



# The World's First ICO Platform Implementing DAICO

**Whitepaper** #service

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# Executive Summary

ICOs are at the crux of the ecosystem necessary for hatching innovative blockchain-related startups. ICOVO will support healthy ICOs, which will create the future, by offering ICOVO Web, ICOVO App, and DAICOVO. Details are described in the three points below.

## 1. Increase ICO Transparency and Protect Investors:

We aim to protect ICO investors by introducing a fundraising management system and increasing the transparency of ICO project founders as well as the projects themselves.

### **Decentralized Token Management:**

We will create DAICOVO, an original smart contract incorporating DAICO's fundamental idea of decentralized token management.

We will introduce a system that only allows withdrawals according to a Tap system (setting an amount that can be withdrawn per unit of time). This will prevent developers from running off with raised funds.

In the event that an investor notices a problem with the project, they are able to retract their investment that was raised under agreement as a refund.

### **Decentralized Whitepaper Versioning:**

Versioning for whitepapers is managed by InterPlanetary File System (IPFS) and blockchain to prevent tampering.

### **Team Member KYC/AML:**

We will increase ICO project team member transparency by providing KYC/AML of ICO project team members on ICOVO Web in a centralized manner.

### **Visualize Activity Situation:**

We will increase project transparency by quantifying social media activity and GitHub updates on ICOVO Web.

## 2. Reduce Barriers for ICO Participation:

We will create a better investment environment and reduce barriers to ICO participation by unifying the investment process and the format for information disclosure.

### **Local Wallet Implementation:**

Implementing a safe local wallet(Wallet format with the purpose of enhancing security by holding the private key only in the mobile device not online) in ICOVO's original ICO-specialized smartphone app, the ICOVO App, helps with understanding the participation process for complicated token sales and managing tokens.

### **Unifying Formats:**

ICO project pages and summaries of whitepapers on ICOVO's website present information concisely, making it easier to understand for investors. Accessibility is enhanced by offering a summary of all the projects using the same format.

### **Reducing labor for KYC:**

We will eliminate the need for ICO investors to do KYC each time they invest. When they participate in ICO project token sales on the ICOVO App, they perform KYC only once as ICOVO will share the information with the ICO project founders.

## 3. Increase Project Durability:

We will sustain project founders' motivation for product release and increase project durability by introducing a system in which project founders can only withdraw tokens according to the Tap (an amount that can be withdrawn per unit of time).

### **Fund acquisition ≠ Goal:**

By introducing a system of original smart contracts implementing DAICOVO in which funds can only be withdrawn according to the Tap, motivation to finish the project is sustained.

# Table of Contents

## **A. Our Mission and Vision**

i. Mission .....	4
ii. Vision.....	6

## **B. Understanding Our Target Market**

i. Target Market Size .....	9
ii. Current Problems to Solve .....	12

## **C. What is ICOVO?**

i. Concept.....	14
ii. What is DAICO? .....	14
iii. What is IPFS?.....	15
iv. Service Overview and Organization.....	16
• DAICOVO.....	17
• ICOVO App.....	17
• ICOVO Web .....	18
v. System Design.....	21
vi. UI and UX .....	25
vii. Branding Strategy and Competitive Advantage .....	26

## **D. Marketing.....**

## **E. Roadmap .....**

## **F. Who We Are .....**

## **G. Legal Compliance and Risks.....**

# A. Our Mission and Vision

## i. Mission: “No ICO, No Future”

**ICOs are at the very core of the ecosystem necessary for hatching innovative, blockchain-related startups. This mechanism for the future must not be crushed, but rather carefully preserved**

Most whitepapers do not include financial information such as balance sheets. That is because ICO investors, unlike equities investors, are not interested in the latest returns. They read the vision outlined in the whitepaper, analyze the code uploaded on Github for integrity, and judge whether the project will have a big impact on society or not. Their evaluation criteria is not based on a growth model of perpetuating the status quo, but is more innovative, scrutinizing the revolutionizing capability of the service or technology.

As a result, funds gather in projects that provide services or technology with the concept of decentralization that will turn the very foundation of our existing society upside down, rather than where immediate returns are expected. The reason for these huge investments is because ICO investors are completely different from equity investors. They are dysphoric and doubtful about the current state of society, and have a sense of duty to create a plentiful future. Twenty or thirty-somethings that firmly understand the potential of technology to achieve this are pivotal. They held on to Bitcoin, Ethereum, and other AltCoins before the initial price surge, and raked in large capital gains. These sums would be impossible to attain by a twenty or thirty-something conventionally working in the structure of the present society.

Cryptocurrency allows for impossibly vast amount of wealth to be moved, giving these investors the power to change society. As a result, the next generation of young investors with flexible thinking and deep understanding of technology have emerged. Their funds are invested in “innovative blockchain-related start-ups”. As such, ICO is not a run-of-the mill fundraising tool, but an essential piece in creating an ecosystem incubating innovative blockchain-related start-ups that will create the future. We must not prematurely crush this future-creating instrument on grounds of lack of investor protections, or need to perpetuate governments' central authority.

ICOVO will incubate “innovative blockchain-related startups” by providing an ICO platform “ICOVO” that aims to solve problems that ICOs face.

## ii. Vision: Global Standard for ICO Platforms

|| Create a global standard for ICO platforms for innovative blockchain-related startups and ICO investors

### 1. Propel ICOs

**Protect ICO investors and reinvigorate ICOs themselves by increasing the transparency of the management of funds raised through ICOs, project founders, and projects themselves.**

Some countries have prohibited ICOs to protect investors, but with the appropriate regulations in place, investors can be safeguarded. Centralized governments can draft regulation provisions by utilizing specialists, but the problem is with management and supervision at the execution phase. Due to a lack of resources and the borderless nature of ICOs, it is difficult for centralized governments to effectively supervise administration with non-standardized methods.

ICOVO aims to solve this problem by using an autonomously operating system that does not depend on individual expertise. The system is a hybrid of the centralized client-server model and a decentralized P2P model featuring majority consensus. The centralized system is used to increase the transparency of ICO planners and projects. Specifically, this is achieved as planners' identities are confirmed through ID verification and GitHub updates are quantified and displayed on ICOVO Web to make the actual status of the project more transparent. The decentralized system is used to prevent scams where ICO planners immediately withdraw funds and disappear after token sales. Fraud is prevented through DAICOVO, an implementation of DAICO.

## 2. Reduce Barriers for ICO Participation

### **Increase ICO participation and accessibility by making the investment process and the format of information disclosure uniform across the board.**

The ICO market is expected to be mostly led by twenty or thirty-somethings highly literate in blockchain technology, but in order to invigorate the ICO market and increase its fluidity, it is important to expand the range of investors. It is necessary to enable more middle-aged or older investors with only a basic understanding of blockchain technology to participate.

Two major issues exist. First, the steps necessary for investors to participate in ICOs vary from project to project and are difficult to understand. Similar to crowdfunding platforms or securities firms' websites, the investing process needs to be uniformly streamlined.

The key to the solution is a wallet optimized for ICOs integrating an easy-to-use user interface (UI) and exceptional user experience (UX).

ICOVO will solve this problem through the ICOVO App. The ICOVO App is optimized for ICOs with a list of ICOs and features the world's first (as of January 2018) wallet where all tokens conforming to the ERC20/ERC223 standards can be managed. Anyone with a smartphone can invest in an ICO project through the ICOVO App. Combined with the ICOVO website, which can be accessed by computer, ICO participation becomes even easier.

Secondly, the format of whitepapers and information available online varies, making it difficult to compare and efficiently collect information. Some variability is expected as each project is built on its own ideology, but there are numerous elements that are commonly shared such as vision, market, concept, service outline, project delivery technology, competitive edge, risks, token sale, token expenditure allotment, rewards program, use of procured funds, and the team.

Being able to see common aspects in the same format makes it much easier to compare multiple projects.

ICOVO Web and the ICOVO App solve these two problems, providing ICO investors with a pleasant UX.

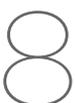
### 3. Improve project durability

**By allowing project founders to withdraw procured funds only within their capital-raising timeline and once certain milestones have been reached, motivation to release products is sustained.**

ICO projects that fail to release products or are markedly slow in development after procuring funds are far too common. Excluding scams, one of the reasons for such situations is the decrease in motivation after securing large sums. In the process of developing a completely novel business model or product, problems such as technological barriers, holes in organizational management, incompetence of the organization, or a lack of experts invariably arise. In order to overcome these, a high level of motivation to PDCA (Plan, Do, Check, Action) around the clock is necessary. Securing large funds makes it easy to confuse the ICO with the goal.

It is easy to forget that collecting funds at a stage without any product releases is the most fortunate start project founders could ask for. ICOVO aims to resolve this issue by using DAICOVO, which disables withdrawal of procured funds as a lump sum after the end of the crowdsale to ensure product release.

DAICOVO implements a mechanism that allows project founders to withdraw procured funds only after reaching milestones in their capital-raising timeline. For example, it is possible to enable project team members or contributors to withdraw only 20% of the total at the initial procurement stage, 20% after releasing the beta-version of the product, 20% after the official release, and the remaining 20% after successfully promoting the product. As a result of providing incentives for project founders to release products after the end of the token sale, motivation remains high and project durability is increased.

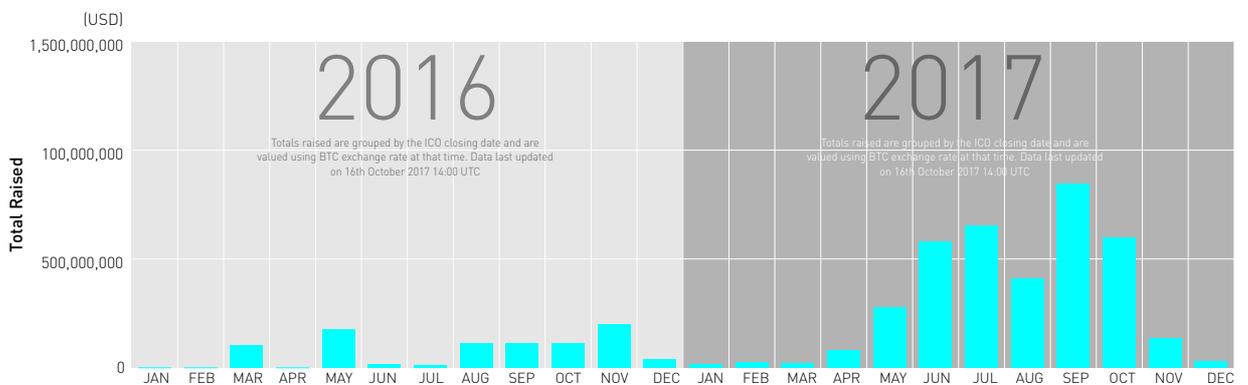


## B. Understanding Our Target Market

### i. Target Market Size

The ICO support service market has grown at an explosive year-over-year rate of 3800%

It was 96 million USD in 2016, but in 2017 it expanded rapidly by about 3800% year-over-year to 3.7 billion USD. In terms of the number of ICOs, there were about 5 times as many in 2017 as in 2016, up from 46 to 235. The amount raised per ICO also drastically increased; while the average in 2016 was 2.1 million USD, the average in 2017 was around 7 times more at 15.7 million USD (see figure below).



Note: Figures do not include "The DAO" that raised \$168M but was refunded after the smart contract was hacked

(Source: <https://www.coinschedule.com/>)

Assuming that ICO support services follow a profit model that takes 10% of the amount raised by planners as a success fee, considering the aforementioned market size, the potential market size of ICO support services was an estimated 9.6 million USD in 2016 and 370 million USD in 2017. If the market continues to grow at the 2016-2017 pace of 38x year-over-year, the potential market size of ICO support services will reach 771.5 trillion USD in 2021 (see table below).

**ICO Market Size Forecast Simulation** (assuming a pace of 38x year-over-year; millions of USD)

Year	2017	2018	2019	2020	2021
<b>Estimated market size</b> (Million USD)	370	14,060	534,280	20,302,640	771,500,320

Incidentally, calculating this according to the Q1 2017-Q1 2018 pace (57x or more year-over-year) results in even more rapid growth.

[Warning]

The above numbers are all cited from CoinSchedule (<https://www.coinschedule.com/>). The numbers for 2016 and 2017 were displayed on the CoinSchedule website as of 10 January, 2018, but the numbers were revised as of 12 April, 2018. The above does not reflect the revised numbers.

In addition, analyses of the ICO market vary, and while we are skeptical of the accuracy of the numbers, we have concluded that the above analysis is valid for the purpose of grasping the overall trend. Please consider it as one indicator for determining the trend of the ICO market.

For reference, below we will also post the numbers on CoinDesk (<https://www.coindesk.com/>)

### Summary Stats

	Close Data (Year)				
	2014	2015	2016	2017	2018
ICO Size(\$mn)	30	9	256	5,482	3,060
Average	4	1	6	16	33
Median	2	1	1	8	20
Max	18	5	152	262	850
Min	0	0	0	0	0
Std. Dev.	7	2	23	28	88
Number of ICOs	7	7	43	343	92

## Profitability of ICO support services

Crowdfunding : ICOs = 1 : 785

Although the profit model is close to that of crowdfunding platforms, the far higher unit price makes ICOs highly economical and profitable. The average amount raised by one ICO in 2017 was 15.7 million USD, 785 times as much as the 20,000 USD average for projects on the largest crowdfunding platform. Since there is no significant difference in cost between supporting a project on an ICO platform or a crowdfunding platform, the ICO platform business can be considered to be an extremely profitable business model.

## ii. Current Problems to Solve

From the ICO investor perspective:

**Problem:** Even if the ICO project is canceled or frozen, funds are not returned.

**Solution:** Using DAICOVO makes refunding possible.

**Problem:** It is difficult to identify scam ICO projects.

**Solution:** KYC/AML and project progress disclosure as required by ICOVO can be used as a guide for judgment.

**Problem:** A passport photographed for KYC can easily be falsified with photo editing software.

**Solution:** The ICOVO App's dedicated KYC/AML photo uploader prevents photo editing.

**Problem:** Different whitepaper formats make it difficult to compare ICO projects.

**Solution:** ICOVO Web provides the information common to all the projects in the same format.

**Problem:** Whitepapers can be tampered with.

**Solution:** ICOVO Web uses Blockchain and IPFS to make it impossible to tamper with the whitepaper, so you can always view the whitepaper published before the ICO even if you didn't save it.

**Problem:** ICO investment has a high barrier to entry.

**Solution:** The ICOVO App is optimized for ICO tokens, so using it makes it easy to participate in token sales and manage tokens.

**Problem:** It is difficult to draft and vote for things such as a DAICO refund.

**Solution:** The ICOVO App makes it easy to participate in drafting and voting on the management of procured funds.

**From the ICO project founder perspective:**

**Problem:** A token issuing system must be developed to do an ICO.

**Solution:** Using DAICOVO and the ICOVO App makes development unnecessary.

**Problem:** For an ICO to be successful, the trust of ICO investors must be gained.

**Solution:** Implementation of DAICOVO and KYC/AML as well as disclosure of project progress as required by ICOVO conveys that the project is above board and sincere.

**Problem:** Sometimes planners need ICO advice.

**Solution:** ICOVO offers free consultation on everything from business model planning to ICOs.

**Problem:** Planners lack the funds to conduct an ICO.

**Solution:** ICOVO's initial charge is only 10,000 USD. If the ICO succeeds, there is a fixed-rate success fee; if it fails, there are no fees beyond the initial charge.

**Problem:** Planners lack a system to implement KYC/AML for a large number of ICO investors in a short amount of time.

**Solution:** ICOVO implements KYC/AML on behalf of the planners.

# C. What is ICOVO?

## i. Concept

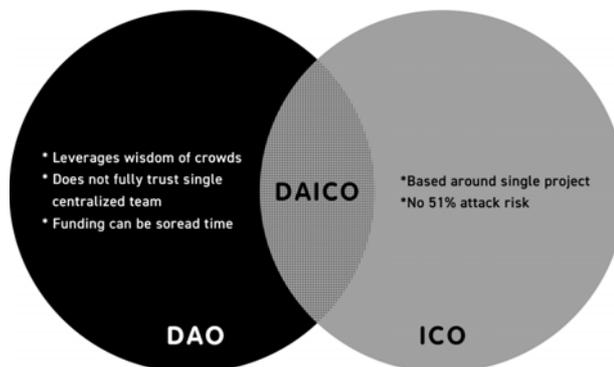
In order to achieve our mission of soundly cultivating ICOs into "the very core of the ecosystem necessary for hatching innovative blockchain-related startups" that will create the future, ICOVO must become a next-generation global standard for ICO platforms that is truly valuable to both innovative blockchain-related startups and ICO investors.

At the same time, we will make the ICOVO framework the global standard by proposing a new, centralized-decentralized hybrid management framework to central governments around the world currently seeking to develop healthy ICO environments through centralized methods.

## ii. What is DAICO?

Proposed by Ethereum co-founder Vitalik Buterin on 6 January, 2018, a DAICO is a model that uses decentralized methods to prevent planners from dishonestly using funds raised through an ICO. In ICOs using tokens that conform to the ERC20 standard, smart contracts are used to limit the amount of funds raised that project founders can withdraw per unit of time, and if the project is canceled for whatever reason, the remaining funds can be returned to the ICO investors if a consensus is reached.

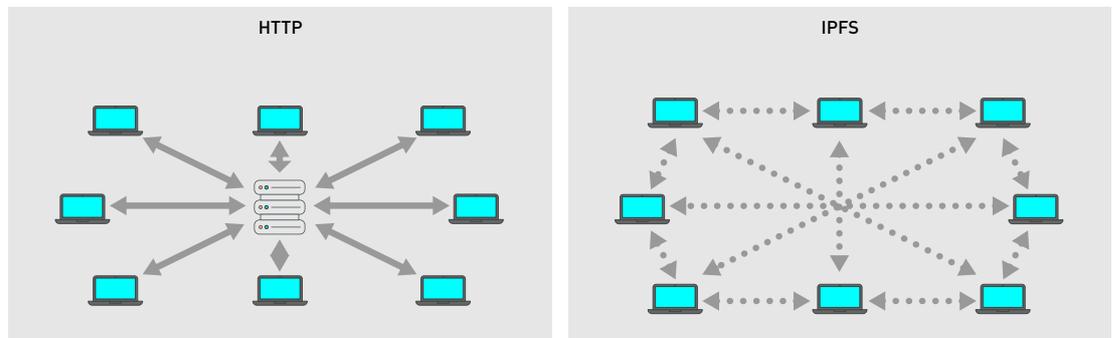
### DAICO Concept



source: <https://ethresear.ch/t/explanation-of-daicos/445>

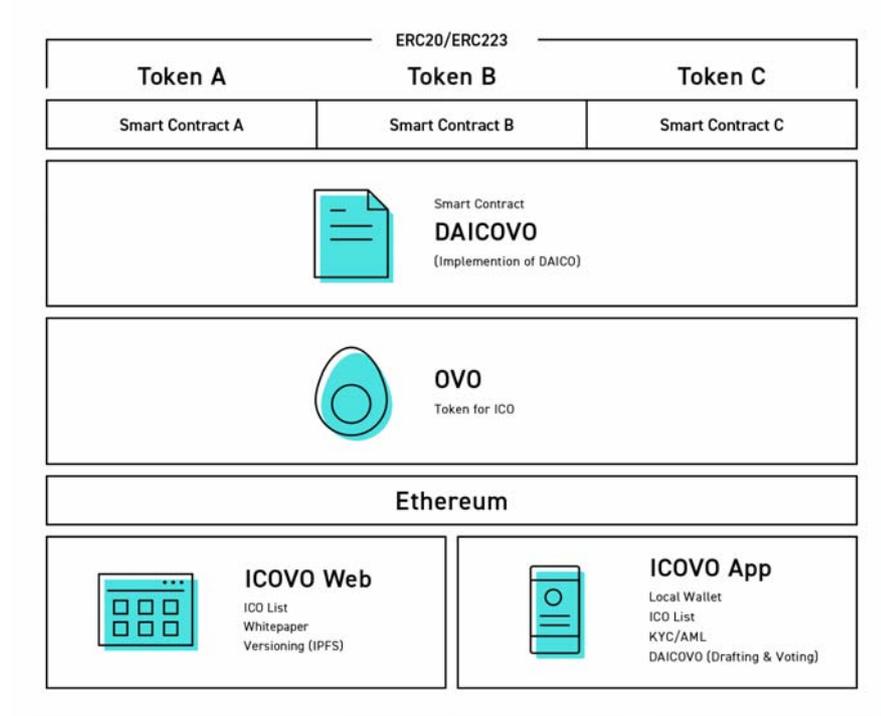
### iii. What is IPFS?

First proposed by Juan Benet, IPFS stands for the InterPlanetary File System. It is being developed by Interplanetary Networks with the help of the open-source community. It is a P2P distributed file system that connects multiple computing devices in the same file system to achieve distributed storage of files. In recent years it has been used to store large files directly on the blockchain.



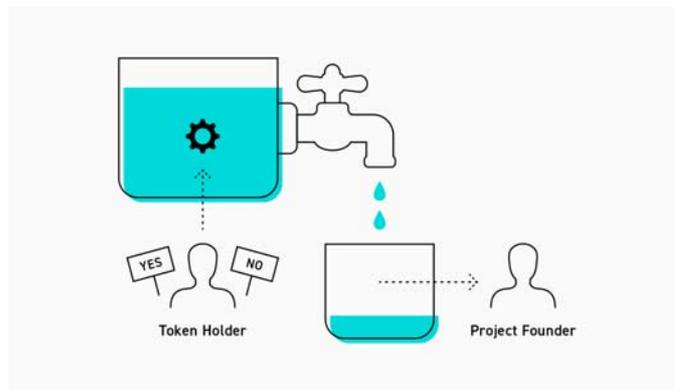
## iv. Service Overview and Organization

ICOVO is a one-stop ICO support service providing DAICOVO, a platform for managing the issuance of tokens in ICOs using Ethereum's ERC20/ERC223-compliant DAICO framework, the ICOVO App, which includes a wallet function that can manage all ERC20/ERC223-compliant tokens, KYC/AML functions for ICO investors, Block Chain and IPFS-based whitepaper versioning, and ICO Web, an ICO listing site with ICO project management functions, as well as other ICO necessities such as reviews of whitepapers and other documents, legal checks, engineer work from DAICOVO parameter adjustment to deployment, and Offering all of this on a one-stop basis will reassure ICO investors, lend credibility to ICO project founders, and make ICOs more sound, while at the same time lowering the barrier to entry in ICOs by consolidating the participation process (see figure below).



## DAICOVO: Smart contracts implementing the DAICO model

In addition to the functions required by ICO project founders such as issuing, selling, and managing unique tokens, DAICOVO offers smart contracts optimized for ICOs adopting the DAICO model. For ICO project founders who use DAICOVO to do their ICO on ICOVO Web, all of the required work, including token design, DAICOVO parameter setting, compilation, and deployment, is free.\*<sup>1</sup> DAICOVO is already available as a open-source software. (<https://github.com/icovo/DAICOVO>)



## ICOVO App: A smartphone app featuring a wallet optimized for ICOs

ICOVO's iOS/Android-compatible smartphone app(ICOVO Wallet in iOS and ICOVO Wallet PLUS in Android) is a native and web hybrid. It includes the world's first (as of January 2018) local wallet that can easily manage ICO list information and all ERC20/ERC223-compliant tokens. It is compatible with DAICOVO and comes with functions that allow project founders to easily draft and conduct voting on fund management.



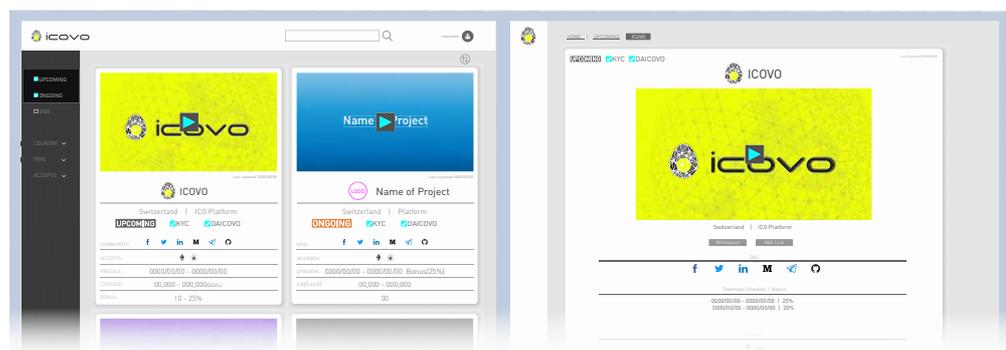
\*1. ICO projects listed on ICOVO Web that are successful will be charged a fee proportional to the amount raised. ICOs that are not successful will not be charged. For any functions requiring customization, a separate fee will apply.

Using the ICOVO App eliminates the need for project founders holding ICOs through ICOVO to develop new wallets or prepare third-party wallets for their tokens. It also uses its own dedicated KYC/AML photo uploader, which prevents tampering with passport photos and selfies. We designed it in conjunction with ICOVO Web, envisioning that ICO project whitepapers will be read on ICOVO Web and investment done through the ICOVO App, but the app is fully optimized for ICOs, offering everything from whitepaper viewing, KYC, token purchasing, and account management to drafting and voting related to fund management. Also, it has the interface for Decentralized Exchange(DEX) where users can trade their tokens.

## ICOVO Web: An ICO listing site with thorough ICO investor protections

ICOVO Web is a website for ICO project founders to list their ICOs for investors. It thoroughly protects ICO investors and lists only ICO projects that comply with ICOVO requirements. The criteria for listing on ICOVO are the utilization of DAICOVO, planner KYC/AML as required by ICOVO, and disclosure of the progress of the project.

The biggest feature is whitepaper versioning using IPFS. All the whitepapers of ICO projects listed on ICOVO Web are managed by IPFS. Whitepaper versioning through IPFS storage makes it impossible to tamper with whitepapers later on. This means that even if investors fail to download the whitepaper before the ICO or lose it, they can always verify whether the project is proceeding according to the original whitepaper, and if it is not, they can draft and vote to have their money refunded.



The KYC required by ICOVO, which includes passport-based ID verification and AML, applies not only to the investors but also to the ICO project founders. Furthermore, in order to increase the transparency of ICO project activity, ICOVO shares the state of progress on the project by quantifying and displaying the project's use of GitHub, social media, and other major tools.

ICOVO also requires a uniform format for certain essential whitepaper items so that each ICO project founder's whitepaper can be read in a unified format. The ICOVO App is synchronized with the ICO list information and bookmark function so that ICO investors can achieve participation all in one place.

We also provide ICO project founders with a white-label dashboard for investors including a referral program, airdrop program, KYC/AML, and more.

## **OVO: OVO tokens offering 25% off drafted project token purchases**

ICO investors who use OVO to purchase tokens for projects drafted on the ICOVO platform get a 25% discount compared to using ETH. Because OVO is an exchange-listed token, its price fluctuates against ETH. For this reason, the rate for the 25% discount against ETH is set at whatever the rate is just before each drafted project's token sale begins (resulting in the discount rate continuing to fluctuate throughout the token sale). In addition, 30% of the amount raised by the planners is paid in OVO while the remaining 70% is paid in ETH.

## Other services:

Other services include business model evaluation, whitepaper review, legal check by a Swiss lawyer, a translation to multiple languages and press release distribution.

ICOVO's business model is based on success fees, so services are provided to ICO project founders according to the following fee structure:

### **Initial charge 10,000 USD**

### **Success fee: 5-7% of the amount raised**

If the amount raised is less than 10,000 USD or the soft cap:	Free
If the amount raised is between 10,000 and less than 5 million USD:	7%
If the amount raised is between 5 million and less than 30 million USD:	6%
If the amount raised is 30 million USD or more:	5%

However, in cases where system customization is necessary, this may be provided for a separate fee following consultation with the ICO project founders.

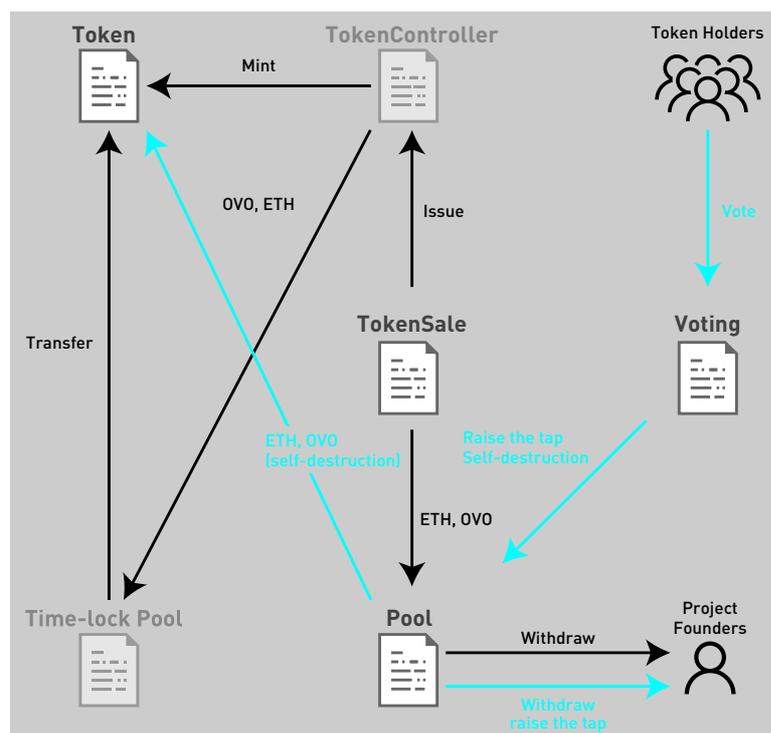
## v. System Design

As previously mentioned, our system consists of three components; the DAICOVO smart contract, ICOVO Web, and the ICOVO App. The DAICOVO smart contract is the core of this system, and token holders will be able to interact with the smart contract through our applications. In this section, we will cover this system in detail.

The DAICOVO smart contract consists of mainly four smart contracts; a token contract, a token sale contract, a pool contract, and a voting contract (Figure 1). These independent modules interact with each other to form the DAICOVO system. In practice, these smart contracts start in "contribution mode" and transition to "voting mode". In the contribution mode, investors can contribute to a project by purchasing tokens to be issued. In the voting mode, they can exercise their voting rights over two options in a democratic manner; the smart contract will be executed when over half of the token holders come to an agreement. We will go over the specification for each mode in the following paragraphs.

Our smart contracts are already open sourced if you would like to understand the codes in detail(<https://github.com/icovo/DAICOVO>).

[Fig. 1] Structure of the DAICOVO smart contract



## 1. The Contribution Mode

Prior to activating the contribution mode, token issuers are required to submit information about each parameter of the token sale smart contract. We will generate smart contracts based on this information. The parameters include: a token name, a symbol, the number of decimals, total supply, hard cap, sales schedule, sales model, per-person cap, an initial fund, and a tap. The sales model is a pricing mechanism for the sale, and token issuers can choose a fixed price model, a dutch auction model, an English auction model, or a second price auction model. The tap is a new concept that Ethereum co-founder Vitalik Buterin proposed in Ethereum Research.<sup>\*1</sup> It specifies the amount of ETH or OVO that token issuers can withdraw per second. This smart contract for token sales will comply with the ERC20<sup>\*2</sup> standard.

Token issuers will maintain their whitepapers on IPFS (Interplanetary File System). IPFS is a transport protocol which was first released in 2015. It tackles problems that the traditional HTTP protocol has because of its location-based addressing. The HTTP protocol creates a centralized system where a file can only be retrieved by going to a single location, which leads to a single point of failure, censorship, and impermanent data. Their protocol can solve these problems with the content addressing system and other features in the protocol. The beauty of using IPFS in our system is in its decentralized architecture, preventing whitepapers from being controlled by a central entity. Token issuers can upload their whitepapers to this distributed network through ICOVO Web, making them visible to anyone.

Investors in token sales can purchase tokens by sending ETH or OVO to a smart contract address. The wallet in the ICOVO App will allow them to invest in tokens and manage the tokens that they have purchased. This deterministic wallet can generate an infinite number of addresses (public and private key pairs) with a seed. Thus, users only have to make a backup once. Since we won't store users' seeds or private keys on our server, they don't have to worry about the loss of their money even in the worst case scenario – the hacking of our central server.

\*1. Buterin, Vitalik. (2018). Explanation of DAICOs. Ethereum Research.  
<https://ethresear.ch/t/explanation-of-daicos/465>

\*2. Fabian Vogelsteller, Vitalik Buterin. (2015). ERC-20 Token Standard. GitHub ethereum/EIPs repository.  
<https://github.com/ethereum/EIPs/blob/master/EIPS/eip-20.md>

## 2. The Voting Mode

Once the commission is paid to us through the token sale smart contract and the contribution mode ends, token issuers can withdraw the funds they raised from the pool smart contract. The amount that can be withdrawn depends on the amount raised and the tap that was set. They will be able to withdraw through the ICOVO App without any technical skills.

At this point, token holders will have two rights; the right to make proposals and the right to vote for proposals. However, if token issuers choose to lock-up their tokens, they lose these rights during the lock-up period. Further, when token holders choose to transfer their tokens to another person, these rights will also be transferred. Two types of proposals can be made: raising the tap and self-destruction of the contract (i.e. a refund of the funds left over in exchange for their tokens). Everybody, can make new proposals. Two proposals cannot be made simultaneously, but reservations can be made as long as they are not identical. A token holder who does not vote will be counted as a downvote but will only be given a weighting of one sixth. Token holders will interact with the voting smart contract, which we describe in detail for each proposal below.

The first proposal is raising the tap. In order to prevent malicious behavior, proponents are required to pay a commission (in ETH) along with gas to create a proposal, which will trigger a function in the voting contract. They will be able to do so via our wallet in the ICOVO App. A voting is valid for 14 days, and just as in the creation of a proposal, token holders can vote from their wallet in the ICOVO App. If the proposal were passed the voting contract will call the pool contract to raise the tap, which will allow token issuers to withdraw more funds. Conversely, if the proposal fails were rejected the tap will remain the same.

The second proposal is self-destruction of a contract. Token holders can make a proposal for the remaining funds to be refunded in exchange for their tokens. The processes for making a proposal and voting are the same as proposals for raising the tap. If the proposal were passed the voting contract will call the pool contract, but in this case the code will trigger a refund. To be more specific, 30 days worth of funds will be supplied to the founder immediately after the approval and then Tap will be closed. This will block token issuers from withdrawing the funds and permit token holders to get a refund in exchange for their tokens. The amount refunded for each token holder will be calculated by the following formula:

$$\text{Amount refunded} = \text{Remaining funds} * (\text{Number of tokens owned} / \text{Total supply of the token})$$

### 3. A Fraud Prevention Voting System

The core of the DAICOVO smart contract is voting, which protects investors from fraud. In order to minimize the risk of vote manipulation, we implement three security measures.

The first is a per-person cap in token sales. Concentration of tokens leads to concentration of political power. Thus, we set up a limit on the amount of tokens each person can buy. The second is voting by a deposit. Think of the case where, once a vote is made with some specific tokens during a voting period, the same tokens are sent to other accounts so that it is statistically difficult to trace them from the original address. The same tokens could then be used to vote multiple times and wield more voting power than they should be able to. In order to prevent this type of Sybil attack, we require voters to deposit their tokens at a specific address, which will return tokens to their original address after the voting period. Lastly, we set a limit on the amount that a tap can be raised. It's still possible for malicious token issuers to convince investors to vote for their proposal and raise a tap as much as possible so that they can run away with their money. In order to prevent this malicious act, a tap will not be able to be raised more than double.

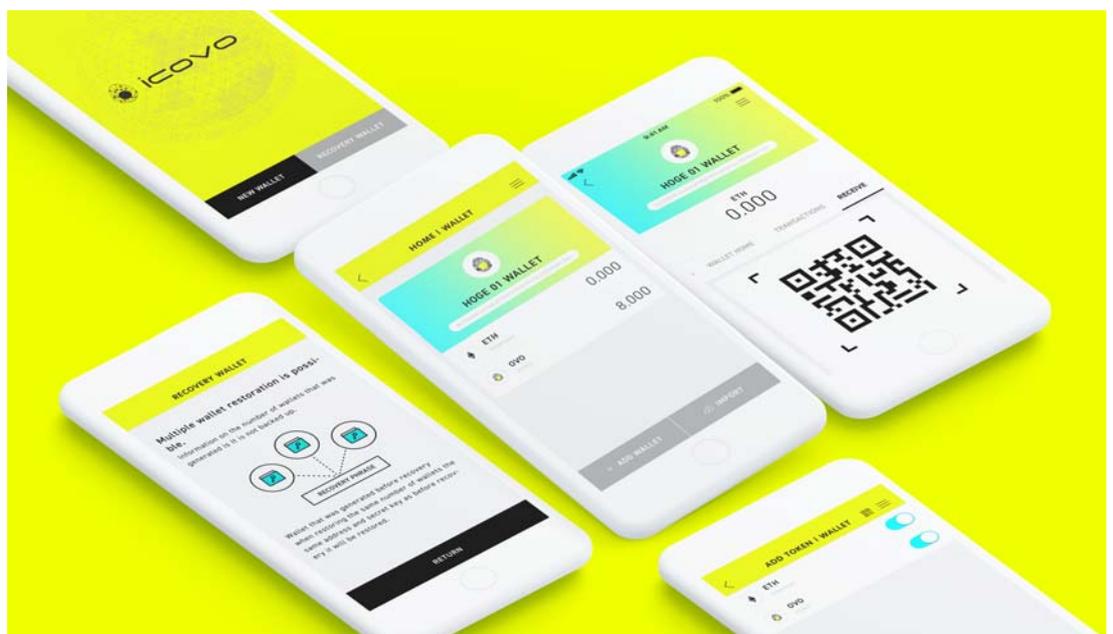
## vi. UI and UX

### || Providing a user experience that balances security and comfort

In order to make the ICO project investment process smoother and easier while maintaining security, ICOVO has designed a comfortable ICO user experience based on tandem use of smartphones and computers.

ICO investors use computers more than smartphones to invest in ICO projects. From a usability perspective, it is convenient to have an environment in which investment is possible with a single click, like on a crowdfunding platform like Kickstarter, by using a hot wallet that stores one's private key on a server. However, hot wallets present certain security risks that make them unsuitable for holding large amounts of money.

The UX we propose takes security into consideration by having users browse ICO project information on their computers and, if they identify a project they like, finding it on their smartphones with the synchronized bookmarks and using the much safer local, wallet-equipped app to invest. Of course, the smartphone app is designed to offer a standalone UX as well.



These screens are under development

## vii. Branding Strategy and Competitive Advantage

### || Branding strategy

There are currently no similar services with the ability to compete with ICOVO. In particular, there are no ICO platforms built around the idea of protecting investors.

On the other hand, there are multiple ICO listing sites strongly supported by ICO investors.

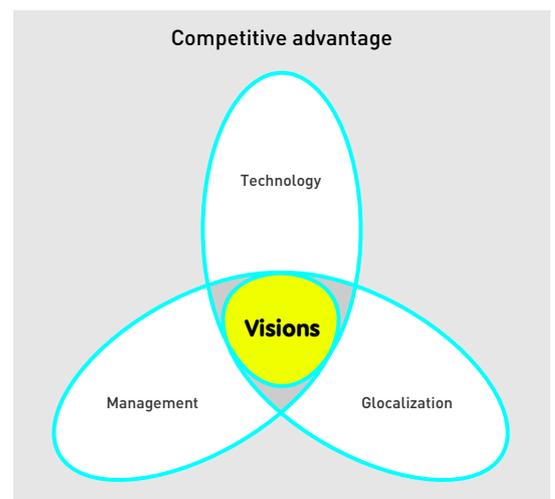
As of February 2018, major listing sites contained 500 to 600 ICO projects (including completed ones), and ICO project founders have expressed the need to be listed on a platform with a strong brand.

By requiring project founders to use DAICOVO, undergo KYC/AML themselves, and increase the transparency of the project, we aim to make ICO projects on ICOVO trustworthy and high-quality, thus building the ICOVO brand as a highly trustworthy ICO platform.

**ICOVO's competitive advantages are its vision based on original ideology and the vast human capital of the three founders in terms of management capability, technological strength, and glocalization ability accumulated from their wide-ranging experiences.**

Our mission is for ICOVO to become a global standard for ICO platforms for innovative blockchain-related startups and ICO investors.' To realize this mission, our vision is to provide a solid ICO foundation, expand the ICO investor base, and improve project continuity after ICOs.

Anyone can duplicate our mission and vision on paper and may offer similar services, but because of the difference in ideas, technological strength, and know-how, no one can offer the same service as us. This is ICOVO's main competitive advantage.



**Akihiro Yamase** has managed various types of industries such as a hosting company, serviced office company, startup incubation company, food and beverage company, music company, and AI composition application provider for 30 years, all starting from the ground up. The hosting company, which Yamase established but has already retired from, has seen 10 years of continuous increase in income and profit. A sense of investment balance in being offensive and defensive is the secret to its continuity. Akihiro Yamase will broadly invest by investing in BCP (Business Continuity Planning) such as security measures and at the same time, he will also scale ICOVO with stability and high growth in the short term by increasing its service quality and investing in promotional activities.

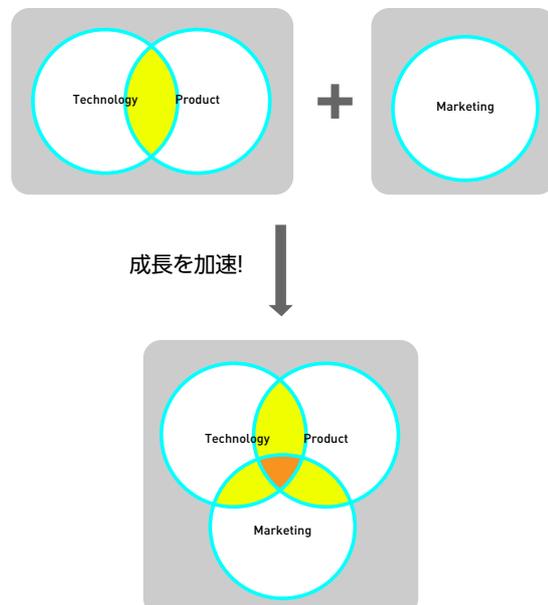
**Yoshikazu Nishimura** received the MVP award at Blockchain Hackathon Tokyo and the Best Innovation Award at Global Blockchain Summit 2016 in Shanghai, and has designed and developed several blockchain-related projects. In recent years, Nishimura wrote the book "Hajimete No Blockchain Application Ethereum Ni Yoru Smart Contract Development Nyumon (Blockchain Application for Beginners - Smart Contract Development on Ethereum)". He also developed the next-generation These screens are under development Wallet targeting both ICO developers and investors. Contributing to the developer community through his tireless work, Nishimura is a leading engineer in the global blockchain industry. He has participated in several ICO projects from the design phase all the way to the audit stage both inside and outside of Japan, free and for-purchase. He is a leader for the future and realization of blockchain technology, which is changing the world. Smart contract DAICOVO, which is at the crux of ICOVO's (DAICO with an innovative design), will be open source and will grow to become industry-standard in the hands of Yoshikazu Nishimura.

**Masahiko Kumada** has long been involved in the securities industry and the global investment world, and he is currently supporting several borderless business promotions through venture capital investment, such as a medical company in USA, a microfinance firm in Bulgaria, and an internet educational business in the Philippines. Kumada possesses the connections to key persons and detailed globalization know-how that are necessary for global development. Through globalization, which is indispensable for a successful global service, Masahiko Kumada will methodically extend the reach of ICOVO to each country.

ICOVO will be the world's best ICO support service with an overwhelming competitive advantage by combining Yamase's vision and management, Nishimura's technological capabilities, and Kumada's glocalization.

## D. Marketing

No matter how excellent the technology or how wonderful the product, if this is not clearly communicated to target customers, the product will not penetrate the market and the company will not grow. This work of communicating is what marketing is.



ICOVO's clients are innovative blockchain-related startups. The most efficient way to communicate ICOVO's services to them is not to go to them to tell them but to have them come to access ICOVO's service information.

ICOVO's marketing centers on communicating its service information through two media to attract potential clients.



**Online media**  
Blockchain Insight  
Started on 15 August 2018



**Physical media**  
**Coworking space**  
(Switzerland / Zug, Japan / Tokyo, ...)

**One is online media,**

Blockchain Insight(<http://blockchain-insight.ch/>). This is our crypto market- and blockchain-related owned media, primarily for information related to achieving a healthy ICO environment and technical information related to the blockchain. By sharing quality- rather than quantity-based content, we aim to make this a highly-reliable, de facto industry-standard medium.

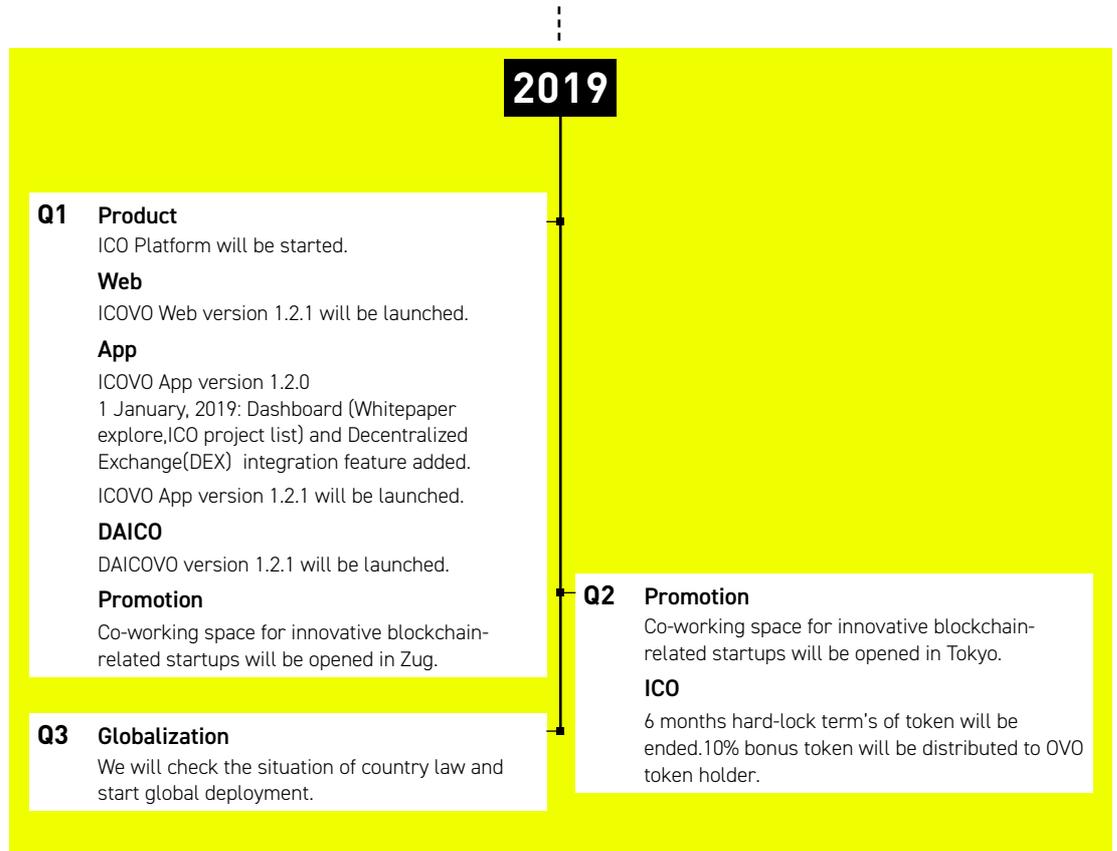
**The other is physical media,**

coworking spaces for startups. We will increase ICOVO's name recognition by providing physical places for blockchain startups. Specifically, we will offer blockchain startup-dedicated coworking spaces in Zug, Switzerland, Tokyo, Japan. We plan to support startups possessing advanced technology. These coworking spaces will offer an Ethereum testnet, full node storage and more, as well as make it possible to install test-stage blockchain, IoT, and AI hardware for ushering in a next-generation society. Naturally, all paid services in the coworking spaces will accept payment by ETH or OVO. Blockchain-related startups approved by ICOVO will be able to use these for free.

CEO Akihiro Yamase, having launched a coworking space in Tokyo in 2010, has an eight-year track record.(<https://www.k-society.com/>)

# E. Roadmap





## F. Who we are

Each ICOVO team member contributes to the team with their expertise so that we can provide high quality service for our customers: Yamase(CEO), Sasaki(CDO), Nishimura(CTO), Kumada(CFO), Oliver(CAO) and Obata(COO).

With extensive experience hosting innovations in the internet infrastructure industry, dining industry, music industry, IoT-related enterprises, and AI-related enterprises under his belt, Akihiro Yamase delved into the blockchain terrain over a period of two years, laying the foundation for ICOVO's vision.

Service design, UI/UX design, and creative professional Iwao Sasaki, who had experience at both the local and global level, took on Akihiro's vision and designed the overall project, undertaking both the creative and management aspects as CDO (Chief Design Officer).

Soon after, Masahiko Kumada, a Singapore-based investor in the finance industry and innovative global startups, joined the team as CFO (Chief Financial Officer) to drive the financial and global development of Akihiro's vision.

Following Masahiko, one of the top engineers driving the blockchain industry and winner of the Best Innovation Award at the Global Blockchain Summit 2016, Yoshikazu Nishimura, became an advocate of Akihiro's vision. Through collaboration with G.U. Lab, of which Yoshikazu is the CEO, he came on board as CTO (Chief Technology Officer) to provide technical support for the service in its entirety.

Additionally, Oliver Gomm, who has experience operating multiple enterprises in Switzerland, joined the team, setting up base in Switzerland and handling legal affairs and management to fully support back office business operations as CAO (Chief Administrative Officer).

Moreover, Obata(COO) joined the team on 1 July 2018.

The ICOVO team consisting of these five members, Akihiro, Iwao, Yoshikazu, Masahiko, and Oliver, is structured to deliver phenomenal services at a higher level through the fusion of their exceptional expertise.



**Akihiro Yamase**

(Japan)  
Chief Executive Officer / Co-Founder



**Masahiko Kumada**

(Singapore)  
Chief Financial Officer / Co-Founder



**Yoshikazu Nishimura**

(Japan)  
Chief Technology Officer / Co-Founder



**Takuya Obata**

(Japan)  
Chief Operation Officer



**Oliver Gomm**

(Switzerland)  
Chief Administrative Officer



**Iwao Sasaki**

(Japan)  
Chief Design Officer



**Taisuke Mino**

(Japan)  
Blockchain Engineer



**Ria Soni**

(the United States)  
Evangelist



**Tyler Carrico**

(Japan)  
Evangelist



**Tamon Fujiwara**

(Japan)  
Evangelist



**Atsuko Chiba**

(Japan)  
Communication Manager



**Dr. Tom Frey**

(Switzerland)  
Legal Advisor



**Quek Li Fei**

(Singapore)  
Legal Advisor

**Profile**


Chief Executive Officer / Co-Founder

**Akihiro Yamase**(Japan)

Serial entrepreneur. Established KDDI Web Communications Inc. in February 1987 and simultaneously became its CEO/COO, resigning in March 2013. In April 2010 he established Knowledge Society, a serviced office company for startups. After resigning from KDDI Web Communications Inc., he established Yamase Holdings Inc. in February 2015 with the aim of investing in startups and holding shares of subsidiaries. In September 2014 he established Peace Voice Entertainment Inc., a J-pop artist management company. In June 2016 he established upLive Inc., a self-promotion and AI musical composition application provider for artists. All companies were established in Tokyo. In January 2018 he jointly established ICOVO, which provides ICO support services, in Zug, Switzerland and joined as a Co-Founder/CEO.



Chief Financial Officer / Co-Founder

**Masahiko Kumada** (Singapore)

Kumada first established the financial planning office First Place Co., Ltd. in Japan in 2001, acting as CEO/Founder for 9 years. He then resigned from First Place Co., Ltd. and incorporated Macnel Administration Pte. Ltd. in 2010 in Singapore, which provides overseas operating companies with outsourcing services and business consulting. He works as a director and an advisor in various industries including medical, educational and global investment. He joined ICOVO as a Co-Founder/CFO in 2018.



Chief Technology Officer / Co-Founder

**Yoshikazu Nishimura**(Japan)

Chief Technology Officer in ICOVO and a system architect, Nishimura is eager to make the ICO world healthier and more trustable with this project. After obtaining a B.S. in Mathematics and M.S. in Computational Molecular Biology, he started his career as a database consultant at Oracle. In 2013, he established Comps Co., Ltd. and Comps Pte. Ltd. for software development specializing in academic projects related to machine learning, natural language processing, voice synthesis technologies, and more. In 2018, he spun off a blockchain-related business to G. U. Lab. G. U. Lab aims to provide tools supporting the development community, such as a wallet app, an integrated development environment, and a Dapp browser. He released the Tachyon Wallet, which supports Ethereum and ERC20 tokens. He also won the Best Innovation Award at Global Blockchain Summit 2016 in Shanghai and published "Blockchain Applications for Beginners – Smart Contract Development on Ethereum" (Shoehisha, 2017). He joined ICOVO as a Co-Founder/CTO in 2018.



Chief Operation Officer

**Takuta Obata**(Japan)

He is an engineer specializing in Blockchain, natural language processing, machine learning and AI for gaming. He started working in a field of industrial robots at Canon, Inc as an engineer. Then he established his company WLTC, Inc. which has been undertaking the development of dialogue system or the backend of crypto currency exchanges. As the COO of ICOVO, he leads the operation and the development along with the CTO. Won the MVP in Blockchain Hackathon Tokyo 2016. His game playing AI programs that he has developed for the World Computer Shogi Championship have been marked as a high-ranking winner for a few years. He became the COO of ICOVO in July 2018.



Chief Administrative Officer

**Oliver Gomm**(Switzerland)

Since graduating university in 2002, Gomm has worked in the alternative investment industry, including at hedge fund market leader Man Investments as Relationship Manager up until 2011 . He subsequently founded Saltwater Partners in Switzerland in September 2011 to provide professional investor consultation services, advice, and support in the fields of hedge funds and private equity. In addition, he became Managing Director of Tune Capital AG in 2012. Tune provides investment management and consultation services, among other things, to professional clients and institutions. Now in 2018, he is excited to have joined ICOVO in January as CAO.



Chief Design Officer

**Iwao Sasaki**(Japan)

Sasaki has 25 years of domestic and international experience in graphic design, art direction, and planning for advertisements and other print media. He also has 20 years of experience in planning, direction and management for websites and other interactive media, and is familiar with UI/UX design, service design, and printing and web technology. In 2015, he became Web Director of Recruit Lifestyle Co., Ltd.; in 2016, Art Director of Recruit Communications Co., Ltd.; and finally, in 2017, Creative Director of Yamase Holdings Inc. He joined ICOVO as CDO in 2018.



Legal Advisor

**Dr. Tom Frey** (Switzerland)

Dr. Frey has been working for Baumgartner Mächler since 2009 in the area of civil law and civil procedural law. His work has is mainly focused on litigation proceedings in the banking sector as well as in other corporate law matters and disputes. In addition, he advises and represents clients in contract, employment, and tenancy law matters as well as in the area of data protection and legal matters relating to blockchain technology. He has been admitted to the Swiss Bar , and his areas of expertise are contract law, especially claims for damages, labour law, data protection, trade and corporate law, tenancy law, debt and bankruptcy law, and IT law. He is a member of the Swiss Bar Association (SAV), Zurich Bar Association (ZAV), and the Beobachter-Lawyers network for the areas of labour law, tenancy law, and investor protection. His publications include Die Ermittlung des Schadens und anderer quantifizierbarer Werte im Anwendungsbereich von Art. 42 Abs. 2 OR, Zürcher Studien zum Privatrecht, Band 278 (zugleich Diss. Zürich 2017), Zürich/Basel/Genf 2017 .



Legal Advisor

**Quek Li Fei** (Singapore)

Li Fei is actively involved in advising on legal aspects of distributed ledger technology/ blockchain, cryptocurrency and ICOs (initial coin offerings), including legal and regulatory compliance, under Singapore law.

In addition, he has experience in acting for banks on varied transactions and in general corporate law, and also helps individuals a part of his private clients' practice, in estate planning, including the legal aspects of wealth management, advising on and setting up trusts and off-shore structures to secure their future and the future of their families.

His cross-border work on various debt and equity issues has involved lenders, borrowers and corporates in many jurisdictions including Indochina, the PRC, Korea, ASEAN, the Bahamas, Panama and the United Kingdom. He enjoys providing clients with clear thinking on matters that are often highly complex.

Li Fei heads the firm's Banking and Finance, Private Clients and Blockchain, Cryptocurrency & Initial Coin Offerings teams.

## **G. Legal Compliance and Risks**

ICOVO is operated by ICOVO, which is based in Zug, Switzerland, continually shares information with Switzerland's FINMA, and develops services in compliance with ICO-related laws and regulations. Therefore, there is the possibility that aspects of its services will need to be changed in accordance with FINMA policy.