

5.1 Art

HYFI Checklist for Tokenization of Art on the Blockchain.

1. Preliminary Actions

- ❑ A. Selection of Art Piece: Choose an art piece suitable for tokenization.
- ❑ B. Art Appraisal: Obtain a professional valuation to establish its market value.
- ❑ C. Legal Compliance: Ensure adherence to laws related to art ownership, transfer, and copyright.
- ❑ D. Securities Law Adherence: Understand and comply with securities laws for token issuance.

Responsibility: Art Owner

2. Creation of Tokenization Whitepaper

Develop a comprehensive whitepaper detailing the project, including art details, token structure, rights of token holders, risks, and legal aspects.

Responsibility: Team HYFI

3. Establishment of Legal Structure

- ❑ A. Legal Entity Formation: Set up a special purpose vehicle or similar entity to hold the art asset.
- ❑ B. Token Holder Relationship: Define the legal relationship between this entity and token holders.

Responsibility: Art Owner

4. AMA (Ask Me Anything) Session with Core Team

Conduct an interactive session for potential investors to inquire about the project.

Responsibility: Team HYFI and Art Owner

5. Tokenization Process

- ❑ A. Token Development: Create tokens representing shares in the art piece on HYFI and another blockchain (e.g., Ethereum, Binance, or Polygon).
- ❑ B. Token Quantity and Value: Decide the total number of tokens and their individual value.
- ❑ C. Smart Contract Creation: Automate ownership, transfer, and revenue sharing terms.

- ❑ D. Token Distribution Plan: Outline private and public sales and investor allocations.
- ❑ E. Token Availability: List tokens on HYFI Asset Marketplace and digital asset exchanges.

Responsibility: Team HYFI (Costs covered by Art Owner)

6. Marketing and Promotion

Develop and implement a marketing strategy across various platforms.

Responsibility: Team HYFI (Costs covered by Art Owner)

7. Token Sale Launch

Execute the token sale according to the distribution strategy.

Responsibility: Team HYFI

8. Post-Sale Management and Reporting

Handle post-sale token management and provide regular updates to investors.

Responsibility: Team HYFI (Training provided to Art Owner's team)

9. Secondary Market Facilitation

Provide guidance for trading tokens on secondary markets.

Responsibility: Team HYFI (Training provided to Art Owner's team)

10. Ongoing Compliance and Management

A. Legal and Regulatory Compliance: Continuously ensure compliance with relevant laws.

B. Art Management: Manage the art piece and distribute earnings to token holders (if applicable).

Responsibility: Art Owner