

Invest in MovieCoin

Moviecoin.com White Paper v1.03



moviecoin

Moviecoin.com is a new platform that brings movie funding into the modern era.

By combining the technology of NFTs and blockchain we have created a first of its kind movie funding platform removing the barrier of entry to lower investment by fans and adding the opportunity for directors and producers to have their movies funded.

By tokenising movie investment into unique and interesting NFTs with profit rights attached we are giving fans a chance to own a piece of movie history and create some passive income and movie makers to create unique movie related works opening the doors of funding to their fans.

Finance for the global film industry typically derives from large film production studios, wealth funds and private equity investors. Moviecoin.com aims to bring film funding, NFT's and decentralised finance (defi) to both independent film-makers and large budget moving pictures.

Not only will moviecoin.com support low-budget filmmakers but also large budget pictures, the benefit being driven by removal of the large Hollywood studio financial ecosystem; typically aiming at full artistic control of the movie narrative and therefore limiting creative exposure and freedom of expression.

Investors will be able to invest either crypto or fiat currencies into the movies listed on moviecoin.com and will receive an exclusive NFT of that movie with rights to a share of profits, this NFTs can be held for the profit share and traded on a secondary market.

When the film target budget is reached, moviecoin.com will transmit the funds to the directors and producers so as they can begin production. Typically movies take 12 to 18 months to produce after which, If / when each film starts to produce profits, these profits will be paid to moviecoin.com NFT holders in MOVIE coins or fiat ?

In an industry first, instead of the traditional one-dimensional marketplace to raise film finance; moviecoin.com have developed a revolutionary three-dimensional primary, secondary and utility-based marketplace allowing movie funders and movie makers to benefit from the secondary sales NFT market derived from supplementary images & videos, allowing film makers and funders to benefit from:

- ✓ Primary & secondary sales of NFT's originating from the movie "frame NFT's".
- ✓ Profit share from movies.
- ✓ MOVIE utility tokens.

Unlike any other service before it, moviecoin.com is allowing movie funders to receive an equal share of profits of each movie pari passu; relative to their initial investment.

When you buy a moviecoin.com NFT, you are not just buying a single piece of art, you are also buying an unlimited profit-share of the movie forever (or in some specific cases this will be time-limited to 3 years, please see each individual movie contract).

Why MovieCoin?

Problem

Typically movies are either funded via a Production Studio, private investors or wealth funds. The process for aspiring movie makers to get their ideas funded can be arduous and difficult. With a low rate of success at the pre-production stage many investors are only attracted to movies with a guaranteed return on their investment, but even then funding can be difficult and even well funded movies still fail to turn a profit.

This situation makes it tough for smaller, independent filmmakers to have a chance to showcase their skills. How many great films never see the light of day? How many great stories are never told? How many great storytellers don't get a chance because of the financing issue?

Solution

By creating the platform outlined above, Moviecoin.com allows the fans to invest and the movie makers to get funded quickly and efficiently.

Moviecoin.com will allow for ideas to flourish, for movie makers to produce movies and for fans to have unparalleled control over the movies they wish to see created, and by way of reciprocity, Moviecoin.com's smart contract platform will allow for Investors to receive a share of the movie royalties they help to fund and create.

Movie fans will be directly able to help fund an epic adventure from their favourite producers and get to enjoy the benefits of the movie's wider success. We are also working on many additional benefits of holding both the MOVIE Token and moviecoin.com NFTs.

Well, how does that work!?

First, a non-technical, basic explanation;

You may have heard of NFT's (Non-fungible tokens) defined nicely on Wikipedia as "a unique and non-interchangeable unit of data stored on a digital ledger"

Essentially NFT's are a digital certificate of authenticity, a modern day version of a paper based rights of ownership document but now with the added bonus of being digitally linked via the blockchain directly to the very thing you have ownership of.

Always Remember

- ✓ NEVER visit any other marketplace directly & search moviecoin
- ✓ NEVER click a link from discord or anywhere else. if it is not from moviecoin.com do not trust it.
- ✓ Only click links from www.moviecoin.com directly

In recent years these NFT's have evolved from giving someone simple digital rights to a picture or document, to being used by sports teams to issue collectibles, musicians to issue tickets and monetize their work and now Moviecoin to allow anyone to buy / invest in their favourite movie by buying a NFT.

In the case of a moviecoin.com NFT, this will be a digital depiction and sometimes be accompanied by an original of:

Memorabilia eg director notes and physical props

Pre-production material

Frames from the film

Pictures and videos from the film

Behind the Scenes Footage and pictures (BTS)

Original Concept Art for the movie to be funded

Original Art depicting scenes or characters in the movie to be funded.

Moviecoin will work with the directors where possible to produce some or all of the above but we also welcome your creativity, if we can imagine it, we will work hard to turn your ideas into NFTs, the more you, as a Director can bring to the table, the easier this process will be!

Frames from movies have long had collectible value, Moviecoin.com takes this idea and brings it into the modern age by tokenising and cementing the value and contract within the "blockchain"

The blockchain, or as Satoshi Nakamoto called it, a timechain is a digital ledger of transactions and information duplicated, distributed and ordered across a decentralised network of computers across the globe, no one person controls the ledger, can cheat the system or can amend the ledger after the transaction and information have been agreed upon and entered, this makes for an incredibly secure system for the transfer of value from one person to another, which indeed gave reason for the heading of the Bitcoin whitepaper.

Bitcoin: A Peer to Peer electronic cash system. (<https://bitcoin.org/bitcoin.pdf>)

Which we would encourage everyone to read! The Bitcoin timechain gave rise to many other chains, some more useful than others.

Moviecoin originally launched on the Ethereum blockchain, a chain best known for its utilisation of Smart contracts, a digital, coded contract between two or more people, the digital, decentralised nature of the chain and contract allow for interesting functions and iterations of "if this, then do this" to take place on chain however we found, along with many others than Ethereum had many barriers to entry for movie fans worldwide, namely the high transaction fees (gas)

When we started Moviecoin we envisioned a platform that was open to all, the high fees on Ethereum made this vision hard to realise, often the fee to process a small transaction can be higher than the cost of the item being transacted itself. This led us to explore other chains and we settled on a move to Polygon Network. The Polygon network is a Proof of Stake layer two solution for Ethereum, it aids us in processing fast transactions with very low fees, Polygon is supported by a wide range of businesses and clients such as Opensea and unstoppable Domains, we at Moviecoin felt the move was a bold and necessary step in the right direction. We would recommend heading over to <https://polygon.technology/> to learn as much as you can about Polygon – There is further information about setting up the network on Metamask and using Uniswap in Tandem to purchase MOVIE tokens in the same way one would using Ethereum.

How are the MOVIE tokens used and what happens with the money?

Total MOVIE tokens in circulation **1,000,000,000** (1 Billion)

SEED ROUND

50 MILLION

Sold to early investors, F&F and distributed as incentives to Producers and Directors for access to their images.

LIQUIDITY

100 MILLION

Used to provide stable liquidity to the DEX and CEX platforms that MOVIE will be available on.

FOUNDERS

200 MILLION

Offices, staff salaries & developers, expenses and founders.

LOCKED TOKENS

350 MILLION

Kept locked in reserve for future projects, partnerships and further development that boost the MC token utility used as incentives.

300 Million Tokens will be sold during the ICO, money raised from the sale will be used for the following

10%

Initial and on-going development

15%

Marketing & advertising

50%

Funding the most upvoted (and likely the largest high-profile) movies

20%

Founders, staff & developer expenses / salaries

5%

Legal and accountancy expenses

Token Supply (Post-ICO)

Token Allocated to ICO : X

Token Sold in ICO : Y

Remaining Token (X-Y) Options :

1. Distribute remaining token to ICO Participant
2. Mint remaining token in 'T' Time for movie funds
3. Incentive/Airdrop to users on MovieCoin Platform for :
 - Early Sign Up
 - Referral System
 - Polling/Feedback
4. Burn Remaining (Not Recommended as supply is limited)

Utility – What will ICO / NFT investors receive in return?

ICO participants will receive MOVIE Tokens in return for their USDT swap. USDT will be distributed to fund the first set of "Moviecoin Originals" and for platform development.

In addition to the token sale during the Seed round and ICO we are working with directors to produce NFT collections. These NFT collections will allow producers to receive funds for their movie prior to the movie's release date and will allow NFT buyers to trade their NFT's and associated profit-share of the movie; prior to the movie release date.

Each NFT represents a profit share in a specific movie. All individual movie profits associated with the NFT will be paid in MOVIE Tokens. Each movie uses a CAMA (Collective Account Management Agreement) to ensure exact profits are calculated and sent to Moviecoin; we then distribute the tokens to our NFT holders

Holding a Moviecoin.com NFT will grant the holder rights to royalties from the film sale which will be paid in MOVIE Tokens. Users will be able to stake / vest their MOVIE Tokens for a share of all "Movie Original" royalty payments and a share of transaction fees by using the Moviecoin.com platform Custodial Wallet.

NFT's will be tradable on secondary market platforms such as Rarible and Opensea and at Moviecoin.com's platform with MOVIE Token. By holding the MOVIE NFT for a specific movie or by holding MOVIE tokens for "Moviecoin Originals" you will be paid a share of profits. There will be further incentives / discounts for trading NFTs using Moviecoins platform and for holding MOVIE tokens at a later date.

Moviecoin is currently working on partnerships with film studios to enable some exciting, film based MOVIE Token use cases. Holders of MOVIE Token will have early access benefits to special edition, very limited edition movie NFT's on the Moviecoin platform.

Taxation on MOVIE Token transfer on-Chain

MOVIE transactions are taxed at a rate that has a maximum of 6%. Below are 2 worked examples at 4% and 6% taxation rates.

6% tax on MOVIE Transfer on Blockchain

Transfer Tax		
Description	Value	Comment
Transfer (MC)	10,000	Initial transfer of MC for this example
Tax(6%)	600	Total MC taken as a tax

Tax Distribution		
Description	Value	Comment
New Movies (2%)	200	25% of the tax is taken and reinvested into the movies on the platform
User Credit (2%)	200	25% of the tax is taken and redistributed to the community
Profit/Development (2%)	200	25% of the tax is taken as profit by moviecoin.com

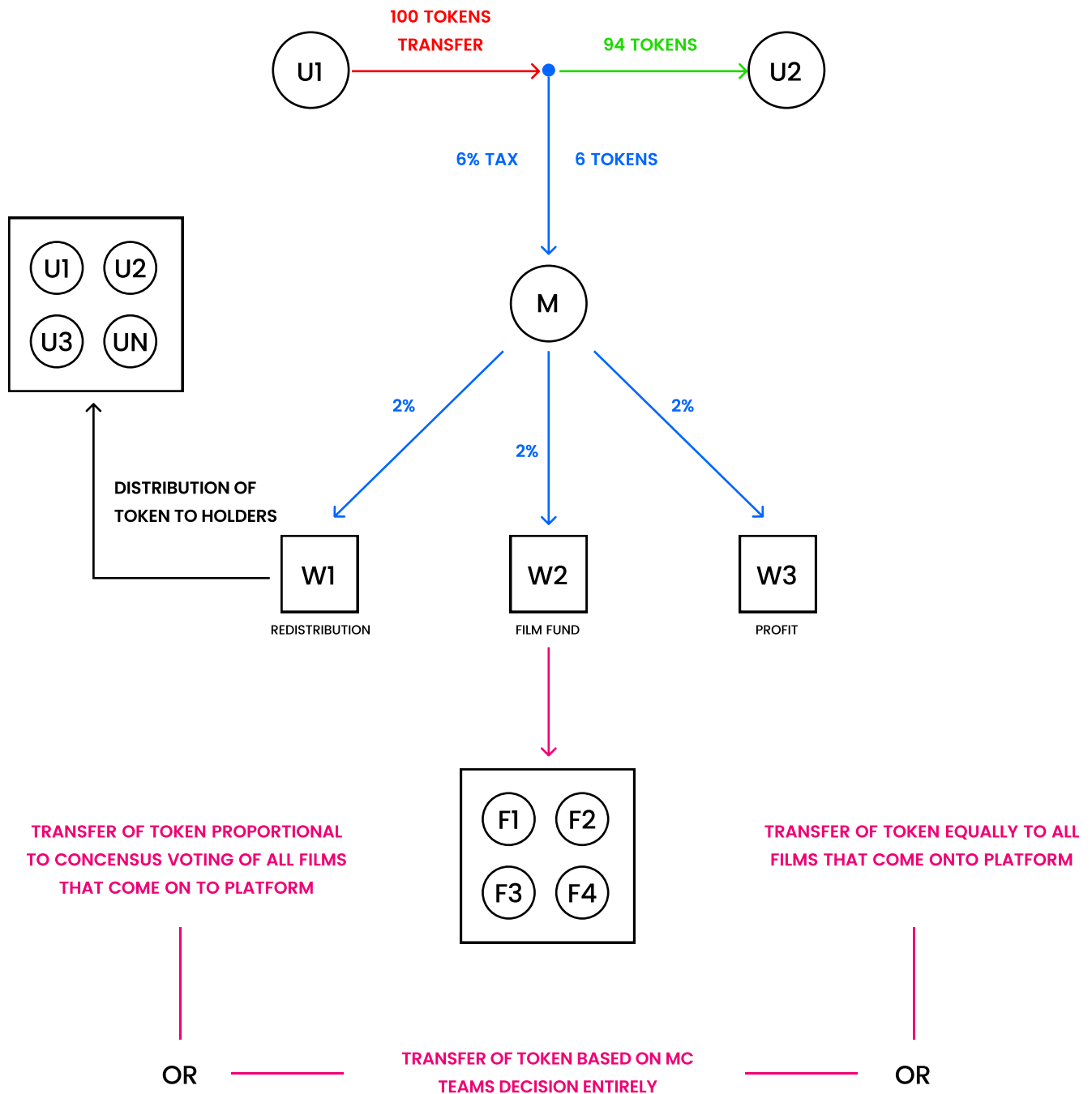
4% tax on MOVIE Transfer on Blockchain

Transfer Tax		
Description	Value	Comment
Transfer (MC)	10,000	Initial transfer of MC for this example
Tax(4%)	400	Total MC taken as a tax

Tax Distribution		
Description	Value	Comment
New Movies (1%)	100	25% of the tax is taken and reinvested into the movies on the platform
User Credit (1%)	100	25% of the tax is taken and redistributed to the community
Profit (1%)	100	25% of the tax is taken as profit by moviecoin.com
Development (1%)	100	25% of the tax is reinvested into the development of moviecoin.com

1. Whole tax amount will be transferred to one/multiple address(es) on-chain and will be used for the specific use case as defined above.
2. Users who hold MovieCoin Tokens will get a % of the tax credited in their account only on the moviecoin platform.
3. Future Air-drops will be done only on the moviecoin.com platform.

Transaction Tax - 6% example



Movie coin roadmap

Q1 2022

Launch contract audited by solidity.finance

Moviecoin presale offering on DEX for early investors.

Moviecoin ICO launch

Q2 2022

moviecoin.com platform launch with full features.

Moviecoin.com ICO investors able to connect to the platform and access rewards using their NFTs.

Q3 2022

Initial movies released to the public for investment.

New NFT'S issued. More rewards generated for moviecoin.com NFT and movie coin token holders.

First profits paid for films which did their early funding within the moviecoin.com community.

Q4 2022

moviecoin partnerships with studios, producers and cinemas to boost the utility of the token for investors.

Cinema built in Metaverse Sandbox for exclusive screenings of films.

Money Flow and User Journey

As covered in the introduction, there are 3 pillars to Moviecoin.com's economy;

- ✓ Movie profit share and royalties (from individual movies)
- ✓ NFT sales and secondary sales (from individual movies)
- ✓ MOVIE tokens (acting as a collective of all movies)

Points 1. And 2. Are inextricably linked; you cannot purchase a profit share in an individual movie without purchasing a Moviecoin.com NFT. Although you can hold MOVIE Tokens which will give you a collective share of all movies (still not specifically linked to all-movie-profits in the same way as individual moviecoin.com NFT's).

Indirectly the success of the platform itself will affect the price of MOVIE Token. In addition it is possible that something other than a movie's profitability affects the price of MOVIE Token. For example, an announcement that a James Cameron film is funding on Moviecoin.com will likely increase the price of MOVIE Token even before any profit is announced.

To ensure MOVIE Token holders receive monetary benefits from all transactions on the platform (in addition to the potential of holding Moviecoin NFT's and associated specific-movie profits), Moviecoin.com will be issuing tax payments, here is an example of such a transaction;

Liam is a MOVIE Token holder. He has 0.1% of total supply. He is not invested in any films specifically. He just holds MOVIE Token.

Moviecoin tax set to 6% with 2% used to pay out to MOVIE Token holders (= 2% for token holders, 2% for investment into films (we) pick, 2% profit/marketing)

Anytime any Moviecoin is used (to invest in a specific film, to buy an NFT, to pay out profits to investors etc) 2% of that is going to be distributed to MOVIE Token holders via this tax. This is done via airdropping tokens to holders at regular intervals based on the number of tokens in the user credit wallet.

Let's say in 1 month, movie profits are paid out totalling 100k Movie Token, 500K MOVIE Token is spent on secondary market and 400K MOVIE Token is raised for new films.

In this scenario 20K MOVIE Token has been collected to redistribute to holders. That means in that month Liam received 20 MOVIE Token (0.1% of the total 20K MOVIE Token collected - proportional to his holding). Through this mechanism Liam made money from films without investing in any of them directly.

The NFTs

It is very important to note that the NFTs created by Moviecoin are not like NFTs created by artists. The Moviecoin NFTs get their value from the underlying asset connected to them and Not from the speculative market. The number of NFTs minted by Moviecoin can be calculated by the following formula (assumes all NFTs are in 1 Collection. If there are more than 1 Collection then this formula should be repeated per collection and the collections summed)

$$N = \frac{R + G + R(F+P)}{M}$$

R = Movie investment producers need to raise from collection (INT)

F = fees MovieCoin will have to pay to mint & sell NFT, excluding all gas fees. (%)

G = Approx Gas fees required to mint the initial NFT20 and NFT721* (INT)

P = Profit MovieCoin to make per NFT sold to cover all fees. (%)

M = Minimum investment MovieCoin allows for a user. (INT)

N = Number of NFTs needed to raise R. (INT)

* Approx Gas fees required to mint the initial NFT20 and the NFT721 in the future when the frames are going to be distributed. If there are no frames to be distributed in the future this can be ignored.

From a non-technical side it will need to be decided how the NFT and the legal paperwork are actually linked. It would be important that a lawyer who is familiar with movie rights is clear on what we are doing and then can consult on how it will work from a legal perspective.

Once minted the NFT will be tradable on Moviecoin's NFT marketplace or Opensea/Rari etc. They will also be resellable.

It is important that IF we include any physical items in the unlockable content (eg signed poster etc) that the secondary buyer is aware that this is not included except at first purchase.

In the unlockable content we will have at minimum includes an instructional file or link that tells users how to sign up to our newsletters/mailling list so that we can tell them about ICOs and other updates we want to give. This will be important as when the full Moviecoin secondary market is built we will need them to move their NFTs to our platform instead of an open platform.

The long term Moviecoin Platform

The Moviecoin platform that we are currently building is to allow users to properly invest in movies as Moviecoin intends.

The platform will allow :

Lazy Mint Collections of NFTs

The MovieCoin platform will allow us to sell NFTs in a typical non-blockchain crowdfunding way. This means we can do regular sales (where when you buy the NFT it mints) or we can do "All or Nothing" sales, where the NFTs are only minted if all of them are sold. This basically means a user can reserve an NFT but not get charged until the round closes (similar to kickstarter). No marketplace currently has this functionality.

Frames Distribution

For film drops which have permissions of frames (or other media that will not be available at the time of the raise) we will be able to distribute a secondary NFT to replace the receipt NFT which was initially purchased. (a custodial wallet will be required in order to burn the original NFT and replace it. If we use a non-custodial wallet we can send the NFT but not replace it which would not be recommended.) The Frame NFTs will become representative of the contract and have added value of the artwork that goes with it. IF the frames are already available at the time of raising, we would then sell them directly. It is important to note that this model requires the minting of at 2 NFTs so the platform fees will need to cover this.

Secondary Market

Holders of both Receipt or Frame NFTs will be able to sell them on the secondary market directly on MovieCoin for \$MOVIE. This gives utility to the \$MOVIE token. It will also mean that having the token is useful even when a film you are interested in is not currently raising. If an NFT is bought on the secondary market, Royalties will be paid to the film producer (incentivising film producers to use the platform) and with MovieCoin. There will also be a platform fee charged to cover the cost of the transfer. Selling the NFT will transfer the Payout rights to the new owner of the NFT meaning that even frames which do not contain a particularly interesting scene still have significant value on the secondary market.

Additional HODL'er Benefits

Allow users who hold \$MOVIE or our NFTs to get platform benefits such as early access to movie funding opportunities, lowered fees or even physical benefits such as premier tickets.

Profit Distribution Each NFT will have a % profit distribution attached to it. After multisignature authentication the profit will be distributed to holders of the appropriate NFTs in the collection. The profit will be taken by MovieCoin from the producers in FIAT currency and sent to the NFT holders in \$MOVIE.