

Explaining Legal Implications: Ownership Analysis Of Intellectual Property Rights On Cryptokitties Platforms



Muhammad Asrul Maulana ^{a,1,*}, Shilla Hasmara Santosa ^{b,2},
Faculty of Business Law and Social Sciences, Muhammadiyah University of Sidoarjo
* corresponding author: asrulnaa7@gmail.com

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Abstract

This research analyzes the legal implications related to the ownership of intellectual property rights on the CryptoKitties platform. CryptoKitties is a blockchain-based gaming platform that allows users to buy, own, and trade unique virtual cats. These cats are represented by digital assets called non-fungible tokens (NFTs), which grant exclusive ownership to their owners. This research uses a normative method with a statutory approach. Accordingly, the user acknowledges and agree that Dapper (or, as applicable, the licensor) has all legal rights, ownership, and interests in and to all other elements of the application, and all intellectual property rights therein, but the ownership of non-fungible token (NFT) intellectual property is fully owned by the user. And Dapper grants exclusive rights to the user over the digital assets representing unique virtual cats.

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1. Introduction

Non-Fungible Token (NFT) is a digital asset that represents a valuable item with a value that cannot be substituted or exchanged for other NFTs. Each NFT is unique and has characteristics that set it apart from the others. They can represent a variety of valuable items such as photos, videos, music, games, and other digital asset NFT transactions are recorded on the blockchain, a technology that enables the decentralized and transparent storage of information. The information recorded in the blockchain includes the NFT creator, price, and ownership history of the NFT itself. NFT values can be very high, and some of them have sold for millions of dollars. This phenomenon has attracted the interest of many people, both in terms of creating and investing in this unique digital asset.¹

A blockchain game is a type of video game built on blockchain technology, which provides security and transparency in in-game item and asset transactions. In these games, crypto currency is often used as a form of in-game currency that can be earned,

¹ Partha Pratim Ray, 'Web3: A Comprehensive Review on Background, Technologies, Applications, Zero-Trust Architectures, Challenges and Future Directions', *Internet of Things and Cyber-Physical Systems*, 3.April (2023), 213–48 <<https://doi.org/10.1016/j.iotcps.2023.05.003>>.

traded, or sold for real money. The uniqueness of blockchain games is that players have permanent ownership and complete control of their in-game assets, such as character skins, equipment, and other items. One of them is CryptoKitties.²

CryptoKitties is an example of a unique NFT game that allows players to breed and sell virtual cats. This game is one of the first NFT games in the world and operates on the Ethereum blockchain. In CryptoKitties, players have the opportunity to buy, sell and trade virtual cats using cryptocurrencies as their transaction assets. In 2017, the game gained considerable popularity and attracted the interest of many people. Recently, CryptoKitties has also experienced a resurgence of increased activity. This game illustrates how NFTs can be used to represent digital assets in the form of unique and valuable items in the digital world. Beberapa game blockchain juga mengadopsi model play-to-earn, di mana pemain dapat mendapatkan cryptocurrency melalui gameplay. Contoh game blockchain yang populer termasuk CryptoKitties, Axie Infinity, The Sandbox, dan Gods Unchained. Some blockchain games also adopt a play-to-earn model, where players can earn cryptocurrency through gameplay. Popular examples of blockchain games include CryptoKitties, Axie Infinity, The Sandbox, and Gods Unchained. Although blockchain games offer a new monetization route for the gaming industry, they also face several challenges, such as scalability and adoption.³

The blockchain game industry is still relatively new and small compared to traditional video games, but it has been gaining increasing attention and popularity in recent years. With its potential, blockchain games continue to attract players' interest and are the subject of exploration in integrating blockchain technology with the gaming industry.⁴ In Indonesia, NFT transactions are regulated by the Electronic Information and Transaction Law No. 11 of 2008. According to the law, electronic information is legally recognized as evidence in court (Article 25).⁵ Therefore, NFTs, which are a type of digital asset, are considered electronic data and are subject to these conditions. Even though NFT is related to aspects of Indonesian law, such as property law regulated by the Civil Code, which states that property is any object that can be the subject of property rights, there is no specific regulation regarding NFT. However, buying and selling of crypto assets, including NFTs, is generally regulated by the Ministry of Commerce. The Ministry of Communication and Information Technology (Kominfo) is responsible for monitoring NFT transactions in Indonesia and ensuring that the platforms used do not facilitate the dissemination of content that violates the law. This shows the government's concern for the regulatory and supervisory aspects of NFT transactions in Indonesia.⁶

² Massimo Bartoletti and others, 'Dissecting Ponzi Schemes on Ethereum: Identification, Analysis, and Impact', *Future Generation Computer Systems*, 102 (2020), 259-77 <<https://doi.org/10.1016/j.future.2019.08.014>>.

³ Peter Howson, 'Building Trust and Equity in Marine Conservation and Fisheries Supply Chain Management with Blockchain', *Marine Policy*, 115, February (2020), 103873 <<https://doi.org/10.1016/j.marpol.2020.103873>>.

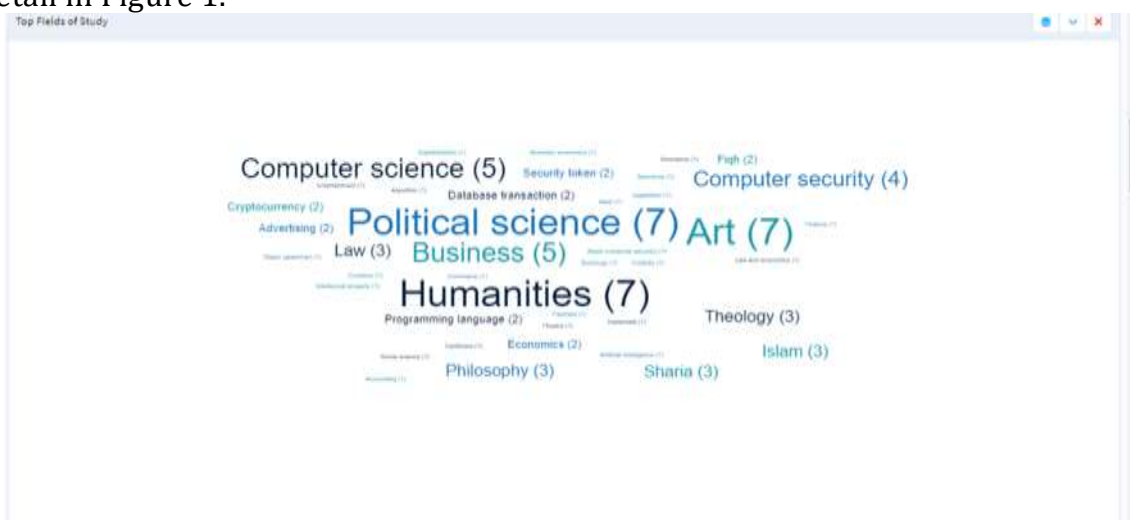
⁴ Ali Shahaab and others, 'Public Service Operational Efficiency and Blockchain – A Case Study of Companies House, UK', *Government Information Quarterly*, 40.1 (2023) <<https://doi.org/10.1016/j.giq.2022.101759>>.

⁵ Rian Saputra, Tiara Tiolince, and others, 'Artificial Intelligence and Intellectual Property Protection in Indonesia and Japan', *Journal of Human Rights, Culture and Legal System*, 3.2 (2023), 210-35 <<https://doi.org/10.53955/jhcls.v3i2.69>>.

⁶ Saputra, Tiolince, and others.

Cryptokitties is a game that allows players to buy, sell and breed digital cats using blockchain technology. To determine whether Cryptokitties are subject to copyright law, we need to analyze the provisions of the Copyright Law in Indonesia, as stipulated in Law Number 28 of 2014. According to Article 1 of the Copyright Law, copyright is the exclusive right of the creator that arises by itself, based on the declarative principle after a creation is manifested in a tangible form, without reducing the limitations in accordance with the provisions of the legislation. That is, copyright protection applies to any original work expressed in tangible form, such as books, music, films and computer programs.⁷

Based on this provision, it can be said that Cryptokitties, as digital games, are subject to copyright protection. The game involves creating a digital cat, which can be considered as an original work expressed in a real form. Accordingly, the creators of Cryptokitties retain the exclusive rights to reproduce, distribute, and display the game, and create derivative works based on it. According to the indexing agency lens, Research in NFT digital asset purchase law is not currently among the top areas of study. This can be seen in detail in Figure 1.



Picture 1: Top Field of Study

The current research conditions, found in the era of Industry 4.0 and Society 5.0, there has been rapid development in the digital world which has had a significant impact on the birth of new digital-based assets, one of which is the Non-Fungible Token (NFT). NFTs have become a popular trend in international transactions, where digital artwork, digital collectibles, and other virtual goods can be traded using blockchain technology.] However, the use of NFTs also raises some legal issues. One of the problems that arises is the use of NFTs by third parties to commercialize artists' works without the artist's permission. This shows the need for legal instruments that can regulate NFTs in the context of Indonesian positive law.⁸

⁷ Colin R. Davies, 'An Evolutionary Step in Intellectual Property Rights - Artificial Intelligence and Intellectual Property', *Computer Law and Security Review*, 27.6 (2011), 601-19 <<https://doi.org/10.1016/j.clsr.2011.09.006>>.

⁸ Chayakrit Krittanawong and others, 'Artificial Intelligence-Powered Blockchains for Cardiovascular Medicine', *Canadian Journal of Cardiology*, 38.2 (2022), 185-95 <<https://doi.org/10.1016/j.cjca.2021.11.011>>.

In this study, the author intends to examine how NFT is regulated in Indonesian positive law, especially from the perspective of property law and intellectual property rights. Legal arrangements regarding NFTs are important because there are activities related to NFT transactions that are growing. In the context of property law, this research will look at whether NFT can be considered as objects and how the protection for the owner of the NFT in terms of ownership, transfer, and protection against loss or damage to the NFT.⁹

From the perspective of intellectual property rights, this study will examine how NFTs relate to copyrights and other intellectual property rights. Questions to be answered include whether NFT can be considered a form of creative expression protected by copyright, how to protect the exclusive rights of owners of digital artwork represented by NFT, and how to resolve disputes related to NFT in the context of intellectual property rights. Thus, this study aims to provide a clearer understanding of NFT arrangements in Indonesian positive law. It is hoped that the results of this research can provide a strong legal basis in dealing with the development of NFTs and protect the interests of NFT owners and artists whose works are represented in the form of NFTs.¹⁰

This study aims to explore legal protection regarding the rights of Reini Wirahadikusumah as the person involved in the portrait work. First of all, it will be analyzed whether the portrait is protected by copyright as an original and unique work of art. If the portrait qualifies as a protected work of art, Reini Wirahadikusumah as the creator of the portrait will have exclusive rights over the work. Furthermore, this research will examine the appropriate legal action that can be taken by Reini Wirahadikusumah regarding the illegal sale of the portrait. One of the steps that can be taken is through copyright enforcement, where Reini Wirahadikusumah can sue those who make illegal sales to protect their rights. Appropriate legal process will be reviewed to resolve this copyright infringement case.¹¹

Technological developments have had a significant impact on investment activities, especially in the context of buying and selling Non-Fungible Tokens (NFT). For example, Ghozali made NFT transactions on the OpenSea platform using smart contracts and cryptocurrency as a means of payment. However, this raises problems related to the legitimacy of NFT transactions, especially because there is no legal regulation that specifically regulates NFT transactions in Indonesia. On the other hand, the status of economic rights over an NFT work is also unclear, considering that smart contracts are not considered a licensing agreement regulated in the Copyright Law. Therefore, the purpose of this study is to understand the legality of NFT sales transactions carried out by Ghozali by linking it to Government Regulation Number 71 of 2019 concerning the Implementation of Electronic Systems and Transactions. In addition, this study also aims to understand the ownership of economic rights over NFT copyrights sold by Ghozali on

⁹ Sen Li and Yan Chen, 'How Nonfungible Tokens Empower Business Model Innovation', *Business Horizons*, 66.4 (2023), 543–54 <<https://doi.org/10.1016/j.bushor.2022.10.006>>.

¹⁰ Kathleen Bridget Wilson, Adam Karg, and Hadi Ghaderi, 'Prospecting Non-Fungible Tokens in the Digital Economy: Stakeholders and Ecosystem, Risk and Opportunity', *Business Horizons*, 65.5 (2022), 657–70 <<https://doi.org/10.1016/j.bushor.2021.10.007>>.

¹¹ Andres Guadamuz, 'All Watched over by Machines of Loving Grace: A Critical Look at Smart Contracts', *Computer Law and Security Review*, 35.6 (2019), 105338 <<https://doi.org/10.1016/j.clsr.2019.105338>>.

the OpenSea platform.¹²

The results of this study conclude that currently there is no legal regulation that specifically regulates NFT transactions in Indonesia.¹³ Therefore, as long as the NFT transactions carried out by Ghozali do not harm other parties, there are no cancellations from the parties involved, and Ghozali understands all the risks involved, the NFT sales made by Ghozali can be considered legally valid. From the current research conditions, no one has examined the ownership of intellectual property rights (IPR) on the CryptoKitties platform. This research will discuss the Terms Of Use Provided by Platform Owners to Users, Analysis of Smart contracts on Cryptokitties Platforms, Analysis of intellectual property on cryptokitties platforms (ownership, licenses, restrictions), Legal Implications of Users with Platform Owners on cryptokitties.

The purpose of this study is to analyze the legal status of virtual cats and NFTs on the CryptoKitties platform to determine whether they are considered intellectual property protected by copyright law or other intellectual property rights. Understand the implications of ownership rights to virtual cats and NFTs in the context of copyrights, brand rights and patents, including rights owners, use controls and legal protection available to developers and owners of digital assets. It is also hoped that the results of this research can provide a better understanding of the legal status of virtual cats and NFTs on the CryptoKitties platform, which can help users, developers and digital asset owners maintain and protect their property rights.

2. Research Method

This study uses a normative method with a statutory approach (statute approach).¹⁴ This approach refers to legal analysis based on primary legal materials, namely Law Number 11 of 2008 concerning Information and Electronic Transactions and Law Number 28 of 2014 concerning Copyright. In addition, this research also uses secondary legal materials in the form of journals obtained from lens.org. This research has a qualitative descriptive nature, which focuses on the collection and analysis of qualitative data to describe legal phenomena. From this analysis, this study draws conclusions deductively, namely generating conclusions based on systematic observation and analysis of the legal material that has been collected.¹⁵

¹² Olesya Dudnik and others, 'Trends, Impacts, and Prospects for Implementing Artificial Intelligence Technologies in the Energy Industry: The Implication of Open Innovation', *Journal of Open Innovation: Technology, Market, and Complexity*, 7.2 (2021), 155 <<https://doi.org/10.3390/joitmc7020155>>.

¹³ Rini Astuti, 'Governing the Ungovernable: The Politics of Disciplining Pulpwood and Palm Oil Plantations in Indonesia's Tropical Peatland', *Geoforum*, 124.May 2019 (2021), 381-91 <<https://doi.org/10.1016/j.geoforum.2021.03.004>>.

¹⁴ Rian Saputra, Muhammad Khalif Ardi, and others, 'Reform Regulation of Novum in Criminal Judges in an Effort to Provide Legal Certainty', *JILS (Journal of Indonesian Legal Studies)*, 6.2 (2021), 437-82 <<https://doi.org/10.15294/jils.v6i2.51371>>.

¹⁵ Rian Saputra, M Zaid, and Silaas Oghenemaro, 'The Court Online Content Moderation : A Constitutional Framework', *Journal of Human Rights, Culture and Legal System*, 2.3 (2022), 139-48 <<https://doi.org/10.53955/jhcls.v2i3.54>>.

3. Results and Discussion

Analysis Term of Use which is provided by the Platform Owner to the User

Cryptokitties is one of the popular NFT (Non-Fungible Token) platforms where users can buy, sell and collect unique digital cats. If you want to buy NFT assets using crypto money on Cryptokitties, here are some steps you need to follow: 1. Create a Crypto Wallet: First of all, you need to have a crypto wallet to store your crypto currency. Cryptokitties use Ethereum as their platform, so you need an Ethereum compatible wallet. Popular examples of wallets are MetaMask, Trust Wallet, and MyEtherWallet. You can download one of them and follow the registration process.; 2. Acquire Cryptocurrency: Once you have a crypto wallet, you will need to acquire crypto currency which will be used to purchase NFTs in Cryptokitties. Cryptokitties use Ether (ETH) as their currency. You can buy ETH from crypto exchanges that support exchanging fiat currency (conventional money) to ETH, such as Coinbase, Binance, or Kraken. Follow the instructions on the exchange platform to buy ETH.; 3. Connecting Wallet to Cryptokitties: Once you have ETH in your crypto wallet, open Cryptokitties and connect your wallet to the platform. Usually, you will see a "Connect Wallet" or "Connect to MetaMask" option in Cryptokitties. Click on the option and follow the steps to connect your wallet. 4. Exploring and Buying NFTs: Once connected to the wallet, you can start exploring the NFTs available on Cryptokitties. You can use the search feature to find the cat you are interested in or explore the cats offered on the market. After finding the NFT you want to buy, follow the instructions provided by Cryptokitties to complete the purchase process. Usually, you will see a "Buy" or "Purchase" button on the page of the NFT asset. Click on the button and confirm the transaction via your crypto wallet; 5. Store NFT Assets: After successfully purchasing NFT assets, they will be stored in your crypto wallet. In the case of Cryptokitties, the digital cats you buy will be stored in your wallet as an NFT. You can view and manage your collection of cats via the crypto wallet you use.¹⁶

It is important to note that Cryptokitties is one of the existing NFT platforms, and the process of buying NFT assets with cryptocurrency can vary quite a bit depending on the platform you are using. Make sure to read the guides and instructions provided by the platform you choose to ensure the steps are accurate and precise. Additionally, distributed applications running on the Ethereum network, use specially developed smart contracts (each, a "Smart Contract") to enable users to own, transfer, and breed genetically unique digital cats, which can then be visualized on the website. website that users can interact with ("Site"). The Smart Contract and the Site are collectively referred to in these Terms as the "Application". Using the Application, users can view their cats and use Smart Contracts to acquire, trade and breed cats with other Application users via watch auctions.¹⁷

To use the Application most easily, you can first install a web browser (such as Google Chrome web browser) and an electronic wallet that is compatible with the Non-Fungible Token (NFT) standard on the Ethereum network, such as MetaMask electronic wallet MetaMask and other electronic wallets allow You are to buy (either directly through Coinbase if you are in the United States, or through other third party sites), store, and engage in

¹⁶ Florian Horky and others, 'Don't Miss out on NFTs?! A Sentiment-Based Analysis of the Early NFT Market', *International Review of Economics and Finance*, 2023 <<https://doi.org/10.1016/j.iref.2023.07.016>>.

¹⁷ Simon F. Dyson, William J. Buchanan, and Liam Bell, 'Scenario-Based Creation and Digital Investigation of Ethereum ERC20 Tokens', *Forensic Science International: Digital Investigation*, 32 (2020), 200894 <<https://doi.org/10.1016/j.fsidi.2019.200894>>.

transactions using the Ethereum cryptocurrency. You will not be able to engage in any transactions on the Application other than through MetaMask, or any other Ethereum-compatible browser. Transactions that occur on the App are managed and confirmed via the Ethereum blockchain. You understand that your Ethereum public address will be publicly visible whenever you engage in a transaction on the App. We do not own or control MetaMask, Coinbase, Google Chrome, the Ethereum network, or any other third party sites, products or services that you may access, visit, or use to enable you to use various features of the App. We will not be responsible for the acts or omissions of these third parties, nor will we be liable for any losses you may suffer as a result of your transactions or other interactions with these third parties.

Analysis Smartcontract on Platform Cryptokitties

We have used smart contracts to develop our first generation of cryptokitties ("gen-zero cats"). We'll be releasing a number of gen-zero cats "into the wild" (and making them available for purchase) the day we first launch the app. We will then release an additional gen-zero cat into the wild every fifteen minutes, and we will make every newly released gen-zero cat available for purchase via a no-reserve hour auction. Our smart contract enforces a hard limit of 50,000 gen-zero cats. When users breed their cryptokitties, a new and unexpected generation of cryptokitties will emerge. Using our proprietary genetic combination algorithm that we have designed as part of the app, each newly bred cryptokitty will have some of the genetic traits of its parents at the same time, new genetic traits. others can be expressed unique and surprising properties can be expressed when cryptokitties are bred in the right combination smart contracts have complete control over the pseudo random elements of our breeding process, w which means that we cannot manipulate or influence them.¹⁸

The user breed of your cryptokitties is completely up to you. You can breed your own cryptokitties with each other, or offer to breed your cryptokitties with other users' cryptokitties. Cryptokitties don't have a fixed gender, meaning that in certain breeding transactions, owners of cryptokitties get to choose which cat will become a stud, and which will become a matron. When a new kitten is born, it will always be assigned to the owner's matron cat. Breeding two cryptokitties will always produce kittens: 1. Changes to the terms of the smart contract: We may change the terms from time to time. When we make changes, we will make the updated terms available in the app and update the "last updated" date at the start of these terms. Please check these terms periodically for changes. Any changes to the terms will take effect on the date they are made, and your continued access to or use of the app after the terms have been updated will constitute your binding agreement to those updates. If you do not agree to the revised terms, you may not access or use the application; 2. Changes to the app: We are constantly innovating the app to help provide the best experience. You acknowledge and agree that the form and nature of the application, and any part thereof, may change from time to time without prior notification to you, and that we may

¹⁸ Malkar Vinod Ramchandra and others, 'Assessment of the Impact of Blockchain Technology in the Banking Industry', *Materials Today: Proceedings*, 56 (2022), 2221-26 <<https://doi.org/10.1016/j.matpr.2021.11.554>>.

add new features and change any part of the application at any time without notice.¹⁹

Intellectual property analysis on cryptokitties platforms (ownership, licenses, restrictions)

In this section, several terms are given definitions to ensure a clear understanding related to the context which will be explained next. Those terms are art, extension, property, purchased kitty and third party ip. First, art refers to art, designs, and images related to owned cryptokitty. It includes the visual and creative elements that are part of the cryptokitty. Then, extensions are third-party designs created to be used as additions or overlays on art. It is important to note that these extensions do not change any fundamental characteristics of the original art and can be removed without affecting the art itself. Furthermore, property refers to the ownership status in relation to cryptokitty. If you have legally purchased or obtained cryptokitty from a legitimate source, and there is proof of purchase recorded in the relevant blockchain, then the cryptokitty is considered your property.²⁰

Purchased kitty refers to the cryptokitty that belongs to you according to the previous definition. This confirms that you own the rights to the cryptokitty. Finally, third party ip refers to intellectual property rights owned by third parties. This includes patents, copyrights, trade secrets, trademarks and other know-how recognized in any country or jurisdiction in the world. In this context, third party ip refers to those rights which are owned by parties other than cryptokitty users. Ownership, you own the NFT. Every cryptokitty is a non-fungible token ("NFT") on the ethereum blockchain. When you buy cryptokitty, you completely own the underlying NFT. This means you have the right to trade your NFT, sell it, or give it away. Nft ownership is fully mediated by smart contracts and the ethereum network: we will not confiscate, freeze or modify any cryptokitty holdings. Dapper has an app. You acknowledge and agree that dapper (or, as applicable, our licensors) owns all legal right, title and interest in and to all other elements of the application, and all intellectual property rights therein (including, without limitation, all art, design, , systems, methods, information, computer code, software, services, "look and feel", organization, content compilation, code, data, and all other elements of the application (collectively, the "material dapper").²¹

You acknowledge that the dapper materials are protected by copyright, trade draft, patent and trademark laws, international conventions, intellectual property rights and other relevant proprietary rights, and applicable laws. All dapper materials are copyright of dapper or its licensors, and all trademarks, service marks, and trade names associated with the app or contained within the dapper materials are the property of dapper or its licensors. Except as expressly stated herein, use application by you does not grant you any ownership of or any other rights in respect of any content, code, data or other dapper material that you may access on or through the application. We reserve all rights in and to the dapper material not expressly granted to you in these terms. For the sake of clarity, you understand and agree: 1.

¹⁹ Hayder Albayati, Noor Alistarbadi, and Jae Jeung Rho, 'Assessing Engagement Decisions in NFT Metaverse Based on the Theory of Planned Behavior (TPB)', *Telematics and Informatics Reports*, 10.December 2022 (2023), 100045 <<https://doi.org/10.1016/j.teler.2023.100045>>.

²⁰ Howson.

²¹ Shaun Lisson and others, 'A Participatory, Farming Systems Approach to Improving Bali Cattle Production in the Smallholder Crop-Livestock Systems of Eastern Indonesia', *Agricultural Systems*, 103.7 (2010), 486-97 <<https://doi.org/10.1016/j.agsy.2010.05.002>>.

That your purchase of cryptokitty, whether through the app or otherwise, does not grant you any right or license in or to the dapper material (including, without limitation, our copyright in and to related art) other than as expressly contained in these terms; 2. That you have no right, except as otherwise provided in these terms, to reproduce, distribute, or commercialize any element of the dapper material (including, without limitation, any art) without our prior written consent in each case, which consent that we can endure in the only one; 3. That you will not apply for, register, or use or attempt to use any dapper trademarks or service marks, or confusingly similar marks, anywhere in the world without our prior written consent in each case, the consent of which we may withhold at our sole and absolute discretion.²²

Art license. General use subject to your continued compliance with these terms, dapper grants you a worldwide, non-exclusive, non-assignable, royalty-free license to use, copy and display art for the kitten you purchase, together with any extension whatever you choose to make or use, solely for the following purposes: for your own personal, non-commercial use; as part of a marketplace that permits the buying and selling of your purchased kitty, provided the marketplace cryptographically verifies each kitty owner's right to display artwork for their purchaser's kitty to ensure that owner can display the art. As part of any third-party website or app that permits the inclusion, engagement, or participation of your purchased kitty, provided that the website/app cryptographically verifies the right of each kitty owner to display art for the purchased kitty to ensure that only the real owner sees it. can display the art, and provided that the art is no longer visible after the owner of the purchased kitty leaves the website/app.²³

Commercial use subject to your continued compliance with these terms, Dapper grants you a limited, worldwide, non-exclusive, non-transferable license to use, copy and display art for kitty that you purchase for the purpose of commercializing your own merchandise. includes, contains, or consists of art for cats that you purchase ("commercial use"), provided that such commercial use does not gross you more than one hundred thousand dollars (\$100,000) annually. For the sake of clarity, nothing in this section shall be presumed to restrict you from owning or operating a market that permits the general use and sale of cryptokitties, provided the market cryptographically verifies the right of each kitty owner to display art for purchased kitty to ensure that only the true owner can display such art, own or operate third party websites or applications that permit the inclusion, engagement, or participation of cryptokitties in general, provided that the third party websites or applications cryptographically verify each kitty owner's right to display art for purchased kitty to ensure that only the true owner can display the art, and provided that the art is no longer visible once the owner of the purchased kitty leaves the website/app, or earns revenue from one to come, even if that revenue exceeds \$100,000 per year.²⁴

Own or operate third-party websites or apps that permit the inclusion, engagement, or participation of cryptokitties in general, provided that the third-party website or app

²² Dona Budi Kharisma, 'Urgency of Financial Technology (Fintech) Laws in Indonesia', *International Journal of Law and Management*, 63.3 (2021), 320–31 <<https://doi.org/10.1108/IJLMA-08-2020-0233>>.

²³ Wisnu Prabowo, Satriya Wibawa, and Fuad Azmi, 'Perlindungan Data Personal Siber Di Indonesia', *Padjajaran Journal of International Relations*, 1.3 (2020), 218 <<https://doi.org/10.24198/padjir.v1i3.26194>>.

²⁴ Dian Latifiani, 'Human Attitude And Technology : Analyzing A Legal Culture On Electronic Court System In Indonesia (Case Of Religious Court)', *Jils (Journal of Indonesian Legal Studies) Volume*, 6.1 (2021), 157–84 <<https://doi.org/doi/10.15294/jils.v6i1.44450>>.

cryptographically verifies the right of each kitty owner to display art for purchased kitty to ensure that only the real owner who can display the art, and provided that the art is no longer visible after the owner of the purchased kitty leaves the website/app, or earns revenue from the future, even if that income exceeds \$100,000 annually. owns or operates the website or third party apps that permit the inclusion, engagement, or participation of cryptokitties in general, provided that the third party website or app cryptographically verifies each kitty owner's right to display art for purchased kitty to ensure that only the true owner can display the art, and provided that the art is no longer visible after the owner of the purchased kitty leaves the website/app.²⁵

Obtain future income, even if the income exceeds \$100,000 per year. Provided that a third-party website or app cryptographically verifies each kitty owner's right to display art for the art for the kit purchased ty to enter that only the true owner can display the art, and provided that the art is no longer visible to other persons open it. Purchaset kitty leaves the website/app, or earns revenue from one to come, even if that revenue exceeds \$100,000 per annum.provided that the third party website or app cryptographically verifies each kitty owner's right to display art for art for the kit purchased ty to enter that only the true owner can display the art, and with the proviso that the art is no longer visible to the person who opened it. Purchaset kitty leaves the website/app; or (iii) obtain income from a future one, even if that income exceeds \$100,000 per year.

Legal Implications of Users with Platform Owners on CryptoKitties

Restrictions You agree that you may not, or permit any third party to perform or attempt to perform any of the foregoing without Dapper's prior written consent in any case: modify the art for the cat you purchased by any means, including, without boundaries, shapes, designs, images, attributes, or color schemes (your use of the extension is not a modification prohibited under this agreement), use the art for kitty you buy to advertise, market, or sell third party products or services other parties. Use cat art that you purchase in connection with images, videos, or other forms of media that depict hate, intolerance, violence, cruelty, or anything that could reasonably be considered hate speech or otherwise violate the rights of others, use the cat art that you buy in movies, videos or other forms of media, except to the extent such use is expressly permitted in these terms or solely for your own personal non-commercial use, sell, distribute for commercial gain (including, without limitation, giving away in hopes of making a profit commercial in the end), or otherwise commercialize merchandise that includes, contains, or consists of art for kitty that you purchased, except as expressly permitted in these terms, trying trademarks, copyrights, or in any other way ac requires additional intellectual property rights in or to art for kitty you purchase; or, use the art for kitty you purchased for your or any third party's commercial gain. As far as the art related to the kitty you bought contains third party ip.²⁶

Intellectual property licensed from celebrities, athletes or other public figures), you

²⁵ Orin Gusta and others, 'The Impact of Covid-19 Pandemic on Effective Electronic Criminal Trials : A Comparative Study', *Journal of Human Rights, Culture and Legal System*, 3.2 (2023), 185-209 <<https://doi.org/10.53955/jhcls.v3i2.57>>.

²⁶ Huy Nghiem and others, 'Detecting Cryptocurrency Pump-and-Dump Frauds Using Market and Social Signals', *Expert Systems with Applications*, 182.November 2020 (2021), 115284 <<https://doi.org/10.1016/j.eswa.2021.115284>>.

understand and agree as follows, that you will not have the right to use such third party ip in any way except as incorporated in art, and subject to the licenses and restrictions noted here, that the commercial use licenses in the section above will not apply, that, depending on the nature of the license granted from a third party IP owner, dapper may need to bypass additional restrictions and to the extent that dapper notifies you of such additional restrictions in writing (email permitted), you will be responsible for complying with all such restrictions from the date you receive the notification, and failure to do so will be deemed a violation of this license. the limitations in this section will survive after these terms expire or are terminated.²⁷

Other license terms. The license granted in section 3.c above is valid only to the extent that you continue to own the valid purchased kitty. If at any time you sell, trade, donate, give away, transfer or otherwise dispose of the kitty you purchased for any reason, the license granted in section 3.c will immediately expire in respect of the kitty without notice requirements, and you will not have further rights in or to the art for the kitty. The \$100,000 annual gross income limit set above, you will be in breach of this provision, and must send an email within forty-five (45) days, with the phrase "cryptokitty license - commercial use" in the subject line, requesting a discussion with dapper regarding holding broader license agreement or obtain a waiver (which may or may not be granted at dapper's sole and absolute discretion). if you go beyond the scope of the license grant without agreeing to a broader license agreement with or obtaining a waiver from dapper, you acknowledge and agree that you are violating terms, other than any remedy that may be available to dapper by law or in equity, dapper may immediately terminate the license granted to you without any notice requirements, you will be responsible for reimbursing any costs and expenses incurred by dapper while executing these terms to dapper against you.²⁸

Feedback You may choose to submit comments, bug reports, ideas, or other feedback about the application, including but not limited to how to improve the application (collectively, "feedback"). By submitting any feedback, you agree that we are free to use the feedback at our discretion and without additional compensation to you, and to disclose the feedback to third parties (whether on a non-confidential basis, or otherwise). The rights necessary for us to include and use your feedback for any purpose. User Obligations, you agree that you are responsible for your own behavior when accessing or using the application, and for any consequences because of it. You agree to use the Application only for lawful, proper purposes and in compliance with these terms and any applicable law or regulation as an example, and not as a limitation, you may not, and may not allow any third party to, send, upload, distribute or disseminate content that is unlawful, defamatory, harassing, insulting, deceptive, obscene or objectionable content, distribute viruses, worms, defects, trojan horses, corrupted files, hoaxes or any other item of a destructive nature or cheat, impersonate another person (through use of email addresses or otherwise), upload, post, transmit or make available through the application any content that violates the intellectual property rights of any party,

²⁷ Yao Yue and others, 'How Cryptocurrency Affects Economy? A Network Analysis Using Bibliometric Methods', *International Review of Financial Analysis*, 77.71988101 (2021), 101869 <<https://doi.org/10.1016/j.irfa.2021.101869>>.

²⁸ Emanuelle Nava Smaniotto and Giacomo Balbinotto Neto, 'Speculative Trading in Bitcoin: A Brazilian Market Evidence', *Quarterly Review of Economics and Finance*, 85 (2022), 47-54 <<https://doi.org/10.1016/j.qref.2020.10.024>>.

use the application to violate legal rights (such as rights of privacy and publicity) other parties, engage in, promote, or encourage illegal activities (including, without limitation, money laundering).²⁹

Interfere with other users' enjoyment of the application, exploit the application for unauthorized commercial purposes, modify, adapt, translate or reverse engineer any part of the application, remove any copyright, trademark or other proprietary rights notices contained in or on the application or any part thereof, reformat or frame any part of the app, display content in the app that contains content related to hate or violence or contains other materials, products or services that violate or encourage behavior that would violate criminal laws, statutory other applicable law, or the right of any third party, use any robot, spider, site search/retrieval application, or other device to retrieve or index any part of the application or the content posted on the application.³⁰

To collect information about its users for any unauthorized purpose, create user accounts by automatic means or under false or fraudulent pretenses access or use the application for the purpose of creating products or services that are competitive with ours. If you engage in any activity prohibited by this section, we may, at our sole and absolute discretion, without notice to you, and without limiting our other rights or remedies at law or in equity, immediately suspend or terminate your user account and/ or remove images and descriptions of your cryptokitties from apps and sites.³¹ If we remove images and descriptions of your cryptokitties from the app and/or site, such removal will not affect your ownership rights in any NFTs you already own. You confirm that you are over 13 years of age, because this application is not intended for children under 13 years of age. If you are 13 or over but under the age of 18, or the legal age of majority where you reside if that jurisdiction has an older prime age, then you agree to review these terms with your parents or guardian to ensure that you and that parent or guardian you understand and agree to these terms. Name. If you are the parent or guardian agreeing to these terms for the benefit of a child over 13, then you agree to and accept full responsibility for the child's use of the application, including all financial fees and legal obligations he may incur.

4. Conclusion

In this context, NFT ownership grants users exclusive rights to a digital asset that represents a unique virtual cat. Users have full rights to control, trade and use the NFT according to their wishes. These rights include the user's ability to derive economic benefits from NFTs, such as selling them or using NFTs as access keys to special features in games. While Dapper owns the rights to the platform and other elements, users can confidently claim full ownership of the NFTs they own. This provides legal certainty and freedom for users in utilizing the digital assets they acquire through CryptoKitties. It is important to remember that when participating in such platforms, users need to understand and comply with the rules and regulations set forth by Dapper in order to protect their proprietary rights to NFTs and maintain the sustainability and integrity of

²⁹ Horky and others.

³⁰ Wilson, Karg, and Ghaderi.

³¹ Russell Belk, Mariam Humayun, and Myriam Brouard, 'Money, Possessions, and Ownership in the Metaverse: NFTs, Cryptocurrencies, Web3 and Wild Markets', *Journal of Business Research*, 153.August (2022), 198–205 <<https://doi.org/10.1016/j.jbusres.2022.08.031>>.

the platform itself.

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