

**Participation Agreement**  
**ShyftDAO**  
(the "Agreement")

**Preamble**

- 1) The ShyftDAO is a decentralized collective stewarding a thriving ecosystem around the Shyft Network, which powers trust on the blockchain and economies of trust. It is a public protocol designed to infuse data discoverability and compliance into blockchain while preserving privacy and sovereignty.

**AGREEMENT**

**1. PARTIES**

- 1.1. Parties to this Agreement are each owner of a Public Address who Participates in the Governance Mechanism of the ShyftDAO (each a "ShyftDAO Participant" or a "Party", altogether, "ShyftDAO Participants" or "Parties") and shall include any Service Provider to the ShyftDAO.
- 1.2. The Parties to this Agreement are sophisticated, technically proficient, and active users of blockchain technology and blockchain-based software systems.
- 1.3. The Parties have agreed to enter into this Agreement to regulate the exercise of their rights and obligations to each other in respect of the ShyftDAO and third parties.

**2. INTERPRETATION AND DEFINITIONS**

The following definitions and rules of interpretation apply in this Agreement:

- 2.1. Interpretation Rules:
  - 2.1.1. Terms written in title case are defined terms and have the meanings given to them in clause 2.2.
  - 2.1.2. Clause headings shall not affect the interpretation of this Agreement.
  - 2.1.3. A reference to writing or written includes email and any Digital Signature (as defined in clause 2.2).
  - 2.1.4. A reference to this Agreement is a reference to this Agreement as varied or novated (in each case, other than in breach of the terms of this Agreement) from time to time.
  - 2.1.5. References to clauses are to the clauses of this Agreement.
  - 2.1.6. Any words following the terms 'including, include, in particular, for example' or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase, or term preceding those terms.
  - 2.1.7. Unless the context otherwise requires, words in the singular shall include the plural, and in the plural shall include the singular.

2.2. Definitions:

- 2.2.1. "**Agreement Termination Event**": an SDIP that the Agreement shall terminate at a specified time, which successfully passed by way of the Governance Mechanism.
- 2.2.2. "**Consumer**": a natural person acting outside the scope of an economic activity.
- 2.2.3. "**Dispute**": any disagreement, controversy, or dispute arising out of or in connection with this Agreement or the ShyftDAO, including any question regarding its existence, validity or termination, as well as any tort or other non-contractual claim.
- 2.2.4. "**Distributed Heterarchical Network**": A network where the elements of the organization are distributed and unranked.
- 2.2.5. "**Ethereum Blockchain**": a mathematically or game-theoretically secured, chronological, and decentralized consensus ledger maintained on an Ethereum Virtual Machine or an Ethereum Virtual Machine compatible validation mechanism.
- 2.2.6. "**Force Majeure**": any event beyond the reasonable control of any of the Protected Parties, including, but not limited to, flood, extraordinary weather conditions, earthquake, or other act of God, fire, war, insurrection, riot, labor dispute, accident, action of government, government body or agency, or international organization, communications or power failure, or equipment or software malfunction or bugs including network splits or Forks or unexpected changes in a network or service upon which the functioning of the Governance Mechanism rely, as well as hacks, malicious proposals, phishing attacks, distributed denials of service or any other security attacks on those networks, services, or the Foundational Code.
- 2.2.7. "**Fork**": a change to the underlying protocol of a blockchain that results in more than one version of that blockchain.
- 2.2.8. "**Foundational Code**":
- the integrations of the Off-Chain Voting Mechanism, as well as any other frontend code for DAO governance,
  - the Shyft smart contracts, as implemented by the ShyftDAO from time to time,
  - the SHFT Token contract on Shyft Mainnet
  - the Shyft Token contracts on Ethereum Mainnet with Public Address 0xb17c88bda07d28b3838e0c1de6a30eafbcf52d85
  - Applications and technical infrastructure used to interact with Shyft both On-chain and Off-chain. This includes but is not limited to graphical user interfaces
- 2.2.10. "**Governance Mechanism**": ShyftDAO Participants using the governance powers of the ShyftDAO by way of SDIP. For any action to be implemented by the ShyftDAO, an SDIP must be prepared and pass through the applicable process according to ShyftDAO Forum available at <https://forum.shyft.network/d/1-proposal-rules-and-guidelines>.

- 2.2.11. **"Intellectual Property Rights"**: patents rights to inventions, copyright and neighboring and related rights, moral rights, trademarks and service marks, business names, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.
- 2.2.12. **"Interface"**: a graphical user interface used for ShyftDAO Participants to discuss, propose and vote as agreed from time to time, including the ShyftDAO Forum available at <https://forum.shyft.network> or alternative site as determined per the Governance Mechanism.
- 2.2.13. **"Off-Chain"**: any action or transaction that is not On-Chain.
- 2.2.14. **"Off-Chain Voting"**: means voting via the Off-Chain Voting Mechanism.
- 2.2.15. **"Off-Chain Voting Mechanism"**: means the ShyftDAO's Snapshot.org space at <https://snapshot.org/#/shyftdao.eth> or such replacement off-chain voting mechanism instituted by way of Governance Mechanism.
- 2.2.16. **"On-Chain"**: any transaction recorded and verified on Ethereum mainnet, Shyft Network or an EVM-compatible or EVM-based blockchain.
- 2.2.17. **"Owner"** means any Person(s) controlling a Public Address unilaterally or together with others.
- 2.2.18. **"Participate"** and **"Participating"**: partaking in the ShyftDAO engaging in Off-Chain Voting (whether directly or through delegation), executing On-Chain transactions and deploying or upgrading Foundational Code.
- 2.2.19. **"Participant Termination Event"**: has the meaning given in clause 11.
- 2.2.20. **"Person"**: includes a natural person, corporate or unincorporated body (whether or not having separate legal personality), a decentralized autonomous organization or similar unless specified otherwise.
- 2.2.21. **"Protected Parties"**: the ShyftDAO Participants, ShyftDAO, Shyft Network Inc. (and any of its affiliates), Shyft DAO E.E., Shyft DAO Foundation, the Service Providers and Signers.
- 2.2.22. **"Public Address"**: an account used by a Person to transact on a Blockchain, on a layer two solution or similar execution environment, or via the Off-Chain Voting Mechanism.
- 2.2.23. **"Public Forum"**: a freely accessible online environment customarily used to exercise public speech and debate.
- 2.2.24. **"SHYFT Blockchain"** or **"SHYFT Network"**: a mathematically or game-theoretically secured, chronological, and decentralized consensus ledger maintained on an Ethereum Virtual Machine

- compatible validation mechanism. "**SHFT**" is its native **Token** and fuel of the network. SHFT exists on its native Blockchain and on the Ethereum Blockchain. Both Tokens are included here as "**SHFT**".
- 2.2.25. "**ShyftDAO**": a Distributed Heterarchical Network created by the deployment of the Foundational Code, which allows the ShyftDAO Participants to manage and control resources transparently, to which this Agreement refers.
  - 2.2.26. "**Shyft DAO Improvement Proposal**" or "**SDIP**": a suggestion for actions to be taken by the ShyftDAO decided in accordance with the Governance Mechanism.
  - 2.2.27. "**ShyftDAO Forum**": see Interface.
  - 2.2.28. "**SHFT Holder**": the owner(s) of a Public Address with an amount of SHFT.
  - 2.2.29. "**SDIP Template**": as published in the ShyftDAO Forum and amended from time to time.
  - 2.2.30. "**Service Provider**": any Person engaged to perform services for the ShyftDAO in accordance with the Governance Mechanism.
  - 2.2.31. "**Signer Obligations**": as defined in clause 17.1.
  - 2.2.32. "**Signers**": a list of ShyftDAO participants who assist the ShyftDAO with its initial setup and the ShyftDAO Participants by collectively authorizing
    - On-Chain transactions as defined and approved by the ShyftDAO via its Governance Mechanism to be executed by the ShyftDAO Multisig, whereby a Signer ceases to be a Signer when such Signer is no longer an Owner of the ShyftDAO Multisig.
  - 2.2.33. "**Smart Contract**": software code deployed on the Ethereum Blockchain, or another EVM based or compatible blockchain, containing preset and
    - deterministic instructions executed by an Ethereum Virtual Machine if and only if underlying conditions are met.
  - 2.2.34. "**Transaction**": a new entry in the Ethereum Blockchain, Shyft Network, a layer two solution, or similar execution environment.
  - 2.2.35. "**Voting Period**": as defined in the Governance Mechanism.
  - 2.2.36. "**You**", "**Your**", and "**Yourself**": refers, at all times, to each ShyftDAO Participant.

### 3. CONTACTING THE SHYFTDAO

The ShyftDAO may be contacted via starting a discussion in the ShyftDAO Forum or such other Interface which may change from time to time and will be updated in the forum and/or on the corresponding social media accounts.

#### **4. GOVERNANCE PROCEDURE**

- 4.1. The ShyftDAO Participants manage and operate the ShyftDAO and its On-Chain assets collectively in accordance with the ShyftDAO Governance Mechanism, as amended from time to time.
- 4.2. Changes to the Governance Mechanism and the Foundational Code may be made at any time by the ShyftDAO Participants in accordance with the Governance Mechanism.
- 4.3. The Signers of the ShyftDAO Multisig may abstain from implementing or vetoing a passed SDIP determined at their discretion in accordance with the DAO Charter.

#### **5. NO MINORITY RIGHTS PROTECTION**

The decisions of the ShyftDAO are made in accordance with the Governance Mechanism, amended from time to time, and which may not protect minority rights and interests.

#### **6. DISSOLUTION**

The ShyftDAO can be dissolved by way of the Governance Mechanism.

#### **7. EXECUTION, START, AND DURATION**

- 7.1. This Agreement is executed by way of the Governance Mechanism and comes into effect at the end of the Voting Period in which the Agreement was successfully passed.
- 7.2. This Agreement shall be in force until an Agreement Termination Event occurs.
- 7.3. Any provision of this Agreement that expressly or by implication is intended to come into or continue to be in force on or after an Agreement Termination Event shall remain in full force and effect.

#### **8. NO RIGHT OF INSPECTION**

To the extent that all records and information of the ShyftDAO are available on a Public Forum and the Blockchain, no ShyftDAO Participant or Third Party shall have a right to separately inspect or copy records of the ShyftDAO and the ShyftDAO shall have no obligation to furnish any information concerning the ShyftDAO's activities, financial condition or other circumstances.

#### **9. TERMINATION OF PARTICIPATION**

- 9.1. A ShyftDAO Participant ceases to be a Party to this Agreement by failing to Participate in the ShyftDAO for a period of 90 days ("**Participant Termination Event**").
- 9.2. A termination pursuant to clause 9.1 shall neither affect the continuance of the ShyftDAO nor the Agreement between the remaining Parties, nor - subject to clause 9 - any rights, remedies, obligations, or liabilities of the

Parties that have accrued up to the date of such event, including the right, if any, to claim damages in respect of any breach of the Agreement which existed at or before the date of such event.

- 9.3. Any provision of this Agreement that expressly or by implication is intended to come into or continue to be in force on or after a Participant Termination Event concerning the respective ShyftDAO Participant shall remain in full force and effect.

## **10. IP RIGHTS**

The ShyftDAO Participants and Service Providers agree that all Intellectual Property Rights that will be developed through their relationship with ShyftDAO shall be assigned to the Shyft DAO Foundation.

## **11. REPRESENTATIONS AND WARRANTIES BY SHYFTDAO PARTICIPANTS**

You hereby represent and warrant to each of the other Parties:

- 11.1. This Agreement constitutes legally valid obligations binding on You and enforceable against You in accordance with the Agreement's terms.
- 11.2. You have reached Your legal age of majority in Your jurisdiction.
- 11.3. Our entry into and performance of this Agreement and the transactions contemplated thereby do not and will not contravene or conflict with any law, regulation or judicial or official order applicable to You.
- 11.4. In entering into this Agreement, You do not rely on, and shall have no remedy in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Agreement.
- 11.5. You have obtained all required or desirable authorizations to enable You to enter into, exercise Your rights and comply with Your obligations under this Agreement. All such authorizations are in full force and effect.
- 11.6. The choice of Bahamas law as the governing law of this Agreement will be recognized and enforced in Your jurisdiction of domicile or incorporation or registration, as the case may be.
- 11.7. You are the owner(s) of the Public Address used to vote in the Governance Mechanism and agree therefore to be bound by this Agreement and have the capacity to control such Public Address.
- 11.8. The ShyftDAO does not have custody of Your Public Address.
- 11.9. You are responsible for implementing all appropriate measures for securing Your Public Address, including any private keys, seed words, or other credentials necessary to access such storage mechanisms.
- 11.10. You have sufficient understanding of the functionality, usage, storage, transmission mechanisms and intricacies associated with cryptographic tokens, token storage facilities, blockchain technology and blockchain-based software systems.
- 11.11. You do not act as a Consumer when Participating in the ShyftDAO.
- 11.12. You have obtained sufficient information about the ShyftDAO to make an informed decision to become a Party to this Agreement.

- 11.13. Participating in the ShyftDAO under this Agreement is not unlawful or prohibited under the laws of Your jurisdiction or under the laws of any other jurisdiction to which You may be subjected to and shall be in full compliance with applicable laws (including, but not limited to, in compliance with any tax or disclosure obligations which You may be subjected to in any applicable jurisdiction).
- 11.14. You understand and accept that the ShyftDAO is an experiment and that You participate at Your own risk in the ShyftDAO and that these risks (some of which are set out in clause 12) are substantial.
- 11.15. You acknowledge that these risks may be the result of negligent acts, omissions, and/or carelessness of the Protected Parties.
- 11.16. You understand that transactions executed On-Chain on a Blockchain are usually immutable and irreversible.
- 11.17. You understand that such transactions may not be erased and that Your Public Address and transaction are displayed permanently and publicly and that You relinquish any right of rectification or erasure of personal data.
- 11.18. You do not participate with the expectation of profits or any other financial reward derived from the efforts of others.

## **12. GENERAL RISK NOTE**

You are fully aware of, understand, and agree to assume all the risks (including direct, indirect or ancillary risks) associated with participating in the ShyftDAO, including:

- 12.1. **THE NECESSITY FOR YOU TO TAKE YOUR OWN SECURITY MEASURES FOR THE ADDRESS USED TO PARTICIPATE TO AVOID A LOSS OF ACCESS:**  
The ShyftDAO does not provide any central entity that can store or restore the access data of ShyftDAO Participants. You need to keep Your private keys, seed phrases or other credentials necessary to access Your Public Address in Shyft custody.
- 12.2. **THE IMMUTABILITY AND IRREVERSIBILITY OF BLOCKCHAIN TRANSACTIONS:** Errors, false inputs or other errors are solely the responsibility of each individual ShyftDAO Participant. None of the Protected Parties shall have an obligation whatsoever to reverse or assist in reversing any false transaction.
- 12.3. **THE CREATION OF MORE THAN ONE VERSION OF A BLOCKCHAIN DUE TO FORKS:** In the event of a Fork, Your transactions may not be completed, completed partially, incorrectly completed, or substantially delayed. No Party is responsible for any loss incurred by You caused in whole or in part, directly or indirectly, by a Fork of the Ethereum Blockchain.
- 12.4. **REMAINING SMART CONTRACT RISKS: DESPITE SECURITY AUDITS, THERE MAY BE VULNERABILITIES IN THE DEPLOYED SMART**

CONTRACTS: You may experience damage or loss (including financial loss) caused by the existence, identification and/or exploitation of these vulnerabilities through hacks, mining attacks (including double-spend attacks, majority mining power attacks and "selfish-mining" attacks), sophisticated cyber-attacks, distributed denials of service or other security breaches, attacks or deficiencies.

- 12.5. THE POTENTIAL EXISTENCE OF PHISHING WEBSITES THAT PRETEND TO BE A SHYFTDAO INTERFACE DUE TO MINIMAL VARIATIONS IN SPELLING, VISUAL REPRESENTATION, OR OTHER MEANS: It is Your obligation to carefully check that You are accessing the correct domain.
- 12.6. THE EXPERIMENTAL STATUS OF THE FOUNDATIONAL CODE: Usage of the Foundational Code has not been tested in large groups and is of experimental nature. Decisions are based on relative majority and no protection may be provided for minority interests.
- 12.7. DEPENDENCIES ON EXTERNAL DATA CENTERS: Some computations may involve external data centers. You agree that the Protected Parties shall not be responsible for any errors or omissions by the data centers operated by third parties.
- 12.8. DEPENDENCIES ON THIRD PARTY INTEGRATIONS: The Off-Chain Voting Mechanism is a third-party integration. The ShyftDAO shall not be responsible for any errors or omissions by integrations operated by third parties.
- 12.9. CONSTANT AND DYNAMIC REGULATORY DEVELOPMENTS WITH REGARD TO CRYPTO ASSETS: Applicable laws may be uncertain and/or subject to clarification, implementation, or change.
- 12.10. TRANSPARENCY OF TRANSACTIONS: Without the use of privacy-protecting systems, blockchain transactions are traceable On-Chain. By using cryptanalysis methods, conclusions can be drawn about further On-Chain transactions, and regularly, associations to real-world identities can be made.

### **13. COVENANTS**

- 13.1. You covenant as a formal legally binding promise with the other Parties as set out in clause 11.2 and 11.3, respectively, and undertake to comply with those covenants.
- 13.2. Each ShyftDAO Participant shall:
  - 13.2.1. actively participate in the decision-making process;
  - 13.2.2. support the purpose of the ShyftDAO as described in the Background and refrain from any action that may conflict with or harm that purpose;
  - 13.2.3. to the extent that the ShyftDAO Participant has the capacity to do so, exercise their voting rights to procure that the provisions of this Agreement are properly and promptly observed and given full force and effect according to the spirit and intention of the Agreement;



- 13.2.4. comply in all respects with all relevant laws to which You may be subject if failure to do so would materially impair Your ability to perform Your obligations under this Agreement;
- 13.2.5. not attempt to gain unauthorized access to the Interface and/or to interact with the Foundational Code in any matter not contemplated by this Agreement;
- 13.2.6. not to sue Protected Parties for any of the Claims that You have waived, released, or discharged in clause 14 or for any other claims;
- 13.2.7. inform Yourself continuously about the regulatory status of distributed ledger technology and crypto assets to ensure compliance with the legal framework applicable to You when taking part in the ShyftDAO;
- 13.2.8. comply with all legislation, regulations, professional standards and other provisions as may govern the conduct of the ShyftDAO;
- 13.2.9. comply with any applicable tax obligations in Your jurisdiction arising from their interaction with the ShyftDAO;
- 13.2.10. not misuse the Interface and/or the Foundational Code by knowingly exploiting vulnerabilities or by introducing viruses, bugs, worms or other material that is malicious or technologically harmful;
- 13.2.11. not use the ShyftDAO to finance, engage in, or otherwise support any unlawful activities.

#### **14. WAIVER AND RELEASE OF RECOURSE TO LEGAL ACTION**

- 14.1. You hereby irrevocably release and forever discharge all and/or any actions, suits, proceedings, claims, accounts, rights, demands, of any kind, however arising, whether for damages, loss or injury sustained, loss of profits, accounting, set-offs, costs or expenses or for any other remedy, whether in the Bahamas or any other jurisdiction, whether or not presently known to the Parties or to the law, whether in existence or not, and whether in law or equity, that You ever had, may have or hereafter can, shall or may have against any of the Protected Parties arising out of or connected with this Agreement, the ShyftDAO, the SHFT Token or any other matter arising out of or connected with the relationship between the Parties (collectively, the "**Claims**").
- 14.2. Each ShyftDAO Participant agrees not to sue, commence, voluntarily aid in any way, prosecute or cause to be commenced or prosecuted against any of the Protected Parties any action, suit, arbitral proceedings or other proceedings concerning the Claims in the Bahamas or any other jurisdiction.
- 14.3. Each ShyftDAO Participant acknowledges and agrees that this Agreement does not constitute a partnership agreement of any kind. Despite this, in the event that a court or tribunal determines any aspect of this Agreement is found to constitute or cause a partnership to arise, each ShyftDAO Participant hereby waives any rights against each other partner in respect of the released Claims howsoever arising, including any obligation to account or account for any profit or loss or any other cause of action that a partner would have against another partner in the context of a partnership.

## **15. STATUS OF SHYFTDAO MULTISIG SIGNERS**

- 15.1. In the event of any fees, dues, expenses, costs, duties, taxes or fines ("**Signer Obligations**") become payable by the Signers arising exclusively out of their capacity as Signers of the ShyftDAO Multisig, the Signers shall have the power to pay such Signer Obligations out of the ShyftDAO's On-Chain assets notwithstanding that the same shall not be recoverable from any of the Protected Parties or any other persons or that the payment shall not be to the advantage of the Protected Parties.
- 15.2. The Signers shall without delay inform the ShyftDAO about such Signer Obligations having been incurred and provide sufficient information and evidence of payment thereof.

## **16. INDEMNITY**

- 16.1. You shall indemnify the Protected Parties against all liabilities, costs, expenses, damages and losses (including any direct losses and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) suffered or incurred arising out of or in connection with Your breach of this Agreement, and any of Your acts or omissions that infringe the rights of any Party under this Agreement, including
  - 16.1.1. Your breach of any of the warranties, representations, waivers, releases and covenants contained in clauses 11 to 14;
  - 16.1.2. Your breach or negligent performance or non-performance of this Agreement;
  - 16.1.3. any claim made against any of the Protected Parties for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection with Your participation;
  - 16.1.4. any claim made against any of the Protected Parties by a third party arising out of or in connection with Your breach of the warranties, representations, waivers, releases, or covenants as contained in clauses 11 to 14;
  - 16.1.5. any claim made against any of the Protected Parties by a third party for loss or damage to property arising out of or in connection with Your participation in the ShyftDAO;
  - 16.1.6. any claims made by You or other persons, for liabilities assessed against any of the Protected Parties, including but not limited to legal costs, attorneys' fees and dispute resolution expenses, arising out of or resulting from, directly or indirectly, in whole or in part, Your breach or failure to abide by any part of this Agreement.
- 16.2. The indemnity set out in this clause 16 shall apply whether or not You have been negligent or at fault and is in addition to, and not in lieu of, any other remedies that may be available to the Protected Parties under applicable law.
- 16.3. The provisions of this clause shall be for the benefit of the Protected Parties and shall be enforceable by each of the Protected Parties.
- 16.4. If a payment due from You under this clause is subject to tax, fees or duties

(whether by way of direct assessment or withholding at its source), the Protected Parties shall be entitled to receive from You such amounts as shall ensure that the net receipt, after tax, to the Protected Parties in respect of the payment is the same as it would have been were the payment not subject to tax.

**17. DISCLAIMER OF WARRANTIES**

THE SHYFTDAO IS AN EXPERIMENT IN THE FIELD OF DECENTRALISED GOVERNANCE STRUCTURES. ACCORDINGLY, THE FOUNDATIONAL CODE AND INTERFACE(S) ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT ANY REPRESENTATION OR WARRANTY, WHETHER EXPRESSED, IMPLIED OR STATUTORY. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE PROTECTED PARTIES SPECIFICALLY DISCLAIM ANY IMPLIED WARRANTIES OF TITLE, LEGALITY, VALIDITY, ADEQUACY OR ENFORCEABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND/OR NON-INFRINGEMENT. THE PROTECTED PARTIES DO NOT MAKE ANY REPRESENTATIONS OR WARRANTIES THAT ACCESS TO OR USE OF THE FOUNDATIONAL CODE, THE PROVISION OF INTERFACE(S) WILL BE CONTINUOUS, UNINTERRUPTED, TIMELY, OR ERROR-FREE.

**18. LIMITATION OF LIABILITY**

- 18.1. PARTICIPATION IN OR INTERACTION WITH THE SHYFTDAO IS AT A PERSON'S OWN RISK AND THE PERSON ASSUMES FULL RESPONSIBILITY FOR SUCH PARTICIPATION OR INTERACTION. THE PROTECTED PARTIES EXCLUDE ALL IMPLIED CONDITIONS, WARRANTIES, REPRESENTATIONS OR OTHER TERMS THAT MAY APPLY TO THE FOUNDATIONAL CODE AND THE INTERFACE(S). THE PROTECTED PARTIES WILL NOT BE LIABLE FOR ANY LOSS OR DAMAGE, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), BREACH OF STATUTORY DUTY, OR OTHERWISE, EVEN IF FORESEEABLE, ARISING UNDER OR IN CONNECTION WITH THE USE OF, OR INABILITY TO USE THE FOUNDATIONAL CODE AND THE INTERFACE(S). THE PROTECTED PARTIES WILL NOT BE LIABLE FOR LOSS OF PROFITS, SALES, BUSINESS, OR REVENUE, BUSINESS INTERRUPTION, ANTICIPATED SAVINGS, BUSINESS OPPORTUNITY, GOODWILL OR REPUTATION, OR ANY INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE.
- 18.2. In case some jurisdictions do not allow the exclusion or limitation of incidental or consequential damages, disclaimers, exclusions, and limitations of liability under this Agreement, those clauses will not apply to the extent prohibited by applicable law. Insofar as the aforementioned elements of the

Agreement can be applied in a legally compliant manner, they remain binding to the maximum extent permitted by applicable law.

- 18.3. Unless expressly provided otherwise in this Agreement, any remaining liability of the Parties for obligations under this Agreement shall be several only and extend only to any loss or damage arising from their own breaches.

**19. VARIATION**

No variation of this Agreement shall be effective unless it is passed successfully by way of Governance Mechanism.

**20. SEVERABILITY**

- 20.1. If any provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable.
- 20.2. If such modification is not possible, the relevant provision shall be deemed deleted and replaced by the application of the law that complies with the remaining Agreement to the maximum extent. Any modification to or deletion of a provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.

**21. ENTIRE AGREEMENT**

- 21.1. This Agreement constitutes the entire and exclusive Agreement between the Parties regarding its subject matter. It supersedes and replaces any previous or contemporaneous written or oral contract, promises, assurances, warranty, representation or understanding regarding its subject matter and/or the ShyftDAO, whether written, coded or oral.
- 21.2. Each Party acknowledges that in entering into this Agreement, they do not rely on, and shall have no remedy in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Agreement.
- 21.3. No party shall have a claim for innocent or negligent misrepresentation or misstatement based on any statement in this Agreement.

**22. NO WAIVER**

A failure or delay by any Party to exercise any right or remedy provided under this Agreement or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy.

**23. NO THIRD-PARTY RIGHTS**

- 23.1. With the exception of the Protected Parties and unless expressly stated otherwise, this Agreement does not give rise to any rights to enforce any term of this Agreement.

- 23.2. The Parties' rights to terminate, rescind or agree on any variation, waiver or settlement under this Agreement are not subject to the consent of any third party.

## **24. RELATIONSHIP OF THE PARTIES**

- 24.1. Nothing in this Agreement is intended to, nor shall create any partnership, joint venture, agency or trusteeship.
- 24.2. The Parties agree on the coordination form of a Distributed Heterarchical Network.
- 24.3. Each Party confirms:
- 24.3.1. The Party is acting on their own behalf and not for the benefit of any other Person;
  - 24.3.2. the Party is liable for their own tax obligations arising from the Party's interaction or association with the ShyftDAO;
  - 24.3.3. The Parties have no fiduciary duties or equivalent obligations towards the ShyftDAO or each other.

## **25. FORCE MAJEURE**

If the Foundational Code and the provision of an Interface are affected, hindered or made impossible in whole or in part by a Force Majeure, this shall under no circumstances be deemed a breach of this Agreement, and no loss or damage shall be claimable by reason thereof.

## **26. DISPUTE AND COMPLAINTS PROCEDURE**

- 26.1. If a Dispute arises between You and another Protected Party or an external person, You shall submit a request for action to the ShyftDAO by way of the Governance Mechanism, in which You must set out:
- 26.1.1. detailed inquiry description;
  - 26.1.2. the date and time that the issue arose;
  - 26.1.3. the outcome You are seeking.
- 26.2. YOU AGREE AND UNDERSTAND THAT BY ENTERING INTO THIS AGREEMENT, YOU EXPRESSLY WAIVE ANY RIGHT, IF ANY, TO A TRIAL BY JURY AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION LAWSUIT.
- 26.3. In the event a Dispute cannot be resolved amicably in accordance with clause 26.1, You must first refer the Dispute to the Arbitration and Mediation Court of the Caribbean ("AMCC") in accordance with the International Arbitration Rules of the Arbitration and Mediation Court of the Caribbean ("AMCC Rules"), which Rules are deemed to be incorporated by reference into this clause. The Tribunal shall consist of one arbitrator. The seat, or legal place, of arbitration, shall be Nassau, Bahamas. The language to be used in the arbitral proceedings shall be English. The governing law of the contract shall be the substantive law of the Bahamas.

**27. GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the substantive laws of the Bahamas without regard to conflict of laws principles.