



DEFI FUELED ACCELERATOR

Litepaper

ABOUT

QUAI DAO is a platform for investors and professionals focused on creating sustainable value by generating consistent capital yields while accelerating technologically innovative projects. The goal is to facilitate through the QUAI platform, profitable and risk averse capital allocation, while assisting selected projects in meeting their capital funding needs. QUAI connects liquidity providers to unique tech ventures while providing synthetic yield capital provision opportunities. Through our in-depth understanding of decentralized financial markets, project risk management, blockchain technologies and ability to create bespoke defi instruments, QUAI DAO is able to support liquidity providers and venture investors in their endeavor to establish consistent yields and maximize ROI on capital allocations. QUAI DAO's approach to crypto asset management together with its venture capital allocation strategies for innovative projects, collectively represent the future of alternative asset management in the decentralized financial markets.

WHY QUAI DAO?

Decentralized Autonomous Organizations "DAOs" and Decentralized Financial "DeFi" markets have the potential to radically change the business development model, while substantially extending a democratized impact investment model. Benefits of DAOs and DeFi include: collective risk mitigation, decentralized access to collective sources of capital, access to breakthrough technological innovations, reduced risk of centralized special interest groups stifling free market competition and business, reduced risk of artificial barriers to entry, digitalization and decentralization of governance, transparent economics, and code driven ecosystems. In business development, how the group/team performs can be highly affected by the collective, a DAO organizes the collective in a digitalized and decentralized manner, creating a verifiably trustless ecosystem. For investors, if the knowledge of DAOs and DeFi is utilized to their advantage, it means more information and control in each investment. A knowledgeable investor can navigate through DeFi protocols, on chain analytics, smart contracts, market sentiment, market analytics, communities, tokenomics and general cryptocurrency fundamentals in order to build their portfolio. Compared to traditional markets, DAOs and DeFi offer investors a globally available mechanism for more precise risk mitigation, consistent yield, and the ability to directly impact and manage the direction and growth of a project or business via decentralized governance.

Developing a business within a decentralized collective ecosystem also has the potential to produce further alignment of interests amongst industry peers, investors, owner-operators, services providers and legislators, which are part of the collective. Thanks to the presence of



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decentralized participatory governance with designed elements of a fluid democracy, this can produce a more optimum balance of interests amongst all participants. Important to note, that decentralized financial markets are providing alternative sources of democratized capital while utilizing new technologies to drive fluid liquidity with cryptocurrencies and derivatives, which provide meaningful collective empowerment for economic, environmental, social & community sustainability and growth.

For modern businesses and individuals who engage in commerce, it's important to understand, further promote, and support and incorporate the use of distributed ledger and blockchain technologies. The results of doing so are invaluable in: creating immutable records, providing on-chain enforceable governance capabilities, providing an unprecedented level of data transparency and data security, assuring equal access to data amongst both public and private participants, establishing versatile and robust digital communicability, and helping to create trustless environments. The advent of distributed ledger technologies presents the unique opportunity to utilize cryptocurrencies in unregulated decentralized markets, such as: hybrid currencies, synthetic currencies and stable derivative instruments, and to help further the shift to trustless peer to peer markets. Alternatively, the advent of distributed ledger technologies also presents the unique opportunity to utilize cryptocurrencies to establish decentralized capital markets for real world development, community sustainability, creation of autonomous decentralized economic ecosystems, collective credit, microfinance, community digital currencies and much more.

With so much innovation, and so much to have in mind as an investor in the cryptocurrency space, it's of utmost importance to have an alternative capital allocation platform which provides the necessary technology and expertise in navigating the multitudes of facets involved in mitigating risks in crypto currency markets, and ensuring secure capital allocation to attain a consistent yield. The QUA Collective offers such vital expertise to investors, and utilizes that expertise to drive the collective success of each unique project selected to the QUA for acceleration, utilizing our unique suite of DeFi tools and services.

QUAI Collective

The QUA Collective consists of a diverse spectrum of industry professionals, focused on supporting projects and businesses at various stages of their development, providing the necessary catalyzation through expertise beyond the experience, resources, or ability that the current project's team has alone. Together, the collective has a strong expertise in developing successful cryptocurrencies, in every aspect, from the ground up.

Too often, we see good projects struggle and fail, as the founders and core employees are taken away from their area of expertise, and forced to focus on tasks outside of their scope. Short on resources, or lacking the expertise to utilize them efficiently, owners and their teams



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may also be forced to wear many hats in order to pursue: fund raising, marketing, creating communities, preparing presentation materials, preparing pitch decks, developing, devising financial strategy, etc. Plenty of projects in crypto have smart business models, but have neither the resources nor the expertise to properly execute and manage the many facets of their business. Thus, these projects with potential often fail to achieve a successful outcome that they could have otherwise achieved with additional resources and expertise.

QUAI Collective is the means by which we can unlock that potential by providing the necessary resources and expertise to a project that they'd otherwise lack. In doing so, QUAI Collective provides a mechanism for investors to reliably earn a relatively high APY from otherwise volatile or 'risky' startups. This mechanism for this relationship between investors, the QUAI Collective, and Projects has a home in the QUAI Accelerator. The functionality of the QUAI Accelerator is further described below.

QUAI Accelerator

Summary

The QUAI Accelerator operates as a facilitation mechanism for QUAI DAO. Projects come to the QUAI Accelerator for funding and to develop in some capacity, determined on a case by case basis. Indirectly, investors are able to profit from a project's success via liquidity pool provisioning.

To do this, there are two main liquidity pools (LPs) in the Accelerator. The two main categories of liquidity pools in the QUAI Accelerator are the QUAI DAO LP and the Project DAO LP. For every one project there is one Project DAO LP, however there is only one QUAI DAO LP. Both LPs are described below.

The QUAI DAO LP is our first type of LP; made up of investor-provided liquidity, in assets such as: BTC, ETH, USDT, etc. Effectively, QUAI DAO LP operates as QUAI Collective's Yield Farm for liquidity providers (aka investors). QUAI DAO LP's yield on liquidity is earned in reputable custodian and staking services, or DeFi vehicles to generate a yield. QUAI Collective manages QUAI DAO LP and determines the best strategies for farming liquidity. Farmed liquidity, or liquidity provider's yield, is distributed to liquidity providers in QUAI every 30 days (more details for investors below).

The second type of LP is the Project DAO LP; made up of investor provided liquidity, in assets such as: BTC, ETH, USDT, etc. A Project DAO LP is managed by the QUAI Collective in order to develop a respective project, ensuring security of the LP and execution of a project's road map, in collaboration with project owners and Project DAO members.



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Why QUAI Accelerator?

Modern accelerators currently don't leverage the collective support of industry experts and professionals for individual projects on an on-going basis. More often than not, accelerators are insufficiently incentivized to commit their valuable time and efforts in order to provide the required support for a particular project in development, while still in its early formative stages. Today's accelerators act more as Hub, but often cause delay or impede the process of bringing a business to market. This can be due to information overload of the project team, a team's experience being too insufficient, a team's underutilization of information provided to achieve results, and a lack of daily professional business development support. Many accelerators offer educational programs but, again, have "no skin in the game" when it comes to implementation; they mainly serve as hubs for networking and education, which often leave the business owners with no clear road map to follow.

The QUAI Collective and the QUAI Accelerator, together, combine to offer a solution to the failures and shortcomings of modern accelerators. Through our QUAI Accelerator, projects can develop to succeed; coincidentally, risk averse investors can profit at a higher rate than they would on traditional markets, or as independent investors (on average).

For Investors

Investors go to an Investor Dashboard where they can choose to invest in a specific project and subsequently select one of the following risk/reward strategies: Conservative, Growth, or Aggressive. In selecting a strategy, an investor deposits blue chip tokens like ETH and USDT into QUAI's liquidity pools, respective to that investor's preferred risk/reward and the project they wish to invest in.

Per an investors choice of investment vehicle, their investment is separated into the QUAI DAO LP, and into Project DAO LP. Their investment into QUAI DAO LP, QUAI's yield farm, is represented in a accounting unit, Synthetic Yield Farm, SYF, representing their cumulative USD value of investment into QUAI DAO LP (at the time of investment).

In regards to yield earned on SYF, a liquidity provider can and must register to receive SYF yield. SYF registration periods are 30 days, this 30 day period is the same for all liquidity providers. If a liquidity provider registers prior to the opening of the next 30 day window, until the start of the next 30 day window; then, they receive SYF yield in QUAI tokens every 30 days (in QUAI, adjusted for USDC or USDT cross exchange rate). This registration automatically rolls over (or re-registers), unless principal is withdrawn.

In regards to withdrawals, an investor's principal provision in QUAI DAO LP is locked for 60 days from the time of provision before it can be withdrawn. Withdrawals are sent in USDT to the



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investor, where maximum withdrawal equals the cumulative USD value of investment into QUAI DAO LP (at the time of investment), which also equals an investor's held quantity of SYF. A liquidity provider can withdraw principal after unregistering SYF in the first 15 days of our SYF registration period (given it's after 60 day lockup).

In return for their investment into the Project DAO LP, the investor receives project tokens from a project (that's in presale) of their choosing. Any vesting period or discount for these tokens depends on the tokenomics determined by negotiations between QUAI Collective and a project's Project Owners.

Investor Liquidity Allocation Strategies

Per the Investor's process described above, an Investor must select one of the following risk/reward strategies:

The *Conservative* strategy option allocates 84% in QUAI DAO LP, and 16% in the Project DAO LP of a project that's currently in presale.

The *Growth* strategy option allocates 70% in the QUAI DAO LP, and 30% in the Project DAO LP of a project that's currently in presale.

The *Aggressive* strategy option allocates 50% in the QUAI DAO LP, and 50% in the Project DAO LP of a project that's currently in presale.

For Projects

Overview

QUAI Collective ensures that project owners and their teams get the necessary day to day support in all stages of development including: assistance with capital provisioning for pre-seed & seed liquidity funding with multiple series rounds, token liquidity pool development, automated market making and securitization, strategic/business planning and development strategies, creating and supporting lean management models, creating marketing & ad campaigns, technical development and IT, creating pre-MVP design and MVP development & testing, debugging, contract auditing, post MVP testing & launch, go to market strategy, on-going project review recommendations and evaluation, and continued re-evaluation.

In collaboration with project's owners, QUAI Collective uses the liquidity in each Project DAO LP for the development of a Project. Prior to the project owners' decisions of whether or not to utilize QUAI Accelerator, the Project's tokenomics, and allocation of token supply are determined in negotiations between project owners and the QUAI Collective.



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QUAI Collective and the QUAI Accelerator help start-ups face the future confidently. QUAI Collective's expert community is there helping to execute on-point critical milestones, achieve complex project pivots, and to manage the project road map milestone by milestone.

Process

A project decides it'd be beneficial to utilize QUAI's ecosystem, and subsequently submits a Request for Support (RFS) to the QUAI Collective. RFSs are reviewed on a case by case basis and negotiated between QUAI Collective and the respective project. Factors considered in negotiation are: scope and budget, Project DAO LP charge, setup fee, tokenomics, project's potential. If negotiations are successful, funds are raised through the QUAI Accelerator via presale of project tokens (to form a Project DAO LP) combined with liquidity provided to QUAI DAO LP (to mitigate risks for investors).

In regards to negotiations, the scope is the work that needs to be done for the project, and the budget required. The setup fee is a one time fee for the QUAI Collective to set up a project. The Project DAO LP charge is a % of the Project DAO LP that goes to the QUAI Collective rather than the Project's development.

If an RFS is approved, an amount of 1-5 times the budget will be raised via liquidity providers' provisions into the QUAI DAO LP and Project DAO LP, depending on the investor's risk/reward strategies chosen while investing. For example, if a project comes to QUAI Accelerator for \$1m, then, if all of the investors in that project select 'Growth' strategy (70% QUAI DAO LP, 30% Project DAO LP), then the ratio of QUAI DAO LP:Project DAO LP capital raised will be 7:3, or \$2.33m to \$1m. Likewise, if a project's looking for \$1m, but 50% of investors select 'Aggressive' and 50% select 'Growth', then we have a split ratio of 1:1 and 7:3, equating to 5:3; so, QUAI DAO LP:Project DAO LP capital raised will be 5:3, or \$1.66m to \$1m. As investors can select any strategy, this ratio is formed with greater complexity in reality, and ranges from Conservative's 5:1 ratio to Aggressive's 1:1 ratio.

For QUAI Collective

QUAI Collective facilitates QUAI DAO in that it has the final say in the use of the QUAI DAO LP, the Project DAO LP, and the QUAI DAO Vault. To be a part of the QUAI Collective, individuals must be admitted by QUAI Collective members via QUAI Collective's multisig voting mechanism. QUAI Collective's functionality is broad, details are discussed below.

The QUAI Collective controls the Project DAO LP for each project, and is responsible for the success in the development of the project in collaboration with project owners, negotiating the RFS between the QUAI Collective and Project Owners, and token distribution and presale contracts.



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The QUA I Collective Controls the QUA I DAO LP, is responsible for, generating a yield on liquidity backing SYF, and distributing that yield to registered investors (or liquidity provisioners) in a QUA I value (in USD) greater than market average.

The QUA I Collective Controls the QUA I DAO Vault, containing QUA I tokens in reserve, to be unlocked via QUA I Collective's multisig vote, and utilized by QUA I DAO.

For QUA I Holders

QUAI is an ERC20 token that can be staked, provided to LPs, wrapped in wQUAI, eventually wrapped in xQUAI, used for discounts on project token sales, held, traded, used in DeFi dApps, etc. QUA I's tokenomics are described in the chart below.

For wQUAI Holders

wQUAI is a wrapped QUA I token used for voting on the use of the QUA I DAO Vault tokens in accordance with QUA I Collective. These votes pertain to marketing and community rewards, future liquidity pools and QUA I Swap, ecosystem development of QUA I DAO and xQUAI, and future staking pools and liquidity mining.

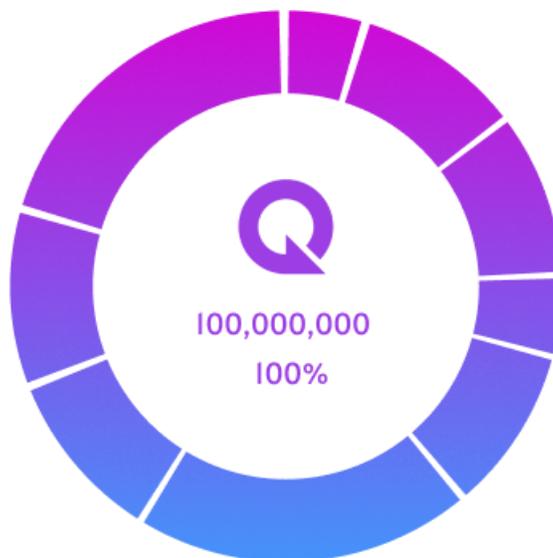
For xQUAI Holders

Some QUA I will be bridged to xDai Network, a fast and virtually feeless Ethereum sidechain. This bridge results in the inception of xQUAI, a token of equal value to QUA I. xQUAI holders can stake their xQUAI to earn a profit from dApps built on xQUAI, per the xQUAI DAO described in the [xQUAI Litepaper](#).



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TOKENOMICS



(5%) of Supply to Public Presale on Uniswap - Available at \$0.25 per QUAIs for the first 2.5 million QUAIs and \$0.25 for the subsequent 2.5 million QUAIs, commensurate to demand. Any remainder to be sent to 'Long Term Staking Pool.' (5,000,000 QUAIs)

Public Presale Uniswap, QUAIs pool liquidity lockup rules; up to 60% of all liquidity received is locked in 12 intervals, when total adjusted pool value equals or exceeds 400 ETH, from 400 to 600 ETH up to 50% is locked, from 600 to 800 ETH 40% is locked and from 800 to 1000 ETH 30%, 1000 and above 20 % of ETH is locked on Uniswap for a period of not less than 12 months per interval, each following interval will be initiated by voting. All tokens remaining unsold in the Public Presale will be transferred to the QUAIs Long Term Staking Pool.

(10%) of Supply - Presale Short Term Staking Pool and Long Term Staking Pool. Are limited time staking programs, beginning from the start date of Presale. Any undistributed tokens will be allocated to HODL Rewards Pool (10,000,000 QUAIs)

- ❑ **Short Term Staking Rewards Pool (rate)** - QUAIs holders allocate tokens to staking pool, 100 locked QUAIs earns a miner, 15 QUAIs every 30 days.
- ❑ **Long Term Staking Rewards Pool (rate)** - QUAIs holders allocate tokens to staking pool, 100 locked QUAIs earns a miner 60 QUAIs per 90 days

(10%) of Supply - HODL Rewards Pool - After the Presale is completed, QUAIs shall be unlocked for the HODL pool, where HODLers can earn on every 100 QUAIs locked, 30 QUAIs every 90 days, HODLER pool No.1 will be open for a period of 12 months from the start date of the Public Offering on Uniswap. (10,000,000 QUAIs)

(5%) of Supply - QUAIs (ICO) on UNISWAP - Allocated for Uniswap Liquidity Pool, up to 25% from Public Presale goes to Uniswap liquidity lockup to secure QUAIs pool reserve (5,000,000 QUAIs),



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(10%) of Supply - Marketing and Community Rewards - Marketing, promotions, community rewards & programs. **(10,000,000 QAI)**

(20%) Supply - Development QUAI DAO and xQUAI - QUAI Governance, collectively supported strategic investments, xQUAI platform, QUAI DAO Ecosystem, administered by the QUAI Collective. **(20,000,000 QAI)**

(10%) of Supply - Future Liquidity Pools Allocations, staking rewards and QAI allocation - To be used for creating liquidity pools, ensure on-going staking rewards are consistently supported, and QUAI Swap pools are developed. **(10,000,000 QAI)**

(10%) Supply - Future Staking Pools, Yield Balancer and Liquidity Mining - To be released by the QUAI Collective for Staking Pools, QUAI Yield Balancer Reserve, and Liquidity Mining. **(10,000,000 QAI)**

(20%) of Supply - QUAI Collective - QUAI allocation for founders, co-founders, participating, members of the QUAI Collective -n- "QUAI DAO" with a 24 month vesting schedule, pro-rata monthly. **(20,000,000 QAI)**

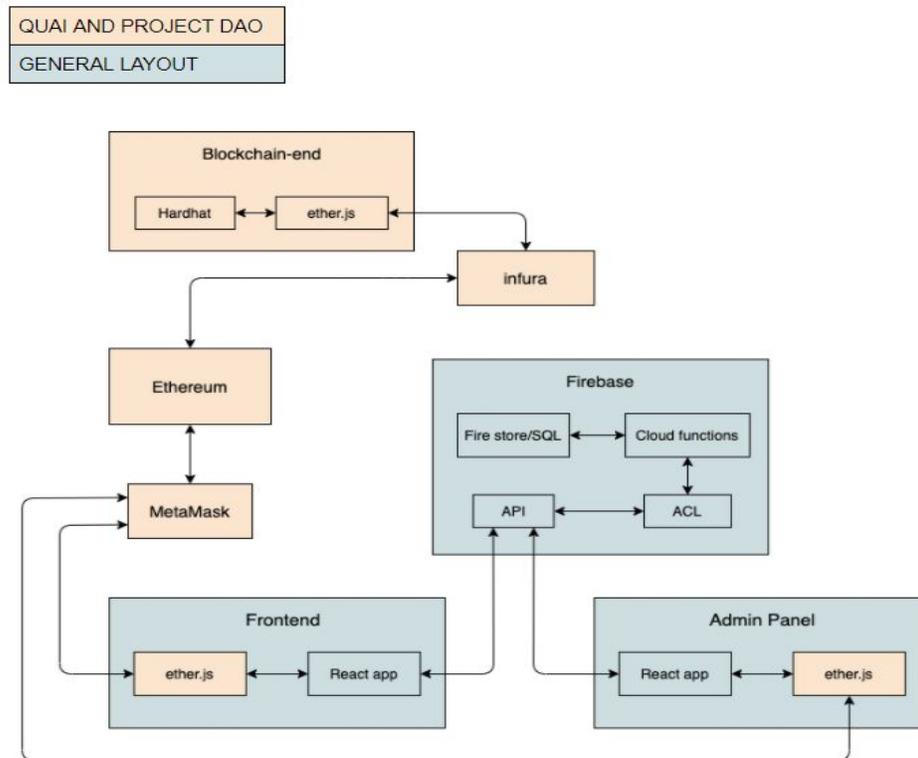
*Please note staking rates can be adjusted to reflect market conditions over time, each adjustment will be publicly advised on [QUAI DAO](#) and https://t.me/QUAI_DAO_News

QUAI DAO MVP

General Overview of MVP:

- Presale Contract
- Liquidity Mining Contracts
- Uniswap Liquidity Pool Contract
- Setup of QUAI DAO
- Website, including the QUAI UI, Liquidity Provider UI, and Project UI

MVP General Project Architecture



QUAI DAO Roadmap

Activities Persistent through Road Map:

- 3rd Party Contract Audits
- Media and Marketing, Investor Relations

Q4/2020

- Established QUAI's Core Team - QUAI Collective
- Strategic Partnerships for Technology, Investment and Venture
- MVP including Process Mapping and Designations, completed
- Litepaper Written
- Launch Private Sale - Investor Outreach
- Create QUAI Mint and Sale dApp
- Create QUAI's Liquidity Mining Development dApp, QLMD



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Q1/2021

- Launch QUAIDAO Using Mint and Sale dApp
- Launch Website, QUAIDAO.IO, and QUAIDAO UI Dashboards
- Continue Private Presale Using Mint and Sale dApp
- Launch Public Presale Using Mint and Sale dApp
- Launch QUAIDAO's Liquidity Mining Pools using QLMD
- Create QUAIDAO's Staking Development dApp, QSD
- Create QUAIDAO's Staking Pools using QLMD
- Create QUAIDAO/ETH Uniswap Pair
- List QUAIDAO on Centralized Exchanges
- Create and Launch Investor UI and Project UI

Q2/2021

- Front End UI Development for FOIL DEX on FOIL Blockchain Protocol
- Launch Foil DEX with partners Horizen (ZEN)
- Develop and Launch Foil NFT Launchpad and Auction House

Q3/2021

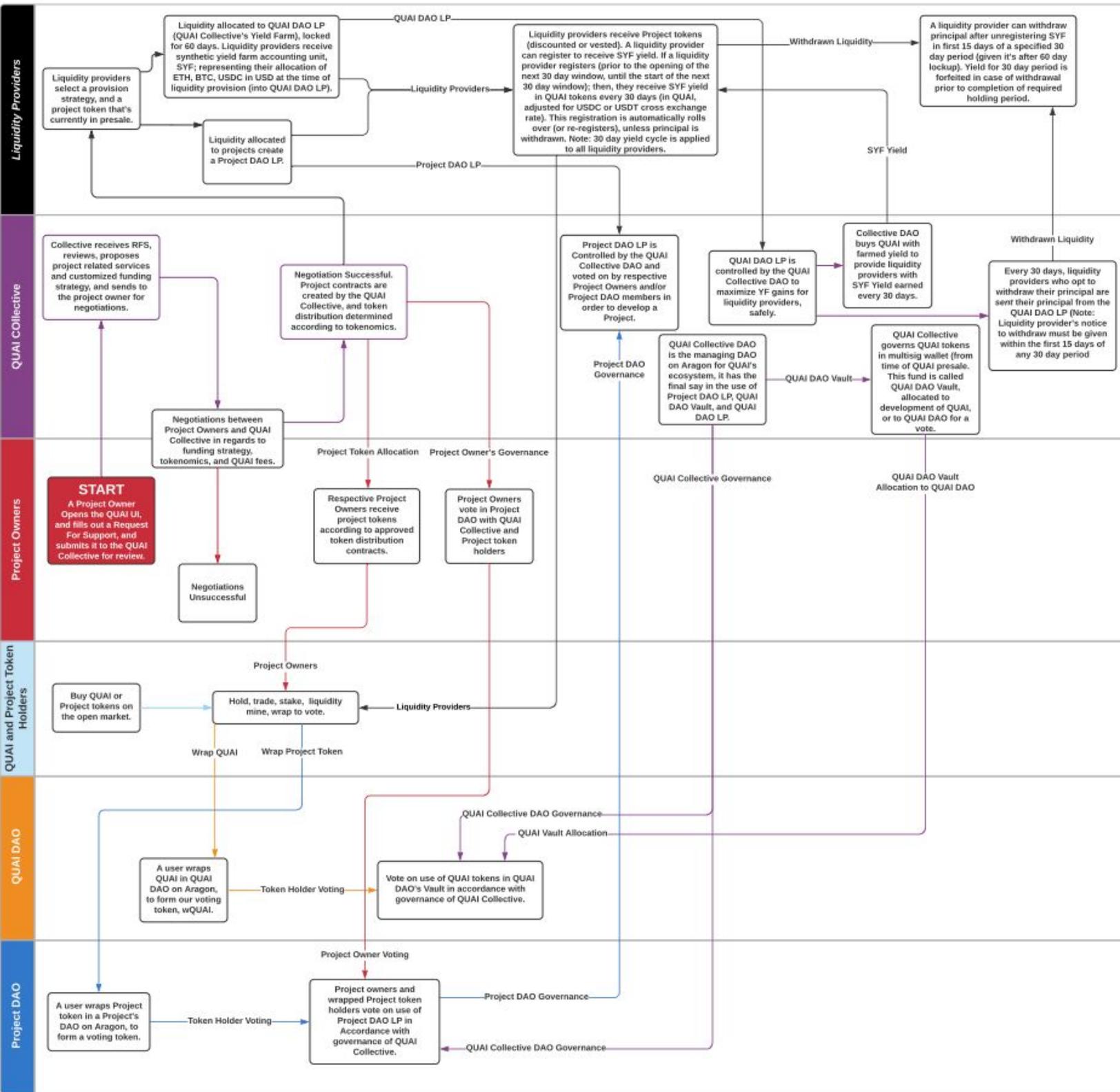
- Develop xQUAI DAO
- Develop and Launch xQUAI UI (Voter UI, Project UI, Admin UI, DDF UI)
- Develop and Launch [xQUAI DAO Reserve](#)

Q4/2021

- To Be Determined

QUAI DAO

DEFI FUELED ACCELERATOR QUAI DAO Process Map





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QUAI DAO GOVERNANCE AND VOTING

The QUAI Governance model includes QUAI DAO and Project DAOs. Below you can find out how these entities work and interact with each other.

QUAI DAO is created to govern the QUAI ecosystem. It consists of two parts:

1. QUAI Collective (QCOL token holders)
2. QUAI Holders

Quai Collective is a group of people who manage the QUAI ecosystem. Below is a list of main functions of QUAI Collective:

1. Decide who should join the QUAI Collective or leave it (Aragon)
2. Create proposals for QUAI Collective Voting Instance (could be done by any member of the Collective) (Aragon)
3. Create proposals for QUAI Holders Voting Instance (could be done by any member of the Collective) (Aragon)
4. Vote on proposals created in Project DAOs (Aragon)

QUAI Collective Voting Instance parameters:

67% Support. Support is the relative percentage of tokens that are required to vote “Yes” for a proposal to be approved. For example, if “Support” is set to 50%, then more than 50% of the tokens used to vote on a proposal must vote “Yes” for it to pass.

51% Minimum Approval. Minimum Approval is the percentage of the total token supply that is required to vote “Yes” on a proposal before it can be approved. For example, if the “Minimum Approval” is set to 20%, then more than 20% of the outstanding token supply must vote “Yes” on a proposal for it to pass.

QUAI Holders Voting Instance parameters:

50% Support

0% Minimum Approval

QUAI DAO GOVERNANCE

