

Chronicle:
A universe for authenticated digital assets

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Abstract

High network gas fees and prerequisite knowledge of how cryptocurrencies operate are two common barriers for the scaling of digital collectables (NFTs) to the general public. A faster blockchain network is part of the solution, but the main benefits are lost if the onboarding process continues to be too troublesome. We propose a centralised platform that would solve a number of these onboarding issues, bringing millions of users of physical collectables into the world of NFTs; whilst also rewarding users through incentivised DeFi-like strategies.

1. Disclaimer

Contents within this business whitepaper may be amended by the authors. Please check the document version and date if you are unsure.

2. Background

Stories are as old as language itself. They have the unique ability to shape thinking and mould memories like no other form of communication can. A compelling narrative can easily imprint itself on the mind, leaving an unforgettable impression on the viewer.

Over the millennia our storytelling methods have evolved, often through artistic depictions. From the cave art of the Upper Paleolithic to today's online streaming services, and everything else in between. It is only natural to assume that storytelling methods will continue to evolve, just as they have for tens of thousands of years.

We've identified that we're at the transition point (paradigm shift) for the next human evolution of stories and artwork, through digital collectables or *non-fungible tokens* (NFTs) recorded on the blockchain.

3. The Problem

The digital collectables (NFTs) market largely consists of users who are pre-familiar with cryptocurrency and the operational use of the blockchains they're hosted on. Millions of traditional users of physical collectables are currently unable to access NFTs primarily due to challenging onboarding processes, such as:

- i) purchasing cryptocurrencies on an exchange
- ii) required understanding of different blockchains
- iii) knowledge on how to set up a crypto wallet
- iv) knowledge on how to export tokens from the exchange to a crypto wallet
- v) heavy network prices on the blockchain (e.g. Ethereum network)

NFTs still remain far too troublesome for some, thus leaving out millions of potential users to the world of digital collectables and the millions of dollars of revenue they could bring in.

4. Our Solution

Our proposed solution? Chronicle — an easy to use platform where users can buy, sell, trade, bid, and gift authenticated digital collectables licensed directly from the world's leading brands, featuring:

- Easy email address sign up.
- USD onboarding via payment integration partners (e.g. Stripe).
- Access to premium, authenticated digital collectables backed by the world's greatest brands.
- Options to buy, sell, swap/trade, bid, and gift collectables.
- Show off your collectables to social media.
- Gamification — build up your Chronicle profile.

- Earn rewards via Chronicle’s native XNL token which can be used for trade discounts and priority access to limited edition collectables.
- Friendly user experience. Each user assigned a wallet for the storing of their collectables. We handle all the blockchain on the backend. No confusion nor compulsion for the user to learn *crypto* if they don’t want to.
- Great support!

5. Point of Difference

Chronicle is pursuing an innovative blue ocean platform opportunity which we call **NFTs as a Service (NaaS)**. The primary focus of strategy will be to allow the easy, scalable and highly monetizable onboarding of the world's greatest brands into the ever growing NFT market. At Chronicle, we believe that the collective forward momentum of this entire NFT industry can be triggered by leaning against the value held by premium IPs which are currently untapped, and as a result lack the collective ecosystem that a wholly motivated community can bring.

In short, we see ourselves as a preamble to what Binance has done for the crypto industry as whole - **'Chronicle, the Binance for NFTs'**.

6. Collectable Categories

Chronicle aims to become an all-industry-support platform covering but not limited to:

- Film and Television
- Animation
- Sports
- Arts and Culture
- Music
- Games
- Celebrities
- Fashion
- Other Officially Licensed Memorabilia

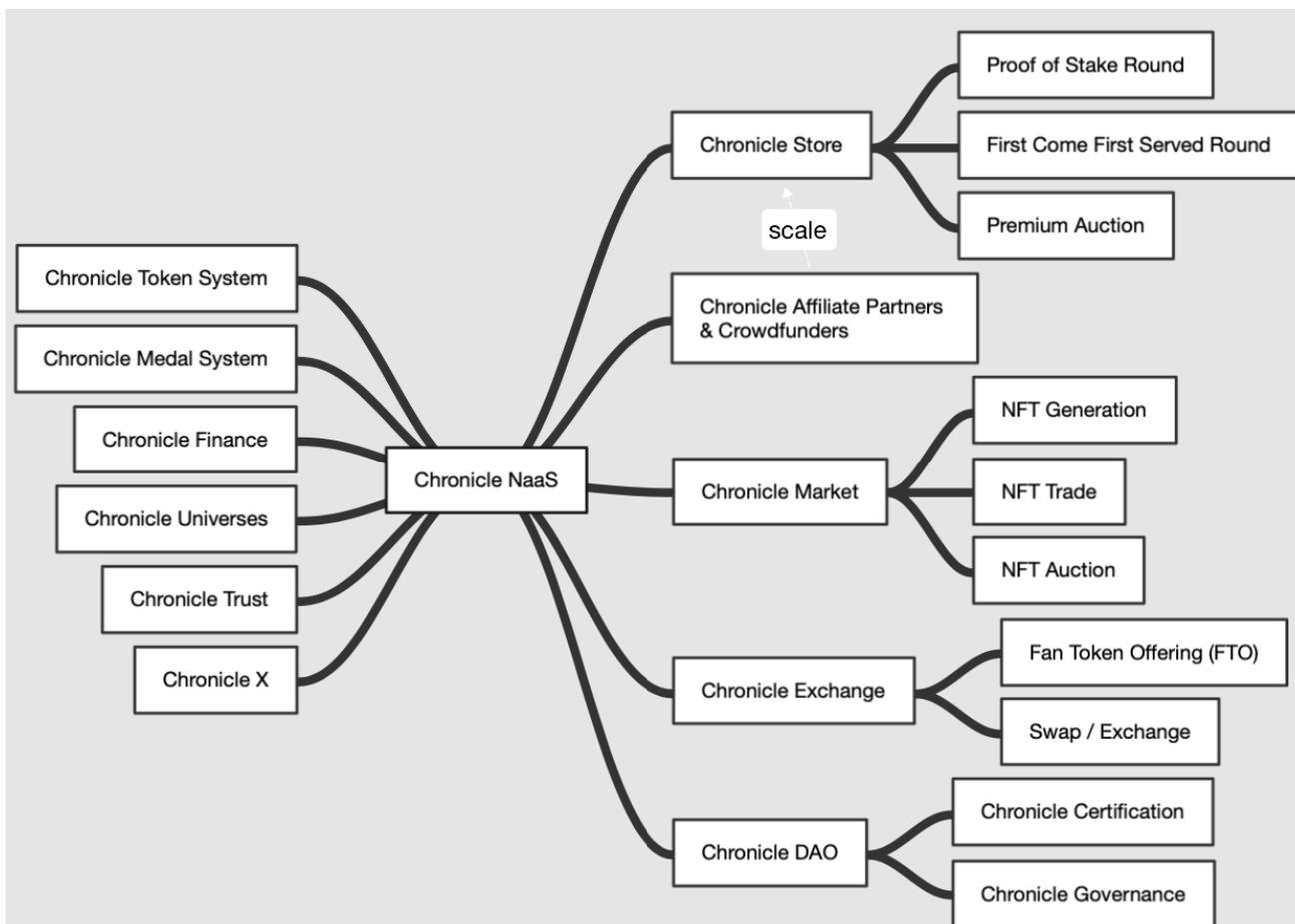
7. Chronicle Ecosystem

The Chronicle NaaS ecosystem contains several innovative services that will be used to drive Chronicle forward. These services can be considered part of the *Chronicle Universe*. We explain these services and how they will function in detail below.

i) Individual Roles within the Chronicle Universe

- Chronicle Authenticated Collectables (Traders)
Licensed collectables are developed by Chronicle Studio which can be sold on the Official Chronicle Store and purchased by collectable traders. Based on brand categories, these collectables can vary in their forms (still images, 3D models, music, videos, etc.), all with an emphasis on creating an immersive experience for the collectable holder.

- Chronicle Studio (Creators)
An internal team of 2D and 3D environmental and character artists working at the Chronicle HQ who design and develop authenticated collectibles licensed directly from world's leading brands, which are sold in the Chronicle Store. Each collectable that the Studio creates, whether extremely rare or common, comes with a Chronicle hologram/watermark for instant recognition and brand verification.
- Licensing Partners
License holders of brand IP in partnership with Chronicle will earn a percentage of revenue, typically on the sale of packs and the marketplace transactions. Each individual license that Chronicle obtains is unique, usually dependent on the brand, its owner, history, and fanbase size.
- Chronicle Affiliate Partners
Those who scout for official brands, introduce, and successfully facilitate the landing of major licensing deals for Chronicle. Typically this can be all licensing agencies for big brands around the world. Scouts will share the revenue from the brand they bring onboard. The percentage is subject to change based on brand valuation and each individual contract.
- Chronicle Revenue Sharing (Crowdfunders)
Individuals looking to earn a share in Chronicle's revenue can claim a stake by participating in a crowdfunding arrangement for the license onboarding of a brand's collectables to the Chronicle Universe. Once the brand is successfully onboarded, funders effectively become a minority shareholder of that brand's collectable assets within the Chronicle Universe and are able to constantly collect dividends from the revenue generated from that brand within the Chronicle Store. The percentage is subject to change based on brand valuation and funding pool size.



ii) Services within the Chronicle Universe

- **Chronicle Store**

The issuance and distribution center for authenticated digital collectables. All licensed collectables are sold in limited edition sets. There are only a limited number of sets per period (e.g. week, fortnight, month) being sold and the issuance will be divided into:

- i) Proof of Stake round (XNL), and
- ii) First come first served (USD), and
- iii) Premium auction (subject to each individual licensing deal).

Collectables themselves are divided into five tiers: Common, Uncommon, Rare, Epic, and Legendary; among which the Legendary collectables will only be available via Premium Auction.

Proof of Stake Round (Blind Box Round 1) - Priority Purchase with XNL Staking

The first 50% of collectable packs per round will be issued via Proof of Stake. Based on a pre-announced set period average XNL staking amount, different allocation for each user will be determined. Users who are selected will then need to make their payment in USD for their collectable card allocations within 24 hours.

First come first served Round (Blind Box Round 2) - Priority Purchase with Fiat Onramp

The remaining 50% of collectable packs will be issued out on a first come, first served basis. These sets will be available for purchase in USD via Chronicle's fiat onramp after the Proof of Stake round finishes.

Premium Auction

An auction process will be held for Legendary NFTs. Chronicle will set the base price, the minimum bid size, a soft cap, and the participation requirements for each auction item.

- **Chronicle Exchange & Fan Token Offering (FTO)**

Further enlivening the fan ecosystem, Chronicle allows certified artists and brands to create their own loyalty tokens which can be used to redeem special offerings and privileges of participating in different events, both online and offline, such as exchanging tickets, claiming exclusive products, participating in special events, and auctioning extremely rare collectables.

Fan Token Offering (FTO)

FTO is the initial offering process of an artist or a brand issuing its fan token on Chronicle. Fan tokens can be purchased using XNL.

Chronicle Exchange

Chronicle Exchange is a web platform that allows the listing and trading of fan tokens. All fan tokens that have successfully completed their FTO will be automatically listed on Chronicle Exchange, and their token can be traded instantly and freely just like any other cryptocurrency on other exchanges.

Chronicle Exchange will be based on a decentralized swapping mechanism, similar to Uniswap and Pancakeswap.

- **Chronicle Marketplace**

Central to its platform, Chronicle's collectable marketplace allows users to buy, sell, swap, trade, bid, and gift licensed digital collectables from leading brands.

- i) Listing of a collectable for sale, swap, or trade is free; as is gifting a collectable.
- ii) Once a buyer takes an order, 2.5% of the deal price will be charged from the seller.

- **Chronicle Affiliate Partners & Crowdfunders**

An affiliate reward system for revenue sharing of big brand licenses launched on Chronicle Store, paid directly to:

- i) Affiliate partners, who bring licensing deals directly to Chronicle, and
- ii) Crowdfunders, who co-invest in licensing pools by staking XNL tokens.

Affiliate Partners

The process of a license finder introducing and securing a brand's license to Chronicle. Partners can be an individual, company, or any licensing agency around the world. Specific licensing terms will be determined by joint efforts of Chronicle's legal team and the affiliate partner. Once Chronicle successfully acquires the license and launches it on Chronicle Store, the affiliate partner will secure a small share of the ongoing sales revenue from the brand they successfully helped to onboard.

Crowdfunders

The process of initiating a crowdfunding campaign for a secured license deal between the License Holder and Chronicle. Based on the deal, Chronicle will assign a valuation for that license and determine the maximum pool size. Users can invest in the pool using XNL tokens and effectively become Chronicle Funders who will enjoy ongoing dividends of the brand's sale on Chronicle Store based on their shares of the crowdfunding pool.

- **Chronicle DAO**

A future decentralized platform built by Chronicle where users can create their artist profiles and sell their own digital collectables.

Chronicle Certification

An election system that allows users to be certified as different roles.

- **Certified Brand**

A Certified Brand can license their brand to Chronicle and launch a collectables series on Chronicle DAO Store, and can have access to auctions.

- **Certified Artist**

A Certified Artist can join Chronicle DAO Studio.

Chronicle Governance

A voting system for community governance. Specific voting rules will be released in the future.

- **Chronicle Finance**

The financial arm of Chronicle that offers a variety of DeFi products and services including XNL staking, swap, farm, loan, vault, etc.

- **Chronicle Trust (Future Roadmap)**

An innovative bridging solution for NFT physical items and deNFT digital collectables by placing physical collectables from the real world into custody (e.g. vault), thereby issuing an NFT token.

- **Chronicle X (Future Roadmap)**

A standardized technical solution to support and unify the NFT ecosystem through the development of a protocol for NFTs (i.e. <filename>.nft)

8. Revenue

Chronicle as a business makes revenue primarily by four methods:

1. Direct sales. We charge for packs of digital cards. The pricing of each pack is dependent upon the brand and the type of pack.
2. Exchange transactions. We make a small fee on marketplace transactions — we take a modest 2.5% commission from all digital collectable (NFT) trades (buy/sell) which is also used to cover the blockchain transaction cost.
3. Premium listings. Featured items for sale and auctions.
4. NaaS. Developing bespoke IP onboarding for existing physical assets. For example:
 - a. New partnership opportunities, licensing arrangements, development for studios.
 - b. The Chronicle team charges a service fee for the programming, execution & delivery of officially licensed collectables.

9. Chronicle Medals

Chronicle Medals are native NFTs which are used to certify users' constant support and contribution to the Chronicle ecosystem and community.

They are effectively membership tiers, similar to a frequent flyers program. They are a unique instrument to drive utility.

- Legendary Medals - Staking 1,000,000 XNL for 1 Month
- Epic Medals - Staking 100,000 XNL for 1 Month
- Rare Medals - Staking 50,000 XNL for 1 Month
- Uncommon Medals - Staking 25,000 XNL for 1 Month

XNL Medal holders can:

- Trade their medals on Chronicle marketplace.
- Enjoy different levels of discounts for their activities on Chronicle.
- Enjoy different levels of special coupons from Chronicle and its partners.
- Enjoy different levels of privileges during special events and programs on Chronicle.
- Enjoy different levels of exclusively licensed NFTs or physical franchise products.
- Enjoy different levels of boost rates for their staking reward on the platform.

10. Blockchain

The mass adoption of cryptocurrency in 2021 has been unprecedented. As a result of decentralised finance (DeFi), the Ethereum network has become congested so much that in February 2021 the average swap gas fee was approximately 50 USD.

Chronicle requires a network that will provide the best experience for its users whilst at the same time running on the codebase that Ethereum has created for its ERC-721 standard.

That solution for the immediate term is Binance Smart Chain (BSC), a blockchain network based out of Singapore.

It is important to state Chronicle is not solely fixated on one single blockchain technology and in the future may look to an additional and/or alternative network as this technology sector rapidly evolves.

11. Tokenomics

XNL is Chronicle's native cryptocurrency. A BEP20 token issued on Binance Smart Chain, XNL denotes users' rights on Chronicle and is designed for the empowerment of the ecosystem and governance over the community. It serves as an ETF-like benchmark index for suggesting the overall value of all NFTs on Chronicle. XNL also is the base trading token, making up with fan tokens into trading pairs which can be traded on Chronicle exchange.

Total Supply: 100,000,000 XNL

12. Utilities

- Common Utilities
XNL is used for Proof of Stake for the claiming of digital collectable packs.
- Community Governance
Eventually, Chronicle will have a community-driven DAO. XNL holders can create and vote for different proposals on Chronicle Vote to guide Chronicle's development and management from usage of Foundation Reserve to migration and support to other blockchains.
- Treasury
Chronicle will use a certain percentage of its net profit to buy back XNL tokens and deposit them into the Treasury for incentivization. The majority of these bought-back XNL tokens will be rewarded back to the XNL holders and Chronicle Medal owners.
- Rewards & Bonus
Chronicle will launch different DeFi programs where users can take advantage of their XNL tokens to yield extra interests.
- Fees & Discounts

Depending on the amount of XNL being held, users will enjoy discounts on collectable purchases and trades.

13. Token Structure

Allocation	XNL	%	\$	Raise
Seed Sale	11,200,000	11.20%	\$0.075	\$840,000
Private Sale	22,999,998	23.00%	\$0.10	\$2,300,000
Public Sale	800,002	0.80%	\$0.125	\$100,000
Licensing & Partnerships	15,000,000	15.00%		
Team	15,000,000	15.00%		
Advisors	5,000,000	5.00%		
Community Growth	20,000,000	20.00%		
Foundation Reserve	10,000,000	10.00%		
Total	100,000,000	100.00%		\$3,240,000

14. Token Sale & Vesting

XNL from different allocation categories will be put under different vesting terms as specified in the table. Note that by releasing linearly it means investors will keep getting XNL released to them based on block heights on Binance Smart Chain.

Allocation	Vesting
Seed Sale	5% released initially, then a daily release starting 1 month after TGE for 10 months
Private Sale	10% released initially, then a daily release starting 1 month after TGE for 5 months
Public Sale	100% immediately
Licensing & Partnerships	6 month cliff, then 20% released every 3 months
Team	1 year cliff, then 20% released every 3 months
Advisors	1 year cliff, then 20% released every 3 months
Community Growth	15% locked on Uniswap, remaining tokens have 1 month cliff, then 8.33% released every month for 12 months
Foundation Reserve	6 month cliff, then 20% released every 3 months

15. Investment Medals & XNL Claiming

All investors participating in the seed and private sales are issued 'Investor Medals', the very first batch of NFTs created by Chronicle to represent investor's rights to claiming XNL tokens for their investments.

Chronicle will build a separate portal where investors and advisors can go on to claim their XNL by certifying the medals they possess. The backend of the portal runs on a smart contract on BSC to ensure a fully decentralized, transparent, audited and fair distribution of XNL tokens.

Investor Medals can also be traded freely on Chronicle Market. An investor can sell his medal to regain the liquidity of his investment. However, the price for different medals will be purely determined by the market.

Allocation	XNL	Medals	XNL per Medal
Seed Sale	5,000,000	10 (Seed)	500,000
Private Sale	10,000,000	50 (Private)	200,000
Advisors	5,000,000	100 (Advisor)	50,000

16. Roadmap - Key Stages

1. Q1 2021
 - a. Release whitepaper, set up community and social media.
2. Q2 2021
 - a. Close seed and private round funding
 - b. Release PoC, completes IEO / IDO
3. Q3 2021
 - a. Chronicle App on both iOS and Android with Chronicle Marketplace, release 2 officially licensed brands
4. Q4 2021
 - a. Chronicle Medal System
5. Q1 2022
 - a. Chronicle Auction
6. Q2 2022
 - a. Chronicle Crowdsourcing
7. Q3 2022
 - a. Chronicle DAO
8. Q4 2022
 - a. Chronicle Finance (Credit System, Exchange/Swap, Loan, Bank Notes, Bonds etc.)

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