Qawalla: A Community Staked ETFT (Exchange Traded Fund Token) Position Paper v.1.5

Alaxander Bevans
March 14th, 2021

QWLA | Foundation of Community

"Disrupting the foundation of traditional ETFs"

Abstract

The growth of Blockchain technology and the need for decentralized crypto-currencies has taken the world by storm. Over 10 years ago, Ethereum founder Vitalik Buterin gave the power to the people building smart contracts. Since that time, many successful projects have impacted the world. It is almost impossible for the general population to keep up and research the new innovations everyday. We aim to remedy the potential of residual, by allowing a self-governed Exchange Traded Fund Token (ETFT).

Qawalla enables any blockchain based protocol to become part of the token fund. *S*takeholders vote through the QWLA network bi-quarterly in a network protocol called *Bounce Voting.* Upgrades to the QWLA network are also available for Quarterly *Amendment Voting.* All passed upgrades are fully tested on Alpha and Beta environments.

In this paper, we hope to show the expansive benefits QWLA will have to expand the use of Blockchain. The choice to implement as a proof-of-stake system and engineering our networks in Go while using abstract ideals from Ethereum.

Contents

1. **Call to Action**
    - 1.1. The Fork
        - 1.1.1. Innovation in Blockchain
        - 1.1.2. Social Science of Forks
    - 1.2. Security and Transparency
        - 1.2.1. Network security
        - 1.2.2. Network removals
        - 1.2.3. Network Control / Guidance
    - 1.3. Smart Contracts

2. **Abstract Community Blockchains**
    - 2.1. Network Obligations
        - 2.1.1. Network Protocol
        - 2.1.2. Transaction Protocol
        - 2.1.3. Harmony Protocol
    - 2.2. Bounce Voting
        - 2.2.1. Validation

3. **Proof-of-Stake**
    - 3.1. Why Proof-of-Stake
        - 3.1.1. Limits
        - 3.1.2. Development

4. **Development Info and Team**
    - 4.1. Token Info
        - 4.1.1. Total Mint
        - 4.1.2. Balance total world liquidity
    - 4.2. Meet the team
        - 4.2.1. USA Team
        - 4.2.2. India Team

5. **Mission Statement**

1 CALL TO ACTION

In today's Crypto world, an asset (*Token ,Coin, NFTs*) are generally single valued, have very limited use and sometimes no functionality is attributed to that token. Our mission is to bring the world's first **Exchange Traded Fund Token (ETFT)** which will be completely self-governed on the QWLA network. Token holders control the ability to vote through *Bounce Voting* on asset growth. Token holders will also control how the network grows with enhancements and changes, through additional voting. An **Exchange Traded Fund Token (ETFT)** can offer lower operating costs than traditional open-end Tokens, flexible control, greater transparency, and better cost efficiency in wallets /accounts.Traditional market mutual funds have offered many advantages over building a portfolio one security at a time. QWLA sees the same potential benefits in Blockchain, Crypto, and Decentralized markets.

Exchange Traded Fund Token - *ETFTs* are a group of securities and assets that are traded or exchanged, just as a regular Token or Coin. QWLA Token enables asset holders a lower entry price for community ownership over the traded fund. *ETFTs* can sometimes own hundreds of different assets or securities, QWLA main focus will be the future growth of blockchain.

1.1 The Fork

While many blockchain projects had the potential to be a great foundation for Qawalla, the Smart Contract technology of Ethereum puts it miles above any other. The need of network transparency and consistency for voting makes the ERC20 token to be the ideal candidate.

1.1.1 Innovation of Blockchain

Over the past 10 years, Bitcoin as a Blockchain technology has had tremendous success, and with that success several other Blockchain technologies have emerged. Projects like Bitcoin are a Proof of Work mechanism that allows for miners to contribute to the network speeds in return for the small rewards in the transaction. Proof of Work projects come with a serious security concern another useful mechanism for a

blockchain is Proof of Stake, this allows a blockchain network more control and security for stakeholders.

1.1.2 **Social Science of Forks**

Forks allow technology to be explored and expanded without impacting the original structure of the project. While focusing on development post network, Ethereum allows Blockchain networks to build on top of a trusted, reliable and secure code base. Our choice of ERC20 tokens are and the Proof of Stake model gives us complete security and our token safe holds 51.5% of our tokens in a safe off the market.

1.2 **Proof of Stake over Proof of Work**

Bitcoin uses the proof of work method which provides incentives meant to prevent a double spending situation where a transaction is calculated twice. While in the abstract of Bitcoin and proof of work are meant to disadvantage mining collusion, it leaves several concerning security faults.

1.2.1 **Network Security**

QWLA network uses the Proof of Stake method which enables stakeholders the power to control the blockchain network. Using this method keeps 51.5% of the tokens in a safe unable to be held in wallets. Security updates to the network are voted on by stakeholders every Quarter in what's called *Bounce Voting.* QWLA sees the purpose for a community based blockchain that allows voting and contributing future growth. This keeps stakeholders involved while keeping the project virtuous.

1.2.2 **Network Removals**

As the QWLA network grows there will be a need to remove some network assets. Before **Major** assets are removed from the network *Bounce Voting* protocols will be initiated and completed. **Minor** network changes / removals will not be voted on. These changes will never impact the voting **/** token transaction wallet.

1.2.3 **Network Control and Guidance**

A total of 51.5% of tokens are kept in QWLA Network Safe(s). This allows for full network security and control under a breach. While we maintain the promise of snapshots on production networks, its very important that Token holder understand the risks of Fake Currencies as these will not be accepted for *Bounce Voting***. If outside tokens (NOT VERIFIED QWLA) are added to the network for *Bounce Voting* they will be rejected, and all votes connected to your wallet will fault.**

1.3 **Smart Contracts**

Ethereum allows the use of Smart Contracts which are secure methods of transactions between two or multiple parties. *Bounce Voting* uses high limited contacts which communicate on the QWLA network. Stakeholders have the power to vote and control where the ETFTs are vested and additions to the QWLA network.

2 **Abstract Community Blockchains**

QWLA Network harnesses the ideals of a community blockchain, which is built and maintained to be self-governed. We feel it's important to be transparent about future development road maps including the Network Obligations for each stakeholder. The individual rights for each stakeholder and the obligation the QWLA network needs to follow for each and every stakeholder. Transaction IDs and protocols will be enforced to report all blocks created and saved to the public. QWLA network is unique as we have a constant proactive security protocol that monitors the network traffic for potential attack attempts and takes network snapshots for no loss of network integrity, under the Harmony Protocol each stakeholder can see what attacks we have defend against and where our new development was placed to protect from future attacks. Most of the material covered above is only the foundation of the QWLA network, and the growth of the network is solely in the hands of the stakeholders. *Bounce Voting* gives stakeholders the power to contribute to network updates and where future ETFT capital is vested.

2.1 Network Obligations

As most blockchain networks use miners to keep the network active and live, it's out stakeholder and network contributors obligation to keep network nodes active and available.

2.1.1 Network Protocol

Smart Contracts on the Ethereum are the most used and activated method of transactions of the QWLA network. In the future we might add additional but, right now the goal is *Bounce Voting* with accuracy and integrity.

2.1.2 Transaction Protocol

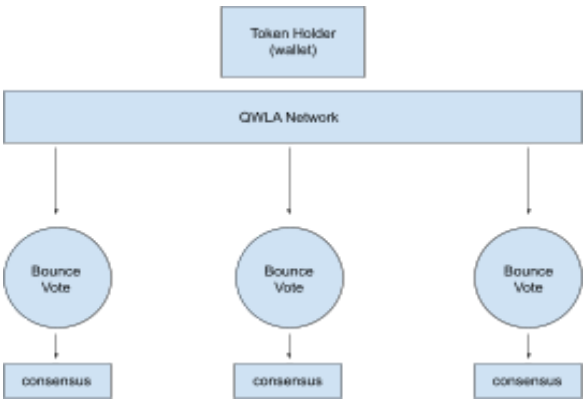
Smart Contracts on the QWLA network are executed between two or multiple parties that allow certain network methods to be activated. *Bounce Voting* allows token holders to communicate on the QWLA network their preference for each vote.

2.1.3 Harmony Protocol

Every blockchain network is susceptible to malicious attacks, and it's important to the network to have protective measures for stakeholders. QWLA *Harmony Protocol* actively monitors the incoming/outgoing transactions for deliberate attacks on the network. This allows stakeholders to freely move assets and use *Bounce Voting,* while our goal is to keep the network stable and secure.

2.2 Bounce Voting

One of the main features of the QWLA network is *Bounce Voting,* this is a new concept to the blockchain and when executed is quite simple. The fundamentals of *Bounce Voting* is allowing stakeholders the ability to vote and contribute to the network features and where ETFT funds are vested. Development and active features are still in development as we take on stakeholders



for voting. Token Holder will connect their wallet to the QWLA network enabling voting rights. Voting will be enabled through https://qwla.io and all voting info will be available 3 weeks before final vote.

2.2.1 Bounce Voting Validation

As voting is a main feature for the QWLA network, voting validation and confirmations are required. This being the network back to the full decentralized project, allows all nodes all over the world. Each validation node contributes stabilization and verification of transactions.

3 Proof of Stake

In short Proof of Stake is a method of maintaining the integrity of a token and its blockchain network. There was a set limit of tokens minted at origination, QWLA has in total 100,000,000 tokens created.

3.1 Why Proof of Stake

Several items contribute to a project's choice on building a Proof or Work network, or a Proof of Stake network. We feel the need is to build a strong foundation and community driven network. Allowing stakeholders the ability to vote and contribute. The limits of Proof of Stake are at times compressing they are enabled to provide a secure and stable network at all times.

3.1.1 Limitations

While the secure nature of Proof of Stake allows for secure transactions and legitimate voting processes, the limited amount of tokens created at mint means there will always be a set amount of the QWLA token available. And because QWLA follows secure Blockchain protocols we keep 51.5% of the token population of secure wallets.

3.1.2 Development

As the network grows and stakeholders contribute to voting enhancements QWLA developers will push additional code to the active blockchain. Before any code is

pushed live, all processes will follow Alpha, Beta and release cycles. Outages are expected while development release happens, our ability to provide updates will generally happen on website https://qwla.io or our comminy twitter.

4. Development Info and Team

Currently our network is fully functional and our QWLA token can be sent from wallet to wallet as a ERC20 token, we are in Alpha stages of building the *Bounce Voting* functionality for multi-node use.

4.1 Token Info

QWLA Token - EtherScan

Token info

- Max token supply
  - 100,000,000 (QWLA)
    - Community Growth / LTO (1,500,000) (1.5%)
    - Round 1 ICO (500,000) (0.5%)
    - Advisor rewards (3,000,000) (3%)
    - Exchange safe (30,000,000) (30%)
    - Founders, Developers, Team (12,000,000) (12%)
    - QWLA wallet safe (51,500,000) (51.5%)
    - QWLA ETFT Fund wallet (1,500,000) (1.5%)
- No Token Burns Scheduled

4.2 Meet the team

4.2.1 United States Team

Lead Dev / Research - Alex B | Twitter | Medium | QWLA | Git |
Lead Research Team - Kathleen A | Twitter | Medium | QWLA | Git |
Research Team (Consumer Industry) - Blake B | Twitter | Medium | QWLA | Git |
Research Team (Arts, Film, Media) - Ryan F | Twitter | Medium | QWLA | Git |
Ops / Developer - Bailey M | Twitter | Medium | QWLA | Git |

4.2.2 India Team

Developer II - Dileep P | Twitter | Medium | QWLA | GIT
Design Developer - Mhuammad k | Twitter | Medium | QWLA | GIT

5. **Missions Statement**

Qawalla - QWLA Token - Disrupting the foundation of traditional ETFs