

## **CLAIMING BPRO TERMS AND CONDITIONS**

**Last updated April 26, 2021**

PLEASE CAREFULLY READ THESE TERMS BEFORE MAKING ANY DECISION TO CLAIM BPRO TOKENS AS THEY AFFECT YOUR OBLIGATIONS AND LEGAL RIGHTS, INCLUDING, BUT NOT LIMITED TO, WAIVERS OF RIGHTS AND LIMITATIONS OF LIABILITY.

PLEASE ALSO CAREFULLY READ THE TERMS OF USE APPLICABLE TO THE WEBSITE (<https://app.bprotocol.org/terms>) AND TO BPROTOCOL (<https://github.com/backstop-protocol/Terms-and-Conditions>), INCORPORATED HEREIN.

BY CLAIMING BPRO TOKENS, YOU ACKNOWLEDGE THAT YOU HAVE FULLY READ, UNDERSTAND AND IRREVOCABLY ACCEPT AND AGREE TO BE BOUND BY THE TERMS AND CONDITIONS.

BPRO tokens are only intended for sophisticated users who are knowledgeable and experienced in cryptocurrencies, blockchain and Ethereum technologies and protocols. By claiming, holding, or using BPRO tokens you accept all risks in connection therewith.

### **1. About BPRO**

BPRO tokenizes the governance of BProtocol, enabling the transfer and redistribution of voting rights. The decision to tokenize governance was made by vote of the users of BProtocol who held user rating scores (mScore and cScore), which controlled 100% of the governance vote that determined to create BPRO (the “Genesis vote”).

BPRO is available to Users based on their mScore and cScore. Users do not have any obligation to claim BPRO. Participation in distributions from the “jar” will continue to be based on the non-transferable mScore and cScore without regard to whether a user claims, holds, or uses BPRO.

BPRO tokens do not represent a stock, commodity, or any other investment instrument. No payment of financial contribution to SFL or any other person or entity is necessary to claim BPRO, and it does not entitle the holder to any payment of any kind.

There is no fixed supply of BPRO and the future amount of BPRO is unknowable. The vote to create BPRO established continuous minting of additional BPRO pursuant to a defined schedule over a 4-year period. That determination could be modified by a subsequent proposal and vote of BPRO holders, and what transpires after the period contemplated by the Genesis vote will be subject to a future vote of BPRO holders.

BProtocol was initially created by Smart Future Labs (“SFL”), but SFL had already distributed 100% of the voting control to users prior to the Genesis vote. SFL did not decide to create BPRO or vote in the Genesis vote, and BPRO has no control over the future minting of BPRO.

## **2. Use Restrictions; Compliance**

**YOU MAY NOT (AND YOU MAY NOT PERMIT ANYONE TO) USE BPRO FOR ANY ILLEGAL, IMMORAL, UNLAWFUL AND/OR UNAUTHORIZED PURPOSES.**

BPRO may not be available or appropriate for use in certain jurisdictions. By claiming, holding, or using BPRO, you agree that you are solely and entirely responsible for compliance with all laws and regulations that may apply to you. You may not claim BPRO if you are a citizen, resident, or member of any jurisdiction or group that are designated as high risk by the Financial Action Task Force, that are subject to embargos or sanctions implemented by the United Nations, Israel, the European Union, or the Office of Foreign Asset Control of the United States Treasury Department, or are included on a list of jurisdictions not permitted to use the B-Protocol Services as determined by SFL (each, a “Prohibited Jurisdiction”), or if your use of the B-Protocol Services would be illegal or otherwise violate any applicable law. You may not use BPRO in connection with or which would involve proceeds of any unlawful activity.

## **3. Explanation and Certain Risk Factors**

BPRO are transferable but there is no established market for BPRO and no assurance that one will develop or that BPRO will have any monetary value now or in the future. You also have no right to return the BPRO in exchange for anything. By claiming BPRO, you acknowledge that BPRO are intended for the purpose of governing BProtocol and that you are not claiming them in reliance on any expectation that they will have future market value or that SFL or its affiliates, or any other person, will undertake any steps to create a market for BPRO or increase its value.

The regulatory landscape with respect to cryptocurrencies and cryptographic tokens, including BPRO, is fast evolving. There may be uncertainty in the regulatory treatment of BPRO in certain jurisdictions. Although the Company does not believe that BPRO tokens are securities in any jurisdiction, there is no assurance that relevant competent government or regulatory authorities (“Relevant Authorities”) would take a similar view, either now or in the future. Similarly, although the Company does not believe that creating, offering, or claiming BPRO is subject to any securities, commodities, derivatives or other financial law and regulation (collectively, “Regulations”), there is no guarantee that the Relevant Authorities may not subsequently determine that BPRO tokens are subject to Regulation and/or were not in compliance with certain Regulations. Any such different view or determination by Relevant Authorities may impose restrictions on the transfer and utility of BPRO tokens and other regulatory requirements.

## **4. Tax**

In claiming BPRO, it is your obligation to consult your own tax advisors regarding tax considerations relating to the receipt, possession, or disposition of BPRO tokens.

## **5. Limitation of Liability**

WITHOUT LIMITING THE GENERALITY OF ANY OTHER PROVISION OF THE TERMS, YOU ACKNOWLEDGE AND AGREE THAT YOU ASSUME FULL RESPONSIBILITY FOR YOUR USE OF THE SITE, THE INTERFACE, THE PROTOCOL AND THE DLP, ALL OF WHICH WILL BE AT YOUR OWN RISK. RECOGNIZING SUCH, YOU UNDERSTAND AND

AGREE THAT, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, NEITHER SFL NOR ITS SHAREHOLDERS, OFFICERS OR DIRECTORS WILL BE LIABLE TO YOU FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY OR OTHER DAMAGES OF ANY KIND, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA, CRYPTOCURRENCIES OR OTHER TANGIBLE OR INTANGIBLE LOSSES OR ANY OTHER DAMAGES BASED ON CONTRACT, TORT, STRICT LIABILITY OR ANY OTHER THEORY (EVEN IF SFL HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), RESULTING FROM THE SITE, THE INTERFACE, THE PROTOCOL OR THE DLP.

SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN WARRANTIES OR THE LIMITATION OR EXCLUSION OF LIABILITY FOR DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES. ACCORDINGLY, IN SUCH JURISDICTIONS THE FOREGOING WILL BE REINTERPRETED SO AS TO BE EFFECTIVE TO GREATEST EXTENT POSSIBLE UNDER APPLICABLE LAW.

## **6. Release of Claims**

You further expressly waive and release SFL from any and all liability, claims, causes of action, or damages arising from or in any way relating to your claiming, holding, use, or transferring of BPRO. If you are a California resident, you waive the benefits and protections of California Civil Code § 1542, which provides: “[a] general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

## **7. Governing Law; Jurisdiction; Agreement to Arbitrate; No Class Action; Waiver of Right to Jury Trial**

Any claim relating to the Site, the Interface or the use thereof will be governed by and interpreted in accordance with the laws of England and Wales, without reference to its conflict-of-laws principles and the United Nations Convention Relating to a Uniform Law on the International Sale of Goods may not be applied.

All disputes arising out of or in connection with the present contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The arbitration will be conducted in the English language and held by teleconference or, if teleconference is not possible, in London, England (the “**Agreement to Arbitrate**”).

You must bring any and all claims or disputes against us in your individual capacity and not as a plaintiff in or member of any purported class action, collective action, private attorney general action, or other representative proceeding. This provision applies to class arbitration. By using the Site and/or the Interface, you agree not to initiate or participate, and waive the right to participate in, any class action lawsuit or a class wide arbitration against SFL and/or its Affiliates.

You and we both agree to waive the right to demand a trial by jury.

Notwithstanding the foregoing, SFL may seek injunctive relief in any court of competent jurisdiction.

## 8. **General**

These Terms and Conditions supplement the terms applicable to your use of BProtocol or the Interface and all such conditions continue to apply unless expressly stated otherwise herein.