



Q International Foundation – Voting Policy

Background

The Q protocol is governed by the holders of Q tokens, who have the right to make proposals to change or upgrade the Q protocol, including the Q constitution, and who can vote on proposals submitted by other Q token holders.

Q International Foundation holds a number of Q tokens. While it is initially the largest holder of Q tokens, its share of Q token ownership is expected to decline over time.

This Voting Policy sets out the principles according to which Q International Foundation commits to exercise the voting rights attached to its Q tokens. The goals of this Voting Policy is to provide transparency to other Q token holders as well as the wider Q ecosystem.

The role that the Q International Foundation is expected to play within the Q ecosystem has been described in the Q Whitepaper (cf. article 4.8):

“Q is initiated with the support of the Q Foundation, which is tasked with kick-starting, promoting and supporting the project. The Q Foundation is an independent not-for-profit organization. It has no owner, no controlling entity and is bound solely by its bylaws and the legal framework of its host country. It is as such fully independent and cannot be used or abused by a specific stakeholder or stakeholder group.

Within Q, the Q Foundation has no special governance privileges. As far as it holds Q Tokens, it can exercise its voice as a Q Token Holder, but is equal among all other Q Token Holders.

The Q Foundation is expected to adhere to the highest standards of openness and transparency in the industry. The ultimate goal of the Q Foundation is to lead Q towards full decentralization and eventually not be necessary and disappear.”

And further (cf. article 7.6):

“[...] upon network launch, the majority of Q Tokens is in the hands of the Q Foundation. And while the Q Foundation is a not-for-profit entity that is bound by its statutes, which clearly spell out that its sole purpose is to promote systems such as Q, it is nevertheless a dominant Q Token Holder initially. Some projects have chosen for Foundations with large token holdings to pledge that they will not exercise voting rights, while at the same time

granting far-reaching owner-privileges to the Foundation or other central parties. We believe this approach is not optimal, since the degree of central control is hard to assess for outsiders.

Q has therefore chosen a different path: The Q Foundation is a regular Q Token Holder without any ownership, governance or other privileges. While it provides transparency over its token holdings, there are no restrictions attached to those token holdings. We believe that stating this openly and transparently is the right thing to do.”

The Voting Policy as described below follows those principles.

Generally, the relevance of voting by Q International Foundation is expected to decrease over time, as ownership of Q tokens by Q International Foundation is reduced and Q token ownership becomes progressively decentralized.

Policy

1. Principles

Q International Foundation will exercise the voting rights attached to its Q tokens with restraint and in a responsible manner. When exercising its voting rights, it will do so in the best interest of Q.

2. Participation in votings

Q International Foundation will participate in votings only if it deems the respective vote to be of high relevance to the future of Q. The default for Q International Foundation is therefore to not participate in votings. It is expected that the frequency of votings by Q International Foundation will be higher in the early phases of Q and decrease as Q matures.

Votings by the Q International Foundation can take two forms:

- a. Neutral votes – this applies to votings where Q International Foundation believes it is important to let the community decide whether or not a certain proposal should be accepted, and Q International Foundation does not have a specific view on the proposal, but without the votes of Q International Foundation the respective proposal would likely not reach the required quorum. In that case, Q International Foundation will submit an equal number of “yes” and “no” votes to

ensure that the proposal reaches the required quorum, while not influencing the outcome of the vote.

- b. Directional votes – this applies to votings where Q International Foundation believes it is important that a certain proposal does or does not pass. In that case, Q International Foundation will submit a “yes” or “no” vote with all or a fraction of its Q token weight, thereby influencing the outcome of the vote.

3. Timing

When exercising its voting rights, Q International Foundation will do so in a timely manner after the respective proposal becomes public, typically at least three days prior to the end of the voting period. This allows other Q stakeholders to take Q International Foundation’s votes into consideration in their decision-making process and avoids uncertainty about whether or not Q International Foundation will participate.

4. Transparency

When exercising its voting rights, Q International Foundation will without undue delay publish a statement describing the rationale and thinking behind the specific decision. The statement will be published in channels that are easily accessible for Q stakeholders, e.g. Reddit or Discord. Such statements provide other Q stakeholders with transparency about Q International Foundation’s motivation but are not intended to function as recommendations in any way.

5. Token delegation

If and when the Q International Foundation has delegated tokens and/or voting rights to other network participants, those network participants can, and are expected to, vote according to their own best judgement. Q International Foundation will not take any measures that compromise delegates’ independence in any way.