W H I T E P A P E R - T I M E L E E S S  A R T O N T H E

ARTCHAIN

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ARTCOIN.ai

PRESENTATION OCT 2 0 1 8
ABSTRACT

High end art has outperformed both gold and the S&P. Artcoin is a token that will decentralize and open the art market for retail investors who can buy fractional parts of artworks such as Raphael, Van Gogh or Picasso. The network which will be working with the Artcoin is, called Artchain is based a real business model encapsulating the multi-billion art market by using proprietary technology, both hardware and software that will solve crucial problems, increase efficiency and prevent fraud in the art market as. The value of each Artcoin will increase not merely due to networking effects (increase of network usage) but also due to fees charged for using the network with real-world utility of tracking the origin, verifying the authenticity and enabling the seamless transaction of timeless pieces of art among investors.
"ART IS TIMELESS, AND ITS VALUE IS MORE THAN JUST AN INVESTMENT CLASS. IT IS SOMETHING THAT GIVES DEEPER MEANING OR SOULFUL EXPERIENCE TO PEOPLE WHO HAVE IT IN THEIR POSSESSION."

Dr. Bernhard Boehler

President, Artchain
Disclaimer

It is very important to note that you are not eligible, and you are not to purchase any ArtsCoin tokens if you are a citizen or resident (tax or otherwise) of Singapore, or other Singapore Person. “Singapore Person” is generally defined as a natural person, who is residing in the Singapore or any entity organized or incorporated under the laws of Singapore. Citizens and foreign citizens with main residence in South Korea are also not allowed by the South Korea’s Financial Services Commission to invest in the public sale of Artcoin tokens. Furthermore, because of current regulatory uncertainty and before additional information is publicly released by the Platform on the matter, citizens or residents (tax or otherwise) of China (excluding Macao and Hong Kong) are not eligible to register as Contributors.
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It is no longer doubt that Blockchain is presently the most revolutionary technologies that is emerging in the field of information technology, that help to connect data (blocks) chronologically so as to be able to form an inalterable and traceable records of transactions through the process of maintaining a shared ledger in a network on multiple nodes.

Blockchain technology possess a core value which lies in the establishment of a secure and inalterable distributed ledger system.

According to the technical assurance of cryptography, peer-to-peer network communication, distributed consensus protocol, smart contracts and other technologies, it gives rooms for multiple participants to make use of the blockchain ledger system as a basis for trust for multiple-party transactions, that help to get rid of the need for any additional trusted third parties which allows for low cost and low-delay information exchange and transaction processing as well as efficient circulation of digital value.
Presently, a lot of billions of dollars are been invested at risk because art is unable to be verified for originality whenever someone sells or buys art. An additional verification will also be done which costs a lot of money and time.

Artchain help to create a sustainable business model when solving and lowering of the transaction fees that make the tokens to increase in price due to the recurring and growing of the fees (buying of tokens to access and use the Artchain blockchain art gallery system).

These fees shall be paid for transacting, securing, and verifying fine art on the Artchain platform. The token will also be supported by timeless pieces of art which can only be transacted in Artcoin. Thus, a Collateralized Coin Offering is also part of our package, as our coins will be supported by invaluable art pieces.
The following are the areas in which there is no effective digital solution:

A. **Image authentication**

Image authentication cannot be done automatically but manually because, it is prone to human error, costly and time-consuming.

B. **Documentation**

The central to image authentication and valuation are the records of history and provenance, but these are often easily forgeable, incomplete and not stored securely.
**Business model**

C. **Condition reporting**

Due to the fact that the condition that are always reported are expensive and cumbersome be it human effort or large scanners. This make owners to often forego these, even though this is central for image evaluation and insurance purposes (e.g. in the context of transactions/transportation).

Those responsible for damages to an image is nearly impossible to identify (e.g. in the context of gallery loans: whether damage happened during transportation or exhibition).

D. **Restoration**

There is no standard recording (and secure storing) of restoration activities along with an artwork’s other vital stats, i.e. history, provenance, and condition reports.
Business model

E. **Logistics & transportation**
Transports are usually underinsured because of the fact that there is currently no track & trace solution.

F. **Intellectual property rights**
Artists are not able to gain royalties from the re-sales of their works due to the in transparency around image transactions.

G. **Collection management**
The absence of an effective digital solution means that there is an abundant managing of large collections - from individual documentation/condition reporting to coordination of restoration works – which takes a great deal of effort and time.
1. Download ARTCHAIN APP.
2. Take the artwork picture.
3. The ART-APP registers the art and provides a registration ID stored in the blockchain together with the user ID.
User Roles & Associated Services

**Creator/rights holder**
- The creator/rights holder is stored as a distinct user of the ARTCHAIN system with a unique ID (User ID) type.
- The creator/rights holder is able to register the item, record its fingerprint, and to submit this to the ARTCHAIN system along with all relevant images to generate the artwork’s “biometric passport,” i.e. the artwork’s proof of life.

**Owner**
- An owner is stored as a distinct user of the ARTCHAIN system with a unique ID (User ID) type.
- An artwork is associated with an owner (User ID) once it is bought from a creator or another owner (private or institutional) and the transaction is confirmed through the ARTCHAIN app.
- Owners are able to generate an artwork’s initial fingerprint/biometric passport.
**Services with Artchain**

1. **ArtDNA Fingerprint Services**
   Authentication of an artwork using state-of-the-art augmented authentication technology that scans, recognizes and validates a “fingerprint” and stores this in the image’s proof-of-life, its “biometric passport”

2. **Certification issuance**
   Using the augmented authentication technology, users are able to validate and document each transaction around an image
Services with Artchain

3. Data Storage and cataloging

In order for users to get quick and user-friendly access to data sets as well as associated services, data is stored on the cloud. The artwork’s fingerprint and transaction history are securely stored on the blockchain. Each transaction related to an artwork is stored on the blockchain (in compressed form),

4. ARTCHAIN Platform as a service

which helps users maintain their ownership, lending, restoration, transportation and insurance coverage related to an artwork. Users registered as creators (i.e. artists) will be able to gain royalties from re-sales of their artworks.
1. DNA-Scan

2. Birth certificate proof of life protocol

3. Digital art catalogue

4. (Optional) Verification of the transmitting protocol + personal data of the owner

Protocol of provenance

Conclusion of the insurance smart contract

Transmission of the biometric handover protocol (Galleries/Buyer)
The biometric passport in connection with the possibilities of the Blockchain technology happen to be the basis of all problem solutions in the areas of forgery protection, museums, auctions, tracking and tracing for transports to galleries, warehouses and last but not least to the final destination of the owner. It is ensured for the first time that not only the same artwork but also the same artwork reaches its destination by creating the digital DNA of an artwork and linking it to the digital birth certificate (PLP) on a never again manipulate blockchain.

The Art DNA technology also enables the digital DNA of the recorded work to be read out again at any location and any smart hone. Thus in the future, every user of Art DNA technology will be able to detect any manipulation or change in the condition of a work from an unprecedented scratch to a complete forgery immediately and without any doubt.

The Smart Contract technology results in further revolutionary expansions of the business fields, such as the forgery-proof transfer of property rights, the conclusion of corresponding insurance policies with enormous cost savings, the payment and settlement of fees, costs, settlements, premiums and the cashless purchase and sale of works of art.

In addition, based on this digital document, it is now also possible to create an interactive digital catalogue of works that opens up the possibilities of presentation to every artist or collection owner, such as the creation of interactive virtual galleries, videos, their presentation through audio comments and the accompanying of the viewer through this emotional journey into a personal art world.
**ArtDNA explained**

1. **Smart phone camera hovers over the artwork (verification)**

2. **The Artchain-App recognizes the art and guides the camera to capture specific details of the artwork.**

3. **The picture will be uploaded to the cloud.**

4. **Explicit User ID with digital passport / birth certificate**

5. **Blockchain**

6. **The app tells you, if the art can be recognized as original.**
More than investment

ART INVESTORS ARE USUALLY THOSE WHO APPRECIATE THE FINE DETAILS AND ENERGY THAT THEY CAN ABSORB FROM PIECES OF ARTS THAT HAVE TIMELESS NATURE VIS-À-VIS THE TRANSIENT NATURE OF HUMANS. BUYERS DON’T ALWAYS BUY OR SEE HIGH ART AS A FORM OF INVESTMENT ASSET HENCE, BUYING ART GIVES A SENSE OF FULFILMENT THAT SPANS IN A PLANE OF IMMORTALITY.

MICHAEL ENDE

"Now everyone would be able to own a part of a Picasso or Michelangelo and crowdfund new art by using the Artchain system."

ArtAdvisor
Like Ether is for Ethereum the ArtCoin is for Artchain. Artchain is the brand for the art market while Artcoin is the brand for the ICO.
# Token Information

<table>
<thead>
<tr>
<th>Name of Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Token Name</strong></td>
<td>Art Coin</td>
</tr>
<tr>
<td><strong>Token Symbol</strong></td>
<td>ARS</td>
</tr>
<tr>
<td><strong>Token Standard</strong></td>
<td>ERC20</td>
</tr>
<tr>
<td><strong>Jurisdiction</strong></td>
<td>Zurich</td>
</tr>
<tr>
<td><strong>Legal Qualification</strong></td>
<td>Utility Token</td>
</tr>
<tr>
<td><strong>Soft Cap</strong></td>
<td>5,000,000 USD</td>
</tr>
<tr>
<td><strong>Hard Cap</strong></td>
<td>100,000,000 USD</td>
</tr>
<tr>
<td><strong>Number of Tokens</strong></td>
<td>30,000,000,000</td>
</tr>
<tr>
<td><strong>Price Per Token</strong></td>
<td>$0.01</td>
</tr>
<tr>
<td><strong>Burn Unsold Tokens</strong></td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Accepted Currency</strong></td>
<td>ETH, FIAT, EUR A D BTC</td>
</tr>
<tr>
<td><strong>Minimum Contribution</strong></td>
<td>$10,000 Private $250 Public</td>
</tr>
</tbody>
</table>

**Accepted Nationality**: Every Nationality, except United States, Singapore & South Korea
ARTCHAIN

ROAD MAP

2017
Q1
IDEA INCEPTION
TEAM SETUP
WHITE PAPER

2018
Q2
DEMO APPLICATION
PRIVATE SALE
ROAD SHOW

2018
Q3
Presale in 2018

2019
Q2
LAUNCH MOBILE APP
PRE-ICO PHASE 2
ICO

2019
Q3
LAUNCH MOBILE APP
LAUNCH EXCHANGE
LAUNCH ASIA MARKET
LAUNCH CHINA MARKET
Dr. Bernhard A. Boehler is a renowned art historian and art advisor with a proven track record as a museum professional. He has fifteen years of international work experience in fine art museums including the position Director of the Cathedral & Diocesan Museum in Vienna, Austria, well-known for its collections of Medieval, Renaissance, Baroque, Nineteenth-Century and Modern Art.

After resigning from a successful museum career and besides being a respected curator of exhibitions, Dr. Boehler, in his capacity as a highly qualified and experienced expert, offers art advisory services to both private and corporate clients across the globe. In particular, he gives due diligence in evaluating works of art, provides independent expertise and bespoke support in sourcing, appraising, scientific authentication and verification. He helps private and institutional collectors acquire art, manage existing holdings and develop new collections.

His excellent professional networks comprise contacts with collectors of high-end art, contemporary artists and art critics, museum curators and directors, leading art historians and forensic art experts all over the world.
Franz Kozich-Koschitzky has a rich background in working in the venture capital and mining business. As CEO and consultant of many mining based companies he has over 20 years of experience. Amongst others, he was also responsible for the preparation of the public listing of companies. Current Franz Kozich-Koschitzky is President and CEO of Richmond minerals, a Canadian Exploration Company, focussed to develop promising gold properties in northern Ontario.

Dan is Board Member of the European Family Office Alliance based in Luxembourg and Special Advisor to AFO Council of the Asian Family Office Association based in Hong Kong. Before, Dan co-founded Venionaire Investment GmbH Venture Capital Fund based in Vienna aiming to investing in early stage high-tech start-up companies in Europe. Venionaire Investment is a licensed Alternative Investment Fund Management company supervised by the Austrian Financial Market Authority (FMA) and the Luxembourg Commission de Surveillance du Secteur Financier (CSSF).
ARTCHAIN TEAM

JOACHIM HAAS
LEGAL ADVISER

Mr. Joachim Haas graduated in Baden-Wuerttemberg Cooperative State University, Karlsruhe in 1986. Mr Haas has been worked in Valora Effekten Hadle AG, Ettlingen since 1997 as Compliance officer and money laundering officer.

Mr. Haas also independent consultant of JH Consult, Malsch, specialized in Financial Markets Services. Since 2016, Mr. Hass, is the board member of Energy Finance and Development AG in Switzerland. He is also the founder of Northwest Oil & Gas Ltd.

KARSTEN BEHRENS
DIRECTOR

Mr Karsten has a law degree from Ludwig-Maximilians-University in Munich, Germany where he graduated in 1995. He is specialized on securities and commercial law. Since 1996, he acts as legal counsel for private and public companies which seek capital increase from investors or wish to list on a European Stock Exchange. In 2004 he moved to Switzerland where he founded Kleen Consult AG which is a consulting firm specialized on fund raising and consulting for investors and entrepreneur.
As Founder, Mr. Cheung plays a vital part in the company’s success. He works side by side with the CEO and COO to insure his corporate mandate and business vision is executed, so as to guide the company's growth and continued global expansion in marketing and identifying Blockchains products and sources of investors.

Prior to Artchain Ltd, Mr. Cheung was involved for over 20 years as a private investor, business man, and merchant banker, managing and coordinating the financing of tens of millions of dollars of transaction proceeds, in numerous domestic and overseas business opportunities, across diverse sectors of industries including; natural gas, oil, mining, pharmaceuticals and technology.
ARTCHAIN TEAM

VICTORIA KOZICH-KOSCHITZKY
MARKETING DIRECTOR

Victoria is Graphic Designer based in Vienna. She graduated in Masters Class "Die Graphische Wien "With distinction in 2014. She is also the art director of Flair Magazine in 2017.

Ms. Kozich has been a follower and investor in the crypto-mining scene and has a broad knowledge of the cryptocurrency industry. She is proficient in German and English and has a working knowledge of Chinese and Italian.

PABLO YAB
ORDIRECTOR

Pablo began working in the computer security field in 1997. Since then he has been responsible for designing a variety of security-related products and leading product development teams, first at Core Security Technologies and later at Nektra Advanced Computing which he co-founded with Sebastian Raul Wain in 2003.

Experience leading software development teams and Project Management. Specialties: Project Leading and Management, Windows Drivers and Blockchain Technologies
An 8th generation Jerusalemite, Mr. Michael Ende was born in 1945 and began creating Judaica in 1970. He has become one of Israel’s leading designers of Jewish ceremonial art, winning numerous international design prizes and awards.

The government of Israel presented his art to many royalties and governments around the world. He made the peace medal presented by Israel to Egypt. He also created items for the kings of Spain and Morocco, Queen Elizabeth, Margaret Thatcher, the White House and Michael Gorbachov.

One of Israel’s top creative designers as well, Ende has expressed his talents in textiles, interactive media, watches and futuristic art forms. His watches and sportswear were received in Israel and in the United States with great success. He is the only artist in the Middle East successfully designing and manufacturing watches. Ende utilizes his creativity in business development liaisons as well as applications and products shaping, packaging, inventing and enhancing design peripherals. He also specializes in high tech sub-miniature systems and fine mechanics.
...Competitors in Detail

Several startups have proposed the use of blockchain technology to rectify the market’s persistent issues around provenance over the past few years, ownership, auditability, removal of intermediaries and proof of transaction history.

Maecenas

Maecenas also offers a crowdfunding platform for art works that will divide these works into smaller Maecenas. The mechanism for determining these percentages is not explained and can later be adapted or improved by a competitor. In addition, the Maecenas platform is not expandable and has financial units that allow the art objects to be co-determined by a large number of people. Maecenas uses its own token called ART, which is needed to access the Maecenas platform, on which all artwork is stored. The basic idea is not to allow extensions, which is a crucial limitation of their system. Traditional auction houses and other intermediaries are to be replaced by allowing access to works of art while requiring a 6% fee for the artwork placement by the owner and a 2% fee from the investors.

Artex

Artex provides a platform for photographers to upload their photos and have them authorized by renowned experts, paying for them with ARX tokens. Artex is a prominent example for the solution of provenance and authenticity by recording the art history of digital and physical photographs. In addition, the rights of the photos may be sold to users in exchange for tokens to generate a cycle.

Codex

The Codex Protocol is a blockchain-based decentralized register for art and collectibles. This startup aims to capture and record the provenance of an object on the blockchain to ensure its authenticity. In addition, trade channels for the purchase and sale of artworks will be connected in the future, as well as others compatible with cryptocurrency/fintech products. The project is supported by a consortium of auction houses and dealers of various collectibles in order to gain recognition as quickly as possible.

Everledger

Everledger is another startup that uses the blockchain for decentralized storage of object data. The company is already established in the gem and diamond trade, and now wants to copy its technology to other markets, such as the art market. However, not only does it lack advanced market knowledge, but also specific authentication processes, which only exist for gems. The verification and object data are laser engraved on the gemstone and then stored on a blockchain. With the appropriate code, the origin and history can be assigned to the specificstone.

All Public Art

To solve the problem of fraud and counterfeiting, All Public Art wants to build a peer-to-peer network that eliminates the need for intermediaries. Through the use of smart contracts, the company ensures that all data is traceable. Artists and art collectors register on the platform in exchange for All Public Art Tokens, after which they receive unique IDs such as QR codes, stickers, RFID chips or RFID tags. Accordingly, no integrated solution for authenticating artworks exists. All Public Art have not yet presented a detailed roadmap, making it difficult to determine progress.

Paddle8

The online auction house Paddle8, in cooperation with The Native, develops technologies for improved artwork trade and the integration of cryptocurrencies. The focus is on the introduction of blockchain technologies for the art trade in the form of digitization projects and decentralized data structures, as well as the anonymous participation in online auctions and payments with common cryptocurrencies. In addition, the joint venture with Verisart is developing the P8Pass, which stores the certification and history of origin of a work of art on the blockchain. The certification is done once through the conventional ways, future status and condition reports are not performed.
## Competitors in Detail

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<th>Codex</th>
<th>Everledger</th>
<th>All Public Art</th>
<th>Paddle8</th>
<th>ARTCHAIN</th>
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<tr>
<td>Blockchain for Art-Provenance</td>
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<td>x</td>
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<td>Track and Trace</td>
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<td>Change of ownership protocol</td>
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<td>KYC for authorized users</td>
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<tr>
<td>Fingerprint of Art-DNA</td>
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<td>Condition reports per App</td>
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<td>Art Valuation and Insurance</td>
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<td>Legally binding digital contracts</td>
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</tbody>
</table>
Some Established Partners

ASA - Art Gallery of Alberta
 PARK WEST GALLERY
 BLOCKCHAINS LTD
 BUSINESS MODEL GALLERY
 BTCBOX
 Alexandria Museum of Art
 Jaxx
 CHINA GUARDIAI
 Hong Kong
 Bitpay
 Asian Art Museum
 Art Swap
 The Coin Co.
OFFICES:

Malta:
120 Old Railway Track, Santa Venera, SVR 9017, Malta

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PRESENTATION OCT 2018