

## **COINLEFT PUBLIC LICENSE**

### **Introduction:**

The cryptocurrency industry has revolutionized the open source movement by giving developers the abilities to more easily capitalize, share and expand on their ideas. However the ability for unscrupulous individuals to clone projects or concepts has often impeded the original copyrights held by the original coders. We do believe in the spirit of the open source community however in certain cases where a contract is formed for the capitalization of such projects this license explains how the code may be protected.

**The exact terms and conditions for using, copying and modification follow:**

### **TERMS AND CONDITIONS**

#### **I. General Conditions**

The existent copyleft licensing models were designed to protect the value of the code which is created in open source projects. They make sure anyone who builds on top of this code also releases their code under the same copyleft license, thus sharing back with the community and the developers of the original project the added value of the derived work. Copyleft licenses however were created long before crypto currency and blockchain technologies appeared, and could not have anticipated the fact that today the value of an open source distributed ledger project is contained not only in the program code being written, but in the unique public blockchain instance or crypto currency token, maintained by this project, with its developers, community and holders sharing the common interest to preserve and increase the value of this blockchain token. Crypto currency tokens today have value of their own, people can buy, sell and invest in them and the unlimited permission of cloning the existing blockchain platforms and creating new coins inevitably results in decreasing the value of the original tokens. Crypto currency tokens are also an inseparable part of each instance of distributed ledger software, without which such software cannot really be used. Ensuring that a clone project shares back the modified source code is no longer sufficient to allow the users of the original project access to that derived work, unless they are also allocated some of the newly created tokens in the clone blockchain instance. Thus such allocation is important in order to

preserve not only the value of the original tokens, but also to preserve the users freedom to use any works derived from the original software. The projects that use this license may occasionally use the term "open source" in their marketing as long as they don't claim to be part of the "open source initiative". Instead it is recommended that whenever possible to use terms such as "public domain" and "creative commons" and "open source non-commercial Coinleft license" alongside the marketing to give maximum clarity.

With the above being said, the terms and conditions for using, copying and modification of any software and programs are outlined below, called the Coinleft Public License (CPL). The CPL is inspired by the GNU General Public License versions 2 and 3, with adaptations specifically aimed at application of the license to distributed ledger software programs; as such the GNU General Public License and any other license terms and conditions other than this CPL are explicitly excluded.

## **CPL version: 1.0**

### **Article 0. Definitions:**

"based on [the Program/Covered Work/...]" means derived from the original Covered Work (or part thereof) by the act(s) of copying it, modifying it, including it (in whole or in part) or by linking to the original Covered Work (or part thereof).

"to convey": To convey a work means any kind of propagation that enables other parties to make or receive copies. Mere interaction with a user through a computer network, with no transfer of a copy, is not conveying.

Copyright Holder, Licensor: The owner of the IP rights over the software as determined by applicable national law and international treaty provisions regulating this subject matter.

Corresponding Source: The Corresponding Source for a work in Object Code form means all the Source Code needed to generate, install, and (for an executable work) run the Object Code and to modify the work, including scripts to control those activities. However, it does not include the work's System Libraries, or general-purpose tools or generally available free programs which are used unmodified

in performing those activities but which are not part of the work. For example, Corresponding Source includes interface definition files associated with source files for the work, and the Source Code for shared libraries and dynamically linked subprograms that the work is specifically designed to require, such as by intimate data communication or control flow between those subprograms and other parts of the work. The Corresponding Source need not include anything that users can regenerate automatically from other parts of the Corresponding Source. The Corresponding Source for a work in Source Code form is that same work.

Covered Work: A DLT Software or another Program based on a DLT or otherwise, or based on another Covered Work, their Object Code and Source Code, and any other work covered by this License according to their terms. Smart contracts that may be deployed to any blockchain using this license shall also be considered covered work. Any front end code or graphical user interface used to interact with any of the aforementioned code is also covered work. This license may be used to protect any code in general which the original developer attaches this license to and is not necessarily restricted to cryptographic applications.

DLT Instance: Unique instance of distributed ledger or a blockchain consisting of a network of one or more participants (nodes) running a particular DLT Software and which nodes are in a state of consensus with each other within the permitted tolerances of the applicable consensus algorithm. An example of such DLT instance is the Bitcoin public blockchain. The term blockchain may also be used.

DLT Software: Any distributed ledger computer technology including but not limited to blockchain technology regardless of the way the consensus is established.

**General Conditions: Chapter I. General Conditions of this License.**

License: This Coinleft Public License (CPL) consisting of both General Conditions and Special Conditions.

Severability: If one aspect of this license does not apply to the protected code because the code is not based in cryptocurrency, the remaining parts of this license shall still apply.

Licensee, You: Everyone (natural person or legal entity) who wants to use, copy, distribute, modify or build on top of the Program.

"to modify": To modify a work means to copy from or adapt all or part of the work in a fashion requiring copyright permission, other than the making of an exact copy. The resulting work is called a "modified version" of the earlier work or a "work based on" the earlier work. Modification also includes translation into another programming language or human language.

Object Code: Any non-Source Code form of a work.

Program: Any copyrightable work licensed under this License.

"to propagate": To propagate a work means to do anything with it that, without permission, would make you directly or secondarily liable for infringement under applicable copyright law, except executing it on a computer or modifying a private copy. Propagation includes copying, distribution (with or without modification), making available to the public, and in some countries other activities as well.

Source Code: The Source Code for a work means the preferred form of the work for making modifications to it.

## **Special Conditions: Chapter II. Special Conditions of this License.**

Standard Interface: An interface that either is an official standard defined by a recognized standards body, or, in the case of interfaces specified for a particular programming language, one that is widely used among developers working in that language.

System Libraries: Libraries of an executable work, other than the work as a whole, that (a) are included in the normal form of packaging a Major Component, but which are not part of that Major Component, and (b) serve only to enable use of the work with that Major Component, or to implement a Standard Interface for which an implementation is available to the public in Source Code form. A Major Component, in this context, means a major

essential component (kernel, window system, and so on) of the specific operating system (if any) on which the executable work runs, or a compiler used to produce the work, or an Object Code interpreter used to run it.

**Article 1. Scope of the License:**

**1.1** This License applies to any Covered Work or other work which contains a notice placed by the Copyright Holder saying it may be used, propagated, conveyed or modified only under the terms of this License. It also applies to any work which is not a DLT or cryptographic software per se but is still a Covered Work because it is based on the terms of this license. This is to ensure that if such work is included into another piece of software that software must satisfy the below stated airdrop requirement and other terms of this License.

**1.2** All rights granted under this License are granted for the term of copyright on the Covered Work, and are irrevocable provided the conditions of this License are met.

**1.3** The act of running a Program is not restricted as long as it does not violate Article 3.4 of the General Conditions, and the output from a Program is covered only if its contents constitute a work based on the Program (independent of having been made by running the Program). Whether that is true depends on what the Program does.

**1.4** Conveying is permitted solely under the conditions stated herein. Sublicensing is not allowed; Article 7 of the General Conditions makes it unnecessary.

**1.5** No Covered Work shall be deemed part of an effective technological measure under any applicable law fulfilling obligations under article 11 of the WIPO copyright treaty adopted on 20 December 1996, or similar laws prohibiting or restricting circumvention of such measures. When you convey a Covered Work, you waive any legal power to forbid circumvention of technological measures to the extent such circumvention is effected by exercising rights under this License with respect to the Covered Work, and you disclaim any intention to limit operation or modification of the work as a means of enforcing, against the work's users, your or third parties' legal rights to forbid circumvention of technological measures.

**1.6** The original owner of the Covered Work is allowed to change the license to a fully free and open source license(such as GPL) at any time. If they do that, nobody who purchased a license from them prior may make any claims against them. This clause completely protects the original owner of the Covered Work against any liabilities whatsoever from the result of a changing license regardless of any financial losses that may occur. If a purchaser wishes to prevent a change to a purchased license to "fully free and open source" for a specific period of time, they must negotiate that with the original owner of the Covered Work. Furthermore, a purchaser of a license may never change the license of the Covered Work unless the license was changed by the original owner of the Covered Work.

**1.7** The userbase of the cryptocurrency project or smart contract or software as pertaining to the Covered Work are allowed to use the software for its intended purposes. This use does not give them any commercial rights as a licensee to copy or distribute software for their own commercial gain. However it allows them to run the source code and software in the way that it was intended to be used. This means on their computer they may have a copy or distribute it to other computers provided it does not violate this agreement. If for example the Covered Work has commercial markets that the users may engage in such as cryptocurrency payments, decentralized exchange, decentralized markets, escrows, usage of coins or assets, smart contracts that use those coins, etc, such use does not violate this agreement.

**1.8** Any plug-ins, second layer networks or smart contracts or businesses thereof that make use of the original owners Covered Work are allowed provided that they are not used as methods to circumvent this license. For example if the Covered Work has a core set of contracts or some source code with critical business logic or a DLT Instance or a blockchain then any user interactions should be within the program or software of the Covered Work. Another example may be seen within tokenization of a project. For example if the Covered Work was a token then users may create smart contracts that use the token or interact with the data from the Covered Work. However, the spirit of this agreement shall not be violated and users of the software or network would operate in the same spirit as users of Bitcoin or Ethereum. The users may create commercial services on top of Bitcoin but to create a new network based on the Covered

Work (in this example Bitcoin) would be an attempt to circumvent the license.

## **Article 2.**

**2.1** You may copy and distribute verbatim copies of the Covered Work's Source Code as you receive it, in any medium, provided that you conspicuously and appropriately publish on each copy an appropriate copyright notice and disclaimer of warranty; keep intact all the notices that refer to this License and to the absence of any warranty; and give any other recipients of the Covered Work a copy of this License along with the Covered Work.

**2.2** You must keep intact all authorship and copyright notices and when conveying or offering to convey copies (verbatim or modified) you must also avoid any misrepresentation of the origin of the Covered Work. You must make sure that any modified versions of such Covered Work are marked in reasonable ways as different from the original version and they do not imply any endorsement or support by the Copyright Holder regarding this modified work.

**2.3** You may charge a fee for the physical act of transferring a copy (for the avoidance of doubt, such physical act of transfer may include making the copy available on your website or otherwise), and you may at your discretion and responsibility offer support or warranty protection in exchange for a fee. You are not allowed to charge any fee for granting the right to further use, propagate, convey or modify the copy then obtained by the acquirer, as such would be against the intention of this License.

**Article 3.** You may modify your copy or copies of the Covered Work or any portion of it, thus forming a work based on the Covered Work, and copy and distribute such modifications or work under the terms of Article 2 above, provided that you also meet all of these conditions:

**3.1** You must cause the modified files to carry prominent notices stating that you changed the files and the date of any change.

**3.2** You must cause any work that you distribute or publish, that in whole or in part contains or is derived from the Covered Work or any part thereof, to be licensed as a whole

at no charge to all third parties under the terms of this License.

**3.3** If the modified program normally reads commands interactively when run, you must cause it, when started running for such interactive use in the most ordinary way, to print or display an announcement including an appropriate copyright notice and a notice that there is no warranty (or else, saying that you provide a warranty) and that users may redistribute the program under the conditions of this License, and telling the user how to view a copy of this License. (Exception: if the Covered Work itself is interactive but does not normally print such an announcement, your work based on the Covered Work is not required to print an announcement.) If the program has graphical user interface any such notices should be placed in an about dialog or similar.

**3.4** If the code is used for commercial purposes you must satisfy the following airdrop requirement:

**3.4.1** Any tokens, coins and relevant commodities shall give a portion (an "airdrop") of the tokens, coins or commodities in that new DLT Instance, smart contract instances or company commodity allocations or any amended compensations stipulated by those who use this license to the original owner of the license of the Covered Work. For example, this would apply to a percentage of the portion of the totality of coins/shares/tokens/proceeds/commodities/etc. No attempts may be made to circumvent this fair compensation such as restricting or commencing the supply at a lower valuation, diluting coins/shares/tokens/proceeds/commodities/etc. The airdrop must come from the highest valuation upon the projects maturity or an immutable supply of coins/shares/tokens/proceeds/commodities/etc and proceeds from any profits thereof. This agreement may be amended to modify this clause to take a flat payment or other proceeds in conjunction or in lieu of an airdrop. Otherwise, there shall be a default compensation stipulated within this agreement. This shall also apply to anyone who intends to make a copy of your copy, i. e. any such person needs to allocate the same airdrop of the newly created tokens to the account holders from the original Covered Work (not to your copy). The specific percentage of the airdrop and the tokens to which it applies, which may also depend on



how the new DLT Instance relates to the original one, are defined in the Special Conditions.

**3.4.2** For the avoidance of doubt, satisfying the requirements of article 3.4.1 for another work (i.e. a different Covered Work) of the same or different copyright holder, released under the CPL, does not give permission of copying or porting any code from this one and vice versa.

**3.5** All other provisions, designated in the Special Conditions and consistent with the specific requirements arising from the architecture of each particular decentralized ledger/consensus platform, are observed as well.

**3.6** These requirements apply to the modified work as a whole. If identifiable sections of that work are not derived from the Covered Work, and can be reasonably considered independent and separate works in themselves, then this License, and its terms, do not apply to those sections when you convey them as separate works. But when you convey the same sections as part of a whole which is a work based on the Covered Work, the conveyance of the whole must be on the terms of this License, whose permissions for other licensees extend to the entire whole, and thus to each and every part regardless of who wrote it. Mere aggregation of another work not based on the Covered Work with the Covered Work (or with a work based on the Covered Work) on a volume of a storage or distribution medium does not bring the other work under the scope of this License.

**3.7** If there are no amendments to this document then the default airdrop requirement is 10% pertaining to the conditions set in section 3.4.1. If the project does not issue coins, commodities, shares, tokens or generate proceeds then a flat fee or alternative form of compensation must be negotiated with the owner of the Covered Work. What is offered as the 10% airdrop must apply to ALL categories of value pertaining to the project. So one may not attempt to pay shares but avoid paying coins or dividends or profits if those proceeds pertain to the project. Therefore, no methods should be taken to circumvent acting in good faith. The owner of the Covered Work may agree to alternative forms of compensation for the license and sell the license directly. Any sale of the license may then use an amended license. This may even

transfer resale rights to the buyer and those rights may be exempt from compensating the original owner of the Covered Work provided that it does not nullify any commercial or ownership rights that are held by the original owner of the Covered Work.

**Article 4.** You may convey a Covered Work in Object Code form under the terms of Articles 2 and 3 of the General Conditions, provided that you also convey the human-readable Corresponding Source under the terms of this License, in one of these ways:

**4.1** Convey the Object Code in, or embodied in, a physical product (including a physical distribution medium), accompanied by the Corresponding Source fixed on a durable physical medium customarily used for software interchange.

**4.2** Convey the Object Code in, or embodied in, a physical product (including a physical distribution medium), accompanied by a written offer, valid for at least three years and valid for as long as you offer spare parts or customer support for that product model, to give anyone who possesses the Object Code either (1) a copy of the Corresponding Source for all the software in the product that is covered by this License, on a durable physical medium customarily used for software interchange, for a price no more than your reasonable cost of physically performing this conveying of source, or (2) access to copy the Corresponding Source from a network server at no charge.

**4.3** Convey individual copies of the Object Code with a copy of the written offer to provide the Corresponding Source. This alternative is allowed only occasionally and non-commercially, and only if you received the Object Code with such an offer, in accord with Article 4.2 above.

**4.4** Convey the Object Code by offering access from a designated place (gratis or for a charge), and offer equivalent access to the Corresponding Source in the same way through the same place at no further charge. You need not require recipients to copy the Corresponding Source along with the Object Code. If the place to copy the Object Code is a network server, the Corresponding Source may be on a different server (operated by you or a third party) that supports equivalent copying facilities, provided you maintain clear directions next to the Object Code saying

where to find the Corresponding Source. Regardless of what server hosts the Corresponding Source, you remain obligated to ensure that it is available for as long as needed to satisfy these requirements.

**4.5** Convey the Object Code using peer-to-peer transmission, provided you inform other peers where the Object Code and Corresponding Source of the work are being offered to the general public at no charge under Article 4.4 above.

**4.6** A separable portion of the Object Code, whose Source Code is excluded from the Corresponding Source as a System Library, need not be included in conveying the Object Code work.

**Article 5.** You may not use, copy, modify, or propagate the Covered Work except as expressly provided under this License. Any attempt otherwise to use, copy, modify or propagate the Covered Work is void, and will automatically terminate your rights under this License. However, parties who have received copies, or rights, from you under this License will not have their licenses terminated so long as such parties remain in full compliance.

**Article 6.** You are not required to accept this License, since you have not signed it. However, nothing else grants you permission to copy, use, modify or propagate Covered Works. These actions are prohibited if you do not accept this License. Therefore, by modifying or propagating the Covered Work, you indicate your acceptance of this License to do so, and all its terms and conditions for, as specified in the General Conditions and Special Conditions, copying, using, propagating or modifying the Covered Work.

**Article 7.** Each time you convey the Covered Work, the recipient automatically receives a license from the original Licensor to use, copy, propagate or modify the Covered Work subject to terms and conditions at least equal and in accordance with this License. In this regard, the license granted on behalf of the original Licensor by the propagator of the Covered Work may amend this License only to the following extent:

**7.1** You can add additional airdrop requirements towards the holders of your unique Covered Work Instance as long as those do not in any way reduce or interfere with the

compensation owed to the Covered Work Instance account holders.

**7.2** If the distribution and/or use of the Covered Work is restricted in certain countries either by patents, by copyrighted interfaces or by law, the original copyright holder who places the Covered Work under this License may add an explicit geographical distribution limitation excluding those countries, so that distribution is permitted only in or among countries not thus excluded. In such case, this License incorporates the limitation as if written in the body of this License.

**Article 8.** If, as a consequence of a court judgment or allegation of patent infringement or for any other reason (not limited to patent issues), conditions are imposed on you (whether by court order, agreement or otherwise) that contradict the conditions of this License, they do not excuse you from the conditions of this License. If you cannot distribute so as to satisfy simultaneously your obligations under this License and any other pertinent obligations, then as a consequence you may not propagate the Covered Work at all. For example, if a patent license would not permit royalty-free redistribution of the Covered Work by all those who receive copies directly or indirectly through you, then the only way you could satisfy both it and this License would be to refrain entirely from distribution of the Covered Work.

**Article 9.** The original creator of this Coinleft public license is the original BitBay community developers. Therefore they reserve rights to publish revised and/or new versions of the Coinleft Public License from time to time. Such new versions will be similar in spirit to the present version, but may differ in detail to address new problems or concerns. To avoid ambiguity, everyone who wishes to use the text of the Coinleft Public License must always specify under which version of the CPL their Covered Work is released. It is possible for a project to use a Coinleft license for their work provided their Covered Work is completely original and does not violate the terms of the terms of any Coinleft license issued by any other entity. Those who wish to protect their code with a variation of this license should include an amendment and stipulate it in their code release. If the original owner of a Covered Work is a Solidity contract on a network such as Ethereum or Polygon for example, they may choose to have the

amendments to that license within the smart contract and have all payment conditions specified within it. They should make the source code accessible so users may be able to read those conditions.

**Article 10.** Every Copyright Holder is permitted to use the text of the Coinleft Public License for their own Covered Work provided that they: (i) keep the name Coinleft Public License (you can append the name of the specific Covered Work Instance, e.g. "Coinleft Public License version 1.0 for (insert project name here)"), (ii) remove the Preamble and (iii) do not change the General Conditions. Every Copyright Holder is permitted to adapt the Special Conditions to their specific case under (i), (ii) and (iii) above to the extent that they do not contradict the clauses of this license or General Conditions nor the spirit of the Coinleft Public License. If there are any amendments they can stipulate that in their license for example "Coinleft Public License version 1.0 for BitBay with amendments". If they are licensees who copy the Covered Work of an original owner of the Covered Work they must stipulate who the owner is in their license. So for example, if they copy the copy of code owned by BitBay that uses this license they would say "Coinleft Public License version 1.0 for BitBay with amendments" and any compensation would go to the original owner of the Covered Work. If another project uses the Coinleft license for their original code then their project name would be used for any sublicenses and licenses to their licensees. If a commercial resale license is sold under a separate contract with the original owner of a Covered Work outright then that may give the buyer the ability to stipulate their own Coinleft license with their own project name provided that it does not adversely impact the original owner of the Coinleft license.

**Article 11.** If the Special Conditions contradict the General Conditions or any part of them, the provisions of the General Conditions shall take precedence.

**Article 12.** If you cannot satisfy Article 3 of the General Conditions or you are not willing to do so, or if you require a customized Covered Work (i.e. a private blockchain or smart contract) based on the Covered Work you must obtain permission or purchase a commercial license from the original Copyright Holder however he is not in any way obliged to grant permission or sell such a license.

**Article 13. No warranty**

THE COPYRIGHT HOLDERS AND/OR OTHER PARTIES PROVIDE THE COVERED WORK "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE ENTIRE RISK AS TO THE QUALITY AND PERFORMANCE OF THE COVERED WORK IS WITH YOU. SHOULD THE COVERED WORK PROVE DEFECTIVE, YOU ASSUME THE COST OF ALL NECESSARY SERVICING, REPAIR, FIXING, AUDITING AND CODING. THE OWNERS OF COVERED WORK SHALL HAVE NO LIABILITIES PERTAINING TO QUALITY AND PERFORMANCE OF THE COVERED WORK.