

# SMART Know Your Data Process:

## Data Source Verification for Tokenized Markets

In today's increasingly tokenized financial markets, the advances in efficiency are threatened by the potential for exponential advances in the ability to deceive. The rapid rise of Artificial Intelligence (AI) has made it alarmingly easy to fabricate convincing documentation across asset reports, certifications, imagery and identification designed for analog processes. What once required sophisticated technical capabilities is now in the hands of anyone with an internet connection. This has fueled a new era of targeted scams, synthetic documents, and falsified performance data that can slip past traditional verification methods and destabilize entire markets. FinCEN [warns financial institutions](#) on the dangers of deepfake media created with generative AI tools.

With trillions of dollars in financing for real-world physical assets (RWPAs) expected to be managed through tokenized instruments, AI-enabled fraud is not a theoretical risk—it's a systemic vulnerability. Financial institutions, lenders, and investors urgently need ways to authenticate both the existence and performance of critical assets (e.g., energy, fuels, agriculture, mining, forests) as well as the legitimacy of the data aggregators associated with those assets.

At Fiùtur, we are addressing this head-on with the SMART Know Your Data (KYD) Process in conjunction with the SMART Protocol by integrating fraud prevention and security as central pillars of tokenized finance.

### **SMART Know Your Data (KYD): Trusting the Source**

Just as financial institutions need to "Know Your Customer" (KYC), it is also crucial to "Know Your Data" (KYD) to protect against [AI-driven data manipulation](#). The SMART Know Your Data (KYD) Process, functions much like a rigorous vendor risk management program, but it's specifically applied to the entities that aggregate and verify operational and performance data associated with RWPAs.

Before any data enters the Fiùtur ecosystem, the data provider undergoes a meticulous onboarding process:

- **Entity Verification:** We confirm the legal existence, ownership, and operational status of the data provider.
- **Capability Assessment:** We validate the methods, tools, and expertise SMART Data Providers use to collect asset performance data.
- **Track Record Review:** We analyze their historical reporting accuracy and consistency.
- **Ongoing Compliance Checks:** We continuously monitor for any anomalies or deviations from established baselines.

<p><b>Instructions:</b> Answer each question as completely and concisely as possible.</p> <p><b>Supporting Documents:</b> Please attach documentation (including technical specification / architecture / etc.) where appropriate to support your response to the questions.</p>		
#	Questions	Internal Evaluation Criteria
<b>Organizational</b>		
1	What is your Business address?	A valid incorporation status in the regions in which they are allowed to operate.
2	Please outline your Customer support and success SLA's	
3	Can you provide a brief overview of your company?	
3	Include headquarters location, founding year, size, and core focus areas.	
4	What are your primary products or services?	
<b>Workflow &amp; Business Process Mapping</b>		
1	Can you provide a data flow diagram or visual representation of how data flows into and out of your system (ingress/egress)?	
2	What is the frequency of data updates or transfers? - Is the data delivered in real-time, on a scheduled batch basis, daily, or otherwise?	
3	Are there any third-party services or vendors involved in your data processing or delivery workflows? - If so, please specify their roles and responsibilities.	
4	Do you have data validation on inputs / outputs for anomalies?	
5	Can you describe which parts of your workflow are automated and which involve manual processes? - Are any human reviews, approvals, or interventions required during data handling?	
6	Are there any additional hardware or software components or subsystems involved in processing data?	
<b>API &amp; Integration</b>		
7	Can you provide your API documentation, such as an OpenAPI/Swagger spec or equivalent?	Partners must be able to provide documentation supporting their relevant APIs.
8	What type of authentication does your API require (e.g., API key, OAuth2, mutual TLS)?	Partners must provide an API security process that incorporates authentication and authorization and follows a zero-trust, least privileged access approach.
9	Describe your authorization model (e.g., RBAC, ABAC, ReBAC).	
10	What is the data format and structure returned by your API? (e.g., JSON, XML, CSV, flat files)	
11	Can you describe the typical data integration workflow? - How will data be ingested, processed, updated, and updated on your end?	
12	Is a sandbox or test environment available for integration and development purposes? If so, how do we gain access?	

Once verified, the data provider is "trusted" within the KYD governance framework, meaning data they produce can be securely tracked, audited, and linked to a validated source.

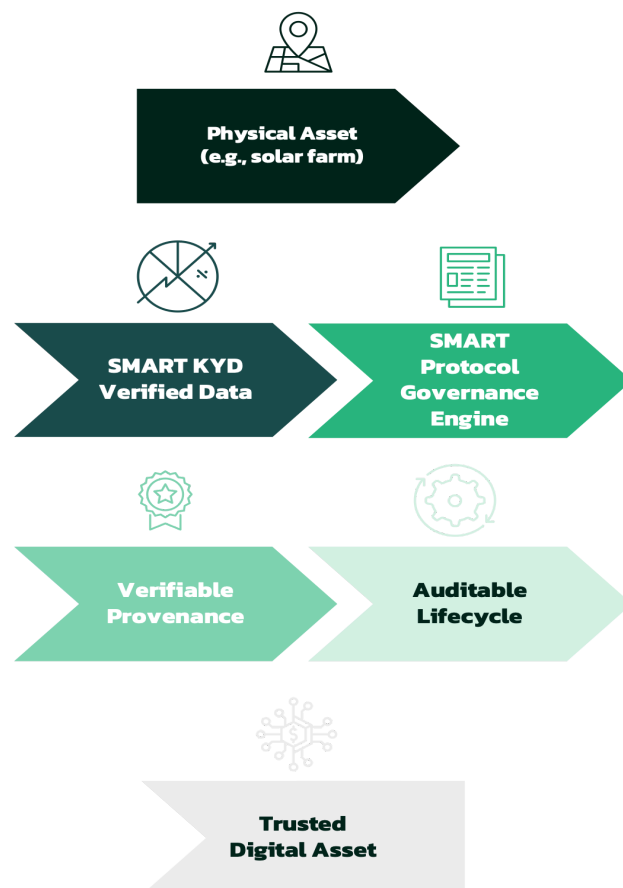
## SMART Protocol: From Data to Trusted Digital Assets

The [SMART Protocol](#) defines *how* RWPA data is governed to ensure the broader system interoperates with integrity and traceable provenance. SMART IDs enable market participants to know that a RWPA actually exists. SMART Know Your Data

(KYD) ensures that market participants can trust *who* is providing the data associated with a RWPA.

The SMART Protocol is an operational governance framework that ensures every tokenized asset—from individual solar panels to large-scale facilities like data centers and green ammonia plants—is backed by:

- **Auditable Provenance & Lifecycle Integrity:** Every asset token carries a complete, verifiable chain of custody. Distributed Ledger Technology (DLT) such as [Daml](#) / [Canton Network](#) serves as a tamper-proof distributed ledger, providing complete visibility of asset-related data and transactions.
- **Data Quality:** Reference datasets follow rules for measurement, verification, and traceability.
- **Liquidity:** Tokenized assets can be used as collateral, unlocking new financing structures and democratizing access to asset classes previously reserved for large institutions.



By combining distributed ledger immutability, and governance rules that span multiple applications, the SMART Protocol significantly reduces operational risk while unlocking new capital flows into the transition economy.

### Tokenization: The Next Financial Infrastructure, Built on Trust

The global financial industry is rapidly moving towards tokenization. BlackRock CEO Larry Fink described tokenization as the next evolution of market infrastructure—a unified ledger for all asset types, promising transparency, speed, and accessibility.

However, the reality is stark: tokenization without trusted data is just a faster way to trade bad information. If AI-enabled deepfakes, falsified certifications, or manipulated IoT feeds underpin a token, the asset is compromised before it ever hits the ledger. This is a critical "off-chain" verification challenge, as effective real-world asset tokenization requires off-chain connections that provide data on the mainstream asset. The real challenge lies in bridging the physical and digital worlds securely. Inaccurate or incomplete data undermine trust, cause liquidity issues, or even lead to regulatory repercussions.

Fiùtur's verified reference datasets solve this fundamental challenge. We ensure that each tokenized asset carries with it an auditable chain of trust, rooted in KYD-verified data providers and governed by the SMART Protocol. Data is then distributed within an institutional-grade, tokenized environment: the [Canton Network](#). The Canton Network stands at the forefront of institutional tokenization by enabling secure, privacy-preserving interoperability between disparate financial systems while meeting strict regulatory requirements. This means financial institutions can participate in tokenized markets with the same level of assurance they expect from traditional, regulated asset classes—while still benefiting from the efficiency and liquidity that tokenization brings. With a focus on interoperability, Canton Network allows distinct, permissioned networks to transact and synchronize with other DLT networks whereby Canton acts as a true "network of networks." This allows Fiùtur's reference datasets for each tokenized asset to be truly extensible to any participant on the Canton node in a trusted, privacy-preserving environment.

### **The Urgency to Act**

Regulators and institutions are already confronting fraud in renewable energy, infrastructure, and industrial financing. The shift to tokenization will magnify these vulnerabilities if unchecked. AI-enabled fraud risks eroding investor confidence, impairing balance sheets, and destabilizing financial markets.

The defense must be proactive. By adopting Fiùtur's SMART Governance framework, institutions can:

- Block AI-generated fraud at the source
- Safeguard liquidity with verified datasets
- Stay ahead of evolving regulatory enforcement

Tokenization promises efficiency, transparency, and accessibility. But without robust fraud defenses, it risks becoming a faster, more global mechanism for deception.

Fiùtur is building the trusted bridge between the physical and digital and through the KYD governance framework we aim to transform the weakest link—the data supply chain—into a trusted source.