

## **1. Introduction to the Seeding Program**

### **1.1 Concept of Seeding**

The Seeding Program is a core component of Art de Finance's Web 3.0 Art social platform, representing Art de Finance's unique staking service. It allows artists and Seeding Program participants (Seeders) to share ADF token staking profits, enabling ADF token holders to support artists through program participation.

### **1.2 Key Objectives**

Seeders can choose and support artists through Seeding and share Seeding rewards with those artists, fostering a sense of mutual growth with the supported artists.

### **1.3 Program Features**

The Seeding Program operates within the Artside, a Web 3.0 art community designed for artists and art enthusiasts to share and interact with art pieces. Seeders can monitor and support the activities of artists they have Seeded on Artside. The synergy between Artside's artistic activities, artist interactions, and Seeding is expected to promote the Art de Finance platform's ecosystem's growth and development.

## **2. Seeding Process**

### **2.1 Getting Started with Seeding (Staking)**

To participate in the Seeding Program, Artside members must stake ADF tokens. This process is known as "Seeding." ADF token holders can select artists and stake ADF tokens in the desired amounts.

### **2.2 Episodes**

The Seeding Program operates on a weekly basis known as "Episodes." During an Episode, ADF token holders can Seed various artists. When the Episode concludes, rewards are distributed based on the total Seeding and the number of Seeders within each Seed group.

### **2.3 Seeding and Seed Groups**

Seeded amounts determine an artist's placement in a specific Seed group. Seed groups serve as segments for reward distribution, accommodating varying numbers of artists, which may change during the Episode.

Seed groups are classified as follows

n-th Tier Group: Artists whose rankings are greater than or equal to  $3^n$  belong to this group.

## Tier Group Member Limit Eligible Rankings

| Tier Group | maximum number of members | eligible rankings                        |
|------------|---------------------------|--|
| Tier-1     | 3                         | [1, 2, 3]                                |
| Tier-2     | $6=9-3$                   | [4, 5, ..., 9]                           |
| Tier-3     | $18=27 - 9$               | [10,11,..., 27]                          |
| Tier-4     | $63=81 - 18$              | [28,29,..., 81]                          |
| ...        | ...                       | ...                                      |
| Tier-i     | $3^i - 3^{(i-1)}$         | $[3^{(i-1)}+1, 3^{(i-1)}+2, \dots, 3^i]$ |

### 2.4 Reward Distribution

At the end of an Episode, Seeding rewards are distributed to the respective groups. These rewards are proportionally redistributed among artists based on the amount Seeded for them. Artists' rewards are determined by the commission rate set by the artist, and the commission rate remains unchanged during the Episode.

Rewards are distributed as follows

$$580K \$ADF \text{ weekly reward pool (WRP)}$$

$$X = \sum_{TXID \in (\text{all transaction})} x_{TXID}^{seed} = \sum_a \in (\text{all artists}) x_a^{artist}$$

Rewards are distributed to artists and Seeders according to X. The remaining amount goes to the Reserve Pool.

### 2.5 Reward Claim and Lock-up

To claim rewards received through Seeding, participants must request the rewards within two weeks (14 days) after the Episode ends. Unclaimed rewards are transferred to Art De Finance's community pool. Requested rewards become available in the wallet after a 12-week (84-day) lock-up period.

For Early Seeding rewards, an additional weight such as  $x_{TXID}^{seed}$  is multiplied to reflect Seeding size and distributed accordingly.

$$Early\ seeding\ Reward = \omega_{TXID} = 1 + \sqrt{\frac{t_{end-of-round} - t_{TXID}^{seed}}{1Week}}$$

Where  $t_{end-of-round}$  represents the endpoint of the Episode. This calculation implies that possible weight values fall between 1 and 2.

It means seeders will be reward as follows:

$$Reward = RR_{i,a}^{TXID} = \frac{\omega_{TXID} x_{TXID}^{seed}}{\sum_{TXID' \in (Total.Seeding\ Toward\ Artist\ A)} \omega_{TXID'} x_{TXID'}^{seed}} RR_{i,a}^{Seeder}$$

Seeder rewards start their deposit process immediately when claiming rewards after the lock-up period, or if claimed before, only 10% of the reward is provided. Artist rewards undergo a six-month lock-up period following the completion of the Episode for reward aggregation.

## 2.6 Unseeding

Unseeding refers to withdrawing the Seeded amount to artists. Specific conditions apply for Unseeding, enabling it under certain circumstances. ADF tokens received through Unseeding can be used for Seeding once again.

## 2.7 Auto-rolling

Auto-rolling refers to the automatic Seeding of ADF tokens into the next Episode when a Seeder does not request Unseeding. Auto-rolled ADF tokens are considered as Seeded at the beginning of the Episode, allowing for the maximum early Seeding benefit. Auto-rolling encourages continuous Seeding regardless of Episode start or end, providing options for Seeding more, unlocking, or supporting new artists after unlocking.

## 2.8 Exiting the platform

The conditions for an artist's exit or contract termination are as follows:

### Violation of Internal Platform Policies by Partner Artists:

- If an artist operating as a partner violates the platform's internal policies, their account (linked wallet address account) will be suspended.
- Notification regarding the deletion of the artist's account should be sent to the Seeder who seeded that artist. The method of notification depends on the entity deciding the contract termination.

### Voluntary Artist Withdrawal:

- If an artist voluntarily withdraws from the platform, the account will be suspended, and all funds will be processed after unseeding.

### Rewards for Episodes and Contract Termination:

- If a partner artist requests contract termination, any rewards generated from ongoing episodes will be received by the foundation as a 'commission'. Additionally, upon confirmation of contract

termination, the artist themselves should create and announce their intention to terminate the contract via their profile page according to the guidelines.

**Contract Termination for Policy Violation:**

- For partners facing contract termination due to policy violations, rewards from ongoing Seeding episodes will be received by the foundation as a 'penalty'.

**Restriction Information for Restricted Partners:**

- To prevent additional Seeding by Seeders and to securely recover assets from existing Seeders, information about restricted partners will be publicly disclosed via designated announcement areas.
- Individual notifications to Seeders via email might be deemed necessary.

**Conditions for Contract Termination:**

- The conditions for contract termination will be satisfied once Seeders have completed unseeding.

**Unclaimed Rewards and Seeding Allocation:**

- In case the partner for whom contract termination is scheduled does not claim the rewards, the foundation will receive the partner's share of the generated rewards. The remaining rewards will be distributed among the Seeders according to the ratio of the total Seeding amount.

**ADF Seeding by Partner:**

- Seeders will recover the ADF Seeding from the partner through unseeding.

**3. Benefits of Seeding**

**3.1 For Artists**

Seeding provides essential funds and resources to artists, enabling them to continue their artistic activities while maintaining their creative philosophy and independence. Artists can use Seeding rewards to sustain their artistic endeavors.

**3.2 For Collectors**

Collectors can support their preferred artists through Seeding and express their expectations and support for future works. Seeding offers a new approach to staking, where collectors can form artist-specific pools and participate in Seeding during defined periods, supporting artists and receiving rewards.

**3.3 For Investors (Retail)**

Seeding promotes token holder participation in the art and token community. Participants can actively contribute by directly supporting artists and engaging in the platform's continuous growth.

**4. Use Cases for Seeding**

Seeding extends the utility of the token. Tokens can be used for Seeding and other purposes, such as accessing premium content. This can increase the demand for tokens. Seeding fosters the growth and expansion of the art market and provides an environment for both professional and amateur artists to participate freely in artistic activities and community interaction.

**4.1 Supporting Art Activities**

Seeding helps artists create and promote their art pieces by providing them with the funds to sustain their creative work. Collectors and investors can support their preferred artists and receive rewards.

**4.2 Community Contribution**

Seeding offers opportunities for community members to contribute to art projects and collaborate. Community members can support artistic success by Seeding artists and participating in community activities.

#### 4.3 Advancement of the Art Market

Seeding promotes the growth and development of the art market. Artists and art enthusiasts can expand the art market by supporting new art pieces and fostering innovation and advancement in the art market through token economics.

These use cases demonstrate how Seeding supports artists, collectors, investors, and the art community in innovative ways.

### 5. Project Roadmap

#### 5.1 Current Status

The Seeding Program is currently operating within the Artside, a Web 3.0 art community. Artside serves as a space where artists and the community can meet, share art pieces, and interact. The project has secured numerous art pieces and community participants. The Artside platform facilitates connections between artists, collectors, investors, and is actively performing its role.

#### 5.2 Future Outlook

In the future, the Seeding Program will continue to progress towards the following directions

- **Community Expansion:** Expanding the Artside community to attract more art pieces and participants. Community members can support art pieces and receive rewards through Seeding.
- **Introduction of New Features:** Introducing more features and tools for effective interaction between artists and collectors, making it easier to share art pieces and activating Seeding.
- **Innovation and Development:** The Seeding Program promotes innovation and development in the art market and connects artists, collectors, and investors through the token economic ecosystem. This supports market growth and benefits various stakeholders.

The Seeding Program's roadmap reflects its support for the development and innovation of the art and token economic ecosystem and its long-term vision.

### 6. Token and Economic Model

#### 6.1 ADF Token

The native token used for Seeding and as the primary means within Art de Finance's basic economic model is the ADF (Art de Finance) token. The ADF token is used for supporting and trading art pieces, among other purposes, acting as a key means of exchange within the ecosystem.

#### 6.2 Token Utility

- **Supporting Art Pieces:** ADF tokens are used by artists to create and promote art pieces. Holders of ADF tokens can use them to support artists through Seeding.
- **Rewards and Seeding:** Collectors and investors can hold and use ADF tokens to support artists through Seeding and receive rewards.
- **Community Activities:** ADF tokens support community activities and provide rewards to community members.

#### 6.3 Economic Model

The economic model ensures that artists, collectors, and investors all receive fair compensation. All participants who support art pieces through Seeding can receive fair rewards.

- **Seeding Rewards:** Seeding with ADF tokens supports artists and provides rewards to token holders. Seeding helps projects and artists grow and offers benefits to token holders.

- **Token Utility:** ADF tokens have various uses within the project and support community activities. Tokens encourage interactions between artists, collectors, and investors.

This token and economic model reflects the core principles of the Seeding Program, supporting various stakeholders.

## 7. Team and Collaborative Partners

The team leading the Art de Finance project and collaborative partners play vital roles in the project's success.

### 7.1 Team Composition

The Art de Finance team comprises members with expertise in various fields, including art, blockchain, cryptocurrencies, community management, security, and technology. The team consists of experienced professionals from these domains.

### 7.2 Collaborative Partners

The Art de Finance team establishes and maintains relationships with various collaborative partners. Collaborative partners include artists, media organizations, exchanges, technology providers, and other blockchain projects. Collaborative partners work together to expand and activate the Art de Finance ecosystem, including ADF tokens, Seeding, THE FLUX, Artiside, and more.

## 8. Conclusion

The Seeding Program combines art and blockchain technology to create an innovative art economic ecosystem. Art de Finance provides new opportunities for artists, collectors, investors, and community members while ensuring security, regulatory compliance, risk management, and collaboration. Seeding Program supports the fusion of art and technology, innovation in the art economy, and introduces art pieces to a wider audience while providing support.