

Nestor Alpha  
Dox & Audit



# AUDIT REPORT

02/08/2022

THE  
WHITELIST  
PROJECT

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PROJECT

# Table of Contents

03

Disclaimer

04

Summary

06

Observations  
– Project

11

Observations  
– Team

13

Conclusion

# Disclaimer

Except when specifically permitted and/or requested by the verified person, we are only allowed to display the personal data included in the Vetted Project Information database in our Data Processing Notice.

No information provided in this document by the project and/or team members was validated or confirmed as part of the vetting process, unless otherwise mentioned.

Nothing contained in this document constitutes a legal or financial advice, an offer, solicitation, recommendation, endorsement, guarantee or warranty provided by us or any third-party service provider.

# Summary

## Project Description

Get access to Premier Whitelist Opportunities, earn Passive Income from top Solana NFT Projects, and get a Custom 1/1 NFT from our PFP Collection.



## Team Members

### Founder

 Qualtagh#8824

 @pjhawron

Identity document and proof of residency was provided and verified.

# Vetting Process Report

Project Verifications		
Project Name	The Whitelist Project	✓
Project Website	<a href="https://thewhitelistproject.xyz">https://thewhitelistproject.xyz</a>	✓
Project Discord	<a href="https://discord.gg/ZSsrgraRc7">https://discord.gg/ZSsrgraRc7</a>	✓
Project Twitter	<a href="https://twitter.com/TheWLProjectNFT">https://twitter.com/TheWLProjectNFT</a>	✓
Mint Wallet		✗
Treasury Wallet	5BCe9TZdNBE8qLQoLvNXYoCzSmvaUvxLH5TokcjfE8F	✓
Company		✓

Legal Accountability <sup>1</sup>	Tier 3
Certificate Rank <sup>2</sup>	<b>Silver</b>

<sup>1</sup> Learn more about Legal Accountability System [here](#).

<sup>2</sup> Learn more about our Audit Certificate requirements [here](#).

# Observations

## Project

### Observation 1

Roadmap 2.0 of The Whitelist Project was released to the public two months ago.

### Project's Response

The new roadmap is in its early stages - DAO formation (Stage 2). Pivotal objective is a 3D Collection (Stage 4) when the project plans to mint a 2nd collection of tickets (NFTs).

Depending on the state of the market and the status of the project, the second collection should launch some time before the end of the year.

There will be two versions of the 3D NFTs for which the art is already completed. The majority of the mint revenue will be allocated for reinvestment into other projects through revenue sharing (mutual NFT fund). Until then, the project's founder (Qualtagh#8824) is paying the expenses with personal funds.

### Observation 2

The Whitelist Project has collaborated with five artists, all of whom are publicly listed on the Discord server.



## Project's Response

The partnership is mutually beneficial. One of the later objectives in the roadmap is to mint a collection of 1/1s - Custom PFP collection (Stage 6). The idea is to develop a directory of artists that can be commissioned to create a 1/1 PFP by burning a ticket (NFT) and paying a fee that goes to the artist directly. Additionally, the endeavor will give the artists marketing exposure.

### Nestor Alpha Comment

Four of the artists were seen interacting with the announcement on Twitter, thus we may reasonably assume that they are involved with the project.

## Observation 3

The current level of community involvement is relatively low.

## Project's Response

Offering additional benefits to the community will boost engagement. In addition to the artist directory, new tools including developer resources and on-chain analysis Discord bots will be made available. We intend to form new partnerships with communities, DAOs, and influencers once the project accomplishes some of the objectives outlined in the project roadmap.



## Observation 4

The roadmap has several planned collections for the future.

### Project's Response

The plan is to continue with small supply collections in order to prevent market saturation and promote community growth that is sustainable. Depending on the demand and size of the community, collection sizes and release dates will be modified.

## Observation 5

The Whitelist Project, a collection of 999 NFTs, was released earlier this year. The founder (Qualtagh#8824) purchased numerous of these NFTs throughout various time periods using his personal wallet. At the time this report is created the founder owns 18.9% of the supply.

### Project's Response

The founder has minted additional NFTs and has been “sweeping the floor” with his own public personal wallet. In order to expand the community, the NFTs of inactive holders are redistributed to new community members and potential partners. The goal is to increase the unique holder percentage. Since the link between the founder's personal wallet and the community was previously made public, this is being done in a transparent manner.



## Nestor Alpha Comment

Market making is a popular activity in cryptocurrencies and NFTs, although artificial "floor sweeping" can have negative effects for new investors who enter the market at the new price, particularly with smaller projects that lack the capital for long-term market making.

## Observation 6

To mint the 3D collection NFTs holding one of the original tickets (1st collection NFTs) is required.

## Project's Response

The mutual NFT fund will also provide original tickets (NFTs) a revenue share. In comparison to the previous collection, the new one will have a smaller size, a more expensive mint price, and a bigger revenue share.

## Nestor Alpha Comment

If the collection isn't actively promoted, it's fairly common for WL spaces acquired through collaborations to sit unused or even be sold in secondary markets. The WL token in this instance is an actual NFT that is listed on Magic Eden. That should make selling much simpler, which could have a negative impact on both the original and the 3D collection's performance.



## Observation 7

The project previously acquired an already minted NFT collection Safari Dition. Safari Dition's founder, publicly known as Mikhail, continues to work with the team as a community representative. The roadmap for Safari Dition still has some more drops scheduled.

## Project's Response

One of the first partnerships was with Safari Dition. After performing a free mint, the scope of Safari Dition expanded, making Mikhail's commitment too much to handle on his own. We made the decision to acquire it in order to prevent it from dying out. The Whitelist Project now includes Safari Dition and their DAO. The Whitelist Project's roadmap execution will still come first even though they aim to implement Safari Dition's roadmap with some time-frame modifications. They continue to communicate with the former artist who created the published collection. The final phase of the roadmap will likely be carried out using personal funds.

### Nestor Alpha Comment

During the vetting process, an additional project, Natural State Kongs, was acquired.



# Team

## Founder

 Qualtagh#8824

 @pjhawron

### Observation 1

**Qualtagh#8824**'s employment as a data scientist is publicly known.

#### Project's Response

**Qualtagh#8824** works for a fin-tech company and has academic background in software development, data science, and business administration.

### Observation 2

There is no online proof of ownership of earlier NFT or blockchain ventures.

#### Project's Response

**Qualtagh#8824** started researching and learning Web3 and blockchain development as a hobby, and got introduced to NFTs through generative art.



## Observation 3

**Qualtagh#8824** opted in to verify their company where they're the principal person.

## Project's Response

**Qualtagh#8824** secured the limited liability company a few years ago without having a specific goal in mind. The company will be utilized as a legal entity associated with the NFT project, as well as possibly some other ventures.

# Conclusion

## Risks Identified

1. Although the “floor sweeping” practices used are transparent, we believe that they shouldn’t be the industry standard. It is not a sustainable long term strategy for a project and it may have a negative impact on investors. **[MEDIUM RISK]**
2. The 3D Collection's mint date, which corresponds to the next round of external funding, is still months away. To sell out the collection, a lot needs to be done in terms of growth and community involvement. The team is aware of the risks and has thus far demonstrated its ability to carry out the project's well-thought-out plan. **[LOW RISK]**

## Transparency and Cooperation

The Vetting Service Order Form included most of the optional information, all of which was in accordance with our guidelines. Project cooperated with our team, was open and transparent throughout the process, and supplied all the information needed.

## Certificate

Considering that the project meets the criteria for Tier 3 of our Legal Accountability risk assessment, the highest rank that may be attained is a Gold Certificate. Based on the amount and severity of other risks identified during the vetting process (1x Medium, 1x Low) Nestor Alpha decides to award the project with a **Silver Certificate**.