



Wala: A financial platform for the next
3.5 billion people in emerging markets

POWERED BY THE DALA UTILITY TOKEN

Dala Utility Token Whitepaper V2.4.5

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Legal Disclaimer

This White Paper is intended to present relevant information to potential Dala purchasers (Purchaser) in connection with the proposed generation and sale of Dala (Token Issuance), including information about the underlying software application and blockchain protocol used to create and distribute Dala (Dala Smart Contract) and the Dala ecosystem (together with the Dala Smart Contract, the Dala Platform). The information contained in this White Paper is not intended to be exhaustive and the statements included in this White Paper are not intended to create a contractual relationship. Nothing in this White Paper shall be deemed to constitute a prospectus of any sort or a solicitation for investment, nor does it in any way pertain to an offering or a solicitation of an offer to buy any securities in any jurisdiction. This document is not composed in accordance with, and is not subject to, laws or regulations of any jurisdiction which are designed to protect investors.

Certain statements, estimates and financial information contained in this White Paper constitute forward-looking statements or information. Such forward-looking statements or information involve known and unknown risks and uncertainties which may cause actual events or results to differ materially from the estimates or the results implied or expressed in such forward-looking statements.

A comprehensive risk disclosure schedule is attached hereto as Appendix B.

Executive Summary

Emerging market consumers have long suffered from a lack of accessible and affordable financial services, leaving 3.5 billion consumers unbanked and underserved.¹ Banks have failed to provide basic financial services, opening the door for Mobile Network Operators to provide a much more accessible solution called Mobile Money. But Mobile Money has proven too expensive and border-constrained to engage consumers en masse. As a result, cash still rules in emerging markets and it does so to the detriment of its users.

As Mobile Money has demonstrated, technology can address the financial inclusion gap. Simple feature phones can facilitate 44% of a country's GDP.² Smartphones, combined with new cryptocurrency technology, have the potential to impact financial services across the entire globe.

Wala is a FinTech company that has set out to solve this global problem by engaging users with a digital financial platform that provides all of the financial and transactional services a consumer needs. The Wala Financial Platform was spawned from an online community of over 1 million emerging market consumers who became members to improve their financial well-being and obtain free financial services. This community grew through an incentives and rewards program designed to improve financial behavior. Now, on the path to financial prosperity, the users are ready for the free financial services to be offered through the Wala Financial Platform.

In order to deliver on the early promise of Wala, a new utility crypto-token, called Dala, will be issued by the Dala Corporation. As with the Wala community, the token will be used to reward positive financial behaviors. The Dala token will be available for transfer to other Wala users or redeemable for value-added services like airtime or data. Over time, the Dala token will develop its own ecosystem that reaches consumers beyond Wala, engaging the 3.5 billion people currently outside the formal financial system.

1. Financial Inclusion at the Bottom of the Pyramid, Carol Realini, Karl Mehta

2. <https://qz.com/993751/m-pesa-safaricom-kenya-regulators-and-vodacom-could-be-about-to-open-up-mobile-money-in-africa/>

1. Problem: Emerging Market Finances are Broken

Globally, over 3.5 billion people are not adequately served by current financial solutions.³ Over 2 billion people do not have bank accounts and another 1.5 billion only have basic savings accounts, which are not transactional. These underserved consumers are primarily based in Latin America, Asia-Pacific, and Africa.⁴ Across these emerging markets, the two key barriers to financial services are access and cost.⁵

- 1 ACCESS:** Many consumers operate outside of the formal financial system due to the lack of financial infrastructure (e.g. rural locations), required documentation, credit history, financial literacy, or intimidation of the banking system.⁶
- 2 COST:** Participation in financial services is cost-prohibitive. High fees are the top reason why consumers avoid the system entirely.⁷ These fees lead consumers to feel too poor for banking services.⁸

The existing solutions - especially emerging market banks and Mobile Network Operators (MNOs) - are failing consumers.



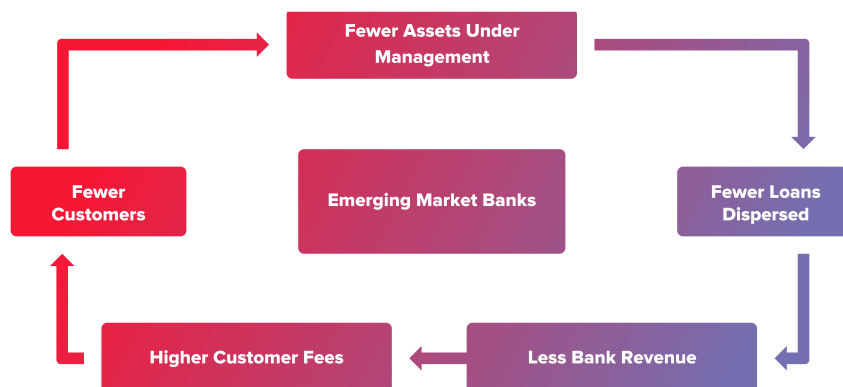
EMERGING MARKET BANKS

In emerging markets, banks face a fundamental problem. They “have developed staggeringly complex and costly business and operating models” resulting in a fee and rate dominated banking experience for consumers.⁹ These costly operating models create complexity within the banking system that drives poor customer experience and high consumer costs.¹⁰

Not only do emerging market banks operate on a fee model, they have a very simplistic understanding of their current and potential customers. Their strategic starting point has been a focus on products and pricing rather than an understanding of customer needs. While banks have focused on their products, customers’ expectations have been redefined. They now want “convenience, accessibility, and ease of use”.¹¹

Furthermore, banks in emerging markets have made it extremely difficult for consumers to access financial services due to their lack of technology offerings. When banks have taken steps to provide solutions, they have seen returns. For example, in 2014, banks in Sub-Saharan Africa saw an increase in account ownership once they started using mobile phones to reach consumers.¹² Still, the vast majority of offerings are limited, provide no difference in customer experience, and are not any cheaper than the traditional bank offering.

FIGURE 1:
NEGATIVE FEEDBACK LOOP: EMERGING MARKET BANKS



3. Financial Inclusion at the Bottom of the Pyramid, Carol Realini, Karl Mehta

4. <http://www.mckinsey.com/industries/financial-services/our-insights/counting-the-worlds-unbanked>

5. <http://documents.worldbank.org/curated/en/187761468179367706/pdf/WPS7255.pdf#page=3> pg 60

6. <http://www.worldbank.org/en/programs/globalindex>

7. <http://www.fin24.com/Companies/Financial-Services/high-fees-top-6-reasons-why-south-africans-shun-bank-20170505>

8. <http://www.worldbank.org/en/programs/globalindex>

9. <https://www.pwc.com/gx/en/banking-capital-markets/banking-2020/assets/pwc-retail-banking-2020-evolution-or-revolution.pdf>

10. <https://www.pwc.com/gx/en/banking-capital-markets/banking-2020/assets/pwc-retail-banking-2020-evolution-or-revolution.pdf>

11. <https://www.pwc.com/gx/en/banking-capital-markets/banking-2020/assets/pwc-retail-banking-2020-evolution-or-revolution.pdf>

12. <http://blogs.worldbank.org/african/universal-financial-access-by-2020-look-to-africa-for-inspiration>



MOBILE NETWORK OPERATORS

The banks' failures have opened the door to a relatively new provider of financial services: Mobile Network Operators (MNOs). MNOs are telecommunications companies that provide mobile services to emerging market consumers. They typically also provide basic financial services to customers through feature phones using a telecommunications technology called Unstructured Supplementary Service Data (USSD). These basic financial services, called mobile money, include the purchase of airtime and data, bill pay, and peer-to-peer mobile money payments.

In 2016, there were more than 277 mobile money services for the unbanked across 92 countries.¹³ In Sub-Saharan Africa, many countries boast more than 5 mobile money operators¹⁴ and in 9 African countries, mobile-money accounts now outnumber bank accounts. Sub-Saharan Africa is the only developing region defying banking trends with mobile money.¹⁵

Similar to banks, MNOs operate a fee-based model. Mobile money fees can reach as high as 50% of the transaction value.¹⁶ While MNOs have tackled the accessibility challenge by enabling financial services through mobile phones, they are failing consumers in terms of costs and operate within closed networks, impeding growth and limiting cross-network and cross-border transactions.



CASH IS KING IN EMERGING MARKETS

The lack of access and the high cost of banks and MNOs have resulted in emerging market consumers choosing cash as their default method of exchange, despite its risks. While 75% of South Africans have a bank account, over 50% of transactions are still conducted in cash. Consumers choose cash to avoid costs like the \$2 USD withdrawal fee incurred in South Africa¹⁷ or the 7% transaction fee for sending mobile money in Kenya.¹⁸ Cash is still the most economical option for the majority of emerging market consumers because compared to formal technology solutions, it is more convenient, easier to understand, more commonly used, and more economical. This does not mean, however, that cash is without its own costs.

Cash is, in fact, a very expensive method of transacting. For lower-income consumers, the cost of carrying cash is up to 4% of their total earnings.¹⁹ Consumers also pay in other ways such as the cost of time to collect cash and the fees for cash withdrawals.²⁰ In 2015, operating in cash cost South Africans nearly \$2 billion USD due to direct fees, indirect costs (such as travel time and expenses associated with accessing ATMs and branches), interest foregone, and theft.²¹

Additionally, cash comes with its own accessibility issues. Operating in cash leads to a lack of financial history, making loans and credit difficult to obtain. Cash also moves slowly and poorly, as it requires hand-delivery. To remit, individuals will drive envelopes of cash long distances and across borders, incurring all of the associated risks.

Even with these challenges, consumers still prefer cash to any formal financial system.

13. https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2017/03/GSMA_State-of-the-Industry-Report-on-Mobile-Money_2016.pdf

14. <https://qz.com/218988/how-to-manage-all-your-financial-affairs-from-a-20-mobile-phone/>

15. <http://blogs.worldbank.org/african/universal-financial-access-by-2020-look-to-africa-for-inspiration>

16. <https://www.mtn.co.ug/Mobile%20Money/How%20to%20use/Pages/Mobile-Money-Tariffs.aspx>

17. <https://businesstech.co.za/news/banking/59969/sa-bank-withdrawal-fees-compared/>

18. <http://blogs.worldbank.org/peoplenmove/are-mobile-money-transfer-costs-too-high>

19. <https://newsroom.mastercard.com/emea/press-releases/cash-costs-south-african-consumers-r23-billion-a-year-mastercard-study/>

20. <https://hbr.org/2014/06/the-hidden-costs-of-cash>

21. <https://www.businesslive.co.za/bd/economy/2017-05-04-cost-of-using-cash-hurts-consumers/>

WHY DOES IT MATTER?

It has been broadly recognized that greater access to financial services for both individuals and businesses accelerates economic activity.²² As emerging markets continue to grow rapidly, with the global middle class expected to increase 2.7 times from approximately 2 billion in 2009 to 5 billion in 2030, financial inclusion is now more important than ever.²³ Accordingly, the purchasing power of middle-income consumers is forecasted to more than double—from \$21 trillion USD in 2009 to \$55 trillion USD in 2030. Much of the growth in the segment's size and spending will come from emerging economies. In essence, low-income earners of today will soon become the middle and upper-income earners of tomorrow.²⁴

Yet in the 21st century, nearly half the world's population still operates outside the formal financial system due to high cost and limited accessibility. Using the best of blockchain technology, cryptocurrency, and tokenization this financial inclusion problem can be solved.

22. <http://documents.worldbank.org/curated/en/187761468179367706/pdf/WPS7255.pdf#page=3>

23. <http://siteresources.worldbank.org/EXTABCDE/Resources/7455676-1292528456380/7626791-1303141641402/7878676-1306699356046/Parallel-Session-6-Homi-Kharas.pdf>

24. https://www.accenture.com/_acnmedia/Accenture/Conversion-Assets/DotCom/Documents/Global/PDF/Dualpub_22/Accenture-billion-reasons-bank-inclusively.pdf

2. Cryptocurrency: A New Hope

Since as early as the first Bitcoin was mined, enthusiasts have been optimistic about cryptocurrencies' potential to solve the financial exclusion problem. A cryptocurrency can offer an easy method for value transfer between people, across a trusted network, at a low cost. Thanks to the peer-to-peer and trustless nature of cryptocurrency networks, users can transact with each other directly, without relying on expensive and inaccessible third-party financial institutions. Access to the internet is the only requirement to transfer a unit of cryptocurrency between two parties. In Africa, more than 500 million consumers currently subscribe to mobile internet services, with the number expected to grow to 725 million by 2020²⁵ with 44% operating on smartphones.²⁶ Proper government ID, proof of residence documents, and an expensive provider should no longer stand in the way of emerging market consumers participating in the global economy.

BITCOIN HASN'T REACHED THE UNBANKED

The dream of Bitcoin is yet to be realized. Though the adoption of Bitcoin and other major cryptocurrencies, like Ethereum, has skyrocketed amongst technology early-adopters, cryptocurrencies have been unable to penetrate the unbanked in emerging markets. This has been largely due to a lack of trustworthy and affordable local exchanges that enable the conversion of cash and mobile money into cryptocurrencies, limited merchant adoption, and a lack of easy-to-use and secure mobile cryptocurrency wallets. Early adoption of cryptocurrencies has been concentrated in developed markets, which has seen the development of exchanges, products, and services built atop the Bitcoin and Ethereum blockchains. This increased user base has led to increased utility for the underlying cryptocurrencies, which has driven the value of Bitcoin and Ethereum. These cryptocurrencies have climbed to massive heights in a short period of time, while most emerging markets have been relegated to watching from the sidelines.

Unfortunately, even if emerging market consumers had access to liquid exchanges to purchase Bitcoin and Ethereum, they still would not find the value that early evangelists promised. Bitcoin and Ethereum on-chain transaction fees are too high for most consumer use cases. As it exists today, cryptocurrencies do an even worse job at supporting low-cost micropayments than emerging market banks and MNOs. While there are plans to reduce transaction fees on major chains using so-called layer two solutions, developing market consumers will still lack access to liquidity and secure mobile cryptocurrency wallets.

25. <https://www.gsmaintelligence.com/research/?file=3bc21ea879a5b217b64d62fa24c55bdf&download>

26. <https://qz.com/944538/feature-phones-made-a-comeback-in-africa-as-smartphone-growth-slowed-last-year/>

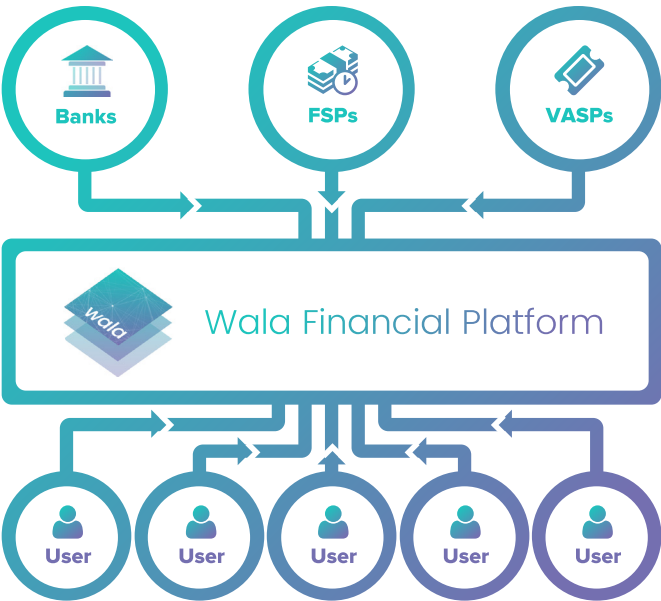
3. The Solution: Wala + Dala

Wala is a best-of-breed financial platform built on the Ethereum blockchain. Our mission is to help emerging market consumers reach financial prosperity by eliminating their barriers to banking. Wala achieves this by closing the gap that exists between consumers and financial service providers, increasing the accessibility of the financial system.

Wala is not a bank. Wala is a financial platform whose strengths are in consumer engagement on digital platforms, especially the mobile phone. Core banking functions, such as taking deposits, providing withdrawals, and deposit holding will be provided through Wala’s accredited partners. Banks and financial service providers are most equipped to provide these services but require the technology partner to drive the widespread adoption and engagement needed in order to close the financial inclusion gap.

Through the platform, Wala and financial service providers can make banking more accessible and minimize the costs of financial products for users. However, as a platform, Wala would still be bound by the geographical limits imposed by the networks and licenses of specific partner providers.

FIGURE 2:
WALA FINANCIAL PLATFORM DIAGRAM



Wala is the world’s first borderless, rewards-driven, zero-fee financial platform built on the Ethereum blockchain & powered by the Dala utility token.



A NEW CRYPTO-TOKEN

In order to enable a completely free and borderless financial system, a new utility crypto-token, called Dala, will be issued by the Dala Corporation. The Dala token will be used to reward platform-enhancing behaviors and will be redeemable for value-added services or exchangeable into fiat currency on the Wala Financial Platform. As more users join the platform, more Dala is utilized, increasing its utility as network effects grow. As its utility increases, more users will be drawn to the platform, creating a robust token ecosystem.

We believe that a completely new token is needed in order to support the provision of financial services to emerging market consumers. The prices of existing cryptocurrencies, such as Bitcoin and Ethereum, are impacted by market forces that are mostly irrelevant to the Dala token economy. A new token will reduce the impact of the price volatility that exists in the broader cryptocurrency markets on Dala and Wala users.

FIGURE 3:



ENABLING A ZERO-FEE AND BORDERLESS FINANCIAL SYSTEM

Dala is designed to bring 3.5 billion consumers into the financial system. Dala will enable this by using the unique ability of crypto-tokens to bootstrap network effects, increasing engagement and uptake of financial services, initially through the Wala Financial Platform. The reach of the Dala ecosystem will expand on the back of partnerships, across borders and financial services, enabling consumers and enterprises to transact, save, lend, and invest with Dala.

Using Africa as an example, there are currently 41 currencies used in the 54 African countries. This inhibits international remittances. In 2014, 74% of the global remittance value went to emerging markets.²⁷ The World Bank estimates that consumers could save \$16 billion USD annually if remittance prices were reduced by just 5%.²⁸ When used on the Wala Financial Platform and through other partners, Dala will enable seamless transfer across borders, removing cost and access barriers. Furthermore, it will enable simple transfers from local currency into USD and vice versa, solving the foreign currency remittance problem between developing and developed countries.

Unlike many emerging markets' de facto reserve currency - the US Dollar - Dala is highly divisible, encouraging its use for micro-transactions. This is a massive advantage in many places like Sub-Saharan Africa, where the smallest denomination of USD notes in use is \$1, or up to 2% of monthly income.

Together, Wala and Dala can enable a zero-fee and borderless financial platform finally bringing 3.5 billion consumers into the financial system.

27. <http://www.pewglobal.org/interactives/remittance-map/>

28. <http://documents.worldbank.org/curated/en/187761468179367706/pdf/WPS7255.pdf#page=3>

4. The Wala Financial Platform

WALA ORIGINS

Wala originated through Founder and CEO Tricia Martinez's work directing unconditional cash transfers to subsistence farmers in Uganda. While on the ground, Tricia observed that even though the mobile money technology and offerings were being utilized, the farmers were not securely storing their money. Most individuals were withdrawing all of their funds and storing the amounts in a local village cash box. The limited access to affordable financial products and services proved to be the primary problem that stifled the potential growth for these consumers. No banks can reach these regions and mobile money is too expensive to justify sustained use.

Community is at our core. We started growing financial communities and have grown a community of over 1 million people in 100+ emerging markets

To better understand the banking and financial service issues plaguing consumers, the team began interviewing rural and urban Ugandans using social platforms like WhatsApp and Facebook Messenger. Soon, men and women from all over began to seek out Wala for guidance on proper savings, investment, and loan advice with the hopes of bettering their financial standing. Overwhelmed with the response, the team aggregated the influx of consumers into Facebook groups, which organically grew in the first month to 100,000 consumers, mainly in Kampala, Uganda's burgeoning capital with over 1.5 million inhabitants.



INCENTIVES EXPERIMENTS

There are a number of reasons why consumers, like the community members in Uganda, put off saving and investing including inconveniences and fees. However, research indicates that micro-incentives can actually yield positive financial behavior change and for this reason, the Wala team began testing incentives to understand how rewards could influence decision-making.²⁹ Over the course of two years, Wala designed and tested a rewards model in multiple financial communities, specifically targeting Uganda and South Africa. The following are examples of rewards challenges that Wala successfully implemented:

- 1 FINANCIAL BEHAVIOR:** Wala asked community members to create a budget for the month and set a specific goal. If members sent in a budget, they would be entered into a lottery for a small mobile money prize. Members took pictures of handwritten budgets, sent documents, or messaged data to show they were actively saving and tracking their monthly expenditures.
- 2 FINANCIAL LITERACY:** Wala created financial quizzes for members to complete. If they answered all the questions correctly, they were entered into a lottery for a small mobile money prize.
- 3 REFERRALS:** Wala ran referral programs that incentivized community members to educate and sign their friends and family up for the Wala community. Members would have to complete a series of educational tasks before a new user was admitted to the community, spreading positive financial information. Members would receive mobile money rewards based on the number of members they brought to the community

Throughout the course of the Wala rewards experiments, Wala communities grew by 800,000 members at an average cost of \$0.03 USD per member. Additionally, Wala recorded a daily average growth of about 25,000 members on days when a rewards challenge was offered.

29. http://bostonreview.net/archives/BR36.2/glennerster_kremer_behavioral_economics_global_development.php

Today, Wala’s financial communities exceed one million consumers from over 100 countries that include Uganda, South Africa, Ghana, Rwanda, Nigeria, and India. These groups provide opportunities for consumers to connect with each other, create dialogue centered on financial well-being, participate in rewards-driven challenges, and receive financial guidance.

The Wala rewards experiment not only proved how effective incentives are in the financial services space for emerging market consumers, but also enabled Wala to build, test, and refine product prototypes to better serve these consumers. These prototypes have evolved into what is now the Wala Financial Platform

WALA FINANCIAL PLATFORM

The Wala Financial Platform is designed to transition cash-based emerging market consumers into the digital financial economy. In order to achieve the level of engagement required to drive that change, the Wala product must be more economical and more useful than existing solutions. The Wala Financial Platform achieves this by meeting all of the consumer’s financial needs in one application, enhanced by elements of community and financial education that have driven the growth of Wala communities to date.

The Wala mobile app is built on Android, the largest and fastest growing operating system in emerging markets.²⁹ Wala is also accessible to feature phone users as a USSD solution. USSD enables Wala to reach most of the consumers in emerging markets immediately while smartphone penetration in the same markets continues to grow. Some of the Wala functionality will not be available to USSD users due to the constraints of the technology.

FIGURE 4:
WALA INCENTIVES EXPERIMENT GROWTH

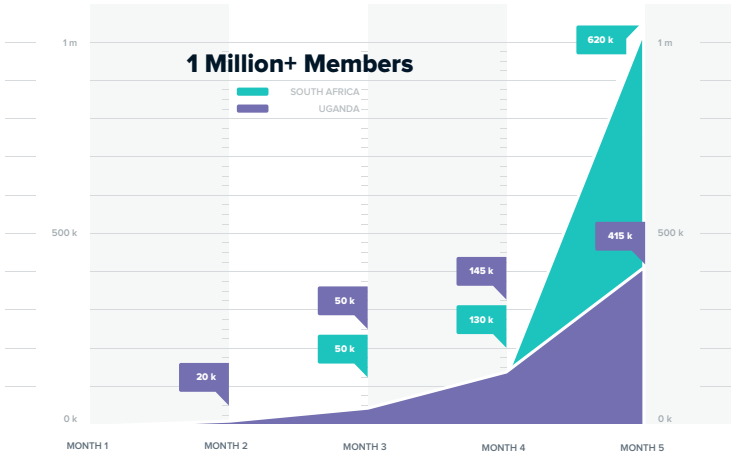
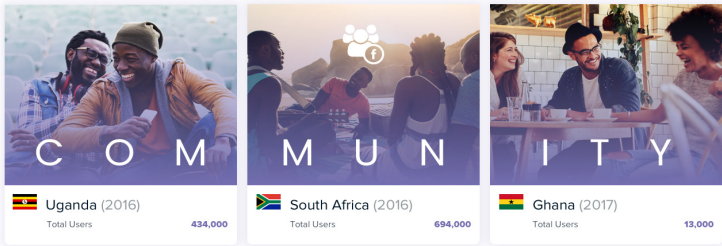


FIGURE 5:
WALA FINANCIAL COMMUNITIES



The following features are currently available in the Wala Financial Platform



ACCOUNTS

Dala Wallet, Fiat Transactional Account, Savings Accounts, Loan Accounts, Account Transfers

MARKET

Airtime, Data Purchase, Utility and Bill Payments, Mobile Money Transfers

CONNECT

Wala Contacts, P2P Payments and Requests, Referrals

OTHER

QR Code Payments, Chatbot Support, Newsfeed

5. The Dala Utility Token

The Dala token is a general-purpose utility crypto-token created to enable free banking and remittances for emerging market consumers. The token is fractionally divisible and, by design, is more isolated from the volatility of local currencies and global cryptocurrencies. Consumers will be able to engage in the Dala ecosystem by making transfers using their own token wallets, via the Wala Financial Platform, or through other partner applications that make use of the Dala API.

The first application that will make use of Dala will be the Wala Financial Platform. Upon launch, the Dala token will have immediate utility within the Wala Financial Platform where a user can transfer Dala to other Wala users for free, remit across borders, and redeem Dala for airtime, data, and other value-added services.

TOKEN IMPLEMENTATION

Dala is an open-source, ERC-20 cryptographic token developed by the Dala Corporation and issued on the public Ethereum blockchain. ERC-20 tokens are highly compatible with existing development tools, exchanges, and wallets within the Ethereum ecosystem and have been established as a widely used industry standard for issuing tokens. Ethereum has proven to be the best solution for the introduction of custom crypto-tokens and has also demonstrated a commitment to implementing scaling improvements to its blockchain. The technical roadmap and history of delivering upon the roadmap, suggests that Ethereum will continue to be the preferred blockchain for token creation and that blockchain-based micro-payments on Ethereum are within reach.



THE DALA CORPORATION

Dala Cayman Ltd (the Dala Corporation) is a private exempted company incorporated in the Cayman Islands that is not taxable under Cayman law. Llew Claasen (Wala investor & board member, Executive Director The Bitcoin Foundation) is the only director of the Dala Corporation. The shares in the Dala Corporation are held by Llew Claasen for the benefit of Dala token holders. It is the intention to convert Dala from a private exempted company to a non-profit Cayman Foundation Company once possible under Cayman law. The Dala Corporation will operate on 3 pillars necessary to securing the token's future utility and value: governance, ecosystem value, and research.

Dala is intended to become a fully-decentralized autonomous organization (known as a DAO). However, due to the infancy of the crypto governance space, the Dala Corporation will assist with providing a governance forum in the short-term.

The Corporation will make decisions on the future governance of Dala by monitoring the market for best-in-class solutions, including such decentralized governance methods being developed by Tezos³⁰, as it evolves into a fully-decentralized organization.

The Dala Corporation is involved in administering and maintaining the Dala token technology, and other than explicitly stated in this White Paper, the Dala Corporation does not provide the services associated with the Wala Financial Platform.

The Dala Corporation's long-term goal is to maximize the value of the Dala ecosystem. The largest driver of Dala network value is the size and utility of the network to end-users, which the Corporation will drive through token rewards and the provision of software tools to enable the use of Dala. The Dala Corporation will distribute Dala tokens as rewards, as new consumers, SMEs, and financial service providers join the network. As the first partner of Dala, Wala will drive critical early adoption of Dala. Over time, the Dala Corporation will attract new partner platforms and providers to the Dala ecosystem using a combination of rewards and open-sourced APIs and SDKs, building a robust Dala economy, independent from Wala.

Finally, the Corporation will fund research and technical development of the Dala ecosystem. It will be tasked with developing and implementing changes that improve the performance of the entire Dala ecosystem and more generally, micropayments using blockchain technology. Through this function, the Dala Corporation expects to actively contribute to the development of the cryptocurrency ecosystem.

COMMUNICATION AND MANAGEMENT

Dala token holders will be able to access a backers-only channel on Telegram where they will be able to engage with Wala and the Dala Corporation. All official Wala and Dala Corporation announcements will also be posted to this channel to ensure that token sale backers re-main informed about the progress of the Dala ecosystem rollout.

Dala is not intended to be issued as a security. Management of Wala and the Dala Corporation remains the responsibility and right of the public officers and management teams of Wala and the Dala Corporation, respectively.

30. <https://www.tezos.com/>

6. Technical Analysis

PLATFORM OVERVIEW AND LIMITATIONS

Ethereum is a decentralized blockchain platform that runs applications called smart contracts. These smart contracts execute exactly as programmed without any possibility of downtime, censorship, fraud, or third-party interference. This network currently operates on a proof-of-work blockchain, which limits its suitability for micropayments:

- Ethereum can currently process around 7 transactions per second.³¹
- The average blocktime - time required to mine a block of transactions - is currently about 24 seconds.³²
- Ethereum currently processes around 360,000 transactions per day.³³
- The average fee per transaction is around \$0.35 USD but has recently been as high as \$1.00 USD.³⁴

All of this contributes to a network that is somewhat prohibitive towards microtransactions; the essence of commerce in emerging markets.

OFF-CHAIN TO ON-CHAIN EVOLUTION

On-chain transactions on proof-of-work blockchains are slow and create an experience for the user that falls far below the responsiveness typically expected from financial applications and payment networks. Currently, when using the Ethereum blockchain for tokenized transactions, all fees have to be paid in Ether and not in the token being transferred. As mentioned previously, acquiring Ethereum in emerging markets can be expensive and difficult.

Wala will initially deploy a semi-centralized technology solution using the Dala API and SDK that enables fast, scalable, and cost-effective transaction processing. This solution will enable free transactions within the Dala network and avoid stressing the Ethereum network with large on-chain transaction volumes. This also means that the speed of transactions within the Dala network will not be impacted by outside stresses on the Ethereum network (such as during a 3rd party token sale).

Ethereum has plans to improve network scalability and transaction cost, including:

- Sharding, by partitioning state over multiple chains
- Plasma, using hierarchical trees of side chains
- Raiden Network, using state channel technology

Based on the current state of possible solutions, we believe that the

Raiden Network provides the best short- to medium-term solution to enable fast, near-free micro-transactions supported by the blockchain. In light of this, Dala will aim to provide a number of nodes that will provide Dala payment channels on the Raiden Network. These nodes will have high liquidity and act as a hub to connect to other Dala payment channels. The Dala Corporation will provide this liquidity and subsidize the cost of doing business for the hub nodes.

The Raiden Network is public and will allow any Dala token holders to participate in fast, low-cost transactions on the network by staking some of their own Dala tokens and becoming an active Raiden Network node. Associated fees for this participation are orders of magnitude less than similar fees of on-chain transactions and will be denominated in Dala. Any Raiden Network fees incurred by Wala Financial Platform users will be covered by Wala, enabling free financial services.

As part of the roadmap towards decentralization, Wala will integrate a Raiden Network light-client into the wallet to support true decentralized management of tokens and step away from the centralized model that will be utilized at launch. The light-client will be an open-source component based on the official Raiden Network light-client for the browser, but will be capable of running from within a mobile application. This open-source component will be created and supported by the Dala Corporation.

The Corporation will also create an application programming interface (API) to support integration into the Raiden Network payment channels for the Dala utility token, reducing complexities of interacting with the network while establishing best practices. This will be an open-source component created and supported by the Dala Corporation and Wala will be the first use case and implementation. The Dala API will also enable the discovery of services that are available on the network by interested parties, establishing a robust ecosystem of service providers and consumers.

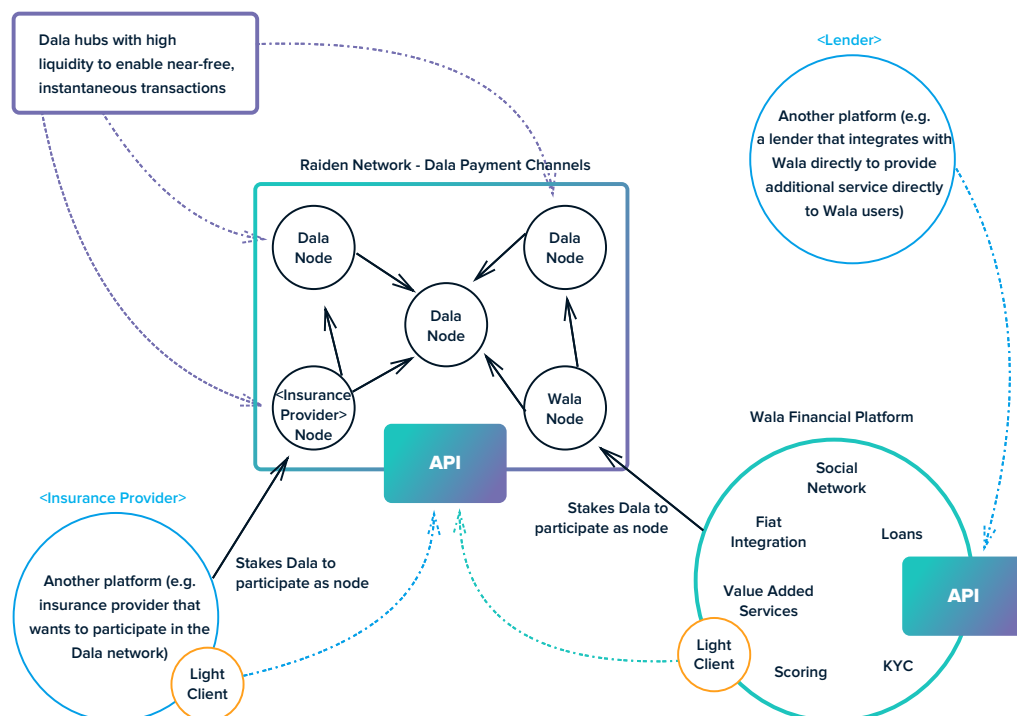
31. <https://etherchain.org/charts/tps>

32. <https://etherscan.io/chart/blocktime>

33. <https://etherscan.io/chart/tx>

34. <https://bitinfocharts.com/comparison/ethereum-transactionfees.html>

FIGURE 6:
DALA ECOSYSTEM ON-CHAIN MODE



IDENTITY ISSUE AND PARTNER

Wala will initially use a centralized Know Your Customer (KYC) model with captured documentation that is stored within the Wala data centers in the cloud. KYC attestations made against claims and documents will be fulfilled by Wala partners. In our first steps towards identity decentralization, Wala will integrate with Civic in the near-term, enabling users to take ownership of their own identity. Existing documentation, claims, and attestations will be made against the Civic identity, moving the control of their identity back to the users.

7. Token Economy Inside Wala

The Wala Financial Platform will be the first wallet to enable the use of the Dala token. Through this platform, users will be able to save, apply for loans, send remittances, redeem tokens for value-added services, transact, and connect with friends and family. Together, the Dala token and the Wala Financial Platform can remove all barriers for emerging market consumers and finally enable free, accessible financial services.

DEMAND FOR DALA

Demand for the Dala utility token is driven by user and partner engagement on the Wala Financial Platform. Users and partners will purchase tokens to complete functions only available to them through the platform. There are two categories of purchasers:

Partners: Wala Platform partners will buy Dala to provide rewards to users in the form of Dala tokens. These rewards will be earned by users performing initial and ongoing actions such as registering, transacting, consuming content, and other forms of engagement. Likely partners include financial service providers and consumer product and services brands. By operating on the Wala platform and rewarding user behaviour and engagement with Dala, partners will be able to reach a large new customer segment with financial services and product information more economically than is possible today in the target markets.

Users: Wala users will be required to either earn or purchase the Dala token to make use of the platform financial products, to purchase value-added services like airtime or data and also to gain exclusive access to premium services and content provided by Wala partners. In corridors where regulations allow, Wala users will purchase Dala to use it as a unit of account for international remittances.



DALA TOKEN REWARDS MODEL

The Wala community rewards experiment demonstrated that there is demand for a financial platform that properly incentivizes users with liquid rewards. For this reason, Wala will reward users with Dala tokens for taking the actions that reinforce positive financial behavior and further the adoption of the Dala token. These rewards can be redeemed for value-added services or transacted within the formal economy. The rewards offered to consumers are designed to benefit the users, the Dala token ecosystem, and the Wala Financial Platform.

Rewards will be linked to a USD value, meaning early users will receive the largest number of tokens for given actions. As adoption grows, the value of the Dala tokens is expected to increase, which would benefit early adopters who choose to hold Dala. Wala users will continue earning an uncapped amount of rewards tokens for engaging in the application, though the amount of Dala tokens awarded will scale down based on the adoption of the platform and the price of the token. The following reward types will be available at the launch of the Dala token:

ONBOARDING REWARDS

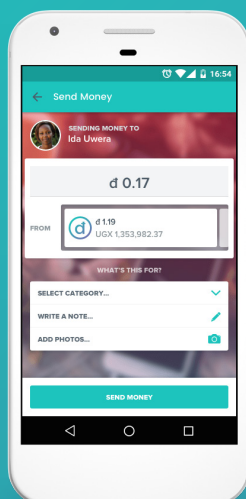
REWARD ACTION	DESCRIPTION
Registration	Successfully registering on the Wala application with basic information, valid One Time Pin (OTP), selfie, and biometric profile.
Account Linking	Linking a social network, fiat, or other identifiable accounts.
KYC Completion	Completing each step or level of the Know Your Customer (KYC) process.
Initial Deposit or Token Purchase	Following the completion of KYC, the first fiat deposit made or the purchase of Dala tokens.
Initial Market Purchase	The completion of the first Market transactions completed in months 1 and 2.
Initial P2P Transfers	As with the Market, the first P2P transactions completed in months 1 and 2.

ONGOING REWARDS

REWARD ACTION	DESCRIPTION
Referrals	Distributed to the referrer when a referred user completes any of the onboarding activities.
Transactions	After each successful Market purchase, merchant transaction, or other payment a user will have the chance to win Dala up to the value of the transaction.
Good Financial Behavior	Maintaining good deposit balances, reaching savings goals, and consuming financial tips to improve basic literacy will be rewarded through both direct and variable incentives.

ENTERPRISE SEEDING

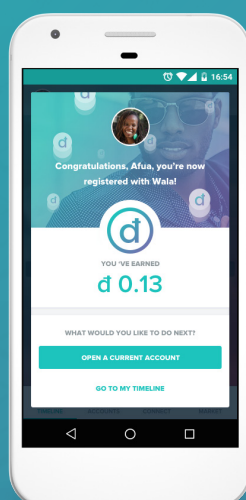
Tokens will also be set aside to drive adoption of Dala by merchants, SMEs, and corporations. This is a critical step in building a robust Dala ecosystem, so businesses will be incentivized to accept Dala from consumers and even use Dala to pay their employees. By offering bounties to the first organizations that join the Dala ecosystem, we can drive ecosystem development and increase the value of Dala. For example, the first retail stores within Uganda that receive Dala for goods sold and pay their employees' salaries using Dala, will receive a bounty. This action will increase the value of the whole Dala ecosystem as it completes the transaction loop: Customer -> Store -> Employee -> Store. Enterprise seeding will initiate in a market once a sufficient concentration of consumers have adopted Dala and the enterprise solutions are available.



REMITTANCES

Meet Samuel. Samuel lives in Uganda and uses Wala for his day-to-day purposes, including buying airtime, data, and electricity. His wife, Ida, lives over 500 kilometers away in Kigali, Rwanda. Samuel sends his wife funds monthly to help pay their expenses. Samuel has previously used digital remittance services but their fees are getting higher and higher. Since he started using Wala, he can now do this for free. Samuel has Ida as one of his connections in the Wala application. He simply chooses to send her some Dala, enters the amount in his local fiat currency, and submits.

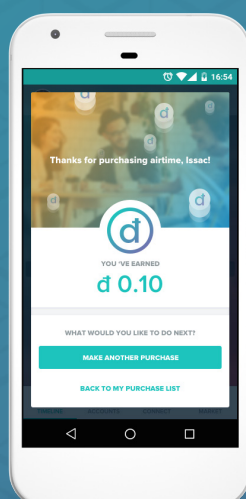
Wala determines the correct amount of Dala to purchase based on the current exchange rate. The fiat amount is paid from Samuel's transactional account to the Wala central account. The necessary amount of Dala is then transferred to Ida's wallet on the blockchain. Ida is then notified about the available funds and able to use Dala to purchase in the Market or even transfer to other members in her Wala social network.



ONBOARDING REWARDS

Meet Afua. Afua just downloaded the Wala application and successfully completed her registration. The registration entails the capturing of basic personal information, verifying using an OTP, taking a selfie, and capturing a fingerprint biometric profile that utilizes the phone's built-in camera.

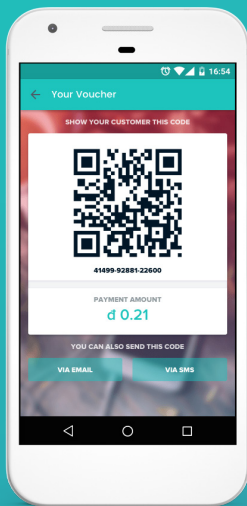
As a reward for doing this, Wala credits Afua's Dala Wallet with some tokens that are immediately redeemable and transferable within the Wala Financial Platform



MARKET PURCHASE

Meet Isaac, a first time user of the Wala Financial Platform. He has just opened a transactional account with one of Wala's banking partners, has deposited money via an agent, and is ready to start transacting.

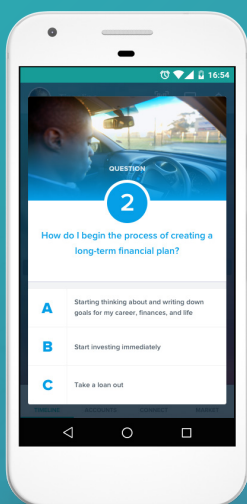
The first thing he wants to do is buy 120,000 UGX worth of airtime from Airtel using the Wala Market. A few seconds later, the transaction is successful and Isaac is shown a rewards screen. To thank him for using Wala, Isaac has been rewarded some Dala, which encourages him to return to the Wala platform.



QR CODE TRANSACTIONS

Meet Morgan, who is a 'boda boda' driver in Kampala, Uganda. He makes about 40 trips per day around town picking up and dropping off passengers on his scooter. Morgan's ability to drive more people is based on how quickly he can complete the transaction. Riders pay him in cash and he needs to be liquid enough to give them change back. This always slows down the process.

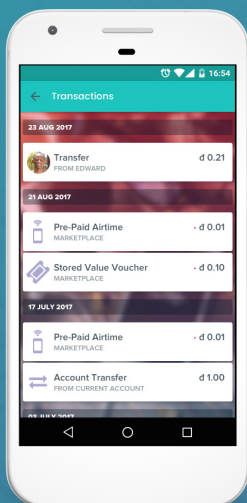
But now with Wala, Morgan can produce a QR code through his Dala Wallet that enables him to charge riders digitally. A rider just scans the QR code for the exact amount and it is moved from their Dala Wallet directly to Morgan's. What's even better is that both Morgan and his rider receive Dala rewards for transacting. Morgan not only increases his daily trips, but he is making more money through free Wala transactions and Dala rewards.



CONTENT CONSUMPTION

Meet Thomas. Thomas has opened the Wala application to see a tutorial in his Newsfeed on how to properly set a budget each month. This tutorial is developed and sponsored by a Wala bank partner that wants Thomas to open an account and maintain a strong savings behavior. This tutorial is comprised of multiple modules and is relatively challenging as it introduces new concepts that had never been presented to Thomas. He is not deterred because he knows the impact that this information can have on his financial life and after Thomas successfully completes each module he receives a reward of Dala tokens.

When Thomas eventually completes the entire tutorial he is offered the opportunity to open an account with this bank that has already delivered more value to Thomas than any other in his entire life. For opening an account, Thomas receives another Dala token reward and Thomas' relationship with the bank is off to a great start.

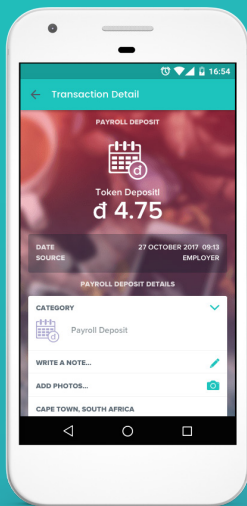


CASHLESS SOCIETY

Meet Edward. Edward moved to South Africa for a job opportunity, but his wife, Aisha, still lives in Zimbabwe and he needs to send her money every month. Due to the Zimbabwe currency hyperinflation, there is no hard cash in the country for consumers to withdraw from bank accounts.

Edward is unable to use any remittance service provider because of the political and economic standing of the country. This means he would have to go to a currency exchange, exchange South African Rand for United States Dollars, and send the cash with a friend over the border to hand-deliver to Aisha. Not only is this a very expensive and risky option for Edward and Aisha, it also puts a significant time delay in transferring money.

By using Wala, Edward can exchange his cash for Dala in the Wala Financial Platform and send Dala to Aisha instantly. Aisha can receive Dala in her account and purchase value-added services in the Market, pay bills, save, and use Dala at retailers.



BORDERLESS

Meet Alfred. Alfred is on the road a lot. His work requires him to drive between no fewer than 5 countries in Southern Africa each month. Work has provided Alfred with a travel credit card to help cover his expenses while on the road. Unfortunately, the vast majority of businesses in these 5 countries do not accept cards as a form of payment. Therefore, Alfred needs cash for each country he is visiting, meaning he has to keep different currencies on hand or visit currency exchanges and incur the hefty fees.

Rather than expose himself to theft or accept the massive fees to exchange into local currencies, Alfred chooses to use the Dala token to transact while on the road. The Dala token is accepted by individuals and merchants alike in each of the countries that Alfred visits. He is able to transact without converting to the local currencies and without holding any cash. If he needs more Dala while on the road, his employer can instantly send it to his wallet. His money is now more mobile than him.

EXPANDING THE ECOSYSTEM

The Wala Financial Platform already offers an array of services, but in order to reach our global expansion goals, Wala will need to scale provider partnerships. This will be accomplished through continued API and core integrations with banks, financial services providers, and payment systems. The Wala product roadmap is as follows:



SDK AND API

We will create an open API to allow third-party developers to interact with the Wala Financial Platform, as well as a native Android (and possibly iOS) SDK that will enable integration to the Dala Wallet and biometrics services on the device.



MERCHANT SOLUTION

The introduction of a merchant-focused solution will provide users with additional opportunities to transact while adding a different category of users. SMEs represent an incredible economic opportunity and are one of the largest segments of emerging market loan recipients. Wala will launch a merchant platform to engage SMEs leading to a new transaction channel for consumers and a new source of high-value customers for financial service providers.



PAYROLL SOLUTION

As Wala supports SMEs via merchant solutions, Wala will also develop payroll solutions that enable SMEs to grow efficiently through digital payments to employees.

8. Route-to-Market

Through different levels of operation, Wala will launch and expand to new markets globally. Market expansion is dependent on local demand, local partners, and regulatory and political support. Differing operational levels for different markets enables Wala to scale more efficiently and strategically across markets where market support for specific financial services is expected to be greatest. Countries in the Wala five-year roadmap include Uganda, Rwanda, South Africa, Zimbabwe, Ghana, Nigeria, USA, Mexico, and more.

FIGURE 7:
WALA LEVELS OF OPERATION



PROVIDERS

As a financial platform, Wala brings together consumers and best-in-class financial and value-added service providers. By partnering with financial service providers, like banks, Wala has access to a regulated deposit-taking license, cash-in-out infrastructure, and an existing base of customers. Wala is currently bound by nondisclosure agreements (NDAs) with launch partners and is unable to share public information regarding the specifics of the partnerships or the organizations.

In order to further enhance the platform experience for users, Wala will pursue additional strategic partnerships with financial and value-added service providers. Most importantly, as a financial platform, Wala will create interoperability between all partners, thereby both adding value to partner networks, as well as expanding and strengthening the Dala ecosystem.

UGANDA ROLLOUT PLAN

Over the next year, Wala will roll out in Uganda in a multi-stage approach that is expected to ensure efficient uptake and growth of the Dala ecosystem. Uganda was selected as the initial launch market because it is where Wala began testing rewards. We currently have a pipeline of 435,000 Ugandans waiting for launch and we have partnered with service providers to add more value in this market.

PRODUCT DEVELOPMENT AND USER ACQUISITION



Completed

GROW DIGITAL COMMUNITY

Seed and grow a Wala financial community as a way to expose consumers to the Wala Financial Platform. Members of the Wala community will be pushed to download and register for the Wala Financial Platform. The Wala Uganda community is currently at 435,000 members. These are individuals who requested to join and sign up for the Wala Financial Platform.



Completed

DESIGN, BUILD, AND TEST WALA FINANCIAL PLATFORM

Through the input and testing of community members, build a digital financial platform (Android app) that removes the barriers to financial services, rewards consumers for positive behavior, and enables consumers to transact.



Completed

RELEASE WALA APP

Release the Wala Android app with basic functionality to receive financial tips, connect with friends and family, and chat with the WalaBot.

TOKEN SALE



In Progress
2017

TOKEN SALE

Launch Dala via token sale

LEVEL 1: DALA WALLET LAUNCH



In Progress
2018

LAUNCH DALA WALLET

Following the Dala token sale, Wala will release a Dala wallet, which will enable users to earn Dala, transact with Dala in the market, and send Dala to friends and family. Wala will launch in a multi-phase process - Alpha, Beta, and Full-market - to ensure efficient uptake.



In Progress
2018

USER REWARDS

Once functionality for the Dala wallet is released, Wala will launch the rewards system that incentivizes behavior with Dala.

LEVEL 2: LOCAL BRANCH LAUNCH

...
In Progress
2018

INTEGRATE TOKEN-TO-FIAT EXCHANGE

Shortly after users earn Dala via the rewards system, we will integrate a Dala-to-fiat exchange enabling cash in-out functionality. This will enable users to deposit and withdraw money at agents, EFT, and send mobile money to their Dala wallet.

LEVEL 3: BANK PARTNER LAUNCH

...
In Progress
2018

BANKING SOLUTION

To provide more value to users, we will work in partnership with Banks/MFIs/financial institutions as a digital banking channel. Through banking partnerships, users will have access to additional financial products including savings accounts, loans, P2P fiat payments, and market purchases.

MARKET EXPANSION

...
TBD
2019

MARKET EXPANSION

Once there is sufficient uptake of the app, Wala will begin expanding globally. Our goal while scaling will be to efficiently maximize the utility of the Dala token, adding value to new and existing users.

EXPANSION STRATEGY

Over the next 5+ years, we will expand to six regions globally. These regions span over 45+ countries, focusing primarily on emerging markets. This expansion strategy takes into account a number of variables, including:

- **LOCAL DEMAND:** As the Wala Financial Platform enables Dala wallet functionality, the team will examine demand and uptake in every market to guide future expansion.
- **CONSUMER BASE:** Expansion to markets with large urban areas and significant smartphone penetration are early launch markets for the Wala Financial Platform.
- **REMITTANCE FLOWS:** One of the biggest variables for expansion is based on remittance flows in and out of a country. For example, over \$200 million USD is remitted between Uganda and Rwanda, annually.³⁵

FIGURE 8:
WALA MARKET EXPANSION STRATEGY



35. <http://www.pewglobal.org/interactives/remittance-map/>

9. Token Issuance

TOKEN AMOUNT AND ALLOCATION

1,000,000,000 Dala (DALA) ERC-20 tokens will be created programmatically using a smart contract that will be audited before the token sale occurs. The smart contract makes use of the OpenZeppelin and TokenMarket frameworks and the audited smart contract can be viewed on Github.

Dala is a token of fixed supply. It is fractionally divisible and long-term deflationary. As described below, only a portion of the Dala token supply will be immediately available, with a large portion of the Dala supply reserved for the Dala Corporation to incentivise the ecosystem in the future.

FIGURE 9:
DALA TOKEN SALE TERMS



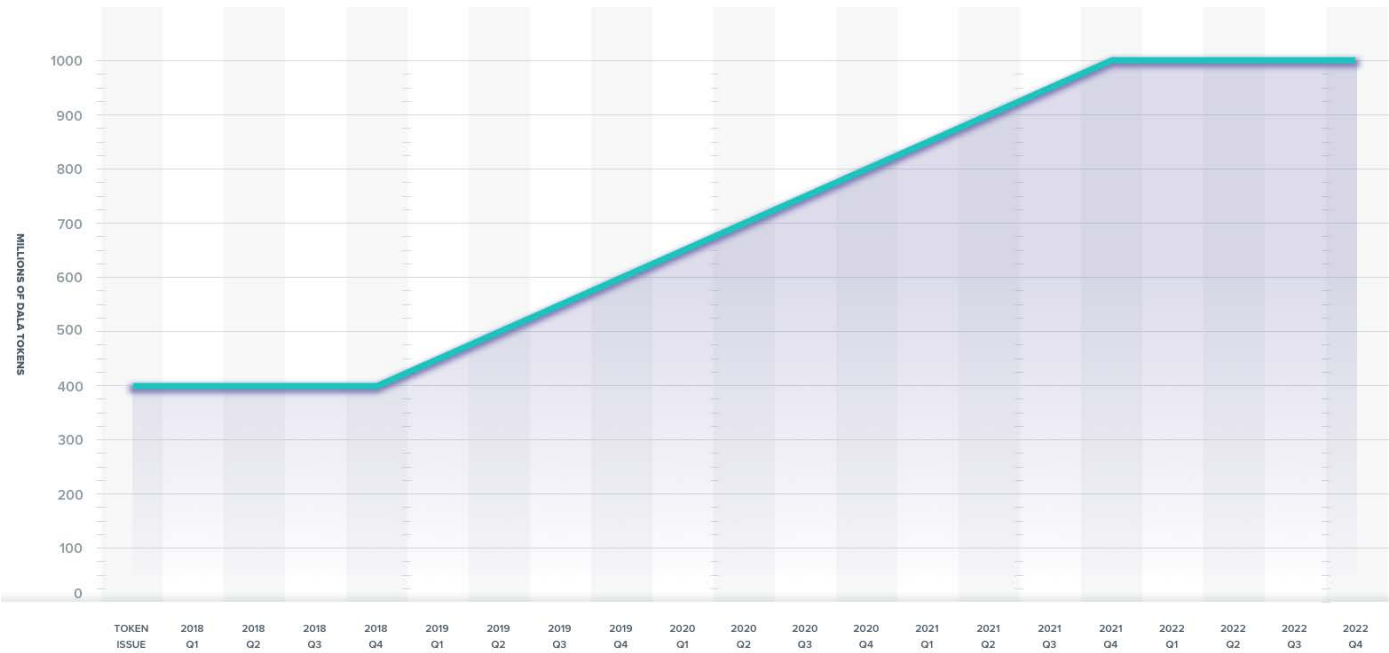
The Dala token sale split will be 40%, 30%, 30% to the Dala Corporation, Wala, and Token Sale backers, respectively.

- 1 40% of the Dala tokens will be issued to the Dala Corporation to drive adoption of the Dala ecosystem.
- 2 30% of the Dala tokens will be issued to backers during the token sale. Tokens are non-transferable until the token sale is complete.
- 3 30% of the Dala tokens will be issued to Wala as the initial partner of the Dala ecosystem.

SUPPLY SCHEDULE

- 1 300,000,000 tokens will be issued during the token sale.
- 2 The Dala Corporation will issue 100,000,000 tokens upon completion of the token sale. The remaining tokens will be issued at a rate of 8,333,333 per month or 100,000,000 per year. This process will start 1 year after the completion of the token sale and last three years. The issued tokens will be allocated to ecosystem partners at the discretion of the Dala Corporation in a controlled fashion.
- 3 Wala company tokens will be locked up for 12 months following the completion of the token sale. Tokens will be released monthly thereafter over 3 years at a rate of 8,333,333 per month or 100,000,000 per year.

FIGURE 10:
TOTAL DALA CIRCULATING SUPPLY



10. Team

Wala is an American corporation with an operational presence in Cape Town, South Africa and local ties throughout emerging markets. Wala is a venture-backed FinTech company, majority owned by the founding team. Its investors include individuals and funds from the US, EU, and Africa and it has participated in startup accelerators in the US and UK, including the Barclays Accelerator Program Powered by Techstars. The Wala team consists of serial entrepreneurs, financial technology experts, and individuals with extensive banking and FinTech experience.

EXECUTIVE TEAM



TRICIA MARTINEZ

FOUNDER & CEO

Tricia is a serial entrepreneur and behavioral economist who has devoted her life to solving problems for underserved consumers around the world. Her experience ranges from cash transfer solutions in Africa to small business microfinance, to the development of an investment fund for underserved markets. Prior to Wala, Tricia built a cash transfer technology that provided universal income to subsistence farmers in Uganda and tracked the investment and financial well-being of its recipients. While spending her career in the financial inclusion space working directly with consumers in Sub-Saharan Africa, Tricia has been exposed to the deeply rooted complexities and barriers in the financial systems. With her background in behavioral economics, Tricia decided to take a different approach and began testing incentives models as a means to influence financial behavior. From there, Wala was born. Tricia completed her Masters of Public Policy with a concentration in Behavioral Economics from the University of Chicago.



SAMER SAAB

FOUNDER & CPO

Samer is an engineer, serial entrepreneur, and former consultant with expertise in product development, analytics, and process excellence. Prior to starting Wala, Samer co-founded Unbranded Designs, the world's largest online community of furniture designers. He led the creation of a platform that democratized design through a community-oriented system that targets low-tech consumers. The company's innovative community-based approach was contracted by furniture industry behemoths like Herman Miller and OFS Brands. His prior experience included consulting to large corporations across a flurry of functions including strategy, product development, process improvement, and incentive compensation. Samer earned a BSE and MSE in Industrial and Operations Engineering from the University of Michigan. He founded Wala because of the belief that a simple, great product could solve one of the world's largest problems.



ROSS MCEWAN

CTO

Ross has 17 years of experience building software solutions across a range of industries and technologies. He cut his teeth in retail, which included the digitization of payments and services. From there, Ross began engaging with clients in the FinTech space ranging from the design and development of security infrastructure to the development and deployment of a digital general ledger application framework. Ross previously worked with BCX, one of South Africa's largest ICT services providers (recently acquired by Telkom), and headed up the custom application development portfolio for the Western Cape. His most recent engagement, prior to becoming the CTO at Wala, was the lead architect and engineer at Redblade, a white-label lending software platform that integrated with core banking services. At Wala, Ross has created a product that seamlessly integrates third-party services and providers, and combines best-of-breed technology to deliver an engaging, scalable, flexible, and fault-tolerant solution.

INVESTORS



NEWTOWN PARTNERS

Newtown Partners is an Angel investment firm that invests in early-stage technology start-ups.

LLEW CLAASEN

MANAGING PARTNER AT NEWTOWN PARTNERS & EXECUTIVE DIRECTOR BITCOIN FOUNDATION

Llew is a venture capitalist and technology go-to-market strategist with over twelve years of senior management experience in digital marketing and product management. Llew co-founded Clicks2customers.com (rebranded to nmpi.com), a global digital marketing group with annual billings in excess of \$100 million USD. Llew is also the Executive Director of the Bitcoin Foundation, the original, oldest and largest Bitcoin advocacy organization in the world, headquartered in San Francisco, US.

VINNY LINGHAM

GENERAL PARTNER AT NEWTOWN PARTNERS & CIVIC CEO

Vinny Lingham is a serial technology entrepreneur who is currently also the co-founder and CEO of Civic Technologies (personal identity management using blockchain technology). As a serial entrepreneur, Vinny also co-founded:

- Gyft – a mobile gift card company, backed by Google Ventures
- Yola, Inc. (formerly known as SynthaSite), a San Francisco-based Web 2.0 start-up that provides free website building, publishing and hosting services
- Global search marketing firm incuBeta and its subsidiary Clicks2Customers (rebranded to nmpi.com)
- He is also the co-founder of SiliconCape.com, an NGO based in South Africa that aims to turn Cape Town into a global technology hub



TECHSTARS

Techstars is a worldwide network that helps entrepreneurs succeed. Techstars Startup Programs inspire, educate, and connect entrepreneurs.

ADVISORS



JONATHAN SMITH

CO-FOUNDER AND CTO AT CIVIC

Jonathan has more than 15 years of experience in banking and technology advisory. After a successful career in some of the most complex and security-sensitive environments, Jonathan brings his talent for technology leadership, innovation, and delivery to the world of digital identity.



MIKO MATSUMURA

FOUNDER, EVERCOIN AND LIMITED PARTNER AT PANTERA CAPITAL

Miko Matsumura founded crypto exchange Evercoin, and is a Limited Partner with the Pantera Capital ICO Fund (a \$100M ICO-only fund). He is personally invested in FileCoin, Brave, CIVIC, Propy and Lyft. As chief Evangelist for the Java Language and Platform he participated in the first wave of the Internet, and is now fully engaged in the crypto-fueled Internet of value. As a 25 year operating exec in Silicon Valley, he has raised over \$50 million in capital for Open Source startups.



NICOLE ANDERSON

CEO FINTECH CIRCLE INNOVATE

Nicole is a multiple times CEO, a FinTech entrepreneur and advisor. Voted Innovator of the Year, 2017 by the South African Chamber of Commerce, Top 100 Women in FinTech 2016 by Innovate Finance and included in the Power Women of FinTech 2015 & 2016. Nicole is also active in the London and European start-up acceleration, incubation and growth arena working as an advisor and mentor to Level39, StartupBootcamp FinTech, Microsoft Ventures London and been a multiple times judge for SWIFT Innoscribe, The European and African FinTech awards and BNP Paribas Global Hackathon.



JASON HENRICHS

MANAGING DIRECTOR OF FINTECH FORGE

Jason is the founder of the FinTech Forge, a managed service provider helping financial institutions transform in the era of digital disruption. He is also the co-founder and Chairman of FinTex, Currency, and PerkStreet Financial, one of the first challenger banks, helping pave the way for new partnerships between traditional financial service firms and startups.



JOHAN BOSINI

VENTURE PARTNER AT QUONA CAPITAL

Johan is Venture Partner for a US-based Venture Capital firm focused on FinTech for the unbanked, investing in growth stage Financial Technology businesses across the globe. He has spent more than 10 years delivering consumer finance and insurance innovation in Africa and in 2013 launched the first automated mobile-only unsecured loan product on the continent.



JUSTIN SPRATT

HEAD OF BUSINESS SUB-SAHARAN AFRICA UBER

Justin leads the Business Development function across Sub-Saharan Africa at Uber. Prior to this, Justin worked at Quirk, a digital agency that was acquired by WPP in 2013. Justin has a technical background having run the Mobile and Wireless businesses at Internet Solutions. Justin co-founded one of South Africa's first tech incubators and has mentored on the Techstars Barclays and Virgin programs.

11. Conclusion

In order to bring 3.5 billion consumers into the financial system, Wala is launching the Dala utility token. The Wala Financial Platform will be the first wallet to enable the adoption and use of Dala.

Wala is a best-of-breed financial services platform built on the Ethereum blockchain & powered by the Dala utility token.

Through our rewards research and direct engagement with emerging market consumers, it is evident that incentives directly impact and mobilize consumers to change financial behavior. But banking still remains a massive problem in emerging markets because, in its current form, the incentives are not strong enough for consumers to operate in the financial system.

Through the unique ability of cryptocurrencies, the Dala utility token will bootstrap network effects and increase engagement and uptake of the financial services offered on the Wala Financial Platform. The token will be used to reward platform-enhancing behaviors that can be redeemed for value-added services and money through the Wala Financial Platform. We believe that the tokenization of rewards will heavily incentivize consumers to actively engage with and use the Wala Financial Platform, which in turn will fuel adoption of the Dala ecosystem. As more users join and make use of the Wala platform more Dala will be utilized, increasing its value for financial services enablement.

Over time, the Dala ecosystem will continue to expand across borders in partnership with both the Wala Financial Platform and other partners, enabling consumers and enterprises to transact, save, lend, and invest with Dala.

It is time to revolutionize the way in which consumers access and engage with the financial system. It is time for Dala.

12. Appendix A: Market Research



REGULATION

Dala is a decentralized crypto-token that is issued by a Cayman Islands Corporation. The token is not regulated as a registered financial product or security under Cayman Islands law. The future utility of the Dala token in enabling financial services will be impacted by regulators across the world and particularly in the Dala and Wala target markets. Central banks have taken stances on token sales that range from non-existent, to “we are keeping an eye on this market”, “invest at your own risk”, and in the isolated case of China, banning them. The Central Bank of Kenya has outlawed banks from engaging with any companies that provide Bitcoin services. The Central Bank of Uganda has issued a warning about investing in crypto-currencies in response to a large number of people buying into Onecoin, a well-documented Ponzi scheme. The South African Reserve Bank is taking an experimental approach to determining the best method of regulating Bitcoin, other cryptocurrencies, and tokens.

Wala is not a bank and therefore expects to partner with licensed deposit-taking institutions to provide fiat accounts in each key market. Wala is not itself providing loans or any other financial products and is therefore not a financial services provider. As a platform, Wala may be required to obtain other licenses or to comply with financial services regulations in order to facilitate financial transactions in specific markets.

Since Wala will be facilitating financial transactions, we will be required to maintain compliant processes. The primary purpose of compliance is to report on suspicious activities relating to money laundering, terrorist financing, or other criminal activities. Each market is likely to have specific compliance requirements, in addition to global standards or best practices. Wala’s licensed partners are responsible for maintaining their own compliance processing and reporting, which will be supplemented by Wala’s compliance system.

BEHAVIORAL FINANCE

Behavioral economists have found that despite what is in their best interest, people tend to make irrational choices.³⁶ People are generally not good at investing in the present to get a return in the future due to things like procrastination and a need for instant gratification.³⁷ However, through financial micro-incentives, it is possible to influence people’s decision making process.³⁸ For example, a study in rural India found that when mothers were rewarded lentils once their child completed a stage of immunization, full immunization increased from 5% to 38%.³⁹ And in Mexico, the federal government issued micro cash transfers to low-income families on a monthly basis as a reward for school enrollment, which increased by nearly 15%. There are a number of reasons why the underserved put off saving and investing including inconveniences and things like fees, but research indicates that micro-incentives can actually yield positive behavior change.⁴⁰

BROADER MARKET CONTEXT

Change in unbanked and underbanked populations: The number of people worldwide who have an account grew by 700 million between 2011 and 2014.³⁶ During this time, the number of unbanked dropped by 20% from 2.5 billion adults to 2 billion. According to the World Bank, four out of every five adults in the Middle East and North Africa are unbanked. This is the highest rate of unbanked consumers followed by Sub-Saharan Africa and South Asia. In some of these markets, over 95 percent of consumers are unbanked.

Costs associated with banking and wallets: From deposits to withdrawals to remittances, formal and informal financial institutions throughout Africa impose a significant fee on transactions.³⁷ This is due to the high cost of servicing traditionally poorer consumers in rural areas. Branch-based approaches to servicing customers are very expensive, non-scalable solutions. Delivering this experience to lower-value, rural consumers has proven unprofitable without charging large fees.

MNOs providing mobile money: Sub-Saharan Africa is the only developing region defying the banking trends with mobile money.³⁸ Overall, nearly 15% of consumers in Sub-Saharan Africa have a mobile money account, which is four times the developing world average.

Connectivity is on the rise and smartphone penetration is growing: More than a half billion consumers throughout Africa subscribe to mobile services via MNOs, with the number expected to grow to 725 million by 2020.³⁹ By that time, the monthly use of mobile data is expected to increase from 0.3GB to 4.3GB. In the last few years, data traffic has grown more than 50% and smartphone connections are growing significantly. There are over 230 million smartphone connections in Africa, a number that doubled in just a few years. Moreover, smartphones make up 44% of market share on the continent.⁴⁰ Additionally, as smartphones become more affordable, the market share will only increase.

36. <http://www.economist.com/node/21551032>

37. <https://hbr.org/2014/09/to-change-employee-or-customer-behavior-start-small>

38. <http://nudges.org/2011/03/16/the-behavioral-backdrop-to-financial-incentives/>

39. http://bostonreview.net/archives/BR36.2/glennerster_kremer_behavioral_economics_global_development.php

40. http://bostonreview.net/archives/BR36.2/glennerster_kremer_behavioral_economics_global_development.php

41. <http://www.worldbank.org/en/programs/globalindex>

42. https://remittanceprices.worldbank.org/sites/default/files/rpw_report_march_2016.pdf

43. <http://blogs.worldbank.org/african/universal-financial-access-by-2020-look-to-africa-for-inspiration>

44. <https://www.gsmaintelligence.com/research/?file=3bc21ea879a5b217b64d62fa24c55bdf&download>

45. <https://qz.com/944538/feature-phones-made-a-comeback-in-africa-as-smartphone-growth-slowed-last-year/>

MARKET SIZING

Wala is going after the un/underbanked market. There is a \$380 billion revenue opportunity available for solutions that successfully engage the un/underbanked within the financial system.

This is a quickly growing market, with the global middle class expected to increase 2.7 times from approximately 2 billion in 2009 to 5 billion in 2030.⁴¹ Accordingly, the purchasing power of middle-income consumers is forecasted to more than double—from \$21 trillion USD in 2009 to \$55 trillion USD in 2030. Much of the growth in the segment's size and spending will come from emerging economies.

The mobile money market serves as a conservative proxy for the immediately addressable market. Two-thirds of the middle- and low-income markets use mobile money with a registration of more than a half billion accounts. The largest user base is in Sub-Saharan Africa where there are 227 million registered accounts, which is more than the total number of bank accounts in the region.⁴² The mobile money market facilitated \$269 billion USD worth of transactions across airtime top-up, bill payment, bulk disbursement, international remittances, merchant payment, and peer-to-peer transfer.²³

Of this market, Dala aims to service low-income users, which account for 70% of mobile money users.⁴³

- There are 32 million registered mobile users with funds totalling \$223 million USD and an average balance of \$16.18 USD.⁴⁴
- There are 31 million policies that have been issued through mobile insurance, with a market that has gross written premiums estimated at \$540 million USD.⁴⁵
- The mobile credit market is estimated to be around \$690 million with around 100 million people with access to credit.⁴⁶

Dala should be able to service the whole market given that these are all low-income groups. Dala is most likely going to replicate similar adoption rates as that of mobile money⁴⁷.

COMPETITIVE ANALYSIS

Traditional banks: Banks are trying to digitize and launch new products in order to capture this un/underbanked audience, leveraging ease of access. However, no banks in these emerging markets have moved away from this fee-based structure.

MNOs (mobile money): Mobile money has gathered significant traction in un/underbanked countries, with 9 African countries showing more mobile money accounts than bank accounts. These services still use SMS and USSD services, which have poor security and customer experiences.

Startups: The majority of startups involved in this space are being built upon the mobile money systems and tend to focus on excelling in one particular financial product (e.g. loans).

SIMILAR TOKEN SALE COMPANIES

Given this \$380 billion revenue opportunity, a number of finance companies are emerging to tackle different verticals of the problem and segments of the population. However, not many companies have started with an Africa focus.

OmiseGo: OmiseGO is a public Ethereum-based financial technology for use in mainstream digital wallets, that enables real-time, peer-to-peer value exchange and payment services agnostically across jurisdictions and organizational silos, and across both fiat money and decentralized currencies. OMG recently completed an Initial Coin Offering (ICO) in July 2017 that raised \$25 million USD. Their market focus is East Asia and they position them-selves to “unbank the banked”, aiming to replace existing banking systems with a perceived superior technology solution and not necessarily targeting the un/underbanked.

41. <http://siteresources.worldbank.org/EXTABCODE/Resources/7455676-1292528456380/7626791-1303141641402/7878676-1306699356046/Parallel-Session-6-Homi-Kharas.pdf>

42. https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2017/03/GSMA_State-of-the-Industry-Report-on-Mobile-Money_2016.pdf

43. <http://www.finmark.org.za/wp-content/uploads/2016/12/mobile-money-and-financial-inclusion-in-sadc.pdf>

44. <https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/08/Mobile-Insurance-Savings-Credit-Report-2015.pdf>

45. <https://www.actuaries.org.uk/documents/microinsurance-global-players-and-key-trends>

46. <https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/08/Mobile-Insurance-Savings-Credit-Report-2015.pdf>

47. <http://www.coronation.com/Assets/za/Personal/Publications/Corospondent/2017/July/2017-July-Retail-Corospondent.pdf>

Everex: Everex is a microfinance and remittance application targeting emerging market consumers with little or no access. They are launching the service in Asia with plans to expand to Africa. The Everex ICO raised \$26 million USD in July-August 2017.

Humaniq: Humaniq is a mobile app delivering financial inclusion services to the unbanked. They raised \$5 million USD in a March 2017 ICO. Humaniq is positioned to “bank the un/underbanked” and recently launched a Ghanaian pilot in September 2017 with plans to release a full version soon.

DEFINITIONS

- **Agent:** A person or business that is contracted to sign up new customers and facilitate transactions, specifically cash in and cash out. Agents usually earn commission for performing these services. Often they provide on the ground customer service, such as teaching new users how to initiate transactions on their phone.
- **Dala:** A digital utility token issued on the Ethereum blockchain.
- **Formal Financial Services:** Financial services offered by regulated institutions, including banks, remittance service providers, microfinance institutions, and MNOs.
- **Informal Financial Services:** Financial services offered by unregulated entities including loan sharks and savings groups.
- **MNO:** A Mobile Network Operator is a provider of wireless communications services and mobile financial services, including mobile money and, in some countries, mobile loans and mobile savings.
- **Mobile Money:** A service in which the mobile phone is used to access financial services generally provided by MNOs.
- **Mobile Payment:** A movement of value that is made from a mobile wallet, accrues to a mobile wallet, and/or is initiated using a mobile phone.
- **Mobile Wallet:** An account that is provided by an MNO and accessed using a mobile phone.
- **Unbanked:** Consumers, usually under the poverty line, who do not have a bank account or a transactional account at a formal financial institution.
- **Underbanked:** Consumers who may have access to a basic transactional account offered by a formal financial institution but still have financial needs that are unmet or not appropriately met due to costs or accessibility.

13. Appendix B: Disclosure Schedule



The acquisition of Dala involves a high degree of risk. Before acquiring Dala, it is recommended that each Purchaser conduct their own careful examination of all relevant information about the Dala Corporation, Dala Platform and Dala and, specifically, the disclosures and risk factors set out below. If any of the following risks actually occurs, the Dala Platform, Dala and Purchaser's Dala may be materially and adversely affected, including the Purchaser's Dala being rendered worthless or unusable.

DISCLOSURES REGARDING DALA

Nature of Dala

- **Dala is a utility token:** Dala is a utility token that afford Dala holders to execute certain functions on the Dala Platform. Holders of Dala are entitled to access the full functionality of the Dala Platform.
- **Dala are non-refundable:** The Dala Corporation is not obliged to provide Dala holders with a refund for any reason, and Dala holders will not receive money or other compensation in lieu of a refund. Statements set out in the White Paper are merely expressions of the Dala Corporation's objectives and desired work plan to achieve those objectives, and no promises of future performance or price are or will be made in respect to Dala, including no promise of inherent value and no guarantee that Dala will hold any particular value.
- **Dala provided on "as is" basis:** Dala are provided on "as is" basis. The Dala Corporation and Wala, and each of their respective directors, officers, advisors, employees, shareholders, affiliates and licensors make no representations or warranties of any kind, whether express, implied, statutory or otherwise regarding the Dala, including any warranty that Dala and the Dala Platform will be uninterrupted, error-free or free of harmful components, secure or not otherwise lost or damaged. Except to the extent prohibited by applicable law, the Dala Corporation and Wala, and each of their respective directors, officers, advisors, employees, shareholders, affiliates and licensors disclaim all warranties, including any implied warranties of merchantability, satisfactory quality, fitness for a particular purpose, non-infringement, or quiet enjoyment, and any warranties arising out of any course of dealings, usage or trade.
- **Dala may have no value:** Dala may have no value and there is no guarantee or representation of liquidity for Dala. The Dala Corporation is not and shall not be responsible for or liable for the market value of the Dala, the transferability and/or liquidity of Dala and/or the availability of any market for Dala through third parties or otherwise.
- **Lack of development of market for Dala:** There are no warranties that Dala will be listed or made available for exchange for other cryptocurrencies and/or fiat money. It shall be explicitly cautioned that if Dala are available on any exchange, such exchange, if any, may not be subject to regulatory oversight, and the Dala Corporation does not give any warranties in relation to any exchange services providers. Because there has been no prior public trading market for Dala, the Token Issuance may not result in an active or liquid market for Dala, and the price of Dala may be volatile. Dala holders may not be able to dispose of Dala easily and where no secondary market develops, a Dala holder may not be able to liquidate at all.
- **Risks relating to highly speculative prices:** The valuation of cryptocurrencies and digital tokens in secondary markets is usually not transparent, and highly speculative. Dala do not hold any ownership rights to the Dala Corporation's assets and, therefore, are not backed by any tangible asset. The value of Dala in secondary markets, if any, may fluctuate greatly within a short period of time. There is a high risk that Purchasers may lose their entire contribution amount. In the worst-case scenario, Dala could be rendered worthless.
- **Force majeure:** The Token Issuance and the performance of the Dala Corporation's activities set out in the White Paper development roadmap may be interrupted, suspended or delayed due to force majeure circumstances. For the purposes of this White Paper, force majeure shall mean extraordinary events and circumstances which could not be prevented by the Dala Corporation and shall include: changes in market forces or the technology, acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics, lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies, other circumstances beyond Dala Corporation's control, which were not in existence at the time of Token Issuance.

GOVERNMENTAL DISCLOSURES

- **Risk of unfavorable regulatory action in one or more jurisdictions:** The regulatory status of cryptographic tokens, digital assets, and blockchain technology is undeveloped, varies significantly among jurisdictions and is subject to significant uncertainty. It is possible that certain jurisdictions may adopt laws, regulations, policies or rules directly or indirectly affecting the Bitcoin and Ethereum networks, or restricting the right to acquire, own, hold, sell, convert, trade, or use Dala. Developments in laws, regulations, policies or rules may alter the nature of the operation of the blockchain network upon which Dala is dependent.

There can be no assurance that governmental authorities will not examine the operations of the Dala Corporation and Wala and/or pursue enforcement actions against the Dala Corporation and/or Wala. All of this may subject the Dala Corporation and Wala to judgments, settlements, fines or penalties, or cause the Dala Corporation and Wala to restructure their operations and activities or to cease offering certain products or services, all of which could harm the Dala Corporation and Wala's reputation or lead to higher operational costs, which may, in turn, have a material adverse effect on Dala and/or the development of the Dala Platform.

- **Purchaser bears responsibility of legal categorization:** There is a risk that Dala might be considered a security in certain jurisdictions, or that they might be considered to be a security in the future. The Dala Corporation does not provide any warranty or guarantee as to whether the Dala will be a security in the jurisdiction of the Purchaser. Each Purchaser will bear all consequences of Dala being considered a security in their respective jurisdiction and will be responsible to confirm if the acquisition and/or disposal of Dala is legal in its relevant jurisdiction, and each Purchaser undertakes not to use Dala in any jurisdiction where doing so would be unlawful. If a Purchaser establishes that the purchase or use of Dala is not legal in its jurisdiction, it should not acquire Dala and immediately stop using or possessing Dala.

Acquiring Dala in exchange for cryptocurrencies will most likely continue to be scrutinized by various regulatory bodies around the world, which may impact the usage of Dala. The legal ability of the Dala Corporation to provide or support Dala or the Dala Platform in some jurisdictions may be eliminated by future regulation or legal actions. In the event the Dala Corporation determines that the purchase or usage of Dala is illegal in a jurisdiction, the Dala Corporation may cease operations in that jurisdiction, or adjust Dala in a way to comply with applicable law.

- **Purchaser bears responsibility for complying with transfer restrictions:** Dala may be placed on third-party exchanges, giving future purchasers and users an opportunity to openly buy Dala. A user seeking to enter the Dala Platform following the Token Issuance will have to buy Dala on such exchanges. Conversely, Dala may be sold on such exchanges if the holder of Dala would like to exit the Dala Platform ecosystem. Existing laws on the circulation of securities in certain countries, such as the United States of America and Singapore, may prohibit the sale of the Dala to the residents of those countries. When buying Dala, Purchaser should be aware of the restrictions on their subsequent sale.

GENERAL SECURITY RISKS

- **Risk of theft and hacking:** Token generation events and initial coin offerings are often targeted by hackers and bad actors. Hackers may attempt to interfere with the Purchaser's token wallet used to store the private keys to Dala, which is accessible via the Wala Financial Platform or through other partner applications that make use of the Dala API (Purchaser's Wallet), the Dala Smart Contract or the availability of Dala in any number of ways, including without limitation denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks. Any such attack may result in theft of Purchaser's Dala.
- **Failure to map a public key to Purchaser's Wallet:** Failure of the Purchaser to map a public key to such Purchaser's Wallet may result in third-parties being unable to recognize buyer's Dala balance on the Ethereum blockchain when and if they configure the initial balances of a new blockchain based upon the Dala Platform.
- **Risk of incompatible wallet service:** The wallet or wallet service provider used for the acquisition and storage of the Dala has to be technically compatible with the Dala. The failure to assure this may result in the Purchaser not being able to gain access to its Dala.
- **Risk of weaknesses or exploitable breakthroughs in the field of cryptography:** Advances in cryptography, or other technical advances such as the development of quantum computers, could present risks to cryptocurrencies, Ethereum and Dala, which could result in the theft or loss of Dala.

- **Internet transmission risks:** There are risks associated with using Dala including, but not limited to, the failure of hardware, software, and internet connections. The Dala Corporation shall not be responsible for any communication failures, disruptions, errors, distortions or delays you may experience when using the Dala Platform, howsoever caused. Transactions in cryptocurrencies and utility tokens may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable. Cryptocurrency transactions are deemed to be made when recorded on a public ledger, which is not necessarily the date or time when the transaction is initiated.

DALA PLATFORM DISCLOSURES

- **Risks associated with the Dala Smart Contract and associated software and/or infrastructure:** The Dala Smart Contract is based on the Ethereum blockchain. As such, any malfunction, unintended function or unexpected functioning of the Ethereum protocol may cause Dala and/or the Dala Platform to malfunction or function in an unexpected or unintended manner.

The Ethereum blockchain rests on open source software, and accordingly there is the risk that the Dala Smart Contract may contain intentional or unintentional bugs or weaknesses which may negatively affect Dala or result in the loss or theft of Dala or the loss of ability to access or control Dala. In the event of such a software bug or weakness, there may be no remedy and Dala holders are not guaranteed any remedy, refund or compensation.

Ether, the native unit of account of Ethereum may itself lose value in ways similar to Dala, and also other ways. More information about Ethereum is available at <http://www.ethereum.org>

- **Irreversible nature of blockchain transactions:** Transactions involving Dala that have been verified, and thus recorded as a block on the blockchain, generally cannot be undone. Even if the transaction turns out to have been in error, or due to theft of a user's Dala, the transaction is not reversible. Further, at this time, there is no governmental, regulatory, investigative, or prosecutorial authority or mechanism through which to bring an action or complaint regarding missing or stolen cryptocurrencies and digital tokens. Consequently, the Dala Corporation may be unable to replace missing Dala or seek reimbursement for any erroneous transfer or theft of Dala.
- **Amendments to protocol:** The development team and administrators of the source code for the Ethereum blockchain or the Dala Smart Contract could propose amendments to such network's protocols and software that, if accepted and authorized, or not accepted, by the network community, could adversely affect the supply, security, value, or market share of Dala.
- **Risk of mining attacks:** As with other decentralized cryptocurrencies, the Ethereum blockchain, which is used for Dala, is susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, "selfish-mining" attacks, and race condition attacks. Any successful attacks present a risk to Dala, expected proper execution and sequencing of Dala, and expected proper execution and sequencing of Ethereum contract computations in general. Despite the efforts of the Dala Corporation and Ethereum Foundation, the risk of known or novel mining attacks exists. Mining attacks, as described above, may also target other blockchain networks, with which Dala interact and consequently the Dala may be impacted also in that way to the extent described above.

DALA CORPORATION DISCLOSURES

- **Dependence on management team:** The ability of the Dala Platform project team which is responsible for maintaining the competitive position of the Dala Platform is dependent to a large degree on the services of a senior management team. The loss or diminution in the services of members of such senior management team or an inability to attract, retain and maintain additional senior management personnel could have a material adverse effect on the Dala Platform. Competition for personnel with relevant expertise is intense due to the small number of qualified individuals, and this competition may seriously affect the Dala Corporation's ability to retain its existing senior management and attract additional qualified senior management personnel, which could have a significant adverse impact on the Dala Platform.
- **Risks related to reliance on third parties:** Even if completed, the Dala Platform will rely, in whole or partly, on third-parties to adopt and implement it and to continue to develop, supply, and otherwise support it. There is no assurance or guarantee that those third-parties will complete their work, properly carry out their obligations, or otherwise meet anyone's needs, any of which might have a material adverse effect on the Dala Platform.

- **Insufficient interest in the Dala Platform and Dala:** It is possible that the Dala Platform or Dala will not be used by a large number of individuals, businesses and organizations and that there will be limited public interest in the creation and development of its functionalities. Such a lack of interest could impact the development of the Dala Platform.
- **Dala Platform development risks:** The development of the Dala Platform and/or Dala Smart Contract may be abandoned for a number of reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects, or departure of key personnel.
- **Changes to Dala Platform:** The Dala Platform is still under development and may undergo significant changes over time. Although the Dala Corporation and Wala intend for the Dala Platform to have the features and specifications set forth in this White Paper, changes to such features and specifications may be made for any number of reasons, any of which may mean that the Dala Platform does not meet the expectations of the Purchaser.
- **Other projects:** The Platform may give rise to other, alternative projects, promoted by parties affiliated or unaffiliated with the Dala Corporation and/or Wala, and such projects may provide no benefit to the Dala Platform.
- **Disclosures relating to conflicts of interest:** The Dala Corporation and Wala, and each of their respective directors, officers, advisors, employees, shareholders, affiliates and licensors may be engaged in transactions with related parties and conflicts of interest may arise, potentially resulting in the conclusion of transactions on terms not determined by market forces.