



BEAM FOUNDATION

BYLAWS

25 September 2024

## 1. PURPOSES AND POWERS OF THE BEAM FOUNDATION

- 1.1 The Beam Foundation has the powers given to it in the Governing Documents, and has as its purposes to (the “**Purposes**”):
- (a) Contribute to making the Beam Ecosystem a home for all the gaming needs of users, where users can interact with game related blockchain elements and other applications in a decentralized and user-friendly manner.
  - (b) Further the decentralization, growth, adoption and security of the Beam Ecosystem.
  - (c) Independently support, promote, expand, educate, invest in and encourage the use and adoption of the Beam Ecosystem (including Beam Network, Beam Protocols, any associated tokens and other related infrastructure and any applications part of the Beam Ecosystem) and adjacent blockchain ecosystems.
  - (d) Support persons and organizations researching and developing the Beam Protocols, the Beam Network or other Smart Contracts or applications to be deployed on the Beam Network.
  - (e) Establish and administer the Grant Program, which seeks to foster innovation, development and growth within the Beam Ecosystem.
  - (f) Do all such things that are incidental or conducive to any of the above Purposes.
- 1.2 All conduct of the Beam Foundation shall be done solely pursuant to the Purposes.
- 1.3 The Beam Foundation may be directly involved in the Purposes, or indirectly via a Subsidiary in compliance with Section 2.7.
- 1.4 The Beam Foundation shall not, directly or indirectly, engage in or conduct any acts that will result in the circumvention of any limitations set out in the Governing Documents (see also Section 2.7(d)).
- 1.5 Nothing in the Governing Documents shall require the Beam Foundation to conduct anything, or refrain from doing something, if it would cause it to violate the Acts or other applicable laws.

## 2. BEAM FOUNDATION STRUCTURE AND GOVERNANCE

### 2.1 Non-Profit Foundation

The Beam Foundation is a non-profit foundation company limited by guarantee with no share capital, formed pursuant to the Foundation Companies Act (as amended).

### 2.2 No Members/Owners or Shares

The Beam Foundation shall not have members/owners and will not have or issue shares or similar instruments.



## 2.3 **Offices**

The principal registered office of the Beam Foundation shall be at Harbour Place, 2<sup>nd</sup> Floor, 103 South Church Street, George Town, Grand Cayman KY1-1106, Cayman Islands. The Beam Foundation shall have a designated principal registered office in the Cayman Islands in accordance with applicable law and shall maintain it continuously.

## 2.4 **No Dividends**

No dividends will be paid, nor will any part of the income or assets of the Foundation Group be distributed to anyone (including Directors, Supervisors, or officers) without full consideration, except for that dividends from a Subsidiary to a Subsidiary or from a Subsidiary to the Beam Foundation shall be allowed. For the avoidance of doubt, the Foundation Group may, on an arm's length basis, enter into contracts with the Directors, Supervisors, officers and other bona fide third parties (including any Multisig Signers) and issue grants in accordance with the Grant Program.

## 2.5 **Beam Foundation Board of Directors**

### (a) **General Powers**

Subject to the limitations set out in the Governing Documents and any Smart Contracts, all corporate powers of the Beam Foundation shall be exercised by or under the authority of the Directors, and the management and affairs of the Beam Foundation and actions of the Directors pursuant thereto shall be governed in accordance with the Governing Documents.

### (b) **Number, Qualification, Election, and Tenure**

The number of Directors shall be the number of Directors elected from time to time in accordance with the Governing Documents but shall never be less than one. The number of Directors may be increased or decreased from time to time by election in accordance with the Governing Documents.

### (c) **Appointments and Vacancies**

An additional Director or any vacancy occurring in the Board, may be appointed or filled (as applicable) by resolution by a majority of the Directors or by a decision of the Supervisor in accordance with the Acts and other applicable laws, subject to a BEAM Veto (see Section 3.3). A Director's appointment shall last until resignation, death, incapacitation, or an Adverse Event committed or facilitated by a Director willfully or in a grossly negligent manner. If at any time (due to resignation, removal, death, expiration of terms, or other reasons or causes) there are no Directors, the Supervisor shall appoint a replacement Director, subject to a BEAM Veto (see Section 3.3). Each person who is appointed as a Director in accordance with the Bylaws shall automatically be deemed appointed as a Multisig Signer.

### (d) **Removal or Resignation**

Directors may not be removed except by a majority of other Directors, Supervisor or by an Emergency Supervisor appointed in accordance with a BEAM Approval to resolve an Adverse Event (see Section 3.4), or by voluntary resignation of the applicable Director. Each person that is removed or resigns as a Director shall be removed as a Multisig Signer.



(e) **Minutes**

The Board shall keep minutes of all meetings and record them in the Beam Foundation's minute book.

(f) **Budget and Disbursements**

The Board may budget for and otherwise pay reasonable costs, including reasonable remuneration of Directors considering the time and efforts provided by the Directors. However, the Board shall not pay to its Directors a compensation for service on the Board unless there are sufficient funds to do so after considering the Beam Foundation's current and anticipated mandatory operating costs and all other duly authorized payables.

2.6 **Supervisor and Emergency Supervisor**

(a) **General**

The Foundation shall at all times have a Supervisor. The initial Supervisor shall be:

International Protectors & Advisors Ltd. of Harbour Place,  
2nd Floor, 103 South Church Street, PO Box 472,  
George Town, Grand Cayman KY1-1106, Cayman Islands.

(b) **General Powers**

Subject to the limitations of the Governing Documents, the Supervisor shall have a duty to the Beam Foundation to ensure that its rules are enforced and can hold the Director(s) liable for any misconduct.

(c) **Number, Qualification, Election, and Tenure**

The Beam Foundation is at all times required to have at least one Supervisor who is able and willing to supervise the management of the Beam Foundation. If this requirement is not met, the Director(s) shall promptly appoint one or more Supervisors on terms that are in line with industry standards.

(d) **Appointment and Removal**

Supervisors of the Beam Foundation may be appointed and removed in accordance with the Governing Documents.

(e) **Emergency Supervisor**

One or more Emergency Supervisors may be appointed by BEAM Approval in accordance with Section 3.4.

2.7 **Subsidiaries**

(a) **Directors**

The Beam Foundation shall be the sole Subsidiary Director (or equivalent) of any Subsidiary, or, if an entity cannot serve as a Subsidiary Director due to local law requirements, then a Director



shall serve as the sole Subsidiary Director.

(b) **Purposes**

The Beam Foundation shall, to the extent possible, procure that the Subsidiary adopts purposes that are consistent with the Purposes described in Section 1.1 of these Bylaws.

(c) **Restriction**

The Beam Foundation undertakes that it shall not as a director of any Subsidiary or otherwise cause such Subsidiary to take any action or omission or to enter into any transaction or arrangement or to enter or issue any document, deed or instrument that would contravene or cause a breach of any term or provision of these Bylaws.

(d) **No Circumvention**

The Beam Foundation undertakes that it shall not use any Subsidiary to circumvent the requirements contained in these Bylaws.

2.8 **Personnel and Other Representatives**

(a) **Engagement of Employees, Independent Contractors, etc.**

The Beam Foundation may directly, or indirectly through a Subsidiary, engage employees, independent contractors, agents, and other representatives of the Foundation Group, provided that such engagements are made on arm's length and bona fide terms.

(b) **Engagement Aligned with the Purposes**

All conduct of Foundation Personnel undertaken for the benefit of or on behalf of, at the direction of, or using the resources of, Beam Foundation or a Subsidiary, shall be done solely pursuant to one or more of the Purposes listed in Section 1.1.

(c) **Eligibility to Serve**

In connection with the engagement of Foundation Personnel, Beam Foundation shall seek to ensure that (i) all Foundation Personnel possess the requisite capacity, power and authority to enter into, and perform, the duties under their respective contracts, (ii) if any Foundation Personnel is an entity, that such entity must be duly incorporated and organized, and in good standing, in the jurisdiction of its incorporation, (iii) no Foundation Personnel have been convicted of fraud or another crime, and (iv) neither Foundation Personnel nor their affiliates are acting on behalf of a country, territory or person subject to sanctions by the U.S. Department of the Treasury's Office of Foreign Assets Control or the European Union.

(d) **Multisig Signers**

Each Multisig Signer holding a Multisig Key shall enter into a Multisignature Participation Agreement substantially in the form of Schedule 1 to the Bylaws.

3. **CHECKS AND BALANCES AND ACCOUNTABILITY**

3.1 **Overview of the Accountability Measures**

The Bylaws mandate certain checks and balances on the Foundation Group for the purpose of holding the Foundation Group accountable, as follows:



- (a) Onchain: If applicable, by use of certain programmatic, Smart Contract-based features, the Beam DAO can give onchain feedback to, and provide onchain vetoes against, certain decisions by the Beam Foundation or a Subsidiary (see Section 3.3(a)).
- (b) Offchain: By (i) limiting the scope of operation of the Foundation Group (i.e., the Foundation Group can only operate within the parameters set out in the Bylaws and other documents referred to in the Bylaws), (ii) having a co-approval right in relation to, and vetoing against, certain decisions by the Beam Foundation or its Subsidiary (see Sections 3.3(b) to 3.3(g) and 3.4), or (iii) enabling Tokenholders to seek enforcement actions against the Beam Foundation or a Subsidiary or certain Foundation Personnel via an Emergency Supervisor in case of an Adverse Event (see Sections 3.5).
- (c) Transparency: By requiring the Beam Foundation to publish and keep publicly available the Governing Documents, reports and information as referred to in Section 3.6.

### 3.2 **No Participation in Governance**

The Foundation Group cannot, directly or indirectly, use any of its BEAM for the purpose of voting on a BEAM DAO proposal or other Tokenholder proposal.

### 3.3 **BEAM Veto**

Tokenholders may, by a BEAM Approval, veto, block or prevent the effectuation or completion of the following (each a “**BEAM Veto**”):

- (a) A Blockchain transaction relating to a Smart Contract that is under the control of the Foundation Group, provided the relevant Smart Contract includes such a feature and the BEAM Approval is made prior to the expiry of any applicable Smart Contract transaction Timelocks.
- (b) The removal and appointment of a Director, unless removed or appointed by an Emergency Supervisor or the Director is removed pursuant to section 20 of the Articles.
- (c) The removal and appointment of a Multisig Signer that is not a Director, unless removed or appointed by an Emergency Supervisor.
- (d) The removal and appointment of a Supervisor, unless removed or appointed by an Emergency Supervisor or removed pursuant to section 33 of the Articles.
- (e) Material amendments to the Bylaws or other Governing Documents. Notwithstanding the foregoing, the BEAM Veto shall not apply if the change is required to be made pursuant to the Acts or other applicable laws or is made only for the purpose of correcting one or more clear misspellings.
- (f) A single grant or series of grants, relating to the Grant Program, to the same recipient or relating to the same project, that exceed a USD-denominated value of USD \$100,000, in the aggregate, at the time of the grant decision being made pursuant to the Grant Program.
- (g) Each additional grant relating to the Grant Program where, in a quarterly period, the USD-denominated value of grants relating to the Grant Program made by the Foundation Group has, in the aggregate, already exceeded, or will exceed as a result of the relevant grant, USD \$500,000 (considering the valuation of each grant at the time the respective grant decision is made).



Any decision or action subject to a possible BEAM Veto shall be promptly disclosed to the Tokenholders via the Governance Forum and only become effectuated or completed 3 days after the decision or action subject to a possible BEAM Veto is disclosed via the Governance Forum (the “**Veto Period**”). However, the decision or action shall not be effectuated or completed if (i) prior to expiry of the Veto Period, a BEAM Veto is proposed in accordance with the Beam Constitution and (ii) such a proposal results in a BEAM Approval in favor of the BEAM Veto no later than within 3 days after expiry of the Veto Period.

### 3.4 **Liquidation Event**

The wind-up, liquidation or dissolution of Beam Foundation or the transfer or other disposition, in a single transaction or a series of related transactions, by the Beam Foundation of all or substantially all assets held directly or indirectly by the Beam Foundation to a third-party outside the Foundation Group, shall require a BEAM Approval before it can be effectuated, except for in the case of insolvency or for the purposes of a bona fide reorganization intended to enable the Beam Foundation to carry out its Purposes more efficiently.

### 3.5 **Emergency Supervisor**

#### (a) **Appointment**

If an Adverse Event has occurred and as long as it remains unresolved and has been unresolved for at least 7 days, one or more additional Supervisors (an “**Emergency Supervisor**”) may be appointed by BEAM Approval, at the reasonable cost of the Beam Foundation (except for if arbitration is initiated against a Foundation Group company, ref. Section 3.5(c)). A person appointed by BEAM Approval as Emergency Supervisor must affirmatively accept the role of Emergency Supervisor by written notice to the Beam Foundation within 10 days after the date of the relevant BEAM Approval, and an appointment shall be deemed effective on the date of acceptance. Failure to affirmatively accept such role as set forth above shall automatically be deemed a rejection of such role on the expiry of the 10<sup>th</sup> day after the relevant BEAM Approval. Once the Adverse Event has been resolved in accordance with all applicable BEAM Approvals, the Emergency Supervisor’s role shall automatically terminate, and the Emergency Supervisor shall no longer have the ability to exercise the powers described in Sections 3.5(b) and (c) below.

#### (b) **Powers**

Once appointed by BEAM Approval and having accepted such appointment, the Emergency Supervisor shall have the mandate to enforce the rules of the Beam Foundation, act in the name of the Beam Foundation or its Subsidiary, bring claims in the name of the Beam Foundation or its Subsidiary and initiate legal proceedings as described in (c) below (as applicable), in each case, for the purpose of resolving the applicable Adverse Event. The powers of the Emergency Supervisor may additionally include the power to investigate and resolve the applicable Adverse Event, and to appoint and remove one or more Director(s), Supervisor(s), Multisig Signer(s) or other Foundation Personnel who have caused or knowingly assisted in the commission or furtherance of an Adverse Event.

The Emergency Supervisor shall provide its commercially reasonable efforts to observe, implement, carry out, action, and execute the relevant BEAM Approval(s) within the scope of the Emergency Supervisor’s authority, in a reasonable and timely manner, and not inconsistent in





any material respect with the BEAM Approval(s) appointing and instructing the Emergency Supervisor. Notwithstanding the foregoing, the Emergency Supervisor shall not be required to expend any of its own funds, incur any liabilities in performing its duties or do any acts that would cause the Emergency Supervisor to breach the Governing Documents or applicable laws.

(c) **Arbitration and Other Disputes**

If the Emergency Supervisor (i) initiates (or otherwise causes the initiation of) a dispute against the Beam Foundation, or (ii) in the name of the Beam Foundation initiates (or otherwise causes the initiation of) a dispute against any Director or Supervisor (in their capacities as such), then the dispute shall be determined and resolved exclusively by confidential (except for that any result of the arbitral award shall be made public) and binding arbitration, conducted in accordance with the Cayman Islands Arbitration Act, 2012 and administered by the Cayman International Mediation and Arbitration Centre Ltd under the CI-MAC Arbitration Rules that are most recent at the time the dispute is initiated. The seat or legal place of arbitration shall be George Town, Grand Cayman. The language to be used in the arbitral proceedings shall be English. The number of arbitrators shall be one, unless otherwise agreed between the parties. Unless the parties to a dispute agree otherwise, the arbitral tribunal shall have the powers given to it under applicable laws including, without limitation, the power to order on a provisional basis any relief which it would have power to grant in a final award, and to award legal fees and expenses to the prevailing party or parties. The decision and award of the arbitral tribunal shall be enforceable by any court of competent jurisdiction in accordance with applicable laws and international treaties. Each of the Beam Foundation, Directors and Supervisors irrevocably consent to the service of process (or any other documents in connection with any arbitral or court proceedings by personal service), delivery at any address specified in the Bylaws or any other usual address, mail or in any other manner permitted by Cayman Islands law, the law of the place of service or the law of the jurisdiction where proceedings are instituted.

If the Emergency Supervisor initiates (or otherwise causes the initiation of) a dispute against any party in the name of Beam Foundation or a Subsidiary, then the dispute shall be determined and resolved in accordance with the laws and contractual terms applicable in that relation.

3.6 **Transparency Reporting**

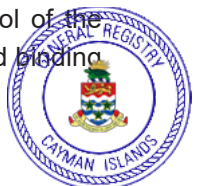
The Beam Foundation shall publish (a) an up-to-date copy of the Bylaws and other Governing Documents (the up-to-date copies shall be kept available at all times), (b) annual and quarterly treasury reports (see Section 4.4), (c) Grant Program transparency reports (see Section 5.8), and (d) information about any material developments it is (directly or indirectly) involved in regarding the Beam Ecosystem (subject to confidentiality and other legal obligations), in each instance to be published on one or more public URLs known to, and generally accessible by, the Beam Community.

3.7 **Grant Committee Appointment and Removal**

Tokenholders may, by BEAM Approval, appoint and remove members of the Grant Committee.

3.8 **Relation between Code and Law**

The result of a Blockchain transaction relating to a Smart Contract that is under the control of the Foundation Group (e.g., in case of a BEAM Veto pursuant to Section 3.3(a)) shall be final and binding.



upon, and not permitted to be contested or disputed by, the Foundation Group, the Director(s), the Supervisor(s) or the Emergency Supervisor(s), provided that the result does not violate the Acts or other applicable laws, nor contradict or be inconsistent with the Governing Documents.

#### **4. TREASURY AND FINANCES**

##### **4.1 Assets**

Subject to the Governing Documents and any Smart Contract limitations, the Beam Foundation may determine the appropriate use for all and any of its general funds, including Blockchain Tokens, assets and monies, as well as contractual entitlements to the foregoing. Blockchain Tokens allocated from Beam DAO to the Beam Foundation may be earmarked for a specific purpose and made subject to certain programmatic Smart Contract based limitations. Funds without reference to a specific project or activity, shall not be considered earmarked and shall be deemed general funds that can be used in accordance with the Purposes of the Beam Foundation.

In case of any sale of BEAM by the Foundation Group, the Directors and Multisig Signers shall use commercially reasonable efforts to minimize or mitigate adverse market impacts to BEAM price and liquidity (e.g., by facilitating over-the-counter transactions when reasonably and commercially practicable).

##### **4.2 Storage of Assets**

The Beam Foundation shall, for the purpose of enhancing transparency relating to its operations, ensure that most of the Foundation Group's assets (from time to time) are stored in Multisigs or other Smart Contracts. The Beam Foundation shall ensure that the number of Multisig Signers in relation to a Multisig is proportionate considering the value of the assets stored by use of the Multisig.

##### **4.3 Financial Year**

The financial year of the Beam Foundation shall commence on 1 January and end on 31 December.

##### **4.4 Treasury Reports**

For the purpose of ensuring transparency in the operations of the Foundation Group, the Beam Foundation shall provide:

- (a) Annual treasury reports for the Foundation Group not later than within 60 after the end of each financial year of the Beam Foundation. The annual treasury reports shall include a balance sheet as of the relevant time period and, for the financial year 2025 and onwards, the annual treasury report shall also include a disbursement statement.
- (b) Quarterly treasury reports for the Foundation Group (except for Q4 reports which may be covered by the annual treasury reports) not later than within 30 days after the end of each calendar quarter.

##### **4.5 Public Disclosure of Assets**

Any blockchain addresses used by the Foundation Group (including any Multisig) to store assets from time to time, shall as soon as commercially practicable, be displayed publicly to the Beam Community, to the extent permissible under applicable law or considering contractual confidentiality obligations. For the purposes of this Section 4.5, the consideration of "as soon as commercially practicable" shall have





regard to whether a disclosure at the time could reasonably be considered to result in adverse frontrunning of planned trades or otherwise adversely impact Beam Foundation's work towards achieving the Purposes.

#### 4.6 **Budget**

- (a) The Beam Foundation shall prepare a budget plan for each financial year.
- (b) In addition, the Beam Foundation shall require all material service providers to submit a budget for services to be provided on an annual basis. The Directors shall review and approve (or otherwise reject and request for amendment) submitted budgets from the material service providers. To the extent that any of the Directors are affiliates of any of the material service providers, or if any of the Directors have a material financial interest in any of the material service providers, such Directors shall recuse themselves from the approval processes with respect to the annual budgets for those specific service providers.

#### 4.7 **Adequate Liquidity and Assets**

The Beam Foundation shall always seek to have liquidity and assets that are adequate considering its liabilities and the risk and scope of its operations.

#### 4.8 **Inspection of Records**

Any Director, Supervisor and Emergency Supervisor of the Beam Foundation shall have the right, for any proper purpose and at any reasonable time, on written demand stating the purpose thereof, to examine and make copies from the relevant books and records of accounts, minutes, and records of the Beam Foundation or those of any contractors with respect to their Beam Foundation related work and services.

### 5. **GRANT PROGRAM**

#### 5.1 **Objectives of the Grant Program**

The Beam Foundation shall have in place a public grant program for issuing grants (in relation to which the public shall be able to submit grant applications), with the following objectives (the "**Grant Program**"):

- (a) Position the Beam Ecosystem and Beam Network as the leading gaming ecosystem and chain, respectively, enabling Beam Users to seamlessly interact with game related blockchain elements and other Smart Contracts and applications.
- (b) Offer a secure environment for Beam Developers and Beam Infra Providers to deploy Smart Contracts and enhance the success potential of their products.
- (c) To allocate grants across various sectors for the benefit of the Beam Ecosystem.

#### 5.2 **Areas of Focus**

To best align with the strategic goals of the Beam Ecosystem, the Grant Program will explicitly focus on the following areas for grant funding:

- (a) **Game development:** Funding gaming projects for the purpose of attracting games to the Beam Network and to attract users to the Beam Network and Beam Protocols.



- (b) **Developer Tooling and Experience:** Proposals that improve the process of developing applications on the Beam Network such as developer documentation, RPC and relayer infrastructure, analytics, infrastructure around testnets, and hackathons.
- (c) **Protocol Development:** Efforts to introduce improvements to the Beam Network or Beam Protocols.
- (d) **User-facing Infrastructure:** Efforts to improve how users interact with the Beam Network or Beam Protocols directly in the form of wallet integrations, hardware wallet support, MEV-mitigation tools, and faucets.
- (e) **User-facing Applications:** Applications that Beam Users will directly use and obtain the benefits of.
- (f) **Joint Funding:** Jointly fund opportunities with other Beam Ecosystem grants teams that seek to benefit the Beam Ecosystem as a whole.
- (g) **Research and Education:** Initiatives and content which has the aim of educating users and developers on Beam Ecosystem or pushing forward key technical areas of interest which can help add value to the Beam Ecosystem.

### 5.3 **Form of Grants**

Grants may be paid in the form of BEAM or other Blockchain Tokens.

### 5.4 **Grant Committee**

The Grant Program shall have a committee of a minimum of 3 members that will administer the Grant Program by reviewing grant applications and voting on these pursuant to the applicable grant approval process (ref. Section 5.7).

### 5.5 **Recusal**

Grant Committee members with a conflict of interest involving a project being reviewed by the Grant Committee shall recuse themselves from participating in the evaluation and shall abstain from voting on the proposal relating to such a project.

### 5.6 **Grant Funds**

Funds used in connection with the Grant Program shall be allocated to Multisigs solely used for grant purposes and publicly identified as Grant Program Multisigs.

### 5.7 **Grant Approval Process**

The approval process for each Grant shall be as follows:

- (a) Applicant fills out the grant application based on the application form, which shall include details about the project that the grant will be used to fund, its benefit to the Beam Ecosystem, the proposed payment terms and project milestones.
- (b) The Grant Committee reviews the application and considers whether additional information is required or if changes (e.g. the addition of project milestones) should be made to the application before deciding whether a grant should be issued or not. If additional information or changes are required, then the Grant Committee shall request that the applicant provides further information or changes, either in writing or orally through a meeting with one or more Grant



Committee members. If applicable, ref. Section 5.5, a Grant Committee member shall be recused and not participate in further discussions or voting in relation to the relevant grant.

- (c) The Grant Committee members discuss the application and other presented information from the applicant and vote on whether the grant shall be approved or not.
- (d) If the majority of the voting Grant Committee members vote in favor of the grant application proposal, the Grant Committee shall notify the Beam Foundation of this outcome, and the Beam Foundation shall initiate contact with the grant applicant to formalize a grant agreement and to conduct required compliance checks of the grant applicant. If the majority of the voting Grant Committee members vote against the grant application proposal, then the grant applicant shall be notified, and the application shall be considered rejected.
- (e) The Directors of the Beam Foundation shall instruct the Beam Foundation Multisig Signers to pay out the grant (at the relevant payment milestones, if applicable), subject to any applicable Timelocks and BEAM Vetoes.

## 5.8 Transparency Reporting

Quarterly grants reports shall be published within a reasonable period of time after the end of each quarter, counting from the end of Q4 2024, and will include:

- (a) A detailed overview of funding activity and Beam Foundation grantees.
- (b) Updates on the operations of the Grant Program, including information about (i) number of applications and grants funded, (ii) users associated with Grant Program funded projects, and (iii) the extent to which grantees stick to milestones.
- (c) Details on all relevant onchain transactions associated with the Grant Program.

## 6. PRINCIPLES AND CODE OF ETHICS

6.1 In pursuing the Purposes, the Foundation Group and Foundation Personnel shall seek to adhere to the following principles (collectively, the **"Principles"**):

- (a) The Beam Protocols and the Beam Network exist as public goods for the benefit of the entire Beam Community.
- (b) Autonomy and decentralization are core values of the Beam Community, and the Beam Network and Beam Protocols should minimize the need for arbitrary, discretionary or continuous intervention or control by or trust in any particular person(s).
- (c) Software created, and any future releases and modifications thereto, shall sought to be released under open-source licenses that are accessible to the Beam Community.

6.2 The following rules shall apply to the Foundation Group as a whole (collectively, the **"Standards"**):

- (a) **Disclosure:** Any conflicts of interest, including involvement in or other personal relationships with other projects/members of projects that may be eligible to receive a grant pursuant to the Grant Program, or in which the Foundation Group may invest in, should be publicly disclosed by the person with such potential conflict of interest or such persons shall recuse themselves from



participating in, and refrain from otherwise influencing, the decision-making concerning the grant or investment (as applicable).

- (b) **Self-Dealing:** Persons (including both legal and physical persons) involved in the operations of the Foundation Group are prohibited from being involved in decision-making processes that can result in the distribution of funds directly to themselves or indirectly to organizations where any portion of those funds is expected to eventually flow to such persons, their other projects, or anyone they have a close personal or economic relationship with.
- (c) **Ethical Trading:** The Foundation Group and persons (including both legal and physical persons) involved in the operations of the Foundation Group, are required to follow ethical trading standards in regard to BEAM and all Blockchain Tokens, including by refraining from participating in insider trading, insider dealing, market abuse or market manipulation.

## 7. AMENDMENTS

The Bylaws may be altered, amended, or replaced and new Bylaws may be adopted by the Board, subject to BEAM Veto pursuant to Section 3.3(d).

## 8. GOVERNING LAW

The Bylaws shall be governed by and construed in accordance with the laws of the Cayman Islands without regard to the conflicts of laws provisions thereof.

## 9. CONFIDENTIAL INFORMATION

- 9.1 Except to the extent permitted by Section 9.2, the Beam Foundation and each Director and Supervisor shall not disclose or permit access to Confidential Information other than to the representatives of the Beam Foundation (including the Directors and Supervisors) who (i) need to know such Confidential Information for purposes of fulfilling their duties to the Beam Foundation, (ii) have been informed of the confidential nature of the Confidential Information, and (iii) are bound by confidentiality and restricted use obligations at least as protective of the Confidential Information as the terms set forth in this Section 9.1.
- 9.2 If any Director or Supervisor is compelled pursuant to applicable law to disclose any Confidential Information then, to the extent permitted by applicable law, such person shall (a) promptly, and prior to such disclosure, notify the Beam Foundation in writing of such requirement so that the Beam Foundation can seek a protective order or other remedy, or waive its rights under Section 9.1, and (b) provide reasonable assistance to the Beam Foundation, at the Beam Foundation's sole cost and expense, in opposing such disclosure or seeking a protective order or other limitations on disclosure. If the Beam Foundation waives compliance or, after providing the notice and assistance required under this Section 9.2, the relevant Director or Supervisor remains required by applicable law to disclose any Confidential Information, the person subject to such requirement shall disclose only that portion of the Confidential Information that, on the advice of such person's legal counsel, such person is legally required to disclose and, upon the Beam Foundation's request, shall use commercially reasonable efforts to obtain assurances from the applicable court or other presiding authority that such Confidential Information will be afforded confidential treatment.



## 10. DEFINITIONS AND INTERPRETATION

### 10.1 In these Bylaws:

**"Acts"** means the Foundation Companies Act of the Cayman Islands and the Companies Act of the Cayman Islands (both as amended from time to time).

**"Adverse Event"** means (i) any willful, grossly negligent or material breach of any material term of any of the Governing Documents which adversely impacts the administration, quality or success of the Beam Foundation, (ii) on the part of any Director, officer, Supervisor or Multisig Signer, (a) the commission of any criminal activity (such as embezzlement of the Treasury), or (b) use of the Beam Foundation or any Subsidiary for self-dealing or any fraudulent or other illegal purpose, (iii) any Director, officer, Supervisor or Multisig Signer initiating, or threatening to initiate, a claim, action or legal proceeding against the Foundation Group, or (iv) any publicly known legal dispute that involves a Foundation Group company and that exceeds a USD-denominated value of USD 200,000 or that may reasonably be expected to cause reputational harm to the Beam Ecosystem.

**"Articles"** means the Articles of Association of the Beam Foundation (as amended from time to time).

**"BEAM"** means the native Blockchain Token of the Beam Network known as '\$BEAM', and the equivalent of such a token on other blockchain networks (or, in each instance, its successor token as endorsed by BEAM Approval, but not including a token created because of any Contentious Fork).

**"BEAM Approval"** means, with respect to any BEAM DAO proposal (as prescribed by the relevant Beam Protocol) or other Tokenholder proposal (as prescribed by the Beam Constitution), a decision that satisfies the minimum thresholds with respect to majority and quorum necessary to approve or effectuate such a proposal.

**"Beam Community"** means the Beam Developers, Beam Infra Providers, Beam Users, and Tokenholders (each such person shall be deemed to be a community member as long as such person satisfies the conditions to be labelled as one of the aforementioned and shall cease being deemed a community member once such person no longer satisfies such conditions).

**"Beam Constitution"** means the framework for BEAM governance as adopted by BEAM Approval (as it may be amended from time to time).

**"Beam DAO"** means the Smart Contract systems governing the upgradeability of key parameters or other mutable features of the Beam Protocols through proposals voted on by the Tokenholders.

**"Beam Developers"** means persons researching and developing the Beam Network, Beam Protocols, or other Smart Contracts or applications to be deployed on the Beam Network.

**"Beam Ecosystem"** means the network of technologies, projects, communities, organizations and persons, utilizing, relying on, securing, or developing (as applicable) the Beam Network, Beam Protocols and their related Smart Contracts (including any Beam Users, Beam Validators, Tokenholders, Beam Infra Providers and Beam Developers).

**"Beam Infra Providers"** means owners or operators of infrastructure that is necessary or desirable for the security or intended functioning of the Beam Network, any Beam Protocol or other Smart Contracts on the Beam Network, including operators and providers of user interface software relevant to the Beam



Network and providers of interchain relays, non-validating infrastructure nodes (e.g. RPC nodes) relevant to the Beam Network and validators of third-party Blockchain Systems that bridge assets to or from the Beam Network, in each instance, in their capacities as such.

**"Beam Network"** means the canonical blockchain and virtual machine environment of the Beam 'mainnet' that utilizes BEAM as its gas token (as of the date of these Bylaws, Beam network is a Blockchain having Chain ID 4337).

**"Beam Nodes"** means the internet-connected computers running unaltered and correctly configured instances of the most recent production release of the Beam Network client software.

**"Beam Protocols"** means any current or future Smart Contracts that are mutable and (wholly or partially) upgradable by a BEAM Approval.

**"Beam Users"** means persons utilizing the Beam Network in an 'end-user' consumer capacity (e.g., to store or transfer Blockchain Tokens on the Beam Network or to interact with game related blockchain elements on the Beam Network).

**"Beam Validators"** means the Beam Nodes included in the active validator set for the Beam Network from time to time and that participate in the consensus of the Beam Network.

**"BEAM Veto"** has the meaning given to it in Section 3.3.

**"Blockchain"** means a blockchain or distributed ledger technology or other similar technology.

**"Blockchain System"** means the combination of (i) a Blockchain and (ii) a network of devices operating software clients or software applications that jointly or individually store, validate, process transactions with respect to, update, resolve Forks with respect to and otherwise maintain, read from and write to such a Blockchain.

**"Blockchain Tokens"** means virtual currencies, tokens and other units of account or mediums of exchange that are implemented on a Blockchain System.

**"Board"** means the board of directors of the Beam Foundation.

**"Bylaws"** means bylaws governing the Beam Foundation (as may be amended from time to time).

**"Cayman Islands Law"** means the rules, regulations and laws of the Cayman Islands from time to time.

**"Confidential Information"** means (a) information in any form or medium (whether oral, written, electronic, or other) that is determined by a resolution of the Board to be confidential, nonpublic or proprietary, (b) all Private Keys, and (c) unless otherwise determined by a resolution of the Board or following from these Bylaws, all communications and deliberations between, among, or involving one or more Directors or Supervisors (in their capacities as such).

**"Contentious Fork"** means a Fork of the Beam Network or BEAM initiated without the approval of a majority of the then-current Tokenholders and/or Beam Validators.

**"Director"** means each director of the Board of Beam Foundation.

**"Fork"** means an occurrence where some or all persons running the software clients for a particular blockchain system adopt a new client or a new version of an existing client that either (a) changes the blockchain rules in a backwards compatible or incompatible manner that affects which transactions can be added into later blocks, how later blocks are added to the blockchain, or other matters relating to





the future operation of the relevant blockchain, or (b) reorganizes or changes past blocks to alter the history of the relevant blockchain, resulting in two distinct blockchains moving forward from the point of the occurrence.

**"Foundation Companies Act"** means the Cayman Islands Foundation Companies Act 2017.

**"Foundation Group"** means the Beam Foundation and its Subsidiaries.

**"Foundation Personnel"** means the Directors, Multisig Signers, officers, employees, independent contractors, agents, Supervisors, Emergency Supervisors and other representatives of the Foundation Group.

**"Governance Forum"** means the governance forum predominantly used (from time to time) by the Beam Community to discuss matters pertaining to BEAM governance and that result in a vote on governance proposals.

**"Governing Documents"** means the Bylaws, MOA and Articles, collectively.

**"Grant Committee"** means all committee members (from time to time) of the Grant Program.

**"Grant Program"** has the meaning given to it in Section 5.1.

**"MOA"** means the Memorandum of Association of the Beam Foundation (as amended from time to time).

**"Multisig"** means a Smart Contract that is configured to recognize a specified set of Private Keys and the functions of which can only be executed in response to a transaction message that has been signed by the specified minimum number of Private Keys belonging to such set of Private Keys.

**"Multisig Key"** means, with respect to each Multisig, each Private Key belonging to the Multisig Private Keys.

**"Multisig Signer"** means any person who holds a Private Key relating to a Foundation Group controlled Multisig, and which has entered into a Multisignature Participation Agreement substantially in the form of Schedule 1 to the Bylaws.

**"Principles"** has the meaning given to it in Section 6.1.

**"Private Key"** means a cryptographic key that is intended to be secret and corresponds to at least one public key that is known to the Beam Foundation or a Subsidiary and that constitutes a Blockchain System address.

**"Purposes"** has the meaning given to it in Section 1.1.

**"Smart Contract"** means any software code commonly known as 'smart contracts' that are deployed to Blockchain Systems (including to the Beam Network).

**"Standards"** has the meaning given to it in Section 6.2.

**"Subsidiary"** means an entity wholly-owned and controlled by the Beam Foundation.

**"Supervisor"** means the supervisor of the Beam Foundation, which has the powers and duties pursuant to the laws of the Cayman Islands and as further described in the Articles.



**“Timelock”** means a feature that restricts a transaction relating to a Smart Contract from occurring until after a specific period has lapsed or at a particular future timestamp.

**“Tokenholder(s)”** means holders of BEAM.

**“Treasury”** means the consolidated holdings of certain virtual currencies, tokens and other units of account or mediums of exchange that are implemented on a Blockchain System, fiat currency, equity, as well as any contractual entitlements to the foregoing, of the Foundation Group.

**“Veto Period”** has the meaning given to it in Section 3.3.

10.2 Unless a contrary indication appears:

- (a) Headings are inserted for convenience only and shall not affect the construction of these Bylaws.
- (b) Any reference to an enactment or statutory provision is a reference to it as it may have been, or may from time to time be, amended, modified, consolidated or re-enacted (and includes all instruments or orders made under the enactment).
- (c) Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- (d) Any references to a “person” shall be construed so as to include any individual, firm, company or other body corporate, government, state or agency of a state, local or municipal authority or government body or any joint venture, association or Partnership (whether or not having separate legal personality) and in each case, its successors and assigns and persons deriving title under or through it, in whole or in Part, and any person which replaces any Party to any document in its respective role thereunder, whether by assuming the rights and obligations of the Party being replaced or whether by executing a document in or substantially in the form of the document it replaces.



## SCHEDULE 1 - FORM OF MULTISIGNATURE PARTICIPATION AGREEMENT



## Multisignature Participation Agreement

This Multisignature Participation Agreement ("**Agreement**"), dated as of [date] August 2024, is entered into by and between Beam Foundation, a Cayman Islands foundation company with registered number 409428 and its registered address at Harbour Place, 2nd Floor, 103 South Church Street, P.O. Box 472, George Town, Grand Cayman KY1-1106, Cayman Islands (the "**Beam Foundation**" and, together with each of its wholly-owned subsidiaries set forth on the signature page hereto, the "**Foundation**") and [Signer] (the "**Signer**"). Each of the Foundation and the Signer are individually referred to herein as a "**Party**" and, together, as the "**Parties**". When a reference is made to the Foundation, it shall mean each Foundation company individually, unless context indicates otherwise.

**WHEREAS**, the Foundation has established, and plans to establish additional, multisignature smart contracts that are configured to recognise a specified set of Private Keys and the functions of which can only be executed in response to a transaction message that has been signed by the specified minimum number of Private Keys belonging to such set of Private Keys (the "**Multisigs**").

**WHEREAS**, the Foundation uses the Multisigs to manage and control certain virtual currencies, tokens and other units of account or mediums of exchange that are implemented on a Blockchain System ("**Crypto-Assets**") owned or held by the Foundation.

**WHEREAS**, at the direction of and on behalf of the Foundation, the Foundation wishes to engage the Signer to perform certain duties for the Foundation through participation in the Multisigs and the Signer wishes to perform such duties. Accordingly, the Foundation and the Signer are entering into this Agreement to establish the terms and conditions of the Signer's participation in and use of the Multisigs.

**NOW THEREFORE**, in consideration of the premises, the sufficiency and adequacy which is hereby acknowledged, the Parties agree as follows:

### 1. Definitions.

- (a) **Active Signer** means, at each time, each person who, as of such time, holds a valid Private Key and is validly participating in the Multisigs in accordance with this Agreement.
- (b) **Beam Community** means all persons utilising, relying on, securing or developing Beam, including: (i) persons utilising Beam Network in an 'end-user' consumer capacity (e.g., storing or transferring Blockchain Tokens on Beam Network, utilising games on Beam Network, utilising protocols on Beam Network to trade, borrow, lend, market-make, etc. and other consumer use cases; (ii) the holders of BEAM tokens; (iii) the Beam Network validators; and (iv) persons researching and developing Beam protocols.
- (c) **Beam Network** means the canonical blockchain and virtual machine environment of the Beam 'mainnet' that utilizes BEAM as its gas token (as of the date of this Agreement, Beam network is a Blockchain having Chain ID 4337).
- (c) **Blockchain** means a blockchain or distributed ledger technology or other similar technology.
- (d) **Blockchain System** means the combination of (i) a Blockchain; and (ii) a network of device operating software clients or software applications that jointly or individually store, validate process transactions with respect to, update, resolve forks with respect to and otherwise maintain, read from and write to such Blockchain.
- (e) **Bylaws** means bylaws governing the Beam Foundation (and indirectly other Foundation companies) as may be amended from time to time.
- (f) **Compensation** has the meaning ascribed to such a term in Section 4.
- (g) **Confidential Information** has the meaning ascribed to such a term in Section 3(g).
- (h) **Crypto-Assets** has the meaning ascribed to such a term in the recitals.
- (i) **Director(s)** means each director of a Foundation company.



- (j) **Duties** has the meaning ascribed to such a term in Section 3.
  - (k) **Foundation** means Beam Foundation, a Cayman Islands foundation company, together with each of its wholly-owned subsidiaries set forth on the signature page hereto.
  - (l) **Multisig** means a smart contract that: (i) is configured to recognise a specified set of Private Keys; and (ii) the functions of which can only be executed in response to a transaction message that has been signed by the specified minimum number of Private Keys belonging to such set of Private Keys.
  - (m) **Objects** means the objects for which the Foundation has been established, as set out in the Beam Foundation memorandum of association.
  - (n) **Private Key** means a cryptographic key that is intended to be secret and corresponds to at least one public key that: (i) is known to the Foundation; and (ii) constitutes a Blockchain System address.
  - (o) **Signature Decision** has the meaning ascribed to such a term in Section 3(d).
  - (p) **Signature Request** has the meaning ascribed to such a term in Section 3(d).
  - (q) **Vacancy** has the meaning ascribed to such a term in Section 3(h).
2. Key Generation. The Foundation may provide the Signer with instructions for generating a pair of private and public keys intended for use in each Multisig. The Private Key generated by the Signer as part of such a pair in accordance with such instructions shall be deemed Signer's Private Key for purposes of participating in the Multisig. From time to time, the Foundation may require and direct that Signer generate a new private and public key pair in accordance with the Foundation's instructions, and, from and after each such time, the new Private Key generated by Signer in accordance with such instructions shall be deemed Signer's for purposes of participating in a Multisig.
3. Signer Duties. The Signer hereby agrees to adopt, perform, observe and assume the following principles, duties, obligations and responsibilities (the foregoing collectively being the "**Duties**") in connection with Signer's participation in the Multisig and all other acts or omissions undertaken by Signer in connection with this Agreement, including the generation and holding of Signer's Private Key(s), Signer's receipt and evaluation of Signature Requests, and Signer's making of Signature Decisions.
- (a) *Principles*. In participating in and using the Multisig and any assets or systems held therein or controlled thereby, the Signer shall abide by and act consistently with the terms of the Bylaws and the Objects of Beam Foundation.
  - (b) *Code Changes*. Notwithstanding anything to the contrary set forth herein or any other document or agreement, once users have committed any tokens to or otherwise relied on any deployed smart contract, the Signer shall not approve or cooperate with any replacement or modification of such smart contract except consistently with the Bylaws and Objects.
  - (c) *Coordination Among Signers and Multisig Procedures*. The Signer shall undertake to maintain good relations with and engage in reasonably prompt, frequent and timely consultation and cooperation with the other Active Signers on all Signature Requests and other matters arising in connection with or relating to this Agreement and the matters contemplated by this Agreement. The Foundation (through the Director(s)) may from time to time establish various standard rules, practices, customs, protocols and procedures related to being a Signer or participating in the Multisig, provided that the foregoing are only supplemental to this Agreement and the Bylaws and Objects and do not conflict with, amend, terminate, limit or waive any express provision of or right or duty existing under this Agreement or the Bylaws or Objects (the "**Multisig Procedures**"). Multisig Procedures may be established through course of conduct, informal agreement, 'rough social consensus' or other means providing the Active Signers with reasonable notice thereof. Each Active Signer shall use its reasonable best efforts to comply with any Multisig Procedures of which it is aware.
  - (d) *Signature Requests & Decisions*. The Signer (while being an Active Signer) and each other Active Signer may from time to time receive proposals or requests from the Foundation, or other Active Signers to use such Active Signer's Private Key to sign transaction messages that are subject to the Multisig (each, a "**Signature Request**"). Each Active Signer shall promptly and in good faith consider the purpose



benefits and risks of all Signature Requests of which such Active Signer becomes aware, and determine whether to accept such Signature Request (i.e., to sign the relevant transaction message with such Active Signer's Private Key for broadcast to the relevant Blockchain System) or reject such Signature Request (i.e., refrain from signing the relevant transaction message with such Active Signer's Private Key for broadcast to the relevant Blockchain System) (each, a "**Signature Decision**"). Each Active Signer shall evaluate all Signature Requests received by such Active Signer and make all of such Active Signer's Signature Decisions in such Active Signer's sole good faith reasonable discretion exercised in accordance with the Bylaws, Objects, this Agreement and applicable laws and regulations. Upon an Active Signer reaching an affirmative Signature Decision with respect to a Signature Request (i.e., upon determining that the transaction message proposed in such Signature Request should be signed with Active Signer's Private Key), such Active Signer shall promptly sign the relevant transaction message with such Active Signer's Private Key.

- (e) *Conflicts of Interest.* Each Active Signer shall use reasonable best efforts to continuously monitor and evaluate such Active Signer's personal facts and circumstances (including Active Signer's direct and indirect investments and other economic interests in other blockchain-based companies, systems and communities) that could reasonably be expected to give rise to a material conflict of interest on the part of such Active Signer in connection with Active Signer's participation in the Multisig or any Signature Request or Signature Decision. If an Active Signer becomes aware of an ongoing material conflict of interest with respect to such Active Signer's participation in the Multisig generally, such Active Signer shall resign from participation in the Multisig in accordance with the Multisig Procedures unless such conflict of interest has been disclosed to the Foundation and the other Active Signers in reasonable detail, and the Foundation or a majority of Active Signers consent to such Active Signer continuing to participate in the Multisig notwithstanding such conflict of interest (which consent, for the avoidance of doubt, may be conditioned on appropriate disclosure to the Beam Community). In the event that an Active Signer becomes aware that such Active Signer has a material conflict of interest relating to a specific Signature Request, each such Active Signer shall either: (a) promptly disclose such conflict of interest to the other Active Signers and refrain from further involvement with such Signature Request, including by refraining from making a Signature Decision with respect to such Signature Request; or (b) promptly disclose such conflict of interest to the other Active Signers, the Foundation and the Beam Community together with a reasonably detailed explanation of such Active Signer's reasons for continuing engagement with such Signature Request and how the conflict of interest will be mitigated. Notwithstanding the foregoing, the Director(s) may request that Signer refrain from voting on any Signature Request if such Signer has a conflict of interest, as determined in the sole discretion of the Director(s)), and, if so requested, the Signer shall not vote on such Signature Request or make a related Signature Decision.
- (f) *Private Security.* Signer shall securely hold, custody and safeguard Signer's Key and immediately notify the relevant Foundation company and the Active Signers if Signer's Private Key could be expected to have been stolen, published or otherwise accessed by, made available to or become known to any other person (including any other Active Signer). Signers shall not disclose Signer's Private Key to or otherwise share Signer's Private Key with any other person, including other Active Signers.
- (g) *Confidentiality.* Unless otherwise determined by the Foundation (in its sole discretion) or as otherwise expressly permitted or required by this Agreement or the Bylaws, the terms of this Agreement, as well as all discussions and communications among or involving the Active Signers in their capacities as such, shall be deemed "**Confidential Information**". Each Party shall maintain the confidentiality of, and shall not disclose, publish or make available, all Confidential Information: provided, however, that the foregoing covenants shall not apply to a particular Party and particular Confidential Information to the extent that: (a) such Confidential Information becomes widely known to the public (other than through such Party's breach of this Agreement); (b) such Confidential Information is required to be disclosed by such Party pursuant to the applicable laws or regulations or orders of the court or other government authorities applicable to such Party (provided that such Party provides the other Party and other Active Signers with written notice sufficiently in advance of such disclosure to afford such Party and Active Signers the opportunity to seek a protective order or otherwise limit the disclosure of such Confidential Information); or (c) such Confidential Information is disclosed by such a Party to its legal counsels or financial advisors with a need to know such Confidential Information in order to provide advice to such Party regarding the





transactions contemplated hereunder, provided that such legal counsels or financial advisors, as the case may be, are apprised of the confidential nature of such Confidential Information and are bound by the confidentiality obligations to the Party with respect thereto similar to those set forth in this Section 3(g). Disclosure of any Confidential Information by a third party who received such Confidential Information from a Party and would, if made by such Party, breach this Section 3(g), shall be deemed a breach of this Section 3(g) by such Party. This Section 3(g) shall survive the termination of this Agreement for any reason. Notwithstanding the above, Signer or any other Active Signer may, for itself only (and assuming all risks that may arise from such disclosure), make public their status as an Active Signer.

- (h) *Vacancies and Additional Signers.* If at any time there are fewer Active Signers validly participating in the Multisig than the number of Private Keys required to participate at a given time in the Multisig (a "**Vacancy**"), the Foundation or a majority of the Active Signers may propose a person not already party to this Agreement to be designated as a Signer to fill such Vacancy, provided that the foregoing complies with any applicable rules or procedures of the Bylaws. Such person shall be designated a Signer after (i) the Director(s) provide written consent to such designation; and (ii) such person becomes a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement. Thereafter, such person shall be deemed to be a party to and bound by this Agreement as a Signer.
- (i) *Additional Multisigs.* The Foundation may create, and Signer may participate in, multiple Multisigs pursuant to this Agreement and, unless otherwise expressly agreed in writing, any Multisig participated in by the Signer in connection with the Foundation shall automatically be deemed to be covered by and entered into pursuant to this Agreement.
- (j) *Ownership of Multisig-Controlled Property.* The Signer shall not be deemed to own or have any right to or interest in any property or assets held or controlled in whole or in part by any Multisig or received by Signer on account of Signer's participation in, any Multisig, including any "airdrops" or other distributions of Blockchain Tokens received or claimable to Signer's externally owned account / blockchain address on account of Signer's participation in the Multisig. Unless such property is owned by a third party and held by the Foundation in escrow or a similar arrangement, such property shall automatically be deemed to be owned by, and constitute the sole property of, the Foundation. In the event Signer receives any property owned or held by the Foundation to Signer's externally owned account / blockchain address, Signer shall promptly notify the Foundation and remit such property to the Foundation in the manner directed by the Foundation (which may include depositing such property into a Multisig, if so requested).

4. Compensation. As consideration for providing the Duties in accordance with this Agreement, Beam Foundation shall pay the Signer compensation in the amount of 30,000 BEAM tokens per year (the "**Compensation**"). The Compensation will be payable in equal installments on an annual basis until the termination of the Signer's Duties under this Agreement. Subject to the terms set forth in Section 5, if either Party terminates the Agreement for any reason, Beam Foundation will pay the pro-rata Compensation payable to the Signer up to the termination date, within 30 days after the date of termination.

5. Term.

- (a) Signer's Duties and right to participate in the Multisig shall continue until Signer's termination of service with the Foundation; provided, however, that (a) Signer's Duties relevant to the safekeeping and use of Signer's Private Key shall continue until Signer has relinquished exclusive possession of such Private Key to the Foundation or such Private Key has been de-permissioned from the Multisig; and (b) all obligations and liabilities of Signer under the provisions of this Agreement that by their nature are intended to survive a termination of contract shall survive and be continuing, including all rights, obligations and liabilities under Section 3(g), Section 5, Section 6 and Section 9 and all duties and liabilities relating to events prior to the termination date.
- (b) Either Party may at any time, with immediate effect upon giving written notice to the other Party, terminate this Agreement and the Signer's Duties (other than the surviving Duties referred to in Section 5(a)) and right to participate in the Multisig, and may de-permission Signer's Private Key from the Multisig or demand that Signer relinquish Signer's Private Key to the Foundation. Any such termination by the



Foundation must comply with the Bylaws (including any veto rights of the Beam Community). From and after any such termination, the Signer shall refrain from using Signer's Private Key, acting upon Signature Requests or otherwise exercising any of the rights, powers or privileges of Signer under this Agreement or otherwise available to Signer in connection with the Multisig.

6. Indemnification. The Foundation shall indemnify and defend Signer from and against, hold Signer harmless against, and compensate and reimburse Signer for, any all claims, liabilities, damages and losses suffered or incurred, or reasonably likely to be suffered or incurred, by Signer in connection with Signer's discharge of the Duties in accordance with this Agreement, except to the extent arising in connection with Signer's intentional breach of contract, fraud, gross negligence (as defined under the laws of the State of Delaware), or willful misconduct. The foregoing shall be supplemental to, and not limit, any other right or remedy Signer may have against the Foundation under other contracts or agreements with the Foundation, such as agreements providing for the indemnification or exculpation of service providers of the Foundation.
7. Governing Law. This Agreement shall be governed by the internal law of the Cayman Islands, without regard to conflict of law principles that would result in the application of any law other than the law of the Cayman Islands.
8. Disputes.
  - (a) Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the rules of the London Court of International Arbitration, which rules are deemed to be incorporated by reference into this Section 8. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be London, United Kingdom. The language to be used in the arbitration shall be English. The Signer agrees to submit all disputes between the Signer and the Foundation to individual binding arbitration.
  - (b) If a dispute must be arbitrated, the Signer must start arbitration of the dispute within one (1) year from when the dispute first arose. If applicable law requires the Signer to bring a claim for a dispute sooner than one (1) year after the dispute first arose, the Signer must start arbitration in that earlier time period. The Foundation encourages the Signer to tell the Foundation about a dispute as soon as possible so the parties can work to resolve it in good faith. The failure to provide timely notice will bar all claims. Subject to the Bylaws, any arbitration documentation (including award) shall be confidential.
9. Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the Parties. Nothing in this Agreement, express or implied, is intended to confer upon any Party other than the Parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement. No party may assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the other party.
10. Counterparts. This Agreement may be executed in any number of separate counterparts, each of which when executed and delivered shall be an original, but all of which together shall constitute one and the same instrument.
11. Amendment. Except as otherwise expressly provided in this Agreement, any term of this Agreement may be amended, supplemented, terminated or waived only with the written consent of the Foundation and a majority of Active Signers.
12. Severability. Any term or provision of this Agreement that is found invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If a final judgment of a court of competent jurisdiction declares that any term or provision hereof is invalid or unenforceable, the Parties hereto agree that the court making such determination shall have the power to limit such term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the



intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the Parties hereto agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term or provision.

13. Waiver; Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any Party under this Agreement, upon any breach or default of any other Party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting Party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any Party of any breach or default under this Agreement, or any waiver on the part of any Party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any Party, shall be cumulative and not alternative.
14. Parties in Interest. None of the provisions of this Agreement are intended to provide any rights or remedies to any employee, creditor or other person other than Foundation, the Signer and their respective successors and assigns (if any).
15. Further Assurances. The Signer shall execute and cause to be delivered to the Foundation such instruments and other documents, and shall take such other actions, as the Foundation may reasonably request for the purpose of carrying out or evidencing any of the matters contemplated by this Agreement.
16. No Partnership etc. Nothing in this Agreement and no action taken by the Parties in connection with the matters contemplated by this Agreement shall constitute, or be deemed to constitute, a partnership, association, joint venture or other co-operative entity between or involving the Parties. Nothing in this Agreement and no action taken by the Parties pursuant to this Agreement shall constitute, or be deemed to constitute, either Party the agent or fiduciary of the other Party for any purpose. No Party has, pursuant to this Agreement, any authority or power to bind or to contract in the name of the other Party.
17. Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter. Each of the parties acknowledges that in entering into this Agreement it has not relied on any oral or written representation, warranty or other assurance (except as provided for or referred to in this Agreement) and waives all rights and remedies which might otherwise be available to it in respect thereof, except that nothing in this Agreement will limit or exclude any liability of a party for fraud.
18. Force Majeure. No party shall be held liable by the other party for any delay or failure to fulfil its obligations to the other party as a result of causes beyond its reasonable control. Such causes include, but are not limited to, fire, floods, hurricanes, pandemics, tropical storms, typhoons, acts of God, acts and regulations of any governmental or supranational authority, wars, riots, strikes, lock-outs and industrial disputes.

*[Signature Page Follows]*



IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

**Beam Foundation**

**[Signer]**

\_\_\_\_\_  
Name:  
Title:

**Beam Investments**

\_\_\_\_\_  
Name:  
Title:

**Beam Factory**

\_\_\_\_\_  
Name:  
Title:

**Beam Interface**

\_\_\_\_\_  
Name:  
Title:

