

# Degens and Dragons Terms of Service

**Last Updated: June 12, 2023**

Degens and Dragons™ is a tournament battle game that runs on the Sui network, using a set of specially-developed smart contracts (each, a “Smart Contract”) to enable players to buy degens and use them to compete in a global contest of skill (the “Game”). The Smart Contracts and the Game are collectively referred to as the “Service” in these Terms of Service (these “Terms”). USE OF THE SERVICE IS PROHIBITED IF YOU ARE LOCATED IN A PROHIBITED JURISDICTION. YOU MAY NOT PARTICIPATE IN YOU ARE LOCATED IN SUCH A JURISDICTION, AND YOU WILL NOT BE ENTITLED TO ANY PRIZE EARNINGS, EVEN IF YOU WIN THE GAME. SEE SECTION 18 FOR MORE INFORMATION.

Orange Comet Inc. (“OC”, “we”, or “us”) is making the Service available to you. Before you use the Service, you will need to agree to these Terms. PLEASE READ THESE TERMS CAREFULLY BEFORE USING THE SERVICE. THESE TERMS GOVERN YOUR USE OF THE SERVICE, UNLESS WE HAVE EXECUTED A SEPARATE WRITTEN AGREEMENT WITH YOU FOR THAT PURPOSE. WE ARE ONLY WILLING TO MAKE THE SERVICE AVAILABLE TO YOU IF YOU ACCEPT ALL OF THESE TERMS. BY USING THE SERVICE, IN WHOLE OR IN PART, OR BY INDICATING YOUR ACCEPTANCE OF THESE TERMS DURING THE SIGNUP PROCESS, YOU ARE CONFIRMING THAT YOU UNDERSTAND AND AGREE TO BE BOUND BY ALL OF THESE TERMS. IF YOU ARE ACCEPTING THESE TERMS ON BEHALF OF A COMPANY OR OTHER LEGAL ENTITY, YOU REPRESENT THAT YOU HAVE THE LEGAL AUTHORITY TO ACCEPT THESE TERMS ON THAT ENTITY’S BEHALF, IN WHICH CASE “YOU” WILL MEAN THAT ENTITY. IF YOU DO NOT HAVE SUCH AUTHORITY, OR IF YOU DO NOT ACCEPT ALL OF THESE TERMS, THEN WE ARE UNWILLING TO MAKE THE SERVICE AVAILABLE TO YOU. IF YOU DO NOT AGREE TO THESE TERMS, YOU MAY NOT ACCESS OR USE THE SERVICE.

THIS AGREEMENT CONTAINS AN ARBITRATION PROVISION, INCLUDING A CLASS ACTION WAIVER, GOVERNING DISPUTES BETWEEN YOU AND US. PLEASE REVIEW THAT PROVISION CAREFULLY, SINCE IT AFFECTS YOUR RIGHTS. BY USING THE SERVICE, IN WHOLE OR IN PART, OR BY AGREEING TO THESE TERMS, YOU UNDERSTAND AND AGREE TO BE BOUND BY THE ARBITRATION PROVISION.

## **1. THE SERVICE**

### **A**

To most easily use the Service, you should first install a web browser (such as the Google Chrome web browser) and an electronic wallet compatible with the Non-Fungible Token (NFT) standard on the Sui network, such as the Ethos(™) electronic wallet. SUI can be purchased either directly via Crypto Dot Com if you are in the United States, or via other third party sites, store, and engage in transactions using Sui cryptocurrency (SUI). You will not be able to engage in any transactions on the Service other than through your electronic wallet, or other Sui-compatible browsers.

### **B**

Transactions that take place on the Service are managed and confirmed via the Sui blockchain. You understand that your Sui public address will be made publicly visible whenever you engage in a transaction on the Service.

### **C**

We neither own nor control Crypto Dot Com, Google Chrome, the Sui network, or any other third party site, product, or service that you might access, visit, or use for the purpose of enabling you to use the various features of the Service. We will not be liable for the acts or omissions of any such third parties, nor will we be liable for any damage that you may suffer as a result of your transactions or any other interaction with any such third parties.

## **2. PURCHASING YOUR DEGENS**

## **A**

To participate in the Game, you must purchase at least one degen (each, a “degen”). Degens are NFTs that cost SUI to purchase. When you purchase a degen from us, you are automatically entered into a global contest of skill that will allow you to compete to be the last degen standing (a “Tournament”). You can only buy degens from us via the Service. If you buy a degen from somewhere other than the Service, that degen may not be eligible to compete in the Tournament. You can purchase more than one degen. Every degen that you buy will be automatically entered into the Tournament. You cannot buy a degen from us and not have it be entered into the Tournament.

## **B**

Upon acquiring a degen, it shall be endowed with a distinct set of strengths and weaknesses derived from three core items obtained during the character minting process. These items consist of a helmet, a chest piece, and a weapon, each possessing individual power levels. The amalgamation of these items determines the degen's prowess throughout the Tournament, encompassing its combat effectiveness, capacity to inflict damage upon other degens, and endurance in withstanding inflicted harm before elimination.

## **C**

When degens compete, they do so by simultaneously casting a series of different actions that are selected by the degen's owner and an AI controlled combatant. The winner of each round of the duel will be determined entirely by the actions chosen by each combatant in that round. The winner of the duel is determined by combining the results of each round of the duel together, and comparing who had the highest score of the combined rounds. Opponents are AI controlled, and carry out basic preprogrammed strategies a user must learn to plan against.

## **E**

When you buy a degen, sixty percent (60%) of the SUI from your purchase goes into a prize pool that will ultimately be awarded to participants. The other forty percent (40%) of the SUI from your purchase is kept by OC as a fee for providing the Service (the “Service Fee”), and is used to (i) offer secondary prizes associated with the Game; (ii) cover the “gas fees” for some services,

as described below; and (iii) cover other costs associated with providing the Service to you.

## **G**

We may offer a pre-sale option as part of the Game, allowing you to pre-purchase degens for the Tournament before the Tournament Smart Contracts are complete. If we offer a pre-sale option, the purchasing process will be the same as described above. Once the Smart Contracts are complete, we will automatically transfer your purchased degens onto the Tournament Smart Contracts (we will cover any “gas fees”, described below, involved in doing so), and automatically enter your degens into the Tournament. All degens purchased during the pre-sale must participate in the Tournament.

## **3. THE TOURNAMENT**

### **A**

You need to own at least one degen to participate in the Tournament. Your degens are inextricably linked to the Tournament you have bought them for. If we ever introduce a new Tournament, unless we provide you with a way to “recharge” your degen or otherwise enter an alternative NFT to participate in that Tournament, you will need to buy a new degen to participate in that Tournament.

### **B**

The Degens & Dragons game is an elimination tournament that takes place across 5 phases. In each phase, players can fight against opponents as many times as they like to increase their score and loot item NFTs. Continuing to fight gives the chance of looting stronger items. However enemies get tougher the more you play during a phase.

### **C**

At the end of each phase, a percentage of players will be eliminated from the tournament based on their total score for that phase. A reward is also allocated for each phase. The higher a player's score vs other players that round, the more reward they will receive. Distribution of rewards in each phase is determined by your overall score on the leaderboard during that phase. The reward is calculated by the following:

(MINT Reward / Total score of all players) x Players total score.

#### **4. BATTLE ARENA**

##### **A**

Each match in the game consists of 5 rounds. In each round, both the player and the AI opponent are tasked with selecting an action from four options - Attack, Spell, Block, and Dodge. This aspect of the game involves strategic decision-making, as players must anticipate their opponent's moves.

##### **B**

Scoring in the game is based on the difference between the damage a player inflicts on the opponent and the damage received from the opponent. The damage inflicted by a player's chosen action is influenced by the NFTs equipped to their Degen NFT. Specifically, three items – Head, Body, and Weapon – can enhance the damage caused by the player's actions.

##### **C**

The game follows a rock-paper-scissors format for the outcomes of the actions, where one action can effectively counter another, reducing the incoming damage by 50%. Once the five rounds are completed, the total score from these rounds is added to the player's overall score on a leaderboard. This introduces a competitive aspect to the game, as players strive to increase their rankings.

##### **D**

During a tournament phase, players have the opportunity to engage in multiple battles. There are no limits to how many matches a player can participate in, allowing them to accumulate more points on the leaderboard.

#### **5. THE DEGEN REWARDS**

##### **A**

The Game continues until the final round of the tournament concludes. The Sui account registered to the owner of the winning degens will have their rewards airdropped to them at the end of each round.

## **B**

You will be solely responsible to pay any and all sales, use, value-added and other taxes, duties, and assessments (except taxes on our net income) now or hereafter claimed or imposed by any governmental authority (collectively, “Taxes”) associated with your use of the Service (including, without limitation, any Taxes that may become payable as the result of your winning the Prize Pool). Except for income taxes levied on OC, you: (i) will pay or reimburse us for all national, federal, state, local or other taxes and assessments of any jurisdiction, including value added taxes and taxes as required by international tax treaties, customs or other import or export taxes, and amounts levied in lieu thereof based on charges set, services performed or payments made hereunder, as are now or hereafter may be imposed under the authority of any national, state, local or any other taxing jurisdiction; and (ii) shall not be entitled to deduct the amount of any such taxes, duties or assessments from payments made to us pursuant to these Terms. You confirm that you are not a resident in Canada nor are you registered for Goods and services tax / Harmonized sales tax (GST / HST) or Provincial sales taxes (PST) in Canada, and will inform OC if your status changes in the future.

## **C**

Any financial transactions that you engage in via the Service will be conducted solely through the Sui network. We will have no insight into or control over these payments or transactions, nor do we have the ability to reverse any transactions. With that in mind, we will have no liability to you or to any third party for any claims or damages that may arise as a result of any transactions that you engage in via the Service, or using the Smart Contracts, or any other transactions that you conduct via the Sui network.

## **D**

Sui requires the payment of a transaction fee (a “Gas Fee”) for every transaction that occurs on the Sui network. The Gas Fee funds the network of computers that run the decentralized Sui network. In partial consideration of receiving the Services Fee, OC will pay the Gas Fee for each reward payout. In such a situation, or in any similar situation in which we, in our sole discretion, determine that you are attempting to abuse this process, OC

reserves the right to stop paying the Gas Fees associated with the abusive activity. Except as otherwise expressly set forth in these Terms, you will be responsible to pay any Gas Fee for any transaction that occurs via the Service.

## **6. OWNERSHIP; LICENSE; RESTRICTIONS**

### **A. Definitions**

For the purposes of this Section 6, the following capitalized terms will have the following meanings:

“Art” means any art, design, and drawings that may be associated with a degen that you Own.

“Extensions” means third party designs that: (i) are intended for use as extensions or overlays to the Art, (ii) do not modify the underlying Art, and (iii) can be removed at any time without affecting the underlying Art.

“Own” means, with respect to a degen, a degen that you have purchased or otherwise rightfully acquired from a legitimate source, where proof of such purchase is recorded on the relevant blockchain.

“Purchased degen” means a degen that you Own.

“Third Party IP” means any third party patent rights (including, without limitation, patent applications and disclosures), copyrights, trade secrets, trademarks, know-how or any other intellectual property rights recognized in any country or jurisdiction in the world.

### **B. Ownership**

i. You Own the NFT. Each degen is a non-fungible token (an “NFT”) on the Sui blockchain. When you purchase a degen, you own the underlying NFT completely. This means that you have the right to trade your NFT, sell it, or give it away. Ownership of the NFT is mediated entirely by the Smart Contract and the Sui Network: at no point will we seize, freeze, or otherwise modify the ownership of any degen.

ii. OC Owns the Service. You acknowledge and agree that OC (or, as applicable, our licensors) owns all legal right, title and interest in and to all other elements of the Service, and all intellectual property rights therein (including, without limitation, all Art, designs, systems, methods, information, computer code, software, services, “look and feel”, organization, compilation of the content, code, data, and all other elements of the Service (collectively, the “OC Materials”)). You acknowledge that the OC Materials are protected by copyright, trade dress, patent, and trademark laws, international conventions, other relevant intellectual property and proprietary rights, and applicable laws. All OC Materials are the copyrighted property of OC or its licensors, and all trademarks, service marks, and trade names associated with the Service or otherwise contained in the OC Materials are proprietary to OC or its licensors. Except as expressly set forth herein, your use of the Service does not grant you ownership of or any other rights with respect to any content, code, data, or other OC Materials that you may access on or through the Service. We reserve all rights in and to the OC Materials that are not expressly granted to you in these Terms. For the sake of clarity, you understand and agree: (a) that your purchase of a degen, whether via the Service or otherwise, does not give you any rights or licenses in or to the OC Materials (including, without limitation, our copyright in and to the associated Art) other than those expressly contained in these Terms; (b) that you do not have the right, except as otherwise set forth in these Terms, to reproduce, distribute, or otherwise commercialize any elements of the OC Materials (including, without limitation, any Art) without our prior written consent in each case, which consent we may withhold in our sole and absolute discretion; and (c) that you will not apply for, register, or otherwise use or attempt to use any OC trademarks or service marks, or any confusingly similar marks, anywhere in the world without our prior written consent in each case, which consent we may withhold at our sole and absolute discretion.

### **C. License to Art.**

i. General Use. Subject to your continued compliance with these Terms, OC grants you a worldwide, non-exclusive, non-transferable, royalty-free license to use, copy, and display the Art for your Purchased degens, along with any Extensions that you choose to create or use, solely for the following purposes: (i) for your own personal, non-commercial use; (ii) as part of a marketplace



that permits the purchase and sale of your Purchased degens, provided that the marketplace cryptographically verifies each degen owner's rights to display the Art for their Purchased degen to ensure that only the actual owner can display the Art; or (iii) as part of a third party website or application that permits the inclusion, involvement, or participation of your Purchased degen, provided that the website/application cryptographically verifies each degen's owner's rights to display the Art for their Purchased degen to ensure that only the actual owner can display the Art, and provided that the Art is no longer visible once the owner of the Purchased degen leaves the website/application.

ii. Commercial Use. Subject to your continued compliance with these Terms, OC grants you a limited, worldwide, non-exclusive, non-transferable license to use, copy, and display the Art for your Purchased degen for the purpose of commercializing your own merchandise that includes, contains, or consists of the Art for your Purchased degen ("Commercial Use"), provided that such Commercial Use does not result in you earning more than One Hundred Thousand Dollars (\$100,000) in gross revenue each year. For the sake of clarity, nothing in this Section will be deemed to restrict you from (i) owning or operating a marketplace that permits the use and sale of degens generally, provided that the marketplace cryptographically verifies each degen owner's rights to display the Art for their Purchased degen to ensure that only the actual owner can display the Art; (ii) owning or operating a third party website or application that permits the inclusion, involvement, or participation of degens generally, provided that the third party website or application cryptographically verifies each degen owner's rights to display the Art for their Purchased degen to ensure that only the actual owner can display the Art, and provided that the Art is no longer visible once the owner of the Purchased degen leaves the website/application; or (iii) earning revenue from any of the foregoing, even where such revenue is in excess of \$100,000 per year.

#### **D. Restrictions.**

You agree that you may not, nor permit any third party to do or attempt to do any of the foregoing without OC's express prior written consent in each case: (i) modify the Art for your Purchased degen in any way, including, without limitation, the shapes, designs, drawings, attributes, or color schemes (your use of Extensions will not constitute a prohibited modification hereunder); (ii)

use the Art for your Purchased degen to advertise, market, or sell any third party product or service; (iii) use the Art for your Purchased degen in connection with images, videos, or other forms of media that depict hatred, intolerance, violence, cruelty, or anything else that could reasonably be found to constitute hate speech or otherwise infringe upon the rights of others; (iv) use the Art for your Purchased degen in movies, videos, or any other forms of media, except to the limited extent that such use is expressly permitted in these Terms or solely for your own personal, non-commercial use; (v) sell, distribute for commercial gain (including, without limitation, giving away in the hopes of eventual commercial gain), or otherwise commercialize merchandise that includes, contains, or consists of the Art for your Purchased degen, except as expressly permitted in these Terms; (vi) attempt to trademark, copyright, or otherwise acquire additional intellectual property rights in or to the Art for your Purchased degen; or (vii) otherwise utilize the Art for your Purchased degen for your or any third party's commercial benefit. To the extent that Art associated with your Purchased degen contains Third Party IP (e.g., licensed intellectual property from a celebrity, athlete, or other public figure), you understand and agree as follows: (w) that you will not have the right to use such Third Party IP in any way except as incorporated in the Art, and subject to the license and restrictions contained herein; (x) that the Commercial Use license in Section 3.C(ii) above will not apply; (y) that, depending on the nature of the license granted from the owner of the Third Party IP, OC may need to pass through additional restrictions on your ability to use the Art; and (z) to the extent that OC informs you of such additional restrictions in writing (email is permissible), you will be responsible for complying with all such restrictions from the date that you receive the notice, and that failure to do so will be deemed a breach of this license. The restrictions in this Section will survive the expiration or termination of these Terms.

#### **E. Other Terms of License.**

The license granted in Section 6.C above applies only to the extent that you continue to Own the applicable Purchased degen. If at any time you sell, trade, donate, give away, transfer, or otherwise dispose of your Purchased degen for any reason, the license granted in Section 6.C will immediately expire with respect to that degen without the requirement of notice, and you

will have no further rights in or to the Art for that degen. If you exceed the \$100,000 limitation on annual gross revenue set forth in Section 6.C(ii) above, you will be in breach of these Terms, and must send an email to OC at support@orangecomet.com within forty-five (45) days, with the phrase “degen License - Commercial Use” in the subject line, requesting a discussion with OC regarding entering into a broader license agreement or obtaining an exemption (which may be granted or withheld in OC’s sole and absolute discretion). If you exceed the scope of the license grant in Section 6.C(ii) without entering into a broader license agreement with or obtaining an exemption from OC, you acknowledge and agree that: (i) you are in breach of these Terms; (ii) in addition to any remedies that may be available to OC at law or in equity, OC may immediately terminate the license that was granted to you in Section 6.C, without the requirement of notice; and (iii) you will be responsible to reimburse OC for any costs and expenses incurred by OC during the course of enforcing these Terms against you.

#### **F. Feedback.**

You may choose to submit comments, bug reports, ideas or other feedback about the Service, including without limitation about how to improve the Service (collectively, “Feedback”). By submitting any Feedback, you agree that we are free to use such Feedback at our discretion and without additional compensation to you, and to disclose such Feedback to third parties (whether on a non-confidential basis, or otherwise). You hereby grant us a perpetual, irrevocable, nonexclusive, worldwide license under all rights necessary for us to incorporate and use your Feedback for any purpose.

#### **G. Your Obligations.**

You agree that you are responsible for your own conduct while accessing or using the Service, and for any consequences thereof. You agree to use the Service only for purposes that are legal, proper and in accordance with these Terms and any applicable laws or regulations. By way of example, and not as a limitation, you may not, and may not allow any third party to: (i) send, upload, distribute or disseminate any unlawful, defamatory, harassing, abusive, fraudulent, obscene, or otherwise objectionable content; (ii) distribute viruses, worms, defects, Trojan horses, corrupted files, hoaxes, or any other items of a destructive or deceptive nature; (iii) impersonate another person

(via the use of an email address or otherwise); (iv) upload, post, transmit or otherwise make available through the Service any content that infringes the intellectual proprietary rights of any party; (v) use the Service to violate the legal rights (such as rights of privacy and publicity) of others; (vi) engage in, promote, or encourage illegal activity (including, without limitation, money laundering); (vii) interfere with other users' enjoyment of the Service; (viii) exploit the Service for any unauthorized commercial purpose; (ix) modify, adapt, translate, or reverse engineer any portion of the Service; (x) remove any copyright, trademark or other proprietary rights notices contained in or on the Service or any part of it; (xi) reformat or frame any portion of the Service; (xii) display any content on the Service that contains any hate-related or violent content or contains any other material, products or services that violate or encourage conduct that would violate any criminal laws, any other applicable laws, or any third party rights; (xiii) use any spider, site search/retrieval application, or other device to retrieve or index any portion of the Service or the content posted on the Service, or to collect information about its users for any unauthorized purpose; (xiv) create user accounts by automated means or under false or fraudulent pretenses; or (xv) access or use the Service for the purpose of creating a product or service that is competitive with any of our products or services. If you engage in any of the activities prohibited by this Section, we may, at our sole and absolute discretion, without notice to you, and without limiting any of our other rights or remedies at law or in equity, immediately suspend or terminate your user account and/or delete your degens' images and descriptions from the Service and the Game. If we delete your degens' images and descriptions from the Service and/or the Game, such deletion will not affect your ownership rights in any NFTs that you already Own, but those degens will be automatically eliminated from the Tournament, and you will not receive a refund of any amounts you paid for those degens. You agree that you will not use the Service if you are a resident of Alabama, Alaska, Hawaii, Missouri, New Jersey, New York, Oklahoma, Oregon, Washington, Iowa, Montana, Texas, Utah, Wisconsin, or Louisiana, or in any jurisdiction where your use of the Service is legally prohibited.

## **7. TERMINATION**

You may terminate these Terms at any time by canceling your account on the Service and discontinuing your access to and use of the Service. You will not receive any refunds if you cancel your account, or otherwise terminate these Terms. You agree that we, in our sole discretion and for any or no reason, may terminate these Terms and suspend and/or terminate your account(s) for the Service. You agree that any suspension or termination of your access to the Service may be without prior notice, and that we will not be liable to you or to any third party for any such suspension or termination. If we terminate these Terms or suspend or terminate your access to or use of the Service due to your breach of these Terms or any suspected fraudulent, abusive, or illegal activity, in each case as determined in our sole discretion, then termination of these Terms will be in addition to any other remedies we may have at law or in equity. Upon any termination or expiration of these Terms, whether by you or us, you may no longer have access to information that you have posted on the Service or that is related to your account, and you acknowledge that we will have no obligation to maintain any such information in our databases or to forward any such information to you or to any third party. Sections 1.C, and 5 through 19 will survive the termination or expiration of these Terms for any reason.

## **8. DISCLAIMERS**

### **A**

YOU EXPRESSLY UNDERSTAND AND AGREE THAT YOUR ACCESS TO AND USE OF THE SERVICE IS AT YOUR SOLE RISK, AND THAT THE SERVICE IS PROVIDED "AS IS" AND "AS AVAILABLE" WITHOUT WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED. TO THE FULLEST EXTENT PERMISSIBLE PURSUANT TO APPLICABLE LAW, WE, OUR SUBSIDIARIES, AFFILIATES, AND LICENSORS MAKE NO EXPRESS WARRANTIES AND HEREBY DISCLAIM ALL IMPLIED WARRANTIES REGARDING THE SERVICE AND ANY PART OF IT (INCLUDING, WITHOUT LIMITATION, THE GAME, ANY SMART CONTRACT, OR ANY EXTERNAL WEBSITES), INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, CORRECTNESS, ACCURACY, OR RELIABILITY. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, WE, OUR

PARENT, SUBSIDIARIES, AFFILIATES, AND LICENSORS DO NOT REPRESENT OR WARRANT TO YOU THAT: (I) YOUR ACCESS TO OR USE OF THE SERVICE WILL MEET YOUR REQUIREMENTS, (II) YOUR ACCESS TO OR USE OF THE SERVICE WILL BE UNINTERRUPTED, TIMELY, SECURE OR FREE FROM ERROR, (III) USAGE DATA PROVIDED THROUGH THE SERVICE WILL BE ACCURATE, (III) THE SERVICE OR ANY CONTENT, SERVICES, OR FEATURES MADE AVAILABLE ON OR THROUGH THE SERVICE ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS, OR (IV) THAT ANY DATA THAT YOU DISCLOSE WHEN YOU USE THE SERVICE WILL BE SECURE. SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF IMPLIED WARRANTIES IN CONTRACTS WITH CONSUMERS, SO SOME OR ALL OF THE ABOVE EXCLUSIONS MAY NOT APPLY TO YOU.

**B**

YOU ACCEPT THE INHERENT SECURITY RISKS OF PROVIDING INFORMATION AND DEALING ONLINE OVER THE INTERNET, AND AGREE THAT WE HAVE NO LIABILITY OR RESPONSIBILITY FOR ANY BREACH OF SECURITY UNLESS IT IS DUE TO OUR GROSS NEGLIGENCE.

**C**

WE WILL NOT BE RESPONSIBLE OR LIABLE TO YOU FOR ANY LOSSES YOU INCUR AS THE RESULT OF YOUR USE OF THE Sui NETWORK OR YOUR ELECTRONIC WALLET, INCLUDING BUT NOT LIMITED TO ANY LOSSES, DAMAGES OR CLAIMS ARISING FROM: (i) USER ERROR, SUCH AS FORGOTTEN PASSWORDS OR INCORRECTLY CONSTRUED SMART CONTRACTS OR OTHER TRANSACTIONS; (ii) SERVER FAILURE OR DATA LOSS; (iii) CORRUPTED WALLET FILES; OR (iv) UNAUTHORIZED ACCESS OR ACTIVITIES BY THIRD PARTIES, INCLUDING BUT NOT LIMITED TO THE USE OF VIRUSES, PHISHING, BRUTEFORCING OR OTHER MEANS OF ATTACK AGAINST THE SERVICE, Sui NETWORK, OR ANY ELECTRONIC WALLET.

**D**

DEGENS ARE INTANGIBLE DIGITAL ASSETS THAT EXIST ONLY BY VIRTUE OF THE OWNERSHIP RECORD MAINTAINED IN THE SUI NETWORK. ALL SMART CONTRACTS ARE CONDUCTED AND OCCUR ON THE DECENTRALIZED LEDGER WITHIN THE SUI PLATFORM. WE HAVE NO CONTROL OVER AND MAKE NO GUARANTEES OR PROMISES WITH RESPECT TO SMART CONTRACTS.

## **E**

OC IS NOT RESPONSIBLE FOR LOSSES DUE TO BLOCKCHAINS OR ANY OTHER FEATURES OF THE Sui NETWORK OR ANY ELECTRONIC WALLET, INCLUDING BUT NOT LIMITED TO LATE REPORT BY DEVELOPERS OR REPRESENTATIVES (OR NO REPORT AT ALL) OF ANY ISSUES WITH THE BLOCKCHAIN SUPPORTING THE SUI NETWORK, INCLUDING FORKS, TECHNICAL NODE ISSUES, OR ANY OTHER ISSUES HAVING FUND LOSSES AS A RESULT.

## **9. LIMITATION OF LIABILITY**

### **A**

YOU UNDERSTAND AND AGREE THAT OC, ITS PARENT, SUBSIDIARIES, AFFILIATES, AND LICENSORS WILL NOT BE LIABLE TO YOU OR TO ANY THIRD PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES WHICH YOU MAY INCUR, HOWSOEVER CAUSED AND UNDER ANY THEORY OF LIABILITY, INCLUDING, WITHOUT LIMITATION, ANY LOSS OF PROFITS (WHETHER INCURRED DIRECTLY OR INDIRECTLY), LOSS OF GOODWILL OR BUSINESS REPUTATION, LOSS OF DATA, COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, OR ANY OTHER INTANGIBLE LOSS, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

### **B**

YOU AGREE THAT OC'S TOTAL, AGGREGATE LIABILITY TO YOU FOR ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THESE TERMS OR YOUR ACCESS TO OR USE OF (OR YOUR INABILITY TO ACCESS OR USE) ANY PORTION OF THE SERVICE, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR ANY OTHER LEGAL THEORY,

IS LIMITED TO THE GREATER OF (A) THE AMOUNTS YOU ACTUALLY PAID US UNDER THESE TERMS IN THE 12 MONTH PERIOD PRECEDING THE DATE THE CLAIM AROSE, OR (B) \$100.

**C**

YOU ACKNOWLEDGE AND AGREE THAT OC HAS MADE THE SERVICE AVAILABLE TO YOU AND ENTERED INTO THESE TERMS IN RELIANCE UPON THE WARRANTY DISCLAIMERS AND LIMITATIONS OF LIABILITY SET FORTH HEREIN, WHICH REFLECT A REASONABLE AND FAIR ALLOCATION OF RISK BETWEEN THE PARTIES AND FORM AN ESSENTIAL BASIS OF THE BARGAIN BETWEEN US. OC WOULD NOT BE ABLE TO PROVIDE THE SERVICE TO YOU WITHOUT THESE LIMITATIONS.

**D**

SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, AND SOME JURISDICTIONS ALSO LIMIT DISCLAIMERS OR LIMITATIONS OF LIABILITY FOR PERSONAL INJURY FROM CONSUMER PRODUCTS, SO THE ABOVE LIMITATIONS MAY NOT APPLY TO PERSONAL INJURY CLAIMS.

**E**

CALIFORNIA RESIDENTS: If you are a California resident, you waive California Civil Code 1542, which says “A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if not known by him must have materially affected his settlement with the debtor.”

**10. ASSUMPTION OF RISK**

You accept and acknowledge each of the following:

**A**

The prices of blockchain assets are extremely volatile. Fluctuations in the price of other digital assets could materially and adversely affect the value of



your degens, which may also be subject to significant price volatility. We cannot guarantee that any purchasers of degens will not lose money.

## **B**

You are solely responsible for determining what, if any, taxes apply to your degen-related transactions or any prize that you may win. OC is not responsible for determining the taxes that apply to your transactions on the Service, the Game, or the Smart Contracts.

## **C**

The Service does not store, send, or receive degens. This is because degens exist only by virtue of the ownership record maintained on the Service's supporting blockchain in the Sui network. Any transfer of degens occurs within the supporting blockchain in the Sui network, and not on the Service.

## **D**

There are risks associated with using an Internet-based currency, including, but not limited to, the risk of hardware, software and Internet connections, the risk of malicious software introduction, and the risk that third parties may obtain unauthorized access to information stored within your electronic wallet. You accept and acknowledge that OC will not be responsible for any communication failures, disruptions, errors, distortions or delays you may experience when using the Sui network, however caused.

## **E**

A lack of use or public interest in the creation and development of distributed ecosystems could negatively impact the development of the degens ecosystem, and therefore the potential utility or value of your degens.

## **F**

The regulatory regime governing blockchain technologies, cryptocurrencies, and tokens is uncertain, and new regulations or policies may materially adversely affect the development of the degens ecosystem, and therefore the potential utility or value of your degens.

## **G**

Upgrades by Sui to the Sui platform, a hard fork in the Sui platform, or a change in how transactions are confirmed on the Sui platform may have unintended, adverse effects on all blockchains using the SUI Kiosk NFT standard, including the degens ecosystem.

## **11. INDEMNIFICATION**

You agree to hold harmless and indemnify OC and its parent, subsidiaries, affiliates, officers, agents, employees, advertisers, licensors, suppliers or partners from and against any claim, liability, loss, damage (actual and consequential) of any kind or nature, suit, judgment, litigation cost, and attorneys' fees arising out of or in any way related to (i) your breach of these Terms, (ii) your misuse of the Service, and (iii) your violation of applicable laws, rules or regulations in connection with your access to or use of the Service. You agree that OC will have control of the defense or settlement of any such claims.

## **12. EXTERNAL SITES**

The Service may include hyperlinks to other websites or resources (collectively, "External Sites"), which are provided solely as a convenience to our users. We have no control over any External Sites. You acknowledge and agree that we are not responsible for the availability of any External Sites, and that we do not endorse any advertising, products or other materials on or made available from any External Sites. Furthermore, you acknowledge and agree that we are not liable for any loss or damage which may be incurred as a result of the availability or unavailability of the External Sites, or as a result of any reliance placed by you upon the completeness, accuracy or existence of any advertising, products or other materials on, or made available from, any External Sites.

## **13. CHANGES TO THE TERMS**

We may make changes to the Terms from time to time. When we make changes, we will make the updated Terms available on the Service and update the "Last Updated" date at the beginning of these Terms accordingly. Please check these Terms periodically for changes. Any changes to the Terms will apply on the date that they are made, and your continued access to or use of the Service after the Terms have been updated will constitute your binding

acceptance of the updates. If you do not agree to any revised Terms, you may not access or use the Service.

#### **14. CHANGES TO THE SERVICE**

We are constantly innovating the Service to help provide the best possible experience. You acknowledge and agree that the form and nature of the Service, and any part of it, may change from time to time without prior notice to you, and that we may add new features and change any part of the Service at any time without notice.

#### **15. CHILDREN**

You affirm that you are over the age of 18. The Service is not intended for children under 18. If you are under the age of 18, you may not use the Service. We do not knowingly collect information from or direct any of our content specifically to children under the age of 18. If we learn or have reason to suspect that you are a user who is under the age of 18, we will unfortunately have to close your account. Other countries may have different minimum age limits, and if you are below the minimum age for providing consent for data collection in your country, you may not use the Service without obtaining your parents' or legal guardians' consent. IF YOU ARE 18 OR OLDER, BUT UNDER THE LEGAL AGE OF MAJORITY WHERE YOU RESIDE (IF THAT JURISDICTION HAS AN OLDER AGE OF MAJORITY), THEN YOU AGREE TO REVIEW THESE TERMS WITH YOUR PARENT OR GUARDIAN TO MAKE SURE THAT BOTH YOU AND YOUR PARENT OR GUARDIAN UNDERSTAND AND AGREE TO THESE TERMS. YOU AGREE TO HAVE YOUR PARENT OR GUARDIAN REVIEW AND ACCEPT THESE TERMS ON YOUR BEHALF. IF YOU ARE A PARENT OR GUARDIAN AGREEING TO THE TERMS FOR THE BENEFIT OF ANYONE UNDER THE LEGAL AGE OF MAJORITY, THEN YOU AGREE TO AND ACCEPT FULL RESPONSIBILITY FOR THAT CHILD'S USE OF THE SERVICE, INCLUDING ALL FINANCIAL CHARGES AND LEGAL LIABILITY THAT HE OR SHE MAY INCUR.

#### **16. PRIVACY POLICY**

Our Privacy Policy describes the ways we collect, use, store and disclose your personal information, and is hereby incorporated by this reference into these

Terms. You agree to the collection, use, storage, and disclosure of your data in accordance with our Privacy Policy.

## **17. DISPUTE RESOLUTION; ARBITRATION AND WAIVER OF CLASS, GROUP OR REPRESENTATIVE CLAIMS**

Please read this Section 17 carefully. It requires you to arbitrate disputes with OC, its parent, subsidiaries, and affiliates, and limits the manner in which you can seek relief from us. If you are located in the United States, this Section 17 shall be construed under and according to the U.S. Federal Arbitration Act, and questions regarding its enforceability or scope shall be reserved to the arbitrator to the maximum extent permitted by applicable law.

All disputes arising out of or in connection with these Terms, including without limitation your access to or use of the Service, or to or of any products sold or distributed through the Service will be referred to and finally resolved by individual (not group or class) arbitration under the rules of the British Columbia International Commercial Arbitration Centre. The appointing authority will be the British Columbia International Commercial Arbitration Centre. The case will be adjudicated by a single arbitrator and will be administered by the British Columbia International Commercial Arbitration Centre in accordance with its applicable rules. Each party will cover its own fees and costs associated with the arbitration proceedings; however, if the arbitrator finds that you cannot afford to pay the fees and costs reasonably associated with the arbitration proceedings, OC will pay them for you. The place of arbitration will be Vancouver, British Columbia, Canada. You may choose to have the arbitration conducted by telephone or video conferencing, based on written submissions. The language of the arbitration will be English. The award of the arbitrator will be final and binding, and any judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction. Notwithstanding the foregoing, either party may seek and obtain temporary injunctive relief in any jurisdiction in any court of competent jurisdiction until an arbitrator can be empaneled and can agree to continue, modify, or terminate such relief, and each party agrees that these Terms are specifically enforceable through injunctive relief and other equitable remedies without proof of monetary damages. In addition, either party may bring a

motion or action to compel arbitration pursuant to this Section or to enforce any arbitral award issues hereunder in any court of competent jurisdiction.

WITH RESPECT TO ANY DISPUTE ARISING OUT OF OR RELATED TO THESE TERMS, INCLUDING WITHOUT LIMITATION DISPUTES RELATED TO THE SERVICE, OR ANY PRODUCTS SOLD OR DISTRIBUTED THROUGH THE SERVICE: (I) YOU HEREBY EXPRESSLY GIVE UP YOUR RIGHT TO HAVE A TRIAL BY JURY; AND (II) YOU HEREBY EXPRESSLY GIVE UP YOUR RIGHT TO PARTICIPATE AS A MEMBER OF A CLASS OR GROUP OF CLAIMANTS, OR IN ANY REPRESENTATIVE CAPACITY ON BEHALF OF OTHER CLAIMANTS, IN ANY LAWSUIT OR ARBITRATION.

In the event a decisionmaker of competent jurisdiction finally determines all or a portion of this Section 17 to be unenforceable or otherwise invalid, the Section shall be reformed to effectuate as closely as possible the intent of the parties in agreeing to this Section. In the event the arbitration requirement is invalidated, any legal action or proceeding arising under these Terms will be brought exclusively in the federal or provincial courts located in Vancouver, British Columbia, and the parties irrevocably consent to the personal jurisdiction and venue there.

## **18. PROHIBITED JURISDICTIONS AND PARTICIPANTS**

### **A**

Employees of OC, and their respective parents, subsidiaries, affiliates, promotion and advertising agencies, and members of their immediate families (including, without limitation, spouse and parent, children and siblings and their respective spouses, regardless of where they reside) and persons living in the same household, whether or not related, of such employees may not use the Service, except on a non-competitive basis that is subject at all times to OC's internal policies.

### **B**

Residents of the following jurisdictions may not use the Service: (i) the States of Alabama, Alaska, Hawaii, Missouri, New Jersey, New York, Oklahoma, Oregon, Washington, Iowa, Montana, Texas, Utah, Wisconsin, Montana; or (ii) any other jurisdiction where applicable laws prohibit your use of the Service or

participation in the Game for any reason (each, a “Prohibited Jurisdiction”). Identification of a particular jurisdiction as prohibited reflects an administrative decision by OC and not a determination as to the legality of the Service in that jurisdiction. OC reserves the right to revisit the list of Prohibited Jurisdictions, and add or remove particular jurisdictions at any time.

## **C**

A person falling within the scope of paragraphs A or B of this Section (each, a “Prohibited Participant”) will not be eligible to win prize earnings, or any other prize the Game may offer. If we learn or have reason to suspect in our sole discretion that you are a Prohibited Participant, we will unfortunately have to close your account and terminate your access to the Service. BY USING THE SERVICE OR BY AGREEING TO THESE TERMS, YOU ARE CONFIRMING THAT YOU ARE NOT A PROHIBITED PARTICIPANT.

## **19. GENERAL**

These Terms constitute the entire legal agreement between you and OC, govern your access to and use of the Service, and completely replace any prior or contemporaneous agreements between the parties related to your access to or use of the Service, whether oral or written. There are no third party beneficiaries to these Terms. The parties are independent contractors, and nothing in these Terms create any agency, partnership, or joint venture. The language in these Terms will be interpreted as to its fair meaning, and not strictly for or against any party. You may not assign any or your rights or obligations under these Terms, whether by operation of law or otherwise, without our prior written consent. We may assign our rights and obligations under these Terms in our sole discretion to an affiliate, or in connection with an acquisition, sale or merger. Should any part of these Terms be held invalid or unenforceable, that portion shall be construed consistent with applicable law and the remaining portions will remain in full force and effect. Our failure to enforce any provision of these Terms will not be deemed a waiver of such provision, nor of the right to enforce such provision. These Terms will be governed by and construed in accordance with the laws of the province of British Columbia, Canada and the federal laws of Canada applicable therein, excluding its conflicts of law rules and principles. We will not be liable for any failure or delayed performance of our obligations that result from any condition

beyond our reasonable control, including, but not limited to, governmental action, acts of terrorism, earthquake, fire, flood, acts of God, labor conditions, power failures, Internet disturbances, or acts or omissions of third parties. You agree that we may provide you with notices (including, without limitation those regarding changes to these Terms) by email, regular mail, or postings on the Service. By providing us with your email address, you consent to our using the email address to send you any notices required by law in lieu of communication by postal mail.