



MEDIA ROYALTY ACQUISITION TOKEN

THE 2-IN-1 CRYPTOCURRENCY

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BUY!! TRADE!! OWN!! STAKE!! PROFIT!!

www.mratoken.com

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Abstract

Media Royalty Acquisition LLC (hereinafter referred to as “MRALLC”) is a decentralized royalty acquisition platform. Its aim is to offer investors with limited capital, the opportunity to own a stake in media royalties. Such royalties are not available and affordable to limited capital investors due to the fact that they are owned by people directly involved in their production, or they are sold at percentages which command hundreds of thousands of dollars in today’s media rich market. The MRAToken was created to level the proverbial playing field and to bring a bonus to token holders. It is our 2-in-1 native currency and the fuel to our platform. The MRAToken is an ERC-20 token and it is developed and managed solely by MRALLC. It runs natively on the Ethereum platform and utilizes all the advantages the platform has to offer. The Ethereum ecosystem has development tools, wallets, and exchanges. Ethereum has the ability to deploy trustless smart contracts which enable complex issuance rules for cryptocurrencies, digital financial contracts, and automated incentive structures. This makes it perfect to run the MRAToken.

MRALLC’s founder and CEO has 20+ years’ experience in the music industry and music royalties would be MRALLC’s dominant acquisition. However, MRALLC will not stop there. MRALLC’s aim is to seek and acquire royalties being sold in other media as well. Hence the name of our company. When collected, MRALLC distributes these royalties to token holders. One can think of MRALLC as a cryptocurrency hedge fund for royalty acquisitions. MRALLC’s expert and experienced staff select high-performing royalties to acquire and you share in the total profits. For the first time ever, profiting from a syndicate of media royalties is now available and affordable. It’s as easy as staking MRATokens in your crypto wallet and collecting your share of the total profit. Media royalties are recurring. Why not own a piece of them!

Overview of Media Royalties

Royalties are payments made by licensees or franchise holders to another who owns a particular asset. They take many different forms. Some major players in the royalty space are listed below:

- Music
- Patents
- Copyright
- Trademark
- Book Publishing
- Art
- Software
- Non-renewable resources

Royalties are typically agreed on as a percentage of the gross or net revenues derived from the sale or use of assets. For the sake of simplicity, MRALLC concentrates mainly on royalties used in media because of their accessibility and renewability. Every day hundreds of songs, ads, films and apps are produced. These media have an interdependence on each other, thus making the media royalty market a viable and profitable source of income for royalty holders.

Media Royalty Acquisition LLC's Vision

MRALLC's vision is to bring ownership of various media royalties to the limited income investors. Why does MRALLC believe this to be worthwhile?

- The Challenge: Ownership of royalty assets is confined to those directly involved in its production or to those wealthy enough to purchase the assets when sold. Depending on the royalty asset, a 33% stake can command a price of over \$100,000. These assets are sold at private auctions and the share is never broken into smaller parts. You purchase the entire share.
- The Opportunity: MRALLC offers an opportunity to acquire a share in these assets. This was not possible on an individual level without a wealth of cash, or, through an IPO. The latter is rare. The advent of

ICOs and the foolproof nature of block chain technology creates an opportunity to address the aforementioned challenge.

Schematics: How It Works

MRALLC has conceptualized a 2-in-1 plan. This plan is explained in depth in the following section. It would seek and acquire high performing media royalty assets. Typically a high performing asset returns royalty dividends of at least 10% of its sale price per annum. The table below shows some of the more popular sales that occurred recently.

Royalty Auction	Sale Date	Sale Price	Last 12 Months' Royalties
Music Used In Sports, Reality and Cable TV Show	09/26/2017	\$70,750	\$8,793
Theme Music: ABC News Flagship Shows	09/27/2017	\$60,000	\$11,317
Time-Honored, Christian Worship Music	09/19/2017	\$81,000	\$11,470
Catalog by Louis Yoelin	Under contract 09/24/2017	\$450,000	\$47,885

One can already see the picture developing in that having a bevy of royalties is a sound investment. MRALLC will acquire as many of these royalties as possible and the stakeholders would benefit by receiving a share of the revenues based on the percentage of Media Royalty Acquisition Tokens (MRAToken) held. Keep in mind that these are not one and done payments, the income opportunity is tremendous. Collecting recurring returns from holdings should be everyone's dream.

Media Royalty Acquisition Token Utility

MRAToken is a 2-in-1 concept implement on the public Ethereum block chain as an ERC20 token.

- The first concept is that it is tradeable. Holders can buy, sell and trade their MRATokens at leisure. The trade value would be determined by market factors and the mechanisms put in place to ensure inflation does not affect the value of the token.
- Secondly, MRAToken is a share factor. The amount you hold determines your share of the total royalties collected. Holders benefit from every acquired royalty. MRAToken allows multiple streams of income wherein no other cryptocurrency does. This is a remarkable concept and it ties in with the section below.

Financial Benefits of the MRA Token

- **Active Income:** MRALLC intends to list MRAToken on cryptocurrency exchanges, thus making it a tradeable asset. Buying and selling at the right price affords holders active income.
- **Passive Income:** MRAToken holders would receive a share of the total collected revenue from acquired royalties. MRALLC does all the background work while you trade, work, and sleep. At the end of the royalty quarter, MRAToken holders will receive a pro-rata share of the collected revenue. That is the beauty of the 2-in-1 concept.

Sustainability

To sustain the value of the MRAToken and royalty acquisitions, MRALLC has put in place four (4) mechanisms.

1. Burning

At the onset, 100,000,000 MRATokens (MRAT) would be produced. New tokens would not be created. At the end of the ICO, every unsold token would be destroyed by the smart contract. The mechanism guards against inflation and maintains the number of tokens in circulation.

2. Value Sourcing

MRALLC will ONLY acquire assets as follows:

- ☒ where the royalty payments for the past year are at least 15% of the asking price, or
- ☒ show a steady growth for the past year that would suggest next year's payments would reach the desired 15% margin number. By doing so MRALLC creates an arbitrage type scenario where profit margins are maximized.

3. Pro Rata Distribution of Royalties

MRALLC will distribute on a pro-rata basis the sum of all collected quarterly royalties. By the end of Q4 2018, the first payment would be distributed to MRAToken holders as the industry standard for music royalties is a six month delay. The table below shows BMI payment dates and can be verified at www.bmi.com. ASCAP has a similar payment schedule and can be verified at www.ascap.com.

Performances Between	Entered By	Payment Date
October 1, 2016-March 31 2017	June 30, 2017	September 2017
January 1, 2017-June 30, 2017	September 30, 2017	January 2018
April 1, 2017-September 30, 2017	December 31, 2017	March 2018

Keep in mind that this is your passive income and would be distributed to you in Ether (ETH). In the meantime, you are earning active income from your coin trading.

4. Vaulting

MRALLC will retain 20% of all royalties collected. This would allow for the accumulation of funds to invest in future acquisitions. This 20% would be converted to the ETH and stored in encrypted vaults.

Platform Transparency

Just like the block chain being publicly accessible, MRALLC would make available, acquisitions, targeted acquisitions, royalties collected and

subsequent taxes, by displaying them on its corporate website at www.mratoken.com. This will add another level of accountability. Here, MRAToken holders can view how their stakes are being utilized and determine their share of collected revenue.

Vault wallet addresses are public at www.etherscan.io.

Calculating Your Return on Investment

For the first 8 quarters, MRALLC will not take any returns derived from royalties. MRALLC prefers to make those funds available to you, the MRAToken holders, who believe in the project. After the first 8 quarters. MRALLC would take 50% of the revenues owed to MRALLC. The other 50% would be sent to the vault for further investments. Each year following, MRALLC would decrease its share by 5%. This adds value to the MRAToken and ensures that other stakeholders achieve maximized returns. Your ROI (see formula outlined below) is calculated by dividing your Personal Holding (PH) by the Total Supply (TS) and multiplying the quotient by the Net Royalties (NR). Net royalties refer to the sum available after all applicable taxes are paid. The below formula best explains the calculation.

Net Royalties (NR) = Royalties Received - Taxes Incurred.

PH = Personal Holding

TS = Total Supply

ROI = Return on Investment (quarterly)

$$\text{ROI} = \frac{PH}{TS} \times \frac{100}{1}$$

Life Plus 70 Years

One of the reason MRALLC chose music royalties as its dominant acquisition is that these assets provide long term returns. Any work created and copyrighted on or after January 1, 1978 is governed by the copyright act which states that the copyright is valid for the life of the author plus 70 years. This means that royalties would still be owed to an author 70 years after his/her death. One great example of this is the music catalog of the late great Bob Marley who passed away in 1981. Royalties from his songs are still being paid and has exponentially increased since his passing. His royalties take care of

his children, grandchildren and great grandchildren and these royalties are valid until 2051, regardless of who owns the copyright.

Trading the MRAToken

Listing on Exchanges

The MRAToken, would be listed on exchanges that provide the best user experience. MRALLC aims to make trading as simple as possible enabling the least experienced trader little to no problem navigating the exchanges. As the time draws near to listing on exchanges, MRALLC would publicly announce the exchanges via email and its social media page. This early announcement would give traders enough time to sign up with an exchange of their choosing and be verified. Verification may be a long process so the sooner one creates an account, the sooner their trading begins.

Advantages/Disadvantages of Trading MRATokens

MRATokens are not dissimilar to other traded commodities when it comes to advantages and disadvantages. The only difference is that the 2-in-1 concept of its nature changes inversely when traded. Let's look at an example. If you own 15% of the total supply in circulation, then your share of the net royalties is proportional to what you own, 15%. If, however, the market price increases and you decide to sell 5% of your holding, you gain revenue from the trade (active income), and your share of the net royalty is decreased to 10%. Therefore, trading is situational and depends on the stakeholder's goals, be it long term investments or short term investments.

Staking the MRAToken

Holding on to the MRATokens is called staking. To see a token flourish, one has to think of its long term goals. Yes, the price may reach a number that you deem favorable to sell, but in the long run, the sell price may be nothing compared to the sum of the royalties earned plus the current market price. The MRAToken was not conceptualized to be a "get rich one and done" asset. Given the frequency in which MRALLC has to value source new acquisitions and the six month delay in royalty payments, it's safe to say that the real value of MRATokens would be realized after 1 year. This gives the platform enough time to source the best acquisitions and, allow the tokens to increase in value.

Liquid Asset Control

In keeping with MRALLC's goal of value sourcing, the number of MRATokens on exchanges must be controlled. If the number of MRATokens on any exchange surpasses 300,000, MRALLC's liquid asset control team would immediately swoop in and purchase the overage and add them to personal holdings. These personal holdings never hit the market. In doing so, the laws of supply and demand come into play, effectively raising the price of each MRAToken.

Expansion Possibilities

The MRAToken is a remarkable concept and MRALLC intends to take it even further. MRALLC aims to broaden its scope when it comes to acquisitions. In the future, MRALLC would target recording contracts, application development, film projects, book publishing, software development, patents and trademarks. As long as it involves a copyright, MRALLC intends to make its case for acquiring. The media is plentiful and the projects are endless. MRALLC perceives itself as an incubator for startups in these media and with the trust and support of the stakeholders, fueled by the MRAToken, the future looks bright.

Conclusion

MRALLC is but one drop in the bucket of ideas conceptualized. MRALLC aims to provide stakeholders with the most viable, utile cryptocurrency in the space. MRALLC's 2-in-1 idea is second to none. The targets MRALLC is considering are ever renewing thus ensuring no shortage of potential acquisitions. Plans for further expansion also has a bright future with thousands of startups, both individual and companies, who are seeking funding. If you are thinking of investing in this groundbreaking concept, welcome aboard! If you are unsure, please follow our progress on social media and visit our website at www.mratoken.com.

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