

TAC

Whitepaper



www.tkd-coop.com

Taekwondo is a world sport being enjoyed by about 80 million population from more than 200 countries*.

As an official Olympic sport now**, it has come a long way since the days of being an ancient martial art. But its practices are still dominantly offline.

We teamed up here to achieve one goal;
Bring Taekwondo Online

From next page, let us tell you our story of how we're going to achieve that goal and for what.

*by official data from WorldTaekwondo.org

**since the Sydney Olympics in 2000



Table of Contents

Introduction

Executive summary..... 4

A new economic community to solve current problems..... 5

Sports community meets blockchain technology..... 6

“FC Barcelona”, a sports club organized as a cooperative..... 7

Vision 2023..... 8

Taekwondo Access Credit (TAC)..... 10

Founders’ idea..... 10

Technological statement..... 10

Operating model of TAC platform..... 12

Tournaments..... 12

An example of smartphone app-based tournament operations..... 13

National & the World tournaments..... 15

Token awards policy by different levels of games..... 16

The Fights of the Week voting..... 17

The purpose behind the voting..... 17

Calculation of the votes..... 19

What it means to dojangs (taekwondo schools) 20

TAC dojang network..... 21

Patronage dividends of cooperatives..... 22

Token offering details..... 23

TAC token distribution..... 24

Legal entities..... 25

Financial projection..... 26

The demand projection on TAC..... 28

Global..... 28

South Korea..... 29

U.S.A..... 30

Governance..... 31

Team..... 32

Introduction

Executive summary

Taekwondo Cooperative (“TC”) is an **autonomous association of taekwondo athletes united voluntarily around the world** to meet their common needs and aspirations of conducting and participating in more amateur taekwondo competitions both locally and globally. The world’s first TC was established in Seoul, Korea (South) in 2018.

The Founders of TAC believe that the demands of the world’s amateur taekwondo athletes for interacting with a more diverse group of fellow athletes and participating in ‘겨루기 [kyorugi]’, or taekwondo sparring, competitions beyond their geographic vicinities have now grown to the point that they deserve to have **the world’s first league of amateur taekwondo athletes organized in the form of ‘cooperative’**, which enables them to become a member of local and global pools of their fellow taekwondo athletes who share the same aspiration towards conducting and participating in periodic competitions to be organized by their regional TCs or the national / world union of TCs.

“Seoul TC”, the first TC established in Seoul, South Korea, aims to organize nine more regional or municipal TCs in Korea **by the end of 2020 to establish a national Union of TCs (“Korea Union of Taekwondo Cooperatives”)** with at least 1,000 individual members of the cooperatives.

Acting as a promoter/sponsor, the Korean union of TCs would execute on its objective of launching at least two more national unions of TCs in countries other than South Korea, ultimately **to organize and launch the world’s Union of TCs (“World Taekwondo Cooperatives Union”)** by the end of 2023 and become a member of International Cooperative Alliance (“ICA”).

A new economic community to solve current problems

Organizing and participating in local, national and international leagues of taekwondo competition can be a thing of financial issues for both hosting and participating parties, which is the reason why **the existing “open tournaments or championships”** of taekwondo communities around the world are often times **out of reach for those without the necessary financial means** to pay for their logistics.

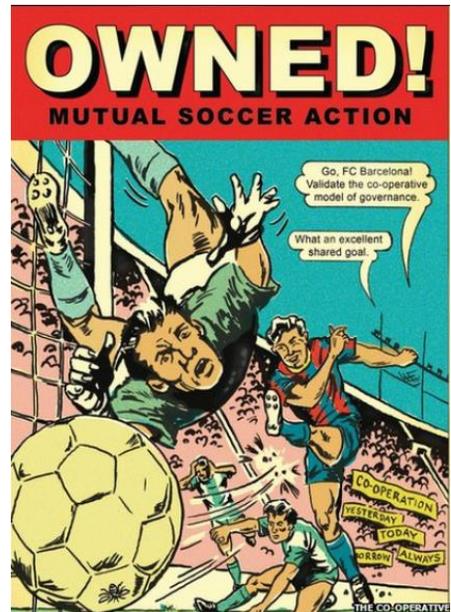
Therefore, it would be just another open tournament, no matter how right our motive is, unless we design and structure this new initiative in a way that any TC members can easily access our tournaments and demonstrate their prowess for which they trained so hard. Through this initiative, we introduce a new concept of **cooperative token (dubbed “TAC”: Taekwondo Access Credit) to be issued to and circulated by (but not limited to) a global economic community of the world’s TC members** as a legitimate means to pay for all services and products to be provided by TCs around the globe.

TAC has been intended and designed to be earned by any TC members who participate in and complete their sparring games in any local tournaments organized by TCs. They will form the integral part of the constant and structural demand for TAC as real users who would regularly participate in TC-organized tournament games and single matches on autonomous basis . Also, whether it’s a TC member and a non-TC member, whoever holds our TAC token can vote for the selection of the “Fights of the Month” where the token holders have to “stake” their tokens to exercise their voting rights. The Fights of the Month voting by the global TC members and non-member fans in taekwondo is expected to incentivize the athletes to fight more like what taekwondo used to be before the 2008 Beijing Olympics and prior to the introduction of electronic hogus (body protective gears). We’ll elaborate further on this issue on page 17 and 18.

“FC Barcelona”, a sports clubs organized as a cooperative

A sports club organized in the form of cooperative isn't hard to find but has been in existence with long history and success stories.

For instance, Futbol Club Barcelona (“FC Barcelona”) is a professional football club based in Barcelona, Catalonia, Spain and one of the world's most valuable sports team, worth USD 3.56 billion with an annual turnover of EUR 648.3 million (Deloitte, 2017). Founded in 1899, FC Barcelona is the world's first cooperative-based football club, owned and operated by its own supporters. Its Catalan motto, “Més que un club” (more than a club), says a lot about how it's run, as a cooperative sporting association.



(Image from BBC News)

Today, the club has more than 175,000 members, all of whom has a voice in deciding the direction and future of the club.

Some of the key attributes of the club's governance include:

Open and voluntary: Anyone can become a member (adults, seniors, children; its membership cost is EUR 124.5 for anybody)

Democratic member control: Its members can be elected to the board of directors or vote to appoint directors, including the president

Members' economic participation: Members oversee the club's financial health through decisions on such issues as the cost of membership and season ticket prices.

Community involvement: As approved by its members, the club donates EUR 1.5 million every year to UNICEF through FC Barcelona Foundation

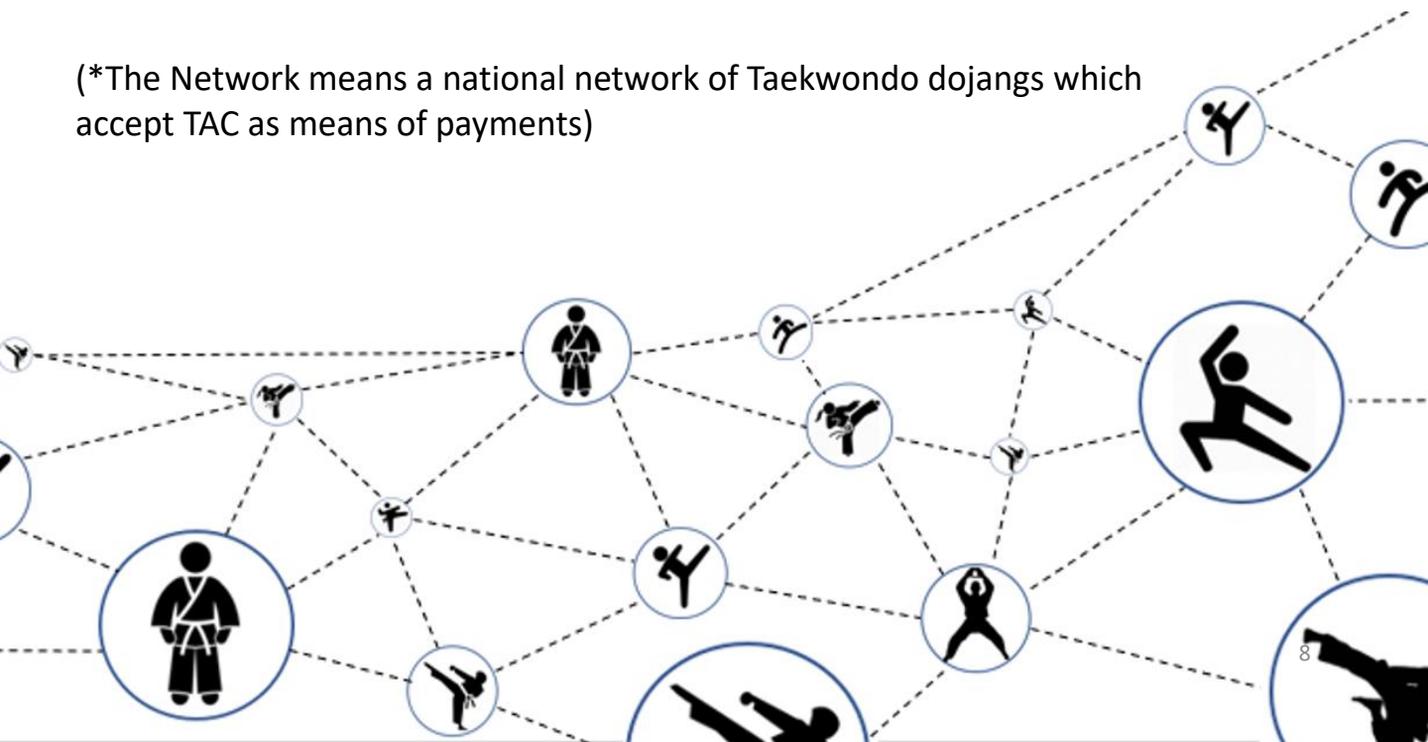
Vision 2023



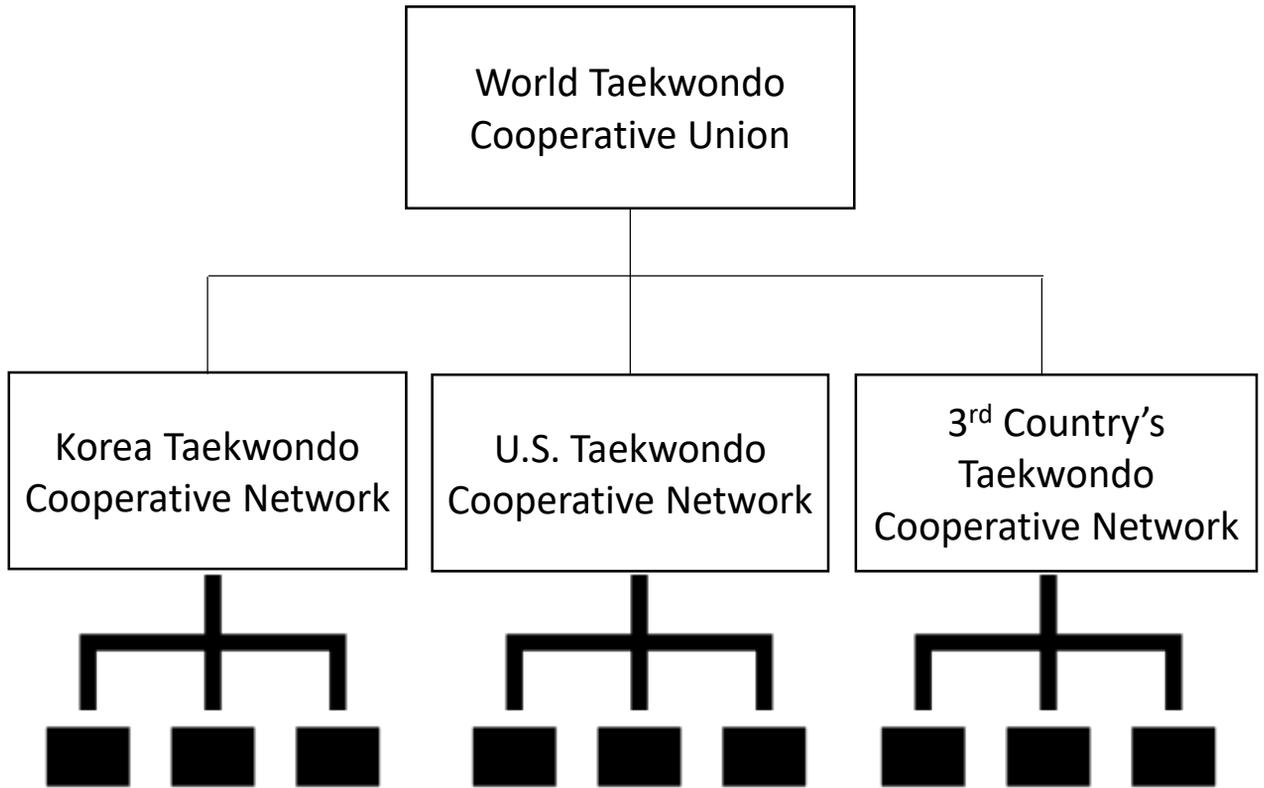
태권도 협동조합
TAEKWONDO COOPERATIVE

1. Launch 10 branch offices of Taekwondo Cooperative on municipal / provincial levels and organize the **Korea Taekwondo Cooperative Network* by the end of 2020.**
2. Launch the U.S. Taekwondo Cooperative in Denver, Colorado by the end of 2019. Sponsor and promote the openings of 5 state-level branch offices / regional HQs in the U.S. and organize the **U.S. Taekwondo Cooperative Network by the end of 2021.**
3. Launch a Taekwondo Cooperative in the **“third country”**. Sponsor and promote the openings of 5 local/regional branch offices in the country **and organize the country’s Taekwondo Cooperative Network by the end of 2022.**

(*The Network means a national network of Taekwondo dojangs which accept TAC as means of payments)



Vision 2023



Taekwondo Access Credit (TAC)

Founders' Idea:

TC is a cooperative that runs on sports business.

In our sports business, TCs would constantly organize tournament games by cooperating with local dojangs for logistics arrangements necessary to hold such events, and TC members would pay for such services with TAC tokens, our community currency. The fees are to vary by each country (by the national union's policy) but at our public token offering price of 0.10 USD, we would advise all TCs to set their participation fees at 100 TACs initially.

To state our perspective about the "point of contact" between Blockchain and Taekwondo;

- Blockchain is an incorruptible digital ledger of transactions that can be programmed to record not just financial transactions but virtually everything of value. In a blockchain-based network, if the peers of the network disagree about only one single input, everything is broken; in other words, they need an absolute consensus. However, in blockchain, the participants don't need a central authority to achieve this consensus.
- In martial arts competitions in today's sports game setup, while there are referees, an outcome of any fight ultimately depends upon 'sportsmanship' where each player would agree to abide by the rules and promises of the competition. Referees are there to help, but it's ultimately the rules and promises which every participant can understand and agree to.

The founders of TC saw the point of contact between sportsmanship and philosophy of blockchain, and thus have come up with an idea to introduce a blockchain platform to taekwondo communities around the world by creating a global cooperative network and its own community currency to be used in exchanging utilities on TC's global network, to be enabled and realized by our blockchain platform.

In order to execute on this vision, we would establish a legal entity ("Taekwondo Cooperative Foundation") in Hong Kong to conduct a series of private and public token offerings scheduled for 4Q of 2019. We would hold the reserve of the generated yet unsold amount of TAC tokens in the Taekwondo Cooperatives Foundation (the Foundation), a not-for-profit organization for sustainable operations of our global TC networks.

Now, let's assume that there was a TC-organized local tournament which took place in a TC-member dojang in New York City. Two taekwondo athletes, Joe and Bob, have competed with each other in -80kg division and the winner of that day was Bob. The both have paid 200 TACs each in their tournament fees while each of them also received 300 TACs from the Foundation, while Bob as the winner would be able to compete in the next fight in the tournament, getting another chance to earn more TAC tokens.

The fight between Joe and Bob, from blockchain's standpoint, was a transaction recorded on the distributed ledger held by all TC members around the world. Joe, Bob and the referee of the game would altogether report the result of that specific match on the digital ledger of TAC blockchain over their smartphone application (or in PC setup), and upon this collective report, the Foundation would send TAC tokens to electronic wallets of the athletes and the referees for their services by an automated execution of the contract.

TAC is to be created in a finite volume (the total amount to be generated), so there is ultimately a limited supply to this token's market. On the other hand, the demand for TAC is supposed to increase over time as our organization of cooperatives grows in size and scale globally as the members of TCs would buy and use their TAC in accessing TC platform's services such as participating in tournaments, taking votes, paying membership dues for their training etc. Since the token supply is limited by the total generated amount, at one point in future, the token reserve kept in the Foundation would dry up and the Foundation would no longer be able to send tokens to the participants of TC tournaments, which is bad news for sustainable operations of the cooperatives.

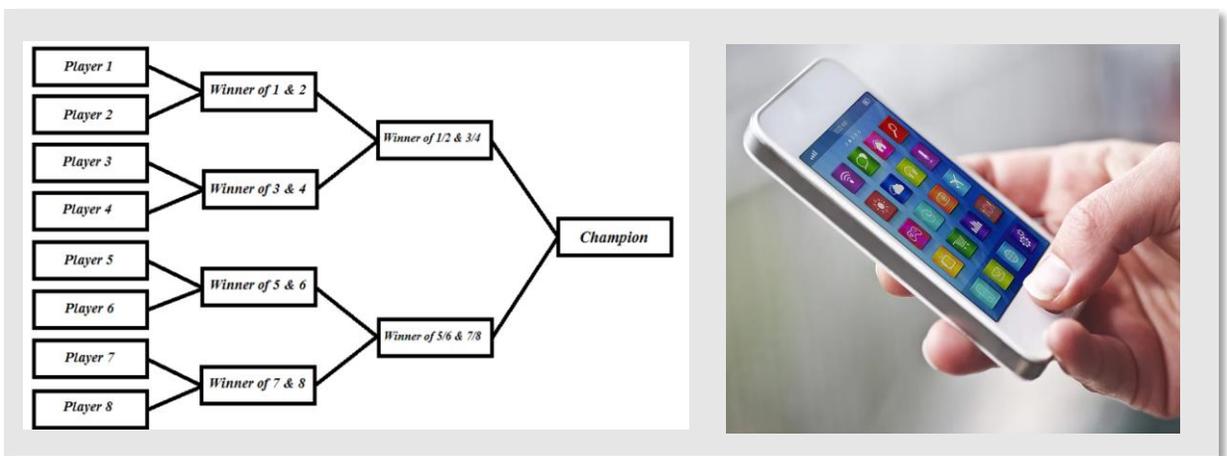
In order to avoid that, TCs would receive tournament participation fees, charge commissions on voting events etc. in TAC tokens. Then each TC would pay their annual fees to their country's Cooperative Union, and the Unions are ultimately to donate a 'consensus amount' of TAC tokens to the Foundation which is to be decided periodically by the World Union of Taekwondo Cooperatives conference.

This circulation cycle of TAC (from the Foundation to each member, then to TCs and to Unions, and then back to the Foundation) was designed to ensure a sustainable, autonomous, and democratic operations of the TC network over the world as an economic community with shared objective, as TAC is the critical means to keep the operations of TC networks running actively in such voluntary and orderly manner.

Operating Model of TAC Platform

Tournaments

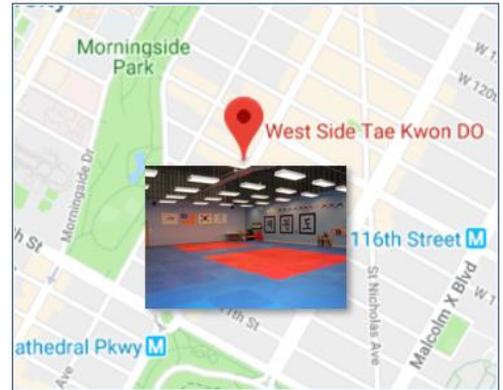
TC members receive and track their places on a smartphone app-based tournaments where the actual fights take place at a local TC's member dojang (taekwondo school) in a group of manageable size.



- ▶ Each athlete (i.e. TC member) downloads “TC app” on his/her smartphone; the application is to be developed and distributed by TC.
- ▶ On this app, each player can verify his/her position in the tournament and can also see profiles of their opponents.
- ▶ Each local TC would designate a time and date for each fight, usually bundled up and allocated in a group, by utilizing the member dojang and their resources. This is also a great marketing event for the hosting dojangs with the visiting TC members.

An example of smartphone app-based tournament operations

① TC receives applications from member dojangs and select one to host a “tournament day”



② Members receive and verify their tournament info on their smartphone application.



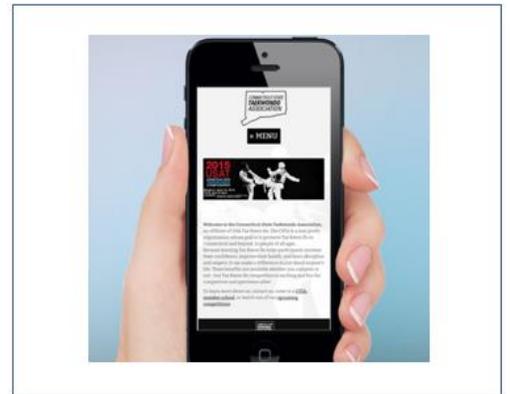
③ Members gather on the event day, meet each other and weigh in.



④ Conduct a fight
(and record the video of the games)



⑤ Upload your sparring videos on TC app
which is connected with Youtube



⑥ TC members and non-members around the world can watch your uploaded videos and can vote for the “Fights of the Month”

105,527 views

16,072 likes 448 comments

TC gives prizes to the Top 3 fights (per country) which get the highest numbers of votes using TAC token

National & the World tournaments

The dream leagues that you trained so hard for...
now sponsored by TCs

If you participated steadily enough in local TC tournaments, you will have earned enough amount of TAC tokens to afford you the travels to go to wherever the “bigger leagues” are waiting for you, be it nationals or the worlds.

Unlike the conventional open tournaments or the World Grand Prix in taekwondo, any willing athletes are completely free from any approval processes handled by the authorities (the federations etc.) to join and compete in the nationals or the world tournaments organized by TCs, as long as that individual is a member of any TC around the world.

Each country-level Unions of TCs are responsible for their own annual events, while the World Union, once launched, will organize and host the world’s annual tournaments that are open to any TC members from around the world.



Token awards policy by different levels of games

- By default, 2 times their participation fee of 100 TAC for both the winner and the loser in any local tournaments. (All multiples apply equally for both winner and loser; in a tournament, the winners will get more chances to earn the prize as they fight their ways up)
- 3 times their participation fee of 200 TAC in any regional tournaments.
- 4 times their participation fee of 400 TAC in any national tournament.
- 8 times their participation fee of 800 TAC in any international tournaments.
- **Any single matches outside TC-organized tournaments happening solely by two members' agreement, can follow the rules of each level of tournament by different geographic level; such fights should also take place at one of TC-member dojangs presided by TC-member referees.**

The “Fights of the Week” voting

The purpose behind the voting



TAC tokens will also be used for adding weight to votes on the “Fights of the Week”.

Not just the athletes, but all fans of taekwondo around the world can vote on the best-fought sparrings to the meaning of taekwondo as a martial art, not as some skillset to competitively earn the points to win the games, via TAC blockchain-enabled voting platform and award the chosen players for their demonstrated prowess with incentive tokens.

A widely-perceived problem in taekwondo since 2008 Beijing Olympic is what’s being called as “foot fencing”, a colloquial term to describe a style of taekwondo sparring in which the athletes each keep one leg in the air, each athlete hopping around the other on one foot, in an attempt to score a kick with the lofted leg. In other words, the athletes are “fencing” using legs instead of swords. In many sport-style tournaments, this style of sparring is technically legal, but is considered “bad form”; i.e. it’s not really taekwondo, even though it’s not breaking any rules. Some tournaments now impose rules about how long one leg may be lofted in the air at a single time, usually limiting this to 3 seconds.

An opinion on taekwondo “foot fencing”... from an online martial arts media

New Olympic Taekwondo is a disgrace

Taekwondo jumped the shark at the 2016 Olympics. New rules and technology were employed, but the tail wagged the dog – the well-intended changes led to a change of play that rendered the sport largely unwatchable.

The problem at its heart is that the athletes are not allowed to actually fight. Punches are barely recognized, and kicks below the waist are forbidden. So right there you have the equivalent of a swimming race in which you aren’t allowed to use your hands, and you can only use one leg. That would be silly.

At the 2008 Summer Games in Beijing there were judging issues, so a concerted effort was made to bring technology to officiation. “Taekwondo had a bad stigma after 2008,” says 2016 US Olympic Taekwondo team member Stephen Lambdin. “We came up for renewal in the 2020 Olympics. And basically the word on the wire was that the IOC said, ‘If you don’t do something in 2016, that’ll be your last Olympics.’”

“The IOC wants people to turn on the TV and immediately know what’s going on. ... The Average Joe is looking at it going, ‘I don’t understand, this guy was beating the crap out of the other guy.’” So Taekwondo went high tech. Chest guards and helmets feature proximity and impact sensors, with wireless transmitters. Magnet-lined footpads activate the sensors just before a kick lands, gauging the force, and awarding a point. (continued in the next page)

Thus it was that the silly rules got far, far sillier.

Now players wiggle their leg in the manner of someone trying to shake off something they stepped in. And they attempt to wipe their foot on the opponent, in the manner of no recognizable martial arts technique.

World champion Kim So-hui is resigned to the silliness, although she refuses to adopt the new “kicks.” “Unfortunately, there’s nothing I can do about it,” she said. “It’s the Taekwondo federation that decided that, not the athletes.”

The aptly acronymed WTF technical committee chairman Jung Kook-Hyun said the federation would consider possible reforms after Rio.

“Athletes are at the very heart of the World Taekwondo Federation, and so we are always ready to listen to feedback from them on how they think our sport can be improved,” he wrote. “We are committed to constantly modernizing the sport but we always want to find a balance with honoring our traditions.”

Note: The World Taekwondo Federation has dropped the “F” in 2017 to use WT as its official acronym.

(Source: mixedmartialarts.com)

Another media coverage on the same issue, from Washington Post:

New, high-tech twists on taekwondo are rapidly changing an ancient sport’s feel

There’s a technological revolution occurring in taekwondo that is changing the look of the sport and it might take time to get used to it.

Tradition is giving way to modern rules that are aimed to bring more excitement to the sport and help provide a more fair scoring system. But with each change, the sport moves further away from the ancient martial art that it is rooted in, one that emphasizes powerful kicks absent in some of the modern matches.

At the Rio Olympics this year, competitors have been wearing headgear that electronically scores kicks to the head, four years after vests with sensors were introduced at the London Olympics. That’s not the only change: Fighters now enter an octagonal mat instead of a square, and for the first time, competitors are being scored an extra point for any kick where they turn their backs as a way to encourage use of more spinning techniques.

Viewers have also noticed a dramatic difference in how fighters approach the sport. Instead of aggressive fights and flurries of kicks that were staples of taekwondo just a decade ago, taekwondo matches have become more defensive, with each person using their legs to protect the sensors that can go off with the slightest tap.

People on social media have likened this to “foot fencing.”

Taekwondo Cooperative is committed to preserving the essence of taekwondo as a modern sport born out of martial arts; not by punishing the athletes doing the so-called “foot fencing”, (there’s no way to punish them either as it’s perfectly legal under the current rule system) but by incentivizing them to fight a martial arts fight. The Fights of the Month voting leverages on this widely-held recognition of the problems and the existing pent-up demand held by taekwondo public to correct the current state of issues.

Any TAC holder, whether TC member or not, can vote by “staking” their owned TAC tokens in a holding contract, making them unusable for a period of time. At the end of the voting, TAC tokens are released from the holding contract (less a commission to TC) back to their staker.

Calculation of the votes

The power of a voter in the Fights of the Week voting will be weighed proportional to [a] the voter’s number of wins accumulated through TC-organized tournaments, and [b] “TAC IQ” which is to be earned by every 24hrs you hold each TAC without selling; in a manner similar to a principal earns interest, to keep a balance between taekwondo prowess and the time spent owning TAC as an indicator to one’s support for the crypto-economy of this token.

$$\text{Vote} = a (\text{No. of wins from TC sparrings}) \times b (\text{TAC IQ})$$

TAC IQ = The number of TAC held x the number of days held

TCs would charge a commission of 1.0% on all TAC tokens staked for voting, as a way to run the voting operation as a channel to fund the Foundation as a sustainable provider to TAC ecosystem.

We believe that our voting practice will become one of the exemplary use cases of blockchain technology to shore up the values collectively pursued by the members of a community. All efforts made so far to incentivize the athletes to stage a fight without the one-legged foot fencing seem to be proving futile, given the current state of issues. However, the athletes have their reasons too, if not an excuse; they too don’t want to fight that way but it’s their career and they have to win the games by managing scores under the current rules system.

At TCs, we aim to promote and sponsor the culture of playing an “impressive game” than a winning game. In our philosophy, every amateur sport must be about defeating oneself not one’s opponent. It must be about defeating one’s lazy self, weak self, and sometimes coward self. The ultimate purpose about training hard in amateur sports should be about such triumph for every man and woman. In that process, we believe that it would be synergistic if we can provide some incentive to those hard-working people, be it a winner and a loser by a scoring system. Our founding vision resembles that of NCAA in a way. In NCAA, schools can pay stipends to their student athletes but that’s not the whole purpose. It’s about amateurism and fair play. And this value holds the same to taekwondo as well; for TC, instead of any school budget or corporate sponsorship to pay stipends to our athletes, we have our blockchain platform. Taking out any speculative expectation that TAC token price will rise exponentially over time, no members of our co-op should solely depend upon TAC-earning sparring activities as their full-time job. But in our blockchain-enabled ecosystem, athletes can now get some financial helps and incentives, earned by competing in TC tournaments, to travel their countries and even the world to participate in long-range fights organized by TCs, beyond just their neighborhoods.

What it means to dojangs

Becoming a member of TC will bring a set of add-on business opportunities to dojangs (taekwondo schools) and their owners (taekwondo masters).

First, all TC tournaments need venues to hold the events, and dojangs have their spaces available which would go idle on weekends. TC tournaments would usually take place over the weekends so dojang owners can lend their spaces out to TC events and, in return, would receive rental fees. It simply brings an 'asset leverage effect' to dojang owners by engaging in this natural, add-on business.

Second, every taekwondo sparring in TC takes 1 to 3 referees to preside the game depending on the scale of the game. Many qualified taekwondo masters (4th degree black belt and above) usually have their referee licenses which they rarely get to use. By joining TC networks, these masters will find themselves busy being called into tournament games every week (most likely on Saturday), presiding 20+ games per day. Per game, each referee would receive 100 TAC tokens.

Third, TCs will run "Promoters Program", a marketing program designed to incentivize dojang owners/masters to recommend their members to join TC and compete regularly in TC tournaments. Masters who recommend their members to TC will receive one tenth of the incentive tokens earned by the new co-op members (e.g. 20 TAC per any local game) who competed in the games, for the first 12 months, not to be chipped away from the athlete's earned tokens but to be awarded separately and officially by the Foundation.



태권도
跆拳道

TC membership = Add-on business for Taekwondo Schools

(Images are from actual TAC network)

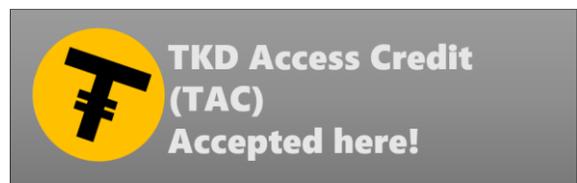
TAC dojang network

“We accept TAC”

The use case of TAC is epitomized by **the TAC dojang network** which already had its launching in Korea by initial participations from 7 different taekwondo schools across the country. TAC dojang network is composed of taekwondo schools which accept TAC as means of fee payments from their students. Other than regular members/students, those who travel to different cities or regions are also welcome to visit local dojangs to utilize their TAC holdings to join training sessions held at those dojangs on as-needed basis.

In 2019, the world has seen major developments for blockchain industry by a series of announcements from major retailers such as Barnes & Noble, Baskin Robbins, Bed Bath & Beyond, Crate & Barrel, Express, Jamba Juice, Lowe’s, Nordstrom, Office Depot, Petco, Regal Cinema, Ulta Beauty, and Amazon-owned Whole Foods Market that these chains now accept Bitcoin (source: Forbes.com). In our view, our timing couldn’t be better as we are in a position to convince Taekwondo school-owners on the long-term sustainability of crypto-ecosystem and their acceptance of TAC as a means of payment. As the saying goes seeing is believing, we are observing an increasing trend of Taekwondo school-owners returning with positive feedbacks to our inquiries and actually signing up to be members of TAC dojang network. Although this is happening only within Korea for now, we will strive to expand our network beyond just Korea to the U.S., and to more countries in future, so that this becomes an international network of amateur sport of taekwondo being practiced and enjoyed by some 80 million population in 208 countries (according to data from the World Taekwondo)

2019: A positive influence from the Bitcoin camp...



Patronage dividends of cooperatives

“The more you fight, the more you receive”

While details differ by each country, there is a common concept of **Patronage Dividends** as a type of distributions that a cooperative pays to its members.

Patronage dividends are given based on a proportion of profit made by the business. For example, a TC in New York may decide after any given fiscal year that it would allocate 60% of its distributable income to patronage dividends. Once this amount is figured, the dividend is calculated according to how much each member has used the co-op’s services; in TC’s case, how many fights a member has fought through TC-arranged tournaments throughout the past year. (Our basic assumption is that there are these local tournaments every week) Tax rules view these profits essentially as an overcharge, which can be returned to patrons and deducted from the co-op’s taxable income.

This feature of financial governance by cooperative provides another incentive to TC members to “not miss the fight this week”. If you won, that’s terrific, but even if you lost, you either win or lose in a sports game anyway and every hard-fought fight counts towards your yearend patronage dividends, so that’s another reason to come out and have kyorugi through TC.

This feature of patronage dividend is especially the reason why we believe that the cooperative scheme goes well for the spirit of TC as a sports club. Although we have to operate with fee revenues and token incentives, ultimately, the governance policy of cooperative allows to pay the loyal members (or loyal ‘customers’ as every member of cooperative is a customer as well) their share of dividends in a manner that’s proportionate to their contributions as a user/consumer; the more you used the services of cooperative, the more you receive. That’s the universal policy shared by cooperatives around the world.

The rest of the distributable income of a cooperative can be retained inside the entity or can be paid out to its members in proportion to their percentage holding in the cooperative’s capital account, in the same manner as corporate entities would pay dividends to its shareholders by their shareholding ratio.

Token offerings details

To obtain the resources required to make TAC a reality, TC aims to conduct token offerings in collaboration with a major cryptocurrency exchange (“Initial Exchange Offerings” or IEO) in 2H of 2019. The scheduled offerings of TAC and the corresponding token creation process will be conducted by Taekwondo Cooperative Foundation GmbH. (“TCF”), a limited company to be set up in Switzerland, and will be organized around smart contracts running on Dragonchain platform. (www.dragonchain.com)

Initial Exchange Offerings

The token offerings of TAC through our partner exchange is scheduled to happen on [Month] [Day], [Time] (Time Zone) and lasts for 3 days.

In this IEO, the Taekwondo Cooperative Foundation will offer a total of 150,000,000 TAC or 15% of the *Maximum Supply to the private and public contributors who would participate in the IEO.

(*The Maximum Supply is 1 Billion TAC)

Purchases can be made in either fiat (USD) or cryptocurrencies (ETH) at following rates:

- **0.10 USD** per TAC with a minimum purchase of xx,xxx TAC
- **ETH price is pegged at 300 USD until the First Date; at 290 USD from the Second Date; and at 280 USD from the Third Date.**

Offering details are to be confirmed upon our engagement with an IEO exchange.

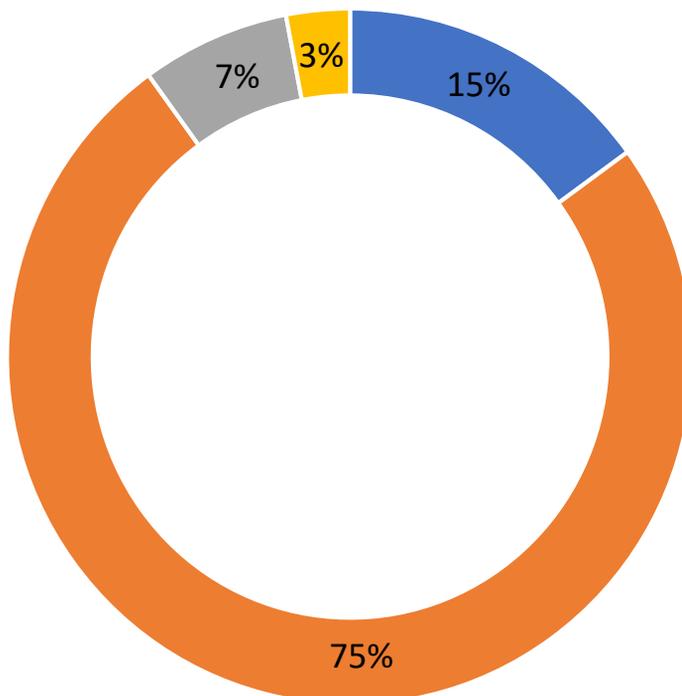
Aside from the offerings, a total of 10% of the tokens (max. 100,000,000 tokens) will be dedicated to different groups of :

- 7% for TC team;
- 3% for airdrops and advisors

Lastly, any tokens remaining unsold from the offerings will be donated to and held by the Taekwondo Cooperative Foundation, a not-for-profit organization, to be used on an ongoing basis for granting incentive tokens to TC members around the world who participate in taekwondo matches organized by the cooperatives.

Wee don't need to have any Soft Cap in place while our Hard Cap is USD 15 Million.

TAC token distribution

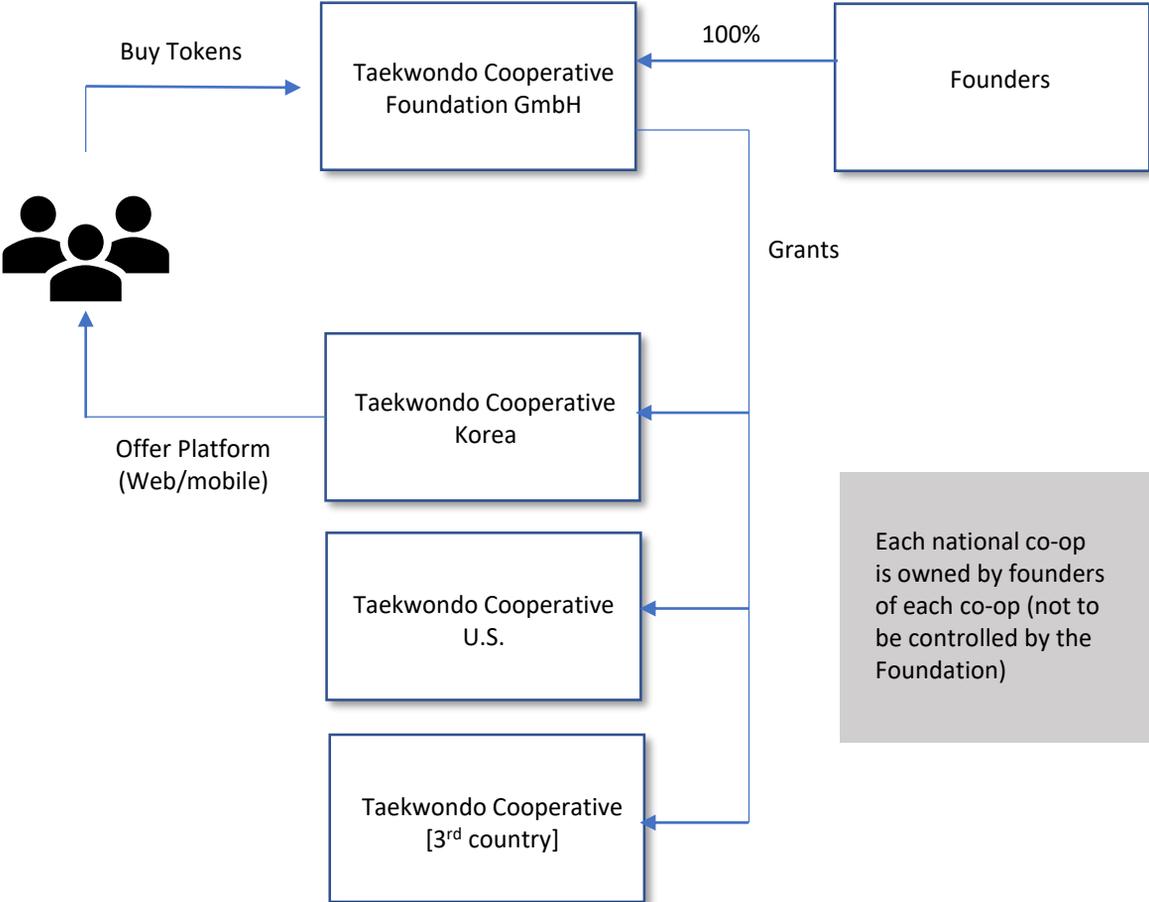


- Potentially sold to contributors ■ Retained by the *TAC reserve
- 5-year vesting by management ■ Airdrops and advisors

*To be held at the Taekwondo Cooperative Foundation, including both issued and unissued tokens

Legal entities

The offerings of TAC will be conducted by Taekwondo Cooperative Foundation GmbH, a Swiss private limited company, which will use the proceeds from the token offerings to make grants to each national level TCs for its public and altruistic purpose of sponsoring the global platform of TCs and promoting further and wider usage of TAC on such platform.



Financial projection

Funds raised through TAC IEO will be used for developments of TC organization and TAC blockchain/token and the ongoing expenses required to support the growth of the ecosystem.

Every new cooperative branch launched at a local level would be capitalized in an amount of c.a. USD 500,000 to invest in facilities & equipments, organizational development, training & education, marketing etc.

Operating expenses estimation of a typical local TC branch

Category	Annual budget (in USD)
Lease payments	48,000
Facilities and equipments*	6,000
Wages (for 5 employees)**	10,000
Training & education	30,000
Marketing	30,000
Other general expenses	40,000
Total	254,000

(*annual depreciation for 5 years / **employees on part-time basis)

In the meantime, we expect that our new TC branches on average, depending on varying environments by country and city, would be able to reach its break-even point in 3-4 years since launching on our conservative operational assumptions. (see next page)

Revenue projection of a local TC (example)

	Year 1	Year 2	Year 3	Year 4	Year 5
No. of members	50	100	150	200	250
No. of games	2,500	5,000	75,000	10,000	12,500
Fee revenues (in TAC)	500,000	1,000,000	1,500,000	2,000,000	2,500,000
Fee revenues (in USD)	50,000	120,000	216,000	345,600	518,400
USD/TAC assumption	0.10	0.12	0.14	0.17	0.21

	2023	2024	2025	2026	2027
No. of members	300	350	400	450	500
No. of games	15,000	17,500	20,000	22,500	25,000
Fee revenues (in TAC)	3,000,000	3,500,000	4,000,000	4,500,000	5,000,000
Fee revenues (in USD)	678,633	870,912	1,102,517	1,382,084	1,719,927
USD/TAC assumption	0.23	0.25	0.28	0.31	0.34

Assumptions:

- Excluded any single matches outside tournaments organized by TC; those players who lost in the early rounds in tournaments would most likely challenge other players to single matches to earn more chances to compete and earn the incentives.
- Excluded all other revenues from planned business activities such as facilities and equipment rentals (being lent out to tournaments and other matches), sales revenues from Market Place business where co-op's members would purchase sports goods (e.g. uniforms, protective gears etc.) in bulk through co-ops.
- Excluded membership fee revenues which co-ops collect as a commission per each TAC awards (10%) as this portion of the revenues is to be set aside in a separate account and to be ultimately donated to the Taekwondo Cooperatives Foundation via national Unions of Cooperatives.
- Inflows of new members would most likely happen in the manner of 'acquisition' instead of daily/weekly walk-in's of individuals; TC managements are connected with taekwondo dojangs and their masters/instructors through industry/college networks. The "Promoters Program" run by TC (see page ##) would incentivize the masters/owners of dojangs to recommend their members to join TCs and compete regularly in the tournaments. However, our assumption about new member inflows here does not reflect this type of bulk acquisition to generate conservative projection.
- The majority of TCs' employees is expected to be on part-time basis, at least in the early years. Therefore we don't expect to pay full-time salaries to them. However, this may change further down the roadmap with TC's organizational / business expansions.
- Our assumption for the price appreciation of TAC on its market is 20% per annum which has been applied to the projection of USD/TAC exchange ratio. However, no contributors for TAC should take this as an investment advice as this is our internal assumption necessary to produce this projection.

The demand projection on TAC

At full steam of the organizational developments, the total number of TC members globally is estimated to reach near 9,000 by the end of 2023. Assuming one game per week per member (although any active taekwondo practitioner would have a sparring more than just once a week), this would translate into some 450,000 game counts p.a. for the three countries of South Korea, the U.S. and Switzerland if we assume Switzerland per our “third country” (so we establish our foothold in Europe as well).

At this pace, an estimated annual demand for TAC tokens would rise to about 400 Million by the end of 2023. Obviously, the initial token reserve held by the Foundation is on a trajectory of drying up someday of which the curve can be managed by different measures such as annual contributions (i.e. donations) by the Unions, charging fees on various transactions in TAC market. But ultimately, it’s inevitable for the reserve to be spent up someday. However, the original idea wasn’t about mimicking the fiat currencies as in the central banks printing money out of thin air. The economic community based on amateur sportsmanship would be put on a test as to its own life, whether it would cease being in existence or choose to continue its life by everybody chipping in on a sustainable basis to keep paying the “stipends” to its growing number of young athletes.

Global

No. of co-op members					
	Year 1	Year 2	Year 3	Year 4	Year 5
Korea	200	750	1,700	3,200	5,400
U.S.	100	370	940	1,860	3,180
Switzerland			40	160	400
Total	300	1,120	2,680	5,220	8,980
No. of games per year					
Korea	10,000	37,500	85,000	160,000	270,000
U.S.	5,000	18,500	47,000	93,000	159,000
Switzerland			2,080	8,320	20,800
Total (a)	15,000	56,000	134,080	261,320	449,800
TAC awards					
Winner	300				
Loser	300				
Referee x 3	300				
Per game (b)	900				
Demands (axb)	13,500,000	50,400,000	120,672,000	235,188,000	404,820,000

South Korea

	Year 1	Year 2	Year 3	Year 4	Year 5
New co-op branches (by city)	Seoul	Busan	Goyang	Jeju	Suncheon
	Guri	Incheon	Yongin	Seogwipo	Bucheon
	Hanam	Daegu	Wonju	Yeosu	Kangneung
	Sungnam	Gwangju	Cheongju	Chuncheon	Jecheon
		Daejeon	Cheonan	Chungju	Seosan
		Ulsan	Pohang	Asan	Gyeongju
		Suwon	Jeonju	Gumi	Gunsan
			Changwon	Iksan	Jinju
				Kimhae	Mokpo
					Geoje
Annual count (a)	4	7	8	9	10
Running total	4	11	19	28	38
No. of members per branch (b)	50	100	150	200	250
2020 vintage(axb)	200	400	600	800	1,000
2021 vintage(axb)		350	700	1,050	1,400
2022 vintage(axb)			400	900	1,500
2023 vintage(axb)				450	1,000
2024 vintage(axb)					500
Running total	200	750	1,700	3,200	5,400
No. of games per annum	10,000	37,500	85,000	160,000	270,000
Monthly avg.	833	3,125	7,083	13,333	22,500
Weekly avg.	192	721	1,635	3,077	5,192

U.S.A



	Year 1	Year 2	Year 3	Year 4	Year 5
New co-op branches (by state)	CO	NJ	MI	IN	WI
	NY	CT	OH	MN	AK
	WA	IL	NC	ID	MO
	CA	TX	PA	UT	AZ
	MA	FL	VA	MD	LA
		OR	TN	GA	MS
			OK	SC	OK
				NV	ME
					NM
Annual count (a)	5	6	7	8	9
Running total	5	11	18	26	35
No. of members per branch (b)	20	50	100	150	200
2020 vintage(axb)	100	250	500	750	1,000
2021 vintage(axb)		120	300	600	900
2022 vintage(axb)			140	350	700
2023 vintage(axb)				160	400
2024 vintage(axb)					180
Running total	100	370	940	1,860	3,180
No. of games per annum	5,000	18,500	47,000	93,000	159,000
Monthly avg.	417	1,542	3,917	7,750	13,250
Weekly avg.	96	356	904	1,788	3,058

Governance

Token offerings of TAC will be conducted by the Taekwondo Cooperative Foundation GmbH (the “Foundation”), a Swiss limited liability company, which will keep any unsold yet generated amount of TAC as its internal reserve. From then on, the Foundation will use the reserve in paying out to TC athletes as incentive tokens.

The Foundation will be also responsible for the equitable and efficient use of proceeds resulting from TAC token offerings, under its public and altruistic mandate of supporting the growth of global network of TC organization.

The World Union of Taekwondo Cooperatives may advise to the Board of Foundation (the “Board”) as to the latter’s management decision, but not to have any ultimate control over the Board. The Board has its own independent right to make unbiased and uninfluenced decisions on TAC circulation while subjecting itself only to its foundational mission of defending orderly and sustainable token supply to the global TC community.

Our governing principle is that the Board is to be composed of 5 members representing five continents of the world where taekwondo is being practiced; that is Africa, Asia, Europe & Middle East, Americas and Oceania. However, this may take some time as we are in the process of building out the global network of TCs in all five continents. In a near term, the Board will be initially composed of representatives from Korea and the U.S. and shall overtime fill in the open positions to consummate the representations of the five continents.

Team

Taekwondo Cooperative is led by an international team of taekwondo masters, athletes and former athletes who are also professionals in different industries, as well as senior advisors in technologies.



Jun Chul Whang (55), 6th Dan blackbelt

Jun is Taekwondo Cooperative's managing director and a founder.

- Litigation attorney in Product Liability / Scientific Medical issues
- Korean American Community Foundation (Director/Founding Member, 2002-2013)
- Georgetown University, LLM, International & Comparative Law
- Cornell University, J.D. and Dartmouth College, B.A.



Peter K. Hwang (44), 3rd Dan blackbelt

Peter is Taekwondo Cooperative's managing director and a founder who believes that taekwondo deserves to have the kind of economic effects that other modern sports are enjoying today. He is 3rd-degree black belt and served as chief controller of Korea University Taekwondo Club.

- Korea Representative, Bellevue Asset Management AG
- VP Asian Equities, Kim Eng Securities New York
- Strategic Planning, International Business Development, Shinhan Investment Corp.
- B.A. in Sociology, Korea University (Vice Captain of Korea University Taekwondo Club)



Sungmok Ryu (50), 3rd Dan blackbelt

Sungmok is Taekwondo Cooperative's internal auditor and a founder. He is 3rd-degree black belt, won medals in junior divisions of numerous domestic championships while attending middle school.

- President/CEO of Hwasung E&C, Co. Ltd., a 1st tier contractor to Samsung Electronics
- Head of Alternative Investments, Standard Chartered Bank (Korea)
- Principal Transactions Group, Lehman Brothers (Asia)
- Master of Professional Studies in Real Estate, Cornell University
- B.A. in Business Administration, Korea University



Chankyoo Park (44), 4th Dan blackbelt

Chankyoo is Taekwondo Cooperative's managing director and a founder. He is 4th degree black belt and an experienced medical device representative in Korea for a growing list of global healthcare companies.

- President/CEO of RMC, Co.Ltd., a medical device distributor
- Founder/SVP of Hutem, Co.Ltd., acquired by Hugel, a publicly-listed healthcare company in Korea
- Boston Scientific (Korea), Janssen (Korea), a J&J company
- B.A. in Economics, Kyung Hee University



Jung-II Ahn (42), 7th Dan blackbelt

Jung-II is Taekwondo Cooperative's managing director and the Chair of Technical Committee. He is 7th degree black belt, a former professional athlete in taekwondo himself and currently running a taekwondo school in Korea.

- Owner/master, the KU Young Tiger Taekwondo School
- Awards received from numerous national championships as a professional athlete
- B.A. in Physical Education, Korea University



Bill Pottle, 7th Dan blackbelt

Bill is a co-founder of U.S. Taekwondo Cooperative.

- Owner/master, Korean Academy of Taekwondo School, Aurora CO
- Taekwondo Faculty Member, Metro State University of Denver
- Founder of blockchain gaming company
- M.Eng in Biological Engineering, Cornell University



Dan Webb

Dan is Taekwondo Cooperative's Senior Technology Advisor.

- A software pioneer, co-founder & chairman of Open Systems Inc. (1975)
- Post acquisition of Open System in 1983, a founder of Open System Apps LLC
- Consultant to Microsoft, Boeing, Chase Bank, 3M etc.



Tom Shin

Dan is Taekwondo Cooperative's Crypto-economy Advisor.

- Vice president, Meritz Asset Management (Seoul)
- Vice president, Maybank Kim Eng (New York)
- B.A. Johns Hopkins University