

## NFA GENERATIVE ARTIST AGREEMENT

THIS AGREEMENT is made this [Day] of [Month], [Year], BETWEEN [Artist's Full Name or Legal Entity Name] ("Artist"), and DePlatform Inc. ("Platform"), a Corporation incorporated under the laws of Delaware, United States and operating the website [Platform's Website].

WHEREAS the Artist is engaged in the creation of digital art and possesses certain proprietary generative code used for creating such art; and

WHEREAS the Platform operates an online marketplace for the display, sale, and purchase of digital artworks; and

WHEREAS the Artist desires to grant the Platform certain rights to the Artist's generative code and the resultant digital artworks for the purpose of displaying and selling such artworks;

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

### 1. Definitions.

- (a) For purposes of this Agreement, the following terms are defined as follows:
- (1) "**Artwork**" means any digital creation generated using the Artist's Generative Code, represented as a Non-Fungible Token (NFT) on the Blockchain.
  - (2) "**Generative Code**" means the proprietary script or algorithm developed by the Artist which, when executed, automatically generates the Artwork.
  - (3) "**Minter**" means an individual or entity that initiates the creation of a new, unique instance of Artwork by executing the Generative Code via a Smart Contract on the Blockchain.
  - (4) "**Digital Assets**" means any text, images, videos, audio, software, algorithms, or other data digitally created and stored, including the Artwork and Generative Code.
  - (5) "**Blockchain**" means the decentralized digital ledger technology where transactions are recorded chronologically and publicly.
  - (6) "**Smart Contract**" means a self-executing contract with the terms of the agreement between the buyer and seller being directly written into lines of code.

- (7) "**IP Rights**" means legal rights granted to individuals or entities over their creations.

## 2. **Artist's Grant to Platform**

(a) License to Display and Sell.

- (1) The Artist hereby grants to the Platform a non-exclusive, worldwide, **royalty-free license** to use, reproduce, distribute, publicly perform, and publicly display the Artwork generated by the Artist's Generative Code on the Platform and through other associated channels. This license includes the right for the Platform to sell, lease, or otherwise distribute the Artwork.

(b) License to Use Generative Code.

- (1) The Artist hereby grants to the Platform a non-exclusive, worldwide, royalty-free license to use, execute, and display the Generative Code solely for the purpose of facilitating the creation, display, and sale of Artwork on the Platform. This includes the right for the Platform to make necessary modifications to the Generative Code to integrate it with the Platform's services, provided such modifications do not materially alter the artistic intention of the Artworks.

(c) Duration and Scope.

- (1) The above licenses shall remain in effect until terminated by either party in accordance with the termination provisions set forth in this agreement. The licenses granted are specifically for the purpose outlined in this agreement and shall not be used for any other purpose without the express written consent of the Artist.

## 3. **License to Use Generative Code**

- (a) License to Use Generative Code: The Artist grants the Platform a non-exclusive, worldwide, and royalty-free license to use, execute, and display the generative code solely for the purpose of facilitating the creation, display, and sale of Artwork on the Platform. This includes the right for the Platform to reproduce, modify, and maintain the generative code as necessary to integrate it with the Platform's services, provided such modifications do not materially alter the artistic intention or integrity of the original Artwork produced by the code.

## 4. **Personal Data Protection and Compliance**

(a) Collection and Use of Personal Data

- (1) The Artist and the Platform may be required to provide certain personal data, including but not limited to IDs and names ("Personal Data"), to third-party services such as Stripe ("Data Processor") for transaction processing, identity verification, and other purposes related to the facilitation of services under this Agreement. The Platform shall ensure that the collection, use, and storage of Personal Data through the Data Processor or any other means comply with all applicable data protection laws, including but not limited to the General Data Protection Regulation (GDPR).

(b) Purpose and Lawful Basis for Processing

- (1) The Platform shall only use the Personal Data for purposes directly related to the services provided under this Agreement, including transaction processing, tax reporting, legal compliance, or as otherwise required by law. The lawful basis for processing such Personal Data shall be the necessity of the data for the performance of a contract to which the data subject is party or in order to take steps at the request of the data subject prior to entering into a contract.

(c) Third-Party Data Processor

- (1) The Platform acknowledges that it may use Data Processors such as Stripe to handle Personal Data. The Platform shall ensure that any Data Processor it engages provides sufficient guarantees to implement appropriate technical and organizational measures in compliance with GDPR and other data protection laws. The Platform shall have a binding written agreement with each Data Processor that sets out the Data Processor's specific data protection obligations, including the nature and purpose of processing, the type of Personal Data processed, and the duration of processing.

(d) Data Subject Rights

- (1) The Artist, as a data subject, shall have the right to access, correct, delete, or restrict processing of their Personal Data. The Platform shall provide necessary mechanisms for the Artist to exercise these rights and shall respond to any requests by the Artist relating to their Personal Data promptly and in accordance with applicable law.

(e) Data Security and Breach Notification

- (1) The Platform shall implement appropriate technical and organizational measures to ensure a level of security appropriate to the risk of the Personal Data processed. In the event of a Personal Data breach, the Platform shall notify the appropriate supervisory authority and the Artist without undue delay, in accordance with GDPR and other applicable data protection laws.

(f) Legal and Regulatory Compliance

- (1) The Platform shall maintain records of data processing activities and shall cooperate with supervisory authorities as required. The Platform shall ensure that it is aware of and complies with all legal and regulatory obligations regarding the storage and processing of Personal Data, particularly when such data is required for tax issues or other legally required instances.

**5. Payment Terms**

(a) Direct Payment to Artist

- (1) *Direct Payment:* All payments for purchased Artwork shall be made directly to the Artist by the buyer or minter. The Platform shall facilitate the transaction between the buyer and the Artist but shall not act as an intermediary for the transfer of funds. The Artist is responsible for providing accurate and up-to-

date payment information and for any necessary agreements with payment processors.

(b) Platform's Fee

- (1) *Platform Fee*: **In addition to the purchase price of the Artwork paid directly to the Artist, the Platform shall charge an additional fee equivalent to 5% of the total sale price of each piece of digital art sold on the Platform ("Platform Fee").** This fee is added on top of the sale price and is paid by the buyer at the point of transaction.

(c) Collection of Platform Fee

- (1) *Collection Method*: The Platform Fee will be clearly itemized and added to the total amount due from the buyer at the point of transaction. The specific method of collection will be determined by the Platform and made clear to the Artist and buyers at the point of transaction.

(d) Remittance of Platform Fee

- (1) *Timing and Process*: The Platform shall collect the Platform Fee at the time of each sale and shall maintain accurate records of all fees collected. The Platform shall provide a transparent accounting to the Artist of all Platform Fees collected in relation to their Artwork.

(e) No Platform Handling of Artist Payments

- (1) *Separation of Funds*: To ensure clarity and trust in the transaction process, the payment made to the Artist for the sale of Artwork shall be separate and distinct from the Platform Fee. The Platform shall facilitate the direct payment from the buyer to the Artist's designated account, along with the separate collection of the Platform Fee.

(f) Taxes and Transaction Costs

- (1) *Responsibility*: The Artist is solely responsible for any taxes due on payments received for their Artwork. Similarly, the Platform is responsible for any taxes due on the Platform Fees it collects. Each party agrees to bear any transaction costs or fees imposed by payment processors or financial institutions related to their respective receipts.

(g) Payment Disputes

- (1) *Handling Disputes*: In the event of a payment dispute arising between a buyer and the Artist, the Platform may assist in resolving the dispute but is not obligated to mediate or resolve such disputes. The Platform's role is limited to facilitating the availability of the marketplace and the direct payment mechanism, along with the separate collection of the Platform Fee.

**6. Termination**

(a) Termination Rights

- (1) Either party may terminate this Agreement upon three days written notice to the other party for any reason. Upon termination, all rights and licenses granted herein shall cease except as expressly provided in this Agreement.
- (b) Consequences of Termination
  - (1) Upon termination, the Artist shall cease to provide new Artworks to the Platform, and the Platform shall cease to make any new sales of the Artist's Artworks. Any existing sales or licenses of Artworks that are in effect as of the date of termination shall survive termination subject to the terms of this Agreement.
- (c) Survival
  - (1) Sections concerning Intellectual Property Rights, Payment Terms, Indemnification, Disclaimers, Limitation of Liability, and any other provisions which by their nature should survive, shall survive the termination or expiration of this Agreement.

## 7. Compliance with Local and International Laws

### (a) Contractor's Compliance with Local Laws

- (1) *Compliance with Local Laws:* International Contractors, including Artists and any other party contracting with the Platform, are solely responsible for complying with all laws, regulations, and rules that apply to them in their own country, including but not limited to those related to the creation, sale, and taxation of digital art and any related services ("Local Laws"). This includes ensuring that all necessary permissions are obtained, all applicable taxes are paid, and all other legal obligations in their jurisdiction are fulfilled.

### (b) Compliance with American Laws

- (1) *Compliance with American Laws:* If any activities under this Agreement fall under the jurisdiction of the United States, including but not limited to transactions involving American citizens or entities or transactions that occur on American soil, International Contractors are also responsible for complying with all applicable American laws and regulations ("American Laws"), including tax laws and international trade regulations.

### (c) Disclosure and Documentation

- (1) *Documentation:* International Contractors are responsible for maintaining all records and documentation necessary to demonstrate compliance with Local Laws and American Laws, if applicable. This may include tax records, business licenses, export or import documentation, and any other relevant documents.

### (d) Platform's Disclosure and Responsibilities

- (1) *Tax Reporting:* The Platform may be required to report certain transactions to tax authorities in accordance with Local Laws, American Laws, or international agreements. The Platform shall make such disclosures as are

legally required and shall provide International Contractors with any necessary information or documentation for their own tax reporting purposes.

- (2) *Withholding Taxes:* In cases where the Platform is required by law to withhold taxes from payments to International Contractors, the Platform shall do so and remit those amounts to the appropriate tax authorities. The Platform will provide International Contractors with documentation of the withheld amounts for their records and tax filings.
- (3) *Legal Compliance:* The Platform shall comply with all legal obligations concerning international transactions, including those related to money laundering, terrorism financing, and sanctions laws.

(e) Indemnification for Non-Compliance

- (1) *Indemnification:* International Contractors shall indemnify and hold harmless the Platform from any loss, liability, claim, or demand, including reasonable attorneys' fees, made by any third party due to or arising out of the International Contractor's failure to comply with Local Laws or American Laws, if applicable, including but not limited to those related to tax obligations and international trade regulations.

**8. Compliance with American Securities Law**

(a) Prohibition of Investment Language

- (1) *Prohibition of Promotional Language:* Artists are expressly prohibited from advertising, promoting, or otherwise suggesting that their Artwork will increase in value, that the Artist will undertake actions to increase the value of the Artwork, or any other action or language that might imply an expectation of a return on investment. This includes any statements, representations, or implications that might cause the Artwork to be considered a "security" under the Howey Test or any other applicable securities law in the United States.

(b) Obligation to Avoid Misrepresentation

- (1) *Avoidance of Misrepresentation:* Artists must ensure that all promotional and descriptive material related to their Artwork is clear, truthful, and not misleading, and does not in any way suggest that purchasing the Artwork can be viewed as an investment or that it is likely to increase in value over time.

(c) Reporting and Violations

- (1) *Reporting Mechanism:* The Platform shall implement and maintain a system for users, other artists, or regulators to report potential violations of these provisions. The Platform shall promptly investigate any such reports.
- (2) *Consequences of Violations:* In the event that an Artist is found to have violated this prohibition, the Artist will be immediately banned from the Platform, and all their Artwork may be removed from the Platform. The Platform reserves the right to take any additional legal or remedial action it deems necessary.

(d) Indemnification for Violations

- (1) *Indemnification by Artist:* Should an Artist violate these provisions and thereby cause the Platform to face any inquiry, investigation, or legal action alleging that the Artwork constitutes a security or any other violation of securities law, the Artist agrees to fully indemnify and hold harmless the Platform from any damages, liabilities, costs, losses, and expenses, including reasonable attorneys' fees, arising out of or related to such violation. This indemnification obligation includes, but is not limited to, any damages or litigation costs incurred as a result of the Artist's violation of these terms.
- (2) *Extended Liability for Legal Costs:* In addition to the indemnification provisions stated above, should any civil, federal, administrative court hearing, or any other judicial or enforcement action be brought against the Platform due to allegations of securities law violations related to the Artist's Artwork or promotional activities, the Artist shall be liable for all costs incurred by the Platform in defending against such actions. This includes, but is not limited to, legal fees, settlements, judgments, fines, and any other expenses. The Artist's liability under this provision shall extend to all forms of legal and administrative proceedings, including but not limited to investigations, litigation, arbitration, and settlement negotiations.
- (3) *Prompt Reimbursement:* The Artist agrees to promptly reimburse the Platform for any costs or expenses incurred in connection with such proceedings. The Platform shall provide the Artist with reasonable documentation of such costs and expenses.
- (4) *Notification of Legal Action:* The Platform agrees to notify the Artist promptly of any legal or regulatory action, inquiry, or proceeding related to the alleged securities law violation. The Artist shall have the right, at their own expense, to participate in the defense of any such action with counsel of their choice.

(e) Cooperation with Legal Authorities

- (1) *Cooperation:* Both the Artist and the Platform agree to fully cooperate with any inquiries, investigations, or other proceedings initiated by any regulatory or governmental authority concerning alleged securities law violations related to the Artwork.

**9. Binding Arbitration**

(a) Agreement to Arbitrate

- (1) All disputes arising out of or in connection with this Agreement, or in respect of any legal relationship associated with or derived from this Agreement, including the validity, interpretation, performance, breach or termination thereof, shall be finally settled by arbitration under the Commercial Arbitration Rules of the American Arbitration Association.

(b) Arbitration Procedures

(1) The arbitration shall be conducted by a single arbitrator in the English language in Manhattan, New York, and in accordance with the laws of the State of New York. The decision of the arbitrator shall be final and binding upon both parties.

(c) Costs

(1) Each party shall bear its own costs in the arbitration proceedings, and the costs of the arbitrator shall be shared equally unless the arbitrator decides that it is fair and reasonable under the circumstances to assign a greater proportion of the costs to one of the parties.

(d) Confidentiality

(1) The parties undertake to keep the arbitration proceedings and all information, pleadings, and documents in the context of the proceedings strictly confidential.

(e) Emergency Relief

(1) Nothing in this Agreement shall prevent either party from seeking emergency equitable relief before the appropriate courts in order to maintain the status quo pending arbitration.

**10. Governing Law and Jurisdiction**

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to its conflict of laws rules. Exclusive jurisdiction and venue for any legal proceedings related to this Agreement shall be in the appropriate state or federal courts located in Manhattan, New York, within the 2nd Circuit.

**11. Entire Agreement**

(a) This Agreement contains the entire understanding between the parties and supersedes all prior understandings of the parties hereto relating to the subject matter hereof. No amendment or modification of this Agreement shall be valid unless made in writing and signed by both parties.

**12. Severability**

(a) If any provision of this Agreement is held to be invalid or unenforceable, such provision shall be struck and the remaining provisions shall be enforced.

**13. No Waiver**

(a) The failure of either party to enforce any right or provision in this Agreement will not constitute a waiver of such right or provision unless acknowledged and agreed to by the other party in writing



In witness whereof the parties hereto have executed this Agreement on the date set forth below.