

ETOS (Eternal Oasis)
- Payment & Oil Transaction Platform -
ETOS Whitepaper

Contents

| | |
|-------------------------------|----|
| Summary | |
| 1. Introduction | 3 |
| 2. ETOS | 10 |
| 3. ETOS Token Economics | 16 |
| 4. ETOS Roadmap | 19 |
| 5. ETOS Founder | 20 |

Summary

Credit Card's generalization, FinTech market growth and Mobile market growth have brought new payment process of mobile simple payment. The mobile simple payment has decreased offline wallet's necessity to people. And technology development has more risen the convenience and speed of payment. The cryptocurrency that was founded when people have been accustomed to digital transactions became an important key for expanding the payment market to global market just from domestic market.

Many companies that understood this opportunity in advance have continued to try to connect digital assets to real economy. But there are some limits people use digital assets for payment because of blockchain network's transaction processing delay, price volatility of digital assets and absence of real digital asset payment platform. Users felt difficult to familiar to use it due to lack of the experience and complicated exchange process.

For applying digital assets to any payment platform, it should be developed within existing simple payment process. And digital asset payment market can grow with online payment market. ETOS is a digital asset payment platform that maximizes the expectation effectiveness when digital assets are applied to on and off line payment market.

ETOS will support overseas remittance, oil transaction and financial transaction.

In case of overseas remittance, ETOS is going to start home country remittance service for middle east's foreign employees.

ETOS provides the convenience, generalness and security using QR code payment technology that is familiar to everyone.

ETOS is preparing for easy and convenient interface and low cost over MoneyGram and Western Union that have occupied in advance global overseas remittance market.

In addition, ETOS will build rapid and stable ecosystem through partnership with global financial institutes and distribution companies beginning APEC countries.

1. Introduction

Digital Asset market has grown a lot for last 10 years.

Digital asset that is stable, transparent and disposable worldwide in the light of Cryptology has prepared for change of the foundation of every industries, even though some people concern that it can be bubble.

Many countries have prepared the legal, systematical measures to keep step with big trend of digital asset.

And the research of government-led digital currency like CBDC has continued as well.

Some countries including Japan and some big companies including Starbucks started digital asset payment services. Investment companies of USA have rushed to launch digital asset ETF.

1.1 Cryptocurrency Transaction System and Current State of Exchanges

Now people have to follow inconvenient system that digital asset exchange demand for digital asset's buy and remittance.

Even though exchange platforms have upgraded more to user oriented types than the past, there are still higher barriers to users who are beginners. As of now, remittance systems between digital asset exchanges are much more insufficient in general than existing traditional financial market.

People have to pay commission \$5 even to \$20~50 for sending \$100 valued Bitcoins.

It is excessive profit using the situation that is not prepares for enough systems.

This situation seems to be good for digital asset exchanges in the short term, but in the long run it finally hurt the market because it will block more users coming into the market. And it makes people think it is better to stay at traditional market,

If users of digital asset exchange pay cheaper commissions than traditional institutes, digital asset remittance market will be more active. After retaining security and convenience, increasing many new users, and there will be more profit for all exchanges.

1.2 Upcoming Issues of Cryptocurrency Industry

The previous example is quite trivial. In fact, more serious problems will come from the various laws and regulations that will be implemented in the future. Anyone familiar with digital asset trading will know that the current exchange remittance system is being clumsy. In this situation, the first difficulties that exchanges will face are the strengthened anti-money laundering law (AML) and travel rule, and real-name account authentication and information security management system (ISMS) authentication, which puts a considerable burden on existing exchanges. In addition to the initial cost of building the system, huge additional costs such as the need to hire related personnel every year will go directly to the exchange.

Therefore, the subsequent period, that is, related laws, will be more concretely realized, so that remittance and transaction records must be completely recorded regardless of the type of remittance from domestic to domestic or from domestic to overseas. If the regulations applied to the market are applied similarly to the digital asset market, the burden on digital asset exchanges will increase. Although in-house transactions within an exchange are relatively easy to manage, transactions between exchanges are another problem, and in the process, digital asset providers have no choice but to follow the laws and procedures required by the remittance and transaction system to which various regulations such as AML and travel rules are applied will be just the beginning. Therefore, each exchange will try to pass on difficult or problematic business processing to each other, or suffer from large and small legal problems due to errors and business mistakes from different systems and business systems.

In that regard, there is a possibility that domestic exchanges will change their direction toward minimizing the linkage with foreign exchanges. Rapid market price fluctuations that occur when funds are moved between exchanges are also a factor that makes collaboration between exchanges difficult. In this way, it is difficult to link between exchanges, so the meaning of blockchain technology itself can be faded, and the market will be faced with a fundamental question “why Blockchain ? “ .

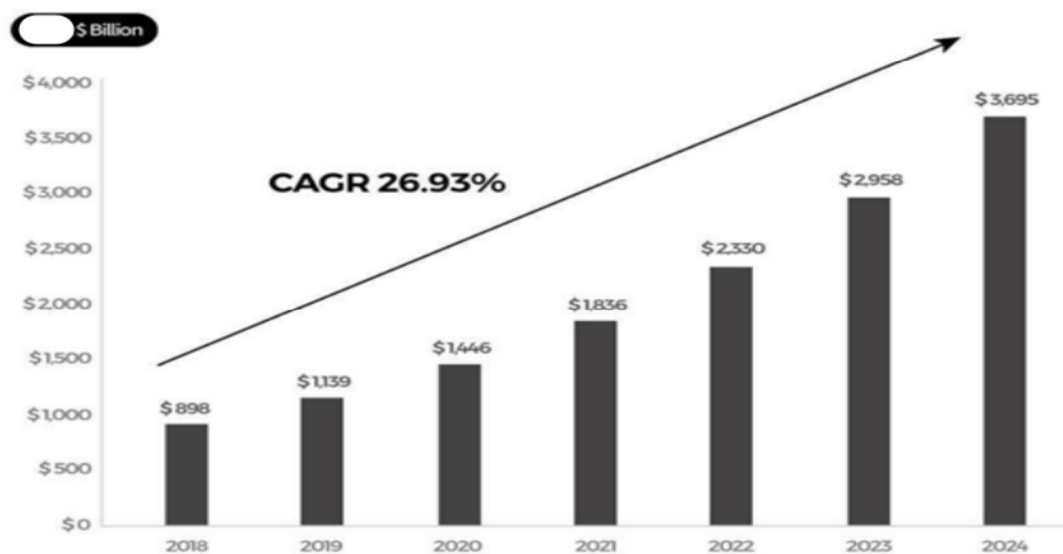
<Major Countries Digital Asset Policies >

| | Institution | Regulation | Digital Asset Licensee Treat | Features |
|-----------------------|-----------------------|---|---|---|
| USA | FinCEN | BSA Registration System | (MSB) | <ul style="list-style-type: none"> • Conform to AML Regulation • Suspicious Trade Report |
| | Uniform Law Committee | United Cryptocurrency business Regulation Act | License | <ul style="list-style-type: none"> • Conform to AML Regulation • Filing Custody(Trade type, Tech, Debts) |
| USA New York State | NYDFS | Finance Supervision Regulation | BitLicense | <ul style="list-style-type: none"> • Duty of Explanation for Investor Protect • Trade Documents Custody • Duty of KYC |
| Europe | EU | AML | Regulation Objects Expansion (Exchange, Wallet provider) | <ul style="list-style-type: none"> • Duty of KYCustomer • Conform to AML Regulation |
| Japan | Financial Agency | Money Settlement Law | Registration System | <ul style="list-style-type: none"> • Regular Inspection of User Transaction Content, Commission, System, Safety Control • Advance Notice of Digital Asset Change • Excessive Advertisement Control |
| | | Law of Prohibition of Financial Intelligence | Object of Prohibition of Financial Intelligence | <ul style="list-style-type: none"> • User Identification • Trade Documents Custody • Suspicious Trade Report |

1.3 Current State of Simple Payment Market

The period when the simple payment market began to be activated was the settlement of the fintech industry, the high penetration of mobile devices, the commercialization of credit cards, and the emergence of payment platforms by mobile device companies. As users can enter their credit card information into a smartphone, the core of easy payment, and pay without handing over a credit card, it has become difficult to see the payment process not only with cash but also with credit cards.

As of 2018, the global mobile payment market was valued at about \$ 897.6 billion, and is expected to reach \$ 3.69 trillion by 2024 at a CAGR of 26.93%. Then, as the simple payment market, which was focused on offline, moves online, the simple payment market is also expected to grow further in line with the growth of the e-commerce, digital content, and e-sports markets. The expansion of the simple payment market led to a natural expansion of the payment market from the domestic market to the global market.



Mobile Payment Market Growth

The expansion of the global market required an international remittance process that was unnecessary in the domestic market. The procedures, time, and fees required for international remittances have become obstacles in the digital economy market, which has become accustomed to simple payments. Although the hurdles of the procedure have been lowered by the advent of the international remittance platform, the presence of intermediaries participating in the process has increased the transaction processing fee.

In this situation, the emergence of digital assets has emerged as a solution for global easy payment. Since digital assets are not affected by any operating entity and are exchanged over the network, borders are unnecessary. In addition, as the trust role of intermediaries in the transaction process can be replaced with smart contracts, the introduction of digital assets and blockchain into the financial field has become more active.

Among them, the introduction of digital assets in the international remittance and settlement field has been particularly active in the financial field, and the effect of simplifying the transaction approval process, thereby saving time and reducing fees, has been realized. However, due to the high fee of simple payment, the fee that franchisees and users have to bear in the legacy system started to increase further. In addition, due to the high fees, the voices of dissatisfaction among the intermediaries have increased due to the policy of lowering fees by the regulators.

1.4 Problems of the Simple Payment Market

When making simple payments with participants in the payment process, the process that takes place in the backend is very complicated, unlike what you see at the payment site. When payment is made, at least 8 operators participated in the transaction to process the transaction because payment is made based on credit card information. The fact that many operators have to participate in one transaction is that it takes a lot of time and high fees to process the transaction, and these fees have to be burdened by the merchants or consumers.

1.5 Structural limitations of cryptocurrency

The emergence of a new currency has come as an opportunity for several markets related to money. Among them, various conditions exist for a new currency to be recognized in the payment market, and the representative condition is an agreement among market participants based on price stability. If there is a participant who does not recognize the currency in the course of the transaction through the currency, the value as money is inevitably lost.

Digital assets can be evaluated as a technology optimized for the payment market due to their high accessibility to the financial system and the role of smart contracts in the international remittance and settlement process. However, most of the digital assets were mainly traded on the digital asset exchange due to the lack of use, and as the investment characteristics became stronger, they were transformed into a means of speculation. As a result, digital assets exhibited high price volatility to be used in the payment market.

This is fatal when transaction processing delays occur in the blockchain network. This is because if there is a large price difference between the time of payment and the time of settlement, damage will occur to all members of the payment process. Despite these limitations, services that support digital asset payment and remittance have begun to emerge due to the rapid technology development speed.

ETOS started the project to fundamentally solve the structural problem of these digital assets.

Starting from the Middle East, we have formed various infrastructures that can be used for real payments such as overseas remittance and international crude oil payment, and are cooperating with financial institutions and government-related institutions in each country.

1.6 Lack of User Convenience in Cryptocurrency Payment

Currently, the blockchain industry is developing technology faster than any other industry for service commercialization. The problems of price volatility and transaction processing delay are being quickly resolved by using stablecoins and developing a mainnet optimized for transaction processing performance. Various digital asset payment services are being created based on this situation, but there are still limitations for users who are accustomed to simple payment.

Firstly, in order to use the existing digital asset payment service, a terminal that supports digital asset payment must be purchased at an additional cost. Otherwise, the process of purchasing a digital asset from a digital asset exchange and transferring it to a digital asset payment service wallet must be performed for each payment. Even if the payment is completed through this process, the inconvenience appears once again in the settlement process.

For digital asset settlement, an account must be created on a digital asset exchange affiliated with the digital asset payment service, and the digital asset exchange and affiliated stores must form a separate alliance. In this case, if the user who wants to use the digital asset payment is not a user of the digital asset exchange affiliated with the affiliated store, the digital asset payment is not made, or the user must go through a separate settlement process after receiving it from the affiliated store to his/her personal wallet.

The reason for this inconvenience is that the service is supported based on an extremely limited system within a limited protocol. This is not very different from the mileage system in the traditional financial system and is very weak in terms of scalability, so it does not fit into the growing simple payment market.

ETOS project will secure high scalability compared to other blockchain projects by conducting business in connection with various payment platforms in the global market through cooperation with existing financial institutions.

2. ETOS

2.1 Service of ETOS Project

ETOS PROJECT has a connection with financial institutions in a direction that has the least impact on the payment process rather than directly solving price volatility, which is the biggest problem that leads to digital asset payment services. And the direct connection process was designed for direct payment settlement with digital asset exchanges.

In other words, it is to solve only the minimized volatility at the time of payment use rather than solving the price volatility of digital assets. The reason for this is that since most digital asset payment projects focus on resolving digital asset price volatility, it takes a long time to apply to the existing financial system, such as unnecessary token swap processes and distortion of the market due to overlapping processes.

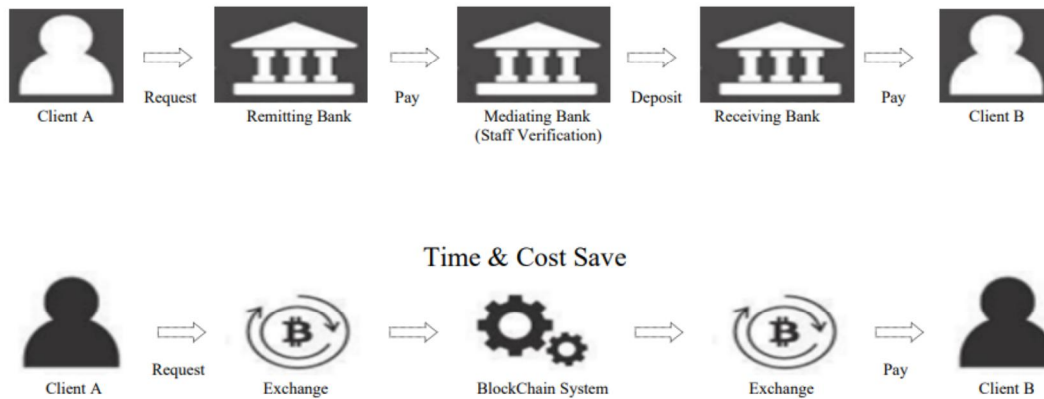
Therefore, the ETOS Project can use the ETOS token issued by itself as a stable payment method, such as the exchange rate volatility of USD used for actual payment.

Ultimately, in addition to the ETOS tokens issued by the foundation, digital assets such as BTC and ETH can be easily and quickly paid and remitted in the ETOS ecosystem, so that the financial institutions linked with the ETOS foundation and the central exchange can make reliable digital assets payment through the verification process. It can be used as a means to enable immediate digital asset payment and remittance.

Several existing simple payment services form their own ecosystems with the lowest fees. ETOS PROJECT aims to be able to use the current digital assets as payment, not a project that competes with these systems or guarantees the lowest fee. ETOS is an innovative project that connects digital assets and the real economy through stable provision of overseas remittance and cross-border payment services.

2.2 System concept of ETOS PROJECT Network

Bank Overseas Remittance SWIFT vs. BlockChain



ETOS PROJECT Network supports fast and secure transactions for all transactions such as remittance and settlement between exchanges. This is similar to the role of SWIFT in traditional finance, but the EOTS Network is a new type of blockchain project that utilizes the infrastructure of financial institutions. This provides a more advanced service that enables stable overseas remittance and payment transactions. The only solution to the complex procedures, relatively long time required, and high fees, which are the disadvantages of existing traditional financial institutions, is inevitably a digital asset based on blockchain technology. This is because digital assets have been designed to facilitate global transactions from the very beginning. This is because digital assets are much simpler and faster than fiat currency and can be used with lower fees.

For example, it is known that it takes an average of two weeks for final payment and processing in overseas financial business through SWIFT. For digital assets, all transactions and payment settlements are completed within seconds and minutes. Fees are also much cheaper than fiat currency transactions. Therefore, if a common network such as SWIFT is introduced to digital assets, it will be able to use higher efficiency than the existing financial system.

The strength of the ETOS project is not only in building a digital asset version of SWIFT.

The advantage that distinguishes the ETOS project from other blockchain projects is the linkage with the traditional financial system. You cannot achieve this by thinly circumventing the law or by being in a gray area. Digital asset transactions must satisfy the same level of reliability, safety and rigor as required for legacy financial transactions. This is because digital assets can be recognized as real assets in the same way as existing assets only in this way, and ultimately, they can receive a wide range of market adoption (Mass adoption).

Therefore, above all else, the ETOS project focused on the goal of 'transparency' of transaction records that can be recognized the same as existing assets, and a certain level of realization has been achieved. In short, the link between digital assets and legacy financial transactions will be an innovation that has not been achieved anywhere else in the world so far. In the ETOS network, as in the traditional financial system, the information of the transaction parties whose identity has been verified is recorded transparently, and the movement path of funds, origin and final destination are perfectly traced. This is to satisfy the strict conditions currently required by the governments to the highest level. If the transparency and tracking reliability of transaction information required by the existing financial market and government can be guaranteed, not only the Middle East exchanges but also overseas exchanges around the world can trust and use the ETOS network.

After linking digital asset transactions and existing financial transactions, the ETOS Foundation focused on the following three essential tasks.

First, it is the construction of a reliable ETOS Blockchain Network. This means that, as a global hub for digital asset trading, an integrated blockchain network that exchanges and companies around the world can trust must be established.

Second, in order for users around the world to use digital asset remittance and payment services as daily services such as existing finance, exchange information authentication, user identity authentication, and device authentication that can ensure safe use without the threat of hacking, duplication, and theft the same level of authentication system applied to the existing financial market, should be guaranteed. digital asset trading is still a subject of doubt for ordinary consumers. It was our idea that any kind of digital asset service would be useless if safety was not guaranteed.

Third, it is practicality from the point of view of users, including securing large-scale affiliated stores. If securing the same level of safety as the traditional financial system is a hardware premise for digital asset transactions, the last factor, securing large-scale affiliates and practicality from the user's point of view, is a software premise that enables consumers to practically experience the effectiveness of digital assets. . In other words, safety is our foundation, but practicality is a direct driver that attracts consumers. In a sense, the hardware element is an area that does not appeal to consumers. For consumers today, right now, it's important to be able to buy things with their digital assets in the store, not what the internal structure of the system is. If the structure is difficult to use, it will be an interesting play for some early adopters. Also, if there are not enough various franchisees that can be used anywhere, that will also be meaningless.

This is why user-oriented accessibility that anyone can use easily and securing a vast number of affiliated stores are essential. The user-oriented practicality we are talking about now means the same as the practicality of payment tools mainly used in the current financial market. In other words, consumers should be able to feel the same convenience as when using major payment services such as PayPal, Apple Pay, and Google Pay.

ETOS Partnership for ETOS Network

The importance of these three conditions, namely the market situation after the implementation of all kinds of legal systems that will be increasingly tightened, and the digital asset being recognized as an “asset” with practical meaning, used by consumers, and financial markets. How important these conditions are in order to be active in the whole needs no further explanation. Unfortunately, no blockchain project in the world has it all yet. At least until before the ETOS project.

So, how can ETOS realize this difficult task? As a financial hub for digital asset exchanges around the world, the plan to build a single platform capable of remittance and payment services was virtually impossible for any single entity to complete alone. This is because, for this goal, not only a financial transaction system that can be incorporated into the legacy financial transaction market must be in place, but also a strict legal system including Anti-Money Laundering Act, and Travel Rules and so on must be applied. This is because it includes work in a wide range of fields such as automatic computer system, management and supervision system, accounting and tax settlement system, security certification, and user experience (UX). As before, this is by no means something that any single operator can do alone. Therefore, ETOS carries out the project with several players with specialized skills.

2.3 ETOS Protocol's Extended Services

1) ETOS Payment

ETOS Payment is a gateway service that supports cross-payment between different payment services by replacing the intermediate role of the ETOS Protocol. Because payment for existing digital assets is only possible with affiliated merchants, various options could not be provided to virtual asset holders, which is no different in fiat currency payments. If you do not have an affiliated card, payment is difficult because the affiliated card companies or payment methods are different for each country. To this end, there was the inconvenience of remittance of earned income from abroad, direct payment for petroleum products sales, and the need to exchange money while paying high fees for travel or business trips.

However, if you use ETOS Payment, you can make payments in various currencies using your usual payment platform at stores around the world that are not affiliated with it. For example, in China, where more than 90% of simple payments are made through QR code payments, when a Chinese person tries to use a QR code payment in Bahrain, even if a QR code exists, payment is impossible if the Chinese do not support the payment platform.

ETOS Payment can be paid at Bahrain merchants without being affiliated with a payment platform owned by a Chinese. In other words, at overseas stores that support QR code payment, local services and credit card payments will be possible. This scalability also applies to digital asset projects. digital asset projects that support payment will join the Ethos Protocol and make QR code payments through ETOS Payment. Payment can be made easily through ETOS Payment without additional mainnet development and device purchase.

2) Banking Services

As with digital asset payment, there were many digital asset projects that tried to provide existing banking services. In order for the next-generation banking service to operate, there must be customers who have converted from existing banks. In the case of virtual asset projects, it was difficult to provide the trust of the operating entity that meets the needs of customers, and it was difficult to deposit one's own assets readily.

The ETOS Project provides banking services through an intermediary role rather than by depositing assets into its services. It provides a simple remittance service with enhanced security through QR code, which supports international remittance at high speed regardless of borders, just like the payment service above.

In addition, by utilizing the QR codes currently attached to various ATM machines, ATM machines will provide a simple cash withdrawal service. The cash withdrawal service procedure proceeds with cash withdrawal by recognizing the QR code attached to a nearby ATM device after pre-application for cash withdrawal through a smartphone. It is possible to convert into cash faster than other digital asset exchanges by easily providing a digital asset encashment service.

3) Other services

Since ETOS project provides services through QR codes, it can be applied to various fields using QR codes. Among the fields that can be expanded, representative fields are on/offline remote payment and identity authentication.

When paying online, it is possible to design so that payment can be made by simply entering the QR code provided by commerce. Through this method, offline overseas payment agency is also possible. When you ask an acquaintance who has gone abroad to buy something, you don't need to provide cash in advance, if you just deliver the store's QR code, you can make payments anywhere, and when combined with IOT, the scalability becomes even greater.

3. ETOS Token Economics

3.1 Token Economy

Various token economies designed for actual service operation are often not implemented without reflecting the realistic environment. The main reason why this happens is that digital assets issued as a means of service use are not actually used and are used the most in digital asset exchanges. It can be solved if the service is released soon after listing on the digital asset exchange, but it takes a very long time until the service launch period because digital assets are often issued to finance development.

The same is true for digital asset payment projects. It issues its own digital assets to be used as a payment method, but loses its role as a currency because there is no payment platform that can actually be used. In addition, the project itself is canceled before a proper token economy is realized due to excessive funding for the development of the payment platform in the token distribution plan.

Based on the experience of these industries, we intend to design and provide a simple token economy suitable for payment platforms. The token economy of ETOS project is designed by the partners participating in the ecosystem, that is, the participants who play the most important role in the project and the merchants or partners that form the payment ecosystem.

The issued ETOS tokens are not used as a payment method for ETOS project, but are used as a fee for using the QR code-based digital asset payment system and prepaid gift certificates. Therefore, as the number of users who use the ETOS system such as POS companies or KIOSK terminals increases, the demand for ETOS tokens increases, forming a token economy in which the value of the tokens also increases.

Therefore, the main participants in the ETOS Protocol are payment system merchants and digital asset exchanges that immediately settle virtual assets, and the benefits that can be taken are as follows.

3.2 Benefits for Franchise stores

The need for payment for digital assets continues to increase despite the existence of credit cards. The reason is that the number of holders holding digital assets continues to increase, and there is a need for payment and remittance through assets deposited in the exchange. Franchisees will be able to secure potential customers in the digital asset market in addition to customers who pay in fiat currency.

Previously, if you had to purchase a new device or introduce a payment solution to secure potential customers in the digital asset market, ETOS project does not require any additional action because digital asset payment is processed based on the existing payment system. In addition, in the case of other projects, there were risks and settlement fees that were exposed to large volatility at the time of settlement, but ETOS project can easily receive digital asset settlement benefits in that volatility is not exposed at the time of settlement.

In addition, people who use virtual asset payments are more likely to be global customers, giving them a market advantage in terms of attracting tourists. In order to lead the participation of franchisees, ETOS project supports ETOS tokens through various promotions, providing an opportunity to receive additional business opportunities in the current business model.

3.3 Cryptocurrency Exchange

When the digital asset exchange participates in the network of the ETOS project, the more the number of affiliated stores of ETOS project increases, the more the fee can be acquired during the exchange process caused by digital asset settlement. ETOS project's automatic trading/remittance system further increases the liquidity of digital assets in the exchange, and by linking with stable coins, it is possible to bank the exchange without going through the existing banking network.

3.4 Token Distribution

There are a total of 3,000,000,000 digital assets issued by ETOS project, and it will enable simple payment of digital assets at the same time as the service launch. The main distribution objects are as follows.

| Objects | Amount | % |
|-------------------------|---------------|-----|
| Foundation | 2,100,000,000 | 70 |
| Advisors & contributors | 300,000,000 | 10 |
| Marketing & Partners | 300,000,000 | 10 |
| Internal Team | 160,000,000 | 5.3 |
| Long term Operation | 90,000,000 | 3 |
| Private Sale | 50,000,000 | 1.7 |

Of the total issuance, 1.7% will be distributed to investors through Token Sale to form the initial circulation.

For the purpose of creating an ecosystem (merchants, users) from a long-term perspective, the foundation plans to incinerate the amount that is sequentially distributed to franchisees and strategic partners from the amount (70%) held by the foundation, thereby protecting the token's value from decline.

Marketing (10%) and operation (3%) volumes will be managed and used in the form of Vesting because continuous marketing and stable operation are required to activate the payment platform.

For building market-friendly ecosystem, we plan to do our best to expand the base through long-term token distribution and management to create an ecosystem.

4. ETOS Roadmap

2020 4Q Petro World Corporation Establishment

2021 1Q BlockChain Platform Building

2021 2Q Certification System Building

2021 3Q Global Franchise Stores' Reserve Start

2021 4Q Payment Platform Establishment

2022 1Q Apply to global institutions (Overseas Remittance, international payment)

2020 2Q Extended Service Plan(Credit Card)

2022 3Q Oil Transaction Start

5. ETOS Founder

Nasser Sultan AlSowaidi