

ICO Review: QuarkChain (QKC)

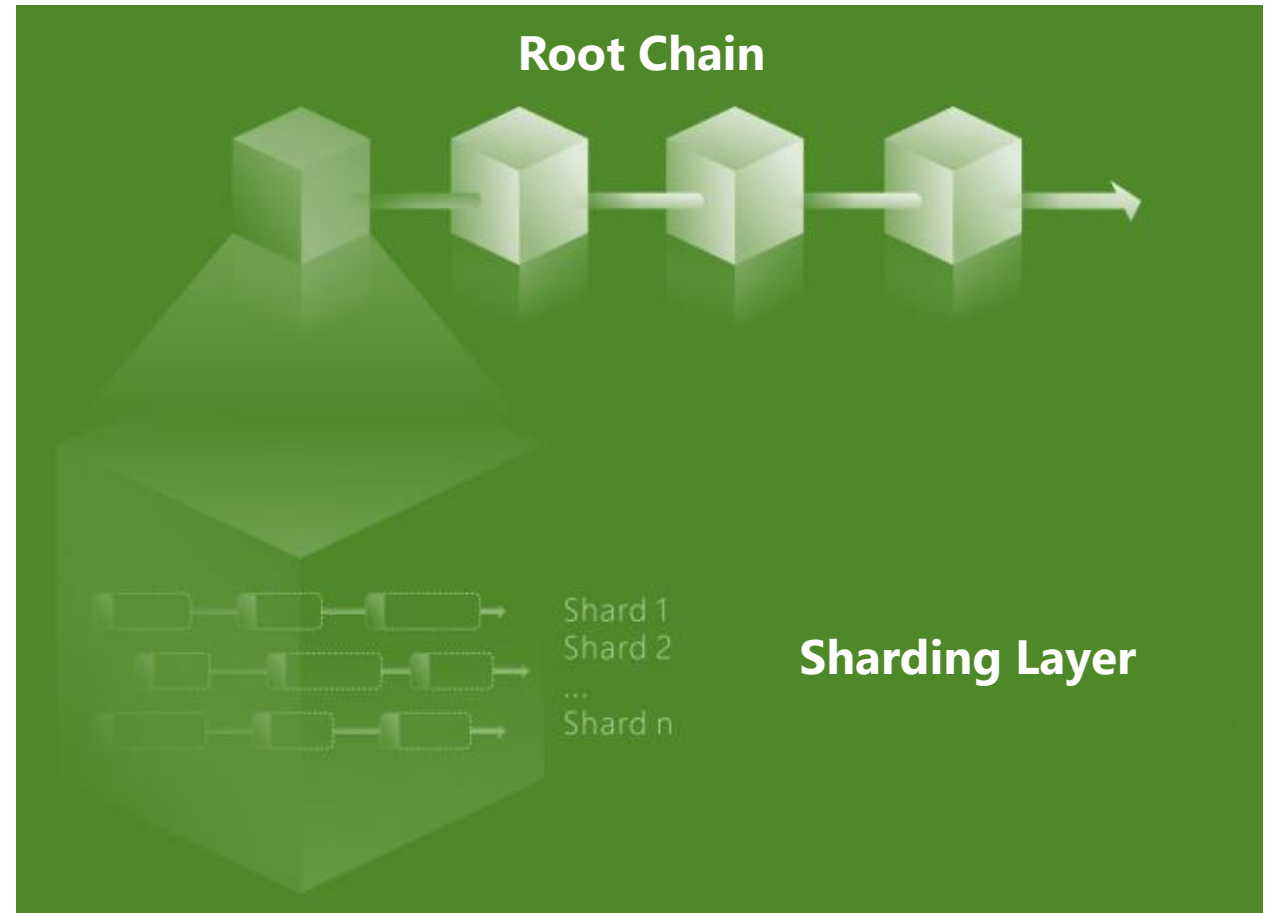
Highly Scalable Secure Blockchain Solution

April 26, 2018



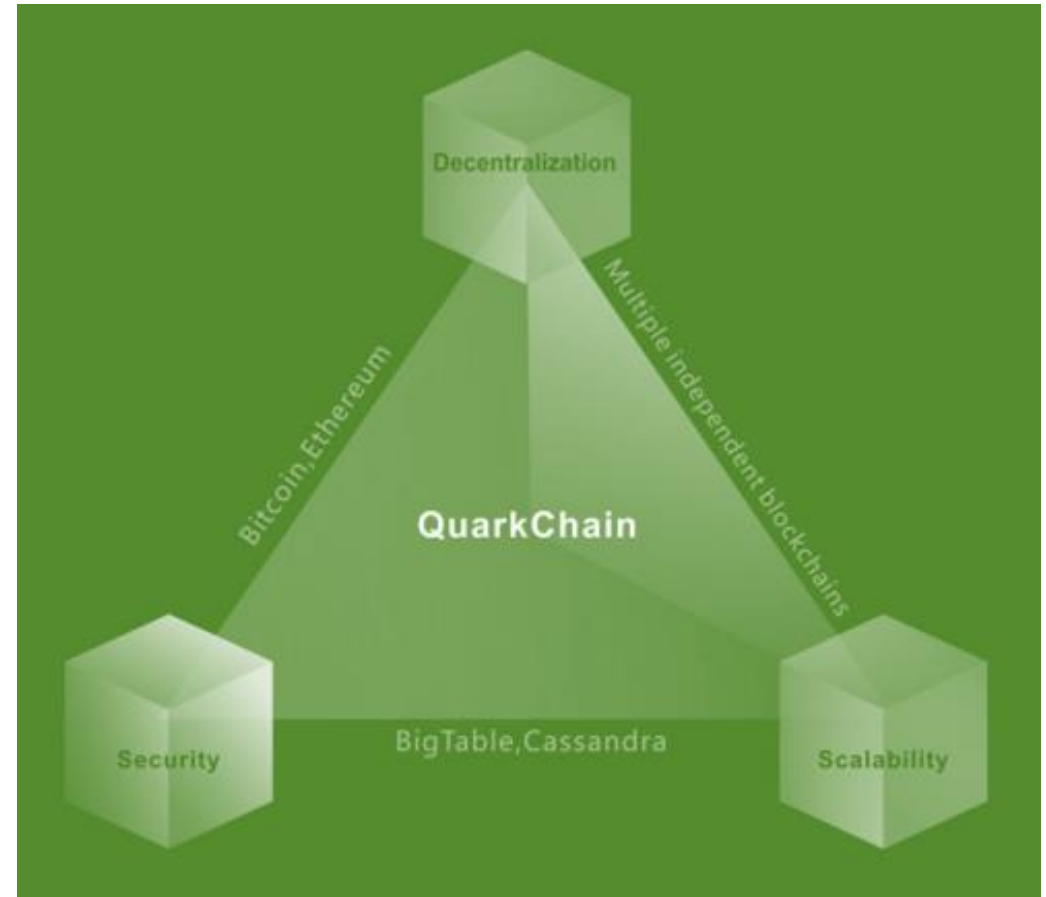
What is QuarkChain?

- QuarkChain is a blockchain that utilizes sharding to provide a high-capacity peer-to-peer transactional system. It will consist of two main layers – the sharding layer, which allows for high throughput by effectively distributing data, and the Root layer, which serves to confirm the blocks of the first.



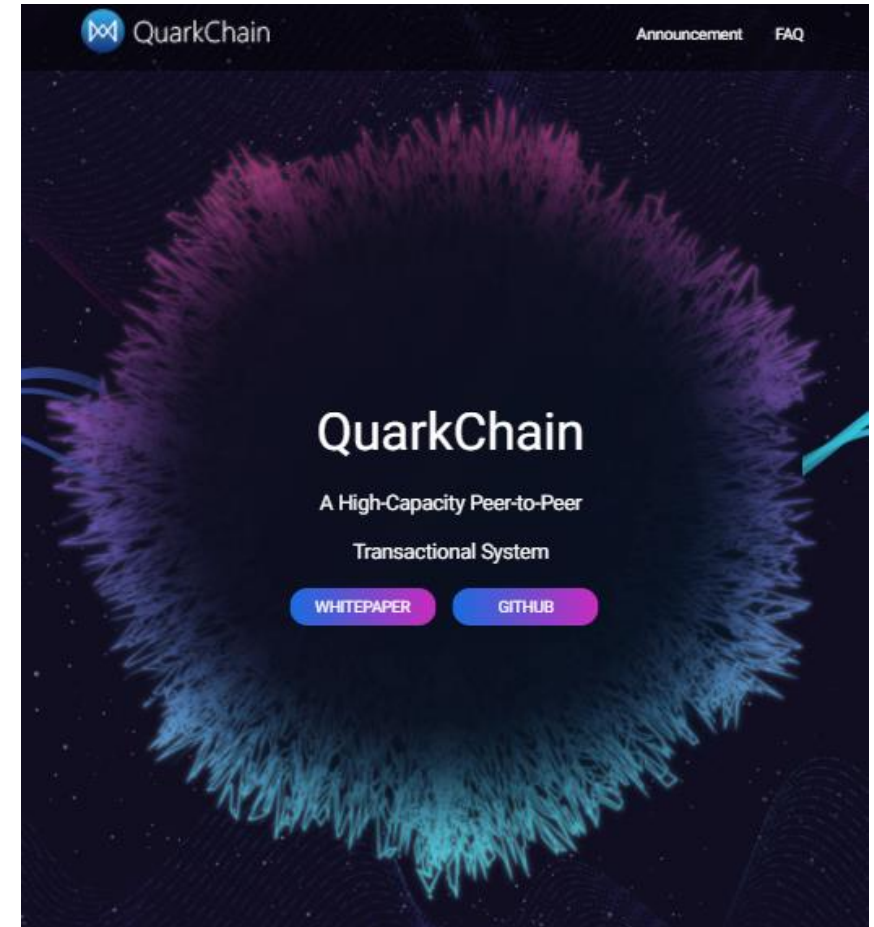
What is QuarkChain?

- Using this design, QuarkChain aims to satisfy the tradeoff between the three pillars of a blockchain – decentralization, security, and scalability.
- There will be Nodes and Clusters for mining on the QuarkChain platform. Clusters are multiple nodes forming a cluster running as a super-full node. Supernodes can be formed without them being run by supercomputers, providing smaller players a competitive edge in mining.

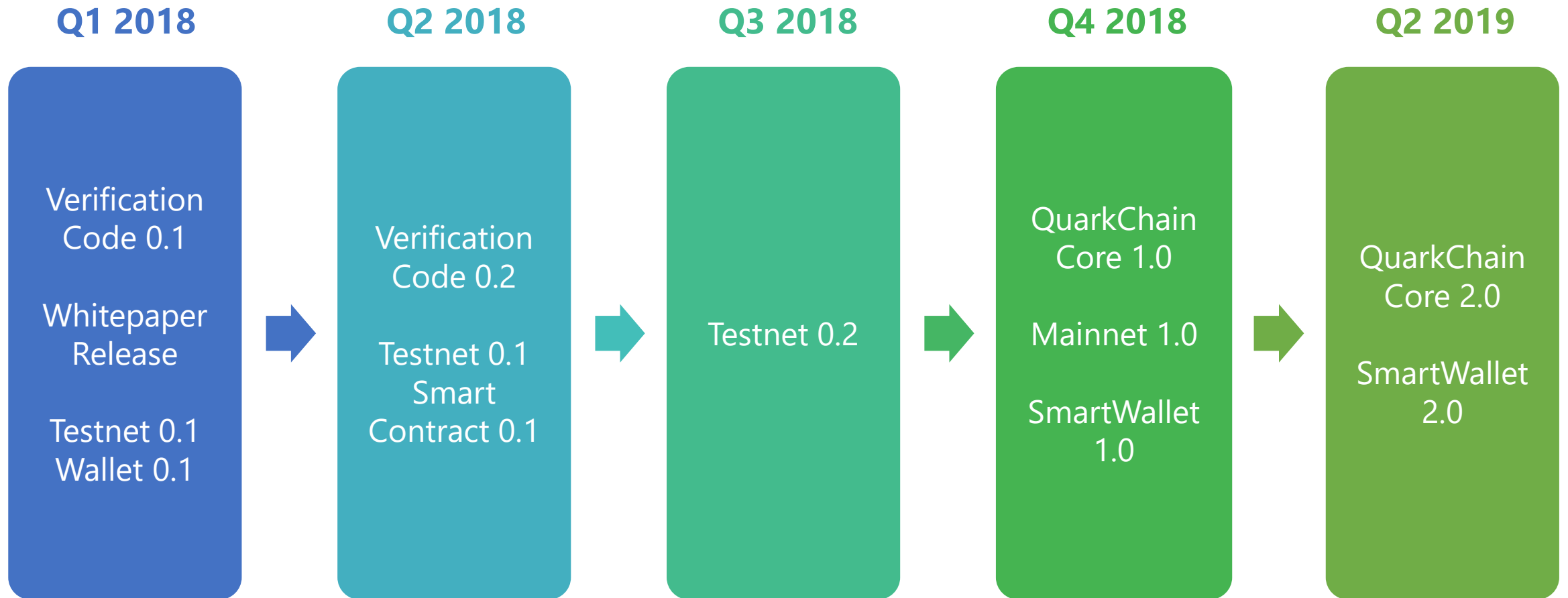


Key features of QuarkChain

- 50% or more of the hashpower will be dedicated to the root layer to prevent any double spending attacks.
- No lower limit as to the number of nodes required for a shard.
- Supports GPU mining.
- Support cross shard transactions.
- The more nodes there are, the higher the scalability.



Development roadmap



QKC token sale summary

- **Project name:** QuarkChain
- **Token symbol:** QKC
- **Website:** <https://quarkchain.io/>
- **White paper:** <https://quarkchain.io/quark.pdf>
- **Hard cap:** US\$20 million
- **Conversion rate:** TBA
- **Maximum market cap at ICO on a fully diluted basis:** TBA
- **Bonus structure:** TBA
- **Presale or white list:** Private sale is overbooked, whitelist TBA
- **ERC20 token:** Yes (to be swapped on mainnet launch)
- **Countries excluded:** TBA
- **Timeline:** Crowdsale to begin late May or early June
- **Token distribution date:** TBA

Use of QKC coins

- QKC coins are used as transaction fees for transactions performed on QuarkChain. It will also be used as reward for miners. These value of QKC coins should depend on the usage of QuarkChain. The more activities and transactions being made on QuarkChain, the more valuable QKC coins should be.
- The initial tokens released will be ERC-20, and a placeholder for the value of the actual coins which will be released with the mainnet that is scheduled in Q4 2018. At time of mainnet release, there will be a token swap.

THE TEAM

Team and advisors



Qi Zhou
Founder

PhD in Electric and Computer engineering with 5 years' experience in engineering and software engineering with the most recent being with Facebook as a software engineer.



Zhaoguang Wang
Software Engineer

7 years' experience in software engineering with tech giants such as Facebook, Instagram, and Google.



Xiaoli Ma
Research Scientist

Professor at Georgia Institute of Technology. PhD in electrical engineering and 7 years' experience in the tech industry with the most recent being the CTO of Ratrix Technologies.

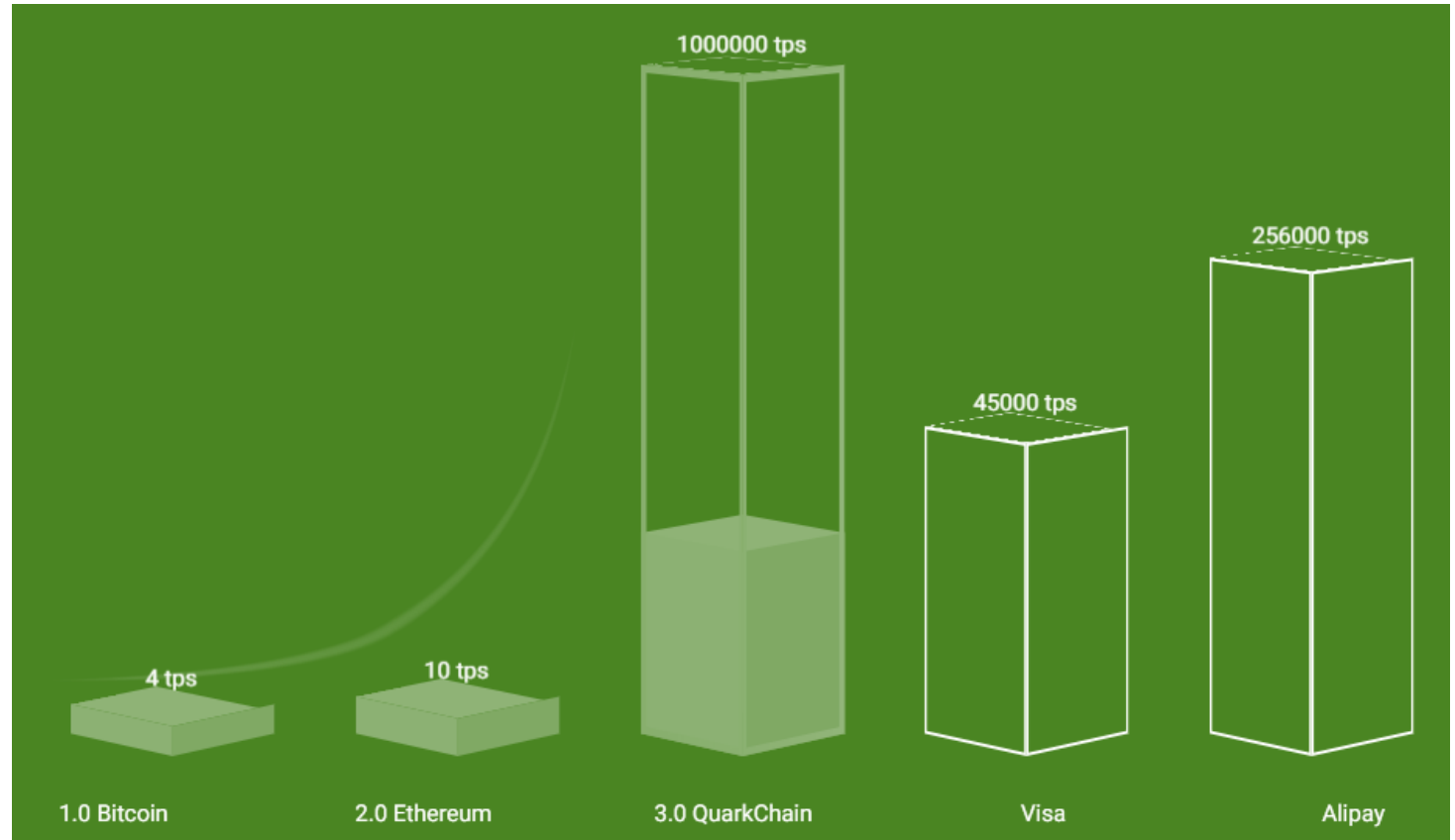


Yaodong Yang
Research Scientist

PhD in engineering, and a Tenure Track Professor at Xi'an Jiaotong University, and co-founder of Demo++ Technological Incubator.

The opportunities

- The closed testnet is already demonstrating a TPS of 2,000 using just a few AWS nodes, which puts it ahead of most other blockchain 3.0 projects with much higher valuation. As more nodes are being used in the testnet, higher scalability should be achieved.



Source: QuarkChain website
Alipay data is during the 2017 Singles Day; Visa data capacity as of Aug 2016

The opportunities

- Scalability will be one of the central subjects in 2018. Those projects that can successfully tackle this problem would be hugely rewarded.
- QuarkChain integrates with Solidity. For those dApps built on Ethereum that need a high throughput, it will be easy to port over to QuarkChain, providing a low barrier of entry to adapt the platform.
- The team consists of a mix of academicians and engineers at reputable tech companies/universities. Their credentials provides comfort as to the execution ability of the team.

Solidity



Solidity is a contract-oriented, high-level language for implementing smart contracts. It was influenced by C++, Python and JavaScript and is designed to target the Ethereum Virtual Machine (EVM).

Solidity is statically typed, supports inheritance, libraries and complex user-defined types among other features.

As you will see, it is possible to create contracts for voting, crowdfunding, blind auctions, multi-signature wallets and more.

Note

The best way to try out Solidity right now is using [Remix](#) (it can take a while to load, please be patient). Remix is a web browser based IDE that allows you to write Solidity smart contracts, then deploy and run the smart contracts.

Warning

Since software is written by humans, it can have bugs. Thus, also smart contracts should be created following well-known best-practices in software development. This includes code review, testing, audits and correctness proofs. Also note that users are sometimes more confident in code than its authors. Finally, blockchains have their own things to watch out for, so please take a look at the section [Security Considerations](#).

Our concerns

- The team wants to wait until the blockchain demonstrates higher throughput before actively seeking projects to be built on the QuarkChain platform. While it makes sense to prove what they claim first, we feel that they could be more aggressive in terms of generating traction on adoption of the blockchain.

For flipping: **Positive.**

- The full token metrics aren't public yet, but with a hard cap of \$20 million, high market awareness, and presale fully booked many times over, we believe there will be substantial unmet demand.

For long-term holding: **Positive.**

- QuarkChain and Zilliqa are the only projects implementing sharding on testnet.
- The hard cap of \$20 million represents just 2.8% of the market cap of Zilliqa, the closest comparable project and by itself undervalued in our opinion. There is a substantial disconnect between the valuation of QuarkChain and other promising blockchain 3.0 projects. QuarkChain has the potential to go down as one of the most successful ICO projects in 2018.

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