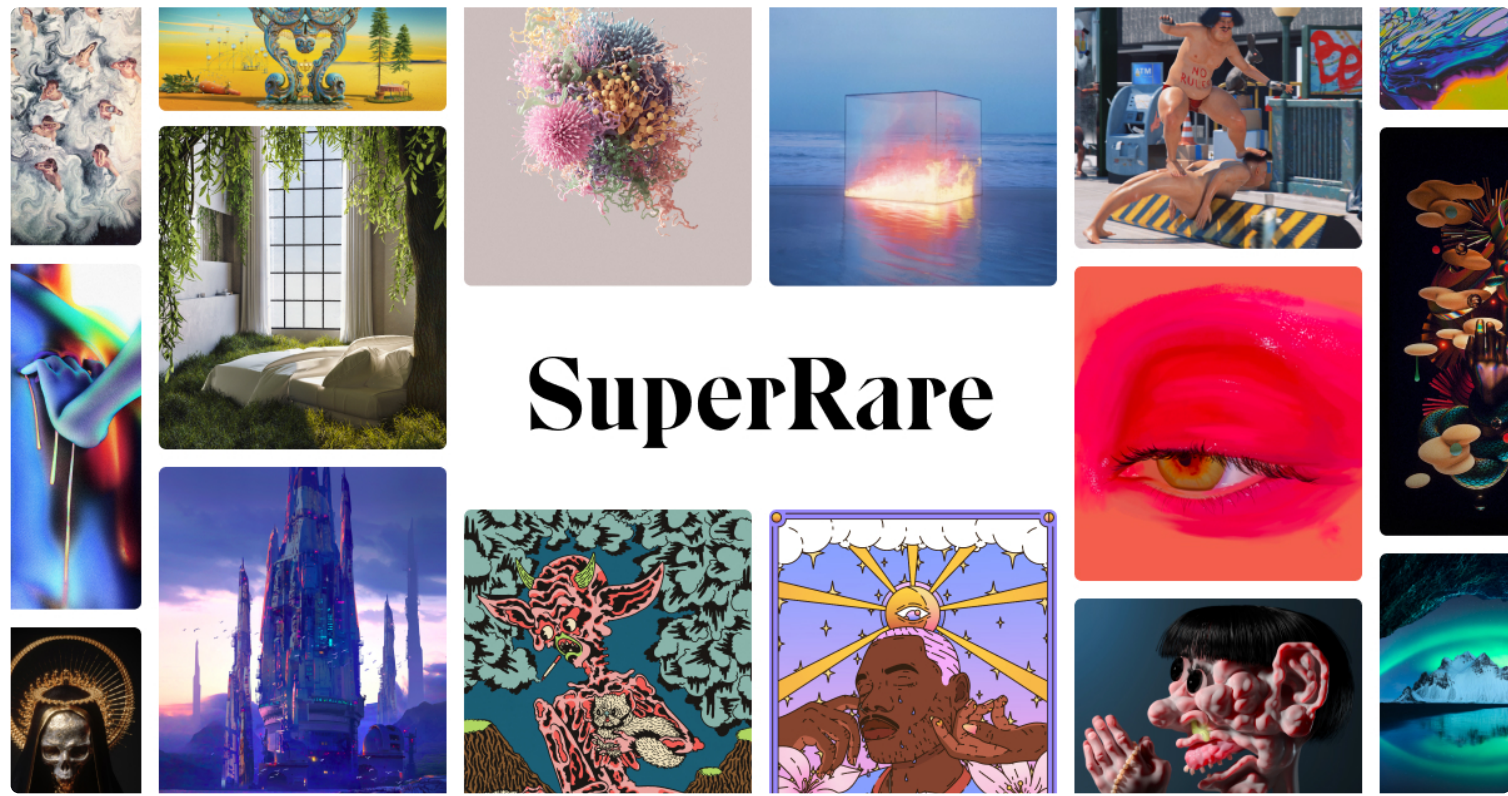


SuperRare 2.0 Whitepaper

:

An evolutionary leap for artists and collectors in the decentralized web



A pioneer in the NFT space, SuperRare has grown into the premier NFT art platform, with \$200M+ of art collected and \$5M+ in artist & collector royalties paid to date.

While highly impactful for thousands of early artists, collectors and community members, SuperRare's success thus far is minuscule compared to how large the internet art market will become over the next 10 years.

In order to scale up and take advantage of the true power of web3, SuperRare is embarking on a path of progressive decentralization – shifting ownership and governance of the network to our community.

Scaling up requires rethinking our approach to three fundamental areas of the platform:

- The tools available to artists, collectors and curators
- Where value accrues in the network
- Decentralized curation

This paper introduces significant changes in all three of these areas. Collectively, we're calling these changes SuperRare 2.0. The future of art begins today.

Historically, value from fees and commissions on the platform have gone to the core team to fund ongoing operations and continued growth. In SuperRare 2.0, all fees will go directly to a new community treasury controlled by the SuperRare DAO.

On the product side SuperRare 2.0 introduces the concept of Spaces, independently-run gallery storefronts, to foster a diverse ecosystem of curatorial voices and help artists receive as much promotion and sales support as they feel is necessary. SuperRare 2.0 also supports a multi-contract architecture in order to double down on our belief that artists should be sovereign actors in charge of their own destinies.

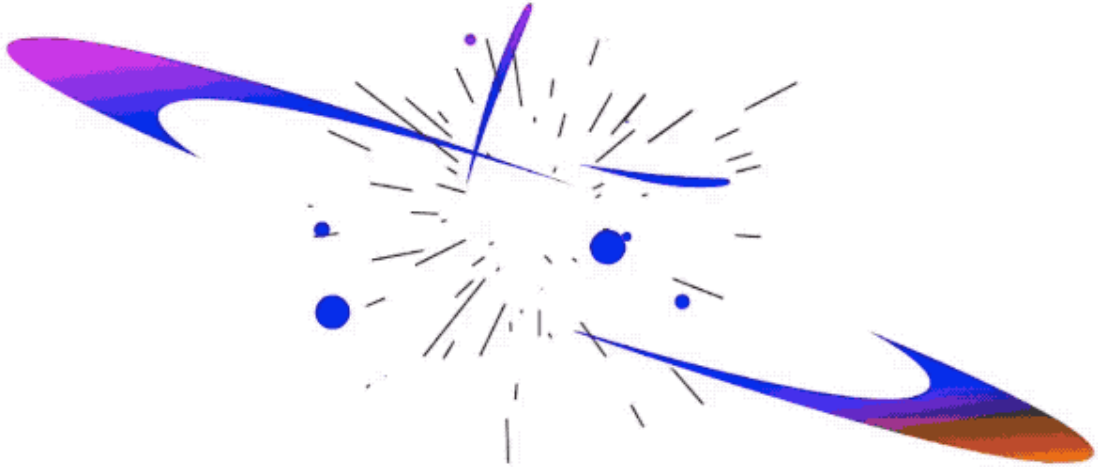
Curation will begin progressively transitioning to our community of artists, collectors, and curators via a new SuperRare curation token, \$RARE. This is the beginning of the SuperRare DAO.

This paper serves as the basis for our thinking around SuperRare 2.0. Certain aspects will be introduced and evolve over time, but we hope these details can provide clear guidance around our commitment to the power of self-organizing communities.

Next-generation NFT Platform

:

The challenges and opportunities presented by the CryptoArt revolution



We are proud to have been an early participant in the NFT ecosystem, pioneering a simple yet powerful set of tools – and a product model that would be replicated by many subsequent platforms. In SuperRare 1.0, the core team hand-picked and approved artists to mint their works on a shared smart contract as SuperRare NFTs (SUPR tokens). The artists were then in charge of self-promoting and selling their artworks directly to collectors.

This model was the foundation of the “curated platform era”, which was useful helping bootstrap the early NFT art market. However, as the ecosystem has matured three major shortcomings of the model have become apparent:

1. Curation and gatekeeping by a single, centralized team isn’t conducive to building a healthy, web-scale art ecosystem. Art is inherently subjective, and a diverse array of curatorial voices is needed.
2. Artists deserve as much support with promotion and sales as possible. But as the community of artists in the space grows, the less promotion a single team can do for each one.
3. The broader NFT art ecosystem has turned into a fragmented experience where artists and collectors have artworks arbitrarily segmented across platforms, and there’s no good way to manage one’s whole collection.

SuperRare 2.0 was designed to address these three challenges head on, introducing key changes to several aspects of the platform architecture and broadening the set of tools available to artists, collectors and curators.

Curation at Web Scale

⋮

i *Curation strategies and plans for the network may change or be modified subject to or based on the independent approval of the SuperRare DAO, if necessary, and the independent business plans of SuperRare Labs*

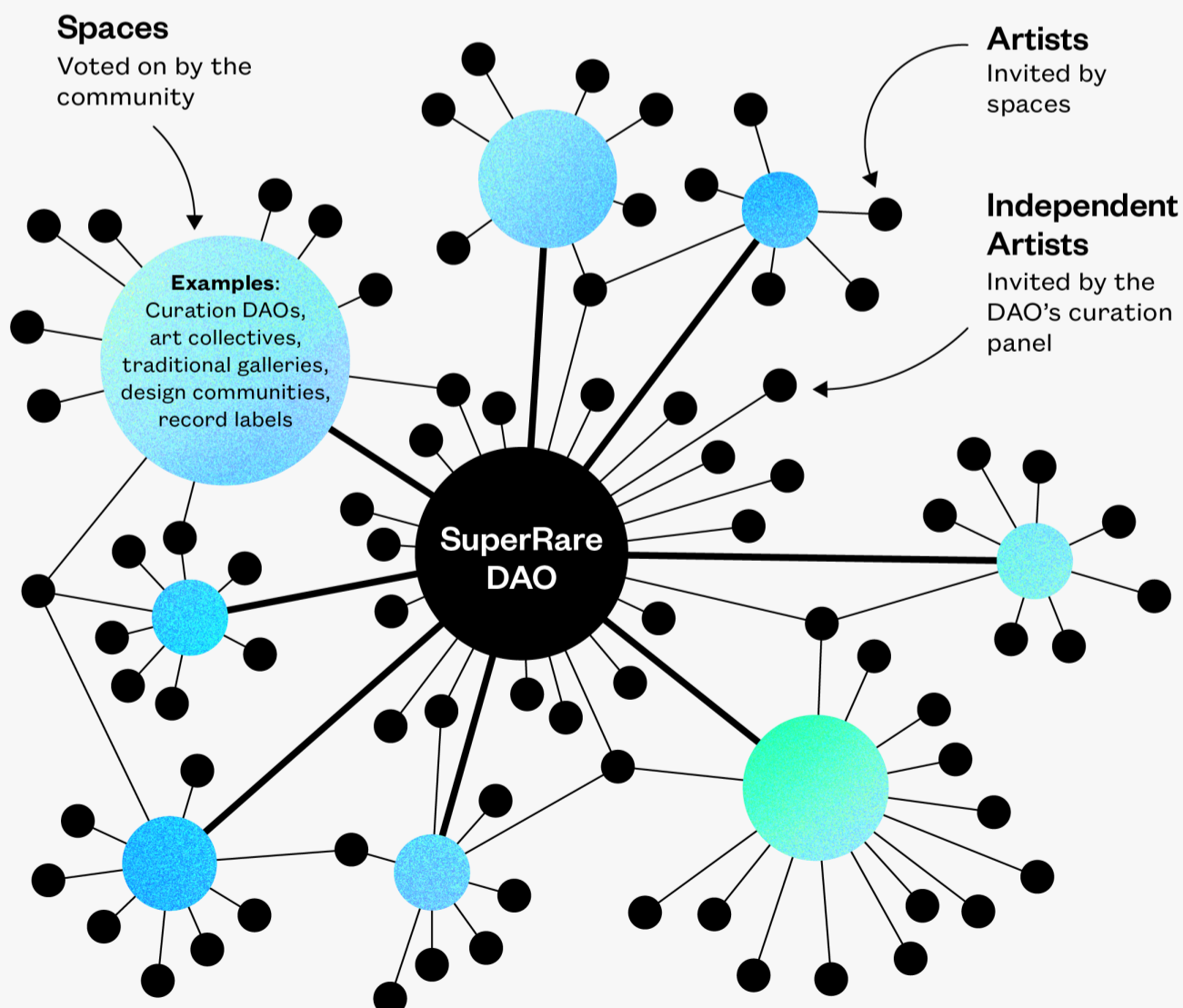
Curation is essential to any art market or creative community. Curation brings context to art and expression, allowing us to comprehend layers of meaning more deeply than the lay observer might. Without a way to clearly identify signal in an open network, noise becomes a defining feature. SuperRare 2.0 takes steps toward building more decentralized and diverse curation methods in multiple ways.

For one, it opens the door for community participation + oversight into the review and onboarding of independent artists who submit their profiles to SuperRare. While access will continue to be limited so that the platform can grow sustainably, the vetting and invitation process will be expanded to include new community directed curation methods, rather than administered solely by the core SuperRare team. While SuperRare Labs will take the lead designing these new curation primitives made possible by \$RARE, proposals from the network are welcomed.

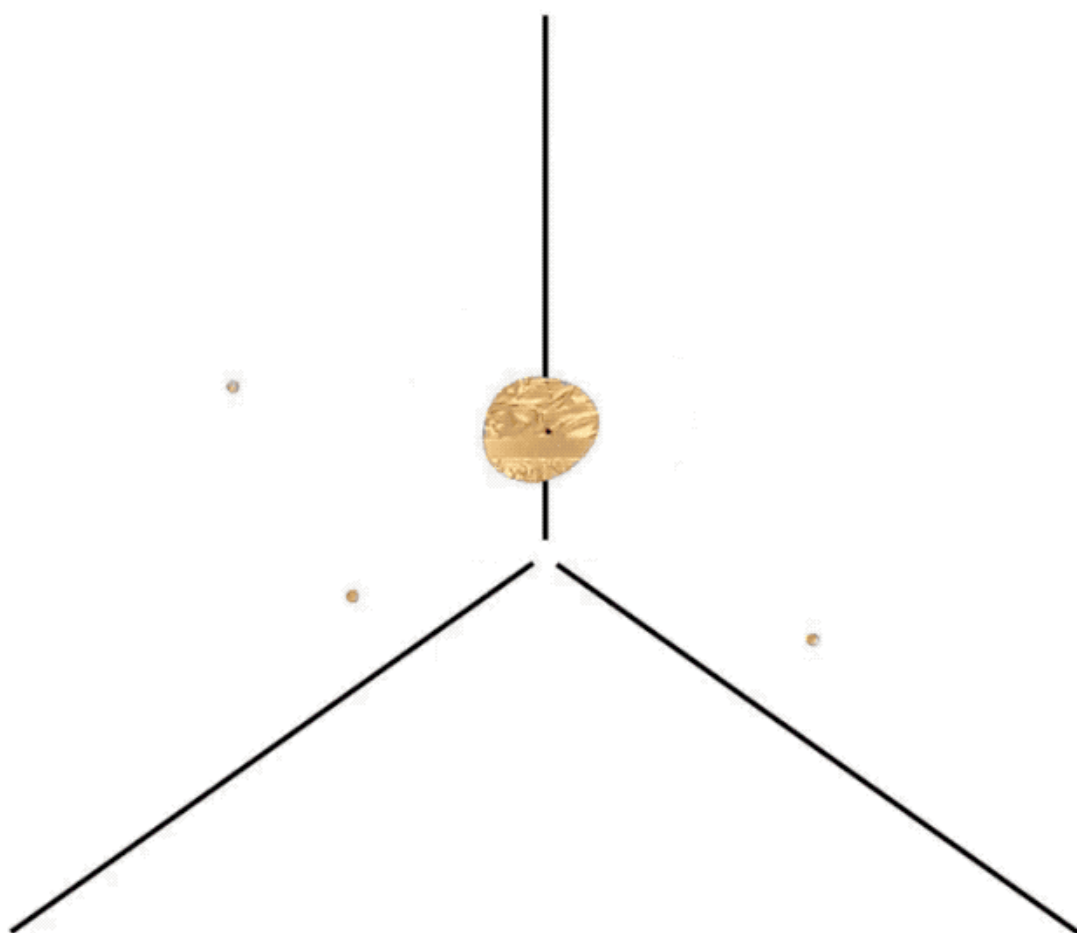
The first community curation mechanic that will operate utilizing \$RARE is **SuperRare Spaces**. Detailed in the next section, Spaces are designed to decentralize the curation of SuperRare into multiple independent nodes while facilitating enhanced levels of promotional support for artists.

SuperRare 2.0 Curation

Decentralized collectives approving artists



SuperRare Spaces



Spaces are independently run storefronts on SuperRare that can curate art and artists, promote sales, run auctions, and collect commissions. Each Space can launch its own branded ERC-721 compliant minting smart contract and invite artists to mint NFTs with them, either as a one-time event or on an ongoing basis.

New Spaces can be proposed to the DAO and voted on by token holders. If approved by the community, a new gallery space will be run by its own operating team, which could be a traditional art gallery, a DAO, an artist collective, or any other organization that curates and promotes art.

Space operators will have control over their commission structures to provide the desired level of support and promotional services for artists minting in their Space.

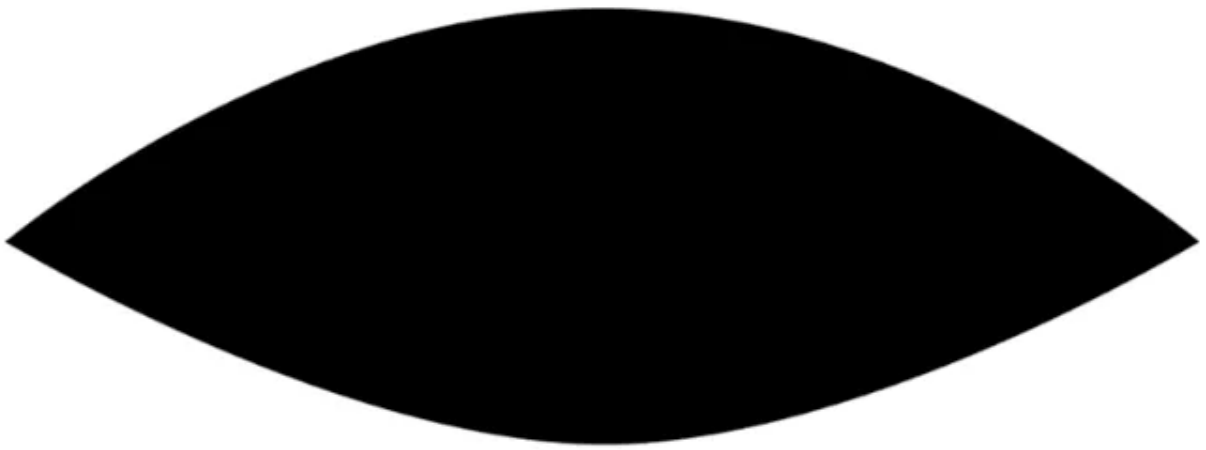
Spaces mainly act as curated, branded primary markets: the operating team can select artists, coordinate and promote drops, and build their own following and collector base. The main benefit for an artist to sell through a Space is the promotion and coordination of a sale. Artists want their works to be promoted as successfully as possible, but often don't want to be their own auctioneers or PR agents.

When thinking about traditional art galleries, the services offered by these groups extend far further than just showcasing the art; a gallery might act as a networking tool, PR agency and promoter. SuperRare Spaces will allow individual communities to experiment with these value propositions for the artists and art in their respective space.

Once live, a Space becomes its own sovereign cryptoart gallery. The gallery page becomes the primary interface for the collective, although the NFTs created within will also appear in the aggregated SuperRare market. Spaces, and the artists they work with, will be expected to follow the rules, requirements and policies outlined in the SuperRare community guidelines and Terms of Service for the benefit of community standards.

In order to incentivize thoughtful curation and active participation, Space operators can earn meaningful commissions on sales. Each Space launches with a default 10% commission, which the operator can choose to increase if they feel their value-added services justify further remuneration. A 5% commission on all Space sales will be routed to the SuperRare DAO. For example, if a Space's commission is set to 10%, then with the 5% SuperRare commission, the total sales commission for an artist would be 15% - meaning they'd receive 85% of a primary sale.

Sovereign Minting Contracts



While Spaces are a valuable new option for artists who want to collaborate, SuperRare 2.0 also remains true to its origin as a place for independent artists to mint, promote and sell their works directly to collectors.

Designed as a non-custodial, peer-to-peer platform - one of the most powerful aspects of SuperRare historically has been that it allows artists to take control of their creative and economic destinies. SuperRare 2.0 doubles down on this philosophical conviction by introducing a new minting option: self-sovereign minting contracts.

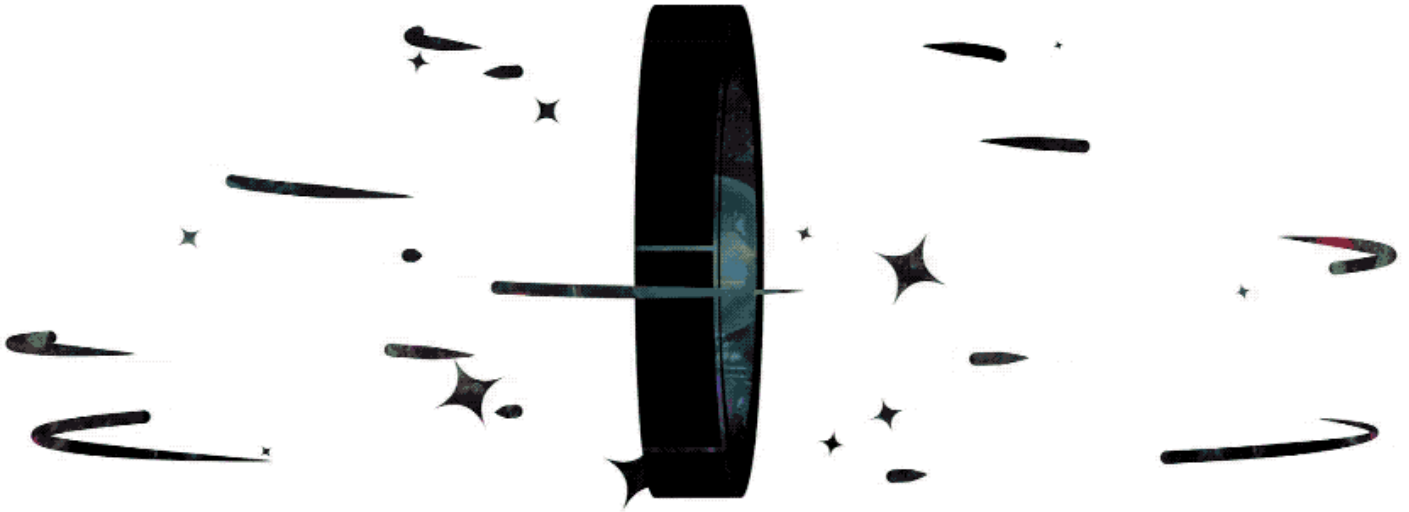
If an artist chooses to, they can easily deploy a custom NFT minting contract and begin tokenizing and selling their art as a uniquely independent artist on SuperRare.

This enables artists a new option in addition to minting on a shared contract with other artists. A custom smart contract provides artists with their own customizable ticker (e.g. ROSES), and is a further step toward artists being able to become their own sovereign creative platform.

The \$RARE Token

:

A curation token to facilitate governance parameters of the SuperRare Network



Web3 has been part of SuperRare's DNA since day one. Built on open source ERC-721 Ethereum smart contracts, all transactions on SuperRare are on-chain (meaning provenance is transparent) and non-custodial (meaning SuperRare never takes possession of users' money or art).

We believe web3 is ushering in a new era of the internet. An era in which the users of a platform can be the owners of the platform, helping bring it to life and benefiting from its upside value creation.

In order to scale up and take advantage of the true power of web3, SuperRare is embarking on a path of progressive decentralization – ultimately shifting ownership and curation of the network to the community.

Curation will gradually be vested to our community of artists, collectors, and curators via a new SuperRare curation token, **\$RARE**.

As the network evolves, SuperRare Labs will look to empower community members by offering incentives to actively curate. As a predecessor to full on-chain curation, \$RARE will provide the community with governance of certain network parameters including Spaces, commissions and grants.

i The official contract address for \$RARE is:

0xba5BDe662c17e2aDFF1075610382B9B691296350

Please always triple check that you are interacting with the correct contract address and be aware of scams!

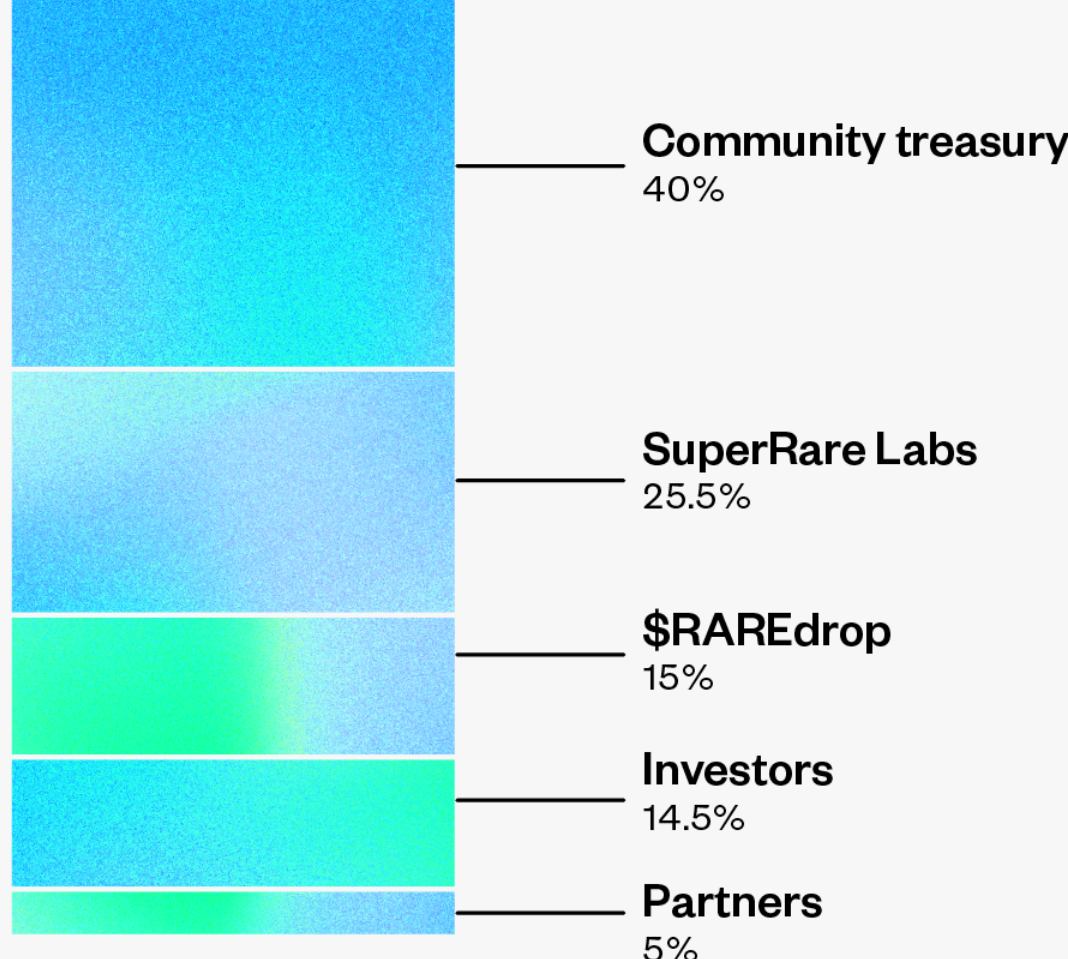
Token Distribution

Explains the allocation of \$RARE tokens to various stakeholders in the network

⚠ The official contract address for \$RARE is:
0xba5BDe662c17e2aDFF1075610382B9B691296350
Please always triple check that you are interacting with the correct contract address and be aware of scams!

Supply: 1,000,000,000 \$RARE

\$RARE token distribution



Genesis Distribution:

Retroactive Airdrop - 150,000,000 \$RARE (15%)

Distributed to the core community of artists and collectors who have bootstrapped SuperRare into the platform that it is today.

Airdrop tokens were claimable 90 days following the launch of \$RARE. Unclaimed tokens will be reallocated to the Community Treasury.

The airdrop has been allocated based on a combination of gross market value (GMV) and quantity of art purchased/sold. This factored in the aggregate volume of transactions (measured in ETH) as well as the number of pieces transacted.

A major goal of this distribution was to democratize the \$RARE airdrop by taking into account how early members joined the platform and how active they have been since. Using ETH as a metric for distribution favored early adopters while transaction volume provided a factor to benefit those buying and selling work on a recurring basis, regardless of final sale price.

Community Treasury - 400,000,000 \$RARE (40%)

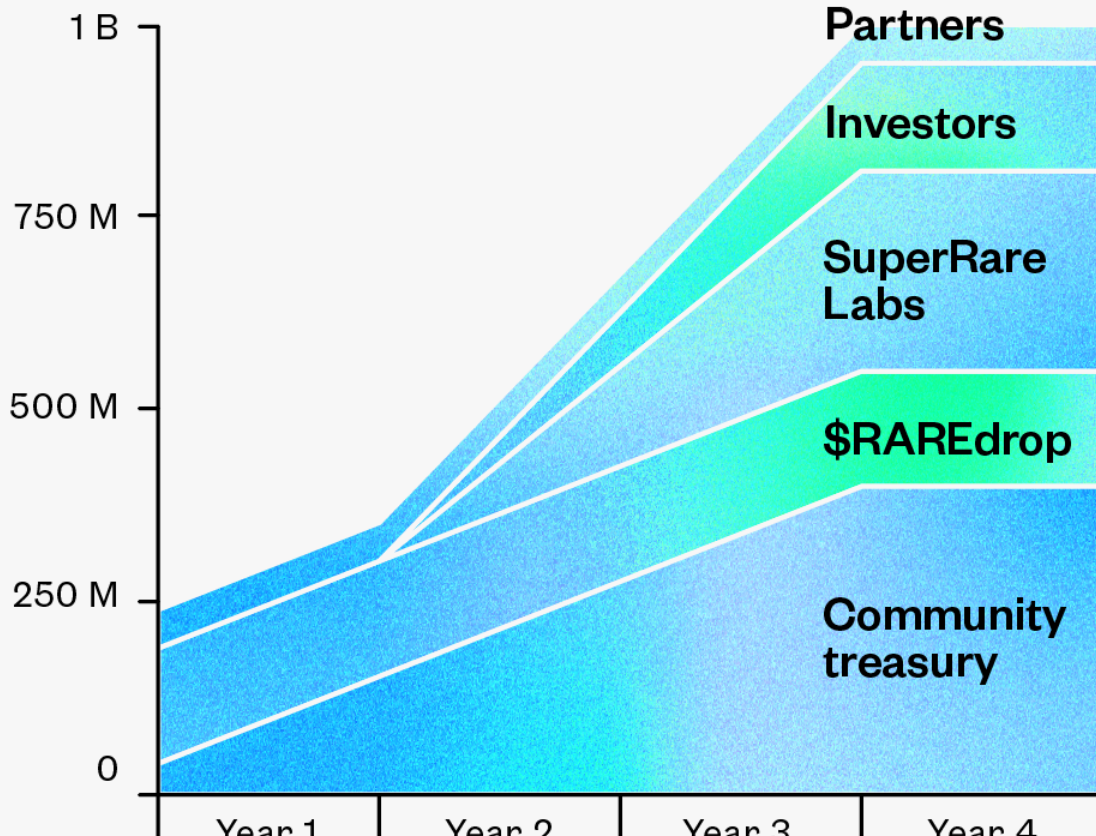
Retained by the Community Treasury that will be owned and operated by \$RARE holders.

The Community Treasury will initially be custodied by a DAO governance Council - described in detail elsewhere.

\$RARE tokens held in the DAO Treasury are eligible to be used for the benefit of the SuperRare DAO and subject to necessary governance procedures.

25% of the DAO Treasury (100M \$RARE) vests immediately launch (August 17, 2021) while the balance will vest linearly on a monthly basis over the course of 4 years.

\$RARE supply unlock



Unlocked tokens may still be eligible to participate in governance. Tokens allocated to service providers of SuperRare Labs Inc. and the SuperRare DAO are subject to vesting, which means these individuals only earn the tokens as they continue to provide services to the SuperRare network.

Team - 255,000,000 \$RARE (25.5%)

Granted to the core contributors at SuperRare Labs who have played a vital role in developing the SuperRare platform into what it is today.

This allocation ensures incentives are aligned between the core team and the wider community, providing a mechanism for participation in future governance and helping guarantee the long-term success of the platform.

Team tokens are subject to 3 year vesting period conditioned upon continuous services to SuperRare Labs with a firm 12 month token release cliff.

Investors - 145,000,000 \$RARE (14.5%)

Granted to investors who participated in SuperRare's previous funding rounds.

In March, SuperRare raised a strategic round from leading funds and investors to bridge the gap between crypto and the traditional art world. A full list of these partners can be found [here](#).

This allocation allows our investors to participate in future governance if they so choose.

Investor tokens are all subject to the same exact release schedule - 25% of tokens after a 12 month cliff with the remaining to release linearly on a monthly basis over the following 2 years.

Strategic Partners & Future Contributors - 50,000,000 (5%)

Reserved for strategic partners and future contributors to the SuperRare network.

These tokens will be overseen by SuperRare Labs and used as an incentive for onboarding of key contributors and to expand the presence and awareness of SuperRare.

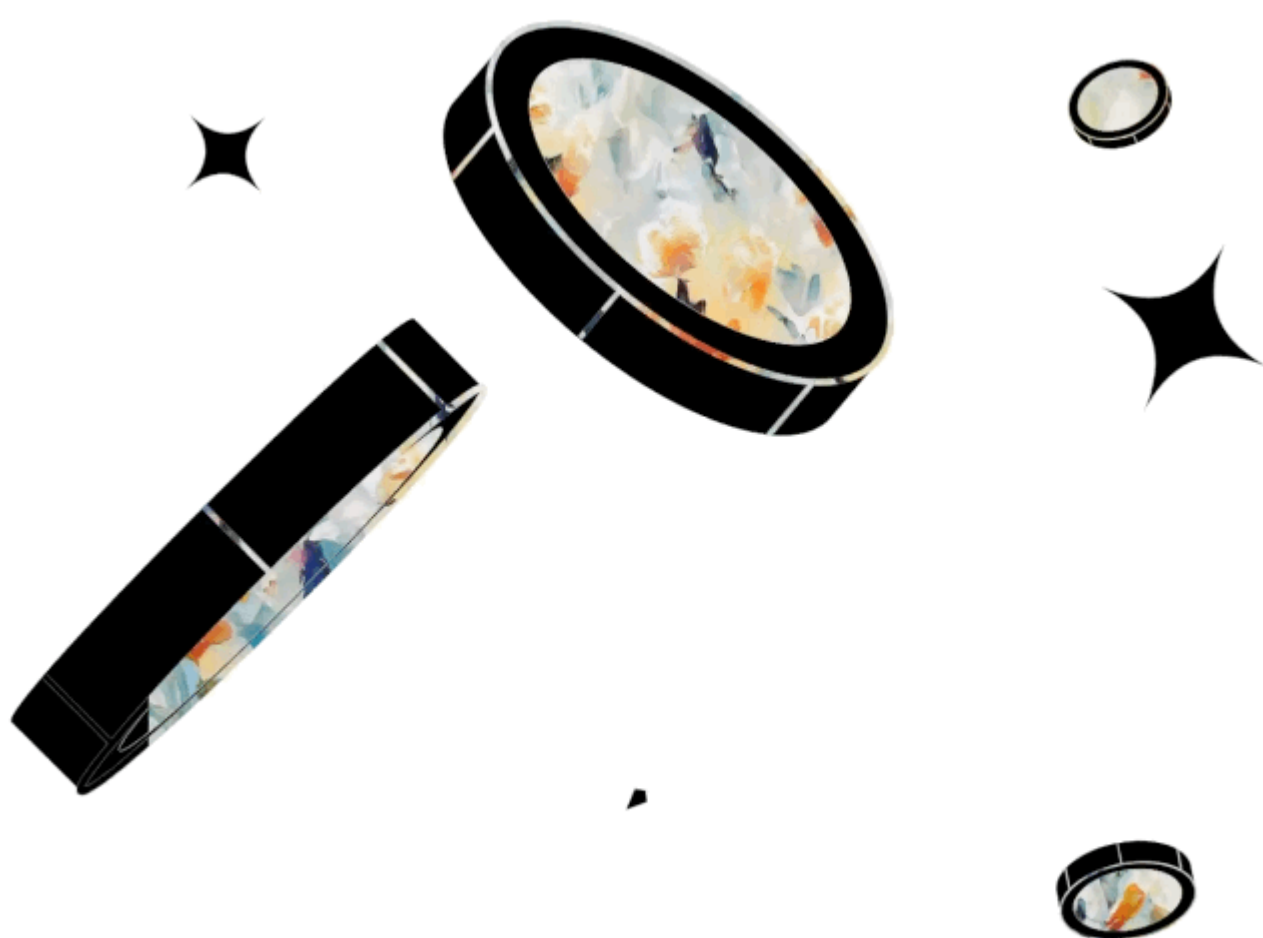
\$RARE allocated from this pool will be granted to those who helped bring the SuperRare network to launch and to future employees.

\$RARE allocations to Strategic Partners & Future Contributors will be subject to vesting schedules on a case by case basis in accordance with the terms of their respective service agreements, but will have require a minimum of 6 months from the first date services were provided to SuperRare before tokens can be awarded.

Value Capture in the Network



100% of value captured by the network now funds the SuperRare Community Treasury



When the first version of SuperRare launched in early 2018, the intent was to create a radically better market for artists while sending a clear signal that a new kind of art market was possible.

To send this message loud and clear, the genesis SuperRare marketplace smart contracts included zero primary market fees or commissions for the first year, and an industry-first 10% royalty for artists in the secondary market. As the NFT art market started to take root in 2019, marketplace fees and a primary sale commission were added to further support development and growth of the platform.

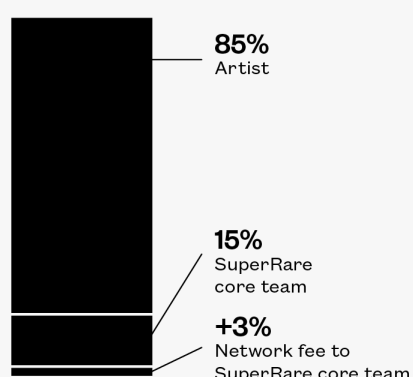
SuperRare 2.0 ushers in a new era. In a major step toward progressive decentralization of the platform, all fees and commissions will now be allocated to a Community Treasury controlled by the SuperRare DAO. On launch, SuperRare 2.0 now allows all marketplace parameters to be configurable via community governance.

i 100% of the value captured by the network will now be routed to the SuperRare Community Treasury to fund artist grants, network development, and further fuel the growth of the SuperRare ecosystem

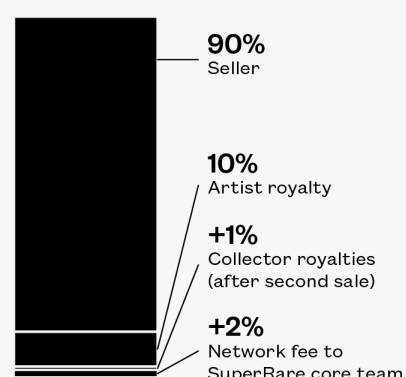
Updated fee structure

SuperRare 1.0

Primary sales

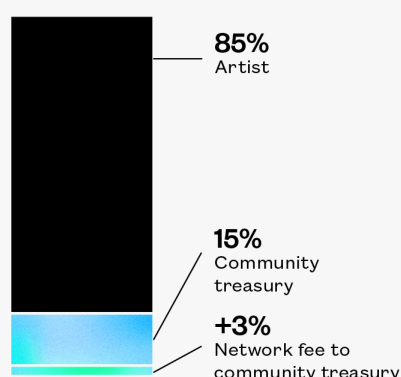


Secondary sales

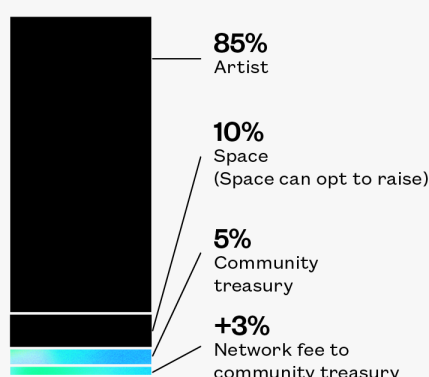


SuperRare 2.0

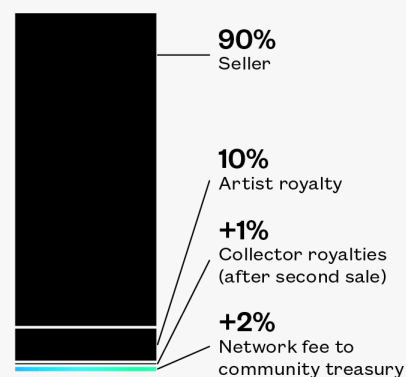
Primary sales by independent artists



Primary sales by spaces



All secondary sales



The SuperRare DAO



The future of decentralized curation, community organizing and artist empowerment



The SuperRare DAO is multi-sig smart contract deployed on Ethereum (superraredao.eth) (ETH address: 0x860a80d33e85e97888f1f0c75c6e5bbd60b48da9)

\$RARE token holders collectively govern the SuperRare DAO – a decentralized organization that will oversee key platform parameters, allocate funds from the Community Treasury, and effectuate proposals passed through community governance relating to improvements to the network and protocol.

The SuperRare DAO comprises a number of key components at launch, and is expected to evolve over time through transparent self-governance.

Governance Council

A 7-person governance council controls the SuperRare DAO Community Treasury via a 4-of-7 multi-sig wallet.

The current members of the Governance Council are:

- *John Crain; CEO and Co-Founder @ SuperRare Labs*
- *Nick Tomaino; Founding Partner @ 1Confirmation*
- *Fanny Lakoubay; Collector & Advisor @ LAL Art Advisory*
- *Serena Tabacchi; Founder & Curator @ MoCDA*
- *Simona Pop; Community Strategy @ Status*
- *Pindar Van Arman; OG Artist @ SuperRare*
- *Charles Crain; CTO and Co-Founder @ SuperRare Labs*

Council signers merely act as executors for decisions passed through governance. Signers do not have the ability to unilaterally allocate treasury funds and merely oversee the safety and security of the underlying assets controlled by the DAO.

This council consists of 1 SuperRare Labs team member, 2 SuperRare Labs investors and 3 independent community members.

While the initial Council members were pre-selected for launch, they are eligible to be replaced through governance at the choosing of \$RARE holders.

The Governance Council acts as an intermediary step between the existing structure of SuperRare governance and a fully decentralized future.

Governance mechanics

SuperRare Improvement Proposals (SIPs) are the means by which the community will present upgrades and distributions through \$RARE governance. SIPs are created by token holders and shared on the SuperRare governance Forum. As provided in the approved Proposal:[SIP-0][Meta-governance] "Update and establish SIP procedures for SuperRare DAO governance," the SIP procedure require soft community and Council consensus before going up for an official \$RARE token vote.

Read the **full proposal** to learn more about the SIP procedures and governance requirements.

i Any member of the DAO is eligible to propose a SIP for consideration in the governance forum. Once a proposal has passed a temperature check and been formally sponsored by a Council member it will be eligible to be considered by the network in a Snapshot vote. To be accepted, a proposal must have at least 5,000,000 \$RARE voting (or 0.5% of total supply) to achieve quorum, and pass with a 51% majority.

Staking & Curation incentives

In addition to governance, \$RARE will increasingly serve to incentivize participation and curation inside of the network. While these incentives will not be live at launch, governance may vote to allocate \$RARE tokens as they see fit. This may include future liquidity and/or staking programs as deemed valuable by token holders.

Outside of incentives post launch, \$RARE will be used to aid in the curation of SuperRare. \$RARE tokens will allow users to stake to different galleries to signal alignment, delegate votes and access staker-only benefits (e.g. fee sharing, art access, governance over galleries, etc).

\$RARE curation will not be live at launch, though SuperRare is expected to give token holders the ability to participate in curation activities in order to earn incentives and commissions in future iterations of the platform.

Into the Future



We're all going to make it - together.

A cornerstone of the early success of SuperRare was to build a place for authentic, high-quality art and thoughtful curation. We believed from the beginning that thoughtfully curated art deserved its own space on the internet, and that's something we believe even more strongly today.

However, art and curation are undeniably subjective. And in order to bring the power of the NFT art market to billions around the world, SuperRare 2.0 must expand from being a place that is thoughtfully curated to a broad ecosystem where many types of thoughtful curation can flourish. In other words, curation on SuperRare will become increasingly decentralized.

To properly align incentives and ensure the success of a broader, more diverse art and curation ecosystem, SuperRare is also becoming a decentralized organization.

Throughout this process, we will continue to empower the very community members who made SuperRare into the platform it is today. This paper presents a path forward, though we invite any and all NFT artists, collectors, and curators to join us in helping to shape that journey.

The introduction of the SuperRare DAO and the \$RARE curation token signals the start of a new era. SuperRare has always been powered by its community. Through this transition, the community will now write the next chapter of art history, together.

To become a part of the story, we encourage readers to join the community and participate in governance. Influence will not be determined solely by financial capital, but rather by the social values and signaling of core contributors working to actively shape SuperRare 2.0.

We'd like to give a special thank you to each and every creator who has made SuperRare such a special corner of the internet. As we embark on this next chapter, we're thrilled to be putting more power into the hands of those co-creating the future with us!

Welcome to SuperRare 2.0. Together we will define the future of artistic expression on the web, and build a brighter future for creatives everywhere. Fiat lux.

Network Governance



High-level breakdown of how governance functions via \$RARE and the SuperRare DAO

Hello fellow traveler 🙌

Below we'll outline the thinking behind the SuperRare DAO and the progressive decentralization of curation and governance for the SuperRare Network.

Some useful pre-reading:

- Progressive Decentralization Playbook
- DAOs and the pitfalls of Progressive Decentralization
- Example of a SIP from Synthetix

Actors / Stakeholders

:

"All the world's a stage, and all the men and women merely players. They have their exits and their entrances; and each in their time plays many parts." - William Shakespeare

- **SuperRare Labs:** the founding team and core developers of the SuperRare Network. Responsible for ongoing product development/operations, revenue generation, facilitating network governance and community development.
- **SuperRare DAO Council:** designated officers of the SuperRare DAO and accountable to the \$RARE token holder community. Responsible for on-chain certification of governance votes and allocation of treasury funds via a 5-of-7 multi-signature setup. Facilitates development of and transparent voting on various network proposals.
- **Artists:** Verified artists who have either been approved as independent artists or invited to mint artworks in one or more SuperRare Spaces
- **Space Operators:** Curators/promoters/gallerists who have been elected by the community to operate a SuperRare Space.
- **Community Editors:** Designated community members responsible for curating Space applications prior to review by the \$RARE Council and public voting in the Space Race
- **\$RARE Shepherds:** Members of the community or SuperRare Labs responsible for ensuring community SIPs meet the necessary feasibility & implementation standards prior to an official vote by the \$RARE Governance Council and token holders.
- **\$RARE DAO:** any individual (or collection of individuals) holding \$RARE curation tokens who, in total, comprise the SuperRare DAO. Responsible for voting on network parameters eligible for public governance - including Space proposals, artist onboarding criteria, network commissions/fees and the ongoing expenditure of treasury funds held by the DAO.

**Note: Officers of the \$RARE Governance Council serve as independent directors who represent the interests of both token holders AND the SuperRare Network. While we expect democratic participation of token holders to regularly align with the core interests of the Network, in cases where a vote of token holders may conflict with the long-term health of the Network, Council members are expected to exercise independent judgement as necessary to promote outcomes in the best interest of all stakeholders in the SuperRare Network.*

Governance & Curation Parameters



i *Any product, curation or governance-related powers not specifically delegated to the SuperRare DAO at launch is reserved by SuperRare Labs as the current primary developer/operator on the SuperRare Network.*

In highly competitive markets (like ours!), the ability to move quickly and act decisively is needed to foster innovation and maintain ongoing market leadership. While our goal is to expand the scope of token governance to eventually include all aspects of the Network, this will need to be done progressively as the community demonstrates both the ability and willingness to do so.

As a result SuperRare Labs will seek to decentralize as fast as is practical, while remaining nimble and competitive, as we continue creating value on behalf of the SuperRare Network. We recognize decentralization is a spectrum, and the path to "full decentralization" is one that will take time to execute responsibly.

We believe this approach accurately reflects the principles and values of both SuperRare Labs and the web3 ecosystem at large, while honoring our obligations to the artists, collectors and other stakeholders of SuperRare Network.

As such, the following network parameters will be governable by token holders:

- **SuperRare Spaces:** the total number of Spaces, curatorial requirements to operate a Space, associated minimum/maximum fees + commissions
- **Artist Onboarding:** the number of independent artists admitted to SuperRare, frequency and method of artist expansion, minimum portfolio criteria to be accepted
- **Treasury Operations / Management:** establishment of artist and developer grant programs, ad-hoc expenditure of treasury assets as deemed necessary to support continued growth and success of the SuperRare Network

SuperRare 2.0 introduces a number of new features and policies which will take time to be fully understood and digested by the larger community. The parameters of these Network features should be seen as default settings, chosen by SuperRare Labs after careful deliberation, which are subject to modification by the DAO as necessary to promote the success of SuperRare Network.

The Space Race

A community curation game designed to surface emerging talent in the NFT ecosystem

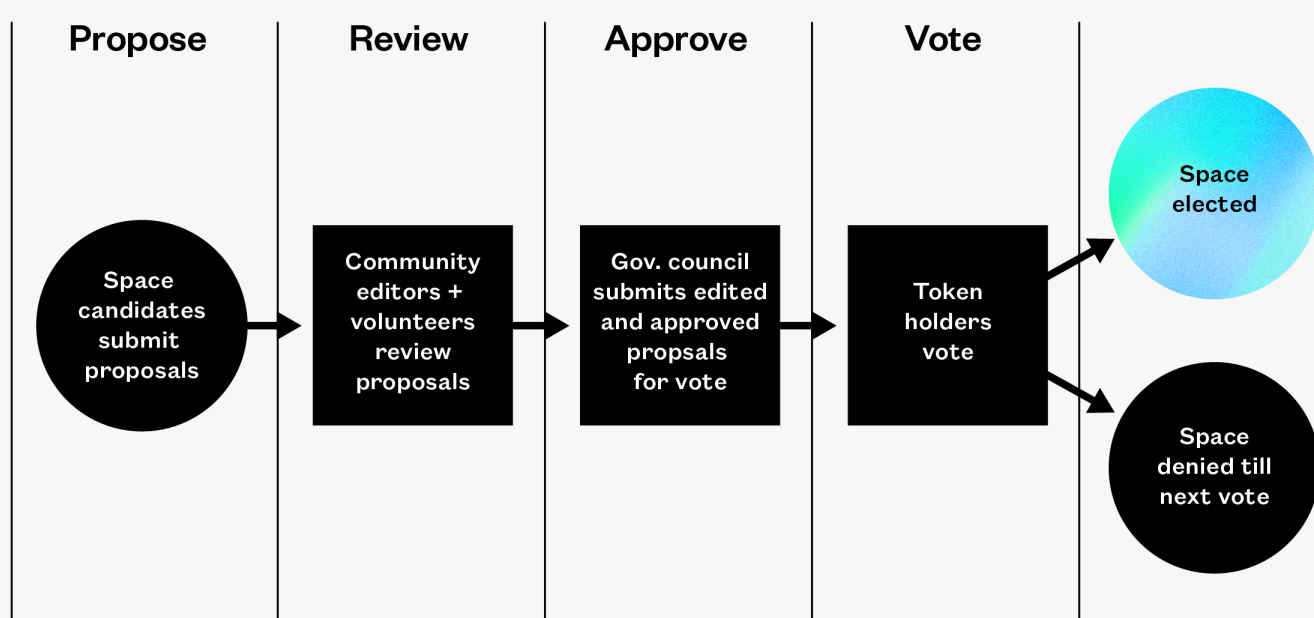
SuperRare Spaces are independently operated storefronts in the SuperRare Network. Spaces are galleries that will actively curate, promote and sell artworks by artists of their choosing (though all contributing artists must adhere to the SuperRare **community guidelines**). The number and availability of SuperRare Spaces are limited by design and governed by the community.

i As a result of the first community-ratified governance proposal – up to 10 Spaces can be added to the network per month.

As a DAO curated by holders of the \$RARE token, new Spaces added to the SuperRare Network will be decided upon via a community review and voting process. Those interested in operating a Space must start by submitting a proposal at **forum.superrare.com**. Proposals will first be reviewed by community editors, with those meeting the necessary requirements forwarded to the Governance Council - who will then schedule eligible racers for an official vote in the Space Race.

Space Race

Process for token holders to elect Spaces



The following guidelines currently govern the Space Race:

1. Up to 10 Spaces/mo can be added to the network
2. The SuperRare DAO Council aims to conduct at least one (1) Space Race per month as soon as practically feasible
3. Applications will be open for two weeks at a time, followed by two weeks of review by community editors who will ensure applications meet acceptable creative standards prior to council submission
4. The council will audit, then publish selected applications for each race so they can be reviewed publicly prior to the community vote
5. The official snapshot poll with qualifying racers will be scheduled for two weeks after the close of applications
6. Token holders will then decide the Space Race winners utilizing a token-based voting method
7. Once complete, the winners will be added to the onboarding backlog and scheduled a launch date

Operators of a Space will be able to:

- Name & deploy their own custom minting contract
- Invite artists to mint directly in their Space
- Make modifications to the default commission structure (**these changes must be clearly published and agreed to by collaborating artists*)
- Run auctions
- Curate works

Space Proposal Template



When submitting a Space proposal, answer all of the questions as thoroughly as possible. Take your time—details matter!

1. Space name / team name:
2. Name and email of primary contact:
3. Names of additional Space admins:
4. SuperRare username(s) of everyone involved with your Space:
5. Short bio of you and/or your team:
6. Website & Social Media Links:
7. Summary/manifesto of your Space (~500 words). What is your unique value prop / elevator pitch? What type of art will you focus on? How will your Space stand out among the crowd?
8. Describe you/your team's experience curating and promoting artwork:
9. Describe you/your team's experience organizing exhibitions, making art sales, running auctions, networking with collectors, etc:
10. Are there new artists you'd like to bring into your Space in the first six months? What is your relationship to them?
11. Are there any artists already in the CryptoArt space that you are planning to work with? Have they committed to participating yet?
12. If selected, how soon could you launch your first exhibition?
13. Please provide any additional details about how you plan to operate this Space; e.g. cadence of releases, auction strategy, number of artworks, other ideas for promoting your art and artists, etc.
14. How do you plan to structure commission rates for the artists who release in your Space?
15. To you, what is the importance of NFTs as a medium/technology? Where do you see the NFT and CryptoArt space in five years?
16. If your Space were a cocktail or a dish, what would it be and why?
17. Anything else you'd like the community to know/consider?