**RCHAIN NODE VALIDATION SERVICES AGREEMENT**

This Node Validation Services Agreement (the “**Agreement**”), effective \_\_\_\_\_\_\_\_\_\_ \_\_, 2018 (the “Effective Date”), is entered into by and between [Node Validator], a \_\_\_\_\_\_. (“**Node Validator**”) and RChain, Cooperative a Washington cooperative association (“**RChain**”).  Node Validator and RChain may also be referred to herein, from time to time, collectively as the “Parties” or individually as a “Party.”

WHEREAS, Node Validator has the interest, capability, and expertise in the areas of proof of stake node validation on the RChain blockchain; and

WHEREAS, RChain desires to engage Node Validator’s expertise in order to build its node validation network;

NOW, THEREFORE, in consideration for the Services to be provided by Node Validator to RChain, the Parties agree as follows:

1. **DUTIES OF NODE VALIDATOR.** In addition to Node Validator’s purchase of RHOC from RChain, Node Validator shall also provide to RChain the following services (the “**Services**”): 
   1. Perform node validation tasks by using the proof of stake method to validate transactions on the RChain blockchain based on Node Validator’s node validating tier requirements as set forth in **Exhibit A**;

The RChain Node Validation Tiers include:

* + Tier 1: a minimum purchase of the USD equivalent of $1,000,000 or more in RHOC in connection with this Agreement;
  + Tier 2: a purchase of the USD equivalent of $50,000 to $999,999 in RHOC in connection with this Agreement; and
  + Tier 3: a purchase of the USD equivalent of $1,500 to $49,999 in RHOC in connection with this Agreement.
  1. In order to stake the REV token on the RChain blockchain and to fuel the Services, Node Validator must purchase RHOC. Upon the launch of RChain’s mainnet, the RHOC purchased pursuant to this Agreement, and held in a multi-signature wallet as described in Section 3.2 of this Agreement, shall convert into REV on a one-to-one basis. While the RHOC, as an ERC-20 token, will not be used to stake on the RChain blockchain, RHOC ownerships allows Node Validator to have immediate access to REV at the time REV becomes available.
  2. Comply with Anti-Money Laundering (“**AML**”) and Know Your Customer (“**KYC**”) requirements.
  3. Become a member of the RChain Cooperative;
  4. Perform node validation tasks pursuant to the node validating equipment and hardware specifications set forth in **Exhibit B**;
* Node Validator leases node validating equipment from a RChain-approved third party vendor (e.g., a RChain-approved data center);
* Node Validator owns and operates its own node validation equipment and agrees to submit equipment specifications for RChain’s written approval and agrees to allow RChain inspect node validation equipment from time to time.
* Node Validator owns and operates its own servers
* Node Validator uses the server subscription services of a third-party provide (e.g., Amazon Web Services (“**AWS**”))

Node Validator will maintain [**ten (10)]** node validation stations.

1. **PERFORMANCE OF NODE VALIDATION SERVICES.** Services will be deemed completed by the Node Validator when Node Validator has completed its requisite level of staking and transaction validation as set forth in **Exhibit A**.

2.1 If Node Validator improperly validates a transaction, whether intentionally or not, then the improper validation will lead to some or all of Node Validator’s stake being slashed.

2.2 To participate in a Namespace, an individual or entity shall become a Node Validator. Different Namespaces will have different validation requirements as set forth by RChain. Node Validator shall abide by and meet the requirements set forth in each Namespace in which it serves as Node Validator.

1. **PAYMENT FROM RCHAIN.**
   1. Payment Terms.In exchange for the Services, RChain shall pay to Node Validator pursuant to the Node Validating Economics and Payment Rubric set forth in **Exhibit C**;
   2. Lock Up.RHOC purchased in connection with this Agreement shall be locked until RChain’s Mainnet launch, contemplated to take place in December 2018, in a multi-signature cryptographic wallet, where Node Validator and RChain hold the two requisite private keys. Upon Network Launch, the RHOC will automatically convert into REV on a one-to-one basis (“**Converted Payment**”). This Converted Payment will be staked for an additional [12-18] months after Network Launch (the “**Staking Period**”). During the Staking Period, Node Validators will still be able to earn and receive revenue from other node validation revenue opportunities as discussed in Section 3.3 of this Agreement.
   3. Other Node Validation Revenue Opportunities. In addition to the potential revenue opportunities set forth in the Node Validating Economics and Payment Rubric, Node Validator will also have the opportunity to earn revenue through other payment streams, such as seigniorage fees as set forth in **Exhibit D** (the “**Node** **Validation** **Overview**”).
2. **TERM/TERMINATION.**
   1. Term. This Agreement shall be effective upon the Effective Date and remain in effect until [\_\_\_\_\_\_] unless terminated by either Party.
   2. Termination. This Agreement may be terminated with a Party’s provision of thirty (30) days’ notice and written consent by both Parties.
   3. Termination and Payment. Upon any termination or expiration of this Agreement, Node Validator and RChain agree and understand that all requisite consideration associated with the provision of the Services by RChain to Node Validator shall have been provided and no further payment shall be due or owed to RChain. Upon termination, Node Validator and RChain shall agree to the provision and delivery of any further outstanding Services due pursuant to the Agreement and complete such provision and delivery in a timely manner within 15 days from the date of the termination or expiration.
   4. Assignment/Termination Upon Death or Disability. This Agreement is a business services agreement between Node Validator and RChain and is not assignable by either Party to a third party without the express written consent of both Node Validator and RChain.

1. **CONTRACTUAL AUTHORITY.** Node Validator shall not have any authority to enter into any contract or agreement on behalf of RChain or to create any obligations on the part RChain unless specifically authorized by RChain in writing.

1. **CONFIDENTIALITY.**Node Validator and RChain agree that during the course of this Agreement, information that is confidential or of a proprietary nature may be disclosed to the other Party, including, but not limited to, business and operational plans, financial dealings and confidentiality discussions, unpublished communications and financial information, projections, and marketing data (“**Confidential Information**”). Confidential Information shall not include information that the receiving Party can demonstrate (i) is, as of the time of its disclosure, or thereafter becomes part of the public domain through a source other than the receiving Party, (ii) was known to the receiving Party as of the time of its disclosure, (ii) is independently developed by the receiving Party, or (iv) is subsequently learned from a third party not under a confidentiality obligation to the providing Party.  Confidential Information need not be marked as confidential at the time of disclosure to receive “Confidential Information” protection as required herein.  Rather, all information disclosed that, given the nature of the information or the circumstances surrounding its disclosure reasonably should be considered as confidential, shall receive “Confidential Information” protection.  In connection with the disclosure of any Confidential Information, each Party agrees that it will not at any time or in any manner, either directly or indirectly, use any Confidential Information for its own benefit, or divulge, disclose, or communicate in any manner any Confidential Information to any third party without the prior consent of the other Party.  Each Party will protect the Confidential Information of the other Party and treat it as strictly confidential.

1. **INDEMNIFICATION.**Node Validator agrees to indemnify, defend, and hold harmless RChain and defend any action brought against RChain with respect to any claim, demand, cause of action, debt or liability, including reasonable attorneys' fees, to the extent that such an action arises out of or caused by   the act or omission of Node Validator or of any of Node Validator’s employees, agents or contractors.  In claiming any indemnification hereunder, RChain shall promptly provide Node Validator with written notice of any claim, which RChain believes falls within the scope of this section. RChain may, at its expense, assist in the defense if it so chooses, provided that Node Validator shall control such defense, and all negotiations relative to the settlement of any such claim. Any settlement intended to bind RChain shall not be final without RChain’s written consent, which shall not be unreasonably withheld.

1. **REMEDIES.**In the event Node Validator at any time materially fails to provide to RChain the Payment, RChain shall have the right to seek remedies, including but not limited to damages incurred by RChain for Node Validator’s failure and other liquidated damages to be established by RChain.

1. **MISCELLANEOUS.**
   1. Rights Cumulative; Waivers. The rights of each of the Parties under this Agreement are cumulative.  The rights of each of the Parties hereunder shall not be capable of being waived or varied other than by an express waiver or variation in writing.  Any failure to exercise or any delay in exercising any of such rights shall not operate as a waiver or variation of that or any other such right.  Any defective or partial exercise of any of such rights shall not preclude any other or further exercise of that or any other such right.  No act or course of conduct or negotiation on the part of any Party shall in any way preclude such Party from exercising any such right or constitute a suspension or any variation of any such right.
   2. Benefit; Successors Bound.  This Agreement and the terms, covenants, conditions, provisions, obligations, undertakings, rights, and benefits hereof, shall be binding upon, and shall only inure to the benefit of, the undersigned Parties.  No benefit, right or obligation under this Agreement shall inure to the benefit the heirs, executors, administrators, representatives, successors, and permitted assigns of either Node Validator or RChain without the express written consent of both Node Validator and RChain.
   3. Entire Agreement. This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof.  There are no promises, agreements, conditions, undertakings, understandings, warranties, covenants or representations, oral or written, express or implied, between them with respect to this Agreement or the matters described in this Agreement, except as set forth in this Agreement.  Any such negotiations, promises, or understandings shall not be used to interpret or constitute this Agreement.
   4. Assignment. Neither this Agreement nor any other benefit to accrue hereunder shall be assigned or transferred by either Party, either in whole or in part, without the written consent of the other Party, and any purported assignment in violation hereof shall be void.
   5. Amendment. This Agreement may be amended only by an instrument in writing executed by all the Parties hereto.
   6. Severability. Each part of this Agreement is intended to be severable.  In the event that any provision of this Agreement is found by any court or other authority of competent jurisdiction to be illegal or unenforceable, such provision shall be severed or modified to the extent necessary to render it enforceable and as so severed or modified, this Agreement shall continue in full force and effect.
   7. Section Headings. The Section headings in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
   8. Construction. Unless the context otherwise requires, when used herein, the singular shall be deemed to include the plural, the plural shall be deemed to include each of the singular, and pronouns of one or no gender shall be deemed to include the equivalent pronoun of the other or no gender.
   9. Further Assurances. In addition to the instruments and documents to be made, executed and delivered pursuant to this Agreement, the Parties hereto agree to make, execute and deliver or cause to be made, executed and delivered, to the requesting Party such other instruments and to take such other actions as the requesting Party may reasonably require to carry out the terms of this Agreement and the transactions contemplated hereby.
   10. Notices. Any notice which is required or desired under this Agreement shall be given in writing and may be sent by personal delivery or by mail, either via United States mail, postage prepaid, or Federal Express or similar generally recognized overnight carrier, addressed as follows (subject to the right to designate a different address by notice similarly given):

If to RChain:

1200 Westlake Ave N, Suite 802

Seattle, WA 98109

Phone: (206) 906-9346

Email: dotto@martindavislaw.com

If to Node Validator:

Node Validator

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

* 1. Governing Law and Jurisdiction. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Washington without reference to its conflicts of laws rules or principles.  Each of the Parties consents to the exclusive jurisdiction of the Superior Courts of King County, Washington or the federal court for the Western District of the State of Washington in connection with any dispute arising under this Agreement and hereby waives, to the maximum extent permitted by law, any objection, including any objection based on *forum non conveniens*, to the bringing of any such proceeding in such jurisdictions.
  2. Consents. The person signing this Agreement on behalf of each Party hereby represents and warrants that he has the necessary power, consent and authority to execute and deliver this Agreement on behalf of such Party.
  3. Survival of Provisions. The provisions contained in Sections 6, 7, 8, and 9 of this Agreement shall survive the termination of this Agreement.
  4. Execution in Counterparts. This Agreement may be executed via facsimile and in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same agreement.

*[remainder of page left blank intentionally]*

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and have agreed to and accepted the terms herein on the date written above.

**RCHAIN Cooperative:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

By: Greg Meredith

Its: President

**Node Validator:**

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

By:

Its:

**EXHIBIT A**

**Node Validating Tasks and Node Validating Tier Requirements**

*See* pages 4-5; 7-11 of **Exhibit D**

**EXHIBIT B**

**Node Validating Equipment and Hardware Specifications**

*See* pages 11-12 of **Exhibit D.**

**EXHIBIT C**

**Node Validating Economics and Payment Rubric**

*See* pages 5-6 and pages 13-15- of **Exhibit D**

**EXHIBIT D**

The Node Validator Overview