



QunQun

A blockchain-based incentive community platform

Whitepaper

V 1.8.5

QunQun Team

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Background

1.1 Golden turning point of blockchain application

CryptoKitties, a virtual cat-breeding game built on the Ethereum blockchain, was launched on Nov.28, 2017. In a few days, the world witnessed the frenzied fashion of global blockchain digital cat-breeding. The sales volume of CryptoKitties on open market is up to 75,371 units by the end of 22 p.m., Dec. 9, 2017 with sales of 24,911.62 Eth, amounting to US\$11,739,500.33. The average price of each CryptoKitty is 126.11 dollars. There is no doubt that CryptoKitties has become a phenomenal decentralised application (DAPP) on Ethereum.

The overnight success of CryptoKitties reflects the fact that the blockchain industry is at the very beginning of qualitative change - digital currency has experienced explosive growth in 2017, and the number of digital wallets has increased to more than 20 million from less than 5 million at the beginning of the year. At present, Coinbase has more than 2 million users. This skyrocketing quantity of users drives up user demands, and the great popularity of CryptoKitties has fully revealed the strong user demand. The introduction of iPhone gave rise to the realisation that phones are not designed for calling up only; similarly, the great popularity of CryptoKitties allows people to understand that the blockchain industry is not just confined to a means of payment, but represents a new infrastructure of Internet in the future. The great popularity of CryptoKitties indicates that the blockchain industry is starting to enter the "App Big Bang" era.

1.2 Social applications will be the real killer application of blockchain

Social applications are the most basic and most important form of Internet since the birth of Internet. According to the development history of mobile

internet from 2008 to 2017, the rise of mobile social applications including Facebook, Twitter, WeChat, Instagram, etc., and these can be viewed as a real turning point of the transition from traditional Internet to mobile Internet. From then on, the activeness and realisation potential of mobile Internet grow up in a manner of geometric jump.

With the explosive growth of digital currency users, such geometric growth will reappear in blockchain world. The rise of active individuals will be followed by social demands among users, thus digital currency users should be equipped with their own communication platform.

Solution of QunQun Platform

In order to enrich the social applications of blockchain, on the one hand, the threshold for the formulation and operation of blockchain applications should be lowered; on the other hand, useful and product experiences which exceeds expectations should be provided for social and community applications.

The first issue is that not everyone is capable of independently developing a blockchain-based Internet community. The threshold to create and operate a blockchain community is quite high. Therefore, a one-stop solution is provided by the QunQun Platform for anyone to create a unique community without any thresholds. Meanwhile, with the help of QUN Token Incentive Mode, the operation threshold can be reduced effectively, with a short start-up period.

In view of the application experience in blockchain, the solution provided by the QunQun Platform comprises a bottom layer using a decentralised blockchain accounting-book to record the ownership information of social products, and deal with the transaction of social products by virtue of smart contracts so that the ecosystem economy of community will be transparent

and clear; while the application layer shall make use of efficient centric development architecture so as to fully guarantee the good performance of all read and write operations as well as to effectively avoid the problems of long confirmation duration, high cost and congestion-inducing, thus the smooth and interactive experience of community products can be guaranteed at the extreme.

QunQun Platform is conceptualized by the members from Qihoo 360 and the original members from the founding team of Huajiao Live. The team is good at creating Internet products which exceeds expectations.

Product scheme

3.1 What's QunQun Platform?

QunQun Platform is a blockchain-based incentive community platform (the QunQun Platform). Users may create their own theme community on the QunQun Platform without any coding or deployment. People can obtain QUN incentives from QunQun incentive pool by operating their own community on the QunQun Platform, or participating in the contributions of other communities.

In order to promote the community ecosystem, a new community will be generated every 6 minutes after the formal online opening of the QunQun Platform, and anyone can create an initiatory community by paying to the QunQun Platform a community platform toll in QUN (the initial price for such toll would be 49.99 QUN). Each community has a unique door plate (Keyword), which is convenient for the access and memory of community members. The ownership of community will be recorded by blockchain account book and cannot be tampered. Communities can be traded freely in QunQun market.

3.2 Community form of QunQun

QunQun Platform provides an innovative Social Community. Like an autonomous “Twitter”, each community is independent of each other. Members in the community can perform dynamic releases, and follow each other. All dynamic releases of members can be collected on the in-site public Timeline channel.

In order to deal with the islanding effects of communities, and promote content circulation and social development of the community on the QunQun Platform, the QunQun Platform provides a unique cross-site interaction mechanism by which users can stroll to other communities and “transfer” anybody with an interest to the community, as well as synchronously read the dynamic releases and perform interactions with the off-site Timeline channel.

3.3 App store of QunQun

The QunQun Platform will offer a community app store that would provide abundant functions and entertainment applications for all communities. The app store will be made available for third-party developers, who may develop apps and sell them on the QunQun Platform, and receive QUN through the revenue sharing model. All transaction will be recorded on blockchain account book to ensure the open and transparent accounting.

3.4 Exchange market of QunQun community

Community managers will be able to obtain QUN daily by managing and operating their own community. The value of a community would grow with the increase in number of users. The QunQun Platform would also provide a community exchange market. The key information of each community, such as proof of activity, revenue information, number of users and activity of users will be recorded on the public blockchain as evidence of the value developed by each community. Communities with high activity will generally

fetch higher prices.

3.5 Product architecture of QunQun



Figure 1 business model

3.6 Product elements of QunQun

3.6.1 Account system

The QunQun Platform provides a complete account system. Users can join the community on the QunQun Platform through mobile phone registration.

Each user will be equipped with an exclusive digital identity and the QunQun digital wallet, with these information recorded on the blockchain in the QunQun Platform network.

Through the use of digital identity, users can access the ecosystem on the QunQun Platform without restrictions, and enjoy various blockchain-based community functions provided by the QunQun Platform.

When entering a community, users are required to add their identity in the community, which indicates that users can join multiple communities and have a standalone identity in each community, and they can also participate in the construction of communities. Eventually, all identities can be mapped to the exclusive digital identity that the QunQun Platform has provided for users.

3.6.2 Timeline

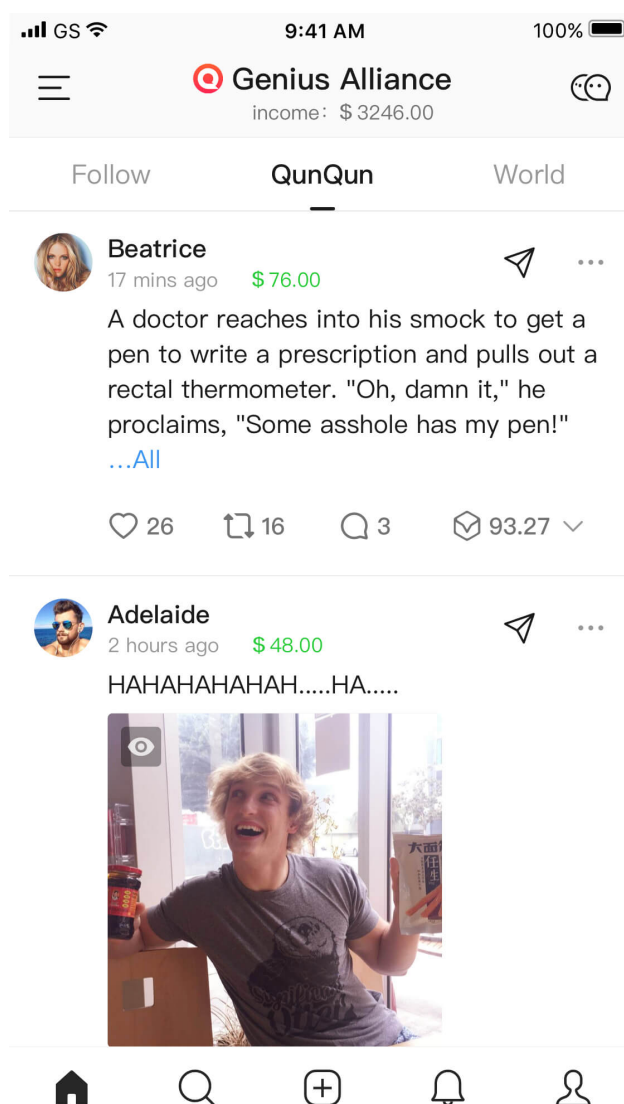


Figure 2 Timeline

As a basic function of the QunQun Platform, all content published by a user will be collated and presented on a “Timeline channel”. There are three types of Timelines in each community: Interested, site and off-site.

Interested: It is used to display the contents collated from other users in areas which the user has indicated previous interest.

Site: It is used to show the real-time dynamic release of all users in the community and the information is arranged in reverse chronological order.

Off-site: It is used to show the content of foreign community members transferred by members of the community.

3.6.3 Content distribution

QunQun allows users to publish the contents in different media formats: text, images, videos and even live broadcast. A greater variety of media formats will be available in the future, such as links, long text, sign-in, Q&A, item transaction, etc.

3.6.4 Interaction function

Interaction module includes: Like, comment, incentive, forward, transmit, share, etc.

1. Like

When consuming content in Timeline, users can give their favorite contents “thumbs up” according to personal preference. The off-site Timeline also allows users to give likes on their favorite contents, and the information can be accumulated into the disseminating data of the original content.

2. Comment

When browsing content, users can interact with the creator or other users based on the content through the comments section. The off-site content in this community is also equipped with the function of comment and

interaction.

3. Incentives

Users can directly incentivise creators of high-quality content with QUN. The amount of QUN incentive (less small transaction costs of transacting on the blockchain network) will be owned by the content creator; neither the QunQun Platform nor community sitemaster/management team will get a share of this direct QUN incentive. In order to improve the incentive function (as compared to a blockchain transfer), users of the QunQun Platform will be able to have a “quick incentive” function through the use of a built-in wallet.

4. Forward

Users can forward the content of interest to fans / followers, so as to reinforce social relationships.

5. Transmit

As the unique function of the QunQun Platform, the “Transmit” function is a basic function to realise cross-site function.

As the member of a community, users may still view the contents of other communities. After finding other communities on the QunQun Platform, users may browse through other communities as tourists based on the “passing account system”. Users who are interested in contents of a community and who want to share it with other members of their own communities may use the “Transmit” function (only available on the QunQun Platform) to share the content and creator to their own communities.

The transmitted contents will be displayed on the off-site Timeline.

6. Share

When consuming content in the community, users may share high-quality content to third-party social platforms for their friends on other social

platforms.

The third-party sharing function on the QunQun Platform supports several mainstream social platforms such as Facebook, Twitter, Wechat, QQ, Weibo, etc.

3.6.5 Find

With the growth in the community and ecosystem, the increase in number of site-masters / managers and users will definitely result in a larger number of communities. Therefore, users should have certain mechanisms to assist them in finding their communities of interest. The QunQun Platform will incorporate a “Find” mechanism in time to allow users to connect with interesting communities, users and contents.

3.6.6 App Center

There are two categories of applications in the App Center. The first category comprises various functions and applications developed by the QunQun Platform, while the other comprises applications developed by third-party developers with the tools provided by the QunQun Platform.

To enrich the functions of community, create more entertainment channels, as well as to activate the community, the site-master/management team may add or open the necessary applications according to the community's requirements.

1. Applications developed by the QunQun Platform

With the purpose of improving the operational efficiency of each community, the QunQun Platform provides each community with abundant tools used for community construction and operation. For example, a “Community Data” App provides the statistical analysis function for new user data, held-out data, user behavior data and all content-related core data that has received interest during community operation.

Meanwhile, the QunQun Platform will provide a variety of community robots (Bot) to assist the site-master / management team. For example, Headline Bot can automatically generate the key contents of the community, and find out the contents that are in line with the interest of community members, as well as assist the site-master / management team to more easily construct the community. It is envisaged that the variety of Bots will play a vital role in development of content on the QunQun Platform and community activation.

2. Other application provided by third-party developer

In line with the decentralisation concept of blockchain technology, the QunQun Platform will launch an open platform for third-party developers, while gradually improving its blockchain technology. Any competent developer may develop and provide a variety of third-party applications (e.g. various tools, social networks and games for community) based on the open API provided by the QunQun Platform.

Incentive mechanism

QunQun has set up a special ecosystem incentive mechanism which uses the native Token (QUN) of the QunQun Platform as the only mechanism for the payment of incentives. A double-layer incentive mechanism based on the unique POA (POA) + POC (Proof of Contribution) algorithm is formulated on the platform and used to incentivise the participants who make contributions to development of the community and ecosystem.

The Incentive Pool system would perform a calculation of incentive distribution every 24 hours. According to the calculation result, QUN incentives will be automatically distributed to the personal wallet of each participant.

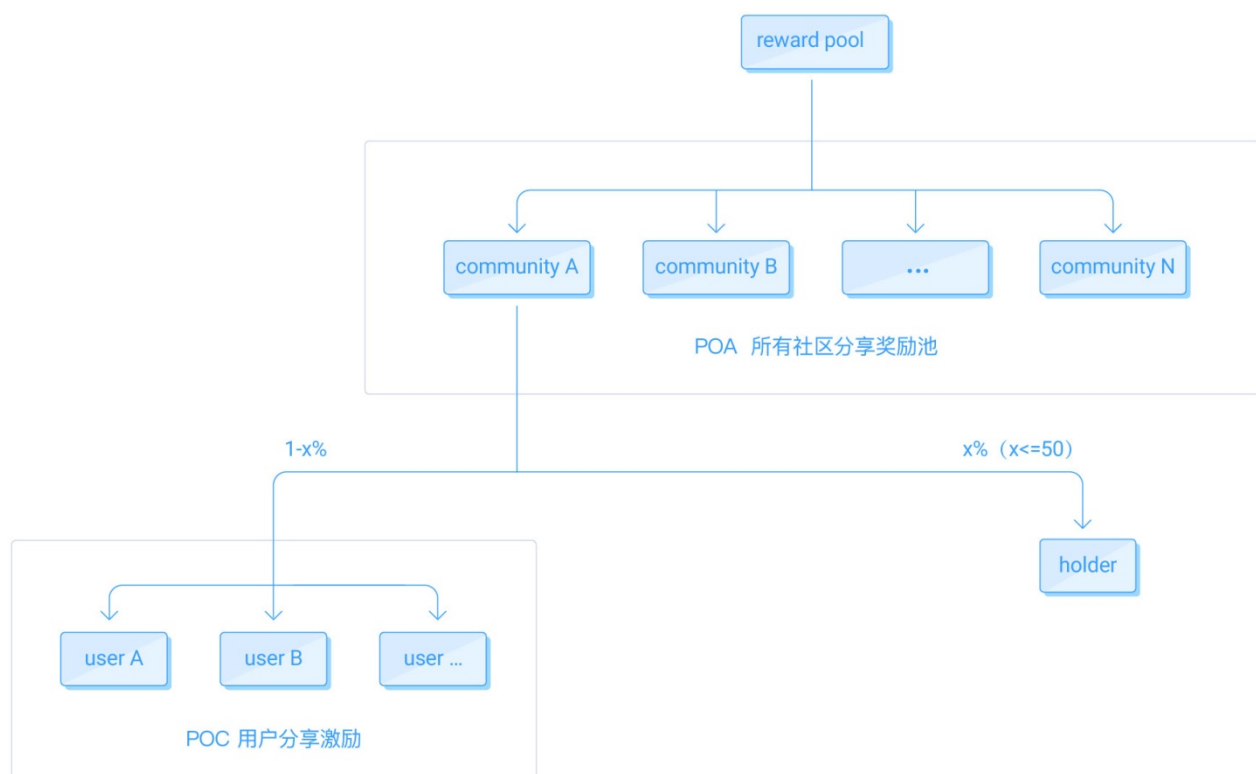


Figure 2 Schematic diagram for double-layer incentive mechanism

4.1 Incentive Pool

Incentive Pool is a Token pool exclusively used to incentivise users who contribute towards development of the ecosystem. Incentive Pool will be replenished daily according to the incentive elastic coefficient.

4.2 Community incentive distribution--- Proof of Activity

Incentive Pool will perform the first-layer incentive distribution by using POA (Proof of Activity), which means that QUN in the Incentive Pool shall be distributed to each community based on its activity.

The calculation of POA is as follows: Incentive Poll will calculate the valid DAU, valid posts, valid number of post, valid page views, valid number of page view, valid likes, valid number of like, valid comments, valid number of comment, the average number of posts view, the average online duration, peak concurrent users and number of new users of each community every 24

hours. The activity A_m of each community is:

$$A_m = \sum_{i=1}^k a_i F_i$$

Herein k the number of factors, while F_i stands for the value of all factors proving the community activity obtained by using normalisation algorithm, a_i is the weight of different factors.

The daily allocation is new currency of R. All existing communities shall be included in the distribution. Accordingly, the overall incentive R_m obtained by each community shall be:

$$R_m = \frac{A_m}{\sum_{j=1}^n A_j} * R$$

Herein n is the number of communities within the whole ecosystem by the end of distribution.

After a community receives the POA distribution from the Incentive Pool, the QUN received will be distributed to the site-master/management team and users participating in the development of the community based on a certain percentage. The initial distribution ratio of site-master/management team to users would be 40%: 60%. The site master/management team may be entitled to adjust the distribution ratio with users participating in the development of the community, so long as its ratio payable to the site-master/management team does not exceed 50%. The remaining QUN should be distributed as user incentives to users participating in the development of the community construction, according to the Proof of Contribution calculation (described below).

4.3 Users incentive distribution--- Proof of Contribution

In addition to site-masters, users in a community may also receive QUN distributed to the community daily. Users incentive will be distributed to each active user according to POC (Proof of Contribution) algorithm.

QunQun can calculate Level L_n for each user by calculating the behaviors of browses, likes, comments, incentives, and forwards obtained by the content after creating and publishing, as well as the behaviors of post view and the browses, likes and comments to others' post:

$$L_n = \sum_{i=1}^k a_i O_i$$

Herein O_i is the value of single behavior's number obtained by using normalisation algorithm; it not only includes the active behaviors such as likes, comments, post, etc., but includes the passive behaviors such as being interested, being liked, post being viewed, post being commented, etc. a_i refers to the weight of each behavior. Different behaviors will have different thresholds for O_i within a fixed period of time. If being performed after exceeding the threshold, the behavior will no longer affect user's level.

The community would receive QUN as incentives from the QunQun Platform via POA mechanism every 24 hours. Part of the obtained QUN will be distributed to the creator and management team of the community. The other part will be distributed to incentivise users who make intraday contributions to the community by virtue of POC mechanism.

The intraday contribution of community users C_n shall be calculated by calculating the number of single user's active behavior S and passive behavior within the same day and their weights:

$$C_n = \sum_{i=1}^k a_i S_i + \sum_{i=1}^k \beta_i \sum_{j=1}^l L_j$$

Herein S_i is the value of single active behavior's number obtained by using normalisation algorithm, while a_i refers to the weight of the active behavior. β_i is the weight of single passive behavior, while l refers to the number of users who perform the single passive behavior. During the calculation of passive behavior, weight distinction is conducted to the levels of users who perform the passive behaviors. In simple terms, if someone with higher level performs the behaviors such as like, comment, etc. to a post, then the post creator will obtain higher contribution. However, the number of each behavior is calculated for only once.

R_m refers to the monetary incentive obtained by the community via POA. After the proportion of community operators being deducted, the incentive which may be obtained by an ordinary user r_n is:

$$r_n = \frac{C_n}{\sum_{s=1}^t C_s} * (1 - \sigma) R_m$$

Herein σ refers to the proportion that management team shall receive, while t is the number of members in the community by the end of distribution.

Ecosystem

5.1 QunQun Lab Foundation LTD.

The QunQun Lab Foundation Ltd. (the Foundation) is the entity which develops and maintains the QunQun Platform.

The Foundation will continuously promote the application of blockchain technology to social applications through the development of an open and dependable social application platform, continuously improve blockchain technology, and build the largest and most active community platform in the blockchain digital world, and at the same time provide a greater selection of better community tools and products for the whole ecosystem, and enlarge user experience so as to create continuous user activity in the community on the QunQun Platform.

5.2 Site-master/management team (Social Community holder)

A site-master/management team is the owner of single QunQun community. Anyone or any institution may subscribe to an initiatory community on QunQun and become the owner of the community simply by paying 49.99 QUN.

As the operator of a community, the site-master/management team shall be responsible for the content and activity of the community. Site-master/management team shall be in charge of user acquisition, maintenance of users, community activation, production of high-quality contents, enabling positive discussions, and creation of communication atmosphere.

As the solid basis of all site-master in the ecosystem, the QunQun Platform will incentivise site-master/management teams with QUN according to the operation of all communities, and based on the unique POA (Proof of Activity) mechanism.

5.3 User

Users can be regarded as the cornerstone around which the ecosystem and community on the QunQun Platform is built.

After registering on the QunQun Platform, users may join any community that they are interested in. Users may publish image-text and videos, participate in

the community construction, as well as interact with other users in the community. Users who create high-quality content will be able to receive POC incentives (paid in QUN) daily.

Users are the major driving force of consumption in the ecosystem, and will be required to pay QUN in exchange for various services / products on the QunQun Platform (e.g. payment of incentive, purchase of content, purchase of apps, purchase and/or playing games).

5.4 Developer

Developers play an important role in the diversified ecosystem on the QunQun Platform. The Foundation's goal is to drive the whole community ecosystem based on blockchain technology and build an open and dependable social application platform. Not only will the Foundation provide basic technical support, anyone or institution possessing developmental capability can develop the third-party applications for the ecosystem on the QunQun Platform.

5.5 Advertiser

Advertisers are an important part of the economy on the QunQun Platform.

With the growth of various communities, the QunQun Platform will gradually introduce eco-friendly advertisers into the community. Part of the advertising revenue will go to the Foundation and applied in accordance with its objects, while the rest will be paid to the Incentive Pool in the form of QUN.

Outlook

The QunQun Platform aims to become the largest and most active community platform in the blockchain digital world. With the rapid promotion of digital currency users and penetration of this market, it is envisaged that

the model of the QunQun Platform will gradually fulfill its true potential and obtain geometric growth finally.

In order to continuously support the development of the community on the QunQun Platform, it is planned that the commercial revenue of the QunQun Platform will mainly come from the following ways:

6.1 Sales and transactions of virtual goods

The QunQun Platform QunQun will develop and design various virtual goods on the community platform (e.g. forms of community themes, skins, paid virtual items, as well as various personal virtual images for individuals). Some of these virtual goods may be obtained for free, while the rest will be sold in exchange for QUN.

There will be a transaction market on the QunQun Platform which is able to support transfers between users, as well as the transaction of various virtual goods. The QunQun Platform will charge a commission in QUN for these transaction costs.

6.2 Application and game revenue sharing

The QunQun Platform will provide tools for third-party developers to provide applications and SNS games for the community, and charge a portion of the revenues of these applications and games as fees.

6.3 Advertising revenue

Advertising is one of the critical revenue streams for the QunQun Platform. With the help of intelligent and reliable blockchain advertising and value analysis systems, the QunQun Platform combines advertising with a community incentive model, effectively connecting the advertisers with users so as to maximise the interests of all parties.

The average revenue per user (ARPU) metric for digital currency users is

several times that of traditional mobile Internet users, which is expected to assist the rapid development of the QunQun Platform.

Technical realisation

There are three layers included in the overall technical architecture of the QunQun Platform: client, community platform and underlying architecture.

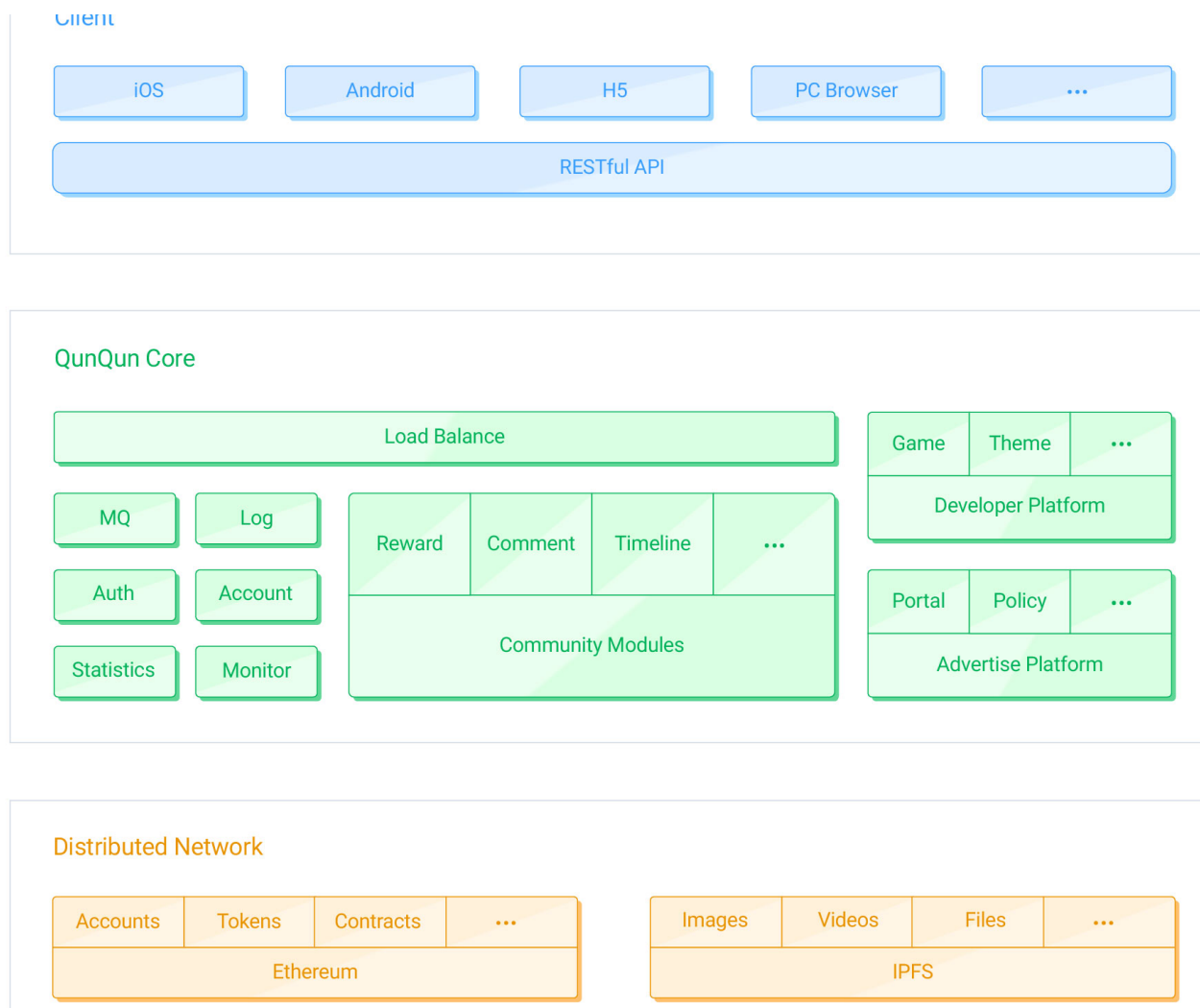


Figure 3 Architecture diagram of overall technology

7.1 Client

Client refers to various terminal products which the QunQun Platform has provided for users to meet their different demands (including iOS, Android, H5, etc). The QunQun Platform will also provide a full-featured RESTful API. Any developer may develop efficiency tools or games based on these API.

When fully developed, the QunQun Platform will provide a site-master/management team with a community management tool (Dashboard) which includes theme templates, function options, management of application plug-in, etc.

7.2 Community platform

Clients can access the services provided by the QunQun Platform via RESTful API. In order to provide RESTful API with high availability, high concurrence and high performance, the components such as load balancing, log storage, service monitoring, message queue, authorisation checking, account unification and data statistics will be established within the QunQun Platform.

Account module provides basic accounting service for the ecosystem on the QunQun Platform. The Account module is designed to be compatible with an Ethereum account in an optimal manner. Such a unified QunQun account will be able to ensure security of funds, as well as allow users to enjoy all services quickly and easily. Users may view information of other communities within the APP, and also but interact with users from other communities (e.g. functions such as liking, commenting).

Statistics module aims to record and save all core operations of the QunQun Platform so as to perform various data analysis. The data analysis includes calculation of community activity, calculation of user contribution, calculation of developer sharing, etc.

The QunQun Platform will provide various tools for developers to develop the third-party applications that are suitable for the ecosystem on the QunQun Platform based on the various interfaces provided by the QunQun Platform. After the launch of the developer platform, the QunQun Platform will offer technical documentation and sample programs so as to help developers get started quickly.

7.3 Underlying architecture

The underlying technology architecture of blockchain + IPFS will be adopted by the QunQun Platform.

7.3.1 Blockchain

Part of QunQun's core services is formulated on the basis of blockchain technology. The blockchain of QunQun is developed based on the integration of Ethereum public chain at present. The native chain of the QunQun Platform (QunQun Blockchain), which is designed to be more suitable for social communities, will be launched in the future.

1. Account

Mark of user's sole digital identity;

2. Token

The native cryptographic token designed to be used on the QunQun Platform (QUN) is based on ERC-20 standard. Users may check their QUN balance through the QunQun Platform or any application which supports ERC-20 standard. Before the launch of QunQun Blockchain, to get around the technical barrier, the QunQun Platform will issue the representative token on the Ethereum blockchain, and perform a transfer once the development of the QunQun Blockchain is complete. This transfer will have no effect on the usage and digital assets of users.

3. Smart contract

The “smart contract” of Ethereum is Turing-complete. Various constraints shall be written into the smart contract in QunQun ecosystem. The realisation of some community-related contracts is shown as follows:

① *Community information*

Anyone can establish a community by paying certain amounts of QUN to the QunQun Platform. In order to mark the uniqueness and ownership of that community, community information and ownership will be written into the smart contract of the QunQun Platform.

The creation and transferring of community are shown as follows:

► Create a community

Anyone can establish a community by paying QUN. Community information and ownership will be written into smart contract of QunQun. The sample code of contract is as follows:

```
//Community data structure
struct siteInfo {
    string name;
    string status;
    bool is_exist;
    address owner;
    uint32 price;
}

uint32 SITE_CREATE_PRICE = 50;
mapping (address => uint256) public balanceOf; // account balance
mapping (bytes32 => siteInfo) public site_info; // community list
event Transfer(address indexed from, address indexed to, uint256 value);

/**
 * Create a community
 */

function createSite(address owner, bytes32 site_key, string name)
```

```
public returns (bool success) {  
    //Check whether the identity is already taken.  
    require(site_info[site_key].is_exist == false);  
    //Check balance, ORIGIN_PRICE refers to the cost of creating a community.  
    The initial price is 49.99QUN  
    require(balanceOf[owner] >= SITE_CREATE_PRICE);  
    //Set the community ownership  
    site_info[site_key].is_exist = true;  
    site_info[site_key].owner = owner;  
    //Set the status as running  
    site_info[site_key].status = "running";  
    //Set the community name  
    site_info[site_key].name = name;  
    // Deduct expenses, QUNQUN_ACCOUNT refers to the account of community  
    platform  
    _transfer(owner, QUNQUN_ACCOUNT, SITE_CREATE_PRICE);  
    return true;  
}
```

► Purchase a community

If users want to purchase a community available for sale, they can perform the fee purchasing and ownership transferring independently by virtue of calling smart contract. The sample code of contract is shown as follows:

```
/**  
 * Purchase a community  
 */
```

```
function buySite(bytes32 site_key) public returns (bool success) {  
    //Check whether the community is for sale.  
    require(sha3(site_info[site_key].status) == sha3("for_sale"));  
    // Check whether the account balance of contract caller is adequate.  
    require(balanceOf[msg.sender] >= site_info[site_key].price);  
    //Account transfer  
    _transfer(msg.sender, site_info[site_key].owner, site_info[site_key].price);  
    //Ownership transfer  
    site_info[site_key].owner = msg.sender;  
    return true;  
}
```

Apart from the above functions, the smart contract of QunQun will also save the core operational data such as user scale, active reservation, eco-incentive, etc.;

②Ecosystem rules

The shared proportion of POA incentives that is shared by site-master/ management team and community users.

Rules for revenue sharing between the QunQun Platform and third-party developers of applications.

Rules for sharing of advertising revenue between the QunQun Platform, site-master/ management team and users of the QunQun Platform.

Quantity of QUN required to create a community.

Other ecosystem rules that shall be included with the development of the QunQun Platform.

7.3.2 IPFS

IPFS network is fine-grained, reliable, distributed and highly compatible content distribution network. The photos, videos, documents generated by users on the QunQun Platform will be stored on IPFS. The QunQun Platform will record statistics to the resources usage of each community, and take measures (e.g. warnings, account banning) against users found to have abused resources.

Issuance plan

8.1 QUN

In order to motivate developers of the community and participants, and improve the ecosystem on the QunQun Platform, the native cryptographic token designed to be used on the QunQun Platform (**QUN**) is a major component of the ecosystem on the QunQun Platform.

QUN is a non-refundable functional utility token which will be used as the unit of exchange between participants on the QunQun Platform. QUN does not in any way represent any shareholding, participation, right, title, or interest in the Foundation, its affiliates, or any other company, enterprise or undertaking, nor will QUN entitle token holders to any promise of fees, revenue, profits or investment returns, and are not intended to constitute securities in Singapore or any relevant jurisdiction. QUN may only be utilised on the QunQun Platform, and ownership of QUN carries no rights, express or implied, other than the right to use QUN as a means to enable usage of and interaction with the QunQun Platform.

In particular, you understand and accept that QUN:

(a) is non-refundable cannot be exchanged for cash (or its equivalent value in

any other virtual currency) or any payment obligation by the Foundation or any affiliate;

- (b) does not represent or confer on the token holder any right of any form with respect to the Foundation (or any of its affiliates) or its revenues or assets, including without limitation any right to receive future revenue, shares, ownership right or stake, share or security, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights or equivalent rights, or intellectual property rights or any other form of participation in or relating to the QunQun Platform, the Foundation and/or its service providers;
- (c) is not intended to be a representation of money (including electronic money), security, commodity, bond, debt instrument or any other kind of financial instrument or investment;
- (d) is not a loan to the Foundation or any of its affiliates, is not intended to represent a debt owed by the Foundation or any of its affiliates, and there is no expectation of profit; and
- (e) does not provide the token holder with any ownership or other interest in the Foundation or any of its affiliates.

The contributions in the token sale will be held by the Foundation (or its affiliate) after the token sale, and contributors will have no economic or legal right over or beneficial interest in these contributions or the assets of that entity after the token sale.

To the extent a secondary market or exchange for trading QUN does develop, it would be run and operated wholly independently of the Foundation, the sale of QUN and the QunQun Platform. The Foundation will not create such secondary markets nor will it act as an exchange for QUN.

8.1.1 Application scenario of QUN

Application scenarios of QUN include but not limited to:

1. Purchase a community: Users can purchase an initiatory community from the official platform of QunQun, or they may purchase a mature community which is on sale via the market on the QunQun Platform.
2. Incentive: The QunQun Platform will incentivise users and site-masters that make contributions to the community with QUN.
3. Incentive: Users may use QUN to incentivise creators of high-quality content on the QunQun Platform.
4. Purchase the paid content: Users can purchase the paid content prepared by other users.
5. Purchase the third-party applications: Some third-party applications are not for free, therefore, users shall purchase then by paying QUN.
6. Purchase virtual goods or game items: Users can purchase various on-sale virtual goods or participate in community games to purchase game items.
7. Advertisements: Advertisers may advertise effectively through the blockchain advertising system on the QunQun Platform through the payment of QUN.

8.1.2 Methods to obtain QUN

1. Participate in the supporting programs of private placement and purchase QUN with ETH.
2. Participate in the development of the ecosystem on the QunQun Platform to obtain QUN as an incentive.
3. Publish high-quality content and obtain QUN incentives from other users.
4. Purchase QUN from third-party transaction platforms.

8.2 Distribution plan

The initial issuance of QunQun is 1.5 billion QUN, based on the following distribution plan:

8.2.1 Presale

The proceeds of the presale of QUN will be applied towards technological research and development, cost of hardware and bandwidth, project operation, and market promotion of projects on QunQun Platform.

8.2.2 Funding for the Foundation

The project to develop the QunQun Platform is a long term project. In order to ensure continuous development of the QunQun Platform, it is necessary for the Foundation to continuously recruit excellent talents to work on the project. At the same time, as part of the development process, some important nodes will be reached and more partners will be needed to complete it. This portion of the supply of QUN will be applied towards incentivising team members and business partners who may contribute to the development of the QunQun Platform at later stages.

8.2.3 Ecosystem incentive fund

The initial token sale for the QunQun Platform will set aside 15% of QUN for the ecosystem incentive fund, which is mainly used to make up the bonus pool of the first-year platform. The system will determine the incentive elastic coefficient according to the POA activity index, and allocate the corresponding amount of QUN to the bonus pool daily.

Thereafter, the ecosystem incentive fund will be supplemented in the form of additional issuance of QUN yearly after the second year. The additional issuance each year will be 9.5% of the total amount from the second year, and this will decrease by 0.5% yearly until it falls to 1%.

8.2.4 QunQun team and early contributors

The QunQun team and early contributors had provided various products, technical support, funds, and great help for the birth and development of the QunQun Platform. This portion will be set aside to reward the QunQun team and early contributors for their contributions.

8.3 Distribution of tokens

| Distribution ratio | Allocation plan |
|--------------------|------------------------------------|
| 45% | Presale stage |
| 20% | Funds of management meeting |
| 15% | Ecosystem incentive fund |
| 20% | QunQun team and early contributors |

Table 1 Token distribution plan of QunQun

The amount of QUN sold at the presale will account for 45% of the initial (675 million QUN), and is only open to specific purchaser. The goal is to raise approximately USD25million worth of ETH. The presale is only available to specific overseas buyers (i.e. non-mainland Chinese).

8.4 Commitment to freeze QUN

The 20% of QUN held by the QunQun team will be frozen after the presale, for a total period of 33 months. The first unlocking event is within 6 months after the completion of the presale, later on, the unlocking part of each quarter will be not more than 10% of the total amount of the holdings of the QunQun team.

8.5 Utilisation of sale proceeds

8.5.1 Utilisation of sale proceeds

The sale proceeds will mainly be used in the following aspects to support the

development and operation of the QunQun Platform:

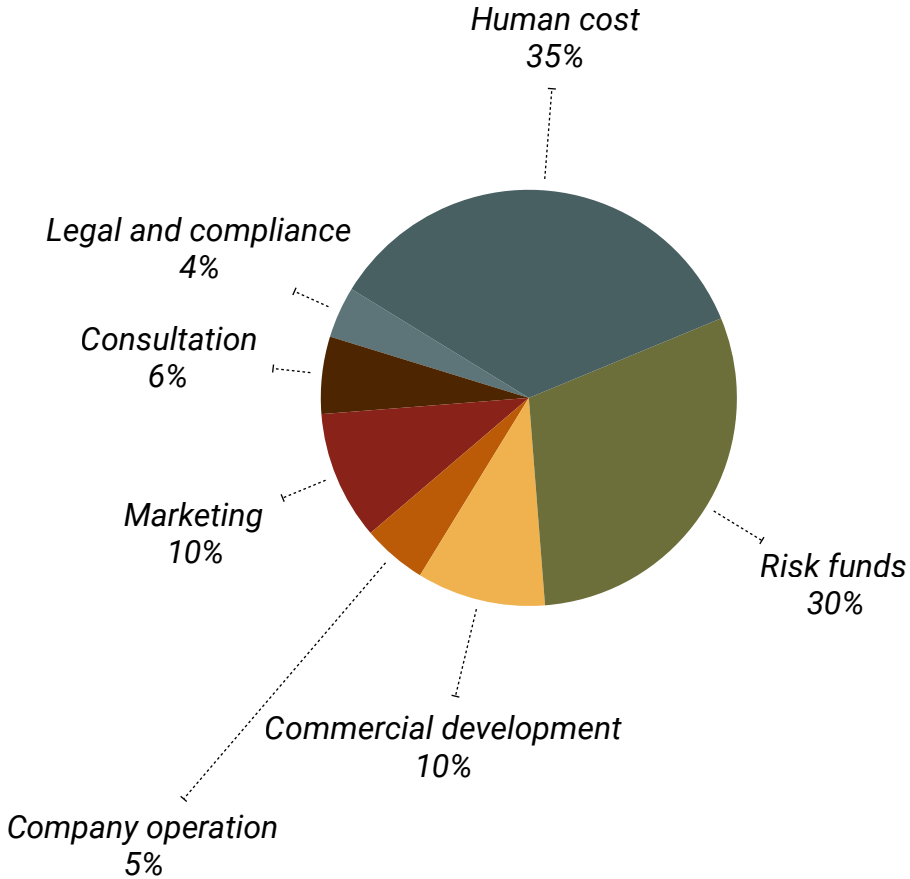


Figure 4 Distribution ratio

8.5.2 Description of utilisation of sale proceeds

| Projects | Proportion | Description |
|------------------------|------------|--|
| Human cost | 35% | The development of the QunQun Platform requires the participation of experts from various fields, such as the Internet, block chain, distributed network and finance. The amount raised is projected to meet two years' of costs incurred. |
| Company operation | 5% | The company will adopt the typical management model of an internet company. The amount raised is projected to meet two years' of costs incurred. |
| Marketing | 10% | After the products on the QunQun Platform are launched, this portion is projected to meet two years' of costs incurred in branding, advertising, and cross-domain cooperation. |
| Commercial development | 10% | The Foundation will support and explore the commercial development of various communities to maximise the value of the QunQun Platform. |
| Consultation | 6% | With the development of various technologies such as blockchain, video streaming and even VR and AR technology, this portion is set aside to study how to incorporate these technologies into the QunQun Platform. |
| Risk funds | 30% | To prepare for unforeseen circumstances. |
| Legal and compliance | 4% | It is used to engage outstanding legal and compliance experts in the fields of digital currency, blockchain and financial technology. |

Table 2 The description of utilisation of sales proceeds

Planned development roadmap

August 2017

Formulation of preliminary project concept

October 2017

Fulfilled requirement collection and analysis of integration of blockchain and internet community products

Early in November, 2017

Formed the startup team

Mid-November, 2017

Finished technology research and model selection and established the system structure scheme

Late in November, 2017

Named the project “QunQun” and finished the third version of product prototype

Late in December, 2017

Presale of QUN

January, 2018

Accomplish the development of the rock - bottom framework

February, 2018

Accomplish the primary function, incentive system and WEB client for the community on the QunQun Platform

March, 2018

Make alpha test and develop the iOS and Android App

2nd quarter of 2018

Open beta will launch

3rd quarter of 2018

App Store and game system will launch; Migrate to a better public chain

4th quarter of 2018

Communities over 5,000 and users over 1 million

1st quarter of 2019

Advertising system will launch, and users over 2 million

Team

QunQun Platform is conceptualized by the members from Qihoo 360 and the original members from the founding team of Huajiao Live. The team is good at creating Internet products which exceeds expectations.



Advisors、 Strategic Partners

Bo Shen

Advisors

Founding Partner of Fenbushi Capital and Blockasset Fund.

Li Xiaolai

Advisor

Founder of INBlockchain.

Yi Lihua

Advisor

Co-founder of INBlockchain.

Liu Jun

Advisor

Angel investor of Toutiao. Worked for Qihoo 360, sina. Invested toutiao, Tencent Music Entertainment Group.

Li Muqing

Advisor

Founding Partner of Yi Capital former partner of CDH Venture. Muqing invested in Qihoo 360, LianJia, 5i5j, Jiayoubao, Tuzuu, Wingtech, LDK, Kanghui, GCL, Joyoung.

Muqing received his M.A. in Economics from Tsinghua University and B.A. in International Economics from Nankai University.

Bian Jiang

Advisor

Former Product Director of Baidu. Vice President of Shanda, Founder of WeX. Managing Partner of Aplus

Sun Jian

Advisor

Founder of JDB which was previously named JD Digital Assets Laboratory.

Wu Haisheng

Advisor

CEO of 360 Nicaifu; Worked as the head of Baidu Map; In 2015, became a member of China-U.S. Young Leaders Forum and selected the top powerful leader in brand by China Internet Weekly of the Chinese Academy of Sciences.

Tian Ye

Advisor

CEO of Ludashi.

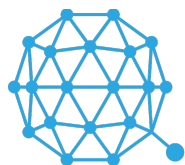
Strategic partners



INB 硬币资本



NODE CAPITAL
节点资本



Q T U M



J LAB



执一资本
YI CAPITAL



洪泰基金 Aplus



时戳资本
TIMESTAMP CAPITAL

Cooperative partner



JDB which was previously named JD Digital Assets Laboratory.



Coincode
元代码资本



The
CRYPTO LAB
POWER BY THE CRYPTO VENTURE

Risks

You acknowledge and agree that there are numerous risks associated with purchasing QUN, holding QUN, and using QUN for participation in the QunQun Platform.

1. Uncertain Regulations and Enforcement Actions

The regulatory status of QUN and distributed ledger technology is unclear or unsettled in many jurisdictions. It is impossible to predict how, when or whether regulatory agencies may apply existing regulations or create new regulations with respect to such technology and its applications, including QUN and/or the QunQun Platform. Regulatory actions could negatively impact QUN and/or the QunQun Platform in various ways. The Foundation (or its affiliates) may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.

After consulting with a wide range of legal advisors and continuous analysis of the development and legal structure of virtual currencies, the Foundation will apply a cautious approach towards the sale of QUN. Therefore, for the presale, the Foundation may constantly adjust the sale strategy in order to avoid relevant legal risks as much as possible. For the presale, the Foundation is working with Tzedek Law LLC, a boutique corporate law firm in Singapore with a good reputation in the blockchain space.

2. Loss of Talent

The development of the QunQun Platform depends on the continued co-operation of the existing technical team and expert consultants, who are highly knowledgeable and experienced in their respective sectors. The loss of any member may adversely affect the QunQun Platform or its future

development.

3. Competitors

It is possible that alternative networks could be established that utilise the same or similar code and protocol underlying QUN and/or the QunQun Platform and attempt to re-create similar facilities. The QunQun Platform may be required to compete with these alternative networks, which could negatively impact QUN and/or the QunQun Platform.

4. Security weaknesses

Hackers or other malicious groups or organisations may attempt to interfere with QUN and/or the QunQun Platform in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, there is a risk that a third party or a member of the Foundation or its affiliates may intentionally or unintentionally introduce weaknesses into the core infrastructure of QUN and/or the QunQun Platform, which could negatively affect QUN and/or the QunQun Platform.

5. Failure to develop

There is the risk that the development of the QunQun Platform will not be executed or implemented as planned, for a variety of reasons, including without limitation the event of a decline in the prices of any digital asset, virtual currency or QUN, unforeseen technical difficulties, and shortage of development funds for activities.

6. Other risks

In addition to the aforementioned risks, there are other risks (as more particularly set out in the Token Purchase Agreement) associated with your purchase, holding and use of QUN, including those that the Foundation cannot anticipate. Such risks may further materialise as unanticipated

variations or combinations of the aforementioned risks. You should conduct full due diligence on the Foundation (and its affiliates), the QunQun team, understand the overall framework and vision for the QunQun Platform prior to purchasing QUN.

Contact us

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Social Media

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Twitter: https://twitter.com/qunqun_io

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