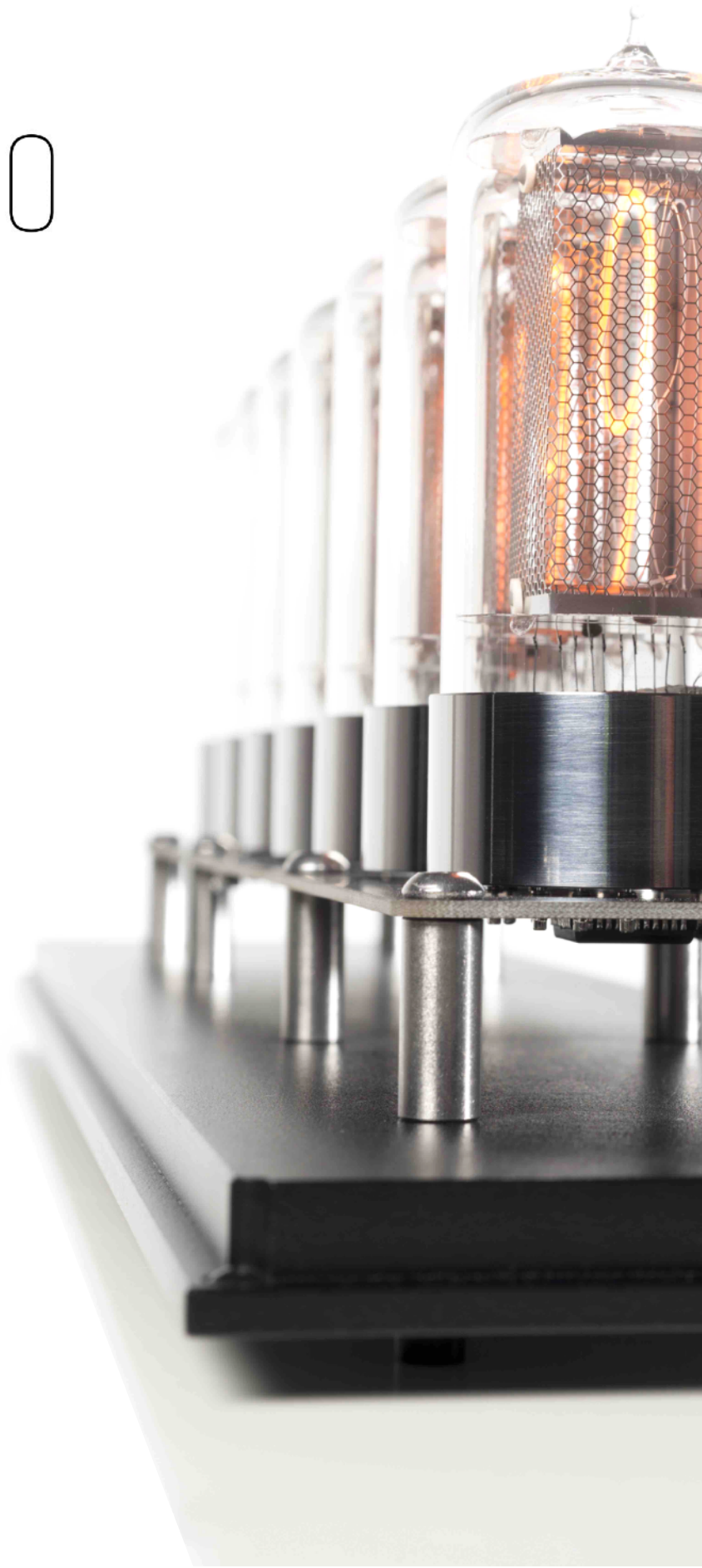


# VALUE MANIFESTO

WHITEPAPER

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# 1. SUMMARY

Over the past 150 years, visual art has liberated itself from ecclesiastical tutelage, secular censorship, representation, symbolism and ultimately material. From the middle of the 19th century to the present day, the struggle for autonomy has been at the forefront of the evolution of art. Art gained autonomy in most areas - with one exception: its own market. Like never before, art has become a substitute currency and status symbol, a pawn in the hands of global economy: This is the age of fundamental economization of the artwork. The logical consequence is the Value Manifesto.

The manifesto declares its own commercial value to be art: it is the first crypto-multiple in the history of art. The price of the editions is determined by the Value Manifesto's blockchain based, high security web platform on which bids are accepted for the acquisition of a single edition. Thus, the *Value Manifesto* is the first crypto-multiple in the history of art. Each crypto-multiple of a limited edition of 250 units is represented by a ERC-721 token on the Ethereum blockchain. The value (defined in Swiss Francs) can be seen on the Value Manifesto bidding platform, the Value Manifesto application and the manufactured Value Manifesto IoT decryptor displays.

The reduction of the present artistic concept to its market value is a provocative statement in the ages of a hypercommercialized, multi-billion dollar art market. In the case of the Value Manifesto, the prices are not created by galleries, auction houses and collector circles, but by real and unfiltered market request.

# 2. INTRODUCTION

Since the 1850s to the present day, the struggle for autonomy has been the focus of various manifestos and artistic movements. The Impressionists questioned the long established hierarchy of subject matter and representation. The Suprematists fought for the freedom from objectivity. The Concrete Art movement sought for secession from symbolism. Conceptualism freed art from material and Postmodernism from the concept. Art gained autonomy in most areas - with one exception: its own market.

Like never before, art has become a substitute currency and status symbol, a pawn in the hands of global economy.<sup>1</sup> The squares of the Russian Suprematists, now part of art collections by oligarchs and the super rich, were originally produced as art by and for the

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<sup>1</sup> Adriano Picinati di Torcello: Why should art be considered as an asset class? (Deloitte Financial Services 20.12.2012)  
<https://www2.deloitte.com/content/dam/Deloitte/lu/Documents/financial-services/artandfinance/lu-art-asset-class-122012.pdf>

proletariat. "Necessities, not luxuries!" was the maxim of the Bauhaus under director Hannes Meyer. Today, the design achievements of his school adorn the executive floors of large corporations and the villas of the global haute-volée, instead of functioning as basic furniture in workers' houses. A critical amount of the global art-revenue does no longer happen at galleries or art dealerships but by trading certificates of title.<sup>2</sup> As a result the artworks remain stored in duty free warehouses and merely change their owner on paper. Philosopher and critical theorist Walter Benjamin saw the transformation of art as an effect of changes in the economic structure in the early 1930s. Benjamin's magnum opus "*The Work of Art in the Age of Its Technological Reproducibility*" describes the effects of modernity (in the age of industrialization) on the work of art. Nowadays, we are not only in the age of digital revolution, but also in the age of the fundamental economization of artworks.

### 3. CONCEPT

The rising economization of the art world led to the hypothesis that the value of an artwork could become a work of art itself. Hence, the crypto-token based Value Manifesto defines its own trading value as art and communicates its value directly to its spectators.

The hypothesis of the Value Manifesto creates many questions, which shall be answered in time along the way: Would the multiple with its 250 editions be able to generate an intrinsic value?

Would the Value Manifesto receive enough public attention possibly without their support or even against the opposition of gallerists, art dealers and art fairs? Who would buy such a multiple? Would the multiples be stored away without noteworthy sales and price changes, far from the global art trade and attention? In example by becoming the toy of speculators who misuse the billboards as a hypothetical bank statement or collectibles for a small, technology-obsessed lover's circle?

The Value Manifesto seeks to find the answers to these questions by being and functioning as the first crypto multiple in history of art. The Value Manifesto is accessible to everyone via the internet and can be traded via its own marketplace without intermediaries and collusion. In its existence in a purely digital form as a crypto-token, it introduces the philosophy of the technically reproduced multiple to the Zeitgeist of the digital age. As a continuous and long-term experiment, the findings of Value Manifesto shall be used to demonstrate the application of blockchain technologies in the art market.

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<sup>2</sup> John Zarobell: The role of free Ports in the global art market. Published on [artsy.com](https://www.artsy.com) (14.07.2017). Source: <https://www.artsy.net/article/artsy-editorial-freeports-operate-margins-global-art-market>

## 4. THE VALUE MANIFESTO

### The Value Manifesto

...is declaring its own commercial value to be art.

...leaves any symbolism behind and concretises its self-purpose on its own trading value.

...is the first crypto-multiple in the history of art

...is accessible to everyone and can be traded through its own highly secure marketplace without intermediaries and collusion.

...is traded transparently as a non-forgable crypto-multiple on blockchain basis with an edition of 250 units.

...displays its current real-time value in Swiss Francs on handcrafted IoT Nixie decryptors as well as online on your desktop or mobile.

...serves as an interdisciplinary experiment in the pioneering age of blockchain and IoT technologies. The experiments insights shall be used for establishing the presence of blockchain technology in science of art.

....is a tribute to the progressive principles of 20th-century artistic avant-gardes.

### PEOPLE BEHIND THE MANIFESTO

Timo Niemeyer (\*1983 in Finland) developed the artistic concept of the Value Manifesto since 2015. Timo is art historian with an art market focus on the diverse European Avant-Gardes and online art market advisor. He worked at leading European galleries, managed a London based private art collection and built up the online art platform *Artusiast* as CEO until its successful exit to *Artnet* in 2017. Timo studied Art History, Social Anthropology and Law at the University of Zurich, Switzerland. His vision is a smooth and democratic embedding of cultural and especially artistic heritage in the forthcoming digital age in the context of IR4.

Matthias Frank (\*1983 in Germany) developed the technical concept of the Value Manifesto. Matthias has worked at Deezer, Millicom International Cellular and is co-founder of ParkU. He studied mechanical engineering at TU Munich and holds a PhD from the University of Oslo.

Dalibor Farny (\*1984 in Czechoslovakia) manages a small, but highly motivated team based in Czech Republic. After 6 years of work, they succeeded to bring nixie tubes back from extinction and are now the only manufacturers in the world. Value Manifesto uses his RIZ568M tubes. The name relates to one of the original nixie tubes made back in 60's – a Z568M. The R in its name means resurrection.

Natallia Martchouk (\*1974 in Belarus), Matthias Gall (\*1979 in Germany) and Thijs Reus (\*1980 in The Netherlands) are 3 co-founders and managing directors of trimplement GmbH, who provide the Value Manifesto's trading platform based on the Ethereum blockchain. They met at ClickandBuy, where they worked together as software architects, and then decided to start their own business in 2010. Based on their profound experience in developing online payment systems, trimplement provides software development, consulting and products in the fintech area. They are passionate about multi-disciplinary applications of blockchain technology.

## 5. THE BIRTH OF THE MANIFESTO

### THE ART MARKET AS INSPIRATION

In an art world without taboos and endless varieties, Timo Niemeyer found it difficult to identify a possible direction of future art movements during his art history studies (2007-2013). The question "Quo Vadis?" seemed particularly difficult, especially considering the endeavor of 20th century art movements to achieve autonomy. Niemeyer noticed that sociocultural provocative elements in art could hardly provide a trigger for real social discourses. In and with the art one could address everything: materiality, sexuality, religion, politics. Only one topic seemed sacred in the art world: the prices of its own market. Prices on the art market are scarcely communicated in public. They might be considered as high or expensive but never as wrong: Art may cost anything. Price lists appear mostly only upon request, not intended for the public eye.

Online art price databases are generally hidden behind paywalls with high membership fees.<sup>3</sup> The art trade, a dinosaur in the global economy, is still relatively similar to the medieval marketplace: annual fairs happen in bigger cities and attract spectators, collectors and other dealers. Communicated prices are non-transparent and volatile. While some observers question this situation, the art market itself certainly doesn't: the number of art fairs held has exploded globally and grew by at least 600% during the last decade<sup>4</sup>, the global art turnover is said to have nearly tripled in the last 25 years.<sup>5</sup> Nevertheless, art market data remains a difficult topic: discrepancies between the global art market reports imply the challenge of quantifying the non-transparent art market. The termination of the leading TEFAF art market report gives way to far-reaching implications for the opaque art industry, where comprehensive analyses of market data are scarce.<sup>6</sup> In 2013 Timo Niemeyer decided to write his master's thesis in the field of art history at the University of Zurich on the subject "The Position of Concrete Art on the International Art Market", not only to improve his understanding of avant-garde art markets, but also to examine the sales mechanisms and structures. For him it was at that point obvious that the art market, in the perspective of the avant-garde's endeavor to achieve autonomy, could be a catalyst for a provocative experiment: how would it be if art demanded and enforced its autonomy from the market? The technological feasibility of an artwork that could be traded online via the World Wide Web was guaranteed through the internet. To create a work of art or a series of multiples, which could directly display the commercial value of the work on displays was not a question of feasibility but plain realization. However, with what kind of medium could such an experiment be carried out?

## THE IDEA OF A CRYPTO MULTIPLE

An inspiration for a possible medium came directly from the family environment: The editeur Tuula Niemeyer-Partanen, Timo's mother, has been publishing editions of Concrete and Constructive Artists for decades, hence Timo was introduced to the conceptualization, production and distribution of multiples at a young age. In addition to the practical access to the multiple and editions through his own parent's studio, he

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<sup>3</sup> f.e. Artnet, Blount Art Info, [artprice.com](http://artprice.com), LiveAuctioneer

<sup>4</sup> Y-Jean Mun-Delsalle: The Art Fair Boom Is Forever Changing the Way the Art Market Does Business. Published at Forbes Magazin: <https://www.forbes.com/sites/yjeanmundelsallehttps://www.forbes.com/sites/yjeanmundelsalle/2016/04/07/the-art-fair-boom-is-forever-changing-the-way-the-art-market-does-business/>

<sup>5</sup> Sophia Yan: Where the rich stash their toys. CNN Money. <https://money.cnn.com/2014/04/08/news/economy/freeports-art-luxury/index.html>

<sup>6</sup> Henri Neuendorf: TEFAF has discontinued its signature art market report. Published on [artnet.com](http://artnet.com): <https://news.artnet.com/market/after-18-years-tefaf-scrap-art-market-report-1202942>

himself increasingly dealt with the theory of multiples in the context of his studies: the concepts of "originality" and "seriality" play an important role in the theoretical justification of the multiple.<sup>7</sup> In the logic of the original, copy, reproduction and forgery, which were defined primarily in the field of visual art, a hierarchy of values has appeared in the course of the history of art: an hierarchy, where the painting is the most authentic, because it preserves an *aura* (in the words of Walter Benjamin), from whose uniqueness the gradient of subordinate imitations took its course.<sup>8</sup>



**Günther Uecker:** *Do it yourself*

(Multiple, 1968, published by VICE-Versand)

© Timo Niemeyer

Taking into account this historically grown theory, Timo Niemeyer saw the multiple as the ideal medium for his experiment. It fulfilled important theoretical components representing the endeavor for autonomy of the Avant-Garde, ranging from the Arts & Crafts Movement, Russian Constructivism and the Bauhaus to Marcel Duchamp. Daniel Spoerri defined the guidelines for the multiple in the foundation of his edition MAT ("Multiplication d'Art Transformable") in the following way: A multiple should a) not be produced by any historical duplication techniques (etching, photography, etc.) b) the works should get along without personal handwriting and c) be transportable.<sup>9</sup>

By the end of 2014, Timo Niemeyer had a plan: to develop a multiple which can define its own price via an auction platform and display its value directly and in real time.

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<sup>7</sup> The theories of seriality were an important topic in Jennifer Dyer & Jennifer Dyer Harnish publication 'originality seriality', Zurich/Berlin 2011.

<sup>8</sup> Walter Benjamin: The Work of Art in the Age of Mechanical Reproduction. Berlin 1939.

<sup>9</sup> Claus Pias: Multiple, in: Begriffslexikon zur zeitgenössischen Kunst, Cologne 2006, p. 219-224.

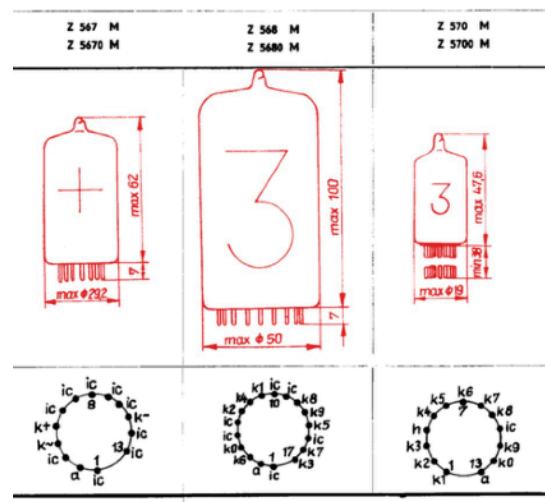
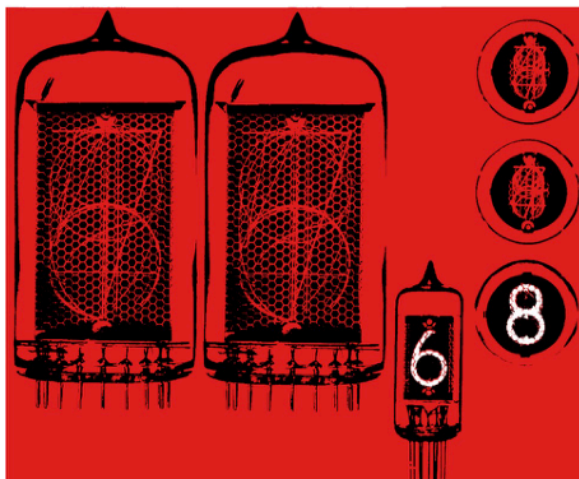


## DEVELOPMENT OF A DISPLAY SOLUTION

While there were plenty of possibilities for display solutions, finding a medium from the past, exclusively developed in the past to display numbers, it proved to be much more challenging.

In a newspaper article, Niemeyer came across the Steampunk movement. Researching the movement, he came across the website [instructables.com](https://www.instructables.com/), where he discovered Nixie tubes as a display medium.<sup>10</sup> Nixie tubes were used in the 1960s and 1970s for displaying digits in measuring devices and computers. The name "Nixie" was invented by the company Burroughs, who used this name in 1955 as an abbreviation for "Numeric Indicator eXperimental No 1".<sup>11</sup>

### Ziffern-und Zeichenanzeigeröhren



#### Tube Brochure

(1971, VEB Werk für Fernsehelektronik Berlin)

Timo Niemeyer calculated a required quantity of at least a few hundred units for the placement of a multiple in a small three-digit edition size and embarked on a search for a possible source for IN-14 (IH -14) or IN-18 (IH -18) tubes from Soviet production. Yet, he quickly noticed in conversation with dealers such as Dieter Wächter of Nicrotec or PV

<sup>10</sup> Steampunker Nixie Clock, in: <https://www.instructables.com/id/Nixie-Clock/>, 2011.

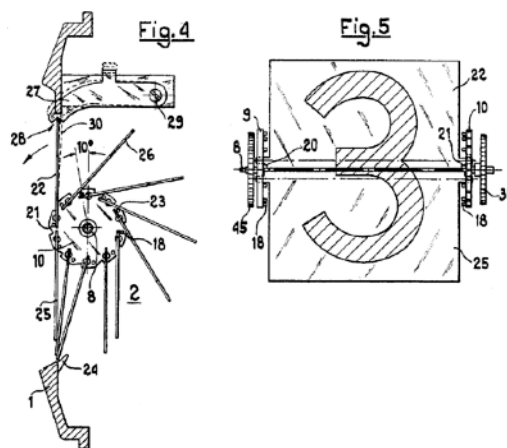
<sup>11</sup> Electronics Magazine 1965: [https://books.google.de/books?id=UBIRAAAAYAAJ&q=Burroughs+Nixie&dq=Burroughs+Nixie&hl=de&sa=X&ved=0ahUKewjympPb\\_LTcAhXGx6YKHRsTB1cQ6AEIMTAD](https://books.google.de/books?id=UBIRAAAAYAAJ&q=Burroughs+Nixie&dq=Burroughs+Nixie&hl=de&sa=X&ved=0ahUKewjympPb_LTcAhXGx6YKHRsTB1cQ6AEIMTAD).

Electronics, that not only the availability wasn't given, but also the lifespan of the individual tubes was only a few thousand hours: a KO criteria for the medium Nixie tube.<sup>12</sup> In the summer of 2015, Timo learned in the Swiss press about the conversion of the Swiss railway displays to digital boards and a cancellation of the previously used Split flap displays.<sup>13</sup> In the following months of research, he came within his research across the company Vtec in Wangen a.A./Switzerland which permitted him access to the discarded fall split flap displays of the Swiss Railways (SBB). Markus Wuethrich from SBB provided Niemeyer with two components for testing purposes, however, there was a lack of a player and software.



**SBB Split Flap Display**

(ca. 1990s, produced by Vtec, Wangen)



A Berlin-based company might have helped with this: Hans Pagel has developed a simulation software for DIY split flap displays.<sup>14</sup> In conversation with Pagel, it turned out that the display had problems showing numbers only: The leaflets were designed for the display of the alphabet (plus numbers, empty spaces and additional signs). Hence, not only a manual adjustment / production of individual case leaflets would have been necessary, but also a massive intervention in the aesthetically special look of the digits itself must have been made. The money and time needed to modify the split flap displays of the SBB would have been way out of proportion.

In autumn 2016, Dr. Matthias Frank joined the technical planning around the Value Manifesto: Matthias was enthusiastic about the theory of the project and, as a mechanical engineer, was eager to promote the technological implementation of the *Value Manifesto*.

<sup>12</sup> Brian Benchoff: Measuring the lifespan of a Nixie tube. Published in [hackaday.io](https://hackaday.io): <https://hackaday.com/2013/11/24/measuring-the-lifespan-of-nixie-tubes/>

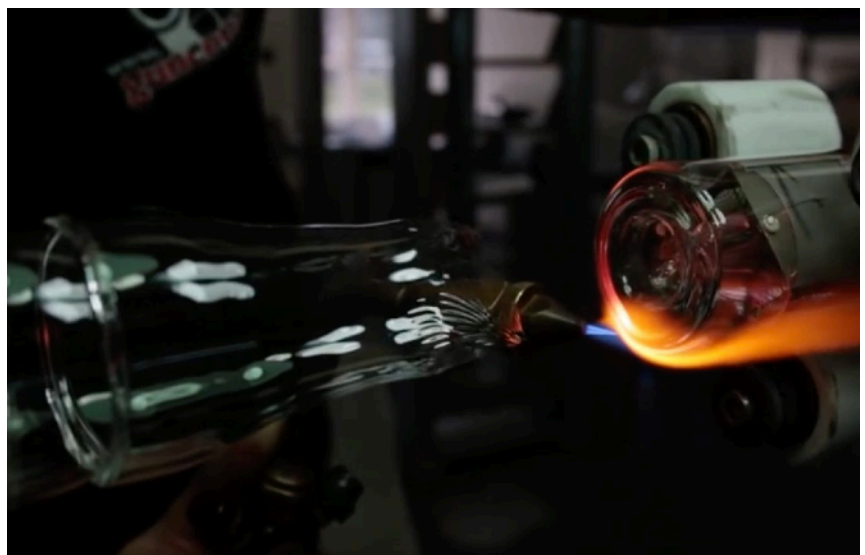
<sup>13</sup> Urs Bühler: Das letzte Zwinkern, in NZZ: <https://www.nzz.ch/panorama/das-letzte-zwinkern-der-fallblaetter-1.18589193>.

<sup>14</sup> Website with Pagel's Split Flap Display: <https://hanspagel.com/flap.html>

## DALIBOR FARNÝ'S R | Z 568M

In late 2016 a hint from a software developer brought both back to an earlier idea, which had been turned down previously: the Nixie tube. The design of the nixie tubes are intriguing in many ways: developed exclusively for displaying numbers, functioning basically like a glow lamp, they represent a simple electronic display solution from an age before the invention of computer monitors. The glass tubes, filled with gas at low pressure, contain a wire-mesh anode and number shaped cathodes from 0 to 9. Applying power to one cathode surrounds it with an colored glow.

In 2013, the Czech inventor Dalibor Farný started producing producing a new series of Nixie tubes in his workshop in an old Moravian castle close to Brno.<sup>15</sup> Matthias and Timo visited him there and introduced him to their project, trying to get him on board.



### Dalibor Farný's tube factory

© Dalibor Farný

What was once used as a mass-market numerical display for scientific instruments has nowadays become a luxury item: Dalibor Farný's Nixie tube RIZ568M has a fascinating aesthetic, a long lifetime span and can easily be reproduced in quantities needed for the *Value Manifesto* project. The name of RIZ568M relates to one of the original nixie tubes made back in 60's – a Z568M. The R in its name means resurrection. Farný wanted to pay tribute to old engineers from RFT company who chose this name and he decided to keep it, so together it makes "RIZ568M". The original Z 568 M was manufactured in Eastern Germany by RFT (Rundfunk- und Fernmelde-Technik), a tube making company. Farný personally states this tube to be the most beautiful nixie tube ever made: Vintage font,

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<sup>15</sup> Dalibor Farný's Nixie Tube Workshop Website: <https://www.daliborfarny.com>.

nice inner structure, eye-catching proportions.<sup>16</sup> It quickly became clear, that RIZ568M was the perfect medium for the planned Value Manifesto multiple - hence, all three agreed to realize the project together.

## PLATFORM DEVELOPMENT

Farný's technology provided a clear interface for the communication between a possible auction/market platform and the future multiples. At the same time, that Matthias and Timo started searching a possible developer for the realization of a simple trading platform, crypto currencies suddenly received a lot of media attention due to their explosive growth in value and diversities.<sup>17</sup> Based on their individual experiences with crypto currencies, Timo and Matthias realized the potential of blockchain and crypto token technology as base for a possible *Value Manifesto* trading platform.

A personal recommendation lead to Trimplement in Cologne, a company providing scalable emoney and virtual account management solutions.<sup>18</sup> Trimplement already had substantial experience in the development of online wallets and trading platforms including blockchain-based solutions. Their team including Natallia Martchouk, Matthias Gall and Thijs Reus fell in love with the idea of developing a platform for an art object and proposed an Ethereum token-based online trading platform as solution to connect Value Manifesto multiples with the World Wide Web and their own value. Natallia, Matthias and Thijs are excited about the multi-dimensionality of this project combining revolutionary ideas and fine art with the modern technologies like IoT and blockchain.

## 6. DISPLAY DESIGN

The goal for the design of the display (called decryptor) was a minimalistic and simple appearance, which should be limited as close as possible to the indication of the current value of the edition. As described in the previous part of this paper, the focus of the search for a possible display module centered on finding a solution only able to show numbers. At the same time, the intention was to build a bridge between old and new technologies. The technically archaic-looking Nixie tubes should contrast with the state-

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<sup>16</sup> Story of the RIZ568M: <https://www.daliborfarny.com/r-z568m-nixie-tube/>

<sup>17</sup> Fitz Tepper: What the hell is happening..., in TechCrunch: <https://techcrunch.com/2017/06/07/what-the-hell-is-happening-to-cryptocurrency-valuations/>

<sup>18</sup> Trimplement GmbH Cologne: <https://www.trimplement.com/index>

of-the-art communication method they perform in their function of displaying their intrinsic value as multiple.



Via a tiny IoT transponder on the board that also powers the nixie tubes, the seven elements connect via Wi-Fi and the Internet to the API interface of the *Value Manifesto* trading platforms to query the trade value of their tokens in real-time. Seven tubes display a maximum value of 9,999,999 CHF. The amount of a million is not a coincidence, as it is synonymous with a particularly large amount, especially a large amount of money. The number seek to provoke the million-dollar art market, but also feeds the idea of becoming a millionaire by speculating on the art market as the owner of a *Value Manifesto* token. Dalibor Farny's development 'Zen Nixie Clock' offered an aesthetically pleasing solution for the presentation of the tubes and could be rebuilt into a *Value Manifesto* Decryptor through a small intervention (with the addition of a seventh tube). Thus, the seven nixie tubes float on a black board, raised by eight black carrier screws on a heavy pedestal - protected like a valuable object in a museum under a glass hood. The play with the auratic, which Walter Benjamin attributed only to the original work of art, should definitely play a role in the chosen display design. Whereby the work of art defines its own value in digital form as token, the displays only functionality is to communicate the real-time value, similar to the *Value Manifesto* web site and the *Value Manifesto* App for iOS. It is clearly not supposed to be the artwork: that is the role of the token, being the first crypto-multiple in history of art.

## REASONS FOR A BLOCKCHAIN BASED TRADING SOLUTION

To offer a service on the Internet, one usually needs a database, comprising all user activity. The database is mostly operated and controlled by a company. In the art market, such databases are operated on the one hand by art market information services (e.g., such as Artprice or Artnet price databases) or by third party service providers to handle online auctions (e.g., Lot-tissimo or LiveAuctioneer).

The ongoing digitization of the art market is like to result in its greatest structural change of all times, within a sector that has been growing for centuries. The change will not only provide opportunities, but may even lead to the demise of traditional businesses, unable to respond to the challenges of digital distribution with art and cultural goods in time. Even today, an entire industry depends on the information and services of a few companies that manage and provide digital databases and processes.

The development of a supply oligopoly (for art market data and market presence) has been clearly emerging for several years and poses a risk to many art market participants. The reasons for the current development are obvious: The implementation of digitalization processes in the art market are expensive, IT professionals are occupied by other industries (Fintech/Legal Tech), standards and transparent information are missing. Most art market participants are simply overwhelmed by the technological approaches and principles around Blockchain technologies as well as artificial intelligence.

Blockchain technology is a future alternative to centralized trusted parties. To keep it simple, blockchain is a distributed ledger containing the full history of all transactions, it's stored on every computer of every participant of a blockchain network, there is no central instance that can control the system. In the meantime, a cryptographical process ensures that nobody can manipulate the entries. The digital currency Bitcoin is the best known to use Blockchain technology, but it is not the only application. The Blockchain is meant to revolutionize all aspects of future contracting. Critics are questioning the relevance of this technology looking at its social impact and call the Blockchain idea an ideology rather than a technology. Ideology in this context means the idea of how society works and how it should work. One of the oldest problems of social science is the question of how trust can be established between members of the society. Think of banks, the legal system, parties or the media. All these institutions combine trust and secure social actions between random individuals. Cryptography has the theoretical potential to overtake those roles and transform business, government and society. Blockchain technologies could strengthen especially the individual roles of art market participants in very positive ways: make supply and demand more transparent, guarantee authenticity and provenance, organize/manage droit de suite and publishing rights, help researchers with information access, supply insurance companies and restorers with detailed condition

reports and reduce bureaucracy as well as costs within institutions. Even if many aspects of the potential of Blockchain technologies are still a futuristic vision, Value Manifesto uses nowadays potential of the Ethereum blockchain to guarantee safe and transparent transactions and tamper-free states.

## 7. TRADING PLATFORM

The Value Manifesto's trading platform is based on the Ethereum blockchain where each of the 250 editions is represented by an ERC-721 token. The decision for ERC-721 tokens was based on their non-fungible properties when compared to ERC-20 or ERC-223 tokens, which are fungible.

The tokens representing the Value Manifesto can be traded via the platform: The highest bid is defining the displayed sales price. A transaction can be realized when a present owner is willing to sell his edition for the displayed price. To use the platform, users must register and verify their identity. All registered users are equipped with an Ethereum address. These addresses and the token ownership are visible on the public Ethereum blockchain without revealing the user's real-life identity. For now, the Value Manifesto platform handles all token contract / blockchain related transactions for the user to keep the user's identity private and improve overall usability of the platform.

All users may see the current value which is identical to the current highest bid. Any user may only own one edition of the Value Manifesto. Users, who currently do not own an edition, may place a bid via the platform. Comparable to a conventional art auction, a bid may only be higher than the currently highest bid. Once a bid is placed, it will remain active for 21 days until it automatically runs out. During this time, users may only replace active bids with higher bids but cannot cancel a bid before it expires.

Users who own an edition, may sell it via the platform at the value of the highest bid. In this case, the edition is transferred to the highest bidder and the second highest bid becomes the highest bid.

When an edition is traded, the corresponding ERC-721 token is assigned from the seller's account to the buyer's account on the blockchain. As a result, all ownership transfers of the Value Manifesto become public record on the Ethereum blockchain.

## 8. FINANCIAL ASPECTS

Today, surcharges are a commonly used by various service providers to receive compensation for their services. Surcharges in the art market were first used by the auction house Christie's in 1974. Ever since, these surcharges have become commonly used by auction houses or art dealers. Even though the publicly available prices paid for art already include the surcharge, it is rarely below 25 percent except for very expensive pieces where the surcharge may be half of the regular amount.

Whilst the creation of an ERC-721 token on the blockchain itself is almost free, the development of the trading platform, setup of a governance model and legal framework, the production of the decryptor devices and logistic efforts during the change of ownership of a token and its related decryptor are rather cost intensive efforts.

To finance the project and to secure its future, a surcharge of 21 percent of the selling bid payable by the buyer will be used.



## 9. CONTACT INFORMATION

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