

The background features a dark, almost black, space filled with several overlapping, semi-transparent geometric shapes, primarily triangles and quadrilaterals, in shades of blue, purple, and silver. Diagonal streaks of vibrant rainbow light, resembling light trails or reflections on a polished surface, cut across the composition from the top-left towards the bottom-right. The overall aesthetic is futuristic and high-tech.

VINCI

**WE
EMPOWER
CREATORS**

THE VINCI WHITEPAPER

Disclaimer

At VINCI, we are proud to be pioneering the digital renaissance, by discovering the possibilities that Web3 can offer for creators and their communities alike. However, due to ever-changing regulatory elements involved, we may need to amend or even remove certain functionalities as originally envisioned in this document in order to stay compliant. The document showcases our vision of what we're striving to achieve. The VINCI team will maintain all respective publics fully and duly updated on any developments and changes that may impact the overall business model and considerations laid out in this document.

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VINCI Whitepaper

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Abstract:

Culture is a fundamental pillar of humanity. However, the economics of culture are not working for their most important stakeholders, the creators. Creators are the fundamental drivers of cultural innovation and experience: They develop art, music, and other creative outputs, and they build experiences and brands that bring people together. Due to a combination of entrenched industry structures, misaligned incentives, and operational complexities, the connection between value creation and value capture for creators has been badly severed, which ultimately creates sub-par experiences for both creators and their communities.

VINCI addresses these shortcomings and empowers creators by improving access to economic opportunities, by creating more meaningful connections with their communities, and by implementing new infrastructures and tools that effect fundamental, lasting change. We outline our vision, define how the VINCI Suite will support the entire culture creator lifecycle, and explain how we enable new opportunities for the creative industries.

01 Introduction

At VINCI, we build our mission on three themes:

01 We believe that culture creation is a fundamental pillar of humanity.

02 While culture creates tremendous aggregate value, the distribution of value, in particular towards the creators¹, is deeply flawed. This stifles creators, and it leads to less creative output.

03 Lastly, we see it as our responsibility to fundamentally improve how creators are able to capture value from their creations: The more access to economic opportunity creators have, and the more directly they can engage with their audiences, the greater the benefit that society receives.

The creative industries have undergone significant change and technological evolution in recent years. Streaming services and algorithms have taken over the distribution of music, movies, and series, which has dramatically shifted income sources for creators.² These creators can only connect to their communities via large social media platforms, and the limits of being dependent on large corporations that mainly derive their revenue from data harvesting and advertising have become all too visible.³ The global pandemic and drastic shifts in consumer behavior have forced many creators to find new ways

1. For clarity, the term 'creators' in this paper will refer to artists, musicians, content creators, event organizers, cultural institutions and brands, i.e., the creators of culture.

2. <https://loudandclear.byspotify.com/>

3. <https://fortune.com/2022/02/07/creators-are-seeking-alternatives-as-big-platforms-vie-for-talent-social-media-meta-internet-economy-mike-donoghue/>

of expressing their work and make a living. While this worked for some, the limitations to physical events during the Covid-19 pandemic also crushed many efforts and careers during this transitional period.⁴

Overall, the access to production technology, creative tools, and publication methods for creators has never been better. Creative production and resulting economic opportunities should be at the pinnacle, but only a tiny fraction of creators can actually live off of their work.⁵ The greatest challenge still lies in securing financing without already having a significant following and exposure, both assets which most traditional players in the creative and Web 2.0 industries can accumulate exceedingly well. However, the industry giants and Big Tech frequently act against the best interests of today's creators.⁶ The result is a disconnect between value creation and value capture by creators, an overall lack of transparency pervading the industry, and unnecessary limitations to the audience experience. At VINCI, we see a number of root causes impacting creators, their communities, and the brands and

institutions that provide creators and communities a platform. While these problems are very salient, we also firmly believe that solutions are not out of our reach. Recent developments in Web3 technology are providing a foundation that can serve as the infrastructure for dramatic improvements in how creators, brands and their communities connect.

In this paper, we want to articulate the problems we see in today's creative industries, outline how Web3 can be leveraged to evolve the sector, and highlight how VINCI is positioned to be a catalyst for this positive change to economic opportunity, transparency, and connected experiences in the creative industries. The list of truly paradigm-shifting creators is short. Breakthrough creations don't happen by accident, and there are countless reasons why a genius might fail on their way to changing how we look at the world. At VINCI, we embrace the responsibility to create the best possible environment for creators to thrive, to enable the next Leonardo da Vinci.

02

The creative industries: Problems and opportunities today

4. <https://www.bbc.com/news/entertainment-arts-54966060>

5. <https://www.nytimes.com/2021/05/07/arts/music/streaming-music-payments.html>

6. <https://www.washingtonpost.com/technology/2022/05/13/social-media-followers-mfmd/>

We have analyzed fundamental problems in the creative industries along the dimensions of (1) economic opportunity, (2) transparency and control, and (3) connected experiences.

2.1 Economic opportunity

The first core problem we observe in today's creative industries is the disconnect between value creation and value capture. Creators all over the world generate marketable content (music, art, events, etc.), the output of creative industries generate significant revenues, but only a tiny fraction of creators can actually live off of their work.⁷ For example, taking a look at the music industry, less than 1% of artists on Spotify are able to make more than \$50k per year from their royalties.⁸ The structure of royalty payments and the rates committed to artists make this percentage hard to raise.

Importantly, not only the livelihood of creators is impacted by the disconnect between value creation and value capture, but also the overall creative output. Less creative work takes place because the incentives and value distribution are broken. This translates to a problem where not only the slices of the pie aren't distributed effectively, but also the pie is not as large as it could be.

Next to the total amount of earnings, uncertainty of the earnings poses another critical limitation to creators and their commitment to creative endeavors: funding delays, dependency on external risk factors, and resulting uncertain outcomes leave creators vulnerable, and the tools they have available to mitigate such issues are limited.

Unless they're a part of the tiny elite of hyped stars, artists have little-to-no control over their creative output's distribution, much less how they can earn from their work. Creators' publishing rights are unnecessarily complex, and terms for creator payouts (like fees, number of plays, etc.) are not made readily transparent to creators.

Today, the industry is not incentivized to make rights and ownership data publicly available to creators. For example, any derivative content an artist wants to publish (remixes, covers, re-releases, etc.) can become censored by rights management agreements that are rigged in favor of redundant middlemen. Additionally, these multiple layers of middlemen often delay creator payouts, leaving them without ways to fund their future creative endeavors.

Although artists can still earn from digital service providers like Spotify and Apple Music, these too are fraught with failing industry practices which prevent artists from fully earning through their creative freedom. Licensing and publishing rights issues stop digital service providers from making artist content fully accessible.

Creators face another big hurdle in the legacy tools, systems and infrastructure that dominate today's entrenched creative industries. Bringing your creative output to the public and obtaining income requires a myriad of tools and systems sometimes far exceeding the complexity of the original creation, and a lack of standards results in a frequent black box problem where the

7. <https://www.rollingstone.com/pro/features/spotify-million-artists-royalties-1038408/>

8. <https://www.musicbusinessworldwide.com/how-many-artists-are-generating-more-than-50k-a-year-on-spotify-over-13000/>



aggregation of an artists' earned revenue is a challenging undertaking.⁹

From the fans' perspective, there are additional barriers. Today, there are very limited opportunities for the general public, and even for the most passionate fans, to participate in their favorite creator's financial success, e.g., via acquiring a portion of their royalty rights. This further cements a situation where fans get no real chance to connect with artists by directly supporting their projects, and while an artist may gain traction and be successful, the gap between them and their audience only grows.

2.2. Transparency & control

The rise to power of today's internet giants like Amazon, Google, Meta and others has raised concerns about data privacy, and lack of transparency of what happens with user data. It is commonplace that users today don't own their data, it's the companies that do. This can have drastic consequences, and individual creators losing a lifetime of work overnight due to platform changes, collapses or bans are a realistic danger.¹⁰ For creators, this has broad consequences: as they develop their communities, build vast amounts of content, and try to maximize engagement, they get more

and more intertwined with the social media companies they are housed in. This makes exiting or switching platforms extremely costly. Additionally, creators are not in control of who they are actually reaching with their content, and the algorithms guiding the views are proprietary.

Further, so far there has not been an easy way for creators to discern their most loyal fans among their following. Such distinction today happens on a trust basis only, reducing the accuracy of such assessments and as a result missing opportunities to create special connections, develop targeted loyalty programs, and create additional value for and with these most

9. https://www.researchgate.net/publication/313443804_Digital_Music_Industry_-_Background_Synthesis
10. <https://www.forbes.com/sites/kenrapoza/2021/10/11/instagram-blackout-global-wake-up-call-to-social-media-influencers-small-businesses/?sh=c7001521ba5f>

loyal fans. Another area with considerable opportunity is today's event ticketing, which remains prone to forgeries and fraud, and active risk management at moderate cost is rendered impossible. This particularly affects the secondary market, which lacks transparency, and scalping or fraud are very common occurrences.¹¹

2.3 Connected experiences

Development of technology and services in recent years has led to powerful, concentrated platforms that house vast amounts of user data. The seemingly limitless growth of Big Tech (Alphabet, Amazon, Apple, Meta, Microsoft), has led to the following two basic structures of markets, along a continuum of 'some activity by Big Tech' to 'Big Tech dominates the market':

- Fields that are (still) dominated by powerful early movers that are very specialized in a particular area, e.g., ticket sales and Ticketmaster, Eventbrite, StubHub (in the American market; similarly, markets in other geographies are very concentrated). Most frequently, Big Tech companies are already in the process of developing a dominant market position in these fields, either via in-house development, acquisitions, hosted apps or strategic partnerships.
- Fields where Big Tech is actively competing with the market leaders, e.g., in the online travel agency field. Naturally, there is a concern over conflicts of interest once a large company enters a vertical that depends on its infrastructure, and the risk of unfair advantages increases.¹²

The main user experience gap in either of these situations is the lack of a connected experience for the user. They may buy tickets via different platforms and neither one is aware of the user's purchase on the other platform. Similarly, a user might purchase flights via different platforms and neither knows about the purchases on the other platforms.

In both the ticket and the flight sale scenarios, the user can't benefit from bundling unless they give up their freedom of choice and fully commit to one platform. At the same time, the large companies holding the transaction data don't have incentive to share this data amongst each other, and the user is on their own to collect loyalty benefits, again, via a centralized third party. These examples highlight the slumbering opportunity in cross-platform transactions and the potential to enhance the user experience via less insular, more transparent, yet user-sovereign transactions.

2.4 Summarizing problems and opportunities in the creative industries today

In summary, we see fundamental problems in today's creative industries, which lead to a disconnect between value creation and value capture. They limit ownership, transparency and trust, and they result in disconnected experiences. In the next section, we are going to dive deeper into the future state we want to create, before we detail out our solutions.

11. <https://www.cnn.com/2018/09/13/about-12-percent-of-people-buying-concert-tickets-get-scammed-.html>
12. <https://www.geekwire.com/2019/google-moves-travel-expedia-group-ceo-calls-level-playing-field-search-results/>

03

The Web3 opportunity

Since the advent of the internet and its ensuing hyperconnectivity, the benefits of its technology have changed humanity at its core. The transition from static content consumption on Web1 to the interactive and social internet of Web2¹³ that we have today happened too quickly for something such as “industry standards” to be established in time. This meant that the next start-up, business model, or disruptive market idea would challenge the status quo and leave incumbent companies, older generations, and politicians wondering how to react to this new technological landscape.

Today, the incentives for Web2 users are centered on generating content to be distributed and consumed via centralized platforms. These platforms, however, are set to monetize user data and ad placement with increasing efficiency and little care for consumers.

Consequently, this pattern of reckless monetization via paywalls, pop-up advertisements, and subscription models employed by Big Tech companies has become pervasive and ubiq-

uitous, inviting negative responses from both news media and the general public, who now carry an overall distrust for tech innovation. For. It is easy to blame the managers and companies that promote these centralized platforms, but it is really the incentives of the Web2 economy that favor this misguided centralisation of value, giving too much power to redundant intermediaries.

As an answer to this frenzy, several breakthroughs hint at better times to come. Progress in artificial intelligence has put a spotlight on the relevance of data privacy, developments in the Internet of Things (IoT) are exponentially increasing the number of connected devices, and distributed ledger technologies (namely blockchain) are reducing the overhead of value chains by removing dispensable intermediaries. The result of all this progress is what is known as the Web3 revolution. Web3 consists of an immersive and personalized experience on a “semantic” web, a new internet where apps and web-sites are both “content-aware.”

3.1 Creative value opportunities augmented by Web3

Before delving into the opportunities of Web3, it is important to understand the technology on which it is based: blockchain. A blockchain is a public, immutable ledger where peer-to-peer transactions are stored in a transparent and decentralized manner. Entities are represented on-chain as encrypted unique identifiers or “wallets”, enabling provable ownership of digital assets. On this infrastructure, it is also possible to run self-executing pieces of code known as “smart contracts.” These allow trusted transactions to take place between different anonymous parties without a central trusted authority to verify the transactions.

The result is a fundamental challenge to centralized forms of transaction validation, and nothing less than a paradigm shift with unfathomable potential for systems to run in transparent, self-efficient ways. The power of intermediaries over modern value creation chains is therefore severely reduced and the new technology creates a favorable environment for start-ups and initiatives exploring the potential of these latest innovations.

One of the many innovations that come with Web3 are non-fungible tokens, or “NFTs.” An NFT is a digital asset whose uniqueness, origin and ownership can be proven on the blockchain. Decentralized proof of ownership and origin are interesting features with several implications, but the non-fungibility, or uniqueness, of a digital asset is the real game changer. Non-fungibility of physical objects is a given, and much easier to grasp. Regardless of how much skill and attention to detail was used in replicating a physical object, the replica will always be a replica. However, in the digital realm of zeros and ones, creating duplicates is done with a mouse click, and thus we have grown accustomed to the limited notion that everything digital must therefore be replicable.

Web3 fundamentals



Blockchain

- Transparency
- Trustlessness
- Pseudo anonymity



Non Fungible Tokens

- Ownership
- Scarcity
- Provenance

The ease of digital replicability is a weakness easily exploited by piracy and has been a nightmare for every industry that relies on IP or licensing. In today's world, content creation and content monetization are everything, yet creators are getting the short straw when it comes to value distribution from these monetization channels. One reason for this is that, because of the fungibility of digital assets, the value of these platforms lies in enabling users to comfortably and carelessly consume instead of being focused on creators generating content. This problematic pattern will continue as long as we cannot distinguish an original piece of code from a set of copies. This is where NFTs come into play.

NFTs bring several distinct features and functionalities to the table. Innovation cases in the culture economy can be built around any of the attributes detailed below, which is why it is important to understand them in depth to see beyond the hype and recognize the full potential this technology brings.

NFT Features



Ownership

Indisputable proof of ownership with the right tools enables unique and meaningful relationships between issuer, a community and NFT holders.



Transparency

The transparent nature of the blockchain renders counterfeiting efforts useless and helps to easily identify compromised wallets and assets.



Transactable

The ease of transactability makes utility NFTs the perfect vehicle for peer-to-peer transfer of digital utility related for instance to access or licensing rights.



Access

By removing gatekeepers and intermediaries, utility NFTs are the perfect tool to provide retail investors with access to novel investment opportunities.



Scarcity

NFTs introduce scarcity into the digital realm, which brings implications that need to be carefully considered when designing a utility NFT collection.



Community

A limited set of NFT holders that can recognise each other is an excellent base to build a community on. The tooling to engage within the community is the current challenge in Web3.

At VINCI, we aim for a mature and holistic perspective on Web3, from which we want to create broad impact and derive significant value for creators and their communities. In the section below we go into detail on how we plan to address the biggest challenges and opportunities by developing products tailored to specific needs within the creative industries. This is done with the ultimate goal of giving creators access to expanded economic opportunities, and building more meaningful connections with their communities.

04

The creative industries: The future we want to create

4.1 The VINCI mission

VINCI is the catalyst to bridging the current disconnects between value creation and value capture for creators and their communities. We see huge opportunities for more sovereignty for artists in the creative process, and for more transparency and continuity in the creator-audience connection.

We empower culture creators:

- By expanding access to economic opportunity
- By innovating how creators and communities connect
- By building next-generation creator infrastructure

In line with this mission to bridge the disconnect between value creation and value capture for creators, we work to enable more meaningful creator-community brand relationships, and deploy next-generation technologies that create fundamental, lasting change.

4.2 Access to economic opportunity

One of our main goals at VINCI is to make it more realistic for creators to make a living off of their work. Creators need more ways of funding and supporting their creative process.

To create more fair access to value capture, we are deploying and scaling infrastructure that empowers creators and improves their ability to reap benefits from their work. This will improve creators' opportunities, and it will have an aggregate impact on more creative value creation due to more aligned incentives.

Via a set of interconnected solutions, we are creating additional income streams for creators, e.g., by creating new avenues to market their creative output, by developing communities of committed fans that are willing to support the artist and can also get rewarded for their loyalty, and by having the opportunity to engage with ticket purchasers after a sale and marketing other benefits to them. Over time, we see Web3 solutions becoming a dominant path for creators to market their work, and obtaining a bigger share of their creative value creation to fund their creative endeavors. This includes more transparent opportunities to manage secondary markets.

4.3 Meaningful creator-community-brand relationships

For fan communities, we want to create the ability to connect more directly with their favorite creators. To enhance the exchanges with their favorite creators both digitally and in real life, we are overhauling the infrastructure creators leverage to engage their communities, e.g., via comprehensive event ticketing and community management and retention toolkits.

We introduce alternatives to centralized networks where neither creators' nor their community's data is sovereign, in the form of features that allow them to identify, authenticate and reward loyal communities, and through creator-centric staking pools where both creators and their fans can benefit mutually.

We see this as a fundamental shift that will not only unlock more meaningful relationships between creators, communities and brands, but also enable a more fair distribution of value across participants in the creative industries and secure more independence for creators. This way the

creative industry will be built by the people who care the most, which will create a meaningful and deep bond between all parties involved, and an overall more sustainable industry.

4.4 Web3-powered infrastructure

VINCI aims to accelerate Web3 adoption as the cultural catalyst. We want to support the adoption of Web3 because it unlocks freedom, transparency, and trustless proof. We are not only catering to Web3 veterans, but also enabling onboarding to Web3 for novices, with user-optimized, simple and elegant interfaces, and with the benefits of user sovereignty, trustless smart contracts, and immutable, distributed ledgers.

Paired with our infrastructure solutions, we are also implementing a token that users can acquire and derive real-world utility from, for areas in their life that matter to them, but are not currently available in a coherent and accessible manner. Examples span from long-term access to events and cultural experiences, access to communities of like-minded individuals, exclusive content from their favorite creators, and a range of benefits we will develop and unlock over time.

Ultimately, by creating a comprehensive solution spanning the entire process of creators connecting with their community and marketing their creative output, we offer a unique suite of products that gives creators the possibility to engage and communicate with their community. This is done through one platform which does not force creators to commit to ever-increasing marketing costs, or to give up their data to an anonymous third party.

Having access to owning unique items made by their favorite creators, users will then also have full visibility into their favorite artists', organizers' and brands' creative output and the content they share. VINCI will be the one-stop-shop to manage the marketplace of culture, without all the downsides of the current concentrated social media landscape and other similarly unwieldy communications tools.

05

The VINCI product strategy

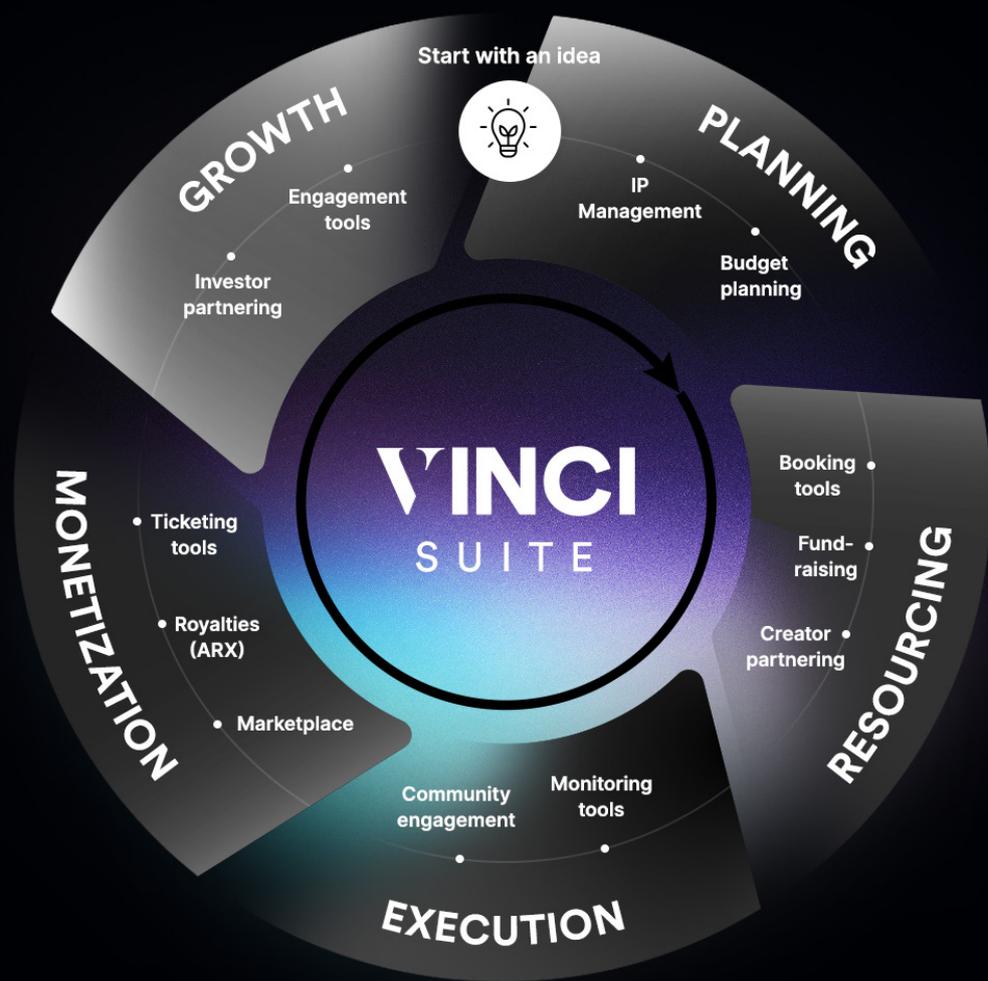
VINCI's product strategy revolves around developing products that aid the creative industry by saving money and time, thus reducing the associated monetary risks and providing additional time to focus on their craft. From our perspective, everyone who generates cultural and artistic value and wants to make it available to the public falls under the definition of a creator. This definition is quite ample and covers an extended group including amongst others, musicians, artists, cultural organizers, performers, writers and brands.

The creative industries are as diverse as they come. Each industry and niche has its own processes, pitfalls and peculiarities. However, creative value creation follows a lifecycle which can be generalized across various disciplines. The Creative Value Creation Lifecycle, detailed in the graphic below, consists of five steps that come into play after an idea is conceived, namely: planning, resourcing, execution, monetization and growth. For simplicity, we show them in sequence, although voluntary decisions to pivot or unexpected situations leading to failure can always return the creator to the ideation phase. Naturally, the right tools and support significantly reduce the impact of such failure, and significantly enhance the success rate of commercial creative projects.

The duration, significance and associated risk for each of these steps will be different from discipline to discipline, yet it is close to impossible to find examples in which a successful creative endeavor did not go through these 5 stages. In practice, it is hard to make clear cuts between phases, nonetheless, this framework allows us to identify underlying issues and develop solutions

to solve universal pain points within the creative industries. The main ones we have found and that are taking a toll on the health of the ecosystem, are (1) the requirement by gatekeepers for creators to give up ownership of their creation in exchange for resources for its realization (e.g., via a record deal), (2) the general lack of accountability when it comes to managing financial risk (i.e., the risk of not getting paid frequently stays with the creator for a long time) and (3) the missing opportunities for direct peer-to-peer engagement.

VINCI is developing solutions for each of the steps along the creative value creation process. Our full vision is contained in what we call the VINCI Suite: a deep, flexible, and scalable infrastructure founded in Web3 technologies that empowers creators in their value creation.



Despite building on Web3, our products will have Web2 interfaces and user experience, to maximize their adoption and market penetration. The goal is to create such convenient platforms that users do not even have to realize that they are using NFTs (or have to learn how they work) in order to interact with them and reap their benefits. The VINCI Suite will be an easy-to-use platform that serves as a user-friendly Web3 on-ramp for both creators and their communities.

Our products

Within our short-term strategy, the first products we are working on to get there are:

01

VINCI Ticketing

Ticketing is the main generator of revenue for venues and event organizers, and thus the source of income for various workers within the cultural sector. Ticketing has had historical challenges like counterfeiting and scalping, which can finally be completely solved by Web3 backed solutions. In this case, adoption and onboarding are the name of the game. By providing these Web3 solutions with the usual Web2 UX/UI, we are able to deliver a ticketing solution that complies with industry standards while still providing additional benefits from NFTs. Finally, VINCI Ticketing solutions allow producers and organizers to establish a unique connection between creators and audiences. Above all, they can use our communication tools to have direct contact with their community, and the community can self-organize at will. VINCI Ticketing is not just ticketing; it is the Web3-based gateway to community engagement, retention and growth, without the futile hassle of social media and other less effective communication platforms. The fact that these capabilities can be unlocked via non-fungible tokens and smart contracts only adds to the value proposition, as costs of the solution will be highly competitive.

02

VINCI Marketplace

The VINCI Marketplace enables the marketing and selling of music, art, and other Web3-based digital products with associated digital and/or analog utility. Initial utilities available via the VINCI Marketplace include creator exclusives, customized unlockables for audiences, artist royalties extracts (see below), etc. The marketplace is a comprehensive platform built on the latest Web3 tech stack, fully audited, and customizable to VINCI's varied client base, diverse products, and it is chain-agnostic for maximum flexibility. The VINCI Marketplace exists both as a curated and as a self-initiated marketplace platform. It creates an additional income stream for creators, and will contribute a significant portion of creator income in the future. Creators benefit from significantly higher take-home income of each sale via the VINCI Marketplace than via traditional channels (albums, streams, etc.), due to low commissions and the direct sale to their audiences.

03

VINCI ARX

Artist Royalty
Extracts

VINCI ARX will allow for communities and fans to invest in their favorite creators via the VINCI Marketplace in the form of tokenized royalties. The required Web3 and smart contract-based tooling improve the connection between creators, communities, and the traditional institutions that bring you cultural experiences (think: venues, labels, festivals, etc.). VINCI is meticulously focused on targeting value for creators, communities and brands, and for maximum impact, we have also determined that the path of least resistance is not necessarily the right route. As a result, our strategy for royalties extends beyond mechanical royalties on a single and album level, to the creator level, which unlocks near-limitless optionality within the creative industries. Fans and communities can invest and participate in entire projects or catalogs from their favorite creators. At VINCI, we consider this an important step towards more flexible business models and a more fair distribution of value.

After the VINCI Suite has launched with these initial products, our focus will shift back to the creator value creation lifecycle, to implement the next iteration of tools and infrastructure. A key focus by that time will be to implement tools that connect different stakeholders in the industry, such as artists, organizers and brands through, for example, (artist) booking tools and budget management tooling where tickets and booking costs are automatically accounted for. Another focus area will be improving processes for legal handling and funding, for example through the VINCI community funding, public-ledger-based intellectual property management, or branded staking pools. As we roll out these features, the VINCI Suite will evolve into the one-stop-shop for everyone engaging with culture as a creator or customer.



Our technology

VINCI's strategy for software development builds on identifying and solving problems users experience when using Web3 integrated applications. We particularly focused on 3 problem areas:

Problem (1): Users need wallets

In order to interact with current Web3 applications, users require crypto-wallet addresses. Whether to buy cryptocurrency, NFTs, or digital ticketing within the blockchain, such wallet requirements discourage a broad adoption of Web3 technologies.

How VINCI's tech solves this:

- **SOCIAL MEDIA SIGN-IN:** Next to offering direct wallet sign-ins to our platform, VINCI also adds the ability to create additional wallets, attached to common identity providers like Google, Apple and Meta.
- **SPLITTING PRIVATE KEYS INTO 3 COMPONENTS:** In order to always guarantee only the owner is in custody of their wallet, the private key that gives access to the address is split into 3 partial keys. Two of the three partial keys are required to recover the private key. This allows VINCI to store only one of the three partial keys in its database. The other two are kept on the user's device, and the user's social media account.
- **SEAMLESSLY INTEGRATED WALLETS:** By enabling wallet ownership without even having a wallet client like Metamask, VINCI increases the user experience and lowers the barriers of access to its platform.

Problem (2): Web3 industry immaturity

Today's decentralized applications (or "dApps") are part of the pioneering generation of development on top of the blockchain. Standards are not yet stable. Businesses and creative projects are in their infancy. Every dApp developer is still trying to find out what architecture, languages, protocols, user interfacing and platforms to support. Businesses (for instance, artists) need to adapt to this unique crypto environment in order to properly integrate their operations within Web3.

How VINCI's tech solves this:

- **PLUG-AND-PLAY COMPATIBILITY:** Pairable with all industry-leading wallets on Web, iOS and Android.
- **COMMUNITY SUPPORT TEAM:** Today, the world of Web3 and crypto has no "help-line." Our tech team is the closest to a "customer service" team that most users have. The technology itself is not often self-explanatory, but we offer our technological expertise to bridge that gap. We are already providing this support at scale today, and are building advanced service capabilities over time.
- **IN-HOUSE TECH TEAM:** This helps us adapt quickly and flexibly in rapidly changing tech environments such as today's Web3 landscape.

Problem (3): Thinking centralization is Web3's enemy

The data inside of a blockchain was always put there under strict rules and with consensus in the network. Owners of the computers running this software do not control data inside of it. This allows anyone with a computer to become part of the network. There is also no need for blind trust, since cryptography allows the computers to figure out which other computers in the network they can trust. This enables the blockchain to be installed and executed by anyone, making it more secure and resilient.

This is an example of decentralization. And while decentralization provides value, it cannot be applied to every kind of value offering. If the centralized apps of Web2 were to be referred to as a system of houses connected by roads, the onset of Web3 decentralization is not so much a dismantling of those houses, but just an upgrade to some of the roads. Not every road will be decentralized, and it does not need to be in order to benefit from Web3.

Stablecoins are valuable due to centralized value provided by the companies that mint the coins. Yet they use decentralized networks to securely transact. These companies do not own or control all supply and they do not provide security. Instead, this is all guaranteed by decentralized blockchain technology.

One of the biggest ways to enable the commercialisation of performance is to limit its access. Fully decentralized resources cannot be stopped from being read. Companies will continue to rely on centralized services in order to control read access to their data.

How VINCI's tech solves this:

- **CUSTOM SMART CONTRACTS:** The only way to remove ownership of a piece of code, is to upload it to the blockchain. These are sometimes called "Smart Contracts". Every user and auditor of the software can then verify what this contract does, and who controls it. At VINCI we write comprehensive, tailor-fitted smart contracts and thereby slowly replacing human financial operators with software-based ones.
- **WEB, ANDROID AND IOS DAPPS:** VINCI takes advantage of the efficient and user friendly services we can pay for to host the applications. Services like the Google Firebase, or the App Store and Google Play. Our web and mobile apps then connect through our API to our high performance NoSQL database in Google Firestore.
- **BLOCKCHAIN INDEXER:** The immutability and security of blockchain networks are practically guaranteed on major chains. However, the uptime and performance of each individual public node in each network is not. This is why VINCI built an additional service, called the blockchain indexer, which simply stores all data relating to specific parts of the blockchain it is programmed to listen for. This helps us speed up load times, and guarantee uptime. However, the source of truth is always the blockchain, due to every write operation going directly to it.

In summary, we treat our technology very pragmatically, by choosing an architecture, components and an organizational setup that allow VINCI to minimize user access barriers, optimize performance, and maximize robustness of our tools.

07 The VINCI token powers our ecosystem

In a global digital economy with an infinite supply of assets mostly driven by speculation we believe there is room and potential for the industry to evolve into a more enduring token standard. This means:

- Intrinsic value, where token holders benefit from project growth
- Long-term sustainability & real-world utility, where token demand is uncorrelated with the state of the crypto and financial markets
- High level of integrity, where user-centric values underpin the governance of the token

The \$VINCI token powers the VINCI ecosystem and provides the ability for our community (1) to engage with our products and services, (2) to obtain real-world value from a virtual asset, and (3) to stay connected with VINCI's mission for the long run.

To achieve our vision at VINCI, we have developed the concept of the \$VINCI token as an asset that derives its value from three sources inherent to the VINCI ecosystem:

- A tier-based loyalty program that allows token holders to redeem products, services, rewards and benefits
- Mechanisms that tie token value and stability directly to the successes of our core product verticals
- A revolutionary approach to interaction and value exchange between culture creators and fans

In short, we aim to create a utility asset that users are naturally encouraged to buy and hold, because holding creates attractive benefits that exceed the value of a short-term sale.

7.1 Token value drivers and utility

The \$VINCI token will become both valuable and very useful to all the culture lovers who are interacting with the VINCI ecosystem, since it serves as the main gateway to accessing the value offered by our platform. Per our token design, value accrued from the platform is systematically redirected to the token. There are several mechanics that directly and indirectly generate an organic demand reflecting the overall traction of our business.

- **FULLY AUTOMATED TOKEN SPOT BUYBACKS:** Revenue obtained from the VINCI Marketplace will be used exclusively to support the \$VINCI token via an automated mechanism that routes proceeds through a decentralized exchange in real time. Thus, every NFT sale creates token organic demand in a fully transparent manner.
- **UNLOCK REWARDS VIA STAKING LOYALTY PROGRAM:** Staking of \$VINCI tokens will result in a membership within our loyalty program, titled VINCI Club, which introduces a variety of attractive rewards and benefits targeted both the culture consumer and the investor.
- **ACCESS INNER CIRCLES OF CULTURE CREATORS VIA BRANDED POOLS:** The concept of staking allows for holders to lock up their \$VINCI tokens and earn a \$VINCI yield. With branded pools stakers can redirect their stakes from the general staking pool to a staking pool operated by an artist or a brand, thereby supporting the creator. The branded pool owners set the commission rate and get a share of their subscribers' staking rewards in exchange for value offered back to the members. Branded pools can significantly enhance the connection between culture creators and their communities in a mutually beneficial way.
- **ADDITIONAL OPPORTUNITIES TO ENHANCE \$VINCI TOKEN UTILITY:** Optional payouts of artist royalties in \$VINCI as well as various token redemption options for products and services offered by VINCI-affiliated partners (e.g., event tickets, merchandise, etc.).

7.2 Incentivized user base acquisition

We are on a mission to identify and bring together culture lovers around a shared purpose: **to appreciate the value of culture**. Additionally, we want the VINCI Suite to become the go-to hub for creators and consumers. To achieve this we can make it both enjoyable and attractive at the same time to interact with and consume culture by taking advantage of our native token to solve the cold-start problem of onboarding users to any new business while diligently supporting the consumer transition from Web2 to Web3.

As a novel feature we want to reward everyone for interacting with culture, whether it

be attending cultural venues, sharing breathtaking moments, amplifying epic occasions with likes and upvotes, or listening to their favorite music on a streaming service. The more you enjoy and engage, the more you get rewarded by VINCI, and the more connected you are to the VINCI mission to empower creators.

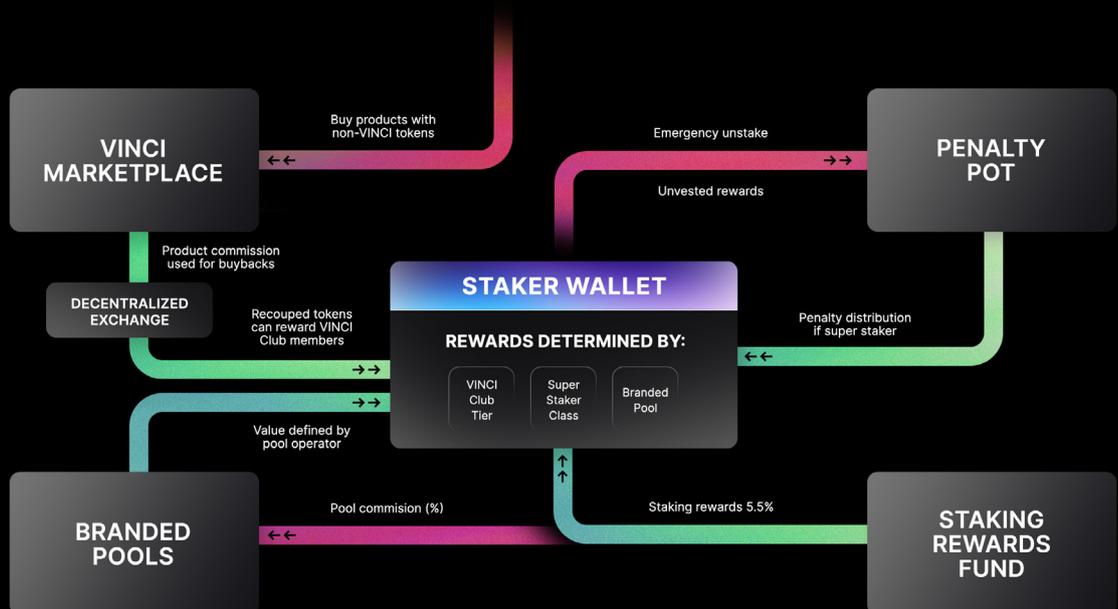
7.3 Consumer loyalty program built around staking¹⁴

The \$VINCI token incentive structure is based on staking. Utility is enabled by staking, which communicates loyalty and interest that thereby unlock rewards and benefits proportional to the total economical commitment (value and time) pledged to the system. VINCI Club is an exclusive community created for the culture lovers and loyal backers of our ecosystem. Membership can be obtained by staking and will unlock the following rewards:

- **\$VINCI REWARDS** (fixed Annual Percentage Yield, tokens acquired via buybacks and more)
- **VINCI CLUB PRIVILEGES** (cultural experiences, upgraded features and functionalities on our platform, exclusive access to products and services)

The overall system design parameters are optimized to reward user behavior that supports the value of \$VINCI based on two simple principles: (1) Bigger staking amounts yield higher rewards, and (2) longer staking periods yield higher rewards.

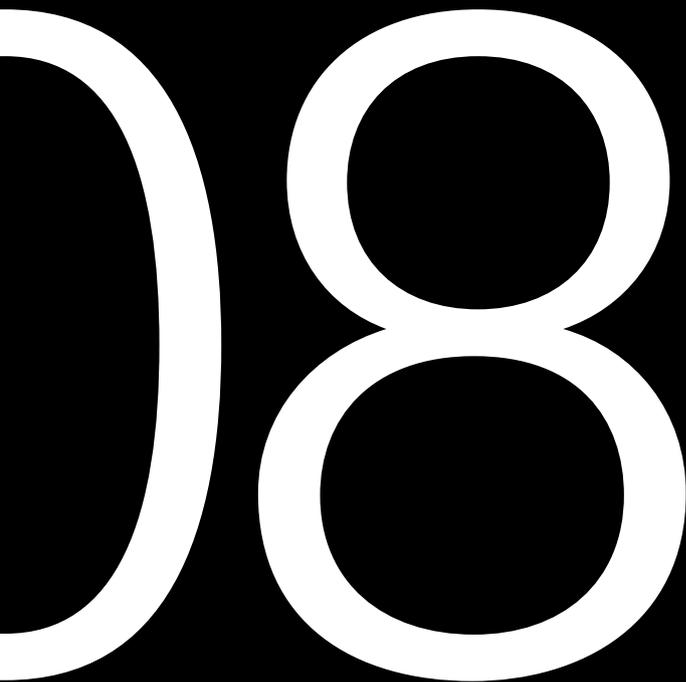
Reward system overview:



Unstaking at any given time will release the principal but revoke a user's right to claim unvested rewards. All unvested rewards are lost, but redistributed to super stakers via the penalty pot (explained below).

14. For a detailed outline of the VINCI token utility please see: \$VINCI vision and utility roadmap <https://byvinci.io/vinci-vision-and-utility-roadmap.pdf>

Staking for more than six months results in promotion to super staker, which entitles a user to additional rewards. All rewards lost due to emergency unstaking are sent to a penalty pot. This penalty pot is distributed monthly among the super staker class . These are distributed as unvested tokens, so the new beneficiaries can also lose them by emergency unstaking. This way, unstaked tokens become absorbed, and turned into incentives to prolong staking positions. One man's emergency un stake is another man's treasure.



Token supply and distribution

The \$VINCI token has a capped supply of 100B units. By launch the circulating supply will be around 17B tokens at an approximate valuation of \$4.25M. Token supply not allocated to fund raising (67B) and held in the VINCI treasury will be verifiably locked in a smart contract and gradually unlocked over more than five years to sustain our long term vision. Timing of token launch is currently unknown.

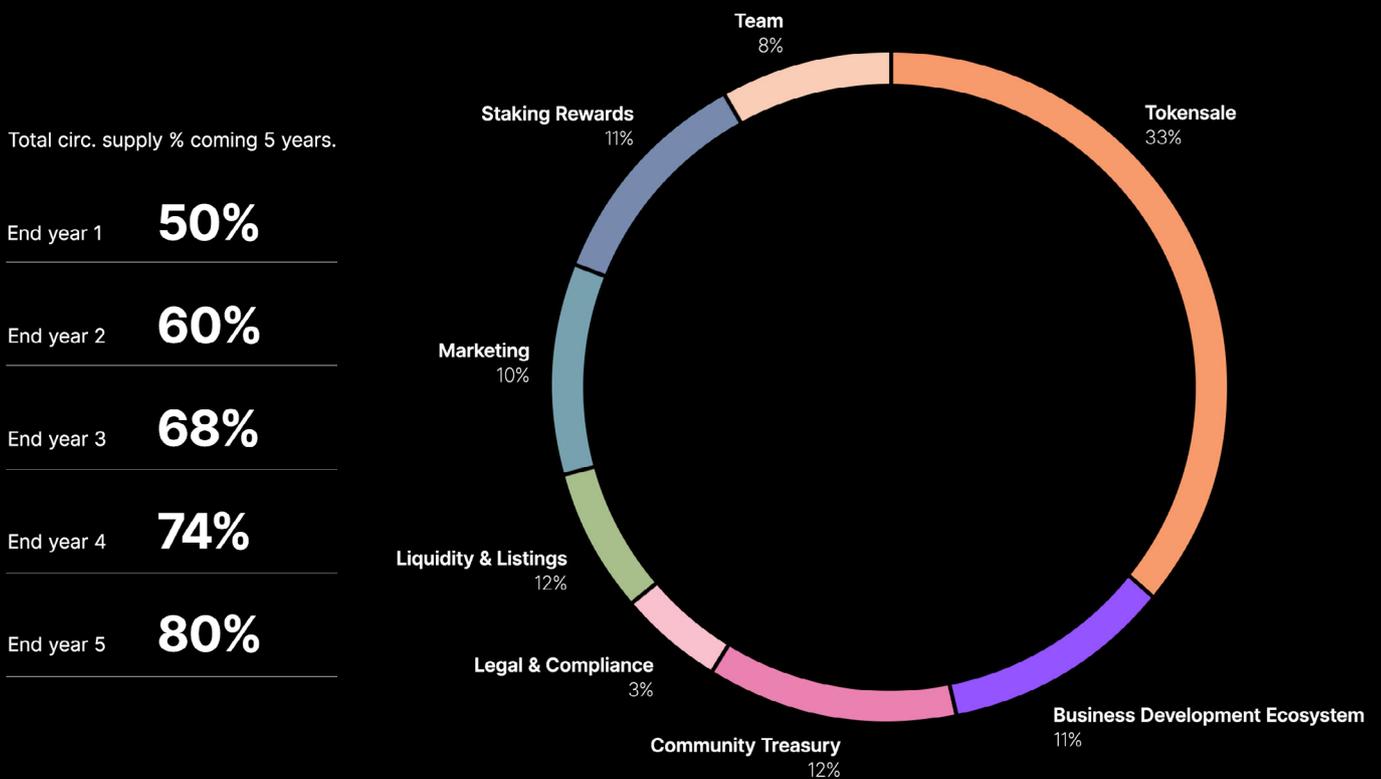
8.1 Token origin and adoption strategy

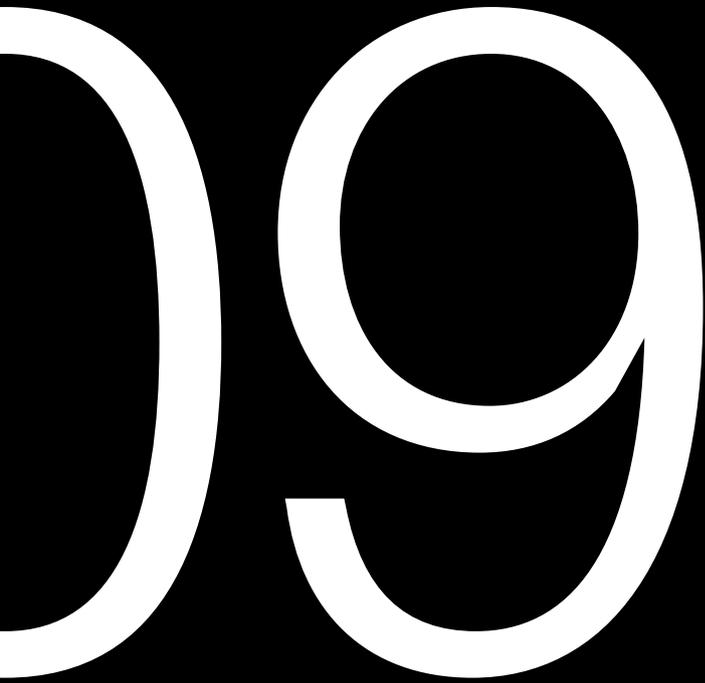
\$VINCI is minted as an ERC-20 token on the Ethereum mainnet. However, the token will be bridged and airdropped to users on the BNB Chain, which is also where we will launch our initial market: BUSD/VINCI on a decentralized exchange. We want our native asset

to have its roots on what we consider to be the most secure, decentralized, adopted, accessible and enduring chain. At the same time, we need to balance these considerations with community and stakeholder interests, which introduce another important perspective: the cost of transacting in our token.

BNB Chain is the second most adopted chain in the industry, and is the central hub for a lot of investors with natural interest in microcap digital assets. High gas prices are an entry barrier for most potential users within the retail segment; we want to cater to those user segments while \$VINCI is still in its infancy. As novel scaling solutions grow and mature, we expect users to move their assets and VINCI related activities to destinations where user experience, accessibility, and security are optimal.

8.2 Token distribution and release schedule





Conclusion and outlook

In conclusion, the creative industries have to overcome a range of entrenched industry practices, and numerous distorted incentives have to be mitigated for culture to thrive and for culture creators to benefit from more opportunities. At VINCI, we are clear on our responsibility to lead this change.

Web3 brings tremendous potential to address many of the fundamental challenges to the fair access of creators to economic opportunity, and it comes with the promise to significantly enhance the connection between creators and their communities. However, solutions need to be precisely targeted at the biggest problems and opportunities in the marketplace of culture; the mere label of 'Web3' nor crude, hype-based Web3 features that are launched 'just because it's easy' have proven to be short-lived and not have the impact we need to truly shift how creators thrive.

That is why at VINCI we are taking focused, measured steps with tangible impact, on the way to accomplishing our long-term vision. As we gain traction and our first products and tools find adoption, we will evolve VINCI into a comprehensive ecosystem for the creative industries, connecting and empowering both creators and their communities. We see a future where the digital and the physical blend into each other, and VINCI is the go-to for any stage of the creator lifecycle, from building connection and engagement with communities, to enhanced fan experiences, to creator tooling that unlocks efficiency and impact opportunities.

We are looking ahead towards an exciting future for the creative industries. The promise of further enhancements to Web3, and the continued rapid adoption of this new technology infrastructure will bring tremendous opportunity and value to creators and communities alike. We cannot wait to see the next groundbreaking creator make their mark, and see them thrive leveraging the creator infrastructure made by VINCI.

VINCI