



YellowHeart Protocol Whitepaper

version 1.1

LET'S FIX TICKETS. LET'S REWRITE MUSIC. LET'S DO IT TOGETHER.

The YellowHeart Protocol is
disrupting the ticketing industry
and transforming how artists and fans connect

The live event ticketing market is massive – \$72B and growing – but hasn't innovated past the barcode

Comprised of multiple large markets:

LARGE VENUES
 Concerts, sports, theme parks

MEDIUM VENUES
 Conferences, Broadway, Vegas, festivals, theater, clubs, concerts, comedy, museums, cinemas

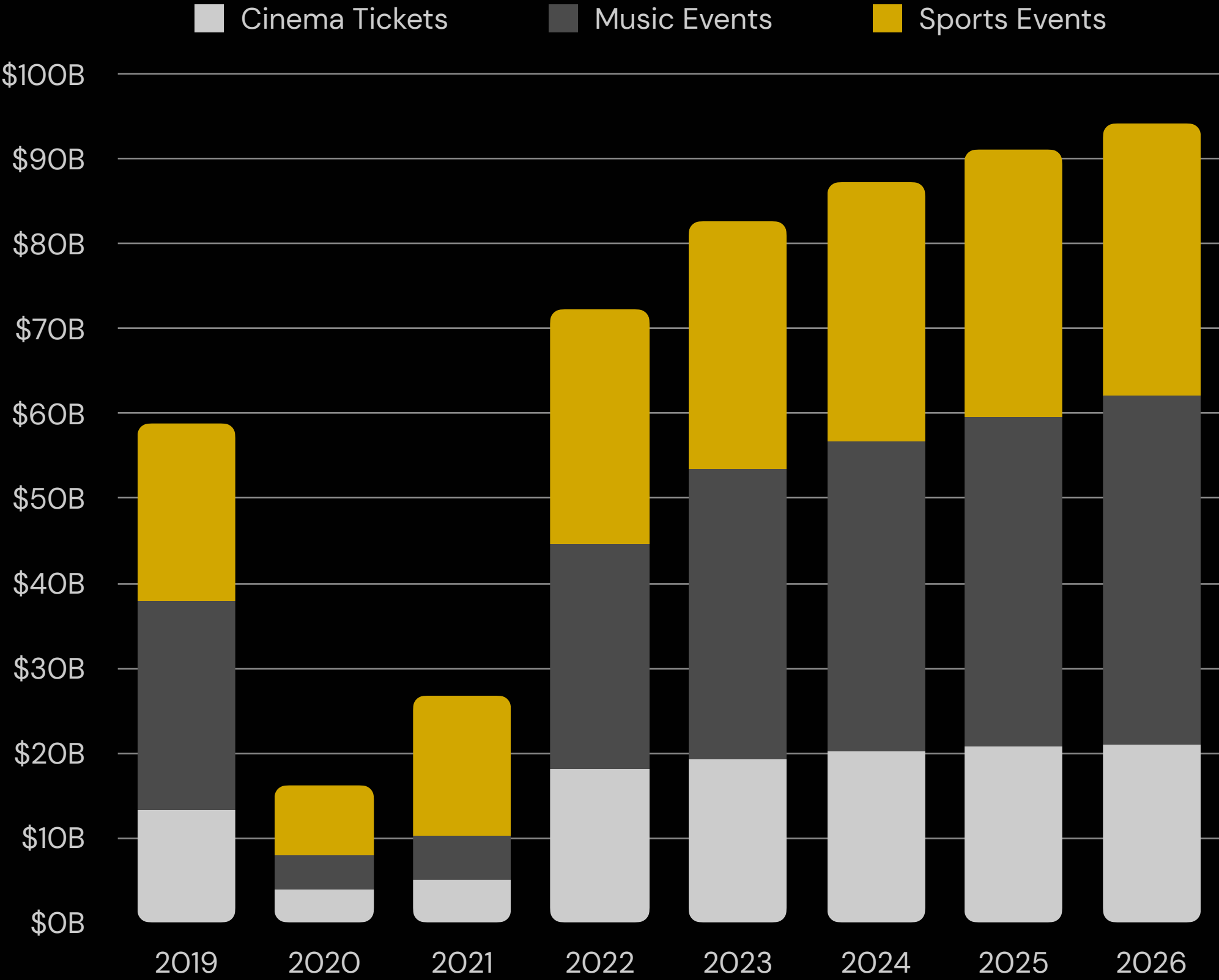
SMALL VENUES
 Self-serve + online

UNLIMITED CAPACITY VENUES
 Metaverse





Global Online Ticket Sales (USD in Billions)



Source: Statista, Dec. 2021



The ticket resale (“secondary”) market is huge but broken and in need of fixing

GLOBAL SECONDARY
TICKET MARKET IN 2020

\$5.2B

PROJECTED SECONDARY
MARKET REVENUE IN 2027

\$9.7B

- Antiquated market dominated by scalpers, brokers and rent seeking middlemen
- Artists, teams and venues don't share in secondary revenues
- Fraud, counterfeiting and bad actors

The ticketing industry is ripe for disruption and held back by outdated technology

- Ticket issuers want transparency and traceability
 - Control ticket sales and resales
 - Trace ticket sales and track all related data
 - Know who their customers are and how to contact them
- Ticket issuers want to make more money
 - Participate in secondary market revenues
 - Offer cross promotion and upsell opportunities
- Fans and artists want to communicate directly
- Everyone wants solutions to scalping and fraud

NFT tickets on the YellowHeart Protocol are a true leap forward and an existential threat to traditional ticketing

- Compelling utility
 - Engaging content and interactivity
 - Collectible
- Platform for fans and artists to connect
 - Direct communication before, during and after an event
- Economics game changer
 - Artists and venues participate in secondary sales
 - Direct marketing to ticket holders
 - Retention and loyalty programs
- Visibility and controls
 - Track sales data and build customer profiles
 - Security features reduce ticket fraud
- Future: set secondary price controls in smart contracts to eliminate incentives for scalpers to enter the market



Tickets as a platform for engagement

The NFT ticket becomes a vehicle for engagement that increases customer satisfaction and lifetime value

Entertainment

Collectibles

Promotions

- Ticket upgrades
- Bundled packages
- Merchandise
- Restaurants & Bars
- Transportation

Retention

- Community building
- Membership programs
- Loyalty & rewards programs
- Exclusive brand partner offers
- Exclusive media and video



The YellowHeart Protocol powers NFTs that provide utility

Alongside ticketing, the protocol targets rapidly growing adjacent markets

COLLECTIBLE NFTS

Collectible NFT sales surged to \$18B in 2021, from just \$83M the year before

MUSIC NFTS

Ramping quickly with huge growth expected in 2023

METAVVERSE NFTS

Metaverse events attract millions of viewers and offer unlimited capacity

COMMUNITY NFTS

Allows artists to give fans exclusive access to content and opportunities to connect

- Demand for utility-based NFTs is growing at lightening speed
- Rise of new business models made possible by NFTs
 - New, better ways to experience entertainment
 - Direct economics between creators and consumers
- The YellowHeart Protocol is at the forefront of this fundamental shift

A rapidly expanding community of premier creators, leagues, venues and brands is already on the platform



THE DISCO
BISCUITS

THE STREETS

Brandi Carlile

John Lennon

GARCIA

ZE

BIG
EAST
CONFERENCE

Block
Down
Croatia 22

METAPURSE

SCOPE

BRITTO

LES CLAYPOOL

ROCK & ROLL
HALL OF FAME

SEVENROOMS

Blue Note
NEW YORK

MGM RESORTS
INTERNATIONAL

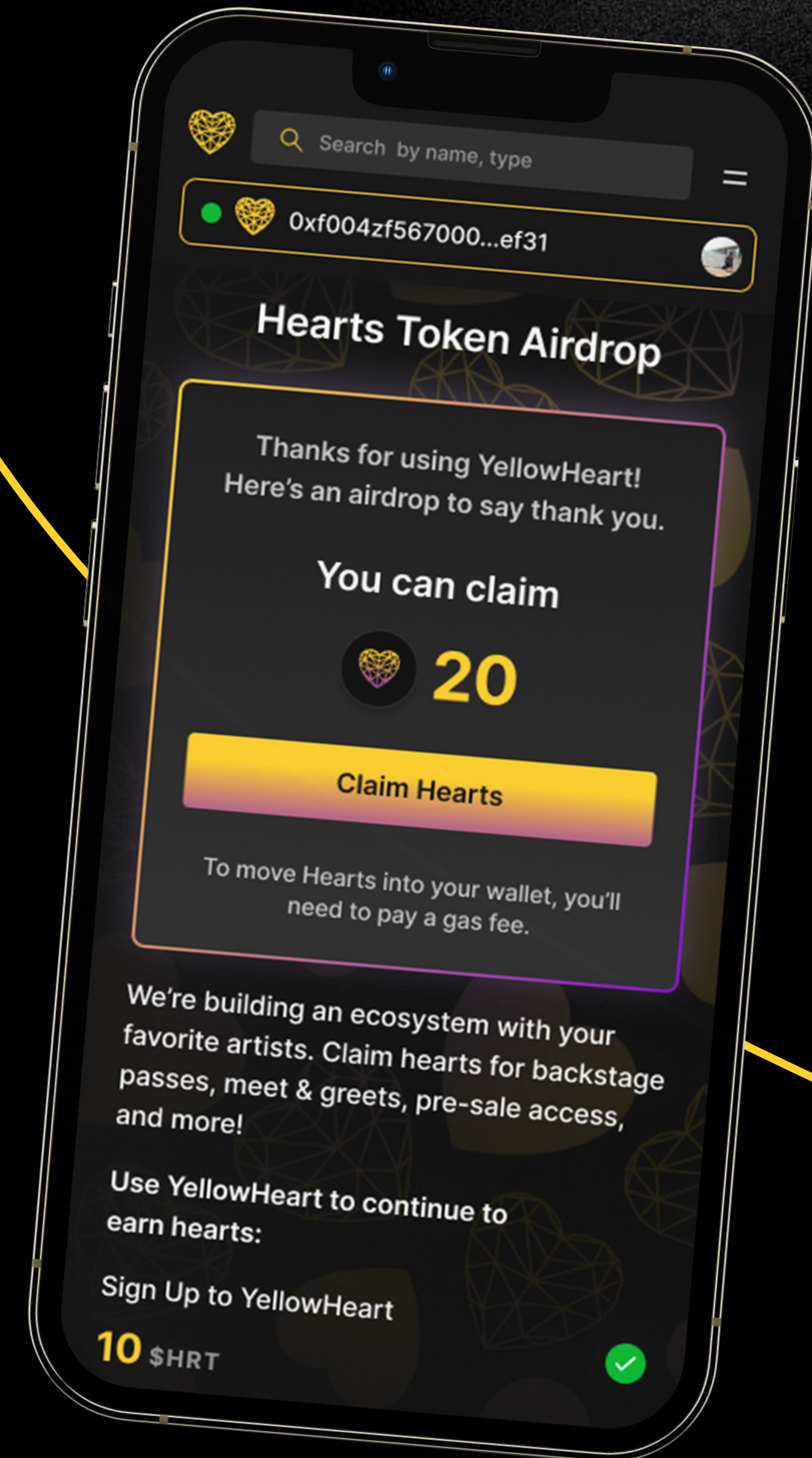
YellowHeart
PROTOCOL

The HRTS token

Utility token facilitates the YellowHeart Protocol's decentralized, peer-to-peer ticketing and entertainment ecosystem



TICKER
HRTS
ERC-20 Token



Near-term utility use cases

Token drives community growth and participation

- **Payments with HRTS**

- HRTS can be used for buyer purchases and seller payouts
- Preferential pricing for transactions completed with HRTS

- **Staking with HRTS**

- Gives artists access to self-serve minting capabilities for music & ticket NFTs
- Gives fans access to exclusive benefits like ticket presales and musician meet & greets; early access to exclusive NFT collections; and special offers and coupons
- Qualifies users for even more attractive pricing discounts and payout rates

- **Rewards with HRTS**

- Token rewards given for engaging with the YellowHeart ecosystem, such as account set up, first purchase, first ticket redemption, and first NFT resale on our secondary market
- Affiliate bounties paid when referral codes lead to new user sign up and purchase

This peer-to-peer ecosystem could adopt an array of new use cases in which members provide value to each other, enabled by HRTS

The ecosystem community might direct the protocol towards any number of uses over time, such as:

Decentralized Financing

- Akin to Kickstarter, ecosystem members propose events or new content for consideration
- Anyone can stake HRTS tokens on a proposal's pre-sale or pre-financing opportunities
- If a minimum threshold of commitment value is achieved, the proposal is funded; staked amounts then convert into purchases and the NFTs are minted

Decentralized Sale of Services

- Any ecosystem member can sell services to NFT issuers in exchange for HRTS
- Services could include additional functionality for the NFTs; access to advertising, sponsorships and promoted placement in search results; historical data on sales levels, pricing and keyword search terms; advanced analytics; marketing automation; and beyond

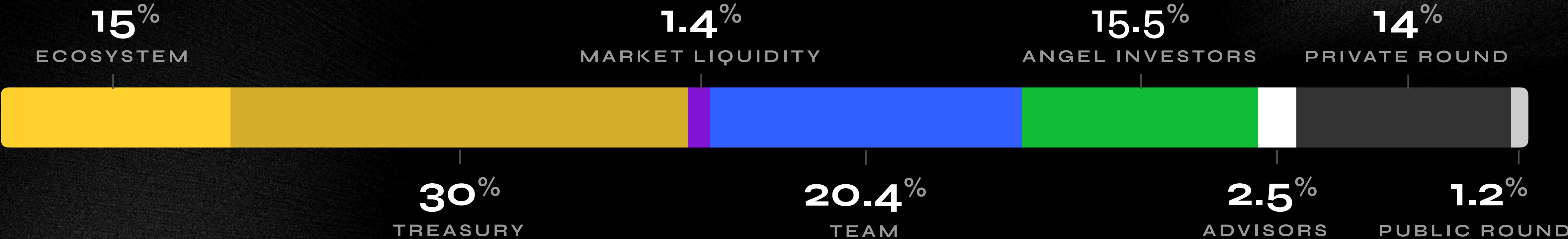
Decentralized Governance

- DAO governance of content curation, protocol funding grants or functionality roadmap

Decentralized Distribution

- Multiple independent NFT marketplaces powered by the protocol

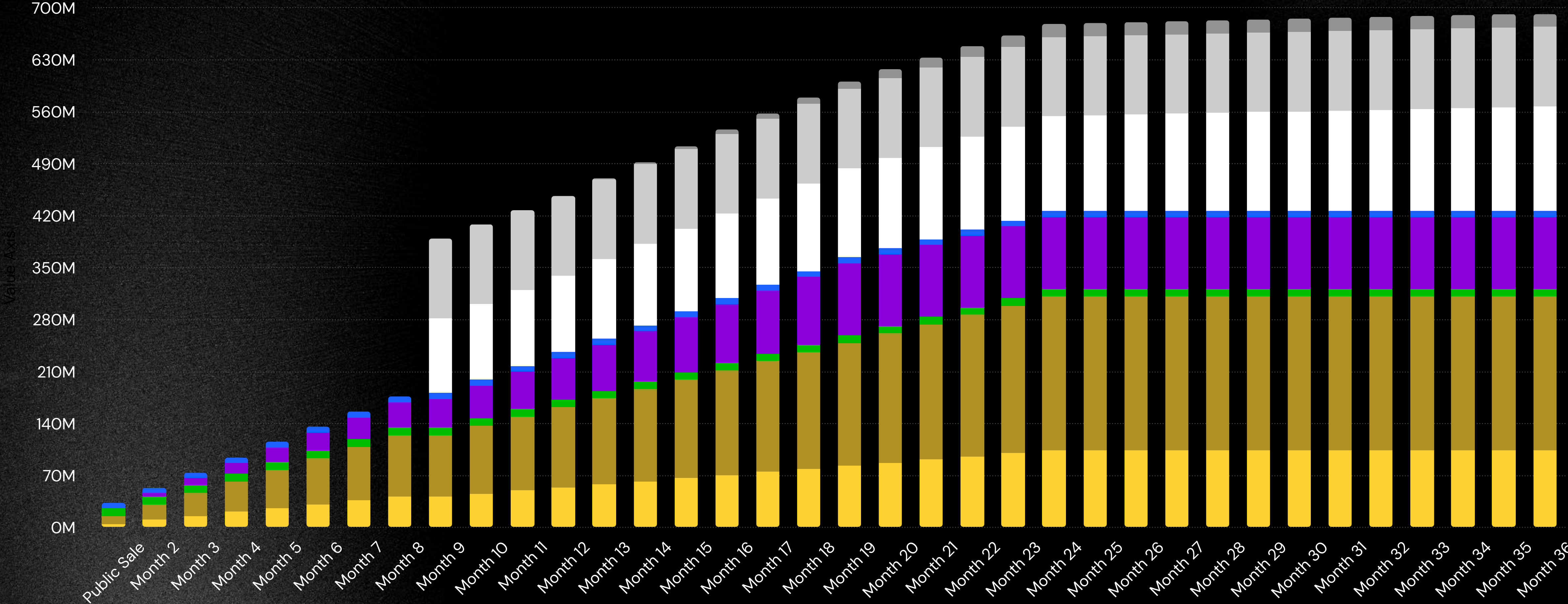
Tokenomics



| | Ecosystem | Treasury | Market Liquity | Team | Angel Investors | Advisors | Private Round | Public Round | Total |
|------------------|-------------|-------------|----------------|-------------|-----------------|------------|---------------|--------------|-------------|
| Allocation | 103,800,000 | 207,280,000 | 10,000,000 | 141,480,000 | 107,260,000 | 17,300,000 | 96,880,000 | 8,000,000 | 692,000,000 |
| % Total Supply | 15.0% | 30.0% | 1.4% | 20.4% | 15.5% | 2.5% | 14.0% | 1.2% | 100.0% |
| Vesting (months) | 24 | 24 | 0 | 9 | 9 | 24 | 18 | 0 | |
| Cliff (months) | 0 | 0 | 0 | 9 | 9 | 12 | 1 | 0 | |
| TGE: % Unlocked | 5.0% | 5.0% | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 100.0% | |
| TGE: # Unlocked | 5,190,000 | 10,364,000 | 10,000,000 | 0 | 0 | 0 | 0 | 8,000,000 | 33,554,000 |
| TGE: % Supply | 0.8% | 1.5% | 1.4% | 0.0% | 0.0% | 0.0% | 0.0% | 1.2% | 4.8% |

Token unlock schedule

■ Ecosystem
 ■ Treasury
 ■ Market Liquidity
 ■ Private Sale
 ■ Public Sale
 ■ Team
 ■ Angel Investors
 ■ Advisors

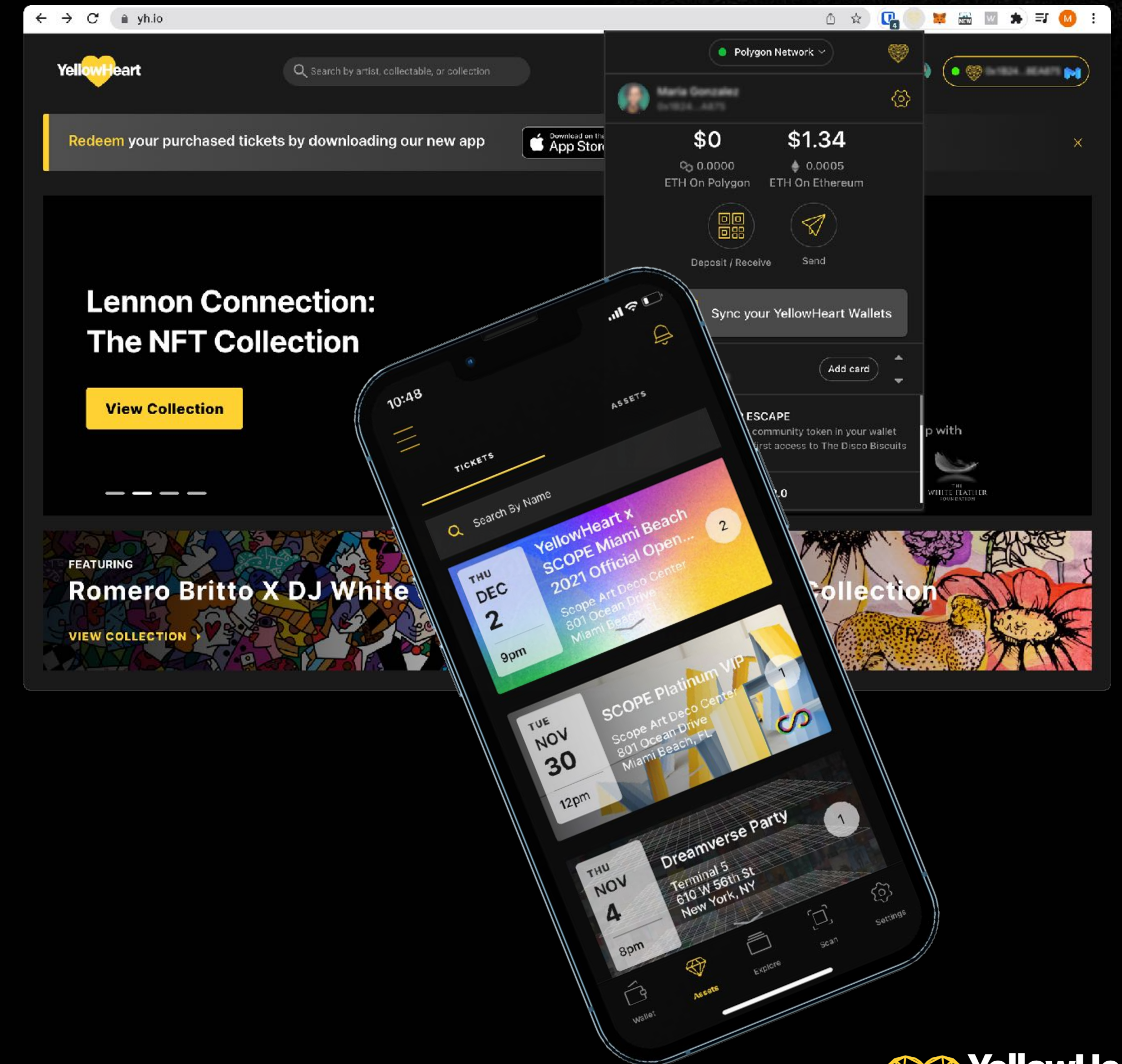


Maximum Total Supply: 692 million



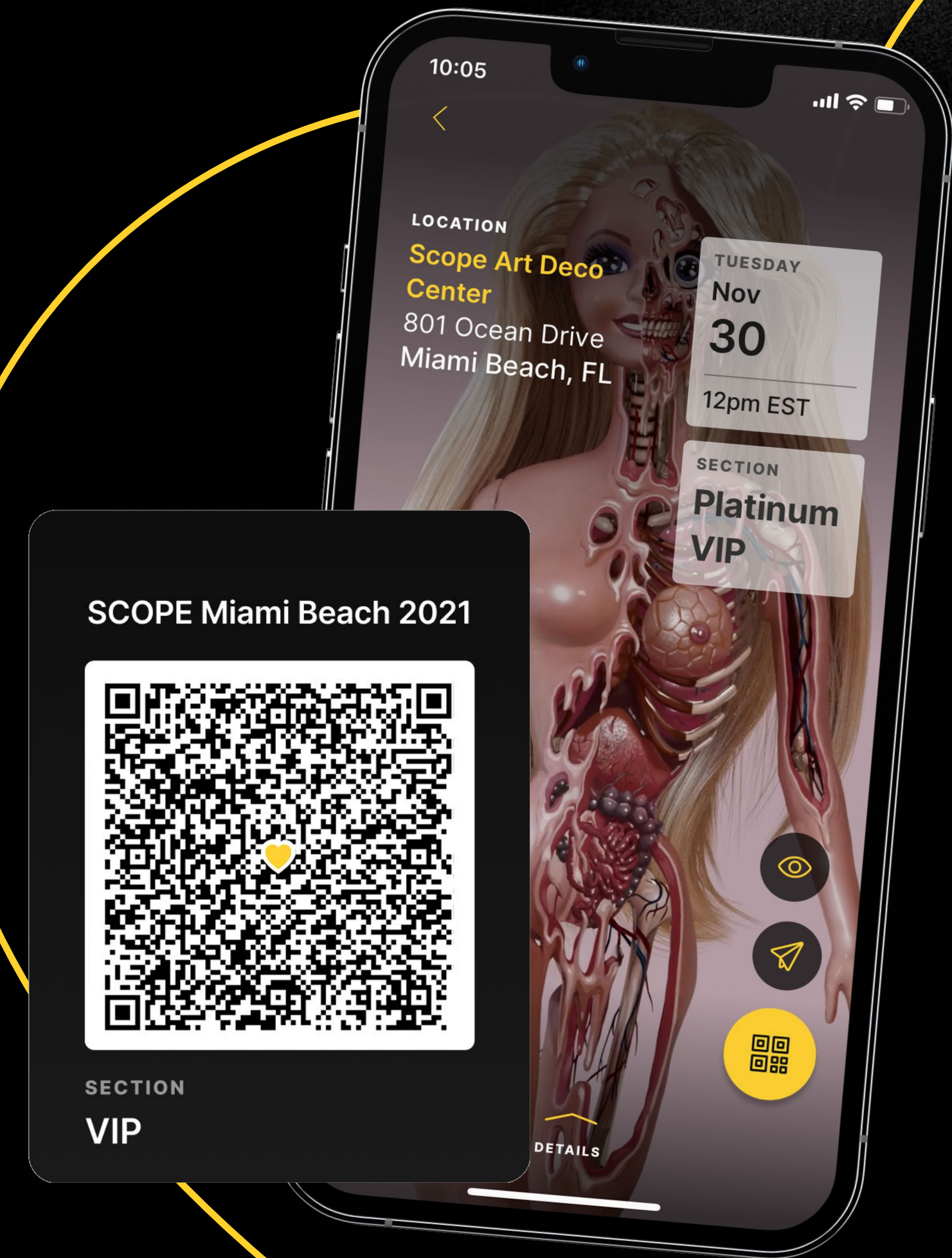
The protocol's core technology provides an end-to-end, full featured NFT platform

- NFT marketplace
 - Primary sales are live
 - Coming soon: secondary market
- Mobile app with integrated wallet (iOS + Android)
- Chrome extension with integrated wallet
- Proprietary crypto/NFT wallet
 - Native audio and video streaming
 - Both credit card and crypto payments
 - Airdrop functionality
- Ticket redemption app for NFT ownership verification
- Backend reporting dashboard



The YellowHeart platform offers differentiated capabilities that provide true utility

- User experience designed to provide consumers with an easy on-ramp to crypto
- Patent pending rotating QR codes
- Seated ticketing capabilities
- Push notifications and messaging
- Open edition, limited edition, and auction capabilities
- Gated access to digital and physical content
- NFTs interoperable on multiple blockchains and can be stored in any wallet
- Supports blockchains that allow for no gas fees to consumers
- Scalable, enterprise grade performance



YellowHeart Platform Tech Facts

Platform

- High throughput, low latency system
- Less than 10 millisecond round trip time to send requests
- Processed over 300,000 user requests in a 5 minute period on the first day of launch
- Minted over 30,000 NFT's on first drop during launch
- Auto-horizontally scalable API server cluster
- Durable backup and recovery system

Second Layer Network Support

- NFT's are minted on the Polygon Matic Network secondary
- Energy Efficient and Environmental Friendly, a transaction only costs 0.0042 KgCO2 versus 35.53 KgCO2 using Ethereum.
- Batch processing support
- Cost efficient, minting NFT's costs less than 1 cent, a tiny fraction of the cost of minting on Ethereum

THANK YOU

For more information:
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