

Aim of this presentation



- In this deck we showcase new file formats for the creation of digital visual art NFTs. They are part of our suite Nina.
- Nina has been conceived to facilitate the management and protection of IP rights through dedicated file formats, whilst granting
 would-be buyers of digital artwork the ability to enjoy it to its fullest. In turn, the wider public would also be able to access such
 digital art creations, but in a slightly degraded form.
- The formats have been called NFTI (or NFT for images) and NFTA (or NFT for animation). They embed a highly complex encryption protocol, un-hackable using known techniques, and a digital certification tag issued by its author, thus becoming a guarantee of authenticity and provenance.
- The files generated using Nina's protocol can be therefore copied or transferred by electronic means, but will only become accessible
 in undegraded form by a pre-determined number of owners, depending on the number of key tags issued by the author.
- Their deployment is platform-agnostic. Both files and public key tags can be distributed using DLT and blockchain-based protocols, or through traditional centralized marketplaces. Buyers generate their private keys independently.
- The combination of DRM, publicly-verifiable certification and encryption makes the NFTI and NFTA formats an ideal solution for digital artists wishing to retain full control over their IP in any type of marketplace or situation. For investors, beyond the enjoyment of each NFT piece it also facilitates their transaction in secondary markets (as you would do, say, with physical artwork on a canvas). Finally, the general public can also enjoy the artwork, but only in a slightly degraded form.

The very reason why we want to get it right both for visual artists and for investors in digital art

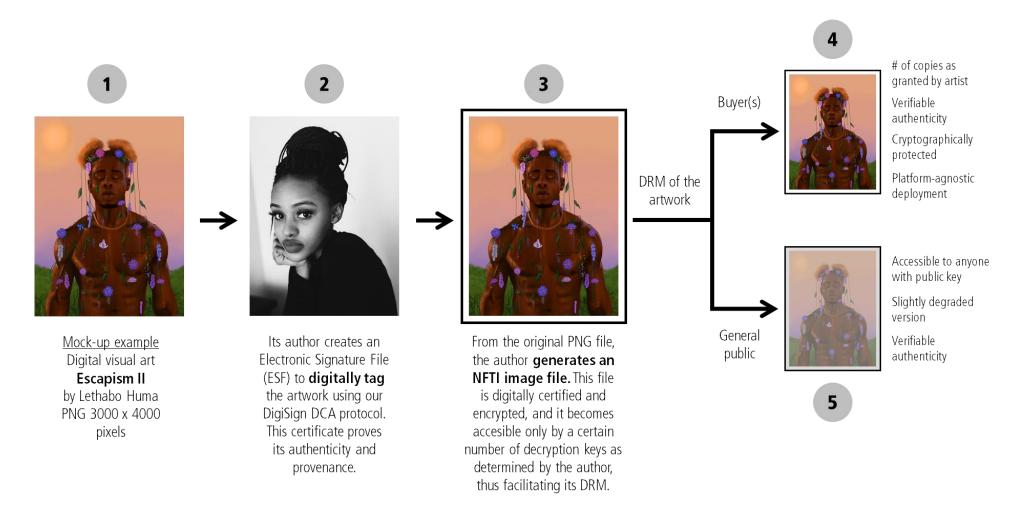




Snapshot of the process

A simulated example of how the technology works

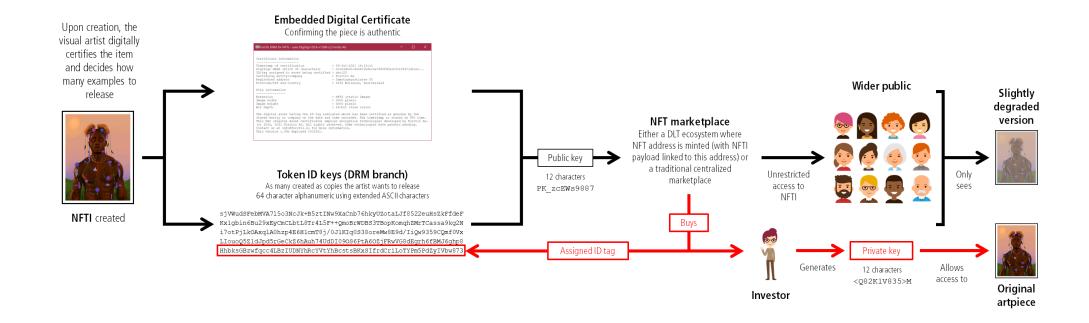




Digital artwork by Lethabo Huma (South Africa, 1998) exhibited as part of the "System Shock – 777 Art Exhibition" by the Museum of Contemporary and Digital Art (MOCDA). The image herein reproduced is © of Lethabo Huma and MOCDA when applicable. The digital artwork showcased has been used as an example and its use in this presentation does not imply an endorsement nor support of the technology by its copyright owner(s).

Implementation





One NFTI having multiple IDs and co-keys (individually generated) for private access and a single public key for the wider public

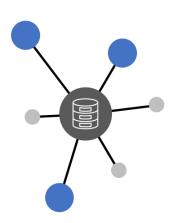
No constraints to deployment nor access



Permissioned or permissionless ecosystems

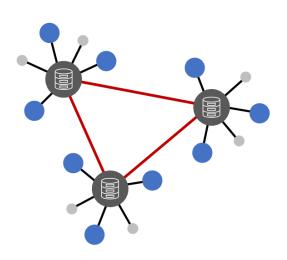
Centralized

Relies on a single server. This is the classical deployment.



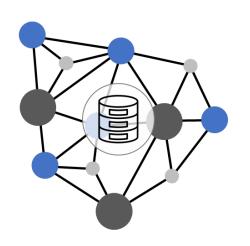
Decentralized

Components that operate on local (and possibly shared) information.

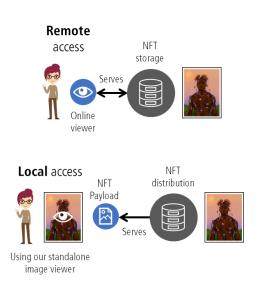


Distributed

Components that coordinate their actions to serve information.



NFTI access possibilities



Both the NFTI files and its KMS (Key Management System) alongside access and rights registration can be deployed through any type of architecture. The NFTI format is platform agnostic.

Access to buyers of an NFTI or NFTA





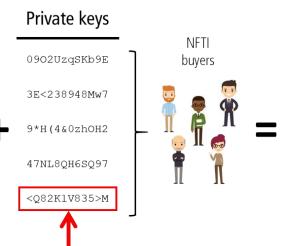
NFTI of original visual art

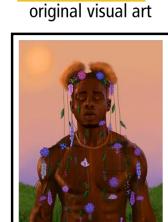
1 piece



Token ID keys (or long keys)

Five individual accesses granted





Undegraded view of



Digital certificate

Access to the same artwork by the general public





NFTI of original visual art

1 piece



sjvWudsFebMvA715o3NcJk+B5ztINw9XaCnb76hkyUZotaLJf8522euHsZkFfdeF

Kx1gbin6Bu29xEyCmCLbA8Tr4L5F++GottpBS3T5pKomqhZMrTCassa9kg2N

Any of the 5

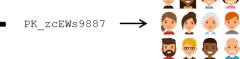
i7otPjLkOAxqlA0hzp4E6Hlcm78j/0J1KIq0S38oreMw8E9d/IiQw9359CQmf0Vx

Token IDS

LIouoQ5Z1dJpd5rGeCkZ6hAuh/4UdbIU9OS6FtA6OZjFRwVG8dFgrh6fBMJ6ghp8

HhbksGBzwfqcc4LBzIUDNYhRcYVtYhBcstsBKxSIfrdCriLoTYPm5PdZyIVbw873

One public access key



Wider

public

Degraded view of original visual art







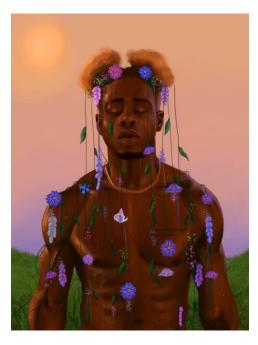
Digital certificate

Image degradation

Injected artifact can be calibrated between 10% and 30% degradation

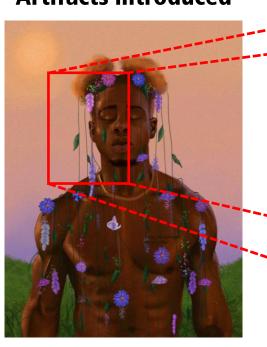


Original NFTI Full resolution

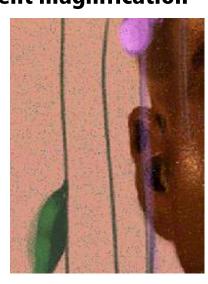


Degraded NFTI

Artifacts introduced



Degraded NFTI **Close-up at different magnification**



Degradation intensity can be manually when the artist generates the NFTI

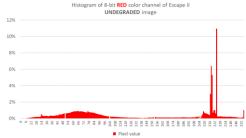
Image degradation is introduced by a proprietary algorithm, processing each color layer independently. The end result ensures the image is still easy on the naked eye but unusable for most applications (such as digital walls or digital reproduction) and is virtually impossible to remove.

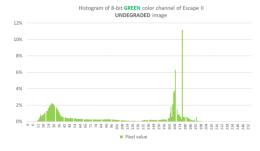
Why we say that degradation is persistent?

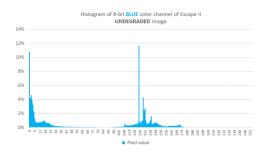




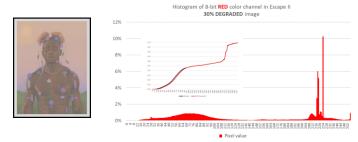
Undegraded image

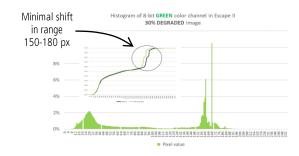


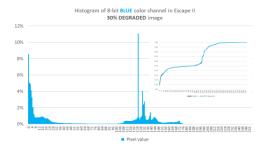




30% degraded image







Our algorithm injects random noise whilst trying to preserve the pixel (intensity) distribution in each color channel. The Escapism II example is a PNG image file having a color depth of 24 bits (8-bit per color).

In such way, it becomes virtually impossible to lift the noise artifact from an NFTI or NFTA file without noticeably distorting the original image.





NFT for Images

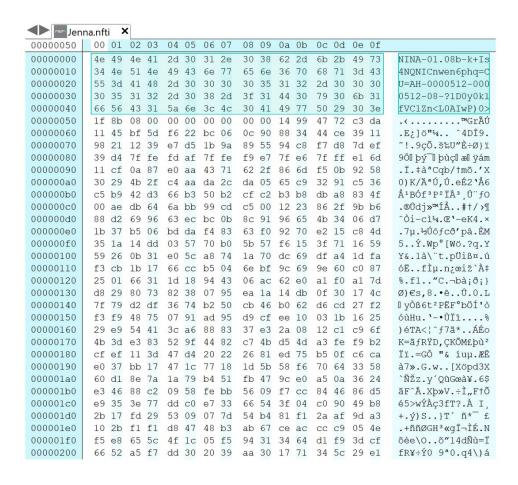
NFT for Animations

Letters in a Sans Serif typeface derived from the Induction font by Typodermic. Induction is © 2020 of Typodermic Fonts Inc.

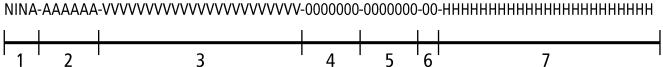
NFT in white letters with ending "I" or "A" in Forctis Green #08ffe0 Backdrop in Lava Gray #5e686c

NFTI and NFTA file header structure





NFTI and NFTA header structure (80 characters long, 7 groups)



Group	Descriptor
1	NINA (originator)
2	Platform version
3	Image integrity control tab
4	Image width in pixels
5	Image height in pixels
6	Bit depth
7	Certificate and data integrity
	control tab

Software components





DigiSign DCA ESF file



Used by/for

Digital artist (or NFT minter)

Accesible from

Forctis AG infrastructure

Purpose

Issues ESF (electronic signature) for NFTI certification.

2

NFTI/NFTA creation suite



Used by/for

Digital artist (or NFT minter)

Accesible from

Stand-alone program distributed by Forctis AG

Purpose

Creates NFTI and NFTA files from the original media

3

E2E process

PKG unlock code



Used by/for

Digital artist or minting platform

Accesible from

Forctis AG infrastructure

Purpose

Issues unlock code for key generator (PKG) 4

Private key generator (PKG)



Used by/for

NFTI/NFTA buyer (with unlock code)

Accesible from

Stand-alone program distributed by Forctis AG

Purpose

Generates PKG for unrestricted view of NFTI and NFTA files 5

Free image viewer for NFTI/NFTA



Used by/for

Anyone, for free

Accesible from

Stand-alone program distributed by Forctis AG

Purpose

Image viewer for NFTI and NFTA files

Addressing the NFT critics



As a reference point, we take David Gerard's entry in his blog *Attack of the 50 Foot Blockchain* from March 11, 2021. See https://bit.ly/3BXtrKf. David is a honest, well respected and lucid crypto critic, and his POV on NFTs (in fact, many of his observations around NFTs, as well as those by many others) have been pivotal in the process of conceptualizing Nina. Of course it does not tackle all the criticisms (such as, e.g. the CO₂ footprint of the technologies used to mint NFTs) as the focus is on the way NFTs themselves are created, not how they are distributed. Why? Because the NFTs generated using Nina are **platform agnostic** which means they do not necessarily require blockchain or DLT marketplaces for their distribution.

What is an NFT?

David mentions "[an] NFT is a crypto-token on a blockchain. The token is virtual — the thing you own is a cryptographic key to a particular address on the blockchain..." adding that an NFT "can contain a web address, or maybe just a number, that points somewhere else. An NFT is just a pointer."

Not with Nina. NFTIs and NFTAs files are the NFTs themselves. The owner can store them in the digital media of their choice, there is no reliance in a third party for continuous access.

When I buy an NFT, what do I get?

In its current fashion, as David argues, you are "buying the key to a crypto-token. You're not buying anything else. An NFT doesn't convey copyright, usage rights, moral rights, or any other rights, unless there's an explicit licence saying so."

Nina allows the digital artist to uniquely link a cryptographic tag to the NFT itself (as it is "baked into" the NFTI or NFTA file) and hence explicitly associate contractual rights and covenants, if he/she so wishes, to a very specific piece of art. Such contracts do not come de facto: the artist has to set them up independently. The important thing to remember, once again, is the ability for marrying a contract to a clearly identifiable NFT (or series of NFTs) created by Nina. It therefore allows artists to have full DRM over their work.

Banksying the unbanksied: fraudulent NFTs

David writes "[T]here is no mechanism to ensure that an NFT for an artwork is created by the artist... you could create an *unlimited number* of NFTs that all claimed to be of a single particular work."

As said above, NFTs created using Nina embed a digital certificate into them. Forctis AG issues such certificates and will conduct KYC and other checks prior to assigning an ESF (Electronic Signature File) to any individual or entity, in the same way electronic signatures are issued by any DCA.

Recap



- Forctis has developed Nina, a new platform for digital visual arts distribution through new formats, called NFTI and NFTA for static and animated images, respectively.
- Both formats have been developed for digital art intended to be primarily curated as NFTs (non-fungible tokens). They provide a simple and effective means for artists to protect and manage their IP rights. In turn, investors in the digital artwork can enjoy the uniqueness of the piece they have acquired.
- It also enables the wider public to enjoy those creations, however limited to a degraded version of the original. The degradation is such that the artwork can be well appreciated in terms of its composition and chromatic palette, but the artifacts introduced make the rendered image unsuitable for applications (e.g. digital walls or reproduction).
- Those artifacts are highly unlikely to be satisfactorily removed using known techniques.
- Furthermore, the embedded encryption (using a dual set of keys) is unbreakable by known techniques.
- NFTI and NFTA files can be distributed either through decentralized platforms (e.g. minting an associated token) or using more traditional channels. In that sense, the format is platform agnostic.
- Both formats can be self-hosted. There is no need for a trusted third-party to intermediate in accessing the files.
- Our proprietary image viewer (to render NFTIs and NFTAs) would be free to use and update, with no license fees nor other restrictions imposed. We may license the rendering engine so that it can be incorporated to other popular image viewers.

Nina's Roadmap



- DigiSign DCA technology for file or token certification is ready and available.
- Launch and availability of static image generator and viewer is in advanced beta.
- 8-bit and 24-bit JPG (JPEG) and PNG are currently supported. Other static image formats (e.g. TIFF) are scheduled to be supported by late H2 2021.
- Rendering of MP4 and GIF formats is also possible. We will add other formats used for animation, including VR, during H2 2021.
- Nina's NFT file formats © by Forctis AG
 - **NFTI** is the extension given to files generated for **static images**
 - **NFTA** is the extension given to files generated for **animated images**
 - We are also currently evaluating extending the technology for **audio recordings**. The planned extension for those files would be **NFTW**.

Why the name Nina?

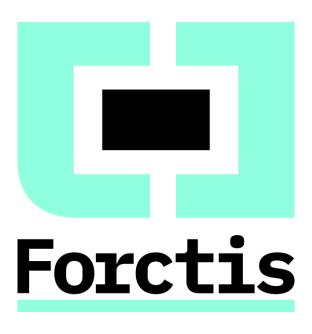




Nina (Guillermina) Salazar was a unique teenager, and the daughter of our CEO Eduardo Salazar. She tragically passed away in January 2021, a few weeks short of her seventeenth birthday.

A polymath, Nina had a natural gift for both arts and sciences. She was an accomplished musician, and early on showed her talents for visual arts, particularly computer-aided designs. Nina also expressed a passion for other fields, such as computer science, veterinary and marine biology. Perhaps more importantly, she was an incredibly caring soul who, despite her own struggles, positively touched the lives of all those who she met during her lifetime. She is, and will be, incredibly missed. Our world (a cruel, unforgiving place for many teenagers) has forever lost an incredibly talented human being.

Eduardo created this software suite as a gift to the memory of his daughter, believing her talents for digital art made it appropriate. Forctis AG agreed to name it Nina, on his request.



https://forctis.io

This document and the information contained therein are © 2017, 2018, 2019, 2020, 2021 of Forctis AG. We kindly ask you not to distribute this presentation or parts thereof by any means without our consent.

For any queries, please contact us at info@forctis.io

To know more about our team simply go to http://forctis.io/ and browse the About Us section.

Logos and isotypes are ® by Forctis AG. Images used are © of their respective authors. Some material and technologies in this presentation are protected by patents or have patent applications in process at the time of writing.

Forctis AG is a company registered in Switzerland under number CHE-410.610.981 Registered address is Samstagernstrasse 55, 8832 Wollerau, Switzerland

