



## Qredit Update - Q4 2020

Hello and welcome to the Qredit Q4 2020 update.

Starting in 2021, we will be posting development updates only on LinkedIn and Twitter, the links to these updates will also be posted in the Qredit telegram group. Going forward we will be using our website, brand and other social media channels only to promote our products and services to customers and end-users.

This year has been a rollercoaster for the world and we hope that everyone reading this is in good health.

Qredit is a blockchain project that has changed directions several times, reacting to new and ever-changing market conditions. This year the Qredit team took the decision to focus on the research and development of our products and services.

We have distilled our vision to focus on 3 key areas:

*User adoption, profitability for investors and the business, technology advantage over our potential competitors.*

A great deal of new, innovative and exciting changes are coming, and we have clear goals and an internal roadmap for Qredit. These goals and the significant changes will be explained throughout the different sections of this article.

To stay ahead of our competition and maintain confidentiality, we are obliged to omit certain details.

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## The Company

Qredit previously operated under the umbrella of Hodler Enterprises. Hodler Enterprises was a holding company incorporated in the Netherlands. Since we no longer have any connection or business interests in the Netherlands, Hodler Enterprises will cease to exist at the end of this year.

Due to future plans, the whole structure of our business will change and the holding company, named "Qredit LTD" was incorporated on the 11th of December 2020 in London, the UK, under the following Company Number: 13077371.

Under the UK based Qredit entity, there will be 3 more companies.

Qredit UAB incorporated in Lithuania. This business will have the EMI license in Q2 2021 and focuses on the development of the Qredit Blockchain, Qredit Motion and Persona KYC.

The incorporation of this company is pending. More information about the Qredit Blockchain, Qredit Motion and Persona are provided later in this update. Qredit UAB is 100% owned by Qredit LTD.

Valkyrie Innovations LTD (planned) in the UK. Valkyrie Innovations will focus on the satellites and space communication technology as mentioned in one of our previous updates. More information dedicated to Valkyrie Innovations is explained further below.

Some details and information has been removed from public pages and might be added later once pending patents are approved.

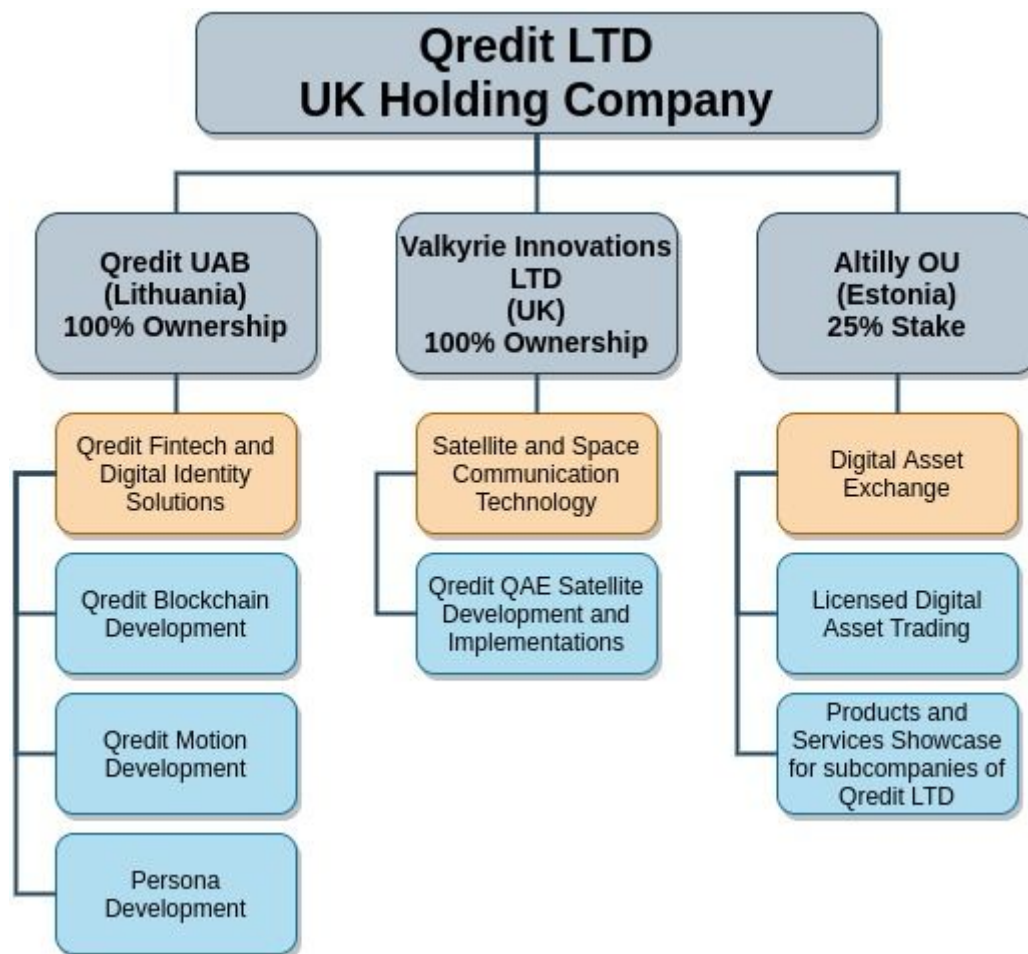
Valkyrie Innovations LTD is 100% owned by Qredit LTD (UK).

Altily OÜ incorporated in Estonia. Altily is the digital asset exchange and will be a regulated exchange in 2021. Altily and Qredit Motion are using similar technology on the backend and Altily will be used as a platform to showcase our unique features such as Persona KYC.

Qredit LTD (UK) has a 25% stake in Altily.

Altily also provides a stable income for team members in parent companies.

Below you will find an organogram summarising the new company structure.



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## The Qredit Blockchain

After a number of years utilising the Ark Core technology, we have taken the decision to migrate away from Ark. Support and stability of previous versions, hardcoded changes were part of the reasons for the need to change.

Going forward Qredit will utilise Lisk™ Core technology to implement our unique and innovative feature set. Their technology is known to be one of the leading Delegated Proof of Stake (DPoS) platforms.

The reason to stay with DPoS technology is to have a blockchain that does not utilise traditional Proof of Work miners, but instead uses servers maintained by node operators. DPoS is fast and efficient with very secure features and reduces the security risks such as 51% attacks that are known with common blockchains.

The mainnet of our new blockchain went live early December 2020. Previous features, such as smart contracts will be migrated and implemented directly as a core module on the Qredit blockchain.

The swap process and ratio, desktop/mobile wallets, explorers and information regarding the migration will be provided before the end of this year. We have also decided to merge the

Persona token together with the asset on the new blockchain.

Demo's of the new wallet and explorer are available under the following links.

**Please note that these tools are still under development and should not be used to create live wallets until the official release.**

Explorer: <http://135.181.106.105:6040>

Wallet: <http://135.181.106.105:8080>

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### **Qredit Motion**

Qredit Motion is a fintech solution related to multi-currency wallets with debit cards and cryptocurrency support. Qredit Motions' solution is comparable to Revolut, Monzo and N26.

Even though there are similarities with these products, Motion takes it a step further with a real focus on widening user adoption (beyond current Crypto users) and developing a user-centric solution.

#### **Below are several features that Qredit Motion will support:**

- Fiat currency payments with dedicated IBAN accounts.
- Virtual and physical debit cards with full functionality, online and in stores.
- Multi-currency accounts with direct exchange functions connected to Altilly.
- Cryptocurrency wallets with internal and external transfers.
- Refills and gift-cards connected with 3rd party platforms.
- Persona integration.
- In-Wallet staking solutions for Qredit holders.
- Solutions for webshops and physical stores to allow merchants to accept digital currency and receive fiat currency directly to their bank account.
- Qredit Open Banking solution for 3rd parties.
- Qredit Lending and Insurance, a short term loan lending and insurance solution.
- Advanced blockchain features for developers, enterprises and other 3rd parties.

#### **The most unique features mentioned above are the following:**

- Persona  
Persona will provide a global KYC/AML solution with a digital passport for many utilities.

Persona is a technology that allows users to verify and safely store their identity. Users can decide which country to store their data in and for how long and which 3rd party user can access these documents. The location of these documents are hidden and are only written in encrypted data over the blockchain. 3rd parties can view the basic data, verified data or the actual uploaded documents by sending the user a request over the blockchain, the user can Opt-In and decide which information will be accessible to the 3rd party and for how long.

Persona will be developed by Qredit and several components for the app will be collaborated together with a Minnesota (USA) based company "Token of Trust." Persona aims to add more and more data to the digital passport such as uploading drivers license details without showing the actual drivers license to 3rd parties.

- **Qredit Open Banking**

Built by Valkyrie Innovations, Qredit will have a core module that enables any blockchain user to develop/write smart contracts on the blockchain.

Qredits' Smart Contract protocol will offer two new functions on release. This allows a user or entity to view their fiat balance with incoming and outgoing transactions. This transparency feature allows 3rd parties such as loan operators, banks and even investors/fundraisers to connect with our blockchain and check a users or a company's credit or account status. Users will still have the option to fully or partly disable this function account-wide or on a transactional level to ensure privacy is supported where a user requires it.

- **Qredit Lending & Insurance**

Qredit is currently in advanced negotiation with several parties to enable insurance and in-app loans for verified users. Combining Persona and the Qredit Open Banking software, users will be able to take a loan out starting from 50 euro up to 250 euro depending on their credit report. The loans will be provided by a 3rd party platform, connected banks and investors.

- **In-App Advanced Blockchain features**

Qredit believes in an open-source approach, the majority of the tools created to support our vision will be open-sourced and freely available for all to use.

Qredit will release a second mobile and desktop app for developers, enterprises and individuals to explore the Qredit Blockchain, writing their own apps, code and smart contracts on the Blockchain.

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### **Valkyrie Innovations LTD**

Valkyrie Innovations is the R&D based company under Qredit LTD. Valkyrie is developing the QAE Smart Contracts platform for Qredit. QAE stands for "Qredit Always Evolving".

QAE was released earlier this year using the Ark Core. Upon release, we talked with several parties about their Smart Contract needs and looked to develop our QAE solution, ensuring it meets the current and future needs of our customers.

Valkyrie is developing QAE as the engine for all of Qredit LTD sub-companies and projects such as Qredit Motion, Persona and the satellites and space communication software.

Valkyrie aims to make satellites easily accessible for the average individual, universities, enterprises, research or any tech company.

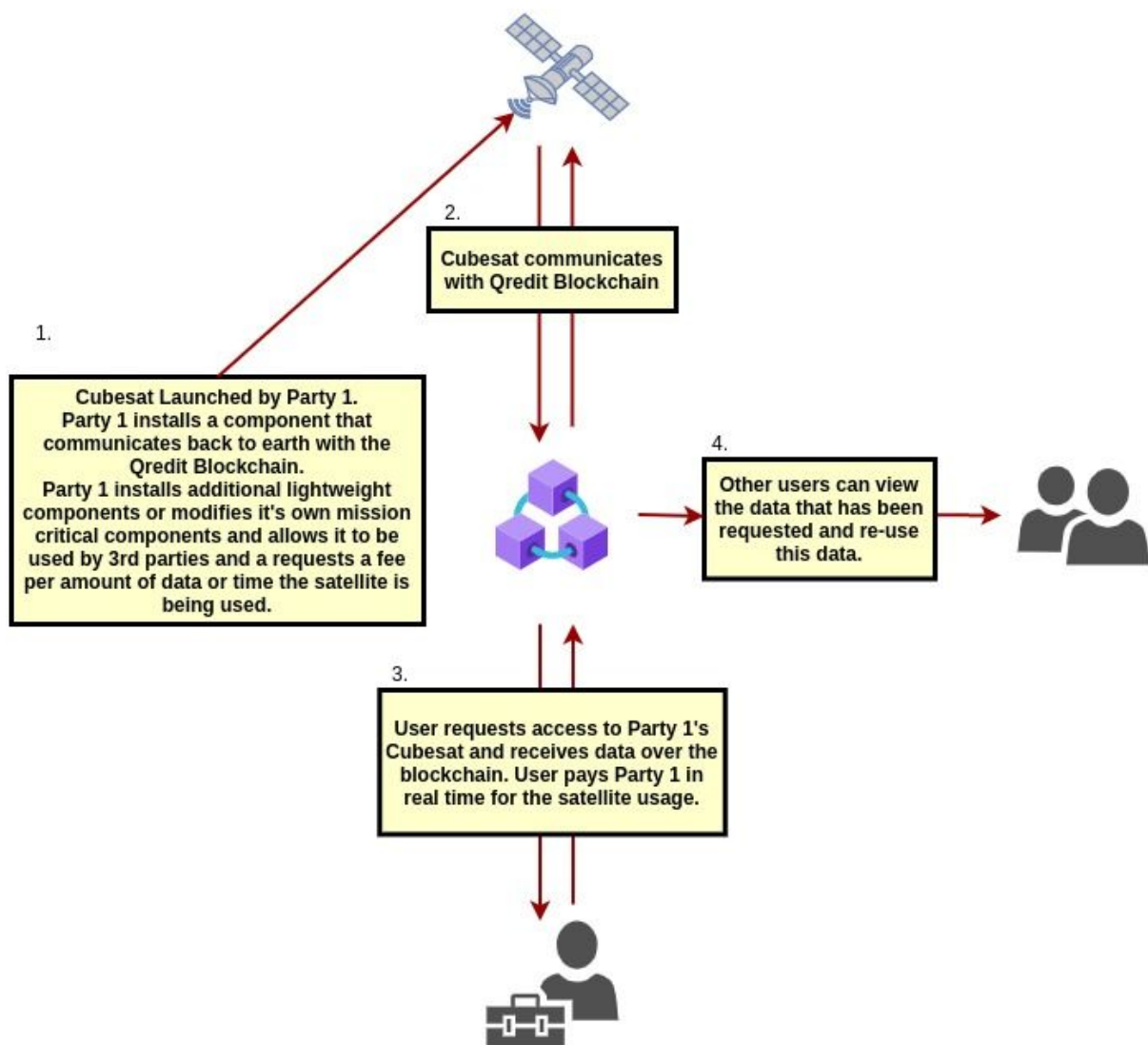
Many satellites are being launched and this sector of the space industry is growing at an exponential rate, even for the small and medium enterprises. More than 1200 CubeSats have been launched since January 2020 and it will continue to be easier and cheaper to launch CubeSats.

Some of these CubeSats have the same purpose and some of these CubeSats are being used only a fraction of the time compared to the amount of time they are in space.

Valkyrie is building lightweight CubeSat components and the software using the Qredit blockchain for 3rd parties to safely access these CubeSats to send and request data and maximize the use of a satellite and monetize their satellites for the use of 3rd parties. Users can filter on requirements or capabilities of the CubeSats before they request specific data.

This data is being stored on different servers and the location of this data is stored openly on the blockchain to be accessed by anyone using the IPFS features of the blockchain.

Below you will find an example case scenario.



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#### Altily OÜ.

Altily is a digital asset exchange. Qredit LTD owns a 25% stake in Altily and supports and collaborates with the other entities under the Qredit LTD umbrella.

Altily provides a stable income to support our other group projects. Products such as Persona will be showcased using the exchange platform.

Altily launched mid-2018 and since the launch, we have slowly increased the daily volume. We started 2020 at 100,000 USD volume, the volume has continued to grow steadily and for the last month we have achieved above 1 million USD.

Altily will be a fully regulated exchange, licensed in Estonia starting from Q1 2021.

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#### Roadmap and Funding details.

Since Qredit LTD aims to obtain several licenses and file for certain patents, the company will go through a funding round and offer its shares to private investors. Qredit is already in negotiation with several private investors.

These funding rounds will occur in 2 different stages.

- Q1 - 2021: Offer for 10% of its ordinary shares in Qredit LTD. During this round. Funds will be used to file for certain patents, register trademarks, obtain licenses and actively develop and release the base layer of all products and services. In Q1 we will start having subscribers for Qredit Motion and look for potential partners for Valkyrie Innovations. In January 2021, Persona and Qredit Motion will be partly released and Qredit Motion will have certain functions disabled until the required licenses are obtained.
- Q2 - 2021: Offer for 10% of its ordinary shares in Qredit LTD. During this round, we will be paying for the license and the minimum capital requirement for the incorporation of Qredit in Lithuania.

From this point, Qredit will start to produce a profit from paid users of the Qredit Motion wallet. The strategic marketing of Qredit Motion will occur around the same time. Valkyrie Innovations aims to close the first deals with its partners.

Qredit LTD aims to become a publicly-traded entity. It is a common rule that most companies start their IPO after 7-8 years, Qredit will try to follow this rule and slowly move forward to realise its long term vision.

For shareholders, there will be no dividend payments and the value for obtaining shares will be decided on a case by case basis depending on the expertise or any other potential benefit coming from the investor.

Due to regulations and laws, Qredit LTD is unable to pay dividends for those that hold assets such as the Qredit coin on the blockchain or to node operators also known as the delegates of the Qredit Blockchain.

Instead, Qredit LTD will convert a percentage of its earnings to the Qredit coin (to be confirmed in the future) and pay node operators via their Qredit wallet address as a success fee and as an expense of the company to keep the blockchain operational. Node operators will be able to create a profile and choose which address they would like to have the payment. Node operators are advised to pay out this income to their voters.

Users that hold Qredit coins can benefit by staking their assets in the Qredit Motion wallet or by voting for reliable node operators that publicly share their earnings.

Since there is no method to legally acquire additional funds by selling digital assets or legally pay dividends to Qredit coin holders, Qredit LTD believes that paying node operators is the way to bring back value to the Blockchain and reward delegates for their hard work in the last 3 years and for those that purchased and held Qredit coins during these years.

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Conclusion:

Thank you for reading our final update for 2020.

We hope that this update helps to clarify the new structure and refined direction for users and investors of Qredit.

2021 will become a great year with the next update already planned before the end of this year!

In the following days, we will start to update the official Qredit.io website. Please stay tuned!

If you have any questions or would like to know more about Qredit LTD or its sub-companies, please send us an email at [info@qredit.io](mailto:info@qredit.io) or join us on Telegram @qredit.

One final thing, I would like to thank the team, the node operators and anyone else that is involved in Qredit, we couldn't do it without your continued support!

Nayiem Willems  
-- CEO of Qredit LTD