



White Paper

Ver 1.0

"Cryptocurrency 2.0 Open the door for the market distribution"

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Compliance

Compliance usually means legal/ external/ internal control obligation and a compliance program is a "series of systems that allow a company to voluntarily comply with relevant laws and regulations during the course of a project." In some cases, the term "ethics and compliance program" is sometimes used to refer to the compliance program as meaning "business ethics." (Source: Wikipedia)

The representative of the project shall judge the following cases and actions in an illegal manner and observe them on their own.

Illegal funding related	<ul style="list-style-type: none"> - Commit and receive full or higher value in the future - Commit to the full or higher value in the future, and receive it in the name of deposit, installment or deposit etc. - Commit to repurchase in excess of the issuance price or sales price in the future, and issue or sell the bond - Commit to preserve future economic losses with money or securities and receive them in the name of dues
Capital Market Law related	<ul style="list-style-type: none"> - Issue securities in cryptocurrency form
Fraud related	<ul style="list-style-type: none"> - If the contents of the white paper contain false - If there is unrealizable content in the technical content of the white paper - The project representative embezzles any funds and withhold or desert - Use the funds for purposes other than the project
Embezzlement related	<ul style="list-style-type: none"> - Do not disclose in full or omit certain details of fund support status - Convert the cryptocurrency to legal currency and transfer it to the corporation's assets without disclosing in full or omit certain details - When the corporate representative's advance payment occurs - If you cannot reconcile or incur expenses without supporting documents - Keeping a second set of books

introduction

"I wish for less misery than more happiness for the people!" Happiness is a subjective standard, but misery is a relatively objective standard.

We hope that the new technology of blockchain will help the world to be less unhappy through decentralization, fairness and transparency. At least economically.

According to a recent report from the International Labor Organization (ILO), nearly half of the world's population is living on less than \$ 2 a day, and about a third of them live on just \$ 1. Today, 1.2 billion of the world's population is in the absolute poverty class living at \$ 1.25 a day (World Bank Report, 2010).

In 2008, since Satoshi Nakamoto announced the innovative cryptocurrency 'bitcoin' based on the blockchain technology, many cryptocurrencies such as etherium, litecoin, namecoin, dash, ripple etc. continue to advance the technology, unfortunately however, there is no platform to encourage smooth circulation of these cryptocurrencies in the 'normal' market to fulfil the core function of money.

The technology development of the cryptocurrency itself is important, but the active 'market distribution' of the cryptocurrency is as important as the development of the cryptocurrency in the future. In addition, it is expected that cryptocurrency with a large amount of market circulation will be valued higher.

We categorize the "technological development" of the cryptocurrency itself as the cryptocurrency 1.0, the market distribution of the currency as the focus as the cryptocurrency 2.0, and on the basis of the active circulation, association with businesses in various industries to develop as common business currency is defined as cryptocurrency 3.0 each stage will have individual focus areas. Qnapse team will concentrate on the area of cryptocurrency 2.0.

In order for the cryptocurrency to flow smoothly from the coin exchange to the real market, some obstacles must be overcome. The bottlenecks include price volatility that changes in real time, settlement time according to the characteristics of the blockchain, securing the accepting retailers, expanding the userbase, and building an infrastructure system based on blockchain.

By overcoming obstacles of distribution in the market, we started the project with the sense of mission to open the era of cryptocurrency 2.0,

I start this white paper with a heavy and frightened mind about infinite responsibility and the support of people around the world to 'begin a journey that cannot be stopped' in mind.

Term Definition

Qnapse	<p>This is the overall name of the project, meaning the platform of Qcity and Qcoin</p> <p>It is also used as the name of the corporation to be operated in the future.</p>
PE	<p>An abbreviation for Project Executive (PE), the project's representative responsible for business operations, and overall progress of the project.</p> <p>It refers to a person who is wholly liable for civil and criminal cases as well as moral duties.</p>
Qcity	<p>It is a cryptocurrency that has already been developed based on the bitcoin platform,</p> <p>the in-house developed main cryptocurrency that will be offered at the ICO of this project.</p> <p>First, it will be tradeable in coin exchanges,</p> <p>Second, it will be used in the businesses secured by Qcoin,</p> <p>And thirdly, each country-specific Qcoin is used globally as alternative currency.</p>
Qcoin	<p>By keeping the legal currency of each country and the fixed value of 1: 1, we can prevent the price volatility which is a big obstacle of the cryptocurrency flow in the market, while ensuring real-time settlements for transactions.</p> <p>It is a commercial cryptocurrency used for instant loan, S2S loan, Q-crm and various settlement within the Qnapse platform.</p>
Shop	<p>In addition to the meaning of general shops, it refers to small and medium-sized merchants, traditional markets, self-employed people, and small and medium enterprises.</p> <p>Qcoin is accepted throughout the 'Shops'.</p>
User	<p>A person who holds and uses Qcoin.</p>
Q-shop	<p>Means a mobile wallet used in a shop.</p> <p>In addition to sending and receiving, instant loan, S2S loan and Q-crm function are added.</p>
Q-pay	<p>It means a general mobile wallet using Qcoin.</p> <p>In addition to the billing function in the future, additional functions such</p>

	as search, reservation, and order are added
V.A.B	As an abbreviation for Value Added Business, By combining blockchain technology with existing business models, it is possible to add value in various aspects such as economy and business. It is a basic concept of Cryptocurrency 3.0. That is, existing model + block chain technology => added new business model
Q-loan	Every time a credit card sale occurs in a store, an instant loan is made using the sales slip as collateral, and as an infrastructure system that is redeemed when a payment is made from a credit card company Stores represent systems where credit card sales are immediately available as cash sales.
S2S-loan	Although the existing P2P loan is aimed at pure individuals, the term refers to "shop to shop" loan. However, a shop is a multiplicity of individuals with sales (individuals + businesses) It means a stable loan infrastructure system.
Q-crm	It refers to a customer relationship management (CRM) system using Qcoin.

1. Summary

1.1 Background



Over the past 18 years, we have developed various financial business programs such as loan system, instant payment system, mobile loan system, mobile point system and pay system. In the past 3 years, blockchain cryptocurrency based services such as explorer, mining pool, mobile wallet and coin exchange have been the main focus.

Currently, based on existing financial system such as instant settlement, instant loan and pay system, there are 'Distributed General Ledger', 'Digital Value Movement', 'Decentralization', 'De-intermediation', 'Smart Contract' etc. that are based on blockchain technology are under development to enhance the current systems.

With the help of small and medium-sized merchants, self-employed people, traditional markets, and SMEs, it is possible to increase the turnover rate through immediate lending in relation to the difficulty of financing and to raise money easily, quickly and cheaply through the S2S loan between shops without third party intervention, and can reduce the transaction fees generated by the transaction using cryptocurrency and improve sales through additional services such as publicity, order, and reservation, ultimately improving the disposable income of each store and a financial platform for small and medium-sized businesses.

On January 14, 2016, we filed the 'Qcoin' concept with the Korean Intellectual Property Office, and started planning the project in earnest. We have been studying various methods to overcome the main obstacles of cryptocurrency market circulation such as price fluctuation and delayed settlement, to resolve the problem by separating the asset coin (Qcity) from the circulation coin (Qcoin), to implement the ideas to our project, on October 19, 2017, "credit card transaction as collateral based virtual money issuing method and device" was filed with the BM patent as the invention title and completed this white paper.

Therefore, this project is aimed at establishing an infrastructure system based on blockchain, to promote commercial circulation referred as 'cryptocurrency 2.0', is also pursuing the public interest of contributing to improving the quality of life by increasing the disposable income of the small business, traditional market, self-employed, and small and medium enterprises.

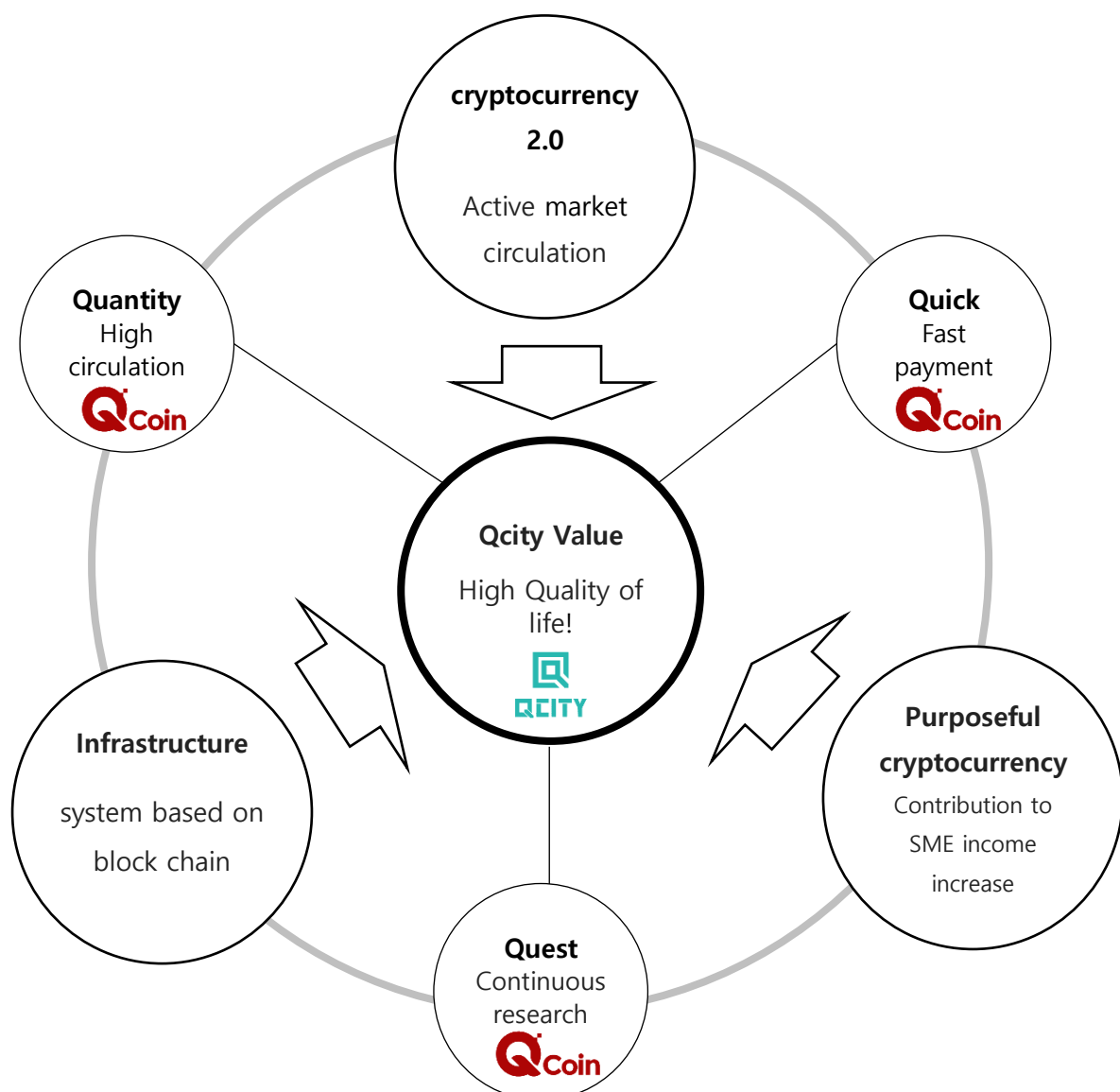
1. Summary

1.2 Value to pursue



In order to achieve a smooth commercial distribution, a blockchain-based infrastructure system for distribution with the purpose of cryptocurrency is required.

Qcoin pursues the value of Qcity as an easy, fast, and inexpensive method to distribute a lot of cryptocurrency on the market, and through continuous research and development, "improve the quality of life for many people!".



1. Summary

1.3 Cryptocurrency2.0



First, the Qnapse team sets the cryptocurrency 1.0, 2.0, and 3.0, as "2.0 is more developed than 1.0" is not a general concept of evolution, but just a categorization of the area of cryptocurrency. In other words, 1.0 contributes to the technological development of cryptocurrency itself, 2.0 contributes to the market circulation of cryptocurrency, and 3.0 is how cryptocurrency contributes to the VAB in combination with existing business. Note that the Qnapse team's 2.0 is not a technically progressive or advanced semantics than 1.0, but just a classification of the area.

Definition

Cryptocurrency 2.0 aim to overcome the fact that the cryptocurrency 1.0 cannot be circulated smoothly out of the coin exchange market, and it has an investment property tendency depending on the fluctuation of the price like stock market, by lowering or eliminating obstacles to improve the smooth market circulation and therefore it will achieve the purpose of a currency. It will develop an infrastructure system that will result in a platform or an ecosystem that the market circulation can be achieved.

Direction

In order to solve the two core problems of price fluctuation and delays in settlement confirmation time that prevent the commercial circulation of cryptocurrency, Qnapse team has studied various methods and decided drastically to separate the value of the assets traded on the exchange market and transaction value in traditional retail market. To this end, the Qnapse team has developed two complementarily linked cryptocurrencies, Qcity and Qcoin.

First, Qcity follows a conventional cryptocurrency asset valuation of being traded in coin exchanges, while Qcoin maintains a fixed value of 1: 1 with the local currency for its transactional valuation and solves delayed settlement problem. The active circulation of Qcoin enhances the asset value of Qcity and overcomes the localization tendency of Qcoin by using Qcity as a mediator for global use of Qcoin.

Five Challenges for Market Distribution of cryptocurrency

Challenges	Description	Mitigant
1. Price volatility	The cryptocurrency is inevitably fluctuating in price as the price is determined in real time on the coin exchange. There is a problem of avoiding settlement in the general store due to price fluctuation at the time of exchange and the price at the time of market transaction.	Solves price volatility issues with local currency and Qcoin that guarantees 1: 1 fixed value.
2. Delayed payment time	For example, in the case of bitcoin, it takes 1 hour to receive the 6 confirmations required to finalise the transaction, which is a big obstacle as the settlement time is delayed for the actual transaction.	Qcoin is a closed environment that ensures real-time settlement time with confirmation at the time of transaction.
3. Secure accepting retailers	Even if there is a user who holds a lot of cryptocurrencies, if there is no place to use the payment, it is a big obstacle to the circulation of the market.	Qcoin is able to acquire usage naturally by establishing the infrastructure for the store primarily (Instant loan, shop-to-shop loan, joint purchase, etc.)
4. Increase userbase	User expansion measures for cryptocurrency 1.0 can only be done through mining or purchase at exchanges, so user expansion is limited.	Qcoin naturally expands users in the process of accumulating coins through the Q-crm infrastructure system, which is secondarily to customers in stores Users of Qcity can also trade at Qcoin stores, so it is easy to expand users
5. Infrastructure Systems	In order for cryptocurrency to be distributed on the market, the cryptocurrency system alone is not enough, and a related infrastructure system is needed which can facilitate or help the cryptocurrency to settle on the market In addition, a related infrastructure system is necessary for the realization of the market distribution of the object cryptocurrency that the Qnapse team has decided.	Instant loan system, shop-to-shop loan system, Q-crm system, and Q-shop and Q-pay for stores and users.

1. Summary

1.4 Infrastructure Systems



Generally, trading cryptocurrency is active on the coin exchange, but it is not common to trade the cryptocurrency with general public who are unfamiliar with the concept and retailers do not accept the cryptocurrency as a form of payment,

There is a need for a relevant infrastructure system, such as an easy-to-use interface payment system that allows retailers and customers to naturally deal in cryptocurrency.

In addition, if a cryptocurrency has a specific purpose, a related infrastructure system based on a blockchain must be in place, Qnapse team constructs the following infrastructure system through this project

Instant loan system

This is a system for issuing credit card transaction based loan using the blockchain technology. It uses a credit card voucher generated by a shop as a collateral for immediate lending of the cryptocurrency,

In the shop, Qcoin can be used in various ways such as cash transfer, transaction payment, overseas remittance, salary transfer, etc. Qcoin will be distributed through this system.

(※ BM license Application : 10-2017-0135741)

Shop-2-Shop (S2S) loan system

The existing P2P loan is a pure private transaction, but since the S2S loan is not a simple

individual but a business operator, it is possible to determine the loan limit by analyzing credit card sales or Qcoin sales, so that a fast and stable loan environment that enables the borrowers to pay lower interest and the lenders can benefit a higher interest income.

Q-crm system

After Qcoin has been fully distributed to the stores, the customer's identification address acquired in the process of accumulating Qcoin will be used for resale and distribution based on various information such as total purchase amount, number of purchases, final purchase, It is a CRM system that can help cross-sell.

Qcoin is an important system that is gradually extended to users in stores.

Q-shop

In addition to sending, receiving, and viewing functions to the mobile wallet used in the store, it is a system that adds instant loan, shop-to-shop loan, and Q-crm store-specific functions.

Q-pay

It is a mobile wallet used by general users and has functions such as search, order and reservation in addition to basic functions.

1. Summary

1.5 Cryptocurrency's purpose



Since cryptocurrency 2.0 pursues the revitalization of the market circulation, it is necessary to have a clear purpose in every field of cryptocurrency for successful distribution, so that it can be realized based on the infrastructure system for each specific purpose.

Qcoin's goal is to "contribute to increasing disposable income in stores (small businesses, traditional markets, self-employed, small businesses, etc.)".

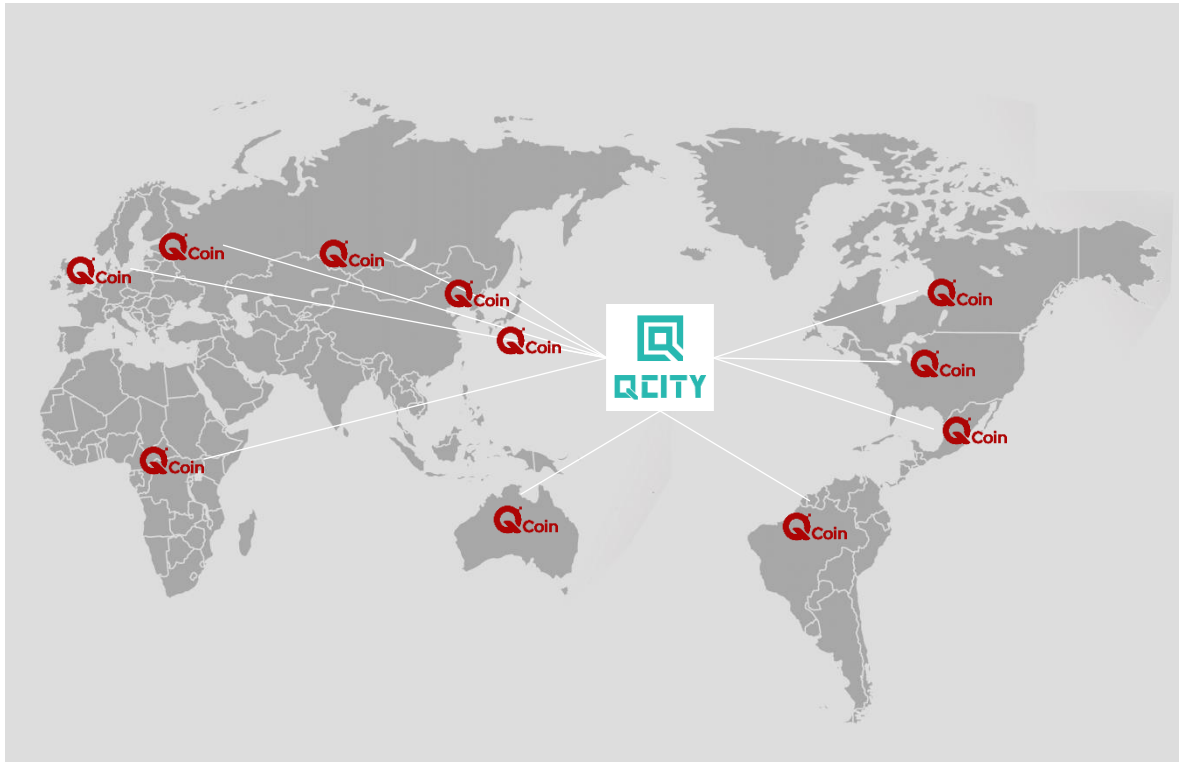
Qcoin is willing to contribute to disposable incomes of stores because it is generally responsible for 80-90% of the economic structure, so increasing the disposable income of a store can contribute to the quality of life of more people .

There are three ways to increase the disposable income of a store: the first is cost reduction, the second is sales growth, and the third is in increasing efficiency, so the Qnapse team sets the following three measures, and build a system accordingly.

Cost reduction	<ul style="list-style-type: none">- Reduced commission when paying with Qcoin- Reduce interest rate in financing- Cost savings through joint purchasing- Reduction of other payment fees
Increase sales	<ul style="list-style-type: none">- Expand sales opportunities through Qcoin settlement- Expansion of publicity opportunity through Q-pay search- Increase repurchase and cross-sell opportunities through Q-crm
Increase efficiency	<ul style="list-style-type: none">- instant money circulation- Fast financing- Eliminate unnecessary payment related business by providing smart payment environment- Provide infrastructure to increase work efficiency through continuous research and development

1. Summary

1.6 Qcity and Qcoin links



- Qcity is the asset cryptocurrency that is traded on the Coin Exchange, and Qcoin is the transactional cryptocurrency.
- Funding for the development and commercialization of Qcoin will be made by Qcity's ICO.
- Qcoin guarantees a fixed value of 1: 1 for each local currency.
- Qcoin's volume increases the value of Qcity.
- The local propensity Qcoin is distributed globally through Qcity.

1. Summary

1.7 Project Executive (PE)



Young-Gun, You

The Project Executive worked for five years as an army investigator.

Since 2000, he has been engaged in software business in the IT industry. Various developments experiences related to workflow and blockchain field. The PE also worked as a lecturer at the Gyeonggi Women's Development Center on programming languages such as C, Java, Php, Javascript.

Major development force

Instant payment	Developed payment system with secured by credit card slip ordered by Sunjin C & I
point system	Development of real card-based VAN interworking point system
Mobile loan system	Developed Mobile loan (Guo Chunsa Angel), the first in Korea to be launched at Samhwa Savings Bank
mobile CRM	Development of CRM system using mobile card driven by feature phone
TraNet	Developed TraNet framework to develop customized workflow for each type of business
Pay system Development	Developed multi-type Pay system that runs on smartphone
blockchain field	Blockchain based cryptocurrency & exchange development

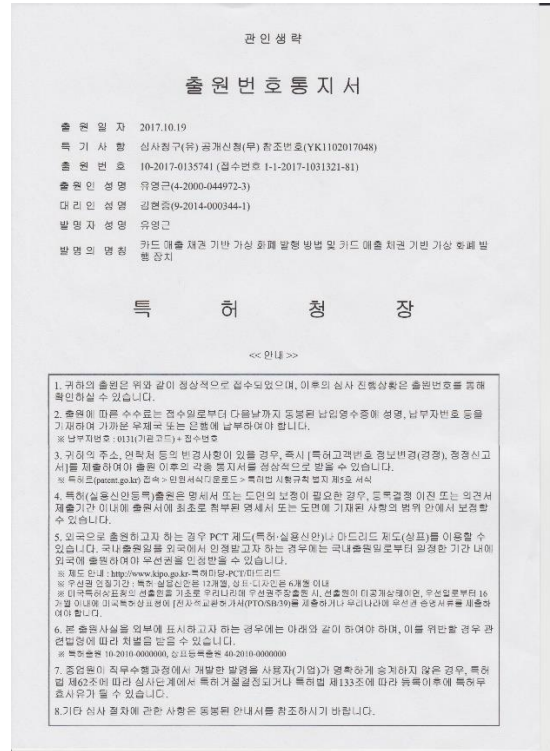
Volunteering

Since 2008, he has served as a vice-chairman of the volunteer group "Seongbonghoe," a volunteer group running 'rice-share' project every December and serving difficult neighborhoods such as the elderly living alone and deficient families every month.



1. Summary

1.8 Service mark & BM licence



Certificate of service mark registration

service mark : Qcoin

filing date : 2016. 01. 14

registration date : 2016. 10. 12

registration number : 41-0375365

owner of the service mark right

: Young-Gun, You

Patented Business & Marketing

application

filing date : 2017. 10. 19

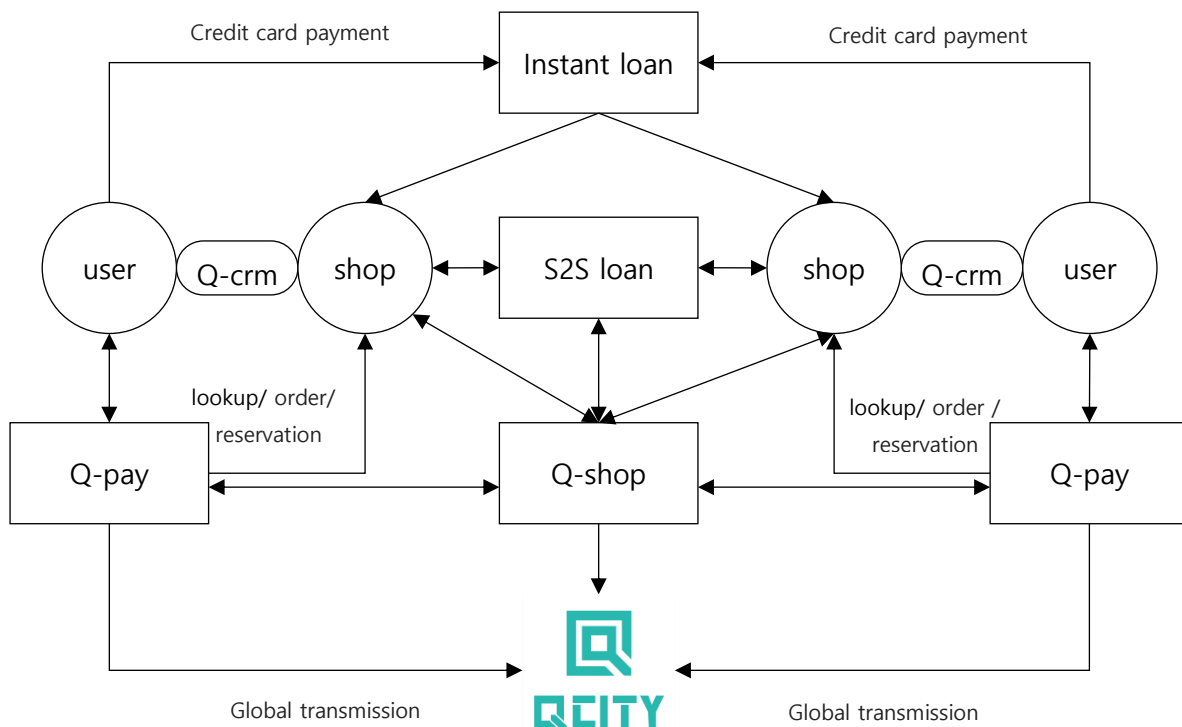
registration number : 10-2017-0135741

inventor : Young-Gun, You

(#Attached separately)

2. Service

2.1 Qnapse platform



According to the pursuit idea of blockchain of decentralization and de-intermediation, it provides an infrastructure system providing a financial platform based on blockchain and cryptocurrency such as instant loan, S2S loan, Q-crm, Q-pay to enable direct business relationship without third party intervention.

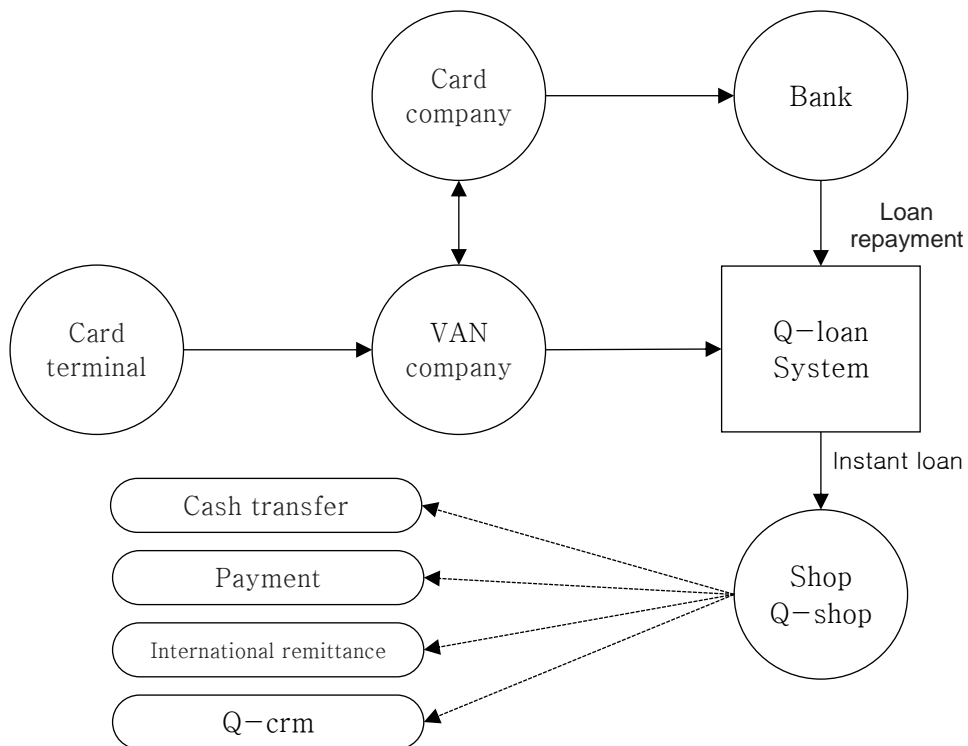
However, in order to achieve such a platform, a loan is required as a transitional advance, immediate lending can be subject to external factors under strict control due to factors such as VAN, credit card companies, and banks.

2. Service

2.2 Instant Loan(Q-loan)



Conceptual diagram



Summary

Instant Loan overcomes the delay a shop would experience once a customer completes a transaction with a credit card. Usually the card company will reimburse 2-5 days following the transaction, Instant Loan will be available immediately in cryptocurrency using the credit card sales slip as the collateral, eliminating the delay and able to exchange to the local currency, settle supplier payments or transfer to home and abroad with low expenses.

Case

For example, if a foreign worker is working in a shop and the employee receives a salary, he / she visits a bank and remits to a family member in the overseas country. If the employee uses the Q-loan system, it is possible to send salary to the family quickly and accurately with low charges by the sales generated by the card.

Conventional way	Card sales → Bank deposit (2-5 days) → Salary payment → Bank visit → Money exchange → International remittance
Q-loan	Card sales → International remittance

As mentioned above, it takes a lot of time to go through a minimum of 6 steps,

Not only the labor of the person such as a visit is required but also a high fee is paid for each step,

If you use Q-loans, you can reduce your time, effort, and fees by simply reducing to two levels.

Differentiate from existing instant payment service

As a similar concept, there was a service called 'immediate settlement', but the existing instant settlement is not a real-time immediate loan due to the problem of bank transfer fee in the case of small amounts. One-day, or half-day payment service at best.

On the other hand, blockchain based cryptocurrency, it is possible to make a true immediate loan in cryptocurrency that guarantees 1: 1 value with local legal currency.

Effectiveness of Instant Loan

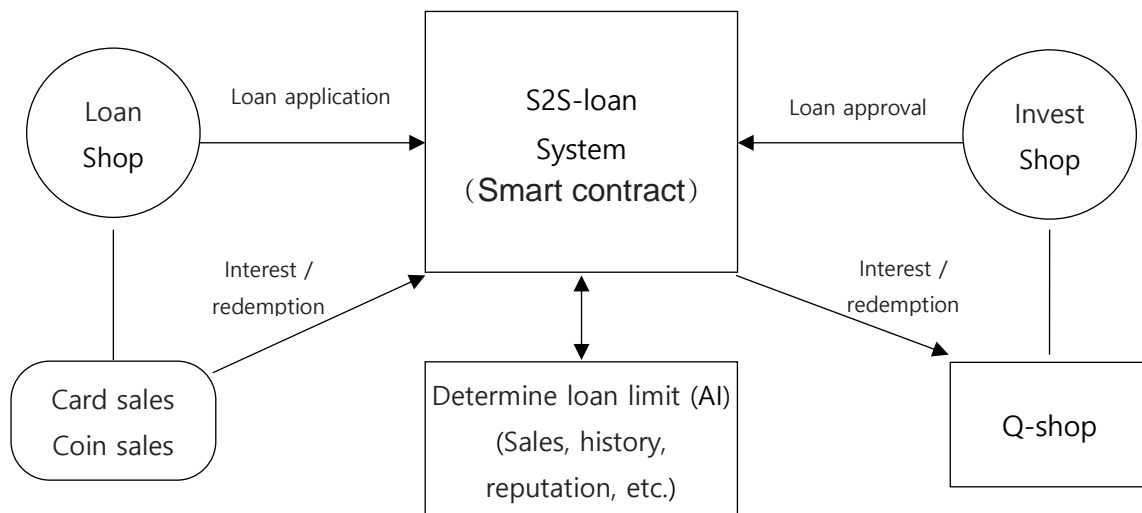
- Contributes to the quick and convenient turnover of stores.
- It is possible to use various functions such as settlement of accounts, utility bills, and fine payment by using the transfer function of the cryptocurrency.
- It is easy, fast, accurate, and inexpensive to send money through domestic and overseas via Qcity.
- It is possible to use S2S loan through cryptocurrency, Q-crm, Q-pay etc.

2. service

2.3 Shop-2-Shop Loan



Conceptual diagram



Summary

The Shop-2-Shop (S2S) loan means that when the credit card sales or Qcoin sales are generated, the 'investment shop' immediately funds the excess cryptocurrency, and the 'loan shop' that needs the loan will be supplied by the S2S loan system. The loan limit will be set by the system by using 1: 1, 1: n or 1: System at a lower rate than the current market. Then, whenever credit card sales or Qcoin sales occur in the loan shop, the system using smart contract automatically pay the principal plus interest to the 'investment shop', the 'loan shop' can take advantage of lower loan rate in easier transaction, and the 'investment shop' can receive higher interest income.

Differences from existing P2P loans

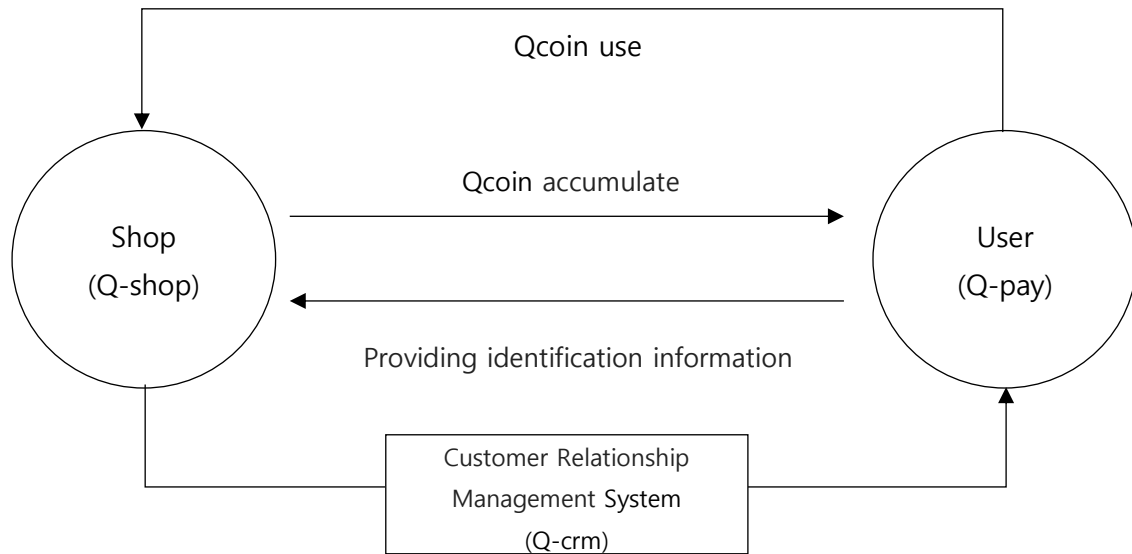
- It is a concept that a subject is not a simple individual but a shop that is a combination of an individual and a business.
- The repayment is stable because the borrower is engaged in economic activities.
- The loan limit utilizes Big Data through each store's sales status, loan history, and reputation.
- The quality of the loan is high because it can be designated by loan purpose and can be paid by usage through contract.
- Loans, repayments and interest payments are automatically executed, so there is no third party intervention. Mutual benefit between lender and investor increases.
- Repayment or interest payments are automatically executed when credit card sales or Qcoin sales occur. No unnecessary acts or fees, such as bank transfers, are lost.

2. Service

2.4 Q-crm



Conceptual diagram



Summary

Q-crm means that when a customer (user) purchases goods or services from a store, Q-crm accumulates a certain amount of Qcoin from the viewpoint of customer management, obtains customer's identification information with consent,

It is a system that contributes to the increase of sales ultimately by providing customized service to customers by utilizing various DBs related to transactions with customers.

Effect of Q-crm

- Establish a virtuous circle of new customer acquisition → Maintain good customer → Increase customer value cycle.
- Increase resale and cross-sell by maintaining customized relationships with customers.
- One-to-one marketing through individual sales analysis raises the life value per customer.
- Customers have the opportunity to create new customers through Qcoin gifts.
- Use marketing data by analyzing sales, surveying, etc. to identify customer's tendency and needs.

2. Service

2.5 Profit model and operation plan

Revenue model

Revenue model		Contents
fees	Instant loan fee	100% of the profit of the Instant loan
	S2s loan interest fee	10% of the Shop-to-Shop loan
Subsidiary business (Franchise)		Qcoin for field testing and geographic spread franchise business development to utilize as base 50% of operating profit

Operation plan

division	Contents
45 %	- Incineration costs to increase the value of Qcity every year - How to incinerate by repurchasing Qcity from coin exchange with income
45 %	- R & D expenses for development of Qnapse platform - SG & A expenses to maintain the Qnapse platform
10 %	- to provide one-off meals to poor neighbors around the world 'free Food truck' Service Fund

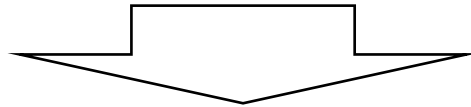
- The fees from the revenue model is not for profit generation, it is a goal of R & D / maintenance and Qcity incineration, and because it is used as a fund for charitable service, the fees decrease to 0% as the profit increases.
- For sustainable maintenance and continuous development of this project, we can not only rely on funds from ICO, a self-funding revenue model is required.
- Qcity incineration costs are required once a year to increase the value of Qcity.
 - Qcity incineration proceeds will be limited to 111,250,000 QCT, which is about 50% of the quota for ICO.

2. Service

2.6 Expanded distribution strategy

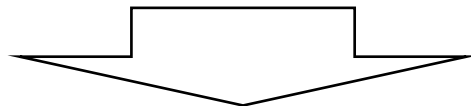
Step 1 : Securing retailers

Through financial services that are required by the user, such as instant loans, shop-to-shop loans, etc.
After distributing the cryptocurrency to the market, it induces active circulation through transactions between stores.



Step 2 : Expansion of customers

Through the securing of the retailers from the 1st stage, through Q-crm and Q-pay naturally expand distribution from retailers to customers.



Step 3 : International expansion

After successfully launching Qcoin-krw, it spreads by country around the world through Qcity.

Unlike other cryptocurrency which is concentrates on expansion of customers, Qcoin utilizes a strategy of acquiring usage sites (stores) first and spreading it to users (individuals). The reason for this is that it is easier to secure the customers after securing the retailers and stores.

3. Technology

3.1 Qcity



Qcity has already been developed and is the object of the ICO to be implemented in accordance with this white paper.

Specifications Overview

Coin name	Qcity
unit	QCT
platform	bitcoin system
Visibility	Open to the public
Total issue volume	500,000,000
Initial mining	390,000,000 (78%)
Mining term	35 years
Block time	60 seconds
Mining rewards	6 QCT
Mining method	POW
Algorithm	Scrypt
Minimum transfer fee	0.0001 QCT
Number of confirmed contracts	6 confirms

Related Services

Source public	https://github.com/qcity
Core download	https://github.com/qcity/qcity/releases
Explorer	http://insight.qcitycoin.org
Minning pool	http://nomp.qcitycoin.org
Mobile wallet	Search for 'Qcity' on Google Playstore
website	www.qcitycoin.org

3. Technology

3.2 Qcoin



Summary

Qcoin is the coin for market circulation only, so it maintains a fixed value of 1: 1 with local legal currency, so the total amount of local commercial bank accounts and the total amount of Qcoin accounts always have to match. In order to implement this, some special accounts are required. In addition to sending and receiving the cryptocurrency, various kinds of transactions are required to be linked with instant loan, shop-to-shop loan and Q-crm, which are infrastructure systems for distribution. It must also be implemented in a different way for the mining rewards.

Special account

In addition to regular accounts, Qcoin manages the following special accounts:

Issued account	<ul style="list-style-type: none">- An account that manages coins that are created simultaneously when depositing into a bank account- Account to which mined rewards are sent
Incineration account	<ul style="list-style-type: none">- An account that manages coins to be burned simultaneously when withdrawing from a bank account- Incineration account can not issue any transaction
Revenue account	<ul style="list-style-type: none">- An account that manages the commission revenue generated within the system.

Transaction

Since Qcoin has to handle various business processes, there are various transaction types.

code	division	contents
11	Send (receive)	Typical cryptocurrency sending (receiving) transactions
21	Deposit to bank	Transactions that occur when depositing to a specified bank

	account	account
22	Withdrawal from your bank account	Transactions that occur on withdrawal from a bank account
31	Reward to customer	Transactions that occur when a store rewards customers
41	Receive credit card authorization	Transactions that occur when receiving authorization information from VAN

Reward

Qcoin's mining reward is the issuance of currency, and Qcoin must be issued only to the same amount deposited into the bank account. Therefore, the compensation must always be synchronized with the deposit,

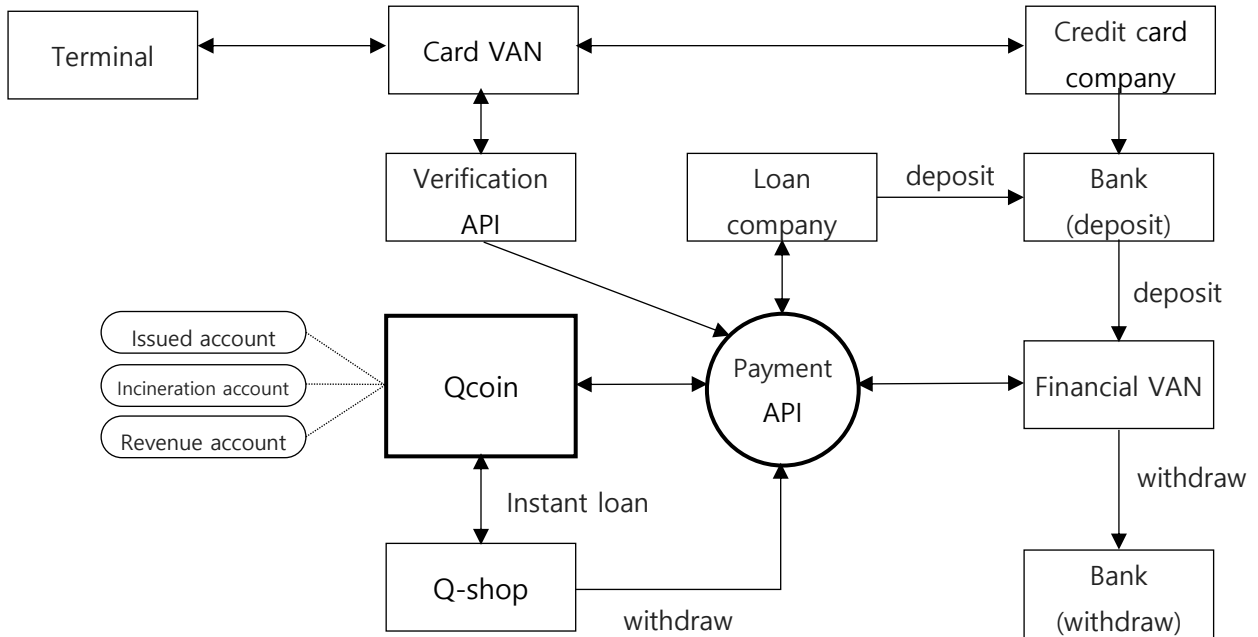
When creating a block, first check the code of the transaction, and only if there is a transaction with code '21', the compensation is made with the same amount, and the account receiving the compensation is not a mined node, but Qcoin's special 'Issuance account'.

3. Technology

3.3 Q-loan System



Diagram



※ Payment API handles communication with card VAN, financial VAN, loan finance company etc. instead of Qcoin.

Third-Party Agency

기관	업무
Card VAN	- Provide records of credit card approved / canceled transaction at the card terminals in the store
Financial VAN	- Provide details of bank deposits - Communication when transferring to local currency by stores
Loan company	- Loan the local currency needed for the Q-loan system if necessary

Flow Overview

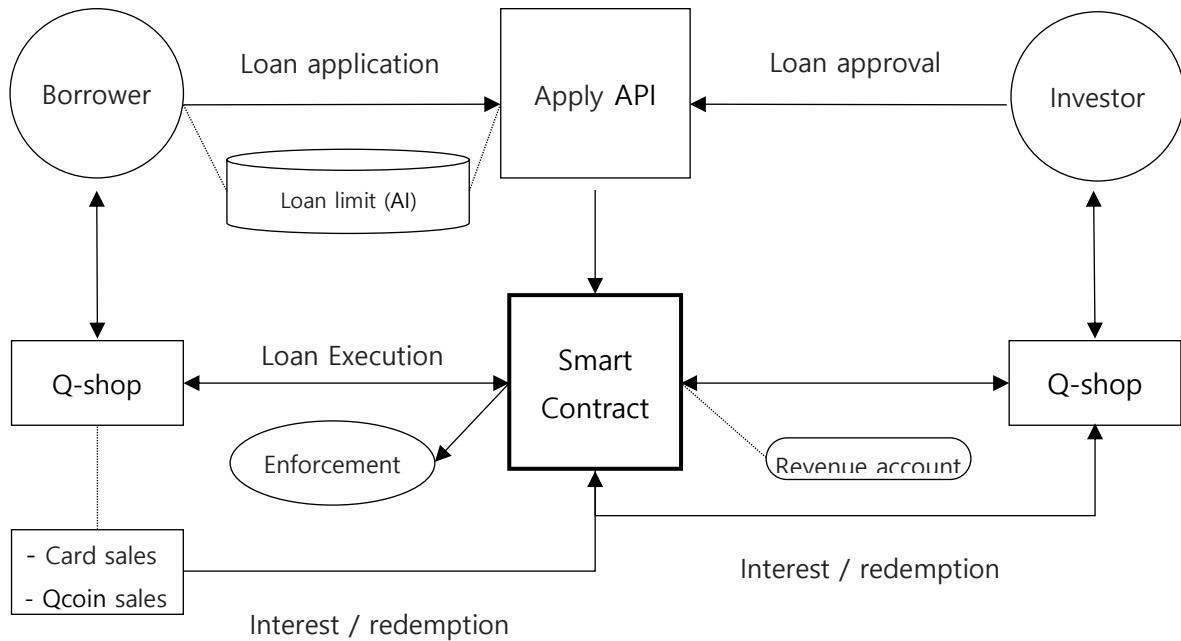
Step	Contents	Element
01. Request approval	- Customer credit card authorization request from store terminal	
02. Results Notification	- VAN company communicates with the card company, and the result is notified to the store	
03. Records notification	- VAN notifies Qcoin transaction related matters such as approval / cancellation	Card VAN socket
04. Records verification	- Validation APIs verify records and related content - Determine what the payment API should do - If necessary, include loan finance company related records	Validation API
05. Processing request	- The validation API requests the payment API to process	Payment API
06. Loan request	- Payment API sends loan transaction to Qcoin - Send loan records to loan company if necessary	Loan finance company socket
07. Loan Execution	- Qcoin transfer from publishing account to store account - Transfer to the revenue account after deducting the fee	
08. Bank Transfer	- The store converts Qcoin into the legal currency	Financial VAN socket
09. Incineration request	- Request incineration for the same amount transferred from the store	
10. Incineration processing	- Transfer Qcoin from a store account to an incineration account	
11. Deposit Notification	- 2 ~ 3 days deposit payment from card company	Financial VAN socket
12. Reimbursement claim	- Transfer the exact transaction amount (code: 21) - Loan company administration in accordance with the contractual relationship	payment API
13. Repayment processing	- Transfer the exact deposit amount to the issued account as a mining reward	

3. Technology

3.4 S2S-loan System



Diagram



Flow Overview

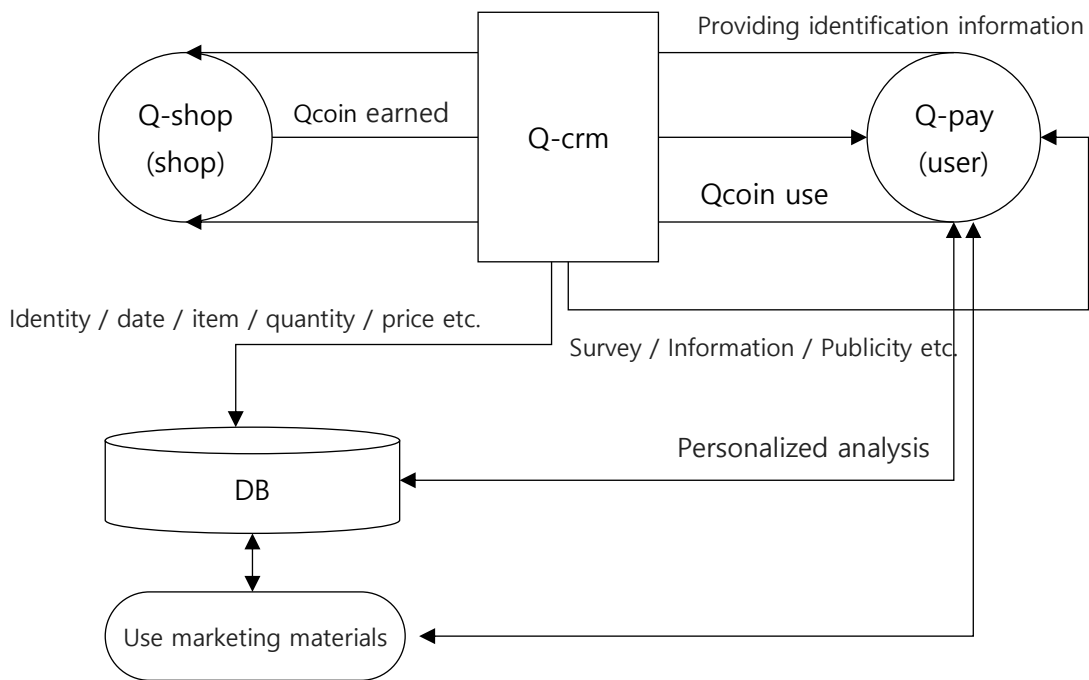
Step	Contents	Element
01. Loan application	<ul style="list-style-type: none"> - Borrower applies through the application API (details entered such as loan amount, interest rate, period, loan purpose) - Loan limit is determined by sales trend, loan history, reputation, etc. 	Application API Loan limit AI
02. Loan approval	<ul style="list-style-type: none"> - Investors set the amount and approve the loan 	
03. Contract registration	<ul style="list-style-type: none"> - The information related to the loan are registered in the smart contract 	Smart contract
04. Loan execution	<ul style="list-style-type: none"> - Execute loan according to usage - Prevent bad debts by enforcement according to usage setting 	
05. Interest / redemption	<ul style="list-style-type: none"> - Execute interest and principal repayment according to the borrower's card sales and Qcoin sales history 	

3. Technology

3.5 Q-crm System



Diagram



Flow Overview

step	contents	Element
01. Acquisition of identification information	- Obtain customer identification information to reward Qcoins	
02. Qcoin earned	- reward Qcoin to customers and encourage return visit	
03. Qcoin use	- Customers come back to the store to use Qcoin	
04. Using CRM	- Statistical analysis - Customer orientation analysis - Communication through Q-pay (survey, information, publicity)	

4. 조직/ ICO

4.1 Development Team



Project Executive

Young-Gun, You

Overall leader of this project, over the past 18 years hold experiences in project planning and management, and developing blockchain related Workflow system, instant billing system, loan system, pay system, point systems etc.



Core Development Team

Ji-Han, Kim

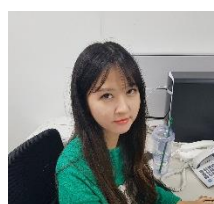
As a full-stack developer with more than 20 years of experience, He has led various financial related projects, has also developed security and various special programs, and leads key development teams related to blockchain.



Infrastructure System Development Team

Young-Eun, Kim

A developer with 15 years of experience, specializing in pay system. In charge of developing blockchain related infrastructure systems such as Instant loans, shop-to-shop loans, Q-crm, etc.



UX Development Team

Da-Hye, Gil

HTML, CSS, Javascript and design etc. front-end UX development team.



Planning team

Yul-Hee, Kim

Over 10 years of experience in the National Assembly, in charge of Planning and Compliance for this project.

CONSULTANTS



Jong-Wook, Yoon / Doctor of Business Administration
biziq@naver.com

Currently a professor of MIS at the university.
In relation to strategic direction and blockchain-based business model and advises throughout the project management.
In particular, he is interested in the convergence of infrastructure systems such as instant loans, shop-to-shop loans, Q-crm, and artificial intelligence (AI).



Gyu-Hwan, Lee / Architect
idee1227@daum.net

Currently an architect and runs a building material platform site.
The impact of the blockchain on the future business and society as a whole is the main interest.
And based on the concept of "decentralization" and "dispersed centralization", guiding this project's balanced approach.



Peter, Kim / Financial analyst
peterkim04@gmail.com

Currently based in the UK and has 10 years of experience as a financial analyst.
Holds IMC, and CAIA qualifications, and advises the project from an international finance perspective.



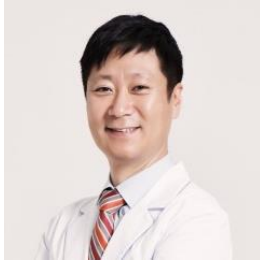
In-Koo, Jang / Patent Attorney
ikjang@bestpat.net

Currently a patent attorney and advises on intellectual property (IP) management related to this project.
Relationship between Qcoin and manufacturing market is the main interest.



Tae-Young, Lee / Robot Developer
leety@nurirobot.com

Currently operates a robot development company, interests in blockchain based robot log recording, Qcoin's payment method for leased robots.



Deok-Soo, Kim / Doctor
eyekimds@gmail.com

Currently a ophthalmologist
He majored in physics at university and has a lot of interest in programing and IT related fields.
with this project, studying and advising about the connection between small and medium sized hospitals and Qcoin



Chan-won, Cho
sarangcy@naver.com

Currently a ceo of investment company.
He had over 10 years of experience as a bond investment specialist in a securities company and analyzed many start-ups in a venture capital.
He advices on the project's feasibility and investment.



Yoon-Young, Sung / Tax accountant
syy7777@nate.com

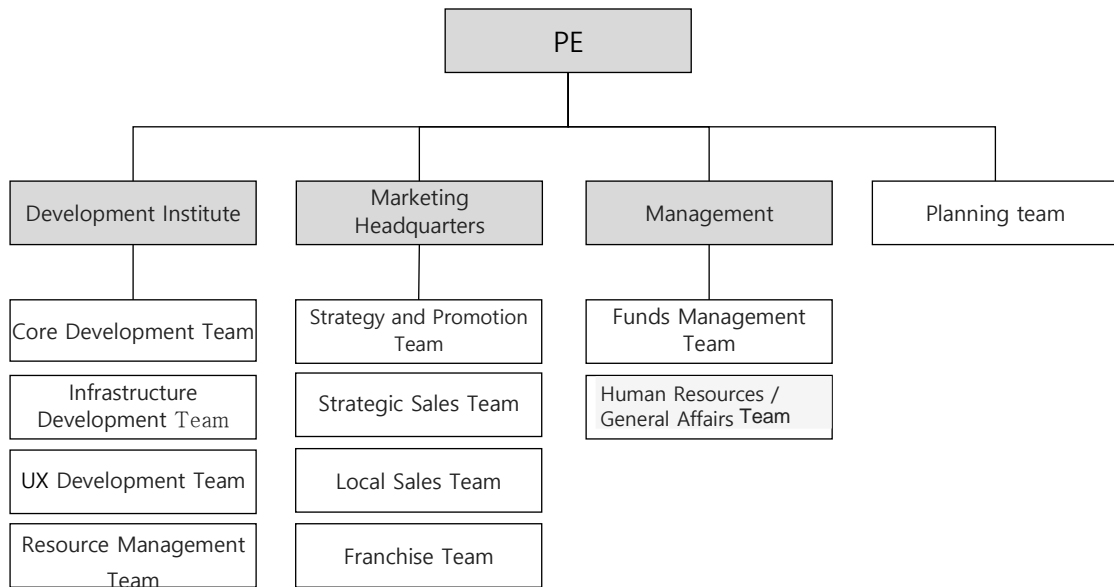
Currently a tax accountant, interests accounting of cryptocurrency in blockchain based and advices on the project's accounting.

4. Organization / ICO

4.2 Corporate organization



Organization



Granted task

Department		task
Development Institute	Core Development Team	Development of core technology of blockchain and cryptocurrency
	Infrastructure Development Team	Development of infrastructure system including instant loan, shop-to-shop loan, Q-crm
	UX Development Team	UX planning and development such as HTML, CSS, Javascript, design
	Resource Management Team	Network-related project resource management
Marketing Headquarters	Strategy and Promotion Team	Project and cryptocurrency related promotion
	Strategic Sales Team	Strategic business including affiliates and brands
	Local Sales Team	Qcoin shop sales in each area
	Franchise Team	Franchise for Qcoin field test and base
Management	Funds Management Team	Transparent fund management including budget and execution related to the project
	Human Resources / General Affairs	Overall management including corporate management, personnel and general affairs
Planning team		Various tasks related to business and project

4. Organization/ ICO

4.3 Distribution plan



Total Issue Distribution Plan

Sum	Mining	ICO	Innovation Research	Team reward	Spare
100%	22%	44.5%	20%	9%	4.5%
500,000,000	110,000,000	222,500,000	100,000,000	45,000,000	22,500,000
Remarks			2 years lockup	2 years lockup	

Team reward Distribution Plan

Sum	PE	Core Development Team	Infrastructure Development Team	UX Development Team	Planning team	Marketing Team	Spare
9%	3%	1.5%	1%	0.25%	0.5%	1%	1.75%

ICO sales distribution plan

Sum	Development cost	Marketing cost	Operating cost	Reserve money
100%	40%	33%	17%	9%
222,500,000	89,000,000	73,425,000	37,825,000	20,025,000
Remarks		Franchise		

4. Organization/ ICO

4.4 ICO plan



division	Contents	term	bonus
Plan	<ul style="list-style-type: none"> - Qcity white paper completed (for Seed) - Developed core, explorer, mining pool - Mobile wallet development 	~ 2017. 11. 30	
Seed Sale	<ul style="list-style-type: none"> - Goal : Over 500,000,000 won - Established Qnapse Co., Ltd. / Opened an office - Pre Sale Plan / Promotion 	2017. 12. 01 ~ 2018. 01. 15	+50%
Pre Sale	<ul style="list-style-type: none"> - Goal : Over 2,000,000,000 won - Crowd Sale Plan / Promotion - Banner ads on famous sites - Promotion of overseas presentation / seminar 	2018. 01. 16 ~ 2018. 03. 31	Primary: +30% Secondary: +20%
Crowd Sale	<ul style="list-style-type: none"> - Goal: More than 7,500,000,000 won- - Target: Individuals worldwide 	2018. 04. 01 ~ 2018. 06. 30	Primary: 10% Secondary: +5% Third : +0%
Registration Exchange	<ul style="list-style-type: none"> - Selection of exchange - List on international / domestic exchanges 	2018. 07. 01 ~ 2018. 09. 30	
Value Management	<ul style="list-style-type: none"> - Commence trading - Maintain minimum value - Manage value enhancement issues 	2018. 10. 01 ~	

4.5 Qcity Value enhancement strategy

1. Step-by-step development completion issue

Qcoin development, immediate loan system, etc.
Issue following successful completion
of development step by step

2. Issue of Qcity incineration each year

Accumulate commission fees and once a year
Issues for maintaining scarcity value
by purchasing and incinerating Qcity

3. Issue according to country launch

After a successful launch of Qcoin-krw,
Issues of value raising by in further country launches

4. Issues related to launching new services

Issues related to the launch of innovative
new services in the future

5. Roadmap

5.1 Roadmap

