icst

WHITEPAPER

The ICST platform is used to store, share and protect
digital creative content to protect artists, lower
transaction cost and create an efficient
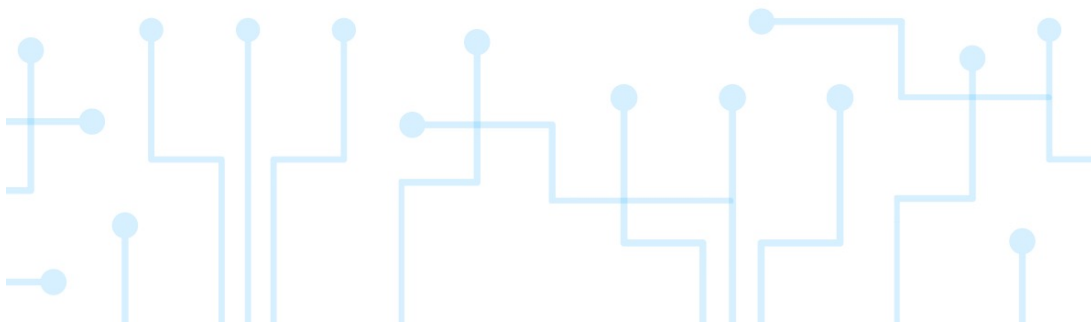ecosystem of revenue sharing.

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BACKGROUND

1

THE PEOPLE-JOY FOUNDATION IS A COMPANY INCORPORATED IN THE CAYMAN ISLANDS. THE PURPOSE OF THIS WHITEPAPER IS TO GIVE AN OVERVIEW OF THE PROPOSED BLOCKCHAIN-BASED PROJECT AND TOKEN, ICST (INDIVIDUAL CONTENT & SKILL TOKEN), FOR THE DISTRIBUTION OF PERSONAL CREATIVE CONTENT AND SKILLS SHARING.

THE GOAL OF THE ICST PROJECT IS TO PROVIDE AN ACCESSIBLE ECOSYSTEM FOR INDIVIDUALS FOR THE CREATION, PUBLICATION, PROMOTION, AND TRADING OF THEIR CONTENT AND SKILLS. THE ICST TOKEN IS APPLICABLE TO ALL PLATFORMS ADAPTABLE TO THE ICST BUSINESS MODEL.

1.1 *Duality of the producer-consumer role*

The theory of the Long Tail proposes that everyone has a dual role of simultaneously being the producer and a consumer for the following reasons:

The popularization of means of production, personal computers (PCs), has made it possible for everyone to become a customer and a merchant. In the past, only professionals could produce content, yet with the advancement of technology of personal computers, amateurs too, can participate in content producing and distribution.

The popular use of communication tools reduces the cost of consumption, which is relevant to the rapid growth of the internet. The internet removes the communication obstacle, effectively matching media producers consumers. Advanced search and filter functions allows for suppliers to meet the demands of the consumer. Messaging applications and social media has been a cornerstone for the viral distribution of many media content. The world wide web has allowed for individuals to sell share their content and skills services.

The power of supply and demand. Artificial Intelligence in the recommendation functions has allowed suppliers to adapt to consumer behavior sell more products to the consumer.

Content production in music and video has become mainstream entertainment with one billion internet users. One content sharing application, Toutiao has become the most widely used mobile internet app worldwide.

With the growth of mobile internet, personal content and skills sharing services has emerged as a new and effective business model. Users can share and sell skills in online gaming, chatting, counselling and education. In the growing game companionship market, the average revenue per user per month is 300 US Dollars. This is a more even distribution of profits than live broadcasting platforms which the profits are shared by the top players only.

Although the industry of individual-to-individual content and skill sharing is rapidly developing, there are still certain issues we hope to address:

- Numerous content sharing platforms, all with high costs associated with maintaining sales channels
  - High cost associated with content distribution which reduces the rate of return for content producers.
  - Highly controversial content copyright, which makes it difficult for individual producers to protect their own intellectual properties.

- o *Consumers do not get any benefit from watching advertisements. In order to solve problems listed above, we propose a new business*
- o *model for the industry. The underlying goals for ICST is to improve the consumer experience, increase producer returns, reduce transaction fees, and ultimately to build an effective ecosystem using the new C2B2C (Consumer-Blockchain-Consumer) business model to replace the traditional C2B2C (Consumer-Business-Consumer) model.*

1.2 *An Exchange Protocol Based on Blockchain for the Trading of Individual Content and Skills*

Blockchain technology has been one of the most revolutionary emerging technologies in recent years. It has broad and promising application and has received the attention of governments, financial institutions, tech companies, enthusiasts, and social media.

At present, there is no consensus regarding the definition of Blockchain. In a nutshell, Blockchain is a public database (or public ledger), which is based on the blockchain technology. As a combination of distributed consensus protocol, cryptography, peer-to-peer networking, smart contracts, the blockchain technology creates a network supporting data storage, data processing, and data storage. Meanwhile, blockchain technology itself is still improving and evolving.

In general, the decentralized credit mechanism is one of the core values of the blockchain technology, so the blockchain itself is also called "distributed ledger technology", "decentralized value network". For hundreds of years, the credit and trust mechanism is the foundation of finance and most economic activities. With the widespread of information technologies such as mobile internet, big data and the Internet of Things, the credit based on cyberspace as the foundation of the digital society is even more important. Traditionally, credit mechanisms are centralized and can be fraught with issues. The blockchain technology is the first to implement a decentralized large-scale credit mechanism which eliminates the central agency and guarantees transparency.

The ground-breaking value of the blockchain includes the following:

1）Simplify process to improve efficiency. Because the blockchain technology is a public ledger established by the consensus among participants, the information in the blockchain is naturally recognized by participants as true and trustworthy. Therefore, many previous repetitive procedures and operations for verification can be simplified or even eliminated which will improve operational efficiency.

2）Reduce the credit risk of counterparties. Unlike traditional transactions, which requires trusted counterparties, blockchain technology can use smart contracts to ensure the automatic fulfillment of corresponding obligations of multiple parties and the service security, therefore reducing the credit risk of counterparties.

3) Reduce the time of settlement or liquidation. Due to the decentralized trust mechanism among participants, blockchain technology can realize real-time transaction settlement, liquidation, and financial disintermediation, thereby drastically reduce settlement and liquidation costs and time, as well as improve efficiency.

4）Increase the capital liquidity and improve the asset utilization efficiency. The efficiency of the blockchain reduces the locked-in time required for the funds and assets within transactions, therefore speeds up the flow of capital and assets and increases the flow of value.

5）Enhance transparency and regulatory efficiency to avoid fraud. Because blockchain technology can better monitor all transactions and smart contracts in real time and preserve them in an irreversible, non-repudiated and non-falsifiable way, it is easy for regulators to monitor and ensure the automated compliance among participants in real time.

The most innovative feature of the blockchain is not a single technology, but a combination of several technologies, which lies in its systematic innovation and principles.

The applications are the driving force for the sustainable development of the blockchain technology, which could be divided into three stages of applications, namely 1.0, 2.0, 3.0:

- Programmable currency: the application of Blockchain 1.0

The programmable currency (digital currency), represented by Bitcoin, different from fiat money which must be guaranteed by the government authorities.

- Programmable finance: the application of Blockchain 2.0

The applications of Blockchain 2.0 introduced the concept of "smart contract" (using programs instead of a human to execute contracts). This allows the blockchain to expand from the initial monetary system to the registration and transfer of equities, claims, and properties, the exchange and enforcement of securities and financial contracts, and even the financial sectors such as gaming and security.

● Programmable community: the application of Blockchain 3.0

Blockchain is the core of the Internet of value, enabling the identification, measurement, storage and authority of proprietary information. Instead of documenting transactions in the financial system, it can record almost anything valuable expressed in the form of code. Its application can be extended to any area of demand, and eventually to the whole community.

So far, the applications of Blockchain have gone beyond Bitcoin (Blockchain 1.0), is in the era of blockchain 1.5, and is at the transition to the financial industry (Blockchain 2.0).

This paper will focus on the applications of blockchain in the content and skills sharing industry. We propose, ICST, a new exchange protocol for individual content and skills, to resolve the issues as mentioned above. We use blockchain technology to challenge the existing business models in the followings:

● Through the storage of a public account and a distribution of income in a blockchain, the income ratio of the content and skill producers would be more transparent and equitable. This enables producers to benefit more and reduce the credit risk between producers and consumers

● Integrate existing social marketing models to reduce the cost of content distribution and the difficulty of skills exchanging.

Compared to existing business models, our strategies are different as follows:

● Focus on real-time revenue sharing to consumers in social marketing. Currently, the social marketing model is the most effective distribution model in the content distribution industry. However, in this model, the ratio of the revenue sharing of consumers is often insufficient and opaque, while acquired tokens can only be used on a single platform. However, ICST can be used across a variety of platforms as well as for wealth preservation.

● Through existing public account for revenue sharing, all transaction records and account quotas are open and transparent to the public. This model will build user confidence in the platform, and increase participating in the platform.

ICST chose to implement a new ecosystem for individual content producers and skillshare providers based on Ethereum and smart contract, providing a fair, transparent, and efficient exchange environment for all consumers.

The paper will introduce how to accomplish the goal in detail, and how to kickstart the ecosystem by connecting StarMaker, a music video software with a large number of active users in India.

2

People-Joy Foundation is committed to the development of ICST. It focuses on providing transparency to the management of the fund to create a sustainable and ecological community for participants. All participants in the ecosystem have the right to utilize the network and its services to make most of the ICST ecosystem.

The goal of the People-Joy Foundation is to be an independent and nonprofit organization that maintains and promotes the democracy, fairness, transparency, security, and reliability of the community. To achieve this goal, People-Joy Foundation has set up three guiding principles:

1. Transparency & Trust

   ● A separate management for the development of the ICST protocol and its applications

   ● A separate legal entity for StarMaker

   ● Independent management of StarMaker

2. Non-profit Principle

   ● Responsible for the interests of all ICST token holders to build a healthy and sustainable ecosystem for all participants

   ● Cooperating with StarMaker at arms length collaboration with People-Joy Foundation being responsible for the release and distribution of tokens

3. Sound Management Mechanism

   ● The People-Joy Foundation is an independent legal entity with its own operations and management systems

   ● Consulting services are provided by qualified and experienced professionals

   ● Provide support for technologies that are beneficial to the Blockchain applications on ICST

● Quick adaptability to provide solutions for any changes in governing laws and regulations

The People-Joy Foundation aims to create a decentralized content ecosystem for all participants, providing blockchain solutions for real world and online applications. Furthermore, it aims to provide developers with a free and open platform to provide provide, enhance and deliver services to the community. To achieve this objective, People-Joy Foundation will establish a transparent management process to takes into account the feedback of the community, provide transparent token issuing protocols, pricing and participation rules, and provide financial disclosure.

3

For the problem raised in sections above, we propose a new shared ecosystem protocol and token - ICST, a blockchain based ecosystem for content and skills sharing. In the ICST ecosystem, the producer and consumer form different associations based on different types of products they produce and sell. Even though the associations are relatively independent, all users share the same credit and currency system.

The roles in the ecosystem:

● Producer The producer is responsible for producing sharable digital content in music and videos, or providing personal services such as interactive gaming, voice chats, guided tours, psychological counseling. Digital content creation generates income through the advertising fees on the platform, while technical service generates income through payment for the service.

● Consumer: The consumer is the recipient of the content or service. They can obtain income by participating in social marketing and sharing the advertising fees. Meanwhile, they are responsible for evaluating the merchandise, ensuring its originality, and reporting plagiarism, for which they are compensated with credits.

● Moderator: The moderator's role is undertaken by the consumers who have attained certain credits. They are responsible for the arbitration and resolution of disputes in the payment procedure.

● Distribution platform: The distribution platforms include the presenting platform for personal content and a matching platform for personal skills. The former obtains income through product deployment and the presentation of personal content to the clients, while the latter obtains income through the establishment of intermediate platforms for matching producers and consumers and collecting intermediary fees. Both platforms will build a significant amount of traffic through the social marketing system.

● Advertiser: The advertiser is responsible for monetizing the content through stream advertisements, creating and managing advertisements,

improving the search accuracy of the advertisements through artificial intelligence, and advancing the cooperation between the distribution platforms and the advertisers.

3.1 Content Production and Distribution

3.1.1 Content Production and Administration

To encourage original and high quality content, we set up the valuation adjustment mechanism (VAM) with the producer. Each producer prepays 10 ICST as the deposit for publishing the new content. If the content is reported, the arbitrator will intervene. If the content is deemed to be plagiarised, half of the deposit will be sent to the reporter with the other half sent to a public award fund for the arbitrators, which will be used to fund their basic wage. The plagiarist's production credit will also be deducted. The producer will receive production credits for the successful publication of the contents.

3.1.2 Social Marketing and Content Promotion

The consumer can promote the content by reposting or broadcasting it on social media. The content publishing platform will identify the identity of each broadcaster through their unique identifier. The views of the reposts will be counted into their promotion income and the consumers will be paid daily. The new users registered will receive ICST tokens from the content publishing platform.

3.1.3 Content Evaluation System

To avoid creating a click farm, the value of each consumer's feedback will be determined by their credits. These credits are generated from promotion income and service expenditures
while the credits are consumed by feedback and upvotes.

3.1.4 Distribution of Income based on Smart Contract

The income from the advertisement fee is paid through blockchain transaction by the advertisers and distributed to the producers, consumers and content platforms with respect to a published ratio.

3.1.5 Commercial application

One of the primary goals of the ICST is to create a mainstream multimedia & multifaceted community that not only promotes the spread and consumption of content while benefiting all parties involved - from producer to advertiser. This will

eventually lead to the fruition of a platform for creative individuals across the globe to connect and profit under 1 (one) single community.

3.2 Skills Services Platform

3.2.1 Skills Services Search

A service is request to the Smart Contract by the consumers via a prepayment of ICST deposit. The Smart Contract broadcasts the request to selected registered service providers. The service provider then pays the deposit to respond to the request. The producer who makes the first payment will provide service to the costumer.

3.2.2 Service Confirmation

The consumer will confirm the payment through the Smart Contract after the service is provided. If there are any disputes, the arbitrator will intervene. If it is judged to be plagiarised, half of the deposit will be sent to the reporting party, with the other half sent to the public award fund for the arbitrators, which will be used to fund their basic wage. The plagiarist's production credit will also be deducted. If there is no objection to the service, the producer will receive the payment from the Smart Contract.

3.2.3 Service Evaluation System

To avoid creating click farm, the weight of each consumer's evaluation will be determined by their credits. These credits are generated from promotion income and service and consumed by evaluation and upvotes. Credits are not transferable.

The Core Team

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Jerry Ji Guo

CO-FOUNDER

Ji Guo is a serial blockchain entrepreneur who previously headed Bitcoin.com's marketing operations and oversaw Polymath's $100 million ICO. He also serves as CMO of Smarter Contract. With a start in crypto investment in early 2013, his investment agency now transacts over-the-counter trades between $50-$350 million in size. He's co-founded a YC company, worked as a journalist for The New York Times, and owned a gourmet burger restaurant. He holds an economics degree from Yale University.
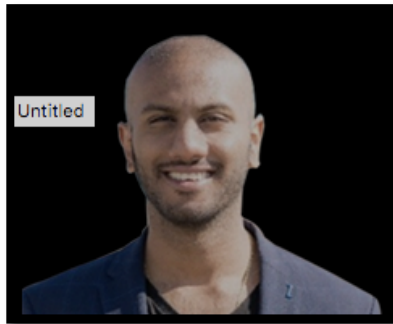
Richard Bai

CO-FOUNDER

Co-founder of BD Fund. Richard graduated from The University of Sheffield.

Vaibhav Namburi

CTO

UNSW Australia, Director/Founder of Five2One &Developer.io Vaibhav has helped raise millions for clients through well-structured Smart Contract ICOs and interactive dApps including Solidity and Hyperledger. His team and himself are currently involved in bringing blockchain to the forefront by building applications using modern web architecture and the distributed blockchain system.

Osman Yağan

Osman Yağan is an Assistant Research Professor of Electrical and Computer Engineering (ECE) at Carnegie Mellon University (CMU).

Ramesh Shrestha

Ramesh Shrestha is a Ph.D. in the Department of Mechanical Engineering (ME) at Carnegie Mellon University (CMU).

Advisors & Investors

5

Yahui Zhou

Zhou Yahui is chairman of Beijing Kunlun Tech, one of China's biggest web game developers and operators. Notable investments include: Qudian.com, Inke, Yimutian, Kuaikanmanhua.com, Opera, Grindr, etc.

Xiaolai Li

Xiaolai Li founded BitFund in 2013, one of the most influential Venture Capital related to crypto-currency in China. He is also the founder of INBlockchain Inc and has invested in hundreds of blockchain and cryptocurrency related projects. Jonathan Ha 12-year experience in consulting and financial services in Computer Engineering, Economics, Business Education. Currently acts as the CEO of Red Pulse

Jimmy Hu

Jimmy Hu Technologist focused on building the intelligent business applications with machine learning and data science. 2017 Forbes China 30 under 30. Founder & CEO of Apex.

Michael Lewis

Michael was previously the GM of Vive X and VP of the Virtual Reality Venture Capital Alliance ("VRVCA"). He has been involved in the tech industry for over a decade as both an entrepreneur and investor. After co-founding two venture-backed startups in the mobile internet space in Beijing, he joined Amazon Web Services to help spread cloud computing awareness and usage amongst startups.

Partners and Investors

Roaming Capital

Roaming Capital is a top tier fund focused on the blockchain space. Its notable investments include Arcblock, Zipper, Esportschain and ICST.

Sparkling Star Capital

Sparkling Star Capital is an active participant in transformation the blockchain industry. Notable investments include: BitCV, Hydro.

LD Capital

LD Capital is a digital asset investment fund focused on blockchain technology founded by the well renowned investor, Lihua Yi. The capital is dedicated to cultivating 'unicorn' companies in the blockchain space.

Kepler Capital

Kepler Capital is a leading consulting firm providing end to end solution for ICO services. Leveraging our experience in blockchain technology, ICO branding and marketing know-how, legal and accounting networks, we execute for our clients the development of blockchain platforms and the creation of tokenized networks. Successful ICOs include Bluzelle, Powerledger, Nuggets and Simple Token.

The Underlying Technology of ICST

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ICST will adopt the widely accepted and validated blockchain technology available in the open source communities, incorporating the original development team's technology stack and code. We will design a set of technology schemes and system architectures to incorporate the blockchain technology.

The technical challenge for the ICST platform will be the transaction speed, which forms the basis of our research. We plan to improve this speed with the following techniques:

6.1 DAG (Directed acyclic graph) High-speed Asynchronous Blockchain Technology

An important goal of a DAG network is to optimize the width of the network. A DAG network needs to connect to the confirmed and new transactions to confirm any future transactions. If the new transactions linked with the old confirmed transactions, it would make the network too wide which hinders the confirmation of new transactions. Ideally, new transactions should be connected to the confirmed new transactions to keep the width of the network within a certain range, to ensure that the new transactions will be quickly confirmed. DAG has several advantages: it has a high transaction speed, does not require mining, does not demand a transaction fee, and will be supported by the Smart Contract. It has also been applied by IOTA and BYTEBALL.

The idea of incorporating DAG into blockchain was initially proposed in the Nxt community to solve the efficiency problem of blockchain. Bitcoin transactions are inefficient since block creation is based on the proof-of-work. Due to the linked storage structure, there is only one chain in the whole network, which makes it impossible to create blocks in parallel. The DAG topological structure can be used to store blocks in a manner similar to that of side chains. Each transaction can be assigned to a different chain based on its type to lower the possibility of double-spending. The side chains can be linked to one block after a certain node when necessary.

In short in the current Bitcoin blockchain storage structure, every block stores all the current transactions. The miners contest for the right of bundling the transactions that happened in a certain period to form a block. The block creation time of Bitcoin is around 10 mins in average. The Next community proposed

changing the linked storage structure of the blockchain to the DAG structure. In this configuration, more transactions can be bundled to multiple blocks in parallel during the same amount of time. The idea of incorporating DAG to blockchain still depends on using side chains to increase the transaction speed. In other words, DAG uses the blocks standard to these interactions.

In contract, with well-known DAG cryptocurrencies IOTA and Byteball, other currencies have begun to employ blockless functionality. For BTC or ETH, we keep the block creation speed in mind. Although ETH is faster than BTC in block creation speed (one block in every 10 mins, 6 blocks in an hour), it still requires tens of seconds to create one block. Why do we need blocks? The community proposed the idea of DAGCoin - a cryptocurrency without blocks, combining the idea of blocks and transactions.

Let's think about the definition of blocks and transactions in BTC network. Many transactions are bundled to a block and blocks are pre-hashed to maintain the transaction orders. In contrast, the idea of DAGCoin is to put every transaction in order in the network so that it can skip the process of bundling blocks, achieving a 'blockless' transaction. In theory, this can significantly increase the speed of transaction. Therefore, this DAG incorporated blockchain prototype is formed with this unique blockless feature. IOTA and Byteball are the best examples of this method in the market.

Because DAG abandons the concept of the block, the transaction goes directly into the network (note that in IOTA network, every single transaction is verified with help of a very simple version of proof-of-work like hashcash), the transaction speed is expected to be faster than the blockchain techniques based on PoW and PoS. In DAG, every single transaction forms a new block and is essentially verified by itself, which means DAG does need to bundle various transactions are in a block and wait for the verification by miners.

That is, there is no miners in DAG. In the IOTA Tangle, the verification of each transaction is done with help of a very simple version of proof-of-work, therefore one could argue that transactions aren't zero-cost.

6.2 A Fast and Facile Mobile Identity Authentication Mechanism based on Mixin

What keeps users away from blockchain is not its capabilities but the over-complicated management process of identities and accounts required to use it. All blockchain networks require the user to acquire and manage at least one private key to preserve his or her identity, which is far more complicated compared with remembering the account number and password. Since the current blockchain data is public, the account and password are required for

personal use. This means that users have to manage very complex passwords to keep the account safe. This is true for systems like BTS and EOS.

Mixin proposed a simple identity verification mechanism based on a mobile phone verification and personal identification number (PIN). Users only need a mobile phone number and 6-digits PIN to keep the account active, a very simple method compared to setting up and remembering lengthy account numbers and passwords. This mechanism has a similar level of security without requiring users to manage complex private keys. As long as the user has the PIN, they can easily send it to a new phone. For instance, when people move their assets from other blockchain networks to the Mixin network to start a BTC transaction, the server does not execute the transaction on the BTC blockchain, but instead manages their income and expenditure data on Mixin blockchain, significantly increasing the convenience and speed of transactions.

StarMaker – Kickstarting the ICST Protocol

7

Developing countries, especially those in Asia, have the highest potential for Mobile Internet (MI) growth. Pakistan, India, and Indonesia comprise the top three countries with 83%, 75% and 73.5% MI growth potential respectively. India is now the world's second largest MI market, after China, which has 0.325 billion MI users, and far exceeds the number of MI users in the United States (0.247 billion MI users).

While large in population, the proportion of the users of MI is only 20% in Asian countries, which indicates an enormous potential for development. Additionally, due to the poor Internet infrastructure, these countries have the chance to skip the wired Internet era and directly enter the era of MI. Thus, the growth of MI demand in Asian countries is increasing a rate far greater than the rest of the world.

The economy in India has been dramatically increasing for several years, which gives people confidence in the future of MI in India. The GDP per capita of India has been rapidly increasing in the past few years, from 4.3% ($1444 per capita) in 2012 to 6.3% ($1581 per capita) in 2015. Today, India is the fastest emerging marketing country and economy. IMF even predicts that India will exceed China and become the fastest growing economy in 2016.

In contrast with China, which needs to transition from wired Internet to MI, most of Indian users can directly enter the MI era. There is a similar number of Internet users (0.374 billion) and MI users (0.324 billion) in India. Among its population of 1.3 billion, 76% of people have mobile devices (laptops, tablets and mobile phones), which makes India the second largest MI market.

StarMaker, a multimedia entertainment and social platform based on MI, was built in San Francisco in 2010 and has branch offices in many countries. After rapid development in Europe and the U.S., the company started focusing on the Indian market since expected a huge market in content distribution and skill trade. Thanks to the rapid increase in the smartphone users in India, StarMaker obtained great success in India, adding 40 million users since early 2017. It ranks 4th on Google Play among all music and video apps and is currently the fastest growing

7.1 A Revenue Sharing Model Based on ICST Protocol

Content Sharing Model:

Based on the ICST protocol, the advertising revenue of StarMaker community will be distributed not only to content creators but also consumers. Because content creators of StarMaker are the source of the content ecosystem, they will get a larger share of the total revenue. The content creators can get a corresponding percentage of revenue when their music or videos are viewed, shared, and liked. If a producer's copyright is violated, the producer will be compensated. The users of StarMaker, as a new revenue distribution role in the ICST system, will make a profit from reading, commenting, upvoting and participating in the ecosystem; the more active users are, the more profits they will make. At the same time, users also undertake the task of sharing content among communities. After sharing the content, users can make profits from the performance of the shared content.

Skill-based Payment Model:

Based on the ICST protocol, the prepayment of consumers in communities will be stored in an intermediate account in the Blockchain. After providing the requested service for the producers will be paid by the intermediate account in the Blockchain, much like Uber's business model, the "sharing economy." The entire payment process is open and transparent.

7.2 A Social Media Marketing System Based on ICST Protocol

Due to the centralization of the traditional social media marketing system, there is a great challenge for the rules of planning and execution. Besides, each incentive activity requires a high operating cost, but the effectiveness of the incentive cannot be guaranteed. Based on the multi-level incentive system in the ICST protocol, StarMaker can solve issues of inputs and efficiency in the long run.

As the logs of invitation are recorded and distributedly in the blockchain, it is possible to reduce the costs of servers and computing power from operators. In StarMaker, there is a two-level incentive mechanism, but StarMaker could extend the system from the two-level to a multi-level mechanism to increase the effectiveness of the content sharing. Due to the existence of ICST tokens, users who participate in the incentive mechanism could get rewards immediately, which highly motivates the users to participate in the ecosystem.

Roadmap

8

Phase 1: Q4 2017：Research Phase

We investigated the feasibility of the vision of ICST and created a decentralized and user-centered content ecosystem. After working closely with StarMaker and the consulting team, we proposed the idea of ICST.

Phase 2: Q1 2018: Token Release

We will develop the core smart contracts of ICST and release ICST in a private sale. The use of the raised funds will be distributed in Chapter 8.

Phase 3: Q2 - Q3 2018: Development of the Prototype

We will develop the prototypes of the first generation of ICST which includes the basic component functions of ICST, e.g. a copyright certification and dispute resolution system, a content-sharing revenue sharing systems, an incentive mechanism for user invitation. StarMaker will be the first application on the protocol of ICST. This prototype is primarily for applications of content distribution, which will be open source on Github and audited separately.

Phase 4: Q4 2018 - Q1 2019: Deployment and Promotion

This phase will see the promotion and operation of the ICST system. Based on the feedback of the market and users, the development of the system will be adjusted and improved immediately and correspondingly. We will focus on improving the revenue sharing mechanism for content-sharing and the incentive mechanism for user invitation, which ensures the interests of content creators and active users in the community. Also, we will make the system support content sharing of multimedia contents for images and videos so that more communities and users are able to enjoy the convenience of ICST mechanism.

Phase 5: Q2 - Q3 2019: ICST Update

As more users participate in the ICST systems and contracts, we will upgrade the bottlenecks and architecture. Besides integrating the latest blockchain

technologies, we will further resolve issues of decentralized storage and transaction speed to boost the scalability and flexibility of the system. In this phase, we will create Blockchain on other platforms such as EOS.

Token Release Schedule

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The *People Joy Foundatio*n plans to release 3 billion ICST, 900 million of which is used for this private sale.

The Use of Funds

USE OF FUNDS
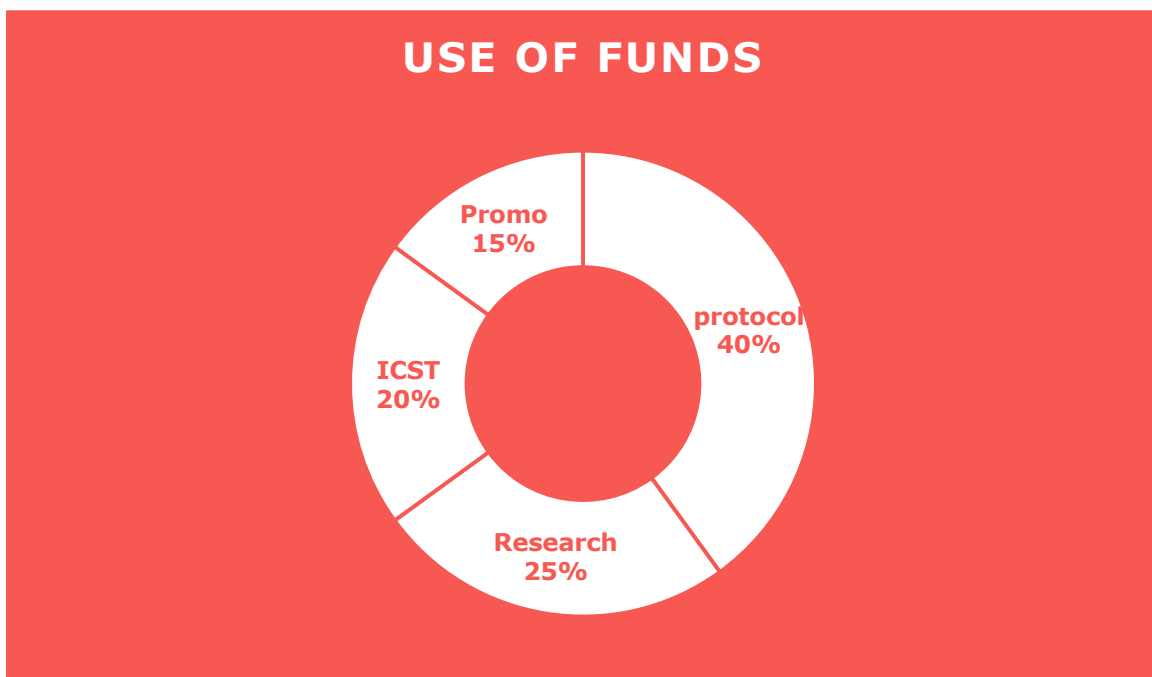
- *Development of ICST blockchain protocol -- 40%;*

- *Research and development for the expansion and migration from StarMaker to   ICST -- 25%;*

- *Research and development for the ICST platform -- 20%;*

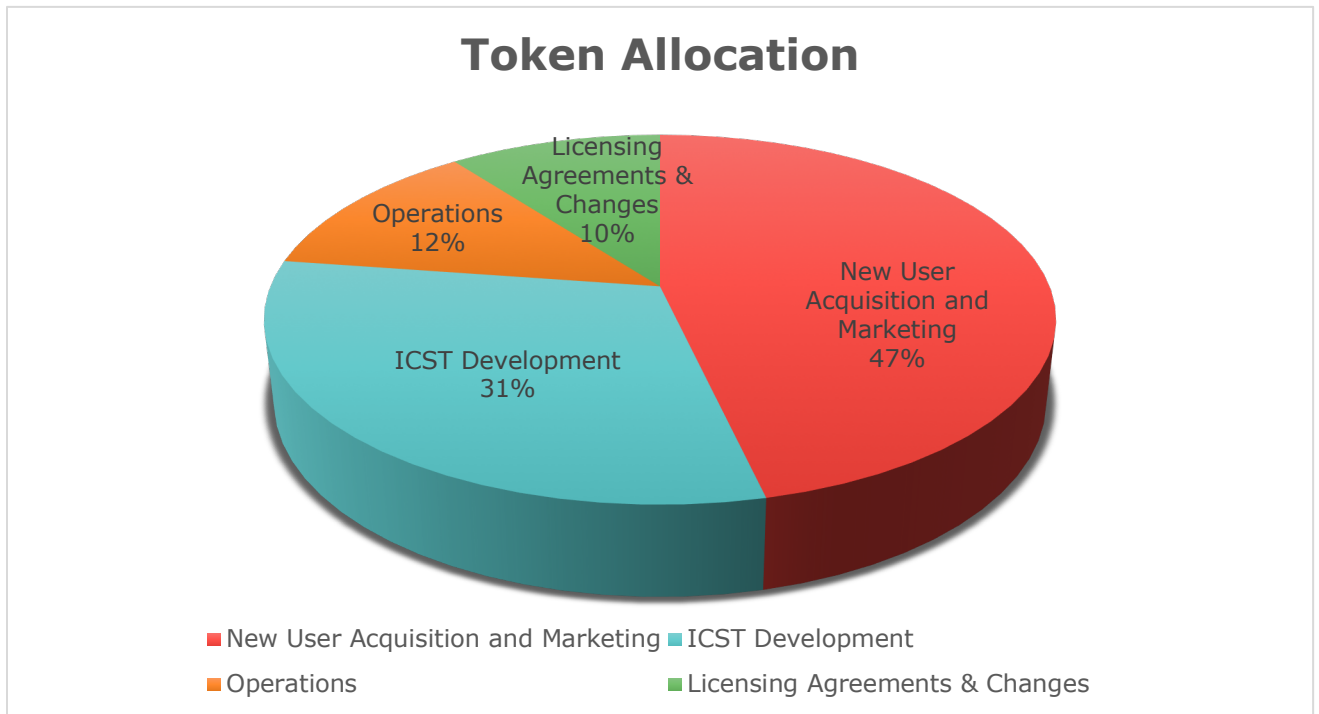- *Promote the ICST protocol to applications on other platforms -- 15%.*

The initial release plan of 3 billion ICST tokens is as follows:

3 Billion ICST Tokens

■ Series 1 ■ Series 2

- *Number of released tokens: 3 billion*
- *Initial release: 30%*

Token Allocation

The Token Allocation will break down as Follows:
We anticipate spending the money raised as follows:

Token Allocation

- New User Acquisition and Marketing — 47%
- ICST Development — 31%
- Operations — 12%
- Licensing Agreements & Changes — 10%

Legend:
- New User Acquisition and Marketing
- ICST Development
- Operations
- Licensing Agreements & Changes

- *45% - New User Acquisition*
- *30%- ICST Development*
- *12% - Operations*
- *10%- Licensing & Additional Changes*

Repurchase Agreement

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The Value of ICST & Repurchase Plan:

● *Discounted transactions fee for the StarMaker platform*

Users participating on the StarMaker platform, will have a discounted fee (i.e., the discount rate is shown in the following table) if paid with the ICST currency. The amount will be the converted ICST currency of the market value.

● *Repurchase Plan:*

After the deployment of the ICST tokens into the StarMaker platform, each quarterly net profit from the StarMaker platform will be used to buy back ICST. All coins repurchased will be made invalid. Repurchase records will be made public on the ICST blockchain explorer for all to view.

● ICST Vesting Plan for the Team

Initial release:	25% (450 million)
After 1 year :	25% (450 million)
After 2 year :	25% (450 million)
After 3 year :	25% (450 million)

Disclaimer

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Except those expressly specified herein, the *People Joy Foundation* does not make, and hereby disclaims, any representation or warranty with respect to ICST (such as merchantability or fitness for particular purposes). Each purchaser's decision to participate in the ICST crowdsale to purchase any ICST shall be made based on his/her own knowledge of ICST and the information disclosed in this Whitepaper. Without prejudice to the generality of the foregoing, each purchaser will, upon the launch of ICST, accept ICST on an "as is" basis, irrespective of the technical specifications, parameters, performance or function thereof.

The People Joy Foundation hereby expressly disclaims its liability, and shall in no case be liable to any person, for:

(1)   any person's purchase of ICST in violation of any anti-money laundering, counter-terrorism financing or other regulatory requirements that are imposed in any jurisdiction;

(2)   any person's purchase of ICST in violation of any representation, warranty, obligation, covenant or other provision under this Whitepaper, and the resulting failure or inability to make his/her payment or to claim relevant purchased ICST;

(3)   early termination of the ICST crowdsale for any reason;

(4)   failure or abortion of ICST development and resulting failure to deliver ICST;

(5)   delay or rescheduling of ICST development and resulting failure to meet any anticipated milestone;

(6)   any error, bug, flaw, defect or otherwise of the source code of ICST;

(7)   any malfunction, breakdown, collapse, rollback or hard fork of ICST or the blockchain of Ethereum;

(8)   failure of ICST to meet any specific purpose, or unfitness for any specific use;

(9)   utilization of the proceeds raised through the ICST crowdsale;

(10)   failure to timely and completely disclose any information relating to the development of ICST;

(11)   any purchaser's divulgence, loss or destruction of the private key of his/her crypto-currency or crypto-token wallet (inter alia, the private key of the ICST wallet used by that purchaser);

(12) any default, breach, infringement, breakdown, collapse, service suspension or interruption, fraud, mishandling, misconduct, malpractice, negligence, bankruptcy, insolvency, dissolution or winding-up of any third party crowdfunding portal of ICST;

(13) any difference, conflict or contradiction between this Whitepaper and an agreement between any purchaser and any third party crowdfunding portal;

(14) trading or speculation of ICST by any person;

(15) listing or delisting of ICST on or from any exchange;

(16) ICST being classified or treated by any government, quasi-government, authority or public body as a kind of currency, securities, commercial paper, negotiable instrument, investment or otherwise that may be banned, regulated or subject to certain legal restrictions;;   (17)   Any risk factors disclosed in this Whitepaper and any damage, loss, claim, liability, punishment, cost or other adverse impact that is caused by, associated with, in connection with, incidental to or consequential to that risk factor.punishment, cost or other adverse impact that is caused by, associated with, in connection with, incidental to or consequential to that risk fact

12. Risk Factors

The *People Joy Foundation* believes that there are numerous risks involved in the development, maintenance and running of ICST, many of which are beyond the control of the *People Joy Foundation*. Each ICST purchaser should peruse, comprehend and consider carefully the risks described below in addition to the other information stated herein before deciding to participate in the ICST crowdsale campaign.

Each ICST purchaser should pay particular attention to the fact that, while the People Joy Foundation is established in the Republic of Singapore, ICST lie in cyberspace only without physical presence and hence do not fall within or pertain to any specific jurisdiction.

Participating in the ICST crowdsale campaign shall be an action based upon prudent decision and will be deemed as the relevant ICST purchaser having been fully aware of and agreed to take all the risks below.

（1）*Termination of the Campaign*

The ICST crowdsale campaign may be early terminated, in case of which a purchaser may only be refunded with part of his/her payment as a result of the Bitcoin / Ether price volatility and/or the expenses incurred by the People Joy Foundation.

（2）Insufficient Information Availability

ICST is at the stage of development as of the date of this Whitepaper and its philosophy, consensus mechanism, algorithm, code and other technical specifications and parameters could be updated and changed frequently and constantly. While this Whitepaper has contained the then up-to-date key information of ICST, it is not absolutely complete and is subject to adjustments and updates that the People Joy Foundation might make from time to time for certain purposes. The People Joy Foundation is not in a position, nor obliged, to keep the purchasers closely posted on every detail of ICST development (including its progress and expected milestones no matter whether rescheduled or not) and therefore will not necessarily provide the purchasers with timely and full access to all the information relating to ICST that may emerge from time to time. The insufficiency of information disclosure is inevitable and reasonable.

（3）Regulatory Measures

Crypto-tokens are being, or may be, overseen by the regulatory authorities of various jurisdictions. The People Joy Foundation may receive queries, notices, warnings, requests or rulings from one or more regulatory authorities from time to time, or may even be ordered to suspend or discontinue any action in connection with the Campaign, ICST's development or ICST. The development, marketing, promotion or otherwise of ICST or the ICST crowdsale campaign may be seriously affected, hindered or terminated as a result. And since regulatory policies could change from time to time, existing regulatory permission or tolerance on ICST or the ICST crowdsale campaign in any jurisdiction could be just temporary. ICST could be defined from time to time as virtual commodity, digital asset or even securities or currency in various jurisdictions and therefore could be prohibited from being traded or held in certain jurisdictions pursuant to local regulatory requirements.

（4）Cryptography

Cryptography is evolving and cannot guarantee absolute security at all times. Advances in cryptography, such as code cracking, or technical advances such as the development of quantum computers, could present risks to all cryptography-based systems including ICST. This could result in the theft, loss, disappearance, destruction or devaluation of the ICST

held by any person. To a reasonable extent, the People Joy Foundation will be prepared to take proactive or remedial steps to update the protocol underlying ICST in response to any advances in cryptography and to incorporate additional reasonable security measures where appropriate The future of cryptography or security innovations is unpredictable while the People Joy Foundation will try its best to accommodate the continuing changes in the domains of cryptography and security.

（5）*Development Failure or Abortion*

 ICST is still in the process of development, rather than a finished product ready to launch. Due to the technological complexity of the ICST system, the People Joy Foundation could be faced with unforeseeable and/or insurmountable difficulties from time to time. Accordingly, the development of ICST could fail or abort at any time for any cause (including insufficiency of funds). The development failure or abortion would result in non-availability of the purchased ICST for Crowdsale to any purchaser.

（6）*Theft of Crowdsale Proceeds*

There may be attempts to steal the crowdsale proceeds received by the People Joy Foundation (including the fiat currency amount converted therefrom). Such a theft or attempted theft may affect the ability of the People Joy Foundation to fund the development of ICST. While the People Joy Foundation will adopt cutting-edge technical solutions to keep the crowdsale proceeds safe, certain cyber thefts could be hardly unpreventable.

（7）*Flaws in Source Code*

Nobody can guarantee the source code of ICST to be flaw-free. It may contain certain flaws, errors, defects and bugs, which may disable some functionality for users, expose users' information or otherwise. Such flaws, if any, would compromise the usability, stability, and/or security of ICST and consequently bring adverse impact on the value of ICST. Open source codes rely on transparency to promote community-sourced identification and solution of problems within the code. The People Joy Foundation will work closely together with the ICST community to keep improving, optimizing and perfecting the source code of ICST onwards.

（8）*Unpermissioned, Decentralized and Autonomous Ledger*

There are three prevailing categories of distributed ledger adopted among the contemporary blockchain projects, namely, unpermissioned ledger, consortium ledger and private ledger. ICST's underlying distributed ledger

is an unpermissioned one, which means it is publicly accessible and usable to everyone on a permission-free basis. While ICST is initially developed by the People Joy Foundation, it is not owned, operated or otherwise controlled by the ICST Foundation. The community of ICST, which is spontaneously formed and is open, decentralized and admission-free to join, is composed of users, fans, developers, ICST holders and other participants worldwide who are mostly not connected with the People Joy Foundation in any manner. Such a community will be decentralized and autonomous as to the maintenance, governance and even evolution of ICST while the People Joy Foundation will merely be an active player in the community peer to others without supreme or arbitrary authority, irrespective of its earlier efforts and contributions to the genesis of ICST. As a result, it is not at the mercy of the People Joy Foundation how ICST would be governed or evolve after the Launch.

（9）*Update of Source Code*

The source code of ICST is open and could be updated, amended, altered or modified from time to time by any member of the community of ICST. Nobody is able to foresee or guarantee the precise result of an update, amendment, alteration or modification. As a result, any update, amendment, alteration or modification could lead to an unexpected or unintended outcome that adversely affects ICST's operation or ICST's value.

（10）*Security Weakness*

The blockchain of ICST rests on open-source software and is an un permissioned distributed ledger. Regardless of the People Joy Foundation effort to keep the People Joy Foundation system secure, anyone may intentionally or unintentionally introduce weaknesses or bugs into the core infrastructural elements of ICST which the security measures adopted by the People Joy Foundation is unable to prevent or remedy. This may consequently result in the loss of ICST or any other digital tokens held by a purchaser.

（11）``*Distributed Denial of Service'' (DDoS) Attack*

The Ethereum is designed to be public and unpermissioned and therefore may suffer cyber-attacks of ``distributed denial of service'' from time to time. Such attacks will adversely affect, stagnate or paralyze the network of the ICST system and accordingly render the transactions thereon delayed to be recorded or included in the blocks of the Ethereum blockchain or even temporarily unable to be performed.

（12） *Insufficiency of Processing Power*

The rapid growth of ICST will be accompanied by a surge of transaction numbers and demand of processing power. If the demand of processing power outgrows how much the nodes of the Ethereum blockchain network can then provide, the network of ICST could be destabilized and/or stagnated, and there could be fraudulent or false transactions such as ``double-spending'' to arise. In the worst-case scenario, the ICST held by the purchasers could be lost, and rollback or even hardforking of the blockchain of the Ethereum could be triggered. All these aftermaths would do harm to the usability, stability and security of ICST and the value of ICST.

（13） *Unauthorized Claim of ICST for Crowdsale*

Anyone who gains access to the ICST purchaser's registered email or registered account by deciphering or cracking the purchaser's password will be able to claim the purchased ICST for Crowdsale in bad faith. As such, the relevant purchased ICST for Crowdsale may be missent to the person whoever claims that the same through the purchaser's registered email or registered account, which sending is not revocable or reversible. Each ICST purchaser shall take care of the security of his/her registered email and registered account throughout by taking such actions as:

>   (i) using a highly secure password;
>   (ii) refraining from opening or responding to any scam emails; and
>   (iii) keeping strictly confidential all the secret or personal
>   information about himself/herself.

（14） *Private Key of ICST Wallet*

The loss or destruction of a private key required to access ICST may be irreversible. ICST are controllable only by possessing both the relevant unique public and private keys through the local or online ICST wallet. Each purchaser is required to safeguard the private keys contained in his/her own ICST wallet(s). Where such private key of a ICST purchaser is lost, missing, divulged, destroyed or otherwise compromised, neither the People Joy Foundation nor anyone else will be able to help the purchaser access or retrieve the related ICST.

（15） *Popularity*

The value of ICST hinges heavily on the popularity of the ICST platform. ICST is not expected to be popular, prevalent or widely used soon after the launch. The worst-case scenario is that ICST may even remain

marginalized in the long run, appealing to only a minimal portion of the users. By contrast, a significant portion of ICST demand could be of speculative nature. The lack of users may result in increasing volatility of ICST market price and consequently compromise ICST long-term development. The People Joy Foundation will not (nor has the responsibility to) stabilize or otherwise affect ICST's market price if there is any such price.

（16）*Liquidity*

ICST is not a currency issued by any individual, entity, central bank or national, supranational or quasi-national organization, nor is it backed by any hard assets or other credit. The circulation and trading of ICST on the market are not what People Joy Foundation is responsible for or pursues. Trading of ICST merely depends on the consensus on its value between the relevant market participants. Nobody is obliged to redeem or purchase any ICST from any ICST holder (including the purchasers). Nor does anyone guarantee the liquidity or market price of ICST to any extent at any time. To divest his/her ICST, a ICST holder would have to locate one or more willing buyers to purchase the same at a mutually agreed price, which attempt could be costly and time-consuming and does not necessarily bear fruit. And there could be no crypto-currency exchange or other marketplace having ICST listed thereon for trading.

（17）*Price Volatility*

Cryptographic tokens, if traded on public markets, usually have extremely volatile prices. Fluctuations in price over short periods of time frequently occur, which price may be denominated in Bitcoin, Ether, US Dollars or any other fiat currency. Such fluctuations could result from market forces (including speculations), regulatory changes, technical innovations, availability of exchanges and other objective factors and represent changes in the balance of supply and demand. The People Joy Foundation is not responsible for any secondary market trading of ICST no matter whether or not there would be such markets for ICST. Therefore, the People Joy Foundation neither is obliged to tame the price volatility of ICST nor cares about that. The risks associated with ICST trading price have to be taken by the ICST traders themselves.

（18） *Competition*

ICST's underlying protocol is based on an open-source computer software such that nobody claims copyright or any other type of intellectual property right of the source code. As a result, anyone can legally copy, replicate, reproduce, engineer, modify, upgrade, improve, recode, reprogram or

otherwise utilize the source code and/or underlying protocol of ICST in an attempt to develop a competing protocol, software, system or virtual platform or virtual machine, which is out of the control of People Joy Foundation and may consequently compete with or even overshadow or overtake ICST. Besides, there have been and will be various competing blockchain-based platforms that compete with ICST. The People Joy Foundation will in no case be capable of eliminating, preventing, restricting or minimizing such competing efforts that aim to contest with or overtake ICST.