

WHITE PAPER



ARTup Counter (D2A)

crypto-assets other than asset-related tokens or e-money tokens

Written by

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Rome, 21.05.202

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ABSTRACT

Historically, artistic practices have always played a significant role in the global socio-economic environment. Since the dawn of time, art has remained one of the best narrative practices of history itself. The word "art" has always had an inexplicable fascination with magical qualities; being in the presence of a work of art is like witnessing a sort of miracle, a phenomenon of inexpressible immaterial quality that surpasses the material of which the object is itself; it is what contemporaries call the "aura" of a work of art, its emanation beyond itself. The value of contemporary art therefore tends to place itself openly in a relational and rather immaterial dimension, precisely in the sense of a uncommodifiable phenomenon. In fact, the commodification of the value of art never corresponds directly to the value of the material of which the work is made, but rather to the value of its substance.

It is said that "art is a mental thing" meaning that art is pure formativeness, i.e. the potential ability to appreciate a form. The value of the artistic work would thus correspond to the measure of its artistry and this value is conventionally expressed by means of the art coefficient. Artistic action thus constitutes the true foundation of art as an asset. This is also why the well-preserved artefacts around the world are mostly semio-phores that are unique, precious, beautiful and capable of taking the narrative beyond time itself. Art has been considered a store of value for thousands of years and remains widely popular today, with an average of around €64 billion (known) transactions occurring each year in auctions and direct sales through physical and digital channels. Art endures as a privileged refuge even in wars and crises, is widely recommended as part of a diversified investment portfolio and continues to represent a status symbol as one of the favoured and most prestigious assets to own, keep, move or display.

DISCLAIMER

This white paper on crypto-assets has not been approved by any competent authority in any Member State of the European Union. The offeror of the crypto-asset is solely responsible for the content of this white paper on the crypto-asset. Pursuant to Article 6, paragraph 3, second subparagraph of Regulation (EU) 2023/1114, reference is made to "the person requesting admission to trading" instead of "the offeror." This white paper on crypto-assets complies with Title II of Regulation (EU) 2023/1114 (hereinafter "MiCAR") and to the best of the management body's knowledge, the information presented in the white paper on crypto-assets is correct, clear, and not misleading, and the white paper on crypto-assets does not contain any omission that could significantly affect its relevance. According to MiCAR's classification of crypto-assets, **this white paper promotes the establishment of a "Decentralised Phygital* Art Ecosystem" by ARTup s.r.l., offering the public an "utility token" type crypto-asset called "ARTup Counter (D2A)"** for which admission to trading is requested through the exchange and authorised crypto-asset service provider Affidaty S.p.a.* on the virtual currency trading platform Synkrony Exchange (synkrony.io). By its nature, the utility token is a payment token for the services offered by ARTup s.r.l. integrated on T.R.I.N.C.I.® 3.0. and on Independent Chain and therefore may not always be exchangeable for the promised service in this white paper, especially in the event of failure or discontinuation of the project promoted by ARTup s.r.l. However, it remains exchangeable in a decentralised environment on the secondary market and remains usable to interact with "tokenised" artworks, meaning those artworks that have been registered and certified in D.L.S. via the "ARTup N.F.T.-Sc" smart contract before any potential failure or discontinuation of the project. The crypto-asset could lose its value in whole or in part, relative to the supply and demand related to it, and may not be liquid. However, it retains its utility function, ensuring the enjoyment of the goods and potentially the services offered by ARTup s.r.l. "ARTup Counter (D2A)" is not covered by investor compensation schemes pursuant to Directive 97/9/EC of the European Parliament and of the Council and is not covered by the deposit guarantee schemes provided for by Directive 2014/49/EU of the European Parliament and of the Council.

1* "Phygital" is a neologism that derives from the union of the two words "physical" and "digital". This term refers to the integration between physical presence (physical) and digital experience (digital).

2* Affidaty S.p.a. is a Virtual Asset Service Provider (V.A.S.P.) authorised to operate in the European Community as a Crypto Asset Service Provider (C.A.S.P.) pursuant to the Regulation (UE) 2023/1114 (MiCAR).

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SUMMARY

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- B. Information on the Trading Platform Operator: **Affidaty S.p.a.**
- C. Information on the Crypto-Asset Project: **Decentralised Phygital Art Ecosystem**
- D. Information on the Admission to Trading: **Synkrony Exchange**
- E. Information on the Crypto-Asset: **ARTup Counter (D2A)**
- F. Information on the Rights and Obligations Related to the Crypto-Assets.
- G. Information on the Underlying Technology.
- H. Information on Risks.
- I. Information on Sustainability Indicators.

The summary should be read as an introduction to the crypto-asset white paper. The prospective holder should base any decision to purchase the fungible token *ARTup Counter (D2A)* on the content of the crypto-asset white paper as a whole and not on the summary alone. The offer to the public of the crypto-asset does not constitute an offer or solicitation to purchase financial instruments and any such offer or solicitation can be made only by means of a prospectus or other offer documents pursuant to the applicable national law. The crypto-asset white paper does not constitute a prospectus as referred to in Regulation (EU) 2017/1129 of the European Parliament and of the Council (36) or any other offer document pursuant to Union or national law.

Characteristics of the Crypto-Asset

The *ARTup Counter (D2A)* crypto-asset grants holders the right to interact within the Decentralised Phygital Art Ecosystem promoted by ARTup s.r.l. and to enjoy the services and products integrated into the T.R.I.N.C.I.[®] 3.0 and Independent Chain blockchains, collectively referred to as the “ARTup Suite”. This is applicable even in the event of corporate and/or project failure, in accordance with the logic of decentralised finance (DeFi) and peer-to-peer dis-intermediated exchanges. ARTup s.r.l. therefore introduces a radical process innovation in the art market through the systemic integration of the ARTup Suite on the T.R.I.N.C.I.[®] 3.0 and Independent Chain blockchains, thereby minimising the risks associated with the outcome of the enterprise for token holders.

Key Information About the Offer to the Public or Admission to Trading

ARTup Counter (D2A) is issued by ARTup s.r.l. in a limited edition of 100,000,000,000,000,000 units (one hundred trillion, or 10^{17} units) and is peer-to-peer exchangeable, as well as being admitted to trading on Synkrony Exchange with an initial nominal unit value of €0.01; there is no initial public offering or discount for trading. *ARTup Counter (D2A)* therefore constitutes a reserve of artistic value and remains tradable on the secondary market, where its unit price may vary over time, especially in relation to supply and demand on that market, without affecting its utility.

A. INFORMATION ABOUT THE OFFEROR OR THE PERSON SEEKING ADMISSION TO TRADING

A.1. Name

ARTup s.r.l.

A.2. Legal Form

Limited liability company registered in the special section of the Rome Chamber of Commerce as an "innovative startup".

A.3. Registered Address

Via di Pietralata 147/A, 00158, Roma

A.4. Head Office

Via di Pietralata 147/A, 00158, Roma

A.5. Registration Date

01/04/2020

A.6. Legal Entity Identifier

VAT Number: IT15681371009

A.7. Contact Telephone Number

+39(06)5404173

A.8. E-mail Address

info@artup.company

A.9. Response Time (Days)

7 days

A.10. Members of the Management Body

Mr. Giorgio Capogrossi, Founder & c.e.o. of ARTup s.r.l., via di Pietralata 147/A, 00158, Rome, Italy.

A.11. Business Activity

ARTup s.r.l. is an innovative startup providing software as a service (S.a.a.S.) for the digitalisation of the value chain of the art market, focusing on the emerging second and third tier contemporary art market.

A.12. Newly Established

ARTup s.r.l. was founded the 1. April 2020 in Rome, Italy.

A.13. Recent Financial Condition

ARTup s.r.l. is an innovative startup founded in 2020 by the founding partners Giorgio Capogrossi and Giacomo Capogrossi, with an initial fully paid share capital of €10,000.00. In 2021, following the award "Preseed" and obtaining a contribution of €30,000.00 granted by Lazio Innova S.p.A. with the European Social Fund - European Programming 2014-2020 (Regulation (EU) 1303/2013 art. 115 et seq. and Annex XII), the founders carried out a first capital increase of up to €30,000.00 to begin the experimental development of the algorithm called "B.A.R.T. " and the development of the software called "Art Coefficient" which introduces the scientific method to emulate the Art Coefficient and the relative value of an artist's signature, with the main aim of automating and digitising the process of evaluating and appraisal for a work of art (so-called "ex-

pertise”). In 2022 the company tested the “B.A.R.T.” algorithm and created an art Index based on the Art Coefficient, developing a serie of smart contracts integrated in D.L.S. T.R.I.N.C.I.® 3.0 and on Independent Chain, which enable a decentralised phygital (hybrid "physical" and "digital") art ecosystem of services and products with the aim of digitalising the value chain of the art market. ARTup s.r.l. has requested and obtained approval from the Ufficio Italiano Brevetti e Marchi (U.I.B.M.) of the Ministero delle Imprese e del Made in Italy for the registration of the patent for an industrial innovative process named “SYSTEM FOR PHYSICAL AND DIGITAL ART AND METHOD OF EVALUATION AND AUTHENTICATION OF A WORK OF ART”, for the invention which is the subject of application no. 102022000024168, classification G06Q, dated 24/11/2022, extended internationally afterwards. ARTup s.r.l. concluded a second round of social capitalisation of up to €63,500.00 which allowed the Company to test the industrial prototype in an industrially relevant environment (reaching T.R.L. 6) and began the commercial activity at the end of 2023 by offering on the market the crypto-assets related to the innovative services and products promoted. ARTup s.r.l. has benefited from a further “Smart&Start” contribution provided by Invitalia Spa as a subsidised, interest-free loan, in the form of a repayable grant, for a maximum amount of €667,941.60 (of which €168,106.56, not subject to reimbursement), positioning itself among the first bidders of crypto-assets financed by the European Community;

A.14. **Web site**

<https://artup.company>

A.15. **Registered Trademark**

ARTup® is a registered trademark at the European Union Intellectual Property Office Ufficio (E.U.I.P.O.), application nr. 018688117 dated 15/04/2022.
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B. INFORMATION ABOUT THE OPERATOR OF THE TRADING PLATFORM¹

B.1. Name

Affidaty S.P.A.

B.2. Legal Form

Società per azioni

B.3. Registered Address

By SERGLOBAL STP at Via Eleonora Duse n.53, C.A.P. 00197, Roma (Rm), Italy.

B.4. Head Office

Via dei Cipressi 153, 58100, Roselle (GR), Italia

B.5. Registration Date

26/04/2016

B.6. Legal Entity Identifier

Affidaty S.p.a.

VAT number: IT 06641600488

LEI code: 8156005026D416A62C42

B.7. Parent Company

Affidaty S.p.a.

B.8. Reason for Crypto-Asset White Paper Preparation

Affidaty s.p.a. has admitted ARTup Counter (D2A) to trading on Synkrony Exchange.

B.9. Members of the Management Body

Dane Marciano, President of the Board of Directors

Niccolò Quattrini, Administration Councillor

Giacomo Taffo, Vice President of the Board of Directors

Dt. Marco Ginnaneschi, President of the board of auditors and actual auditor

Dt. Arcangelo Chirico, Mayor and actual auditor

Dt. Raffaele Stanzione, Mayor and actual auditor

Dt. Francesca Pirelli, Supply Mayor

Dt. Ginevra Villi, Supply Mayor

B.10. Operator Business Activity*

Affidaty S.p.a. is a blockchain technology provider and a Crypto-asset service provider registered in the special section of the currency exchange register (providers of services related to the use of virtual currency and digital wallet services, with registration to the Agents and Mediators Organisation (O.A.M.) no. PSV57.

** Affidaty S.p.a. is a Virtual Asset Service Provider (V.A.S.P.) authorised to operate in the European Community as a Crypto Asset Service Provider (C.A.S.P.) pursuant to the Regulation (UE) 2023/1114 (MiCAR).*

C. INFORMATION ABOUT THE CRYPTO-ASSET PROJECT

C.1. Crypto-Asset Project Name

Decentralised Phygital Art Ecosystem

C.2. Crypto-Assets Name

ARTup Counter

C.3. Abbreviation

(D2A)

C.4. Logo and representation



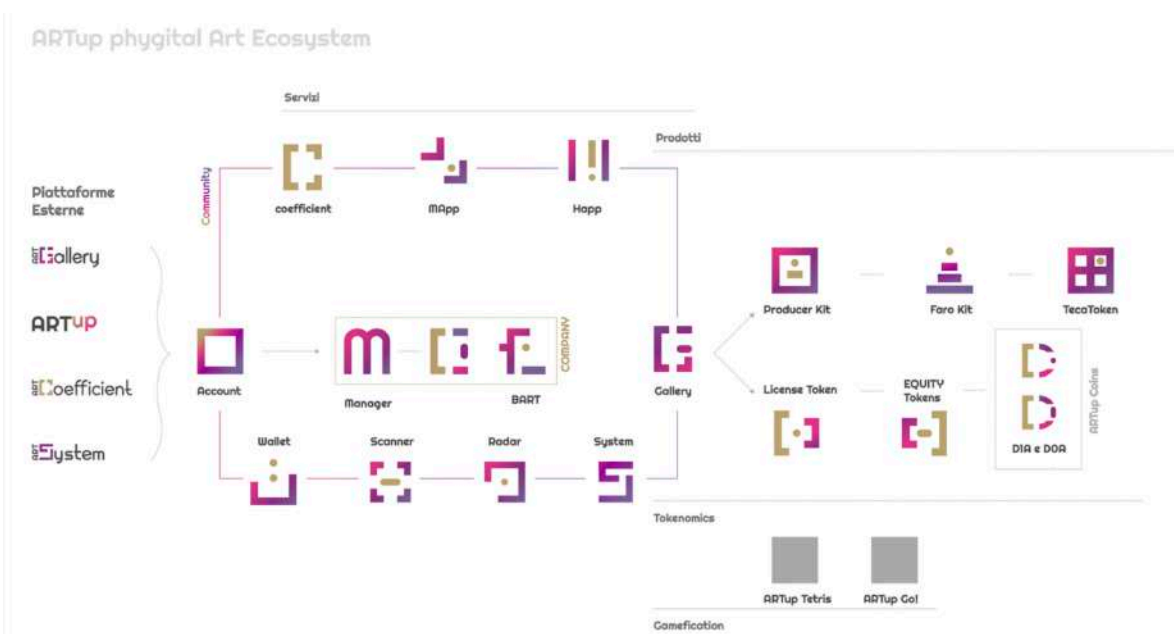
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C.5. Crypto-Asset Project Description

ARTup s.r.l. promotes a **Decentralised Phygital Art Ecosystem** by developing radically innovative digital services in the art sector that integrate the artificial intelligence “B.A.R.T.” with blockchain and I.o.T technologies. ARTup s.r.l. therefore offers the public a Utility Token called “**ARTup Counter (D2A)**” that is used to access these digital services integrated into blockchain through a series of decentralised user’s interface software applications specifically developed by ARTup s.r.l. (together referred to as “ARTup Suite”), with the strategic objective of digitising and decentralising the production and fruition processes of the art market. These web progressive applications are offered by ARTup s.r.l. as digital services (s.a.a.s.) on “freemium” model (free basic services and paid premium services).

ARTup Counter (D2A) is therefore a utility token that has the main function of payment, allowing holders to interact at any time with smart contracts for the management of their fungible (F.T.) and non-fungible (N.F.T.) artistic assets.



C.6. **Details of all persons involved in the implementation of the crypto-asset project**

The people involved in the implementation of the Decentralised Phygital Art Ecosystem project are the sole Administrator, the partners and the collaborators of ARTup s.r.l. (together “ARTup Company”). The partners of ARTup are mainly expert consultants who practice freelance work and provide advice to the Administration of ARTup s.r.l. in relation to their areas of expertise, supervising the aggregated working groups, composed of both the partners themselves and their employees and, where necessary, external freelancers who temporarily provide services for ARTup s.r.l.. The people involved in the implementation of the crypto-activity project are:

C.E.O. (Chief Executive Officer) Giorgio Capogrossi, founder and Sole Administrator of ARTup s.r.l. He is the inventor of the innovative industrial process;

C.O.O. (Chief Operative Officer) Giacomo Capogrossi, founder and Operative Director, he is the coordinator of the transport, loading and unloading operations and supervisor of the I.o.T. technological implementation at the Operational Headquarters;

C.T.O. (Chief Technical Officer) Tomasz Waraksa is a full stack software developer with ten years of experience, system integrator and supervisor of the software development group at the head of the technical office of ARTup s.r.l.

C.A.O. (Chief Advisory Officer) Marcella Magaletti, Art historian and curator with experience in artistic communication and in consulting and service to artists.

C.G.O. (Chief Graphical Officer) Marco Galletti, designer and supervisor of the corporate brand identity, coordinates the ICT Department.

C.UX/U.I..O. (Chief User Experience/User Interface Officer) Dt. Luca Motolese, specialised in communication and user-side software design (front end).

C.F.O. (Chief Financial Officer) Dt. Simone Sassetti,, PhD Accountant, supervisor financial consultant.

C.F.O. (Chief Fiscal Officer) Dt. Emiliano Fonzi, Chartered Accountant, tax and fiscal consultant.

C.L.O. (Chief Legal Officer) Attorney Lorenzo Saverio D’Attilia, legal consultant.

The Company also avails itself of the occasional consultancy of a cluster of associated freelance professionals who believe in the crypto-activity project for the creation of a Decentralised Phygital Art Ecosystem and therefore accept token payments for the work they carry out in this area. Consultants specialised in artistic consultancy and communication with artists are part of an informally constituted group called “B.A.R.T. Advisory Team”, a pool of professionals that indirectly contributes to the appreciation of works of art on the primary and secondary market. The Company also benefits from a large community of artists, stakeholders and early adopters (all users together are called “ARTup Community”), who contribute to promoting the use of the services developed by ARTup s.r.l. throughout the world.

C.7. **Utility Token Classification**

Pursuant to the MiCAR regulation, ARTup Counter (D2A) is configured as a crypto-asset other than asset-related tokens or electronic money tokens, i.e. a “utility token” type crypto-asset, as it is intended solely to provide access to the goods and services promoted by ARTup s.r.l.

C.8. **Key Features of Goods / Services for Utility Token Projects**

The ARTup Suite is a set of progressive web applications optimized for use on computers, tablets and smartphones. The dApps are practical tools that serve to interact and orient oneself in the Decentralised Phygital Art Ecosystem promoted by ARTup s.r.l..

Each application of the **ARTup Suite** is integrated with both the ARTup Engine, the ARTup s.r.l. phygital database, and also with the Distributed Ledgers Technology (D.L.T.) T.R.I.N.C.I.® 3.0. and Independent Chain. Each of the progressive decentralised web applications (W.P.D.Apps) of the ARTup Suite collects a specific set of data, fulfilling the function of phygital terminal, with the specific task of enabling the user to manage a particular function:



ARTup Account offers the user an interface for managing the personal Account and collects data regarding the physical and legal identity of users connected to their sovereign pseudo nominal digital identity.



Art Coefficient manages the profiling of the personal account and the process of entering and validating the data entered by users, administering the questionnaire to the artists for the emulation of the art coefficient; it allows visitors to view the pseudonymous profiles of registered users and to monitor the artistry index (Art Coefficient) to always stay up to date on the latest news on the art market. Through the notification center, the system sends push notifications to the user directly on his smartphone, transmitting updates in real time such as a change in the Art Coefficient. By accessing the personal backend, users can manage the data of their profiles associated with their art signatures, design avatars, browse documents and the history of expertise and/or Art Coefficient Certificates registered on blockchain. The Art Coefficient application collects data regarding the pseudonymous profiles associated with the user and data regarding art events and art locations.



ARTup Wallet is a cryptocurrency software wallet integrated with several blockchains, including T.R.I.N.C.I.® 3.0. and Independent Chain, as well as with the A.I. B.A.R.T. This service is designed for the decentralised management of users' artistic assets. Access to the wallet is via a browser extension or a desktop, tablet and mobile application, which allows the user to interact with other applications of the Decentralised Phyigital Art Ecosystem such as the ARTup Suite or the Synkrony Exchange and to always have the wallet at

hand. With ARTup Wallet, users manage their fungible (F.T.) and non-fungible (N.F.T.) assets by monitoring and analyzing the art market, exchanging crypto-assets for F.I.A.T. currency and vice versa. Thanks to the phygital technology that integrates the Synkrony P.E.S. (Portable Exchange System) terminals developed by the authorised crypto-asset service provider Affidaty s.p.a., the user can make ATM withdrawals and crypto-currency payments directly to the merchants' physical stores, using their smartphone or credit cards. ARTup Wallet collects data relating to transactions made in FIAT currency and crypto-assets managed by the user.



ARTup Gallery is a progressive web application that integrates a virtual reality module for the smart visualisation and management of the artworks exhibited in the Decentralised Phygital Art Ecosystem. The application allows users to entrust the promotion and sale of the artworks to authorised intermediaries, to set advanced search parameters and filters, view the artworks and monitor their evolution on the art market or even to remotely manage collections or create physical and/or digital compositions called “ARTup Gallery”. The system sends push notifications to users via smartphone and transmits updates on their favorite works of art in real time. ARTup Gallery collects data relating to the exhibition spaces and exhibitions of artworks and all types of N.F.T exhibited or marketed in the physical and virtual exhibition spaces of the Ecosystem by the user.

C.9. **Plans for the Token**

ARTup s.r.l. requests admission to trading of “ARTup Currency (D2A)” through the web platform for the exchange of virtual currencies called Synkrony Exchange developed by the crypto-asset service provider Affidaty S.p.a. to encourage early adopters to use the “ARTup Suite” contributing to the development of a Decentralised Phygital Art Ecosystem.

C.10. **Resource Allocation**

ARTup s.r.l. has designed the Decentralised Phygital Art Ecosystem integrated on the T.R.I.N.C.I. blockchain in accordance with the principle of segregation of users' funds, thus providing through third parties for the separation of a customer's funds from those of the company or qualified intermediary. In practice, all customer assets (money, securities, N.F.T. etc.) are kept separate from third-party assets to protect the interests of customers in the event of insolvency or bankruptcy of the Company and/or the intermediary. The funds raised by ARTup s.r.l. through dis-intermediated trading of ARTup Counters (D2A) on Synkrony Exchange will therefore be used to perfect the digital services integrated into the blockchain over time. The ARTup Counter (D2A) cryptocurrency is necessary to manage artistic assets and access the services integrated into the blockchain.

D. INFORMATION ABOUT THE OFFER TO THE PUBLIC OR ADMISSION TO TRADING

D.1. Public Offering and/or Admission to Trading

This white paper concerns the offering of the utility token called ARTup Counter (D2A) issued by the company ARTup s.r.l. and the related request for admission to trading through the virtual currency exchange platform Synkrony Exchange organised by the authorised crypto-asset service provider Affidaty S.p.a.

D.2. Reasons for Public Offer and/or Admission to Trading

ARTup. s.r.l. requests admission to trading of ARTup Counter (D2A) to guarantee its holders indefinite use in a decentralised environment, thus offering a further guarantee of use of the utility token even in the event of insolvency or failure of the corporate project.

D.3. Fundraising Target

There are no specific fundraising goals in relation to the ARTup Counter (D2A) crypto-asset, as the utility token is used by holders exclusively to pay for digital services and blockchain-integrated-products developed by ARTup s.r.l.

D.4. Minimum Subscription Goals

The project does not have minimum subscription targets.

D.5. Maximum Subscription Goal

The project does not have a maximum subscription target.

D.6. Oversubscription Acceptance

The project does not provide for maximum subscription targets and therefore the case of excess subscriptions received is not applicable.

D.7. Oversubscription Allocation

The project does not have a maximum subscription target.

D.8. Issue Price

ARTup Counter (D2A) has a starting unit value of €0.01.

D.9. Official Currency or Any Other Crypto-Assets Determining the Issue Price

The unit value of ARTup Counter (D2A) is expressed in euros, as the company ARTup s.r.l. intends to request admission to trading as required by the European regulation (EU) 2023/1114 in all states within the EEA area.

D.10. Subscription Fee

There are no subscription costs for using the ARTup Counter (D2A) utility token.

D.11. Offer Price Determination Method

The method of determining the nominal unit price of ARTup Counter (D2A) is based exclusively on the organised meeting between supply and demand within the authorised virtual currency exchange market. Compatible with the philosophy of decentralised finance of Synkrony Exchange, the first Italian Defi exchange that creates trading tables where users can carry out value exchanges, purchase/sale/swap, through an OrderBook managed exclusively by smart contracts integrated on D.L.S. T.R.I.N.C.I.® 3.0 and on Independent Chain, and by an advanced monitoring system that offers professional tools for controlling operations. Synkrony Exchange stands out for allowing users to carry out operations without reserves or intermediaries, keeping the gas costs (see "BitBel") necessary to carry out transactions in blockchain constant. This means that in any case users never risk losing their assets in the event of a default of the platform, since they never

pass through the availability of ARTup s.r.l. or Affidaty S.p.a., but always remain in the availability of the user who owns the wallet. For this reason, the digital services "ARTup Suite" constituting the Decentralised Phygital Art Ecosystem allow operations to be carried out in total autonomy and safety without any external intervention and in compliance with current legislation. Please note that the ARTup Counter (D2A) utility token is not simply transferable, but is negotiable on the Synkrony Exchange, i.e. it is susceptible to being the object of a systematic flow of purchase and sale proposals that intersect on an organised system, affecting its nominal unit price.

D.12. Total Number of Offered/Traded Crypto-Assets

The total number of ARTup Counter (D2A) utility tokens offered on the market by ARTup s.r.l. amounts to 100,000,000,000,000,000 units (one hundred trillion, or 10^{17} units).

D.13. Targeted Holders

The potential holders of ARTup Counter (D2A) are mainly artists and operators in the art market and in general all holders of a digital wallet who globally acquire ARTup Counter (D2A) utility tokens to use the services integrated by ARTup s.r.l. on blockchain. ARTup s.r.l. requests admission to trading via the digital currency exchange web platform Synkrony Exchange organised by the crypto-asset service provider Affidaty s.p.a. on D.L.S. T.R.I.N.C.I.[®] 3.0. and on Independent Chain.

D.14. Holder Restrictions

There are no restrictions on the types of users or holders of the ARTup Counter (D2A) utility tokens, which can be purchased by anyone holding a cryptographic digital wallet (referred to as "ARTup Wallet"), which is generated through the integration of the 4RYA-SC smart contract (<https://4rya.io>) and can be used by anyone who intends to use the innovative services and products promoted by the crypto-asset provider ARTup s.r.l.

D.15. Reimbursement Notice

The utility tokens called ARTup Counter (D2A) are not anchored to any official reference asset or currency (they are in fact unbacked crypto-assets) and are not supported by the user's right to obtain a refund of the amounts spent for their acquisition. They exclusively fulfil the function of utility and enjoyment of the goods and services integrated by ARTup s.r.l. on blockchain T.R.I.N.C.I.[®] 3.0. and on Independent Chain. Technically, however, fungible utility tokens called ARTup Counter (D2A) cannot be absolutely identified with the same digital services for the use of which they must be spent.

D.16. Refund Mechanism

Utility tokens called ARTup Counter (D2A) are not supported by the user's right to obtain a refund of the amounts spent for their acquisition. However, they remain peer-to-peer transferable, as well as negotiable through the digital currency exchange platform called Synkrony Exchange developed by the crypto-asset service provider Affidaty S.p.a. on blockchain T.R.I.N.C.I.[®] 3.0. and on Independent Chain.

D.17. Refund Timeline

Buy and sell proposals for ARTup Counter (D2A) utility tokens automatically cross-reference each other on the Synkrony Exchange and transactions occur at the exact moment supply and demand meet via the decentralised OrderBook.

D.18. Offer Phases

The public offering of ARTup Counter (D2A) utility tokens promoted by ARTup s.r.l. through this white paper is available on the ARTup s.r.l. website (<https://artup.company>) and can be purchased via the ARTup Wallet or through the currency exchange platform Synkrony Exchange (<https://synkrony.io>).

D.19. Early Purchase Discount

There are no pre-sales or extraordinary discounts on the purchase price of ARTup Counter (D2A) utility tokens, whose value varies exclusively according to supply and demand, while the main function of utility or enjoyment that distinguishes this type of crypto-asset remains.

D.20. Time-Limited Offer

The crypto-asset offering covered in this white paper does not have any time limitations.

D.21. Subscription Period Beginning

There are no provisions for safeguarding funds or other crypto-assets referred to in Article 10 of Regulation (EU) 2023/1114.

D.22. Subscription Period End

ARTup Counter (D2A) can be purchased directly through the ARTup Wallet software application, which integrates the 4RYA-SC protocol of the T.R.I.N.C.I.® 3.0. and Independent Chain blockchains, or also through the Synkrony Exchange application, which integrates the same protocols. The requesting user makes the payment to purchase ARTup Counter (D2A) in FIAT currency or in other crypto-assets accepted by the offeror that are admitted to trading in the Synkrony Exchange circuit.

D.23. Safeguarding Arrangements for Offered Funds/Crypto-Assets

There are no refunds for those who decide to purchase ARTup Counter (D2A), which can however be traded on the secondary market or commodified with goods and services within the Decentralised Phygital Art Ecosystem.

D.24. Payment Methods for Crypto-Asset Purchase

ARTup Counter (D2A) is offered to the public without pre-sale through the virtual currency exchange platform Synkrony Exchange. It can be purchased directly through the digital crypto-asset management wallet "ARTup Wallet" developed by ARTup s.r.l. specifically to facilitate users in the management of fungible and non-fungible artistic assets.

D.25. Value Transfer Methods for Reimbursement

There is no information provided on the right of withdrawal pursuant to Article 13 of Regulation (EU) 2023/1114.

D.26. Transfer of Purchased Crypto-Assets

ARTup Counter (D2A) can be transferred peer-to-peer or traded via Synkrony Exchange. When supply and demand meet on the OrderBook, the ARTup Counter (D2A) bids of the holder will be automatically transferred peer-to-peer from the holder via Synkrony Exchange to the digital wallet of the requester who met the bid.

D.27. Transfer Time Schedule

The transfer of ARTup Counter (D2A) utility tokens occurs when the holder arranges a transfer via his digital wallet. In the case of negotiation, the transaction occurs at the very moment in which supply and demand meet on the Synkrony Exchange OrderBook.

D.28. Purchaser's Technical Requirements

To credit or purchase ARTup Counter (D2A) it is necessary for the buyer to hold an encrypted digital wallet (e-wallet) called "ARTup Wallet", generated with the software application that integrates the 4RYA-SC smart contract (<https://4rya.io>) on D.L.S. T.R.I.N.C.I.® 3.0. and on Independent Chain or even directly on the Synkrony Exchange, using an e-wallet that is compatible with it and

that has been correctly profiled with level 1 of Strong User Identification (K.Y.C. - Know Your Customer or K.Y.B. - Know Your Business). When opening the wallet it will be possible to carry out the purchase operation of ARTup Counter (D2A) by following the procedures indicated on the reference page dedicated to the operation.

D.29. CASP Name

Affidaty S.p.a. (<https://affidaty.io>)

D.30. Placement Form

Synkrony Exchange conducts organised trading of ARTup Counter (D2A) crypto-assets via the OrderBook smart contract, upon independent request directly initiated by the requesting user with approval expressed via the sovereign digital signature relating to the 4RYA-SC protocol.

D.31. Trading Platforms

Virtual Currencies Exchange Platform: Synkrony Exchange (<https://synkrony.io>)
Integrator: ARTup Company (<https://artup.company>)

D.32. Trading Platforms Access

Access to virtual currency exchange platforms is free, but to access them a User needs to create an encrypted web wallet (e-wallet) generated directly on Synkrony Exchange with the 4RYA-SC smart contract (<https://4rya.io>) or directly through the ARTup Wallet software application (<https://wallet.artup.company>), which integrates the same 4RYA-SC protocol with a user-friendly user interface (U.I.) developed specifically for the management of artistic assets. In any case, the applicant's account must be correctly profiled with level 1 of Strong User Identification (K.Y.C./K.Y.B.) performed by the authorised crypto-asset service provider Affidaty s.p.a.

D.33. Involved Costs

The commissions in favour of ARTup s.r.l. amount to 1% of the amount transacted in ARTup Counter (D2A). In the case of trading on Synkrony Exchange, the predetermined commissions of the OrderBook are added, which amount to 1% for the offerer and 1% for the applicant who purchases the crypto-assets.

D.34. Offer Expenses

There are no costs for users to offer ARTup Counter (D2A) to the public.

D.35. Conflicts of Interest

No conflicts of interest of any kind can be identified between the people involved in the public offering of ARTup Counter (D2A). ARTup s.r.l. keeps the web page <https://artup.company/code-of-conduct/> updated, where the ethical code of conduct is published, with which ARTup s.r.l. intends to systematically inhibit the emergence of possible future conflicts of interest.

D.36. Applicable Law

The law applicable to the public offering of ARTup Counter (D2A) is Regulation (EU) 2023/1114 ("MiCAR") and the related, and subordinated, implementations of the Regulation at national level issued by the legislators of the sovereign states in the EEA area in which the crypto-assets are admitted to trading.

D.37. Competent Court

The competent court is that of Rome.

Given the digital and global nature of crypto-assets and taking note of the current legislation, in general the European Court of Justice has jurisdiction over Regulation (EU) 2023/1114 ("MiCAR")

for the correct orchestration between the implementations of the Regulation carried out by sovereign states. At the national level, the Italian Court of Justice has jurisdiction over the regulation and control of crypto-assets at a national level, following the guidelines of the European legislator. This implies that transactions involving Stable Coins similar to e-Money Tokens (EMT) and Asset-Related Tokens (ART) must be authorised by the Bank of Italy and CONSOB. For all other crypto-assets (see MiCAR: “other than”), the applicant for admission to trading remains obliged to submit the white paper to both the crypto-asset service provider and CONSOB, in order to conform their public documents to the current legislation.

E. INFORMATION ABOUT THE CRYPTO-ASSETS

E.1. Digital Token Identifier (D.T.I.):

ARTup Counter (D2A) is a fungible token of the “Auxiliary Digital Token” type published on the T.R.I.N.C.I.[®] 3.0 blockchain following registration with the Registration Authority Digital Token Identifier Foundation (D.T.I.F.): <https://dtif.org/registry-search/>;

E.2. Crypto-Asset Type

ARTup Counter (D2A) is a “utility” type crypto-asset promoted by ARTup s.r.l. for which admission to trading is requested through the authorised crypto-asset service provider Affidaty s.p.a.

E.3. Crypto-Asset Characteristics

The ARTup Counter (D2A) crypto-asset described in this White Paper is forwarded to the competent body CONSOB and through it to ESMA for the publication on the Centralised European Register which is specifically established for listing all offerers of crypto-assets other than asset-linked tokens and electronic money tokens;

E.4. Crypto-Asset Functionality Description

ARTup Counter (D2A) is a payment utility token required to use the digital services offered by ARTup s.r.l. More generally, it is required to interact with ARTup’s smart contracts and thus execute dis-intermediated transactions on the T.R.I.N.C.I.[®] 3.0 blockchain and on Independent Chain, also and above all in a completely decentralised environment. Due to these intrinsic characteristics it can be transferred and traded on the secondary market, possibly constituting a reserve of artistic value over time. The participants of the ARTup Community in general share the ethical and cultural values on which the crypto-activity project is based and therefore contribute to the success of the initiative by using ARTup Counter (D2A) to make payments and exchanges of value between peers.

E.5. Planned Application of Functionalities

All features of the ARTup Counter (D2A) crypto-asset have already been activated.

F. INFORMATION ON THE RIGHTS AND OBLIGATIONS ATTACHED TO THE CRYPTO-ASSETS

F.1. Purchaser Rights and Obligations

The owner of ARTup Counter (D2A) naturally acquires the right of ownership and commercial exploitation of the crypto-asset, being able to decide to keep it or use it to purchase the digital services and products promoted by ARTup s.r.l. or even to trade it on the secondary market. ARTup Counter (D2A) is used as a virtual currency and conventional means of payment of the Decentralised Phyigital Art Ecosystem and therefore offers several opportunities in terms of cheaper, faster and more efficient payments, in particular on a cross-border basis, since their use implies a significant decrease in the number of intermediaries in payment services, undoubtedly favouring financial inclusion.

F.2. Exercise of Rights and Obligation

There are no extraordinary procedures or special conditions for the exercise of the ownership rights of the ARTup Counter (D2A) crypto asset.

F.3. Conditions for Modifications of Rights and Obligations

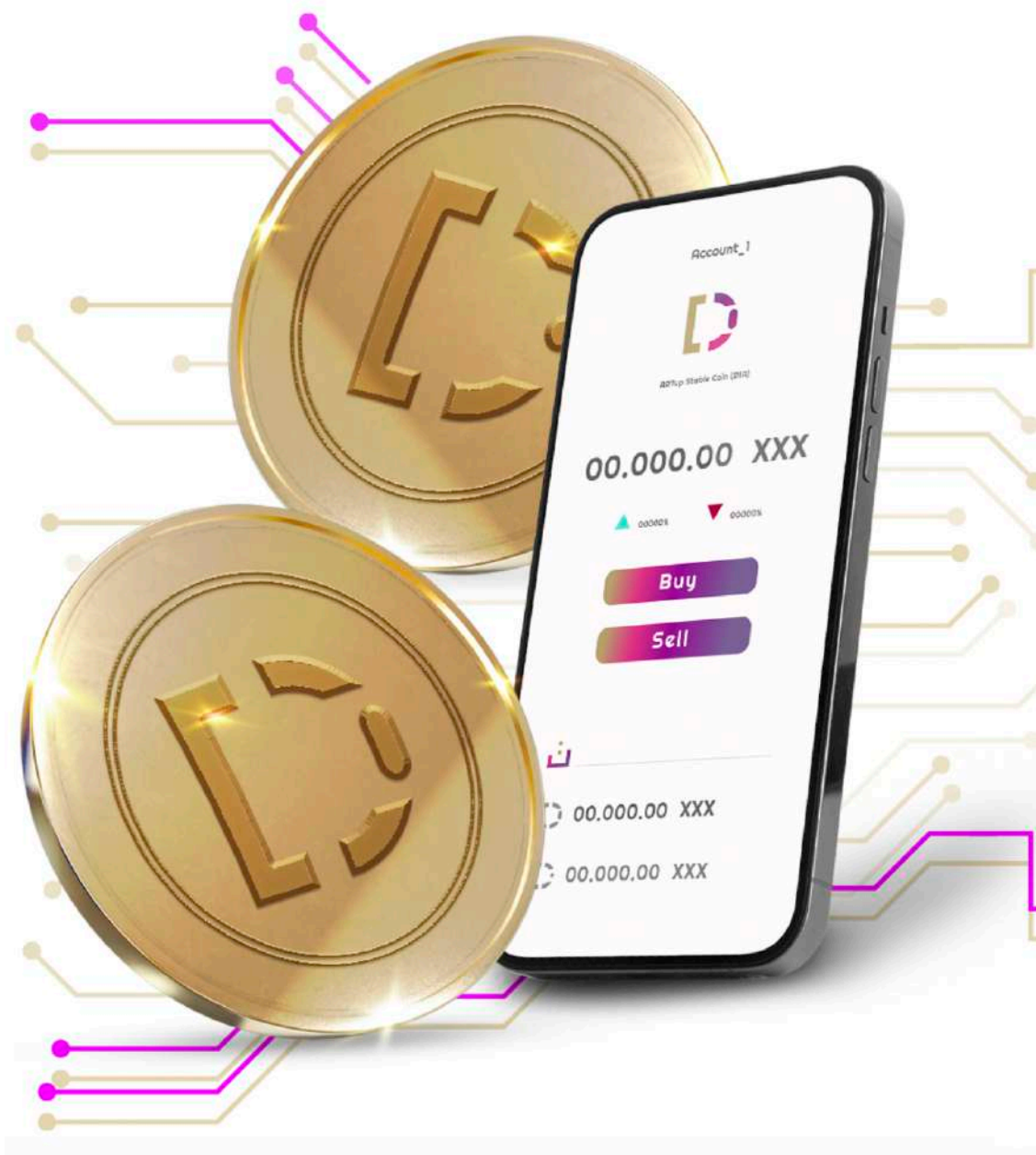
This white paper is drafted in accordance with Regulation (EU) 2023/1114, which is a recent attempt to regulate the crypto-assets market within the European Union. Given the complexity of the case law, national legislators and regulators, although aware of the cross-border limitations of the phenomenon, have begun to frame it with non-convergent approaches, both with regard to the different types of crypto-assets taken into consideration and with regard to the intrinsic characteristics of each of them. Some crypto-assets may still be subject to review by the legislator and therefore may be subject to future limitations or restrictions. Therefore, the only foreseeable conditions for the modification of the rights and obligations relating to the possession of ARTup Counter (D2A) depend on whether the legislator will re-legislate to modify or integrate this regulation.

F.4. Future Public Offers

For the purposes of the project to create a Decentralised Phyigital Art Ecosystem, ARTup s.r.l. plans to carry out the public offering of two other complementary crypto-assets by 2026, respectively called **ARTup Coin (D1A)** and **ARTup Currency (D0A)**:

ARTup Coin (D1A) is a stable coin designed for art collectors and owners. This “Assed Related Token” (A.R.T.) crypto-asset is pegged to the FIAT currency “euro (€)”, in a ratio of 100:1, and is guaranteed by bank deposits in euros. ARTup Coin (D1A) allows holders to manage their artistic heritage in a secure and dis-intermediated manner in the decentralised, phyigital art ecosystem, stabilising the nominal value of the crypto-asset and always guaranteeing its liquidity and interchangeability in FIAT currency.

ARTup Currency (D0A) is a volatile algorithmic crypto-asset of the utility token type, designed for investors and traders. It represents the perceived value of the phyigital art market in arithmetic relation to the “Art Coefficient” indicator, and allows holders to share value and profits by participating in the expansion of the decentralised phyigital art ecosystem.



F.5. **Issuer Retained Crypto-Assets**

ARTup s.r.l. offers for trading up to 80% of the ARTup Counters (D2A) generated overall, holding a 20% reserve to guarantee the necessary liquidity to the art market and above all to help stabilise as much as possible the nominal unit value of ARTup Counters (D2A) in order to relegate it to its primary function of utilitarian payment currency, thus possibly avoiding speculations.

F.6. **Utility Token Classification**

The request for admission to trading of ARTup Counter (D2A) concerns a crypto-activity for trading of "utility" type tokens.

F.7. **Key Features of Goods/Services of Utility Tokens**

ARTup Counter (D2A) is the accounting unit for the payment of the integrated services of the Decentralised Phygital Art Ecosystem promoted by ARTup s.r.l. The price of the services expressed in ARTup Counter (D2A) has the main function of guaranteeing holders the interaction with the smart contracts developed by ARTup s.r.l. on the T.R.I.N.C.I.I.® 3.0 blockchain and on the Independent Chain, such as the "B.A.R.T.-SC." for the blockchain certification of the Art Index (so-called "Art Coefficient"); "ARTup N.F.T.-SC" for the tokenisation of both physical and digital works of art; "ARTup Wallet" for the management of fungible and non-fungible artistic assets such as the buying and selling of N.F.T.-Artworks produced by the ARTup Community, "ARTup Counter

(D2A)” for the use of integrated blockchain services and “ARTup Currency (D0A)” for the measurement of systemic artistic value and the monitoring of the Art Coefficient index in relation to the performance of the phygital art market.

F.8. Utility Tokens Redemption

ARTup Counter (D2A) can be used very simply as a preferred payment currency, choosing it in the payment method generated by the ARTup Wallet when purchasing the desired products and/or services within the Decentralised Phygital Art Ecosystem. The token can also be freely traded on the Synkrony Exchange, which will also allow its migration to other blockchains.

F.9. Non-Trading Request

ARTup s.r.l. has requested admission to trading of the ARTup Counter (D2A) through the virtual currency exchange platform Synkrony Exchange organised by the authorised crypto-asset service provider Affidaty s.p.a.

F.10. Crypto-Assets Purchase or Sale Modalities

ARTup Counter (D2A) is a virtual currency that can be purchased and used via the ARTup Wallet and also traded peer-to-peer or freely traded via the Synkrony Exchange OrderBook.

F.11. Crypto-Assets Transfer Restrictions

There are no restrictions on the transferability of ARTup Counter (D2A), except in cases of major force which may always occur, such as earthquakes, storms or police investigations that may limit its circulation.

F.12. Supply Adjustment Protocols

There are no control protocols that automatically regulate the quantity of ARTup Counter (D2A) in circulation. Its supply remains fixed over time, while the volume traded on the secondary market may vary in direct proportion to changes in demand.

F.13. Supply Adjustment Mechanisms

The case of a reduction in the number of ARTup Counter (D2A) units in circulation does not apply.

F.14. Token Value Protection Schemes

In order to protect the value of the token and keep the ARTup Counter (D2A) cryptocurrency as stable as possible, the issuer intends to regularly place buy and offer orders for ARTup Counter (D2A) at the nominal value of issue, thus contributing as much as possible to the stabilisation of the unit price of ARTup Counter (D2A) over time.

F.15. Compensation Schemes

Not applicable.

F.16. Applicable Law

The law applicable to the public offering of ARTup Counter (D2A) is Regulation (EU) 2023/1114 (“MiCAR”) and the related implementations at national level by the Italian legislator and other states within the EEA area.

F.17. Competent Court

The competent court is the Court of Rome. Given the digital and global nature of the regulation, in general the European Court of Justice is competent on Regulation (EU) 2023/1114 (“MiCAR”).

G. INFORMATION ON THE UNDERLYING TECHNOLOGY

G.1. Distributed Ledger Technology

The Decentralised Phygital Art Ecosystem promoted by ARTup s.r.l. is a system of services and products based on decentralised progressive web applications, integrated with T.R.I.N.C.I.[®] 3.0 and Independent Chain – the blockchain solutions developed by Affidaty S.p.a. These technologies provide a decentralised, open-source distributed ledger system, made available to the Open Source community under the Affero General Public License (A.G.P.L.). This modular and high-performance constitution system is suitable for the construction of blockchains suitable for operating in enterprise contexts, thanks to compliance with current tax and legal regulations. T.R.I.N.C.I.[®] 3.0. and Independent Chain offer inviolable protocols and adopts different consensus algorithms depending on the activity and needs of the network, offering high value-added services to ensure integrity, speed and security to the processes integrated by ARTup s.r.l.

<https://trinci.io/lightpaper/>

<https://independentchain.io/>

G.2. Protocols and Technical Standards

The entire Decentralised Phygital Art Ecosystem was conceived from the beginning with a native Exchange called Synkrony Exchange designed to work with the T.R.I.N.C.I.[®] 3.0 blockchain as well as the Independent Chain extension. It can be used for both FIAT currencies (SEPA, SWIFT etc.) and virtual currencies created on T.R.I.N.C.I.[®] 3.0. or on Independent Chain, i.e. assets within limited network systems: programmable currencies and NFTs. All this is aimed at making things easier for businesses and companies offering crypto-assets. ARTup Counter (D2A) is therefore issued by ARTup s.r.l. and traded via the Synkrony Exchange, which is a decentralised (permission-less) platform integrated on the T.R.I.N.C.I.[®] 3.0 and Independent Chain blockchains, where exchanges take place through a peer-to-peer regime between the different nodes of the network and are not based on intermediaries, currency exchanges or banks that guarantee the transactions but rather the use of smart contracts such as the OrderBook which automatically cross-references the supply and demand of the Synkrony Exchange, according to the dis-intermediated and distributed logic of decentralised finance (DeFi).

G.3. Technology Used

T.R.I.N.C.I.[®] 3.0. is a framework for creating purpose-built blockchains, called HDSB- High Density Scoped Blockchain. The core of T.R.I.N.C.I.[®] 3.0 is implemented in Rust, a high-level and high-performance programming language. Smart contracts are compiled in WebAssembly to allow integrators to write code in a multitude of other compatible programming languages. The decentralised notary system uses Wasm-machine that allows to execute the smart contracts integrated by ARTup s.r.l. to ensure the updates and features necessary for the evolution and systemic scalability and maintenance of this technology.

G.4. Consensus Mechanism

The main categories are: P.o.W. (Proof of Work), P.o.S. (Proof of Stake) and P.o.A. (Proof of Authority), and each has a Byzantine fault tolerance, which is the property of a distributed system that allows it to function correctly even if some nodes in the network are faulty or malicious.

G.5. Incentive Mechanisms and Applicable Fees

The T.R.I.N.C.I.[®] blockchain uses incentive mechanisms to ensure transactions and related fees in an efficient and secure manner. These mechanisms are essential to maintain the decentralised network and encourage active participation of nodes. Validator nodes are in fact automatically rewarded for their active participation in validating transactions through an innovative staking mechanism associated with a random variable, the algorithm called P.o.P. (Proof of Play). For each transaction negotiated on the Synkrony Exchange, stakers gamble the reward for validating

the transaction block with a “roulette spin”, whereby the probability of obtaining the reward corresponds to the arithmetic relationship of the amount of tokens locked in stake by the validator in relation to the total tokens locked for staking on the Synkrony Exchange. The fees charged to the parties that arrange the peer-to-peer transaction amount to a total of 2% of the transaction amount (1% charged to the requester and 1% charged to the offerer), which are randomly assigned to the validator node drawn to validate the transaction. This amount therefore constitutes a reward; it is distributed in the form of cryptocurrency, of the same type as the currency in which the transaction is executed that is validated in the T.R.I.N.C.I.I. network. The rewards that are assigned to validators for each block of transactions that they manage to validate correctly.

G.6. Use of Distributed Ledger Technology

ARTup Counter (D2A) is issued on the T.R.I.N.C.I.I.[®] 3.0 blockchain and cloned on Independent Chain, the open source framework developed by Affidaty S.p.a. that offers inviolable protocols and high value-added services to ensure integrity, speed and security to integrated processes. Thanks to these security protocols, ARTup Counter (D2A) can be transferred peer-to-peer in a decentralised environment, traded on Synkrony Exchange or stored using the same public distributed ledger server T.R.I.N.C.I.I.[®] 3.0. and Independent Chain.

G.7. DLT Functionality Description

An An HDSB (High Density Scoped Blockchain) is a flexible blockchain system that can be adapted to meet the specific needs of any company. It is built to be optimised for the particular use it is designed for and can work as either a public or private register. It can also connect to external networks that provide official authentication (notary services).

The system is scalable: it can be adjusted based on the size and type of activity it supports. For example, it can be configured for high-performance and low-cost transactions (such as for the Internet of Things), or for more complex and secure data management (such as for NFTs), adjusting both the hardware (number of nodes) and software (smart contracts). This blockchain system uses different consensus algorithms depending on the needs of the network. It includes a mechanism that anchors data to a public notary network, ensuring that the information is secure and cannot be changed. It also has a built-in exchange system that connects blockchain with the real economy. This allows peer-to-peer exchanges and the conversion between tokens and traditional (FIAT) currencies, following legal and regulatory rules. Finally, the system supports sovereign digital identities to verify every user on the network, in full compliance with current regulations.

G.8. Audit

No technology audits were performed.

G.9. Audit Outcome

Not applicable.

H. INFORMATION ON RISKS

H.1. Offer-Related Risks

By its nature, ARTup Counter (D2A) is a utility token for the payment of services offered by ARTup s.r.l. integrated on D.L.S. T.R.I.N.C.I.[®] 3.0. and on Independent Chain and therefore may not always be exchangeable for the service promised in this white paper, especially in the event of failure or interruption of the project promoted by ARTup s.r.l. However, it remains exchangeable in a decentralised environment on the secondary market and can be used to interact with “tokenised” artworks, i.e. with those works of art that have been registered and certified in D.L.S. through the smart contract “ARTup N.F.T.-Sc” before the possible failure or interruption of the project. The crypto-asset could lose its value in whole or in part, in relation to the supply and demand related to it and may not be liquid. However, it retains its function of use by guaranteeing the enjoyment of the goods and possibly the services offered by ARTup s.r.l. ARTup Counter (D2A) is not covered by investor compensation schemes pursuant to Directive 97/9/EC of the European Parliament and of the Council and is not covered by deposit guarantee schemes pursuant to Directive 2014/49/EU of the European Parliament and of the Council.

H.2. Issuer/Offeror Admission Entity Differentiation

ARTup s.r.l. is the issuer of ARTup Counter (D2A) and also the applicant for admission to trading on the Synkrony Exchange through the crypto-asset service provider Affidaty S.P.A.

ARTup s.r.l. is not responsible for the anomalous operation of services managed by third parties, such as strong identification of users or segregation of money deposits or the custody, the transportation or theft of artworks.

H.3. Issuer-Related Risks

As a limited liability company, ARTup s.r.l. could go bankrupt and be liquidated, with the consequence that some of the services offered could be deactivated in such circumstances. However, this does not entail any direct risks for users and holders of ARTup Counter (D2A) who can freely negotiate and exchange crypto-assets according to the logic of the decentralised economy (DeFi) of blockchain integrated services and products.

H.4. Crypto-Assets-Related Risks

There may be some potential conflicts of interest that need to be considered in the issuance of ARTup Counter (D2A):

1. **Control and ownership:** If ARTup s.r.l. holds a significant portion of ARTup Counter (D2A), it may be tempted to influence the market to benefit from price changes.
2. **Inside information:** ARTup s.r.l. may have inside information about the performance of the project or the digital art ecosystem, potentially influencing the decisions of other investors.
3. **Token promotion:** ARTup s.r.l. may be incentivized to promote ARTup Counter (D2A) to increase its adoption and the value of the token, although this may not be in the interest of some investors.
4. **Conflict of interest between founders and investors:** If the founders or managers of ARTup s.r.l. also have other interests in the art market or blockchain technologies, there may be conflicts of interest in the allocation of resources or strategic decisions.
5. **Risks not fully disclosed:** There may be risks that are not fully disclosed to investors, for example regarding the security of the blockchain used, the stability of the digital ecosystem and especially regarding regulatory risks.

It is essential that investors carefully evaluate these potential conflicts of interest and assess them thoroughly before making investment decisions in ARTup Counter (D2A) or any other crypto-asset.

H.5. **Project Implementation-Related Risks**

The project envisages the digitalisation of the processes of production and fruition of art by offering various innovative solutions for the decentralised management of artistic assets. For example, the tokenisation of both physical and digital works of art (i.e. the issuance of a digital ownership certificate with N.F.T. technology) through the use of the smart contract “ARTup N.F.T.-Sc” could theoretically imply risks for users since the current regulatory framework does not provide for specific regulations for these types of products. This could therefore generate a probability of latent or not fully disclosed risks, in the sense that the legislator could issue new regulations relating to the aspects excluded from the MiCAR that could in some way limit or even prevent the use of previously generated N.F.T.s. However, this does not prevent users from destroying (“Burn”) or separating (“Split”) the tokenised works of art from the related N.F.T. even in a decentralised environment, limiting the risk to the sole impossibility of recovering the costs incurred for the acquisition of digital goods and/or services.

H.6. **Technology-Related Risks**

In general, the risk associated with DLT technology is that it will become obsolete and be overtaken by new generation systems that exceed its security levels and capabilities. However, this is the risk inherent in any technology built by humans and could therefore be read as both a risk and an opportunity.

H.7. **Mitigation Measures**

To mitigate the risks associated with investing in ARTup Counter (D2A) and address potential conflicts of interest, consider the following strategies:

1. **Investment Diversification:** Do not invest an excessively large portion of your portfolio in ARTup Counter (D2A). Maintain adequate diversification across asset classes, including other crypto-assets, as well as the possibility of owning stocks, bonds, and real estate.
2. **Thorough Research:** Conduct detailed research on ARTup s.r.l., the Decentralised Phygital Art Ecosystem project, and the T.R.I.N.C.I.® 3.0. and Independent Chain blockchain technology. Verify the reputation of the founders, the company's track record, and its previous operations.
3. **Risk Assessment:** Analyse and understand the specific risks associated with ARTup Counter (D2A), including those related to price volatility, blockchain security, and the stability of the digital ecosystem. Make sure you also understand the regulatory and legal risks.
4. **Professional Consultation:** Consider consulting a financial or legal advisor experienced in crypto-assets and blockchain to obtain professional and independent advice on your investment decision.
5. **Transparency and Information:** Look for reliable and transparent trading platforms and exchanges that are regulated, where information about crypto-assets is clear and accessible to investors.
6. **Continuous Monitoring:** Once you have invested in ARTup Counter (D2A), regularly monitor public information and company communications. Maintain constant vigilance of the market and any developments that could affect the value of the token.
7. **Ability to Recover Losses:** Only invest funds that you can afford to lose completely, without compromising your overall financial well-being.

By taking these precautions, you can help mitigate risks and address potential conflicts of interest associated with investing in ARTup Counter (D2A) or other crypto-assets.

I. INFORMATION ON SUSTAINABILITY INDICATORS

I.1. Adverse Impacts on Climate and Other Environment-Related Adverse Impacts

ARTup s.r.l., a company specialised in the digitalisation of the production and consumption processes of artworks significantly contributes to the reduction of CO2 emissions along the entire decentralised production chain of art. This positive impact is reflected in different phases of the value chain, including production, custody, asset management, sale, transportation, reproduction and consumption of works of art.

ARTup s.r.l. uses several innovative digital strategies to reduce CO2 emissions:

1. Production of the Artwork:

The digitalisation of the creative and production process reduces the need for physical materials and frequent travel between artists and laboratories. By using digital tools to design and develop works, ARTup decreases the use of natural resources and associated transportation.

2. CO2 Emission Calculator:

ARTup s.r.l. also implements a digital CO2 emission calculator integrated into the logistics management system. This tool tracks and calculates CO2 emissions for each transportation route and method used, taking into account factors such as vehicle type, fuel efficiency, distance traveled and cargo weight.

3. Asset Custody and Management:

Digitised artworks can be stored in digital formats, eliminating the need for physical warehouses and reducing the need for climate control and energy-consuming physical spaces.

4. Selling via Automated Digital Smart Contracts:

Using smart contracts on the blockchain, ARTup automates the process of selling and transferring artworks, reducing the need for paperwork and physical shipments.

5. Transportation:

The adoption of virtual galleries and participation in digital exhibitions reduces the frequency of physical transportation of artworks. When transportation is necessary, ARTup s.r.l. uses advanced algorithms to determine the most efficient transportation routes; by analysing traffic patterns, fuel consumption rates and other logistical factors, these algorithms help minimise travel distance and time, leading to less fuel use and therefore a reduction in CO2 emissions. The company also uses digital inventory management systems to optimise shipments. This means that multiple artworks destined for the same location are shipped together, reducing the number of trips required and minimising the use of cargo space.

6. Reproduction of the Artwork:

Digital reproductions of artworks reduce the need to print and transport physical copies, further reducing the carbon footprint.

7. Physical Mode of Enjoyment:

By promoting virtual exhibitions and shows, ARTup s.r.l. allows art enthusiasts to enjoy the works without having to physically move, reducing CO2 emissions also associated with visitors' travel.

8. Eco-friendly Packaging:

ARTup implements eco-friendly packaging solutions. These tools ensure that packaging materials are optimized for both protection and minimal environmental impact, using almost exclusively recyclable and biodegradable materials for the packaging of artworks and product packaging. The

cardboard frame is used as packaging for the transport of the artwork and it even acts as a frame for the artworks, which can then be hung on the wall without being unpacked, reducing the environmental impact for the production of the frames.

To meet the regulatory requirements set by Regulation (EU) 2023/1114, ARTup s.r.l. has developed a system of indicators to measure the positive impact of its innovations:

1. CO2 Emissions Calculator:

ARTup has created a digital CO2 emissions calculator integrated into its management systems. This tool tracks and calculates emissions for each stage of the value chain, taking into account factors such as distance traveled, type of vehicle used and energy consumption of digital operations.

2. Digital Dashboard:

The digital dashboard called ARTup Manager shows real-time data on CO2 emission reductions achieved through digital processes. This allows users to monitor the environmental impact of their artistic operations.

3. Sustainability Reports:

ARTup generates detailed sustainability reports that quantify the CO2 emission reductions achieved through their digital processes. These reports include comparisons with traditional transportation methods and highlight specific innovations that contribute to the reductions.

4. Compliance with EU Standards:

ARTup s.r.l. indicators are designed to comply with the requirements of Regulation (EU) 2023/1114, ensuring transparency and consistency in data reporting. Data presentation formats and calculation methodologies are standardized to be easily understandable and verifiable.

By implementing these innovative digital processes and creating accurate indicators to measure their positive impact, ARTup s.r.l. not only improves operational efficiency, but also demonstrates a strong commitment to environmental sustainability, aligning with EU regulations and supporting global CO2 emission reduction targets.