

Terms and Conditions of Sale of Tokens

Background

- A. The Conservation Group is the owner of the Tokenized Land, being an area of tropical forest which it intends to conserve due to its biodiversity and capacity to sequester carbon.
- B. The Conservation Group sells Tokens to the Buyer on the terms set out in these Terms and Conditions.

Operative provisions

1. Definitions and interpretation

1.1 Definitions

In these Terms and Conditions:

AML/CTF Laws mean, for Australia, the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), and any other anti-money laundering or counter-terrorism financing laws or regulations including without limitation, any laws or regulations imposing suspicious matter reporting obligations or "know your customer" or other identification checks or procedures, that apply to the Conservation Group, in any jurisdiction, in connection with any sale of Tokens.

Authority means:

- (a) any government of the jurisdictions relevant to the Tokenized Land, the Conservation Group or the Buyer or any governmental or semi-governmental authority, administrative or judicial body or tribunal, department, commission, public authority, agency, minister, statutory corporation or instrumentality in those places; and
- (b) any international arbitral tribunal with jurisdiction following the will of the parties, the applicable law or international treaties.

Biodiversity means the biodiversity, in the common sense of the word, as it exists in the present or will exist in the future on the Tokenized Land, including, as the case may be, diversity of fauna, flora, microorganisms and ecosystems.

Biodiversity and Carbon Rights mean:

- (a) the right to promote one's contribution to Biodiversity and Carbon Sequestration by identifying the Tokenized Land and specifying the details of the Biodiversity and Carbon Sequestration relating to the Tokenized Land as quantified using the IC Token Methodology; and
- (b) to the extent available to the Buyer under the applicable/relevant Law, the benefits of any rights, credits or entitlements (whether or not tradable) granted or available under relevant/applicable Laws including any offset or trading scheme, arising from the Biodiversity and/or Carbon Sequestration,

as quantified using and otherwise subject to the IC Token Methodology.

Business Day means a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally in Lugano, Switzerland

Buyer means any person that acquires or seeks to acquire one or more Tokens being sold by the Conservation Group.

Carbon Sequestration means the sequestration of carbon or capacity to sequester carbon on the Land, during the Term of the relevant Tokens, by the presence or expansion of soil, trees, plants or aquatic environments.

Condition means the condition precedent set out in clause 2.

Conservation Group means InvestConservation S.A. as agent for Fundacion de Conservacion Jocotoco Ecuador of C/Crocicchio Cortogna 6, 6900 Lugano, Switzerland.

Contamination of land, air or water means the presence in, on or under that land, air or water of a substance (whether a solid, liquid, gas, odour, heat, sound, vibration or radiation) at a concentration above the concentration at which the substance is normally present in, on or under (respectively) land, air or water in the same locality, being a presence that presents a risk of harm the Environment, including the human health, or could otherwise give rise to a risk of non-compliance or breach of any relevant/applicable Environmental Law.

Environment means components of the earth, including:

- (a) land, air and water; and
- (b) any layer of the atmosphere; and
- (c) any organic or inorganic matter and any living organism;

and includes interacting natural ecosystems that include components referred to in paragraphs (a)-(c).

Environmental Law means a relevant/applicable Law relating to the Environment, including but not limited to a relevant/applicable Law relating to the use of land, planning, environmental assessment, the environmental heritage, water, water catchments, pollution of air, soil, ground water or water, noise, soil, chemicals, pesticides, hazardous substances, radioactive substances, the ozone layer, waste, dangerous goods, building regulation, the occupation of buildings, public health, environmental hazard, any aspect of protection of the Environment, or the enforcement or administration of any such relevant/applicable Law.

IC Token Methodology means the method for quantifying the presence and/or change in Biodiversity or Carbon Sequestration available at <https://investconservation.com>, as amended from time to time.

Fireblocks Vault means a Solana blockchain wallet, held within the digital asset security solution provided by the company Fireblocks, that is held on behalf of the Buyer.

Laws mean, as applicable in the jurisdictions relevant/applicable to the Tokenized Land, the Conservation Group or the Buyer

- (a) any statute, legislation or code;
- (b) principles of common law and equity established by decisions of courts;
- (c) any consent, approval or licence (including the conditions or requirements, if any, of those consents, approval or licences) or other requirements of an Authority.

know your client procedures means the identification checks which the Conservation Group is required to undertake under any Law which require it to identify its customers, including under any AML/CTF Laws or Sanctions Laws.

Off-Chain means a method of sale and purchase of Tokens by which the Buyer enters into a written agreement with the Conservation Group specifying the Quantity of Tokens and Token Price, such agreement to incorporate these Terms and Conditions, and the Conservation Group will use blockchain technology to purchase and hold the Tokens on behalf of the Buyer.

On-Chain means a method of sale and purchase of Tokens by which the Buyer directly uses blockchain technology.

Quantity of Tokens means the number of Tokens to be purchased.

Relevant Event means an event that:

- (a) is beyond the control of the Conservation Group; and
- (b) results in any material part of the Tokenized Land no longer being able to be used for conservation of native forest and endangered species; and
- (c) could not, or the effects of that event could not, have been prevented, overcome or remedied by the Landowner's exercise of a standard of care and diligence consistent with that of a reasonable person under the circumstances,

including but not limited to compulsory acquisition or expropriation of all or part of the Tokenized Land by an Authority.

Sanctions Laws means any economic or trade sanctions laws or regulations that apply to the Conservation Group, in any jurisdiction, in connection with any sale of Tokens, including without limitation for Australia, the Charter of the United Nations Act 1945 (Cth), the Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth), the Autonomous Sanctions Act 2012 (Cth) and the Autonomous Sanctions Regulations 2011 (Cth).

Terms and Conditions mean these Terms and Conditions of Sale of Tokens.

Term of the Token means 50 years from the date of sale of the relevant Token(s).

Token means a non-fungible token issued on the Solana, or such other suitable, blockchain.

Tokenized Land means the terrestrial, physical space, identified by the coordinates specified for each Token in the Token's metadata, and which for Off-Chain transactions will be specified in a written agreement between the Conservation Group and the Buyer and includes all species and characteristics on and above the soil.

Token Price means the price nominated by the Conservation Group for the relevant Quantity of Tokens.

Wallet means a digital wallet that allows users to securely store, send, and receive cryptocurrencies by recording transactions on a decentralized blockchain network.

1.2 Interpretation

In these Terms and Conditions:

- (a) headings are for convenience only and do not affect interpretation;

and unless the context indicates a contrary intention:

- (b) an obligation or a liability assumed by, or a right conferred on, 2 or more persons (including by way of more than one person being included in a defined term) binds or benefits them jointly and severally;

- (c) "person" includes an individual, the estate of an individual, a corporation, an authority or an association (whether incorporated or unincorporated);
- (d) a reference to a party to an agreement governed by these Terms and Conditions includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation and, in the case of a trustee, includes a substituted or additional trustee;
- (e) a reference to a document (including these Terms and Conditions) is to that document as varied, novated, ratified or replaced from time to time;
- (f) a reference to a statute or any part of it includes its delegated legislation, regulations and other instruments under it, and any consolidations, amendments, re-enactments and replacements;
- (g) a word importing the singular includes the plural (and vice versa), and a word indicating a gender includes every other gender;
- (h) a reference to a clause, schedule, exhibit, attachment or annexure is a reference to a clause, schedule, exhibit, attachment or annexure to or of these Terms and Conditions, and a reference to these Terms and Conditions includes all schedules, exhibits, attachments and annexures to it;
- (i) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (j) if anything is required to be done under an agreement governed by these Terms and Conditions on or by a day that is not a Business Day, it must be done on or by the next Business Day;
- (k) a reference to a time is to that time in Switzerland;
- (l) "includes" in any form is not a word of limitation; and
- (m) "\$" or "dollar" refers to the currency of the United States of America.

2. Condition precedent

The obligation of the Conservation Group to sell Tokens to the Buyer is subject to the Conservation Group being satisfied that it has received all documentation and other evidence required by the Conservation Group to comply with its know your client procedures in respect of the Buyer and, if applicable, any of its authorised officers.

3. Sale of Token

- (a) Subject to and conditional upon satisfaction of the Condition, on receipt of the Token Price, the Conservation Group must sell the Quantity of Tokens to the Buyer.
- (b) The Buyer, once it becomes the owner of the Tokens will be exclusively entitled to the Biodiversity and Carbon Rights for the Tokenized Land for the Term of the Token, as follows:
 - (i) to the extent the Biodiversity and Carbon Rights are covenants from the Conservation Group, the Conservation Group makes those covenants in favour of the Buyer on an exclusive basis; and
 - (ii) to the extent the Biodiversity and Carbon Rights for the Tokenized Land are rights granted by Law in favour of the Conservation Group:

- A. if those Biodiversity and Carbon Rights are capable of assignment without consent of a third party, those Biodiversity and Carbon Rights are hereby assigned to the Buyer; and
- B. if those Biodiversity and Carbon Rights are not capable of assignment or require consent of third party in order to be assigned, the Conservation Group must hold those Biodiversity and Carbon Rights on trust or otherwise for the benefit of the Buyer for the Term of the Token to the extent permissible at law.

4. Payment and storage

4.1 On-Chain

If the method of purchase is On-Chain, then

- (a) the Buyer agrees to pay the Token Price for the Quantity of Tokens using blockchain technology. The payment shall be made to the Conservation Group's specified blockchain wallet by entering into the smart contract on the website <https://store.investconservation.com>. The Buyer acknowledges and agrees that once the Token Price is paid, it is irreversible and cannot be cancelled or refunded. The Buyer confirms that the wallet used to enter into the smart contract is owned and controlled by the Buyer. Any failure to make the payment or any error in the payment process shall be the sole responsibility of the Buyer; and
- (b) upon sale under clause 3, the Tokens must be transferred to the Buyer's Wallet via the smart contract at <https://store.investconservation.com>. The Conservation Group agrees that when the Token is transferred to the Buyer's specified Wallet that the Buyer is then the owner of the Token.

4.2 Off-Chain

If the method of purchase is Off-Chain, then:

- (a) the Buyer must pay the Token Price, as cleared funds, to the bank account, or bank accounts, nominated by the Conservation Group;
- (b) the Tokens will then be held by InvestConservation as agent for the Conservation Group on behalf of the Buyer in the Fireblocks Vault and when the Token is transferred to the Fireblocks Vault the Buyer is then the owner of the Token;
- (c) the Tokens are held in the Fireblocks Vault at the risk of the Buyer; and
- (d) the Buyer releases the Conservation Group, and its agents, from all liability and agrees that the Conservation Group is not liable for any liability, loss, costs and expenses arising from or incurred in connection with storage of the Token in the Fireblocks Vault or anything that may occur in relation to the Tokens during the period that they are held in the Fireblocks Vault.

5. Transferability

5.1 Further sale of Tokens

- (a) The Buyer may sell or transfer the Token on the blockchain to another third party, provided that such operation is legal and compliant with all relevant/applicable legislation, and that the Buyer must pay 10% of the purchase price for the sale of the Token or, in case of a transfer other than by sale, 10% of the last purchase

price for the sale of the Token to a third party, to the Conservation Group when the sale or transfer takes place.

- (b) Any Biodiversity and Carbon Rights which are capable of being traded or dealt with independently from the Token, must not be traded or dealt with other than by sale or transfer of the Token to a third party under clause 5.1(a).
- (c) The Buyer must procure that person that acquires a Token from the Buyer enter into a deed in a form satisfactory to the Conservation Group under which that person covenants to be bound by these Terms and Conditions as if that person was named as "Buyer" under an agreement for sale of Tokens governed by these Terms and Conditions.

5.2 Assignment, novation and other dealings

The Buyer must not assign, novate or otherwise transfer any of its rights or obligations under an agreement governed by these Terms and Conditions other than in accordance with clause 5.1.

6. Conservation Group's rights and obligations

6.1 Conservation Group's obligations

During the Term of the Token, the Conservation Group must:

- (a) maintain the Tokenized Land as a permanent conservation reserve and manage the Tokenized Land for conservation;
- (b) promote the protection of all threatened species and where possible seek to enhance Biodiversity on the Tokenized Land;
- (c) comply with all Laws relating to the management of the Tokenized Land;
- (d) take all reasonable steps to prevent:
 - (i) trespassers and livestock accessing the Tokenized Land;
 - (ii) Contamination of the Tokenized Land, or emanation of Contamination from the Tokenized Land to neighbouring land or the water or air on or in the vicinity of the Tokenized Land;

including by erecting and maintaining in a good state of repair fences where appropriate and practicable, keeping gates locked when not in use and ensuring regular monitoring of the Tokenized Land;
- (e) not:
 - (i) fell trees or clear areas of native vegetation; or
 - (ii) hunt or interfere with native wildlife;

except where necessary for proper maintenance of Biodiversity and the overall health of the native ecosystem and must take all reasonable steps to prevent third parties from engaging in such activities;
- (f) ensure an appropriate regime is implemented on an ongoing basis to prevent and control the outbreak and spread of forest fires, consistent with best practice taking into account the characteristics of the forest on the Tokenized Land;

- (g) ensure that pests, plagues and disease affecting the Tokenized Land are monitored and appropriate measures are taken to prevent destruction of habitat or loss of Biodiversity;
- (h) not exploit the Land or take any action which would be reasonably likely to prejudice the Biodiversity and Carbon Rights; and
- (i) not grant any licence or right to mine or source fossil fuels from the Tokenized Land.

6.2 Sale of the Land

During the Term of the Token, the Conservation Group must not sell or otherwise transfer the Tokenized Land or part of it or transfer any real rights or create any encumbrances over the Tokenized Land or part of it in favour of a third party.

6.3 Relevant Event

- (a) The Conservation Group will not be in breach of its obligations under an agreement governed by these Terms and Conditions to the extent that a failure to perform those obligations is caused by a Relevant Event.
- (b) The Buyer releases the Conservation Group from all and agrees that the Conservation Group is not liable for any liability, loss, costs and expenses arising from or incurred in connection with a Relevant Event.
- (c) If a Relevant Event occurs in respect of the Tokenized Land, the Conservation Group must, to the extent reasonably practicable, endeavour to provide the Buyer with new Tokens in respect of reserve that provide substantially similar Biodiversity and Carbon Rights to that provided by the affected Tokenized Land immediately prior to the occurrence of the Relevant Event, but if it is not reasonably practicable to do so, there is no obligation on the Conservation Group to replace or otherwise compensate the Buyer in respect of the loss of value of the affected Tokens.

7. Expiry of the Term of the Token

When the Term of the Token ends:

- (a) the Buyer will no longer be entitled to the Biodiversity and Carbon Rights for the Tokenized Land;
- (b) all covenants by the Conservation Group in favour of the Buyer will terminate and be of no effect; and
- (c) any Biodiversity and Carbon Rights assigned to the Buyer are deemed to be immediately and automatically assigned to the Conservation Group.

8. Acknowledgements

The Buyer acknowledges and agrees that:

- (a) the Tokens confer Biodiversity and Carbon Rights only, they do not confer on the Buyer any tenancy or any estate or interest in the Tokenized Land; and
- (b) sale of a Token under an agreement governed by these Terms and Conditions does not grant any option or right to the Buyer to renew or extend the Term of the Token and when the Term of the Token ends, the Buyer will have no further entitlement to the Biodiversity and Carbon Rights.

9. Reporting

The Conservation Group will make available a report in respect of land which includes the Tokenized Land on an annual basis at <https://investconservation.com> including where relevant the details of any:

- (a) material deforestation or forest regeneration on the relevant land;
- (b) active reforestation efforts undertaken;
- (c) expansions of the area being managed by the Conservation Group with the goal of maintaining and improving Biodiversity and Carbon Sequestration;
- (d) material change in Biodiversity on the relevant land;
- (e) major conservation outcomes including in relation to marquee or endangered species on the relevant land;
- (f) other major conservation actions undertaken on the relevant land;
- (g) community involvement with conservation actions on the relevant land; and
- (h) actions taken to facilitate community benefits from conservation.

10. Arbitration

- (a) Any controversy, claim or dispute directly or indirectly based upon, arising out of or relation to the sale of any Token under an agreement governed by these Terms and Conditions, including regarding the validity, invalidity, breach, or termination thereof, shall be resolved by arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Arbitration Centre in force on the date on which the 'Notice of Arbitration' is submitted in accordance with those Rules.
- (b) The seat of the arbitration will be Lugano, Switzerland.
- (c) The number of arbitrators will be 1.
- (d) The arbitration proceedings shall be conducted in English.

11. Notices

11.1 How Notice to be given

Each communication (including each notice, consent, approval, waiver, request and demand) (**Notice**) under or in connection with a sale of any Token under an agreement governed by these Terms and Conditions:

- (a) must be given:
 - (i) using one of the following methods (and no other method) namely, hand delivery, courier service, prepaid express post or email; and
 - (ii) in the case of the Conservation Group using the address or other details as follows:

Attention: Dr Martin Schaeffer

Address (for hand delivery or delivery by courier or post):

Valladolid N24-414 y Luis Cordero, Quito - Ecuador

Email address: martin.schaeffer@jocotoco.org.ec

- (iii) in the case of the Buyer using the address or other details last notified by the Buyer to the Conservation Group;
- (b) must be in legible writing and in English;
- (c) must be signed by the person giving the Notice (**Sending Party**) or by a person duly authorised by the Sending Party; and
- (d) (in the case of email) must:
 - (i) clearly indicate that the email is a Notice under or in connection with the sale of Tokens under an agreement governed by these Terms and Conditions;
 - (ii) state the name of the Sending Party and be sent by the Sending Party or a person duly authorised by the Sending Party; and
 - (iii) if the email contains attachments, ensure the attachments are in a format the receiving person can download, open and view at no additional cost,

and Notices sent by email are taken to be signed by the Sending Party.

11.2 When Notice taken to be received

Without limiting the ability of a party to an agreement governed by these Terms and Conditions to prove that a Notice has been given and received at an earlier time, each Notice under or in connection with a sale of Tokens under an agreement governed by these Terms and Conditions is taken to be given by the sender and received by the recipient:

- (a) (in the case of delivery by hand or courier service) on delivery;
- (b) (in the case of prepaid express post sent to an address in the same country) on the second Business Day after the date of posting;
- (c) (in the case of prepaid express post sent to an address in a different country) on the fourth Business Day after the date of posting;
- (d) (in the case of email) the earlier of:
 - (i) the time sent (as recorded by the device or service from which the sender sent the email) unless, within 4 hours of sending the email, the sender receives an automated message that the email has not been delivered;
 - (ii) receipt by the sender of an automated message confirming delivery; and
 - (iii) the time of receipt as acknowledged by the recipient (either orally or in writing),

provided that:

- (e) the Notice will be taken to be so given by the sender and received by the recipient regardless of whether:
 - (i) the recipient is absent from the place at which the Notice is delivered or sent;

- (ii) the Notice is returned unclaimed; or
- (iii) (in the case of email) the email or any attachment is opened by the recipient;
- (f) if the Notice specifies a later time as the time of delivery then that later time will be taken to be the time of delivery of the Notice; and
- (g) if the Notice would otherwise be taken to be received on a day that is not a working day or after 5.00 pm on any day, it is taken to be received at 9.00 am on the next working day ("working day" meaning a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally, in the place to which the Notice is delivered or sent).

11.3 Notices sent by more than one method of communication

If a Notice delivered or sent under this clause 11 is delivered or sent by more than one method, the Notice is taken to be given by the sender and received by the recipient whenever it is taken to be first received in accordance with clause 11.2.

12. General

12.1 Changes to the Terms and Conditions

The Conservation Group may amend these Terms and Conditions from time to time by making the amended terms and conditions available at [<https://investconservation.com>].

12.2 Acceptance of terms

- (a) By checking the box on the website <https://store.investconservation.com>, the Buyer acknowledges and agrees that they have read and understood these Terms and Conditions and the sale of the Tokens is legally binding agreement with the Conservation Group incorporating and governed by these Terms and Conditions. The Buyer understands that checking the box constitutes an electronic signature and confirms their acceptance of these Terms and Conditions. The Buyer further agrees that they have the legal capacity and authority to enter into such an agreement and that they will abide by all obligations arising in respect of the sale of Tokens under these Terms and Conditions.
- (b) By entering into the smart contract, with a Wallet, to purchase a Token on the website <https://store.investconservation.com>, the Buyer acknowledges and agrees that they have read and understood these Terms and Conditions and have entered into a legally binding agreement with the Conservation Group incorporating and governed by these Terms and Conditions. The Buyer understands that acquiring the Token via the smart contract constitutes an electronic signature and confirms their acceptance of these Terms and Conditions. The Buyer further agrees that they have the legal capacity and authority to enter into such an agreement and that they will abide by all obligations arising in respect of the sale of Tokens under these Terms and Conditions.

12.3 Governing law

Any agreement governed by these Terms and Conditions are governed by English law and is to be construed according to the law applying in England and Wales.

12.4 No reliance

Each Buyer acknowledges and warrants that it does not purchase Tokens under an agreement governed by these Terms and Conditions in reliance on any conduct (including any representation, statement, warranty or forecast) by or on behalf of the Conservation Group, except as expressly stated in these Terms and Conditions.

12.5 Severance

To the extent a provision of these Terms and Conditions is or becomes illegal, void or unenforceable, that provision (or the relevant part) will be severed, and the remainder of these Terms and Conditions has full force and effect.

12.6 Waiver

- (a) Failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement of, a right, power or remedy provided by any relevant/applicable law or under an agreement governed by these these Terms and Conditions does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by such relevant/applicable law or under these Terms and Conditions.
- (b) A waiver given by a party to an agreement governed by these Terms and Conditions is only effective and binding on that party if it is given or confirmed in writing and signed by that party.
- (c) No waiver of a breach of a term of an agreement governed by these Terms and Conditions operates as a waiver of another breach of that term or of a breach of any other term of such an agreement.

12.7 Limitation of liability of agent

- (a) InvestConservation S.A. (**InvestConservation**) enters into any agreement governed by these Terms and Conditions only as agent of Fundacion de Conservacion Jocotoco Ecuador (**Landowner**). InvestConservation can only act in accordance with the terms of the agreement under which it is appointed as the Landowner's agent and is not liable under any circumstances to any party under an agreement governed by these Terms and Conditions or in respect of the IC Token Methodology. This limitation of InvestConservation's liability applies despite any other provision of an agreement governed by these Terms and Conditions and extends to all liabilities and obligations of InvestConservation in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to an agreement governed by these Terms and Conditions.
- (b) InvestConservation is not obliged to do or refrain from doing anything under an agreement governed by these Terms and Conditions (including, without limitation, incur any liability) unless InvestConservation's liability is limited in the same manner as set out in clause 12.7(a) to 12.7(d).
- (c) No attorney, agent, receiver or receiver and manager appointed in accordance with an agreement governed by these Terms and Conditions has authority to act on behalf of InvestConservation in a way which exposes InvestConservation to any liability.
- (d) If, whether by the express provisions of an agreement governed by these Terms and Conditions or by implication of law, InvestConservation makes or is taken to have made any representation or warranty then, except for the representations and warranties that can only be within InvestConservation's actual corporate

knowledge, those representations and warranties are taken to have been made by the Landowner.

12.8 Prohibited by law

Notwithstanding any provision of these Terms and Conditions, the Conservation Group is not required to perform an obligation under an agreement governed by these Terms and Conditions to the extent it is prohibited at Law and any provision imposing such an obligation is deemed not to apply for the period and to the extent of such prohibition.