Mini-Offer White Paper – $RAT Utility Token

(Article 4(2) MiCAR – aggregate consideration ≤ EUR 1 000 000 within 12 months & ≤ EUR 1 000 per acquirer)

> Regulatory notice – This mini-offer white paper has not been reviewed or approved by any supervisory authority.

WARNING – Experimental project.

$RAT is a utility token pursuant to Article 3(1)(9) MiCAR. It provides access to features within the RAT.FUN ecosystem and confers no profit rights, no governance rights, no redemption rights, and no claims against the issuer.

$RAT is not intended as an investment and does not create an expectation of profit. Its value may fluctuate and buyers may lose the entire amount paid.

As of the date of sale, $RAT provides access to the live RAT.FUN game. This utility is available at the time of purchase.

1 Introduction

Moving Castles GmbH ("MC") is building **RAT.FUN**, a rat-themed on-chain sandbox on Base L2. $RAT serves as the in-game utility token and unlocks gameplay-related functions within the RAT.FUN ecosystem.

As of the date of this offer, the RAT.FUN game is live and the utility provided by $RAT—access to gameplay features—is fully available. Buyers acquire a token with present utility, not a promise of future functionality.

This document fulfils the disclosure duty under Article 4(4) MiCAR for a *mini-offer*. It is **not** a securities prospectus and does **not** constitute investment, legal or tax advice, or a solicitation to acquire financial instruments.

2 Issuer

Field	Information
Legal entity	Moving Castles GmbH

Field	Information
Commercial register	HRB 265203 B, Amtsgericht Berlin-Charlottenburg
Registered office	Leuschnerdamm 13, 10999 Berlin, Germany
Email	legal@movingcastles.world
Website	https://movingcastles.world

3 Offer Parameters

Item	Term
Crypto-asset	**$RAT** utility token (ERC-20)
Network	Base L2 (OP Stack)
Pricing method	**Automated on-chain price function (Doppler v4, dynamic).** The contract applies a pre-programmed formula denominated in EURC that keeps the token price within **€ 0.005 – € 0.020 per $RAT**, depending on cumulative EURC received. The process is automatic and cannot be changed by MC after deployment.
EUR cap	The sale automatically halts once **aggregate EURC consideration = € 800 000**. Any unsold tokens are burned.
Liquidity provision	**20 % of sale proceeds** are allocated to liquidity. This portion of EURC is automatically paired with $RAT at the final sale price and added to a Uniswap v2 pool on Base. The project commits to maintaining this liquidity position for a minimum of 12 months and not withdrawing the liquidity tokens during that period. Any unpaired $RAT is burned.
ServiceWallet	**10 % of final supply** for play-testing and Trip rewards; may support future liquidity; may be refilled from protocol fees.
Treasury	**10 % of final supply**, subject to a **12-month lock-up** as a studio reserve. The treasury wallet address will be published, and MC commits not to transfer these tokens during the lock-up period. There is no preferential $RAT allocation for venture or institutional investors and no contractual price support for the token.
Individual cap	**EUR 950 per wallet** (enforced in the sale contract based on EUR-equivalent consideration). Buyers remain responsible for ensuring that their total acquisitions of $RAT do not exceed **€ 1 000 per acquirer within any 12-month period**, in line with Article 4(2) MiCAR.
Payment currencies	**ETH or USDC (on Base).** Payments are routed by the sale contract into **EURC** for internal pricing, caps and settlement. MC receives EURC

Item	Term
	only; no manual exchange or custody of buyer funds occurs.
Offer duration	Maximum 31 days or until the €800,000 cap is reached, whichever occurs first.
Offer start	The sale starts upon publication of this mini-offer white paper.

Aggregate consideration from the public offer in the Union will not exceed **€ 1 000 000 within any period of 12 months**, and no individual acquirer is permitted to acquire more than **€ 1 000 equivalent** of $RAT within that period, in line with Article 4(2) MiCAR.

Proceeds flow directly from the sale contract to MC in EURC; no intermediary or custodian is involved. All transactions are final once executed on-chain.

4 Tokenomics & Supply Plan

Pool	Tokens (≈)	%	Purpose
Public Sale	64 000 000	≈ 71 %	Dynamic public sale up to € 800 000 equivalent
Liquidity (v2)	8 000 000	≈ 9 %	Paired with 20 % of sale proceeds at final sale price; 12-month lock-up; any unpaired $RAT burned
ServiceWallet	9 000 000	10 %	Play-testing, Trips and in-game rewards; may support future liquidity provisioning
Treasury	9 000 000	10 %	12-month lock-up as studio reserve
Total Supply	**≈ 90 000 000 $RAT**	100 %	Unissued tokens are burned at sale close

$RAT confers no profit, redemption or governance rights. It is designed solely as a utility token for use within the RAT.FUN ecosystem.

5 Fees and In-Game Economy

- **Gameplay fees:**

  Rat liquidation fees up to **5 %**, Trip liquidation fees up to **5 %**, as specified in the game logic.

- **FeeVault:**

  Protocol fees flow into a FeeVault wallet. The ServiceWallet may be refilled from the FeeVault at set intervals when its balance is low. Any surplus may be used for in-game incentives, ecosystem support or token burns.

- **Treasury claims:**

  MC may withdraw surplus funds from the FeeVault up to **2 times per year** (with a maximum of once per quarter). VAT is applied on the EU portion of each claim in accordance with applicable tax law.

The detailed in-game economy and specific fee parameters may evolve over time as the project develops.

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6 Technical Architecture

- **Sale contract**

  The sale contract implements the Doppler v4 automated price function denominated in EURC. It:

  - accepts ETH or USDC on Base,

  - routes payments on-chain into EURC,

  - applies the pre-programmed pricing formula within the **€ 0.005 – € 0.020** range,

  - enforces the **€ 800 000** overall cap and **€ 950** per-wallet limit, and

  - transfers $RAT directly to buyers upon successful execution.

  The pricing logic and caps are encoded in the contract and cannot be modified by MC after deployment. No external oracle or manual intervention is used for the pricing function.

- **Liquidity pool**

  Following the sale, **20 % of EURC proceeds** are automatically allocated to liquidity provisioning. This EURC is paired with $RAT at the final sale price and deposited into a Uniswap v2 pool (EURC/$RAT) on Base. The project commits to maintaining this liquidity position and not withdrawing the liquidity tokens. Any $RAT allocated for liquidity that is not paired is burned.

- **On-chain records**

  For each purchase, the contract emits a `Receipt` event capturing:

- buyer address,
- country code,
- token amount, and
- payment amount.

These events serve as the authoritative on-chain record of token purchases.

- **Governance**

  There is no token-based governance. Contract ownership, where applicable, is either renounced or held in a way that does not provide holders with governance rights over the protocol.

- **Key custody**

  Operational keys (e.g. for Treasury and ServiceWallet) are held in a 3-of-5 hardware multisig with offline back-ups. MC does not custody buyer funds; buyers interact with the sale contract directly via self-custodial wallets.

7 Purchase Process

The acquisition of $RAT follows a three-step process:

1. **Agreement to Terms**

   Buyers must first accept the Sale Terms, this mini-offer white paper and the Privacy Notice. Access to the purchase function requires this one-time agreement.

2. **Eligibility Verification**

   Purchases are only available once jurisdictional eligibility has been verified as described in the Privacy Notice. The smart contract does not process purchases without confirmed eligibility.

3. **Purchase Execution**

   The buyer initiates a transaction to acquire $RAT in exchange for supported payment tokens (ETH or USDC on Base). The contract:

   - enforces the applicable per-wallet and aggregate caps,
   - determines the number of tokens to be delivered under the automated pricing formula, and

- transfers $RAT to the buyer's wallet upon successful execution.

Purchases are fulfilled immediately. Buyers request immediate delivery and expressly waive the statutory 14-day withdrawal right for each purchase.

For each purchase, the contract emits a `Receipt` event documenting the buyer address, country code, token amount and payment amount.

8 Principal Risks

Acquiring $RAT involves significant risks, including but not limited to:

1. **Total loss risk**

   The entire amount paid for $RAT may be lost. There is no guarantee of any resale value or liquidity.

2. **Smart-contract risk**

   The smart contracts have been deployed on Base mainnet since October 2025 and tested through active gameplay. No formal third-party audit has been conducted. Bugs, vulnerabilities or design flaws could prevent token delivery, disrupt gameplay or lead to loss of funds.

3. **Technical failures**

   Failures of the Base L2 network, third-party infrastructure, wallets or interfaces may prevent participation in the sale, interaction with the game or transfer of tokens.

4. **Protocol and product evolution**

   Future changes to the RAT.FUN game, in-game economy or technical architecture may affect the utility or perceived value of $RAT.

5. **Regulatory and legal risk**

   Changes in laws, regulations or their interpretation (including MiCAR and national implementations) may restrict or prohibit the use, transfer or availability of $RAT or related services.

6. **Liquidity and market risk**

   Although liquidity is initially provided, there is no assurance of ongoing trading volume, depth or stable pricing. Markets may be illiquid or volatile.

7. **Treasury and liquidity commitments**

10 % of the supply is allocated to a Treasury subject to a 12-month lock-up based on MC's public commitment. **20 %** of sale proceeds are allocated to a liquidity position which MC commits not to withdraw. These commitments are based on transparent on-chain addresses and public disclosures rather than technical lock-ups.

8. **No preferential investor allocation or price support**

   There is **no preferential allocation of $RAT to venture or institutional investors** and no contractual price support. MC is not obliged to support any market price for $RAT or to intervene in secondary markets.

9. **Wallet and key risk**

   Loss or compromise of a buyer's private keys or wallet access may result in the permanent loss of $RAT. MC cannot restore or reissue tokens.

Prospective buyers should carefully assess these risks and, if necessary, consult independent legal, tax and financial advisers before participating.

9 Legal Notes

- The offer relies on the **mini-offer exemption under Article 4(2) MiCAR**. No full crypto-asset white paper has been filed or approved by a supervisory authority.

- Aggregate consideration from the public offer in the Union will not exceed **€ 1 000 000 within any 12-month period**, and no individual acquirer is permitted to acquire more than **€ 1 000 equivalent** of $RAT within that period. The on-chain implementation enforces a cap of **€ 950 per wallet** as a technical control; this does not replace the MiCAR per-acquirer limit.

- $RAT is a **utility token**. It confers no profit rights, no redemption rights, no governance rights and no claims against MC or any group entity.

- Purchases are fulfilled immediately upon execution on-chain. Buyers request immediate delivery and waive statutory withdrawal rights in accordance with applicable consumer protection rules.

- All on-chain transactions are final once executed and cannot be reversed by MC.

10 Contact & Governing Law

Issuer:

Moving Castles GmbH

Leuschnerdamm 13

10999 Berlin

Germany

Email: legal@movingcastles.world

Updates: t.me/ratfun

German law governs all contracts and legal relationships related to this offer. Exclusive place of jurisdiction is Berlin (Landgericht Berlin), to the extent permissible under applicable law.