LEGAL OPINION **on the regulatory framework concerning authorisation of VASPs and cryptocurrency-related service providers in BVI, the nature of $EYE Token and LicensingObligations of the Issuer**	
For	**ECOYIELD** (the "Company")
Mandated by	Standard Corporate Partner Malaysia Sdn Bhd, a company incorporated under the laws of Malaysia, with the registered address at Business Suite 19A-24-3, Level 24, UOA Centre, No. 19, Jalan Pinang, 50450, Kuala Lumpur, Wilayah Persekutuan, Malaysia
Prepared by	**Aimy Qisteena**, Lawyer, practicing in Malaysia, certified to issue this legal opinion in accordance with the relevant qualification requirements and the Bar Professional Training Course obtained at Cardiff University, United Kingdom
Date	**12 June 2025**

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1. Introduction

1.1. Scope of Opinion

We, Standard Corporate Partner Malaysia Sdn Bhd, a company incorporated under the laws of the Malaysia, with the registered address at Business Suite 19A-24-3, Level 24, UOA Centre, No. 19, Jalan Pinang, 50450, Kuala Lumpur, Wilayah Persekutuan, Malaysia (also referred to in this opinion as "LegalBison", "we", "us" and "our"), through Aimy Qisteena, Lawyer, practicing in Malaysia, certified to issue this legal opinion in accordance with the relevant qualification requirements and the Bar Professional Training Course obtained at Cardi University, United Kingdom have prepared a legal opinion in respect of inquiries addressed to us by the Company on concerning the following scope:

1. Firstly, whether the Company $EYE Token (hereinafter the "Token") may classify as a security under the laws of BVI; and
2. Secondly, contingent on the Token's classification, whether the Company must obtain any regulatory authorization.

1.2. Documents and Materials

This opinion is based upon the analysis and review of the documents and materials provided to us by the Company as well as social documents, laws, and regulations, including all relevant BVIn regulations and other regulations having effect on the Company's business operations. The opinion is therefore issued on the basis of the applicable laws and regulations in force at the moment of its issuance.

1.3. Disclaimers

This opinion is not a guarantee of any result, goal, or determination outlined by the Company on the Help Page and other applicable drafts and documents. In an environment of rapidly changing technology and technological advancement, blockchain technology develops at a growing pace causing the law to adapt to the speed of technological progress. As a result, the contracts of this opinion shall be perceived as reflecting the status of the applicable legislative framework in BVI as of June 2025. The applicability of amendments in the relevant BVIn and other application legislation to the statements and conclusions of this legal opinion shall be assessed notwithstanding the legal opinion in question, its contents, and their applicability and relevance to the legislative framework in force as of June 2025. Furthermore, this legal opinion does not purport to provide a formal legal opinion with respect to law outside of the scope of the BVIn legal framework. Should the concerned persons in any other jurisdiction require this legal opinion to be provided for their disposal, the persons in question shall bear in mind that the conclusions of this legal opinion may not be applicable in the respective jurisdiction(s).

This opinion is written in good faith, and cannot be deemed as a guarantee or an obligation, or a ground of liability of LegalBison. The contents of this legal opinion are the intellectual property of LegalBison. The Company or any other intermediary may not copy the document in its entirety, or parts of it, and use it in any other context that is outside the scope of this legal opinion.

This legal opinion is based solely on the sources explicitly described herein. The legal opinion was prepared on the basis of information and documents furnished by the Company, including but not limited to information provided over the course of communication with the owners of the Company and other available documentation. To the extent that any additional and/or presently unidentified sources of information or newly enacted regulation may materially alter the opinions contained therein, the undersigned assumes no liability.

In accordance with the documents and information presented to us in a duly manner, our opinion is as follows.

2. Legal Framework Applicable to VASPs in BVI

2.1. Definitions of a VASP

The British Virgin Islands ("BVI") has incorporated the Financial Action Task Force ("FATF") definition of virtual assets ("VA") into its regulatory framework. According to FATF,[1] VAs, also known as crypto assets, are digital representations of value that can be traded, transferred, or utilized for payments in the digital realm.

It is essential to note that this definition excludes digital representations of at currencies. The BVI Virtual Assets Service Providers Act 2022 (the "VASPA") has implemented this FATF definition, denying VA as a digital representation of value that can be traded or transferred digitally and used for payment or investment purposes.[2]It explicitly excludes digital representations of at currencies and other specified assets or matters set forth in the Guidelines.[3] Additionally, it does not encompass digital records of credits against financial institutions involving at currency, securities, or other financial assets that can be digitally transferred.

All individuals and entities engaged in providing virtual asset services within the British Virgin Islands are subject to regulation and are required to undergo the registration process as outlined in the Virtual Assets Service Providers Act. As such, the Act species the prohibition against ordering or participating in transactions involving VA under certain circumstances and sets forth a number of conditions on conducting business activities related to the virtual asset services:[4]

1. *No unauthorized virtual asset services:* It is strictly prohibited for any person to operate the

business of providing a virtual asset service within or from the Virgin Islands without obtaining proper registration from the Financial Services Commission (the "Commission").

2. *Individuals and businesses:* Individuals are also prohibited from engaging in virtual asset services as a business or within the scope of their business operations within the Virgin Islands. Holding oneself out as providing virtual asset services without proper registration is also prohibited.

[1] FATF, on Virtual Assets FATF (www.fatf-ga.org/en/topics/virtual-assets.html) 6 June 2025.
[2] Section 2 (1) Virtual Assets Service Providers Act, 2022, 23 December, 2022 (British Virgin Islands).
[3] Within the scope of the Virtual Assets Service Providers Act, the term 'Guidelines' refers to the Guidelines of the BVI Financial Services Commission, available on the Commission's social website. For the purposes of this legal opinion, the term 'Guidelines' may refer to the specific Guidelines of the Commission applicable to the subject of virtual assets issued as separate sets of documentation and are referred to in this legal opinion with specification to the specific Guidelines' title and scope. Thus, the term is not used in this legal opinion interchangeably: the person concerned shall refer to the context for reference.
[4] Section 5 of Virtual Assets Service Providers Act, 2022, 23 December, 2022 (British Virgin Islands).

3. *Definition of "carrying on" virtual asset service:* For the purposes of the Act, engaging in, or "carrying on" virtual asset services within the Virgin Islands includes having physical premises within the Virgin Islands specifically for conducting virtual asset services.
4. *Extraterritorial application:* A BVI company that provides or holds itself out as capable of providing virtual asset services outside the Virgin Islands is considered to be operating the business of providing virtual asset services from within the Virgin Islands, and therefore, must adhere to the regulations outlined in the Act.

According to the provisions of the Act, only individuals or entities that have obtained proper registration from the Commission are considered duly authorized to offer services related to virtual assets. These authorized entities are referred to as Virtual Asset Service Providers, or VASPs, within the context of BVI law.

A VASP, as denied under the Act and subject to its regulations,[5] pertains to a virtual asset service provider who conducts virtual asset services as a business and is registered under this Act to perform one or more of the following activities or operations for or on behalf of another person:

1. Exchange between virtual assets and at currencies;
2. Exchange between one or more forms of virtual assets
3. Transfer of virtual assets: this includes transactions conducted on behalf of another person, moving a virtual asset from one virtual asset address or account to another.
4. Safekeeping or administration of virtual assets or instruments enabling control over virtual assets;
5. Participation in, and provision of, financial services related to an issuer's order or sale of a virtual asset;
6. Other activities or operations specified in the act or as prescribed by regulations.

Notably, this dentition, with the exception of an addition of limb 6, has fully adopted the wording of a similar definition provided in the FATF Recommendations, where, VASP is defined as any natural or legal person who, as a business, conducts one or more of the following activities or operations for or on behalf of another natural or legal person:

i. Exchange between virtual assets and at currencies;
ii. Exchange between one or more forms of virtual assets;

[5] Section 2(1) of Virtual Assets Service Providers Act, 2022, 23 December, 2022 (British Virgin Islands).
[6] FATF, International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation (first published 2012, as amended February 2025) (www.fatf-ga.org/recommendations.html) 6 June 2025, p. 135.

iii. Transfer of virtual assets;
iv. Safekeeping and/or administration of virtual assets or instruments enabling control over virtual assets; and
v. Participation in and provision of financial services related to an issuer's order and/or sale of a virtual asset.

The FATF definition of a VASP is important for the assessment of the legal obligation of the Company to obtain the respective license in the BVI in relation to their issue and subsequent distribution of a Token as laid down in the following sections of this legal opinion. For now, it is important to note that certain activities do not qualify or are not treated as VASPs under the Act:[7]

1. Providing ancillary infrastructure: such as cloud data storage or integrity service providers; 2. Service as a software developer or provider of unhosted wallets: limited to developing or selling software or hardware;
3. Solely creating or selling software applications or virtual asset platforms;
4. Providing ancillary services or products to a virtual asset network: as long as these services do not involve engaging in or actively facilitating VASP activities for others;
5. Operating a virtual asset network without facilitating VASP activities for customers;
6. Providing non-transferable, non-exchangeable closed-loop items;
7. Accepting virtual assets as payment for goods and services.

At this point of the legal assessment, it is important to emphasize that, in the absence of explicit definitions and characteristics of ICOs/ITOs outlined in the BVI legislation, it is prudent to refer to established international standards. As such, turning to the definition and framework provided by the FATF seems reasonable within the context of our assessment, especially considering the BVI's reliance on FATF guidelines in the drafting of legislation related to virtual asset matters. Given the international nature of virtual asset transactions and the need for consistent regulatory standards, aligning the BVI's understanding of VASPs and ICOs/ITOs with FATF guidelines ensures a

coherent approach. Consequently, assessing the very notion of a VASP and an ICO/ITO within the framework provided by FATF becomes crucial in the absence of explicit BVI legislation, laying the groundwork for subsequent evaluations in accordance with the Guidance on the Regulation of Virtual Assets (the "Virtual Assets Guidelines") issued by the BVI Financial Services Commission.[8]

[7] Section 2(2) of Virtual Assets Service Providers Act, 2022, 23 December, 2022 (British Virgin Islands).
[8] British Virgin Islands Financial Services Commission, Guidance on Regulation of Virtual Assets in the Virgin Islands, 2020 <www.bvifsc.vg/sites/default/les/guidance_on_regulation_of_virtual_assets_in_the_virgin_islands_bvi_nal.pdf> (Virtual Assets Guidelines) 6 June 2025.

2.2. ICO/ITO Characteristics and Their Relation to VASPs

In accordance with the updated Guidance provided by the FATF,[9] in an ICO/ITO, an issuer or promoter typically sells a VA in exchange for a currency or another VA. These ICOs/ITOs are usually announced and marketed online through various promotional materials. Issuers or promoters often publish a "whitepaper" outlining and marketing the project.

During an ICO, prospective purchasers are informed that the capital raised from the sales will be used to fund the development of a digital platform, software, or other projects. Additionally, it may be stated that the VA itself could eventually be utilized to access the platform, use the software, or participate in the project. Throughout the offering, issuers or promoters might lead buyers of the digital asset to expect a return on their investment or to anticipate a share of the profits generated by the project. Once these VAs are issued, they can be resold to others in a secondary market, such as on digital asset trading platforms or through VASPs.

The FATF has provided an extensive guidance on participation in and provision of financial services related to ICOs/ITOs in its Guidance.[10] According to FATF, the definition of VASP is designed to encompass activities related to ICOs/ITOs. ICOs commonly serve as a method to secure funding for new projects from early backers. Specifically, the FATF definition of VASP covers individuals or entities involved in or providing financial services related to issuers' orders and/or sales of VAs through activities like ICOs/ITOs. These individuals or entities can be validated or unaffiliated with the issuer conducting the ICO/ITO, and their involvement spans various stages, including issuance, offer, sale, distribution, ongoing market circulation, and trading of a VA.

For instance, such involvement could extend to businesses accepting purchase orders and funds, acquiring VAs from an issuer for resale and fund distribution, and engaging in activities like book building, underwriting, market making, and placement agent services related to ICOs. Additionally, other aspects of the VASP definition might also apply to businesses engaged in ICOs. Furthermore, the natural and legal persons associated with the issuance can provide services involving exchange, transfer, or safekeeping activities, falling under the FATF definition.

This is especially relevant for VA issuers who release the VA and over/sell it through activities such

as ICOs/ITOs. According to the FATF definition of VASPs, merely issuing a VA on its own does

not constitute a VA service. However, individuals or entities that engage in the business of exchanging and transferring the issued VAs on behalf of another person would fall under the definition of providing VA services. Likewise, participation in and provision of financial services related to any ICO/ITO associated with the issuance of VAs is also considered a VA service.

[9] FATF, Updated Guidance for a Risk-Based Approach to Virtual Assets and Virtual Asset Service Providers, Paris, 2021 (https://www.fatf-ga.org/content/dam/fatf-ga/guidance/Updated-Guidance-VA-VASP.pdf.coredownload.inline.pdf) 6 June 2025 p. 30 - 31.

[10] *Ibid*

Importantly, the act of creating software to issue a VA does not automatically classify the creator as a VASP, unless the creator also performs the covered functions mentioned in the dentition as a business for or on behalf of another person. In other words, the role of a VASP is specifically tied to conducting covered activities as a business service for or on behalf of others, rather than the act of creating the software itself.

When determining how the definition of VASP applies to entities involved in an ICO/ITO, it is crucial to consider the following factors:

1. The elements comprising the definition of a VASP as laid down by the FATF denition; and
2. Underlying facts and circumstances of the asset, activity, or service, rather than relying solely on labels or terminology used by market participants.

For instance, if a person creates a digital asset that meets the definition of a VA and sells it to purchasers, this person qualifies as a VASP if they conduct activities falling under any limb of the VASP denition, in addition to the issuance itself. In the context of an ICO, the individual selling the VA is considered a VASP if they engage in activities such as exchanging the VA for at currency or other VAs (limbs (i) and (ii) of the FATF definition of VASPs) or providing liquidity in the VA by acting as a market-maker following the ICO (limb (v) of the FATF definition of VASPs). Furthermore, businesses providing related financial services to facilitate the person's sale of the VA, such as acting as brokers or dealers, would also be categorized as VASPs under limb (v) of the FATF definition of VASPs, regardless of whether they are formally affiliated with the person.

Importantly, whether the customer intends to use the VA as an investment or as a means of payment does not alter the application of the VASP dentition. The key determinant is the nature of the activities conducted by the entities involved, as outlined in the VASP definition, rather than the specific intentions or purposes of the customers purchasing the digital assets.

The EcoYield platform generates yield from two real-world infrastructure revenue streams:

GPU Leasing (AI Compute): EcoYield deploys modular data centres equipped with high-performance GPUs (e.g., NVIDIA H100s). These are leased under commercial contracts to enterprises, AI developers, and decentralised GPU marketplaces (Render, Akash, Bittensor, etc.). Leasing income is contractual service revenue, not financial intermediation. **Renewable Energy Sales:** Solar PV + battery storage assets supply power to the GPU farms. Surplus energy is sold back to the grid under long-term Power Purchase Agreements (PPAs).Legal analysis should confirm that both revenue sources are treated as infrastructure-based income streams and do not alter the classification of EcoYield's tokens under BVI law.

For avoidance of doubt, GPU leasing revenues are treated as service-based infrastructure revenues, not as financial products. Their inclusion alongside renewable energy revenues does not alter the classification of EcoYield's tokens under BVI law.

2.3. Classification of a Token as a Security

In the scenario described above, the classification of a digital asset as a security under a country's laws introduces a different regulatory dimension. Depending on the specific facts and circumstances surrounding the ICO and the laws of the country in question, in the Company's case, the BVI, the country's securities regulations might be applicable. Consequently, whether the VA may be classified as securities depends on the unique elements of the ICO/ITO and the legal framework within that particular jurisdiction. Consequently, an individual or entity could end themselves subject to multiple regulatory frameworks based on the nature of their activities. Similarly, the digital assets used in such activities may also be subject to more than one type of regulatory framework, further emphasizing the complexity and need for careful legal consideration in the evolving landscape of digital asset transactions.

The significance of ICOs and ITOs becomes apparent in this context. Notably, as of June 2025, the BVI stands out among other jurisdictions worldwide due to the absence of explicit provisions denying ICOs/ITOs and implementing specific rules and regulations governing their issuance. Unlike many other legal instruments in different jurisdictions,[11]the BVI has not implemented any explicit provisions delineating the concept of ICO/ITO or establishing a legal framework tailored to their unique requirements.

As a consequence, a standard ICO, in its conventional form, does not fall under more rigorous regulations set forth by existing BVI financial services legislation. However, it is crucial to

emphasize that any proposed ICO must still be evaluated against the existing legislation, taking into account the Commission's Virtual Assets Guidelines. According to the Virtual Assets Guidelines, the Commission's position makes it clear that VAs and their related products are considered to have value, exhibit the characteristics of property, and meet the definition of intangible property.[12] When determining the need for licensing in virtual asset-related activities, the following factors are considered:

1. *Utilization of VAs:* The manner in which the VA (crypto asset) is being utilized;
2. *Types of business activities:* The types of business activities proposed or conducted;

[11] For comparison, see e.g. the recently passed Regulation (EU) 2023/1114 of the European Parliament and of the Council of 3 May 2023 on markets in crypto-assets (also referred to as 'MiCA Regulation'), which sets forth the explicit definitions for offerings of different token types as well as regulatory framework pertaining to each offering type. While MiCA has not been transposed into the legislation of all Member States as of October 2023 due to the transitional period envisaged by the Regulation, some Member States, such as Estonia and Lithuania, have passed their own national regulatory frameworks concerning ICOs/ITOs prior to the formal adoption of the Regulation.

[12] British Virgin Islands Financial Services Commission, Guidance on Regulation of Virtual Assets in the Virgin Islands, 2020 <www.bvifsc.vg/sites/default/les/guidance_on_regulation_of_virtual_assets_in_the_virgin_islands_bvi_nal.pdf> (Virtual Assets Guidelines) 6 June 2025. p. 2.

3. *Analogous nature:* Whether the business activities are analogous to those conducted through traditional businesses; and
4. *Characteristics and economic substance:* The characteristics and business activities (economic substance) related to an oering/issuance.

In this context, some other notable pieces of the BVI legal framework become relevant to the assessment. As such, the necessity of a license obtainment is determined, *inter alia,* by the provisions of the Anti-money Laundering Regulations 2008 (revised 2020), in particular in regard to whether an intermediary or activity provided by a person falls within the definition of "relevant business" and thus requires a license or certificate.13 In such a case, the regulated entity must additionally ensure ongoing compliance with other BVI regulations, such as the Anti-Money Laundering and Terrorist Financing Code of Practice, 2008; the Regulatory Code; and the Financial Services Commission Act, 2001.

From a regulatory perspective, VA products may be subject to oversight in two ways: firstly, when they are initially issued, and secondly, when they are in the possession of a holder or involved in an investment activity. In this regard, the potential classification of a VA as a security and the obligation of the issuer to obtain a license rely on the assessment of the token's characteristics upon issuance and after its issuance on the basis of two legal instruments: the Securities and Investment Business Act, 2010 (the "SIBA"), and Financing and Money Services Act, 2009 (the "FMSA").

2.4. Regulation upon Issuance

The Commission species that VAs and VA-related products, such as tokens used solely as a means

of payment for goods and services (utility tokens) that do not confer additional benets or rights beyond acting as a medium of exchange, do not fall under the legal framework pertaining to financial services legislation.[14] However, if a VA product or service provides a benet or right beyond being a medium of exchange, it might fall under the jurisdiction of the SIBA.

Within the context outlined above, it is important to note that in accordance with the Securities and Investment Business Act of the BVI, securities for the purposes of Part V of the SIBA are defined as follows:[15]

[13] Section 2 of Anti-Money Laundering Regulations 2008 (Revised 2020), 22 February 2008 (British Virgin Islands).
[14] British Virgin Islands Financial Services Commission, Guidance on Regulation of Virtual Assets in the Virgin Islands, 2020 <www.bvifsc.vg/sites/default/les/guidance_on_regulation_of_virtual_assets_in_the_virgin_islands_bvi_nal.pdf> (Virtual Assets Guidelines) 6 June 2025, p. 3.
[15] Schedule 5 of Securities and Investment Business Act, 2010 (Revised 2020), 23 April 2010 (British Virgin Islands).

1. *Shares:* Refers to shares and stock in the share capital of a company.
2. *Debt securities:* Encompasses any instrument creating or acknowledging indebtedness, issued by a company or public sector body. This includes debentures, debenture stock, loan stock, bonds, and certificates of deposit.
3. *Warrants:* Denotes any right, whether conferred by warrant or otherwise, to subscribe for shares or debt securities.
4. *Depositary receipts:* Involves rights under any depositary receipt. A depositary receipt is a certificate or other record issued by or on behalf of a person holding relevant securities of a specific issuer. It acknowledges that another person is entitled to rights in relation to the relevant securities or relevant securities of the same kind. Relevant securities here include shares, debt securities, and warrants.
5. *Options:* Includes any option to acquire or dispose of any security falling within any other category mentioned in this definition.
6. *Futures:* Encompasses rights under a contract for the acquisition or disposal of relevant securities, where delivery is to be made at a future date and at a price agreed upon when the contract is made. Relevant securities, in this context, refer to any security within the meaning of any other category in this definition.
7. *Contracts for differences:* Involves rights under a contract that does not require the delivery of securities but is intended to secure a profit or avoid a loss by reference to fluctuations in share indices, specific relevant securities' prices, or the interest rate operated on deposited money. Relevant securities in this category refer to any security falling within any paragraph of this definition.

Thus, if a VA product exhibits characteristics similar to a regulated activity under SIBA as outlined above, it is likely that the issue of such a VS or VA-related product may be subject to licensing rules attributable to the financial service providers. However, it is important to note that even in the case of applicability of one of the characteristics laid down above, the VA may still fall outside of the

scope of the definition of a security as per the SIBA. Some VA, while exhibiting some characteristics that may be attributable to securities in accordance with the SIBA, may not qualify as securities due to the absence of one or more elements characterizing the specific financial instruments within the scope of the BVI law.

Similarly, under the provisions of the SIBA, even if a VA does not meet the strict definition of a security, its issuers may still become subject to licensing requirements for specific cases outlined in the Act:

1. *Long-term insurance contracts:* If the VA issuer engages in activities related to long-term insurance contracts, specifically Class 1 or Class 2 long-term business according to the Insurance Act, 2008, a license is mandatory. As of the current date, there are no established virtual asset investment vehicles or intermediaries falling under this category.[16]
2. *Rights and interests in investments:* Any rights to and interests in investments falling within the definitions outlined in preceding paragraphs of Schedule 1 of SIBA require the issuer to comply with the licensing obligations. If a VA qualifies as an investment under any other paragraph within Schedule 1 of SIBA, it automatically falls under the definition specified in paragraph 9 of Schedule 1, thus requiring a license for issuance.
3. *Mutual funds:* In cases where the VA product (digital coin and/or digital token) issued represents an interest in a collective investment scheme and meets the criteria of a mutual fund, it is subject to Part III of SIBA governing Mutual Funds. Compliance with the regulations outlined in this section is mandatory for VA issuers falling within this category.

2.5. Regulation after Issuance

Following the issuance of virtual assets, activities involving virtual assets and related products may be considered regulated activities and, therefore, require licensing. Under SIBA Schedule 2 on Investment Activities, if a VA or VA-related product is the definition of an investment, individuals engaging in investment business activities outlined in Schedule 2 of the SIBA must obtain a license.[17] These included activities, specified in Part A of the Schedule, encompass:

1. Dealing in investments;
2. Arranging deals in investments;
3. Managing investments;
4. Providing investment advice;
5. Providing custodian services with respect to investments;
6. Providing administration services with respect to investments; and
7. Operating an investment exchange.

[16] British Virgin Islands Financial Services Commission, Guidance on Regulation of Virtual Assets in the Virgin Islands, 2020 <www.bvifsc.vg/sites/default/les/guidance_on_regulation_of_virtual_assets_in_the_virgin_islands_bvi_nal.pdf> (Virtual Assets Guidelines) 6 June 2025, p. 10.

[17] See, *inter alia*, Section 4 of Securities and Investment Business Act, 2010 (Revised 2020), 23 April 2010 (British Virgin Islands).

Consequently, any person providing an investment activity concerning a denied investment involving a virtual asset, virtual asset product, or digital token will necessitate obtaining a license. To ascertain whether a license is required, two conditions must be met:

1. Firstly, it must be determined whether the product aligns with the definition of an investment, as outlined under the "initial issue", and
2. Secondly, provided the definition of "investment" is met, an assessment is necessary to ascertain whether the investment activity falls under Part A of Schedule 2 of the SIBA, while ensuring it is not an excluded activity mentioned in Part B of Schedule 2 of the SIBA, and the person involved is not an excluded individual species in Part C of Schedule 2 of the SIBA.

To elaborate, the following examples illustrate scenarios where licensing of the issuer is obligatory:[18]

i. Custodial Services for Virtual Assets:

After a VA is issued, it is typically stored in a digital wallet. A service provider responsible for storing, holding, or maintaining these VAs in a virtual wallet or any other form on behalf of the user is essentially performing custodian services. In financial terms, a custodian refers to an entity entrusted with safeguarding fund property, assets, or other forms of property. Therefore, when a person acts as a custodian for assets belonging to another individual, including VAs and their derivatives, and these assets qualify as investments, the provision of these Custodial Services mandates a license.

ii. Operation of Virtual Asset Exchanges:

Operating a VA exchange involves activities such as buying and selling virtual assets or digital tokens classified as investments, utilizing currency or other virtual assets. Additionally, listing investments that include VAs or related products falls under this category. When a VA or any product related to virtual assets is considered an investment, individuals overseeing the operations of an exchange are obliged to obtain the necessary licensing.

In addition to the conditions for licensing and qualification as investment activities laid down in the SIBA, the FMSA specified additional instances in which the issuer of the VA is required to seek licensing with the Commission. Pursuant to the provisions of Section 6 of the FMSA, governing the provision of Money Transmission Services, the Commission has clarified that in light of the

[18] British Virgin Islands Financial Services Commission, Guidance on Regulation of Virtual Assets in the Virgin Islands, 2020 <www.bvifsc.vg/sites/default/les/guidance_on_regulation_of_virtual_assets_in_the_virgin_islands_bvi_nal.pdf> (Virtual Assets Guidelines) 6 June 2025, p. 11-12.

precise definitions pertaining to the terms such as "money"[19]and "coin", the transmission of virtual

assets or virtual asset-related products does not fall within the purview of activities requiring a money services business license.[20]

2.6. Unregulated Activities

As such, the Commission asserts the author's position in its Virtual Assets Guidelines by providing an overview of business activities related to VA and VA products that lie outside of the financial service and the Commission's regulatory remit. As such, these activities encompass the following:[21]

1. In the context of VA issuance, tokens or digital intangible property offerings that lack accompanying rights beyond ownership, such as *prepayment vouchers or access to future technology,* are not considered investments. If purchasers acquire something of negligible value relative to its cost, it does not constitute an investment.
2. Additionally, intermediaries *aiding in ICO launches or VA design,* particularly when the asset is used solely for payment or utility purposes, are not subject to financial services legislation. Such intermediaries are exempt when the virtual asset or digital intangible property serves as a means of payment for goods/services or functions as a utility token without additional benefits beyond purchase capabilities.
3. Individuals who passively hold virtual assets or digital intangible property using software, like an app, for personal use without third-party involvement are not the primary focus of regulatory measures. Regulations predominantly target exchanges and intermediaries engaged in business activities, not individuals utilizing virtual assets for personal purposes.
4. Similarly, miners who acquire virtual assets exclusively for personal use, following the outlined criteria, fall outside the scope of regulatory concern. The regulatory emphasis remains on entities engaged in commercial activities rather than private individuals utilizing virtual assets or engaging in mining activities for personal benet.

In cases, where the VA exhibits some characteristics of a security in accordance with the legislative overview presented above, and the issuer is not confident in whether the VA issued within the ICO/ITO falls under the definition of a security, it is advisable to seek guidance from the Commission before proceeding with the activity within or from the Territory. As such, consulting with the Commission ensures compliance and adherence to the specific regulatory requirements applicable to the given VA product or service.[22]

[19] Regulatory Code, 2009, Statutory Instrument 2009 No. 12 of 2001 under Financial Services Commission Act, 2001, 1 January 2010 (British Virgin Islands), section 2 <www.bvifsc.vg/sites/default/les/regulatory_code_2009.pdf>.

[20] British Virgin Islands Financial Services Commission, Guidance on Regulation of Virtual Assets in the Virgin Islands, 2020 <www.bvifsc.vg/sites/default/les/guidance_on_regulation_of_virtual_assets_in_the_virgin_islands_bvi_nal.pdf> (Virtual Assets Guidelines) 6 June 2025, p. 13.

[21] *Ibid*, p. 14.

In addition to renewable energy sales, the EcoYield platform generates revenues from GPU leasing (AI compute). EcoYield deploys modular data centres equipped with high-performance GPUs (e.g., NVIDIA H100s), leased under commercial contracts to enterprises, AI developers, and decentralised GPU marketplaces (Render, Akash, Bittensor, etc.). Leasing income is contractual service revenue, not financial intermediation. Renewable energy assets supply power to these GPU farms, and surplus energy continues to be sold under long-term PPAs. Both revenue streams should be treated as infrastructure-based income sources and do not alter the classification of EcoYield's tokens under BVI law.

3. Current Position of Tokenized Securities in the Legal Framework of BVI

3.1. Role of DeFi in Tokenization of Securities

For the purposes of our assessment, we find it reasonable to elaborate on the importance of the underlying decentralized ledger technology ("DLT") utilized for the technical architecture surrounding activities of entities offering tokenized securities within the scope of BVI legal framework. For the purposes of our assessment in this legal opinion, we make an assumption that the degree of decentralization of underlying DLT forming the basis of the Token's architecture issued by the Company does not necessarily play a significant role in its classification as a non-security VA. Furthermore, we make an assumption that the types of tokens admitted for placement and *degree* of decentralization of DLTs underlying the technical architecture of the Company's platform/mode of service provision may impact the Company's obligations to obtain additional authorization as an intermediary providing services related to placement, settlement, and/or clearance of securities. For these reasons, the determination of whether the underlying DLT constitutes *fully* decentralized DeFi,[23]such as permissionless DLT, possesses a degree of control, such as in the case of permissioned DLT, or is truly centralized may provide a solid degree of certainty in the placement of Company's activities within the BVI legal framework.

It is worth noting that the BVI legal framework assessed above does not adopt any explicit definition of decentralization or DLTs. However, following the previously established evolution of the BVI legal framework concerning VASPs and ICOs/ITOs in the direction of its alignment with FATF guidelines, we find it relevant to invoke international standards and definitions for this assessment. We would like to note that the notion of permissionless, or fully decentralized DLT is not novel in essence and echoes already existing legislative and regulatory reports on DeFi by FATF

which uses a more commonly known term 'DeFi' in its interpretation, emphasizing that a permissionless and/or decentralized ecosystem requires that no single entity exerts control over the underlying ledger.[24]In essence, this means that for a DLT to be considered permissionless/fully decentralized, no single person, whether an individual or an entity, can provide indispensable core services without which the distributed ledger cannot function. But what exactly does that mean?

[22]*Ibid*, p. 3.

[23] For the avoidance of doubt, any reference to 'DeFi' as an abbreviation to 'decentralized nance' in the text of this opinion shall encompass any aspects of decentralized technology, including DLT, non-custodial services related to cryptocurrencies, decentralized protocols, and other terms related to decentralized aspects of blockchain technology as denied in the text of this legal opinion, unless specified otherwise.

The term 'permissionless distributed ledger technology', was proposed by the Financial Stability Board ("FSB"), an international body coordinating the work of national financial authorities, as "a technology that enables the operation and use of distributed ledgers in which no entity controls the distributed ledger or its use or provides core services for the use of such distributed ledger, and DLT network nodes can be set up by any persons complying with the technical requirements and the protocols."[25] The FSB's consultative document provides a straightforward distinction between permissionless ('fully decentralized') DLT, 'permissioned' DLT, meaning DLT that allows for a degree of centralization, thus not being fully decentralized, and centralized platforms. As such, the distinction is as follows:

Permissioned DLT	*Permissionless DLT*	*Centralized Platforms*
Entities that perform validation and settlement of transactions. They are normally selected and authorized beforehand.	Validator nodes (Miners) can be set up by anyone fulfilling the technical requirements and the protocols.	often a trading platform that performs many other functions that keep records o-chain, hold assets in custody, [and] settle transactions.

What does it mean for the assessment of the Company's activities under securities laws of BVI? Emerging technologies such as DLTs have been enabling the rise of tokenized securities, meaning securities issued or represented as VA tokens—which, in turn, transformed the way securities are cleared and settled post-trade. DLTs over a novel approach to clearing and settlement processes by leveraging their decentralized, immutable, and transparent nature of DeFi.

[24] For more information, see FATF, Updated Guidance for a Risk-Based Approach to Virtual Assets and Virtual Asset Service Providers, Paris, 2021 (https://www.fatf-ga.org/content/dam/fatf-ga/guidance/Updated-Guidance-VA-VASP.pdf.coredownload.inline.pdf) accessed on June 2025 6 May 2025.

[25] FSB, Regulation, Supervision and Oversight of Crypto-Asset Activities and Markets. Consultative Document 2022 27, (https://www.fsb.org/wp-content/uploads/P111022-3.pdf) accJune 2025 6 May 2025.

In a 'traditional' setting of securities settlement, most securities exist as book entries, with details of their ownership maintained, at least in part, by central securities depositories ("CSDs").[26] Securities holding systems can be classified into two types: direct holding systems, where each beneficial owner has an individual account with the CSD, and indirect holding systems, where intermediaries such as custodians and brokers hold securities on behalf of their clients with the CSDs. While the direct holding system provides clear ownership records, the indirect system minimizes the information burden on the CSD but fragments ownership information, complicating reconciliation. In both systems, the transfer of securities occurs through book entries across accounts maintained by either a CSD or an intermediary. Once a trade is executed, its details are sent to relevant third parties to reconcile and confirm the terms of settlement. Additionally, trade obligations may be set or netted. This process, known as clearing, can involve a central counterparty ("CCP"), which mitigates replacement cost risk—the risk that a trade will fail to settle and must be replaced at an unfavorable price.

Regardless of the type of CSDs, they are generally highly centralized. In such systems, a single entity is responsible for updating the central ledger and has visibility over all transaction histories. This centralization ensures that there is one authoritative source for transaction records and compliance with regulatory requirements. DLT platforms for tokenized securities, on the other hand, can exhibit varying degrees of decentralization. Most tokenized securities currently use permissioned, private, and hierarchical distributed ledgers (DLs).[27] These systems, while not completely open, can be less centralized than traditional CSDs—but not *fully* decentralized in comparison with platforms based on permissionless DLTs. The distinction between these three levels of centralization were assessed above in this legal opinion; however, for the purposes of this section, it is important to understand how the degree of centralization and control may influence the classification of operations performed with the Company's token as that equal to settlement of securities through DLTs:

1. In the case of platforms utilizing **permissioned DLTs**, only trusted third parties can participate in updating the ledger. This is in contrast to the DeFi technologies typically comprising smart contracts executed on a permissionless DLT with a front-end facilitating user interaction that remain beyond the control of any single entity, and no entity governs its usage or provides core services essential for its functionality. In platforms utilizing permissioned DLTs, validators are trusted, allowing for less computationally intensive transaction validation mechanisms.

[26] Morten Bech and others, 'On the future of securities settlement' [2020] BIS Quarterly Review (www.bis.org/publ/qtrpdf/r_qt2003i.pdf) June 2025 6 May 2025, p. 67 - 68.
[27] *Ibid, p.* 72.

2. **Private DLTs,** in turn, restrict who can initiate transactions, similar to account-based

systems where users need to apply to open an account. These DLs can replicate existing account-based restrictions but can also be designed to allow broader access.

3. Finally, **hierarchical DLTs** provide access to view the ledger can be restricted through hierarchical structures. Similar to current account-based CSDs, entities can view only transactions across their own accounts to comply with privacy and bank secrecy laws. Hierarchical DLs can improve transparency while adhering to legal obligations, such as allowing issuers to identify the beneficial owners of their securities.

Since EcoYield may lease GPUs via decentralised networks (Render, Akash, Bittensor), the opinion should confirm whether participation in DePIN marketplaces raises any additional regulatory classification under BVI law. The position should remain that these are service-based compute contracts, not securities or derivatives.

3.2. Alignment of DLT-Based Settlement and Order to Public of Securities with BVI Regulations

DLTs over innovative mechanisms for the order to the public of tokenized securities, presenting transformative potential for post-trade processes. In the context of BVI, the categorization of such business activities may be challenging within the scope of existing regulatory acts. On the one hand, these mechanisms must align with the stipulated requirements to ensure compliance within the existing regulatory framework on market in securities, such as SIBA. For instance, a platform operating on highly centralized DLT, akin to a traditional CSD, may be more likely to be classified as an entity falling within the scope of the SIBA, specifically provisions authorizing provision of investment services and services ancillary to them, such as placement agents, due to the concentrated control and oversight. Conversely, platforms operating on more decentralized DLTs, with broader participation in record updating, transaction initiation, and transaction history visibility, may face different regulatory considerations as they incorporate characteristics of both VASPs and entities providing investment services. In the lack of any specific regulatory framework governing VASPs as well as clearance and settlement of securities through DeFi protocols, aligning activities of entities engaged in provision of such services is not always possible or straightforward—it will most likely require in-depth analysis of the Company's business activities including the technical architecture of the underlying technology and decentralized protocols, the assessment of VA tokens admitted for listing and trading through the platform (if any and if applicable) as well as the assessment of any service-level agreements and relationships with third parties involved in the provision of Company's services.

In theory, activities of entities settling transactions in tokenized securities may fall within the regulatory scope of SIBA. Specifically, Section 99 establishes requirements for the registration of tokenized securities in a designated registry, mandating issuers to disclose the mechanisms used for public offerings and to comply with the Public Issuers Code. A critical obligation under this

provision is the explicit articulation of such mechanisms, ensuring alignment with statutory standards.

In this context, Section 25 governs public placement mechanisms, including the drafting and registration of a prospectus by a qualified issuer. Further, Section 39 delineates additional obligations for issuers under the framework of the Public Issuers Code, emphasizing governance and disclosure standards.

Consequently, DLT-based platforms that issue or settle tokenized securities may require explicit analysis under Section 66, which regulates the provision of intermediation services and ancillary activities involving securities. Compliance with these provisions would necessitate a thorough examination of whether platform operations qualify as regulated intermediation or ancillary services under SIBA.

Here, we would like to note that the manner in which activities and peculiarities of DLT-based platforms for tokenized securities may be integrated in the existing BVI framework lies outside of the scope of this legal opinion. It is, however, important to note that DLT-based platforms for tokenized securities cannot be exempted from licensing and/or authorization obligations under BVI laws regulating the securities market solely for the fact of their operation on the basis of DLTs. As such, any assessment of platforms engaged in ordering and trade of tokenized securities through DLTs should primarily focus on who can update records, initiate transactions, and view transaction histories, rather than the number of copies of the data that exist, which, in turn, may require the issuer to consider additional regulatory requirements relating to the clearance and settlement of securities through non-traditional means. Therefore, the degree of decentralization of the underlying DLT may influence the regulatory approach in regard to the *nature of services provided by the Company* and their placement within the existing regulatory framework in BVI, but it does not exclusively determine the Token's classification, as demonstrated in the next subsection.

3.3. Implications for Token Classification as a Security

The role of DLTs in the settlement of tokenized securities hinges on their degree of decentralization. This factor influences the classification of the Company as subject to licensing or authorization under respective regulations governing placement agents or other intermediaries of the securities market, impacting how they are regulated and managed. However, this aspect alone will not specifically determine the classification of the Token, issued on the basis of a specific DLT, as a security.

As mentioned in Section II above, according to law applicable in BVI, the issuance of securities requires the designation of an entity controlling the issuance of instruments through the preparation and registration of a prospectus. In other words, the role of controlling the distribution, configuration, transmission, and settlement of the Token may be further vested in the

underlying DLT; but the degree of decentralization of the underlying DLT does not exclude the possibility of the Token being classified as a security. Taking the reasoning above into account, we are of an opinion that VA tokens operating on DeFi protocols do not have any inherent immunity of falling outside of the scope of any securities regulations simply due to the nature of DeFi and the degree of decentralization; however, the nature of the underlying DLT *may* provide some insight into the token's technical architecture and determine whether there is room to assume the degree of securitization in general. In short, determining whether a VA token is based primarily on fully decentralized or permissionless protocols or possesses a degree of centralization with restrictions and conditioning stemming from permissioned protocols may hint on the underlying objectives and potential of such VA token to bear any assets or store value beyond mere utility.

A perfect example of this approach may be seen in the Ethereum community's development of token standards, where ERC-20 is used for fungible tokens representing exchange of value between users, ERC-721 is used for NFTs, while ERC-1400 or ERC-3643 is specifically used for transferring of security tokens' ownership through a certificate, possessing technical possibilities for imposing restrictions and conditions on transfer and incorporate compliance elements. As such, an issuing of a VA token on a permissionless token standard such as ERC-20 or an equivalent of such on any other blockchain network, in theory, may exclude the token's potential securitization due to its inherent technical architecture. In other words, a token based on fully decentralized protocols simply cannot be considered a security *by its design* due to inherent lack of safeguarding and restriction mechanisms attributable to tokenized securities, which are only possible with implementation of a *certain* degree of control and centralization—which is the case with permissioned systems.

Thus, in our opinion, the Company's Token should be assessed in regard to both the degree of decentralization of the underlying DLT as well as the characteristics of a security as provided in the Guidelines published by the Commission. As such, even if the Token is found to be issued on permissioned protocols, if the Token is found to meet the definition of a security under BVI law, the manner of its settlement within the DLT may require additional compliance with laws and regulations governing such settlement. Otherwise, in the case of failure to meet the definition of a security under the aforementioned legal acts, the sole fact of the Token's (potentially) permissioned nature cannot be used as a definitive factor for confirming (or rebutting) its security nature.

4. Preliminary Conclusion

Taking the above-mentioned assessment into consideration, our conclusion in regard to the foregoing is as follows.

4.1. On Classification of the Token as VA

The Token, as a transferable representation of value usable for payment or investment purposes, falls within the positive scope of the VA definition under applicable regulations. Furthermore, the

negative scope is not satisfied, as the Token is neither a representation of a at currency nor a digital representation of credit.[28]

Therefore, the preliminary conclusion may be made, the Token indeed does classify as a VA under BVI laws.

4.2. On Classification of the Token

Whereas it is well established that the Token constitutes a VA, the distinction between its classification as a security may not be determined *prima facie*. Instead, the underlying DLT's degree of decentralization will be scrutinized to evaluate whether it influences the likelihood of the Token being classified as a security. At the same time, it is critical to recognize that while the decentralization of the underlying DLT may highlight the potential characteristics of a VA token as security or establish technical feasibility for its securitization, it does not independently dictate the Token's classification as a security.

Therefore, the Token will be rigorously assessed against the characteristics of tokenized securities as defined under BVI laws. Provided the Token in question does not satisfy the criteria set forth in BVI securities regulations, the Company will not be subject to licensing obligations. Consequently, any token must be evaluated against the characteristics outlined in BVI regulations, *alongside* the degree of decentralization of the underlying DLT.

Each EcoYield project SPV will own both the renewable energy infrastructure (solar arrays, battery storage) and the GPU compute hardware deployed on site. This dual-asset model ensures that project cashflows are ring-fenced at the SPV level, regardless of whether they arise from renewable energy sales or GPU leasing revenues. Investors therefore have enforceable rights to project cashflows without direct ownership of the underlying hardware or energy assets. This treatment aligns GPU leasing revenues with renewable sales revenues under the same SPV governance and compliance framework.

4.3. On Obligation to Obtain a VASP License/Authorization

At this juncture, it is important to acknowledge that the guidance provided by the FSC is not exhaustive and remains limited in scope, particularly regarding its approach to classifying a VASP.

[28] Section 2(1) of Virtual Assets Service Providers Act, 2022, 23 December, 2022 (British Virgin Islands).

With respect to the Company's classification as a VASP, given that its role does not involve the transfer of VA on behalf of others, custody or other activities as outlined in the previous Sections, the activities of the Company are rather akin to the activities exempted under VASPA Section 2(2) –primarily the creation of a virtual asset platform.

Such an outcome, however, depends on the classification of the Token as a security, because if the Token is found to be a security, a license as a VASP would be required, in addition to a license relevant to the type of investment a token represents.[29]

Taking this into account, the nal decision on this point will be made in the context of the classification of the Token, where it will be confirmed whether the Company is obliged to acquire a license.

4.4. On Obligation to Comply with AML/CTF Regulations

Whether the Company is, in theory, required to implement strict AML/CTF policies—such as customer identification, risk profiling, and reporting obligations—depends on whether it is classified as an entity providing services involving the order, sale, or exchange of virtual assets, or other crypto-related products and services falling within the scope of the VASP Act. In the event the Company's activities fall under such scope, compliance with AML/CTF laws is mandatory.

GPU leasing introduces additional service contracts (compute clients). The opinion should confirm this does not change AML classification — EcoYield remains an infrastructure revenue platform, not a financial intermediary. KYC/AML continues to apply at the vault-entry level via Sumsub/Persona.

With that in mind, the following section sets out the assessment of the Token's nature and its potential classification as a security under BVI laws and regulations.

[29] Section 2(1) of Virtual Assets Service Providers Act, 2022, 23 December, 2022 (British Virgin Islands).

5. Assessment of the Token

5.1. Assessment of Underlying DLT

According to the documentation submitted by the Company, their Token is to be released on the Ethereum Network, which uses the Ethereum Blockchain, a decentralized blockchain platform that adopts a proof of stake ("PoS") consensus mechanism. The Company states that the Ethereum Blockchain was selected for its superior scalability, energy efficiency, and inclusivity for participants - all of which support the Token's ability to function within a high-volume and decentralized environment. These network characteristics are relevant to the legal assessment of the Token, as they indicate that the infrastructure supporting it is sufficiently decentralized and capable of supporting widespread usage without requiring a central administrator.

For context, Proof of Work ("PoW") is the original consensus mechanism used in cryptocurrency,

first implemented by Bitcoin. In simple terms, PoW blockchains are secured by virtual miners worldwide who race to solve complex mathematical puzzles. The first to solve the puzzle updates the blockchain and is rewarded with a fixed amount of crypto. However, due to the substantial computational resources required, PoW can be inefficient — particularly when handling large transaction volumes or supporting complex smart contract activity.

PoS, by contrast, operates on a staking-based mechanism whereby participants are selected to validate and add new transactions to the blockchain in exchange for crypto rewards. Typically, PoS blockchains rely on a network of "validators" who stake their own crypto in order to qualify for selection. These validators are incentivized to act honestly, as malicious behavior — such as validating incorrect transactions — will result in a portion of their staked funds being "slashed".

According to the Company's documentation, users can stake their tokens to earn yield in ETH or USDC, generated from real-world solar project revenue. Yield is distributed monthly from the Decentralized Autonomous Organization ("DAO") treasury pool, with bonus APY awarded to holders of tiered NFTs such as Seed, Pioneer, Guardian, and Genesis. Future upgrades to the staking system include locked staking pools with durations ranging from 30 to 180 days, and tiered APY based on user XP levels. In the initial phase, yield injection will be handled manually by the admin team, with DAO governance taking over in later stages. The overall structure is designed to encourage long-term commitment and reward active participation.

The Company also utilises a DAO governance model, a structure driven by blockchain-based rules and community voting, without centralized leadership. DAO functions are activated post-IDO through snapshot and treasury contracts. Under this model, the community may vote on key matters such as project funding, treasury allocation, and updates to token utility, with the option of introducing tier-based voting weights in the future. The Company also incorporates an NFT and XP reward system to assign contributor roles and offer various perks. The treasury supports initiatives such as token buybacks, grants, and project expansion.

Through this framework, it appears that the Company's blockchain model supports a decentralized decision-making ecosystem, where token holders actively participate in shaping the project's direction and utility.

In light of the above, the combination of a scalable PoS network, and a broad, decentralized ecosystem collectively supports the conclusion that the Token does not meet the criteria for classification as a security or financial instrument under BVI regulations.

5.2. Assessment of Token Characteristics

In assessing the characteristics of the Token, it is important to note that pre-sale investors are entitled both to $EYE governance tokens and to LP token allocations once pilot projects go live. These LP tokens represent

dual-yield rights (GPU leasing + renewable sales) without conferring equity or debt claims in the SPVs.

• Capital Deployment: Approximately 70–80% of pre-sale proceeds will be deployed directly into shovel-ready GPU + renewable pilot projects (Leeds, Dubai), with the remainder for operations, treasury, and marketing.

• Investor Consideration: Pre-sale investors receive $EYE tokens at discounted pricing plus proportional LP token allocations once projects go live, linking early contributions directly to yield-bearing assets.

• Compliance Position: This structure should be confirmed not to reclassify the $EYE token as a fundraising/security instrument, since investors are participating in governance and ecosystem utility, while LP token allocations reflect project financing through the SPVs.

According to the information provided by the Company, the Token is introduced as the native utility token within a broader ecosystem, where it enables holders to perform specific actions within the platform. The Company also intends to incentivize token ownership through participation-based benets and reward mechanisms.

Key features of the Token encompass the following characteristics:

Characteristics	Details
Tokenomics	● Total Supply: The total supply of $EYE Token is fixed at 100 million (100,000,000) $EYE, with 20% allocated to the founder, 10% to the core team and advisors, 10% for the public initial dex offering, 20% for staking rewards, 15% for ecosystem growth and treasury reserve respectively and 10% for community initiatives.
Utility and system growth	● Funds are allocated for marketing and development to fuel the growth and expansion of the $EYE Token.
Decision-making	● Token holders vote on proposals via Snapshot, with each token representing voting power.

Characteristics	Details
	● Proposals may cover treasury use, project funding, or changes to token utility. ● Future governance may apply tiered voting weights based on NFT or XP status.
Rewards	● NFT + XP Rewards: Community members complete tasks to earn tiered NFTs and staking boosts.

The table below presents the overview of the Token's main characteristics and features and provides

their assessment against the respective characteristics of securities set forth by BVI's regulation, as well as against the underlying DLTs and degree of its decentralization.

Legal/Technical Basis	Assessment	Conclusion
Underlying DLT: Degree of Decentralization	● The underlying DLT is decentralized and permissionless by design, which reduces the impact of the permissioned features.. ● This aligns with permissionless principles by ensuring fairness and transparency in participation, without restricting who can acquire or hold the Token. The tokenomics include rewards for staking tokens to earn yield from real-world solar project revenue, bonus APY for NFT holders, and contributor perks based on XP levels. These mechanisms encourage open participation, long-term engagement, and community-driven growth i.e., hallmarks of permissionless ecosystems. ● The fact that the intended governance structure used by the Company is a DAO further demonstrates a significant degree of decentralization, reinforcing the Token's alignment with decentralized, permissionless principles.	Given the described features, the token system outlined in the documents **appears to lean towards a mostly permissionless token model, which most likely excludes its characterization as a security by design.**
Security (General)	Despite its economic model involving yield distribution, liquidity allocation, and community incentives, it is not considered a security under BVI law, as it does not grant economic or patrimonial rights in the form recognized or regulated by the securities framework. More specifically: ● The Token's yield distribution model is tied to platform participation (e.g., staking linked to real-world project revenue) rather than granting passive entitlement to ports or ownership in the Company. ● Token allocation and distribution are	Based on the revised analysis, **the Token most likely do not confer economic or patrimonial rights to their holders.** Its key features, namely, yield-driven incentives for activity, community-led governance, and internal utility, distinguish it from securities, which typically offer rights to profits, control, or ownership. As such, the Token most likely **does not align with the characteristics of securities.** The permissionless nature of the underlying distributed ledger technology further supports this assessment, as it typically does not impose strict control mechanisms or confer economic rights that are tradable in

	designed to incentivize participation and development, with a focus on community involvement rather than offering dividends or ownership shares. ● The utility functions of the Token are limited to use within the platform, functioning as an internal currency and a means of accessing or contributing to platform processes, rather than conveying economic or patrimonial rights. ● The decision-making model is decentralized and community-led, with no control or voting rights that would equate to shareholder-like powers or market-tradable economic rights. ● Rewards, including yield, are designed to encourage and compensate for active contributions toward the platform's utility-driven functions, not to provide guaranteed economic return.	securities markets.

Legal Basis		**Assessment**
Section 40 of SiBA "Mutual Funds" **Mutual Funds Regulations**	These funds collect and pool investor funds for the purpose of collective investment. After which the proceeds may be distributed on a *pro rata* basis on behalf of an underlying document held by investors.	The Token does not appear to involve the pooling of investor funds for the purpose of collective investment under a centralized management structure. Instead, Tokens are acquired through user activity, such as staking, validating,, and via secondary markets, rather than through capital contributions made to a centralised fund manager. While the project includes a yield distribution mechanism, such yield is distributed monthly from a DAO-managed treasury pool, with a designated percentage of tokens allocated to the staking pool for this purpose. Yield is tied to user engagement, and future upgrades include locked staking options (30 to 180 days) and APY tiers based on XP levels. These

		features aim to reward participation rather than passive holding. Even if one were to argue that some form of pooling exists, the Token does not represent a share or claim to profits from a managed investment pool. Instead, it functions primarily as a utility token. These characteristics differ from mutual fund instruments, which reject capital contributions and entitlement to income managed on investors' behalf. <u>Concluding:</u> Given the described features the Token does not portray sufficient characteristics of an instrument provided to investors who pool capital in mutual funds. Therefore it is unlikely that the operations of the Company would constitute a mutual fund.

Paragraph 1, Schedule 1 of SIBA	Shares or stock in a company, interests in a partnership or mutual fund.	The Token was deployed on the Ethereum blockchain and operates independently of the Company's corporate structure. It does not represent shares, ownership, or any interest in the Company. While the Token may grant governance rights within the platform—such as voting on protocol updates, community proposals, or treasury allocations—these rights are limited to the platform itself and do not extend to corporate governance matters. In particular, Token holders are not

		entitled to any voting rights in the Company, nor do they have rights to profits, dividends, or management participation. The same reasoning applies with respect to interests in a partnership. Concluding: Given that the operations are unlikely to constitute a mutual fund, the Token is also unlikely to be classified as an interest in a mutual fund.
Paragraphs 2 and 3, Schedule 1 of SIBA	Debenture Stock and Debenture instruments. Bills of exchange, or other representations of indenture, which may also be based upon stocks and shares.	Concluding, as the Token does not purport to be a debt or a representation of value in the form of a credit held with the Company.

Paragraphs 2 and 3, Schedule 1 of SIBA	Debenture Stock and Debenture instruments. Bills of exchange, or other representations of indenture, which may also be based upon stocks and shares.	Concluding, as the Token does not purport to be a debt or a representation of value in the form of a credit held with the Company.
Paragraphs 6 and 7, Schedule 1 of SIBA	Future and contracts for differences.	Concluding, the Token does not constitute a future nor a contract for differences, as it is non-derivative in nature.
Paragraph 8, Schedule 1 of SIBA	Long-term insurance contracts	Concluding, the Token confers no insurance benets or long-term risk coverage obligations.
Paragraphs 4 and 9, Schedule 1 of SIBA	Certificates representing investment instruments as described in Paragraphs 1 - 3 (Paragraph 4). Option contracts based on investments, currencies or precious metals Paragraph 5). Or another form of rights and interests (Paragraph 9).	Preliminarily concluding, as the Token is unlikely to be an investment as described in the preceding cells, it is unlikely that the Token can be classified as a certificate representing an investment instrument, an option based on an investment, or any other form of investment right or interest.

Nature: LP tokens represent a participant's pro-rata share of revenues from specific SPV-owned projects (compute + energy). They are asset-backed, yield-bearing digital instruments tied to real-world infrastructure. Classification: LP tokens should be confirmed as revenue-share instruments, not securities, provided they remain non-transferable until maturity or (if listed later) are structured under appropriate exemptions. Dual Yield: LP tokens entitle holders to revenues from both GPU leasing and renewable energy sales, ensuring investors understand the asset-backing extends beyond solar only.

It is important to clarify that neither $EYE token holders nor LP token holders obtain legal title to GPUs or renewable infrastructure owned by project SPVs. Their enforceable right is to a pro-rata share of the cashflows generated by these SPVs, as secured by audited smart contracts. This ensures that EcoYield participants benefit from infrastructure revenues without being deemed equity or debt holders in the SPVs themselves. Legal ownership of project assets remains with the SPV entities, providing both regulatory clarity and asset protection.

Clarification on $EYE Token Utility

• **Governance:** $EYE remains a governance token with no claim to direct project revenues. Holders vote on treasury allocations, new vault approvals, protocol upgrades, and ecosystem partnerships.

• **Yield Boosts:** Staking $EYE provides APY multipliers on LP token yields.

• **Access Priority:** Staked $EYE unlocks priority access to new vaults.

• **Classification:** Legal analysis should confirm $EYE remains a utility/governance token, not a security, even when pre-sale allocations are tied to pilot project vaults (via LP distributions upon go-live).

6.1. Final Conclusions

On the basis of the provided information and the characteristics of the Token, it is our legal opinion that the $EYE Token issued by the Company **most likely represents a utility token based on mostly permissionless token mechanisms and does not fall under any of the species categories outlined in the BVI regulations.** In regards to this conclusion, the Company's obligations to obtain authorisations related to their business operations as the Token issuer are as follows:

1. **Obligation to Obtain a VASP License:** The obligation to obtain a VASP licence in BVI turns on whether the Company is engaged in activities that fall within the definition of "Virtual Asset Services" under the VASP Act. Based on the current assessment of the Company's operations, namely, the absence of custody, control, or facilitation elements typically associated with VASP activities, there is insufficient indication that the Company is carrying out regulated services. As such, it appears that the Company is not presently required to obtain a VASP licence in connection with the Token.

2. **Obligation to Obtain Authorisation for Issuance of the Token to Public:** Based on the information provided, the Token issued by the Company is more likely to be characterised as a utility token, as it is primarily intended to provide access to platform functionalities and user participation features. This characterisation holds despite the inclusion of yield distribution mechanisms, which appear to serve as incentives tied to user activity rather

than conferring economic or patrimonial rights in the manner typical of a security. The Token does not appear to fall within any of the specified categories characterising a security under BVI regulations, which denote securities as economic or patrimonial rights tradable on a securities market based on their legal configuration and transmission regime. Thus, it appears that the Company is not obligated to register it for public ordering through an ITO.

3. **Obligation to Comply with AML/CTF Regulations:** As an entity providing services related to the offer, sale, or exchange of virtual assets as well as services and products related to or based on crypto currencies, the Company is not recognized as an entity to such AML/CTF may apply, and the Company, in theory, is under no obligation to impose any strict AML/CTF policies.

The inclusion of GPU leasing does not alter EcoYield's AML classification. Leasing agreements with enterprise AI clients or decentralised GPU networks (e.g., Render, Akash, Bittensor) are structured as commercial service contracts. These contracts are revenue-generating infrastructure agreements, not financial instruments. KYC/AML requirements therefore continue to apply only at the vault-entry level (i.e., when investors commit capital), not at the client leasing level.

6.2. Considerations

It is crucial to note that this legal opinion is reliant on the accurate and complete representation of the Company's activities as provided. Any deviation from the outlined activities or modifications in the regulatory landscape may require a reassessment of the Company's legal obligations under applicable law. Therefore, we propose the following measures for the Company's consideration and implementation.

To ensure that the Token retains its status as a utility token and remains compliant with existing regulations while minimizing the risk of falling under additional regulatory requirements, the Company may consider the following measures:

1. **Introduce and maintain a (largely) permissionless design of the Token's underlying protocols.** Ensure that all significant decisions regarding the token, such as changes to its model, are made through a community voting process. This aligns with the principle of decentralized governance and reduces the control exerted by the issuing entity. Furthermore, embed governance mechanisms within the smart contract itself.
2. **Make any smart contract code publicly available and auditable to ensure transparency and build trust within the community.** This transparency helps demonstrate that the token operates based on immutable rules rather than discretionary decisions by the issuing entity.
3. **Avoid implementing centralized control mechanisms.** This means not simply *claiming* that the Token is decentralized (i.e. mostly permissionless) by design, but ensuring that it

remains as such continuously. For example, allow any user to participate in staking, voting, and other governance activities without requiring permission or approval from the issuer, implement staking mechanisms where validators and participants can join and contribute to network security and decision-making processes without centralized oversight, and refrain from implementing features commonly associated with permissioned tokens, such as whitelisting, controlled minting, or transfer restrictions based on specific criteria. If compliance with certain regulations is necessary, automate these processes through smart contracts rather than manual intervention by the issuing entity. For example, KYC verification and compliance checks can be integrated into the smart contract logic.

4. **Maintain transparency in all communications,** especially in the Token and Platform whitepapers, technical/developer documentation, and other materials. Clearly articulate the utility and purpose of the Token, emphasizing its functionality within the upcoming ecosystem. Ensure that the Token has a clear use within the Company's platform, allowing holders to access specific services, products, or benets. Monitor and update the Token's utility to align with the growth and expansion of the Company's services.
5. **Refrain from offering features that resemble traditional investment products, such as prot-sharing, dividends, or guaranteed returns.** Emphasize the Token's usage rather than its potential appreciation in value. Avoid introducing features that grant the Token holders rights similar to shareholders or owners. Clearly state in all communications that Tokens do not represent ownership in the Company, preventing any misconceptions among potential buyers.
6. **Exercise caution in marketing practices.** Avoid making promises of the Token price growth, but focus on communicating the potential growth and value of the underlying project. Ensure that marketing materials and promotions do not create unrealistic expectations regarding the Token's future value.
7. **Periodically review the legal landscape and regulations governing virtual assets in BVI and other relevant jurisdictions.** Stay informed about any changes and adapt the Token's features if necessary to remain compliant. Establish an ongoing relationship with legal counsel knowledgeable in blockchain technology and virtual assets. Regular consultations can ensure that the Company remains updated on regulatory changes and industry best practices.
8. **Foster an engaged and informed community.** Address questions and concerns promptly, ensuring that Token holders understand its utility and the Company's vision. Provide clear and accessible resources explaining the Token's functionality and purpose, emphasizing its usage within the Platform's ecosystem. Periodically update Token holders and the community about the Company's developments and any changes in Token functionality.

Each project (GPU + solar/battery) is housed within a dedicated Special Purpose Vehicle (SPV). SPVs ring-fence assets and cashflows from parent-level risk.The legal opinion should confirm SPVs can own dual-yield assets (compute hardware + renewable infra) under the

same compliance treatment as renewable-only SPVs.

• Token-holders do not have legal title to underlying GPUs or solar assets. Their enforceable right is to the cashflows secured via smart contracts from SPVs.
• Equity investors in EcoYield Ltd. maintain equity exposure separately.

This legal opinion was issued on 12 June 2025, in Kuala Lumpur, Malaysia.

Aimy Qisteena
Junior Legal Counsel

CERTIFICATE *of* SIGNATURE

REF. NUMBER
AKCWK-IUBG2-MNBHG-CFDUT

DOCUMENT COMPLETED BY ALL PARTIES ON
12 JUN 2025 07:30:55 UTC

SIGNER	TIMESTAMP	SIGNATURE
EMAIL **AIMY@LEGALBISON.COM**	SENT **12 JUN 2025 07:28:41 UTC** VIEWED **12 JUN 2025 07:30:26 UTC** SIGNED **12 JUN 2025 07:30:55 UTC**	 IP ADDRESS **202.184.87.230** LOCATION **KUALA LUMPUR, MALAYSIA**

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