PL GRANT AGREEMENT

This Grant Agreement ("*Agreement*") is entered into on _12/13/2023_, (the "*Effective Date*"), between The Arbitrum Foundation, a Cayman Islands foundation company ("*Foundation*"), and <u>UI Humanics, LLC</u>, an a company having its registered address at 1267 Willis St Ste 200 Redding CA 96001 ("*Grant Recipient*").

The Foundation has been established, in part, to help promote the growth of the Arbitrum ecosystem and seeks to award grants to promote development consistent with the collective decision making of the ARB token ("*ARB*") tokenholder community (the "*ARB Community*"), which has approved a grant program pursuant to AIP-3, as further set forth at https://www.tally.xyz/gov/arbitrum/proposal/48957903989337452494807960514286334301924688097662612 08939834103772243975486l. Grant Recipient has been selected to receive a grant subject to and in accordance with the terms and conditions of this Agreement and AIP-3.

THEREFORE, the parties agree as follows:

1. GRANT RECIPIENT ACTIVITIES

1.1 <u>Grants</u>. From time to time, Foundation and Grant Recipient may execute one or more grants, substantially in the form attached hereto as <u>Exhibit A</u>, that describe the specific activities to be performed by Grant Recipient (as executed, a "*Grant*"). Each Grant will expressly refer to this Agreement, will form a part of this Agreement, and will be subject to the terms and conditions contained herein. A Grant may be amended only by written agreement of the parties. Foundation and Grant Recipient are entering into this Agreement in connection with AIP-3.

1.2 <u>Grant Recipient Activities</u>. Grant Recipient will perform the activities described in each Grant (the "*Grant Recipient Activities*") in accordance with the terms and conditions set forth in such Grant and this Agreement and with any applicable laws. Grant Recipient will not participate in or encourage any attacks on the ARB Community, including but not limited to: (i) technical attacks, hacking, theft of the ARB Community funds, or fraud, (ii) any conduct reasonably anticipated to cause harm to the ARB Community or Foundation, or (iii) any other activity that Foundation considers to be malicious or unlawful activity, in its sole discretion.

2. GRANT DISTRIBUTION. Foundation will pay Grant Recipient the amounts specified in the Grant in accordance with the terms set forth therein.

All other amounts set forth in the Grant, if any, are stated in and are payable in ARB. The parties will use their respective commercially reasonable efforts to promptly resolve any payment disputes. Grant Recipient understands and acknowledges that: (i) Foundation will not be involved in the operation of any Grant Recipient Activities; and (ii) by providing the Grant, the Foundation is only granting ARB to Grant Recipient and is not conducting any Grant Recipient Activities; (iii) Foundation is not, and will not be, registered as a virtual asset service provider under the Virtual Assets Services Providers Act of the Cayman Islands and ARB tokens have not been, and will not be, registered with the Cayman Islands Monetary Authority; and (iv) this Agreement does not constitute a sale of virtual assets to the public.

3. GRANT RECIPIENT RESPONSIBILITIES

3.1 <u>Compliance with Law</u>. Grant Recipient represents, warrants, and covenants that Grant Recipient will comply, and Grant Recipient's affiliates and any persons acting on Grant Recipient's or Grant Recipient's affiliates' behalf (i) will comply, at all times with all laws applicable to it or them (as the case may be), including statutes and regulations relating to anti-money laundering, countering the financing of terrorism, sanctions, anti-bribery, anti-corruption, gaming and gambling and (ii) currently has and will maintain and adhere to internal

compliance policies and procedures adequate to ensure compliance with such applicable laws, rules, statutes and regulations.

3.2 <u>Taxes and Employee Benefits</u>. Grant Recipient will report to all applicable government agencies as income all compensation received by Grant Recipient pursuant to this Agreement.

3.3 <u>Trademark License</u>. Subject to the terms of this <u>Section 3.3</u> and this Agreement generally, Foundation hereby grants to Grant Recipient a worldwide, non-exclusive, royalty-free, fully paid-up, license during the term of this Agreement, to use Foundation's name (i.e., The Arbitrum Foundation) and the then-current logo (the "***Foundation Marks***") for purposes of publicizing the activities and fulfilling the Grant Recipient Activities contemplated by this Agreement. Any use of a Foundation Mark by Grant Recipient must: (i) correctly attribute ownership of such mark to Foundation; and (ii) must be in accordance with Foundation's then-current trademark usage guidelines provided by Foundation in writing from time to time. If Foundation notifies Grant Recipient that its use of the Foundation Marks falls below Foundation's quality standards, or that Grant Recipient is using the Foundation Marks in a way that is inconsistent with this Agreement, Grant Recipient will fix the issue to Foundation's satisfaction within thirty (30) days of notice, which may be extended if both parties agree. Grant Recipient shall not use or allow use of, or attempt to register any asset that contains or incorporates any artwork, other representation, name or mark that is confusingly similar to, or that disparages, the Foundation Marks (or any element thereof).

4. TERM AND TERMINATION. This Agreement will commence on the Effective Date and, unless terminated earlier in accordance with the terms of this Agreement, will remain in force and effect for as long as Grant Recipient is eligible to receive the payment described in the Grant. Either party may terminate this Agreement (including all Grants) if (i) the other party breaches any material term of this Agreement and fails to cure such breach within five (5) days following written notice thereof from the non-breaching party; or (ii) at any time, for any reason or no reason, upon at least fourteen (14) days written notice. Upon the expiration or termination of

this Agreement for any reason: (i) Grant Recipient will no longer be eligible to earn fees for the completion of milestones described in the Grant; and (ii) if applicable, Grant Recipient shall promptly return all amounts of the Grant that Foundation has provided for Grant Recipient Activities not rendered. The rights and obligations of the parties under Sections 2, 3.2, 4 (as applicable), 5, and 6 will survive the expiration or termination of this Agreement.

5. LIMITATION OF LIABILITY. IN NO EVENT WILL FOUNDATION BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES OF ANY KIND IN CONNECTION WITH THIS AGREEMENT, EVEN IF FOUNDATION HAS BEEN INFORMED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES. FOUNDATION'S TOTAL LIABILITY FOR ALL CLAIMS ARISING FROM OR RELATED TO THIS AGREEMENT SHALL NOT EXCEED THE AMOUNT OF THE GRANT. THIS DOES NOT CONSTITUTE A SALE OF VIRTUAL ASSETS TO THE PUBLIC. THE RECIPIENT HAS BEEN PRIVATELY OFFERED THE ARB TOKENS IN CONSIDERATION OF ANTICIPATED FUTURE CONTRIBUTIONS TO THE ARB COMMUNITY ON THE TERMS SET OUT IN THIS AGREEMENT. IF GRANT RECIPIENT DOES NOT UNDERSTAND THIS TO BE THE CASE, PLEASE DISCUSS WITH THE FOUNDATION IMMEDIATELY.

6. GENERAL. Grant Recipient may not assign or transfer this Agreement, by operation of law or otherwise, without Foundation's prior written consent, and any attempt by Grant Recipient to do so, without such consent, will be void. Subject to the foregoing, this Agreement is binding upon and will inure to the benefit of each of the parties and their respective successors and permitted assigns. Nothing in this Agreement will be construed as establishing an employment or agency relationship or partnership between Foundation and Grant Recipient. Grant Recipient has no authority to bind Foundation by contract or otherwise. If any provision of this Agreement is held invalid, illegal or unenforceable, that provision will be enforced to the maximum extent permitted by law, given the fundamental

intentions of the parties, and the remaining provisions of this Agreement will remain in full force and effect. This Agreement, including the Grant, is the complete and exclusive agreement between the parties with respect to its subject matter and supersedes all prior or contemporaneous agreements, communications and understandings, both written and oral, with respect to its subject matter. This Agreement may be amended or modified only by a written document executed by duly authorized representatives of the parties. Nothing in this Agreement will be construed to create a partnership, joint venture or agency relationship between the parties. Neither party will have the power to bind the other or to incur obligations on the other's behalf without such other party's prior written consent. Except as expressly set forth in this Agreement, the exercise by either party of any remedy under this Agreement will be without prejudice to its other remedies under this Agreement or otherwise. Either party's failure to enforce any provision of this Agreement will not constitute a waiver of future enforcement of that or any other provision. No waiver of any provision of this Agreement will be effective unless it is in writing and signed by the party granting the waiver. This Agreement will be governed by and construed in accordance with the laws of the Cayman Islands, without regard to or application of conflicts of law rules or principles. Any controversy, dispute or claim between the parties arising out of or relating to this Agreement (including, without limitation, the breach, existence, interpretation, performance, termination or validity thereof), shall be referred to and finally resolved by binding arbitration to be administered by the Cayman Islands Mediation & Arbitration Centre (CI-MAC) in accordance with the Arbitration Act (as amended) of the Cayman Islands. The place of the arbitration shall be George Town, Cayman Islands and the arbitration shall be heard in the English language and determined by a sole arbitrator. Any award or decision made by the arbitrator shall be in writing and shall be final and binding on the parties, and judgment upon any award thus obtained may be entered in or enforced by any court having jurisdiction thereof. If any litigation or arbitration is necessary to enforce the terms of this Agreement, the prevailing party will be entitled to have their attorney fees paid by the other party. Each party waives any right it may have to assert the doctrine of *forum non conveniens*, to assert that it is not subject to the jurisdiction of such arbitration or courts or to object to venue to the extent any proceeding is brought in accordance herewith. All notices required to be sent hereunder will be in writing and will be deemed to have been given when sent by email, with receipt confirmed. This Agreement may be executed in any number of counterparts (and the parties to this Agreement shall be entitled to rely on any such electronic signatures for the purposes of the Electronic Transactions Act (as amended) of the Cayman Islands), each of which will have the same weight and effect as originals. A person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) act (as amended) to enforce any term of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

FOUNDATION:

By: _____
Edward Noyons
Name: _____

Director
Title: _____

GRANT RECIPIENT:

By: _____
Matthew Davis
Name: _____

Partner
Title: _____

EXHIBIT A

GRANT

This Grant is issued under and subject to all of the terms and conditions of the Grant Agreement (the "***Agreement***") dated on _____12/13/2023_____, between The Arbitrum Foundation ("***Foundation***") and UI Humanics, LLC ("***Grant Recipient***").

Project Name:	Grant Ships
Wallet address:	arb1:0x52774016ea6bd161a4BB6E232019C4bd704BB151
Email address:	matt@uihumanics.com
Project Description:	Grant Ships is an 'evolutionary grants game' where Grant Ships (grant-giving subDAOs) compete to best deploy capital in the Arbitrum ecosystem.
Project Details:	The game begins with the election and funding of at least 3 Grant Ships and a small Referee Team. At the beginning of each funding season, the Grant Ships are given capital from a common funding pool. For the bulk of each season, Grant Ships are busy screening applications, distributing funds, and reporting results. At the end of each season, each ship produces a Portfolio Report to communicate its progress. The Arbitrum community then ranks the Grant Ships through a weighted token vote. In the following season, high-performing Ships receive a larger portion of the funding pool, and lower-performing ships receive less. Inactive Ships or Ships that fail to meet minimum criteria can be replaced by new teams looking to enter the game. The Referee Team facilitates the game and monitors the Ships' compliance with reporting requirements by flagging rule violations. [Full proposal spec]().
Team or Individual:	UI HUMANICS, LLC DBA "DAO Masons"

KPIs and Milestones:	**Milestone 1**
	● **Whitepaper**
	○ This will be an expansion of the original [Grant Ships whitepaper](#), that outlines the methodology and technical details of the game. It will be a high-level document outlining the structure, integrations, and gameplay of Grant Ships.
	○ Understand Arbitrum KYC and legal concerns for grant-giving
	○ Include technical specifics for all integrations and the architecture of the application.
	○ Output
	■ HackMD Docs
	■ Published using a Web3 onchain publishing platform. (ie Mirror)
	● **Product Prototyping**
	○ Proof of concept code for key integrations (Hats, Hypercerts, Allo)
	○ Integration testing
	○ Wireframing main layouts
	○ Creating a rough application architecture
	● **Promotion**
	○ We'll broadcast our intentions, progress, and learnings to our audience. Let people know what we're building.
	○ Output
	■ Twitter tweets
	■ Spaces Q&A
	■ Schedule podcast appearances
	■ Weekly dev log in Arbitrum discourse
	Milestone 2
	● **Create Rulebook**
	○ This will be a Gitbook "rulebook" for the game, available to all participants to provide details on how the game works.

- - ○ Output
      - ■ Gitbook Rulebook
  - **Dashboard MVP**

    - ○ The dashboard is a one-stop shop for everything required to interact with the game.
    - ○ Output
      - ■ Deployed, working MVP
      - ■ Any custom subgraphs
    - ○ Features
      - ■ Grant Ship viewer
        - ■ Grant ship roster w/funding levels
        - ■ Information about each project funded (Hypercerts)
        - ■ Penalty alerts (yellow & red cards)
      - ■ Referee dashboard
        - ■ Issue cards (yellow/red & hypercert/green card)
      - ■ Voting dashboard
        - ■ Registry of ships
        - ■ Display previous votes
        - ■ Users can vote on ships
        - ■ Displays results
        - ■ Displays proposal timing, allocations, and rules
        - ■ Display current Voting Token balance and vote modifiers.
      - ■ Bonus:
        - ■ Convert subgraphs to Goldsky and integrate with Push Protocol to create a live notification system.
  - **Recruitment drive begins**

    - ○ During this Milestone we will plan the recruitment strategy to bring Ship Operators on board so they may get a start on planning how their ships will sail.
    - ○ Output
      - ■ Referee team screening
      - ■ Initial ship team screening

- **Promotion**

  - We'll broadcast our intentions, progress, and learnings to our audience. Let people know that we're building.
  - Output
    - Tweets
    - Spaces Q&A
    - Podcast appearances
    - Weekly dev log in Arbitrum discourse

Milestone 3

- **Complete Dashboard**
  - Dashboard App to be completed and tested.
  - Live app deployed under Grant Ships Domain
  - Request load testing
  - Donation Voting allocation
- **Complete Rule book**
  - Gitbook Rule book completed and made live.
- **Initial Teams Established and Trained**
  - Initial Referee Teams selected and trained on how to interact with the game. Referees will understand their roles and responsibilities in the game and understand how to interact with the app.
  - Initial Grant Ships Teams established and trained. Teams that will be awarding Grants will be established and taught how to interact with the game. They will be given the tools they need to design their ships and start playing.
- **Fund dispersal mechanism**
  - Referees serve as a "governance facilitator" enforcing rules and suggesting improvements to move into elected roles, and then a decentralized mechanism (anyone can be a referee).
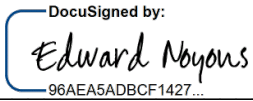- **Continue Promotion**
  - During this milestone, we plan to enact our promotion plan to the fullest, to maximize visibility.
  - Output
    - Twitter
    - Spaces
    - Podcasts

	■ Weekly dev log in Arbitrum discourse
	
	Milestone 4
	
	● **Beta Testing**
	   ○ The Players:
	      ■ Referee Team Enabled
	      ■ Grant Ships Enabled
	      ■ Project Applicant Pool finalized
	   ○ The Game:
	      ■ Day: 0 Fund the grant pool w/90K Arb
	      ■ Grant Ships signal allocations w/30K each
	      ■ Coaching, Guidance, and Tech support from the facilitator team
	      ■ Day: 14 Funding allocations funding
	      ■ Day: 14-28 Gather signal from voters on allocation efficacy

Timing:	**Start Date: Nov 21, 2023**
	Total Project: 16 weeks
	
	● Milestone 1: 3 weeks
	   ○ Start: 11/20/2023
	● Milestone 2: 6 Weeks (+1 week for holidays)
	   ○ Start: 12/11/2023
	● Milestone 3: 3 Weeks
	   ○ Start: 1/29/2024
	● Milestone 4: 4 Weeks
	   ○ Start: 2/19/2024
	   ○ End: 3/18/2024
	
	See our Planning Board for milestone breakdowns.
	
	Funding Total:
	
	● Product: 64,900 ARB
	● Beta Testing Round: 90,000 ARB
	● **Total: 154,900 ARB**
	
	Milestone Breakdown
	
	● Milestone 1: 11,700 ARB

	• Milestone 2: 31,500 ARB • Milestone 3: 11,700 ARB • Milestone 4: 10,000 ARB + 90,000 ARB Grant pool funding.

Payment Terms:	Subject to Grant Recipient's compliance with this Agreement, including without limitation, Grant Recipient's achievement of the above milestones to Foundation's satisfaction, Foundation will pay Grant Recipient 154,900 ARB tokens according to the following payment schedule:
	
	• **Within 14 days from the Effective Date of the Agreement: 27450 ARB**
	   ○ 100% Milestone 1 (11,700 ARB)
	   ○ 50% Milestone 2 (15,750 ARB)
	• **12/20/2023: 15750 ARB**
	   ○ 50% Milestone 2
	• **1/20/2024: 11700 ARB**
	   ○ 100% Milestone 3
	• **2/20/2024: 100,000 ARB**
	   ○ 100% Milestone 4 (10,000 ARB)
	   ○ Grant Ships grant fund (90,000 ARB)
	
	If the Agreement or this Grant is terminated for any reason, Grant Recipient will not be entitled to, and the Foundation will have no obligation to pay, any unpaid amount of the Grant.

AGREED ON   12/13/2023 _____

FOUNDATION:

By: _____ *Edward Noyons*
               96AEA5ADBCF1427...

Name: _____ Edward Noyons

Title: _____ Director

Date: _____ 12/13/2023

GRANT RECIPIENT:

By: _____ *Matthew Davis*
               C6E642679ABE4D6...

Name: _____ Matthew Davis

Title: _____ Partner

Date: _____ 12/13/2023