



Rekt Bull Whitepaper

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1. Introduction

Non-Fungible Tokens, or NFTs, are cryptographic assets on a blockchain with unique identification codes and metadata that distinguish them from each other. In theory, a NFT can be literary anything digital- a painting, drawing or a tweet, which unlike fungible assets, say for instance, bitcoin or fiat, cannot be interchanged or replaced because of its unique properties. The idea of tokenizing real-world artefacts is not necessarily new; however, the advent of NFT as a category of crypto assets gained credence only during the bull run post2020. Consequently, the NFT market cap swelled to US\$ 10 billion in December 2022 from a mere US\$ 85 million in December 2020 -- 11,664% growth in two years.¹ Still, that would pale in comparison if one is to count the All Time High of the NFT market cap, which was around \$ 20 billion in 2021. That makes up for a 23,429% increase in one year.

The growing popularity of the NFT saw leading brands such as Nike, Adidas, Tiffany, Gucci, and Budweiser issuing their own NFTs. Respected auction houses such as Christie's held US\$ multi-million NFT auctions.

The crypto market crash since mid-2021 nonetheless routed the NFT market, as it did with the wider cryptocurrency market. Interestingly though, the NFTs, dismissed as a fad by many, had fared much better than the wider crypto market, which had seen over 70 per cent drop from its all-time- high. NFT floor prices have also held up much better than cryptocurrencies. That is quite an achievement for new technology.

Despite the bear market, there is strong investor interest in the long-term prospect of NFTs. NFT's expansion into Game fi, Pay to Earn, and Metaverse also hold out for strong long-term

growth. For instance, A recent market report published by Verified Market Research (VMR) projects the NFT market to reach \$231 billion by 2030, growing at an annualized rate of 33.7%.ⁱⁱ These back of envelop numbers should be handled with extreme discretion. But, surely NFTs had a strong future potential.

2. Problem space

Those who have been in crypto for some time might know by now that during the bull run, you could well pretend to sell hot water on the blockchain and the community would gullibly buy-in.

As such is the hyper speculative interest, the fear and greed factor that propel the crypto currency market. That does not necessarily translate into long-term sustainability or real-world utility. The NFT boom is not an exception to the norm.

There are several areas of criticism about NFTs.

First, most NFT projects are low-quality, run-in-the mill products that simply benefitted from speculation. Some pioneering projects, such as Bored Ape are pathbreaking in their own right; though their price appreciation is a function that goes beyond their true value, many projects that followed are mere copycats. Partly because of this, NFTs are also accused of being a get-rich-quick conceit, which is neither art of genuine value nor products of real-world utility.

Second, mass adoption is elusive despite the crypto community's love for NFT.

Even much-hyped large-cap projects are lonely places with a few hundred real users and – many times bots of that number. Decentraland, a US\$ 1.3 billion market cap project, has just 775 real daily users, according to Dappradar or 526 users, according to Nansen or 600 users, according to Catalyst node monitor.ⁱⁱⁱ

Similarly, some of the hyped pay-to-earn projects were a financial disaster for the users bought during the hype. Most users of platforms like Axie Infinity, of which the vast majority of the users are from emerging markets and troubled economies, have been left high and dry after the market crash. While crypto as a replacement for fiat has always been a swindler's lie, highly volatile and purely speculation-driven projects have made it worse.

Third, some pay-to-earn projects -such as those that give free tokens for walking and you buy sneakers and sell them to four new customers- are straight-up pyramid schemes, shrouding behind NFT and likely candidates of strong regulatory action.

Fourth, the NFT's success is associated with market manipulation directly or through celebrity endorsements, duping gullible retail investors- Even what is perceived as elite projects, such as Yuga Club, is under scrutiny. Such allegations blight the reputation of a young technology and discourage new investors.

3. Rekt Bull Solution

We believe the mass adoption of crypto art space lies in its ability to venture beyond the traditional crypto economy. We identify the mainstream art market as perhaps the most pivotal driver in crypto's push for mass adoption.

The global mainstream Art market in a nutshell

- The aggregate sales by global art and antique deals were US 65.1 billion in 2021, up 29% from the previous year^{iv}
- Online sales are playing an increasingly pivotal role, accounting for 20% of sales in the art market (US\$ 13.3 billion).

- The shift to online was evident, with buying directly through a dealer's website or OVR (online viewing room) more widely used (44%) than in-person gallery sales (42%)
- Growing fusion between NFT and mainstream arts: In 2021, 74% of HNW collectors surveyed by Arts Economics and UBS Investor Watch had purchased art-based NFTs, with a median expenditure in this category of NFTs totalling 9,000 USD each. NFT sales also entered the traditional art market's auction sector in 2021, but at limited values thus far.
- Between July 1, 2021, and June 30, 2022, global Contemporary Art sales turnover totalled \$2.7 billion, compared with \$2.73 billion the previous year.^v

Crypto art's ability to tap into the larger mainstream art market opens a whole set of new opportunities. A large clientele base means larger revenue. The option to pay with crypto for traditional art, an option hitherto unavailable in traditional art marketplaces, increases crypto holders' purchasing power. Finally, the association with the mainstream art market provide name recognition for crypto art, a gradual shift in public perception and invoking a degree of confidence in crypto art. All of which are crucial in the crypto's long march for mass adoption.

4. Rekt Bull Strategy

Rekt Bull introduces two main instruments; a dual-form artwork that is novel in its own right and an integrated market aimed at a greater outreach.

1. Rekt Bull NFT goes beyond a conventional NFT. Rekt Bull's NFT is dual form art work. It can exist either as a digital work on the blockchain or a blockchain-authenticated Silk Screen painting on your wall or in the art gallery.
2. Rekt Bull integrated marketplace for NFT and traditional arts (paintings, artefacts, sculptures)

5. Rekt Bull NFT- Dual Form Art

Rekt Bull is an experimental project that bridges digital art with traditional art. Rekt Bull NFT is dual art. It is a digital work on the blockchain or a unique Silk Screen hard copy painting on canvas.

- **NFT:** 9,999 proverbially rare NFTs, original art inspired by Pop art style; fashionable accessories inspired by Met Gala.
- **Silk Screen prints:** Each Silk Screen print is unique and is a representation of the underlined NFT. Each NFT can be converted into Silk Screen hard copy, subject to conditions, nominal production cost and a possible production queue.
- **Circulation supply depletion:** Whenever a Rekt Bull NFT is converted to a hard copy, the underlined NFT is moved to the Rekt Bull repository, similar to a burn wallet, but a multi-sig wallet governed by DAO. Once in the repository, the NFT is removed from the circulation supply as a digital copy and comes to life as a hard copy.
- **Rekt Bull Repository:** A repository of all Silk screen copies, where the ownership credentials are blockchain authenticated and updated, and hard copies can be bought and sold online.
- **Blockchain:** Ethereum
- **Rarities:** Seven layers, over 200 unique traits.
- **Commercial use rights of NFT transferred to the owner:** The commercial use rights of the Rekt Bull NFTs are transferred to the holder of a given Rekt

Bull NFT, subject to the overall ownership of the intellectual property right of the said artwork by the Project Team. The entitlement to commercial use rights is limited to the duration the holder is the owner of a given NFT. The use of commercial rights of Rekt Bull NFTs is liable for a royalty fee as dictated in the Rekt Bull NFT smart contract.

- Airdrop of Rekt Bull Governance token to all Rekt Bull NFT holders- A utility token for the Rekt bull marketplace.

6. The Rekt Bull integrated marketplace

The Rekt Bull marketplace offers a robust set of tools for the creators and teams to launch NFTs and for buyers and sellers to create and fill orders.

The creators of traditional art can showcase their artwork in ensuite Online viewing Rooms (OVR), sell, auction, use Rekt Bull art custody and undertake commission work.

The user participation is incentivized through the Rekt Bull Governance token.

For NFTs:

- Buy and sell NFTs
- A tool kit to launch NFTs set royalty fees and other blockchain credentials with a few clicks on the interface
- Create a portfolio and marketplace for your artwork/ collection
- In-built social media suit for promoting your work.
- In-built KYC
- Launchpad for fungible tokens related to NFT/ Game fi, Pay to earn projects
- Rekt Bull Game store marketplace

For Traditional Art:

- Buy and Sell paintings, artefacts, and sculptures in crypto and fiat
- Launch fully customizable online portfolios with an ensuite online Viewing Room (OVR), expert reviews, and personal credentials.
- Traditional artwork custody
- Buy and resell traditional artwork using Rekt Bull custody
- Incubation fund
- Rekt Bull art prize

7. Rekt Bull Governance Token

The Rekt Bull token is a Governance cum Utility token used to incentivize user participation in the Rekt Bull Market place. The Rekt Bull token holders receive fee discounts and can participate in the platform governance to dictate its overall direction

Utility Scope

- Holders of Rekt Bull Governance token receive fee discounts in their platform fee:

First year: 30%

Second year: 25%

Second year onwards, 20%

- Receive a discount on Rekt Bull auctioned artwork by paying in Rekt Bull token
- Stake a designated number of Rekt Bull tokens to qualify for whitelist/launch pad opportunities

- Buy Rekt Bull merchandiser/ lifestyle wear with a Rekt Bull token

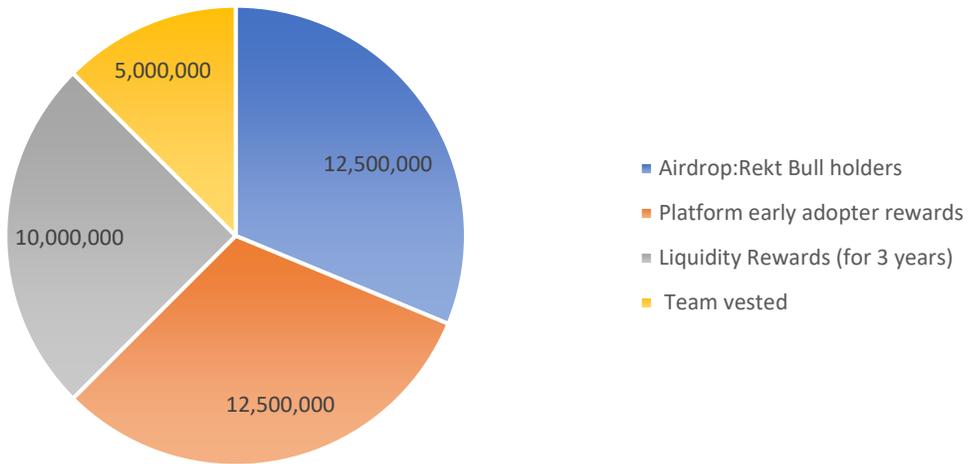
Governance Scope

- Rekt Bull governance token holders can participate in platform governance
- Present proposals and put them to vote, subject to quorum requirements
- Vote on proposals
- Delegate your vote
- Tokens held in the Development wallet are not eligible for vote.

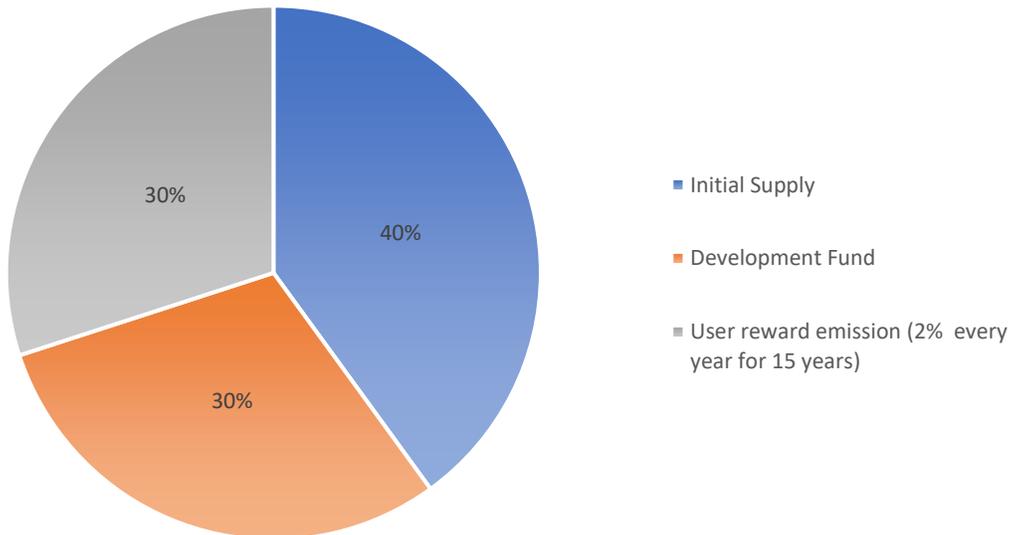
Tokenomics

- ❖ Maximum supply: 100,000,000
- ❖ Initial supply at the launch: 40,000,000 (distributed as follow):
 - Rekt Bull NFT holders: 12,500,000
 - Platform early adopters: Maximum of 12,500,000 or the aggregate of 50% of all platform fees collected during the genesis period.
 - Allocation for Liquidity rewards for three years and listing: 10,000,000
 - Team current and future, artists, community rewards: 5,000,000
- ❖ Development fund: 30,000,000
- ❖ User rewards: 30,000,000: 2% of total supply emission a year until the full allocation of user rewards are exhausted

Initial Token Supply 40,000,000 RektBull



Maximum token supply 100,000,000 RktBull



8. References

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ⁱⁱ Groundview Research. 'Market View Report: Non-fungible Token Market Size, Share & Trends Analysis Report Forecasts, 2022 – 2030.' Retrieved: <https://www.grandviewresearch.com/industry-analysis/non-fungible-token-market-report>

ⁱⁱⁱ Coindesk. 'Final Word on Decentraland's numbers'. Retrieved: <https://www.coindesk.com/web3/2022/12/22/the-final-word-on-decentralands-numbers/>

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^v Art Price.com. 'Key figures for the contemporary art market,' Retrieved: <https://www.artprice.com/artprice-reports/the-contemporary-art-market-report-2022/key-figures-for-the-contemporary-art-market#:~:text=Between%20July%201%2C%202021%2C%20and,%242.73%20billion%20the%20previous%20year>