Some of the different types of NFT’s that will be available and will be implemented in various phases in development:

NFT 1.0 & NFT 2.0

**NFT Interlinking:** This feature introduces layers to the concept of ownership. This means that an NFT can be linked to other NFTs, hold ‘fungible’ tokens, and even be associated with multiple data sets.

**Upgradability:** This capability allows NFTs to be modified in the future by adding metadata (data about the underlying asset), upgrading the artwork it is associated with, etc.

**Dynamism:** This feature makes NFTs more powerful by equipping them to give commands and execute modifications to other NFTs associated with it. It can even tweak the look of the connected NFTs. The capabilities of an NFT depend on the developer of the project.

**Nested NFTs:** Nesting of NFTs means that one NFT can own other NFTs and further own more NFTs. It goes on forever. Nested NFTs find use in the metaverse, gaming, art, virtual exhibitions, etc.

**Customized NFTs:** NFT 1.0 only associated a single resource to the token. This means the token could only be associated with one format. No matter where the NFT is being viewed, it will appear the same to everyone. NFT 2.0 allows each token to be linked with multiple designs. Let us understand with an example.

Let's say you are buying a book NFT. But the book is available in multiple formats, such as PDF and audiobook with a cover image. NFT 2.0 identifies the device you are accessing the book NFT from and displays the relevant design. For example, if you are using an audio player, you will see the audiobook, but a PDF will be displayed if you are using a book reader.

**Smart NFTs:** Unlike NFT 1.0, the upgraded version allows smart contracts to become linked with NFTs. Thus, when the NFT changes ownership, the smart contract will automatically modify the ownership data on the token and record it on the respective blockchain. Moreover, the smart contract ensures that the creator of the NFT gets a royalty every time the asset changes hands.

**Co-owned NFTs:** NFT 1.0 allowed assets to be owned by a singular entity. However, with NFT 2.0, multiple owners can pitch in and own a stake in the NFT. This allows aspiring owners with a fund deficit to take part-ownership of the underlying asset. Having multiple owners also garners better trust in the asset as well as its ownership.

**NFT Rental Model:** NFT 2.0 goes beyond just ownership and lets collectors lease the underlying asset through smart contracts to other people. Since renting an asset generates a passive income for the owner, this model improves the liquidity in an otherwise illiquid market. (NFT owners tend to hold on to their tokens for a long time under the belief that their value will appreciate over time, thus limiting the flow of currency.)

These added features and functionalities make NFTs smarter, more reactive, and adaptive. With smart contracts, the human intervention behind the buying and selling significantly drops, thus adding to the decentralised nature of the blockchain ecosystem powering the NFT marketplaces. The upgradability also means that NFT storage could change in the near future.

**NFTs with multiple resources**

NFTs don’t have to be doomed to a single fate for the rest of their lives. NFTs can now transition between a variety of resources. The image, video, or other media that make up the NFT is a resource. An NFT can thus have two pictures instead of one, and the holder can choose which one to display. This isn’t the only use for this feature, though. A book NFT can have three different types of resources: a pdf, an audiobook, and a jpeg cover.

These resources can be configured to only load when the user interacts with the NFT on the platform in question. If you’re using a book reader, you’ll see the pdf; if you’re using an audio player, you’ll hear it.

**Reactive or Responsive NFTs**

Conditional rendering makes reactive NFTs viable. This means that an NFT adjusts its resource allocation based on the fulfillment of specified criteria. For example, the time of day and NFT of a landscape switches between two resources (nighttime and daytime variations). When it’s night, the NFT displays the nighttime form, and when it’s the day, it shows the daylight variant. For this to work, the NFT needs two resources (in this case, photos) and criteria for prioritizing one over the other.

**DAOs based on NFT 2.0**

An NFT can be fractionalized into a DAO using this ability. Because some NFTs are too costly for a single collector to obtain, the DAO capability allows multiple collectors to pool their funds to purchase the NFT. Once completed, the NFT can have tokens connected to it, which will be distributed to the collectors based on the size of their investment. When it comes time to choose, the collectors can use their tokens to vote on what to do with the NFT. Once again, this is a concept with far more applications than its basic explanation.

**Charity through NFT 2.0 with multiple Owners:**

With NFT 2.0, it would be possible to have multiple owners coming for a noble cause and giving charity for a single activity. Imagine multiple generous donors coming on a platform and co-own an NFT for a combined contribution towards a set of orphanages. This can be a breakthrough in public funding where the investor gets a token of his generosity.

**Interactive NFT**

Interactive NFTs are NFTs that enable users to engage with them in some way. Unlike present NFTs, which can only be purchased and held, Interactive NFT users will have a variety of applications, strengthening the connectivity between users and their NFTs.

In other circumstances, interactivity may entail the usage of NFTs in a game, such as "Ethermon", which allows users to combat Pokemon-like monsters in the Metaverse. Other Interactive NFTs, such as those found on today's platforms, allow collectors to buy a single layer of the NFT and change it at their leisure. These layers can also vary to reflect changes in the day and night cycles.

CryptoKitties is an excellent example of a unique Interactive NFT project. You can "breed" two NFT cats together in CryptoKitties to make a new cat. Crossing two CryptoKitties not only results in a unique, random new NFT, but it also allows users to feel like they are a part of the project.

Following the success of CryptoKitties, Metaverse initiatives such as Decentraland and CryptoVoxels proceeded to construct and develop Interactive NFT. Users can purchase and sell NFT plots, plan events, develop infrastructure, perform commerce to profit from it, and pretty much anything else you can think of in this metaverse realm. It is not simply a standard digital asset that you buy and hold; it also allows you to continuously expand, construct, and generate value on top of it. Users now have more methods than they could have anticipated to interact with NFT and the blockchain ecosystem.

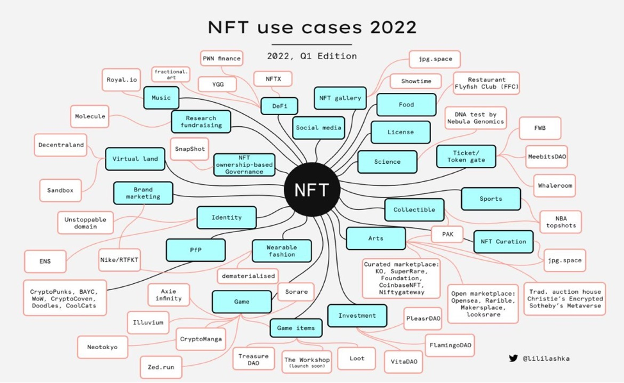
### **Interactive NFT x DeFi**

a few DeFi projects began adding NFT applications on their platforms in various ways, and users have responded well. Interactive NFTs in the DeFi sector not only improve their availability, but also provide several ways to generate passive revenue, connect with the platform, and attract new DeFi users.

As an example:

* Orca allows users to stake NFT in order to acquire ORCA tokens from the project.
* Zapper claims NFT to users when they engage in certain tasks. That NFT number can then be utilized to make higher level NFTs. The larger the NFT tier, the greater the incentive for the owner.

Current NFT Usecase



**Ecommerce, VirtualEcommerce, XRCommerce?**

**Benefits:**

* Lifetime product data tracking: Through NFT technology we are able to speed up digital sales and provide lifetime product data tracking.
* NFT’s have the ability to replace Software development kits (SKUs) with blockchain- based analogs and promote one-of-a-kind products.
* Equal profit-sharing system

Consumers may access all data points for the duration of a product’s life, NFTs will make it possible to track eCommerce data.

* Pre-launch products to generate excitement and consumer engagement

Nearly every brand's focus is to create hype before the launch of a new product. With NFTs it provides early before the release of a new product, NFT tokens can be used to generate excitement among consumers and help the merchant gain exposure, establishing a solid base of early adopters

* Boost research and development through NFT rewards
  + Incentivizing consumers to participate in a brand's research and development stage.
* Proof of purchase
* Proof of membership
* Cross-selling
* Brand loyalty
* Loyalty programs
* Private community access
* Customized shopping experience
* AR, VR shopping experience
* Branding
* Digital Marketing

**Retail**

**Service Industry**





MBD Financials will work Organizations side-by-side to bring their brand experience to life from NFT’s to the photorealistic Metaverse Business District.

We will have AI data analytics built in so that each one of the organizational partner has all the necessary tools such as monthly impressions, engagement, return on ad spend (ROAS), reward redemption, sales data, virtual traffic, to drive their virtual business.

Our team will continue to collaborate