

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).....

Founders’ idea.....	10
How it works.....	10

Operating model of TAC platform.....

Tournaments.....	12
An example of smartphone app-based tournament operations.....	13
National & the World tournaments.....	15

The Matches of the Week voting.....

The purpose behind the voting.....	16
Calculation of the votes.....	18

Introducing Fantasy Taekwondo.....

What is fantasy taekwondo?.....	20
How does fantasy taekwondo work?.....	22
Why would anybody want to do all this?.....	25
Isn’t this basically gambling.....	26

What it means to dojangs (taekwondo schools)

TAC dojang network.....

Token offering details.....

Initial Exchange Offerings.....	29
TAC token distribution.....	30

Legal entities.....

Financial projection.....

The demand projection on TAC.....

Global.....	34
South Korea.....	35
U.S.A.....	36

Governance.....

Team.....

Introduction

Executive summary

Taekwondo Cooperative (“TKD Co-op”) 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 TKD Co-op 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 taekwondo sparring matches (‘겨루기 [*kyorugi*]’) beyond their own 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 Co-ops or the national / world union of Co-ops.

In 2019 as the official Year 1, the Korea TKD Co-op has accepted a running total of 7 taekwondo academies with some 700 to 800 students (junior cadets to adults all inclusive) as its Member Dojangs while TKD Co-op was only a pilot project in the Year 1 with no utility token issued for use yet. **By the end of 2020, the Korea Co-op aims to add at least 20 more academies which will add about 2,000 new members to its network platform.**

Acting as a promoter/sponsor, the Korea TKD Co-op would execute on its business plan of launching at least two more national Co-ops in countries other than South Korea, ultimately **to organize and launch the world’s union of Co-ops (“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.

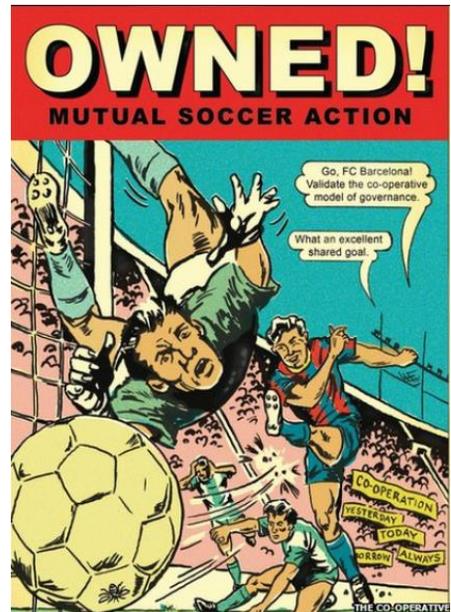
Therefore, it would be just another open tournament, no matter how right our motive is, unless we design and structure this new initiative in a way that any Co-op members can easily access our tournaments and demonstrate their prowess for which they trained so hard. Through this initiative, we introduce 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 Co-op members** as a legitimate means to pay for services and products to be provided by the Co-op and its member dojangs around the globe.

TAC has been intended and designed to be earned by any Co-op members who participate in and complete their sparring matches in any local tournaments organized by Co-ops. They will form the integral part of the constant and structural demand for TAC as real users who would regularly participate in tournaments and/or single matches to be arranged by Co-op on its online platform. Also, whether it’s a Co-op member or not, whoever holds our TAC token can vote in the “Matches of the Week” where the token holders have to “stake” their tokens to exercise their voting rights. The Matches of the Week voting by the global Co-op members and non-member fans for taekwondo is expected to incentivize 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 will 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

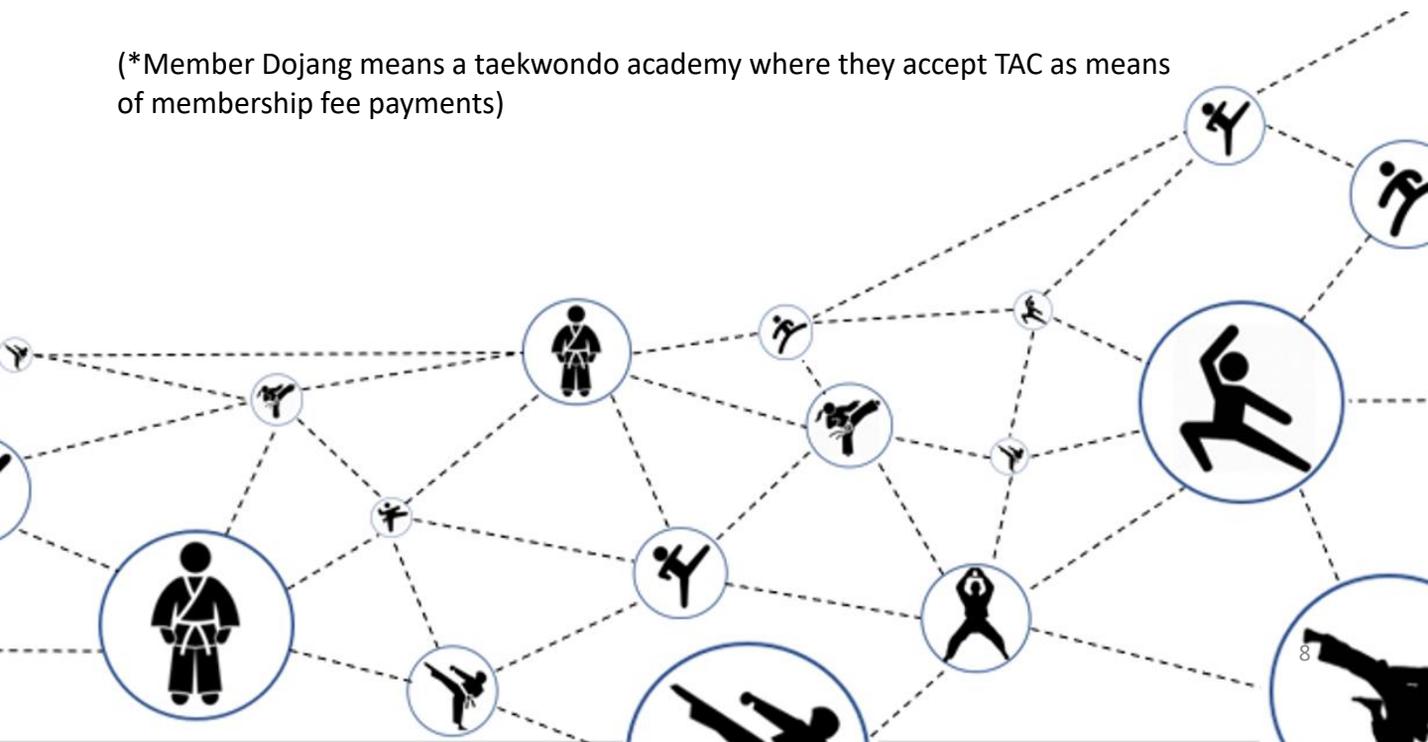
Vision 2023



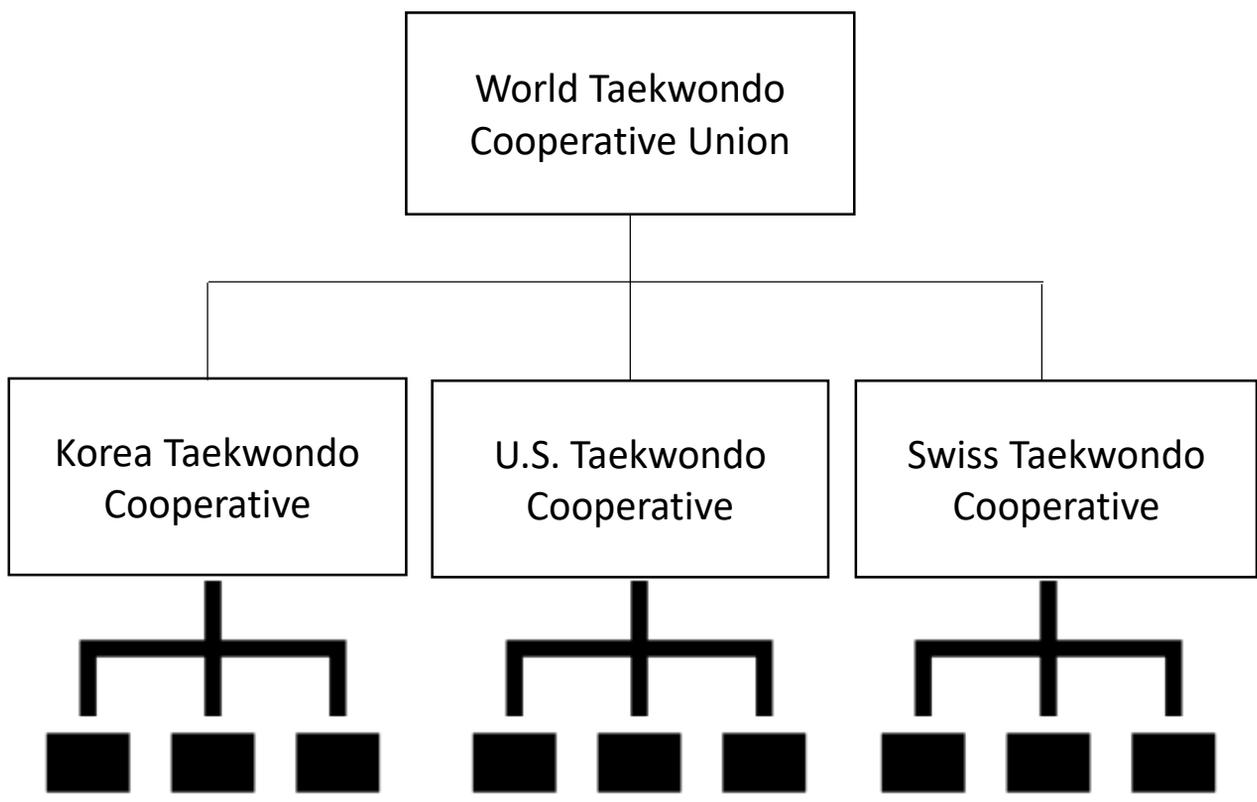
태권도 협동조합
TAEKWONDO COOPERATIVE

1. Add **20 more *Member Dojangs (taekwondo academies) with 2,000+ junior and adult students** of Taekwondo Cooperative nationwide in South Korea alone **by the end of 2020.**
2. Launch the **U.S. Taekwondo Cooperative in the State of New York by the end of 1Q 2020** and gather **40 new Member Dojangs with 4,000 students by the end of 2021.**
3. Launch a **Taekwondo Cooperative in Switzerland** and gather **20 new Member Dojangs with 1,000 students by the end of 2022.**
4. Organize and launch the **“World Taekwondo Cooperatives Union”** consisting of national Co-ops of at least 3 countries as its members **by the end of 2023.**

(*Member Dojang means a taekwondo academy where they accept TAC as means of membership fee payments)



Vision 2023



Taekwondo Access Credit (TAC)

Founders' Idea:

TKD Co-op is a cooperative which runs on sports business.

In our sports business, TKD Co-op would constantly organize tournament games by cooperating with local dojangs for logistics arrangements necessary to hold such events, and the Co-op members would pay for such services with TAC, our own utility token. The fees are to vary by each country (by the national union's policy) but at our public offering price of 0.10 USD, we would advise all Co-ops 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 match 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 TKD Co-op 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 TKD Co-op's global network, to be enabled and realized by our blockchain platform.

In order to execute on this vision, our founders have been funding the operations of TKD Co-op since the establishment in 2018, and with greater needs of financial commitments as the project progresses, the founders decided to have one of their affiliated companies commit the necessary capital and incorporate a legal entity in Switzerland ("BCM Europe AG") to conduct a series of private and public token offerings scheduled for 4Q of 2020. We would hold the reserve of the generated yet unsold amount of TAC with BCM Europe and have the entity perform the roles of 'foundations' which can be seen in the cases of many crypto projects.

Now, let's assume that there was a Co-op organized local tournament which took place in a Co-op 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 BCM Europe, while Bob as the winner would be able to compete in the next fight in the tournament, getting another chance to earn more TAC.

The sparring match between Joe and Bob, from blockchain's standpoint, is a transaction recorded on the distributed ledger held by all Co-op members around the world. Joe, Bob and the referees of the game would altogether report the result of that specific match to the 'chain' over their mobile dApp (or in PC setup), and upon this collective report, BCM Europe would send the incentive 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 Co-op members globally would buy the token from the market in order to use it in accessing the Co-op's platform and services such as participating in tournaments, taking votes, paying membership dues for their dojangs (taekwondo schools) etc. Since the total maximum supply has been set (at 1 billion TAC), at one point in future, the token reserve would dry up and BCM Europe would no longer be able to send incentive tokens to the participants of the Co-op matches, which is bad news for sustainable operations of the cooperatives, although, with 1 billion total maximum supply, it must be an event that could happen in a distant future.

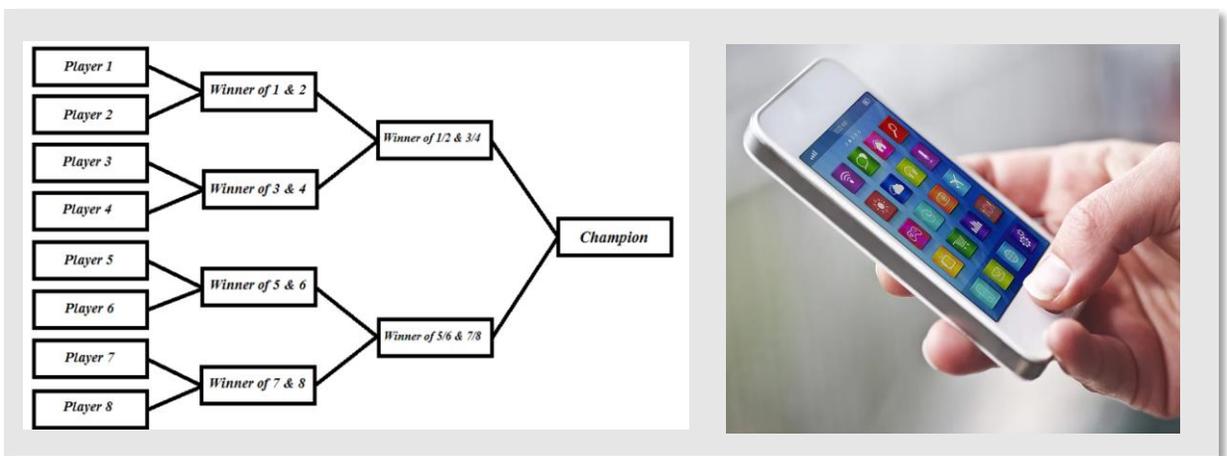
In order to avoid that, TKD Co-op would charge commissions on transactions that happen on our blockchain as a means to generate revenues in TAC. Also, each national Co-op would make annual contributions of TAC to BCM Europe in a 'consensus amount' of donation to be decided periodically by the World Union conference.

This circulation cycle of TAC (from BCM Europe to each member, then to national Co-ops and back to BCM Europe) was designed to ensure a sustainable, autonomous, and democratic operations of the TKD Co-op network over the world as an economic community with shared objective, as TAC is the critical means to keep the operations of Co-op networks running actively in such voluntary and orderly manner.

Operating Model of TAC Platform

Tournaments

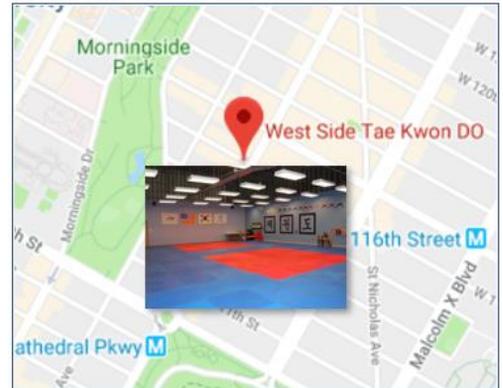
TKD Co-op members receive and track their places on a smartphone app-based tournaments where the actual matches would take place at a local Co-op member dojang (taekwondo school) in a group of manageable size.



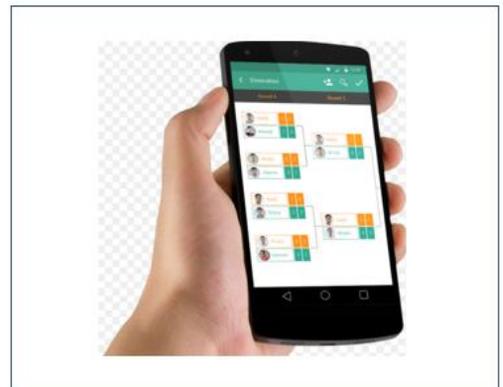
- ▶ Each athlete (i.e. Co-op member) downloads “TKD Co-op App” on his/her smartphone; the application is to be developed and distributed by Co-op.
- ▶ On this app, each player can verify his/her position in the tournament and can also see profiles of their opponents.
- ▶ Co-op would designate a time and date for each match, 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 dojang with the Co-op members from different neighborhoods and backgrounds visiting the site and mingling together.

An example of smartphone app-based tournament operations

① Co-op receives multiple applications from member dojangs and select one to host a “tournament day” for the week



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



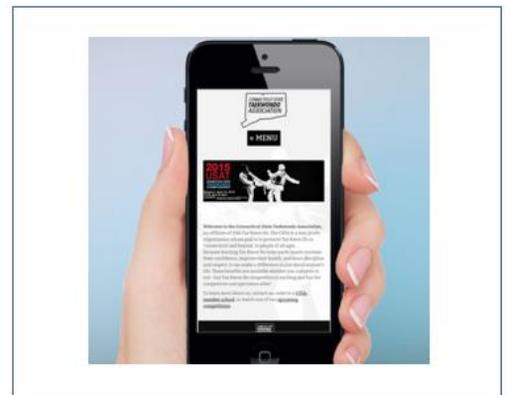
③ Members gather on the event day, meet each other and weigh in.



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



⑤ Upload your sparring videos on TKD Co-op
App which is connected with Youtube



⑥ Co-op members and non-members around
the world can watch your uploaded videos
and can vote for the “Matches of the Week”

105,272 views

16,072 448

Co-op 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 TKD Co-ops

If you participated steadily enough in local Co-op tournaments, you will have earned enough amount of TAC to afford you the travels to go 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 Co-ops, as long as that individual is a member of any Co-op around the world.

Each national TKD Co-ops 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 Co-op members from around the world.



The “Matches of the Week” voting

The purpose behind the voting

TAC 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 Matches of the Week 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 Co-op member or not, can vote by “staking” the TAC they own in a holding contract, making them unusable for a period of time. At the end of the voting, the tokens are released from the holding contract (less a commission to Co-op) back to their staker.

Calculation of the votes



The power of a voter in the Matches of the Week voting will be weighed proportional to [a] the voter’s number of wins accumulated through Co-op 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 earning 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.

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

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

TKD Co-ops would charge a commission of 1.0% on all TAC tokens staked for voting, in order to run the voting operation as a channel to fund BCM Europe 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 TKD Co-ops, we aim to promote and sponsor the culture of playing a more dynamic and impressive game than a passive, boring but 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 incentives to those hard-working people, be it a winner or a loser by the scoring system. Our founding vision resembles that of NCAA in a way. In NCAA, colleges 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 TKD Co-op, 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 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, earned through competing in Co-op tournaments, to travel their countries and even the world to participate in long-range tournaments organized by Co-ops, beyond just their neighborhoods.



Introducing *Fantasy Taekwondo*



Some nice fellas conducting a fantasy draft (Nuccio DiNuzzo/Chicago Tribune/MCT via Getty Images)

The long-overdue arrival of “Fantasy Taekwondo”

Finally here, for all you taekwondo aficionados

1) What is fantasy taekwondo?

If you’re from the U.S., you know what fantasy football is. Not much explanation is needed from here. If you’re not from the U.S., you still have many reasons to hail the arrival of this game which you can play either as a member or as a non-member of TKD Co-op.

When you play fantasy, you make a virtual roster of real taekwondo athletes, then compete against other people’s rosters, based on the stats of all the players in real matches. The key difference from fantasy football as a widely known comparable, is that, in football, there are a few key numbers for individual players that get closely monitored and followed by media such as touchdowns, yards and catches. In taekwondo, the “stats” of individual athlete is not getting counted and followed yet (such as high kicks or turning kicks etc.) Instead, the World Taekwondo (worldtaekwondo.org) manages and releases the rankings of registered athletes by different criteria such as weight divisions, junior and senior, Olympic and non-Olympic etc. For instance, Maksim Khramtsov from Russia is currently the #1 player in the category of the Olympic Kyorugi (sparring) Ranking for the Senior Division / Male -80kg and he also ranks as #1 for the World Kyorugi Ranking for the Senior Division / Male – 80kg. But in his case, he also holds a ranking for the -74kg division as the #15 in the World category.

Below is what you can find on the WT website. Maksim Khramtsov is a rising young athlete coming out of Russia who already has a celeb status in taekwondo world.

Maksim KHRAMTCOV
WT License #: RUS-3445

Tournaments

Olympic Kyorugi Ranking (Senior Division / M-80 kg)	World Kyorugi Ranking (Senior Division / M-74 kg)	World Kyorugi Ranking (Senior Division / M-80 kg)
1	15	1

January 2020

Olympic Kyorugi Ranking Senior Division M-80 kg Total Points:556.45

And some of his competition stats followed and announced by the WT.

Search:

Event	↕↕ G-Rank ↕↕	Event Date	↕↕ Location	↕↕ Place ↕↕	Ranking Points ↕↕
Moscow 2019 World Taekwondo Grand-Prix Final	G-8	6-7 December 2019	Moscow, Russia	1	80.00
7th CISM World Military Games	G-2	23-26 October 2019	Wuhan, China	1	20.00
Chiba 2019 World Taekwondo Grand-Prix	G-4	13-15 September 2019	Chiba, Japan	2	24.00
7th Australian Open	G-2	28-29 June 2019	Gold Coast, Australia	1	20.00
WT President's Cup - Oceania Region	G-2	27-27 June 2019	Gold Coast, Australia	1	0.00
Roma 2019 World Taekwondo Grand-Prix	G-4	7-9 June 2019	Rome, Italy	1	40.00
Manchester 2019 World Taekwondo Championships	G-12	15-19 May 2019	Manchester, UK	17	12.70
German Open 2019	G-1	30-31 March 2019	Hamburg, Germany	1	0.00
4th WT President's Cup - European Region	G-2	7-12 February 2019	Antalya, Turkey	1	20.00
Fujairah 2018 World Taekwondo Grand-Prix Final	G-8	22-23 November 2018	Fujairah, UAE	2	36.00

Showing 1 to 10 of 36 entries

[Previous](#)
[1](#)
[2](#)
[3](#)
[4](#)
[Next](#)

To create a fantasy game, this is really enough for us as we can easily follow these ranking stats released by the WT to reflect them on our fantasy league table. In the example above, each tournament event releases the place# of this particular athlete and the ranking points he earned from a particular event. He can land the first place in two different events, but the ranking points he earned can be different as each event has a different “G-Rank”, or Grade of Events, as a weight factor defined and managed by the WT. There are more than a few criteria being used in grading the events, but just to name a few:

- Number of participants and countries, participating number of top-ranked athletes outside the host country
- Organizing committee’s abidance by the WT Competition Rules
- Number of spectators, etc.

So any athlete’s ranking points earned from a specific event is an outcome of the following formula:

A: Points received according to the rank at the WT-promoted or sanctioned championships

B: Grade of pertinent championships

A x B = Final Ranking Points

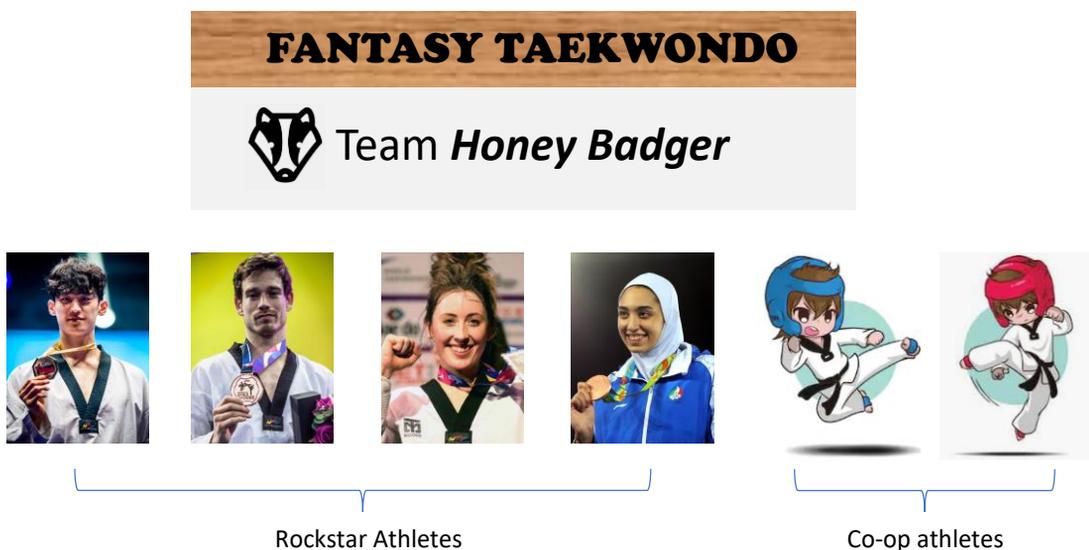
There are fantasy leagues for pretty much every sport, but fantasy football is so far the most popular in the U.S. – an estimated 30 million people playing it every year. In taekwondo, we have the quantities too (80 million population from 200+ countries) to many people’s surprise. So why not.

In fantasy football, although the actual game is usually free to play, most leagues involve some money that is wagered at the start of the season and paid out to the champion in the end. The same applies to fantasy taekwondo by letting our users make their bets in TAC inside their own league, which is to be enabled on our blockchain in a totally autonomous and decentralized manner.

2) How does fantasy taekwondo work?

To play in a league, you simply register on our app or website, either with people you know or strangers. You give your team a name and congratulations – you are now a team “owner”.

You and the other owners (usually 4 or 5 in a league) hold a draft in which each of you picks the real taekwondo athletes whose matches are followed by the WT and also the real TKD Co-op athletes who post fight videos on Youtube, thus get some recognition and popularity from the Co-op community. So it’s a team made of Cristiano Ronaldo, Lionel Messi, Son Heung-min, and a couple of your backstreet soccer boys, to put that into a ‘soccer perspective’, all playing together as the same teammates. A dreams come true for taekwondo aficionados and, in our view, this is the key difference which sets us apart from any other fantasy sports; it’s not just the celebrity players but YOU or your friends are also part of the game, actively engaged and influencing the results of each league or season.



For the world-star athletes, we'll put together a pool and announce it before the start of a season (a quarter) by issuing their "cards" through auctions. The auctions are conducted within a 48-hour time window but the cards for those popular players as Aaron Cook, Lee Dae-hoon, Maxim Khramtsov are likely to be sold out quickly. All auctions are to be conducted in TAC and starting prices shall vary season by season.

For our 'neighborhood athletes', or the Co-op members, we don't do it from the Co-op but it's rather themselves who would create and put their cards up on the auction from their mobile app and take the sales proceeds just to themselves. But who will buy their cards? And at what price? It's all functions of how actively they've been involved in the Co-op activities in the past seasons, sparring every week and posting their sparring videos on Youtube, thus creating their own 'fan base' as an amateur athlete.

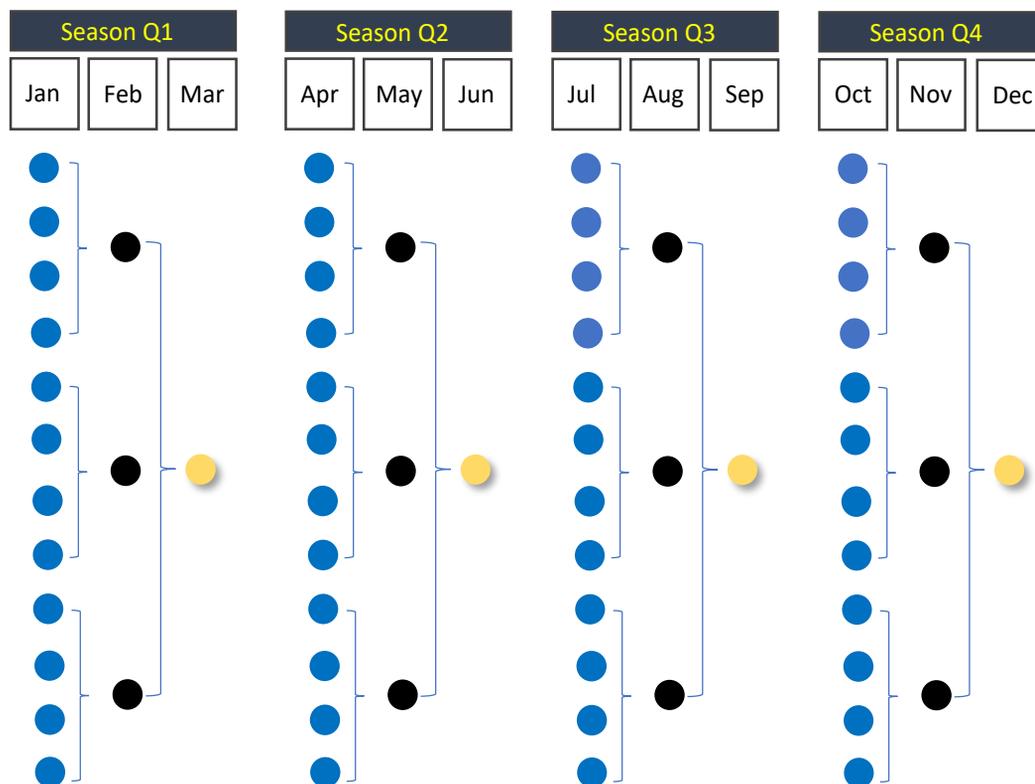
Now, before the start of a world championship, you and other team owners in the same league hold a draft, in which each of you picks the WT players you want on your team. Each player can only be on one team in the same league. After the draft, and throughout the season, you can tinker with your roster by picking up players who didn't get drafted, dropping players you no longer want and trading with other owners.

Unlike football or basketball, taekwondo world championships don't run by season. Instead, before the start of each year, the WT publishes an Event Calendar where you can find the information on different world championships scheduled throughout the year taking places around the world. For instance, in 2020 alone, there is a total of 68 world championships of which each event typically lasts for 2 days if shorter, and 4-5 days if longer. (That 68 is the number after excluding all the junior and para-championships and also all the "poomsae" championships; a poomsae means a defined pattern of taekwondo motions). So on an average, each quarter of 2020, for instance, is scheduled to see about 17 senior kyorugi championships organized or sponsored by the WT, or 5-6 per month which forms a good underlying base of real-world actions behind a fantasy sport.

Therefore, we would run our fantasy league by selecting one winner from each league at the end of the month. Any monthly winner can choose to "opt out" (thus cash out) or rather stay in for the next league. Any winner can start a league for the next month which is exclusively open to the winners from the previous month where the pot tends to be larger in size as these winners come with the tokens that they won from the previously league. Other than that, at the start of each month, anybody can start a league anew, be it winners or losers from the previous month.

When a season is done, we would select just one global champion for the season to wind up the quarter and to start the next season from scratch.

Quarterly Operations of Fantasy TKD Seasons



● : Individual Team ● : Winner of a League ● : Champion of the Season

- Number of teams in a league shown above is just an example. It can be as many or as small as the league members would agree.
- The “pot” tends to increase in size as the months progress, but it’s ultimately up to the agreement amongst the members of the new league.
- Payout ratio is decided by the league host at the start of a league (from 1% to 100%). If you don’t like it, you simply don’t join the league.
- A league host can also decide how many athletes to compose an individual team within the league, as well as how many WT athletes and how many Co-op athletes within a team, although our platform will present ‘default’ values (two male WT athletes, two female WT athletes and gender-indifferent Co-op athletes)

3) Why would anybody want to do all this?

That's a great question. Fantasy is undoubtedly a weird, non-intuitive way to watch sports, and it takes time. And yet millions of people in the U.S. are increasingly obsessed with it, especially in case of football, and the U.S. happens to be the largest market for taekwondo measured by a single country.

One factor is about our "control-hungry" impulse. Watching sports is fun, but the sensation of having a bit of control over the outcome can be even more exciting. We can't control whether our favorite athlete wins or loses, but we can control how our fantasy team does.

Secondly, for many people, the main reason is the fun that comes from competing with friends or coworkers on a seemingly even playing field. Fantasy gives us something to talk about over the course of a season, and pretty much anyone can do it, even if we're not in shape to play actual football. And the bonuses with taekwondo is that a) the rule isn't that complicated as NFL football and b) you or your familiar co-op athletes can play in the same fantasy team as those world stars. So the fun comes from both online and offline.

Thirdly, taekwondo is a lesser known sport when compared to those big 'arena sports' as NFL football or FIFA soccer. So there is a huge reservoir of unknown yet talented athletes who get followed by the WT's database and this gives the same fun that drives our love about "Pokémon" series, if you've ever watched the animation as a child or watched it with your children. There are literally dictionaries on near a thousand species of Pokémon characters belonging to which generations and types, where they live and what kinds of main weapons or battle techniques they use etc. To non-fans, it's difficult to understand why the fans would dig into this information and spend their time and money to collect the cards and related goods. In a sense, fantasy taekwondo can be a real-world sports version of Pokémon showdown being played in taekwondo style.

Finally, for people who are already taekwondo fans, fantasy can impart meaning to particular games that otherwise have none. If I'm not a fan of Damon Cavey (Australia) or Ferhat Can Kavurat (Turkey), their bout on next world championship in the Male -68kg division will probably be pretty unappealing to me, especially since neither one is likely to make it to the final. But if I have either one as a player on my fantasy team, it'll make the match worth watching – a decent incentive to do more works (intellectual works) on the sport I like.

(Reference source: "Fantasy football, explained for non-football fans" on Vox.com)

4) Isn't this basically gambling?

As the same fantasy sport that involves money, we take references from the fantasy sports that are widely accepted and played in the U.S.

According to the federal law, fantasy sports are not technically considered gambling. The 2006 act congress passed to prohibit online gambling (especially poker) included an exception for fantasy sports, officially categorizing them as "game of skill".

But it's hard to argue that fantasy doesn't fit under the actual definition of the word "gambling". Most have some sort of entry fee paid at the start of the season, and provide a payout to the winner.

The NFL, publicly at least, is strongly anti-gambling. And yet it's carved out an exception for fantasy. It doesn't just tolerate fantasy: it actively promotes it in commercials with current players, and provides a platform on NFL.com where people can play it for free.

The reason is that fantasy football makes the NFL money. It's indirect – playing in a fantasy league on NFL.com is free, but the popularity of fantasy at a whole certainly drives up ratings of all games, and is especially at making people care about otherwise meaningless matches between unknown athletes.

This would also be true of conventional gambling, though. But what gives the NFL cover here is that fantasy doesn't look much like conventional gambling: there are no bookies, no casinos, and the money gets paid out after a convoluted, season-long process, months after it was paid in originally. The league has ridden this strange form of pseudo-gambling to new heights of popularity – and it doesn't seem likely to give it up anytime soon.

In the releases of our fantasy taekwondo in all jurisdictions, we will get legal advices and check with necessary authorities to ensure the legality of our publishing activities. But at a minimum, the U.S. has a good number of established cases from which we can learn and prepare ourselves.

(Reference source: "Fantasy football, explained for non-football fans" on Vox.com)

What it means to dojangs

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

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

Second, every taekwondo sparring in Co-op 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 TKD Co-op 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, Co-ops will run "Promoters Program", a marketing program designed to incentivize dojang owners/masters to recommend their members to join the Co-op and compete regularly in Co-op tournaments. Masters who recommend their members to the Co-op will receive one tenth of the incentive tokens earned by the new co-op members (e.g. 30 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.



(Images are from actual TAC network)

TC membership = Add-on business for Taekwondo Schools

태권도
跆拳道

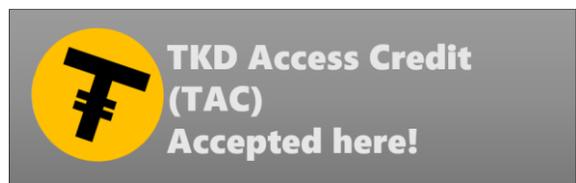
TAC dojang network

“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 a means of payments for their students’ membership fees (in most cases, monthly dues). 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 become members of TAC dojang network. Although this is happening only within Korea for now, we are striving 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...



Token offerings details

To obtain the resources required to make TAC a reality, TKD Co-op aims to conduct token offerings in collaboration with a major cryptocurrency exchange (“Initial Exchange Offerings” or IEO) in 2020. The scheduled offerings of TAC and the corresponding token creation process will be conducted by BCM Europe AG, a company which has been 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, BCM Europe 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:

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

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

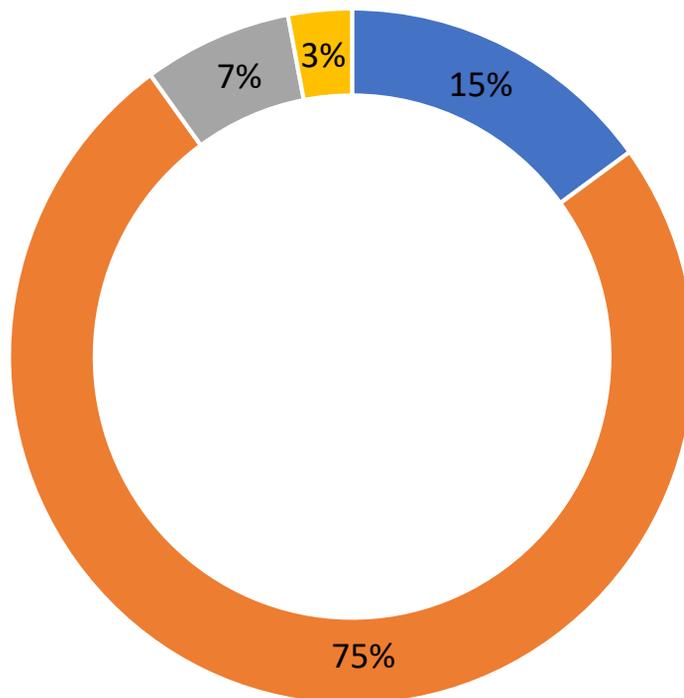
Aside from the offerings, a total of 10% of the tokens (max. 100,000,000 tokens) will be dedicated to different groups of :

- 7% for TKD Co-op team;
- 3% for airdrops and advisors

Lastly, any tokens remaining unsold from the offerings will be held by the Issuer (BCM Europe AG) to be used on an ongoing basis for granting incentive tokens to Co-op members around the world who participate in taekwondo matches organized by the cooperatives.

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

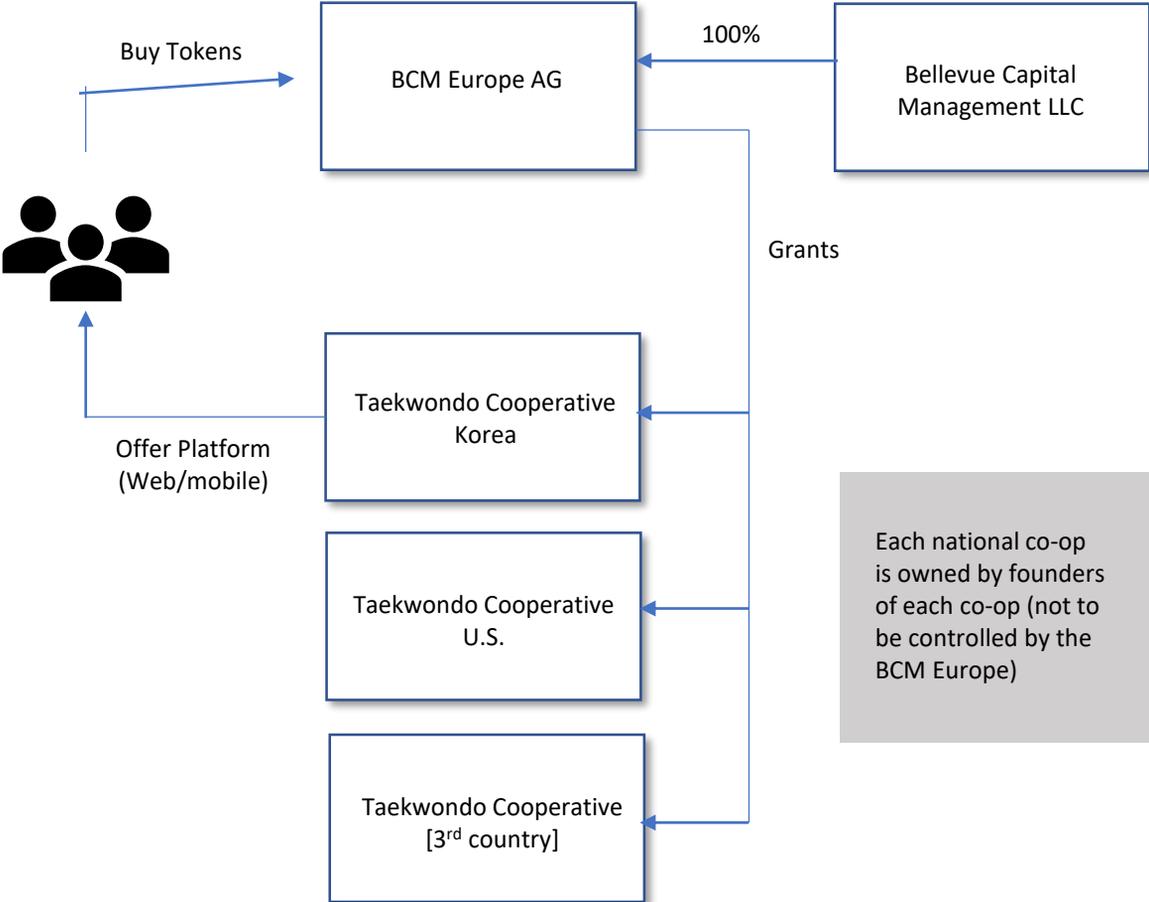
TAC token distribution



- Potentially sold to contributors ■ Retained by the *TAC reserve
 - 5-year vesting by management ■ Airdrops and advisors
- *To be held by BCM Europe AG, including both issued and unissued tokens

Legal entities

The offerings of TAC will be conducted by BCM Europe AG, a Swiss public limited company, which will use the proceeds from the token offerings to make grants to each national level Co-ops for its public and altruistic purpose of sponsoring the global platform of Co-ops and promoting further and wider usage of TAC on such platform.



Financial projection

Funds raised through TAC IEO will be used for developments of TKD Co-op 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 TKD Co-op 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 Co-op 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 TKD Co-op branch (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 Co-op; 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; Co-op managements are connected with taekwondo dojangs and their masters/instructors through industry/college networks. The “Promoters Program” run by TKD Co-op (see page 19) would incentivize the masters/owners of dojangs to recommend their members to join the Co-op 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 Co-ops’ 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 TKD Co-op’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 TKD Co-op members globally is estimated to reach near 9,000 by the end of 2023. Assuming just one match 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 match counts p.a. for the three countries of South Korea, the U.S. and Switzerland.

At this pace, an estimated annual demand for TAC would rise to about 400 million by the end of 2023. Obviously, the initial token reserve held by BCM Europe 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) from the national co-ops, charging fees on various transactions in TAC. But ultimately, it's inevitable for the reserve to be spent up someday. However, the original idea wasn't about mimicking the fiat currencies in a sense that we can print our currency 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 BCM Europe AG, a Swiss public limited company, which will keep any unsold yet generated amount of TAC as its internal reserve. From then on, BCM Europe will use the reserve in paying out to members/athletes of the Co-op as incentive tokens.

BCM Europe will be also responsible for the equitable and efficient uses of proceeds resulting from the token offerings under its public and altruistic mandate to support the growth of global network of Co-op organization.

The World Union of Taekwondo Cooperatives may advise to the Board of BCM Europe (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 ensuring orderly and sustainable token supply to the global TKD Co-op 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 TKD Co-ops in all five continents. In a near term, the Board will be initially composed of representatives from Korea, U.S. and Switzerland and shall over time fill in the open positions to consummate the representations for 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



Sangjin Hong

Sangjin is Taekwondo Cooperative's Senior Technology & Crypto-economy Advisor.

- Co-founder & CEO, Chain Cabinet (a blockchain startup platform and investor based in Korea and Singapore)
- Advisor to multiple startups such as Somesing, PlannerScape, KStar Live, Verasity etc.
- Country General Manager, Gerson Lehrman Group (GLG)
- Management Consultant, Monitor Group
- Product Manager, Microsoft
- BS Computer Science/Mathematics, Carnegie Mellon 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

Tom 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