



# NFTs, Fan Tokens and Ticketing: What Companies Need to Know

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# Introduction

- What we are not covering today
- Understanding NFTs and Fan Tokens: the terminology
- Key features of transaction
- Reasons to issue NFTs and Fan Tokens
- An exercise of caution
- The Four C's

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# What we are not covering today

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## What we are not covering today

- **Data protection**
- **Regulatory treatment**
- **Tax**
- **Estate planning and inheritance**



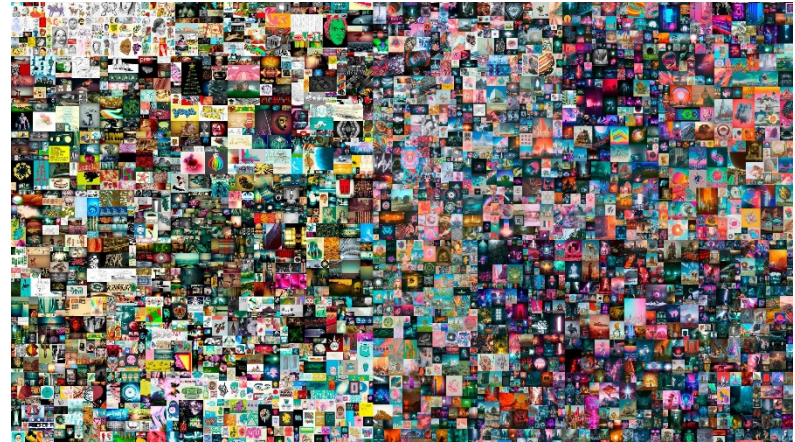
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# Understanding NFTs and Fan Tokens: the terminology

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# Understanding NFTs and Fan Tokens: the terminology

- Nonfungible tokens
- Fan Tokens
- Smart contracts
- Blockchain



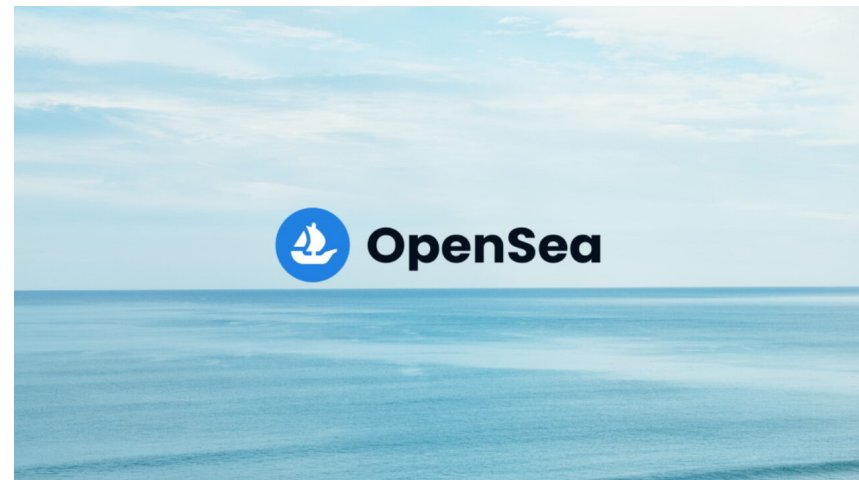
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# Key features of transaction

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- **First trade: Primary**
- **Subsequent trades: Secondary**
- **Share of revenues baked into smart contract**
- **Perpetual asset class**





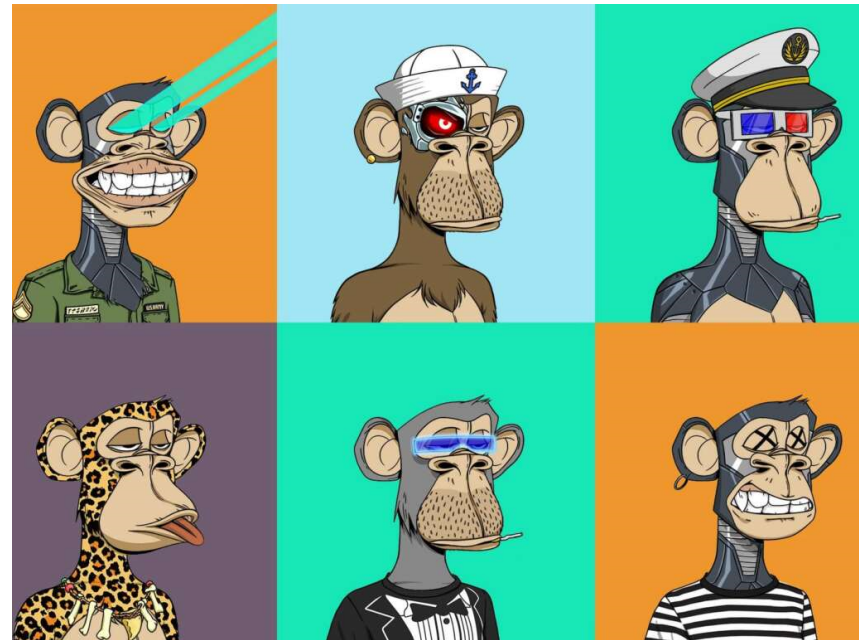
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# Reasons to issue NFTs and Fan Tokens

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# Reasons to issue NFTs and Fan Tokens

- Commercial revenue
- Fan engagement
- Practical applications:
  - Ticketing
  - Collectibles
  - Loyalty programmes



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# An exercise of caution

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# An exercise of caution

- Confused media reports
- Rights (or lack thereof) granted to purchaser
- Clearance of intellectual property rights
- Links to betting and speculation
- Wild-West nature of NFT market
- Sustainability

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# The Four C's

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# The Four C's

1. **Choose** the right asset(s):
  - DO create NFTs that add value to the community
  - DO NOT create artificial scarcity for something that already exists
  - DO NOT seek to attract value from the most naïve
2. **Clarify** the legal position:
  - Regulatory
  - Clear the rights:
    - Review existing contracts
    - Are there any image rights and data-related rights to be considered?
3. **Carry out** your due diligence:
  - Partner with the best platform
  - Sustainability
4. **Control** your messaging