

BELOW BORED NFT LICENSE AGREEMENT

This Below Bored NFT LICENSE AGREEMENT, comprised of this page governs the acquisition of an artistic work ("Art") featuring the Below Bored Art embodied on a non-fungible token (Below Bored NFT) conforming to the ERC-721 and ERC-1155 standard stored on the blockchain and distributed by Laughing Ape LLC., a Nevada corporation ("Company") primarily on its website and also available on third-party platforms ("Platforms"), which is being purchased by the purchaser ("Purchaser"). This Agreement governs all of Purchaser's rights relating thereto.

1. **Term.** The term ("Term") of this Agreement will begin on the Effective Date and continue into perpetuity unless terminated by Company as provided below in this Agreement. All of the rights and obligations that customarily extend beyond the Term (warranties, representations, compensation, indemnity obligations, etc.) shall continue in perpetuity notwithstanding any termination or expiration of this Agreement.

2. **License Terms.**

A. **Rights and Licenses.** By purchasing the Below Bored NFT, the Purchaser shall receive from the Company a non-exclusive, non-sublicensable, non-transferable worldwide, license to use and publicly display the Below Bored NFT for personal, non-commercial use ("Below Bored NFT Rights") during all times when the Purchaser remains the title owner of the Below Bored NFT. In the event the Purchaser disposes of, sells, transfers, or conveys the Below Bored NFT to any other person or entity, the Purchaser shall no longer possess any of the Below Bored NFT Rights and all such rights shall expire.

- a) Below Bored NFT Rights for the lifetime of the project, as long as these rights are available
- b) Entrance to the Below Bored Comedy Club - subject to availability and operability of the Comedy Club in the metaverse
- c) 25 Club VIP Membership - If a Purchaser collects and burns 25 Below Bored NFTs, they will be issued a single 25 Club VIP Membership token.
- d) 111 Club Private Whale Suites – If a Purchaser collects and burns 111 Below Bored NFTs, they will be issued a single Private Whale Suite Membership token and 10 Below Bored NFTs.

B. **Sales and Transfers.** Purchaser shall have the right to sell, transfer, or otherwise dispose of the Below Bored NFT to a third party purchaser so long as the Purchaser's rights to the Below Bored NFT are cryptographically verified at the time of the sale to confirm the Purchaser's status as the then-current title owner of the Below Bored NFT. Purchaser shall not misrepresent or make false representations to any third parties or the public at large as to Purchaser's status as a title owner of the Below Bored NFT if at any point Purchaser cannot be cryptographically verified as the same.

C. **Third-Party Application or Website Uses.** Purchasers may use or display the Below Bored NFT as part of a third-party website or application that permits the inclusion, involvement, or participation of Below Bored NFTs, provided that the website/application cryptographically verifies each Below Bored NFT owner's rights to display the Art for their Purchased Below Bored NFTs to ensure that only the actual owner can display the Art, and provided that the Art is no longer visible once the Purchaser of the Below Bored NFT leaves the website/application. Purchasers may be allowed to loan or lease their NFTs to other parties via a third-party application in partnership with the Company. The Company is not responsible for Third-Party Applications, including their security, authentication protocol, customer service, quality, or any other aspect thereof. The Company does not assume and will not have any liability or responsibility for third-party applications. Third-party applications and websites are provided solely as a convenience to you, and you access and use them entirely at your own risk and subject to such third parties' terms and conditions.

D. **Commercial Uses Prohibited without Company's Consent.** Purchaser may not engage in the use, reproduction, display, licensing, manufacture, sale, marketing, or promotion of the Below Bored NFT for commercial purposes without receiving the Company's written consent to the intended commercial use(s) contemplated by Purchaser and disclosed to Company, which consent may be granted at Company's sole and absolute discretion. If Purchaser exceeds the scope of the license granted above without Company's written consent, Purchaser acknowledges and agrees that: (i) Purchaser will be in breach of this License; (ii) in addition to any remedies that may be available to Company at law or in equity, the Company may immediately terminate this License, without the requirement of providing any notice to Purchaser; and (iii) Purchaser will be responsible to reimburse Company for all costs and expenses incurred by Company during the course of enforcing the terms of this License against you. All uses of the Below Bored NFT or Art by Purchaser following termination of the license Purchaser by Company shall be considered actionable infringement.

E. Prohibited Uses. Purchaser may not make use of the Below Bored NFT in any way violates the following terms:

- a) Purchaser shall not itself nor permit any third party to modify, create derivative works, or otherwise alter the Art or Below Bored NFT, including but not limited to the shapes, designs, drawings, attributes, or color schemes of the Art or Below Bored NFT.
- b) Purchaser shall not itself nor permit any third party to use the Art or Below Bored NFT to advertise, market, or sell any third-party product or service.
- c) Purchaser shall not itself nor permit any third party to use the Art or Below Bored NFT in connection with any content of any kind or nature which depicts hatred, violence, intolerance, cruelty, obscenity, prohibited drugs, materials constituting contraband under any state or federal law, unlawful substances, or any other type of content that could be construed to constitute, encourage, or promote hate speech, criminal activity, violence, dangerous acts, unlawful activity, or activity that is contrary to public morals or public decency.
- d) Purchaser shall not itself nor permit any third party to use the Art or Below Bored NFT in any motion picture, television, new media, or the other type of media production except for personal, noncommercial use;
- e) Purchaser shall not itself nor permit any third party to use the Art or Below Bored NFT for the commercial benefit of any third party

F. Intellectual Property Restrictions. Purchaser shall not and shall not attempt to apply for, obtain, or perfect any intellectual property rights nor registrations of any kind or nature in connection with the Art or Below Bored NFT nor any element of the Art or Below Bored NFT, including but not limited to trademarks, copyrights, patents, or other intellectual property registrations, nor in connection with derivative works incorporating any element of the Art or Below Bored NFT.

G. Third Party IP. To the extent that any Art or Below Bored NFT incorporates or embodies intellectual property belonging to a celebrity, athlete, or another public figure ("Third Party IP") Purchaser understands and acknowledges that Purchaser will not have the rights to use any such Third Party IP except in connection with the license term specifically stated above.

H. Reservation of Additional Restrictions. The Company reserves the right to make revisions, amendments, alterations, and add restrictions to the license terms stated herein at any time upon its sole and absolute discretion. The Company may from time to time provide written notice (email) to Purchaser relating to additional restrictions on the Art or Below Bored NFT and Purchaser shall be responsible for complying with all such restrictions from the date of receipt of such notice. The Purchaser's failure to do so will be considered a breach of this license agreement.

I. Right to Terminate. IN THE EVENT OF A BREACH OF THIS AGREEMENT BY THE PURCHASER, THE COMPANY SHALL HAVE THE RIGHT TO TERMINATE THIS AGREEMENT AND THE LICENSE AND ALL RIGHTS AND GRANTS AUTHORIZED TO THE PURCHASER IN THIS AGREEMENT UPON WRITTEN NOTICE (BY EMAIL) TO THE PURCHASER. ALL USES OF THE BELOW BORED NFT OR ART BY PURCHASER FOLLOWING TERMINATION OF THE LICENSE PURCHASER BY COMPANY SHALL BE CONSIDERED ACTIONABLE INFRINGEMENT.

3. Force Majeure. The Company's obligations and performance herein may be suspended, delayed, canceled, hampered, impeded, or otherwise impaired due to any force majeure event, including but not limited to fire, earthquake, labor dispute or strike, pandemic, governmental restrictions or controls relating to pandemic circumstances, act of God or public enemy, any municipal ordinance, any state or federal law, governmental order or regulation, or other cause beyond Company's control, death, illness or incapability of any principal member thereof, and under such circumstances, Company may postpone, reschedule, terminate, suspend or otherwise take all measures or omissions at Company's discretion.

4. Purchaser's Warranties and Representations

A. No Infringing Uses. Purchaser warrants and represents that Purchaser's use of the Below Bored NFT shall not violate or infringe upon any trademark, trade name, copyright, patent, or any literary, dramatic, musical, artistic, personal, private, civil, contract or property right, right of privacy or publicity moral right of authorship or any other right of any person, firm or entity or constitute unfair competition or libel, slander or defamation of any person, firm or entity.

B. Company Information. Purchaser acknowledges that no representations or warranties have been made to Purchaser, or to Purchaser's advisors or representative, by the Company or others with respect to the anticipated Below Bored NFT business, collections, or future projects of Company, or the valuation thereof.

C. Below Bored NFT Valuation. Purchaser acknowledges that the price of the Below Bored NFT for sale on the Platform was

either pursuant to an auction, or set by the Company, as applicable, and no warranties are made as to value. Purchaser further acknowledges that future offerings of the Below Bored NFT may be made at lower valuations, and could result that the Purchaser's Below Bored NFT will bear a lower valuation. Purchaser acknowledges that no promises, guarantees or warranties are being made by Company to Purchaser that Purchaser's Below Bored NFT will appreciate in value in any way. The Purchaser also acknowledges that the Below Bored NFT is not a financial product and the Company makes no representations or warranties as to a financial return after purchase.

- D. Independent Research. Purchaser agrees in purchasing the Below Bored NFT, Purchaser is relying on its own independent research of the Below Bored NFT and Purchaser is not relying on any oral or written representations or assurances from the Company or any other person or any representation of the Company. The Purchaser has experience in cryptocurrency and is capable of evaluating the risk of its purchase of the Below Bored NFT and determining the suitability of the purchase of the Below Bored NFT.
- E. Risk. Purchaser understands and acknowledges that purchasing Below Bored NFTs and the use of cryptocurrencies involves a high degree of risk, including depreciation, devaluation, or possible total loss of the amounts paid, theft by unauthorized third parties, system failures, technical software errors, hacking, cyber security breaches, and numerous other risks. The Purchaser represents that it is able to bear the economic risk of the purchase price paid for the Below Bored NFT and acknowledges that the Purchaser could face a total loss of the amounts paid for the Below Bored NFT. In making this statement, the Purchaser hereby represents and warrants that the Purchaser has adequate means of providing for the Purchaser's current needs and contingencies; the Purchaser is able to afford to hold the Below Bored NFT for an indefinite period and the Purchaser further represents that the Purchaser has such knowledge and experience in cryptocurrency, business, and Below Bored NFT matters that the Purchaser is capable of evaluating the merits and risks of the Purchase of Below Bored NFT. Further, the Purchaser represents that it has no present need for liquidity.
- F. Resales: Speculative Nature of Purchase. The Purchaser represents and warrants to Company that the Purchaser's acquisition of the Below Bored NFT is for personal purposes only and not made with the intention of resale. Purchaser acknowledges, agrees, and understands that there may be no resale market available for the Below Bored NFT, and no resale market for the Below Bored NFT could potentially ever exist. Purchaser acknowledges, agrees, and understands that the value of the Below Bored NFT could erode immediately or over time and could potentially be zero.
- G. Tax Liabilities. Purchaser agrees and acknowledges that Purchaser is responsible for all tax liabilities associated with the Below Bored NFT and agrees to defend, indemnify, and hold harmless Company against all tax liabilities of Purchaser.

5. Dispute Resolution

- A. Injunctive Relief. Nothing herein or in the subparagraphs above, however, shall limit the ability of the Company to seek immediate injunctive relief from a court of competent jurisdiction in the event of potential immediate or irreparable injury to the Company. Purchaser acknowledges that it would be difficult for the Company to measure actual damages resulting from any breach by Purchaser of this Agreement, and that money damages alone would be an inadequate remedy for any such breach. Accordingly, Purchaser agrees that Company will be entitled, in addition to any other remedies it may have, to specific performance, injunctions, or other appropriate orders to correct or restrain any such breach by Purchaser, without showing or proving any actual damage sustained by the Purchaser or posting any bond or other security.
- B. Limitation of Damages; Waiver of Purchaser's Right to Seek Injunctive Relief. Purchaser agrees and understands that Purchaser's sole remedy for any and all breaches of this Agreement shall consist of damages; under no circumstances may Purchaser seek injunctive relief, a restraining order, a preliminary/permanent injunction, or declaration judgment that would in any way seek or tend to seek the restriction, halting, enjoinder, or other limitation of the development, completion, distribution, and/or commercialization of the Below Bored NFT Content.

6. No Warranties / Limitation of Liability. The Below Bored NFTS ARE SOLD TO PURCHASER AS-IS, WHERE-IS, AND WITHOUT WARRANTY OF ANY KIND, specifically including warranties that the Below Bored NFT will meet the requirements, specifications, or needs requested, or demanded by Purchaser.

BELOW BORED NFTS ARE NOT INVESTMENT PRODUCTS NOR DESIGNED FOR INVESTMENT PURPOSES AND SHOULD NOT BE CONSIDERED AS A TYPE OF INVESTMENT. BUYER ACKNOWLEDGES, UNDERSTANDS, AND AGREES THAT BUYER SHOULD NOT EXPECT AND THERE IS NO GUARANTEE OR REPRESENTATION OR WARRANTY BY THE COMPANY

THAT: (A) ADDITIONAL BELOW BORED BENEFITS WILL EVER BE ADOPTED; (B) BELOW BORED NFTS WILL BE AVAILABLE IN EVERY COUNTRY, AND (C) THE VALUE OF THE BELOW BORED NFT WILL INCREASE AT ANY DATE OR TIME IN THE FUTURE.

WE WILL NOT BE RESPONSIBLE OR LIABLE TO YOU FOR ANY LOSS AND TAKE NO RESPONSIBILITY FOR, AND WILL NOT BE LIABLE TO YOU FOR, ANY USE OF NFTS, CONTENT, AND/OR CONTENT LINKED TO OR ASSOCIATED WITH NFTS, INCLUDING BUT NOT LIMITED TO ANY LOSSES, DAMAGES, OR CLAIMS ARISING FROM: (A) USER ERROR, INCORRECTLY CONSTRUCTED TRANSACTIONS, OR MISTYPED ADDRESSES; (B) SERVER FAILURE OR DATA LOSS; (C) UNAUTHORIZED ACCESS OR USE; (D) ANY UNAUTHORIZED THIRD-PARTY ACTIVITIES, INCLUDING WITHOUT LIMITATION THE USE OF VIRUSES, PHISHING, BRUTE-FORCING OR OTHER MEANS OF ATTACK AGAINST THE SERVICE OR NFTS.

NFTS EXIST ONLY BY VIRTUE OF THE OWNERSHIP RECORD MAINTAINED IN THE ASSOCIATED BLOCKCHAIN (E.G., ETHEREUM NETWORK). ANY TRANSFERS OR SALES OCCUR ON THE ASSOCIATED BLOCKCHAIN (E.G., ETHEREUM). BELOW BORED AND/OR ANY OTHER PARTY CANNOT AFFECT OR OTHERWISE CONTROL THE TRANSFER OF TITLE OR RIGHT IN ANY NFTS OR UNDERLYING OR ASSOCIATED CONTENT OR ITEMS.

NO BELOW BORED PARTY IS RESPONSIBLE OR LIABLE FOR ANY SUSTAINED LOSSES OR INJURY DUE TO VULNERABILITY OR ANY KIND OF FAILURE, ABNORMAL BEHAVIOR OF SOFTWARE (E.G., WALLET, SMART CONTRACT), BLOCKCHAINS OR ANY OTHER FEATURES OF THE NFTS. NO BELOW BORED PARTY IS RESPONSIBLE FOR LOSSES OR INJURY DUE TO LATE REPORTS BY DEVELOPERS OR REPRESENTATIVES (OR NO REPORT AT ALL) OF ANY ISSUES WITH THE BLOCKCHAIN SUPPORTING THE NFTS, INCLUDING FORKS, TECHNICAL NODE ISSUES OR ANY OTHER ISSUES HAVING LOSSES OR INJURY AS A RESULT.

7. Limitation of Damages. THE COMPANY'S LIABILITY TO THE PURCHASER IS LIMITED. TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL THE COMPANY BE LIABLE FOR DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, LOST PROFITS, OR LOST DATA, REGARDLESS OF THE FORESEEABILITY OF THOSE DAMAGES) ARISING OUT OF OR IN CONNECTION WITH THE SERVICES PROVIDED TO THE PURCHASER. This limitation shall apply regardless of whether the damages arise out of breach of contract, tort, or any other legal theory or form of action.

8. Miscellaneous.

- A. **Governing Law; Arbitration; Venue.** This Agreement will be construed in accordance with and governed by the laws of Nevada, without giving effect to the conflict of law principles. All controversies, claims, disputes and matters in question arising out of, or related to, this Agreement, the performance under this Agreement, the breach of this Agreement or any other matter or claim whatsoever shall be decided by binding arbitration before the American Arbitration Association, utilizing the Commercial Arbitration Rules. Venue for any arbitration between the Parties shall be had and is mandatory in Nevada to the exclusion of all other places of venue, for all matters that arise under this Agreement.
- B. **Successors and Assigns.** Except as otherwise expressly provided in this Agreement, this Agreement will be binding on, and will inure to the benefit of, the successors and permitted assigns of the parties to this Agreement. Nothing in this Agreement is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights or obligations under or by reason of this Agreement, except as expressly provided in this Agreement.
- C. **Notices.** All notices and other communications required or permitted hereunder will be in writing and will be delivered by hand or sent by overnight courier, fax or e-mail. Each party may furnish an address substituting for the address given above by giving notice to the other parties.
- D. **Severability.** In the event that any provision of this Agreement is held to be unenforceable under applicable law, this Agreement will continue in full force and effect without such provision and will be enforceable in accordance with its terms.
- E. **Entire Agreement.** This Agreement embodies the entire agreement and understanding between the parties hereto with respect to the subject matter of this Agreement and supersedes all prior or contemporaneous agreements and understandings other than this Agreement relating to the subject matter hereof.
- F. **Amendment and Waiver.** This Agreement may be amended only by a written agreement executed by the parties hereto and

bearing the signatures of both parties. No provision of this Agreement may be waived except by a written document executed by the party entitled to the benefits of the provision. No waiver of a provision will be deemed to be or will constitute a waiver of any other provision of this Agreement. A waiver will be effective only in the specific instance and for the purpose for which it was given, and will not constitute a continuing waiver.

G. Counterparts. This Agreement may be in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one instrument.

H. Notices. All notices required by this Agreement shall be sufficient if delivered in writing either personally to the party to be notified or deposited in the United States mail, postage prepaid, and return receipt requested, addressed to the party at the addresses set forth in the preamble of this Agreement, or as provided to one party by the other from time to time; with a duplicate copy provided via email.

I. Independent Counsel. The Purchaser represents that Purchaser has had the opportunity to consult an attorney regarding the terms of this Agreement.