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1. Abstract

Inmusik is an ecosystem based on a blockchain database that supports the music industry, streaming, and social interaction, with cryptocurrency rewards and a financial framework on which future music industry applications can be built.

The platform is a fusion of concepts from music streaming and social media which includes community curation, verification and transparent payouts to both content owners and contributing listeners/fans. To enable a fair market economy for an industry built on all types of music assets requires a system capable of easily accounting every users’ contribution. Inmusik’s Token is the first cryptocurrency that attempts to accurately and transparently enable an industry to thrive in this new digital age, while rewarding its users for their subjective contributions to the ecosystem and enabling a host of applications not yet imagined.
2. Introduction

On the 4th of January 2018, Mark Zuckerberg, Founder of Facebook said:

"With the rise of a small number of big tech companies, and governments using technology to watch their citizens, many people now believe technology only centralizes power rather than decentralizes it. There are important counter-trends to this like encryption and cryptocurrency that take power from centralized systems and put it back into people’s hands."

The emergence of the internet and digital audio files created a massive challenge for the music industry and these new technologies outpaced any adaptation made to counteract. While streaming services like Spotify, Apple Music and Pandora have presented a solution, it’s far from being transparent and fair for everyone who uses these services. These centralized platforms continue to create billions of dollars for their shareholders, while artists receive meager payouts and paid members get no reward for their contribution.

The internet is experiencing a revolution where centralized content services are being replaced with decentralized community platforms, allowing tasks like content verification and curation to be entrusted to a peer-to-peer network who are rewarded fairly and consistently for their measurable contributions. Inmusik aims to support an industry of music by empowering and accelerating this change within the business of music.

While the overall solution is powered by a solid cryptocurrency, our streaming app is only the first step. This document explores how an industry can be built around this framework and how that, by introducing a brand new business model, we can contribute significantly to growing the entire economy of music when put into practice with our own music platform.
There are **four fundamental principles** which have been used in the design of Inmusik to serve as checkpoints to which all concepts and ideas must adhere. They are:

1. All people who actively contribute to the success of a venture should be rewarded in direct proportion to the measurable value of their contribution.
2. All people who create artistic content should be rewarded in direct proportion to the measurable value that content provides those who consume it.
3. All people who give their time in helping high quality content find an audience should be rewarded in direct proportion to the earnings of the content creators.
4. The cryptocurrency platform should be built on a real, viable and scalable business model.

**The Inmusik cryptocurrency serves the music industry by:**

1. Being a fair and transparent system that enables the business of music to take place.
2. Being governed by the community so that the system is defined by those it provides value to.
3. Allows 3rd parties to utilize the currency, platform and system to create new and more efficient solutions for problems not yet imagined.
4. Supporting the creative arts to ensure the creation of music thrives.
5. Increasing the music industry’s economy by opening up business in new and unrestricted ways.

**The Inmusik platform serves its fan/listener members by:**

1. Enabling fans to own a stake music they love, through Token Votes, and receive payouts in direct proportion to a song’s success.
2. Enabling fans to receive rewards for verifying ownership and the performers of newly added music.
3. Enabling fans to receive rewards for curating new music (through their enjoyment of the platform) and directly control which content deserves attention from the community.
4. Allowing fans to consume music for free with consistent contributions to the community.
5. Receive a percentage of earnings by helping artists reach success milestones.
While also serving artists, labels and other industry professionals:

1. Enabling a streaming service which increases payouts to owners of copyrighted music content by adding a new form of revenue with Token Votes
2. Making it possible for any artist, musician or songwriter to receive fair and transparent payouts which are in direct proportion to their impact within the community.
3. Helping artists find and build an active fan base.
4. Gives the industry a single currency to allow distribution of payouts which automatically includes all creatives and professionals in the value chain.
5. Using a stable cryptocurrency locked to the U.S Dollar.

The Inmusik application promises to be an advert free streaming music platform with a vast number of artists, songs and albums, where fans can earn money and/or gain free membership by contributing to the community, serving as a backbone to the Inmusik ecosystem. Artists can upload and manage their content, connect and communicate with fans, generate revenue in new ways and incentivize fans that help promote their music. All done with fairness and transparency at the core by utilizing Blockchain.

For artists, Inmusik is a fan creation machine. For fans, a place where they can earn rewards for discovering music. For labels, a frictionless source of generating revenue. For the music industry, a new way to conduct business that will drive economic growth.

This white paper will explore the economic benefits of a decentralized industry of music and how the outcome creates a scalable, just and thriving ecosystem. This document contains a number of breakthrough innovations which are world firsts made possible by bringing blockchain to a community platform that revolves around content.

With 18,000 independent artists already signed up, partnerships with labels and $7.77 Million invested (at time of writing), Inmusik is poised to be the leading music cryptocurrency
3. Economic incentives

The Inmusik platform is designed to be the first platform that rewards both listeners and content creators, in equal measure, based on the value they provide to the community. In this way, the growth of a new social content platform can be greatly accelerated using the economic incentives enabled by cryptocurrency. Furthermore, this system is built on a real, viable and scalable business model, supporting the Inmusik cryptocurrency and giving Inmusik a formidable market advantage.

3.1 Curation – Token Votes

In the music industry today, curation is almost totally centralized. Record labels and other music professionals serve as an effective filter - finding promising new talent, working with them, promoting them, and ensuring they get favorable placing on playlists on streaming applications. While this works to a degree, labels risk large investments in new talent (similar to how an investor might invest in a start-up) without any certainty they will be well received by an audience.

The other curators are the listeners themselves. Through social media, streaming platforms and other channels, listeners are exposed to new music and cast their opinion with virtual thumbs up or thumbs down and/or, the number of times they listen/engage. With listeners being the end user, their opinion is, essentially, what drives this entire industry. Yet, a listener’s contribution to the rise of an artist is rarely, if ever, recognized and is certainly not financially rewarded.

The challenge therefore, is twofold: One. Few people have the time to listen to new music and decide if it is worthy of the attention of their peers - a completely new system, which takes seconds to make an evaluation of new music based on personal tastes, is required. Two. How to calculate contributions by developing a system where individuals gain rewards based on their overall meaningful contribution within the community and music economy.
3.2 Quick-Play Discovery

To address the first challenge, we invented Quick-Play. Here’s how it works - Each day, the user is prompted to partake in their daily discovery of music which takes less than one minute. The user can choose which category they'd like to explore, (e.g. pop, rock, classical jazz, relaxing music, recommended for you) and click play. They are then presented with the best 7 seconds of each song, as chosen by the artists themselves, and decide to collect or reject with a simple swipe left or right. To listen a little longer (up to 30 seconds) the user simply keeps a finger on the song image until they decide whether to collect or reject. 7 songs will be played in a row, totaling 49 seconds of Quick-Play. The user can then choose to listen to another round of 7 songs and continue discovering new music in this easy and engaging way. All songs collected are added to the user’s ‘Daily Collections’ playlist where they await to be listened to in full.

Users who partake in this daily discovery are rewarded with Tokens which increase based on the number of consecutive days they contribute. The more users partake in discovery, the more Tokens they can earn. Quick-Play is a fast and easy way to discover new music, create playlists in minutes and earn money for participation in helping great new content be heard. The data collected carries value to ensure the right music is presented to the right user in both Quick-Play and on ‘Recommended for you’.

3.3 Recognizing contributions

Beauty is in the eye of the beholder. An accurate and wonderful philosophy, but also a significant challenge in how rewards can be distributed for the curation of musical content. Who’s to say if one should be rewarded or not based on their personal taste?

For users partaking in Quick-Play on a daily basis, they receive rewards for simply participating, as their contribution (while self-serving) helps new music find an audience faster and provides the system with valuable data. In keeping with our first fundamental principle - All people who actively contribute to the success of a venture should be rewarded in direct proportion to the measurable value of their contribution - that participation should be awarded, and so it is.

Curating content shouldn’t be done with a snap decision. Therefore, a bigger gesture should be required, and with greater effort, a greater reward is deserved. The act of
curating content on Inmusik is managed via a voting/betting system designed to maximize the chance of the community working together to help great music surface while also impacting the long-term investment users make to the community. A listener may vote on a song using their Tokens. The vote is a speculation on whether this song will become widely played on Inmusik over a period of time. If that speculation is correct, the listener receives a reward related to the total earnings that song makes over time and the total amount of votes within the pool over time. Therefore, early voters on successful songs earn more, voters jumping on later earn proportionately less.

The curation of artists and bands is done in a similar way, though payouts are higher due to the long-term investment made by the listener/fan. All votes contribute to the overall payouts artists receive in addition to their streams, potentially making Inmusik the highest paying music streaming platform.

To incentivize listeners to vote, a number of Tokens are gifted to them daily for voting. Gifted tokens are only replenished when used and do not accumulate daily.

**This innovative system works in numerous ways to benefit the overall community.**

1. It brings a new revenue stream for recorded music, a first of its kind.
2. With a set monthly fee for the music streaming business model, revenue is limited to the number of subscribers. With Token votes, the potential spending on recorded music is unlimited and can significantly grow the entire economy of music.
3. It gives listeners/fans an economic incentive to actively search for the best new music, helping newer artists break through the noise.
4. It gives listeners/fans a reason to wholeheartedly get behind an artist and actively participate in their success, in-turn facilitating more artists to make more money due to the listener’s emotional and financial incentives.
5. As an artist’s success doesn’t come over night, listeners/fans become long term investors in the Inmusik community benefiting everyone in the music value chain.

This combination creates a mutually beneficial relationship between fans and artists and brings about a new era of music distribution, empowered by Blockchain.
3.4 Verification

As Inmusik is an open, free to use platform, there is a possibility of some people falsely creating an artist’s profile and uploading music illegally, causing a negative impact to the community. Verifying and checking content can be a significant drain of resources, a cost which eats into the overall payouts to copyright owners.

Inmusik solves this problem by decentralizing this task, handing it over to users and rewarding them for their efforts. In order to gain a ‘verified’ account, the artists or band members are asked to share an image of them holding a hand-written note showing that day’s date. The artist/band needs 20 users to verify their profile as proof of identity. Each user who partakes in this verification process, earns Tokens as a reward. NOTE: this is for artists adding their own content. Record Labels content is being handled by connecting databases and therefore, no verification is required.

Rewards can also be earned when verifying a newly uploaded song that is, in fact, performed by the uploader. When an artist uploads a song, they can tag each person that contributed to that song, (i.e. singer, guitarist, drummer, producer, songwriter etc.) allowing automatic distribution of earnings. These ‘tags’ also need to be verified offering further reward opportunities for the community.

This unique system can be used in other ways to ensure that all copyright holders and performers are compensated for their work fairly. This application of a distributed ledger is incredibly effective for tracking covers of known songs and ensuring the copyright owner earns fairly from streams, in keeping with our second fundamental principle - All people who create artistic content should be rewarded in direct proportion to the measurable value that content gives to those who consume it. Inmusik is the first and only platform that enables more established artists to earn from covers performed by up-and-coming singers, musicians, etc. It’s also incredibly effective for tagging samples used in remixed material. A powerful use of a distributed ledger to bring greater transparency and fairness to this area of music creation.

3.5 Pay Per Play

The platform uses the Inmusik blockchain to capture every qualifying stream to offer a fair and transparent way to distribute payment for each and every play. There is no set price
per play, however, Inmusik should be the biggest payer to artists when combined with Token votes. The resulting combination for popular songs will effectively create a payout range from $0.01 to $0.09 per stream. For songs with a large Token votes, the effective per stream payout could be even higher.

Payouts are pegged to the US Dollar and so early earnings will not fluctuate based on the speculative market. This is fully explained in Section 4 which tackles our dual token system.

Users who are listening to music pay for this privilege with their Inmusik Tokens, which can be purchased or earned, creating a real exchange of value, adding to the overall ecosystem and creating a sustainable business which goes far beyond an ICO.

### 3.6 Pay Per Contribution

Artists also receive monetary rewards for simply adding content to the platform. In recognition of our first fundamental principle - All people who actively contribute to the success of a venture should be rewarded in direct proportion to the measurable value of their contribution. We believe that all content adds to the overall value of the community as each song has the potential to be well-received and entertaining.

This is also true with social contributions done by artists when they engage an audience with photos, videos and posts. However, in keeping with our second fundamental principle - All people who create artistic content should be rewarded in direct proportion to the measurable value that content gives to those who consume it - only content that is perceived as valuable to the community by way of voting, shall receive meaningful rewards. Constant posting of low quality content which fails to engage the community will have negative impact. Whereas, consistently adding quality content earns larger rewards and builds up Influence. Therefore, it is ALWAYS in the best interest of the artists to ensure the content they share is high quality and deemed entertaining be their community.

To add to this, creating a strong referral system can cause ‘the viral effect’ as demonstrated by many massively successful platforms (Facebook, Gmail, Dropbox, to name a few). On Inmusik, both fans and artists can earn by simply inviting others. Each accepted invitation gives the inviter an equivalent of $2 in Tokens and the invited receives a
bonus equivalent to $4 in Tokens for their initiative to sign up. An alignment with our first fundamental principle, referenced in this section.

3.7 Record Labels and Music Industry Professionals

While Inmusik clearly benefits fans, musicians and artists of all kinds, it also benefits music publishers, record labels, managers and other industry professionals.

With regards to record labels/publishers, over time Inmusik will be a significant contributor to their total income due to the larger payouts made possible by the unique way the Inmusik community works. But the platform also offers labels an infallible system of accounting built on the Inmusik blockchain. Copyright owners can be tagged and earning can be distributed automatically, or manually, in the Inmusik ecosystem.

To add to this, the level of influence is determined by Tokens earned by social impact and so a record label may have some extra sway in helping great new content surface faster.

Understanding the power that this brings, we are carefully designing the algorithm to include three of our guiding principles. The result is that a single influencer cannot manipulate curation, regardless of their influence strength, as a proportionate number of community votes is always needed for any piece of content to rise to the top. More on this can be found in Section 4.5 on Influence.
4. Ways to contribute

This section outlines the ideas behind Inmusik and the kind of rewards available to users based on their measurable contributions to the Inmusik Community.

4.1 Dual Token system

The Inmusik network has two different assets: Inmusik Tokens (Sound Coin) and Inmusik Cash (IC). Each carries their own advantage and function to enable the Inmusik community to work as a scalable, just and growing ecosystem. Monthly subscription fees automatically convert into a percentage of $OUND at market rates (accessible to the user), and a percentage of IC (into streaming payment reserves).

4.2 Inmusik Tokens (Sound Coin)

Sound Coin is the fundamental Token on which the Inmusik ecosystem is based. When a user pays the monthly subscription fee, a percentage is automatically converted to $OUND at market rates. Users can then use these $OUND tokens to vote on songs, explained in Section 3.3. The more votes a song has, the higher it is in our rankings; therefore, the voting user is helping the song gain traction - especially if the user commits more than 1 vote. The exact mechanics of this system is described in the tokenomics section.

External $OUND tokens can be loaded into a user’s Inmusik wallet, allowing them to pay their monthly subscriptions using $OUND. Users can also purchase tokens directly on Inmusik from their verified account, or from the open market.

4.3 Inmusik Cash (IC)

Due to the volatility of the speculative market, Sound Coin’s value will change daily making it too unpredictable for artists to receive payments for streams. Because stability is important in any successful economy, it was important to innovate a solution that would work long-term. IC solves this problem as it was designed to be a stable currency, pegged to the USD. One token is equal to $0.01- (1¢) and it always will. It is the Token paid out to fans as rewards and to artists/labels for streams/rewards.
4.4 Wallets
For any venture to succeed long-term, it needs long-term investors. Therefore, we’ve created a unique wallet which works with some similarities to bank accounts. Wallet A (simply known as ‘Wallet’) works like any normal wallet, funds can be transferred at will whenever the user chooses. Wallet B (Known as ‘Stash’), however, is special in that it works like a high-yield savings account, but is more flexible with other added benefits.

For users who choose to move some, or all of their Tokens (Sound Coin and/or IC), into their Stash, they do so with the understanding that moving Tokens back into their standard Wallet will take a period of 12 weeks. For the community, there is a significant value in having a percentage of Tokens invested for a longer term as it allows the community to make long term plans, built on a stable pool of funds, while creating solid long-term growth.

Referring back to our first principle - All people who actively contribute to the success of a venture should be rewarded in direct proportion to the measurable value of their contribution – long term investors need to be rewarded accordingly. 15% of yearly inflation is paid to all users holding Tokens in their Stash. Interest is paid out on a rolling 12-week time period system broken down over 52 weeks. Whatever the user has in their Stash at the end of week 12 will earn them interest on that amount at the end of week 13. Whatever the user has in their Stash at the end of week 13, will earn them interest on that amount at the end of week 14 – and so on.

4.5 Economic Model
The Inmusik smart contract is designed to allow all contributors to benefit from the success (ie. Streaming revenue and accumulative token votes) of a song or artist, giving each party the incentive to discover, promote, and fund great content. Each song has its own smart contract containing 3 pools: Artist pool, Community pool, and Referrer pool.

Artist pool:
The Artist pool consists of artists, and/or their representatives. X% of the value of all streams is forwarded to the artists or representatives wallets. For independent groups, the split is determined by the artists themselves. For signed groups, the full amount goes to the label for them to distribute (unless they configure it to send a portion to the artists transparently and automatically). The Artist pool is granted when the smart contract is
created, and sends X% of all streaming revenue to the entities in this pool. To ensure artists revenue from streaming is not reduced, the X% payout only happens when payouts from the Community Pool are greater than the Artists Pool.

**Community pool:**
The Community pool consists of everyone who voted for the song by contributing Tokens to the smart contract. When a user Votes, they select the amount they want to stake on the song with the amount determining how much of the overall Community Pool they are entitled to. Once a Token Vote has been made, the user then earns a percentage from all Token Votes that come after them. The amount they earn depends on the percentage they own in relation to all other voters at the time of any new Token Vote. Adding to this, voters earn a percentage of streaming payouts which are also distributed based on the percentage of ownership at the time of payout. Early contributions (relative to the total amount a song receives) will do best in this model, with future contributions scaled down with an exponentially decreasing function. This incentivizes users to discover and contribute to new songs early, while still giving a chance to new users to participate (since 100% of the combined streaming and voting revenue from a new song might be equal to 0.1% of when it gets more popular).

Y% of the value of combined revenues is immediately forwarded to the Token Voters on the song, once the Community Pool earnings vs Streaming earnings threshold is surpassed. The % of proceeds is scaled by a `<function>` function.

\[ F(x) = e^{-x} [0-5] \]

0-5 interval will be tweaked as we test at scale with more data available.

The Community pool is an entirely new concept and brings a much needed new stream of revenue to artists for their recorded music. It’s expected to create a vibrancy around new music and payout artists/labels more than they currently receive from streaming alone. Consider, Ed Sheeran’s song ‘The Shape of You’ has 1.8 Billion plays and he has 33 million followers on Spotify. How many of them would vote if given the opportunity to share in the success? And how much would Ed Sheeran’s fans spend on a vote to be actively involved
in that success? It’s easy to see that revenue for token votes could far surpass revenue from streaming with mass adoption.

One final thought - when Community participation revenue surpasses streaming revenue, Inmusik may become the starting point for all new music due to the advantages of releasing new music on the platform.

To calculate Payout (P) for a user (user A), we look at the following:

\[ n = \text{number in the sequence where user A voted} \]
\[ m = \text{amount user A contributed with their vote} \]
\[ q = \text{the amount in the community pool up to N} \]
\[ r = \text{Total community pool revenue since last payout to P} \]
\[ s = \text{Streaming revenue since last payout to P} \]

The algorithm will be shared at a later date.

**Referrer pool:**

Users that have lots of influence can share good songs on their profiles they believe will be enjoyed by the community. Even if they did not contribute to the community pool of a song, they can still benefit from a new song by sharing it with their followers. The referrer pool is equal to 2% of the total earnings. An adaptation of the Token Vote formula can be applied here. If no referrer is present, the 2% is distributed across the artist and community pools.

**4.6 Influence**

This serves the community in a number of ways. The first being a simple incentive to encourage all users to keep the Tokens they intend to keep long term in their Stash. Having more Tokens stored increases the initial reach of a Token Vote or share within the community, increasing the likelihood of attracting new Token Voters and song streams.

Another is to give those with an accurate opinion on what is considered ‘good’ within specific genres, and who has earned good money from that practice, the ability to boost great songs with their up votes helping those songs find a larger audience faster, earning from the referral pool.
This system also allows bigger labels with a significant number of Tokens to help the artists they have invested in receive more attention within the community. There is a big BUT with this point outlined in Section 4.7. Allowing the high-quality content to get attention faster is good for the community as it encourages the bigger labels to bring their newest music to the platform, ensuring that listeners can find the best and latest songs on Inmusik.

### 4.7 Distributing Tokens

There are essentially two ways to get involved with the community - buy in or work in. Giving an equal opportunity to millions of users requires giving every user the opportunity to perform duties which bring value to the community. To do this requires a scalable voting system that works equally with smaller groups within the community and a 100 million users.

There are two elements in creating this system which includes a fixed amount of currency that WILL BE distributed to users and WILL BE divided based on the value those users create within the community. The second is to reward everyone who creates some positive value for the community.

The mechanism which enables this is quite simple: everyone votes on who has provided the most value on any given day/week/month/year. The simple task of voting on the best song/album/artist either confirms all other votes or goes against all other votes and, therefore, every voter is also validated based on the trend of the votes.

Votes on songs are validated by the number of votes and the number of qualifying plays (streams) of that song. If a song receives a large number of votes but is not consistently streamed at a ratio to the number of votes, the rewards paid to voters are low. This would signify that the song gained votes but failed to capture the true attention of fans, in that it was streamed (for example) once per vote. On the flipside, if a song receives a number of votes and is consistently streamed at a ratio much greater to the number of votes, the rewards paid to voters are high. This would demonstrate users are playing this song on repeat because they enjoy it and therefore the value it brings the community is significant. Think of it as an organic consensus measured by the very act for which it is required in the first place.
This model is not only fair, it’s a breakthrough in the application - a distributed ledger and cryptocurrency within a community which revolves around content.

The same approach is used to measure payouts for all content on Inmusik, and even the content creators themselves, based on the impact to the community.

Voting is simply performed by clicking ‘Up-vote’ on any song, album or artist’s profile. Influence strength is used automatically when voting.

4.8 Preventing abuse of influence

To stop influence being used in a way that would cause a negative impact to the Inmusik community, there are counter measures in place to protect listeners and artists who have less influence.

When a user with influence votes on a song, it must also receive a relative percentage of positive votes from users with less influence in order for it to be validated as a genuinely high-quality song/artist. This ensures that one large stakeholder can never manipulate the system and dominate the community. The community is the most powerful movement in that the number of voters is much more important than a smaller number of votes which carry a lot of influence. But influence, when in agreement with the community, can be a major advantage in helping great content surface faster.
5. Feeless Transaction

One of the major challenges in capturing millions of votes and billions of streams on the Blockchain are the transaction fees and the scalability. With the Bitcoin Blockchain capable of handling 7 transactions per second and Ethereum 15 transactions per second, it’s not remotely close to the capacity needed to capture music streaming data on a distributed ledger.

Furthermore, we have gone to great lengths to ensure that every user on our platform is rewarded fairly for their positive contribution to the community. It’s our goal to make their payouts as high as possible and so creating a system which has minimal costs to function was our top priority.

The solution we innovated ensures the network can support millions of transactions per second with ZERO transaction fees. With Ed Sheeran’s song ‘The Shape of You’ being streamed 1.8 Billion times in one year, Inmusik could support tens of thousands of similar success stories. The next section on the IC Token outlines how this will be achieved.
5.1 The IC Token

The IC Token is used to verify every vote and every stream that happens within the Inmusik community. It can scale to millions of transactions per second by using an application specific multi side-chains. We call it, IC-Chain.

By entrusting tasks like streaming counts and Token Votes to independent side-chains, we can hypothetical scale to billions of transactions per second introducing the kind of scale needed for an advanced streaming platform. The system works with the a tree hierarchy, where each branch is enforced by the parent blockchain. It can be visualized like the follow diagram:

![Diagram of IC Chain](image)

5.2 The Sound Coin Token

Sound Coins are smart contract Tokens built on the ERC20 token standard. It is an integral part of the community as it provides a mechanism for financial transactions, conversion of rewards, and collaborations. Smart contracts enable us to facilitate a payment solution working flawlessly together with a decentralized trust and reputation system between parties via the blockchain.

While our IC Token handles all peer-to-peer transactions where only the Inmusik system is responding to a user’s input, Sound Coin will be used for all manual transactions required in the business of music.

As a payment solution, the smart contract is the perfect tool to allow record labels to distribute and receive royalties, management fees, publishing fees, regional licensing and a long list of other payment types that are required in the business of music. Blockchain
smart contracts are ideal for recording and facilitating the exchange of value, goods, services, and private data. Putting music business data and transactions on blockchain smart contracts will increase the speed of service and save millions in reduced paperwork. Blockchain based smart contracts provide accountability in a way no other technology can offer. They:

- Provide an immutable ledger that offers permanent verification of every past transaction, building trust between everyone in the value chain
- Store all product lifecycle events forever in an easy-to-retrieve system
- Allow multiple apps simultaneously interact with any piece of information stored in blockchain
- Facilitate peer-to-peer financial transactions across the globe.

Built on top of the proven ERC20, Ethereum blockchain will be a powerful, modular toolset to build applications that can track all royalty payouts (mechanical, public performance, synchronization, and print music), automate payments to all creatives and professionals in the music value chain, offer more secure ticketing solutions, enable software licensing for music creation, record the transfer of assets, marketing/promotion management, and a host of other applications not yet imagined. ERC20 gives users complete freedom to create their own applications on the Inmusik platform.

$OUND coin

5.3 Distribution and Supply
Sound Coin, being the primary token, can be exchanged for currency (dollars, euros), in jurisdictions where such exchange is legal, or other crypto-currency (e.g., Bitcoin, Ethereum) after the initial ICO. The projected value is expected to be about $0.10 USD per Sound Coin.

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<th>Token</th>
<th>Description</th>
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<td>Token Symbol</td>
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<td>Token Type</td>
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<td>Total $OUND Tokens Issued</td>
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<td>Token Price</td>
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<td>To Be Announced</td>
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### 5.4 Distribution of funds

- **36%** Marketing
- **28%** Tech + Design
- **14%** HR + Operations
- **12%** Innovation
- **10%** Legal + Finance

**Marketing** – 36%

Marketing will be the main expense for Inmusik to attract millions of fans to the platform. With virality built in at the core and having experience in bringing millions of users to products our team has created, marketing is an area we excel at. Therefore, we will allocate 36% of funding to marketing. With Robert Bowling (who led two of the largest
entertainment launches of all time and directly responsible for $2 billion in sales for Call of Duty) as Chief Marketing Officer, we are confident in our ability to capture a large audience of music consumers.

**Technology and Design – 28%**
Technology and design is at the core of our business. To ensure the user experience is exceptional from first use to sustained daily engagement, we consider product a priority. Leading product design is UX/UI design expert Vivienne Piong, co-founder of 500 Designs, who coined the term ‘Performance Centric Design’. She has designed for 2 Fortune 100 companies and numerous other start-ups, contributing to millions of people experiencing her work. Product development is led by Kay Johansson, who for 20 years has been recognized as an innovator and leader in audio-video technology and digital convergence. He has also had millions of people use products he has led development in.

**Human Resources and Operations – 14%**
There are no great companies, only great teams. Therefore, a significant amount of resource is dedicated to finding and hiring the very best people to pave the way in an evolving music industry. Creating a vibrant environment from which to work from is key. This applies more to the system of operations designed to encourage team members, nurture top talent and enable easy collaboration to ensure efficient use of time and funds.

**Innovation – 12%**
With the core team being proven innovators and inventors, we understand the importance of continuous improvement - to think of what no one else has thought of yet. Inmusik will continue to gather feedback from users, partners and investors to craft a user experience which thrives as new technology enables even more amazing applications in the future.

**Legal and Finance – 10%**
To ensure that Inmusik is operating in the most efficient way possible, while correctly licensing content through partnerships with major labels, we are allocating up to 10% of our resources to legal and finance.
6. Roadmap

**COMPLETED**

Product design for both web and mobile 18,000 registered artists
$7 million partnership deal with Times Group.

- **Q3 2018**
  - Sound Coin Pre-sale
  - Bounty Campaign
  - Times Media Campaign

- **Q4 2018**
  - Main Token Sale
  - Phase 1 Development
  - Product Testing
  - Content deals with industry partners

- **Q1 2019**
  - Phase 2 Development
  - Virality Implementation
  - Issue SOUND Tokens
  - Launch SOUND Wallet

- **Q2 2019**
  - Deploy Minimal Viable Inmusik Test Platform
  - Marketing Campaigns

- **Q3 & Q4 2019**
  - Launch Features on Streaming Platform
7. **The Inmusik Platform**

The Inmusik platform is fully designed and is in development. The platform is not only deep, it’s engaging and entertaining. But this is only the beginning. Here are some applications we believe can make use of the technology framework we have created:

**Future applications**
1. Tracking of Radio plays and manage payouts
2. Tracking of TV/Movie plays and manage payouts
3. Using AI to understand emotional connection users have with music
4. Live music streaming of home concerts and arena concerts
5. Music recording software leased/rented on demand based on usage time and exports
6. Live ticketing solutions
7. Ticketing security solutions
8. Profit sharing on live events
9. Merchandise printed on demand with simpler logistics
10. Music education online
11. Online mixing, production and mastering services
12. Online music collaboration
13. Copyright protection and usage tracking
14. Review platform for artists/writers
15. Blogging platform for industry professionals, producers, mixers etc.
16. Virtual recording sessions
17. Band matching by calculating fan overlaps for festival bookings
18. Location services for festivals
19. Crowdfunding for artists
20. A range of music creation services
21. A range of music financial services
Let’s play inmusik