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**TPA TOKEN  
COMMUNITY-DRIVEN DECENTRALIZED  
INVENTORY FINANCING**

**2021**

WHITEPAPER

## OVERVIEW

**TPA Holdings Co., Ltd.** is a publicly traded South-Korean distribution corporation that encompasses manufacturing, distribution marketing, and media. TPA Holdings Co. Ltd. is the parent company of TPA Retail, the entity managing the corporation's decentralized inventory financing business vertical, and Ismedia, which is listed on the major Korean stock exchange (KOSDAQ). TPA Retail will partner with an independent entity, TPA Holdings (BVI) Limited, to release the **TPA token** to allow the community to participate in the corporation's inventory financing business model safely and securely.

The first decentralized finance (DeFi) offering backed by inventory collateral, the TPA token will allow holders to contribute to a loan pool which small and medium businesses can borrow from in order to purchase inventory and grow their sales. The loans will be fully secured by collateral in the form of TPA tokens and the inventory itself. Based on historical averages from TPA Retail' past performance, TPA token holders can earn up to **20% per annum** on contributions they make into the pool.

These businesses seeking loans will be vetted and once approved, will be supported by TPA Retail' existing partnerships with South Korea's major home shopping networks and warehousing and 3PL services. The experience and capabilities of TPA Retail to identify promising investments and support sell-through has kept investment losses at a low 3-4% with returns consistently above 10%.

The DeFi technology underpinning this business model allows investors to leverage the latest in blockchain and finance tech to achieve high yields in the most secure and automated way. By locking tokens into the TPA lending pool smart contract, dividends will be automatically distributed to token holders once interest payments are returned to the pool. The decentralized nature of the pool and smart contract ensures that dividends are paid out fairly and without any delay or risk of mismanagement. DeFi and the TPA token pool will allow investors to leverage their tokens to generate high yields in a safe and decentralized manner.

The TPA token is an ERC20 token that adds further security and efficiency to a proven successful business model. Blockchain technology increases transparency and security in the antiquated trade finance space by eliminating burdensome paper trails and any possible supply chain tampering. In the case of a loan default, smart contracts will ensure the initial loan pool is replenished automatically with tokens that are backed in full by real-world collateral.

The TPA token allows the community to participate in filling a \$1.5 trillion global trade finance gap, of which inventory financing and TPA Retail is an important part. Inventory financing on the blockchain will especially help small and medium business owners who may not be eligible for traditional support through loans from banking institutions but nevertheless have promising products and an established sales channel.

TPA Retail will launch a user-friendly online dashboard and mobile app where users can manage their TPA DeFi accounts and TPA tokens. With one simple dashboard users will be able to integrate their Ethereum wallets and stake their tokens to the staking contract, view their historical returns, and acquire more TPA tokens from external exchanges. This single dashboard will allow users to manage

their tokens to take advantage of all future business verticals that TPA Retail expands into beyond only inventory financing. For example, NFT based lending can be easily achieved in partnership with isMedia, the aforementioned subsidiary of TPA Holdings. Users who have staked their TPA tokens into the TPA Pool will continue to generate returns while TPA Retail expands their profitable lending model to NFTs in order to grow the value of the pool.

TPA Retail currently has 101 prospective companies seeking a combined total of 70.1 billion won (\$62.8 million USD) in loans that are ready to purchase inventory for home shopping distribution channels in Korea. Already, TPA Retail has achieved returns in excess of 10% on loans of 10 billion won in the past. The TPA token represents an exciting opportunity for the community to participate in forming an even larger loan pool and enjoy similar success moving forward.

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# MARKET ANALYSIS

## BENEFITS OF INVENTORY FINANCING

The global trade finance gap has reached \$1.5 trillion USD and is expected to grow over the next two years [1]. In particular, small and medium enterprises (SMEs) face rejection rates of 45% when seeking bank loans compared to 17% for multinational corps. Many SMEs lack sufficient financial history and assets to secure these institutional financing options, and few receive any wiggle room with vendors even when future revenue is incoming.

To bridge this gap, SMEs have been turning to inventory financing. Inventory financing is a short-term loan used by a company to purchase inventory for sale, with that inventory serving as collateral for the loan [2].

There are numerous benefits to inventory financing. It can be easier and faster to obtain than a traditional bank loan if the SME can demonstrate that the proposed inventory will sell. It can smooth out cash flow gaps when inventory needs to be warehoused for some time, to prepare for busy season or event, to launch a new product, or to generally grow sales. It can allow the SME to qualify for bulk discounts for suppliers with greater inventory purchases. It can improve credit when existing credit is sparse. And because it is growth-oriented, the SME can leverage their inventory to increase sales.

Because the loans are meant to purchase product inventory that is ready for sale with a demonstrated sales channel, lenders experience lower risk. There is a clear use of funds to prevent mismanagement and the loan is self-secured with the inventory itself serving as collateral.

For these reasons, inventory financing is a valuable yet somewhat less-common finance model that has sizable room for growth [3]. Especially during the oncoming post-COVID recovery period, it will be critical for SMEs to fund adequate inventory in order to grow their sales and their businesses.

## PROBLEMS

Inventory financing, like all other forms of trade finance, is not without its own challenges. Trade finance naturally involves many parties who do not necessarily know or trust each other yet must cooperate and deliver goods of the promised quality to the end consumer. The antiquated system still relies on burdensome paperwork such as bills of lading, proof of shipment, letters of credit, bank guarantees, quality/quantity certificates, customs forms, and more. Every step is verified by different parties, meaning payment and reconciliation can sometimes take weeks or more. Furthermore, without careful management there is always

a risk of supply chain tampering and document forgery, as well as custodian disputes over property.

In addition, any loan is at risk of default for the lender. While inventory financing is a self-secured loan with the products serving as collateral, it requires expertise, connections with proper sales channels, and some time to liquidate and recover the loan.

## OPPORTUNITY FOR DECENTRALIZATION

Blockchain and decentralization presents an opportunity to replace old processes and paperwork with innovation, safer cooperation, and speed. Disputes and fraud can be replaced with shared trust in a secure, transparent ledger.

Loan records and other critical paperwork can be signed and saved on the blockchain in order to automate compliance and speed up checking and reporting. In addition, smart contracts can ensure interest dividends are paid out to lenders promptly and automatically. In conjunction with a liquidity reserve of tokens, smart contracts can also ensure that lenders recover their principle without any delay, even in the case of a default.

TPA Retail will modernize the inventory financing process and democratize it with the TPA token. A decentralized community of TPA holders will operate a loan pool by staking their tokens to this pool, and all interest revenues from loans made from this pool will be distributed as dividend payments to said TPA holders. For the first time, the community will have access to these financing deals and all proceeds will go to the token holders, not the banks.

## TPA RETAIL MARKET POSITIONING

TPA Retail is a comprehensive distribution services company as a major shareholder of ismedia (KOSDAQ : 181340) listed on South Korea's major KOSDAQ stock exchange. The company is uniquely positioned in the inventory financing market with its TPA Retail division engaging in retail and home shopping businesses.

|      | TPA Retail  | TPA logistics  | TPA Fashion   |
|------|---|--|---|
| Role | TV home shopping<br>Future trade receivables<br>Securitization, purchase of<br>Collateralized commodities | With ownership of warehouse<br>Secured goods (movable)<br>Storage, entrance and exit<br>Management | Early withdrawal of funds from<br>on/ off-line sales channel when<br>delayed collection |

TPA Retail is the division within TPA Holdings that specializes in inventory financing deals based on sales contracts with TV home shopping networks in South Korea, a 18.7 trillion Korean won (KRW) market and growing. The networks include both live TV shopping broadcasts and T-Commerce, a form of bi-directional data broadcasting where consumers can purchase goods using their remotes and smart TVs.

|                   | TV home shopping<br>[LIVE broadcasting]  | T-commerce<br>[home shopping data, transcription]  |
|-------------------|--|--|
| Launch            | 1955   | 2015 (the faster growing in 2017)  |
| Broadcasting Type | One-way television   | Bi-directional data broadcasting   |
| Member            | CJ O Shopping, six other companies   | K Shopping, other 9 companies  |
| History           | One of tele sales and communication at home Shopping through the line, PC communications, the Internet, Using two-way communication network, such as cable television, Order / payment services products to the exhibition / advertising of various products | A compounded word of a television (Television) and Commerce (Commerce), as viewing, click the desired content in the IPTV remote control to commerce to purchase the desired product |
| Characteristic    | Analog-based TV (A / V system)<br>Unspecified target, passive Order ten thousand and one kinds of broadcast products   | Digital TV-based (A / V VOD +)<br>Personalized / customized, proactive<br>Remote utilize all product search and order / payment  |

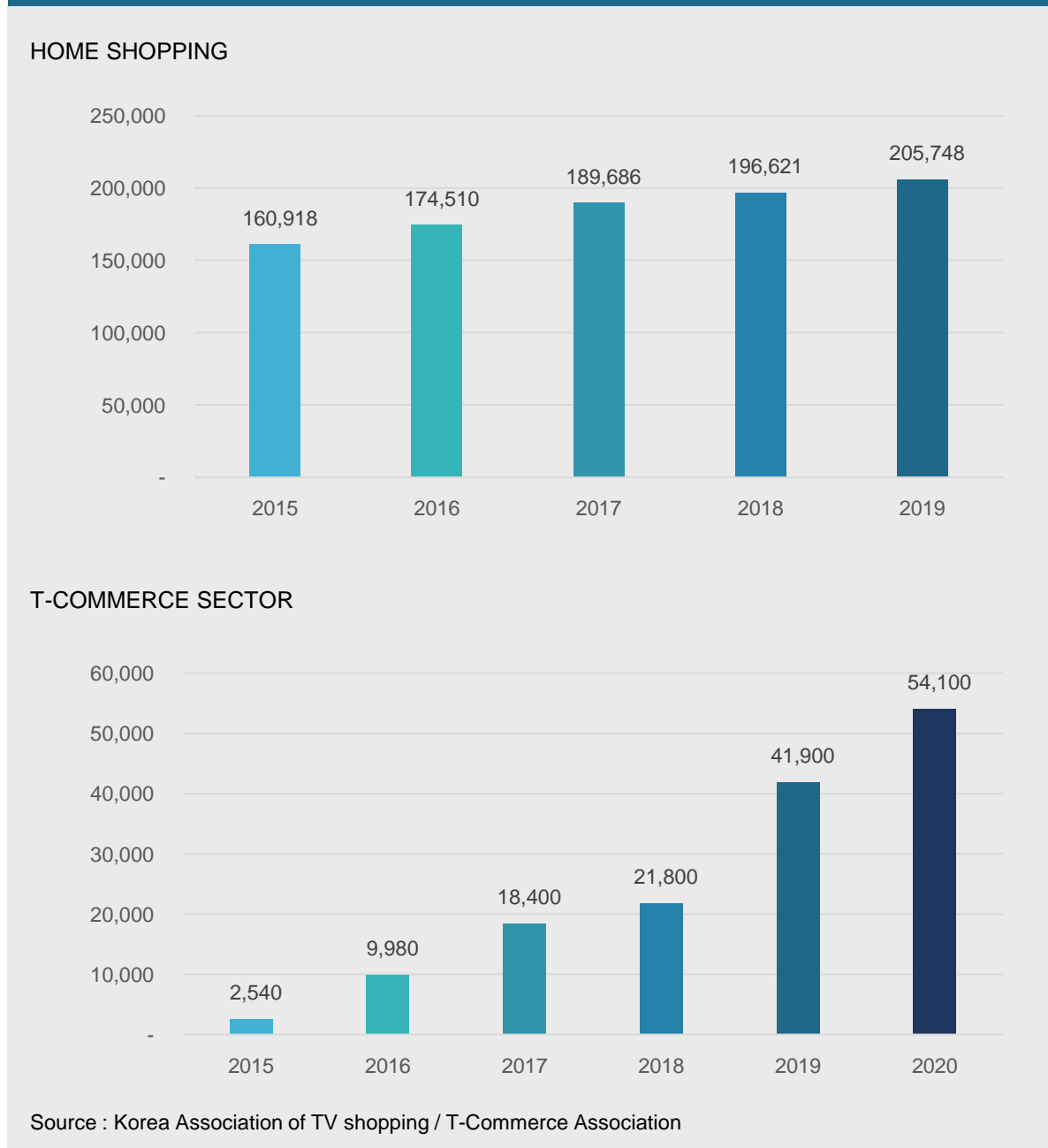
The live home shopping networks comprise recognizable names and partners of TPA Retail, such as GS Shopping, CJ Shopping, Hyundai Shopping, Lotte Shopping, NS Shopping, Home & Shopping, Public Home Shopping, and more. This segment experienced high growth of 8.0% in 2017, 3.5% in 2018 and 4.4% in 2019, respectively.

T-Commerce networks and TPA Retail partners include K shopping, Shinsegae, Bshopping, W Shopping, Shopping NT, and more (a total of ten). The segment is massively growing with 92% growth in 2019, 29% in 2020, and over 200% each year since its inception in Korea in 2015.



Recent Status by sales channel

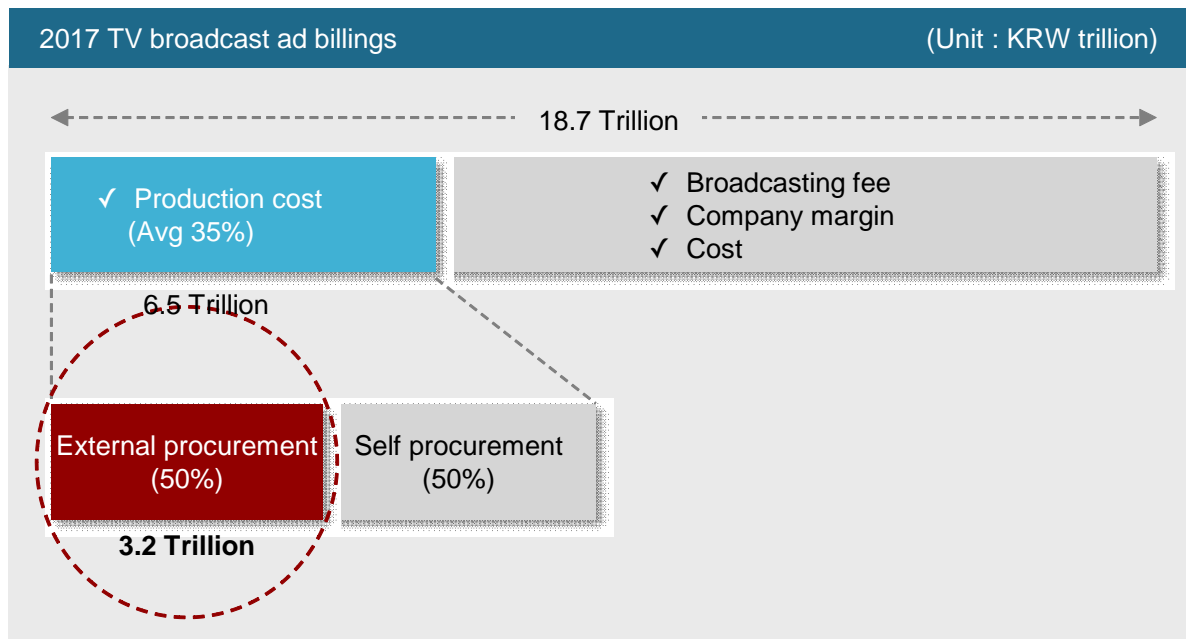
(unit : KRW)



|                          | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--------------------------|------|------|------|------|------|------|
| TV shopping sales growth | 5.9% | 7.7% | 8.0% | 3.5% | 4.4% |      |
| T-commerce sales growth  |      | 293% | 84%  | 18%  | 92%  | 29%  |

The serviceable obtainable market (SOM) of TV home shopping inventory investments is estimated to be 3.2 trillion KRW.





The inventory financing provided by TPA Retail is characterized by short term investments of typically 3-4 months (maximum 6), reflecting the broadcasting and promotion schedule for these products on these TV networks.

TPA Holdings has superior competitiveness with multiple core competencies adding value to any investment, including TPA Retail deal execution, TPA Logistics for warehousing and third-party logistics (3PL) services, and TPA Fashion and TPA Media for distribution.

As a result, TPA Retail has enjoyed 16-24% returns on investments exceeding 10 billion KRW, with only 3-4% investment loss (whole loss amount was eventually recovered).

| Expected rate of return that reflects the loss Investment Management |             |  |
|--|-------------|--|
|  | Contents    | Remark   |
| Investment losses<br>(Loss on revenues)                              | Around 3~4% | As a result of past investment analysis, out of 130 cases, there were delayed recovery or loss of income due to poor sales in 5 cases. (The whole amount is recovered) |

| BEST CASE                                      |                     |                     |
|--|---------------------|---------------------|
| Investment Management Conditions<br>(Example1) | 1YEAR               | 2YEAR later         |
| Investment management scale                    | 10 billion          | 10 billion          |
| Per Investment                                 | Within 500 million  | Within 500 million  |
| Per Investment period                          | 4 months            | 4 months            |
| Per Return                                     | 10%                 | 10%                 |
| Year turnover                                  | 3 times             | 3 times             |
| Investment Operating grade                     | <b>2 billion</b>    | <b>3 billion</b>    |
| Loss rate (4%) reflected income                | <b>1.92 billion</b> | <b>2.88 billion</b> |
| Annual Return                                  | <b>19.2%</b>        | <b>28.8%</b>        |
| AVERAGE CASE                                   |                     |                     |
| Investment Management Conditions<br>(Example2) | 1YEAR               | 2YEAR later         |
| Investment management scale                    | 10 billion          | 10 billion          |
| Per Investment                                 | Within 500 million  | Within 500 million  |
| Per Investment period                          | 4 months            | 4 months            |
| Per Return                                     | 10%                 | 10%                 |
| Year turnover                                  | 2.4 times           | 2.4 times           |
| Investment Operating grade                     | <b>1.6 billion</b>  | <b>2.4 billion</b>  |
| Loss rate (4%) reflected income                | <b>1.53 billion</b> | <b>2.30 billion</b> |
| Annual Return                                  | <b>15.3%</b>        | <b>23.0%</b>        |



# **BUSINESS MODEL**

## **KEY STAKEHOLDERS**

The core business model involves multiple stakeholders and smart contracts in order to deliver high returns and minimal risk for TPA Retail' inventory financing loans.

### **Small Medium Enterprises (SMEs)**

SMEs are business owners and entrepreneurs who have an existing product, and in our case, require an infusion of capital in order to increase inventory in anticipation of future sales. In this case, the future sales will come through lucrative sales contracts with major TV home shopping networks. Therefore, SMEs will first have to pitch their products to the TV networks in order to secure a sales contract to appear on broadcast.

### **TV Networks**

The TV home shopping networks comprise both live broadcast shopping and bidirectional T-Commerce. The TV networks are always looking for interesting products that will sell to their audiences and will carefully review applications from prospective SMEs. In order to finalize a sales contract, the TV networks will negotiate terms with the SMEs including minimum inventory requirements and percentage of sales as a distribution fee. Because most SMEs will not have the inventory on-hand nor will they have deep capital reserves, the TV networks will refer them to TPA Retail and TPA Logistics in order to meet the terms and finalize the sales contract.

### **TPA Holdings**

A publicly traded parent company with retail, energy, and global divisions. The divisions most relevant to the inventory financing business model as the subject of this white paper are TPA Retail, TPA Logistics, and TPA Fashion.

### **TPA Retail**

TPA Retail is responsible for reviewing and performing the inventory financing loans and has been generating positive returns for years with established partnerships with TV home shopping networks. TPA Retail vets SMEs for loans, reviews sales contracts and interfaces with the TV home shopping networks, establishes loan terms, settles the loans, and submits the recovered principle and interest payments into the TPA loan pool.

## **TPA Logistics**

TPA Logistics specializes in 3PL services and logistics with four warehouse logistics centers throughout Korea totaling 12,000 pyeong, or 427,000 sq. ft. TPA Logistics performs quality inspections on incoming inventory, secures and manages it, and transfers it to the TV home shopping network hosts or end customers after the sale.

## **TPA Fashion**

TPA Fashion specializes in important and export sales, direct purchase, and consignment sales. TPA Fashion will perform recovery on loans if needed by liquidating the inventory serving as collateral.

## **TPA Token Holders**

TPA Token Holders are the decentralized community of token holders who have staked their tokens to the TPA Pool. Deposits are fully secured and may be withdrawn after a 30 day vesting period. TPA Token Holders will receive automatic dividend payments from interest generated by loans issued from the TPA Pool based on the size of their token stake pro rata.

## **TPA Pool**

The TPA Pool is a loan pool used for inventory financing loans and denominated in TPA tokens. The TPA Pool is owned by the community and secured by the Liquidity Reserve and the inventory collateral from each SME.

## **Liquidity Reserve**

The Liquidity Reserve is an allocation of TPA tokens locked out of regular circulation by smart contract. In the case of a loan default, the reserve will automatically replenish the TPA pool to ensure there is no core business interruption or issues with the community withdrawing their deposits. The reserve will in turn be replenished by liquidating the inventory collateral associated with that loan. Outstanding loans in total may not exceed the size of the available liquidity reserve, so TPA Retail will grow the size of the reserve over time by purchasing TPA from the open market in order to fuel growth.

## **DECENTRALIZED FINANCE (DEFI)**

Decentralized finance (DeFi) is a technology that has revolutionized the finance industry by removing many of the inefficient, centralized intermediaries and replacing their functions with the use of smart contracts. Smart contracts when implemented properly are more transparent, more secure, and more reliable than centralized third-parties that exist for profit over efficiency for the end customer.

One of the most exciting applications to emerge in the DeFi space is the use of decentralized mechanisms for generating investment yields with low risk and high returns. Automated smart contracts and the use of cryptocurrencies reduce transaction fees, custodial and administrative costs, and delays in payment. Smart contracts can allow users to lock their token contributions into secure and decentralized pools which reliably and automatically distribute dividends to participants.

The TPA business model is a perfect example of such a DeFi lending model, where the combination of cutting edge DeFi technology and the tried-and-true business fundamentals of a publicly traded company combine together to create a high yield, low risk opportunity for savvy investors.

The TPA loan pool is a smart contract where investors may stake their tokens and automatically generate returns for as long as their tokens remain locked. A Liquidity Reserve smart contract ensures that their deposits are protected and that there will never be liquidity issues preventing withdrawals. Dividends will always be paid out fairly and without delay as they are automated by the smart contract.

This cutting edge technology layer, combined with the underlying real-world assets that collateralize each loan and the proven business performance of TPA Retail creates a one-of-a-kind and timely DeFi lending opportunity for investors.

## **FUTURE BUSINESS VERTICALS**

The above DeFi lending vault model with the TPA Pool enables a form of future-proofing as TPA Retail continues to expand into more business models. Because users who are staked into the TPA Pool will continue to share its benefits, any business endeavors TPA Retail undertakes to grow that pool will benefit everyone.

One such example is expansion into the NFT lending model. As the NFT market explodes 1,785% year to date in 2021, TPA Retail is uniquely positioned to profit from this vertical without departing from its core lending competencies. A close relationship with isMedia, a sister company under TPA Holdings that is pioneering a new NFT marketplace, further adds to TPA Retail's capabilities in this vertical.

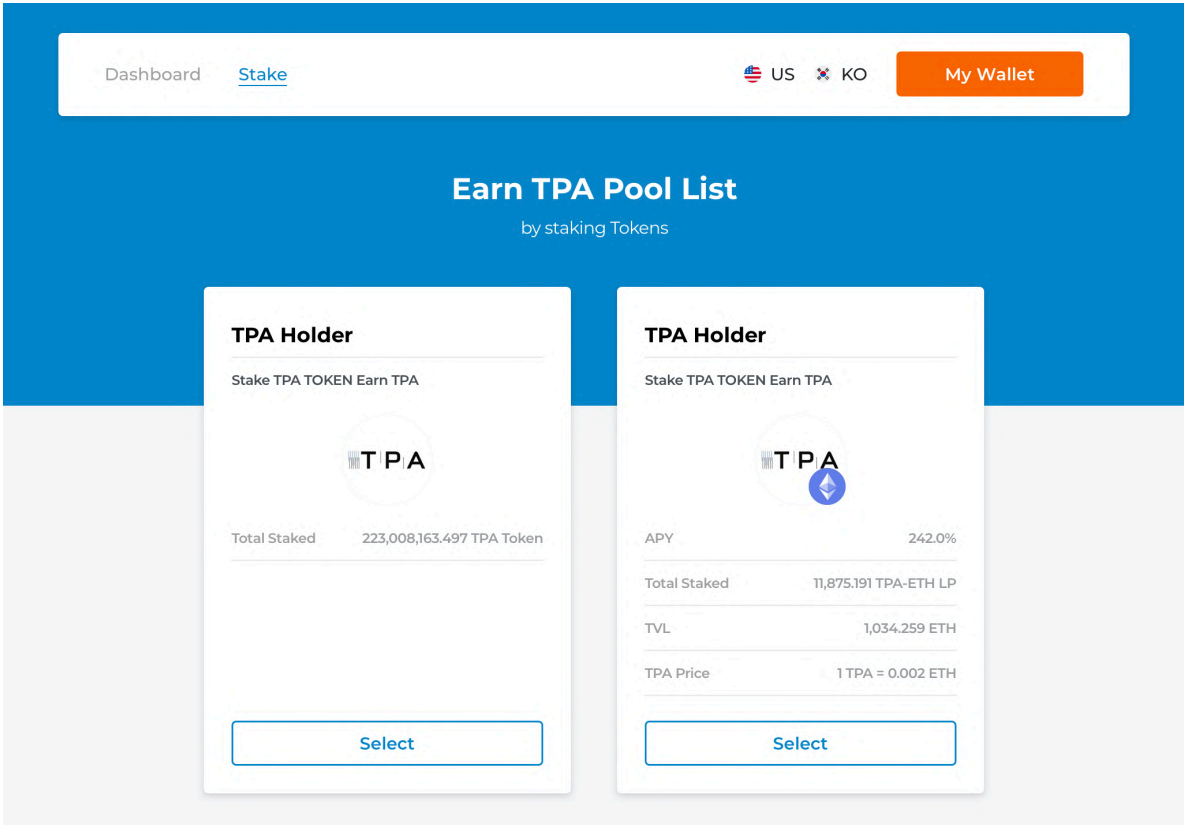
TPA Retail will apply existing lending fundamentals to NFT products. Similar to its vendor financing model, the TPA lending model will eliminate risk by fully collateralizing loans with underlying NFT assets. Interest profits will be returned and distributed to holders who have staked TPA into the pool.

Examples:

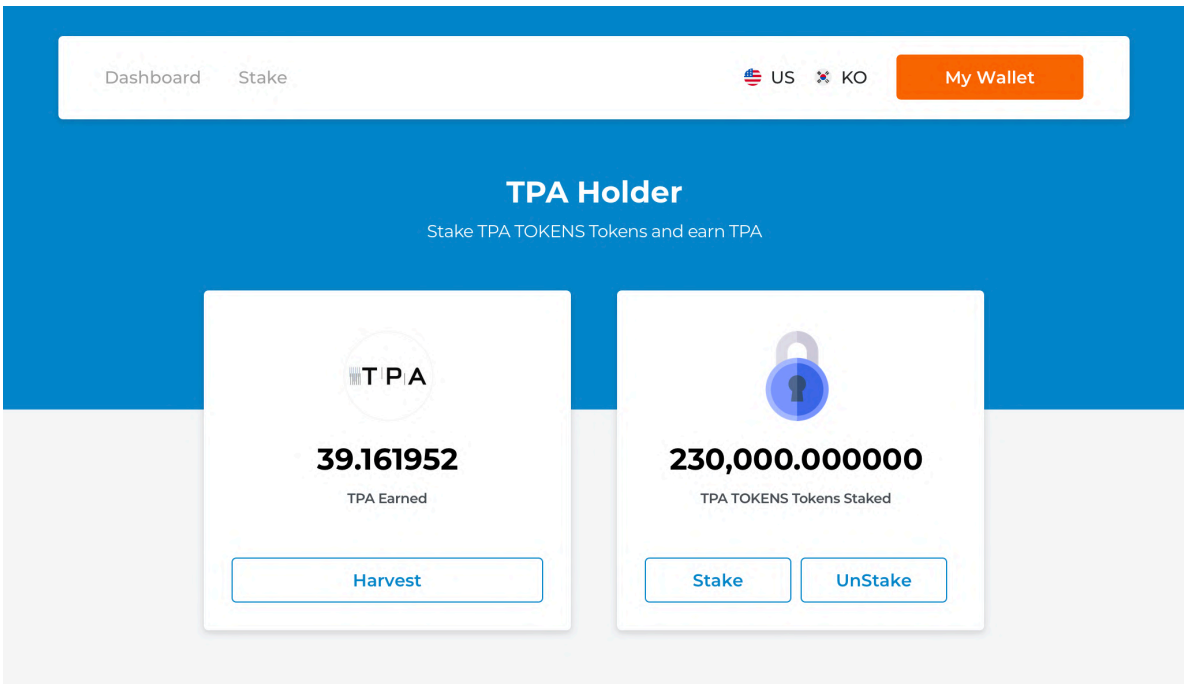
TPA Retail aims to release a mining product to secure the liquidity of the initial loan pool. Various options are possible, such as making both products that allow users to withdraw at any time, as well as products that cannot be withdrawn for a certain period of time where different

TPA token balances can be applied.

Due to fluctuation of token value, we are suggesting potentially just stable token as a pool token as alternative early on before token price is stabilized for liquidity mining.



When end users insert coins into the types of products that can be operated by TPA by selecting the corresponding products, the TPA token will be mined according to a predetermined number, and the profitability will be adjusted according to the product operation method. (In the case of the image below, if TPA Token is inserted, the TPA will be buried.)



In the same context as, it is possible to suggest the addition of asset management products through governance abilities created by the TPA token and determine how to utilize the liquidity of the DeFi platform.

snapshot / tpa.finance

0x0D23...3Ca1

tpa.finance

New proposal

## Proposals

All Core Community Active Pending Closed

Closed

**TPA-59: Temporarily extend Multisig empowerment**

#QmdRCXH By 0x7A10...4c67 Core start 2/19/2021 end 2/24/2021

Closed

**TPA-58: Adaptive mgmt fees based on AUM**

#QmbhnqN By 0x3C34...ac347 Core start 2/1/2021 end 2/5/2021

Closed

**TPA-57: Funding TPA's Future**






#QmdRCXH By 0x7A10...4c67 Core start 1/29/2021 end 2/3/2021

Closed

**TPA-56: Buyback and Build TPA**

#QmdRCXH By 0x7A10...4c67 Core start 1/17/2021 end 2/20/2021

In utilizing the existing TPA ecosystem, there is a limitation that can only handle stable coins, so using other DeFi ecosystems, Vault products are added to manage the assets of our users by devising a strategy with Macro.

|  |                                 |   |
|--|---------------------------------|---|
|  <div> cDAI/cUSDC<br/> <b>tpa.finance/Compound LP</b> </div>    | Yearly Growth:<br><b>24.72%</b> | Available to deposit:<br><b>0.00 cDAI+cUSDC</b> |
|  <div> EURS/sEUR<br/> <b>tpa.finance/eurs LP</b> </div>         | Yearly Growth:<br><b>22.73%</b> | Available to deposit:<br><b>0.00 eursTPA</b>    |
|  <div> yDAI/yUSDC/yUSDT<br/> <b>tpa.finance/3pool LP</b> </div> | Yearly Growth:<br><b>18.21%</b> | Available to deposit:<br><b>0.00 3TPA</b>       |
|  <div> mUSD/3TPA<br/> <b>tpa.finance/mUSD LP</b> </div>         | Yearly Growth:<br><b>3.65%</b>  | Available to deposit:<br><b>0.00 musd3TPA</b>   |
|  <div> GUSD/3TPA<br/> <b>tpa.finance/GUSD LP</b> </div>         | Yearly Growth:<br><b>38.38%</b> | Available to deposit:<br><b>0.00 gusd3TPA</b>   |



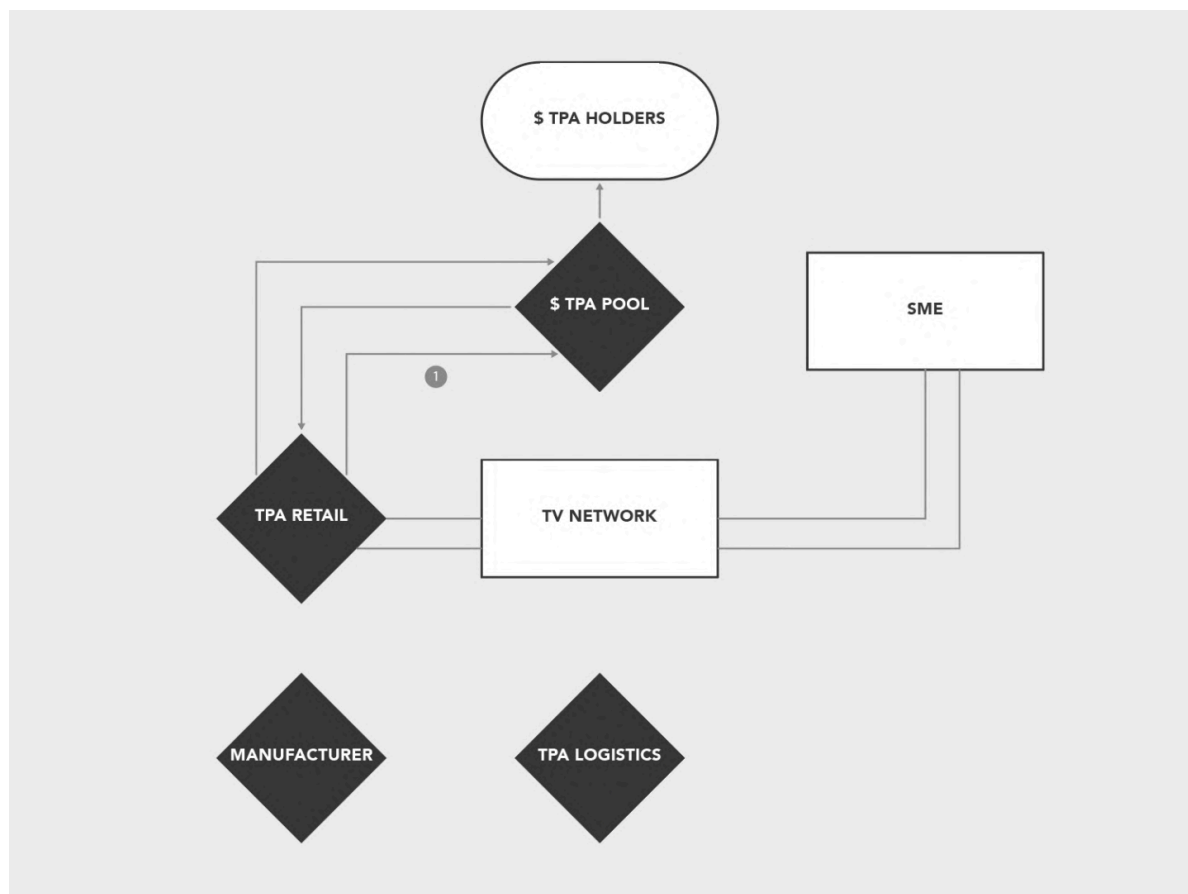
In this way, TPA Retail will continue to grow the capabilities of the TPA token and return value for the community without limitation in any single business vertical.

### THE TPA TOKEN AND SMART CONTRACT

The TPA token is an ERC20 token that enables the community to fund the loan pool and receive automatic disbursements of interest payments. The token also enables the automated reserve that ensures sufficient liquidity in the loan pool and secures investor's initial principle. The token will be created and released in partnership with an independent entity called TPA Holdings (BVI) Limited. There will be a fixed total supply of 10 billion TPA.

- ERC20 token staked by the community to create the TPA Pool. Pool smart contract will automatically pay out returned interest to token holders pro rata.
- Pool smart contract transfers loan amounts to TPA Retail upon receiving approved loan command signed by SME and TPA Retail.
- When loan amount + interest is returned by TPA Retail, loan is considered repaid and returns distributed to the original pool members at time of loan issued.
- In case of default, Liquidity reserve activates automatically.

### LOAN APPROVAL AND REPAYMENT PROCESS



## **1. Propose product**

A small or medium enterprise (SME) with an existing product applies to the TV network in the hopes of marketing their product to customers on a home shopping channel.

## **2. Receive contract**

Upon approval by the TV network, the SME will receive a sales contract stipulating the broadcast time and date, inventory requirements, terms of sale, and other conditions. The TV network will suggest TPA Retail to the SME if they require financing, logistics, or other services.

## **3. Seek loan**

The SME will now take their approved sales contract to TPA Retail and apply for a loan. TPA Retail experts will review the business and market opportunity for the SME's product and propose inventory financing terms for a loan up to 500 million KRW.

## **4. Due diligence**

In addition to evaluating the SME, TPA Retail will coordinate directly with the TV network partners to review the sales contract and negotiate the logistics of the loan and repayment conditions.

## **5. Receive bond**

As the financier of the deal, TPA Retail will receive a bond stipulating that sales revenues from the broadcast segment will be transferred to TPA Retail directly and not the SME until the loan principal and interest is paid back in full.

## **6. Submit loan**

Once all terms of the loan is finalized and all parties are signed and committed, TPA Retail will submit the terms of the loan to the TPA Pool smart contract on the Ethereum network. The terms will include the TPA tokens required as principle, the interest to be paid by the SME on the loan, and the schedule of repayment, among other details.

## **7. Receive TPA**

The TPA Pool will release the required principal in TPA tokens to TPA Retail. The timer for repayment will officially begin at this point.

## **8. Purchase goods**

TPA Retail will liquidate the TPA tokens in order to pay the manufacturer directly for the inventory as well as TPA Logistics for warehousing and 3PL services.

## **9. Store goods**

The manufacturer will send inventory directly to one of the four logistics centers belonging to TPA Logistics. Products will be inspected for quality at the manufacturer and again when it is received at TPA Logistics.

## **10. Ship goods**

TPA Logistics will then be responsible for shipping the inventory to the TV Networks as needed.

## **11. Receive revenue**

After the shopping segment concludes according to the original broadcasting schedule, the TV home shopping networks will fulfill their bond and send the sales revenues to TPA Retail, minus their share according to the original sales contract with the SME.

## **12. Return principal**

TPA Retail will use these revenues to purchase TPA tokens and return the principal amount to the Loan Pool, as well as the extra tokens representing the interest that the SME owes on the loan.

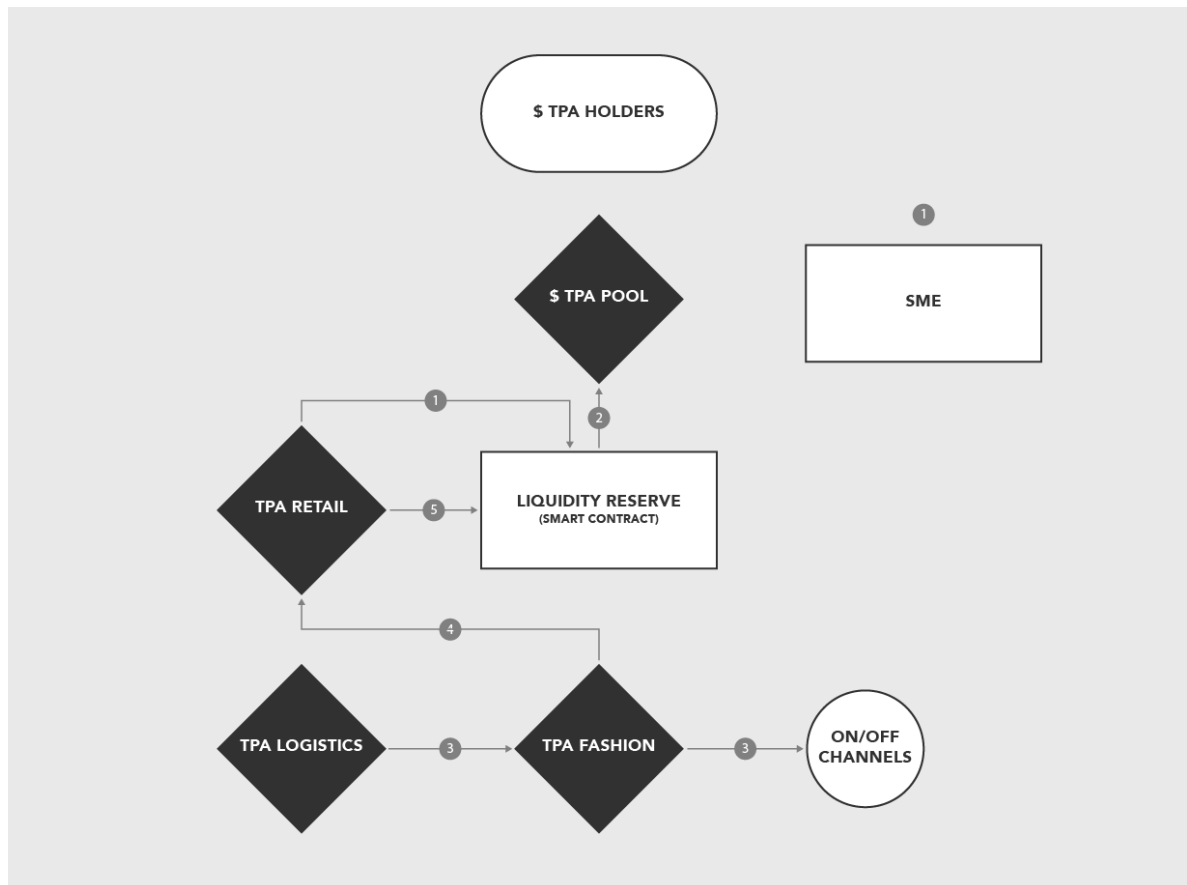
## **13. Pay investors**

The loan at this point has been paid back successfully, so the TPA Pool smart contract will automatically pay out the interest to the TPA Holders in the form of a TPA token.

## **14. Pay SME**

At this point, the SME will receive their share of the sales revenues, which is the remainder after the loan principle, interest, cost of goods sold, and marketing costs have all been deducted.

## LOAN DEFAULT PROCESS



### 1. SME Defaults

If the SME has no choice but to default on the loan or if TPA Retail elects to pursue early repayment, the loan recovery process shall be initiated. TPA Retail will submit a command to the Liquidity Reserve smart contract that initiates the process.

### 2. Replenish pool

The Liquidity Reserve will automatically replenish the TPA Pool with TPA tokens with the original principal amount. This ensures no core business interruption of the ability to issue additional loans. It is also important to ensure there is sufficient liquidity in the pool to allow withdrawals of deposits by the community.

### 3. Sell collateral

TPA Logistics maintains management of the inventory throughout each step of the process, ensuring that in this situation, the inventory can be sold quickly and without ownership dispute in order to recover the loan. Collateral will be sold through various online and offline channels through TPA Fashion, TPA Retail, and TPA Media.

#### 4. Recover funds

TPA Retail will receive the full recovery amount after liquidation of the collateral is complete. So far, all inventory financing loans issued by TPA Retail have been recovered through this method with an average 3-4% default rate. TPA Retail at this point will use those funds to purchase TPA tokens on the open market in order to replenish the reserve.

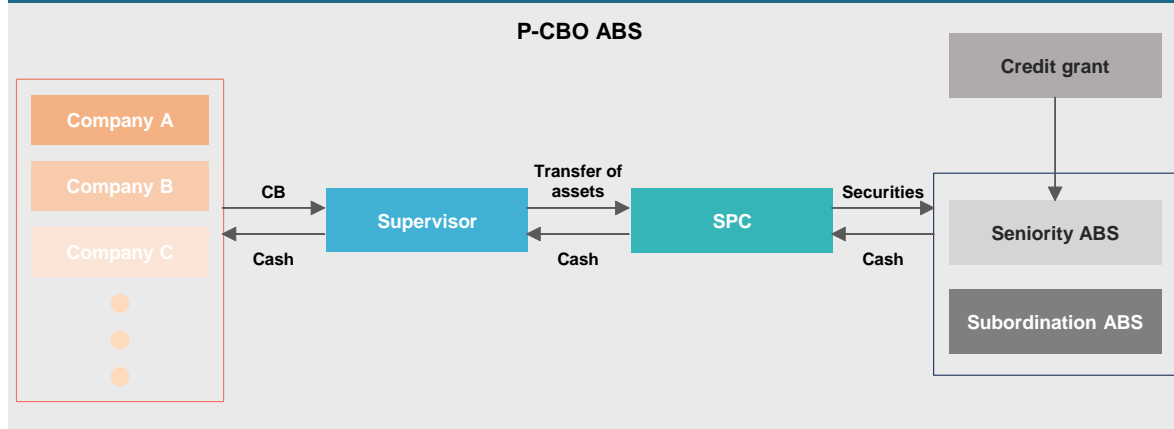
#### 5. Replenish reserve

Finally, TPA Retail will lock the TPA tokens into the Liquidity Reserve in order to restore the original balance. Outstanding loans in total may not exceed the size of the available liquidity reserve, so TPA Retail will grow the size of the reserve over time by purchasing TPA from the open market in order to fuel growth.

#### RISK FACTORS AND MITIGATION

| Risk Factors                     | Management Plan  |
|----------------------------------|--|
| Valuation Risk of Error          | TPA has experienced professionals and accounting firm division   |
| Market Risk                      | Short term investment horizon can respond in a timely fashion  |
| Production Risk                  | Managed by TPA logistics   |
| Borrowers Mismanage Funds        | Loan is used for production and logistics directly by TPA Retail, which carefully checks and manages very step of the way. All actions recorded on blockchain. Revenue arrives from TV networks via bond. Borrowers are paid out only after the pool is paid out first. TPA retains right for early payout at any time with the collateral   |
| Home Shopping Risk               | Sales contract established in advance. Cancellation or problems is very low, high production, national channels with large volume planned in advance and on a set broadcast schedule.  |
| Sales Slump Risk                 | Careful and experienced vetting of products with history of sales. Invest at 70% of production costs or 25% of retail price to ensure recovery. If borrower sells other products, recover those funds from tv company as alternate source. TPA Fashion and other offline channels can be used to liquidate. Possibility of credit enhancement through joint guarantee through affiliated company, a personal bond guarantor (representative guarantee)   |
| Liquidity Reserve Depletion Risk | Company will use holdings to reserve payback as a guarantee. Loans are restricted to liquidity reserve amount so loans are always backed by a guarantee in the end, whether it's through recovery or TPA Holdings' own resources. In order to keep the loans going, TPA Holdings is highly incentivized to increase the size of the reserve over time, not reduce it.  |
| Risk of TPA Depreciation         | As more loans are given out from the pool, more interest is generated, creating demand for the token in order to input the interest value on top of the principle into the pool.<br>Second, as interest increases and the pool is profitable, there will be more demand to stake tokens and increase the size of the pool.<br>As the size of the pool increases and business increases, TPA Holdings is incentivized to purchase TPA and grow the size of the Liquidity Reserve in order to increase profits. The size of the Liquidity Reserve must meet or exceed the available TPA Pool at all times and will never be smaller than the initial allocation. |

## Similar investments Construction and compare



|                             | This matter   | P-CBO  |
|-----------------------------|---|--|
| object Enterprise selection | Among 102 invested companies, investors are selected with a low degree of correlation with industry type, investment period, and investment size. | Selected companies that can adequately diversify risks associated with each other, such as companies, industries, and affiliates |
| risk management             | TPA Retail Role of Structed Supervisor and SPC  | Transfer underlying assets to SPC to isolate the risk of bankruptcy of securitized securities and asset holders                  |
| Credit enhancement          | Logistics and inventory management of TPA logistics, inventory disposal of TPA fashion  | External credits and subordinated securities against seniority are repurchased by the asset holder or the acquiring institution  |
| Revenue model               | Investment allocation   | Interest rate, insurance fee of the issued securitization securities   |

# OPPORTUNITY ANALYSIS

## HISTORICAL AND PROJECTED RETURNS

| Expected return on Investment Management (unit : KRW) |                    |                    |
|---|--------------------|--------------------|
| <b>BEST CASE</b>                                      |                    |                    |
| Investment Management Conditions (Example1)           | 1YEAR              | 2YEAR              |
| Investment management scale                           | 10 billion         | 10 billion         |
| Per Investment  | Within 500 million | Within 500 million |
| Per Investment period                                 | 4 months           | 4 months           |
| Per Return  | 10%                | 10%                |
| Year turnover   | 3 times            | 3 times            |
| Investment Operating grade                            | 100%               | 100%               |
| <b>Annual profit</b>                                  | <b>2 billion</b>   | <b>3 billion</b>   |
| <b>Annual Return</b>                                  | <b>20%</b>         | <b>30%</b>         |
| <b>AVERAGE CASE</b>                                   |                    |                    |
| Investment Management Conditions (Example2)           | 1YEAR              | 2YEAR              |
| Investment management scale                           | 10 billion         | 10 billion         |
| Per Investment  | Within 500 million | Within 500 million |
| Per Investment period                                 | 4 months           | 4 months           |
| Per Return  | 10%                | 10%                |
| Year turnover   | 2.4 times          | 2.4 times          |
| Investment Operating grade                            | 80%                | 80%                |
| <b>Annual profit</b>                                  | <b>1.6 billion</b> | <b>2.4 billion</b> |
| <b>Annual Return</b>                                  | <b>16%</b>         | <b>24%</b>         |

| Investment Management(Example 1) Simulation |                             |                |                       |            |               |                           | (Unit : KRW 100million, %) |
|---|-----------------------------|----------------|-----------------------|------------|---------------|---------------------------|----------------------------|
| BEST CASE                                   |                             |                |                       |            |               |                           |                            |
| Investment Management Conditions (Example1) | Investment management scale | Per Investment | Per Investment Period | Per Return | Year Turnover | Investment Operating Rate | Remarks                    |
|   | 100                         | Within 5       | 4 months              | 10%        | 3 time        | 100%                      |                            |



| Investment management scale 10 billion investment operation rate of 100 (Unit : KRW 100million, %) |        |     |     |     |     |     |     |      |      |      |      |      |
|--|--------|-----|-----|-----|-----|-----|-----|------|------|------|------|------|
|  | 1 year |     |     |     |     |     |     |      |      |      |      |      |
|  | 1m     | 2m  | 3m  | 4m  | 5m  | 6m  | 7m  | 8m   | 9m   | 10m  | 11m  | 12m  |
| CASH FLOW  | 25     |     |     |     | 25  | 25  |     |      |      | 25   | 25   |      |
|  |        | 25  |     |     |     | 25  | 25  |      |      |      | 25   | 25   |
|  |        |     | 25  |     |     |     | 25  | 25   |      |      |      | 25   |
|  |        |     |     | 25  |     |     |     | 25   | 25   |      |      |      |
|  |        |     |     |     | 25  |     |     |      | 25   | 25   |      |      |
| Investment management money  | 25     | 50  | 75  | 100 | 100 | 100 | 100 | 100  | 100  | 100  | 100  | 100  |
| Monthly Investment   | 25     | 25  | 25  | 25  | 25  | 25  | 25  | 25   | 25   | 25   | 25   | 25   |
| Monthly amount Recovered   | 0      | 0   | 0   | 0   | 25  | 25  | 25  | 25   | 25   | 25   | 25   | 25   |
| Monthly Income   | 0      | 0   | 0   | 0   | 2.5 | 2.5 | 2.5 | 2.5  | 2.5  | 2.5  | 2.5  | 2.5  |
| Cumulative Investment Income   | 0      | 0   | 0   | 0   | 2.5 | 5   | 7.5 | 10   | 12.5 | 15   | 17.5 | 20   |
| Return on investment (years)   | 0.0    | 0.0 | 0.0 | 0.0 | 2.5 | 5.0 | 7.5 | 10.0 | 12.5 | 15.0 | 17.5 | 20.0 |

| (Unit : KRW 100million, %)   |               |     |     |      |      |      |      |      |      |      |      |      |
|------------------------------|---------------|-----|-----|------|------|------|------|------|------|------|------|------|
|                              | 2 years later |     |     |      |      |      |      |      |      |      |      |      |
|                              | 1m            | 2m  | 3m  | 4m   | 5m   | 6m   | 7m   | 8m   | 9m   | 10m  | 11m  | 12m  |
| CASH FLOW                    |               |     | 25  |      | 25   |      |      | 25   |      | 25   |      |      |
|                              |               |     |     | 25   |      | 25   |      |      | 25   |      | 25   |      |
|                              |               |     | 25  |      | 25   |      | 25   |      | 25   |      | 25   |      |
|                              | 25            |     | 25  |      |      | 25   |      | 25   |      | 25   |      | 25   |
|                              |               | 25  |     | 25   |      |      | 25   |      | 25   |      |      | 25   |
| Investment management money  | 100           | 100 | 100 | 100  | 100  | 100  | 100  | 100  | 100  | 100  | 100  | 100  |
| Monthly Investment           | 25            | 25  | 25  | 25   | 25   | 25   | 25   | 25   | 25   | 25   | 25   | 25   |
| Monthly amount recovered     | 25            | 25  | 25  | 25   | 25   | 25   | 25   | 25   | 25   | 25   | 25   | 25   |
| Monthly Income               | 2.5           | 2.5 | 2.5 | 2.5  | 2.5  | 2.5  | 2.5  | 2.5  | 2.5  | 2.5  | 2.5  | 2.5  |
| Cumulative Investment Income | 2.5           | 5   | 7.5 | 10   | 12.5 | 15   | 17.5 | 20   | 22.5 | 25   | 27.5 | 30   |
| Return on investment (years) | 2.5           | 5.0 | 7.5 | 10.0 | 12.5 | 15.0 | 17.5 | 20.0 | 22.5 | 25.0 | 27.5 | 30.0 |

| Investment Management(Example 2) Simulation |                             |                |                       |            |               |                           | (Unit : KRW 100million, %) |
|---|-----------------------------|----------------|-----------------------|------------|---------------|---------------------------|----------------------------|
| Average CASE                                |                             |                |                       |            |               |                           |                            |
| Investment Management Conditions (Example1) | Investment management scale | Per Investment | Per Investment Period | Per Return | Year Turnover | Investment Operating Rate | Remarks                    |
|   | 100                         | Within 5       | 4 months              | 10%        | 2.4 time      | 80%                       |                            |

| Investment management scale 10 billion investment operation rate of 100 (Unit : KRW 100million, %) |        |     |     |     |     |     |     |     |      |      |      |      |
|--|--------|-----|-----|-----|-----|-----|-----|-----|------|------|------|------|
|  | 1 year |     |     |     |     |     |     |     |      |      |      |      |
|  | 1m     | 2m  | 3m  | 4m  | 5m  | 6m  | 7m  | 8m  | 9m   | 10m  | 11m  | 12m  |
| CASH FLOW  | 20     |     |     |     | 20  | 20  |     |     |      | 20   | 20   |      |
|  |        | 20  |     |     |     | 20  | 20  |     |      |      | 20   | 20   |
|  |        |     | 20  |     |     |     | 20  | 20  |      |      |      | 20   |
|  |        |     |     | 20  |     |     |     | 20  | 20   |      |      |      |
|  |        |     |     |     | 20  |     |     |     | 20   | 20   |      |      |
| Investment management money  | 20     | 40  | 60  | 80  | 80  | 80  | 80  | 80  | 80   | 80   | 80   | 80   |
| Monthly Investment   | 20     | 20  | 20  | 20  | 20  | 20  | 20  | 20  | 20   | 20   | 20   | 20   |
| Monthly amount Recovered   | 0      | 0   | 0   | 0   | 20  | 20  | 20  | 20  | 20   | 20   | 20   | 20   |
| Monthly Income   | 0      | 0   | 0   | 0   | 2   | 2   | 2   | 2   | 2    | 2    | 2    | 2    |
| Cumulative Investment Income   | 0      | 0   | 0   | 0   | 2   | 4   | 6   | 8   | 10   | 12   | 14   | 16   |
| Return on investment (years)   | 0.0    | 0.0 | 0.0 | 0.0 | 2.0 | 4.0 | 6.0 | 8.0 | 10.0 | 12.0 | 14.0 | 16.0 |

| (Unit : KRW 100million, %)   |               |     |     |     |      |      |      |      |      |      |      |      |
|------------------------------|---------------|-----|-----|-----|------|------|------|------|------|------|------|------|
|                              | 2 years later |     |     |     |      |      |      |      |      |      |      |      |
|                              | 1m            | 2m  | 3m  | 4m  | 5m   | 6m   | 7m   | 8m   | 9m   | 10m  | 11m  | 12m  |
| CASH FLOW                    |               |     | 20  |     | 20   |      |      | 20   |      | 20   |      |      |
|                              |               |     |     | 20  |      | 20   |      |      | 20   |      | 20   |      |
|                              |               | 20  |     |     | 20   |      | 20   |      |      | 20   |      | 20   |
|                              | 20            |     | 20  |     |      | 20   |      | 20   |      |      | 20   | 20   |
|                              |               | 20  |     | 20  |      |      | 20   |      | 20   |      |      | 20   |
| Investment management money  | 80            | 80  | 80  | 80  | 80   | 80   | 80   | 80   | 80   | 80   | 80   | 80   |
| Monthly Investment           | 20            | 20  | 20  | 20  | 20   | 20   | 20   | 20   | 20   | 20   | 20   | 20   |
| Monthly amount recovered     | 20            | 20  | 20  | 20  | 20   | 20   | 20   | 20   | 20   | 20   | 20   | 20   |
| Monthly Income               | 2             | 2   | 2   | 2   | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    |
| Cumulative Investment Income | 2             | 4   | 6   | 8   | 10   | 12   | 14   | 16   | 18   | 20   | 22   | 24   |
| Return on investment (years) | 2.0           | 4.0 | 6.0 | 8.0 | 10.0 | 12.0 | 14.0 | 16.0 | 18.0 | 20.0 | 22.0 | 24.0 |

## PROSPECTIVE CUSTOMERS

The following is a sample list of prospective investment target companies ready to seek inventory financing from TPA Retail. Names have been anonymized and some sections omitted to preserve the privacy of these companies and TPA Retail's proprietary business information.

Currently, there are 101 home shopping investment prospective companies classified into A, B, and C considering their market power. In total, the prospective annual investment amount is currently 70.1 billion KRW (approximately \$62.63 million USD).

| Home Shopping prospective investment target companies List |                                  |              |                          |        | (unit : KRW million) |
|--|----------------------------------|--------------|--------------------------|--------|----------------------|
| No   | Category                         | Company Name | Annual Investment Amount | Rating | Annual Sales         |
| 1  | Fashion Accessories              | 세 OOOO씨      | 5,000                    | A      | 42,038               |
| 2  | Women's Clothing                 | OOO러 리       | 2,000                    | A      | 35,697               |
| 3  | Fashion / Leisure Sports Apparel | OOO뜨         | 1,000                    | A      | 17,737               |
| 4  | fashion                          | 포 OOO벌       | 1,000                    | A      | 16,346               |
| 5  | Fashion Accessories              | O노 OOO       | 2,000                    | A      | 14,548               |
| 6  | Beauty                           | 더 OOO러 스     | 1,000                    | A      | 14,231               |
| 7  | clothing                         | OOO획         | 1,000                    | A      | 10,424               |
| 8  | Household Appliances             | OOOOOO내 셔 날  | 1,000                    | A      | 10,344               |
| 9  | clothing                         | 플 OOO        | 400                      | A      | 7,300                |
| 10   | Accessories / Living             | OO웰          | 200                      | A      | 7,100                |
| 11   | food                             | OOO글 로 벌     | 300                      | A      | 7,000                |
| 12   | Fashion Accessories              | OOO케 팅       | 2,000                    | A      | 6,636                |
| 13   | kitchen                          | 아 OO         | 1,000                    | A      | 5,608                |
| 14   | food                             | 하 OO         | 1,000                    | A      | 5,000                |
| 15   | food                             | OOOO유        | 1,000                    | A      | 4,154                |
| 16   | Life / Misc                      | OOO이 버       | 500                      | A      | 3,797                |
| 17   | Life / Misc                      | 리 O          | 1,000                    | A      | 3,441                |
| 18   | Fashion Clothing                 | OO인          | 1,000                    | A      | 3,027                |
| 19   | Fresh Fish                       | OOOOO협 동 조 합 | 1,000                    | A      | 3,000                |
| 20   | Fashion Accessories              | OOO에 스       | 500                      | A      | 1,713                |
| 21   | Fashion Accessories              | 에 OO         | 400                      | A      | 1,690                |
| 22   | Women's Clothing                 | OOOO엔 씨      | 1,000                    | A      | 1,665                |
| 23   | Beauty                           | OOO앤 피       | 500                      | A      | 1,349                |
| 24   | kitchen utensils                 | 제 OO         | 1,000                    | A      | 1,165                |
| 25   | clothing                         | OOO즈         | 500                      | A      | 1,083                |
| 26   | Beauty                           | 더 O          | 300                      | A      | 886                  |

(...)

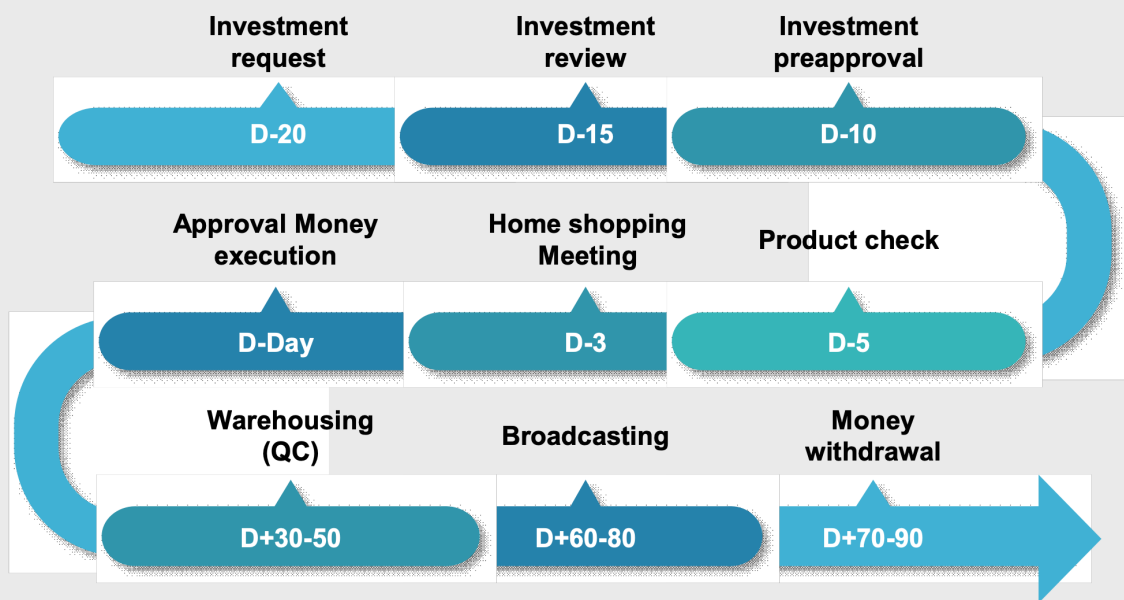
|     |                       |           |     |   |       |
|-----|-----------------------|-----------|-----|---|-------|
| 83  | Bread / cake / pastry | OOO영농조합법인 | 200 | C | 2,458 |
| 84  | Health Food           | 하 나OO     | 500 | C | 1,902 |
| 85  | life                  | 미 OO르     | 500 | C | 1,306 |
| 86  | Luxury                | OOO우      | 500 | C | 1,290 |
| 87  | Household goods       | OO코리아     | 300 | C | 1,237 |
| 88  | processed food        | O팩토리      | 300 | C | 1,117 |
| 89  | Household goods       | OO글로벌     | 500 | C | 1,021 |
| 90  | stuff                 | OOOO월드    | 500 | C | 1,016 |
| 91  | Beauty                | OO뉴       | 500 | C | 951   |
| 92  | Beauty                | OOO스 랩    | 200 | C | 833   |
| 93  | food                  | OOO즈      | 500 | C | 723   |
| 94  | Kitchen appliances    | OOO슬 러    | 500 | C | 486   |
| 95  | stuff                 | O하 트      | 500 | C | 250   |
| 96  | Fashion Clothing      | OO인터내셔널   | 300 | C | 247   |
| 97  | Medical Equipment     | OO피 앤 씨   | 300 | C | 152   |
| 98  | Beauty                | OO코퍼레이션   | 200 | C | -     |
| 99  | life                  | OOOO유     | 500 | C | -     |
| 100 | Food / Health Food    | OOF&c     | 200 | C | -     |
| 101 | Fashion Accessories   | OOOO엔 씨   | 500 | C | -     |

| No           | Companies can | Main items                           | Annual investment Amounts | Remark   |
|--------------|---------------|--------------------------------------|---------------------------|--|
| A            | 32            | Fashion Bags, Clothing, Beauty, etc. | 30.2 billion won          | On home shopping Business<br>Classified according To grade (A / B / C) |
| B            | 33            | Beauty, Household goods, etc.        | 24.3 billion won          |  |
| C            | 36            | Household goods, Food, etc.          | 15.6 billion won          |  |
| <b>Total</b> | <b>101</b>    |                                      | <b>70.1 billion won</b>   |  |

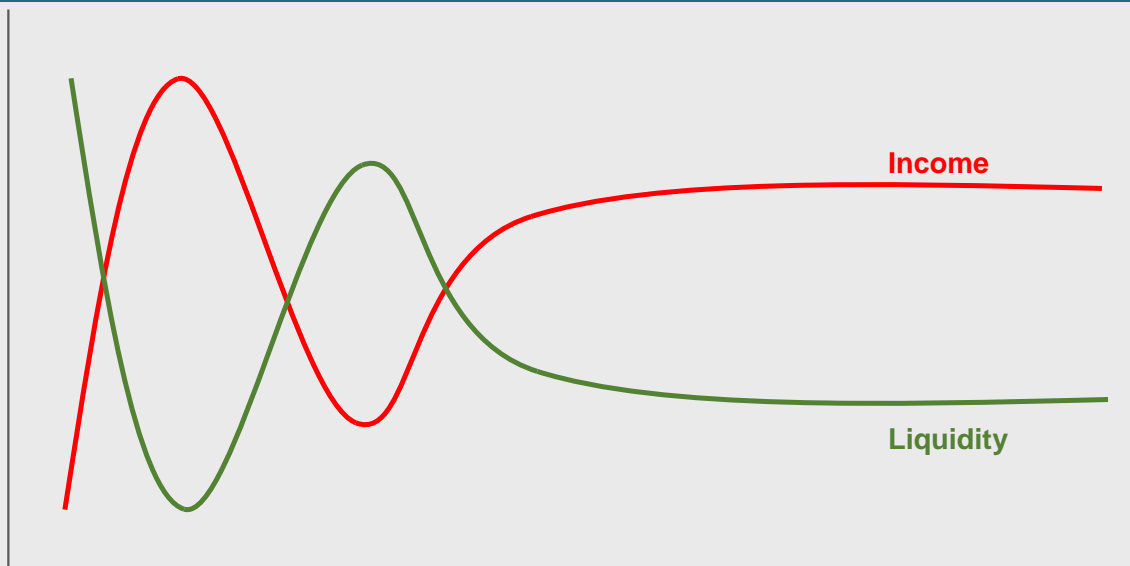
## INVESTMENT STRATEGY AND PROCESS

|                               | Main Content   |
|-------------------------------|--|
| Investment amount             | Less than 500 million won  |
| Investment limits             | Less than 70% of the production cost (or less than 25% of the sale price)  |
| Investment entities           | These subsidiaries   |
| Return                        | Each more than 10%   |
| The main collateral           | Shopping bonds Transfer / code itself (direct sales) Broadcast   |
| Investment period             | 3-4months (up to 6 months)   |
| Recovery Method               | Goods used to repay the sale price   |
| Due Diligence Accounting Firm | More than 500 million won investment due diligence gun   |
| Warehouse using methods       | Third-party logistics (TPA logistics) available  |
| Risk Management               | Control of mortgage (movable property) through logistics warehouse, Early withdrawal of funds due to TPA fashion sales channel Mortgage possession self code distribution / Mortgage sale and short sale |

## Timeline



## The initial project yield / liquidity flows

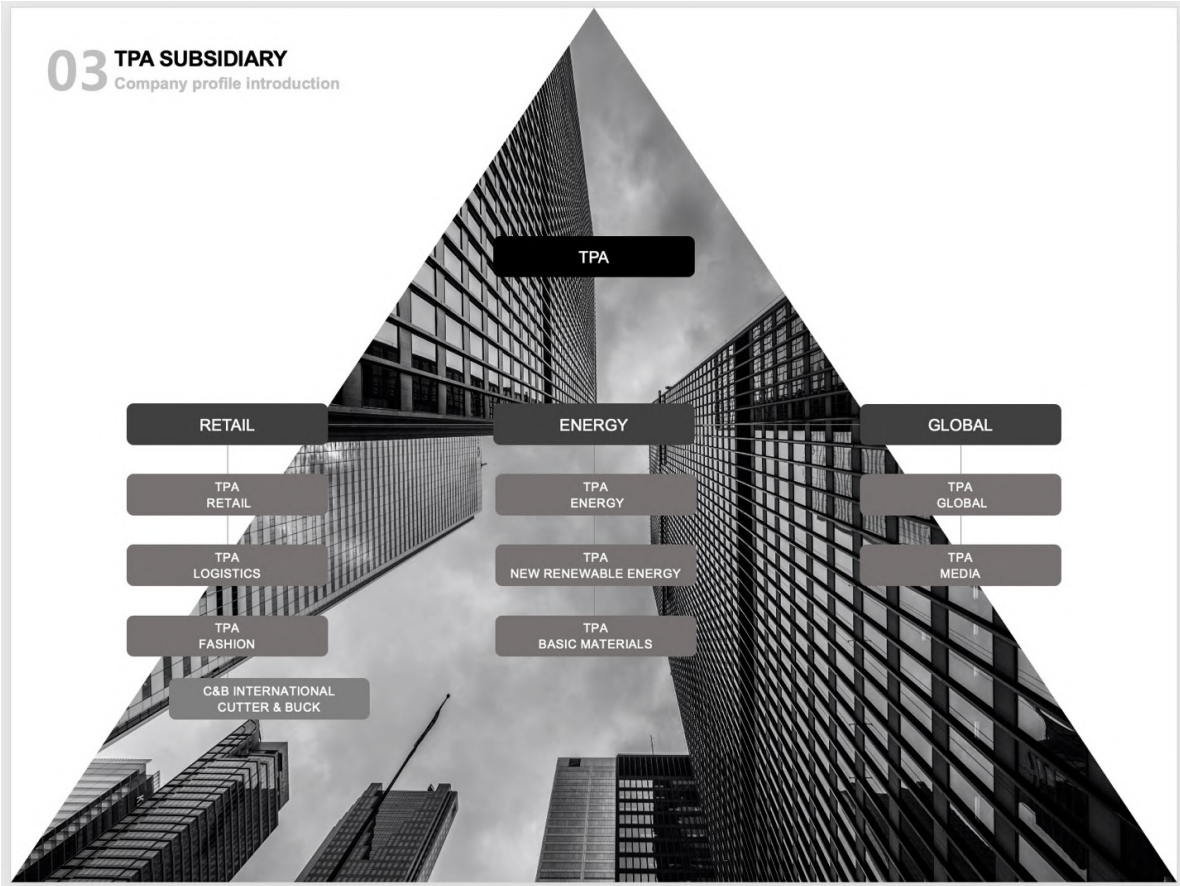


- Initial / peak / withdrawal of funds / timing of funds
- The rate of return and liquidity are opposite each other based on total investment

# TPA HOLDINGS INTRODUCTION

## COMPANY BIO

TPA Holdings is a publicly listed company in South Korea with global capabilities:



|                               | Contents   |
|-------------------------------|--|
| Company Name                  | TPA Retail corporation                                 |
| Representative                | Myung Goo Choi   |
| address(Headquarters)         | 8F,735,Yeongdong-daero, Gangnam-gu, Seoul, Korea 06072 |
| Established in year and month | 01/08/2018   |
| Major shareholders            | TPA Holdings 100%                                      |

|                               | Contents   |
|-------------------------------|--|
| Company Name                  | TPA Logistics corporation                              |
| Representative                | Seon Gyun Park   |
| address(Headquarters)         | 8F,735,Yeongdong-daero, Gangnam-gu, Seoul, Korea 06072 |
| Established in year and month | 21/08/2018   |
| Major shareholders            | TPA Retail 100%  |



|                               | Contents   |
|-------------------------------|--|
| Company Name                  | TPA Fashion corporation                                |
| Representative                | Seok Kwon Choi   |
| address(Headquarters)         | 8F,735,Yeongdong-daero, Gangnam-gu, Seoul, Korea 06072 |
| Established in year and month | 28/08/2018   |
| Major shareholders            | TPA Retail 70%, outside 30%                            |

## TEAM



### **CEO - Jusung Myung**

Chairman of the Board of Directors at isMedia TPA Retail Co. U.S. Corporate head. Former co-founder of One holdings group. The investment on the Sak Institute from Nanos.



### **CEO of isMedia - Kitae Kim**

Former CFO, YNG Company. Former CEO, Eduplanet. Former Director, Korea Culture and Tourism Institute. Former Managing Director, Tubeasset America.



### **CEO/CFO of isMedia - Insuk Kim**

Chairman of the Board of Directors at TPA Group. Former Division Director at KTB Investment & Securities Co., Ltd. Former General Manager at KWOOOM Securities Co. Ltd.

## ADVISORS



### **Byungduk Min**

Former KB Kookmin Bank President



### **Wonjoon Lee**

Former Vice-Chairman/Co-CEO at Lotte Shopping Co. Ltd



### **Jaejun Kim**

Former Managing Director at NH Investment & Securities Co.



### **Kyoduk Son**

Former Kyongnam Bank President



**Sunghoon Moon**

Former President of WITS mobility



**Hyeongnam Jeon**

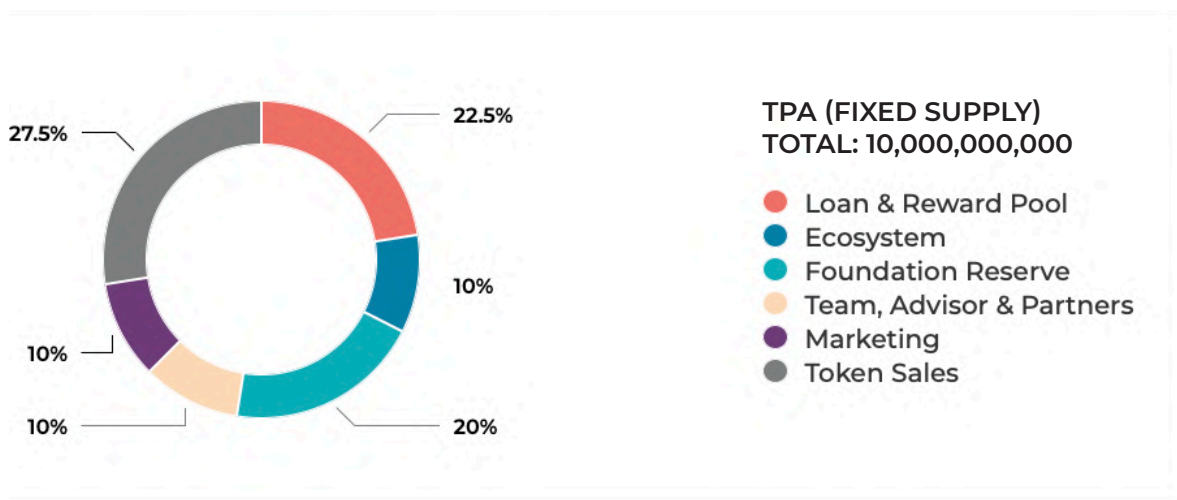
Former Vice President at GRS Investment Advisory

## PARTNERS AND INVESTORS



# \$TPA TOKEN ECONOMY

## TOKEN ALLOCATION

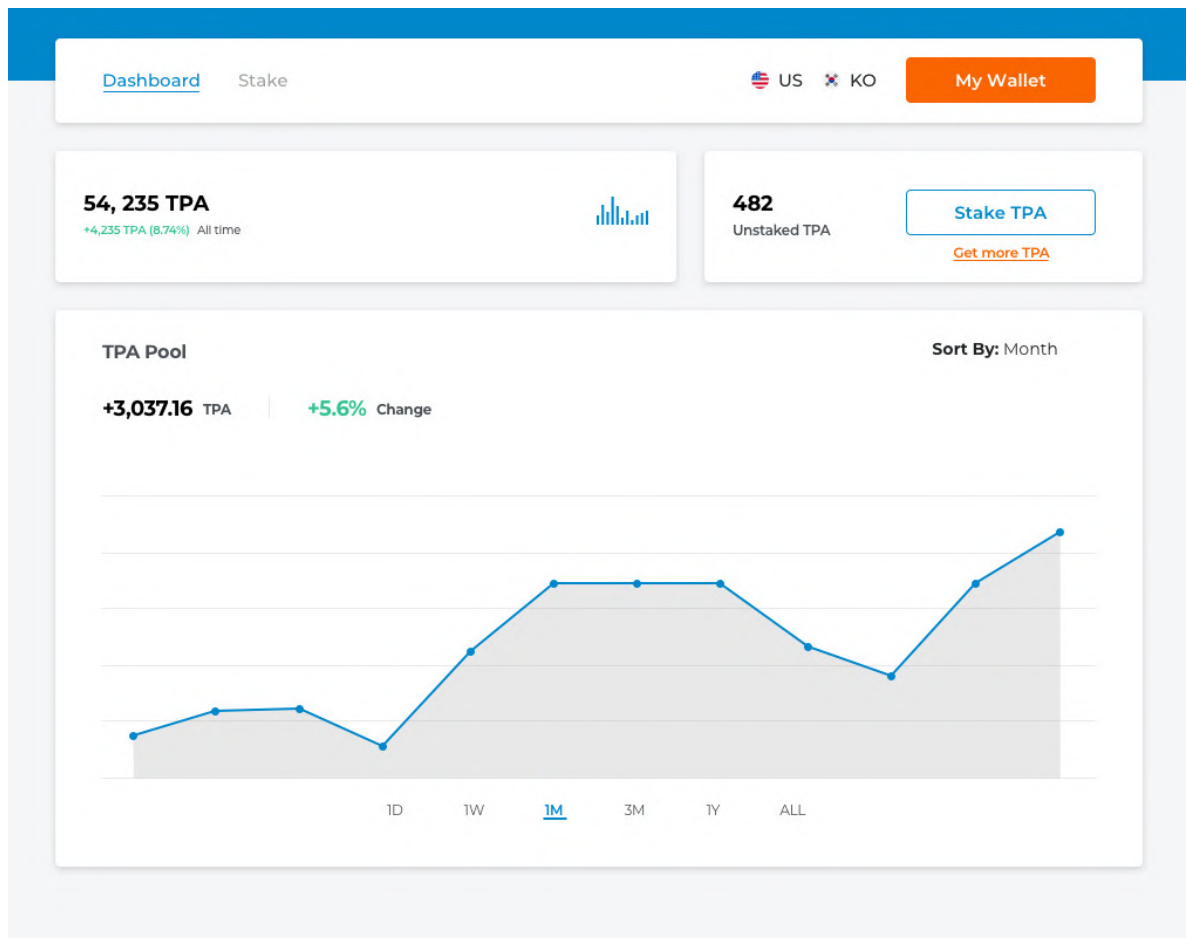


## LOCK-UP SCHEDULE

- Team, Advisors & Partners (10 Months) – 10% unlocks each month after the 3rd month upon listing
- Marketing (10 Months) – 10% unlocks each month
- Token Sales (40 Weeks) – 2.5% unlocks each week

## TPA DASHBOARD

TPA Retail will launch a user-friendly online dashboard and mobile app where users can manage their TPA DeFi accounts and TPA tokens. With one simple dashboard users will be able to integrate their Ethereum wallets and stake their tokens to the staking contract, view their historical returns, and acquire more TPA tokens from external exchanges. This single dashboard will allow users to manage their tokens to take advantage of all future business verticals that TPA Retail expands into beyond only inventory financing.

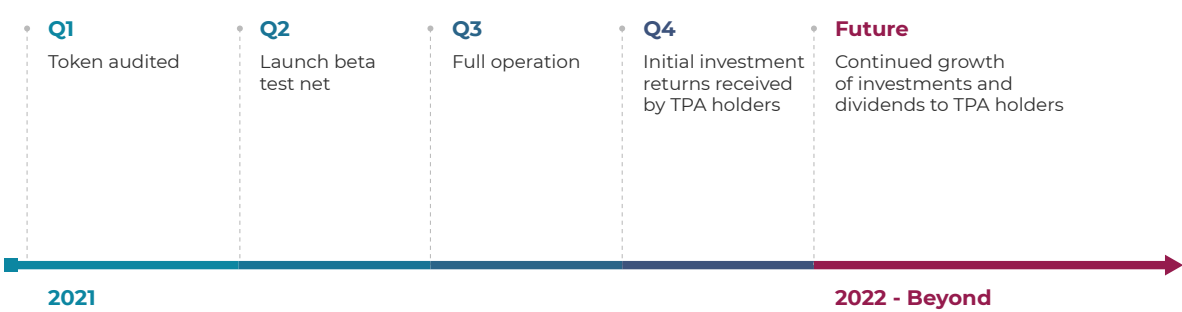


First, the user will link their wallet, such as a Metamask wallet, to the dashboard. This will be familiar to nearly all users of Metamask and will take just a few clicks. Once connected, the dashboard will populate with information about the user's TPA token balance in that wallet as well as the quantity of TPA tokens they have staked into the TPA Pool.

From there, the users will be able to see the historical performance of the pool and the value of their stake in it. When users are ready to increase their stake to amplify their earnings, they may click a button that will direct them to an exchange partner's website in order to purchase more TPA tokens then afterwards stake them using the dashboard interface.

The dashboard interface will be a source of important information and updates regarding the performance of the pool, including periodic summaries of the pool performance and business evaluation of the investments that were made by the pool. As mentioned before, diversification of the lending model from inventory financing to include things like NFT-backed lending will be announced and tracked through resources accessible from the dashboard.

STATUS AND ROADMAP



2021

- i. Q1: Token audited
- ii. Q2: Launch beta test net
- iii. Q3: Full operation
- iv. Q4: Initial investment returns received by TPA holders

2022-beyond

- i. Continued growth of investments and dividends to TPA



## FREQUENTLY ASKED QUESTIONS

### **Why TPA?**

The TPA token allows holders to participate in an existing and successful inventory financing model managed by TPA Retail, a publicly-traded distribution company founded in South Korea. All interest revenues generated by the inventory financing model will be automatically distributed as dividends via smart contract to TPA token holders who stake their tokens into the TPA pool. All loans are backed by inventory as collateral and the pool is guaranteed by the Liquidity Reserve smart contract, ensuring holders will never experience withdrawal problems or business interruptions. Prospective investment returns based on TPA Holding's historical earnings on inventory financing are 16-24%.

### **What happens if a loan defaults?**

All loans are backed by the inventory itself as collateral. Historically, a careful vetting process and industry-leading expertise has resulted in a 4% default rate, in which the full loan amounts were ultimately recovered by TPA Retail.

The Liquidity Reserve is designed to automate recovery into the loan pool in order to avoid business interruption and potential liquidity problems. When a company defaults on a loan, the Liquidity Reserve will immediately restore the principle to the loan pool and TPA Retail will restore the Liquidity Reserve after liquidating the collateral. The Liquidity Reserve shall always be equal to or larger than the loan pool, incentivizing TPA Retail to lock a greater amount of tokens out of circulation into the reserve in order to grow the volume of loans over time.

### **How many prospective investments are already in place?**

Currently, TPA Retail has 101 home shopping investment target companies in place. In total, the prospective annual investment amount is currently 70.1 billion KRW (approximately \$62.63 million USD).

### **What creates demand for the token?**

1. Interest payments: interest generated on loans will be used to purchase TPA on the open market and returned to the TPA Pool, where it will be and distributed securely and automatically to TPA token holders who have staked into the pool.
2. Investment returns: as the company continues to be profitable and the volume of loans and interest payments increase, more holder will be motivated to purchase TPA tokens and

stake them into the pool. Investment returns based on TPA Holding's historical earnings on inventory financing are 16-24%.

3. Business growth: as TPA Holding's volume of investments grow over time, more TPA tokens will be required to be locked into the Liquidity Reserve.
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### Links

- [1] <https://www.adb.org/publications/2019-trade-finance-gaps-jobs-survey> (\$1.5 trillion figure)
- [2] <https://www.investopedia.com/terms/i/inventory-financing.asp>
- [3] <https://gomedici.com/inventory-financing-growth-of-european-non-bank-players>
- [4] <https://www.wita.org/blogs/inventory-financing-crucial-for-us-importers>
- [5] <https://www.valuepenguin.com/small-business/inventory-financing>
- [6] <https://www.sortly.com/blog/inventory-financing-6-things-to-know-before-you-apply>
- [7] [https://www.researchgate.net/publication/337963786\\_Inventory\\_Financing\\_Model\\_Based\\_on\\_Blockchain\\_Technology](https://www.researchgate.net/publication/337963786_Inventory_Financing_Model_Based_on_Blockchain_Technology)
- [8] <https://tpallc.co.kr/home>