

DUSK NETWORK STAKING TERMS AND CONDITIONS

By (a) connecting your Ledger, Trezor or other hardware wallet and clicking the “Stake DUSK” button on the website <https://staking.dusk.network> (the “**Website**”), and/or (b) interacting with the Smart Contract (as defined below), and/or (c) accepting these terms and conditions, you hereby agree (i) to become a party to this agreement (the “**Agreement**”) and (ii) that your counterparty is **Dusk Network B.V.**, a private limited company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, having its statutory seat and registered offices in (1076 DX) Amsterdam, the Netherlands at the address of Laan der Hesperiden 120, registered with the Dutch Chamber of Commerce under file number 72495057 (“**Dusk Network**”).

RECITALS:

- A. Dusk is engaged in the development of blockchain technology in which staking of cryptographic tokens plays a central part. In order to test market conditions and demand for staking, Dusk Network will give the option to you and other users like you to pre-stake their DUSK (as defined below) in a smart contract (deployed on the Ethereum blockchain). This pre-staking phase is for testing only, which means there will be no need to run any software. For locking up your DUSKs on-chain, you will earn Staking Rewards (as defined below) for supporting the Dusk Network network and the mainnet launch by showing your intention to stake your DUSK in the future. More information regarding the staking can be found in the DUSK Token (ERC-20) Staking Smart Contract Readme (which can be found at the following website: <https://github.com/dusk-network/>).
- B. You wish to stake DUSK to support the development of the Dusk Network and therefore wish to enter into an agreement with Dusk Network on the terms and conditions set forth in this Agreement.
- C. By entering into this Agreement you hereby acknowledge (that you realise) amongst other things but not limited to, that:
- i. DUSK is not (yet) a native token, the DUSK you hold are ERC-20 cryptographic tokens that will be staked on the Ethereum Blockchain;
 - ii. Dusk Network will not have custody over the Stake and/or your DUSK in any way whatsoever;
 - iii. you are not entitled to any interest compensation on the Stake in any form whatsoever;
 - iv. realise that this Agreement is an agreement *sui generis* and does not in any way constitute a loan agreement, purchase agreement, barter agreement or security, while

your Stake does not in any way constitute a debt owed by Dusk Network towards you nor does it grant you any rights with respect to Dusk Network other than as stipulated in this Agreement, while furthermore the activities of Dusk Network in connection with this Agreement are not regulated under the Dutch Financial Supervision Act (*Wet op het Financieel Toezicht*);

- v. acknowledge that your DUSK are not securities (*effecten*), within the meaning of the Dutch Financial Supervision Act and no items or objects (*zaken*), within the meaning of the Dutch civil code (*Burgerlijk Wetboek*); and
- vi. you are not entitled to personally or via (a) class action(s) hold Dusk Network, its advisors, shareholders and/or its directors, liable for any damages arising out of any of these or the foregoing recitals, nor for any damages arising out of or in connection with (the execution of) this Agreement as a whole and/or the staking.

D. In order to illustrate your (technical) knowledge of staking, the status and functioning of blockchain-technology and the application thereof, you hereby acknowledge (that you realise), amongst other things but not limited to, that:

- i. blockchain is a new and largely unregulated form of interaction and doing business. Many jurisdictions have not (yet) adopted their legal systems to this up and coming application of technology. As a result of this, upcoming changes in legal systems and/or other circumstances may result in substantial changes in the blockchain application and/or the (execution of the) staking, which in turn may lead to (the complete) loss of (the value of) your Stake (as defined below);
- ii. blockchain and the (underlying) software(products) are currently in an early development-stage and have not been proven to be without error. Therefore, Dusk Network cannot give you and other parties like you any warranties regarding the errorless and hack-free functioning and performance of Dusk Network's and other systems, the Smart Contract and the specific blockchain(s) that is/are being used with regard to your Stake;
- iii. the development of Dusk Network's systems and the specific blockchain(s) that is/are being used with regard to your Stake are not yet finalised and constantly developing and evolving, which means that Dusk Network's systems and/or the Smart Contract may (temporarily) not be operational for technical, economic, commercial or other reasons, in which case you do not have any right to compel Dusk Network to continue provide the staking and/or to compel Dusk Network to carry out and/or to cause others to carry out any other action(s);
- iv. the only way to receive back the Stake is by signing a transaction with the Private Key (as defined below), whereas the Stake as well as all Stake Reward (as defined below) will be irreversibly lost if you lose control of the Private Key;
- v. Dusk Network will not, at any point in time while providing the staking or otherwise as a result of this Agreement, become the legal owner and/or custodian of your Stake and/or

the Private Key or otherwise become the owner and/or custodian of any of your (intellectual) properties;

- vi. you are solely responsible for keeping safe custody of your Private Key; and
- vii. you are not entitled to any (property) right regarding the (intellectual property) rights with regard to Dusk Network's systems in any form whatsoever.

E. You realise and acknowledge that cryptographic tokens and other blockchain-related technologies are new, untested and are thus inherently high-risk. Dusk Network is not (in any way) responsible or liable for any non-performance resulting from adverse changes in market forces or the technology.

F. You realise and acknowledge that this Agreement does not constitute an offer or invitation to subscribe for or to purchase any securities nor solicit any investment in any jurisdiction. You agree to seek professional advice if you are in any doubt as to any aspect of this Agreement.

HAVE AGREED AS FOLLOWS:

1. Interpretation

1.1. In this Agreement, the capitalised words have the following meaning:

Agreement	this agreement
Article	an article of this Agreement
DUSK	cryptographic tokens of the ERC-20 type issued on the Ethereum blockchain
Dusk Network	the private limited company (<i>besloten vennootschap met beperkte aansprakelijkheid</i>) Dusk Network B.V. , incorporated under the laws of the Netherlands, having its statutory seat and registered offices in (1076 DX) Amsterdam, the Netherlands at the address of Laan der Hesperiden 120, registered with the Dutch Chamber of Commerce under file number 72495057
Parties	Dusk Network and you jointly
Party	a party to this Agreement
Private Key	the cryptographic private key corresponding to the Staking Address, required to withdraw the Stake and the Stake Reward
Smart Contract	the smart contract deployed on the Ethereum blockchain, that allows you to stake your DUSK and receive a Staking Reward, which smart contract is further described in the DUSK Token

	(ERC-20) Staking Smart Contract Readme (which can be found at the following website: https://github.com/dusk-network/)
Stake	the amount of DUSK you have staked, as described in Article 2.1
Staking Address	the address to which the Stake is transferred and to which your Stake Reward is transferred
Staking Reward(s)	the compensation received by you for providing the Stake, as described in Article 4.1
Website	https://staking.dusk.network

- 1.2. These definitions apply in the singular form as well as in the plural form of these definitions.
- 1.3. The contents of the recitals in this Agreement form an integral part of what the Parties have agreed upon.

2. Staking

- 2.1. Dusk Network will provide you with the opportunity to interact with the Smart Contract and stake (a part of) your DUSK in order to receive a Staking Reward.
- 2.2. Before, during and after the staking as described in Article 2.1 or under any other circumstance arising out of the conclusion of this Agreement or otherwise, Dusk Network will not become the legal owner and/or custodian of your Stake, the Staking Rewards and/or the Private Key or otherwise become the owner and/or custodian of any of your (intellectual) properties.

3. Lock-up and withdrawal

- 3.1. Your Stake will be locked-up during the lock-up period of 30 (thirty) days. The length of the lock-up period is at the sole discretion of Dusk Network or a third party designated by Dusk Network. Dusk Network has the right to change the length of the lock-up at all times, without being obliged to pay any compensation (including damages) whatsoever.
- 3.2. After the lock-up period as described in Article 3.1 you can initiate the withdrawal of your Stake by interacting with the Smart Contract, provided that you have the possession of your Private Key. If you lose (access to) your Private Key, your Stake and the corresponding DUSK will be lost without any ability to recovery whatsoever. You are solely responsible for safekeeping your Private Key.
- 3.3. After the lock-up period as described in Article 3.1, any withdrawal will be executed after a 7 (seven) day cooldown period from the time it was initiated. Once a withdrawal is executed, a transaction with your Stake and all the Staking Rewards earned until the point in time that the

withdrawal was initiated will be sent to the Staking Address. For avoidance of doubt: no (additional) Staking Rewards are earned during the cooldown period.

4. Staking reward

- 4.1. As a compensation for providing the Stake, the Smart Contract will reward you with the Staking Reward on the Staking Address. The Stake Reward will be calculated for each full day your Stake is staked, until (i) the day a withdrawal is initiated, and/or (ii) the last day rewards are enabled in the Smart Contract. The reward rate is dependent on the total amount staked by you and other users like you.
- 4.2. The amount of the Staking Reward as well as the method of calculating the Staking Reward is at the sole discretion of Dusk Network or a third party designated by Dusk Network. Dusk Network has the right to change the amount of the Staking Reward and/or the method of calculating the Staking Reward at all times, without being obliged to pay any compensation (including damages) whatsoever.
- 4.3. The Staking Reward is inclusive of all applicable taxes. You are solely responsible for determining what, if any, taxes apply in your jurisdiction regarding entering into this Agreement. It is also your sole responsibility to withhold, collect, report and remit the correct taxes to the appropriate tax authorities. Dusk Network is not responsible for withholding, collecting, reporting, or remitting any sales tax arising from you entering into this Agreement, in any from whatsoever.

5. Representations and warranties from Dusk Network to you

- 5.1. By entering into this Agreement, Dusk Network represents and warrants to you that:
 - i. Dusk Network is a duly and legally incorporated private company under the laws of the Netherlands;
 - ii. Dusk Network is not involved in any proceedings or disputes related to this Agreement; and
 - iii. entering into this Agreement does not constitute an attributable breach on the part of Dusk Network with respect to one or more third parties.

6. Representations and warranties from you to Dusk Network

- 6.1. By entering into this Agreement, you represent and warrant to Dusk Network that:
 - i. you are legally permitted under the laws applicable to you to enter into this Agreement and are capable to acquire, receive and hold DUSK as described in this Agreement;
 - ii. you are not under the age of 18 (eighteen) years;
 - iii. you are entering into this Agreement on your own behalf only, whereas you are not representing anybody in any form whatsoever;

- iv. you are not involved in any proceedings or disputes related to this Agreement and/or your DUSK;
- v. entering into this Agreement does not constitute an attributable breach on your part with respect to one or more third parties;
- vi. what has been included in the recitals of this Agreement is correct, while you are aware of the risks as described in recitals C, E and E of this Agreement;
- vii. you have enough technical knowledge to safely handle and store/safeguard the Private Key;
- viii. you are not entering into this Agreement for any other uses or purposes than the ones stated in this Agreement, therefore you are not entering into this Agreement for amongst other things, but not limited to, investment, speculative or other financial purposes;
- ix. you will comply with any applicable tax obligations in your jurisdiction arising from you entering into this Agreement; and
- x. you are not a citizen of and/or do not have a (registered) address in Afghanistan, American Samoa, The Bahamas, Botswana, Cambodia, Canada, China, Democratic People's Republic of Korea (DPRK, North-Korea), Ethiopia, Ghana, Guam, Iran, Iraq, Libya, Nigeria, Pakistan, Panama, Puerto Rico, Samoa, Saudi Arabia, Serbia, Sri Lanka, Syria, Trinidad and Tobago, Tunisia, US Virgin Islands, United States of America (USA) and/or Yemen.

7. Warranty and (exclusion of) liability

- 7.1. Dusk Network is not bound to give you any warranty, indemnity or a combination thereof regarding the staking, the Smart Contract, its obligations under this Agreement, Dusk Network's systems, the Stake, the Staking Reward, (third party) information provided on the Website, and/or any other respect in any form whatsoever.
- 7.2. By entering into this Agreement, you acknowledge and agree that you will not hold Dusk network, its directors, its employees and/or any third party involved with the (creation of this) Agreement, the staking, and/or the Smart Contract liable for any and all damages caused by and/or related to this Agreement, the staking, and/or the Smart Contract. You are not entitled to personally or via (a) class action(s) hold Dusk Network, its directors, its employees and/or any third party involved with the (creation of this) Agreement, the staking, and/or the Smart Contract liable or file for claims for any damages arising out of or in connection with this this Agreement, the staking, and/or the Smart Contract.
- 7.3. By entering into this Agreement you acknowledge and agree that you will indemnify Dusk Network, its directors, its employees and/or any third party involved with the (creation of this) Agreement, the staking, and/or the Smart Contract against (any) third-party claim(s), including but not limited to the claims, which arise from you entering into this Agreement and/or a breach of any or all warranties as described in Article 6.

8. Termination of this Agreement

- 8.1. Upon a request via the Website to return your Stake by means of clicking the “Withdraw” button or by any other means and after having returned your Stake, this Agreement will automatically terminate.
- 8.2. Dusk Network is entitled to terminate this Agreement with immediate effect, and without any prior warning or due regard of any (termination) notice.
- 8.3. The obligations set forth in Articles 6, 7 and 9 shall survive the termination of this Agreement indefinitely.

9. Other provisions

- 9.1. This Agreement may only be amended or supplemented by Dusk Network, in writing, without giving prior notice to you.
- 9.2. All the communications, notices and announcements under this Agreement must be made in writing.
- 9.3. This Agreement includes all the arrangements between the Parties relating to, the staking, and the Smart Contract and replaces all the previously written and oral arrangements made between the Parties in this matter.
- 9.4. If a provision of this Agreement turns out to be void or non-binding, the Parties continue to be bound to the other provisions of this Agreement.
- 9.5. Notwithstanding the provisions in this Agreement, you hereby waive your rights to annul and/or dissolve this Agreement, or cause it to be annulled or dissolved, on any grounds whatsoever, including, but not limited to, pursuant to section 6:265 to section 6:272, and section 6:228 of the Dutch Civil Code that relate to the annulment or dissolving of this Agreement on account of an error or to apply to a court of law to annul or dissolve this Agreement. Furthermore, you waive your right to demand this Agreement to be amended on any grounds whatsoever including, but not limited to, pursuant to section 6:230(2) or section 6:258 of the Dutch Civil Code.
- 9.6. The rights and powers vested in you to rely on a settlement, setoff and/or suspension are excluded with the exception of the provisions in this Agreement in this regard.

- 9.7. Legal rights and/or claims that may ensue from this Agreement cannot be transferred without the prior written consent of Dusk Network, this with effect under property law (*met goederenrechtelijke werking*) as defined in section 3:83(2) of the Dutch Civil Code.
- 9.8. This Agreement and any non-contractual obligations arising out of or in connection with the Agreement, the staking, and/or the Smart Contract are solely and exclusively governed by and shall be construed in accordance with the laws of the Netherlands, with the exception of the rules of conflict of laws under Dutch international private law.
- 9.9. Any disputes arising out of or in connection with this Agreement, the staking, and/or the Smart Contract, including regarding the existence or validity of this Agreement, and any non-contractual obligations arising out of or in connection with this Agreement, the staking, and/or the Smart Contract, are subject to the sole and exclusive jurisdiction of the competent court in the district of Amsterdam, the Netherlands.
