



03.02.2022

WHITE PAPER

***BUILDING A POWERFUL,
DECENTRALISED NFT ECOSYSTEM***

 **NFT-MAKER.IO**



ABSTRACT



BUILDING A POWERFUL, DECENTRALISED NFT ECOSYSTEM

Our White Paper outlines the story of **NFT-MAKER** and presents our plans for the future.

NFT-MAKER is creating a multi-chain NFT ecosystem focused on reducing the entry-barrier to NFTs for end-users, artists, brands and corporations by building tools to cover the full range of onboarding, minting & secondary market selling.

Even though **NFT-MAKER** will be creating a blockchain agnostic NFT ecosystem, the Cardano blockchain will remain its main focus.

NFT-MAKER PRO was the first public 'Mint-On-Demand' tool for the Cardano Blockchain that has since evolved to become the powerhouse behind around 50% of all unique projects and nearly 20% of all NFT's that currently exist.

It is a multifunctional infrastructure built to maximise the power of NFT's, whilst minimising the technical complexity needed to use them. We strive to solve the key challenges of High Transaction Fees and Sustainability whilst catering to audiences beyond those who are already Crypto-Savvy.

The **NFT-MAKER Marketplace** will be a multi-blockchain NFT marketplace focused on creating the best possible secondary market user experience for both seasoned crypto-users and also crypto-beginners.

The **NFT-MAKER Wallet** will be a web-based wallet focused specifically on creating the easiest way for users to come into the NFT space for the very first time.

The **NFT-MAKER Payment Gateway** is our standardized checkout system for NFT Sales. It integrates all major wallets on Cardano and will be tightly coupled to the **NFT-MAKER Wallet** to simplify the process of buying NFTs with FIAT currencies.

The **NFT-MAKER Game Launchpad** will be a decentralized Digital Rights Management platform & store focused on Non-Play-To-Earn videogames.

The **\$NMKR** Token will bridge the full NFT-MAKER ecosystem by enabling decentralized utility & governance for all NFT-MAKER products.

The **NMKR Stake Pool** will provide additional utility to the **NFT-MAKER** community like reduced fees on certain products, NFT airdrops and **\$NMKR** token distribution.

We are extremely humbled and thankful for the amazing response we have had so far and can't wait to see you with us on this journey.

By providing the tools for artists, developers, brands, corporations and end-users, we aim to make NFTs a part of everyone's daily life.



SCORECARD



SCORECARD

Team

25+

Blockchain

CARDANO

Prototype Release

11.04.2021

Location

SWITZERLAND

Total Token Supply

10 000 000 000

Token Name

NMKR

Products

MARKETPLACE
MINTING & SMART
CONTRACT API
WALLET
STAKE POOL
PAYMENT GATEWAY
AWARD SHOW
NFT LICENSES
GAME LAUNCHPAD
WHITELABEL MARKETPLACES

Token Distribution:

PRE-SALE ICO
PUBLIC ICO
IDO
STAKE POOL REWARDS
AIRDROP
COMMUNITY DISTRIBUTION

Target Groups

FANS & COLLECTORS
ARTISTS & CREATORS
BRANDS
CORPORATIONS

Engineering

TBA

ICO Date

TBA

IDO Date

TBA



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***WHAT WE
STAND FOR***

1



1 WHAT WE STAND FOR

At its core, NFT-MAKER provides the infrastructure for NFT projects, allowing creators, brands, companies and artists to focus on what they do best, being creative.

We make NFTs accessible for everyone by providing an end-to-end ecosystem that adapts to the various use cases and needs of web3.

Mission

MAKING NFTS ACCESSIBLE TO EVERYONE

Values

**EMPOWERMENT
COMMUNITY
DECENTRALISATION**

In its current form, the NFT space has three key challenges: High barriers to entry, sustainability concerns and verification issues.

The high barriers to entry come in the form of the extremely high transaction fees, as well as the initial knowledge needed to operate in an ecosystem geared towards those who are already well acquainted with Crypto.

In terms of sustainability, it's become clear that the Proof-of-Work consensus algorithm used by many Blockchains, require an enormous amount of energy as their core protocol element. It is very important to us that we bring NFT's to the world whilst ensuring that the infrastructure we are building is as environmentally friendly as possible.

We see these as challenges to overcome and with our holistic approach, we feel this is possible. By focusing on energy-efficient Proof-of-stake blockchains like Cardano, we will be the intermediary between NFT suppliers and their customers – offering an easy to use and EU compliant product ready for the world.

In order to solve the verification concerns we will introduce a mix between a token verification mechanism focused on game-theory to reduce bad behaviour and introduce Digital Identity tools to give users to prove their authenticity.



NFTS AS TECH. INFRASTRUCTURE OF THE FUTURE

1.1



1.1 NFTS AS TECH. INFRASTRUCTURE OF THE FUTURE

AT NFT-MAKER, WE SEE NFTS AS FAR MORE THAN DIGITAL ART.

At their core, NFTs really are the technological infrastructure for proof-of-ownership.

The fundamental idea being that if we can store data on the blockchain, that data can reference anything. If it can reference anything, then we can use it to store the ownership of any physical or digital item; houses, cars, licenses, certificates - the possibilities really are endless.

No longer do we need to rely on paperwork or central 3rd parties to transfer complex and expensive assets – we can do this in a trustless, decentralised manner using the blockchain. From the point of view of the general public, as with most technology, people want to have the best results without needing to know exactly how it works. This is one of the key pillars in our philosophy of bringing the power of NFT's to everyone but to explain some of the detail, here is an overview of why NFT's are important on Cardano.

The Bitcoin blockchain pioneered the use of the UTXO model of accounting, whereby instead of logging the current balance of each account, the blockchain stores the set of unspent transactions.

Unspent you ask? In this context, unspent describes how every transaction actually spends your full amount of coins and then essentially sends the remainder back to you, almost like getting change from a shop.

Cardano uses the eUTXO (extended Unspent Transaction Output) model, whereby the UTXO is extended with an additional script (smart contract) that must return True before the tokens will be sent. Think of this as an additional check in conjunction with the public/private key pair. All UTXOs actually have smart contracts attached to them^[1], but having this results in there being no way to distinguish a unique smart contract – this is where NFT's come in. Attaching an NFT to a smart contract allows it to be uniquely identified and thus, completes the security of the Cardano Blockchain. This is particularly important, because Bitcoin does have a very locked-down scripting language and coins such as Ethereum aimed to improve the expressiveness of smart contracts but were unable to solve this whilst using UTXO and instead opted for the balance based accounting model. The researchers at Cardano did manage to crack this and thus, Cardano is the current best-in-class infrastructure, for the best method of storing ownership ever created.



TEAM BACKGROUND

2



2 TEAM BACKGROUND



Patrick Tobler
Founder & Technology

Founder of NFT-MAKER and Cardano blockchain technology expert



Fahim Popalzai
Founder & Designer

Interaction Designer with 4+ years experience in crafting digital products



Peter Jaschkowske
Blockchain Gaming

4+ years experience in Game Development and 3D Design



Sascha Tobler
Technology

20+ years in building tech-companies and Software Development



Ann-Kristin Mackensen
Finances

7+ years experience in financial modelling and investment/spin-offs for Siemens & Porsche



Kristian Portz
Management

Founder of LE4F Agency and 10+ years experience in production management and team structuring



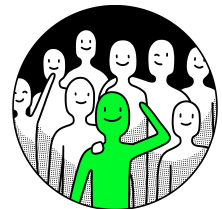
Chris Flato
Marketing & PR

10+ years in Communications, previously Director of PR for ESL Gaming



Maximilian
Technology

10+ years Software Development experience



**+20 other amazing
team members**



ORIGINS & HISTORY

3



3 ORIGINS & HISTORY

The initial idea for **NFT-MAKER** was first conceptualised by our co-founder(s) during the early months of 2021. After the rise of NFTs on Cardano with the initial release of the SpaceBudz project, it became clear that there's a lack of accessible tools for creating NFTs on the Cardano blockchain. Thus the idea was born. A few weeks later, our Founders Patrick Tobler and Fahim Popalzai created the initial **NFT-MAKER** V1 website which for the very first time on Cardano allowed non-technologically-savvy users to create their own NFTs. It immediately became a huge success and has since then allowed more artists to create NFTs on Cardano than any other Minting Tool.

Shortly after this, our founders were contacted by the artists behind two of the earliest large-scale Cardano NFT projects: The Hoskinsons and the unsigned_algorithms.

Both of these artists were looking for a service that would allow them to give their audience the ability to mint on demand, in bulk. For these specific projects, the small but growing **NFT-MAKER** team created their own internal API to assist with the minting and after the huge success of these projects they realised how powerful this really was.

The decision was then made to release the **NFT-MAKER** API as **NFT-MAKER PRO**, a public tool & API allowing creators to pre-load their NFT's, ready for minting. Shortly

after the launch of this tool, a initially small number of projects started using it, which then grew to many, until **NFT-MAKER** became synonymous with 'the best way to mint' on Cardano using its system of unique, reserved addresses.

Although powerful and solving many of the issues with minting, the system of unique, reserved addresses does require considerable coding skills to implement, especially in regards to backend/frontend of a website. Because of this, the team started making the tool even more accessible to non-programmers. Since then the growth has been exponential, leading to over 800 000 NFTs minted through **NFT-MAKER** products in less than 9 months after the initial **NFT-MAKER** V1 release.

We now arrive at today, having released countless additional functionalities, growing the team to now 27 people and continuing to push forward in increasing the user experience for everyone involved in NFT's.



BLOCKCHAIN AGNOSTIC BUT CARDANO FIRST

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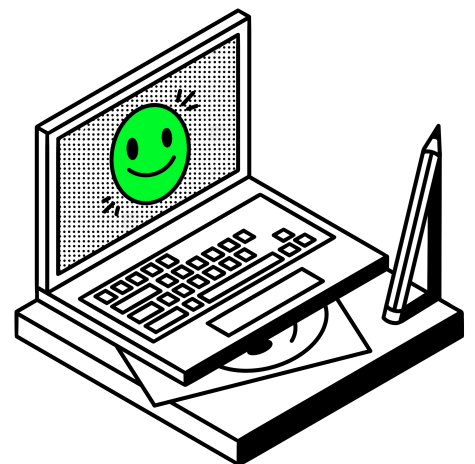


4 **BLOCKCHAIN AGNOSTIC BUT CARDANO FIRST**

MEASURE TWICE, CUT ONCE.

Technological progress seems to naturally result in having around 5 key players in any given space as time passes. We expect the same thing to happen with blockchains, leaving the Pareto principle majority of users being active on the top chains that are optimised to perform best in a given scenario. Over time, we plan to bring NFT's into the mainstream which will mean making them available on multiple blockchains to ensure users are able to access them. Having said this, we did need to select a single chain to get started on – here is why we selected Cardano.

Cardano is a third-generation block-chain, created to solve the blockchain trilemma using the scientific method – ensuring deep research and peer-reviews are completed well in advance of implementation. The ethos is to take the time needed, to get it right on the first attempt.





SECURITY AND ENVIRONMENTAL SUSTAINABILITY

Security is the singular most important element of any blockchain – without it, everything else is almost irrelevant. The huge innovation brought in by Bitcoin was how it enables transactions to be verified without a central, trusted authority. We wanted to ensure we were building on infrastructure that was future-fit and could be proven to hold up against the extreme security needed, whilst being energy efficient.

Blockchains are largely defined by their consensus protocol, Bitcoin most famously uses Proof-of-work, which was then implemented by most of the early ‘alt’ coins such as Ethereum. Proof-of-work seeks to pick the next transaction validator by allowing all potential validators to attempt to solve very difficult computational problems. The first to solve the problem ‘wins’ the right to become the validator and thus is rewarded with Bitcoins. This incentivises people to run Bitcoin Nodes that use powerful hardware to maximise the computational power in an attempt to maximise the chance of becoming a validator. This results in the compute power of the Bitcoin network being so large that it uses 115,000 Gigawatts of energy per year^[2] (more than the entirety of the Netherlands). Bitcoin’s security therefore relies on the premise that unless a bad actor can gain control of more than 51% of the network’s computational power, they will be unable to consistently solve the problems to become the validator and the rest of the network will simply pick ‘the longest chain’.

Cardano on the other hand uses a unique consensus mechanism known as ‘Ouroboros’^[3].

Rather than using the underlying Proof-of-work model, Ouroboros uses Proof-of-Stake which relies on randomisation weighted by the amount of ADA that has been staked when selecting the node that validates a given set of transactions. Validators are selected based on the amount of ADA that they have delegated to a stake pool. Having this instead removes the need for the heavy computational challenges in Proof-of-work and thereby drastically reduces the energy consumption. The Ouroboros protocol is mathematically verifiable as being guaranteed to be secure so long as 51% of the stake is held by honest participants.

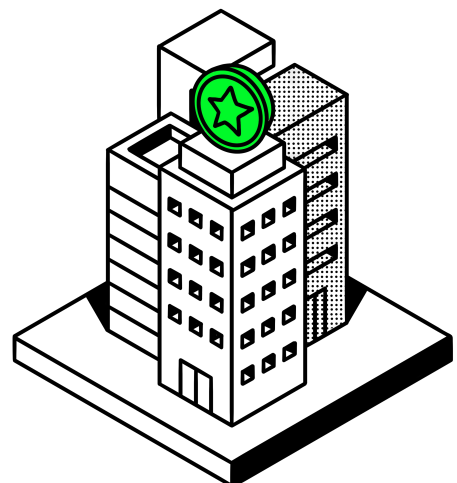
To put it plainly – Cardano’s Ouroboros provides fantastic security, whilst using 0.005% of the energy. For some perspective, Cardano uses about the same energy as 600 US residencies^[4], Bitcoin uses more than most countries and if it was a country, would rank 31st for the most energy usage. Smart contracts are also crucial for any blockchain, Cardano in particular uses NFT’s within its Smart Contracts to give them uniqueness, which will likely be traded and have utility. Cardano’s native smart contracts language ‘Plutus’ is also the first of its kind to be written in Haskell – a highly secure functional programming language known for its ability to allow developers to ensure ‘correctness’ in their software. With Smart Contracts, correctness is everything.



4 **BLOCKCHAIN AGNOSTIC BUT CARDANO FIRST**

SCALABILITY

Scalability is a consistently difficult challenge as part of the blockchain trilemma. Our long term vision is to have NFT's be the infrastructure that will be used to track ownership of all kinds of real (and digital) goods and services. In order to do this, it needs to solve the biggest challenge in the space – Scalability, to meet the demand of the world and the sheer number of transactions that happen on a day to day basis. Fortunately, Cardano has this in the 4th stage of its roadmap known as Basho, whereby various optimisations are starting to occur such as block size increases, more efficient usage of memory and later – Hydra. Hydra will use the concept of side-chains to offload computation and batch process smaller transactions to massively improve throughput and become one of the most high performance blockchains in history.





4 BLOCKCHAIN AGNOSTIC BUT CARDANO FIRST

LONG-TERM GOVERNANCE

Continuing with the theme of long-term thinking, Cardano has had governance in its roadmap from the very early stages. Its creators very quickly acknowledged that they would need to build a system that could govern itself over time frames far beyond the medium term, which is something quite rare in Crypto.

At the moment, Cardano has the Catalyst voting system, whereby community projects are put forward for voting and those with ADA staked can cast their vote toward the project, which may then be funded from the (currently centralised Cardano treasury). The coming Voltaire^[5] era will bring this to its full, decentralised fruition, allowing network participants to present their own Cardano Improvement Proposals (CIPs) which can be voted on using the already existing staking and delegation processes that has been available since the Shelly era. They have even considered how improvements will be funded in the long term and as such, the Voltaire era will implement a decentralised treasury system, whereby a fraction of the transaction fees will be collated as funds for future developments.

Having this in place will make Cardano not only decentralised in terms of its currency and assets, but also fully decentralised in terms of its governance, maintenance and long term direction.

Given the above-mentioned qualities^[6], we clearly believe that Cardano is the best blockchain to build on long term. We however are still very much committed to bringing NFT's to the world and understand that a necessary part of this will be to expand our ecosystem onto other Proof-of-stake blockchains in the future.



OUR STANCE ON REGULATION

5



5 OUR STANCE ON REGULATION

Although the specific timelines are unclear, something that we know for sure is that more regulation will come to Crypto.

The main reason for this regulation is to protect investors and to counter money laundering. Regardless of how we feel about this, our best option is to get ahead and consider what would be the best solution for the space before any new rules come into effect. Doing so of course has the benefit of preparedness for our ecosystem – but if we get this right, we may well be able to create the benchmark of how this can be implemented for governments to adopt. Solve the problem, before they create the rules – show the world how it can be done.

NFT's are at particular risk of being used for money laundering, given the fact that the primary use case at the moment is Art, which has a very subjective value. For this reason, it is essentially possible to argue why anything was purchased for such a high (or low) price. Being a completely public ledger, the Cardano Blockchain naturally has some defenses against money laundering whereby anyone can track any transaction at any time, thereby using Cardano to commit such acts results in the perpetrator leaving behind an incorruptible and permanent log of their actions. This alone should be enough to deter many, but sadly not all.

As a further proactive measure, we plan to bring in functionality whereby holders

of \$NMKR will be able to flag what appear to be “unusual purchases”.

The idea behind this is that it will again deter bad actors from using our ecosystem for these purposes, as they know that our community is actively engaged in (initially) identifying potential cases so that further information can be gathered.

This is difficult, user experience in our ecosystem is extremely important to us and we have no plans to degrade this with unnecessary additional forms or checks. On the other hand, we do need to ensure that we comply with all related regulations. The good news is that small trades tend not to be the target of such regulation (unless there are clear groups of trades that have been made to combine to a larger total). This means that the majority of users will likely not have to complete anything more than the usual sign up process for any Crypto Marketplace. For people who want to engage in larger trades though, more KYC may be required, but our plan is to initially keep KYC as an option that gets rewarded, rather than something that results in punishment if not completed. The idea behind this is that it will encourage people to complete the KYC and thus as regulations do become more strict, many users will already have everything they need to continue thus reducing the impact on the user experience. This will be a gradual process that we, as a community can work together to ensure is handled correctly.



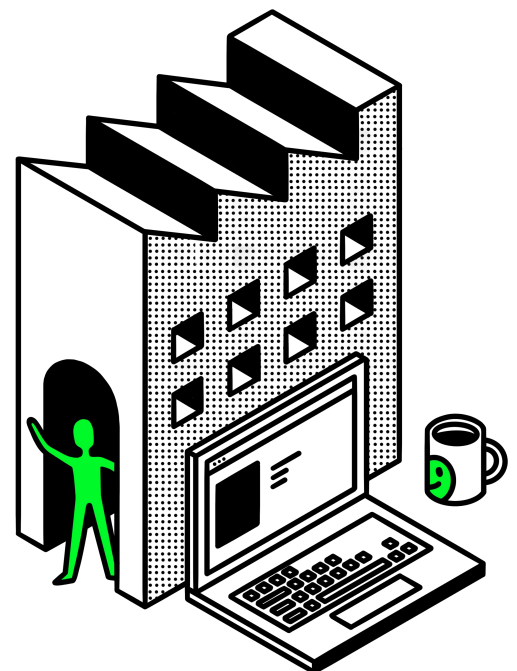
BUILDING AN NFT ECOSYSTEM

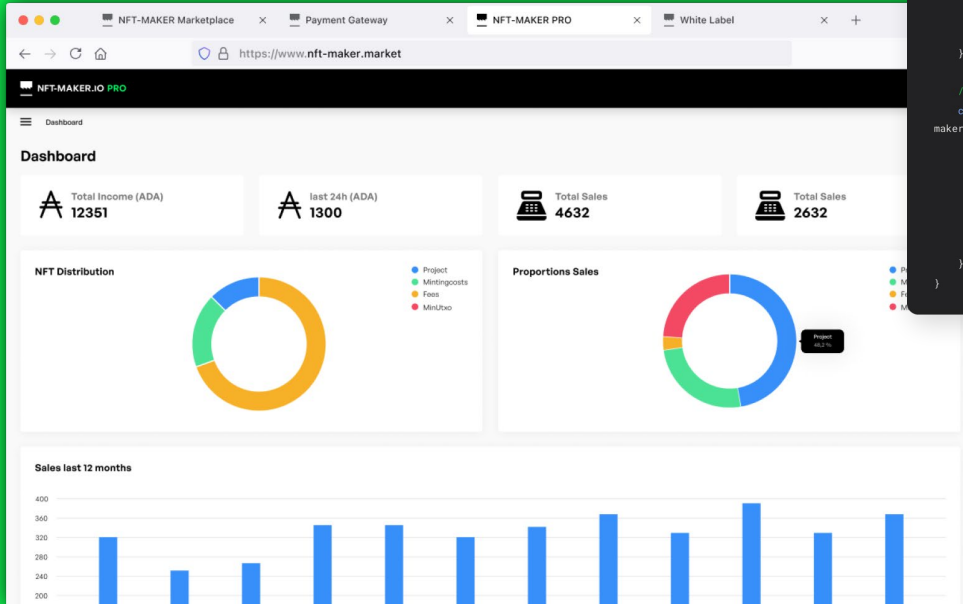
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6 **BUILDING AN NFT ECOSYSTEM**

From our humble beginnings as a simple website that allowed people to mint one image onto the blockchain – we have never stopped working to make our platform as powerful and user friendly as we can. Today we launch our full ecosystem which will consist of the following parts.





```
const createProject = async () => {
  const data = {
    projectName: "My project",
    description: "A new project",
    projecturl: "https://project.com",
    policyExpires: false,
    payoutWalletaddress: "addr1"
  }

  // Create a new project in NFT-MAKER Pro
  const projectResult = await fetch('https://api.nft-maker.io/v2/CreateProject', {
    method: 'POST',
    headers: {
      "Authorization": "Bearer your-api-key",
      "Content-Type": "application/json"
    },
    body: JSON.stringify(data)
  })
}
```

NFT-MAKER PRO

6.1



Following the release of our initial minting service for minting single NFT's, we wanted to set up a system whereby projects could mint large drops (1000's of NFT's) of which makes the single minter system infeasible. For this reason, we built our API, which has been the minting bridge used for over 800 000 NFTs so far (05.02.2022) – this has been the backbone of our infrastructure and is something we are extremely proud of.

As a high level overview, our API allows the creators to set up a minting front end that can make calls to our backend infrastructure, granting the developers a fantastic user interface and a highly robust minting on demand service.

Pre-Mint – as outlined previously, the NFTs themselves contain metadata which contains pointers to the location of where the actual asset is stored. This means that any creator will need to find a storage location that is both public and secure, whilst also being likely to exist for a very long time. Creators then also need to ensure their minting system can then, at run time, match up the relevant asset, with the NFT metadata, which means storing reasonably complex mappings that must work first time. Our backend allows creators to upload the asset files and metadata to our servers, which then store the files on IPFS and align the metadata mappings ahead of minting. The intuitive UI then allows creators to easily perform checks at any time to ensure everything is correct for the launch.

NFT Metadata has a maximum per-field limit of 64 characters, which gives plenty of room for creators to add further information to their collections. Lots of creators like to add further utility to their collections by providing opportunities for people to get 'whitelisted'. Being on this list can grant the person a free airdrop, a guarantee of minting another NFT or something else entirely. NFT MAKER PRO has this capability built in, allowing the creator to create custom sell conditions that must be met for the person to be able to mint. This means creators can ensure their community gets what they have been promised and also opens up possibilities for current holders to be granted the rights to mint automatically, further incentivising the desire to be part of a given community. It can also be used to ensure a wider distribution of NFTs by allowing creators to set a max purchase count which will check the buyers wallet first to ensure they don't already have more than their fair share before minting.



For creators, once they have their assets ready, they then need a method of allowing the community to purchase a random NFT which means handling what may be thousands of concurrent transactions and then distributing random NFT's to those that have sent the correct amount of ADA. To help with this, we created the following powerful elements:

Reservation System – Instead of using the outdated Pay-In method of selling NFTs, where thousands of people just pay into one single address which will then be used for minting the NFTs, we offer a different and more user-friendly way. By creating a scalable reservation system we reduce the amount of on-chain transactions required and create the best possible user experience.

Payment Handling – following on from above, by using our API, creators leave any required refunds or other distribution challenges to our backend. Firstly, by only enabling transactions for reserved assets, this means that only the minimum number of purchasing users will ever submit a transaction, therefore, anyone who submits a transaction will receive an NFT. Those who are too late will never even have the chance to submit an unnecessary transaction that would then have to be refunded. Finally, for any users that do send the wrong ADA amount, our backend automatically refunds this to that user.

Because of this, our 'on-demand minting' already solves the biggest issues with CNFTs at the moment:

Sending ADA after the mint has ended – by reserving and issuing a unique address for each NFT, we are able to handle the load balancing off-chain, this means that the quickest people to request an NFT, will be those that receive it. For high-demand projects, people who unfortunately miss out on the NFTs will be told immediately that the minting has completed, avoiding the need for an individual to send ADA despite no NFTs in the project being available, and the effort/time needed to complete a refund.

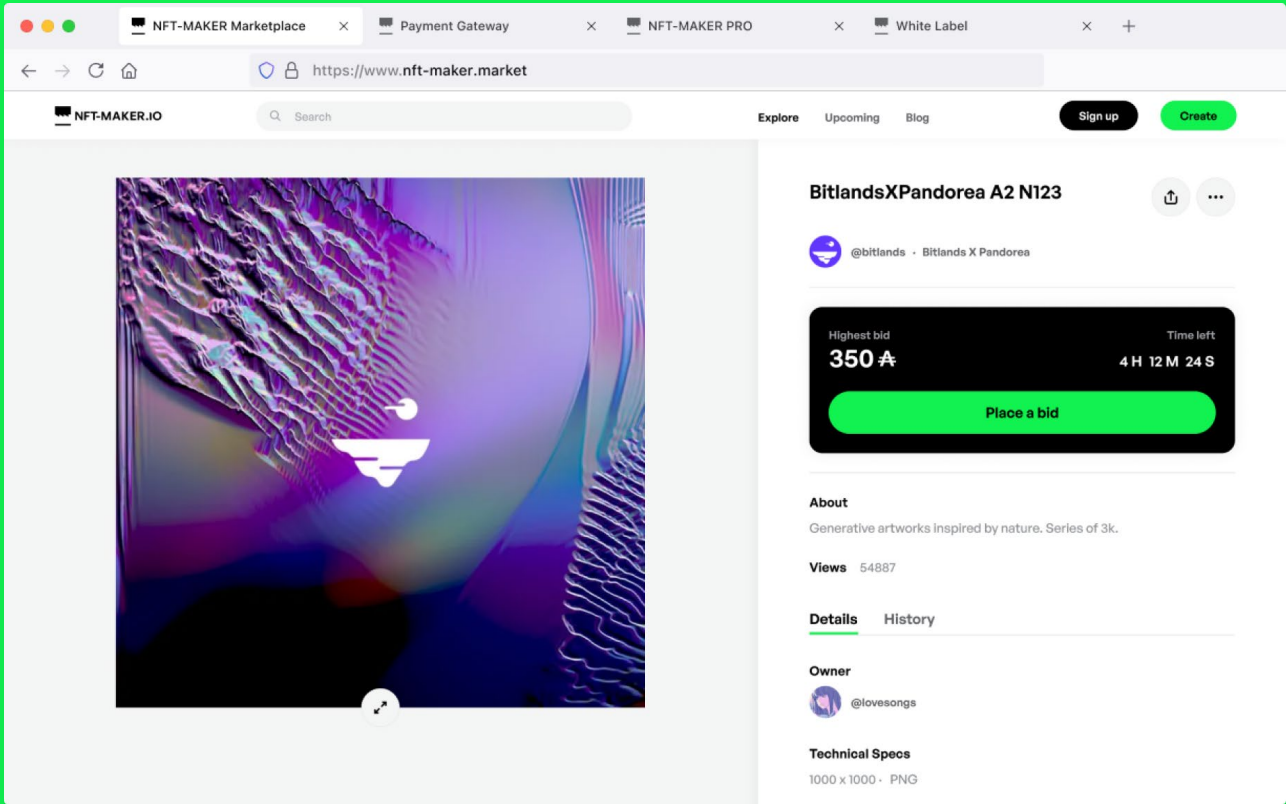
Network Congestion – NFT-MAKER PRO checks if there are any NFTs left before providing a unique address for the user to send ADA to, therefore, only successful minting transactions will ever reach the blockchain, thereby keeping congestion to an absolute minimum. This further solves other issues that many have faced, whereby people have submitted a transaction to the blockchain, but it registers many minutes later. **NFT-MAKER PRO** ensures that if an individual sends ADA, they receive their NFT.



6.1 NFT-MAKER PRO

Bot Proof – by using Captchas, combined with the unique address system mentioned above, we can stop the majority of bots from attempting to mint more than their fair share. This further increases decentralisation and fairness on our Cardano Blockchain.

Scams – by communicating to the community about how our API works, this can help the users to ensure they never become a victim of one of the many scams that essentially involve a fake Address circulating through social media. Users will know that the only way they can get their own, unique address is via the official website. Now that we have the Payment Gateway, the users NEVER actually see the Cardano address, which makes this very easy for creators to communicate with their community.



MARKETPLACE

6.2



THIS WILL BE THE PLACE YOU MINT, BUY, SELL AND SHOW OFF YOUR NFTS

The Marketplace is the main project that we have been quietly working on for many months and is the centrepiece for everything we do going forward. We are proud to announce that it will run on Smart Contracts from day one.

Smart Contracts can be defined as code that is stored on the blockchain and can be triggered by on chain actions. On our Marketplace, the smart contracts will store the NFTs/ADA, ready to send them immediately, once the conditions are met. By utilising this powerful functionality, we are able to offer a Decentralised secondary marketplace where we can guarantee the results of all accepted sales.

User experience is everything to us and with NFT, the user experience needs to cater for the uniqueness of the tokens. We are going to start by ensuring we have the best possible searching functionality in the space, we will use all of the data available to ensure you are able to find the exact NFT you are looking for, as quickly as possible. Further to this, we want to allow users to feel like the collectors that many of us are, allowing you to set your collection as public to show your NFTs to the community and be open to offers on them! Combining these elements with a smart notification system will ensure you are able to react quickly in a fast moving space. One of the biggest challenges with NFTs is the 'liquidity problem'. This is essentially a problem unique to the space.

As each asset genuinely is unique, you need to find a buyer/seller pair for that specific NFT to make a trade. This is very different to traditional 'Fungible' stock/crypto markets whereby you only need a buyer or seller for a quantity of that stock/token.

We will never be able to fully solve this, but what we can do is create features that maximise the amount of 'acceptable trades' in the 'order book'. What we mean by this is that, of the set of people that would trade their NFT, many do not simply because of the effort to list it for a price they would be happy with. The more options we give people and the better the user interface, the more likely people will list their NFTs.

The most common use case will be the 'Buy It Now' Functionality.

This will allow the NFT seller to set up a smart contract to temporarily 'store the NFT' and will be set to 'trigger' at a given price that the seller decides. Potential buyers can then view the listing and if they wish to purchase, will simply send the amount of ADA to the smart contract address using our Payment Gateway, thus triggering the contract to send the NFT to the buyer and forwarding on to the ADA to the seller. This option will allow users to remove their listing (by canceling the smart contract). No more waiting for the seller to send the NFT, no more uncertainty.



6.2 MARKETPLACE

We will offer a 'Standard Auction' functionality.

This will allow the NFT seller to set up a smart contract to temporarily 'store' the NFTs, set to 'trigger' after a given time that the seller decides (assuming the reserve price is also met). Potential buyers can then view the listing and if they wish to purchase, will simply bid the amount of ADA they desire.

Behind the scenes, this will send the ADA bid to a smart contract address where it will remain whilst the auction is in progress, higher bids will then automatically close the smart contracts containing lower bids so that buyers receive their ADA as soon as it is not going to result in a win.

Once the auction has completed, the smart contract will send the correct NFT to the smart contract of the highest bidder to claim the ADA, thus triggering the contract to send the ADA to the seller. This option will not allow users to remove

their listing (thus canceling the contract). Conversely, we will be offering 'Dutch Auctions' whereby the price will be set initially high by the seller which then slowly falls until either a buyer purchases the NFT or the timer expires. This feature will add an alternative bidding strategy whereby people can risk missing out in the hope of getting the NFT for a lower price or buy it early to ensure they obtain the NFT.

Future additions.

Those listed above are the initial types of auctions we plan to host, later additions will see options where an auction can be extended by a short period of time if a new bid has been added in the closing minutes, which should add a new dynamic to this process. We are also considering adding functionality to allow bartering, whereby people will be able to offer to trade actual NFTs with or without additional ADA which will help collectors to swap the collections they are looking for.



6.2 MARKETPLACE

We will also integrate a 'Seeking' functionality.

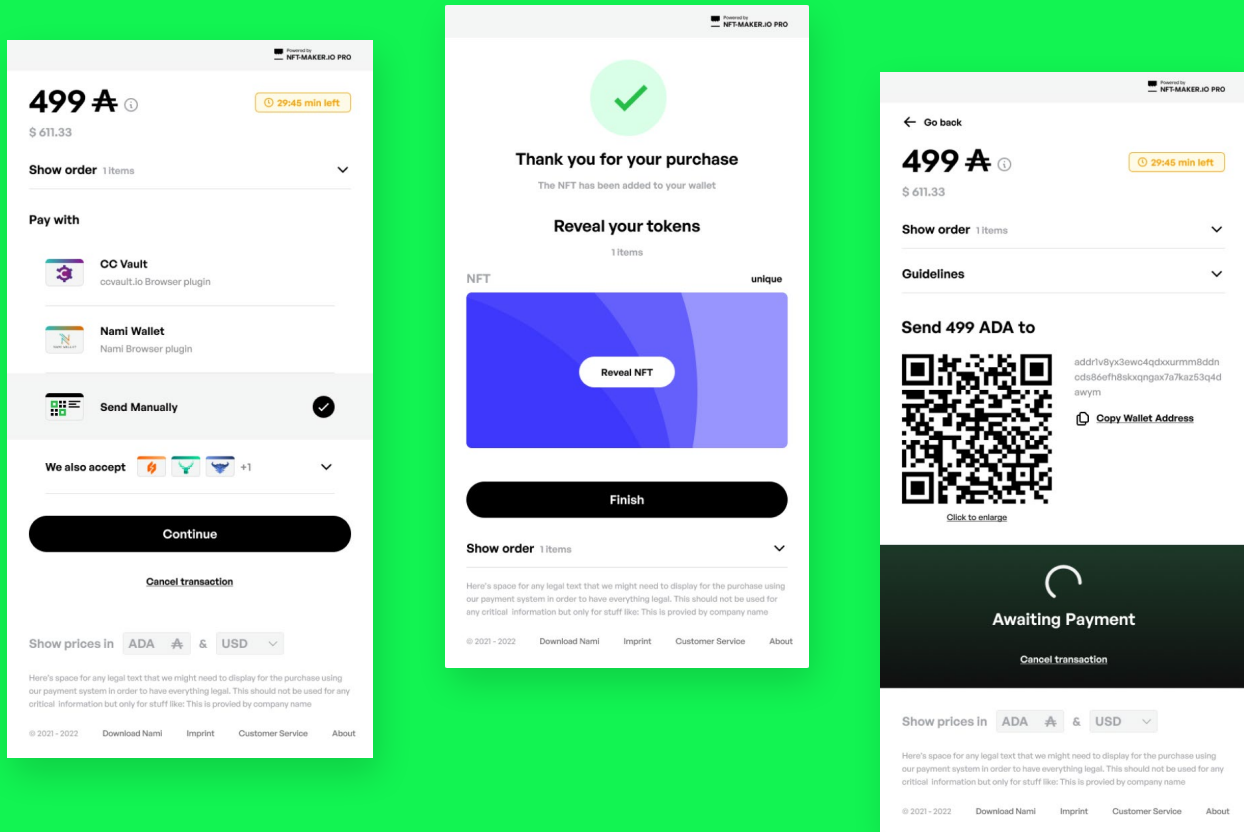
This will be a new type of method that will mostly be used by dedicated collectors, but will allow the buyer to create an open ADA Bid amount for a specific NFT, utilizing multi-signature transactions.

Potential sellers can then view the listings and, if they have an NFT that matches the buyers criteria, they can then send the NFT to the Smart Contract, thus triggering the contract to send the ADA to the NFT seller and the NFT to the buyer. This is particularly interesting as it further helps to solve the NFT liquidity issue, whereby due to their unique nature trades can only occur between parties that desire the single, specific NFT as opposed to

fungible assets.

As you can see, using the smart contracts process has many advantages and some of the common bad practices such as canceling sales or taking several hours to send the NFT are eliminated by default.

All payments, listings, offers will be handled through our native **NFT-MAKER** Payment Gateway that easily connects with all major Cardano wallets. For more information regarding the **NFT-MAKER** Payment Gateway, please see the relevant section below.



**PAYMENT
GATEWAY**

6.3



6.3 PAYMENT GATEWAY

The NFT-MAKER PRO API does require a reasonable amount of technical skill to deploy.

Because of this, we wanted to bring it to the next level and have created the native **NFT-MAKER** Payment Gateway, which is a ready made interface that projects can add to their sites as needed by simply copy-pasting the code. Releasing this not only removes yet another technical barrier to entry but also creates a more uniform approach to the way our community interacts with NFT drops or anything else Cardano NFT related.

This powerful component handles all of the complexity behind the scenes, utilising NFT-MAKER PRO by making the calls to our API, which in turn will reserve the NFT and prepare a transaction, ready to be signed by the users wallet. This all happens behind the scenes not just for the end user, but for the project creator too. No more single addresses, no more copy and paste.

In essence, any NFT project receives all of the benefits of our powerful API, without needing the deeper technical knowledge to set it up. This already is the gold-standard in Cardano minting technology and we just made it better and more accessible so as to help ensure a uniform approach across the ecosystem.

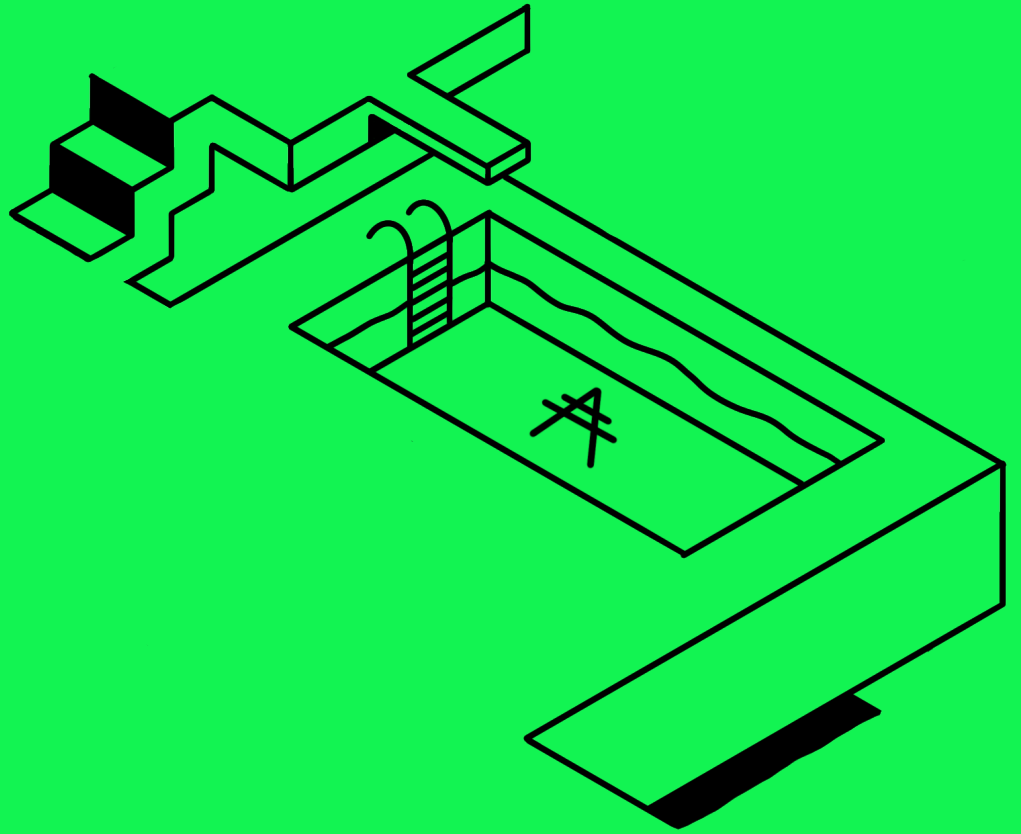
Our Payment Gateway has been designed to evoke more of the seamless and

familiar 'online shopping-like' experience offered by services like PayPal.

Until now, one of the most noticeable differences with using Crypto vs FIAT has been the specifics of requiring the user to personally manage working with large random character strings for addresses. This can be particularly stressful and complex when trying to get involved in a popular mint and likely causes many users to accidentally send ADA to the wrong address. Knowing this, as the Payment Gateway makes the API calls, it automatically handles the target wallet address for the user, allowing them to focus on the amount of ADA and identifying themselves.

As our Payment Gateway automatically handles this in the background, we expect the days of manually copy and pasting strings to slowly fade.

Moving further into the future, you can quickly see how this is a gamechanger for mass adoption, when a user is purchasing a ticket, some art, a car or a house – users ultimately want to know that the details are correct with the minimum effort. They want the item, not the responsibility of getting the data right. Because of the considerable increase in usability and the user experience – we expect this to be the primary payment gateway within the Cardano community going forward.



STAKE POOL

6.4



6.4 STAKE POOL

After completing 422 blocks and just over 1 years of active service, the BABEL Stake Pool was retired, but the community built around it lives on. We are happy to announce that this Pool and all of its previously pledged assets are being rebuilt as the **NFT-MAKER** Pool.

Crypto in the broadest sense represents innovation, just as Crypto has been at the cutting edge of technical advancements in the field of finance, such advancements must be reflected in Cardano Stake Pools.

The base reality is that all pools average out at ~4.5% APR in terms of their staking rewards (this is built into the protocol) making it hard for Stake Pools to stand out.

Overtime we have seen the space innovate, initially by coupling rewards by giving to charity, some pools have also moved to 'bare-metal' implementations over using Cloud instances offered by large corporations.

These are great methods for making the pool unique but only offer indirect benefits to their delegators. Already we are seeing how DEXs are launching with

Stake Pool partners to form ISOs. This is a big differentiator and encourages people to look at those pools over others as the delegators will receive rewards in the form of tokens for the DEX.

At NFT MAKER, we want to push this even further with absolute focus on the CNFT space, by offering the best possible rewards for people who are interested in CNFTs.



6.4 STAKE POOL

Staking to this pool will bring its delegators unique benefits that no other pool can offer to begin with, as summarised below:

- **Lower exchange fees when trading CNFT's on the NFT-MAKER Marketplace**
- **Lower minting fees when buying NFTs from projects using NFT-MAKER PRO**
- **Exclusive CNFT airdrops**
- **Regular \$NMKR Token distributions**

As if this wasn't enough, we are also working with an initially small group of stake pools for other CNFT Secondary Markets – this can expand over time to include other select pools but will need a large majority decision to do so.

To put it simply, if you have any interest in CNFTs – this will be where you stake your ADA.

We believe that continuing to innovate in this way not only helps to provide maximum value for the Cardano Community, but also further establishes Cardano as a key player in the Crypto market. Other blockchains may use Proof-of-stake in the future, but no other blockchain will be able to offer this level of utility from its staking. The more utility we can offer, the more likely people are to hold and stake their ADA, resulting in a stronger, more decentralised Cardano Ecosystem.



WALLET

6.5

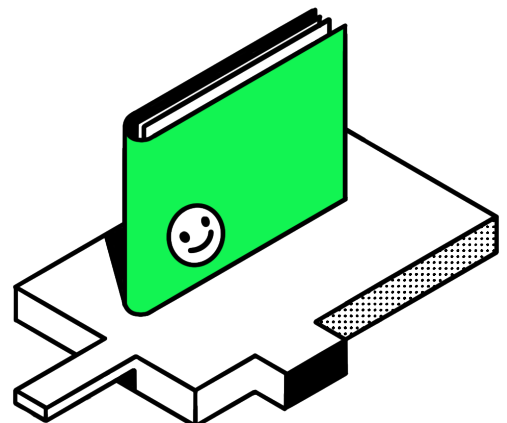


6.5 WALLET

Wallets are the way you ultimately interact with the blockchain.

And Cardano has a plethora of options to choose from, ranging from the full-node wallets like Daedalus^[7] to the lite-clients like Nami^[8] and CCVault^[9]. These wallets range in their complexity of use, but one thing that is not regularly discussed is the base level knowledge needed to get started on Cardano (or any blockchain). Even the simplest of wallets (necessarily) requires the user to download an app, write down and remember a seed phrase, sign up to an exchange, move fiat to that exchange, purchase ADA, find the destination wallet address (which is essentially a very long string of random text) and then send it, finally then, they have ADA in their custody.

As people very deep into Cardano and Crypto as a whole, this challenge is often overlooked, but is one that we need to solve if we are to obtain the mass adoption that we all strive for. You may even have anecdotal evidence of trying to show a friend or family member how to get started and seeing them immediately confused or apprehensive at the prospect.





To solve this, we are developing a beginner wallet.

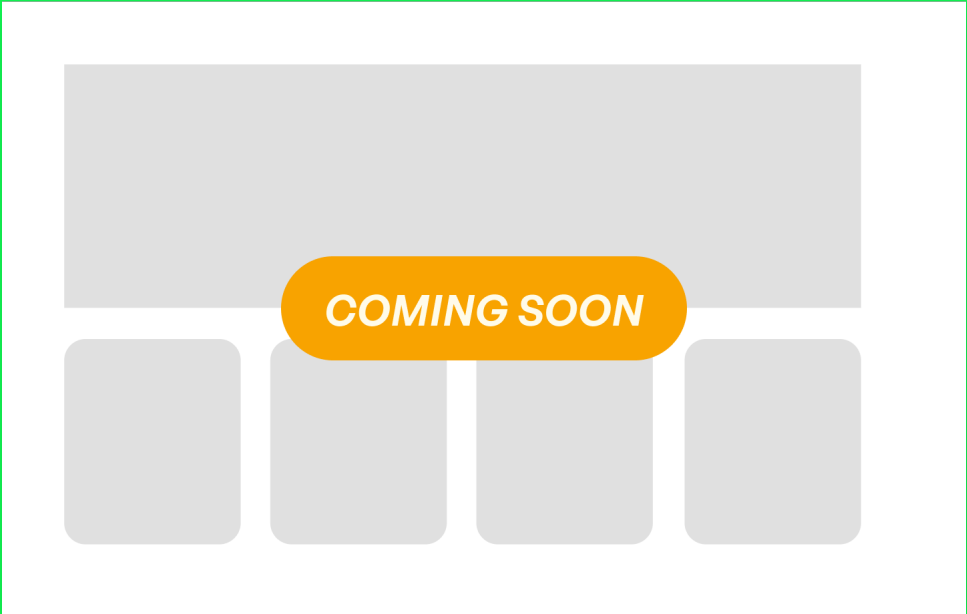
This wallet will be specifically built as a first step into the Cardano ecosystem and aims to allow for the fastest and simplest entry.

The onboarding process will work be presented like this:

1. User wants to Buy an NFT for the very first time
2. User clicks on the „Buy with NFT-MAKER“ button
3. Payment Gateway opens, user selects the „Pay with FIAT“ option
4. User then pays using their FIAT currency as with any other online payment
5. The user is presented with an option to „Claim the NFT by creating your NFT-MAKER Marketplace Account“. They select that option, register in 1 click via a Third-Party Registration connector and voila, they have an NFT in their first non-custodial wallet.

This wallet will be integrated into the NFT-MAKER Marketplace accounts and will be similar to the user experience of Ada-lite^[10]. We believe this is required to get people from outside of the Crypto community to be involved in Cardano.

You may be thinking about the security implications of this, possibly thinking about how does the user get their seed phrase and other queries about this being an initially non-custodial wallet. We believe that this is something that can be solved through education which will be covered in more detail in one of the next sections. Even so, this wallet will still be highly secure and is only meant to be the first step into the ecosystem.



***GAME
LAUNCHPAD***

6.6



6.6 GAME LAUNCHPAD

MY WALLET IS MY GAME LIBRARY

In the early console generation of gaming, games were distributed on discs that players would be able to purchase for a one time fee from stores. Part of the revenue would go to the publisher and part to the store. Over time, many gamers would decide to 'trade in' their games for a reduced price to recover some money for which they could then purchase another game, leaving the store with the opportunity to sell the returned game as 'pre-owned'. Pre owned games worked exactly like the brand new games (as long as the disc was in good condition).

But after that original sale, the publisher would never get any more revenue. For this reason, a new era began with the games being owned digitally which meant that the game ownership was linked with the users digital account and thus they could play the game on any console they were logged in on without the disc, but were unable to 'trade it in'. Doing so meant that developers essentially ensured that they earned revenue from every game purchase.

What if, by using the power of NFT's, we can have the best of both worlds?

Imagine the NFT being the equivalent of a 'digital disc' whereby if your wallet has the game NFT in it, then you can access the game. With this in place, people would then be able to purchase the game 'brand new' from the publisher and eventually sell it on a secondary market later which can be tracked to provide a royalty to the developers over time. Pushing this concept further, it is easy to see how the idea of collectors editions can be set up as 'limited collection NFT's whereby the biggest fans of a series or more serious collectors can aspire to hold the rarer editions. Beyond this, certain editions of the game may provide an in-game skin or other item (something commonly seen with collectors editions) – the possibilities are endless.

DECENTRALISED FUNDING – GAME CHANGING

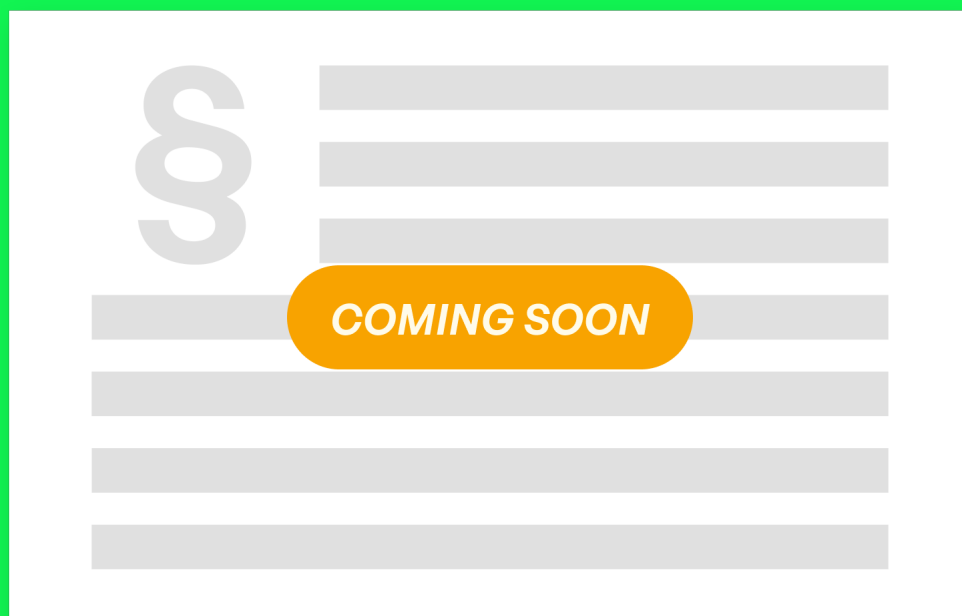
Often, especially with the AAA studios, there is an enormous amount of risk in developing the next title – with 10's, even 100's of Millions of Dollars to recover, they often have to 'play it safe' or compromise in other ways to ensure a return.

Instead of this, we will use decentralisation and NFTs to allow for the next iteration of crowdfunding, whereby the community can decide to pre-purchase a game (as an NFT) before it is released at a discounted price. Doing so not only allows the community to directly decide which games they want to be created but also allows for potentially more adventurous concepts to be implemented as the risk will be spread across so many people.

Once the game releases, it can then be set to the full price, thus rewarding those who helped to fund its development whilst allowing everyone to play. Later down the line, we intend to create a decentralised treasury that can further help to develop and market these games, inspired by Cardano Foundation Treasury.

Implemented how we plan to, we think this will truly revolutionise the way that games are funded, developed and distributed – at the very least, you won't ever need to create another account ever again, just bring your wallet.





LICENSES

6.7



6.7 LICENSES

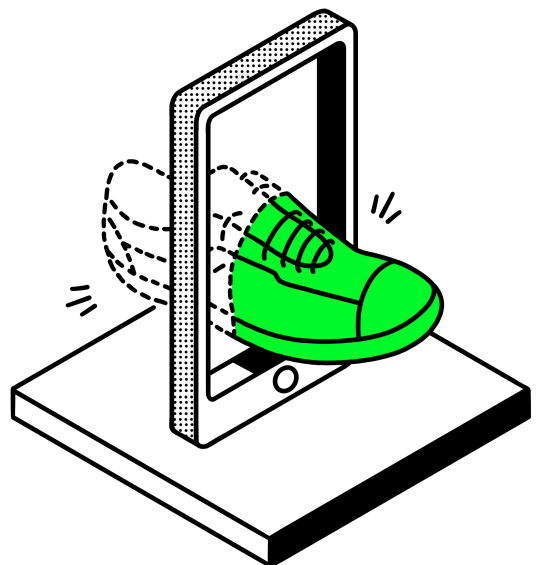
One of the bigger discussion points we see amongst the public regarding NFTs is the question about:

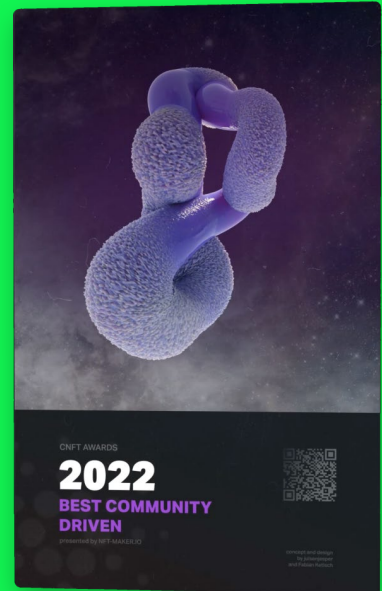
‘What do you actually own’.

For this reason, we are launching a range of NFT licensing options which should bring clarity to this somewhat undefined area. The objective of the CNFT license(s) is to allow for a modular approach that has the interests of both the creator and the user in mind.

It is important that the work and creativity of the creator is protected, whilst ensuring that the user is free to enjoy and utilize the NFT in the way that they desire.

Most importantly, these license(s) provide several options that will grant clarity, meaning that either party can offer and obtain the agreement they are looking for. Once released, we will then be able to add this as a part of the metadata for the project creators to specify, thus locking this information on the blockchain forever and confirming exactly what the NFT represents for the owner.





**CNFT
AWARDS^[11]**

6.8

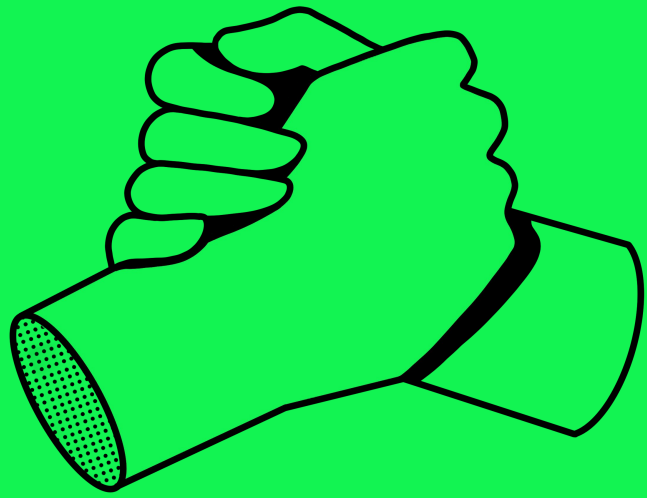


6.8 CNFT AWARDS

This past first year has been incredible for Cardano and the NFT space as a whole and to show our appreciation, we are bringing the community together for a celebration of all the amazing projects that have been built over this short period of time. In true Cardano Style, we will in future iterations giving you all the opportunity to participate in selecting the winners by using on-chain voting. For this event, we hope to bring the spotlight onto our communities favourite projects, with awards such as; Most Impactful, Best community driven and of course, Best Digital Art.

For this event, we hope to bring everyone together, putting all competition aside to acknowledge what we have all achieved and inspire us to continue for many years to come. This will be the first of many events which we plan to return on a yearly basis, maybe even in person.

For now though, we look forward to this spectacular event and hope you will be there with us!







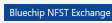






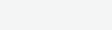

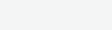

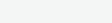

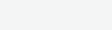




PARTNER PROJECTS

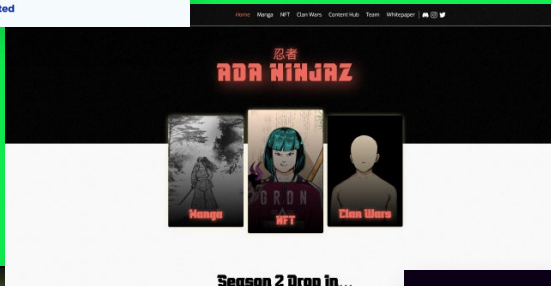
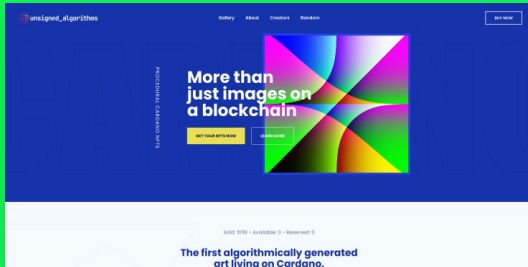
6.9



6.9 PARTNER PROJECTS

PROJECTS IN WHICH NFT-MAKER WAS A DIRECT TECHNICAL PARTNER, OFTEN DEVELOPING WEBSITES, PLATFORMS AND INTEGRATING NFT-MAKER PRO.

	Budja.io budja.io <i>live</i>		OCCVLT Archives occultarchives.io <i>live</i>
	ADA Ninjaz adaninjaz.com <i>live</i>		The Watchm3n thewatchm3n.com <i>live</i>
	Bluechip Exchange bluechip.exchange <i>live</i>		The Hoskinsons Season 1 thehoskinsons.com <i>live</i>
	Ore Ore Ore Season 1 ore-nft.com <i>live</i>		Heist on Alpha heistonalpha.io <i>live</i>
	unsigned_algorithms unsigs.com <i>live</i>		Cardano Collector Bills cardanocollectorbills.io <i>Q1 2022</i>
	CXVENANT.ART cxvenant.art <i>live</i>		TrueEra Festival truerafestival.com <i>Q1 2022</i>
	iAnnet iannet.nft-maker.io <i>live</i>		The Rare Reptiles <i>Q1 2022</i>
	Fluid NFTs fluid.nft-maker.io <i>live</i>		Ed Walsh <i>Q1 2022</i>
	Hornnies hornnies.io <i>live</i>		Neon Tiki Tribe <i>Q1 2022</i>
	Enter the Mandala enterthemandala.io <i>live</i>		Wolves of Rome wolvesofrome.io <i>Beta Q1 2022</i>
	SharkBYTES shark-bytes.io <i>live</i>		
	Alt Press altpress.nft-maker.io <i>live</i>		



***THIRD PARTY
PROJECTS***

















































6.10



6.10 THIRD PARTY PROJECTS






































A SELECTION OF PROJECTS THAT USED NFT-MAKER PRO TO LAUNCH THEIR PLATFORMS OR NFT COLLECTONS.

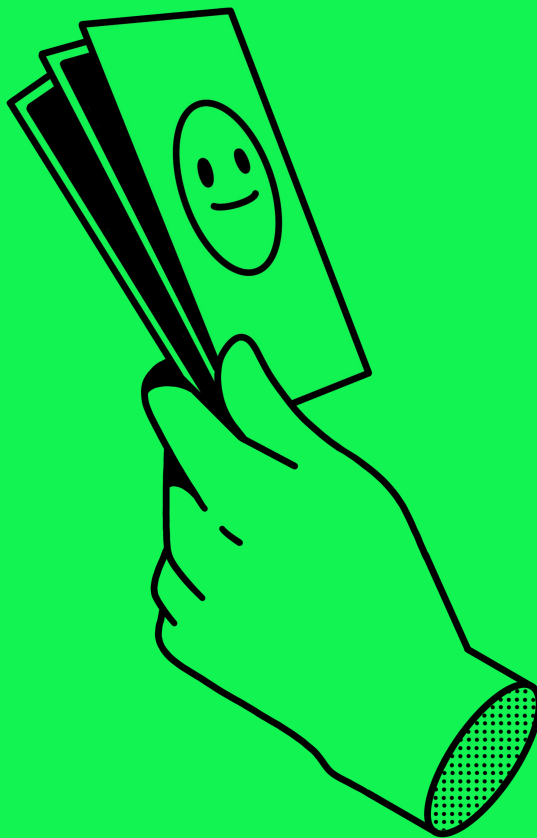
PLEASE NOTE THAT WE DO NOT HAVE ANY DIRECT CONNECTION TO THESE PROJECTS EXCEPT THAT THEY USED OUR MINTING TOOL.

	The 2600 NFT Project 2600.quest		Bitlands bitlands.art		CNFT Oil Paintings keww.io/Oil-Paintings-/-CNFT/
	ADA Exotics adaexotics.com		Blockchain Games blockchaingames.company		CryptoRaggies cryptoraggies.io
	ADA Apocalypse ada-apocalypse.com		Borg Club borgclub.io		Cuddly Koala Club cuddlykoalaclub.io
	ADA BLOCKS adablocks.wixsite.com		BotBois botbois.io		Darts World Championship NFTs dartsnft.co.uk
	ADA Bulls Club adabullsclub.com		Bull-Ish bull-ish.io		Degen Crypto Club degencryptoclub.com
	Ada Clouds adaelementz.io		Burn these Dudez burnthesedudez.com		EARTH NATIVES earthnatives.io
	AdaCubes adacubes.io		Cardano Caricatures cardanocaricatures.com		Empowa Founding NFTs nft.empowa.io
	Ada Dragons adadragons.com		Cardano Combat cardanokombat.com		Ethernobs ethernobs.co
	ADA HEADZ adaheadz.io		Cardano Feeds cardanofeeds.io		Fort Gotten fort-gotten.com
	ADAPunkz adapunkz.io		CardanoPix cardanopixel.com		Galactic Guardians galactic-guardians.com
	ADA Skullz skullz.io		Cardano Waifus cardanowaifus.com		Gentophile gentophile.art
	Ash and Tray pixelado.art/projects/ash-and-tray-comic-strip-cardano-nft		Carda Worlds cardaworlds.io		Greasy Monkey greasy-monkeys.com
	Avocado Breakfast Club avocadobreakfastclub.com		Cardania cardania.com		NFT Ghostchain nftghostchain.com
	Baby Alien Club babyalienclub.com		CardogeNFT cardogenft.io		Grumpy Bunny grumpybunny.io
	Baby Dragon NFT babydragonnft.com		ChaosColony muse.place/chaoscolony		Heroes, Reimagined heavymetalteacup.com
	Barn Riot barnriot.com		Cheeky Unts cheekyunts.com		ADA Apocalypse ada-apocalypse.com



6.10 THIRD PARTY PROJECTS

	Grumpy Bunny grumpybunny.io		Old Money oldmoney.io		Unbounded unbounded.earth
	Heroes, Reimagined heavymetalteacup.com		PlayerMint playermint.com		UniCoins unicoinsnft.com
	ADA Apocalypse ada-apocalypse.com		Project Wights projectwights.com		Veggiemates veggiematesnft.com
	Inherited plants inheritedplants.io		PunkAss punkass.io		Viral NFTs cryptohippoz.io
	Kid Yokai kidyokai.com		PunkBabyHouseParty punkbabyhouseparty.io		VyFi NFTs vyfi.io
	Knitties knitties.io		ROBOROBO roborobo.gg		
	Lord of the Coins fireflyshire.com/lordofthecoins		Savage Rabbits savagerabbits.io		
	Lucid Dreams luciddreamsupply.com		Shark Squad sharksquadnft.io		
	MADA's Lemur mada-s-lemur.xyz		ShelterPets shelterpetsonft.com		
	MAD in Art madinart.io		Snow Skellies Park snowskellies.io		
	MechVerse mechverse.co		Soho Kids sohokids.net		
	Moonimals moonimalsnft.com		Stik Friks stikfiks.com		
	Mutant Crocs. crocs.mutant-nft.com		Teddy Troops teddytroops.io		
	NeoTribes neotribes.io		Cardano Waifus cardanowaifus.com		
	NFT Hubs nft hubs.io		ThreadWorldCNFT threadpunks.org		
	nftseed nftseed.io		Threefold Bold threefoldbold.io		



EDUCATION

6.11



Something we know for sure is that to facilitate mass-adoption, we need to help educate the wider community and the general public about NFT's as much as possible. This is not just interns of understanding the technology but actually how to get started using it.

So far we have worked with NFT Project Creators to create various guides on what NFT's are and how to launch a project, ranging from specific clips to full end-to-end implementations. This has been a great start and is something we will continue in the future by enriching our Knowledge Hub to become a place where people of all experience levels can learn about NFT's, Crypto and of course the **NFT-MAKER** Ecosystem.

Currently, our information is stored in the **NFT-MAKER** Knowledge Hub as well as our YouTube Channel and we have long term plans to fully enrich this with content designed for developers, creators and anyone looking to venture into the space. We want this Knowledge Hub to become the 'go-to' place for all information related to NFT's, a genuine place where people can learn about this technology with the hope that this will lead to them

adopting it.

Regarding the **NFT-MAKER** wallet, this will be the first interaction many people have with using Crypto, so we will ensure that this beginner wallet has very clear initial warnings and explanations about how they will eventually need to take custody of their NFT's. We plan to have this user experience naturally flow into very clear guides on how they can create their own wallet and take full custody of their NFT.

We are focused on providing education through multiple channels and establishing the **NFT-MAKER Knowledge Hub.**



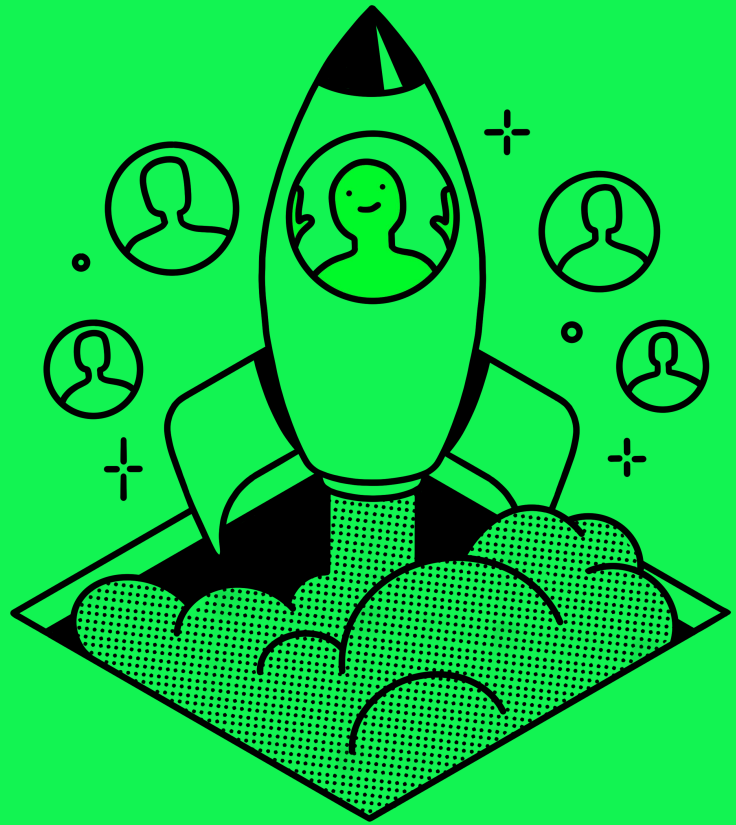
ROADMAP

7



7 ROAD MAP

Q1 2022	Q2 2022	Q3 2022	Q4 and beyond
<ul style="list-style-type: none">• Marketplace Launch• Stake Pool Launch• \$NMKR Token• Whitepaper Release• Smart Contracts in NFT-MAKER PRO• Marketplace Trust Score• Marketplace ADA Handle Integration• CNFT Awards	<ul style="list-style-type: none">• Fiat Payment Integration• Milkomeda Integration in NFT-MAKER PRO• CNFT Stake Pool Alliance• Smart Contract Audit• NFT-MAKER as 3rd Party Login• Marketplace Social Features• Digital Identity for NFT Artist Verification• Procedural 3D NFT Galleries	<ul style="list-style-type: none">• NFT-MAKER Game Launchpad• NFT-MAKER Wallet• Unannounced Chain Integration in NFT-MAKER PRO• Additional Voting Mechanisms for \$NMKR• Marketplace Bundle Sales• NFT Calendar• Live Minting Ticker• NFT Fractionalization in NFT-MAKER PRO	<ul style="list-style-type: none">• NFT-MAKER News Outlet• Additional Voting Mechanisms for \$NMKR• Inegration of NFT-Minting & Trading for 2 more additional Blockchains in NFT-MAKER PRO & the Marketplace• NFT-MAKER Party• Physical Asset NFT Integration• NFT Staking• NFT-Focused-Layer 2 Research



CONNECTING THE ECOSYSTEM WITH \$NMKR



8 **CONNECTING THE ECOSYSTEM WITH \$NMKR**

We want this ecosystem to be as engaged as possible, the best possible place to be for anyone interested in NFTs. In order to make this possible, we will be releasing a Utility Token \$NMKR. Our goal therefore, is to provide the maximum possible utility via the \$NMKR token. At a glance this means that holding \$NMKR will grant you rights to vote on all kinds of changes related to the **NFT-MAKER** Ecosystem, ranging from how we adjust reward parameters to verifying NFT projects as being real.

In the following section, we have outlined in detail some of the initial elements that we plan to implement in the short term, whilst providing an idea for our vision in the long term. Ultimately this token will represent your engagement within the Cardano NFT space and we plan to ensure it has the best possible utility for all things NFT related.



ARTIST VERIFICATION AND FRAUD PREVENTION

8.1



8.1 ARTIST VERIFICATION AND FRAUD PREVENTION

Bad actors are currently one of the biggest threats to the space, with scams ranging from convincing victims to send ADA to a false address to stealing art for minting – this is something that we must work hard to stop. To do this, we plan to introduce a form of ‘trust score’ for every user on the platform. The initial metrics for which will be rated by two data points; their level of identification through a digital identity focuses system and their level of Stake*.

The digital identity part of this could very easily become a whitepaper of its own, the main concept to convey here is how we plan to bring in the next iteration of solving digital identities. Ultimately, every username, email password combo, account and sign up you have ever done has been for the purpose of allowing platforms to verify who you are. In later sections of this document, you will see the basis of ‘My wallet is my game library’ – well what if your wallet was your digital identity too? Rather than creating yet another account, you just show them your Digital ‘Driving License’.

We are in the very early stages of designing this solution, but to put simply, the plan is to create an identity where you can progressively link various already existing accounts to this digital wallet.

As an example, if you want to claim to be the owner of a certain Twitter Account, you will link this to the wallet and in doing so provide a two-way verification. The more links are made (and potentially including actual KYC), the more likely

you are to actually be the person you claim to be – getting this right opens up unbelievable opportunities for a better user experience and in the early days will help the community to assess the trustworthiness of sellers.

In essence, this will provide potential buyers with information which can help them assess how much the seller has to lose by being a bad actor. Generally speaking, the more identifiable a person is and the more they have to lose, the less likely they are to be a bad actor. We feel that this is a balanced approach that still allows people who wish to remain anonymous or are unable to acquire large amounts of the \$NMR token to participate in the market, whilst ensuring that potential buyers know ‘how much skin the seller has in the game’. Having this in place, as well as the further verification process listed below, should help to reduce the scope for scams and other negative actions on our platform.

*Identification Level – What % of the NMR-MAKER Profile (linking to social media) and KYC has this user completed.

Stake Level – How many \$NMR tokens is this user risking if they are found to be a bad actor.



8.1 ARTIST VERIFICATION AND FRAUD PREVENTION

For the most common NFT aftermarket scams, there are currently two main attack vectors:

Fake – List an NFT with an unverified POLICY ID and then use names and other metadata to make it appear like the real project with the hope that the lack of verification goes unnoticed.

Man in middle – Get a fake project verified (similar to getting an SSL Cert for a fake website), the idea being that people will then see the verification and not check that it is actually the correct project.

The main protection against these attack vectors so far has been the verification process, the idea being that secondary markets can build up a database of POLICY

ID's (with corresponding projects) and then the default for the user is to only see verified projects. Verifying projects is on the surface, nothing more than matching up a unique POLICY ID with its respective creator, which, once complete, allows the aftermarket to show the potential buyers all of the related information and proof of that being the real project that the buyer is looking for.

Although the process for doing this so far has been accurate, it has relied on a handful of dedicated, centralised adjudicators which has resulted in delays and does not fully align with the decentralisation we all want to create.



8.1 ARTIST VERIFICATION AND FRAUD PREVENTION

WE WANT TO CHANGE THIS WITH THE \$NMKR VERIFICATION PROCESS:

Projects that mint via other methods can then follow the process outlined:

- Requestor to obtain and stake \$NMKR tokens into a smart contract, once staked, the trust score of the user increases inline with the amount staked
- Submit a verification request
- There will then be a one week window whereby the community can vote for the following options:

Approve – This project is real and suitable for the ecosystem, approved

Declined Unsuitable – This project is real but is unsuitable for the ecosystem at this time do NOT verify, do NOT slash the requesters \$NMKR

False Declined – This project is pretending to be another, do NOT verify and invoke slashing

For any given project to be verified, it will need to both meet a minimum vote count and surpass the approval threshold. Art is subjective in its nature and so we encourage the community to base their verification decision on checking that it is indeed the project it claims to be and that the project is not attempting to present itself as another existing project.

Approved projects will then be added to the **NFT-MAKER** database as verified projects, all listings with that policy ID will then automatically be matched and shown to potential buyers as genuine examples of that NFT collection. Requestors will retain their staked tokens.

Declined Unsuitable projects can be declined for reasons that are neutral and therefore should not cause the requestor to be punished. Think of this option like ‘you haven’t done anything wrong, but we don’t want this project to be a verified project’. If the community votes for this, it will not cause slashing on their first occurrence but after multiple repeated attempts we would encourage the community to vote for the False Declined option.

False Declined projects are clear attempts to scam, fake, steal or commit other negative actions. We encourage the community to take this very seriously as it will result in the requestor losing some of their staked tokens. Voting for this option should be in cases where it is a direct attempt to scam the community and it will NOT be tolerated.

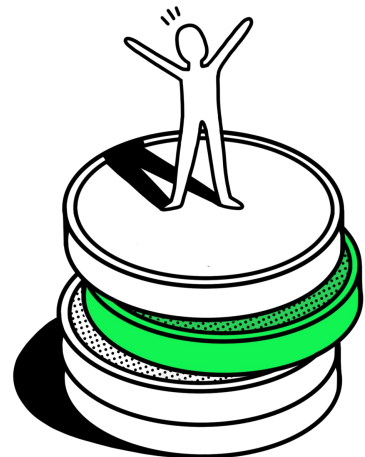


8.1 ARTIST VERIFICATION AND FRAUD PREVENTION

The community members who participate in the vote will be rewarded with a small number of \$NMKR tokens as a thank you for their efforts in providing governance to the platform.

If a user is red-flagged by a community member, they will be asked to provide detail on the reasoning such as the Policy ID not matching that found on the official project website. The community will then have one week to review and vote on the if the reported incident seems to be correct. We encourage the community to take this very seriously.

Conversely, users who actively find and flag users who are attempting to commit bad actions will be rewarded. Similar to certain web communities that give 'Kudos' to their users. This should help to create a thriving community with a set of dedicated Red-Flag Bounty Hunters, brave people who restlessly find fake NFTs and get them removed!





8.1 ARTIST VERIFICATION AND FRAUD PREVENTION

UNVERIFIED NFT PROJECTS AND OTHER ACTIONS.

It will still be possible to list unverified projects, although the interface will make it very clear that they are not verified and this will discourage many potential buyers from looking at these listings. We do acknowledge that there will be legitimate cases for trading NFTs on the platform that have not been verified, in this case, the following method will be applied using the trust score of the seller. Listing Unverified Projects will require more \$NMKR tokens to be staked by the seller, given the additional risk to the buyers.

If a user does something bad, e.g. uploads art that isn't their own, and some other user sees this, the other user can then **'report an incident'**. The incident reporting form will be thorough, asking for considerable detail from the reporter to ensure the community has enough detail to go on. From a smart contract perspective this would mean that the reporter sends an **'incident ID'** to a specific smart contract endpoint and thus starts a voting about this incident. The key thing here is that the reporter will need to have a certain amount of Tokens staked in that contract as well. This is to discourage malicious attempts to falsely report people, abusing the system.

Other users are now asked to vote about this incident. Users can read through the incident report which is findable through the incident ID and then decide if this report is true or false. The community will then vote with voting power based on the amount of \$NMKR tokens that they have staked.



8.1 ARTIST VERIFICATION AND FRAUD PREVENTION

Once the voting reaches a certain threshold of total voting power used and the one week period has passed, the votes will be counted and one of the following 4 scenarios happen:

A) The reporting was true.

The user loses his staked **NFT-MAKER** Tokens (capped at a maximum amount), the remaining Tokens get unstaked and sent back to their wallet, the tokens they lose get sent to an internal address (treasury fund) inside the smart contract and the voters + the reporter receive a small amount of Tokens from this internal address. Reporter will receive more than the voters as 'bounty' split 30% to the reporter, 70% split across each voter.

B) The reporting was false.

The reporter loses a certain amount of Tokens from their smart contract, they get sent to the internal (treasury fund). The voters receive a small amount of Tokens from this event.

C) It's close to a draw.

The whole voting gets extended for another week for a maximum of one week, if after this time the threshold has not been met – no action is taken (all users retain their stake, no one loses).

D) Evidence not substantial.

The community determines that there is not enough evidence to act on this matter. No one loses their stake – no action is taken (all users retain their stake, no one loses).



ECOSYSTEM GOVERNANCE

8.2



8.2 ECOSYSTEM GOVERNANCE

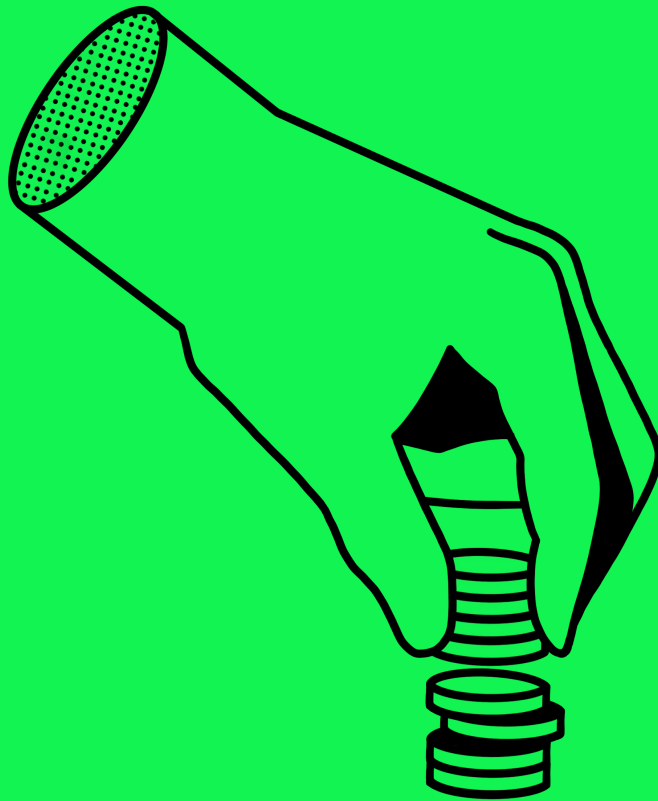
We are here for the very long term and our roadmap is no different. In order to do this, we need the governance to not rely only on the founders indefinitely and instead it should be gradually shared with the community.

We want this governance token to have the maximum possible utility and what better way to do this than to borrow the ideas of the Cadano Catalyst system?

Project Catalyst is the first step towards Voltaire – the Governance Structure of Cardano, currently it's main use case is for voting to decide which projects to fund with the Cardano Treasury. People can submit proposals in a specifically designed format. Members of the Cardano Community can then view, query and vote for their preferred proposals which may then be funded.

Our platform will have a similar feature built in so that we can fully integrate the community feedback and desires into the roadmap. Initially we (the development team) and a pilot group will present proposals to the community, which they will be able to vote on. More \$NMKR tokens will result in more voting power with diminishing returns. The idea behind this is to ensure that those people who have had the most positive effect on the community have the most influence over the decisions, but not to the point where they can unanimously make a decision as a dictator or conglomerate.

As the platform matures, we will open the proposal submissions up to the entire community, using a standardised question set format to ensure that the proposals can be reviewed in the most efficient way. We believe that this will be the ultimate system for ensuring the best possible platform, with the best possible user experience. After reading the previous section, you can probably see how much the parameter settings for rewards/punishments will affect the way people interact with the ecosystem, adjusting these will be just the beginning.



PAYMENT

8.3



8.3 PAYMENT

One of the key elements of any currency is the implication that people within a given community will use it to measure the value exchanged in goods and services, such that they can obtain something in return in the future. Whether this be a shop accepting gift cards, a country's own currency or even something like the Euro, the idea behind it is that the people involved agreed that it has value.

For this reason, we plan to bring arguably the strongest utility possible – we will be providing the option for projects and creators to allow their communities to mint using the \$NMKR token to pay for NFT's.

What this means is that this token will become an optional 'currency' within the Cardano NFT community, instantly recognisable as being a potential method of minting or trading NFTs – truly powerful. We think that this is a fitting and complete way to round off the utility of the token whereby those who have the most positive impact on the community will then have the ability to obtain NFTs through the tokens they have acquired.

This is something we believe everyone should desire. Projects that mint this way will naturally acquire a lot of tokens, that represent the good that they have done for the community. This 'good' can then be used to mint other NFTs in return and the cycle continues. Combining this with the ability to vote in the governance of the platform, help to curate the list of verified projects and so much more – this will be the ultimate token for those involved in the Cardano NFT ecosystem.



TOKENOMICS

9



WE WILL MINT A TOTAL OF 10 BILLION \$NMKR TOKENS.

This is the number of all of the \$NMKR Tokens that will ever be minted.

The \$NMKR token will be at the centre of ecosystem, as such we want to ensure that it is widely distributed amongst our community, whilst ensuring that the core team retains some ability to guide development.

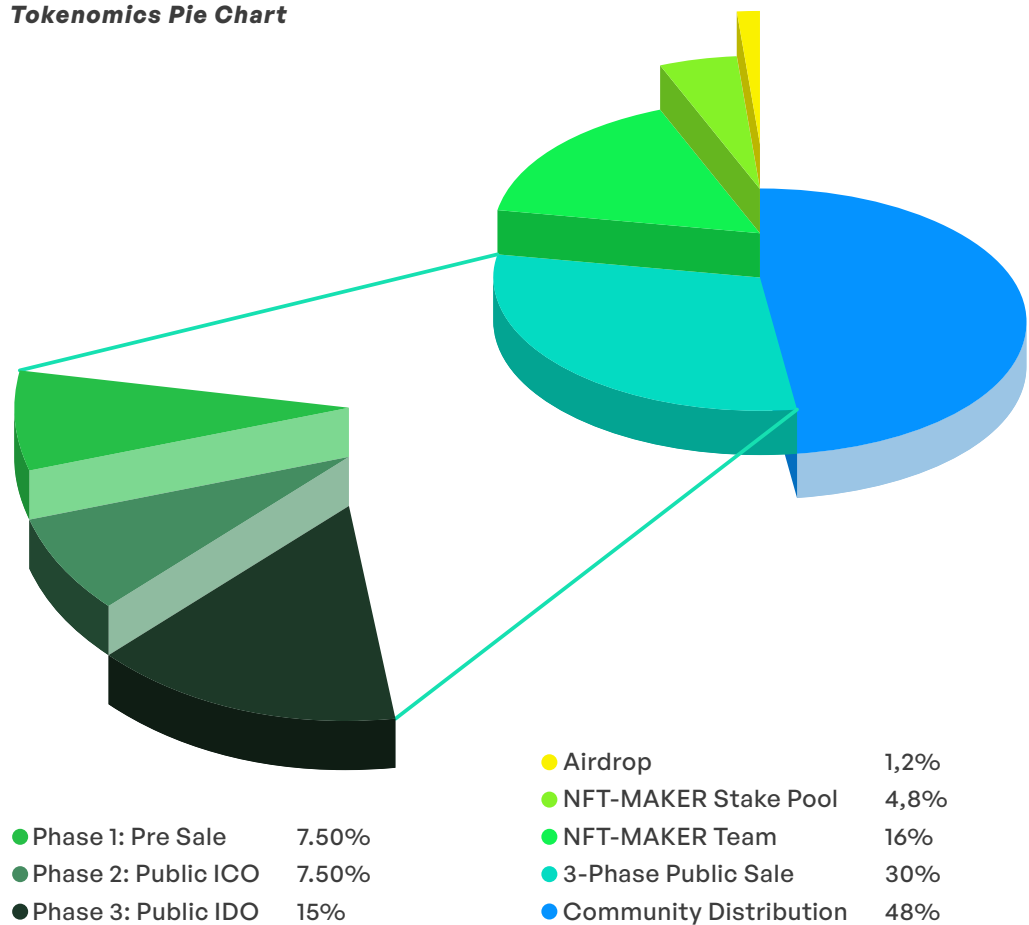
As such, the tokenomics of \$NMKR echo that of Cardano.

This section aims to cover the breakdown of how this will be allocated, with the following sections going into detail about the implementation and methods by which this allocation will be achieved.



10 BILLION (10,000,000,000) \$NMKR TOKENS

Tokenomics Pie Chart



This is a utility token!

Absolutely no promise of share in revenue, earnings or any other form of income. This tokens purpose is specifically to facilitate the governance of the *NFT-MARKER* ecosystem.

It should be also noted that although this section covers our intentions, it may be the case that the specific mechanisms may need to adapt to changing circumstances.



TOKEN DISTRIBUTION EVENTS

10



10 **TOKEN DISTRIBUTION EVENTS**

Community Distribution

Now that we have outlined the figures, let's look in detail about how this will be achieved, starting with the most critical, the 48% allocated to community distribution.

This particular distribution will be split across 4 years of monthly 1% distributions to community members that play an active role in the **NFT-MAKER** Ecosystem by using the platform.

Something that we needed to consider was how to sustainability distribute these rewards, given that Cardano currently has a fixed per-transaction fee. This is unavoidable but means that we (as a platform) could very quickly become unable to perform this action as the user base grows. Using a conservative estimate of 100,000 users, this process would cost ~20,000 ADA every month, just to distribute the rewards. As the community grows to the millions, you can see how this may not be a good long term solution.

Instead, it is possible for the users to pay for the transaction fees which seems to be the most sensible approach, but that comes with its own downsides of potentially being prohibitive if a user only has a small amount of rewards. There could be scenarios where the transaction fee is above 10% of the value of the rewards,

which would seem to be an 'non-optimal' situation.

We also want to ensure that the distribution is based on the amount of positive activity that a particular person carries out over the course of the month. This should encourage community members to actively participate which is an absolutely crucial element to the success of a decentralised governance system. Incentivise the things you want to happen.

To solve this, each month the platform will calculate the amount of activity performed by each user, the platform will then allocate the fraction of that month's 1% \$NMKR to each user based on the fraction of the total activity performed by all users.

Allocation, in this context means that a given user will then be able to claim those tokens from their rewards centre. The rewards centre will have a dashboard for users to view their actions and rewards. Because of the small (but non-negligible) transaction fees, the user can then make their own choice as to whether or not they want to claim now or wait to have a higher amount next month. Having this in place gives the user complete control over this, although we must stress that the \$NMKR tokens **MUST** be claimed and in the associated wallet to count as part of the governance processes outlined.



10 **TOKEN DISTRIBUTION EVENTS**

Direct Sales

The specific details regarding direct sales will be released nearer to the time and in greater detail, but as a general overview here are the principles behind them. There will be 3 phases to the direct sales starting that will be balanced, the earlier people are able to be involved, the longer the vesting period will be.

The Pre-Sale will be the earliest opportunity to obtain \$NMKR and also has the longest vesting period.

The ICO will be the next earliest opportunity to obtain \$NMKR but has a shorter vesting period.

The public sale will be open to everyone and as such has no vesting period at all. We feel that this balances the advantages of getting in early by ensuring those that do must hold their tokens for a reasonable period of time.

Team Allocation

In a similar fashion, the team allocation will be 16% in total and also has a more complex vesting period, again to encourage long term participation. That 16% will be split across 4, 1 year vesting periods that will release 4% of the team's tokens per year. This seems to be the fairest balance of ensuring the team retain a good stake in

the ecosystem whilst ensuring the vast majority is out there with the public.

Stake Pool

We also are allocating 4.8% as rewards for staking with the NFT-MAKER stakepool. Each month for 4 years, 0.1% will be distributed to delegates. These rewards will be distributed in size relative to the stake by each participant, a higher stake will mean a higher portion of the rewards in a similar style to Cardano Staking Rewards as a whole.

Airdrop

The remaining 1.2% will be distributed via an Airdrop^[12] as a thank you to everyone in the Cardano Community and should help to further maximise the distribution of the \$NMKR token.

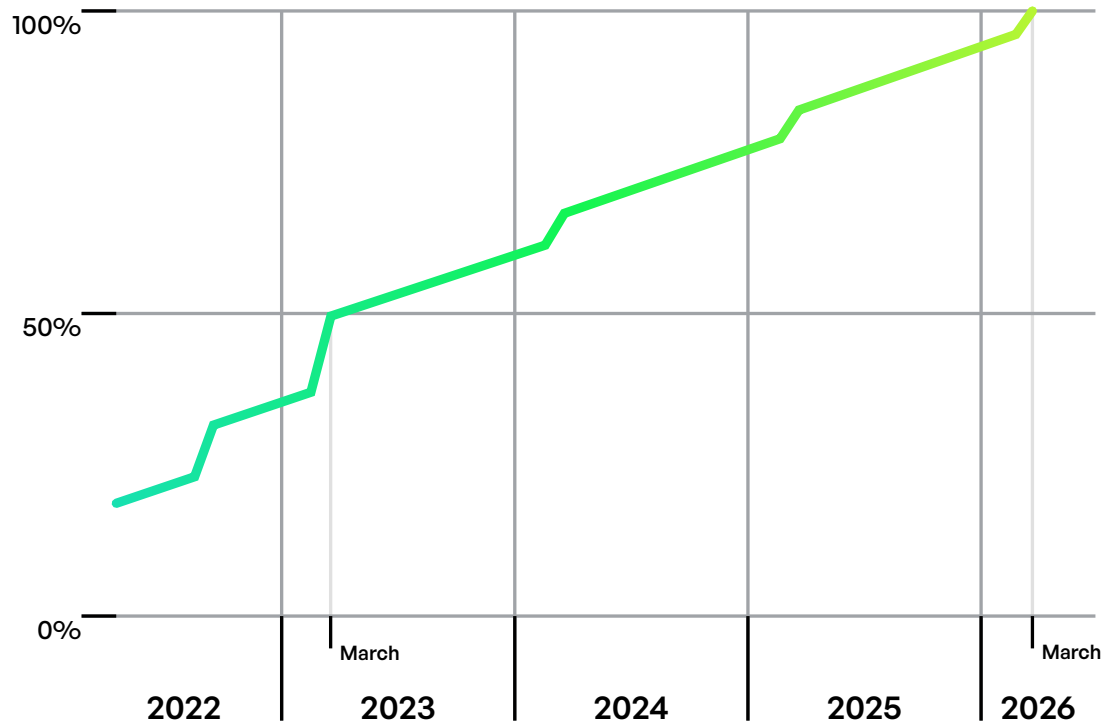
Final Notes

From what started out as a small website that allowed people to mint a single NFT, this ecosystem has continued to grow beyond any of our expectations. Without the incredible Cardano Community, none of this would have been possible and we will continue to give back by bringing the best user experience in the space.



10 **TOKEN DISTRIBUTION EVENTS**

\$NMRK TARGET CIRCULATING SUPPLY OVER TIME



We feel this is the fairest, most balanced method of implementing what will be a genuinely first-of-its kind token, providing full utility around the governance of an NFT ecosystem.



DISCLAIMER

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There is very little historical data, past performance results, or academic research on the topic of cryptocurrencies when compared to the historical data available for standard stocks and equities, let alone the lack of data available for tokenization, economics, and long-term valuations of these digital assets.

STOCKS (EQUITY) HAVE BEEN AROUND SINCE THE EARLY 1600S, AND IT IS ONLY IN THE PAST 100 YEARS THAT WE HAVE BEGUN TO HAVE MORE COMPREHENSIVE AND WIDELY ACCEPTED VALUATION MODELS. HOWEVER, THEY ARE STILL SUBJECT TO BIAS AND INTERPRETATION AND SUFFERED FROM THEIR INPUTS' QUALITY. ON THE OTHER HAND, CRYPTOCURRENCIES HAVE BEEN AROUND SINCE 2008, WITH A BROADER RECOGNITION AROUND 2016 AND AN EXPLOSION IN THE NUMBER OF TOKENS IN 2017. AS SUCH, IT IS WAY TOO EARLY TO EVALUATE OR COMMENT ON THE PERFORMANCE, MONETARY POLICY, AND MODELS BEHIND ANY OF THEM. AS A RESULT, THE AUTHOR OF THE CURRENT DOCUMENT PREFERS TO RELY ON SOUND ECONOMIC PRINCIPLES BACKED BY DATA AND REASONABLE ASSUMPTIONS. FURTHERMORE, THE CURRENT MODEL RELIES ON SEVERAL ASSUMPTIONS, FORECASTS, AND REQUIREMENTS EXPLICITLY SPECIFIED BY THE COMPANY BEHIND THE TOKEN OFFERING. AS SUCH, THIS MODEL IS ONLY AS GOOD AS THOSE ASSUMPTIONS ARE. ANY SIGNIFICANT DEVIATION FROM THE INPUT NUMBERS WOULD SUBSEQUENTLY IMPACT THE OUTPUTS OF THIS MODEL. THE MODEL PRESENTED HERE AIMS TO PROVIDE A FAIR TOKEN PRICE VALUATION BASED ON THE MERITS OF THE BUSINESS BEHIND IT (AS FAR AS THEY ARE KNOWN/ESTIMATED AT THE TIME OF THE CREATION OF THIS MODEL) AND CANNOT ACCOUNT FOR ANY POSSIBLE SPECULATIVE ACTIONS AND MARKET MANIPULATION BY ANY PARTY AS WELL AS FOR IRRATIONAL MARKET BEHAVIOR. NONE OF THE INFORMATION OR ANALYSES IN THIS DOCUMENT IS INTENDED TO PROVIDE A BASIS FOR AN INVESTMENT DECISION, AND NO SPECIFIC INVESTMENT RECOMMENDATION IS MADE. THIS DOCUMENT DOES NOT CONSTITUTE INVESTMENT ADVICE OR AN INVITATION TO INVEST IN ANY SECURITY OR FINANCIAL INSTRUMENT. NO REGULATORY AUTHORITY HAS EXAMINED OR APPROVED ANY OF THE INFORMATION SET OUT IN THIS DOCUMENT. NO SUCH ACTION HAS BEEN OR WILL BE TAKEN UNDER THE LAWS, REGULATORY REQUIREMENTS, OR RULES OF ANY JURISDICTION. YOU ACKNOWLEDGE AND AGREE THAT YOU ARE NOT USING THE INFORMATION IN THIS DOCUMENT FOR PURPOSES OF INVESTMENT, SPECULATION, AS SOME TYPE OF ARBITRAGE STRATEGY, FOR IMMEDIATE RESALE, OR OTHER FINANCIAL PURPOSES. SOME OF THE DOCUMENT'S STATEMENTS INCLUDE FORWARD-LOOKING STATEMENTS THAT REFLECT OUR CURRENT VIEWS CONCERNING EXECUTION ROADMAP, FINANCIAL PERFORMANCE, BUSINESS STRATEGY, AND PLANS. ALL FORWARD-LOOKING STATEMENTS ADDRESS MATTERS THAT INVOLVE RISKS AND UNCERTAINTIES AND DO NOT GUARANTEE THAT THESE RESULTS WILL BE ACHIEVED AND MAY LEAD THE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE INDICATED IN THESE STATEMENTS. NO STATEMENT IN THIS DOCUMENT IS INTENDED AS A PROFIT FORECAST. GIVEN THAT THE "REGULATIONS" FOR CRYPTOCURRENCY IN MOST COUNTRIES AT BEST ARE HIGHLY AMBIGUOUS OR COMPLETELY NON-EXISTENT, EACH BUYER IS STRONGLY ADVISED TO CARRY OUT A LEGAL AND TAX ANALYSIS CONCERNING THE PURCHASE AND OWNERSHIP OF CRYPTOCURRENCY AND TOKENS ACCORDING TO THEIR NATIONALITY AND PLACE OF RESIDENCE. EVERYTHING IN THIS DOCUMENT IS THE AUTHOR'S OWN WORK, WITH EXTERNAL SOURCES AND REFERENCES PROVIDED WHERE APPROPRIATE. SOME PARTS OF THIS DOCUMENT, ON NON-PROJECT-SPECIFIC TEXTS, CHARTS, GRAPHICS, AND FORMULAS, MIGHT BE IDENTICAL WITH OTHER DOCUMENTS PRODUCED BY THE SAME AUTHOR. THESE INCLUDE BUT ARE NOT LIMITED TO THE EXPLANATION OF SOME FORMULAS, MODELING TECHNIQUES, ECONOMIC THEORIES, AND POLICIES.



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