

# Marina.Moda<sup>®</sup> White Paper

--The Marina.Moda<sup>®</sup> Metaverse  allows users to find connections that were previously impossible.

# Abstract

This document highlights the inherent contradictions between the established music industry and the burgeoning blockchain sector. It explores the reasons behind these contradictions, examining their role in impeding the development of a thriving and robust music industry. Additionally, it explores the potential solutions within the context of new technologies, cultural shifts, and the application of innovative infrastructure, technical frameworks, and product designs. The focus lies on a series of NFT-based blockchain schemes designed to specifically address these contradictions. Ultimately, the goal is to foster the creation of a novel music ecosystem rooted in blockchain and a comprehensive Web-3 paradigm.

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People often regard the act of creating art as a significant indicator of the emergence of human civilization, and the widespread appreciation of art signifies the flourishing of human society. This creative expression not only reflects the depth of cultural development but also serves as a testament to the richness of our collective human experience.

The rise of NFTs undeniably marks a groundbreaking trend, making art ownership more accessible than ever. Notably, Beeple's "First 5000 Days" commanded a staggering \$70 million, capturing global media attention and underscoring the potential and value of NFTs. We assert that music stands as a prime area for NFT's mainstream development, surpassing even graphic art. Music, being highly communicable artistically (consider the ease of recalling tunes compared to images), boasts a larger market and higher royalties. With this conviction, we are launching the Marina.Moda®  Web-3 Project.

We believe that the convergence of music and blockchain holds the key to addressing significant challenges in the music industry. Simultaneously, we envision music playing a pivotal role in resolving some of the prominent issues faced by the blockchain industry. Now, let's delve into an exploration of the blockchain industry.

## 1. Contradictions in Blockchain industry

### 1.1 The Contradiction between High valuation and Low Social Penetration

In 2023, the blockchain industry has witnessed a remarkable surge, with its overall value reaching

approximately \$1.7 trillion, as reported by CoinMarketCap. Despite this substantial growth, the total number of blockchain users remains relatively low. Notably, the current user base predominantly consists of speculative users, engaged primarily in trading and holding activities.

The limited adoption of derivative blockchain applications has resulted in a conspicuously low social penetration of blockchain compared to internet applications. This discrepancy is particularly notable, given the industry's staggering market cap of \$1.7 trillion, coupled with the fact that fewer than 60 million users actively engage with its products.

This situation underscores two critical imperatives. Firstly, there is a pressing need to realize the current industry valuation by swiftly augmenting social penetration. Secondly, the industry's most lucrative prospect lies in maximizing social penetration to enable a broader user base to interact with blockchain applications. We propose that integrating blockchain with NFTs in the music industry offers a clear pathway to expanding social penetration. Music, known for its easy shareability and widespread appeal, presents an enticing opportunity.

By leveraging appropriate product design, music holds the potential to act as a gateway to blockchain assets, democratizing access to NFTs for a wider audience. The current social penetration of blockchain lags significantly behind the user penetration rate of internet applications. It is striking to envision a company with a \$1.7 trillion market cap having less than 60 million users actively engaging with its products.

This scenario underscores two primary imperatives. Firstly, the industry-wide valuation of blockchain needs swift realization by boosting social penetration. Secondly, the most significant dividends for the industry lie in increasing social penetration to make blockchain accessible to a larger audience. We contend that the NFT application in the music realm is the most straightforward

approach to achieving this goal. Music, being easily shareable and immensely popular, presents a promising avenue for broadening social penetration. With the right product design, music can serve as a conduit to blockchain assets, making NFTs accessible to all. This, in turn, has the potential to generate trillions of dollars in business value.

## 1.2 The contradiction between idling on the chain and economic wither on the chain

In the long term, the blockchain economy must not only distribute value but also generate it. Currently, on-chain applications predominantly center around speculative activities such as arbitrage, mortgages, futures, lending, and trading, leveraging highly liquid assets like Bitcoin and Ethereum. While speculation holds some value, without a foundation in real-world applications, it risks becoming idle. A genuine application is one that addresses tangible real-world challenges, establishes connections with reality, generates new value beyond the original chain's assets, and consistently feeds that value back into the chain. The sustained value and development of the blockchain industry in the long run depend on an on-chain economy supported by authentic applications.

An essential prerequisite for a genuine application is the ability to link off-chain assets, and this process is exemplified in the issuance of NFTs. Music stands out as an optimal asset for this linkage. Firstly, music is a fully digitized bit asset, eliminating authentication challenges present in physical assets. Secondly, the music market boasts the largest market size among bit-asset categories such as literature, pictures, and video. Thirdly, the music market features a relatively mature royalty cash flow that can be consistently directed to the chain. Leveraging these advantages, Marina.Moda®  Web-3 Network aims to develop a bona fide application on our blockchain, facilitating the growth of a true on-chain economy. This involves bringing a substantial number of music NFTs onto the chain and integrating numerous music royalties onto the chain for payment and distribution.

Addressing the contradictions within the music industry is the next critical step in this endeavor.

## 2. Contradictions in Music Industry

### 2.1 The contradiction between the relatively centralized evaluation system and the decentralized production

Over the past few years, the landscape of music production has experienced a growing trend towards decentralization. This shift signifies that an increasing amount of high-quality music is not originating from well-defined, professional, centralized entities like major record labels or music schools. Instead, it is being created by relatively untrained, independent musicians operating outside the traditional system. The emergence of new talents, including Huazhou, Mao Buyi, Chen Xuening, Next Door Lao Fan, Bao Gem, and others, highlights the rise of grassroots artists who did not undergo formal professional training. According to reports, only 16 percent of musicians have pursued their studies through professional colleges.<sup>3</sup>



The occurrence of this phenomenon, on the one hand, because of the modern economy and the improvement of hardware technology, let more people have

<sup>3</sup>Netease Cloud Music "Chinese Musicians Survival Status Report (2023)"

conditions for composing, let the music production threshold is reduced, on the other hand is because music is essentially a kind of art creation, comes from life, from the inspiration, good original music creations are accidental and difficult. It is impossible to be massively produced by centralized points. As a result, music production, especially original music, is becoming increasingly decentralized, distributed and accidental.

Despite the ongoing trend towards decentralization in music production, the evaluation of music remains relatively centralized, controlled by a handful of large, specialized companies. This centralized approach poses challenges for indie music, making it harder to discover without a connection to the mainstream. Furthermore, it results in distortion and a deviation from the inherent nature of the industry. Music, being an art form, lacks fixed, uniform criteria for evaluation and should ideally be determined by distributed judgments reflecting the preferences of all listeners.

Music creation is deeply infused with cultural and emotional elements, constantly evolving with the changing trends of the times. The public's musical preferences, being dynamic, have proven challenging for centralized record companies to understand and judge accurately. Many record companies, apprehensive about the uncertainties in the music market, are hesitant to promote new music.

The conflict between the relatively centralized evaluation system and the decentralized nature of production leads to inefficiencies in music discovery. This hampers the timely discovery and consumption of good music while enabling the spread of less quality work, resulting in the misallocation of communication resources and neglect of talented musicians. The consequence is that many skilled artists go unheard and unrewarded, and fans have limited access to high-quality music.

To address this, a solution lies in establishing a more decentralized, community-driven evaluation system. The challenge, however, has been the lack of proper incentives for decentralized communities to further decentralize. To overcome this, we propose introducing a low-cost NFT-based incentive on the blockchain to make

fan community user reviews more viable. This incentive, distributed through NFTs, allows fans to benefit from their evaluations and the subsequent dissemination of music. Music NFTs represent the right to broadcast and profit from the future of music, ensuring that fans receive additional returns once the value of the music has been established.

## 2.2 Contradictions between transnational circulation of music and national management of copyright

The advancement of modern technology and culture has facilitated more convenient music transmission, fostering a globalized pop culture that transcends national boundaries. Music, particularly English and pure music, is now accessible worldwide, giving rise to a transnational dissemination of musical content. However, despite this global connectivity, existing music rights are managed separately by national governments, and there is a lack of affiliation among national regulatory bodies. Despite the establishment of international standards like International Music Coding, their impact remains limited, contributing to a chaotic landscape in overall copyright management.

This disjointed approach to copyright management poses challenges. On one hand, tracing infringements across countries becomes difficult, and the collection of owed funds proves challenging. On the other hand, identifying the rightful recipients of music royalties for payment becomes a convoluted task. This conundrum results in a substantial accumulation of royalties within certain international copyright organizations, creating a peculiar phenomenon known as "Black Box Royalties."

These unclaimed royalties, estimated to amount to around \$2.5 billion, highlight a significant issue. Black Box Royalties occur due to three primary reasons:

1. The copyright fees that cannot be paid due to the different laws of different countries in transnational business;
2. Royalties that cannot be paid due to a metadata mismatch.

Metadata encompasses information related to a song available on music streaming platforms, encompassing details such as the song's title, artist, lyricist, composer, record company, distribution company, and more. The absence of a standardized metadata format introduces a heightened risk of human input errors, leading to potential inaccuracies in the database during data migration. Inconsistencies may arise between the metadata of record companies and streaming platforms, and discrepancies may also exist with copyright collective management organizations.

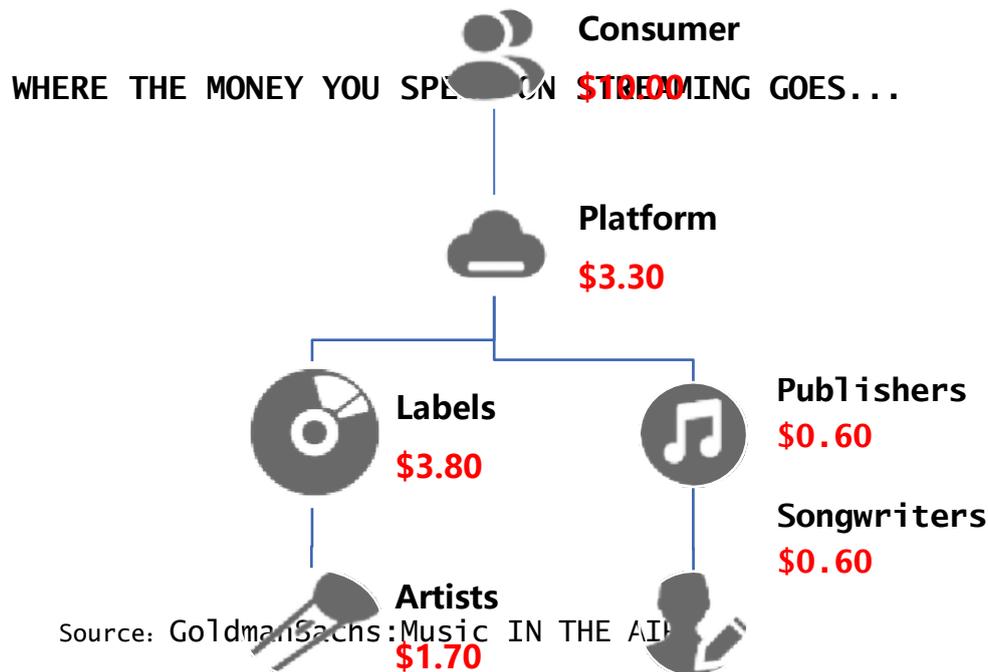
To address these challenges, we propose leveraging blockchain technology for copyright certification. Our plan involves establishing a transparent and searchable universal copyright repository. This repository will facilitate unified metadata and NFT copyright queries, automated NFT royalty payments, authorization, and transactions. This initiative aims to eliminate the disorderly and inefficient state of transnational copyright management, ensuring a streamlined and reliable system.

### 2.3 Contradictions between the core role of musicians and the proportion of profit distribution subject to discrimination

The foundation of the entire music industry lies in music copyright, created by the musicians themselves. In the recent competition among China's domestic music streaming platforms, Tencent Music Entertainment (TME), holding the most extensive music copyrights, emerged victorious. Conversely, Xiami Music, with fewer music copyrights, was compelled to cease operations. This outcome underscores the pivotal role of music copyrights in the industry. Music enthusiasts primarily choose a platform based on its music content, making music content the fundamental driver of traffic for music platforms.

However, the share of contract income for most musicians constitutes only 10%-15% of the total consumer spending. This meager percentage not only fails to adequately acknowledge the fundamental contribution of musicians to the music industry but also poses challenges for many artists to sustain a basic livelihood through their music. Moreover, it hampers the creative motivation of musicians, limiting their ability to thrive in their craft.

The contradiction of the low allocation proportion for musicians  
stems from several factors. Firstly, traditional music production heavily relies on record companies, which play a significant role in the production process. Secondly, platform monopolies, having control over user traffic, often leave musicians with limited bargaining power. Lastly, the traditional royalty settlement process is protracted, involving intermediary agencies and multiple layers of payment flow, leading to exploitation.



Marina.Moda<sup>®</sup> Network is set to revolutionize the existing unjust distribution model, ensuring that musicians receive over 90% of the distribution share. We are committed to redefining the distribution landscape, empowering musicians to independently produce and distribute their music. Our innovative approach involves utilizing on-chain copyright NFTs as the settlement target, streamlining royalty payments and bypassing the traditional agency model. This allows musicians and copyright users to engage in direct transactions.

Gone are the days of lengthy monthly settlement processes; with Marina.Moda<sup>®</sup> ❤️ Web-3 Network, payments can be facilitated on a daily or even hourly basis. Furthermore, our automated income distribution system, facilitated by trusted smart contracts, ensures fair compensation for all stakeholders while minimizing agency costs. This transformative approach aims to provide musicians with their rightful place in the new distribution structure, fostering a more equitable and efficient music industry.

## 2.4 Contradiction between inflated production end and still-narrow distribution channel

We believe that this contradiction has resulted in significant value wastage within the music industry.

What is the true value of music? On an individual level, it may be seen as providing spiritual enjoyment and creating specific atmospheres. When considering the entire music industry, the maximization of music's value lies in offering enhanced spiritual enjoyment to humanity. To achieve this, we posit that the optimal path for the music industry's development is to enable the broadest audience to enjoy the music they desire at a high quality, anytime, and anywhere.

Despite the continuous evolution of music industry processes—production, distribution, and consumption—due to advancements in technology, a thorough analysis reveals substantial value wastage in the following three aspects:

## 2.4.1 Music Consumption

In the realm of music consumption, the demand for high-quality music at any time and place has long been addressed through the widespread use of mobile phones and the internet. Additionally, the desire for a diverse range of high-quality music has largely been satisfied by the ample resources available through digital music platforms on the internet and mobile phone streaming services. With the continuous improvement in network speeds, music can now be streamed on-demand with exceptional sound quality. Upon analyzing these two dimensions, it becomes evident that there is minimal value wastage and limited room for improvement in the sphere of music consumption.

## 2.4.2 Music Production

Nevertheless, there exists untapped potential for additional value creation in the music production process, aiming to generate more high-quality musical works at a reduced cost.

To minimize costs, computer-aided tools, such as AI, have significantly decreased expenses associated with composition and performance, thereby lowering the barriers to entry in music creation. While these technologies are relatively new and not yet widely adopted, they harbor substantial latent potential for future cost reductions in music production.

Furthermore, internet tools like Behiders, HIFIVE, Changba, and Kg play a pivotal role in enhancing both the quantity and quality of music production. These platforms, focused on music creation, recording, and entertainment, lower the barriers to entry, enabling more individuals to partake in music creation and contribute to an increased output of musical works. While these newcomers may lack formal expertise in music creation, their unique life experiences can infuse a fresh perspective into the creative process, fostering a more vibrant music creation market and elevating the overall quality of musical works.

The music production process holds significant untapped potential for creating additional value. As these newfound sources of value are fully explored and harnessed in the future, it becomes evident that the traditional music distribution system may no longer suffice

to accommodate these evolving dynamics.

### 2.4.3 Music Distribution

Music distribution systems serve as the crucial link between music production and consumption, forming the closed loop of value within the music industry. Their objective is to transport music from production to consumption in the most cost-effective and efficient manner possible. The traditional centralized distribution model heavily relies on major record companies to discover talents, handle packaging, and promote artists to reach the market. However, this approach is constrained by high costs and time limitations, resulting in the production and sale of only a small fraction of the music created. Consequently, a significant amount of high-quality music remains undiscovered, and the centralized model is more suitable for star-driven music production, leaving many talented artists unknown.

The analysis suggests inherent contradictions and inefficiencies among the mature and stable consumption end, the explosively productive production end, and the narrow, centralized distribution channels. The limited distribution channels lead to substantial wastage of musical value.

Estimates indicate that there are approximately 97 million songs globally, yet only a minute fraction is accessible to the public. Most individuals can only experience a few thousand songs in their lifetime, and numerous pieces of music are buried due to restricted distribution modes. This results in only a handful of musicians being able to sustain a living solely from their profession. The funnel effect eliminates many potential talents, contributing to a diminishing music industry with fewer participants. The centralized distribution model creates a bottleneck between the production and consumption ends, leading to significant value wastage in the music industry.

Marina.Moda®  Web-3 Network seeks to address these challenges by incentivizing music discovery and distribution through musicians' fans' social networks using copyright NFTs. This innovative approach allows early fans to benefit from future copyright income, creating a new social distribution channel for emerging musicians to swiftly gain income and traffic.

## 2.5 The contradiction between copyright quantity increase and copyright authentication fussy

As outlined earlier, the surge in music production has empowered a broader population to create music. Despite this growth, the mainstream music certification process remains centralized, slow, and costly, involving substantial paperwork. Typically taking weeks and incurring significant expenses, this traditional method deters many musicians from certifying their music. Consequently, it complicates the resolution of disputes when copyright infringement occurs.

In response to this challenge, Marina.Moda<sup>®</sup> ❤️ Web-3 Network offers a copyright certification service that enables musicians to complete the certification process within minutes, often at minimal or no cost. Moreover, Marina.Moda<sup>®</sup> ❤️ Web-3 Network's certification is seamlessly integrated with government authorities' nodes, ensuring legal recognition and compliance.

## 3. Our Solutions on Marina.Moda<sup>®</sup> ❤️ Web-3 Network

### 3.1 Technical Scheme

Due to the congestion and unacceptably high gas prices on Ethereum, MARINA.MODA<sup>®</sup> ❤️ WEB-3 is exploring alternative forms beyond Ethereum smart contracts. Among the available options, namely smart contracts on next-generation blockchains (BSC, Near, Solana, Avalanche), Ethereum layer2 solutions (Plasma, Optimistic Roll-ups, and ZK roll-up), and application-specific blockchains (appchains), MARINA.MODA<sup>®</sup> ❤️ WEB-3 has chosen the third option. This decision is rooted in the belief that appchain architecture ensures the lowest transaction costs and the best long-term user experience—two crucial factors determining success. The use of frameworks like Substrate and Cosmos SDK has significantly reduced the complexity and cost of appchain development. MARINA.MODA<sup>®</sup> ❤️ WEB-3 has opted for Substrate due to its superior power and popularity, with the added benefit of Polkadot's flourishing ecosystem, especially in China. The plan is to bridge copyright assets between the Substrate and Cosmos ecosystems through cross-chain functionality, leveraging the strengths of both.

Marina.Moda<sup>®</sup> ❤️ Web-3 Network introduces decentralized streaming,

comprised of Storage nodes, Discovery nodes, and Ledger nodes. This system allows participants to freely join and exit to enhance its robustness. All nodes are incentivized through blockchain-based network rewards and customer payments. Storage nodes employ decentralized storage protocols (IPFS, Solana, etc.) to host music content, Discovery nodes index content for users, and Ledger nodes store all transactions and metadata.

Decentralized governance is facilitated through token voting on the blockchain while maintaining a balance with moderate regulatory compliance.

### 3.2 Ecosystem of Music NFT on Marina.Moda<sup>®</sup> Web-3 Network

We assert that a viable ecosystem should embody the structural cohesion of a closed-loop business, where users complete both value creation and value realization within the same ecology.

The Marina.Moda<sup>®</sup>  Web-3 Network NFT ecosystem comprises five integral components: the public chain (Marina.Moda<sup>®</sup>  Web-3 Network), BApp (Marina.Moda<sup>®</sup>  Web-3 PLAY), NFT exchange (Marina.Moda<sup>®</sup>  Web-3 Market), centralized copyright management system (Marina.Moda<sup>®</sup>  Web-3 Copyright), and decentralized community (Marina.Moda<sup>®</sup>  Web-3 Community).

In detail, the public chain serves as the foundational trust element for the entire Marina.Moda<sup>®</sup>  Web-3 ecosystem, while the BApp acts as the user portal for importing creativity. The exchange is the conduit for exporting value realization and serves as the wellspring of ecological vitality. The copyright management system is integral to the overall efficiency of the decentralized system. Lastly, the community facilitates seamless user acquisition and retention for the entire ecology.

It's important to note that the delineation of these five parts is a logical expression, not a commitment to separate projects with distinct names. The ecosystem can be established through self-hosting, co-hosting, or flexible utilization of existing infrastructure.



## Our Network

The Marina.Moda<sup>®</sup> ❤️ Web-3 blockchain serves as the foundation, leveraging COSMOS SDK and POLKADOT Substrate to ensure robust capabilities in terms of TPS (transactions per second), cross-chain functionality, security, and NFT issuance. The blockchain issues the MARINA.MODA<sup>®</sup> ❤️ WEB-3 token, with a total supply capped at 1 billion.



## Web-3 Play

The Marina.Moda<sup>®</sup> ❤️ Web-3 Network aims to cultivate a thriving environment for BApp growth through NFTs, cross-chain capabilities, and Turing-complete smart contracts on the Marina.Moda<sup>®</sup> ❤️ Web-3 Network public chain, alongside financial support from the Marina.Moda<sup>®</sup> ❤️ Web-3 Network Foundation. Marina.Moda<sup>®</sup> ❤️ Web-3 Play, serving as a pivotal BApp, offers an unparalleled music copyright storage service, constituting a vital and valuable component within the entire ecosystem. Users of Marina.Moda<sup>®</sup> ❤️ Web-3 Record can effortlessly upload their original works from various entry points, such as WeChat programs, iOS, Android, and other platforms, and complete certification by paying a nominal gas fee. Simultaneously, Marina.Moda<sup>®</sup> ❤️ Web-3 Play extends its core functionalities, including SDK white card services, which can be embedded by both upstream and downstream participants in the music industry. The streaming service is progressively transitioning to a decentralized storage network. The open test period for the prototype of MARINA.MODA<sup>®</sup> ❤️ WEB-3 PLAY, known as PENGYIN, is currently underway.



## Market of Blockchains

The extensive community of music enthusiasts registered on Marina.Moda<sup>®</sup> ❤️ Web-3 PLAY will form the user base for the exchange. Given the substantial volume of music NFT assets generated by Marina.Moda<sup>®</sup> ❤️ Web-3 Network and the availability of diverse NFT asset options, Over-the-Counter (OTC) transactions will emerge as the primary business model for Marina.Moda<sup>®</sup> ❤️ Web-3 Market. Currently, a regulated exchange, serving as a third-party partner, has expressed its intention to support us. Any suitable exchange has the potential to become part of MARINA.MODA<sup>®</sup> ❤️ WEB-3 MARKET.

## Copyright

Marina.Moda ® ❤️ Web-3 Copyright operates as both a centralized copyright management system and an independent legal entity, dedicated to assisting NFT holders in managing their music assets. A fundamental aspect of its role is to ensure the seamless collection and transfer of all copyright cash flows, aligning with current market frameworks, and anchoring the NFTs with a robust value foundation on the blockchain. Similar to traditional record companies, Marina.Moda ® ❤️ Web-3 Copyright provides an array of ancillary services for musicians and copyright owners. These services encompass copyright administration, rights protection, artist packaging, publicity, distribution of copyright royalties, and more. Marina.Moda ® ❤️ Web-3 Copyright stands as a crucial component within the closed loop of the emerging music industry. Now, we are already partnering with TME, the largest music streaming company in the world, to collect copyright royalties

## Toolkit of Web-3

The Marina.Moda ® ❤️ Web-3 Toolkit is an AI-powered music composition tool that leverages a range of technologies, including AI, big data, and the internet. Its primary features encompass AI-aided composition, the facilitation of songwriter matchmaking, and the establishment of a music inspiration community. The toolkit aims to encourage greater collaboration, enabling individuals to co-create and securely record their share of copyright on the blockchain. By doing so, it seeks to establish blockchain and NFT as default settings for the music creation process.

## Community for everyone

The incorporation of new blockchain identities is integral to the ongoing construction and development of the Marina.Moda ® ❤️ Web-3 Community. Community building is viewed as a continual process, seamlessly integrated into the broader project development.

Importantly, the entire ecosystem is characterized by openness and freedom. The Marina.Moda ® ❤️ Web-3 Network Foundation is committed to supporting the community in conducting wholesome ecological construction within and beyond the outlined framework. Serving as an ecological guide and co-creator, the Foundation collaborates with the community to govern the overall ecology.

## 4. Token Economics

In contrast to various token economic models, Marina.Moda ® ❤️ Web-3 Network has opted for the Gas model, a fundamental token framework that has demonstrated its simplicity and effectiveness, as opposed to more intricate yet unsuccessful alternatives.

#### 4.1 Marina.Moda ® 🗝️ Web-3 Token

Marina.Moda ® ❤️ Web-3, being the native token of Marina.Moda ® ❤️ Web-3 Network and the sole GAS in the entire ecosystem, will be utilized or expended for the following purposes:

1. Transaction fees.
2. Smart contract creation fees on Marina.Moda ® ❤️ Web-3 Network.
3. Part of interest on MARINA.MODA ® ❤️ WEB-3 PLAY.
4. Part of interest on MARINA.MODA ® ❤️ WEB-3 MARKET.
5. Basic interest paid by common nodes and POS rewards of super nodes on the public chain.
6. Copyright revenue settlement of Marina.Moda ® ❤️ Web-3 Network and Marina.Moda ® ❤️ Web-3 Copyright.
7. Tipping, rewards, purchases, crowdfunding payments in the Marina.Moda ® ❤️ Web-3 ecosystem.
8. Intentional destruction via burning.
9. Unexpected loss of private key.
10. Transaction charges with other contract tokens on Marina.Moda ® ❤️ Web-3 Network.
11. Blockchain decentralized governance voting.

The production of Marina.Moda ® ❤️ Web-3 arises from the following:

1. Initial supply in the genesis block.
2. Natural additional issuance through POS rewards.

## 4.2 COPYRIGHT NFT

The contract tokens representing music copyright, whether in the form of FT or NFT, will exhibit an extensive variety and will be employed or expended for the following purposes:

1. Proof of copyright.
2. Copyright owners repurchasing tokens for destruction.
3. Unexpected loss of private key.

The production of Copyright Tokens stems from:

1. Issuance from the genesis copyright contract.

Types of Copyright NFTs:

1. Single Copyright.
2. Multiple Rights to play.
3. Combination of 1 and 2.

Features of NFT contracts:

1. On-chain trading.
2. On-chain perpetual revenue share.
3. Authorized play linked to online sources.
4. Accepting and distributing royalties.
5. Conditional play rights authorization.
6. On-chain collateral loans.

### Angel Agents

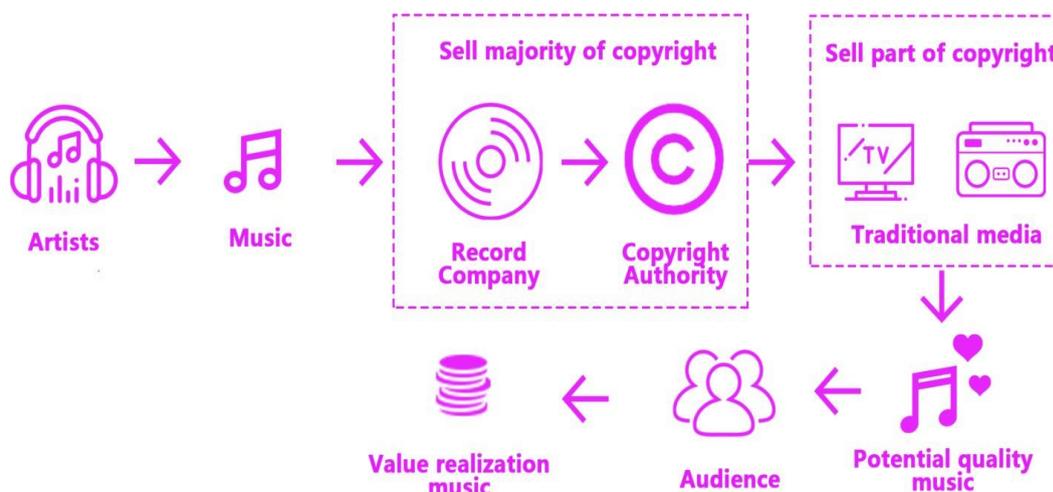
Angel agents are individuals who invest in or advocate for music that they believe holds early-stage potential in distribution. Typically, these are seasoned music enthusiasts with a wealth of social resources.

### Music Makers

Music Makers are talented individuals at the outset of their musical journey who are open to having angel agents promote their original music.

### The Conventional Music Distribution Model

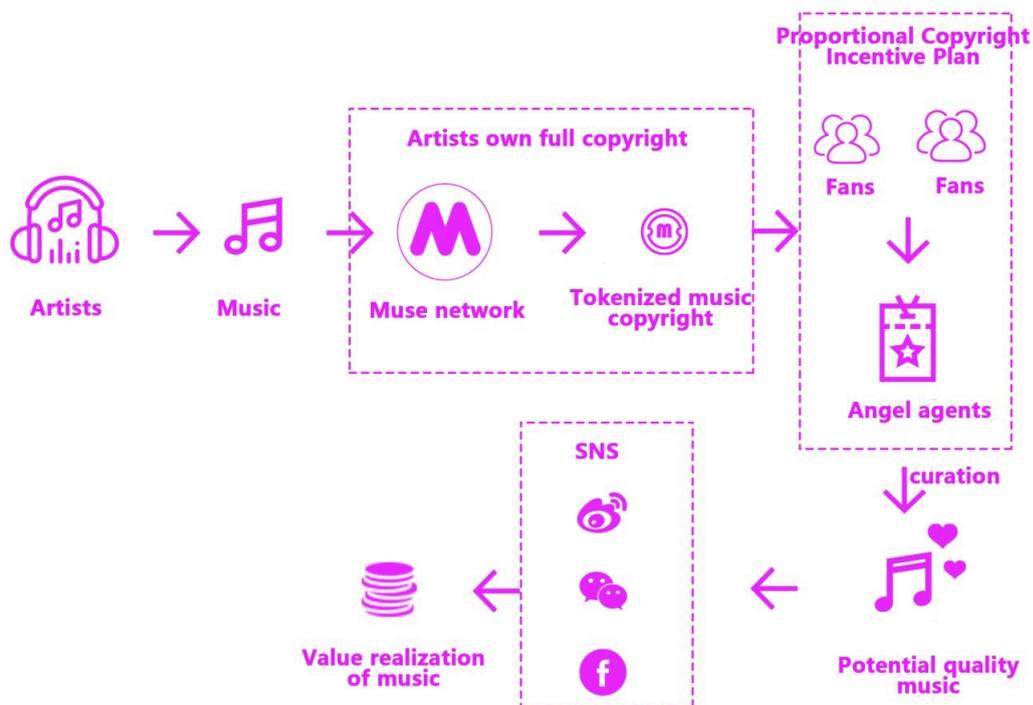
1. Musicians produce music.
2. Music and musicians are identified by record companies.
3. Record companies sign agreements with the musicians.
4. Record companies register music copyrights with copyright administrations.
5. Record companies promote music through centralized media such as radio and television.
6. Music gains popularity among a broad audience.
7. Distributed music generates copyright revenue, creating



value.

## Social Music Distribution Network of Marina.Moda ® ❤️ Web-3 Network

1. Musicians create music.
2. Musicians register their music on the Marina.Moda ® ❤️ Web-3 Network public chain and issue Copyright Tokens (FT or NFT).
3. Musicians select angel agents from their core fan group.
4. Angel agents curate a selection of potential musical works from the musicians' early music library (steps 3 and 4 involve mutual selection).
5. Musicians share copyright tokens with angel agents and collaboratively develop social promotion plans.
6. Angel agents disseminate the chosen music works through platforms such as Weibo, WeChat, Facebook, and other Social Networking Sites (SNS).
7. Music gains traction and recognition in the market through social fission.
8. Distributed music generates copyright revenue, creating value.



## 4.4 Logic of Marina.Moda <sup>®</sup> Web-3 Token value appreciation

1. Infusion of royalty cash flow.
2. Increased ownership by musicians.
3. Musicians attract a larger fan base.
4. Earnings from MARINA.MODA <sup>®</sup>  WEB-3 MARKET.
5. Surge in demand from other transactions.

## 4.5 Token community distribution algorithm

A rational distribution of copyright tokens, aligning token incentives with contributions, forms the cornerstone of the entire economic system. We have devised a token incentive allocation algorithm, governed by the following general rules:

1. Priority of Timing: The earlier you discover the music, the more music NFTs are allocated.
2. Priority of Commitment: The more Marina.Moda <sup>®</sup>  Web-3 tokens are collateralized, the more music NFTs are allocated.
3. Priority of Contribution: The more internet traffic is generated, the more music NFTs are allocated.
4. Priority of Cost: The higher the cost of purchased music, the more music NFTs are allocated.
5. Priority of Uplink: The more tokens earned by downlinks, the more music NFTs are allocated.

## 5. Summary

The surge in blockchain assets commences with NFTs, poised to drive widespread blockchain adoption. Music stands out as an ideal NFT asset due to its extensive social reach among music fans and substantial existing royalty cash flow. NFTs have the potential to catalyze a transformative shift in the music industry, fostering healthier income distribution, providing musicians with a larger share, and optimizing music production and distribution processes, thereby minimizing value wastage.

Our comprehensive solution aligns with the NFT trend and the evolution of the music industry, aiming to enable talented musicians to earn fair income, allow every individual to own a piece of an NFT, and ultimately contribute to making Marina.Moda ® 🍷 Web-3 Network the most widely adopted blockchain globally.

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