

KANALOA NETWORK

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1.1 Abstract

Two glaring obstacles present in Decentralized Finance today are its lack of adaptability to the ever changing landscape of needs, and the high learning curve it demands of new participants. The intricate tools and mechanics offered currently, while innovative, often focus on one specific temporary need or function, and lack the ability to conform to new and changing market and regulatory conditions. We believe in order for DeFi to realize its full potential and become a viable alternative to traditional financial instruments, these instances must be improved upon.

Kanaloa Network aims to become the primary entry point for new market participants, entrepreneurs, private, and institutional investors. Kanaloa Network delivers on the promise of accessibility, adaptability, and comprehensiveness for all its participants through offering two major components not yet available in the space: Accessibility and adaptability.

Kanaloa's simple-to-use Diamond-Token Generator offers a never before seen moldability to the projects generated, giving its participants a range of new features to choose from and deploy with a few clicks of a button. This process eliminates the need for intricate understanding of blockchain programming, or expensive outsourcing to 3rd party developers. Simultaneously the usage of the ERC-2535 standard allows projects to transform alongside the evolving DeFi landscape on the fly.

Kanaloa's Contract Validation Toolkit will enable users to research projects of interest and validate contracts existing on the market today. This toolkit will allow everyday users to verify the integrity of existing contracts on the market with an easy to understand UI and functionality. The CVT will employ a rating system based on a system of metrics, and distribute a score for each project accordingly. This will give users the ability to "see behind the curtain" for any potential malicious code or structure, and deliver better investment decision making opportunities.

1.2 Introduction

Supported by a strong foundation of use-cases and a self-sustaining ecosystem, the Kanaloa network offers master keys to the technical doorways presented in the realm of DeFi today. With the goal to unlock the full potential of the ERC-2535 standard, and build a self-sustaining network on a trustless basis via implemented “proof of commitment” mechanics via ERC-1155 “NFT keys”. The Kanaloa network will allow its participants a fully decoupled, decentralized and adaptable portal to the DeFi landscape of tomorrow.

Projected growth areas--

-Institutional tokenization of products and projects:

- Driven by entities looking for entry points in to the burgeoning sector
- Regulations allowing a broader usage of synthesised or tokenized assets and goods like intellectual property
- The need of decentralized, democratic control of their operations
- Demand of adaptable contracts and products to stay competitive in the rapidly changing space
- Inability to outsource substantial parts of operations into the possible tokenization of their products and assets.

-Private and retail adoption of tokenization and tokenized goods:

- Simplified access and validations of potential investment vehicles
- Simplified access to tokenized intellectual property and assets
- Passive income vehicles
- Wholistic interest in synthetic and digital assets and services

The Entry-barrier Problem:

The obstacle for mass adoption and broad usage of DeFi products lies in the high technical barrier of entry the space presents. New market participants are required to invest a substantial amount of time and resources into researching the space, how it functions, and the potential danger it can present to their product or investment.

For institutional investors, like most small to medium sized companies (representing 90% of world wide companies and employing 50% of the world wide workforce today), outsourcing this to a qualified expert is not feasible. Hiring a specialist inhouse presents an even bigger financial commitment to such a venture. Assuming these limitations, the DeFi sector closes itself off to a major part of potential market participants world wide.

The adaptability Problem:

With market conditions and regulations changing on a daily basis, retail and institutional investors in the DeFi space are faced with an increasing need for adaptability of their investment vehicles, and products alike. Classical ERC-20 contracts do not lend themselves to flexibility on a trustless basis. Facing the market participants with a dilemma of having a stiff investment vehicle in a rapidly changing environment, or the need for a trust based open contract system, leaving it vulnerable to the same human errors and manipulation classical financial tools present. As a result, a substantial amount of institutional and retail investors interested and bound to regulatory compliance and unadaptable products remain closed off to the market.

1.3 Contribution

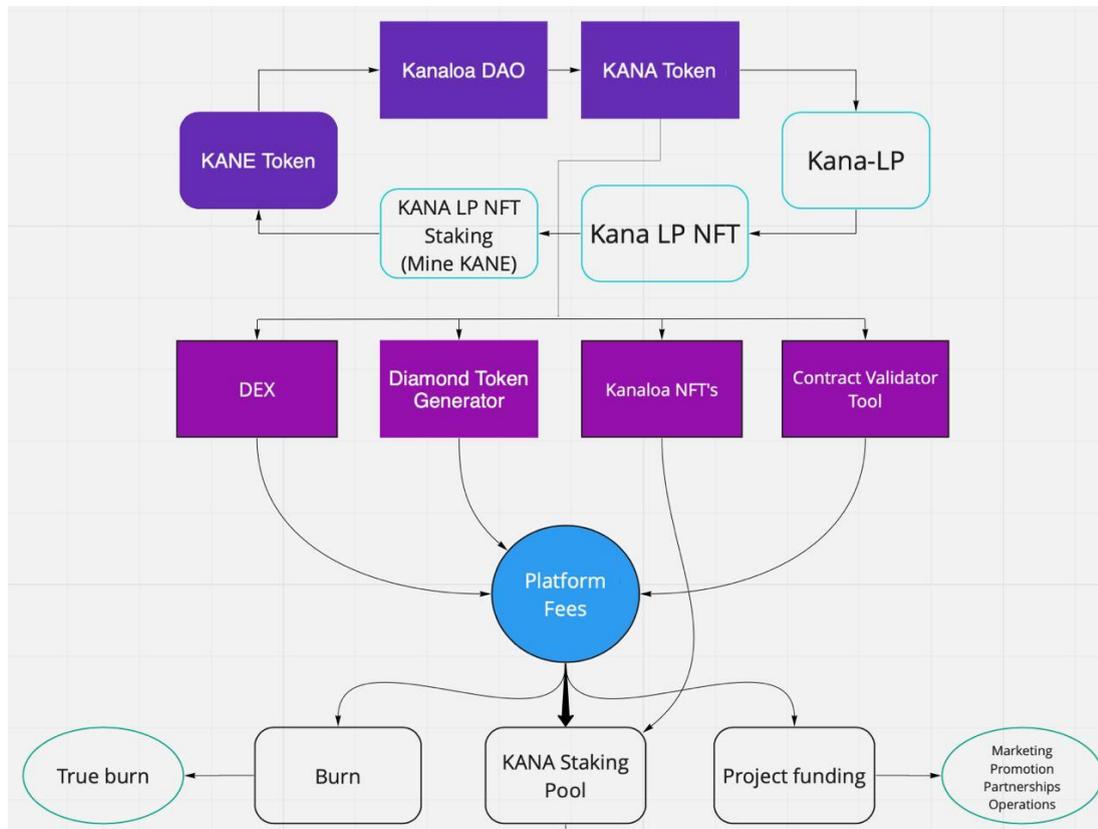
The Kanaloa network, with its utility token KANA at its core and the variety of tools provided to its participants, aims to contribute to the accessibility and security of usage of the complete DeFi space on a global scale. Participating in the network will enable all parties involved a trustless, commitment based entry point to decentralized financing and the tokenization of your assets. Utilizing the ERC-1155 standard for this allows a never before seen system of access keys to the benefits generated by the network. This standard and the implemented distribution plan secures the commitment of the participants while simultaneously allowing for a simplified delegation of rights and powers to other participants.

With this network configuration and the simple access to highly flexible ERC-2535 contracts, Kanaloa introduces a never before seen set of adaptable, modular contracts to the space, enabling a usage and cost efficient elimination of the technical barrier for all new market participants.

With the ERC-2535 standard, network participants are able to produce and deploy contracts and products which can be adapted to changing market conditions and regulations with ease. Simultaneously using the untapped potential of interest generating ERC-1155 tokens to reward committed network participants thereby generating a trustless, simple to delegate and still highly liquid governance system. These two key factors enable Kanaloa Network users and partners a clear strategic market advantage.

Kanaloa Network:

Governed by a Decentralized Autonomous Organisation (DAO), the Kanaloa network distributes rewards to committed participants via a self-sustaining ecosystem.



Kana/Kane Tokenomics:

2.1-Kana Tokenomics:

Total supply: 800,000,000 KANA

Initial supply: 800,000,000 KANA

Circulating supply (fair launch): 800,000,000 KANA

Initial liquidity: (by private funds): 30,000,000 KANA

Initial liquidity: (by team private funds): 30,000,000 KANA (locked 24 months controlled by DAO)

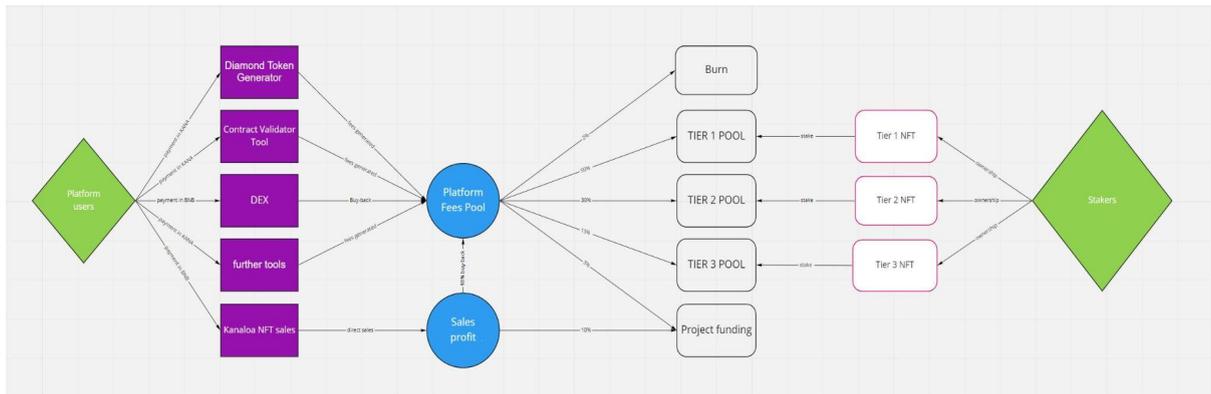
Community holdings: 700,000,000 KANA

Development fund: 0 KANA

Initial Rewards: 40,000,000 KANA

Marketing fund initially (by team private funds): 10BNB

Fees and Reward distribution Network:



3.2-Kane Tokenomics:

Total supply: 50,000 KANE

Initial supply: 0 KANE

circulating supply : 5000 KANE

Initial liquidity: 5000 KANE (locked 24 months)

Development fund: 5000 KANE (controlled by DAO)

Initial Rewards: 40,000 KANE

Distribution of KANE

Distribution quarter	Tier 1 KANE POOL	Tier 2 KANE POOL	Tier 3 KANE POOL	Lottery & Airdrops	Operations & Development	Liquidity POOLS	Total distribution	% of KANE supply
Q1 2022	10'000	6'000	4'000	125	0	5'000	25'125	50.25%
Q2 2022	5'000	3'000	2'000	125	0	0	10'125	20.25%
Q3 2022	3'000	2'000	1'000	125	0	0	6'125	12.25%
Q4 2022	2'000	1'000	500	125	5'000	0	3'625	7.25%
total KANE distributed	20'000	12'000	7'500	500	5'000	5'000	50'000	100%
% of KANE Supply	40%	24%	15%	1%	10%	10%	100%	

(Privilege distribution DAO through KANE)

3.3-DAO:

As it is embedded in the term DeFi, decentralization is a main pillar of decentralized finance. Trustless relationships void of central parties having control over the course of the project or asset is essential.

By implementing an intricate DAO system within the Kanaloa ecosystem, we ensure only those who are deeply vested within the community and project have any influence in where we are headed in terms of proposals and development.

The DAO will use a consensus protocol to determine key decision making in developmental goals, usage of funds, allocation of rewards, among other internal mechanics of the network.

Access to governance will be rewarded by earning and holding KANE (Kanaloa's governance token). To earn KANE, one must provide liquidity to KANA and in return receive a KANA LP NFT which will be staked to mine KANE. Holders of KANE gain access to create and vote for on-chain proposals, effectively leaving the direction of the network in the hands of those most vested.

Future growth:

Extension of the generators capability:

The implementation of the ERC-2535 standard provides Kanaloas products and network with unprecedented modularity. This flexibility grants the Kanaloa development team the ability to add or remove an unlimited number of features to products and the network. This moldability will ensure Kanaloa's innovations are on the cusp of blockchain and decentralized finance evolution and secure a competitive market position amongst an ever changing landscape.

Interoperability through multi chain compatibility:

Kanaloa will extend the compatibility of its token and products to include a multitude of blockchains in order to maximize market reach and harvest growth amongst the ecosystem. Kanaloas first stop in becoming multichain will reside within the largest sector of ERC-20 contracts, and the most fertile ground in DeFi today; Ethereum.

Further growth through a flourishing secondary NFT market:

With the ERC-1155 and ERC-721 tokens (NFT) as an intricate part of the network governance and reward privileges, Kanaloa is creating a secondary market for highly scarce, interest yielding, and privilege granting NFTs of the network. These factors will play a vital role in distinguishing Kanaloa Network from its competitors

Growth of the network through long lasting partnerships:

To become the premier platform for new DeFi projects and products world wide, Kanaloa will partner with a number of existing projects within the DeFi space. Partnerships will be formed with the goal to extend the capability and security of the network and its products, and aim to provide a multitude of verified partner products to be implemented into the expanding network.