



A Cryptocurrency Service Network

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Abstract

Qbao Network is a cryptocurrency service network based on blockchain technology. It includes a high-performance underlying public chain – Qbao Chain – and a range of customer-oriented multi-functional applications with the Qbao Network Wallet as the most important application. Qbao Network also has several systems that provide cryptocurrency fundamental services, including Qbao Network Information System, Qbao Network Capital System, Qbao Network Risk Control System and Qbao Network Compliance System. Qbao Network aims to build a cryptocurrency service network based on blockchain technology.

This white paper describes Qbao Network's vision, product planning and various application scenarios, including the use of the Qbao Token (QBT). Qbao Network aims to serve the blockchain technology community and global blockchain users, enabling people to experience the new-generation blockchain technology and various technology-based functional applications and services.

Furthermore, we hope to spread such a technology to the traditional Internet fields through Qbao Network, thus allowing more users feel the technology charm. Qbao Network's vision is to become a cryptocurrency service platform that empowers the cryptocurrency sector and the real economy.

Qbao Network's token is called the Qbao Token (QBT). Based on blockchain technology, QBT is the core value carrier of the Qbao Network platform and is used in various scenarios in the Qbao Network cryptocurrency service network. The main QBT application scenarios are as follows:

- Qbao Chain

- Qbao Network Wallet
- User Ranking
- Decentralized peer to peer encrypted communication
- Trust Social
- Knowledge payment
- Payment gateway and clearing
- DAPP store
- Emoticons and skin market
- Product promotion engine
- Digital assets exchange
- Community of user generated content

Qbao Network Overview: A token-based cryptocurrency service network

Qbao Network builds a decentralized multi-functional cryptocurrency network based on blockchain technology. In traditional networks, the network creator plays the dual roles of "manager" and "mediator", while users and other stakeholders have very limited power compared with the network creator. However, in the cryptocurrency network of Qbao Network, all participants are considered equals. Everyone must follow the same distributed governance protocol and have the equal status to jointly own, manage and share such a decentralized social network.

Qbao Network's blockchain technology-based QBT token has been widely-used in various applications and scenarios in Qbao Network cryptocurrency network.

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Qbao Network changes the traditional situation where owners of social network owners play a dual role of both "manager and mediator" and provides a decentralized autonomous protocol that users are required to abide by. However, in the cryptocurrency network of Qbao Network, all participants are considered equals. Everyone must follow the same distributed governance protocol and have the equal status to jointly own, manage and share such a

decentralized social network.

Users may obtain various value-added social services by spending QBT, for example, encrypted p2p communication, emoticons and skin market.

An ecosystem can be established through QBT, for example, trust social, knowledge payment, massive DAPPs. Besides, creators, partners or users can all benefit from the ecosystem.

QBT can be used as the unit of exchange between users and content suppliers, developing new modes of cooperation and bringing their relationship closer.

Through the usage of QBT, users of the social network and Internet advertisers will be able to allocate interests in a manner. Advertisers and users can achieve their objectives through the sharing of advertisements, with payments by advertises made in the form of QBT.

QBT is a non-refundable functional utility token which will be used as the unit of exchange between participants on the Qbao Network for the use of decentralized products and services. QBT does not in any way represent any shareholding, participation, right, title, or interest in the Foundation or any other company, enterprise or undertaking, nor will QBT 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. QBT may only be utilized on the Qbao Network, and ownership of QBT carries no rights, express or implied, other than the right to use QBT as a means to enable usage of and interaction with the Qbao Network.

In particular, you understand and accept that QBT:

(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

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(b) does not represent or confer on you 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 Qbao Network, the Foundation and/or its service providers;

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In addition, Qbao Network is also designed to provide a wide range of support for various decentralized applications (DAPPs), enabling the usage of services provided by other DAPPs and tokens built on the blockchain technology, for example, through the prediction markets on Bodhi and playing games on CryptoKitties.

Under this model, creators of the network, partners and users can maintain the whole social network in a more equal and reasonable manner. Each participant will be incentivized for assisting with the maintenance of the network, and thereby there will be an increase in the network value of the entire social network on Qbao Network.

Qbao Network's Vision

Qbao Network's vision is to become a cryptocurrency service platform that provides technical and service support for the cryptocurrency sector and to promote blockchain technology to a wider range of traditional areas so as to empower the real economy.

Qbao Network's Positioning

To develop a new-generation cryptocurrency network. Qbao Network is committed to providing decentralized cryptocurrency fundamental services and building a reliable and efficient service network based on code, security, automation and intelligence for new-generation cryptocurrencies.

We believe that the blockchain technology can be used to realize mankind's best intentions for freedom, fairness and justice. As the BTC founder wanted, blockchain technology also aims to establish a peer-to-peer electronic cash system to break the existing monopoly in the market.

However, considering that blockchain is a new technology, when looking at blockchain implementation practices, it is apparent that the decentralized cryptocurrency is highly centralized and non-transparent. This model deviates from the core concepts of openness and transparency espoused by blockchain technology. The root cause is that current crypto assets do not exist and circulate in a decentralized manner. All the crypto-based financial practices and services including exchange, credit, collateral loan, risk control, default penalties etc, are

implemented or provided by existing highly centralized and non-transparent mechanisms.

As E-commerce boom is driven by the improvement of online payment systems, the popularization of high-speed broadband and the substantial enhancement of logistics efficiency. We believe that widely applying blockchain technology is the prerequisite for building a more equalized, advanced and prosperous human society in the future. The order and fairness of a society should be established on a range of secure and reliable mechanisms provided through open source code rather than merely the good expectation of humanity.

Qbao Network is a blockchain technology based next-generation cryptocurrency network that will provide a series of code-based, decentralized, open and transparent underlying mechanisms and services for all users in order to promote blockchain technology to make contribution to human society.

Qbao Network's Service Users

Qbao Network provides the following fundamental services to all stakeholders in the cryptocurrency sector:

- 1.Public chains
- 2.DAPP project parties
- 3.Cryptocurrency exchanges
- 4.Blockchain media
- 5.Blockchain investors
- 6.Blockchain technology developers

Qbao Network's Components

Qbao Network's cryptocurrency service network consists of the following six parts:

1、 Qbao Chain: A high-performance public chain

Qbao Network will innovate on the latest blockchain technology and develop a public chain with the following features:

- 1) An Inclusive sandboxed public chain
- 2) Emphasizing Personal privacy protection
- 3) Supporting High TPS and infinitely extended side chains
- 4) Integrating Upgradable smart contract
- 5) Adopting decentralized Governance Protocol,

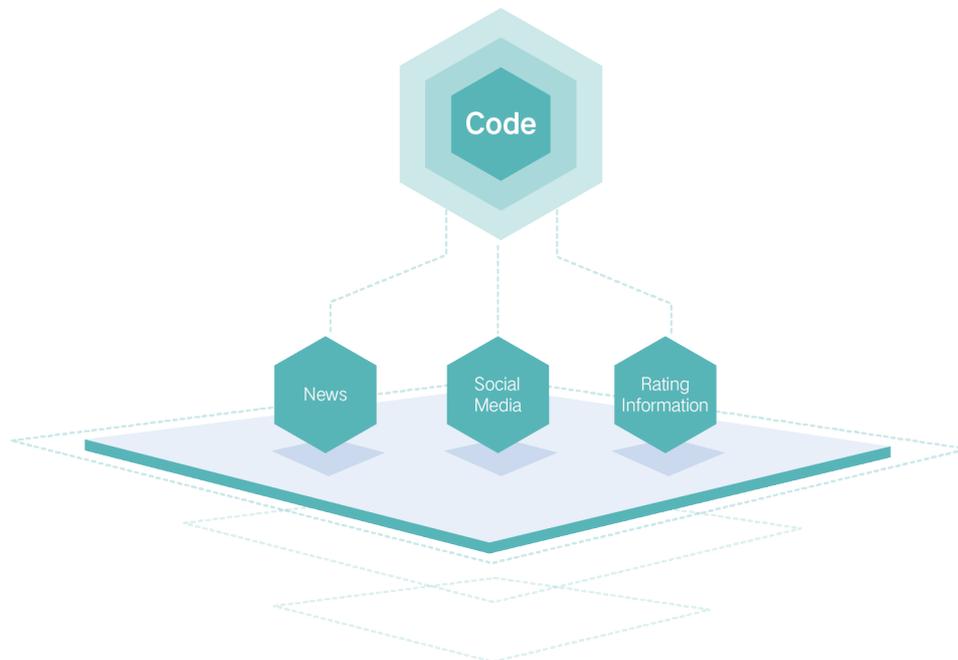
2、 A Series of Applications applicable to Android, IOS, Windows and Mac system to provide professional crypto related services to global users.

The Qbao Network Client includes a variety of applications built on Qbao Network cryptocurrency service network, including the Qbao Network Wallet that has been operating effectively for more than a year and a range of decentralized multi-functional applications (DApp) that are yet to be developed. During the development and operations of Qbao Network's multi-functional cross-chain wallet, Qbao Network team recognized that the value of a public chain largely depends on diversity of applications and dynamic ecosystem built on this chain. Qbao Foundation is dedicated to developing the infrastructure of Qbao Chain and fundamental service systems and welcomes more development teams to build multi-functional DApps such as social networking, gaming and shopping apps on Qbao Chain. This way, everyone can contribute to the ecosystem. By doing this, the Qbao Network community members can be provided with more comprehensive services, thus attracting more users to join Qbao Network to make the whole ecosystem more prosperous.

In addition to developing a high-performance public chain, Qbao Chain, and welcoming global developers to build a range of different applications on Qbao Chain, Qbao Network cryptocurrency service network will integrate four fundamental service systems as follows:

1) Qbao Network Information System

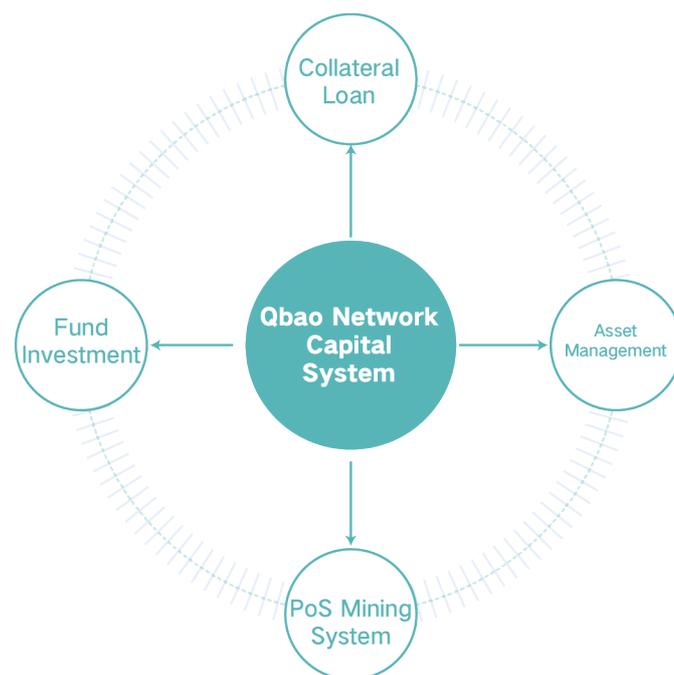
The Qbao Network cryptocurrency information system is a decentralized and diverse information platform. It aggregates information in a code-based open and transparent manner, collects and sorts various hot news and social hotspots in the cryptocurrency field, and manages project rating information. In addition, it objectively records a variety of public opinions in the cryptocurrency world and provides the most detailed and impartial first-hand information for blockchain stakeholders in order to help them make informed investment and analytical decisions.



2) Qbao Network Capital System

The Qbao Network Capital System allows collateral loan, asset management, funds and other financial instruments in the traditional financial market to utilize cryptocurrencies providing greater liquidity and opportunities for digital asset value preservation or appreciation. Cryptocurrencies have been developed over

the last ten years. Compared with mature traditional financial markets, the cryptocurrency market is still at a relatively early developmental stage. However, the innovation brought by blockchain technology also gives cryptocurrencies more space for financial innovation. For example, the Qbao Network Wallet has created some crypto-based financial products in the past year. It has added PoS (Proof of Stake) QTUM-based mining products to Qbao Network's financial product line (Bi' e Bao) and taken advantage of the PoS-based token holding feature to continue to generate revenues for users by setting up a mining pool. Based on the Qbao Chain, the Qbao Network Capital System will provide various financial services such as collateral loans, asset identification and management, and fund investments for the cryptocurrency world through a range of sidechain and cross-chain technologies.



3) Qbao Network Risk Control System

The Qbao Network Risk Control System is a decentralized system for the valuation, pricing and risk assessment of various digital assets based on long-

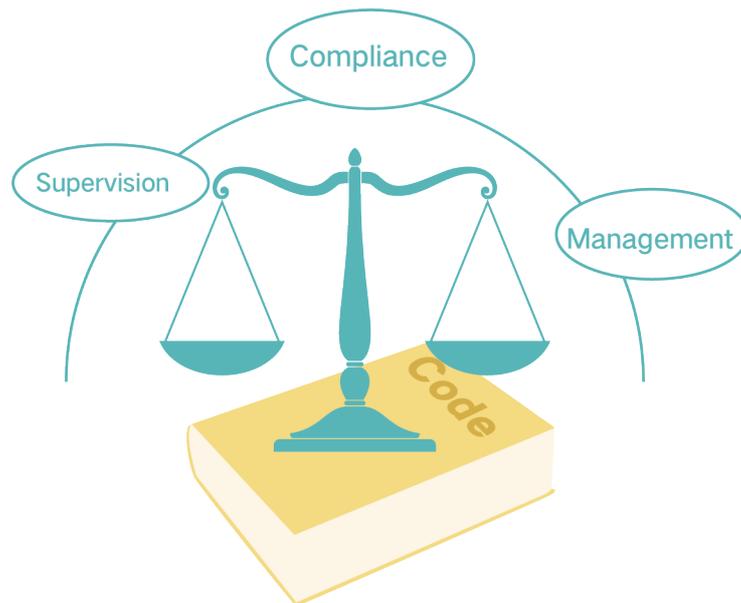
term tracking and recording of token data and information on each public chain. Cryptocurrencies have some features that are different from traditional stock markets such as high volatility and round-the-clock global trading. Based on the Qbao Chain and combined with Qbao Network Information System and Qbao Network Capital System, Qbao Network Risk Control System provides a powerful reference for individuals and institutional investors to make prudent investment decisions.



4) Qbao Network Compliance System

Today, countries have different legal requirements for cryptocurrencies. Qbao Network cryptocurrency service network has summarized a family of cryptocurrency specifications based on the collection and sorting of policies and regulations of different countries on the issuance, supervision and management of cryptocurrencies with the aim of providing guidance and information services to cryptocurrency project parties. In addition, Qbao Network Compliance System records policies and regulations by coding them on Qbao Chain, allowing

cryptocurrency participants to better understand the latest policies, laws and regulations. By doing so, cryptocurrency participants can regulate their behaviors, and the development of the entire cryptocurrency market will be healthier and more orderly.



Through different Qbao Chain applications and the four fundamental service systems mentioned above, Qbao Network cryptocurrency service network will provide the global blockchain participants with services that meet their different needs at different levels. To motivate participants to be more active and to make more contributions to the entire Qbao Network ecosystem, QBT will be applied to the entire Qbao Network ecosystem.

QBT Token Application Scenarios in the Qbao Network Ecosystem

Qbao Chain

As a new-generation public chain, Qbao Chain is featured with high concurrency, sidechain technology and upgradable smart contracting. Combined with the four fundamental service systems include Qbao Network Information System, Capital System, Risk Control System and Compliance System, built on it, Qbao Chain also supports a series of multi-functional client-oriented DApps.

1、 The biggest feature of the Qbao Chain is that it will be a sandboxed public chain. The Qbao Chain will accommodate a variety of decentralized agreements, other public chains, consensus mechanisms and smart contracts. It will also provide a simulated socioeconomic test site for research with the help of artificial intelligence simulation data.

A blockchain technology test site can be provided as an incubator for next-generation public chains through several flexible, pluggable and replaceable sidechains.

Replaceable modules include but are not limited to the following:

- a. Protocol and smart contract layers
- b. Consensus layers
- c. Economic model layers
- d. Organizational form layers
- e. Incentive measures layers

Through flexible configurations that are pluggable and replaceable and through AI simulation mechanisms, the Qbao Chain will be the incubator for next-generation public chains.

2. Personal Privacy Protection

Another important feature of the Qbao Chain is the protection of personal privacy. We believe that data about people' s behavior shall only belong to each individual. When someone desires to commercialize this data and to profit from it, He shall give reasonable rewards to individual data contributors. The Qbao Chain will use open source technology to protect personal privacy.

3. High TPS Public Chains and Infinitely Extended Side Chains

Qbao Chain will adopt a consensus mechanism of next-generation public chains, achieve high TPS under the premise of high decentralization and provide the next-generation high-performance underlying blockchain technology.

4. Upgradable Smart Contract

Qbao Chain will support smart contract upgrades to change the situation in which smart contracts can never be changed after deployment. Also, the Qbao Chain considers the security and reliability of smart contracts, thus providing a flexible underlying technology platform that is more suitable for business use.

5. Community Governance

Qbao Chain will be a community governance-based technology platform which will be more fair and reasonable by using underlying codes and contracts.

QBT Application Scenarios

QBT will be the utility token in all aspects of the Qbao Chain to play the role of value carriers. Users can pay for a variety of services that they use on the Qbao Chain with QBT. Developers can also receive QBT token rewards and contribution compensation when they help build the Qbao Network cryptocurrency network. Throughout the Qbao Chain, QBT will be used as an incentive to encourage more nodes for joining in the network. QBT owners can also participate in the Qbao

Chain community governance and determine the Qbao Chain's development directions. In the future, DApps running on the Qbao Chain will also need QBT as a pledge.



Qbao Network Wallet

Since the first version was launched on October 24, 2017, the Qbao Network Wallet has been running efficiently for more than a year and had continuous upgrades to achieve multi-functionality. The Qbao Network Wallet, the traffic entrance to the blockchain world, is the core Qbao Network client application; it plays an important role in the entire Qbao Network cryptocurrency service network.

Blockchain is the Internet of value, and tokens are its value carrier. Well protecting the security of tokens is important for blockchain network and the first priority of Qbao Network wallet. Therefore, the public Qbao Network Wallet

integrates multiple public chains including BTC, ETH, QTUM, ERC-20 and QRC-20 tokens and provides secure token related service for global users. With the Qbao Network Wallet, users can easily withdraw the tokens they bought on the exchange and store them in their wallets.

Qbao Network Wallet is both decentralized and centralized. Being decentralized means that users' digital assets will no longer be just numbers in the centralized database; but the digital assets faithfully recorded in the blockchain. Each user' s transaction will be recorded faithfully in the blockchain, and this record cannot be altered by anyone. Being centralized means better convenience and user experience.

Qbao Network Wallet is secure. The Qbao Network Wallet uses elliptic-curve cryptography and dual signature technologies to sign and encrypt each transaction, and it does not store or transmit users' private keys. In addition, it provides a cold wallet to secure users' assets.

QBT Application Scenarios

QBT has many application scenarios in the Qbao Network Wallet. QBT can offset the gas on each chain. It can also pay the handling fee for withdrawing tokens from Qbag, . Moreover, users can spend QBT to build a chat group and purchase QBT-based financial products in token bank to maintain or increase the value of their digital assets.



User Ranking

In the Qbao Network cryptocurrency network, everyone is a participant and a co-creator. The amount of the QBT reward depends on the user's contribution to the community. The amount of QBT held by users is also important for user ranking. Users pay different amounts of QBT to access different applications and enjoy differentiated services.

To implement community-based operations, the community will determine major development directions and make relevant decisions. Community members can also contribute to the ecological development of the Qbao Network cryptocurrency network through QBT voting.



Decentralized peer to peer encrypted communication

The current social networks like WeChat, QQ, Facebook, Twitter, are all based on a centralized database, meaning that all messages sent by people are preserved in the social network owner's database. Therefore, the social network owners have full control, "God" mode, and can review and filter all messages.

However, the Qbao Network is designed to provide p2p encrypted communication service - all messages sent by users are encrypted, only the receivers can decrypt the contents, and the message can only be preserved by senders and receivers (the message will not be retained in any other third-party system). As a result, privacy and concealment of social contact is ensured.

To guarantee that p2p encrypted communication will not be interrupted by network issues, and also to ensure that the communication service is efficient, safe and stable, the Qbao Network allows certain qualified individuals,

organizations or companies to establish "QbaoHub" stations. The function of QbaoHub stations are to transmit encrypted messages, and in return the operators of QbaoHub stations will be able to receive a network fee in the form of QBT (proportionate to the amount of information processed by that QbaoHub station). QbaoHub stations are only able to send messages and are not able to retain the contents of any private messages.

QBT Usage

Users will need to purchase p2p encrypted communication service with QBT. A portion of the QBT paid will be provided to QbaoHub stations (which send messages) as network fee.



Instance

- 1) User A is an ordinary user who needs to send some secret data and purchases p2p encrypted communication service with QBT.
- 2) User B maintains a QbaoHub station, and a portion of the QBT purchased by User A will be paid to User B (as network fee) for assisting to send User A's p2p encrypted messages.

3) If a user who purchased the QbaoHub service is forbidden due to various reasons, the message will be autonomously transferred to be processed by another alternative QbaoHub. If communication is smooth, the portion of the QBT purchased by User A to be paid as network fee will be paid to the new QbaoHub instead.

Trust Social

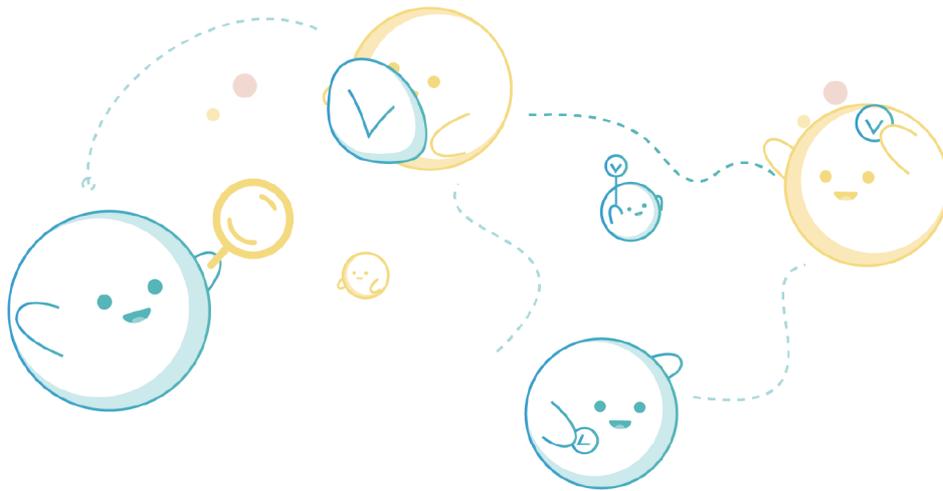
In social networks, credibility of the information provider is important. Thus for example, in WeChat, users are marked with “VIP” to prevent the transmission of false news. This model has proven effective in preventing malicious slander and network violence in social networks. In Qbao Network, users may use QBT to purchase the “VIP” mark to prevent imitation of fake users.

In addition, in the centralized era, there is a Chinese app called “Small Secret Circle” which had attracted wide attention. In the app, all users are required to pay certain basic fees to join into the network, which helps to guarantee that all the users in the network are interested. From the point of view of founders and moderators of the network, the presence of paying users would impose restraints and incentives to ensure the quality of content published.

Qbao Network will provide the ability for social networks and groups to be created for free. However, at the same time, founders and moderators of each network will also be able to specify certain amounts of QBT which will have to be paid as a fee in order to join private network, which will ensure privacy and a more exclusive experience.

QBT Usage

- 1) QBT will be required to establish and join private social networks.
- 2) Identity authentication in social networks can be purchased with QBT.



Instance

1) User A is a professional investment manager who wishes to discuss trends in NY stocks. He may create a private group requiring participants to pay at least 20 QBT as a requirement to participate.

2) User B is the developer of a Qtum DAPP who wishes to publish certain information about his project. He may create a private group requiring participants to pay at least 1 token (belonging to his own project, e.g. Bodhi) as a requirement to participate.

Knowledge Payment

Taking inspiration from existing knowledge payment products such as Fenda, Zhihu Live and Iget, Qbao Network will also provide knowledge payment mechanism for key opinion leaders in various fields (such as blockchain experts, technical experts, investment experts).

Users may invite popular key opinion leaders to answer some questions, and in return paying them an amount of QBT. Other users may also listen in to the discussion by paying an amount of QBT. It is contemplated that the "appearance fee" in QBT will be paid directly to the key opinion leaders, while the QBT paid by users listening in will be distributed between the key opinion leaders and the initiator of the discussion.

Through this mechanism for payment for knowledge, it is hoped that the Foundation will be able to promote the development of the whole ecosystem more rapidly and in a better manner.

QBT Usage

Users need to purchase knowledge with QBT



Instance

- 1) User A may invite the chief technical officer of a project to answer some questions with 10 QBT which will be distributed to respondents.
- 2) User B may listen in to the discussion by paying 0.1 QBT and obtain the same information.
- 3) As an example, if there are an additional 100 users who listen in to the discussion, this additional amount will be paid to both the initiator and the respondent.

Payment Gateway and Clearing Service

In order for cryptocurrencies to be more widely linked to the "real" economy,

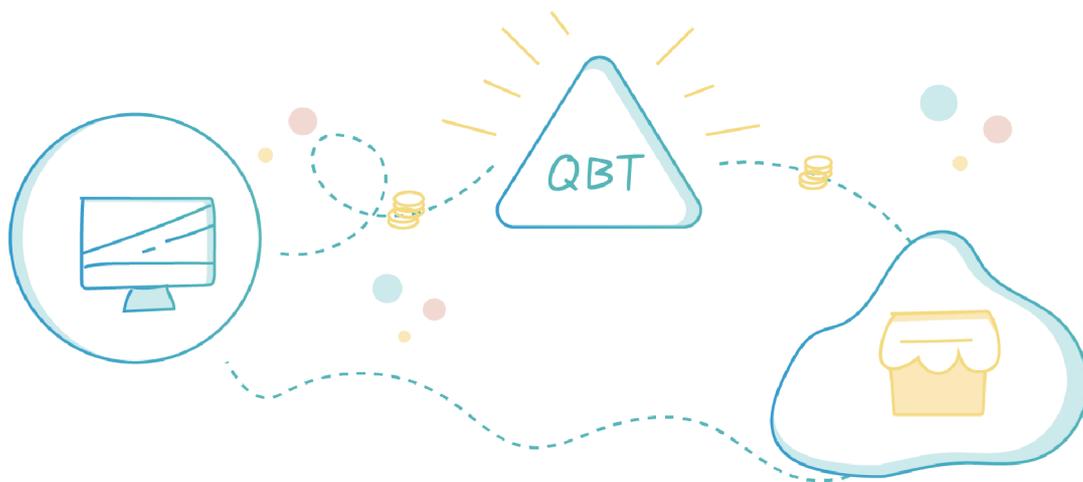
payment gateways and clearing services are required.

Qbao Foundation is committed to creating an ecosystem by increasing the applications of QBT and other cryptocurrencies, thus it is important to providing payment services for cryptocurrency servicing online and offline. Qbao has developed a payment gateway for cryptocurrencies, providing a clearing service to supply business services for various online and offline merchants who can easily receive crypto and carry out clearing.

The clearing service will be completely free for merchants, which is conducive to expanding the Qbao community and payment scenarios to the largest extent. The fee charged by Qbao Network will be the channel fee commission of transaction costs.

QBT Usage

Merchants will be required to pay QBT to link with the payment gateway of other cryptocurrencies.



Instance

- 1) Merchant A needs to link with the payment gateway, in order to use the payment gateway and clearing service provided by Qbao Network.
- 2) The connection of merchant A is free, but Qbao Network will charge channel fees of the payment flow. This fee will be shared between Qbao Network and its agencies.

DAPP Store

The value and significance of a public blockchain depends on the number of users of the blockchain. To a large extent, this number will depend on the number of DAPPs available on the public blockchain. When there are more and more valuable DAPPs on a blockchain, there will be more users who use that blockchain, and the growth will be faster. This is the so-called ecosystem.

In order for Qbao Network to become the gateway of blockchain world, Qbao Network has established a DAPP store which allows the partners of Qbao Network blockchain community and development fans to publish DAPPs and smart contracts in the DAPP store. This will make it convenient for users to obtain the DAPPs and smart contracts they want, and evaluate the DAPP with the evaluation system based on QBT of Qbao Network.

In addition, users will be able to use smart contracts in social networks for functions such as initiating a vote, forecasting, or performing a contract.

QBT Usage

- 1) Developers which wish to release smart contracts on the Qbao Network will be required to pay a certain amount of QBT.
- 2) Developers which wish to release DAPPs in the DAPP store on the Qbao Network will be required to pay a certain amount of QBT. This will disincentivise the release of fraudulent DAPPs.

Instance

- 1) *Developer A may develop and release a smart contract on the Qbao Network. If this smart contract is used by users, part of the usage fee will be paid to that developer automatically, which will help promote users to develop some excellent intelligent contracts and expand the blockchain technical community.*
- 2) *Developer B may release a DAPP in the store on Qbao Network in order to increase the popularity, availability and usage of that DAPP.*
- 3) *User C will be required to hold a certain number of QBT in his account before he will be granted the right to evaluate and score DAPPs – this is intended to*

prevent malicious behavior.

Emoticon and Skin Market

For the current generation of Internet users, emoticons and skins are in high demand in the various social networks. Generally, the younger the user base, the more stable and continuous will be the demand for emoticons and skin. For the recently released Iphone X, a large selling point was the unique emoji package based on face recognition technology, which illustrates that the market for emoticons and skins is huge.

The Qbao Network is designed to establish its own independent emoticon and skin market by defining a series of specifications, which will allow users to establish and submit their own emoticon and skin, and permitting users to purchase favoured emoticon and skin packages using QBT. QBT is used as the mode of payment for this transaction and the creator of the emoticon and skin will obtain majority of the payment.

QBT Usage

Purchasing and using emoticon and skin package



Instance

- 1) Users may select their favourite emoticon and skin in the market and purchase them using QBT.
- 2) Creator of emoticons and skins will be able to submit their unique emoticon and skin package on to the market, set pricing and commission relationships, in order to receive payment in QBT from the sales of emoticon and skin.

Product Promotion Engine

As part of the process of continuous expansion of Qbao Network, with increased number of users, the flow of services through Qbao Network will be more valuable. Advertisers with advertisement requirement may also purchase advertisement services from advertising agencies, in order to make their own products known by more people through the product promotion engine of Qbao Network, so as to increase sales of their products. Qbao Network will refer to the features of the advertisement of information flow, and combine product promotion and

advertisement with users-generated contents through the product promotion engine. The advantage of information flow advertisement lies in advertisements being able to accurately reach the target audience, as well as relatively smooth feelings for the advertising process. Based on the promotion, users can easily view the products they require.

Qbao Network is also intended to integrate various applications, provide application scenarios and token usage, and promote their products and services through product promotion engines. The product promotion engine will be applied to market promotion of Qbao Network to attract more users to participate in Qbao Network wallet, Qbao Chain and Qbao Network community.

QBT Usage

- 1) Cooperating with various DAPPs. Need to exchange with QBT and purchase the application scenario of DAPP.
- 2) The Qbao Network will receive a portion of QBT as the cost of marketing campaigns.
- 3) Advertisers will be required to purchase advertisement from advertising agencies with QBT in order to launch the advertisement. The QBT paid by advertisers will be shared between the advertising agencies and the Qbao Network.

Digital Assets Exchange

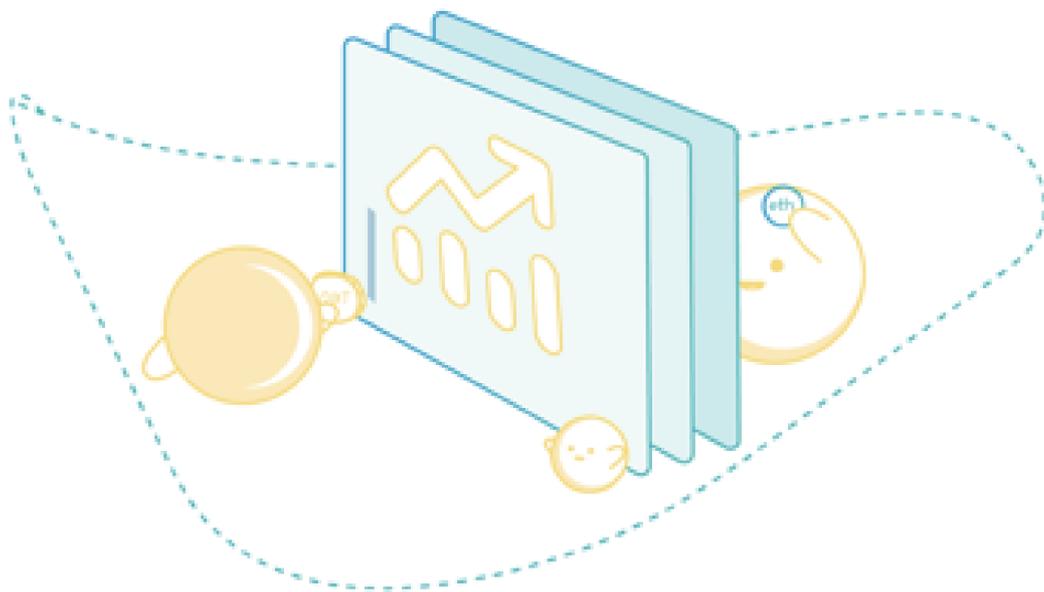
There are two decentralized exchanges have been integrated in Qbao Network. In the future, Qbao Network will develop a centralized exchange with more trading pairs and will provide cryptocurrency market and transaction data to enable users to make smarter trading decisions on cryptocurrencies.

Furthermore, With the development of the decentralized exchange, transactions among digital assets becomes a very important. Qbao Network aims to develop tools for a decentralized exchange protocol for its users to offer exchange services. The decentralized exchange among digital assets will not be operated by any entity, does not need a centralized database (compared with previous

matchmaking trading), and all transactions are recorded on blockchains, which is very safe and convenient. In addition, compared with previous centralized transactions, exchange fees will be very low.

QBT Usage

- 1) QBT will be used for payment of exchange fees for smart-contract based transactions on the decentralized exchange provided by Qbao Network.
- 2) For users who trade with higher frequency, QBT may be purchased and held to receive some discount off exchange fees.



Community of User Generated Content (UGC)

For a social network to grow, User Generate Content (UGC) is necessary. Through UGC and under the guidance of key opinion leaders (KOL), the activity of the whole community would grow and allow participation by each user in a fair way. Qbao Network will establish UGC, increase the members of blockchain community, improve the community stickiness, and increase community activity and topic discussions, which are the UGC community created based the QBT system.

In the community system of Qbao Network, users may publish UGC (e.g. articles,

thoughts and concepts), and promote them to users in the community through the promotion engine of Qbao Network. Users on the Qbao Network may also interact with these UGC by giving "thumbs up", commenting, and encouraging content generators with donations of QBT.

For users who continuously contribute high-quality articles, thereby creating more value, their reputation and KOL status will accordingly be higher. This allows them to obtain high-quality and superior promotion. Compared with previous centralised systems, the completely open regulation engine is driven by algorithms which will take into account the actions of all community members on the Qbao Network.

QBT Usage

- 1) Content generators are required to pay a certain amount of QBT to promote UGC content.
- 2) According to the nature of UGC, the content will be promoted to the users of the community on Qbao Network through promotion engines of Qbao Network.
- 3) Qbao Network users can incentivise the creation of their favorite content with QBT.
- 4) With the continued generation of high-quality UGC, the status of content authors will improve constantly, and these authors will be able to obtain the prior promotion of the promotion engine of Qbao Network, cooperate with advertisers, and obtain open, transparent and reasonable incentives for producing content.

Roadmap

Qbao Foundation completed the development of version 1.0 of the following application scenarios by the end of 2017:

- Qbao Network Wallet
- Trust social

Qbao Foundation finalized the development of version 1.0 of the following

functionalities by the end of 2018:

- Digital Assets Exchange
- Payment Gateway and Clearing Service
- DApp Store

Qbao Network plans to complete the development of a QBT-focused economic ecology in 2019 which includes the following:

- QBT user ranking
- More QBT application scenarios
- Qbao Network's underlying public chain – release of the beta version of the Qbao Chain
- Qbao Network Client supports more cryptocurrencies
- Qbao Network Client supports more exchange functionalities
- Commence building Qbao Network Information System and release for testing
- Commence building Qbao Network Compliance System and release for testing

Qbao Network plans to complete the development of the following content in 2020:

- To launch Qbao Chain Mainnet
- To complete the main frame of all of Qbao Network four service systems and provide preliminary fundamental services for cryptocurrency entities

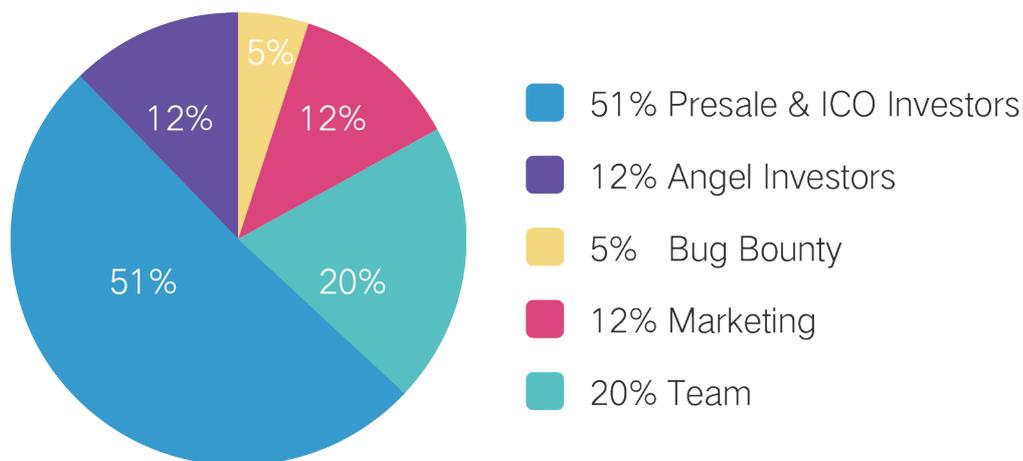
Qbao Network plans to launch preliminary versions of each system by 2022 to provide fundamental services for cryptocurrency entities and provide code-based secure, open and transparent fundamental services for the cryptocurrency market.

What' s more, Qbao Network plans to further improve the systems by 2025 to provide decentralized underlying fundamental services for the real economy.

Qbao Token:

The Foundation (or its affiliate) shall issue QBT. QBT is the core factor of the social network on Qbao Network ecosystem and has been applied in the peer to-peer cryptographic messages, DAPP store, decentralized transaction, merchant payment, expression and skin store and other various scenarios.

The total amount of QBT is 100 million, and has been distributed as follows:



QBT Distribution

Distribution of QBT held by the Qbao team

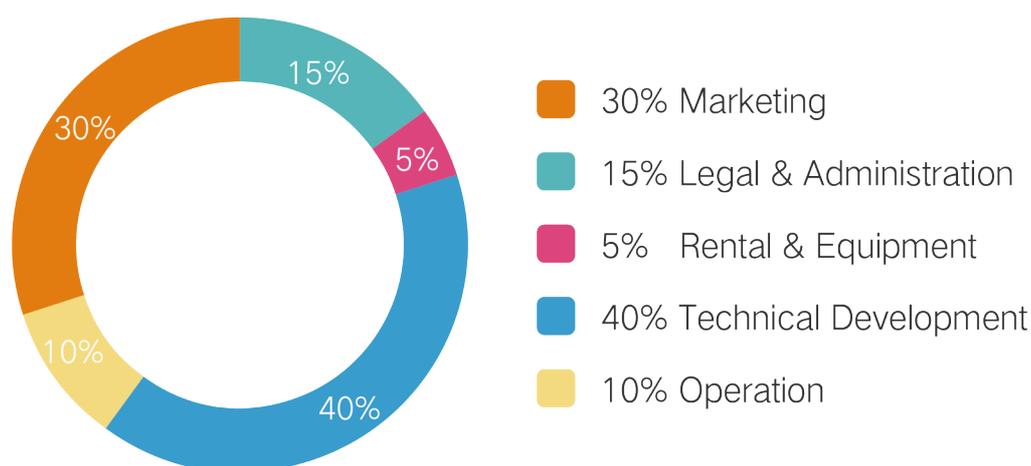
1) The Qbao team is entitled to 20% of the total amount of QBT which has been gradually made transferrable over four years. This incentivise the Qbao team to continue with the development of the Qbao Network in accordance with the roadmap even after the crowdsale has concluded.

- 6 months after the crowdsale has concluded, 20% of QBT which the Qbao team is entitled to will be made transferrable
- One year after the crowdsale has concluded, 20% of QBT which the Qbao team is entitled to will be made transferrable

- At the expiry of each year thereafter, for 3 years, 20% of QBT which the Qbao team is entitled to will be made transferrable every year.
- 2) After the crowdsale has concluded, QBT has been transferred to purchasers immediately.
 - 3) QBT reserved for business promotion will be mainly used to promote the application and growth of the community on Qbao Network.
 - 4) Qbao bug bounty program has been established to reward individuals and groups who detect security issues with the Qbao Network and smart contracts. The Foundation will work closely with cyber security service providers to ensure the security of Qbao Network.

Usage of contributions

The specific usage of the contributions raised by the sale of QBT is shown in the following figure. The Foundation (or its affiliate) will hold the QTUM, ETH and Bitcoin obtained from crowdsale, to achieve the objects of the Foundation in accordance with the long term plan.



The Use of Funds

Legal consultation and personnel administration: 15%

Team expansion, change of office place, purchase of office equipment: 5%

Marketing cost: 30%

Product operation cost: 10%

Development cost: 40%

1) After finishing the crowdsale, the Foundation has been focusing on expanding the team, improve office conditions and add office equipment

2) Development cost is the most important part of the contributions

The Foundation has applied most of the contributions (40%) to expanding the development team, including backend team, maintenance team, android and IOS team, small programs and web team, testing and operation and maintenance team, big data statistics team, professional design team, project management and technical framework team. As planned, this allows the following technological features to be built into the Qbao Network:

- Security
- Development of high performance network
- Scalable framework and ease of maintenance
- Professional operation and maintenance team to guarantee high reliability

3) Product and operation team

Good platforms and products require a good operations team. 10% of the contributions has been earmarked to establish a professional product, operation and customer service team, to timely deal with customers' questions, actively respond to the community's demands, rapidly add it into product iteration plan, and realize the essence of blockchains: managing and serving the community.

4) Marketing cost

In the Internet era, a good application cannot work without sufficient promotion, proper marketing and business cooperation, so Qbao team has applied one third of the contributions to marketing costs, in order to continuously promote Qbao Network all over the country and around the world.

It is planned that the social network on Qbao Network will support multiple languages. Currently, Qbao Network integrates six languages, including English, Korean, Chinese, Japanese, Vietnamese, Thai and Spanish. More languages will be

added later. The Foundation plans for Qbao Network to be widely used all over the world by adopting proper marketing cost allocation.

Further, the Foundation will participate in various blockchain activities, and promote the products and services on Qbao Network to the world, to create greater understanding and awareness of Qbao Network.

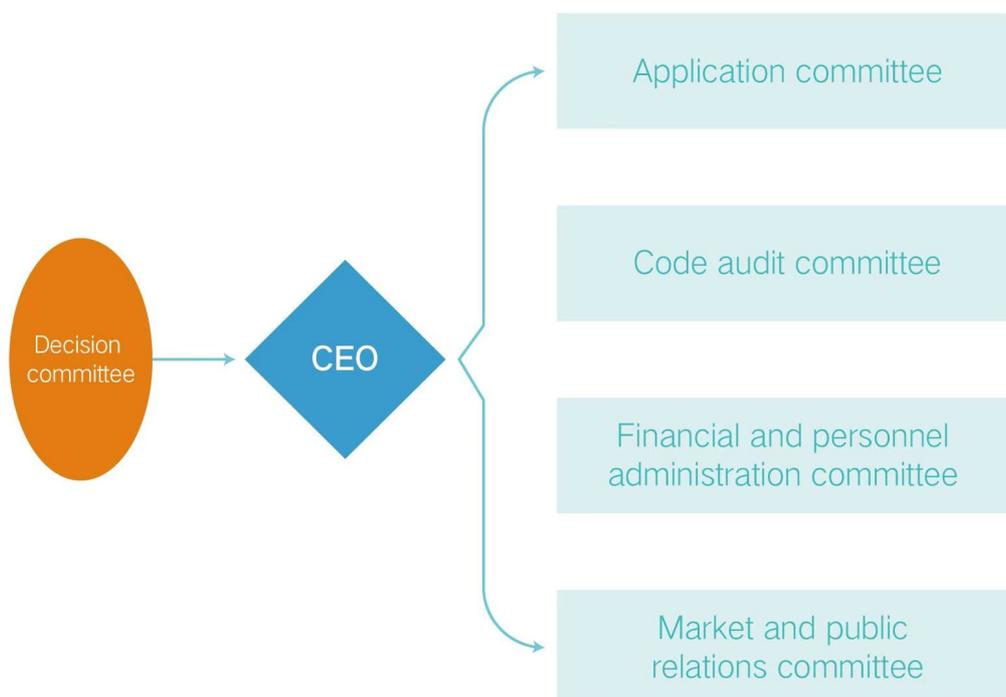
5) Legal, consultation, financial and personnel administration costs

These costs will provide powerful support for the whole ecosystem on the Qbao Network, especially, for the international products, the costs will urge the product to grow more stable and rapid and serve more people.

Management structure

As a decentralized international community, the Foundation has been established as a non-profit entity in Singapore in order to carry out the development and maintenance of the Qbao Network (and services and products thereon), development and operation of the community, and management of contributions.

The following structure is planned for the Foundation:



1. Decision committee: The Decision Committee is responsible for appointing or dismissing the Executive Director(s) and the responsible person of each

subordinated Committee, making important decisions, and holding emergency meetings.

2. Executive director: The Executive director is elected by the Decision Committee and will be responsible for daily operation and management of the Foundation, collaboration of subordinated Committees, hosting meetings of Decision Committee, and making periodic progress reports to the Decision Committee.

3. Subordinated Committees

- 1) Application Committee: The Chief Product Experience Officer is responsible for guiding the Application Committee to set the direction for the application development orientation of Qbao Network, explore the implementation of ten application scenarios, and create a good product application ecosystem.

- 2) Code Audit Committee: It is composed of the core development teams of Qbao Network, and is to be responsible for continued development of Qbao Network, development of SDK and API, code audit, keeping up to date on the latest developments of blockchain technology, understanding the trends and hot points of the community on Qbao Network at any time.

- 3) Financial and Personnel Administration Committee: It is responsible for the application and audit of contributions for projects, compensation management of developers, personnel employment, daily operation cost, and shall prepare weekly and monthly financial reports.

- 4) Market and Public Relations Committee: It is responsible for serving the community, promotion of products on Qbao Network, popularisation of DAPP technology, expansion of UGC community, product marketing and public relations.

Risks

YOU CLEARLY UNDERSTAND THAT BLOCKCHAIN AND VIRTUAL CURRENCIES / TOKENS, INCLUDING WITHOUT LIMITATION ETHEREUM, QTUM, BITCOIN AND QBT, ARE NEW AND UNVERIFIED TECHNOLOGIES THAT ARE BEYOND CONTROL OF THE FOUNDATION OR THE ISSUER (AS THE CASE MAY BE). THE PLATFORM AND THE PROJECT ARE SUBJECT TO THE FOLLOWING RISKS, WHICH YOU EXPRESSLY ACKNOWLEDGE AND ASSUME:

1.Security weaknesses

Hackers or other malicious groups or organizations may attempt to interfere with QBT and/or the Qbao Network in a variety of ways.

2.Uncertain Regulations and Enforcement Actions

The regulatory status of QBT and ancillary ecosystems, and distributed ledger technology generally 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 QBT and/or the Qbao Network. Regulatory actions could negatively impact QBT and/or the Qbao Network in various ways.

3.Insufficient Interest

It is possible that the Qbao Network will not be used by a large number of individuals, companies and other entities or that there will be limited public interest in the creation and development of distributed ecosystems (such as the network or the platform). Such a lack of use or interest could negatively impact the development of the Qbao Network.

4.Execution

There is the risk that the Foundation and the Qbao team may be unable to execute or implement the project as set out herein.

5.Other Unpredictable Risks

QBT which is based on cryptography is a fully new technology that has not be tested. In addition to risks already described in this Whitepaper, there are other

risks that are not yet mentioned or not anticipated by the Qbao team. Also, other risks may come suddenly, or several risks mentioned above may occur in combination.