Aragon Court

Terms of Use

These Terms of Use constitute an agreement between you ("User" or "You") and Aragon Association and Aragon One AG both with registered address in c/o eMBe Finanz GmbH Bahnhofstrasse 20 6300 Zug Switzerland ("We" or "Us") regarding your access to and use of the Ethereum based dispute resolution protocol that handles subjective disputes that cannot be resolved by smart contracts ("Aragon Court").

By accessing and using Aragon Court you accept and agree to be bound by these Terms of Use and all applicable laws of your jurisdiction and all of it as it may be modified, changed, supplemented or updated from time to time. Please read these Terms of Use before using Aragon Court ("Terms").

If you do not agree with the Terms you shall not access, use or participate in Aragon Court.

1. The Aragon Network and Aragon Court

Aragon Court is a decentralized oracle protocol developed and maintained by the Aragon Network. The Aragon Network is an Aragon Decentralized Aragon Organization that provides infrastructure and services to users of the Aragon platform and that is governed by Aragon Network Token ("ANT") holders. If you want to know more of the Aragon Network you may visit https://aragon.org/en/network.

2. Aragon Court and its participants

Aragon Court is a dispute resolution protocol that wishes to settle subjective disputes with binary outcomes that cannot be resolved by smart contracts by finding the subjective truth i.e. the most correct outcome of a dispute is with a Schelling game.

The Aragon Court may have three different types of participants (the "Participants"):

- The claimant: the participant raising a claim by creating a dispute (the "Claimant").
- The defendant: the participant against whom the claim has been brought against (the "Defendant").
- The jurors: the participants that will act arbitrers by reviewing evidence and voting on a particular outcome (the "Juror").

All Participants are bound by these Terms and by the Technical Details (as defined in Section 3 below) however, please note that:

- a) If you are willing to participate as a Claimant you shall read and expressly accept these Claimants' Terms.
- b) If you are willing to participate as a Defendant you shall read and expressly accept these Defendants' Terms.
- c) If you are willing to participate as a Juror you shall read and expressly accept these Jurors' Terms..
 - 3. How Aragon Court works and its technical details

A dispute in the Aragon Court will start when a Claimant raises a claim and will finish with the dispute settled and the rewards allocated. These are the different stages of a dispute:

I. <u>Dispute is raised:</u> a Participant raises a claim. To raise a claim subscription fees and collateral shall be staked in accordance with the Claimants' Terms.

- II. <u>Jurors are selected</u>: the Aragon Court will draft jurors to adjudicate the dispute. The chances of being drafted is proportional to the amount of Aragon Network Juror Tokens ("ANJ") that jurors have activated and every time a Juror is drafted for a dispute, a portion of their staked ANJ, in accordance with the Jurors' Terms, are locked until the dispute is finalized.
- III. <u>Jurors review evidence</u>: evidence is submitted by members and reviewed by Jurors.
- IV. <u>Preliminary ruling:</u> after reviewing the evidence, drafted Jurors will vote on the ruling that they think their fellow jurors are more likely to vote on and a preliminary ruling will be drafted.
- V. <u>Appealing:</u> anyone is allowed to appeal the said ruling by paying for dispute fees in accordance with Defendats' and Claimants' Terms and by putting some collateral at stake. This will initiate a new adjudication round. If this occurs, a new set of Jurors will be drafted, and a new ruling will be proposed. Rulings can be appealed a limited number of times until a final round is reached in which all active Jurors are invited to vote on a simple majority vote during a final round.
- VI. <u>Dispute is settled:</u> in case no appealing occurs for an adjudication round or the final round ends, a final ruling is issued and the dispute is settled. Once a dispute is settled rewards will be allocated as follows:
 - a) Juror/s that voted for the losing Participant or Jurors that did not vote at all have their locked ANJ slashed; and
 - b) Juror/s that voted in favor of the consensus ruling will be allocated with dispute fees and juror tokens from the Jurors that voted for a minority ruling.

Please note this is just a summary of the technical details. However, as a Participant, You must read and understand the full technical details here: https://github.com/aragon/whitepaper (the "Technical Details") as you will also be bound by such Technical Details.

4. Download and access to Aragon Court

You may not download or use Aragon Court if you are not permitted to do so by Your applicable law. You shall not use Aragon Court in any way that breaches any applicable local, or regulation and shall only be used for lawful purposes. Aragon Court shall not be used in any way that is unlawful or fraudulent or that has any unlawful or fraudulent purpose or effect.

You also agree not to wrongly interfere with, damage or disrupt any part of Aragon Court, the cryptographical assets stored in the Aragon Court, the Ethereum Platform or any software owned or used by any third party.

You are responsible of making the necessary arrangements for you to have access to Aragon Court and ensuring that all persons who access Aragon Court through your internet connection are aware of these Terms.

Aragon Court is offered and available to users who are legally old enough to access and use Aragon Court according to their personal law and to the laws of Switzerland.

You are responsible for obtaining and maintaining all connectivity, computer software, hardware and other equipment needed to access and use Aragon Court and all changes related to the same. Aragon Court is made available on an 'as is' and 'as and when available' basis.

5. Changes to the Aragon Court

Aragon Court is governed by the Aragon Network DAO which has the right to modify its functionalities and specifications and which may withdraw or amend Aragon Court in its sole discretion without notice. Therefore, We reserve the right to modify these Terms accordingly and We do not guarantee that Aragon Court will always be available or uninterrupted. We will not be

liable if for any reason all or any part of Aragon Court is unavailable at any time or for any period. From time to time, we may restrict access to Aragon Court or to some parts of it.

6. Privacy and Personal Data Protection

Aragon Court can be accessed by downloading open source software or using an interface provided by Us or a third party. Therefore, We will not request any personal data from You.

Any personal data You manage, process or generate when using Aragon Court is your unique responsibility as data controller. Therefore, we disclaim any and all responsibility from such data processing.

You represent and warrant compliance with all applicable data protection Laws and regulations, including the Data Protection Regulation (EU) 2016/679.

7. Use of the Aragon Court

You are fully responsible of using Aragon Court and We shall not be liable for any loss or damages that you may suffer by the use of Aragon Court. Furthermore, you may be held liable for losses, fines or damages incurred by Us or another Participant due to someone else using Your access to Aragon Court, including any inspection and/or penalties in regard to the processing of personal data.

You shall be responsible for maintaining the confidentiality of your keys to access your Aragon DAO or the Ethereum account used to interact as a juror as well as responsible of disclosure of your Aragon DAO address.

8. Open Source Software

In case we make available for download the source code for Aragon Court as an open source software, You agree to be bound by, and comply with, any license agreement that applies to this open source software. Furthermore, You shall not indicate that you are associated with us in connection with your use, modifications or distributions of this open source software.

9. Intellectual Property Rights

Aragon Court, as well as all of its contents, functionalities and/or elements (including but not limited to all copyrights, patents, trade secrets, trademarks, trade names, logos, slogans, custom graphics, button icons, scripts, videos, files, texts, displays, images, video, audio, design, information) are owned by Us or, when applicable, the licensors, partners or their respective owners.

Unauthorized reproduction is prohibited. You shall not use or modify any of the trademarks, logos, designs, utility models or any other industrial property protected asset, unless otherwise previously and expressly authorized in writing by Us or unless legally permitted by the applicable laws.

10. REPRESENTANTIONS AND WARRANTIES. RISKS.

YOU REPRESENT AND WARRANT THAT YOU UNDERSTAND THAT BLOCKCHAIN TECHNOLOGY AND ARAGON COURT ARE NEW AND UNTESTED AND OUTSIDE OUR EXCLUSIVE CONTROL, AND ADVERSE CHANGES IN MARKET FORCES OR THE TECHNOLOGY, BROADLY CONSTRUED, WILL EXCUSE OUR PERFORMANCE AND ARAGON COURT'S PERFORMANCE UNDER THESE TERMS.

FURTHERMORE, YOU ACKNOWLEDGE THAT YOU HAVE BEEN INFORMED OF THE FOLLOWING RISKS, ASSOCIATED TO THE USE OF ARAGON COURT, WHICH YOU AGREE TO TAKE AT YOUR SOLE RESPONSIBILITY:

RISKS ASSOCIATED WITH ETHEREUM'S MALFUNCTION

ARAGON COURT IS BASED ON ETHEREUM. AS SUCH, ANY MALFUNCTION, UNINTENDED FUNCTION OR UNEXPECTED FUNCTIONING OF THE ETHEREUM PROTOCOL MAY CAUSE ARAGON COURT'S MALFUNCTION OR FUNCTION IN AN UNEXPECTED OR UNINTENDED MANNER.

RISK OF UNFAVORABLE REGULATORY ACTION IN ONE OR MORE IURISDICTIONS

THE FUNCTIONING AND USAGE OF ETHEREUM NETWORK, ASSOCIATED BLOCKCHAIN NETWORKS AND DIGITAL ASSETS, SUCH AS ARAGON COURT, THE ARAGON NETWORK TOKENS ("ANTS"), THE ARAGON NETWORK JUROR TOKENS ("ANJ") AND THE ARAGON NETWORK ("AN"), COULD BE IMPACTED BY REGULATORY INQUIRES OR ACTIONS.

RISK OF THEFT AND HACKING

HACKERS OR OTHER GROUPS OR ORGANIZATIONS MAY ATTEMPT TO INTERFERE WITH ARAGON COURT, YOUR ARAGON DAO OR YOUR WALLET OR YOUR ASSETS STAKED IN ARAGON COURT, IN ANY NUMBER OF WAYS, INCLUDING WITHOUT LIMITATION, DENIAL OF SERVICES ATTACKS, SYBIL ATTACKS, SPOOFING, SMURFING, MALWARE ATTACKS, OR CONSENSUS-BASED ATTACKS.

FURTHERMORE, THE ETHEREUM BLOCKCHAIN IS SUSCEPTIBLE TO MINING ATTACKS, INCLUDING BUT NOT LIMITED TO DOUBLE-SPENDING ATTACKS, MAJORITY MINING POWER ATTACKS, "SELFISH-MINING" ATTACKS, AND RACE CONDITION ATTACKS. ANY SUCCESSFUL ATTACKS PRESENT A RISK TO ARAGON COURT, YOUR ARAGON YOU'RE YOUR WALLET, YOUR ASSETS STAKED IN ARAGON COURT DESPITE OUR EFFORTS AND THE ETHEREUM FOUNDATION EFFORTS', THE RISK OF KNOWN OR NOVEL MINING ATTACKS EXISTS. MINING ATTACKS, AS DESCRIBED ABOVE, MAY ALSO TARGET OTHER BLOCKCHAIN NETWORKS, WITH WHICH ARAGON COURT OR ANT INTERACT WITH AND CONSEQUENTLY THEY MAY BE IMPACTED.

RISK OF SECURITY WEAKNESS IN ARAGON COURT

THERE IS A RISK THAT ARAGON COURT MAY UNINTENTIONALLY INCLUDE WEAKNESS OR BUGS IN THE SOURCE CODE INTERFERING WITH THE USE OF ARAGON COURT OR CAUSING THE LOSS OF ANTS OR ANY OTHER CRYPTOGRAPHIC ASSET OR DATA THAT YOU DEPOSIT IN ARAGON COURT.

WE RECOMMEND NOT PLACING LARGE AMOUNTS OF ASSETS OR PERSONAL DATA IN ARAGON COURT. WE ARE COMFORTABLE RELEASING THIS VERSION TO THE PUBLIC ON MAINNET AND WE HAVE PASSED CORRESPONDENT AUDITS BUT THERE COULD STILL BE UNFORESEEN SITUATIONS WHERE ASSETS OR DATA COULD BE AT RISK. AFTER ALL, THIS IS BLEEDING-EDGE TECHNOLOGY.

RISK OF WEAKNESSES OR EXPLOITABLE BREAKTHROUGHS IN THE FIELD OF CRYPTOGRAPHY

ADVANCES IN CRYPTOGRAPHY, OR TECHNICAL ADVANCES SUCH AS THE DEVELOPMENT OF QUANTUM COMPUTERS, COULD REPRESENT RISKS TO CRYPTOCURRENCIES, ETHEREUM, ARAGON COURT, YOUR ARAGON DAO, YOUR WALLET OR YOUR ASSETS.

RISK OF UNINSURED LOSSES

DESPITE OUR BEST EFFORTS TO SECURE YOUR ASSETS, YOU SHALL UNDERSTAND THAT YOUR ASSETS ARE COMPLETELY UNINSURED.

INTERNET TRANSMISSION RISKS

THERE ARE RISKS ASSOCIATED WITH THE USE OF THE INTERNET AS WELL AS THE FAILURE OF HARDWARE, SOFTWARE AND INTERNET CONNECTIONS.

INSUFFICIENT INTEREST IN ARAGON COURT

IT IS POSSIBLE THAT ARAGON COURT IS NOT USED BY A LARGE NUMBER OF INDIVIDUALS AND THAT THERE IS LIMITED PUBLIC INTEREST IN IT. SUCH A LACK OF INTEREST COULD IMPACT THE FUNCTIONALITY AND DEVELOPMENT OF ARAGON COURT.

ARAGON COURT MAY NOT MEET YOUR EXPECTATIONS

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UNANTICIPATED RISKS

CRYPTOCURRENCIES AND BLOCKCHAINS ARE NEW TECHNOLOGY. THEREFORE, IN ADDITION TO THE RISKS SET FORTH HEREIN, THERE ARE RISKS THAT WE CANNOT FORESEE AND IT IS UNREASONABLE TO BELIEVE THAT SUCH RISKS COULD HAVE BEEN FORESEEABLE. RISKS MAY FURTHER MATERIALIZE AS UNANTICIPATED.

11. LIMITATION OF LIABILITY AND DISCLAIMER OF WARRANTIES

YOU ACKNOWLEDGE AND AGREE THAT YOU ACCESS AND USE ARAGON COURT AT YOUR SOLE RISK, ESPECIALLY ACKNOWLEDGING THE RISKS DESCRIBED IN THESE TERMS. YOU REPRESENT THAT YOU UNDERSTAND SUCH RISKS, AS WELL AS THE USAGE AND INTRICACIES OF CRYPTOGRAPHIC TECHNOLOGY AND BLOCKCHAIN-BASED OPEN SOURCE SOFTWARE AS WELL AS OF THE ETHEREUM PLATFORM AND ARAGON COURT.

UNLESS OTHERWISE REQUIRED BY LAW, IN NO EVENT SHALL WE, THE OWNERS OF OR THE CONTRIBUTORS TO ARAGON COURT, BE LIABLE IN CONTRACT OR TORT, FOR ANY CLAIM, LOSS, DAMAGE, LIABILITY, COST OR EXPENSE OF ANY KIND, WHETHER DIRECT OR INDIRECT (INCLUDING DAMAGES FOR LOSS OF CRYPTOASSETS, ASSETS, BUSINESS, REVENUES, PROFITS, DATA, USE, GOODWILL OR OTHER INTANGIBLE LOSSES) OR ANY OTHER DAMAGES OF ANY KIND RELATED TO YOU CAUSED FROM THE ACCESS OR USE OR INABILITY TO ACCESS ARAGON COURT OR RELYING ON THE CONTENT OF ARAGON COURT OR ANY PUBLICATIONS REGARDING ARAGON COURT. FURTHERMORE, WE SHALL NOT BE LIABLE FOR ANY EVENT BEYOND OUR REASONABLE CONTROL (FORCE MAJEUR EVENTS).

YOU ACKNOWLEDGE AND AGREE THAT THE DISCLAIMERS OF LIABILITY CONTAINED IN THESE TERMS, SHALL APPLY TO THE FULLEST EXTENT PERMITTED BY THE APPLICABLE LAW.

12. INDEMNIFICATION

TO THE FULLEST EXTENT PERMITTED BY THE APPLICABLE LAW, YOU AGREE TO INDEMNIFY, DEFEND, AND HOLD US HARMLESS, OUR AFFILIATES, EMPLOYEES, CONTRIBUTORS, LICENSORS AND SERVICE PROVIDERS, AND OUR AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, CONTRACTORS, AGENTS, LICENSORS, SUPPLIERS, PARENT COMPANIES, SUCCESSORS, SUBSIDIARIES, AFFILIATES, AGENTS, REPRESENTATIVES AND ASSIGNS FROM AND AGAINST ALL CLAIMS, LIABILITIES, DAMAGES, JUDGMENTS, LOSSES, COSTS, EXPENSES OR FEES (INCLUDING REASONABLE ATTORNEYS' FEES) THAT ARISE FROM OR RELATE TO: (I) YOUR VIOLATION OF THESE TERMS; AND (II) YOUR USE OF ARAGON COURT.

13. Changes to the Terms of Use

We may modify, revise, or update these Terms at any time, without notice to You. All changes are effective immediately when We post them and apply to all access to and use of Aragon Court thereafter. You agree that it is your responsibility to review periodically the Terms and to be aware of any changes.

14. Governing Law and Jurisdiction

Any claims, disputes and controversies arising out of these Terms or in connection with the access or use of Aragon Court shall be settled in Aragon Court following the dispute process established herein.

Notwithstanding the above, if a party wished to bring such claim, dispute or controversy in court, it shall do so in the Court of the city of Zug (Switzerland) and these Terms shall be governed by and construed and enforced in accordance with the laws of Switzerland. However, we retain the right to

bring any suit, action or proceeding against You in your country of residence or any other relevant country. You agree to waive any and all objections to the exercise of jurisdiction over you by such courts and to venue in such courts.

15. Waiver and Severability

The waiver or failure of any party to exercise rights under these Terms will not be deemed a waiver or other limitation of any other right or any future right. Any waiver must be in writing and signed by the party to be charged therewith.

If any provision of these Terms is held by a court or other tribunal of competent jurisdiction to be invalid, illegal or unenforceable for any reason, such provision shall be eliminated or limited to the minimum extent such that the remaining provisions of the Terms will continue in full force and effect.

16. Entire Agreement

These Terms of Use, the Technical Terms and, when appropriate, in accordance with Section 2 above, the Claimants' Terms, the Defendants' Terms and/or the Jurors' Terms, constitute the sole and entire agreement between You and Us with respect to Aragon Court and supersede all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to Aragon Court.