

The Hub of Entertainment Prosumers

THE BLUE BAIKAL

Blockchain-Based Entertainment Platform

Whitepaper v.1.75

ENGLISH

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From a Simple Player to a Market Innovator

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www.bluebaikal.io

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1. Executive Summary

BLUE BAIKAL is the third space where consumers, content, and creators around the world are connected through blockchain technology. It pursues cultural diversity and integrity in the entertainment business, as well as a fair distribution of profits.

The process of how entertainment content is produced and delivered to the consumers barely involves the consumers or fans' participation. The industrial structure based on huge capital also brings many restrictions in developing Indie content.

If consumers could act as an active agent in the entertainment business through blockchain, the current restrictive entertainment industry structure will experience many positive innovations.

BLUE BAIKAL aims to utilize blockchain in the investment and circulation of content within content production, and promotions after being released for user retention. This will involve active engagement of content consumers and influencers. BLUE BAIKAL will support their growth to bring a new sensation in the current entertainment industrial structure. The profits earned during this process will be fairly distributed to each participant as rewards and/ or dividends based on their contributions.

BLUE BAIKAL's overall service structure combines crowdfunding services tailored to social media, digital contents store, and entertainment projects, all of which operate on BBC tokens. The alpha version of the social media service was launched on STEEM for quick testing of the blockchain-based service. The beta stage of the social service will be developed on Luniverse, built by Dunamu's Lambda 256, to acquire BLUE BAIKAL's own service structure.

BLUE BAIKAL is composed of experts in the content, platform, and online services industries, as well as, advisors from around the world.

2. Introduction

Entertainment holds an important place in our daily lives - it is not difficult to find people enjoying various entertainments around us, such as movies, music, TV shows, games, books, and webtoons. According to KOCCA (Korea Creative Content Agency), global entertainment market¹ possesses \$1,401 Billion USD with 3% of continuous average economic growth every year, in addition to capturing in the industrial perspective.

However, it is getting more difficult for consumers to find suitable content alongside the industrial growth. Ericsson (2017) reports that consumers spend about 51 minutes every day to find TV and Video content they want, and the data collected shows a constant increase in time for finding them. Such phenomenon is not only due to the exponential growth in number of entertainment content, but also the fact that consumers are more actively consuming the contents.

The current trend of consumers finding their desired contents and using them as On-Demand Video is 42%, which shows a considerable increase compared to 30% back in 2010. This is specifically significant among the Millennial generation (16~34 years old) -- this trend helps us predict that a curation service which assists individuals to find relevant content will be more influential in the entertainment content industry from now on.

Furthermore, content consumers show a tendency to break away from just being a passive consumer. They discover and recommend their favorite content or artists and take a step further by making an investment on them as active consumption. New consumers called Fanvestors², who are found in crowd funding services, represent such a trend where they are not only fans of particular content or artists, but also act as investors. They overcome their primary role as a consumer that simply enjoys content after being released, to invest their money on content and artists that they find interesting, or profitable to support and even advertise them. If we could set up a structured investment system, Fanvestors would be actively engaged with various entertainment categories including movies, games, TV shows, dramas, and webtoons.

On the other hand, such market change is not delightful for entertainment content producers, artists, or writers. Increasing numbers of content has led to competition in the market, and consumers have begun to find their desired content on their own, causing content producers to incur more marketing expenses. In order for a content to successfully acquire consumers and sustain for a long time, it requires intensive effort

1 Broadcast, Character/License, Publication, Game, Music, Movie, Animation/Comics

2 The rise of fanvestors (Galuszka, 2014)

to foster communication with the consumer more than content production. According to Korea's content market, they show 7% of annual growth in marketing and publicity expenses while showing 3.6% of annual growth in content production expense³.

Thus, the importance of bridge building between the content and consumers, and content producers and Fanvestors, is becoming more significant nowadays. It is a curation service that finds the best suitable content for consumers and provides an open space for the entertainment content producers to find their consumer/fans who would enjoy and invest to their products in the competitive market. And this is where BLUE BAIKAL aspires to be. If listed elements are provided well, BLUE BAIKAL will be very influential in global entertainment market.

So how do we create a new space where consumers/fans, contents, and producers are being connected? We came down to the conclusion that an independent media, the influencer, is the main focus in creating such space. Consumers' reviews play an important role in the consumer's selection of content within the current market environment, and the review of pre-experienced consumer, an influencer, is highly influential in drawing attention about the content and leading to purchases.

According to Deloitte, reviews left by existing consumers show 60% credibility, showing similar level of credibility to which consumers show towards their family or friends in making purchases of the product. If we could develop a professional influencer that could leave objective reviews about the media content following current trend of consumption, we would be able to evolve a new curation service platform stage by stage.

BBC Tokens are the starting point to recognizing the current industry structure discussed before. It not only serves as the reward for reviews, and evaluations of content for the influencers, ordinary users, and professional evaluators, but also acts as the currency to be utilized for direct marketing producers would target consumers and purchase contents. It also performs as the reward for the active users' personal data sharing in order to improve the quality of curation service in BLUE BAIKAL. If anyone would like to invest in new content, producers, or current content from BLUE BAIKAL, they can use BBC Tokens as well. Furthermore, BBC Tokens can be utilized to support the influencer's growth in education, offline meetings, and to provide resources to construct BLUE BAIKAL's unique entertainment environment of consumption and investment.

3 Ministry of Culture, Sports and Tourism, Content Industry Statistical Research 2017

3. Current Entertainment Industry

3-1. Major Issues from the Value Chain Perspective

Value Chain of online entertainment content business is consisted of three major steps; content design and production, content distribution, and content consumption. Each step requires the content producer to be concerned about ① how to secure investments, ② which platform to distribute on, and ③ how to secure and retain users.

In the Current entertainment industry, there is a limit in attracting funds using existing methods, and content producers incur high costs as a result of distributing on large platforms, thereby increasing costs for user acquisition and retention.

3-2. Limitations of attracting funds using existing methods

It is fairly difficult for most small content industry companies and individual businessmen to receive systemized financial support compared to large firms – this is the same for attracting funds through venture capital. Even in Korea where data shows significant outcome in entertainment business, 53% of content business operation funds are reliant on government policy funds and only 24% of the funds are from venture capital. This shows how difficult it is to attract funds in content business industry¹¹.

The biggest reason why content business finds difficulties in attracting funds is because the industry's high risk and high return system of profits. The industry has to go through idea-based technology and potential-based investment and loan judgment, unlike other manufacturing businesses. However, the current finance system is comprised with difficult requirements for the content industry to fulfill, such as property mortgage.

3-3. Reinforcement of Distribution Platform Domination leading to High Fee

The online-based platform's market power in content distribution is increasing day by day. For movies and TV shows, OTT (Over-the-Top) companies, represented by Netflix and Amazon, are not only distributing the content, but are also investing massive amounts of funding in order to create original content that reinforces their market power. Netflix in particular is planning to invest \$8.6 Trillion from the second half of 2018 to

1 KOCCA, Content Business Development and the Role of Policy Finance, 2018

the first half of 2019 to produce original content. It is also known that Netflix takes 90% of the content profits in cooperating with Korea's cable broadcasts and increasing oppositions of industry people represent the domination of large distribution platforms.

This situation is similar to the gaming industry as well. Valve's Steam, Google's Play Store, and Apple's App Store show significant influence to take up to 30% of the profits as their fees. Epic Games has launched their own store against such domination in December 2018 and declared to take only 12% of the interests that many gaming companies are showing interest at the moment.

It is not difficult to realize that music, books, webtoons, and other online content are also vested in distribution platform's dominance by researching about the industry.

3-4. Increase of Costs for User Acquisition and Retention

The marketing cost to acquire and retain users in the entertainment industry is constantly increasing. Consumers in the United States spend the most in the entertainment global market, and the United States' media/entertainment industry digital marketing costs is showing a 12.8% annual increase from \$5.11 billion USD in 2014 to an expected \$11.52 billion USD by 2020². Korea also shows an increase in entertainment marketing costs, showing about 3% annual growth from 76.9 billion KRW in 2011 to 90.8 billion KRW in 2016³.

Such increase in marketing costs is due to the competitiveness of the market, where there is an exponentially increasing number of content. The number of games released on Google Play in the 1Q of 2015 was 290,287; however, the number of games released in the 1Q of 2018 was 677,560, which shows how competitive the entertainment content market has become⁴.

3-5. Awareness / Behavioral Change as an Active Content Consumer

With an increase of content and reinforcement of online platforms to access the content, users spend more time to figure out their favorite content. While consumers passively watched content provided by TV channels in the past, the current watching style for 42% of the consumers has changed to be selective through internet service. In 2017, users spent an average of 51 minutes to search for their desired content⁵. The growth of the OTT (Over-the- Top) business and Cord-Cutting trends also support current phe-

2 eMarketer 2016, US Media and Entertainment Industry Digital Ad spending

3 Ministry of Culture, Sports and Tourism, Content Industry Statistical Research 2017

4 Statistica 2018

5 Ericsson 2017, Average content Research took 45 minutes in 2016

nomenon. As the entertainment industry changes to an individualized market, consumer needs for content research and recommendation services are naturally becoming more significant. 70% of the consumers consider Universal Research to be useful service and thus, it is not surprising to note that the major reason for the success of Netflix is content recommendation service.

Content consumers are now evolving beyond the personalization/active consumption of content, and moving towards the areas of promoting it and supporting creativity

The consumers in the United States on a daily basis share 27% of online content, while they share 55% of online content on a weekly basis - these contents are digital contents produced by the industry that are purchased by family, friends, YouTube, social media celebrities, and themselves⁶. Thus, the content consumer itself plays a key role in promotion.

Furthermore, a new active consumer segment that engages in activities beyond the mere content consumption, called Fanvestor, has emerged. Fanvestors embrace the desire to download and enjoy new contents directly, and in the hopes of supporting artists and producers, the Fanvestors back them or their productions. At its core, Fanvestors continue to remain as enthusiastic fans that voluntarily promote the online contents they helped to create to their friends and family⁷.

3-6. Social Media connecting content producers, consumers and Influencer

Social Media plays a significant role in consumers making decisions about the entertainment resources. 80% of the United States' citizens use social media service(s), 70% of them post on social media after watching movies, and 50% refer to social media when selecting entertainment content⁸.

Also, the sharing ratio of YouTube or social media celebrity (or the influencer)'s reviews is 32%, which is the second highest after family or friends. The credibility of information is also high, and the influencers' impact is likely to continue.

Thus, it is essential for content businesses to effectively utilize social media and influencers in order to survive in the current entertainment market. Blue Baikal thereby suggests an integrated solution of social media for content consumers, a content store that could change the current content business environment, and service to support the content creation.

6 Adobe consumer content survey 2018

7 The rise of fanvestors (Galuszka, 2014), Fanvestor = Fan + investor

8 Statistica, THR

4. BBC Token

- Crypto Currency for Entertainment Prosumer

BLUE BAIKAL is a blockchain platform that connects entertainment content producers, individual content media influencers, and content consumers to maximize the growth and profits of entertainment business, and provide an ideal ecosystem of fair distribution of the profits. In order for the entertainment business to develop, each stage of value chain (content production, content distribution, and content consumption) requires active engagement of content consumers and a fair reward system for each investor, user, and producer to receive based on their contribution. BBC Token is the online currency, a type of investment for the investors, rewards for the users (consumer) for their data sharing, and investment acquisition and marketing methods for producers (distributors).

4-1. Definition of Blue Baikal Service

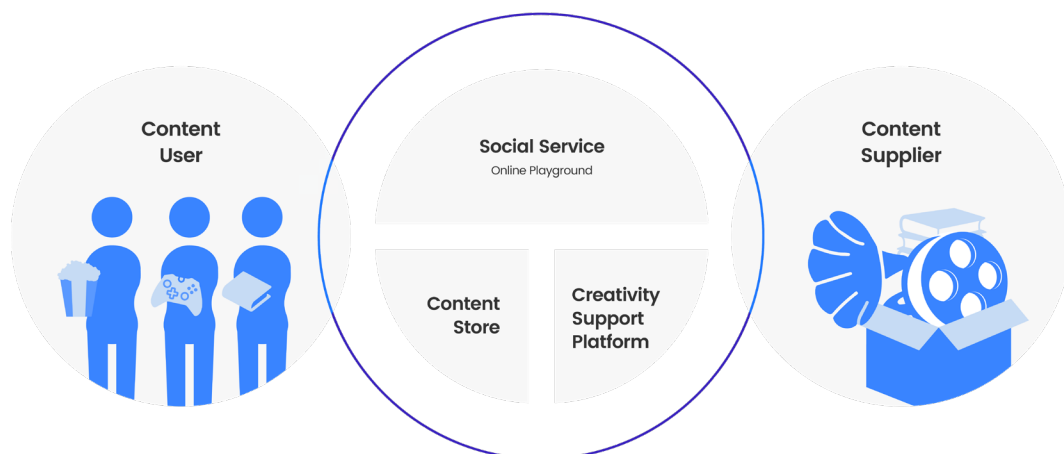
Blue Baikal is comprised with three services below.

- ① **Social Media Service:** Reward type social media based on entertainment
 - Social Media Service that shares reviews and video clips based on entertainment contents, such as movies, TV shows, games, music, and books.
 - Creation rewards are provided to influencers who upload reviews or video clips. Curation rewards are given to users who recommend high quality reviews or video clips.
 - Marketing support service will be interlocked to allow content producers to utilize influencers for their marketing.
 - The Blue Baikal service operator will host various events (i.e. review contest)
- ② **Digital Content Store:** Store Service for entertainment content sales.
 - An online store that provides sales for digital content products, such as movies, TV shows, games, music, and books
 - Users can purchase and enjoy posted products by using BBC tokens
- ③ **Content Creation Support Service:**
 - Supporting content production collectively on Blue Baikal.

- A service that enables the content creator to communicate with users and produce content in the platform, based on when either the producer wishes to create something, or the users have picked content they want to see using methods such as voting.
- Contributing donations and support for each content creation can be done using BBC tokens.
- Each stage of the content production and related project progresses will be decided by the user votes.
- Users who have participated in the content production will feel satisfied with the engagement and will be rewarded with perks to better enjoy the content.

Blockchain-applied Service

Transparency in production, distribution, and exchange structures
Expandability of Business and Participation Model



4-2. Major Function of BBC Token

After all services are launched as planned, BBC Tokens will act as below.

① BBC Tokens within Social Media Service

- Rewards for the creators who have uploaded entertainment content reviews and video clips.
- Rewards for recommending uploaded entertainment content reviews and video clips.
- Direct rewards from the content producer to the user/ target by marketing.

② BBC Tokens at Digital Content Store

- Payment method to purchase entertainment content
- Users can either acquire BBC Tokens from social media activities to purchase contents in the digital content store, or charge BBC Tokens from the trading post.
- The price of the content will be reliant on the market price of BBC Tokens.
- Content creators can place their contents in the Blue Baikal content store and sell them for BBC tokens, which they keep minus a service fee.

③ Function of BBC token within content creation support service

- If the content creator uses the platform to produce contents, donations and means of support are provided.
- Votes to choose contents and content structure can be purchased with BBC tokens.

4-3. Definition of BBC Token

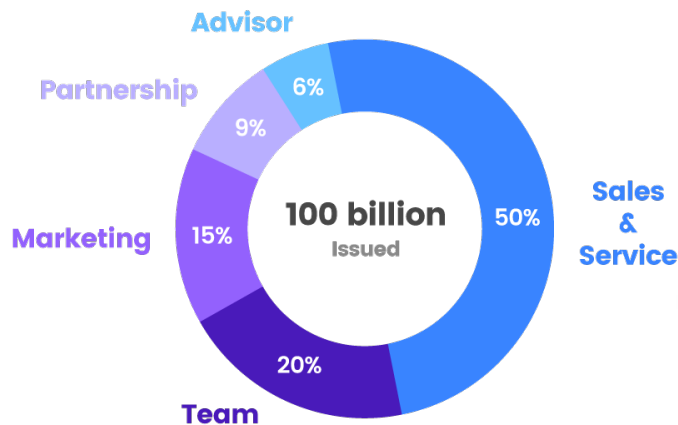
Here is how BBC Token will be defined based on the information above.

- Name of Token: Blue Baikal Token
 - Abbreviation of Token: BBC
 - Symbol of Token: 
 - Distribution and Listing: ERC-20 Token
 - Total Issues: 100,000,000,000 coins
 - Distributed Issues:
50,000,000,000 coins (50%) out of 100,000,000,000 coins (100%)
- ※ Please refer to Graph 4-A for quotas of other tokens. It may vary based on market and company policies.

The early distribution and listings to the trading post will be with ERC-20 tokens. When the Luniverse service platform is completed, a new functioning coin and wallet will be provided, to exchange one-to-one with current coins. An official announcement about coin-swaps will be posted on Blue Baikal's official channels and bluebaikal.io.

4-4. Token Sale : Distribution and Usage Plan of BBC Token

The initial issue of BBC Tokens is 100 Billion. 50% of the total issues will be sold to the public. 15% will be assigned to marketing activities for user acquisition and retention for Blue Baikal, 15% for partner companies and advisors, and 20% for securing and retaining key manpower.



Graph 4-A. BBC Token Distribution Plan

The revenues made from selling Tokens will be distributed as following; 35% on service development, 30% on marketing for user acquisition, 15% for business development, 15% operation expenses, and 5% for legal and other consulting services. Unsold tokens will be evented from use in trades and will be under safe deposit for maximum of 6 months after being listed in the trading post.



Graph 4-B. BBC Token Distribution Plan

※ This may vary based on market and company policies

5. Blue Baikal Ecosystem

The Blue Baikal ecosystem helps BBC Token holders play an active role in each of the content industry value chain, maximizing sales and profits for content producers who are using this platform to provide their services. The core value is to share the value of the generated content with the various participants in the ecosystem. Each participant in the ecosystem contributes to the development of the ecosystem by receiving related support or carrying out the following activities:

5-1. BBC Token holder (Content Consumer or Participant)

A BBC Token holder refers to the user of Blue Baikal service who possesses investable Baikal Tokens. Anyone who wants to use Blue Baikal service needs to possess a BBC Token. Because of this, Blue Baikal provides a small number of BBC Tokens to initial members. BBC Token holders can take following actions.

- **How to get Tokens**

- ① Upload your own reviews and videos to social media services and receive a BBC token as a reward. Receive a BBC token as reward by recommending and commenting the reviews and videos uploaded to social media by others.
- ② Participate in various events on the Blue Baikal platform and receive extra rewards when goals are completed.

- **How to use and exchange Tokens**

- ① Purchase contents you want to watch and enjoy with a BBC token.
- ② Donate and/or support a specific producer or content that you want to see produced with a BBC token.
- ③ Purchase voting rights with a BBC token to determine the content, progress of content creation, and related project development.
- ④ Receive a BBC token from third parties or top it up at exchanges to purchase and participate in the Blue Baikal platform.

Blue Baikal service will develop various ways to gain, use, and exchange tokens to pursue a positive cycle of BBC Tokens and development of its ecosystem.

5-2. Individual Media (Influencers)

Individual Media (Influencers) have to follow the same rules as BBC Token holders in Blue Baikal service. However, the role of influencers in the service is highly significant, and Blue Baikal will provide the following services to support influencers to succeed.

- ① Provide educational programs to become a successful influencer.
- ② Provide resources to support influencers, and their creation of high quality reviews and content.
- ③ Select high quality reviews and content produced by influencers, and promote them.
- ④ Operate a special BBC Token rewards program based on the influencer's contributions.

5-3. Content Producers

Content producers gain production expenses, direct marketing, and promotion services, and general support required for content sales from Blue Baikal that can be found below:

- ① Direct marketing to target global content consumers and increase their efficiency.
- ② Acquire user reviews and video contents for promotion.
- ③ Upload and sell to the global content store at a 10% discount.
- ④ Secure production cost through various support events in Blue Baikal and collaboration with other participants.

In order to maximize the content producer's benefits, Blue Baikal will provide big data analysis, AI basis target marketing services, and various promotions.

6. Blue Baikal Technology

Blue Baikal aims to become an innovative global entertainment content business structure and pursue developing the quality of value chains. In order to do so, we plan to utilize blockchain technology as discussed below:

6-1. Significance of utilizing blockchain technology

How do we change the current market of entertainment content through the use of block-chain? Blue Baikal believes that blockchain technology can bring up the following effects, which could act as a turning point to innovate the current entertainment industry ecosystem.

① BBC Token holder (Content consumer or Participant)

- Allows reasonable compensation for various activities within the Blue Baikal service.
- It is possible to participate in transparent decision-making on content and related projects produced within the Blue Baikal service, and to execute the funding appropriately according to the decision made.

② Content producers

- Ensure the transparency in content creation and distribution progress and results.
- The creator receives a transparent and legitimate reward for the profits from content productions.

③ Service/Platform

- Ensure the clarity of service and platform operation

6-2. Applied Technology

Blue Baikal launched the alpha version of its social service on STEEM blockchain for practical and rapid business development. STEEM makes it possible to promptly adopt blockchain-based social services, and Bizzy, Steemhunt, Tasteem, Trips.teem, DTube, Dclick, and more are already running their social media/review/video/advertisement

services on it. Through its alpha launch and operation, Blue Baikal will explore and study various aspects of the blockchain-based services and apply the knowledge to both the beta and commercial version in order to become a blockchain service loved and appreciated by global entertainment users.

From the beta stage, Blue Baikal plans to become free from the restrictions of other blockchain platforms' policies and business limitations, and move in the direction where it can make strategic decisions to build its own platform. In order to facilitate this, Blue Baikal decided to develop services based on the BaaS (Blockchain as a Service) platform, Luniverse. Compared with the initially considered Hyperledger Fabric, Luniverse is expected to allow more stable and scalable development of a blockchain service.

① BaaS Platform Luniverse

Luniverse is a blockchain platform made by Dunamu's blockchain laboratory Lambda 256. The goal for Luniverse is to make it easy for anyone to develop a blockchain service and provide a cost-effective blockchain service. With Luniverse, Blue Baikal can introduce its own proprietary mainnet and build an ecosystem of Blue Baikal's own blockchain. Recently, Luniverse has been pursuing a customer-friendly BaaS 2.0, superior to Amazon and Microsoft's BaaS, and this very movement convinced Blue Baikal to choose Luniverse. The consensus algorithm supported by Luniverse is POA (Proof of Authority), which is basically a model that utilizes the identity of the validator as a stake instead of the actual possession of the stake.

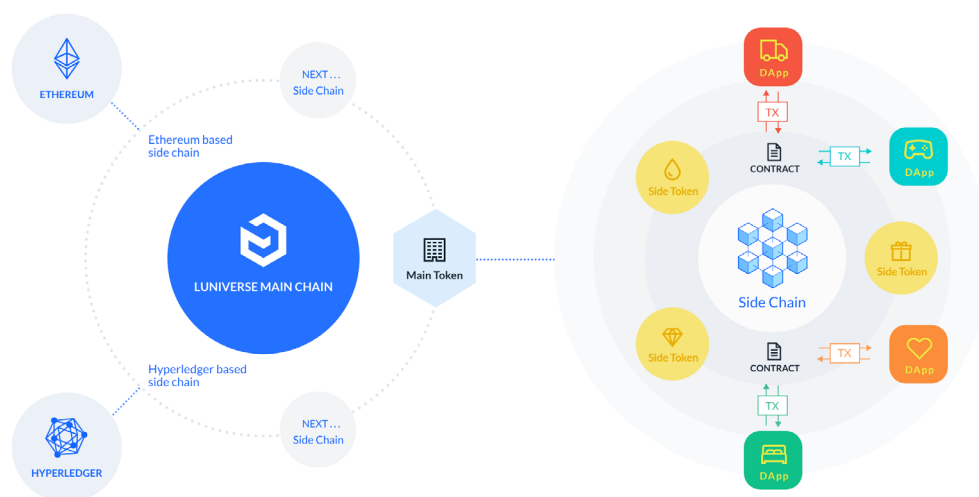
As of April 2019, the characteristics of Luniverse is as follows.

- Convenient and safe, independent and high-performance sidechain
: 2000 TPS, 1 second block time, etc.
- GUI and API-based simple development environment and Token and Dapp management environment.
- Fast and accurate smart contract security monitoring solution
(eg, real-time contract security diagnostics, etc)
- Provides support functions to enhance service convenience
(eg, various wallet integration, private key backup& recovery, etc.)

There is a growing number of Luniverse-based projects, including Yanolja, Dalcom Soft, Mossland, E4Net, Aha, and more.

② Configuration type of Luniverse-based service

The Luniverse-based service issues a Main Token (BBC), which can be traded at exchanges, and operates on a Side Token in real service. Service operation in the side chain enables rapid processing, and it is possible to construct an independent ecosystem for each service.



Graph 6-A. Luniverse Service Configuration Type.

③ Configuration of Bluebikal Service

Although the arrangement of layers in Blue Baikal's service can change depending on the functions provided by Luniverse, in order to facilitate easy understanding, the main layers are divided as followed:

• Blockchain Layer

It refers to the layer of the blockchain that is the basis of the Blue Baikal service.

This blockchain layer utilizes the Sidechain, Smart Contract, and POA consensus algorithm, provided by Luniverse.

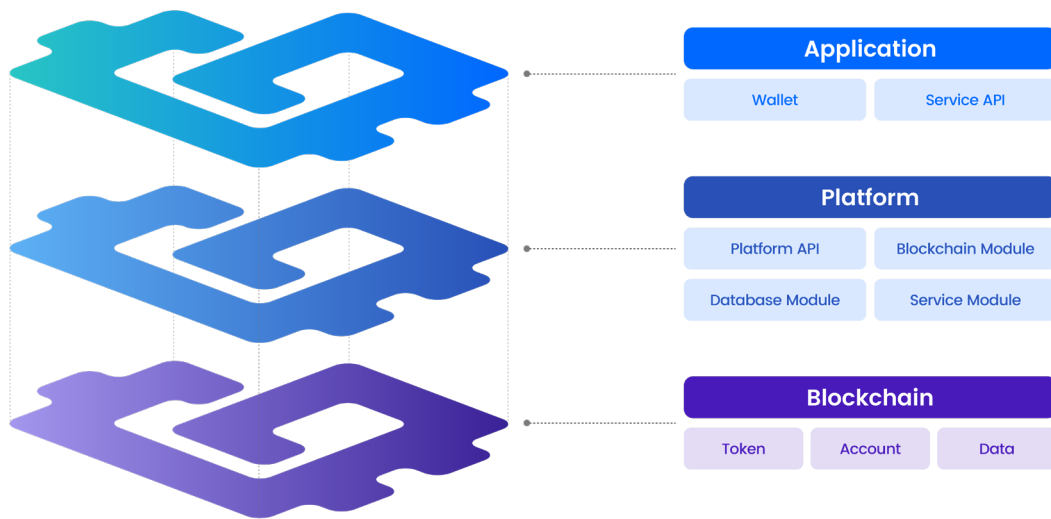
• Platform Layer

It is a layer that provides various functions necessary for connecting a blockchain layer and an application layer. The platform layer is expected to include a variety of features to enhance the user experience in blockchain data and general data combine lookup, post, transaction, etc. Various technologies needed to grow into competitive services such as big data analysis and AI support functions will also be applied. In addition to the functions provided by Luniverse, this layer will be a separate structure for efficiently configuring/ operating the Blue Baikal service.

- **Application Layer**

Referring to the portion of the application that Blue Baikal users directly interact with, it consists of all the functions related to the social service, content store, crowdfunding service's basic screen, and usage environment.

Convenient features like Wallet and Vault, as well as, various UX, functions, contents will be applied to this layer to develop a unique service.



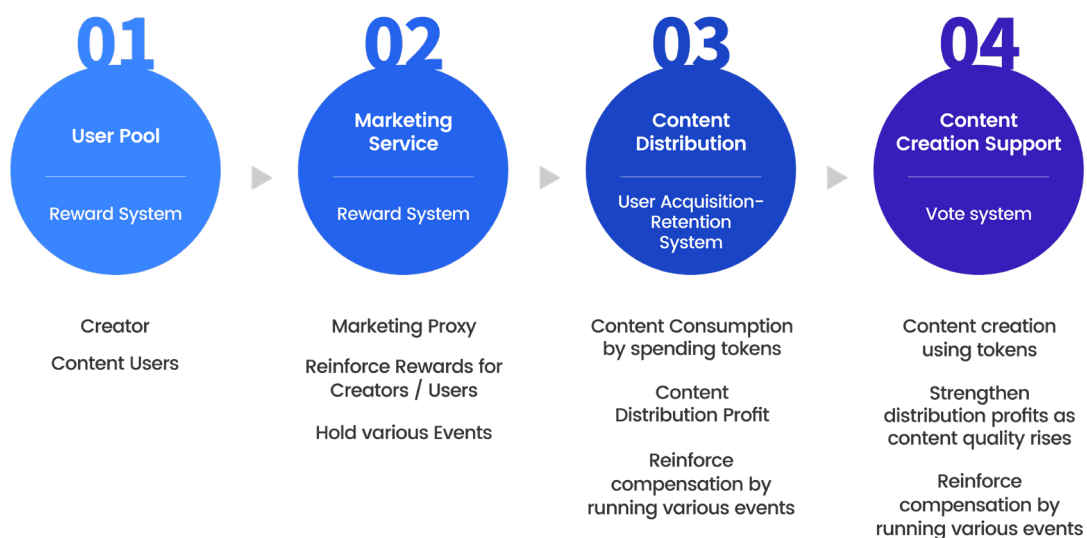
Graph 6-B. Layers of Applied Technology

7. Roadmap

Every main feature discussed in this white paper will be developed and offered within 2 years. Starting from launching of the social media service in 2019, the content store and content creation support service will be available based on the user acquisition and service growth. The details for the Roadmap are the following:

7-1. Step-by-Step Strategy

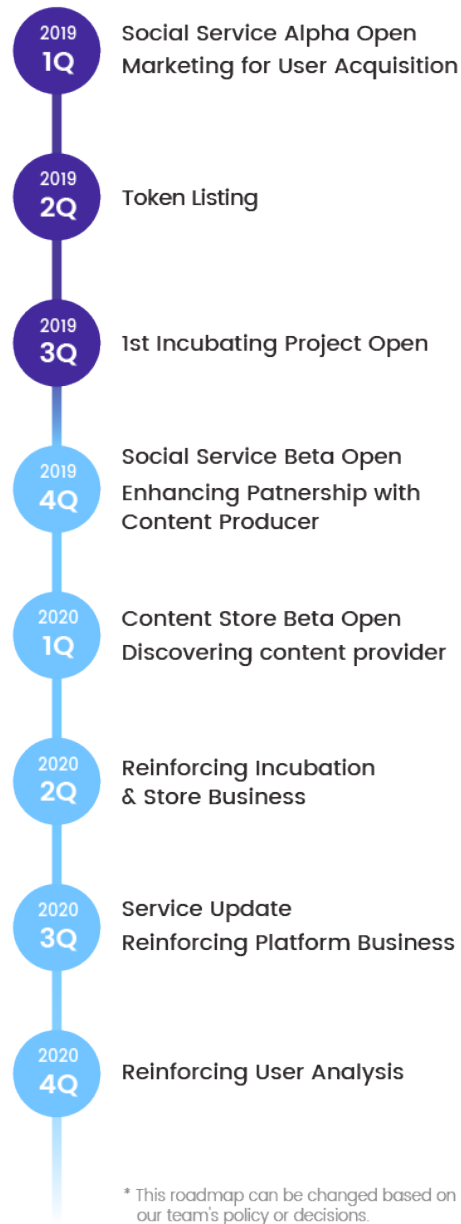
The main success of this business is to acquire and retain the pool of users who enjoy global entertainment content and thus, it is necessary to release each Blue Baikal feature based on evaluating the acceptability of the users on provided services. Each business will be strategically provided in 4 steps depending on the evaluation of the current business structure and service development status.



Graph 7-A. Step-by-Step Strategy

7-2. Roadmap

The current roadmap Blue Baikal Foundation is aiming to develop is as followed; we will affiliate with content producers to supply contents and develop business plans. The alpha version of social services is the Dapp based on STEEM blockchain, which is a test version to explore the direction of operation for blockchain-based global social media. The beta version will be developed and released on Luniverse.



Graph 7-B. Quarterly Roadmap

7-3. Joined-Service Plan for Expanding Token Economy

Along with the evolution of Blue Baikal itself, Blue Baikal is preparing an internal strategy for developing partnerships with various existing services and developing token economy joined-services to extend the usability of BBC tokens.

The game sector is in the execution stage first and can be released/ran in 2019. The plans are subject to market conditions and internal variables, and progress will be shared through Blue Baikal's official channel and bluebaikal.io.

7-4. Long-Term Plan

The BBC token is in the process of preparing for a long-term transition to a security token. However, there are many elements that need to be examined legally and systematically, so it will remain as a utility token until all relevant procedures are complete. Blue Baikal intends to share a large portion of its revenue from the business with token holders over the long term and is proceeding separately with a security token approval process. The plans for security token approval and listing will be subject to legal proceedings and related processes, and the progress will be made public through Blue Baikal's official channel and bluebaikal.io.

8. Core Members

Blue Baikal's team is comprised of professional experts of service operation and platform/ecosystem business model development. We will consistently acquire professionals as the service grows.



CEO : Clark Jang

<https://www.linkedin.com/in/plain-and-deep/>

"After graduating KAIST Information & Media MBA, I've built up my career by leading smart TV global contents ecosystem strategy and business development in LG electronics. I've luckily spent 15 years to learn about the contents, platform, and ecosystem structure to apply different types of marketing and business models by leading several projects. I always throw questions about learning new things such as new business, technology, or new technology based businesses, so I recently resigned from the company to lead the establishment and investment to the technology based beauty IoT. Now, I aim to suggest a new paradigm in the entertainment business by applying blockchain to the contents with my fellow partners."



CSO : Eric Kim

<https://www.linkedin.com/in/manhokim/>

"I've majored AI and big data analysis in the University of Nebraska and experienced various business models from advising federal courts in United States and IT companies to establishing digital content distribution company. I've graduated with KAIST Information & Media MBA and spent 13 years in directing global business of gaming industry collaborating with Tencent, Mail.RU, and Bandai Entertainment. This allowed me to understand gaming and IT industry more than anyone else and expects a new platform based on blockchain to suggest a new paradigm in fixed gaming and entertainment business."

**COO : Sean Choi**

<https://www.linkedin.com/in/sean-choi-395271103/>

“For last 7 years, I have operated multiple online & mobile games to the global market majorly focused on North America from Canada. I’ve experienced from customer service, project and service management, and up to directing the entire operation to learn about the general process of game service. This helped me to learn about global gaming market, users, and high level of understanding for the game service itself. I realize current issues of game and entertainment business models based on my service experience and pursue a new business model that would change current paradigm with the partners.”

9. Advisors



Valery Markarov
– Content Business Advisor

Business Development Director, Super.com & protocolOne & Syncopate

He has over 10 year hands-on experience of content related business development such as game and funding. Based on his strong partnership management skills and experience with professional network, he leads business development strategy and manage projects to effectively achieve business goals for various content related business entities.



Sutthipong Kuruhongsa
– Technology Advisor (AI & Data field)

CEO, Digital Dialogue Co., Ltd

Mr. Sutthipong has more than 15+ years experience in the field of data & AI and business management. His works on AI & NLP field begins from 1999 and has led the team that build the first AI as a Service (AIaaS) Platform in Thailand Market, Cubika-AI™, and has strong foundations on Advance Analytics and Deep Learning technology.

In 2018, Microsoft Corp has selected his company to be the first and only IP Co-Sell ready level partner in Thailand and SEA region in Chatbot & AI. Currently is Microsoft Partner of the Year 2018 and Innovator of the Year 2018 in Data and AI.



Coven Jung
- System Architect and IT Advisor

CEO, Greenland

Mr. Coven has over 20 years of System Architect and IT experience, focusing on gaming, and social casino, acting as CEO, Chief Architect and Technology Founder at various companies.

Coven is a unique specialist with a mix of technical and deep product understanding. He is the co-founder Greenland.



Christopher J.
- Entertainment Content Industry Advisor

CEO & Founder, Revolution Media, Co., Ltd

Mr. Christopher J. Chang is a 20 year veteran in the media and entertainment business. Mr. Chang's previous posts include top entertainment companies in both Hollywood and Korea including the William Morris Agency, Showbox, Next Entertainment World, and Benex Investment. Mr. Chang's extensive network provides valuable resources and knowledge in creating new business opportunities in areas including film, television, music, and gaming.



Sungjin Kim
- Marketing & Game Operating Advisor

Co-founder, Greenland

Sungjin has over 18 years of experiences in game industry with his unrivaled passion for game.

Sungjin is a co-founder of Greenland.

He has thorough knowledge and understanding of all aspects of marketing, game operating.

His experience in the gaming industry began in 1999. Notably, Sungjin led the game sourcing efforts at Neowiz (KOSDAQ).



Joong Heon Kim
– Deep Learning & Privacy Preserving Advisor

Assistant professor, Chung-Ang University

Joongheon Kim is an assistant professor at Chung-Ang University, Seoul, Republic of Korea.

He received his B.S. and M.S. in Computer Science and Engineering from Korea University; and his Ph.D. in Computer Science from the University of Southern California (USC).

In industry, he was with LG Electronics as a research engineer, Intel Corporation as a systems engineer and Electronics and Telecommunications Research Institute (ETRI) as a visiting professor.

His research interests span the areas of advanced computing systems such as deep learning platforms (e.g., vision-based surveillance, learning-based vehicles, etc), privacy-preserving learning platforms, adaptive video streaming, contents caching, energy efficient computing, and cellular/wireless architectures.



Tzvi Shishler
– Blockchain Marketing Advisor

CEO, 4KingMedia

Tzvi Shishler is a South African marketing professional with a long tradition in the Blockchain space. Tzvi is an avid traveller, always looking to meet people in the space. He launched 4KingMedia, a successful marketing agency that focuses on providing marketing services for projects in the Blockchain space.

As the CEO of 4KingMedia, Tzvi has been behind the marketing strategy of various Blockchain projects and other initiatives in the space. Tzvi started his career in the space as a marketing service provider for Bitcoin Chaser and other companies in the space, back in 2014. He was thunder-struck by the power of Bitcoin and the transformative nature of Blockchain, so he decided to dedicate his career to the Blockchain space entirely.



Kaine Bell-Cross
– Marketing & Media Advisor

CMO, 4KingMedia

Kaine Bell-Cross is a full scope marketing, media & development specialist for blockchain technologies and projects. Kaine is currently the CMO of 4Kingmedia and hopes to continue developing next generation technologies by bridging the gap between consumer and technology.

Kaine loves the blockchain space and has worked alongside blockchain social networks, utility platforms, crypto exchanges, OTC platforms, identity verification technologies and startups; pre, during and post crowdfunding stages.



Rayne Davis
– Blockchain Marketing Advisor

Marketing Director, 4KingMedia

Rayne has extensive experience working within the blockchain industry where he currently stands as managing director at 4King.com. He's held various roles including CMO and marketing manager for some of the biggest startups utilizing blockchain technology.

10. Disclaimer

Please read this entire section carefully. If you find any section to be found suspicious for making your actions, consult with your legal, financial, tax, or any professional advisors.

1.1 Legal Notice

(a) This white paper is only distributed, examined, and revised for sharing information about listed platform and programs of “Blue Baikal” (“service”, “platform”, or “Blue Baikal”) and included information will be based on the date listed on the cover page. Thus, any business information or financial status about “Blue Baikal” may change later. Blue Baikal holds the rights to change, edit, or add any details in this white paper or web- site without any notice or any reasons.

(b) We do not have any contracts or legal obligations to make guarantees about the purchases or sales of the platform’s unique token (as defined below) (“BAIKAL”, “BKL,” or “Token”) and there should not be any payments made based on this white paper. The purchases and sales of the tokens follow the contract that possesses legal binding forces and details regarding this will be offered separately from the white paper. If the contract mentioned above and the white paper

show differences, the former is prioritized to follow.

(c) This white paper is not a persuasion to force opinions about the sales, purchases to token issuers, distributors, or creators, nor the basics of contract or investment decisions.

(d) The tokens do not correspond with The Securities and Futures Act (Cap.289) of Singapore, trading posts, or any collective investment schemes. Thus, this paper is not any kind of guide, profile, or proposal and should not be interpreted as any kind of stocks, business, or alternatives. This is not aimed for recruiting any kind of collective investment or alternative forms of investments.

(e) Every token should not be evaluated, categorized, or treated to purchase or return any kind of profits or revenues made through platform, tokens, or services by the consumers. Nobody can receive or return any kind of profits or trades made during this process, either.

(f) Any ways listed in this white paper cannot be regulated in providing coins or tokens nor reissued or distributed in any prohibited areas.

(g) None of the information listed in this white paper has been reviewed or approved by regulators. Thus, there won’t

be any actions to be made or has been made in any jurisdictions.

(h) If you wish to buy the tokens, they cannot be evaluated, categorized, or treated as following: (a) different type of currency other than cryptocurrency (b) issued loans or stocks by other company (c) rights, options, and merchandise made from the loans or stocks (d) Any rights to secure profits or avoid loss by the contracts (e) Merchandize or other type of stocks derived from collective investment scheme or business trust

1.2 Limitation to distribution and dissemination

(a) This white paper or any inclusive information may be regulated to be prohibited from sharing it. If regulations apply, this white paper or any relevant information should be legally advised and comply with them. This will be notified to you and (in some cases) agents or relevant companies (“affiliates”) will not be responsible for the outcomes.

(b) If the copy of the white paper is distributed to and gets to possess one or by other routes, this white paper and included information should not copied or distributed to others for any possible reasons.

1.3 Renunciation of responsibility

(a) Any tokens, platform or relative services provided by the company or affil-

iates will be provided “as it is” and “as much as possible.” The company and its affiliates will not guarantee or express any articulations regarding any accessibility, quality, suitability, accuracy, or totality of the tokens, platform, or relative services provided. Any responsibility for the errors, delay, and omissions about the tokens, platform, or related services will be explicitly denied.

(b) Company, affiliates, board of directors, and staff members should not testify, guarantee, or promise about the credibility, totality, and accuracy of the listed information in the white paper to any individuals in any format.

(c) The company or affiliates do not take responsibility for any indirect, special, accidental or consequential losses resulted by any kind of illegal actions Any profits, revenues, and losses are limited in using the white paper or any relevant authorizations.

1.4 Precautions about prediction testimony

(a) Any specified information in this white paper includes future-oriented contents on the basis of the future of project, incidents and predictions. Such testimony is not based on historical facts, but can be categorized as prediction, testament, and expectation. Such prediction testimony is included in the presentations, interviews, videos and other public media resources. The information

included in this white paper secures the predicted outcomes or achievements of the company and the affiliates, but also not limited to the predictions.

(b) Future prediction testimony possesses both danger and uncertainty. This testimony does not guarantee the future outcome or excessive dependence on it. If such danger or uncertainty occurs, the company and the affiliates' current progress may differ compared to predicted statistics. If such phenomenon occurs, we do not possess the obligation to update the future prediction testimony. If the predicted testimonies based on the white paper or any materials produced by the company, affiliates, or the websites do not occur as expected, you are entirely responsible for the outcomes.

(c) This white paper is not completed by the date it has been issued and thus, the platform will not active as how it is planned. Every details about the platform is listed under the assumption that platform is fully developed and activated. However, this testimony cannot be interpreted in a way that the platform will completely develop or activate and thus, ensure any kind of warranty.

1.5 Potential threat

As the purchaser, possessor, and user of the tokens, you are fully aware of the listed dangers and recognize them. If listed type of danger and uncertainty develops into any real circumstances, it may cause severe influences to the company, affi-

ates' business plans, financial status, and operation result. In this case, you may lose partial or every value of the tokens. Such potential threats might include as following, but may not be limited;

Threats regarding the Tokens

(a) There might not be an open market or supplementary market for the tokens

(i) Tokens are intended to be used as unique tokens for the platform and the company or affiliates may or may not foster external trades of the tokens. Also, the open market might not exist for the tokens and they might not be traded in other ways including cryptocurrency exchanges. If the tokens are traded by cryptocurrency exchange, there is no guarantee that active or liquid trading market will be developed for the tokens. There is no guarantee that the market price of the tokens will decrease than the payment made to purchase them and thus, it will not indicate the market price, either.

(ii) BAIKAL is not the government-issued legalized currency issued by the central bank and thus, cannot be utilized for real estate or any other forms of credits. The company and its affiliates are not responsible for alternative circulation or trades of the tokens. Token trades are dependent on each participant's agreement on defining its value and no one has the obligation to acquire tokens from the token holders, and there is no guarantee on token's liquidity and its market price. The tokens can be used at any time without limitation. Thus, the company and the affiliate cannot guarantee the market price of the tokens or articulate the demands of the tokens when they are authorized to be used for

the cryptocurrency trades.

Threats regarding the company, affiliates, and the platform

(a) Limited availability of information

(i) Platform is currently at the beginning stage of development based on the date issued in this white paper. The governance structure, purpose, mechanism, algorithm, codes, infrastructure and alternative technological variables may update and change without notice. This white paper includes major information provided to inform about the platform, but this may be modified or updated based on how it is announced in the company website. The purchaser cannot fully access information about the tokens or the platform, but major roadmap and progress reports are expected to be announced in the company website.

(b) Any digital property noted in token sales is under danger of being exposed

(i) The company and its affiliates will implement security service to store ETH safely, but there is no ultimate guarantee to prevent theft of cryptocurrencies. Wide cyber-attacks, service errors, and weak spots of particular blockchain address always occur to Ethereum Blockchain or any alternative blockchain services. The deficiency of the programming or source codes may be included to be manipulated in such incident. In this case, even though tokens are fully disposed, the company or the affiliates can receive proposed cryptocurrencies or utilize them for platform developments and may result in temporary or permanent suspension of the platform. Thus, any issued tokens will lose its values

and the values won't be insured by the company or its affiliates unless the user personally signs up for the insurance. If the values of the tokens are lost, you will not receive anything.

(c) The address of blockchain may be damaged and lead to failure of searching digital property

(i) The address of blockchain is designed to be stored safely. However, there may be unknown functions that could lead to loss and damages of blockchain address that includes purchases and relevant receipts, and loss of key to blockchain address. In this case, it will be impossible to search and pay blockchain address including stored values and even though the trade has been somehow made, the company and affiliates are unable to receive the funds nor utilize them for platform development. This will lead to temporary or permanent suspension in operating platform, so distributed tokens will lose its values.

(d) No guarantee about the platform or company's success and the affiliates may cease the development and operation of the platform

(i) The value and demands of the tokens are highly dependent on the function of the platform. There is no guarantee that the platform will receive enough attention and achieve commercial success. The platform is not completely developed, completed, or integrated that requires several changes, updates, and modifications before being released. Such changes might result in unexpected outcomes to the users and this could influence the success of the platform. There is no guarantee that the process of creating tokens will not stop or do not

possess errors.

(ii) The company has tried its best to provide realistic outlook, but there is no guarantee that the token sales will be suitable option in the cryptocurrency to develop and integrate the platform. Any possible reason might incomplete the development and integration of the platform and thus, there is no guarantee that the system, protocol, or product will be released. Thus, distributive tokens may not possess any values.

(iii) Any possible reasons that could delay or cease the development, application, and operation of the platform are following; (a) the instability of cryptocurrency values, (b) the failure of defining, developing, and operating the company or the affiliates' unique utility of the tokens, (c) the right to solve technical issues regarding intellectual property conflicts, (d) availability of the funds to support the company or the affiliates. If listed or any alternative reasons interfere with the platform to fail in proceeding with the project, the platform and potential utility of the token value may face severe consequences.

(e) Lack of platform or service to influence the value of tokens

(i) After the platform is released, there may be lack of interest from major participants such as the users, merchants, advertisers, and the others. Such limited attention could lead to influence utilization and potential value of the tokens in operating the platform.

(ii) There is a possibility of compete with other platform or existing business that could fulfill similar requirements that target potential platform users. If there is lack of interest and demands of the

service and tokens due to large scale companies that utilize user database and market analysis, the platform and the token values may be negatively influenced.

(f) The company or the affiliates may experience critical deficiencies that could lead to unexpected cease of network or service such as deficiencies in the software infra network, or platform

(i) Hacking, Cyber-attack, and Mining (Duplicate mining or attacks but not limited to listed ones); refusal of the service or distributed errors, platform that relies on Ethereum Blockchain or other blockchain, token technology from other companies, affiliates, and platforms (includes smart contract technology but not limited to it), and other possible deficiencies of the system cannot be predicted or detected right away. In this case, programing or source code deficiencies may be manipulated. The company or the affiliates may not react to this right away and may not possess enough resources to efficiently manage such circumstances.

(ii) Even though the company or affiliates get to efficiently react to secure platform and alternative services, there is no guarantee that distributed refusal of the service or cyber-attacks will not occur in the future. Security measures will be executed to ensure the utility and safety of the platform, networks, or the service, but these cannot fully guarantee 100% safety of the property.

Threats regarding participation of token sales

(a) You may not reclaim payments of the token sales

(i) The company does not have the obligation to refund purchased funds unless they were under applicable regulations. There is no guaranteed promise about the future progress or the price change of the value that the token will constantly possess particular value. Thus, regulations will apply to sales of the tokens that may prevent from reclaiming them.

(b) You may face unfavorable regulations or taxations by purchasing or distributing the tokens

(i) The legal specialty of cryptocurrency or encrypted properties are uncertain at this point. Tokens possess a danger to be considered as marketable securities in particular jurisdictions now or in the near future. The company or the affiliates do not provide any possible warranty to how the tokens will be categorized and each purchaser will be responsible for how the tokens will be perceived in its legality, usage, and relocation.

(ii) Furthermore, taxation for the acquisition and disposal of the cryptocurrencies may vary in the future by how it will be categorized out of stocks, properties, currencies or others. Tokens are currently uncertain about how the taxation will apply, so individuals will have to pay attention to how their taxation will be charged and may face unfavorable taxations.

(c) The loss of purchaser's wallet and platform ID may influence access and possession of tokens

(i) The loss of personal ID created from the platform and other identification information about the purchaser may lead to permanent loss of accessing and possessing tokens due to loss of personal key or errors at the token storage or

purchase errors.

(d) Blockchain may experience jammed to delay or lose the transaction

(i) Most of the blockchain used for the cryptocurrency transaction (i.e. Ethereum) experience regular delays and losses. Individuals may intentionally spam the network to advantage their transactions when purchasing cryptocurrencies. Thus, the block creator may not include token purchases or exclude the transaction at all during the process.

Personal Information and Data Preservation Issue

(a) The company may collect personal information as the follow-up for token sales and verification process of the platform. Collected information is under the applicable regulations that may be transferred to worldwide contractor, service supplying companies, or consultants for operation of the platform. The enterprises may manipulate, misplace, or lose personal information apart from external consultation. The company will alleviate the issues and the issues, determine penalties, and spend finances to resolve the issue with the regulating institutions. The loss of information might damage the reputation of the company that could last for a long term.

Threats from Macro

(a) Ordinary global market or financial status may exert negative influence to the company and the affiliates' operation and utilization of platform.

(i) The company or the affiliates can be influenced by the global financial market. The international economic crisis

may cause the depression in IT industry. The economic crisis will exert negative influences over the company or the affiliates' business plans, achievements, and the outlook.

(ii) If the platform is reliant on the server, bandwidth, location, or other services, the provider's economic status may influence the company resulting in the deficiency of the operation and expenses.

(iii) Thus, if the current economic crisis or deteriorated economic crisis lasts for a long term, the company and the affiliates' business models, performances and the outlooks will be significantly influenced including the platform and the value of the tokens.

(b) The regulations upon the Blockchain technology, cryptocurrencies, tokens, and the platforms are very uncertain at this point and any modifications on the regulations or policies may influence the development of the platform and utility of the tokens.

(i) The regulation of the tokens, cryptocurrencies, blockchain technology, and exchange of cryptocurrencies are still under progress of being developed but will advance at a rapid pace. The regulations and policies vary in each jurisdiction that possesses a high level of uncertainty. The legislative institution of each jurisdiction may adopt different regulations, guidelines, and actions for the development of the platform, utility of the tokens, and other elements. If the company fails to fulfill the legal regulations to introduce the token sales in the jurisdiction, (they may not exist yet or could be modified in future) the company and the affiliates may face disadvantages in civil actions and criminal penalties.

(ii) Blockchain network currently faces uncertain regulations in many foreign jurisdictions. They may set up regulations and policies that would influence platform and recognize the value of the tokens. However, these may exert negative influences on the company or the affiliates. It is impossible to predict the changes of regulations in the future, but these changes may be substantial and could lead to unfavorable phenomenon in developing the platform and introduction of the tokens.

(iii) If the company or the affiliate fails to acquire the license, approval or permission to operate the platform and the tokens in the jurisdiction, this may exert negative influence on the company or the affiliates' business.

(iv) There is no guarantee that the authorities will not impose more strict requirements or that the company will immediately adapt to modified regulations in the future. These changes may limit the operation of the company or the affiliates and may receive uncomfortable decisions.

(v) In addition, if the expenses required to fulfill modified regulations exceed particular standards, it may be commercially impossible for the company or the affiliate to operate the platform. The company or the affiliate cannot predict how the government or regulatory authorities will articulate policies upon the platform or tokens, so might end up ceasing the operation in a particular jurisdiction. In this scenario, the distributive tokens may lose all of its values.

(c) Natural disasters, wars, terrors, riots, plagues and any possible incident uncontrollable by the company or the affiliate may occur to influence the service.

(i) The sales of the tokens and the platform activity may be suspended or ceased due to natural disasters, wars, terrors, riots, plagues and any possible incidents that are uncontrollable by the company or the affiliates. Such incident may cause uncertainty to the global financial market and there is no guarantee that it will recover from the crisis in short term. This will influence the company and the affiliates' business model, operation result, and outlooks that will prevent from successful outcome. If, in any case, the company, affiliate, or the platform participant is involved in the plague or any issues, the market itself may be negatively influenced to have a negative perspective towards the platform and the community.

(d) Blockchain and cryptocurrency including the tokens are fairly new and innovative technology. There may be unexpected dangers in token sales, possession and utilization other than listed possibilities above. These may become clearer by unexpected changes or modifications.

1.6 No Updates on the information

Nobody can provide or holds the right to share the information or articulations about the token, platform, company, affiliate, or business and operation model unless noted in this white paper. If someone does so, it will not be considered as the representative of the company to be providing them.

1.7 Language

This white paper can be translated into other languages. If there are differences made through translation, English version will be prioritized.

1.8 No Consultation

None of the information in this white paper can be referenced for token, platform, company, affiliate, business, legal, financial or taxation consultations. Please consult with the professional advisors for legal, financial, tax affairs. You should be aware of potential dangers for purchasing the tokens.