

THE REEL CONSTITUTION
AND
SHAREHOLDERS' AGREEMENT

Governing the Transmission, Reception, and Reciprocity of
Instagram Reels Content

Established by:
WAABERI MOHAMED IBRAHIM
Founder and Majority Shareholder

Effective Date: January 7th, 2026

Jurisdiction: Canada

This document constitutes a binding legal agreement between the Founder and all Signatories who execute this Constitution. By signing this document, all parties agree to be bound by its terms and conditions in perpetuity, subject to amendment procedures herein established.

Contents

1	PREAMBLE	4
1.1	Recitals	4
2	DEFINITIONS AND INTERPRETATION	4
2.1	Definitions	4
2.2	Interpretation	6
3	SCOPE AND APPLICATION	6
3.1	Scope of Regulation	6
3.2	Bilateral Applicability	6
3.3	Parties Bound	7
3.4	Non-Exemption	7
4	FUNDAMENTAL PRINCIPLES	7
4.1	Principle of Reciprocity	7
4.2	Quality Assurance	7
4.3	Respect for Boundaries	7
4.4	Good Faith	7
5	CORPORATE STRUCTURE AND GOVERNANCE	8
5.1	Establishment of Corporation	8
5.2	Purpose and Objects	8
5.3	Initial Share Issuance	8
5.4	Founder's Majority Ownership	9
5.5	Dilution Events	9
5.6	Board Composition	9
5.7	Officer Positions	9
5.8	Voting Rights	10
5.9	Transfer Restrictions	10
5.10	Shareholder Meetings	10
5.11	Reserved Powers of the Founder	10
6	RECIPROCITY OBLIGATIONS	11
6.1	General Reciprocity Standard	11
6.2	Quantitative Metrics	11
6.3	Good Faith Exception	12
6.4	Asymmetric Transmission Prohibition	12
6.5	Enforcement	12

7	PROHIBITED CONTENT AND RESTRICTIONS	12
7.1	Sports Content Prohibition	12
7.2	Frequency Limitations	12
7.3	LARPing and Authenticity	13
7.4	Timing Restrictions	13
7.5	Quality Standards	13
7.6	Mandatory Intellectual Discourse	14
8	EMERGENCY OVERRIDE CLAUSE	15
8.1	Emergency Transmission Exception	15
8.2	Emergency Declaration	15
8.3	Abuse of Emergency Clause	15
9	INTELLECTUAL PROPERTY AND TRADEMARK RIGHTS	15
9.1	Trademark Registration System	15
9.2	Registration Procedure	16
9.3	Licensing	16
9.4	Scope of Protection	16
9.5	Enforcement	17
9.6	Fair Use	17
10	DISPUTE RESOLUTION	17
10.1	Informal Resolution	17
10.2	Confrontation Procedure	17
10.3	Board Adjudication	18
10.4	Founder's Reserved Authority	18
11	ENFORCEMENT AND SANCTIONS	18
11.1	Violation Categories	18
11.2	Graduated Sanctions	19
11.3	Sanction Modularization and Traceability	20
11.4	Ignored Reels Policy	20
11.5	Remediation	20
11.6	Appeals	20
12	POSITIVE INCENTIVES AND RECOGNITION	20
12.1	Meritorious Conduct Recognition	20
12.2	Enhanced Privileges	21
12.3	Network Expansion Incentives	21
12.4	Collaborative Value Creation	22

13 OPT-OUT AND WITHDRAWAL	22
13.1 Right to Withdraw	22
13.2 No Refund	23
13.3 Re-Entry	23
14 AMENDMENTS	23
14.1 Amendment Authority	23
14.2 Proposal Procedure	23
14.3 Notice of Amendments	23
14.4 Effective Date	23
15 CONFIDENTIALITY AND PRIVACY	24
15.1 Confidentiality Obligation	24
15.2 Exceptions	24
15.3 Duration	24
16 MISCELLANEOUS PROVISIONS	24
16.1 Entire Agreement	24
16.2 Severability	24
16.3 Waiver	24
16.4 Assignment	25
16.5 Notices	25
16.6 Force Majeure	25
16.7 Platform Changes	25
16.8 Governing Law	25
16.9 Jurisdiction	25
16.10 Counterparts	26
17 EXECUTION	26
17.1 Transitional Provisions	26
17.2 Acknowledgment	26
17.3 Binding Effect	27
17.4 Effective Date	27

1 PREAMBLE

1.1 Recitals

WHEREAS the Founder, Waaberi Mohamed Ibrahim (hereinafter "the Founder"), being of legal age and sound mind, has determined that the unrestricted and unregulated transmission of Instagram Reels content (hereinafter "Reels") has resulted in suboptimal communication patterns, asymmetric engagement, and degradation of content quality standards;

AND WHEREAS the Founder seeks to establish a structured framework governing all Reels-related interactions while preserving the autonomy of interpersonal communication conducted through alternative digital platforms;

AND WHEREAS the parties recognize that reciprocity, mutual respect, and content quality assurance are fundamental to sustainable Reels-sharing relationships;

AND WHEREAS the establishment of a corporate governance structure with equity ownership, voting rights, and fiduciary duties represents the optimal mechanism for ensuring compliance and facilitating democratic amendments to these terms;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

2 DEFINITIONS AND INTERPRETATION

2.1 Definitions

For the purposes of this Constitution and Shareholders' Agreement, the following terms shall have the meanings ascribed below:

- a) "**Agreement**" means this Reel Constitution and Shareholders' Agreement, including all schedules, appendices, and amendments thereto;
- b) "**Board**" or "**Board of Directors**" means the governing body comprised of all Shareholders holding issued Shares pursuant to Section 5;
- c) "**Corporation**" means the entity established pursuant to Section 5 hereof for the governance of Reels transmission and reception, tentatively designated as "Optimal Reels Governance Corp." or such other name as may be determined by Special Resolution;
- d) "**Founder**" means Waaberi Mohamed Ibrahim, the creator and original promulgator of this Constitution, holding initial ownership of one hundred percent (100%) of issued Shares;

- e) **"Reels"** or **"Reel"** means any video content transmitted via the Instagram application's "Reels" feature, including but not limited to original content, shared content, forwarded content, and content re-shared from other platforms;
- f) **"Reciprocity Obligation"** means the duty described in Section 6 requiring proportional engagement with Reels transmitted by other Signatories;
- g) **"Shares"** means equity ownership interests in the Corporation issued to Signatories upon execution of this Agreement;
- h) **"Signatory"** or **"Shareholder"** means any individual who has executed this Agreement and received Shares pursuant to Section 5.3;
- i) **"Special Resolution"** means a resolution passed by not less than sixty-six and two-thirds percent (66.67%) of votes cast by Shareholders entitled to vote;
- j) **"Trademarked Phrases"** means phrases, expressions, or verbal constructions proprietary to the Founder or other Signatories as registered pursuant to Section 9;
- k) **"Transmission"** means the act of sending, sharing, forwarding, or otherwise causing a Reel to be delivered to another party's Instagram account;
- l) **"Violation"** means any breach of the terms, conditions, covenants, or obligations set forth in this Agreement.
- m) **"NPC Content"** means Reels that demonstrate a lack of critical thinking, self-awareness, or genuine engagement with the content; content that appears to be shared reflexively without consideration of its quality, relevance, or appropriateness; or content that suggests the transmitting party is not "ingroup" as defined by prevailing community standards.
- n) **"Ingroup"** means the collective of individuals who share common cultural references, values, communication styles, and social understanding with the Founder and other Signatories; being "ingroup" indicates membership in this social circle with attendant knowledge of inside jokes, shared history, and mutual recognition, as opposed to "outgroup" individuals who lack such connection and understanding.
- o) **"Evidence Log"** means the complete record of Instagram message history, including timestamps, read receipts, and interaction metadata, which any Signatory may be required to provide upon request in dispute resolution proceedings.

2.2 Interpretation

- a) Headings are for convenience only and shall not affect interpretation;
- b) Words in the singular include the plural and vice versa;
- c) References to "Section" refer to sections of this Agreement unless otherwise specified;
- d) This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein;
- e) Time is of the essence in this Agreement;
- f) This Agreement supersedes all prior oral or written agreements relating to Reels transmission between the parties.

3 SCOPE AND APPLICATION

3.1 Scope of Regulation

This Agreement governs exclusively the transmission and reception of Reels via the Instagram platform. Communication conducted through alternative platforms, including but not limited to direct messaging, SMS, telephone calls, email, Discord, Slack, WhatsApp, Telegram, Signal, or in-person conversation, remains outside the scope of this Agreement and is not subject to its terms.

3.2 Bilateral Applicability

This Agreement operates on a bilateral basis between Signatories:

- a) The terms herein apply only to Reels exchanges between parties who have both executed this Agreement;
- b) If Signatory A transmits Reels to Non-Signatory B, this Agreement does not govern that exchange;
- c) If Signatory A and Signatory C have both executed this Agreement, all Reels exchanges between them are governed hereby, regardless of whether intermediate parties are Signatories;
- d) Signatories are encouraged but not required to transmit Reels exclusively to other Signatories;
- e) Signatories may block or restrict Reels transmission from specific other Signatories through Instagram's platform controls, but such blocking does not exempt either party from obligations under this Agreement should transmission resume.

3.3 Parties Bound

This Agreement binds:

- a) The Founder;
- b) All Signatories who execute this Agreement; and
- c) Any successors or assigns, subject to Section 5.8 (Transfer Restrictions).

3.4 Non-Exemption

No person, regardless of relationship to the Founder or other Signatories, shall be exempt from the obligations and restrictions contained herein. Familial relationships, romantic partnerships, longstanding friendships, or professional associations shall not constitute grounds for waiver or modification of terms absent formal amendment pursuant to Section 13.

4 FUNDAMENTAL PRINCIPLES

4.1 Principle of Reciprocity

The cornerstone of this Agreement is the Principle of Reciprocity, which mandates that all Reels transmission shall be bidirectional, proportional, and engaged. Signatories shall not engage in asymmetric transmission patterns whereby one party consistently sends Reels without corresponding reception and engagement with Reels sent by the receiving party.

4.2 Quality Assurance

Signatories acknowledge that content quality directly affects the sustainability of Reels-sharing relationships. While subjective taste varies, Signatories commit to exercising reasonable judgment in selecting Reels for transmission, avoiding content that is demonstrably low-quality, outdated, irrelevant, or likely to cause offense.

4.3 Respect for Boundaries

Signatories recognize the Founder's and other Signatories' autonomy in determining their Reels consumption preferences. Transmission frequency, timing, and content type shall be conducted with due regard for explicitly stated preferences and boundaries.

4.4 Good Faith

All parties covenant to act in good faith in the performance of their obligations hereunder and in their dealings with one another regarding Reels transmission and corporate governance matters.

5 CORPORATE STRUCTURE AND GOVERNANCE

5.1 Establishment of Corporation

The parties hereby establish the Corporation as a legal entity to govern the implementation and enforcement of this Agreement. The Corporation shall be incorporated under the laws of Ontario, Canada, or such other jurisdiction as may be determined by Special Resolution.

5.2 Purpose and Objects

The Corporation's purposes and objects are:

- a) To govern and regulate Reels transmission among Signatories;
- b) To enforce the terms of this Agreement;
- c) To adjudicate disputes arising from alleged Violations;
- d) To manage trademark registrations pursuant to Section 9;
- e) To facilitate amendments through democratic processes;
- f) To maintain records of compliance and enforcement actions;
- g) To pursue venture capital financing if determined necessary by the Board;
- h) To conduct any ancillary activities reasonably related to the foregoing.

5.3 Initial Share Issuance

The Corporation shall issue shares according to the following structure:

- a) The Founder shall initially hold one thousand (1,000) Founder Shares, constituting Class F shares with enhanced voting rights of ten (10) votes per share;
- b) Each new Signatory upon execution of this Agreement shall receive one (1) Class A Common Share with one (1) vote per share;
- c) The Founder's voting power shall be calculated to maintain not less than sixty-six percent (66%) of total voting power until such time as fifty (50) Signatories have joined, after which the Founder shall maintain not less than fifty-one percent (51%) of voting power;
- d) In the event of dilution through venture capital financing, the Founder's Class F shares shall be entitled to anti-dilution protection through weighted-average adjustment mechanisms.

5.4 Founder's Majority Ownership

The Founder shall at all times maintain voting control through the enhanced voting rights of Class F shares as specified in Section 5.3, except in circumstances described in Section 5.5 (Dilution Events). The dual-class share structure ensures that the Founder retains decision-making authority commensurate with their role as creator and architect of this governance framework.

5.5 Dilution Events

The Founder's ownership percentage may fall below fifty-one percent (51%) in the following circumstances:

- a) The Corporation raises capital from venture capital firms, angel investors, or other institutional or accredited investors;
- b) The Board approves by Special Resolution a dilution event for strategic purposes;
- c) The Founder voluntarily transfers Shares in accordance with Section 5.8.

Notwithstanding dilution, the Founder retains certain reserved powers as specified in Section 5.10.

5.6 Board Composition

All Shareholders holding issued Shares shall be entitled to one (1) seat on the Board of Directors. The Board shall govern the Corporation and oversee enforcement of this Agreement.

5.7 Officer Positions

The Board shall elect or appoint the following officers as necessary for Corporation operations:

- a) **Chair of the Board:** Appointed by the Founder pursuant to Section 5.10(b); presides over Board meetings and sets agendas;
- b) **Secretary:** Elected by Ordinary Resolution; maintains minutes, records, and official correspondence;
- c) **Chief Compliance Officer:** Elected by Ordinary Resolution; monitors violations, tracks reciprocity metrics, and initiates enforcement proceedings;
- d) **Trademark Registrar:** Elected by Ordinary Resolution; maintains the registry of Trademarked Phrases pursuant to Section 9;

- e) Such other officers as may be determined necessary by Ordinary Resolution.

Officers serve at the pleasure of the Board and may be removed by Ordinary Resolution, except the Chair who serves at the pleasure of the Founder.

5.8 Voting Rights

Each Class A Common Share carries one (1) vote on matters brought before the Board or Shareholders. Each Class F Founder Share carries ten (10) votes. Ordinary resolutions require a simple majority (50%) of votes cast. Special Resolutions require 66.67% of votes cast.

5.9 Transfer Restrictions

Shares are non-transferable except:

- a) With written consent of the Founder;
- b) By testamentary disposition or intestate succession;
- c) Pursuant to a court order; or
- d) In connection with an approved venture capital financing.

5.10 Shareholder Meetings

The Board shall convene not less than quarterly. Meetings may be held virtually via Discord, Zoom, Google Meet, or other platform approved by Ordinary Resolution. Notice of seven (7) days is required except in emergency circumstances.

Quorum for Board meetings shall be thirty-three percent (33%) of voting shares represented, provided that the Founder or the Founder's designated proxy is present. In the absence of quorum, meetings shall be adjourned and rescheduled.

Asynchronous voting via written ballot (email, Discord poll, or other electronic means) is permissible for non-emergency matters, with a voting period of not less than forty-eight (48) hours.

5.11 Reserved Powers of the Founder

Notwithstanding any dilution of ownership, the Founder retains the following reserved powers:

- a) Veto power over amendments to Sections 6 (Reciprocity), 7 (Prohibited Content), and 9 (Trademark Rights);

- b) Appointment authority over the Chair of the Board;
- c) Final decision-making authority in dispute resolution deadlocks;
- d) Authority to dissolve the Corporation by written declaration.

6 RECIPROCITY OBLIGATIONS

6.1 General Reciprocity Standard

Every Signatory who transmits Reels to another Signatory assumes a reciprocal obligation to view, engage with, or respond to Reels transmitted by the receiving party. Failure to maintain reciprocal engagement constitutes a Violation subject to enforcement pursuant to Section 11.

6.2 Quantitative Metrics

Reciprocity shall be measured by the following metrics:

- a) **Response Rate:** A Signatory who transmits N Reels to another party should respond to, react to, or acknowledge at least $0.7N$ Reels transmitted by that party within a rolling thirty (30) day period;
- b) **Engagement Quality:** Responses are tiered as follows:
 - i) *Substantive Engagement:* Textual response of three (3) or more words, voice message, or contextually appropriate reaction that demonstrates viewing and comprehension of the Reel;
 - ii) *Minimal Engagement:* Single emoji, "lol", "lmao", or similar perfunctory reaction;
 - iii) *Non-Engagement:* Read receipt with no response, or no response within forty-eight (48) hours.

For purposes of calculating reciprocity, Substantive Engagement counts as 1.0, Minimal Engagement counts as 0.5, and Non-Engagement counts as 0.0;

- c) **Temporal Symmetry:** If Party A regularly transmits Reels to Party B, Party B should reciprocate within a reasonable timeframe, generally within forty-eight (48) hours;
- d) **Evidence Standard:** Instagram read receipts and message history constitute prima facie evidence of engagement or non-engagement. The burden of proof in reciprocity disputes lies with the accusing party, who must provide Evidence Logs demonstrating the violation.

6.3 Good Faith Exception

Temporary inability to maintain reciprocity due to examinations, work deadlines, travel, illness, or other legitimate circumstances shall not constitute a Violation provided:

- a) The affected party provides notice to relevant Signatories; and
- b) Reciprocity is restored within a reasonable period after the circumstance concludes.

6.4 Asymmetric Transmission Prohibition

No Signatory shall engage in "broadcasting" behavior, defined as transmitting large volumes of Reels to multiple parties while systematically failing to engage with Reels transmitted to them. Such conduct is deemed disrespectful and destructive to the community.

6.5 Enforcement

Violations of reciprocity obligations shall be addressed through the enforcement mechanisms in Section 11.

7 PROHIBITED CONTENT AND RESTRICTIONS

7.1 Sports Content Prohibition

Transmission of Reels containing sports-related content is strictly prohibited. For purposes of this Section, "sports content" includes:

- a) Live sports footage, highlights, or game recaps;
- b) Sports commentary or analysis;
- c) Content focused on athletes, teams, leagues, or sporting events;
- d) Sports betting, fantasy sports, or sports gambling content.

Exception: Sports content is permissible if it constitutes satire, parody, or comedic commentary that primarily mocks or critiques sports culture rather than celebrating or analyzing sports.

7.2 Frequency Limitations

No Signatory shall transmit more than ten (10) Reels to any other single Signatory within a twenty-four (24) hour period. Violations of this limit constitute spam and are subject to escalating penalties.

7.3 LARPing and Authenticity

Signatories who transmit Reels containing role-playing, performance art, satire, or other non-literal content ("LARPing") must ensure that the performative nature of such content is evident to a reasonable viewer possessing ingroup awareness.

- a) **Intentional Satire:** If the LARPing IS the joke and its satirical nature would be evident to an ingroup member, no clarification is required;
- b) **Ambiguous Content:** If a Reel presents LARPing content that could reasonably be mistaken for authentic belief or behavior by an ingroup member, the transmitting Signatory must provide contextual clarification (e.g., "this is satire," "they're joking," "obvious LARP");
- c) **NPC Identification:** Transmission of content that reveals the transmitting party genuinely believes obvious LARPing to be authentic (demonstrating lack of ingroup status) constitutes transmission of NPC Content and may be grounds for confrontation and re-evaluation of the transmitting party's standing within the ingroup.

Failure to provide clarification where required, resulting in another Signatory reasonably believing the content to be authentic when it is not, constitutes a Violation. The Founder or affected Signatory reserves the right to confront the transmitting party to seek clarification and assess whether the transmitting party possesses ingroup awareness or has demonstrated outgroup characteristics.

7.4 Timing Restrictions

Signatories are encouraged, though not strictly required, to avoid transmitting Reels during:

- a) Hours of 11:00 PM to 7:00 AM local time of the recipient;
- b) Examination periods (as publicly known or communicated);
- c) During scheduled classes, meetings, or work hours (if known to the transmitting party).

Persistent disregard for reasonable timing boundaries may be deemed disrespectful conduct subject to Board review.

7.5 Quality Standards

While acknowledging subjective variation in taste, Signatories should avoid transmitting:

- a) **NPC Content:** Reels that demonstrate reflexive sharing without critical evaluation, suggesting the transmitting party lacks ingroup awareness or cultural literacy;

- b) Reels that are demonstrably outdated (content from 2019 or earlier), except where the content has achieved "vintage" status such that its age is itself the point of interest;
- c) Low-resolution or heavily compressed content that degrades viewing experience;
- d) Content that violates Instagram's Terms of Service;
- e) Content containing graphic violence, explicit sexual material, or hate speech;
- f) Obvious misinformation or disinformation without appropriate context or disclaimer.

Reasonable Person Standard: Content quality shall be evaluated according to the standard of a reasonable computer science or engineering student with typical exposure to internet culture, meme literacy, and contemporary discourse.

7.6 Mandatory Intellectual Discourse

To ensure that Reels transmission does not degrade into purely superficial content exchange, and to maintain the intellectual standards befitting the ingroup:

- a) Any Signatory may, not more than once per calendar month, request a discussion of Aldous Huxley's *Brave New World* via direct message with any other Signatory;
- b) Upon such request, the receiving Signatory is obligated to engage in substantive discussion of the novel, its themes, contemporary relevance, or related philosophical topics within seventy-two (72) hours;
- c) "Substantive discussion" requires a minimum of three (3) meaningful exchanges per party, each consisting of not less than two (2) sentences addressing the subject matter in good faith;
- d) Refusal to engage, perfunctory responses (e.g., "it was good," "I agree"), or bad faith engagement constitutes a Moderate Violation;
- e) This obligation applies regardless of whether the receiving party has read the novel; in such case, the receiving party may either:
 - i) Request a reasonable extension (not to exceed seven (7) days) to read or review relevant materials; or
 - ii) Engage in discussion based on general knowledge, summaries, or good faith intellectual curiosity.
- f) Discussion of other literary, philosophical, or cultural works may be substituted by mutual agreement, but *Brave New World* carries special status as default subject matter.

This provision reflects the understanding that the ingroup values intellectual engagement alongside digital content sharing, and that both are essential to meaningful community bonds.

8 EMERGENCY OVERRIDE CLAUSE

8.1 Emergency Transmission Exception

Notwithstanding any other provision of this Agreement, a Signatory may transmit a Reel that would otherwise violate this Agreement if:

- a) The Reel is of such extraordinary quality, relevance, or importance that its immediate transmission is warranted; or
- b) The Reel is so exceptionally poor, absurd, or incomprehensible that its transmission serves a legitimate communicative purpose (e.g., "This is SO bad you HAVE to see it").

8.2 Emergency Declaration

To invoke the Emergency Override, the transmitting Signatory must:

- a) Explicitly label the transmission as an "Emergency Override";
- b) Provide justification for the override; and
- c) Acknowledge that the override does not establish precedent for future transmissions.

8.3 Abuse of Emergency Clause

Repeated or frivolous invocation of the Emergency Override may be deemed abuse and subject to sanctions pursuant to Section 11.4.

9 INTELLECTUAL PROPERTY AND TRADEMARK RIGHTS

9.1 Trademark Registration System

The Corporation shall maintain a registry of Trademarked Phrases claimed by Signatories. Upon execution of this Agreement, the Founder hereby registers the following phrase as proprietary:

"I see"

This phrase, in the specific context of responding to Reels, is proprietary to the Founder and shall not be appropriated, parodied, or mimicked by other Signatories without express written consent.

9.2 Registration Procedure

Any Signatory may register a Trademarked Phrase by:

- a) Submitting written notice to the Board specifying the phrase;
- b) Demonstrating prior established usage of the phrase in Reels-related communication;
- c) Obtaining approval by Ordinary Resolution if the phrase is contested.

The Trademark Registrar shall maintain an official registry appendix documenting all registered phrases, their owners, registration dates, and scope of protection.

9.3 Licensing

Trademark holders may grant licenses to other Signatories for limited use of Trademarked Phrases:

- a) **Exclusive License:** Grants one (1) Signatory sole permission to use the phrase, excluding all others;
- b) **Non-Exclusive License:** Grants permission to one or more Signatories while allowing the trademark holder to grant additional licenses;
- c) **Limited-Use License:** Grants permission for specific contexts, time periods, or purposes.

Licenses may be granted for consideration (e.g., reciprocal license to another phrase, favor, or other mutually agreed value) or without consideration at the trademark holder's discretion.

9.4 Scope of Protection

Trademarked Phrases are protected exclusively within the context of Reels-related communication. Use of such phrases in other contexts does not constitute infringement.

9.5 Enforcement

Unauthorized use of Trademarked Phrases may be remedied through:

- a) Cease-and-desist notice from the trademark holder;
- b) Formal complaint to the Board;
- c) Sanctions pursuant to Section 11 if use continues after notice.

Penalties for Trademark Infringement:

- a) **First Offense:** Written warning and requirement to cease use immediately;
- b) **Second Offense:** Three (3) day suspension of Reels transmission privileges;
- c) **Third Offense:** Thirty (30) day suspension of Reels transmission privileges plus public acknowledgment of infringement;
- d) **Fourth Offense:** Permanent revocation of the infringing phrase and any other Trademarked Phrases held by the violator, plus ongoing sanctions as determined by the Board.

9.6 Fair Use

Incidental or de minimis use of Trademarked Phrases does not constitute infringement. Parody or critique may constitute fair use at the Board's discretion.

10 DISPUTE RESOLUTION

10.1 Informal Resolution

Disputes arising from alleged Violations shall first be addressed through informal discussion between the affected parties. Good faith efforts to resolve disputes amicably are expected.

10.2 Confrontation Procedure

If informal resolution fails, the aggrieved party may initiate a formal confrontation:

- a) Via direct message (Instagram, Discord, SMS, or other agreed platform);
- b) Clearly stating the nature of the alleged Violation;
- c) Providing the alleged violator an opportunity to respond within seventy-two (72) hours.

10.3 Board Adjudication

If confrontation does not resolve the dispute, either party may escalate to the Board by filing a written complaint. The Board shall:

- a) Review evidence submitted by both parties, including Evidence Logs;
- b) Conduct a hearing (virtual or in-person);
- c) Issue a written decision within fourteen (14) days;
- d) Impose remedies or sanctions as appropriate.

All Signatories covenant to preserve and provide Evidence Logs upon request in dispute proceedings. By executing this Agreement, Signatories consent to downloading and providing complete Instagram message history with relevant parties, and acknowledge that tampering with, fabricating, or withholding evidence constitutes an egregious Violation subject to immediate severe sanctions.

10.4 Founder's Reserved Authority

In the event of a deadlocked Board vote, the Founder may issue a final binding decision.

11 ENFORCEMENT AND SANCTIONS

11.1 Violation Categories

Violations are categorized by severity for purposes of determining appropriate sanctions:

- a) **Minor Violations:** Single instance of reciprocity failure, timing boundary breach, or quality standard deviation;
- b) **Moderate Violations:** Repeated minor violations, frequency limit breach, LARPing clarification failure, or first-time trademark infringement;
- c) **Serious Violations:** Pattern of asymmetric transmission, repeated NPC content transmission, sports content violation, or second trademark infringement;
- d) **Egregious Violations:** Evidence tampering, harassment, transmission of illegal content, repeated violations after warnings, or fraudulent trademark claims.

11.2 Graduated Sanctions

Violations shall be addressed through graduated sanctions calibrated to violation severity and history:

For Minor Violations:

- a) **First Offense:** Verbal or written warning from Chief Compliance Officer or affected party;
- b) **Second Offense:** Written warning logged in official records;
- c) **Third Offense:** Escalation to Moderate Violation treatment.

For Moderate Violations:

- a) **First Offense:** Written warning plus mandatory acknowledgment of violation;
- b) **Second Offense:** Reduction of Reels transmission quota to five (5) per day per recipient for fourteen (14) days;
- c) **Third Offense:** Reduction of quota to three (3) per day per recipient for thirty (30) days; escalation to Serious Violation treatment on next offense.

For Serious Violations:

- a) **First Offense:** Suspension of Reels transmission privileges for seven (7) days;
- b) **Second Offense:** Suspension for thirty (30) days plus public acknowledgment within the Board;
- c) **Third Offense:** Suspension for ninety (90) days; mandatory appearance before Board for reinstatement consideration;
- d) **Fourth Offense:** Permanent revocation of Reels transmission privileges; Share forfeiture; removal from Board.

For Egregious Violations:

- a) Immediate permanent revocation of all Reels transmission privileges;
- b) Immediate Share forfeiture and Board removal;
- c) No possibility of reinstatement;
- d) Potential referral to appropriate authorities if violation involves illegal conduct.

11.3 Sanction Modularization and Traceability

All sanctions shall be:

- a) Documented by the Secretary with violation type, date, parties involved, evidence summary, and sanction imposed;
- b) Traceable through clear reference to this Section's violation categories and graduated sanction tables;
- c) Subject to appeal pursuant to Section 10.5;
- d) Maintained in confidential records accessible to the Board and affected parties.

This modular structure ensures consistency in enforcement and facilitates precedent-based reasoning in subsequent disputes.

11.4 Ignored Reels Policy

The Founder and Signatories reserve the unilateral right to ignore Reels transmitted in violation of this Agreement. Such ignoring does not breach reciprocity obligations.

11.5 Remediation

A sanctioned party may petition the Board for reinstatement after demonstrating:

- a) Understanding of the Violation;
- b) Commitment to future compliance;
- c) Completion of any imposed penalty period.

11.6 Appeals

Any Signatory subjected to sanctions for Moderate or Serious Violations may appeal to the Board within seven (7) days of sanction imposition. Appeals for Minor Violations are not permitted. Appeals of Egregious Violation sanctions are permitted but shall be heard only by a panel consisting of the Founder and two (2) Board members selected by lottery.

12 POSITIVE INCENTIVES AND RECOGNITION

12.1 Meritorious Conduct Recognition

The Corporation shall recognize and reward exemplary compliance and contribution through the following mechanisms:

- a) **Quarterly MVP Reeler Award:** Awarded to the Signatory demonstrating exceptional reciprocity, consistent quality content, and positive contribution to the Reels community, as determined by Board vote or Founder designation;
- b) **Reputation Score System:** The Chief Compliance Officer shall maintain reputation scores for all Signatories based on reciprocity metrics, violation history, and positive contributions. High reputation scores may confer benefits described in Section 11.2;
- c) **Public Commendation:** Outstanding contributions, particularly clever Reels, exemplary engagement, or valuable community service, may be publicly recognized by the Board.

12.2 Enhanced Privileges

Signatories maintaining consistently high reputation scores (top 25% for three consecutive months) shall be entitled to enhanced privileges:

- a) **Increased Transmission Quota:** Up to fifteen (15) Reels per day per recipient (50% increase from standard limit);
- b) **Priority in Dispute Resolution:** In ambiguous cases, benefit of the doubt shall favor high-reputation Signatories;
- c) **Expedited Emergency Override:** Reduced justification requirements for invoking Emergency Override pursuant to Section 8;
- d) **Trademark Priority:** Preference in contested trademark registration disputes;
- e) **Officer Nomination Preference:** Enhanced candidacy for elected officer positions.

Enhanced privileges are revocable upon any Moderate or Serious Violation.

12.3 Network Expansion Incentives

To encourage growth of the Corporation and extension of governance to new participants (analogous to manifest destiny principles):

- a) **Recruitment Bonus:** Any Signatory who successfully recruits a new member (who executes this Agreement and remains in good standing for ninety (90) days) shall receive:
 - i) One (1) additional Class A Common Share, increasing their voting power;
 - ii) Recognition as "Sponsor" of the new member with associated prestige;
 - iii) Increased transmission quota of +2 Reels per day for six (6) months.

- b) **Network Effects Benefit:** As the Corporation grows, the value of participation increases. Signatories benefit from expanded high-quality Reels exchange opportunities and enhanced governance legitimacy;
- c) **Evangelist Recognition:** Signatories recruiting five (5) or more members shall be recognized as "Founding Evangelists" with permanent enhanced status and additional voting share;
- d) **Expansion Strategy:** The Board is encouraged to develop strategies for systematic expansion, including informational materials, onboarding procedures, and outreach to adjacent social networks.

12.4 Collaborative Value Creation

The Corporation recognizes that collective compliance benefits all participants:

- a) Higher average reciprocity rates create more satisfying social interactions;
- b) Quality standards elevate the overall content ecosystem;
- c) Democratic governance ensures fairness and legitimacy;
- d) Network expansion increases opportunities for meaningful connection and content discovery.

Signatories are encouraged to view compliance not as burden but as investment in communal flourishing.

13 OPT-OUT AND WITHDRAWAL

13.1 Right to Withdraw

Any Signatory may withdraw from this Agreement by providing sixty (60) days' written notice to the Founder and Board. Upon withdrawal:

- a) All Shares held by the withdrawing party are forfeited and revert to the Founder;
- b) The withdrawing party's Board seat is vacated;
- c) The withdrawing party is removed from the Reels transmission network;
- d) All obligations under this Agreement terminate, except confidentiality obligations under Section 14.

13.2 No Refund

No monetary compensation is provided upon withdrawal, as Shares are issued without financial consideration.

13.3 Re-Entry

A withdrawn Signatory may re-enter by executing a new copy of this Agreement, subject to Board approval by Ordinary Resolution.

14 AMENDMENTS

14.1 Amendment Authority

This Agreement may be amended by Special Resolution of the Board, except for Sections requiring Founder approval pursuant to Section 5.10.

14.2 Proposal Procedure

Any Shareholder may propose an amendment by:

- a) Submitting written proposal to the Board;
- b) Providing rationale for the amendment;
- c) Allowing fourteen (14) days for Board review and discussion.

14.3 Notice of Amendments

Approved amendments shall be communicated to all Signatories within seven (7) days via:

- a) Instagram direct message;
- b) Email to address on file; or
- c) Group chat announcement.

14.4 Effective Date

Amendments take effect thirty (30) days after notice unless the amendment specifies otherwise or is approved as an emergency amendment by seventy-five percent (75%) of Shareholders.

15 CONFIDENTIALITY AND PRIVACY

15.1 Confidentiality Obligation

Signatories shall maintain confidentiality regarding:

- a) Internal Board deliberations and votes;
- b) Disciplinary proceedings and sanctions;
- c) Proprietary information regarding venture capital negotiations;
- d) Personal information of other Signatories.

15.2 Exceptions

Confidentiality obligations do not apply to:

- a) Information already in the public domain;
- b) Information required to be disclosed by law or court order;
- c) Information disclosed with written consent of the affected party.

15.3 Duration

Confidentiality obligations survive termination of this Agreement indefinitely.

16 MISCELLANEOUS PROVISIONS

16.1 Entire Agreement

This Agreement constitutes the entire agreement between the parties regarding Reels transmission and supersedes all prior understandings, whether written or oral.

16.2 Severability

If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall continue in full force and effect.

16.3 Waiver

No waiver of any provision shall be effective unless in writing and signed by the party against whom the waiver is sought to be enforced. No waiver shall constitute a continuing waiver.

16.4 Assignment

This Agreement is personal to the parties and may not be assigned except as provided in Section 5.8.

16.5 Notices

All notices shall be in writing and delivered via Instagram direct message, email, or SMS to the contact information on file with the Corporation.

16.6 Force Majeure

Neither party shall be liable for failure to perform obligations due to causes beyond reasonable control, including acts of God, war, government restrictions, pandemic, or Instagram platform outages.

16.7 Platform Changes

In the event Instagram materially modifies the Reels feature, read receipt functionality, or other technical elements upon which this Agreement relies:

- a) The Board shall convene within fourteen (14) days to assess impact;
- b) The Agreement shall be interpreted to effectuate its purposes using available technical means;
- c) If Instagram's changes render core provisions impossible to enforce, the Board may by Special Resolution enact emergency amendments to adapt the Agreement;
- d) If Instagram discontinues Reels entirely, this Agreement shall automatically adapt to govern the successor feature or, if no successor exists, shall enter dormancy until a comparable feature becomes available.

16.8 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to conflicts of law principles.

16.9 Jurisdiction

The parties irrevocably submit to the exclusive jurisdiction of the courts of Ontario for resolution of disputes arising under this Agreement.

16.10 Counterparts

This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one agreement. Electronic signatures via PDF are binding.

17 EXECUTION

17.1 Transitional Provisions

Grandfathering of Pre-Existing Relationships:

- a) All Reels exchanges occurring prior to a Signatory's execution of this Agreement are exempt from enforcement and shall not be considered in violation calculations;
- b) Upon execution, the "slate is wiped clean" and all parties begin with neutral standing;
- c) Pre-existing patterns of asymmetric transmission or poor reciprocity are forgiven;
- d) However, post-execution conduct is governed from moment of signature forward.

Non-Signatory Relations:

- a) Individuals who decline to execute this Agreement may continue to transmit Reels to Signatories, but such transmission is not governed by this Agreement;
- b) Signatories may choose to reciprocate with non-Signatories without obligation;
- c) Signatories are encouraged to invite non-Signatories to join the Corporation, but coercion is prohibited;
- d) Persistent bad behavior by non-Signatories (spam, NPC content, etc.) may be addressed through Instagram's platform controls rather than this Agreement's enforcement mechanisms.

17.2 Acknowledgment

By executing this Agreement, each Signatory acknowledges that they have:

- a) Read and understood all provisions herein;
- b) Had opportunity to seek independent legal advice;
- c) Voluntarily agreed to be bound by these terms;
- d) Received one (1) Share in the Corporation.

17.3 Binding Effect

This Agreement is binding upon the parties and their respective heirs, executors, administrators, successors, and permitted assigns.

17.4 Effective Date

This Agreement is effective as of January 7th, 2026, and remains in effect in perpetuity unless terminated by unanimous consent of all Shareholders or dissolution of the Corporation by the Founder.

EXECUTED by the Founder:

Waaberi Mohamed Ibrahim
Founder and Majority Shareholder

Date

EXECUTED by the Signatory:

Signatory Name (Please Print)

Date

Signature

Share Certificate Number: _____

Number of Shares Issued: 1 Class A Common Share