# **BLOCKCHAIN & AI-GENERATED CONTENT POLICY**

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This document serves as a legal framework for the integration of blockchain technology, AI-generated content, and token transactions within MAGIC WORLD. The information contained within is provided for general informational purposes and does not constitute financial, investment, or legal advice. MAGIC WORLD ensures compliance with UK FCA regulations, UK GDPR, and applicable blockchain laws; however, users are responsible for understanding the risks and legal implications associated with blockchain transactions, digital asset ownership, and AI-generated content.

By engaging with MAGIC WORLD, you acknowledge and accept the terms outlined in this document, including limitations of liability, regulatory adherence, and the potential risks associated with blockchain-based assets.

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## **1. INTRODUCTION**

Welcome to MAGIC WORLD. This policy sets out how MAGIC WORLD ("Company," "We," "Us") integrates blockchain technology, AI-generated content and token transactions into its gaming platform while ensuring compliance with UK FCA regulations, UK GDPR, and intellectual property laws. The goal is to create a secure, transparent, and legally compliant ecosystem for all users.

This document includes the Blockchain & AI-Generated Content Policy and the Token Issuance & Sale Agreement, both designed to establish clear rights, responsibilities and protections for users interacting with digital assets, AI-generated content and smart contract-based transactions. By engaging with MAGIC WORLD’s services, you acknowledge and agree to the terms set forth in these policies and agreements.

## **2. USE OF BLOCKCHAIN TECHNOLOGY**

2.1 Transparency & Security

1. All token transactions, NFT trades and in-game asset purchases in MAGIC WORLD are recorded on a decentralized blockchain ledger.
2. Blockchain ensures tamper-proof records, reducing fraud and unauthorized alterations.

2.2 Ownership & Licensing of Digital Assets

1. Players can buy, sell, and trade NFTs and in-game assets.
2. Ownership of blockchain-based assets does not grant IP rights over game content.
3. Users receive a limited, revocable, non-exclusive license to use digital assets within MAGIC WORLD.

2.3 Smart Contracts & Transactions

1. Transactions within MAGIC WORLD are executed via smart contracts.
2. Smart contracts are immutable; once executed, they cannot be reversed.
3. Users are responsible for securing private keys and wallets. MAGIC WORLD is not liable for lost or stolen crypto assets.

2.4 Risks & Regulatory Compliance

1. Digital assets may change in value, and MAGIC WORLD does not guarantee price stability.
2. Users must ensure compliance with financial laws in their jurisdiction.
3. Blockchain transactions may be subject to taxation, and users must comply with HMRC regulations on crypto taxation.

## **3. AI-GENERATED CONTENT USAGE**

3.1 AI in Gameplay & Development

1. AI is used for NPC behaviour, dynamic storytelling, procedural content generation, and in-game customization.
2. AI-generated assets include characters, environments, quests, and dialogue.

3.2 Ownership & Licensing of AI-Generated Content

1. All AI-generated content within MAGIC WORLD remains the property of MAGIC WORLD.
2. Users who create AI-generated assets grant MAGIC WORLD a perpetual, worldwide, royalty-free license to use, modify, or distribute such content.

3.3 AI Content Risks & Limitations

1. AI-generated content may not always be accurate or free from biases.
2. MAGIC WORLD is not liable for unexpected AI behaviour, errors, or generated interactions.
3. AI content must adhere to community guidelines, prohibited AI-generated content includes hate speech, illegal activities, and harmful depictions.

## **4. DATA PRIVACY & USER RIGHTS**

4.1 Compliance with UK GDPR

1. AI interactions and blockchain transactions are processed per UK GDPR.
2. Personal data collected through AI and blockchain interactions is encrypted and securely stored.

4.2 User Control Over AI Data

1. Users may request modifications or deletion of AI-related data, where legally applicable.
2. However, blockchain transactions are immutable and cannot be erased.

4.3 Third-Party AI & Blockchain Integrations

1. Third-party AI models or blockchain services must comply with UK data protection laws.
2. Users engaging with external AI tools within MAGIC WORLD assume associated risks.

## **5. CHANGES TO THIS POLICY**

MAGIC WORLD reserves the right to update this policy as blockchain and AI regulations evolve. Users will be notified of significant changes.

For inquiries, contact us at [support@magicworld.com].