing here is an offer to sell or a solicitation to buy.

REFERENCES

Ondo Global Markets — `https://ondo.finance/ondo-stocks`

SLVon — `https://app.ondo.finance/assets/slvon`

SLVon contract, BNB Chain — `https://bscscan.com/token/0x8b872732b07be325a8803cdb480d9d20b6f8d11b`

iShares Silver Trust — `https://www.ishares.com/us/products/239855/ishares-silver-trust-fund`

Robinhood Chain — `https://robinhood.com/us/en/newsroom/robinhood-chain-launches-public-testnet`

Site — `https://silvers.fun`