White Paper

GRAFSOUND TOKEN

GRAFSOUND

Sound. Share. Security.

INDEX

[Abstract]

Even with the down fall on Album (physical) sales, rapid growth of streaming market, continuous growth on Music Show market and annual rate of 2.1% growth until year 2020, Global Music Industry is expected to reach market size of 47.721 Billion Dollars.

However, with such growth of Global Music Industry and potential of Korean Wave, Global Copyright holders' are dissatisfied on the market and 'Korean Wave Business' is lacking in growth due to current Contents Market's distribution structure & profit share structure and resulting in burying independent music contents creators and overflow of idol market which is considered a Major music these days.

For independent creators (or a business man) to produce music (Music Composition, Lyrics & Instruments) and distribute via online music platforms, not only does it cost a lot for marketing, but one also needs to be ready for collecting copyright fees, blocking illegal leakages, copyright protection & piracy blocks and so on. But in reality, it is not easy for independent creators to handle it all.

Various Corporates, organizations and rights are all tangled up and independent creators are forced to consign rights such as copyrights, performance rights & neighboring copyrights to government affiliated Trust organization. The current distribution structure of Digital music is for the Trust Organization to use Music Distribution companies to distribute, collect copyright fees and share profits. This structure inevitably creates major companies and the industry structure naturally settles to their favor. In other words, independent creators have no control over matters such as profit collection procedures from different platforms, transparency on Distribution process, profit share, payment period, some unforeseen illegal distribution of music and its copyright fee loss, exposure and piracy of personal information from online distribution platforms and so on.

It is similar for music consumers as well. Many consumers are forced to purchase music the market leading platforms induce against their own will or are thirsty for their taste of music or even for new contents.

GRAFSOUND platform uses blockchain technology to store creator's information & music data in blockchain and to stream the music which will not only prevent duplication of music and information leakage but also allow all rights holders to check distribution channels & frequency, transparent copyright fee collection status and receive profits immediately. Consumers can directly select creators and choose to support their favorite artists' global debut & music production and make profit shares creating a new Paradigm in Music Industry and Ecosystem. To realize this, GRAFSOUND will partner with KOMCA (Korea Music Copyright Association), RIAK (Recording Industry Association of Korea), Korean Broadcasting Actors Association and so on in order and find more partners to continue the journey.

Everyone, including Creators, Users & Miners will experience mental & physical abundancy with the growth of GRAFSOUND TOKEN Ecosystem.

1. MUSIC MARKET TRENDS

Before the Global Digital Music Market started to show strength using smartphones, Korean music industry made the transition from Album (physical) to Digital market and faced the side-effects early on. In 2000, P2P service named 'Soribada' was a big hit in Korea. Back then, most people were not aware that sharing music on P2P was illegal hence creating many illegal download users.   To convert these users to paid service users 'Unlimited Streaming' service was created and the cost per month were under 3,000 KRW. Few changes have been made since, however, this fixed payment plan had settled as an Industry Standard for the past 10 + years.
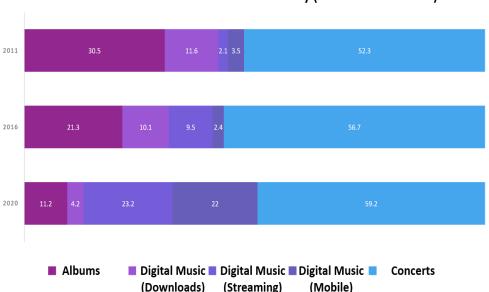
Global Digital Music Industry is also showing a distinctive changes such as Possession (downloads) to Spend (Streaming) and market size is showing annual growth of 2.5% and 8.4 % growth until 2020 and forecasted to be a 14.131 Billion Dollar market.

With music streaming service only capturing 2.1% in the market in 2011, it has grown to 9.5% in the global music market due to expansion of smart device supplies and Users' spending pattern changes from ownership to streaming, Apple Music, Youtube Red and Spotify's aggressive competition since 2015. Bundling services from partnership between Telecom companies and Music Streaming companies of each country are also contributing to expansion of Streaming services.

With fierce competition among Music Service Platforms and launching various services and so no fueled the fast growth of Music Streaming Service market and is expected to take 23.2% of global Music Market and DOUBLE the Market Size by 2020.

Due to unreasonable copyright share system of current Music Market and unequable contracts in the ecosystem between creators/producers and distributors/telecoms, the practicalities of creations are decreasing.

Music Market had such fast growth and recorded 42.9 billion dollars in 2016, on the contrary, Artists' profits have decreased. The intermediators in the ecosystem, the Platforms, have created Value Distinctions of Music Creation Activities by enforcing opaque deals between the Artists and Users.

Picture1. Market Share for Global Music Industry (2011vs.2016vs.2020)

	Albums	Digital Music (Downloads)	Digital Music (Streaming)	Digital Music (Mobile)	Concerts
2011	30.5	11.6	2.1	3.5	52.3
2016	21.3	10.1	9.5	2.4	56.7
2020	11.2	4.2	23.2	22	59.2

2. Music Market problems & birth of GRAFSOUND TOKEN

Illegal Music Modulation

When a creation created by an individual and such asset gets leaked in the production & distribution process, the quality of the music gets compromised and consumers usually end up having to deal with consequences. Due to such unplanned phenomena, Music Production turns to digital sound sources and synthesizers rather than having actual instrumental recordings which are obviously more costly and result in overall Creative activities becoming passive. These kinds of illegal leakages and prevention of copyright protection & piracy have not yet been equipped with protection measures and bringing many hardships to Creators.

Illogicality in Distribution Process

Illogical agreements with establishments with vested rights in the Distribution process of Music, in another words, a few monopolies of Music Distribution with their structure of distribution process, have become the hurdle for the Creators. Total sales/profit reports are not transparently shared resulting in unclear confirmation on copyright fee collection and Music distribution process in general. Another unfair component is the payment period of sales. It is set at 3 months after the initial release of music which means even after 3 months, the Creator still needs to invest without harvesting for marketing and so on dragging the investment period longer than needed. Furthermore, due to online structure of the whole process, Creators are continuously exposed to personal information leaks and piracy and their creations (Music) are also in constant danger of leakage before the official launch.
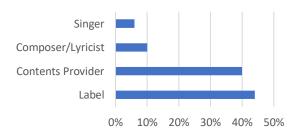
Protection of New Creators

Music from Big distributors and label companies ranks in the Top Rankings in Various charts and not allowing new Creators in the Indie Scenes the opportunities to even debut. Structures of Music platforms are not focusing on incubation of New Artists, and the range of selection for Consumers are not wide enough. This Power oriented structure results in directing consumers to the small range of Music the Structure intentionally created making the consumers thirsty for their favorite music genre and New music contents.

Forming Music Market based on Transparent Open Data
Distributing and Streaming Music via Blockchain. All information/data gets stored in blocks and such blocks containing data will be analyzed to show Profits and Ranking.

Current Profit Share Ratio of Music Streaming Service

Popular Music Industry structure centers artists and produce popular music, distribute, service & sell and sharing its profit.

The main agents of this economical ecosystem consists of copyright holder, distributor, service agent and users. The copyright holder gets divided into composer & lyricist (1st copyright holder), performers including singer, instrument players, Production Company (Neighboring rights), Distributor and service provider.

Generally, a Record company (Label) plans for an Album, 1st copyright holders participate to make music, trained artist and musicians create an Album and consign to Distributor and public encounters music via Digital music sites or offline shops.

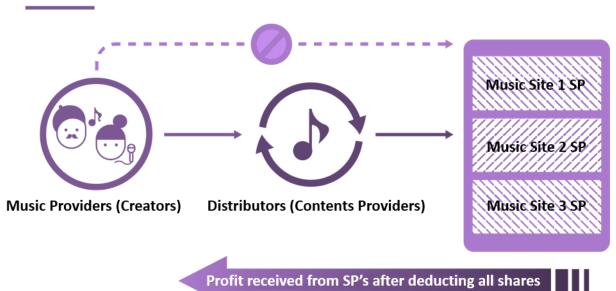## Picture2. Value Chain of Popular Music Industry

Copyright Holder　Performer　Production　Distributor　Service Provider　User (Fan)

Chart1. Popular Music Industry Composition

Category		Role	Example
Copyright Holder		Lyrics / Compose / Arrange	DonSpike
Neighboring Copyright Holder	Performer	Performing Artists such as Singers & Instrument players	BTS
	Label	Production, Management, Labels: Plan/Produce/Manage Album	JYP
Contents Providers (Distributors)		Contents Providers, Music Sites, Platforms	Loen, KT Music
Service Providers		Service Providers, Music Sites, Platforms	Melon, Bugs
Users (Fans)		Public, Music Users, Fans	

Each components form a group or work independently as needed. Artists can compose, Composers can play instruments or even produce albums. Production Company (Label) can also take charge of the whole process as needed for a music production.However, the most important part to comprehend among these components is Distributor.

In general, when we say 'Distributor' (as mentioned in Chart1), people will think of SP's (Service Provider) platforms such as Melon, Bugs and so on. However, it is impossible for independent copyright holders to sign distribution contract with SP's just because they've created new contents. Contents owningindividuals and companies don't have direct route to contact these SP's so they must go through middle agencies.   We frequently talk about distributors and don't really have a full comprehension on their exact role. Distributors are those companies supplying music to Service Platforms and they are called Contents Providers or CP.

Picture3. Music Supply Structure

Music Providers (Creators)   Distributors (Contents Providers)   Music Site 1 SP / Music Site 2 SP / Music Site 3 SP
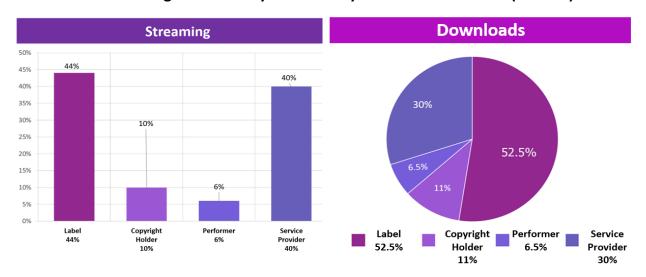
Profit received from SP's after deducting all shares

Profit Share Structure

Generation of Industry 4.0, middle agent Distributors (CP) still exist but no P2P.

According to the 'Collection Regulation' set forth by the Ministry of Culture and Tourism, the share ratio of Streaming Services, which is the main Service mostly used, is 4:6; SP 40 : Copyright Holder 60. From this, it gets divided into SP 40%, Label 44%, Copyright Holder 10%, Performer 6%. For downloads, the share ratio is Label 52.5%, SP 30%, Copyright Holder 11%, Performer 6.5%.

The differences in the Streaming and Downloads are big, however, if you take a closer look and the Share S tructure of SP's Streaming profit structure of 40%. SP's Share of 40% consists of Distribution fee 15%, Payment fee 8~9%, System Development/Investment/Maintenance/etc. 16~17%. Music Downloads uses less system and traffic, hence the share ratio is lower

Profit Share Ratio Regulation set by the Ministry of Culture & Tourism (Ratio %)

Here, we need to revisit the Profit Share Ratio for Distributors (CP) where it is not specified in the Regulations set forth by the Ministry of Culture and Tourism.

Music Provider, whether it is an independent Creator or a Label, needs to sign a contract with Distributor (CP) in order to upload the music in Service Platforms such as MELON, BUGS and so on. CP's ask as little as 20% to maximum 50% and such share comes from the Label's Profit share of 44% to Label 8 and CP 2 making Label's portion 35.2% and CP 8.8%.
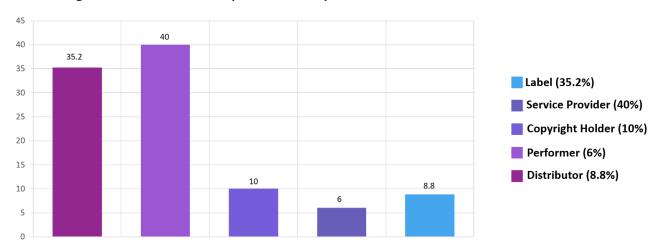
The Label's actual share ratio is not 44% but maximum 35% and minimum 22%.

This CP's role is currently a necessary component, however, the fee is only burdened by the Music Providers (Creators).   In addition to the 40% of service fees to the Platforms, they are paying additional 9% (minimum) fees to middle CP's.   Music Profit share ratio is 6:4 and Creators and Music Sites (SP) share. However, only the Creators bear the Fee.

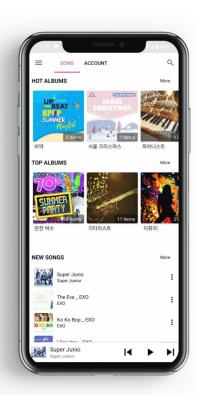There's a Structural illogicality here.

It happens when the 3 components, the Creators, middle Distributors and Service Providers are all in the same.   Melon and Loen being the same company is a good example; currently most SPs and CPs are same companies.   This is the same problem in the Movie industry where the Production Company and the Theaters were one in the same.   It is a Monopoly!

Streaming Profit Share Structure (Share Ratio %)

- Label (35.2%)
- Service Provider (40%)
- Copyright Holder (10%)
- Performer (6%)
- Distributor (8.8%)

3. GRAFSOUND TOKEN Ecosystem

GRAFSOUND Overview

"Capture all the sounds of the world"

GRAF SOUND is branded as Edison's world's first gramophone (Phone Grapho), with the name 'wave'.

Along with music, we are able to capture all the sounds of the world heard in nature in our daily lives, and we seek a vast and innovative form of service that allows us to share all the sounds we have and sell them directly to those who need them.

GRAFSOUND

 protects the rights of creators and prevents damage to the value of sound sources due to the unreasonable distribution structure improvement and duplication in the middle distribution stage in order to create a virtuous cycle through direct participation by creators and users . That leads to reinvestment of the value created through the creation and consumption of content, and create an ecosystem of innovative and healthy music markets that can correctly increase the value of the music.

Advantages of GRAFSOUND

▶ Protecting artists' copyrights

GRAFSOUND provides copyright protection and a reliable system for creators based on blockchain technology.

The owner's information, distribution, streaming, and download information of the sound source are stored in the blockchain network block, and through the stored information, copyright protection of the artist and transparent settlement according to sales are possible.

The number of listening times of a sound source corresponds to one vote, and since the information is stored in a block, it is possible to operate a reliable sound source chart without forgery and alteration.

▶ Creating a music market based on transparent data disclosure

The distribution and streaming information of the music using blockchain is stored in the block, and the information stored is analyzed to show the sales and ranking of the music source. The use of blockchain technology is an area that requires reliable information that cannot be tampered with by voting systems. The number of times a song is heard is also a single vote, and the information is stored in the block, which makes it reliable. The creator can use the number of times he listens to his music and his or her revenue as reliable data, and the ranking of the songs can also be understood without doubt.

▶ **Reducing service maintenance costs**

With the use of blockchain technology, GRAFSOUND can operate only minimal server devices and have significant cost savings. This allows the miners of the block to store the sound source blocks from time to time and to obtain compensation with the GRAF TOKEN (GSMT) and to utilize the hardware devices of the dispersed miners to perform the music service. These savings will be used to support artists' excavation and creative activities and to plan and develop new content, which will enable them to realize more value and generate more.

▶ **Extension of DApp**

GRAFSOUND expands and connects services by separately configuring additional DApps based on music services
Realize more value and profit through various services such as crowdfunding, goods shopping, audition, one-person broadcasting, BGM market, and reward voting.
In addition, GRAFSOUND holds an ongoing audition to discover entertainers with experts in the field. Through this, stars can be discovered and nurtured, and long-term profits can be maximized through the activities of entertainers through management.

GRAFSOUND is divided into HOST and GUEST at the time of initial membership registration according to the user's setting.

▶ Artist (Host)

GRAF SOUND's HOST can easily register their music or any sound in the world, and they can freely set the price they wants to maintain for each registered content. They can also generate various profits, including registering and selling their goods or other content using the function of shopping malls. The registered music is linked to GRAF SOUND and Host can form their own fandom through transparent music competition with other previously registered music. In particular, artists with both competency and talent can be given greater opportunities to grow into global artists by producing and performing more content through a separate contract with GRAF SOUND.
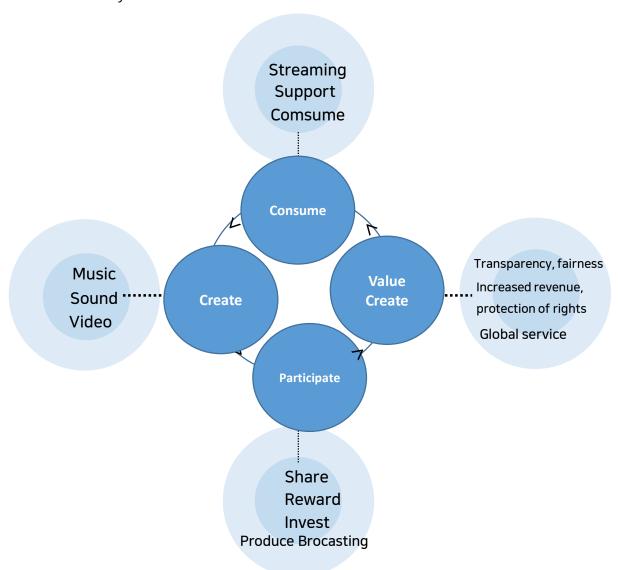
▶ Listener (Guest)

 1. You can enjoy all the contents of Graf Sound for free, such as albums, videos, photos, and sounds of your favorite artists.

 2. You can easily share the artist's account or various content to other fans, and when the transaction of the content is completed after sharing

    GRAF TOKEN (GSMT) can also be earned as a reward for this.

 3. You can sponsor and receive rewards from your favorite artists

 4. You can shop for products recommended by artists, share them, and receive rewards.

 5. Participate in special votes held at GRAF SOUND to earn rewards based on the results.

 6. Participation in the GRAF SOUND audition will give you the opportunity to challenge your star dreams.

 7. GUEST can be turned into an account with HOST at any time, and can register contents and sell or broadcast accordingly.

GRAFSOUND Ecosystem

▶ **Safe & Transparent Creative Environment**

Clearly state the Creator's Rights and Fair Profit share to inspire Creativities and support all Rights related to the Contents and Contents data input to GRAFSOUND TOKEN.

- Provide separate WEB/APP/DAPP to assist Creative activities.
- Contents Management: Created Contents get encrypted and dispersed in GRAFSOUND Blockchain network to be stored. The Encrypted and Dispersed Contents cannot be copied and, as Blockchain's irreversibility, has the official Copyright effect.
- Rights management
- Record Contents' related Rights & Distribution path
- Manage all Smart Contract of Contents
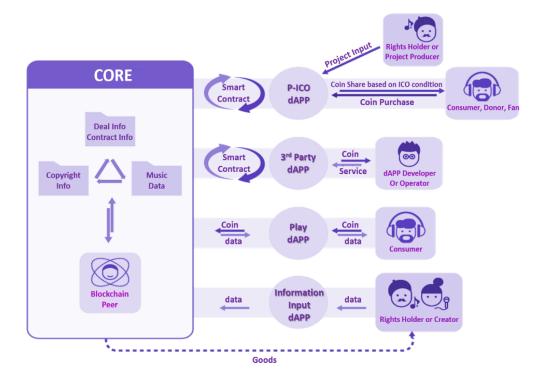
▶ **Minimize middle Distribution Stage**

Promote reasonable Profit share & consumption by minimizing the middle Distribution stage by using Blockchain Technology.

- GRAFSOUND dAPP third party dAPP (Music Portal)
- Profit settlement & distribution uses GRAFSOUND blockchain and reduces initial investment & expenses
- Reduced expenses can be reinvested to new Contents planning & Production
- Able to take part as a New Model for not only Music Portals but also Advertisement Platform, Radio, etc.
- Allows distribution of offline contents such as Goods by ICO and Events (Concerts and etc.).

▶ **Realizing a Revolutionary Token Economy**

Investment Opportunity by ICO type for contents in the ecosystem such as Performers, Music, dAPP, Events, Goods type of projects to all participants in the Ecosystem. Such information and opportunities were only available to certain Group until now, but as information and opportunities become available to everyone, it is expected to be an Active Economical stage for all.

- Any Users can take part in Value Creation and aim for fair and concise profit share structure.
- GAS Profit via GRAFSOUND Blockchain network participation – Network Participating USERS (APOS)
- Benefits on Music Plays-Rights Holders
- Benefits on participating in P-ICO - Participants
- Profits for participating in GRAFSOUND blockchain projects- Participants on Promotion & community activities
- Profit model on Third Party DAPP – 3rd Party dAPP Owner

▶ GRAFSOUND's Service advantage

Anyone can be a creator
- Even if you are not an artist, anyone can record all the sounds of the world they want to share, share them, sell them to companies or individuals around the world, and make more profits with different pleasures.

Artist rights protection and transparent trading
- GrafSound's blockchain technology protects creators' rights, enables transparent transactions, and provides a fair compensation system with accurate settlements and distributions.
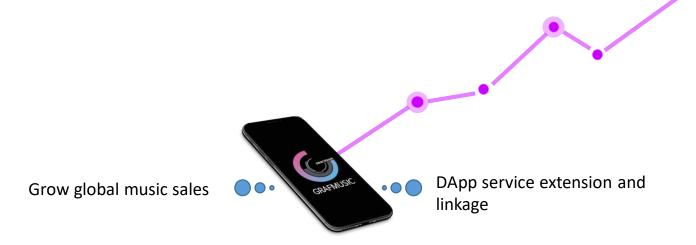
The real token economy of all sound and music transactions
- GRAF TOKEN (GSMT) provides an innovative system that allows individuals and individuals to easily sell sounds anywhere in the world. GRAFSOUND enables the actual token trading and continues to expand the token economy by continually adding other services to activate it.

Share and reward
- Users can share their sounds and sound sources, or creators' sounds and sound sources, without limitation, and receive sales rewards based on their contributions when direct transactions are made. This creates a self-sustaining distribution structure that enables more users to Graf Sound and activates transactions.

Grow global music sales

DApp service extension and linkage

▶ GRAFSOUND SERVICE

Streaming service

Free streaming service. Ad banner appears when streaming

Ads are exposed sequentially at the bottom and top of the screen

Download Service

Listen to high-quality unlimited music and collect music through GRAFT payment

Users can experience music without ads through 3 months, 6 months or yearly payment

1. GRAF radio channel

: Radio channel provided by genre, theme, emotion, weather, place, situation, country, and store

2. Single Person Music Broadcasting (MCN)

: BJ communicates with listeners through radio broadcasting, and listeners support GRAF TOKEN (GSMT) to

BJ

3. GRAF O2O audition

: Audition information provided at home and abroad and audition competition (on / offline), star

excavation audition

4. GRAF Awards & Voting

: Service where listeners use GRAF TOKEN (GSMT) to vote on various questions and receive rewards based

on the results

5. Crowdfunding

: App service for artist sponsorship – sponsored by GRAF TOKEN (GSMT)> Rewards provided to listeners

6. GRAF Goods Shopping

: Sales of general products and artist MD products

7. BGM Market

: Sales of pure creative BGM sound sources (P2P method)

8. GRAF SOUND Artist Open Market

: Global artist market for efficient promotion of artists and sound source sales

9. GRAF Ticket

: Information on concerts and concerts and ticket sales reservation service

▶ GRAFSPOND SERVICE

Creative activity Crowdfunding

Boost the value of creation by supporting artist creation activities through sponsorship and investment of listeners

Voting System

Organize various awards and provide voting opportunities to listeners.

Sound sampling market

Earn money by sharing and selling all the sounds you've developed or all the sounds around you

Artist Open Market

Promote independent music marketer pages for artists, sell albums, and manage fans

Personal Broadcast MCN (Radio)

Users interact with their fans as they play music and receive GRAFT

Audition Information & Competitions

O2O Audition Dapp
Providing audition information and holding audition competitions
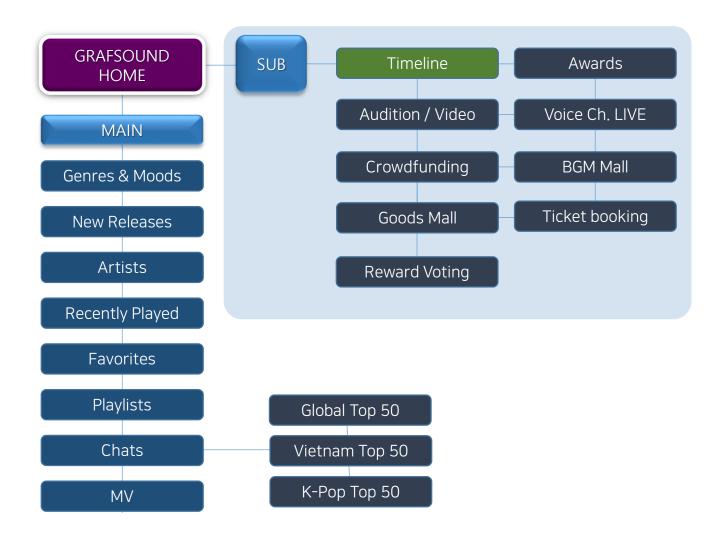
Ticket reservation

Providing domestic and international performance concert information and ticket reservation service
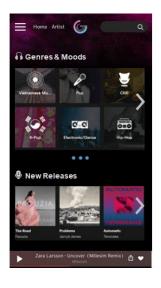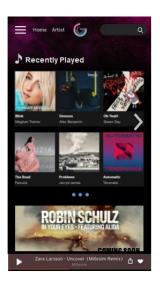
Premium MD GOODS Shopping

Provides opportunities for artists to sell MD products by linking artists and fans with a variety of product sales

▶ GRAFSPOND SERVICE MENU

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┌─────────────────┐        ┌───────┐      ┌──────────────┐      ┌──────────────┐
│   GRAFSOUND     │────────│  SUB  │──────│   Timeline   │      │    Awards    │
│     HOME        │        └───────┘      └──────────────┘      └──────────────┘
└─────────────────┘                       ┌──────────────┐      ┌──────────────┐
        │                                 │Audition/Video│      │ Voice Ch. LIVE│
┌─────────────────┐                       └──────────────┘      └──────────────┘
│      MAIN       │                       ┌──────────────┐      ┌──────────────┐
└─────────────────┘                       │ Crowdfunding │      │   BGM Mall   │
                                          └──────────────┘      └──────────────┘
┌─────────────────┐                       ┌──────────────┐      ┌──────────────┐
│ Genres & Moods  │                       │  Goods Mall  │      │Ticket booking│
└─────────────────┘                       └──────────────┘      └──────────────┘
┌─────────────────┐                       ┌──────────────┐
│  New Releases   │                       │ Reward Voting│
└─────────────────┘                       └──────────────┘
┌─────────────────┐
│     Artists     │
└─────────────────┘
┌─────────────────┐
│ Recently Played │
└─────────────────┘
┌─────────────────┐
│   Favorites     │
└─────────────────┘
┌─────────────────┐        ┌──────────────┐
│   Playlists     │        │ Global Top 50│
└─────────────────┘        └──────────────┘
┌─────────────────┐        ┌──────────────┐
│     Chats       │────────│ Vietnam Top 50│
└─────────────────┘        └──────────────┘
┌─────────────────┐        ┌──────────────┐
│      MV         │        │ K-Pop Top 50 │
└─────────────────┘        └──────────────┘
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Show All Playlists on the Home Screen Users can select a category of music
playlists to view the full list of all playlists.
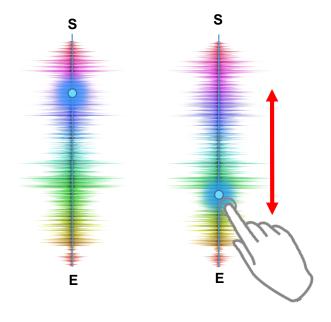
▶ GRAFSPOND's sensible player

1.   Bottom :

Mille ii2
Uncover mill esm remix

   -Artist name: Go to the artist personal profile page when touched
    -Soundtrack title display

2. Sound Waveform / S-Start , E-Ending

 -Circular (moving left and right at the desired position and playing the automatic sound source according to the position)
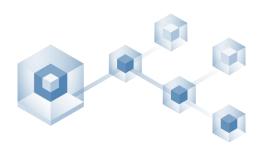
GRAFSOUND의 블록체인

▶ Blockchain

The interior of the GRAFSOUND blockchain includes copyright information, transaction information, contract information on rights, and music data.

At this time, the music data is encrypted and stored in each PEER (Apos) that makes up the block chain.

Artists can upload original works, publish their own works, control licensing options, and manage distribution

Use Smart Contracts and GRAFT TOKEN to eliminate confusion in music ownership and non-artists

Using GrafSound's unique smart contracts on upload, copyright, ownership, and playback on the blockchain network, artists can easily and safely protect sound sources and distribute them without intermediaries, and listeners can be provided with high-quality sound content at reasonable prices.

The information entry section includes the following functions as part of providing the rights holder with easy access to information on content:

Account Management : User's account management and real name verification (for rights holders)
Contents Management: rights of music sources (involved in modifying copyright information and uploading music)
Content Management: Smart Country Management Cryptography: Password for Content

The part of the plan dApp is related to the transmission of content.
Decryptography: Decryption of content
Streaming: Playback of Content

Upload Contract

Encryptment of digital sound source values of musicians on blockchain

License Contract

Decentralized copyright verification system and transparent transaction history confirmation process of music uploaded on blockchain

Distribution Contract

Musician can freely set up a music license agreement and share music ownership through the musician's creative activity support agreement

Play Contract

Confirmation process of user's playback sound source and provision of sound service after reviewing contract validity

GRAFT TOKEN(GSMT)

▶ GRAFT TOKEN(GSMT)

Artists register their music on the platform and listeners can use GRAFT Token (GSMT) to streaming in high quality without advertising or buy their favorite songs . In addition, a various services of Graf Sound, such as shopping malls and performance tickets, can be used cheaply at the discount rate of GRAFT.

The GRAFT Token (GSMT) can be purchased through cash or credit card and can be exchanged back into cash at any time.

At GRAF SOUND, you can check the album or music information of numerous artists around the world at a glance, and become a fan of artists to sponsor them with GRAFT Token (GSMT) or share their activities easily.

▶ **Technical considerations**

Past the early blockchain 1.0 era of bitcoin, which had only the function of a simple bookkeeping to record the movement of goods, and 2.0, a blockchain of Ethereum, which presented a variety of platforms and possibilities using smart contract.

It is advancing into the era of Blockchain 3.0, which is aiming for the hyper-connected society, which is a key keyword of the 4th industrial revolution, by grafting various data or contents onto the blockchain in various ways.

We propose a new paradigm of the music market that corrects various irrational points described above under the name of "GRAFSOUND Ecosystem". Based on blockchain 3.0, the GRAFSOUND ecosystem aims to create a virtuous circle in which value generated through creation and consumption of content leads to re-investment in content again. To do this, there are some challenges to be solved.

▶ Scaling Problem: Process Speed of Cryptocurrencey Problem

Bit coins and Ethereums' 10's of seconds of process speed doesn't seem fit to handle GRAFSOUND TOKEN's (Positive Currency)Trade amount. However, Cryptocurrencies developed after Ethereum such as EOS, Ripple and so on have succeeded in processing in the speed of single digit or similar speed of Paypal and VISA. GRAFSOUND TOKEN blockchain will realize the speed to minimum 1,000TPS (Transaction Per Second) using new Technology such as Sharding, Plasma, Hyperledger.

Chart3. Process Speed Comparison by Payment Methods

Transaction Per Second	Bitcoin	Ethereum	EOS.io	Ripple	Paypal	VISA
Average	3 ~ 7	20	3,000	1,500	200	2.000
Maximum	-	-	8,000	-	-	50.000

▶ Problems of processing Large Files

GRAFSOUND TOKEN has a business model of dealing with and transmitting Large Multimedia Contents Files.

This means we are faced with issues of Large Data File Processing due to Blockchain's birth limits (Trustworthy Book Record). There has been numerous attempts to solve the issue and File Coin's IPFS, Ethereum's SWAM and so on has been showing remarkable achievements.

GRAFSOUND will analyze the advantages and disadvantages of these and develop a new Transmission System optimized for GRAFSOUND's Multimedia Transmission.

▶ **Interface with other outside programs (dAPP/Web/App)**

In order to be equipped with Compatibility required by the GRAFSOUND Ecosystem, an Open Interface for internal/external communication.   The provided Interface will be designed to allow access to GRAFSOUND Blockchain's every data within the range of harming the Security and Trustworthiness of GRAFSOUND Blockchain.

4. GRAFSOUND Business Partnership

Microsoft
• Largest Cloud Service Provider in the World.
• High level of Expansion & Stability
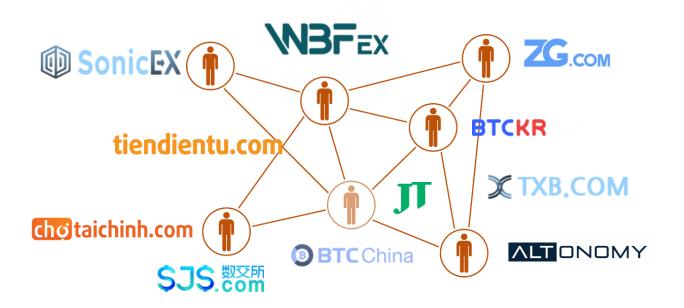• Support Service Level Agreement

DB Inc
• DB Group affiliated IT Service Specialty Company
• Global Cloud Vendor Cooperating Partner
• Expertise in Global SI Business

AMS (Azure Media Service)
• Division workflow write up
• Based on REST API for safe upload, save, Encode & Packaging

Music Streaming Platform Development Partner
• Facebook FbStart Global Partner
• Proven skillset by Google, Tencent, etc.
• Operate a successful Music Service Platform
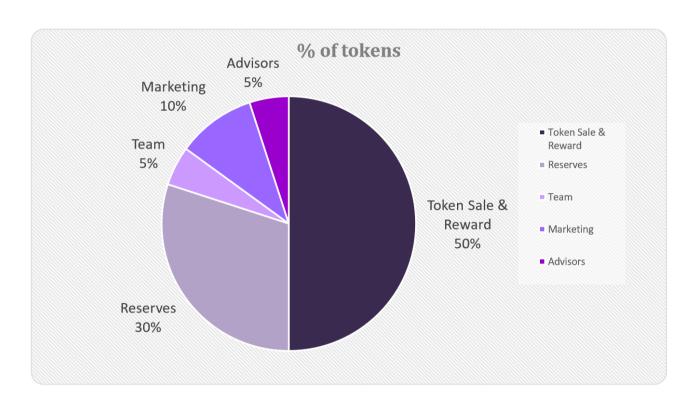
5. GRAF TOKEN (GSMT) Share

Summary Allocation

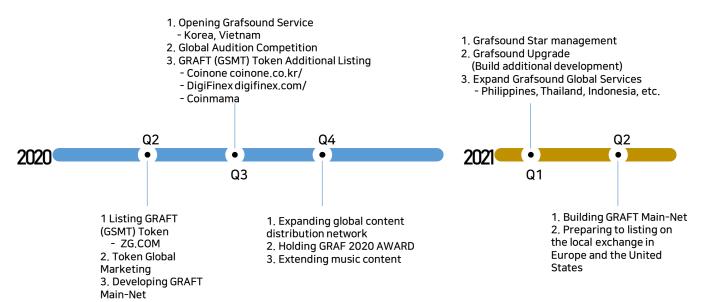| Category	% of Token	# of tokens
Token Sale & Reward	50%	3,500,000,000
Reserves	30%	2,100,000,000
Team	5%	350,000,000
Marketing	10%	700,000,000
Advisors	5%	350,000,000
Total	100%	**7,000,000,000**

6. Road map

▶ We're doing our best to complete each and every one of our Milestones in GRAFSOUND Road Map. Updates will be available on the progress and latest news via NEWSLETTER & SNS and of course the Openness & Transparency of Communication Channel will be maintained as well.

GRAFSOUND ROADMAP

2020

Q2

1. Opening Grafsound Service
   - Korea, Vietnam
2. Global Audition Competition
3. GRAFT (GSMT) Token Additional Listing
   - Coinone coinone.co.kr/
   - DigiFinex digifinex.com/
   - Coinmama

Q3

Q4

1. Expanding global content distribution network
2. Holding GRAF 2020 AWARD
3. Extending music content

1 Listing GRAFT (GSMT) Token
   - ZG.COM
2. Token Global Marketing
3. Developing GRAFT Main-Net

2021

Q1

1. Grafsound Star management
2. Grafsound Upgrade
   (Build additional development)
3. Expand Grafsound Global Services
   - Philippines, Thailand, Indonesia, etc.

Q2

1. Building GRAFT Main-Net
2. Preparing to listing on the local exchange in Europe and the United States

7. USE of FUNDS
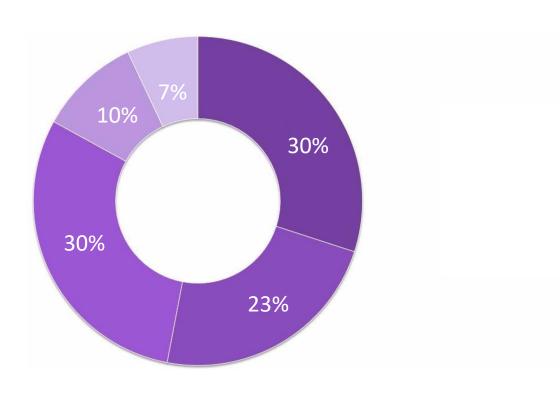
Funds for GRAFSOUND will be used as following:

1. Marketing & Strategy :30%

2. Operation Expense : 23%

3. Development & UI/UX Design : 30%

4. Biz Development : 10%

5. Expansion : 7%

Marketing & Strategy

Operation Expense

Develoment & UI/UX Design

Biz Development

Expansion

1. Marketing Expenses will include but not limited to the following:

- • Direct Marketing for GRAFSOUND Service

- • PR Marketing for GRAFSOUND

- • Cooperative agreements with Musicians for GRAFSOUND Services

- • Marketing for the growth and expansion of GRAFSOUND

2. Operational Expenses will include but not limited to the following:

- • Sales/Operations, Legal, Contingency

- • Audit after Exchange

3. Research/Development & UI/UX Design expenses will include but not limited to the following:

- • Development of GRAFSOUND Synchronized Wallet

- • Development of Payment Modules of GRAFSOUND

- • Digital coupons for Retail store partners & Sales service of Tokens

- • Development of Exchange & payment of Digital Currency

- • Research & Development for Chart Big Data & AI Recommendation Function enhancement

- • UI/UX Design /Development Cost

8. Notice & Disclaimer

Purpose of this GRAFSOUND Project White Paper was made to explain overall contents of the Project & Road Map in detail.

This White Paper was not made to suggest investment. Please be advised that any harm, loss, debt or Financial loss occurring from actions taken based on this White Paper, STARGRAM GLOBAL PTE. LTD WILL NOT be responsible for any Compensation or indemnification.

The Summary (hereunder refer to as "White Paper") was prepared for the purpose of providing information on case studies on Business models STARGRAM GLOBAL PTE, LTD. (hereunder referred to as "Company") contracts and used Tokens (hereunder referred to as "GRAFSOUND TOKEN"). This White Paper is only serves an informative purpose and information contained may be incomplete and has ABSOLUTELY NO Legal Bindings and DOES NOT FORM any type of Agreements.

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Forward-looking statements were considered reasonable at the time the information was provided based on a number of factors and estimates made by management. Market forecast statements contain known or unknown risks, uncertainties, and other factors, such as actual results, performance or achievements, that differ materially from those expressed or implied by forward-looking statements.

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