



ACA NETWORK

Accelerated Advertisement Network

White Paper

2018.5.25

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<https://aca.network>

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TABLE OF CONTENTS

1. Abstract
 2. Term Definitions
 3. Market
 - 1) Scope of the online ad market
 - 2) Limits of the market and other problems
 4. Idea
 - 1) Concept
 - 2) Advantages of dApp in the Online Advertising Market
 5. ACA Network
 - 1) ACA Advertising Management System (ACA-AMS)
 - 2) ACA Advertising Exchange (ACA-EX)
 - 3) ACA Advertising Network & SDK (ACA-NET)
 - 4) Currency Token Exchange (a tentative name)
 6. Use Cases
 - 1) Immediately Delivering Large-Scale Online Advertising Campaigns
 - 2) Implementing Advertisements Based on Swift Decision Making
 - 3) Running an Ad with Low Budget
 - 4) User Experience
 7. Roadmap
 8. Token Sale
 - 1) Summary
 - 2) Use of ACA Token
 - 3) Token allocation
 - 4) Use of Proceeds
 - 5) Liability Limitations & Legal Notices
-

9. Team

10. Advisory Board

References

1. Abstract

The ACA Network employs blockchain technology to create a next-generation online ad serving platform. Our goal is to make all online ad trafficking transparent and fair, maximizing the interests of both advertisers and advertising media.

Since the end of the 20th century, when online advertising began establishing itself as a means of advertising, various technological advances have improved the fidelity of ad trafficking technology. These advances in turn led to the growth of the online advertising market; in recent years, it has seen an annualized average growth rate of 20%, and continues growing further still. The global online advertising market in 2018 is valued to exceed over 281B USD, and it will likely continue growing.

However, the online advertising sector faces challenges both from the point of view of advertisers and media operators. Advertisers face the serious issue of ad fraud. Ad fraud is when mechanical means such as “bots” are used to make it appear as though ads have been served, causing advertisers to waste unnecessary expenses on non-existent ads. Losses owing to ad fraud are estimated to reach 19B USD in 2018.¹ This represents a waste of 7% of all funds going into the online ad market. Furthermore, from the point of view of advertising media, the intermediary margins charged by ad agencies that are parties to online ad deals are exploitative and borderline fraudulent. This is because online ad agencies are allowed to freely adjust, at their own discretion, the unit price (CPC/CPI) of an ad served. It would be no exaggeration to say that media outlets today are entirely at the mercy of online ad agencies. These problems are caused by the fact that the online ad market is completely opaque. By employing blockchain technology, the ACA Network resolves these issues. We are building an online ad trading platform that is beneficial to both advertisers and advertising media. Today’s online ad space is poised for change, thanks to the emergence of blockchain technology. We employ blockchain technology to achieve fully transparent trading of online ads, disrupting the online ad space and ushering in change.

Allow us to introduce a bit about what we have to offer. Since our founding in Japan in 2010, we have produced a range of media apps for the mobile segment. These have

¹ AD FRAUD TO COST ADVERTISERS \$19 BILLION IN 2018, REPRESENTING 9% OF TOTAL DIGITAL ADVERTISING SPEND. [https://www.juniperresearch.com/press/press-releases/ad-fraud-to-cost-advertisers-\\$19-billion-in-2018](https://www.juniperresearch.com/press/press-releases/ad-fraud-to-cost-advertisers-$19-billion-in-2018) (Accessed 14 May 2018.)

exceeded 500M impressions monthly, and we have secured a position as a major advertising outlet catering to media apps. Drawing on our expertise and knowledge of the Japanese online ad industry, network of contacts, and understanding of the market, we are launching disruptive services in the online ad market, starting in Japan and then moving onto the global stage. The Japanese online ad market is the third largest market of its kind in the world. Basing ourselves out of this large market, we are pivoting to transform the online ad sector worldwide.

2. Term Definitions

- Ad category : Category of advertising products
- Ad Production Partner : Production locations, companies, and groups for content required to producing ads.
- Advertiser : Companies, groups, and individuals who use ACA Network to advertise
- Advertising Media : Various means (advertising vehicles) such as billboards, magazines, newspapers, radio, television, and internet by which promotional messages are communicated to the public using words, speech, and pictures.²
- Affiliate : An advertising mean that determines the achievement of the performance the advertiser has specified and the reward from the achievement³
- CPA (Cost Per Action) : The unit price per user action. The cost of the ad paid per action when a user takes a specific action through an advertisement⁴
- CPC (Cost Per Click) : The cost of clicking on an ad once⁵
- CPI (Cost Per Install) : The cost of installing an application once
- CPM (Cost Per Mille) : The cost of delivering an ad 1,000 times through the medium⁶
- eCPM (effective Cost Per Mille) : An estimate of the revenue that a medium gets when an ad is delivered 1,000 times⁷
- CPP (Cost Per Period) : The payment method for a specific time period, regardless of impressions or click-through rate⁸

² advertising media. BusinessDictionary. <http://www.businessdictionary.com/definition/advertising-media.html> (Accessed 12 February 2018.)

³ アフィリエイト. Wikipedia. <https://ja.wikipedia.org/wiki/%E6%88%90%E5%8A%9F%E5%A0%B1%E9%85%AC%E5%9E%8B%E5%BA%83%E5%91%8A> (Accessed 5 January 2018.)

⁴ Lee, Won Jae. Internet Advertising. Seoul: PRUNSASANG, 2015, p. 272.

⁵ *Ibid.*

⁶ *Ibid.*

⁷ Cost per mille. Wikipedia. https://en.wikipedia.org/wiki/Cost_per_mille#Effective_cost_per_mille (Accessed 22 January 2018)

⁸ Lee Won Jae, *Op. cit.*, pp. 272-273.

- CTR (Click Through Rate) : The percentage of clicks to ad impressions converted as a percentage⁹
- CVR (Conversion Rate) : The number of visitors that took an action such as a purchase, subscription, or inquiry through the advertisement as a percentage¹⁰
- dApp (Decentralized Application) : Abbreviation for a decentralized application running on a distributed P2P network¹¹
- Expression category : Category of the methods of expressing the ad itself such as banners, etc (e.g., entertainers, use of characters, etc.)
- IMP (Impression) : The number of times an ad has been exposed to a user, with a number added every time the user reconnects¹²
- RTB (Real-time bidding) : The method of buying online ads in impressions by real-time bidding¹³

⁹ *Ibid.*, p. 273.

¹⁰ *Ibid.*, p. 271.

¹¹ Decentralized Applications – dApps. BlockchainHub. <https://blockchainhub.net/decentralized-applications-dapps/> (Accessed 22 January 2018)

¹² Lee Won Jae, *Op. cit.*, p. 49.

¹³ What is 'Real-Time Bidding'?. MEZZOMEDIA, 2013. <https://www.adic.or.kr/lit/report/show.do?ukey=79508> (Accessed 22 January 2018)

3. Market

1) Scope of the online ad market

The online ad sector is estimated to reach 281B USD in value in 2018. In recent years, China and developing countries in Southeast Asia have posted major growth, driving an annualized growth rate of 20% in the online ad segment, and estimates suggest that an even higher record will soon be achieved.

2) Limits of the market and other problems

1. Loss of ad budgets due to ad fraud

As the online ad space grows in size, it has become increasingly more difficult for advertisers to determine whether they are paying for legitimate impressions. Ad bidding and trafficking mechanisms are more advanced today, but they have also decreased in transparency. In other words, it is now easier than ever to engage in fraud through ads.

Ad fraud causes advertisers to pay money for impressions generated by search engine robots and fake users. The amount of money wasted on these trades is estimated to reach 19B USD in 2018. This represents approximately 7% of the total online ad market. The amount of losses advertisers are subject to through ad fraud is expected to increase further still, to 44B USD, in 2022.

When ads are trafficked, they pass through the hands of so many intermediaries that the result is anything but transparent. ACA Network utilizes a blockchain-driven solution for online ad trading in order to analyze all impressions and allow advertisers to spend their budgets on only those that are legitimate.

2. Exploitation of middle margins by online advertising agencies

When one places ads through an ad agency, there is a common pitfall. Because the agency is accustomed to creating ad banners, this allows the advertiser to launch their campaign immediately, but the actual outcome is left in the hands of the agency's sales reps. Once the ad is served, the resulting CPC/CPI is not what the advertiser expected. They contact the sales rep, and the ad begins performing better for a short time, only to drop again. The advertiser must then repeatedly telephone the sales rep and ask them to improve the returns.

This is caused because ad agencies are able to freely adjust at their own discretion the frequency with which an ad is served, or its CPC/CPI.

This adjustment of prices by ad agencies takes two forms. In one, focus on sales of high profit ad space directly to advertisers. In the other, they obtain low-return sales through RTB. For example, for a high-profit account, unless the ad is consumed, the revenue cannot be generated -- this means that even if the ad is a bad fit for the advertising media, they run it anyway. This causes the ads to be consumed too soon and worsens the ROI.

This inefficient trafficking of ads is owed to the fact that advertisers do not have the resources to produce banners themselves, nor the specialized knowledge needed in ad trafficking. As a result, they entrust everything to the ad agency. However, more critical still is the fact that transparent, fair ad trafficking is being hampered by ad agencies acting out of selfish interest.

4. Idea

1) Concept

The online ad sector is extremely opaque, so problems like ad fraud and the serving of ads on sites that would damage a brand's image are rampant. This is a major problem that advertisers are aware of and can no longer afford to ignore. Online ad agency reps are given total discretion to adjust the intermediary margins they charge for ad serving, so the profits of advertising media are entirely at the mercy of these agencies.

ACA Network is bringing blockchain-driven technology to this opaque industry in order to create a platform for fair and transparent trading. The resources needed to create banners are provided within the ad trading platform, allowing advertisers, not ad agencies, to easily determine what parts they need, maximizing the return on their ad budget. This represents a totally new form of ad trading platform. Advertising media make use of the APIs and SDKs provided by ACA Network, enabling them to easily configure ads. The system aims to provide fair trading of ad space between advertisers and advertising media, with a system handling fee charged.

2) Advantages of dApp in the Online Advertising Market

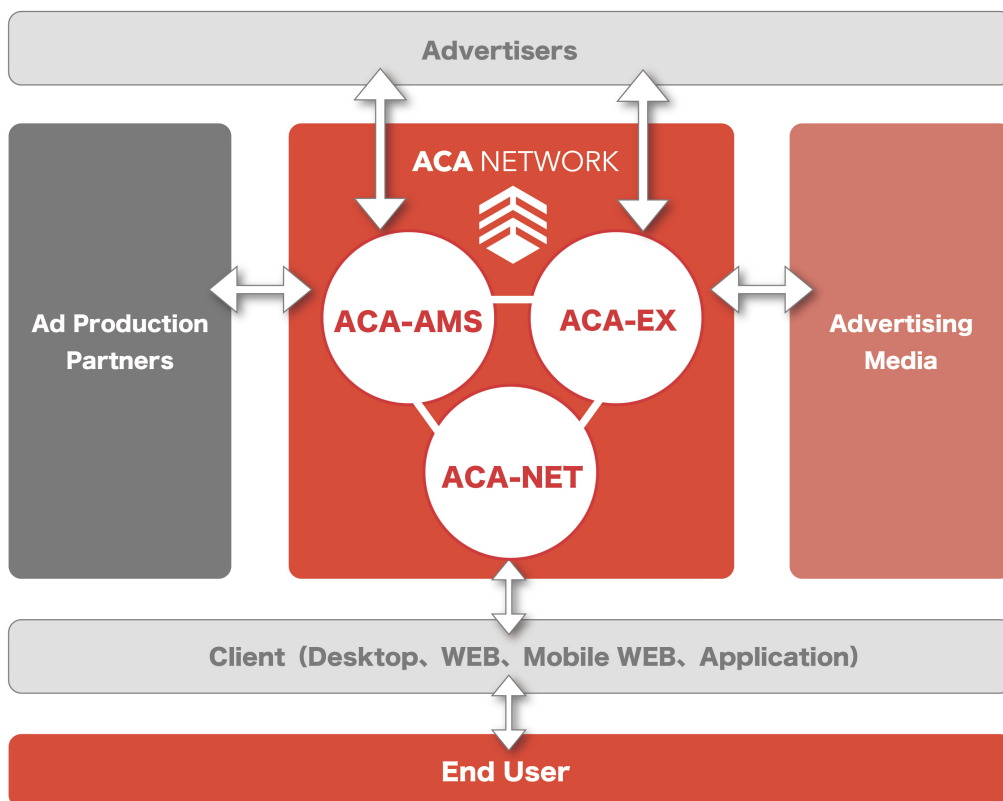
dApps run on smart contracts on public blockchains do not authorize the falsification of the contractual details or the outcome of a contract's execution, nor is there a centralized administrating body. In addition, unrealistic costs are not expended on securing a 51%+ stake in the network. This ensures stability and prevents malfeasance. This format allows the flow of funds to traverse the network based on the actual content of ads run, with all trades reaching both parties as intended. Because automated contracts are used to pay advertisers' budgets upon completion of the desired performance (creation of the ad and trafficking it), trust between the parties is maintained and unnecessary costs are done away with. This in turn allows for a more rationalized approach to crafting your ad budget. The costs that would traditionally be spent on analyzing whether the the media selected for the ad is a correct fit and whether it met the requirements of parties to the trade are also done away with. Even if one party attempted to engage in malicious, unauthorized activity (for example, trying to run a fraud in order to unfairly secure a large volume of ads, or posting erroneous data on the results of an ad campaign), the record of this activity

remains on the blockchain and cannot be deleted. This allows for incurring penalties, calculating the amount of damages to be fined, and restoring the funds.

The benefits above would do away with the ad fraud and lack of trust that threaten the online ad industry today, as well as reduce unnecessary expenses and the shifting of problems to consumers and end-users of ads, who represent potential clients. Blockchain and dApp technology will usher in the next fundamental change in the advertising space.

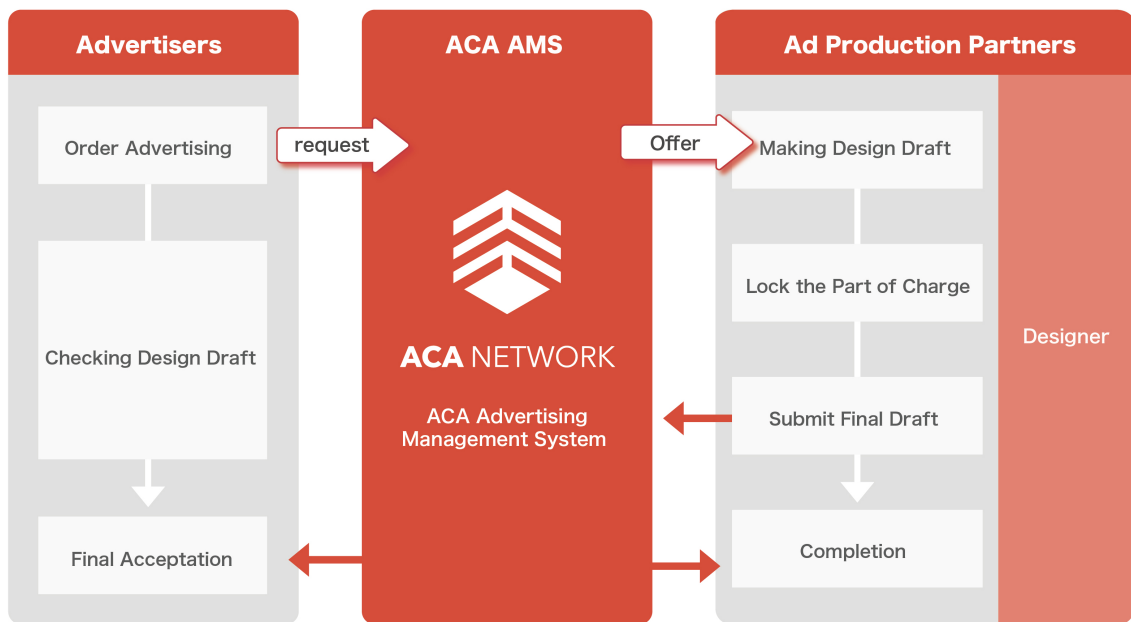
5. ACA Network

The ACA Network is an online ad decentralized application created to transparently manage the creation and execution of advertisements and the transfer of goods using the Ethereum Smart Contract and to provide a sustainable platform for market participants (advertisers, ad-producers, and advertising media). Additionally, it is comprised of three apps: the Advertising Management System(ACA-AMS), the Automated Matching Ad Exchange(ACA-EX), and the Ad Network & SDK(ACA-NET).



1) ACA Advertising Management System(ACA-AMS)

ACA-AMS is a dApp for the communication between advertisers and ad production partners and for a rapid ad production and provides the following functions.



(1) Successful bidding after checking out the ad draft and prices of participating ad-producers by releasing a bidding notice stating the requirements.

- Once an advertiser posts the maximum budget and requirements, the creative partner will create and deliver an copy meeting those requirements.
- If an advertiser initiatives a purchase, 40% of the amount is deposited into the platform and the proceeds until confirmation.
- Advertisers can request revisions up to three times.
- When the final draft is confirmed, the full amount will be deposited to the ad production partner's account and immediately moved to the exchange.

- If the final draft is not approved, the deposit, 40% of the total amount, will be paid as a fee for producing the draft, and the license will remain owned by the ad production partner. However, if an advertiser wants the license to be transferred to themselves, they can purchase the license by paying 70% of the total amount if agreed to by the ad production partner.
- Upon completion of the production of the advertisement or at the time when the transfer of the license for the advertisement draft takes place, 5% of the total amount shall be collected as a fee by ACA Network.

(2) Purchase after viewing the draft proposed by the ad production partner

- After advertisers release their guidelines for the project on the platform, they can receive free proposals from ad production partners.
- An ad production partner will make and deliver a draft by referring to the data from advertisers.
- The production partner will provide several draft versions for the advertiser to review. Upon confirmation of the desired version, the initial portion of the production fee will be deposited into the production partner's account.

(3) Upload self-produced advertisements

- If there is an advertisement produced by the advertiser themselves, they can directly upload it to the network service.
- A fee for storing the uploaded ad will be collected.

(4) Protect rights

- Advertiser's auction information or any information exchanged during the ad production process is managed through a covert channel that can only be verified between the parties involved and cannot be viewed from outside.
- An ad production partner may be restricted from the bidding or offer of an advertisement from a third party who is in the same industry as the contracted advertiser until the advertisement they produced is transferred or published.

(5) Conciliate disputes

- Approval of the correction and settlement of the purchase by an advertiser must be completed within a maximum of two weeks. Otherwise, they will be considered approved.

- If an ad produced by an ad production partner contains inappropriate content, or if plagiarism or other unethical behavior is found, the platform administrator will receive the application for reconciliation from the advertiser and mediate between both parties.
- The platform administrator can restrict the participation of an advertiser or an ad-producer in the market based on their history of applications for conciliation and dispute settlements. The platform administrator is entitled to record the evidence and history for their decision.

(6) Manage history

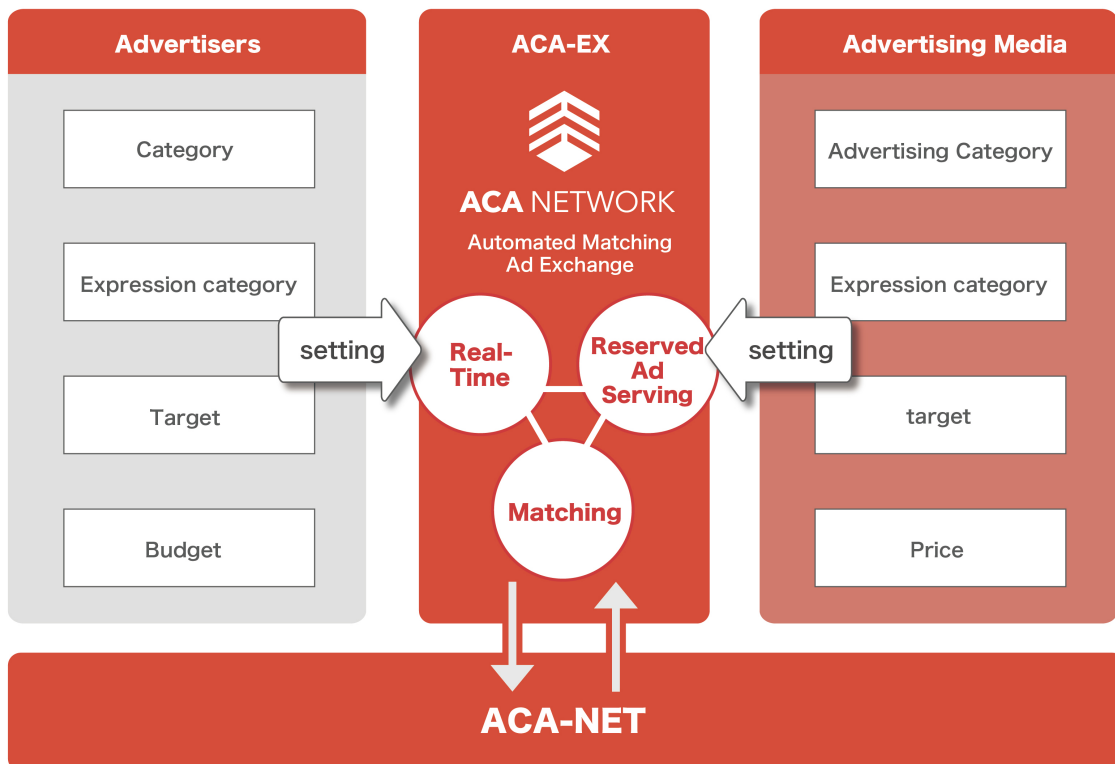
Information for advertisements previously ordered or produced including campaign details and performance results are uploaded stored on the platform.

(7) Target categories of advertising media

A category can be set according to the attributes of the advertising media targeted for the produced advertisement. It will be used to match the proper advertising media on the ACA Ad Exchange, which will be described later on.

2) ACA Advertising Exchange (ACA-EX)

This is an exchange for matching advertisement banners and advertising media. On this exchange, contracts and exposures are conducted in real-time with the best match based on the advertiser's budget, requirements, type of advertising media, and evaluation score. The exchange supports the following advertisements.



- (1) Banner Ad
- (2) Full-size banner ad
- (3) Video ad
- (4) Native ad
- (5) Search ad

The exchange also designates the exposure method.

- (1) CPI (Cost Per Install)
- (2) CPM (Cost Per mile)
- (3) CPA (Cost Per Action)
- (4) CPP (Cost Per Period)

Finally, there are two types of markets depending on the way ads are contracted:

(1) **Exchange for Automatic Ad Serving**

An exchange for a specific advertisement slot, purchased in the RTB manner, executed until the budget is exhausted or the advertiser stops the advertisement is automatically contracted according to preset purchase conditions and prices.

(2) **Exchange for Reserved Ad Serving**

This is an exchange where a specific advertisement slot is contracted only for a specified time period or budget. Though the advertiser may terminate the ad serving, even in the reserved ad slots, the cost for the suspended period will not be refunded.

In order to effectively arrange the advertisements, each advertisement and each advertisement slot has its category of advertising product / advertising media, and there exists an expression category according to the characteristics of the advertisement / advertisement slots. In addition, the exchange has information on targeted users of the advertisement so, trading automatically matched advertisements and advertisement slots in real-time based on the aggregate of prices set according to the score of past advertisement slot history and of budget ranges set by the advertiser. Moreover, advertisers can exclude specific categories, advertising media, and advertising slots, while the advertising media can exclude specific advertisers or categories.

Each category can be classified into an associative category and a non-associative category depending on the correlation with other categories; thus, in one category, the associative category and the non-associative category is asymmetrically connected. Advertisers and advertising media can respectively choose whether to include or exclude associative categories and non-associative categories in the matching process. In addition, unclassified categories may be added / deleted at the request of parties to a transaction.

NO	Category	Associative Category	Non-Associative Category	Example
1	Game	E-Comic/Video	Marriage/Diet	Game News website
2	EC	Game	Female Model	Used goods store site
3	Travel/Restaurant	Beauty/Dating	Financial Product	Website about Recipe
4	Recruitment	Part time job	Dating	Recruitment website
5	Beauty	Marriage/Diet/EC	Game/Job Hunting	Supplement shop site
6	Marriage	Dating/Beauty	Game	SNS
7	Dating	Female Model	Recruitment	Dating service
8	Diet	EC	Financial Product	Implant PR
9	Financial Product	Job Hunting/EC	Diet/Dating	Car Insurance
10	E-comic	Game	Recruitment	Animation website
11	Video	E-Comic/Game	Recruitment	Animation website
12	Female Model	Video/Dating	Recruitment	Chatting/Video service

An expression category is a category in which advertisers and advertising media can each express the characteristics of an advertisement and advertisement slot in their own way.

NO	Expression Category	Notion
1	Text	Advertising Expression like Google adwords
2	Cartoon	Advertising Expression by Cartoons
3	Video	Advertising Expression by 15sec. Video
4	Animation	Advertising Expression by Animation
5	Celebrity	Advertising Expression with Celebrity
6	Pre-Registration	Advertising Expression like Pre-Registration website
7	Catalog	Advertising Expression like property information website

As above, it has both associative / non-associative categories and are matched based on the format of the ad or the genre of the content.

Information on targeted users of the ad is as follows.

NO	Field	Details
1	Age	Teenagers/ over18/ under 24/ over 25/ under 34/ over 40/ all ages
2	Gender	Man/ Woman/ No setting
3	Region	by country/ by region
4	Platform	Desktop/ Web/ Mobile Web/ Native apps (iPhone, Android)/ others
5	Language	Follow the ISO 639-1:2002

Ad serving is terminated when the following conditions are met, and new transactions can be automatically initiated:

- Exhaustion of the advertising budget
- Expiration of the contract period
- Request of suspension from the advertiser or advertising media
- Other operational reasons

After an ad serving is terminated, the performance of the advertisement goes through final calculations and added to the score for evaluating the efficiency of the advertisement slot. The methods of calculating the score are classified according to the advertising method.

$$S_{CPM} = \ln \left(\frac{\text{MAX}(1, Imp_{total} - Imp_{bad})}{1000} \right)$$

where Imp_{total} is total impression while ads served, Imp_{bad} is Requests not accepted as impressions

CPM

$$S_{CPA} = \ln(\text{MAX}(1, Action_{total} - Action_{bad}))$$

where $Action_{total}$ is total action taken from user while ads served, $Action_{bad}$ is Requests not accepted as completed action

CPA

$$S_{CPI} = \ln \left(\frac{Click_{total}}{1 + Install_{total}} \right)$$

where $Install_{total}$ is total installation has been tracked, $Click_{total}$ is total clicks while ads served

CPI

$$S_{CPP} = \ln \left(\frac{t_{total}}{t_{contract}} \right), t_{contract} > 0$$

where t_{total} is total ads displayed time in seconds, $t_{contract}$ is the contract period of ads in seconds

CPP

$$CTR = \frac{Click_{total}}{1 + Imp_{total}}, S_{CTR} = 50 - \frac{100}{1 + CTR}$$

Click Through Rate converted into a score

Additional CTR Score

3) ACA Advertising Network & SDK (ACA-NET)

The ACA platform is a SDK for the distribution of produced advertisements, including mobile, web, and various smartphone-native applications. The display of advertisements, the collection of information on usage and confirmations are strictly implemented in accordance with the contracts made on the ACA Exchange with payments made immediately upon confirmation.

(1) Method of aggregating ad impression

- Request ads ⇒ Generate IMP ID ⇒ Post Advertisements ⇒ Impressions Occur
- ※Aggregate the number of IMPs that occurred within a set block time and the number of incomplete requests to calculate the performance of ad impressions
 - ※Extract valid IMP by tracking IMP ID
 - ※Prevent excessive calls and frauds based on gathered information

(2) Collection of information on ad impressions

After ad impressions are completed, the platform sends the results of the ad impressions and the users' statistical information to the dApp.

(3) Fees

After the advertising campaign is completed, a fee of 5% of the total invoiced amount is collected by ACA Network.

(4) Prevention of wrongful uses

One impression is made by signing the impression ID issued by the dApp at the time of the ad request. In regards to the ad requests, there is a limit on the number of ad requests for one ad slot. There may be a limit on the payment of the advertisement cost if the number of abnormal advertisement requests rise, or if an ad made by an illegally created fraudulent account is detected.

Furthermore, even users who receive compensation through the user compensation program can receive penalties. An analysis of the activities within the clients of the side of the user who actually requested the advertisement will determine whether they are actual users or false accounts.

When the advertising media violates precautions on the advertisement expressions, which the advertising media should comply with, and users or advertisers report it, the ratio of payments can be adjusted selectively.

- Placements must only be in the contracted locations.
- The same or similar contents should be maintained throughout the time period of the advertisement.
- Pages should not be refreshed except in cases of user requests or errors in recovery.
- Advertisements should be displayed in full sizes and shapes.
- Clicks should not be induced in contrast to user's intentions.
- Illegal activities or contents that harm the evaluation of advertisers or advertisements should not be displayed.

(5) Protection of information

User information collected on the service will be encrypted to prevent identification of specific users and only be used for the specific purposes intended herein; information will not be unnecessarily collected. The access and viewing rights to information will be strictly managed according to the intended use by users of the service. User personal information will be deleted per a request from that user.

4) Currency Token Exchange (a tentative name)

The ACA Network offers a token traded at 1:1 against legal tender in order to realize smart contracts for trades within the service. The Currency Token is based on Ethereum and corresponds to a 1:1 equivalency with the originating asset with which it was purchased. As of January 2018, there is no officially recognized “asset representing currency value,” so the tokens used on the ACA Network will first be issued against Japanese yen, with subsequent processes entrusted to an officially sanctioned trust operated by a financial institution. After that time, the ACA Network will be made available against USD, EUR, and other international currencies, as well as BTC, ETH, and other cryptocurrencies. The Currency Tokens are not considered cryptocurrency per Japanese law; in order to class them as an “asset representing currency value,” the below restrictions are put into place.

(1)The exchange of all Currency Tokens is performed within the ACA Network; no trades are made with third parties. Currency Tokens can only be used within the ACA Network and are never used as a mainstream means of payment outside of the system.

(2)Payments for Currency Tokens are not refunded.

(3)In September 2018, a Currency Token exchange site will be launched. Pursuant to this, registration as a “Third-Party Prepayment Issuer” with the financial authorities with jurisdiction over the site as per Japanese laws on settlement of assets will be made.

(4)The Currency Token exchange site will disclose at all times the exchange rate against legal tender currency and allow users to immediately convert their tokens into the desired currency at the time of disbursal.

6. Use Cases

1) **Immediately Delivering Large-Scale Online Advertising Campaigns**

Excluding the time required to produce an ad, ad campaigns using the ACA Network can be delivered to selected advertising media through the Exchange for Automatic Ad Serving immediately.

2) **Implementing Advertisements Based on Swift Decision Making**

Ad production partners can directly communicate with advertisers, without having to go through advertising agencies or advertising media companies, and advertisers can manage their costs securely and transparently. Moreover, it is possible to decide to immediately release or stop an advertisement without having to go through the agency, and the performance of the advertisement can be confirmed immediately; thereby, enabling a more efficient operation.

3) **Running an Ad with Low Budget**

Owing to ACA Network's low fees and the Exchange for Reserved Ad Serving, it is possible for even the highly-recognized advertising media to run an ad at low budgets.

4) **User Experience**

User experiences such as actual advertisement releases do not change except when dealing more fairly with the business affairs of existing advertising agencies through the blockchain.

7. Roadmap

1) **Jan. 2018, Develop Proof-of-Concept White paper**

- 1) Assess the requirements and challenges of building a team to develop and operate our service.
- 2) Solving the expected challenges in the selection and development of the dApp platform with a long-term sustainable ecosystem will be focused.

2) **Apr. 2018, Launch Official ACA Network Website and Private Sale**

White Paper release and recruitment of initial investors through private sale.

3) **Jun. 2018, First Version Development Starts**

The development of ACA-AMS, the foundation of ACA Network, will launch with the advertisement production process and funds transfer.

4) **Jul. 2018, Launch Pre-Token Sale**

Take places 3 weeks before the public Token Sale on ACA Website open to the limited group of people who registered.

5) **Aug. 2018, Launch Public Token Sale**

Funds required for product development and service operation will be raised through the token sale. We will establish exchange rates for accepted coins. Users can then send the desired quantity of coins to receive corresponding quantity of our token deposited into their account.

6) **Sep. 2018, Register as the Issuer of the 'Third-Party Advance Payment Method**

To enable the exchange of Currency Token, we will apply to be the issuer of the "third party advance payment" method in accordance with Japan's Law on Payment of Funds.

7) **Oct. 2018, Establish a Japanese Corporation to Construct an Operational Management System**

Our Japanese Corporation will be established to build out the ACA network in Japan including advertisers, advertising media and advertising production partners.

8) **Feb. 2019, Release of the Currency Token (Provisional Name) Exchange Site**

We will create an exchange site for Currency Token, which is to be used as the standard currency within the ACA Network, and begin token exchange with a 1:1 exchange rate with legal tender. Tokens sold through the exchange will be used within the ACA Network like cash, and their existence as tokens on the blockchain will make for transparency in fund transfer. All exchanges of Currency Token are to be performed within the ACA Network, and trades between third parties are prohibited.

9) **Apr. 2019, Open Beta Test for ACA-AMS and ACA-NET**

The ACA Network, ACA-AMS and ACA-NET capable of connecting to advertising media will be launched. After its connection functionality is confirmed, analysis and corresponding improvements will be made.

10) **Jun. 2019, Release ACE-EX Beta**

The trading model and efficiency of ACA Network's commercial exchange, ACA-EX, will be verified. The performance of already released ad campaigns will be analyzed to continue developing a sustainable ecosystem.

11) **Oct. 2019, Official Service of ACA Network**

The official service implementing all specifications of ACA-AMS, ACA-EX and ACA-NET will launch including required improvements identified during beta testing.

8. Token Sale

ACA Network is selling ACA tokens for the development and management of ACA Network, and to raise funds for withdrawals at Currency Token exchange. Upon the start of token sale, you can buy the tokens by transferring Ethereum to the Ethereum wallet address provided by the our ACA token sale website. The token sale will be terminated once the token sale time period is over, or when all tokens are sold. ACA tokens that are not sold during the sale period will be burned. And if the sale does not reach the minimum goal, all Ethereum received during the sale period will be returned.

The schedule and details of token sale described on this white paper can be changed, and if any change occurs you can find it at the official website or through the community channel.

1) Summary

- Symbol : ACA
- Platform : Ethereum
- Category : Utility Token
- Total amount of ACA to be issued : 2,000,000,000 ACA
- Total amount of Token to be sold : 1,000,000,000 ACA
- Exchange Rate : 3 Japanese yen per 1 ACA (exchange rate for ETH/ACA will be announced the day before the token sale)
- Minimum Goal : 100,000,000 ACA
- Maximum Goal : 1,000,000,000 ACA

2) The Use of Token

1. Get a discounted ACA Network service fee

ACA token holders will receive a discounted ACA Network service fee paid in Currency Token.

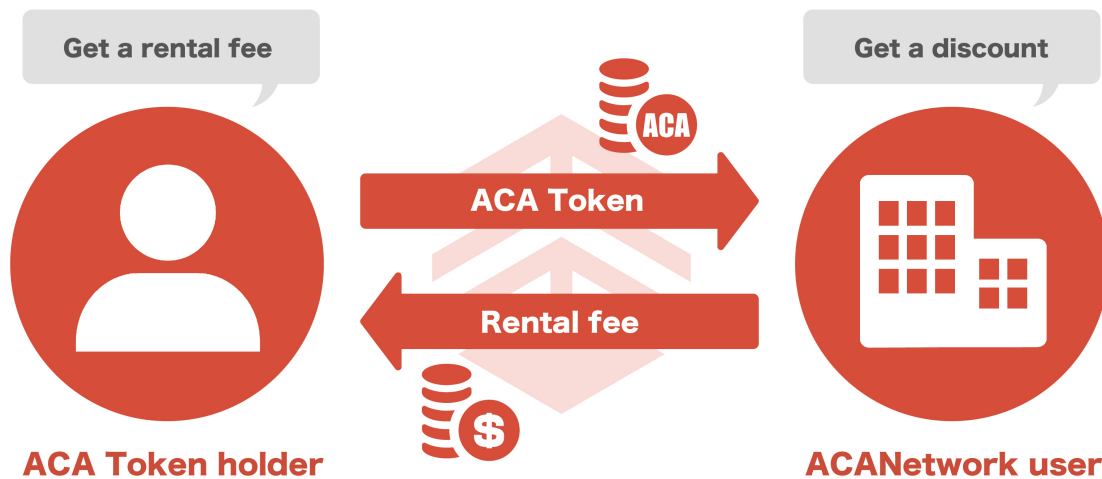
Amount of ACA Token	30K	100K	250K	600K	1.5M	3.5M	8.5M	< 20M
Discount	1%	3%	5%	8%	14%	23%	40%	70%

2. Buy back & burn the ACA token

After the official launching, the ACA Network will use 20% of its revenue each quarter to buy and burn the ACA token. The maximum amount of ACA token burned each quarter will be 1,000,000,000 ACA, which is 50% of all token issued.

3. ACA Token Rental Program

ACA token holders that doesn't use any ACA Network related services, can rent out their ACA token to other ACA Network users.



Details

ACA owners can automatically rent out the ACA tokens they own by registering their wallet on ACA Network and opting to participate in the rental program. Renters get a discount on fees by renting ACA tokens from ACA token holders according to the

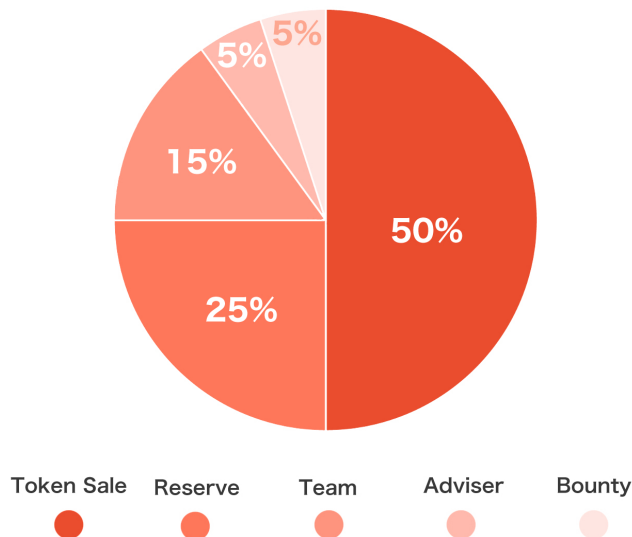
discount rate. The maximum discount rate when renting is 70% of the discount rate that is actually applied when the ACA tokens are acquired.

Restrictions

1. Only the users who have completed KYC are permitted to participate in the rental program.
2. In order to participate in the rental program, you must have at least 100,000 ACA tokens.
3. If the renter either terminates or cancels during the rental period, only the prorated fees for that period will be added.
4. If there is less than 200,000 JPY in ad placement cost per week, the advertisers cannot collect for ACA token rentals.

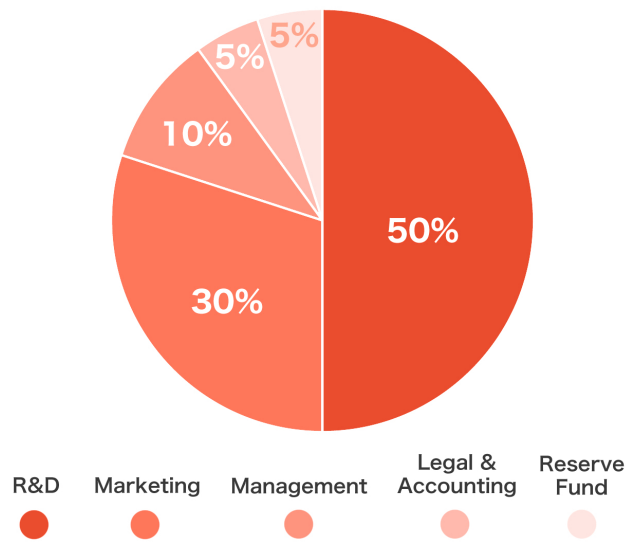
3) Token Distribution

Issued tokens will be distributed as follows.



4) Budget Allocation

Funds received during the token sale will be used as following depending on the amount.



5) Disclaimer and Limitation Of Liability

The ACA Network team (generally, including shareholders, executives, and affiliates) provides those who are interested in the ACA Network with a detailed description of the platform and team that the ACA Network plans to develop.

The tokens issued by the ACA Network team shall not be financial instruments such as securities, or legal currencies (dollar, pound, euro, or Japanese yen), which do not guarantee specific values. The current laws on ICO and tokens may be flexible and subject to changes in laws or policies leading to restrictions on the possession and transaction of the token, or the more unfavorable handling of the token than in the past due to prohibition or restriction of ICO or strengthening of taxation in the future. However, the ACA Network team or the ACA Network shall not be liable for unexpected damages, losses, liabilities, or any kind or nature, caused by this event.

The tokens may be influenced by unexpected events or special events—including but not limited to success of business plan, price trends, other market trends such as foreign exchange market and stock market, natural disaster, war, reinforced regulations—and other virtual currencies. In the event that the token issuer's business plan does not proceed as planned owing to a significant level of risk, or in the event that the project fails due to poor management, the value of the customer's token may be exhausted. However, the ACA Network team shall not bear any responsibility or liability regarding the event.

The token held by the customer may be vulnerable to unauthorized transmission caused by the leakage of the account information due to the cyberattack. The ACA Network team may provide this White Paper at the time of its creation, guaranteeing no information, including the conclusion to be accurate until the future.

The ACA Network team shall not represent or warrant the accuracy of, or liability for, any of your professional legal, accounting, financial, or technical aspects concerning this white paper, including but not limited to whether the content of the White Paper was based on appropriate rights or infringes the rights of a third party, or whether the content of the White Paper is commercially viable or in conformity

with your specific objectives.

Your actions and consequences in accordance with your decisions shall be entirely at your discretion. In other words, the ACA Network team shall not be liable for unexpected damages, losses, liabilities, or any kind or nature, with any obligation, compensation or other liability that could arise out of the use of this White Paper.

9. Team

KO YOUNGWOOK CEO & Founder

Born in Seoul; moved to Japan at 20 and worked for Nippon Television Network Corporation; designed services for smartphone using 3D avatar since 2008, after the first iPhone released in Japan; founded a start-up business in Japan and Korea in 2010; and was selected as one of the "15 Japanese Professionals" by Dentsu Inc.

KO YOUNG-WOO Executive/Developer

Development Team Leader of ACA Network; after working as a mobile game developer, developed Japanese-oriented applications as a freelancer; and is in charge of Japan's leading online chat services and digital comic applications, and several back-end development.

YUICHI HONDA Executive/Marketing

Graduated from Chuo University; developed businesses and produced webcomics through an internship while in college, designed various media that records to 0.1 billion PV.

CHOI ZINKYU Developer

Developed several Android applications; has expertise in Japanese services; and is in charge of developing SDK for Android in the ACA Network project.

KARIN KOBAYASHI Designer

Graduated from Tama Art University; surprised people with her novel ideas; and is in charge of the production of promotional websites, etc. in ACA Network.

YOON JUHO Developer

Designed and was in charge of various applications related to Hyundai Motor's Connectivity in Korea, while showing great talent in the UI and UX fields. Currently in charge of iOS-based SDK development in ACA Network.

JIYOUNG HER Account Executive

Born in Korea, move to Japan at 19 and studied economics. Having 16 years of professional experience in marketing and cross-border business. Have owned and

developed 2 start up entrepreneurial businesses in Tokyo and Taiwan. Also, International experience working on projects in Korea, Singapore, UK.

10. Advisory Board

WON H. CHO D'Light Law

Won H. Cho is a managing partner at D'LIGHT Law, and an adjunct professor at KAIST MIP (Master of Intellectual Property). As an experienced IP lawyer with extensive commercial transactional experience in various specialty industries including entertainment & media, and ICT & new technology, Won is uniquely positioned to advise clients in a wide range of complex technology, corporate and regulatory matters. In addition, Won has profound understanding and sufficient experiences in relation to blockchain industry, and currently he actively lectures and writes articles regarding crypto-currencies and ICO.

JONATHAN VENUTO COO, Interim CEO & Representative Director, GILT.jp

Jonathan Venuto was a senior executive at GILT.jp, the leading Japanese flash sales site with over 2M members, for almost 4 years. He was COO & Interim CEO and before that VP of Marketing & Strategy. Before moving to Japan, he managed Loyalty & Customer programs for GILT.com, the global website with over 9M members. Before joining GILT.com he worked for American Express, Bain & Company and Ford Motor Company. He holds an MBA from Harvard Business School and a BS in Mechanical Engineering from Wayne State University.

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