AZILOWON
a world first in digital tokens

Your opportunity to participate in the 7MarketPlace online shopping mall
Glossary

7MarketPlace
The online shopping mall

AWN
Azilowon

ETH
Ethereum

ICO
Initial Coin Offering

Loyalty and Rewards Programme
7MarketPlaces’ loyalty programme for customers

Referral Programme
7MarketPlaces’ referral programme

SmartCop
SmartCop GmbH

The Token
The AWN, or Azilowon

USD
US Dollars
INTRODUCTION

Global online retail (e-retail) sales continue to expand rapidly, with estimates putting growth at almost 25% in 2017, accounting for more than 10% of global retail sales.¹

Around 1.66 billion people bought goods online in 2017, as global e-retail sales totalled USD 2.3 trillion and are projected to double by 2021.² This exponential growth is facilitated by the rapid digitalisation of our economy and society.

There remains significant scope to make the online retail experience truly convenient and customer friendly, however. Obstacles to a smooth global demand and delivery model include varying valuations and convertibility between fiat currencies (traditional legal tender), banks’ policies and charges on international payments, and costs of conversion applied by credit card companies. There are also frustrations for both consumers and retailers caused by language barriers, high shipping costs and lengthy delivery times for cross-border sales.

These obstacles present particular difficulties for small and medium-sized retailers, with many being effectively confined to marketing and selling in their domestic market. This limits their growth potential and restricts customer choice.

Using our home market of Korea as an example, online shopping sites are predominantly in the Korean language. This makes them almost impossible for non-Korean consumers to use. In addition, most sites offer only a particular line of consumer goods, forcing customers to switch between multiple sites to find what they want. This makes the endeavour time-consuming and unappealing.

² https://www.statista.com/topics/871/online-shopping
An online mall that brings together many retailers to offer a wide range of products, with straightforward translations in commonly-used languages, transparency over costs, and the option of region-based distribution, is an imperative.

This is where SmartCop comes in. Our group has significant experience in providing retail and security-oriented services in key Asian markets. We have a proven ability to leverage operational and technical know-how in innovative and start-of-the-art technologies. Our move into a unique, payment token-based online shopping mall is a natural application of our expertise.
The number of cryptocurrency adopters continues to grow every day, especially among younger consumer generations – the customers of the future. Payment methods for online purchases must also therefore develop.

Dedicated to continuous innovation, we are keen adopters of blockchain technology to better serve our customers. Blockchain is a permanent, decentralised record of transactions in a network. The system is protected by using a reference to the previous block (‘hash’), which is encrypted. It can be used to make payments securely between peers without passing through the banking or credit card system. Rather than a financial institution, the network involved in the blockchain platform approves payments and permits the transfer of value. Initially used in 2009 as a core component of the Bitcoin cryptocurrency, it has paved the way for the creation of other cryptocurrencies. As of June 2018, the market capitalisation of cryptocurrencies stood at more than USD 330 billion.³

Blockchain’s advantages extend far beyond cryptocurrencies, however. Secure by design, blockchain technology is used in a variety of applications, making transactions transparent and easily verified by consumers.

By 2020 customer experience will overtake price and product as a primary consideration
As the enablers of online shopping grow, so customers’ expectations increase. A study by U.S. customer intelligence consulting firm Walker suggests that, by 2020, customer experience will overtake price and product as a primary consideration. This further emphasises the need to empower customers and provide an innovative online shopping experience.

Our solution is the 7MarketPlace online shopping mall and the Azilowon payment token.

The core of our approach is that a more seamless transaction environment can benefit both customers and merchants through the latest Ethereum blockchain technology and a unified method for paying for goods. Our extensive, international and easy-to-redeem Loyalty and Rewards Programme makes our proposition even more powerful.
The Initial Coin Offering (ICO) for the AWN is at the heart of making this happen. Blockchain makes it possible to create and maintain the AWN as the exclusive payment currency on 7MarketPlace, while reducing to almost zero the time and cost of processing transactions. This delivers a swifter and more cost-effective service for retailers and customers.

Encryption, meanwhile, provides for the secure creation of the AWN and the verification of the transfer of funds using the blockchain technology on a decentralised platform.

While there are many digital currencies available on the market, the AWN is unlike any other. It is grounded in the 7MarketPlace, a robust platform established by SmartCop GmbH (Switzerland) as an operational online shopping mall. AWN holders can use the tokens to purchase goods in the online mall and gain exclusive access to a global Loyalty and Rewards Programme.

We set out in the following two sections how the AWN and 7MarketPlace resolve many of the challenges currently facing retailers, such as how to secure customer loyalty in a globalising market. We also address how we will overcome common customer frustrations, including range of choice, ease of price comparison, delivery convenience, and a loyalty programme that can be used with multiple retailers and across borders.

In short, this is an opportunity to participate in the growth of a global trading platform. And in the creation of a sophisticated, seamless online experience that addresses the challenges – and seizes the opportunities – of our digital age.
Retailers have long struggled with how to acquire new customers and build loyalty to generate return visits, whether online or offline. It is fair to say that most companies have failed to get to grips with this complex, expensive and frustrating task. The result is that they lose ground to those retailers who get it right.

The advent of the digital age has made it even more challenging. The convenience of ordering from one’s sofa, work desk or while on a train, for instance, has led modern consumers to constantly hunt for a quicker and more efficient shopping experience that suits their faster-paced and more mobile lifestyles. But they are not prepared to sacrifice quality for flexibility. Convenient, personalised service at an attractive price is integral to the modern shopping experience.

The AWN and 7MarketPlace represent a significant opportunity to enhance customers’ and merchants’ online experiences.

- **Global Platform**: Providing retailers of all sizes a global platform to market their goods.
- **Convenient Access**: Giving consumers better, more transparent and convenient access to these products.
- **Loyalty Rewards**: International Rewards and Loyalty Programme offering attractive bonuses and rewards that are easy to redeem.
Customers place a high value on a positive personal shopping experience. Too many online retailers focus on lower prices, often sacrificing user experience.

A recent study shows that 81% of customers are willing to increase their spend in return for a better customer experience. If a retailer can provide this, a customer is more likely to be loyal and refer the online store to family and friends.
Disparate systems and disconnected customer loyalty programmes

Due to the incompatibility of dispersed systems, administrative costs, different opinions on earning and rewarding, and a host of other reasons, most merchants create their own proprietary reward and loyalty programmes. This compels customers to participate in countless programmes in which they earn points that are restricted to that particular retailer.

Logic dictates that customers prefer fewer, higher quality, loyalty programmes.

Complicated and time-consuming registration processes are a big turn-off. This includes irritatingly complex registration processes, especially when registering for numerous loyalty programmes. The conversion of earned rights such as points can also be opaque and difficult.

In many cases, customers may be unsure whether they will ever redeem their earned points, especially where the merchant has a specialised or limited range of goods. This is a concern for merchants too in terms of attracting customers back to the store, compared to ecosystems that have a broader offering.

The attractiveness of a reward system depends on its direct comparability to cash, which enables customers to buy goods without limitations. Most existing reward programmes restrict the use of earned awards either in quantity or value, selection of goods, or through expiration dates (limited execution period).

These four challenges do not operate in isolation. Together, they make a huge difference to how a customer is encouraged – or discouraged – to visit a particular online shopping site.

The solution, therefore, is to resolve them in an integrated manner, so that customers and merchants enjoy the confidence of an extensive marketplace in which prices are transparent, rewards easy to use, and experience hard to beat.

That solution is the 7MarketPlace online shopping mall and the AWN.
THE SOLUTION

Revolutionising the global online retail experience by transforming the way e-retail is carried out

Although the number of cryptocurrency adopters is growing on a daily basis, most consumers continue to use fiat currency via online payment options when completing e-retail transactions. This is due to factors such as a lack of information regarding what cryptocurrencies are, difficulty accessing cryptocurrencies, and fear of losing money through scams or market speculation.

This ICO proactively addresses these challenges – and the common areas of concern identified in the previous section – by presenting an opportunity to acquire AWN to pay for goods (including any related fees such as delivery) on the 7MarketPlace online mall. It also grants the exclusive right to earn points, bonuses and rewards through 7MarketPlace’s Loyalty and Rewards Programme.
By establishing 7MarketPlace, SmartCop provides a dependable path for consumers to move from traditional payment modes to digital currencies without having to delve into the technical details of these digital currencies. It also helps them begin to reap the benefits of blockchain technology without the risks associated with existing available cryptocurrencies. By doing so, we will enable people to build experience and confidence in the cryptocurrency market, preparing and encouraging them for what is likely to be the future reality.

We will satisfy global consumers’ increasing demand for online shopping, and give retailers, regardless of size, access to these consumers while reducing costs, resolving logistical concerns and overcoming language barriers.

By using our expertise in security and blockchain technology, 7MarketPlace will:

- bring together a large number of decentralised buyers and sellers to transact through one market;
- simplify the user experience and better satisfy customers’ needs, including a built-in Loyalty and Rewards Programme;
- operate an online web account and checkout system that is enhanced and differentiated through its use of cryptocurrency and token features, including crypto wallets;
- assist customers in moving from fiat currency-based transactions to digital and cryptocurrency transactions, thereby preparing them for the future.
Quality and convenience for a global market

7MarketPlace’s primary focus will initially be its operations in Korea, serving the growing demand for Korean products and promoting the quality and variety of goods on offer by Korean retailers.

At the same time, partnerships with further suppliers and retailers will be established in other countries, enabling the expansion of 7MarketPlace into key markets around the world. The result will be a genuine one-stop-shop for customers wishing to buy online.

7MarketPlace’s online mall will have a language option feature for customers’ ease of understanding and navigation. The initial languages integrated into the mall will be English and Korean.

A world first in digital tokens

7MarketPlace is designed to be the first online mall to exclusively accept tokens – in this case, AWN – directly as payment for goods.

The use of AWN promotes a safer, smoother, and more convenient customer experience. As a further incentive, customers will receive benefits such as a tokenback percentage in the form of AWN tokens that will automatically be added to their 7MarketPlace e-wallet when they are automatically enrolled in the Loyalty and Rewards Programme.

The automatic enrolment will be included in the terms of use, with the token holder having the choice to opt out.
Fresh international opportunities for retailers of all sizes

7MarketPlace will showcase products offered by the SmartCop group’s own companies and those of third party retailers. This gives small and medium-sized retailers a unique opportunity to market and sell their goods on a global platform.

For start-ups and retailers of new products in particular, the cost of launching on 7MarketPlace is minimal compared to marketing the items directly. This will incentivise retailers to offer larger discounts or free items to the customer.

7MarketPlace provides retailers with an online mall that offers operational, marketing and retailing opportunities, as well as the option to take advantage of national and international fulfilment in a similar way to the ‘Fulfilment by Amazon’ option offered by that online retail giant.

The requirement to be an Accredited Retail Merchant Member before being allowed to offer goods on 7MarketPlace means that sellers join a trusted group of retailers in which consumers can have confidence in their online transactions.

Customers enjoy simple and flexible payment and rewards

Having a single payment token in the form of the AWN removes the high costs experienced by customers due to foreign exchange fluctuations, credit card and online payment charges.

No longer is a conversion mechanism needed when purchasing goods in a currency other than that typically used locally by the customer. Prices of products will be stated in AWN. Updated token prices will be made available within 7MarketPlace through the NEXEX Exchanger integrated into the site.
To ensure transparency, the customer will see two critical pieces of information: the approximate equivalent USD value of the item they are viewing, and the current price of the item on other popular shopping sites. This feature will provide peace of mind as well as convenience in that the customer will not need to search other sites to compare prices for particular product features.

The AWN also rids the customer of time-consuming registration and complex steps in joining and redeeming rewards from referral and loyalty programmes. A customer’s 7MarketPlace e-wallet will automatically register the customer in the 7MarketPlace Loyalty and Rewards Programme. Rewards will be automatically granted to the customer as AWN when the programme conditions are satisfied. Retailers offering rewards as part of their marketing campaign can add the AWN reward directly to the customer’s wallet. In addition, we will use an ‘airdrop’ approach whereby new customers receive a number of free tokens.

As the rewards for referral programmes, loyalty programmes and retailer campaigns are automatically added to the customer’s 7MarketPlace e-wallet as AWN, the customer does not need to perform any onerous steps to redeem their rewards. With the added tokens, the customer can spend the AWN on any item in the online mall as their reward in the same way as selecting an item in the normal course of shopping. As a further incentive, customers can see clearly how many AWN they have earned through the programme.

For the customer’s further convenience, purchasing habits on 7MarketPlace will be analysed by AI technology. This allows a more accurate and swifter matching of customers with further products in which they may be interested in based on their past shopping behaviour. This reduces the time customers must spend browsing for new items, and allows retailers to market their goods in a more focused manner. Retailers will also benefit from this technology as they can offer rewards for repeat customers who patronise their brand.

Implementing the above measures strengthens the 7MarketPlace and complements the SmartCop group’s offline retail activities, providing a consistently high quality and convenient customer experience. And by doing so grows value through revenue per customer, customer lifetime value, share of wallet, cost per acquisition, and other key metrics that drive success.
The technology

The technology we are adopting for 7MarketPlace and AWN supports our simple but effective business model: a marketplace that aggregates retailers and customers around the world, and earns a commission on each transaction (customer purchase) undertaken.

To this end, we have specifically selected technological solutions that overcome the obstacles mentioned in earlier sections of this white paper.
Global e-retail must accept various currencies that are relevant to the customer being targeted. Foreign currency transactions typically give rise to uncertainty for the retailer and customer due to different, and sometimes volatile, exchange rates.

The time taken between a customer placing an order and receiving the good varies from country to country. The duration can be as little as 24 hours or as long as a few weeks, depending on the respective locations of the customer and from where the good is being physically despatched.
High transaction costs

These can be excessive. Customers often incur unpredictable fees levied by banks, credit card companies or other payment handlers.

Often they do not know precisely what the ultimate cost will be until the amount hits their bank or credit card statement. This is especially the case for cross-border transactions where the retailer and the customer use different currencies.

Extensive shipping times

The swift processing of payments enables the retailer to ship the goods sooner.

This reduces the time between placement of the order and despatch of the related item, improving customer satisfaction, especially where the retailer’s distribution or warehousing facility is in a different country or region to the customer and delivery times might be lengthy.

These problems are common to any e-retail business, and can be solved through the use of blockchain technology.

The blockchain makes it possible to create an own unique token (the AWN) to be accepted as the 7MarketPlace payment currency.

This reduces almost to zero the time and cost of processing individual transactions.
The Payment Token (AWN)

The token for 7MarketPlace is the Azilowon, or AWN. It is a token to be exclusively used as a means of payment in the online shopping mall.

The token will be based on the Ethereum blockchain. Ethereum can be used for mobile payment systems, distributed exchanges, tokens pegged to commodities and fiat currencies, market clearing mechanisms, micropayment systems for distributed computing resources, commodities and securities exchanges, crowdfunding, and legal document verification.

As an open source, blockchain-based distributed computing platform, Ethereum is oriented towards smart contracts. It is a distributed virtual machine that allows end-users to construct smart contracts for transactions.

A smart contract is a stateful (meaning it keeps track of the state of a transaction or interaction) application that is stored in the Ethereum blockchain. Such contracts are cryptographically secure and serve to verify or enforce performance of the retailer-customer contract.

Smart token contracts are a standard feature of the Ethereum ecosystem.

Many multinational firms have invested in and deployed Ethereum, with key early adopters including IBM, Microsoft, Deloitte, JP Morgan, Santander Bank and the Royal Bank of Scotland.
Building a tokenised ecosystem

The AWN will be used as the exclusive payment method on 7MarketPlace.

Its use serves three primary purposes:

- to enhance customer loyalty
- to improve customer satisfaction levels
- to increase the number of customers

AWN can be purchased directly through 7MarketPlace via a link utilising the Nexex Exchange. This will also create a private internal wallet for the customer on 7MarketPlace.

Customers who already have, or prefer to set up, an ERC20 wallet will have the option of keeping their purchased AWN in their ERC20 wallet or in their private 7MarketPlace wallet.
Enhance customer loyalty

Extensive and valuable loyalty programme

The AWN allows SmartCop to operate 7MarketPlace’s own Loyalty and Rewards Programme, which has unique features compared to other available programmes. For instance, customers who spend a monthly average of a certain number of tokens in 7MarketPlace over a period of time receive AWN tokens under the programme. This incentivises customers to purchase more tokens and spend them on 7MarketPlace.

Attractive tokenback offering

Tokenback involves rewarding the customer with a percentage of the price paid for a product purchased. This gives the customer further AWN to contribute towards their next purchase on the shopping mall.

Improve customer satisfaction levels

Lower transaction cost

Fees charged by banks, credit card and money transfer companies can be extremely high, ranging from 3% to 20% depending on the countries involved between the retailer and the customer. With 7MarketPlace and the AWN, the transaction fee is an absolute value rather than a percentage, giving both the customer and the retailer transparency and certainty over the final amounts charged. Furthermore, the transaction fee is the same irrespective of the value and type of transaction. As of September 2018, for instance, the fee relevant to the Ethereum blockchain is approximately USD 0.20 (twenty US cents).6

Higher transaction speeds

As of September 2018, the average wait time for a single blockchain transaction is around 20 seconds.7 As technology continues to evolve, we will constantly update our system to further shorten this. This will have a dramatic impact on the speed with which the retailer can organise the logistics of identifying, packing and despatching items. The quicker the item is despatched, the quicker the customer receives it, and the higher the customer satisfaction rate in terms of delivery and service.
Increase the number of customers

Apply a unique global currency

All customers of 7MarketPlace will pay in AWN. This will appeal as it resolves the common location-driven frustration of foreign currency use and not knowing the ultimate cost that will be charged to the customer.

Leverage affiliate marketing opportunities

This allows website owners, influencers and bloggers to create links to, and earn referral fees from, 7MarketPlace when customers click through them and purchase from our online shopping mall. The function is free of charge for affiliates (those who promote the links), who can earn up to 20% in referral fees. It is a common method already adopted by sites such as Amazon and eBay. To encourage affiliates further, affiliates will earn an immediate referral fee added to their 7MarketPlace e-wallet in the form of AWN when they bring a customer who buys on 7MarketPlace. The same principle applies to a 7MarketPlace customer who refers another person who completes a transaction on 7MarketPlace.
Summary of flows

SmartCop has concluded partnerships with some of the world’s most reliable cryptocurrency providers, enlisting Eidoo for the wallet creation and maintenance and Mangrovia Solutions for the development of a customised smart contract for the platform.

Customer buys AWN

During the ICO, customers can purchase the AWN through icoengine.net upon successful registration and completion of the KYC (Know Your Customer) process to obtain an Eidoo wallet. Once the customer makes a purchase, a reserved number of tokens equivalent to the tokens bought shall be indicated in the customer’s wallet. Upon the close of the ICO, the number of tokens reserved for the customer can be claimed and the tokens will then be transferred to the customer’s Eidoo wallet.

After the ICO, customers can buy the AWN initially within the 7MarketPlace platform though the NEXEX exchange upon the creation of a user/customer profile within the platform. As we continue to develop partnerships, AWN will be listed on other cryptocurrency exchange platforms for customers to purchase. This process will be entirely operated, managed and executed by the external partner, who will be responsible for the relevant KYC and verification processes.

The customer may opt to hold the AWN in any e-wallet that supports ERC20 tokens. By holding them in a 7MarketPlace e-wallet, however, the customer will be able to view the balance on their 7MarketPlace dashboard. Crucially, holding the AWN in a 7MarketPlace e-wallet is a prerequisite for the customer to participate in 7MarketPlace’s Loyalty and Rewards Programme.
Upon purchasing an item through 7MarketPlace, the customer’s tokens will be transferred from the customer’s 7MarketPlace e-wallet to 7MarketPlace. 7MarketPlace will then transfer the tokens to the retailers, or convert the tokens to fiat currency and send the fiat currency to the retailer. By accepting the AWN as revenue, the retailer benefits from a lower fee retained by 7MarketPlace due to the simpler process and absence of exchange fees.

The AWN gives 7MarketPlace a range of marketing options to enhance customer loyalty and improve the customer experience. These include the tokenback reward system and the Referral Programme, as well as other strategies that can provide bonus or gift tokens to existing or new customers by transferring AWN from the 7MarketPlace e-wallet to the respective customer’s 7MarketPlace e-wallet.

Affiliates that deliver customers or traffic to 7MarketPlace will collect a predetermined percentage of the spend carried out by the individual customer on 7MarketPlace. The transfer from the 7MarketPlace e-wallet to the affiliate’s e-wallet will take place in AWN and occur immediately following the purchase by the customer.

SmartCop may sell part of its holding of AWN in order to cover expenses of operating 7MarketPlace and pay retailers. It can do so by using an accepted cryptocurrency exchange to transfer the tokens to from the 7MarketPlace e-wallet, and withdraw fiat currency to its bank account.
SmartCop is a Swiss-based Limited Liability Company which is conducting the issuance of the Azilowon (AWN).

The primary purpose of the AWN is to be exclusively used as a payment token to access the products available on the 7MarketPlace platform.

SmartCop will issue a maximum of 1,000,000,000 AWN tokens (the 'Token Total Supply'). A maximum amount of 200,000,000 thereof will be sold during the public sale at USD 0.10 (ten US cents) each.

Any unsold tokens will be burned upon termination of the Main Sale.

### Key figures

<table>
<thead>
<tr>
<th>Total number of AWN</th>
<th>1,000,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ticker</td>
<td>AWN</td>
</tr>
<tr>
<td>Type</td>
<td>ERC20</td>
</tr>
<tr>
<td>AWN token price</td>
<td>USD 0.10 per token</td>
</tr>
<tr>
<td>Inflation</td>
<td>None</td>
</tr>
<tr>
<td>Token main sale begins</td>
<td>7 January 2019 at 00.00hrs CET</td>
</tr>
<tr>
<td>Sale length</td>
<td>31 days</td>
</tr>
<tr>
<td></td>
<td>ends 6 February 2019 at 23:59hrs CET</td>
</tr>
<tr>
<td>Soft cap</td>
<td>USD 2,000,000</td>
</tr>
<tr>
<td>Hard cap</td>
<td>USD 20,000,000</td>
</tr>
<tr>
<td>Unsold tokens</td>
<td>Burned</td>
</tr>
</tbody>
</table>

During the lock-up period, tokens are not transferred to the customer’s e-wallet but the number of tokens can be verified as they are earmarked as reserved for the customer. Once the lock-up period has expired, the customer may redeem his or her token for transfer to his or her e-wallet.

The vesting period indicates the number of tokens that SmartCop can issue from the particular category within the given timelines. As these periods are written in the smart contract upon the minting of the tokens, the allocated tokens are securely locked in and cannot be accessed by SmartCop beyond the allowable limit. This ensures that reserves are maintained at a sufficient level to ensure the success of the platform and the Loyalty and Rewards Programme.
Token distribution

**Private and public token sale**
Maximum 200,000,000 (20%)

Sold during the private sale to select individuals who have strong relations with SmartCop and its officers, and to the public during the ICO main sale, provided that the equivalent number of tokens to be issued does not exceed the hard cap limit set herein. All unsold or excess tokens will be burned.

**Marketing**
200,000,000 (20%)

Used for airdrops, raffles and other marketing campaigns, including referral fees to affiliates to promote and sell 7MarketPlace products.

**Loyalty and Rewards Programme**
200,000,000 (20%)

Held in a reserve to be released to customers qualifying for 7MarketPlace’s Loyalty and Rewards Programme, such as through the tokenback strategy.

**Business development reserve**
200,000,000 (20%)

Retained by SmartCop for business development purposes to increase the number of customers, such as M&A (mergers and acquisitions) activity in the market or to promote particular stores on 7MarketPlace, among many other options.

**Strategic partnerships**
150,000,000 (15%)

Used to build strategic partnerships with recognised and/or high potential brands and producers to increase the value and awareness of 7MarketPlace and its products.

**Founders, team and key advisers**
50,000,000 (5%)

Granted to the SmartCop team, founders and key advisers.
Budget allocation

The funds raised from the sale of AWN in this ICO will be used to further develop 7MarketPlace and the AWN token ecosystem, as well as for ongoing expenses incurred in promoting the growth of the cryptocurrency-friendly online shopping mall.

The majority of funds raised will be allocated to marketing and business development in order to fulfil our objectives of increasing the number of customers, enhancing the customer experience and loyalty, and expanding the online shopping mall into new product and geographic areas.

Development

To develop further, innovative crypto-related features and integrations with 7MarketPlace, including the necessary development of new technologies that will serve to enhance the customer experience.

Marketing

To grow awareness of 7MarketPlace and the AWN among prospective customers and retailers.

Operations

To utilise a team of highly experienced professionals (in-house and third party) to manage the significant scaling up of the existing business.

ICO expenses

To cover legal, tax and accounting support, promotion and marketing and other vital functions to make the AWN sale successful.
The roadmap (timeline)

2018

Q1
- Conceptualise the business model
- Conduct market research and actualise the business model

Q2
- Form SmartCop GmbH for the ICO of AWN
- Design and begin creating 7MarketPlace
- Conclude agreements with blockchain technology experts and smart contract providers

Q2
- Draft ICO whitepaper ready

2019

Q1
- Planned ICO launch Switzerland
- Operational launch of 7MarketPlace
- Tie-ups with retailers in Korea and local retailers in key markets

Q2
- Legal assessments completed
- Add further languages to 7MarketPlace based on market penetration goals

2020

Q1
- Tie-ups with offline stores to accept AWN as a payment

Q3
- Finalise 7MarketPlace
- Accredit third party retailers in 7MarketPlace
- Source goods for sale
- Set up partnerships with logistics companies for customer delivery

Q3
- Roadshow launch Philippines

Q4
- Further participation in roadshow events

2021

Q3
- Legal assessments completed

Q3
- Enable 7MarketPlace customers to transfer AWN between each other

2022

Q4
- Develop secondary market within 7MarketPlace where customers can resell items bought through the mall

2023 - 2025

Q4
- Create and operate local 7MarketPlace online shopping sites in key markets globally
JIN HUH

Chief Executive Officer, Co-founder

https://www.linkedin.com/in/jin-huh-19092415b/?locale=en_US

A Kofi-Annan United Nations Secretary-General Awardee (2005), Huh is Chairperson of the SmartCop group of companies.

A former Chairperson of Eugene Technology Co., Ltd from 2006 to 2010, he has considerable experience in the technology industry gained since 2000 and adopts innovative technologies in leading his businesses. He has also acquired deep insights into consumer demands as Director of Business for several publications and as the current Chairperson of The Hanseong Ilbo newspaper, enabling him to build this knowledge into SmartCop’s goal to fulfill customer needs. His business acumen has been recognised by the award of an Honorary Doctoral Degree in Business Administration from the Union University of California, USA. In 2012, Huh earned a Master of Business Administration Degree from Stanton University, California, USA.

JACOB OH. INOCENTES

Chief Finance and Marketing Officer, Co-founder

https://www.linkedin.com/in/jacob-oh-inocents-1aa0a0176

President of SmartCop Pilipinas, Inc., a member of the SmartCop group of companies.

With a Bachelor of Arts degree in Economics, Oh has a track record of business expertise, having been General Manager at HanBae, Inc. between 1996 and 2002, a restaurant franchise business which operated 35 branches, and at Javez Hinterland, Inc., a gold mining company from 2006 to 2008. He brings more than thirty years of strategic marketing experience to the distribution success of AWN, including at Apglobal, Inc., a multilevel marketing business.

TITO MONTERDE

Director for Multimedia

https://www.linkedin.com/in/tito-monterde-1b5886176

Four-time Chairperson of a chapter of the Kapisanan ng mga Broadcasters ng Pilipinas organisation of broadcast stations.

Monterde’s experience in media will ensure the widespread dissemination of information about AWN. Monterde has a Bachelor of Science degree in Business Administration.
RUDEL PANGANIBAN
Principal, Rudel H. Panganiban & Associates

Principal of his law firm, Rudel H. Panganiban & Associates, corporate legal counsel to SmartCop GmbH, SmartCop Co. Ltd. (Korea) and SmartCop Pilipinas, Inc.

He has been a member in good standing of the Integrated Bar of the Philippines since 1996. As a certified financial analyst also, he serves as financial investment adviser to the SmartCop group of companies and is the key implementer of the AWN ICO.

BIANCA ENTRATA-PANGANIBAN
Partner, Rudel H. Panganiban & Associates

Partner at the law firm, Rudel H. Panganiban & Associates, corporate legal counsel to SmartCop GmbH, SmartCop Co. Ltd. (Korea) and SmartCop Pilipinas, Inc.

She has been a member in good standing of the Integrated Bar of the Philippines since 2003. With a Bachelor of Science degree in Business Economics from the University of the Philippines, she is responsible for conceptualising and developing the business models behind the AWN and 7MarketPlace.

SIMONE CONTI
Head of ICO Research, Cryptolab

Head of ICO Research at Cryptolab, a Swiss investment advisory firm that specialises in cryptocurrencies.

CEO of Wallem, a mobile app in augmented reality in which people can collect cryptocurrencies using their mobile phone. He was previously head of Technology Investment for a wealth management team that managed more than USD 300 million. In 2015, the team launched the first investment vehicle in Europe that invested in Bitcoin.
In addition to the above parties, SmartCop retained the services of the following parties in the course of preparing this whitepaper:

- KPMG Switzerland AG for tax advice;
- Kellerhals Carrard Lugano SA for legal advice; and
- Khaki Films for creative and design services.
Participating in this ICO is the first step to your involvement in SmartCop’s exciting ambitions for the AWN and 7MarketPlace. It gives access to what has the potential to be a first-mover advantage.

7MarketPlace is designed to be a world first in allowing customers to spend the digital token on a wide selection of goods from multiple retailers around the globe.

Also, by allowing retailers to participate in, and attract customers through, a broad-based global rewards programme that most would not have the resources to create.

The online mall will give customers and retailers of all sizes the opportunity to be a part of 7MarketPlace’s expansion from an Asian base to a global marketplace.

Crucially, it is the chance to be part of something radical. Not only tapping into the exponential growth being experienced in online shopping, or e-retail. But a new approach to fulfilling customers’ increasing demands for a sophisticated, convenient and enjoyable solution to their online shopping needs. The key features of 7MarketPlace are specifically designed to stay one step ahead of customers’ expectations. In this respect, our 7MarketPlace Loyalty and Rewards Programme is fundamental.

For us and our customers, gone are the days of spending time signing up for multiple reward programmes, with the inherent uncertainty of whether one will ever be able to, or even want to, redeem the points collected. By bringing together countless retailers under one e-roof and in one loyalty and rewards programme, we offer hugely extended redemption opportunities. All with the convenience, underpinned by Ethereum blockchain technology, that one could expect from a company whose roots are found in the highly innovative, technological environment of Korea.

We have already started our journey to enhancing the online experience for customers and retailers around the world. This ICO in Switzerland – the heart of Europe – complements our proven track record in Korea, India, Vietnam and Philippines to create something truly transformative.

The main sale of AWN commencing on 7 January 2019 is the next step towards a new retail business model. We hope you will join us on this exciting journey.
A. GENERAL INFORMATION

1. In order to fund the development of the 7Marketplace, SmartCop tokens ("AWN") will be created on the Ethereum blockchain and will be sold to the public (the “ICO Placement”).

2. AWNs will be issued by a technical process that uses the «Blockchain» technology. This is an open source IT protocol over which the SmartCop has no rights, control or liability in terms of its development and operation. The AWN distribution mechanism will be controlled by a Smart Contract; this involves a computer programme that can be executed on the Ethereum network or on a blockchain network that is compatible with Smart Contract programming language.

3. AWN is a token
   - that will allow the user to access the goods provided and marketed by the online marketplace;
   and /or
   - that will be used as a means of payment (Payment Token or Cryptocurrency) for the goods provided and marketed by the online marketplace.

4. The sale of AWN is final: the AWN is non-refundable and not redeemable.

5. As of the day of the ICO Placement, AWN does not have the legal qualification of a security pursuant to Swiss Law and is therefore not qualified as an Asset Token pursuant to the Guidelines (the “Guidelines”) issued on February 16, 2018 by Swiss Financial Market Supervisory Authority ("FINMA").

6. AWN does not have a performance or a particular value outside the SmartCop Platform. AWN shall therefore not be purchased or used for speculative or investment purposes.

7. As of the day of the ICO Placement, the AWN sale is currently not subject to the Federal Act on Stock Exchanges and Securities Trading Law and the Financial Market Infrastructure Act, which ensure that the sale of certain products or assets is subject to regulatory scrutiny for the investors’ protection and may only be sold to investors provided that, inter alia, the respective documentation include all the proper disclosures and that the sale of investments.
B. TOKEN DOCUMENTATION

8. This white paper (the “White Paper”) together with the AWN Terms and Conditions (the “Terms & Conditions” that may be found in the AWN site), as amended from time to time, shall form the entire documentation for the AWN sale (the “Token Documentation”).

C. KNOWLEDGE REQUIRED

9. Any purchaser of AWN (the “Purchaser”) shall understand and have significant experience of cryptocurrencies, blockchain systems and services, and understand the risks associated with the crowdsale as well as the mechanisms related to the use of cryptocurrencies (including the storage).

10. The Purchaser shall carefully review the Token Documentation so to understand the risks, costs and benefits associated with the purchase, storage and use of AWNs.

D. RISKS

11. Acquiring AWN and storing them involves various risks, in particular (but not limited to) the risk that SmartCop may not be able to launch its online marketplace and/or its operations, to develop or exploit its blockchain and/or to provide the services to which the AWN relates or is forced (in particular due to changes in the legal environment and/or issuance of new laws or regulations and/or new leading interpretation of current legal framework and/or case law, which might also have a retroactive effect) to stop its operations or change its business model.

Therefore, and prior to acquiring AWN, any user should carefully consider the risks, costs and benefits of acquiring AWN in the context of the crowdsale and, if necessary, obtain independent legal and tax advice in this regard.

12. Any interested person who is not in the position to accept or to understand the risks associated with the activity (including the risks related to the incomplete development of the SmartCop online marketplace) or any other risks as indicated herein or in the Token Documentation) shall not acquire the AWNs.
E. NO INVESTMENT INVITATION

13. This White Paper shall not and cannot be considered as an invitation to enter into an investment. It does not constitute or relate in any way nor should it be considered or interpreted as an offering of securities in any jurisdiction.

14. The White Paper does not include nor contain any information or indication that might be considered as a recommendation or that might be used to base any investment decision.

15. This document does not constitute an offer or an invitation to purchase shares, bonds, securities or rights relating to SmartCop or to any related or associated company (the “Company’s Group”).

F. NO SECURITY

16. AWN are not convertible in shares or certificates of SmartCop and do not grant any right to receive any such share or certificate.

17. AWNs do not confer any direct or indirect right to SmartCop’s capital or income and, in particular, do not grant any right to dividends or interests or to any other share or participation to SmartCop’s revenue or earnings.

18. AWN is not proof of ownership of any assets belonging to SmartCop or of a right of control over SmartCop and does not grant to the owner any right to assets of SmartCop.

19. AWN are not shares or participation certificates and do not give any right to participate to, or vote in, the general meeting of SmartCop or to influence in any way the respective corporate governance or the decisions of the corporate bodies of SmartCop.

20. Subject to Article G. below, based on the above, at the date of the ICO Placement, the Company considers that AWN does not have the legal qualification of a security pursuant to Swiss Law and does therefore not qualify as an “Asset Token” in Switzerland as interpreted by FINMA in the Guidelines.
21. Pursuant to the Guidelines and current practice, the AWN is a payment token which can be used only in, and gives exclusive access to, SmartCop’s online mall as a means of payment and is not intended to be used as an investment.

22. The offering of AWN on a trading online marketplace is done to allow additional users to use and/or to access to the SmartCop online marketplace and not for speculative purposes and does not change the legal qualification of the token as a payment token.

G. CHANGES IN THE LEGAL ENVIRONMENT

23. The ICO Placement and the purchase of AWNs is taking place within a legal environment that is still under development. Regulatory authorities are carefully scrutinizing businesses and operations associated to cryptocurrencies in the world.

24. Regulatory measures, investigations or actions may impact SmartCop’s business and even limit or prevent it from performing or developing its operations.

25. Any person acquiring AWN shall be aware that SmartCop’s business model and the Token Documentation may change because of new legal, regulatory and compliance requirements from any applicable laws in any jurisdictions, even with retroactive effect. In such a case, Purchasers and anyone acquiring AWN acknowledge and accept that neither SmartCop nor any of its affiliates shall be held liable for any direct or indirect loss or damage caused by such changes.

26. SmartCop is, as of the date of issue of this White Paper, not a financial intermediary according to Swiss Law and is not required to obtain any authorization for Anti-Money Laundering purpose. This qualification may change at any time if the services offered by SmartCop will be considered as a financial intermediation activity pursuant to applicable law. Notwithstanding the aforesaid, the purchase of the AWN may be conditional upon the positive conclusion of an AML/KYC identification process and the Purchaser may be required to provide to SmartCop all requested documents and information necessary or useful to SmartCop to complete the AML/KYC process.
H. THIS IS NOT AN OFFER – NO INVESTMENT ADVICE – NO REPRESENTATIONS AND WARRANTIES

27. This White Paper shall not be construed as an offer, personal recommendation or solicitation to conclude a transaction and should not be treated as giving investment advice.

28. SmartCop is not to be considered as an advisor in any legal, tax or financial matters. Any information in the white paper is given for general information purpose only and SmartCop does not provide any representation and/or warranty as to the accuracy and completeness of the information included in the White Paper.

29. Given the lack of qualification of the crypto-token in most countries, the Purchaser is strongly advised to carry out a legal and tax analysis concerning the purchase and ownership of AWN according to his/her/its nationality and place of residence.

I. IMPORTANT INFORMATION AND DISCLAIMER

30. SmartCop will do its utmost to launch all of its operations and to further develop the SmartCop online marketplace and/or provide the services highlighted in this White Paper. Anyone undertaking to acquire AWN shall be aware that SmartCop does not provide any guarantee that it will be able to fully achieve the project highlighted in this White Paper.

31. By subscribing AWN the Purchaser acknowledges and accepts that the SmartCop assumes no liability or responsibility for any loss or damage that would result from or relate to the Purchaser failure to receive (or to timely receive) the AWNs or to the incapacity to use AWNs, as well as for any failure or malfunction of the respective Smart Contract, except in case of intentional misconduct or gross negligence directly attributable to the Company.

32. AWN is based on the Ethereum protocol. Any malfunction, unplanned function or unexpected operation of the Ethereum protocol may cause the SmartCop network or AWN to malfunction or operate in a way that is not expected. Moreover, the native Ethereum Protocol account unit may itself lose value in a similar way to AWNs, and also in other ways. SmartCop assumes no liability or responsibility in this respect except in case of intentional misconduct or gross negligence directly attributable to the Company.
33. SmartCap assumes no liability or responsibility whatsoever for any loss of AWN or situations making it impossible to access AWN, which may result from any actions or omissions of the User, as well as in case of hacker attacks.

J. USER REPRESENTATIONS AND WARRANTIES

34. By participating in the ICO Placement and by purchasing AWNs the Purchaser confirms that he/she/it:

• has read and understood the Token Documentation and accepts to be legally bound by its terms;

• has sufficient knowledge about the nature of the cryptographic tokens and has significant experience with, and functional understanding of, the usage and intricacies of dealing with cryptographic tokens, cryptocurrencies and blockchain-based systems and services;

• has fully understood and accepts the risks connected with the purchase of the Token outlined in the Token Documentation, including those related to possible changes in the legal environment;

• is familiar with all related regulations, in particular (but not limited to) in the specific jurisdiction in which the Purchaser is based, and has received competent advice that participating to ICOs and purchasing cryptographic tokens is not prohibited, restricted or subject to additional conditions of any kind;

• is entitled to purchase AWNs in the ICO Placement without requiring any local authorisation and is in compliance with the local, state, and national laws and regulations when purchasing;

• is authorised and has full power to purchase AWN;

• is not and will not be at the time of the ICO Placement a U.S. citizen, resident or entity (a “US Person”) nor is the Purchaser purchasing AWNs on behalf of a US Person;

• is not and will not be at the time of the ICO Placement a Chinese resident or entity nor is the Purchaser purchasing AWNs or signing on behalf of a Chinese resident or entity;

• is not and will not be at the time of the ICO Placement a Japanese resident or entity nor is the Purchaser purchasing AWNs or signing on behalf of a Japanese resident or entity;
is not and will not be at the time of the ICO Placement a Saudi Arabian resident or entity nor is the Purchaser purchasing AWNs or signing on behalf of a Saudi Arabian resident or entity;

will not use the ICO Placement for any illegal activity, including but not limited to, for money laundering and/or the financing of terrorism;

certifies that the purchase and storage of the Token will not constitute a violation or breach of any applicable law by the Purchaser, in particular in his country of residence or citizenship;

purchases AWN because he/she/it wishes to have access to the SmartCop platform; and

is not purchasing AWN for the purpose of speculative investment or usage.

K. GOVERNING LAW – ARBITRATION

35. The Token Documentation, the SmartCop ICO operation and the purchase of the AWNs shall be governed by and construed in accordance with the substantive laws of Switzerland without regard to the conflicts of law rules and without regard to the rules of the Vienna Convention on the International Sale of Goods dated 11 April 1980.

36. Any dispute, controversy or claim arising out of or in connection with the Token Documentation, the ICO Placement and/or the purchase of the AWNs, shall be finally settled in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers’ Arbitration Institution in force on the date on which the Notice of Arbitration is submitted in accordance with these Rules. The number of arbitrators shall be 3 (three), the arbitrators to be appointed in accordance with the said Rules. The seat of the arbitration shall be Lugano, Switzerland. The language of the arbitration shall be English.