

Terms and Conditions for res Tokens

Version: 1.0 | **Last Updated:** 01.10.2026 | **Issuer:** Astra Reserve Ltd | **Jurisdiction:** British Virgin Islands ("BVI")

Acceptance

By obtaining, holding, transferring, redeeming, or otherwise using res tokens (the "Tokens") issued by Astra Reserve Ltd ("Issuer" or "us"), you ("you", "your" or "User") expressly agree to be bound by these Terms and Conditions (these "Terms"). These Terms apply to all Users (also defined interchangeably as "Holders"), whether or not you interact with the Issuer's dashboard, website or other Issuer provided services. By holding the Tokens, you acknowledge that you have read, understood, and accept these Terms, the Privacy Policy, the Fee Schedule, and any referenced policies. If you do not agree, you must immediately cease using and/or holding the Tokens.

1. Definitions & Interpretation

1.1 Definitions

- **"Air-Gapped Multi-Signature Wallet"**: A wallet setup in which private keys are stored on devices that remain offline at all times, and transactions require approval from multiple authorized signers before execution.
- **"Asset Revaluation"**: Increase in the fair market price of the Real Estate Portfolio due to market conditions, appraisals, or corporate asset appreciation. Not driven by distributed profits or dividends.
- **"Canonical Bridge"**: The internal mechanism used by the Issuer to support blockchains different than BCH.
- **"Circulating Supply"**: The issued Tokens i.e. the Tokens minted that are neither in the Reserve Pool nor burnt nor held in the Lock Vault.
- **"Collateral"**: The Secured Notes.
- **"Confirmation"**: The condition (e.g. the inclusion in N blocks) where a transaction can be considered final and not reversible - Issuer reserves the right to define it basing on network conditions and value of the transaction.
- **"Currency Exchange (FX) Risk"**: The risk of fluctuation in the exchange rate between the reference valuation currency of the Collateral and the fiat or crypto currency used for redemption.
- **"EDD"**: Enhanced Due Diligence per Section 6.6.
- **"Fiat Gateway"**: A regulated third-party payment processor or fiat on/off ramp provider.
- **"Fork"**: Divergent blockchain version.
- **"Issuing Event"**: The manual process by which the Issuer, having acquired a Secured Note, issues Tokens by way of transferring Tokens equivalent to the value of the new Secured Note at the Token's current price from the Reserve Pool to the wallets of Holders in exchange for payment, with these issued Tokens entering the Circulating Supply.
- **"Lock Vault"**: A Vault into which Tokens on the BCH blockchain are held by the Issuer to mint an equivalent amount on other supported blockchains.
- **"Losses"**: All claims, costs, damages (direct/indirect/consequential), legal fees, business interruption, regulatory penalties.
- **"Minting"**: The on-chain creation of the Tokens.
- **"NAV"**: Net asset value.
- **"NAV-Backed Digital Unit of Account"**: A non-fixed-peg token whose reference value derives from the publicly disclosed NAV of the underlying Collateral which fluctuates with Asset Revaluation.
- **"Official Website"**: The website owned and managed by the Issuer and/or a group company as updated from time to time.
- **"Personal Information"**: KYC data, wallet addresses, transaction history, tax residency per Privacy Policy.
- **"Prohibited Jurisdiction"**: Cuba, DPRK, Iran, Syria, Crimea, Donetsk, Luhansk, Kherson, Zaporizhzhia. **"Real Estate Portfolio"**: A portfolio of real estate holding companies owned by the Secured Note Issuer, each of which owns real estate assets.
- **"Redemption Capacity"**: The predefined limit (expressed as a percentage of the value of the Collateral or a fixed monetary value) that may be paid out per Redemption Window, as announced by the Issuer.
- **"Redemption Queue"**: The ordered list of verified, KYC-compliant redemption requests processed sequentially on a first-come first-served basis during a Redemption Window until the maximum Redemption Capacity is reached.
- **"Redemption Window"**: Designated periodic windows for submitting redemption requests, announced by the Issuer.
- **"Reserve Pool"**: A pool of Tokens consisting of those Tokens initially minted by the Issuer at launch less any Tokens issued by the Issuer.
- **"Restricted / Prohibited Person"**: Sanctioned, embargoed, or $\geq 50\%$ owned/controlled by foregoing.
- **"Sanctions / AML/CTF"**: OFAC, UN, EU, UK, FATF, FinCEN, FIA, FATCA, CRS, and applicable national regimes.
- **"Secured Notes"**: Profit participating loan notes issued by the Secured Note Issuer and secured by the Real Estate Portfolio, cash and/or cash equivalents, as applicable with the terms of those notes.
- **"Secured Note Issuer"**: an entity incorporated and registered in Luxembourg
- **"Sovereign Risk"**: The risk of financial loss arising from political, regulatory, economic, or legislative changes in the jurisdiction(s) where the underlying real estate assets or the equity-holding companies are domiciled.

- **"Supported Blockchains"**: any blockchain, protocol, or network that the Issuer, in its sole and absolute discretion, designates, identifies, or announces on the Official Website or through any other official communication channel as being supported for the issuance, holding, transfer, redemption, or any other use of the Token. See "Appendix B" for the updated list.
- **"Terms"**: These Terms plus referenced policies (Privacy, Fees, LEA Requests, Risk Disclosure).
- **"Tokens"**: [res] tokens issued by Issuer.
- **"Vault"**: An Air-Gapped Multi-Signature Wallet owned and controlled by the Issuer.
- **"User Insolvency Event"**: Payment suspension, creditor composition, moratorium, liquidation, assets < liabilities, or analogous events.
- **"U.S. Person"**: U.S. citizen, resident, entity organized under U.S. law, estate/trust with U.S. control, or entity $\geq 50\%$ owned/controlled by foregoing.
- **"Wrapper"**: third-party bridged token.

1.2 Interpretation

Headings are for reference only. Singular includes plural, gender includes all genders. "Include" means "including without limitation." References to statutes include amendments and replacements. Conflicts between Sections and referenced policies and any descriptive documentation published by the Issuer: these Terms prevail.

2. Scope & Holder Classification

2.1 Token Utility: a. The Token functions as a NAV-Backed Digital Unit of Account, medium of exchange, and store of value on Supported Blockchains. b. The Token offers no voting rights, dividends, or governance and has no rights in the event of the insolvency of the Issuer save where such insolvency results from the redemption of the Token (in which case, the holder of the Token shall have a claim in the insolvency of the Issuer in respect of their claim for the redemption value of the Token). c. The Token is not a fixed-peg stablecoin. d. The Token's redemption amount is the Issuer-set Token price applicable under these Terms and that redemption amount will be informed by and reference fluctuations of the NAV of the underlying Real Estate Portfolio and/or assets (such as cash or cash equivalents) securing the Secured Notes. Further, the Token's market price may not reflect the Issuer-set redemption amount. **2.2 Single Holder Class**: There is no distinction made between different Holders. **2.3 Cross-Reference**: Terms applicable to all Holders are unmarked. Protocol-specific or optional gateway terms are labelled explicitly.

3. Issuance, Redemption & Collateral Mechanics

3.1 Initial Bulk Minting & Manual Issuing

a. Prior to the RES Token launch, the Issuer will mint the total maximum theoretical supply of the Tokens to a Vault (the "BCH Vault"), with these unissued Tokens forming the Reserve Pool. b. The Issuer will then acquire an initial Secured Note whose value is intended to reflect the NAV of the Real Estate Portfolio. c. Upon obtaining an initial Secured Note, the Issuer will: i. set an initial price of each Token; ii. make the initial Token issuance at the initial set price by transferring a certain number of Tokens from the Reserve Pool to the wallets of Users in exchange for payment (e.g. in fiat), with the amount of Tokens initially issued calculated by dividing the value of the Secured Note by the initial set price of the Token; and iii. thereby adding these newly issued Tokens to the Circulating Supply. d. Upon obtaining subsequent Secured Notes, the Issuer will: i. make a further token issuance at the most recently set price of the Tokens by transferring a certain number of Tokens from the Reserve Pool to the wallets of Users in exchange for payment (e.g. in fiat), with the amount of Tokens issued calculated by dividing the value of the newly obtained Secured Note by the current price of the Token; and ii. thereby adding these newly issued Tokens to the Circulating Supply. e. Prior to each Issuing Event, the Issuer will verify off-chain documentation. f. A strict correspondence will be maintained between the backing Collateral and Circulating Supply. g. Redemptions of Tokens from some Supported Blockchains will occur through the Issuer's cross-chain redemption infrastructure, with eventual de-bridging fully managed by the Issuer. h. The minimum amount for each direct purchase of Tokens is UDS 100'000 or the equivalent in another fiat currency accepted by the Issuer.

3.2 NAV Reference & Value Fluctuation

a. The Issuer will periodically set and declare a price for the Token. This price may be informed by the NAV of the Real Estate Portfolio and other relevant metrics such as the value of any other assets securing the Secured Note but will not necessarily be equal or equivalent to that NAV. b. The Issuer reserves the right to issue and redeem Tokens at a fiat value equal to the most recent Issuer-set price of the Token. c. The Token does not maintain a fixed 1:1 peg to any fiat currency. d. Holders may request redemption of the Tokens at the set price of the Token as at the close of a Redemption Window subject to the conditions set in these Terms including KYC/CDD. e. The NAV of the Real Estate Portfolio fluctuates with real estate valuations, liquidity conditions, and market factors. f. The NAV of the Real Estate Portfolio is updated manually upon Issuing Events or periodic audit cycles or at any time the Issuer deems it necessary.

3.3 Redemption Windows & First-Come-First-Served Queue

a. Redemptions will be available during designated Redemption Windows announced by the Issuer on the Official Website. b. Each Redemption Window will have defined Redemption Capacity. Redemption requests are processed sequentially on a First-Come, First-Served (FCFS) basis, prioritized by the verified submission timestamp. c. Once the Redemption Capacity is fully exhausted, the Redemption Window closes immediately. Unfulfilled requests remain pending and will roll over to the next announced Redemption Window. d. The Issuer retains sole discretion over the frequency, timing, opening hours, and Redemption Capacity of each Redemption Window.

3.4 Minimum Amount & KYC/CDD

a. The Issuer may set a minimum redemption amount of Tokens and/or Token value (denominated in fiat or otherwise) at its sole discretion. b. Redemption requests require pre-completed KYC/CDD for the requesting Holder. c. Fiat redemptions will be settled via Fiat Gateways once operational; until such time, settlements will be processed via regulated banking partners.).

3.5 Fiat Redemption

a. Fiat redemption value is settled via regulated third-party payment processors/banking partners. b. Fiat redemption value is drawn from the Issuer's segregated off-chain bank accounts or regulated custody partners. c. Actual fiat settlement occurs via third-party payment rails. d. Issuer does not hold, custody, or directly process fiat on behalf of Holders. e. Fiat settlement is processed via third-party payment processor within [5] business days barring delays caused by factors external to the Issuer.

3.6 Redemption from blockchain different than BCH

a. Users may also redeem their Tokens from any particular Supported Blockchain (e.g. the ETH Network) for fiat subject to these Terms generally and, specifically, subject to the Redemption Window, Redemption Capacity, KYC/CDD requirements, fees and any other applicable requirements.

b. The process for such redemptions will be as set out on the Issuer's website (as updated from time to time) and, ordinarily, involve the User submitting a redemption request to the Issuer, accepting the redemption terms provided by the Issuer, transferring Tokens on a particular Supported Blockchain to the Issuer and, by doing so, surrendering ownership of these Tokens to the Issuer. The Issuer will, subsequently, redeem such Tokens for fiat and, as part of its internal procedure only, the Canonical Bridge may be used.

c. The minting of the Tokens on Supported Blockchains other than BCH is also executed by the Issuer only, in the context of its Canonical Bridge upon verification of the BCH lock balance in a specific Lock Vault dedicated to holding value for minting on other Supported Blockchains.

d. Only the Tokens sent by the Issuer to the Lock Vault are eligible for bridging, sending Tokens to the Lock Vault by Holders equals to surrendering those Tokens to Issuer and waving any right by the Holder.

3.7 Canonical Bridge Mechanism

a. The Issuer may implement a Canonical Bridge mechanism which could be a lock-and-mint mechanism, a burn-and-mint mechanism, or any other process the Issuer determines at its sole discretion (as updated from time to time).

b. The Issuer may carry out any applicable transfer, locking, burning, minting or other processes related to the redemption of Tokens on the BCH network manually and, unless determined otherwise by the Issuer in its sole discretion, this process will not involve any auto-execution, smart contract automation or oracle dependency and will be executed by the Issuer as part of its internal procedure.

c. Where applicable, Users may be able to verify certain information including Lock Vault balances, bridge ratios and related transaction logs through information made available by the Issuer or on the relevant Supported Blockchain.

3.8 No Yield / No Profit Distribution

a. The Tokens do not accrue interest, dividends, or profit shares. b. Profits are never distributed to Holders. c. Token price fluctuation will be primarily driven by market-driven increases or decreases in the NAV of the Real Estate Portfolio. d. The only mechanisms to realize value are: i. redemption of Tokens during announced Redemption Windows at the set price; or ii. secondary market trading.

3.9 No Deposit Insurance

Not legal tender, not government-backed, not covered by FDIC/FSCS/equivalent schemes.

4. Reserve Audit, NAV & Transparency

4.1 Independent Audits: Periodic attestations of the value of the Secured Notes and full-scope audits by an internationally recognized auditor. Audit reports are published on the Official Website within 30 days of completion. **4.2 Basis of Valuation & NAV Formula:** a. The set price of a Token will be calculated by reference to the NAV of the Real Estate Portfolio (determined by the appraised value of the real estate companies that comprise the Real Estate Portfolio - Validated Liabilities) / Total Tokens in Circulation. b. The Secured Notes are held off-chain by independent custodians or banking partners.

4.3 Collateral composition: a. The Collateral consists of the Secured Notes. The assets securing the Secured notes may comprise of the Real Estate Portfolio, cash and cash equivalents, with their allocation determined at the sole discretion of the Issuer b. The exact size and target percentage of the NAV of the Real Estate Portfolio are determined at the Issuer's sole discretion and may be adjusted based on, inter alia, market conditions, redemption demand, or portfolio allocation strategies. No fixed minimum percentage is mandated.

4.4 Transparency Reporting: The Issuer may publish periodic transparency reports (including NAV of the Real Estate Portfolio, Collateral value, Composition of the collateral, top holdings, and audit updates) on the Official Website.

5. Forks, Wrappers, Cross-Chain Transfers & Protocol Support

5.1 Fork Selection & Mechanics: A Fork occurs when a Supported Blockchain splits into two or more independent chains. The Issuer reserves the exclusive right to designate one Fork as the 'official chain' ("Official Chain") via announcement on the Official Website. Only Tokens on the Official Chain are redeemable by the Issuer.

5.2 Unsupported Forks/Brands: Tokens on unsupported block Forks or transferred to unsupported chains or supported chains via any mean different from the Issuer's own Canonical Bridge are not guaranteed or redeemable by Issuer.

5.3 Cross-Chain Transfers & Verification:

- Cross-chain transfers of the Token may be implemented by the Issuer only in order to make the Token available on blockchains different than BCH through a lock-and-mint mechanism, burn-and-mint mechanism or any other process as selected by the Issuer at its sole discretion (as updated from time to time). Such cross-chain transfer is an internal process and not offered to the Users directly.
- **Lock-and-Mint:** the Issuer will lock the BCH Tokens it intends to transfer to another Supported Blockchain in the corresponding Lock Vault and, subsequently, mint new Tokens on the Supported Blockchain (e.g. on the ETH Network).
- **Burn:** the Issuer will burn or lock (at its sole discretion and depending on the technical mechanisms of the other Supported Blockchain in question) the Tokens that it intends to transfer back from any Supported Blockchain to BCH and unlock the same amount on BCH.
- **Verification:** Holders may audit applicable Lock Vaults, mint/burn logs, and reserve ledger.
- Cross-redemption process failures or delays are manually resolved; Issuer is not liable for network congestion or multi-sig signing delays.
- **Migration & Protocol Updates:** Issuer may migrate Tokens to new protocols or deactivate support for deprecated chains. Failure to migrate may limit dashboard functionality, ability to redeem but not on-chain ownership.
- **Cross-Chain Fee Routing:** Fees on destination chains are paid in native assets or via fee abstraction. Issuer does not subsidize cross-chain transactions and such cost may be included in the cost of redemption of the Token

6. KYC, AML/CTF & Ongoing Compliance

6.1 Onboarding & Redemption KYC/CDD: a. The Issuer does not control transfers on secondary markets and is not obliged to conduct KYC on secondary transfers. b. Pre-Fiat Gateway launch: KYC for direct purchase and may be necessary due to law and/or at Issuer sole discretion; institutional MM allocations undergo KYC/CDD per separate allocation agreement. c. Post-Fiat Gateway activation: KYC/CDD is mandatory for all fiat/redemption via a Fiat Gateway. **6.2 Regulatory Reporting:** Issuer may report transaction data, KYC profiles, and redemption activity to relevant authorities (FinCEN, OFAC, FATCA/CRS, EU AMLD, local regulators). **6.3 Survival:** AML/CTF, KYC, and tax obligations survive Token redemption, transfer, or termination of these Terms. **6.4 Tax Reporting:** FATCA/CRS self-certifications are optional but recommended. Holders bear sole responsibility for determining, reporting, and remitting applicable taxes. **6.5 Right to Suspend/Enhance:** Issuer may defer redemption within an active window or request updated KYC documents for AML/CTF, sanctions, or regulatory compliance reasons. On-chain transfers remain fully permissionless provided they are below the specified thresholds. **6.6 Tiered KYC & EDD Thresholds:** Standard KYC applies to all redemption and direct minting requests. EDD is required only for: (i) single transactions or cumulative redemptions exceeding 100,000 (USD/EUR equivalent); (ii) high-risk jurisdictions; (iii) PEPs; or (iv) collateral concentration > 15%. **6.7 Verification & Periodic Re-KYC:** Issuer verifies submitted documents within 3-5 business days. KYC profiles are subject to periodic refresh, applied at the Issuer's discretion based on holder risk profile, transaction volume, or regulatory updates. Holders must notify material changes within 15 business days. Refresh cycles are not fixed but align with standard AML/CFT best practices.

7. Data, Privacy & Law Enforcement Requests

7.1 Privacy Policy & Consent: Collection, processing, and storage of Personal Information governed by the Issuer's Privacy Policy. Material changes require 30 days' notice. **7.2 Data Collected & Processing Purposes:** KYC/CDD data, on-chain identifiers, off-chain metadata, communication data. Processing for redemption eligibility, AML/CTF screening, reserve reconciliation, regulatory reporting, smart contract administration, support. **7.3 Data Retention & Deletion:** KYC/redemption data retained for 6 years post-final redemption or as required by BVI FSA, FATF, tax authorities. On-chain data permanent. Anonymization/deletion post-retention where legally permissible. **7.4 Cross-Border Transfers & International Sharing:** Shared with third-party service providers across jurisdictions. Complies with GDPR/UK GDPR via SCCs, UK IDTA, or adequacy decisions. **7.5 Data Security & Access Controls:** Industry-standard technical/organizational measures. Breaches notified to regulators within 72 hours. **7.6 Law Enforcement & Regulatory Requests:** Disclosure upon compulsory/voluntary requests. Right to challenge where permitted. Data minimized to scope required. **7.7 User Rights (GDPR/CCPA/UK GDPR):** Access, rectify, erase, restrict, portability, object. Processed within 30 business days. May pause pending KYC/window closure. **7.8 On-Chain Data & Third-Party Protocol Dependency:** Public on ETH/BCH. Issuer not liable for data exposure/indexing by third-party protocols. **7.9 Subprocessors & Vendor Management:** Maintains record of subprocessors. Subprocessors bound by equivalent obligations.

8. Fees & Payment Mechanics

8.1 Fee Schedule & Structure: Detailed in Appendix A. No custody/holding/wallet fees. Fees apply to redemption, fiat settlement, optional services. **8.2 Redemption Fees:** Redemption Fee capped at 0.1% or \$ 100'000, whichever is lower. Minting 0% or fixed spread 0.05%. Deducted/added net of third-party processor margins. **8.3 Fiat Gateway & Bank Processing Fees:** Incoming/outgoing wire/ACH/SEPA/card fees borne by Holder. Non-refundable. **8.4 Rounding & Minimum Thresholds:** Rounded down to 2 decimals fiat / [18] crypto. No fractional compensation. The applicable minimum redemption amount will be published on the Official Website before each Redemption Window opens. **8.5 Fee Changes & Notification:** Material changes require 30 days' notice. Minor adjustments immediate. Continued use = acceptance. **8.6 Failed Transactions & Reverse Fees:** If deposit fails/reversed within [5] business days, Issuer may charge the Holder any documented third-party processing costs incurred in connection with that failed or reversed payment.

9. Prohibited Users, Activities & Transactions

9.1 Prohibited Jurisdictions & Users: Cuba, DPRK, Iran, Syria, Crimea, Donetsk, Luhansk, Kherson, Zaporizhzhia. Restricted Persons include sanctioned persons and entities owned or controlled, directly or indirectly, $\geq 50\%$ by sanctioned persons. PEPs are subject to enhanced due diligence under Section 6.6. The Issuer does not offer or sell Tokens directly to persons resident or established in the European Union. **9.2 Prohibited Activities:** Wash trading, front-running, darknet, unlicensed gambling, controlled substances, tax evasion, AML/CTF violations, terrorist financing. **9.3 Prohibited Transactions:** Blocked Addresses, Ponzi/pyramid, layaway, court settlements, unlicensed escrow, fractional real estate on unsupported chains. **9.4 DEX/CEX & Third-Party Platforms:** Independent trading. Issuer does not endorse/control/guarantee liquidity/pricing/uptime. Market price may deviate significantly from the NAV of the Real Estate Portfolio. **9.5 Smart Contract Interaction Risks:** Incorrect addresses, deprecated contracts, unverified interfaces, expired allowances may cause partial/total loss. Issuer assumes no recovery obligation. **9.6 Enforcement & Remedies:** Issuer may suspend gateways, restrict dashboard, adjust fees, or pause minting/cross-chain redemption operations. On-chain transfers remain valid. Holders indemnify enforcement costs.

10. Risk Factors & Disclosures

10.1 Collateral & Valuation Risk: Dependent on fair market value of the Collateral. Oracle updates reflect material changes but may lag shocks. Value fluctuations reflect market-driven Asset Revaluation, not profit distributions or coupon payments. **10.2 Liquidity & Redemption Timing Risk:** Redemption only during designated Redemption Windows. Outside Redemption Windows, trading may occur on secondary markets and at prices that deviate from the NAV of the Real Estate Portfolio. High demand may trigger early closure of Redemption Windows when FCFS Redemption Capacity is met. Unfulfilled requests roll to next window. **10.3 Third-Party Platform & Market Risk:** Independent DEXs/CEXs/wallets/bridges. No guarantee of liquidity/pricing/uptime. Market price may deviate significantly from the NAV of the Real Estate Portfolio. **10.4 Smart Contract & Consensus Risk:** Standard crypto risks. Blockchain uncertainty events (e.g. Forks) may delay redemptions. **10.5 Regulatory & Compliance Risk:** Changes in BVI, EU (MiCA), UK, US law or the laws or regulations in any relevant jurisdiction may affect, amongst other things, eligibility, tax, the Collateral, or cross-border transfers. Operational parameters will be adjusted with notice. **10.6 Value Appreciation vs. Retained Earnings:** The Token's value growth is strictly a function of Collateral revaluation. Holders do not receive periodic cash flows or profit shares; value appreciation is captured exclusively in the increased price of the Token (which reflects the increased value of the Collateral). **10.7 Beta Features & Operational Changes:** Dashboard, gateways, bridges, oracles may operate in beta. Deprecated/merged with 30 days' notice. Use at Holder risk. **10.8 No Investment Advice Disclaimer:** Informational/operational only. Consult independent professionals. **10.9 Force Majeure & Network Events:** Delays/failures excused per Section 15.4. Issuer uses reasonable commercial efforts to resume. **10.10 Currency Exchange Risk & Sovereign Risk:** The Holder assumes all risks associated with: (i) fluctuations in foreign exchange rates between the reference asset value and the redemption currency; (ii) Sovereign Risk, including political instability, capital controls, tax changes, or legal developments in the jurisdictions where the Collateral assets or real estate holding companies are domiciled; and (iii) the volatility of the Supported Blockchains. The Issuer does not hedge, guarantee, or absorb these risks.

11. Representations & Warranties

11.1 By using Tokens, you represent and warrant that:

1. Holder is ≥ 18 , or of legal age in his jurisdiction - whichever is higher - legally capable, not Prohibited, not subject to User Insolvency Event (expects none within [6] months). Tokens legally owned, unencumbered, lawful funds.
2. Complies with all applicable securities, AML/CTF, tax, crypto regulations.
3. KYC/CDD data accurate, complete, current. Notifies material changes within [15] business days.
4. Understands collateral, redemption, cross-chain redemption, oracle dependency, bridge risks, on-chain finality. Tokens acquired "as is".
5. Uses wallets compatible with Supported Blockchains and token standard chosen by Issuer (See Appendix B)
6. Accepts native transaction fees/associated costs and chain-specific finality thresholds.
7. Acknowledges unsupported Forks, third-party Wrappers, or oracle latency may affect redemption/cross-chain redemption/NAV/bridge finality.
8. Agrees to binding arbitration under BVI IAC Rules on the terms set out in clause 18 below.
9. Consents to cross-border data transfers, subprocessor sharing, LEA/regulatory disclosure.
10. Accepts on-chain balances/transfers/contract interactions as authoritative. Lost keys/expired approvals/incorrect sends = permanent loss.
11. Indemnifies Issuer for claims from breach, misrepresentation, third-party IP infringement, regulatory penalties.
12. Issuer does not custody/manage/provide investment advice. Relationship is protocol-based, non-fiduciary.

12. Intellectual Property

12.1 **License Grant:** Limited, non-exclusive, non-transferable license to use [res] name/logo/dashboard UI. 12.2 **Trademark & Branding:** No conflicting domains/handles/derivative Tokens without consent. Commercial embedding requires guidelines compliance. 12.3 **Dashboard & UI Rights:** Proprietary. Right to update/redesign/decommission at Issuer's discretion. 12.4 **Commercial Derivatives & Embedding:** Third-party protocols may use for lending/staking/yield farming without additional fee, referencing NAV per Section 4.2, no Issuer endorsement. 12.5 **Domain & Social Handle Protection:** Right to claim/block [res] domains/handles implying affiliation. 12.6 **Infringement & Automatic Assignment:** The Issuer reserves the right to take appropriate legal action against any unauthorized use of its intellectual property. 12.7 **No License to Underlying Collateral:** Rights limited to digital token layer. Does not extend to real estate entities/appraisals/custodial agreements.

13. Limitation of Liability & Exclusion of Warranties

13.1 **Liability Cap:** Aggregate $\leq$ fees paid in 12 months preceding claim, excluding direct damages from gross negligence/willful misconduct. 13.2 **Excluded Damages:** No indirect, consequential, punitive, exemplary damages: lost profits, data loss, business interruption, reputational harm, network congestion. 13.3 **"As Is" Disclaimer:** No warranties of merchantability, fitness for purpose, uninterrupted operation, accuracy. No zero-vulnerability guarantee. 13.4 **Carve-Outs:** Limitations do not apply where required by law (EU consumer protection, BVI FSA mandatory standards, gross negligence). 13.5 **Network & Gas Fee Variance:** Not liable for ETH gas spikes, BCH fee fluctuations, cross-chain redemption slippage. 13.6 **Cross-Chain & Bridge Slippage:** Canonical Bridge delays, third-party Wrapper bugs, destination chain reorgs do not trigger compensation unless Issuer fault proven. 13.7 **Oracle & NAV Discrepancy:** NAV differences ≤ 5 basis points within tolerance. Exceeding triggers reconciliation but not automatic liability. 13.8 **Cumulative Liability:** Caps apply per event and cumulatively. No double recovery.

14. Indemnification

14.1 **Indemnity Scope:** Holder indemnifies Issuer, affiliates, directors, officers, employees, service providers against claims/losses/fines/costs from: (i) breach of Terms; (ii) third-party IP infringement; (iii) regulatory penalties attributable to Holder; (iv) network congestion/gas spikes. 14.2 **Notice & Defense:** Issuer notifies within 15 business days. Holder may assume defense. Issuer may participate at own cost. 14.3 **Exceptions:** Does not cover Issuer's gross negligence, willful misconduct, unauthorized amendments. 14.4 **Settlement & Approval:** Holder may not settle without Issuer's prior written consent. Not required if includes full release/non-monetary terms. 14.5 **Survival:** Survives redemption/transfer/termination for 3 years post-claim event.

15. Suspension, Delay & Circuit Breakers

15.1 **Operational Delays:** Delays may occur in Fiat Gateway, dashboard, reports due to congestion, banking holidays, processor outages, maintenance. On-chain balances/transfer finality unaffected. 15.2 **Circuit Breaker Triggers (Indicative Thresholds):** The Issuer may activate circuit breakers in case of the following events (indicative but not exhaustive list) the duration of the activation may depend upon reasonable determination of network conditions, cross-chain redemption operations, or market volatility:

- BCH Lock Vault mismatch
 - Multi-sig signing delay
 - Total Collateral falling below 95% of outstanding Token NAV
 - Fiat/settlement rail failure
 - Blockchain network congestion causing transaction backlog
 - Forks and other blockchain events
- 15.3 Actions & Recovery:** Upon trigger, the Issuer may: (a) pause Fiat Gateway issuance/cross-chain redemption operations; (b) activate fallback oracle/processor; (c) adjust fees or apply FCFS/queue prioritization; (d) rebalance collateral composition. Excess redemption requests will roll over to the next announced window. On-chain transfers remain unaffected. The Issuer aims to resume normal operations within approximately 48 hours, or as reasonably determined based on operational constraints. If a pause extends beyond 7 days, the Issuer will publish a NAV snapshot, adjust fees if necessary, and may apply a secondary liquidity incentive.
- 15.4 Force Majeure:** Excused for acts of God, war, pandemics, government actions, cyberattacks, market volatility, consensus forks, validator downtime, supplier failures. Reasonable mitigation applied.
- 15.5 Notice & Mitigation:** Notifies via Official Website. Failure to notify does not waive rights/obligations.

16. Amendments & Updates

16.1 Right to Modify: The Issuer reserves the sole and exclusive right to amend, update, supplement, or replace these Terms at any time, for operational, regulatory, technical, or market reasons.

16.2 Notice & Effective Date: Material changes will be communicated via the Official Website and will be effective immediately. Changes may take effect immediately upon publication on the website.

16.3 Acceptance: Continued, holding, transferring, or redeeming after notice constitutes acceptance. The sole remedy for non-acceptance is cessation of use.

17. Assignment & Third-Party Rights

17.1 User Assignment: Holder may not assign rights/obligations without Issuer's prior written consent (not unreasonably withheld).

17.2 Issuer Assignment: Issuer may freely assign/transfer/delegate to affiliates, successors, acquirers. Notice provided where practicable.

17.3 Token Transfer = Assignment: Transfer of Tokens constitutes assignment of redemption rights, data consent, indemnification obligations.

17.4 Third-Party Beneficiaries: Affiliates, service providers, auditors, banking partners, bridge operators are third-party beneficiaries entitled to enforce relevant clauses.

18. Governing Law & Arbitration

18.1 Governing Law: BVI law, exclusive of conflict-of-law principles and the UN Convention on Contracts for the International Sale of Goods.

18.2 Mandatory Arbitration: Any dispute arising out of or in connection with these Terms shall be referred to and finally resolved by arbitration administered by the BVI International Arbitration Centre ("BVI IAC") under the BVI IAC Arbitration Rules then in force. In connection therewith: (a) the number of arbitrators shall be one; (b) the seat of arbitration shall be Road Town, Tortola, British Virgin Islands (c) the language to be used in the arbitration shall be English (d) The arbitral proceedings may be conducted entirely or partially via video conferencing.

18.3 Consolidation & Joinder: The Issuer may consolidate claims arising from the same Redemption Window, Redemption Queue, or Bridge event. Any Holder may be joined to an existing arbitration if claims are factually or legally related.

18.4 Arbitrator Qualifications: Single arbitrator with ≥ 10 years experience in commercial, financial, or crypto/DeFi markets. No strict jurisdictional license required, but must be admitted to practice or recognized in a major common law or civil law jurisdiction.

18.5 Costs & Reimbursement: Claims $< \$15,000$: Issuer reimburses BVI IAC filing fee. Prevailing party recovers reasonable costs/fees. Claims $\geq \$15,000$: each party bears own costs unless otherwise awarded.

18.6 Waivers & Interim Relief: Waives class action and jury trial. Issuer reserves the right to seek interim or provisional measures from competent courts (including injunctions for bridge, vault, or NAV disputes). Award final, binding, and enforceable under the New York Convention 1958.

19. Electronic Communications & Acceptance

19.1 E-Sign Consent: Consent to electronic signatures/notices/agreements via email/dashboard/website. Electronic records satisfy legal writing.

19.2 Effectiveness: Notices are deemed received: (i) email [24]h after dispatch; (ii) website upon publication; (iii) on-chain event upon block confirmation or transaction hash publication. Transmission delays or failed delivery do not invalidate notice.

19.3 Governing Language: English version prevails. Inconsistencies resolved in favor of English text.

20. Severability, Survival & Entire Agreement

20.1 **Severability:** If any provision invalid/unenforceable/overly broad, modified to minimum extent for original intent. Remainder remains in full force. 20.2 **Survival:** Indemnification (Sec. 14), Arbitration (Sec. 18), IP License (Sec. 12), Liability Caps (Sec. 13), KYC/AML/Data (Sec. 6-7), Force Majeure (Sec. 15.4) survive redemption/transfer/termination. 20.3 **Entire Agreement:** These Terms, Privacy Policy, Fee Schedule, Appendices constitute entire agreement. Supersedes prior understandings. Conflicts resolved in favor of Terms.

21. Miscellaneous

21.1 **Headings:** For reference only. 21.2 **Singular, Plural & Gender:** Apply interchangeably. 21.3 **Counterparts:** May be executed electronically/in counterparts. 21.4 **Notices:** Via email on file or website. On-chain events supplement written notice for technical matters. 21.5 **No Partnership or Agency:** No partnership, joint venture, agency, or fiduciary relationship between the Issuer and Holders, third-party Fiat Gateways, Canonical Bridge operators, auditors, or banking/custody partners. Each third party acts independently. 21.6 **Non-VASP Declaration:** The Token is a NAV-backed digital unit of account. Issuer does not custody/exchange/transfer Tokens, nor manages wallets/portfolios. Redemption is periodic, optional NAV service settled via third-party processors upon KYC/CDD. Collateral held off-chain. Issuer operates as token issuer, not VASP/Payment Institution/e-money. CARF reporting delegated to Fiat Gateways/CEX. 21.7 **Tax Responsibility:** Holders determine/report/remind taxes. Issuer acts as withholding agent only where required.

Appendices

Appendix A: Fee Schedule & Fiat Gateway Partners

Service	Fee	Notes
Issuance	0% / spread 0.05%	Deducted from deposit
Redemption	0.1% cap \$100'000	Net of third-party margin
Fiat Gateway	Variable per processor	Borne by Holder
Reverse Allocation	Documented third party processing costs incurred	If reversal > 5 business days

Gateway Partners: List Regulated Third-Party Processors

Appendix B: Supported Blockchains & Contract Specs

Chain	Standard	Gas Asset
BCH	Cashtoken	BCH
ETH	ERC-20	ETH

BCH token information (ticker, decimals) will be published and associated to the token in accordance with the BCMR standard

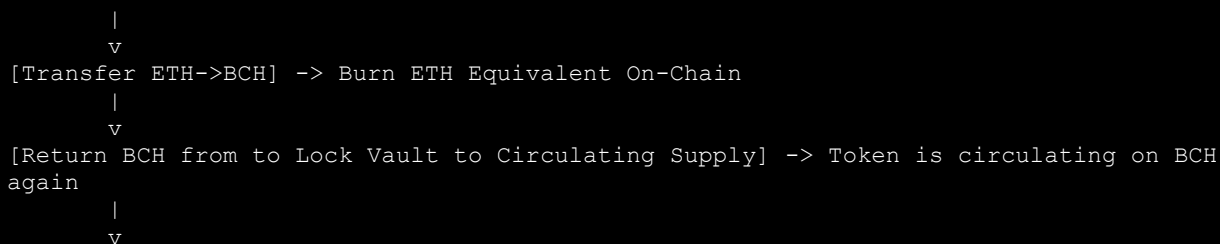
Contract Addresses:

BCH Vault address(es) and Lock Vault address(es) will be published on the website as they are non-constant values.

Appendix C: Cross-Chain Transfer & Reserve Mechanics

Operational Flow (Illustrative example of BCH-ETH transfers mechanics)

```
[Bulk Mint] -> BCH Vault (Reserve Pool)
|
v
[Secured Note obtained] -> Issuing Event Triggered
|
v
[Circulating Supply on BCH] -> Tokens enter the market
|
v
[Lock Tokens on BCH] -> Public Multi-sig Lock Wallet (i.e. Lock Vault)
|
v
[Mint ERC20 on ETH] -> Air-Gapped Multi-Signature Wallet -> ETH Supply
```



Lock Vault Verification Checklist (Illustrative)

- Balance of public Lock Vault BCH matches ETH mint supply
- Multi-sig threshold & signers verified on-chain
- Bridge ratio published weekly on official site
- ETH burn logs reconcile with BCH transfers
- Reserve ledger updated post-Issuing Event
- Air-gapped key rotation log maintained
- Audit trail for cross-chain transfers available

Issuing Event Workflow

1. **Due Diligence:** Legal verification of SPV real estate equity shares
2. **Legal Allocation:** Collateral backing contract signed & executed
3. **Ledger Update:** Public reserve ledger updated with allocated backing
4. **Public Disclosure:** Issuing Event announced + NAV revision published
5. **Audit Reconciliation:** Independent auditor may verify off-chain/on-chain match

Glossary of Key Terms

- **NAV:** See definitions section at 1.1 above.
- **Circuit Breaker:** Automated or manual pause of gateway mint/redemption triggered by oracle, cross-chain redemptions, reserve, or settlement thresholds.
- **Canonical Bridge:** See definitions section at 1.1 above.
- **Reverse Allocation:** Gateway or Holder transfers Tokens back to the Vault if settlement fails or is reversed within [5] business days.
- **Redemption Queue:** Ordered list of verified requests processed sequentially during a window until capacity is met.
- **Asset Revaluation:** Increase in fair market value of underlying real estate equity. Not driven by distributed profits.
- **Token Pool / Vault:** Central BCH wallet controlling all issued Tokens. Circulating Tokens move to/from Vault during mint/redemption. No Tokens burned; Vault tracks circulating vs. unallocated supply.
- **EDD:** Enhanced Due Diligence per Section 6.6.
- **UBO:** Ultimate Beneficial Owner ($\geq 10\%$ individuals, $\geq 25\%$ entities).

Footnotes

1. NAV calculation methodology aligns with IVS (International Valuation Standards).
2. Extended circuit breaker pauses >7 days trigger a public NAV snapshot, fee adjustment, and optional secondary market liquidity incentive.
3. Oracle latency threshold [24] hours typically set at 24-48h depending on chain finality and bridge type.
4. Bridge retry logic follows standard light-client verification; timeout claims require on-chain attestation of source-chain balance.
5. All thresholds are indicative and may be extended or adjusted upon reasonable determination of network conditions or operational constraints.