

1XRUN LLC TERMS FOR ARTISTS AND COLLECTORS

Last Updated: January 25, 2022

PLEASE READ THESE TERMS FOR ARTISTS AND COLLECTORS AS WELL AS ALL POLICIES REFERENCED HEREIN CAREFULLY AS THEY CONTAIN IMPORTANT INFORMATION REGARDING YOUR LEGAL RIGHTS, REMEDIES, AND OBLIGATIONS.

1XRUN is an online gallery for physical art and Artwork NFTs developed by 1XRUN on the NEAR Blockchain to enable 1XRUN to display and sell artists' artwork, and provides a secondary market for collectors to resell NFTs.

The following terms and conditions (the "**Terms**") are a legal contract between you ("**User**" as further defined below) and 1XRUN. By selecting the "agree" or "accept" option or by using the services offered on 1XRUN Marketplace subject to these Terms, you are agreeing to be bound by these Terms. Please read them carefully before proceeding. If you have any questions, please contact us at [INSERT APPLICABLE SUPPORT EMAIL ADDRESS].

1. **Definitions**

- 1.1 "**Artist**" means an artist whose physical art and/or Non-Fungible Tokens ("NFTs") are available on 1XRUN Marketplace for display to the public and sale to Collectors.
- 1.2 "**Artwork(s)**" means any physical artwork, or NFT (also referred to as an "Artwork NFT") or other digital files containing or pointing to data, text, graphics, articles, photographs, images, illustrations, software, video or other and other items of content or technology created by Artist, with or without the technical assistance of 1XRUN, offered for sale on 1XRUN.
- 1.3 "**Associated Information**" means information, other than the Artwork, connected to an Artwork NFT through a link located on a decentralized server or blockchain, such as descriptions of, rights associated with, and other information about Artist's Artworks.
- 1.4 "**1XRUN Account**" means an account on 1XRUN Marketplace for the purpose of purchasing physical and/or digital Artworks, transacting NFTs on the secondary market, or participating in any other digital engagement or offering through 1XRUN.
- 1.5 "**Collector**" means a purchaser of Artwork under the terms set forth herein.
- 1.6 "**Digital Property**" or "NFT" means an Artwork in a digital format,) and any Associated Information, recorded together within an Artwork NFT on the NEAR Blockchain.
- 1.7 "**1XRUN Marketplace**" means the services offered by 1XRUN on its web platform that allow Artists and Collectors to transact business with regard to either physical Artwork or NFTs.
- 1.8 "**NEAR Blockchain**" NEAR Blockchain is a distributed, publicly viewable, register of the creation and transfer of Digital Property, and any data recorded on the NEAR Blockchain is available to the public.
- 1.9 "**User**" means a Collector who purchases work on 1XRUN.

1.10 “**NFT**” or “**Token**” means a unique record created by on the NEAR Blockchain and containing a unique identifier associated with content including but not necessarily limited to an Artwork, as applicable, on the NEAR Blockchain that evidences its owner’s right to access, download and display a copy of the associated Artwork.

2. 1XRUN Marketplace

2.1 Use of 1XRUN Marketplace.

(a) Subject to Users’ compliance with the Terms, 1XRUN will provide Users with access to and use of the 1XRUN Marketplace, including the creation of 1XRUN Accounts for Users. 1XRUN may monitor the use of 1XRUN Marketplace to ensure quality, improve 1XRUN products and services, and verify compliance with the Agreement. Creating a 1XRUN Account requires a correct email address. Please note that any information (which does not include the User’s email address) recorded on the NEAR Blockchain 1XRUN Account is made permanently public.

(b) Collectors must establish a 1XRUN Account in order to transact business on the Marketplace. 1XRUN will transfer or cause to be transferred through blockchain technology, Digital Property to Collectors upon the purchase of the Digital Property. Alternatively, if the sale is of a physical Artwork, 1XRUN will facilitate the printing, packaging, and shipping of the physical Artwork to Collector upon purchase of the physical Artwork.

2.2 Restrictions. Users will not: copy, reproduce, modify, decompile, disassemble, or reverse engineer any elements of 1XRUN Marketplace or any other associated software or materials except to the extent that (i) applicable law prohibits or restricts reverse engineering restrictions or (ii) the relevant elements of 1XRUN Marketplace or associated software are made available to subject to an open source license permitting such activities; (iii) provide any third parties with access to 1XRUN Marketplace; (iv) remove any copyright or proprietary notices contained in 1XRUN Marketplace; (v) breach, disable or tamper with, or develop, use or attempt any workaround for, any security measure or monitoring system provided or used by 1XRUN in connection with 1XRUN Marketplace; (vi) access 1XRUN Marketplace via any automated system, web crawler or non-human user; (vii) introduce into 1XRUN Marketplace any software, virus, worm, “back door,” Trojan Horse, or similar harmful code; (viii) access or use 1XRUN Marketplace for any unlawful or competitive purposes; or (ix) interfere or attempt to interfere in any manner with the proper workings of 1XRUN Marketplace, or engage in any activities that adversely affect the functionality or performance of 1XRUN Marketplace. All rights in 1XRUN Marketplace not expressly granted herein are reserved.

3. User Obligations

3.1 Responsibilities in Using 1XRUN Marketplaces. Users are responsible for: (a) maintaining the confidentiality of their 1XRUN Account information, and any user IDs, passwords and other credentials associated with the User’s 1XRUN Account, (b) use of 1XRUN Marketplace and compliance with the Agreement, (c) the Digital Property held in their 1XRUN Account, and (d) the truth and accuracy of any data Users provide to 1XRUN through any mechanism.

3.2 Agreements. The sale of Artworks on 1XRUN Marketplace shall be pursuant to the terms set forth on the Marketplace, and may also be subject to such separately articulated sale agreement or terms associated with the physical Artwork or NFT, and User expressly agrees to be bound by the same.

3.3 Compliance; Selection. Users shall use 1XRUN Marketplace exclusively for proper and legal purposes, in compliance with all applicable laws and regulations, and any agreements Users may enter into with each other or third parties. 1XRUN may select Artworks for inclusion in 1XRUN Marketplace and remove Artworks from 1XRUN Marketplace, in 1XRUN's sole discretion.

4. Licenses and Ownership

4.1 User Information License. Users hereby grants 1XRUN a royalty-free, nonexclusive, worldwide license in and to the User's Digital Property and 1XRUN Account as necessary to operate 1XRUN Marketplaces as contemplated herein, and to improve and enhance 1XRUN Marketplace and 1XRUN's other offerings.

4.2 Artwork. All intellectual property rights in or relating to any of the Artwork are owned by Artist. Unless specifically transferred in a written agreement signed by the Artist, no rights or licenses are transferred upon the sale of the Artwork. It is the responsibility of Collector to read any Associated Information to determine if any licensed rights are transferred with the ownership of the Artwork.

4.3 Feedback and Comments. 1XRUN Marketplace and all software, data and technologies embodied in or used to provide 1XRUN Marketplace, and all intellectual property rights in or relating to any of the foregoing, is owned by 1XRUN. Users may choose to submit comments, suggestions, enhancement requests, or recommendations (collectively, "Feedback") about 1XRUN Marketplace. 1XRUN shall have a royalty-free, worldwide, transferable, sub-licensable, irrevocable, perpetual license to use or incorporate any Feedback into 1XRUN Marketplace or other 1XRUN offerings.

4.4 DMCA Notices for Claims of Copyright Infringement

(a) **Takedown Requests.** 1XRUN will respond to notices of alleged copyright infringement under the United States Digital Millennium Copyright Act. If a User or other person believes that their intellectual property rights have been infringed, please notify us immediately. For 1XRUN to respond, the complaint must provide the following information:

- (i) a physical or electronic signature of the copyright owner or of a person authorized to act on behalf of the copyright owner;
- (ii) a clear identification of the copyrighted work that is claimed to be infringing;
- (iii) identification of the online material that is claimed to be infringing, including, if possible, a URL representing a link to the material on the Website;
- (iv) information sufficient to permit 1XRUN to contact the complainant, such as email address, physical address, and/or telephone number;
- (v) a statement that the complainant has a good-faith belief that the relevant material is being used in a way that is not authorized by the copyright owner, its agent, or under the law; and
- (vi) a statement, made under penalty of perjury, that the above information is accurate, and the complainant is the copyright owner or is authorized to act on behalf of the copyright owner.

(b) **Submission of Takedown Requests.** Users may submit their takedown requests using the following contact information: 1XRUN , Attn. DMCA Notice 2905 Beaufait Street, Detroit, MI 48207-

3401 Email: support@1xrun.com

(c) DMCA Counter-Notices. If a User believes that a User's material has been removed by mistake or misidentification, the User may provide 1XRUN with a written counter-notification containing the following information:

- (i) the User's name, address, telephone number, and email address;
- (ii) a description of the material that was removed, along with the URL where the content was posted in the Offerings prior to its removal;
- (iii) the following statement: "I swear, UNDER PENALTY OF PERJURY, that I have a good-faith belief that the material was removed or disabled due to a mistake or misidentification of the material to be removed or disabled";
- (iv) a statement that the User consents to the jurisdiction of the Federal District Court for the judicial district in which your address is located, or if the User's address is outside of the United States, any jurisdiction in which the User may be properly served, and that the User will accept service of process from the person (or their agent) who filed the original DMCA notice; and
- (v) the User's electronic or physical signature.

Upon receipt of a valid counter notification, 1XRUN will forward it to the party who submitted the original DMCA notification. The original party (or their representative) will then have ten (10) days to notify us that he or she has filed legal action relating to the allegedly infringing material. If 1XRUN does not receive any such notification within 10 days, 1XRUN may restore the material to the Offerings.

(d) Repeat Infringers. 1XRUN reserves the right to terminate the accounts or block usage of the Offerings of any party who is a repeat infringer or who is repeatedly charged with infringement.

5. Transfer and Payment

5.1. Payment Processing. 1XRUN uses one or more third-party payment processors (the "Payment Processors") to enable Collectors to use credit cards and other conventional payment mechanisms to pay for transfers of Digital Property. 1XRUN's current Payment Processors is MoonPay. The processing of payments will be subject to the terms, conditions and privacy policies of MoonPay, in addition to this Agreement. The terms and conditions of the Payment Processors may be found at https://www.moonpay.com/legal/terms_of_use_usa (USA) and https://www.moonpay.com/legal/terms_of_use (Rest of World); the Payment Processors' privacy policies may be found at https://www.moonpay.com/legal/privacy_policy. 1XRUN is not responsible for errors made by MoonPay, or otherwise in connection with the processing of transactions. By electing to use MoonPay to engage with 1XRUN Marketplace, Collectors agree to make payment through MoonPay. Please be aware that Users are responsible for the payment of any tax(es), gas fees, or any other costs, fees, or charges that may apply to such transactions. For each purchase, the Users grant 1XRUN the right to correct any errors or mistakes that are made regarding the purchase price of a Work, even where 1XRUN has already received payment. Any amounts paid hereunder are non-refundable.

5.4. Transfer. Upon receiving payment from Collector for a Work, 1XRUN will transfer or cause the transfer through blockchain technology of the relevant Digital Property to the Collector's 1XRUN Account. In order to facilitate the transfer of physical Artworks, 1XRUN may share Artist and Collector

contact information, including the emails of each party. 1XRUN is not responsible for what either party does with this information once transmitted by 1XRUN.

6. Term and Termination

6.1. Duration. This Agreement will come into force as of your creation of a 1XRUN Account, and will continue to apply until terminated by either you or 1XRUN as set out below. If you want to terminate your legal agreement with 1XRUN, you may do so by emailing your request to [INSERT APPLICABLE SUPPORT EMAIL ADDRESS], or through any 1XRUN Account termination functionality we may provide within 1XRUN Marketplace. 1XRUN may at any time, terminate this Agreement for any reason or no reason. Upon termination, the User's 1XRUN Account will be closed and ability to log in deactivated.

6.2. Survival. The following provisions will survive expiration or termination of the Agreement: Sections 1, 2, 4, 5, 6, 7, 8, 9.

6.3 Prohibited Persons. No Prohibited Person may register and create a Marketplace Account or otherwise make use of the Site. "**Prohibited Person**" shall mean: (i) any resident, the government or a government official of Cuba, Democratic People's Republic of Korea (North Korea), Iran, Syria or Crimea (a region of Ukraine annexed by the Russian Federation); (ii) any person or entity controlled by a person listed on the "Specially Designated Nationals and Blocked Persons" ("**SDN**") List and the Non-SDN List, including the Sectoral Sanctions Identifications List, published by OFAC; the Section 311 Special Measures for Jurisdictions, Financial Institutions, or International Transactions of Primary Money Laundering Concern published by FinCEN; and, any other foreign terrorist organization or other sanctioned, restricted, or debarred party; or, (iii) any person that 1XRUN, in its sole discretion, deems to have violated any of the Terms.

7. 1XRUN's Management of the Marketplace.

7.1. 1XRUN's Right to Manage the Marketplace. 1XRUN reserves the right, but does not undertake the obligation to: (i) monitor or review the Marketplace for violations of the Terms and for compliance with 1XRUN's policies; (ii) report to law enforcement authorities and/or take legal action against anyone who violates the Terms; (iii) manage the Marketplace in a manner designed to protect 1XRUN's and third parties' rights and property or to facilitate the proper functioning of the Marketplace; (iv) screen 1XRUN's users (registered or otherwise), or attempt to verify the statements of 1XRUN's users (registered or otherwise); (v) monitor disputes between you and other users (registered or otherwise) or to terminate or block you and other users (registered or otherwise) for violating the Terms; and/or (vi) refuse, restrict access to or the availability of, or remove, delete, edit or disable (to the extent technologically feasible) any Marketplace Assets or any portion thereof.

7.2. 1XRUN's Right to Terminate Use. WITHOUT LIMITING ANY OTHER PROVISION OF THE TERMS, 1XRUN RESERVES THE RIGHT TO, IN 1XRUN'S SOLE DISCRETION, AND WITHOUT NOTICE OR LIABILITY, DENY ACCESS TO AND USE OF the site (including the Marketplace) TO ANY PERSON FOR ANY REASON OR FOR NO REASON AT ALL, INCLUDING WITHOUT LIMITATION, FOR BREACH OF ANY REPRESENTATION, WARRANTY OR COVENANT CONTAINED IN the Terms, OR violation OF ANY APPLICABLE LAW OR REGULATION.

8. Assumption of Risk Relating to Tokens and Use of the Site. You assume any and all risk arising out of your use of the Site (including the Marketplace). Those risks may include, but are not limited to, the following:

8.1 Token Market Risk. Market prices for Tokens can be volatile and highly unpredictable. Whether the future market price for a Token will move up or down or even sustain a market value is a speculation and unknowable. The Site makes no representations or warranties about the future market price of any Token or whether a Token will always be tradable on the Marketplace. In agreeing to the Terms, and in accessing the Site, you disclaim any reliance on 1XRUN regarding the future market price or tradability of any Token. Notwithstanding anything contained in any of the Terms to the contrary, any Token is subject to delisting and/or takedown, without or without prior notice, in the sole discretion of the Site.

8.2 Liquidity Risk. Markets for Tokens may be illiquid. There is no guarantee that the market for any Token will be active and liquid or permit you to liquidate Tokens when desired or at favorable prices.

8.3 Legal Risk. Although Tokens are intended to be collectables, not investments, the legality of owning Tokens, buying, selling or trading of them may not be clear and may vary under the laws of different jurisdictions throughout the world. 1XRUN is not registered as a broker-dealer or an investment adviser in the United States or anywhere else in the world. Whether and on what basis a Token may constitute property, an asset, a security or a right varies from one jurisdiction to another. You are responsible for knowing and understanding the laws applicable to you or your property, rights or assets and taxes on the Tokens you trade.

8.4 Risks of Prepayment. The fiat and cryptocurrency prepaid into your Marketplace Account for prepayment purposes in order to be eligible to bid on certain Marketplace auctions will be considered sales proceeds of 1XRUN and its affiliates at the time of prepayment. 1XRUN and its affiliates are permitted to use any fiat and cryptocurrency received for their own benefit, investment, and use while accounting for them in your Account for purpose of bidding or providing full refund to you in the original fiat or cryptocurrency used, less any 3rd party processing fees, if you do not win a bid. Prepayment of fiat or cryptocurrency exposes your fiat and cryptocurrency to risks of total loss from, among others things, security breaches from cyber-attacks that hack and steal fiat or cryptocurrency, electronic or technological failures that impede or prevent market access and market performance, and any insolvency, bankruptcy, or material financial losses of or incurred by 1XRUN or any of its affiliates.

8.5 Risk of Account Freeze. 1XRUN may freeze your Marketplace Account, including any Tokens, in the event that you are believed to be engaged in suspicious activity or to be in breach of any of the Terms. If your Marketplace Account is frozen, you will not be able to make Acquisitions or Transfers to or from your Account. This may result in the closure of your open orders.

8.6 Market Default Risk. 1XRUN operates and administers the Site (including the Marketplace) and acts as Agent for Transfer on the Marketplace of Acquired Tokens. There is always a risk that one or more market participants will renege, default, or otherwise fail to honor their financial obligations or will be unwilling or unable to abide by the terms of their agreements.

8.7 Conflicts of Interest. 1XRUN charges fees for trading and therefore benefits from secondary trading activity regardless of whether the trading is profitable to you. 1XRUN has no duty to act on your behalf and undertakes no responsibility to do so.

8.8 Regulatory Framework. The current regulatory framework governing digital tokens, cryptocurrencies and/or blockchain technologies is nascent and uncertain, and new regulations or policies may materially adversely affect the potential value of your Acquired Token(s).

8.9 Total Risk of Loss. You are able to bear a total loss in the value of your Acquired Tokens.

9. Limitation of Liability

9.1 Warranty Disclaimers. 1XRUN (including the Marketplace) is provided “as is” and “as available” without warranties of any kind, whether express or implied. Your access and use of the site (including the Marketplace) is at your sole risk. 1XRUN, its parent, its subsidiaries, licensors, officers, directors, suppliers and any other affiliates thereto (“**Affiliated Parties**”) make no warranties, express or implied, representations or endorsements whatsoever in regard to any products, information or services provided through the site (including the Marketplace). 1XRUN and its Affiliated Parties do not warrant or assume any legal liability or responsibility for the accuracy, completeness, or usefulness of any information contained in or derived from the site (including the Marketplace), nor for the quality, merchantability, or capability of the site (including the Marketplace) or any part thereof. While 1XRUN undertakes commercially reasonable efforts to provide a Marketplace which operates smoothly, efficiently, reliably, and securely without error, 1XRUN makes no representation or warranty that the site (including the Marketplace) will function as intended or described. Any Content accessed through the Site may contain material potentially harmful to your computer or device, which may result in data loss or damage. The site (including the Marketplace) may be unavailable for periods of time due to maintenance, repair, troubleshooting, or other unforeseen reasons. Marketplace transactions may fail to process or process incorrectly due to technical blockchain issues with NEAR that ultimately fall outside the 1XRUN’s control. 1XRUN disclaims liability and responsibility with respect to the adverse functioning of the Marketplace.

9.2 Limitations of Liability. Your use of the Site (including the Marketplace) is entirely at your own risk. 1XRUN and its Affiliated Parties will not be responsible for any damages, losses, or injury occurring in connection with your use of the Site (including the Marketplace), the Marketplace Assets, the tokens, the digital assets, the token descriptions, the Experiential Access rights, or the services provided through the site (INCLUDING the Marketplace) or your reliance on any information with respect thereto provided by the Site. Except as prohibited by applicable law, IN NO EVENT SHALL 1XRUN or its affiliated parties BE LIABLE TO YOU OR ANY THIRD PARTY FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES, INCLUDING LOST PROFIT DAMAGES ARISING FROM YOUR USE OF the site (INCLUDING the Marketplace), Marketplace Assets, the tokens, the digital assets, the token descriptions, the Experiential Access rights, OR ANY OTHER CONTENT provided through the Site. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN The Terms, except as prohibited by applicable law, 1XRUN’S LIABILITY TO YOU IN RESPECT OF ANY LOSS OR DAMAGE SUFFERED BY YOU AND ARISING OUT OF OR IN CONNECTION WITH The Terms, the site (including the Marketplace), the marketplace assets, the tokens, the token descriptions, the digital assets, the Experiential Access rights, or the Services

provided through the site (including the Marketplace), WHETHER IN CONTRACT, TORT OR FOR BREACH OF STATUTORY DUTY OR IN ANY OTHER WAY SHALL NOT EXCEED one hundred U.S. Dollars (\$100).

9.3 Exceptions to Disclaimers and Liability Limitations. SOME STATES OR JURISDICTIONS DO NOT ALLOW THE LIMITATION OR EXCLUSION OF CERTAIN WARRANTIES, OR THE EXCLUSION OR LIMITATION OF CERTAIN DAMAGES. IF YOU RESIDE IN ONE OF THESE STATES OR JURISDICTIONS, THE LIMITATIONS OR EXCLUSIONS in this Section MAY NOT APPLY TO YOU.

9.4 Notice to New Jersey Users. Notwithstanding any terms set forth in the Terms, if any of the provisions set forth in herein are held unenforceable, void or inapplicable under New Jersey law, then any such provision shall not apply to you but the rest of the Terms shall remain binding on you and 1XRUN. In addition, for New Jersey residents, the limitation on liability is inapplicable where attorneys' fees, court costs, or other damages are mandated by statute. Notwithstanding any provision in the Terms, nothing in the Terms is intended to, nor shall it be deemed or construed to, limit any rights available to you under the Truth-in-Consumer Contract, Warranty and Notice Act.

9.5 Notice to California Users. Under California Civil Code Section 1789.3, users (registered or otherwise) located in California are entitled to the following consumer rights notice: If a user (registered or otherwise) has a question or complaint regarding the Site (including the Marketplace), please send an email to support@oneof.com. California residents may reach the Complaint Assistance Unit of the Division of Consumer Services of the California Department of Consumer Affairs by mail at 1625 North Market Blvd., Suite N 112, Sacramento, CA 95834.

10. Indemnification. To the fullest extent permitted by law, you agree to indemnify 1XRUN and the Affiliated Parties, and to hold them harmless from and against any claim, liability, loss, damage, suit, judgment, including without limitation, reasonable legal and accounting fees, resulting from or alleged to result from, your use of and access to the Site (including the Marketplace), violation of the Terms, your violation of applicable laws, rules or regulations, and/or your violation of any third party right. Notwithstanding the foregoing, you will have no obligation to indemnify or hold harmless 1XRUN or 1XRUN Affiliated Party from or against any liability, losses, damages or expenses incurred to the extent of any action or inaction of 1XRUN or an applicable 1XRUN Affiliated Party.

11. Miscellaneous

11.1 Binding Effect. Subject to the foregoing, these Terms will bind and inure to the benefit of each party's successors and permitted assigns.

11.2 Force Majeure. Neither party shall be liable for any delay or failure in performance (other than non-payment of amounts owing) due to causes beyond its reasonable control.

11.3 Severability. If any part of the Agreement is held to be unenforceable or invalid, in whole or in part, by a court of competent jurisdiction, the remaining provisions of the Agreement will remain in full force and effect, and the provision affected will be construed so as to be enforceable to the maximum extent permissible by law.

11.4 **Waiver.** The waiver of a breach of any provision of this Agreement will not operate or be interpreted as a waiver of any other or subsequent breach of that or any other provision.

11.5 **Notices.** All notices permitted or required under the Agreement shall be in writing, will reference the Agreement, and shall be delivered in person, by overnight courier or express delivery service, or by first class, registered or certified mail, postage prepaid, or by confirmed email delivery, to the address of the party specified on the Order Form or such other address as either party may specify in writing. Such notice shall be deemed to have been given upon receipt.

11.6 **Governing Law.** Any dispute in the meaning, effect or validity of this Agreement shall be resolved in accordance with the laws of California, USA without regard to the conflict of laws provisions thereof. Any judicial proceeding to resolve claims relating to this Agreement or 1XRUN Marketplace will be brought in the federal or state courts of Los Angeles County, California. Both 1XRUN and Users consent to venue and personal jurisdiction in such courts.

11.7 **Modifications.** 1XRUN may modify this Agreement from time to time. Any and all changes to this Agreement will be posted on 1XRUN Marketplace, a notification of the change will be posted on the Marketplace login screen. In addition, this Agreement will always indicate the date it was last revised. You are deemed to accept and agree to be bound by any changes to the Agreement when you use 1XRUN Marketplace after those changes are posted.

11.8 **Entire Agreement.** This Agreement, and the Exhibit(s) attached hereto constitute the entire agreement and supersedes all prior or contemporaneous oral or written agreements regarding the subject matter hereof.