

Woolf

The First Blockchain University

Token Sale Economics

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Abstract

This paper describes the distribution of Woolf tokens and the allocation of the proceeds from the sale of Woolf tokens. Some WOOLF is sold to the public, and some WOOLF is allocated to projects that will help build Woolf University.

Woolf Development Ltd is selling tokens while building the first blockchain-powered university with its own native token. By connecting the Woolf token to smart contracts, we aim to reduce university bureaucracy, lower student fees, and ensure better salaries for academics. We are building a decentralised, democratic platform that will allow faculty members to vote on the allocation of certain key resources.

This paper contains future-looking statements and may be subject to change. It does not promise or suggest any particular future price or function for WOOLF.

Legal Disclaimer

This document may contain forward-looking statements, subject to risks and uncertainties that could cause actual results to differ materially.

The WOOLF Token

The Woolf token, WOOLF, is an ERC20 token distributed over the Ethereum network. WOOLF is fully pre-mined. 250,000,000 tokens are created. No more tokens are ever created or destroyed. A portion of tokens (20%) are sold. Many tokens (30%) are allocated to projects and subject to vesting which releases them over time. Most tokens (50%) are locked in the Woolf Reserve and automatically emitted at a fixed monthly rate below one tenth of one per cent. (The emission rate is set at 0.035% by default, and it is increasable by democratic Faculty vote up to a maximum of 0.099%, as described in the white paper).

The Token Sale

A brief 'alpha sale' will take place in late March 2018. Any tokens sold in the 'alpha sale' will count against the total number of tokens to be sold in the main token sale. The main public token sale is scheduled for April 2018. Official dates, pricing, and details of token availability are described on the website: Woolf.University.

Compliance

All token purchasers will have to pass KYC and AML/CTF checks. Citizens of the United States, the People's Republic of China, North Korea, and the Islamic Republic of Iran will not be allowed to participate in the public token sale.

Token Pricing

Pricing per token is on a sliding scale from \$0.76 to \$0.99. This assumes (but does not suggest or promise) a sliding scale of market capitalisation from \$39.3m to \$51.2m, given the first year's estimated token supply - with 20% of the tokens sold and further emissions from the Woolf Reserve and vested tokens. Woolf Development makes no promises about the future price of WOOLF utility token or the circulation numbers. Official token pricing is on the website.

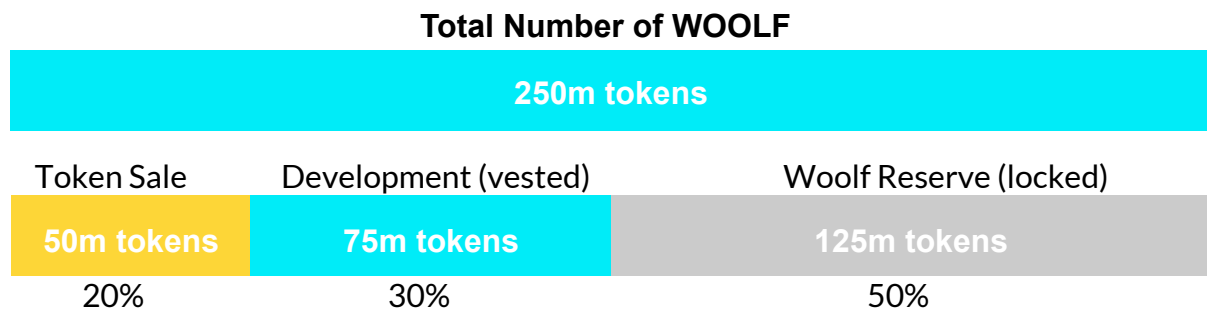
Token Lockup

Sold tokens will only become available for trading after the end of the public sale, which is set for 16 April. Tokens allocated to the Core Leadership team for their development work, and to the university institutions, are subject to vesting and become available over a period of four or more years. Tokens allocated to the Woolf Reserve are locked and automatically released at monthly rate below one tenth of one per cent. The Woolf Reserve's default automatic monthly emission is 0.035% and can be raised by Faculty Council vote up to a maximum of 0.099% (as described in the white paper).

Allocation of WOOLF

Some tokens are sold, some tokens are allocated to development projects, with vesting (this includes the core leadership team and the institutions of the University), and half the tokens are locked in the 'Woolf Reserve'.

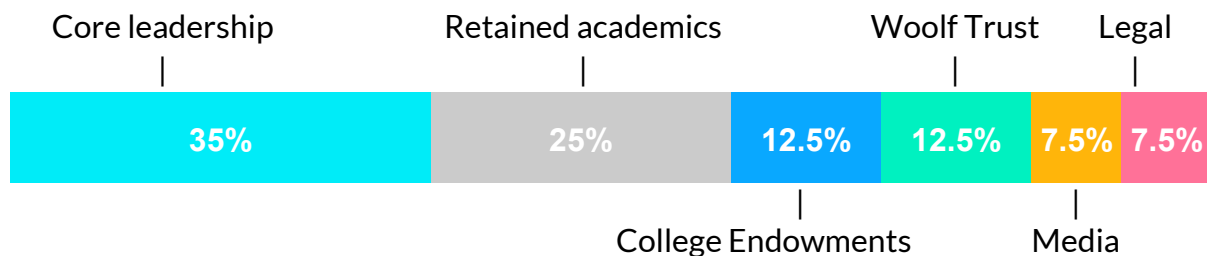
Up to 20% of the tokens, or 50m WOOLF, are available during the sale. Any unsold tokens from the 50m will be locked in the Woolf Reserve. Thus tokens from the sale will compose the majority of tokens in circulation in the first year. (See the Token Circulation Forecast below.)



Allocation of Raised Funds

During the sale, up to 20% of all WOOLF are exchanged for Ethereum and Bitcoin. We will use these raised funds for specific development projects.

35% goes to the core leadership (salaries, new hires, consultants, and development projects); 25% goes to the retained academics, who will help to build the first college on the network and set the precedent for future colleges; and 40% goes to various aspects of institutional development and promotion (The Woolf Trust, legal work, the college endowments, and our media activities). These will be allocated as follows:



Token Circulation Forecast

Tokens are sold in the pre-sale and the main public token sale; the sold tokens are predicted to compose the majority of the tokens in circulation during the first year.

The maximum number of tokens sold is only 20% of the total number of WOOLF, but the remaining 80% is not available for immediate circulation because it is locked in the Woolf Reserve (50%) and subject to vesting for development projects (30%).

The Woolf Reserve automatically releases a small number of tokens at the end of every month. Emissions from the Woolf Reserve are used to improve the network by Woolf Development Ltd and eventually will be subject to a monthly democratic voting procedure (as described in the white paper).

The Woolf Reserve emits tokens at a fixed monthly rate of less than one tenth of one per cent. The fixed rate is set by default at 0.035%, as described in the white paper. The Woolf Reserve contains 125m WOOLF, and thus emits 43,750 WOOLF at the end of the first month and just over 0.5m by the end of the first year. This monthly figure diminishes over time, but would potentially continue to produce a meaningful monthly development budget for more than a century.

If we consider the monthly emission of the Woolf Reserve, and add the predicted rate at which vested tokens become free, we can estimate the total number of tokens in circulation. (Disclaimer: these numbers are forward-looking and entirely illustrative rather than suggestive or promissory.)

Illustrative Circulation Forecast

	Source	6 months	12 months	18 months	24 months
Total Tokens	250,000,000				
Token Sale	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
Vested Emission	75,000,000	750,000	1,250,000	3,500,000	5,000,000
Reserve Emission	125,000,000	262,270	523,991	785,162	1,045,785
Tokens in Circulation	50,000,000	51,012,270	51,773,991	54,285,162	56,045,785