

NFT OWNERSHIP LICENSE

A.A. MURAKAMI

Floating World Genesis, 2022

A COLLECTION OF 250 NFTS

Art Blocks x Pace Verso

This Ownership License sets forth the terms of the agreement between you, on the one hand, and Studio Swine Design Ltd, a British private limited company (the "Studio"), on the other hand, with respect to your ownership and use of the digital work of fine art by the artist team of Alexander Groves and Azusa Murakami known as A.A. Murakami (the "Artist") belonging to the collection specified above.

References to "you" herein mean the legal owner of the digital non-fungible token ("NFT") minted as the Artwork, as recorded on the applicable blockchain. References to "us" herein mean the Studio, the Artist, Art Blocks, and Pace Verso, jointly and severally. References to the "Artwork" herein mean the NFT, the creative and audiovisual design implemented, secured, and authenticated by the NFT, and the associated code and data that collectively constitute the above-referenced digital work of art. References herein to the "Collection" mean the *Floating World Genesis* collection to which the Artwork belongs.

Your acquisition of the Artwork constitutes your acceptance of, and agreement to, the terms of this Ownership License.

Ownership of the Artwork. References herein to your ownership of the Artwork mean your exclusive ownership of the authenticated NFT that constitutes the digital original of the Artwork, as such ownership is recorded on the applicable blockchain. Only a person or entity with the legal right to access and control the cryptocurrency address or account to which the Artwork is assigned on the blockchain will qualify as an owner of the Artwork hereunder.

Your Ownership & Usage Rights. For so long as you remain the owner of the Artwork you are granted a royalty-free, worldwide license to exercise the following rights (the "Ownership Rights"):

To store the Artwork in any account (i.e., cryptocurrency address) and to freely transfer the Artwork between accounts.

To privately view and display the Artwork on any device for your personal purposes.

To sell the Artwork to any third party, to exchange it in a swap with any third party, to list and offer it for sale or swap on any marketplace and/or through any platform or outlet that supports such sale or swap, to donate or gift the Artwork to any third party, and to transfer ownership of the Artwork to an applicable purchaser or other intended recipient.

To reproduce the visual imagery (and audio, if applicable) produced by the Artwork (the "Creative Content") in both digital media (e.g., online) and physical media (e.g., print) for your reasonable, private, noncommercial purposes, such as displaying the Creative Content on your personal website and/or in your personal social media, or including the Creative Content as an informational illustration in a book, magazine article or other publication dealing with your personal art collection.

To use the Creative Content as your personal profile image or avatar, or as a similar personal graphic that serves to personally identify you in your personal social media and in comparable personal noncommercial contexts.

To include and exhibit the Artwork, as a digital work of fine art by the Artist, in any public or private art exhibition (or any comparable context), whether organized by you or by any third party such as a museum or gallery, by means of a Qualifying Display Device installed on site if the exhibition is presented in a physical space, or, if the exhibition is presented solely online or by other purely digital means, display and exhibition in a reasonably comparable manner. As used herein, a “Qualifying Display Device” means a video monitor, projector, or other physical display device sufficient to display the Artwork in a resolution and manner that does not distort, degrade, or otherwise materially alter the original Artwork.

The foregoing rights are exclusive to you subject to the rights retained by the Artist, as provided below.

Use of Artist’s Name. The Ownership Rights do not include any right to use the Artist’s professional name (A.A. Murakami), the name of the Studio (Studio Swine), or the individual names of Alexander Groves and Azusa Murakami or their respective signatures, likenesses, personas, and other personally identifying indicia (collectively, the “Artist Identification”), except that the Artist’s name may be used solely for informational purposes as reasonably required to identify the Artist as the creator of the Artwork and the Collection. Any use of the Artist’s name or any other Artist Identification for endorsement, advertising, or merchandising purposes, or for any other commercial or non-informational purpose, will require the Artist’s express prior written consent in each instance.

Faithful Display & Reproduction. The Artwork may not be materially altered or changed and must be faithfully displayed and reproduced in the form originally minted. The Ownership Rights only apply to the Artwork in this original form, and do not apply to, and may not be exercised in connection with, any version of the Artwork that has been materially altered or changed.

Excluded Uses. You may not reproduce, display, use, or exploit the Artwork in any manner other than as expressly permitted by the Ownership Rights, as set forth above. In particular, without limitation, the Ownership Rights do not include any right to reproduce, display, use, or exploit the Artwork for any of the following purposes or usages:

To create any derivative work based on the Artwork.

To reproduce the Artwork for merchandising purposes (e.g., to produce goods offered for sale or given away as premiums or for promotional purposes).

To make use of the Artwork as a logo, trademark, service mark, or in any similar manner (other than personal use as your personally identifying profile image, avatar, or graphic, as expressly permitted above).

Use of the Artwork to promote or advertise any brand, product, product line, or service.

Use for any political purpose or to promote any political or other cause.

Any other use of the Artwork for your commercial benefit or the commercial benefit of

any third party (other than resale of the Artwork, as expressly permitted above).

Reserved Rights. Subject to your Ownership Rights (and excluding any intellectual property owned by Art Blocks or Pace Verso), the Artist and/or the Studio will at all times be and remain the sole owner of the copyrights, patent rights, trademark rights, and all other intellectual-property rights in and relating to the Artwork (collectively, the “Artist’s IP Rights”), including but not limited to: (i) the Creative Content; (ii) the Artist Identification; (iii) the title of the Artwork; (iv) the titles, marks, logos, artwork, images, designs, texts, slogans, audio, and/or content used to reference, or in connection with, the overall Collection (such as, for example, the phrase “Floating World”); (v) the programming, algorithms, and code used to generate the Creative Content, and the on-chain software code, script, smart contracts, and data constituting the applicable NFT (but excluding, for the avoidance of doubt, programming, script, algorithms, data, and/or code provided by Art Blocks and/or Pace Verso in connection with the operation of the Art Blocks platform and/or the Art Blocks x Pace Verso channel) (collectively, the “Code”); and (vi) any data incorporated in and/or used by the Artwork, whether stored on or off the blockchain. All rights in the Artwork not expressly granted herein are reserved to the Artist and/or the Studio, as applicable. The Artist also retains all moral rights afforded in each applicable jurisdiction with respect to the Artwork. You hereby irrevocably assign to the Artist any and all rights or ownership you may have, or claim to have, in any item falling within the definition of the Artist’s IP Rights, including, but not limited to, the copyrights in the Creative Content and in the Code. We will be free without restriction to reproduce the Creative Content and the Artwork for our respective artistic and professional purposes (including but not limited to use in books, publications, materials, websites, social media, and exhibitions dealing with the Artist’s creative work, and licensing for merchandising, advertising, endorsement, and/or other commercial purposes), and to re-use and/or adapt the Code for any other purpose or project (including, but not limited to, the creation and sale of other NFTs). The Artist will be free to register any or all of the Artist’s IP Rights (including but not limited to the copyrights in the Creative Content and the Code) solely in the name of the Artist, the Studio, and/or the Artist’s designee.

Transfer of Artwork. The Ownership Rights are granted to you only for so long as you remain the legal owner of the Artwork. If and when you sell, swap, donate, gift, give away, “burn,” or otherwise cease to own the Artwork for any reason, your rights to exercise the Ownership Rights will immediately and automatically terminate. When the Artwork is legally transferred to a new owner, as recorded on the applicable blockchain, the new owner will thereafter be entitled to exercise the Ownership Rights, and references to “you” herein will thereafter be deemed to refer to the new owner.

Resale Royalty. With respect to any resale of the Artwork, we will be entitled to receive an amount equal to 7.5% of the amount paid by the purchaser thereof (the “Resale Royalty”). For example, if the Artwork is sold by the original owner to a subsequent purchaser for 1.0 ETH, the Resale Royalty due will be 0.075 ETH. The Resale Royalty is intended to be deducted and paid pursuant to the amount reported to the applicable marketplace by the smart contract implemented in the Code whenever the Artwork is resold after the initial sale. However, if the full amount due as the Resale Royalty is not deducted and paid for any reason (for example, if some or all of the applicable purchase price is paid outside the blockchain or if the applicable marketplace fails to make the required deduction and remittance), in addition to any other available remedies the Artist and/or the Studio will be entitled (i) to recover the full unpaid amount of the Resale Royalty, along with any attorneys’ fees and other costs reasonably incurred to enable such recovery; (ii) to terminate and suspend the Ownership Rights until full payment is received; and (iii) to obtain injunctive or other equitable relief in any applicable jurisdiction.

Illegal Acquisition. If the Artwork is acquired by unauthorized means, such as an unauthorized or

unintended transfer to a new cryptographic address as the result of hacking, fraud, phishing, conversion, or other unauthorized action, the following terms will apply until such time as the Artwork is returned to its rightful owner: (i) the Ownership Rights will immediately terminate and be deemed suspended; (ii) the Artist will be entitled to withhold recognition of the Artwork as constituting an authentic work of fine art by the Artist; and (iii) the Artist and/or the Studio will be entitled to take any and all steps necessary to prevent the Artwork from being sold or traded, including, without limitation, causing the Artwork to be removed from any platform or marketplace or platform where it is listed for sale. Notwithstanding the foregoing, nothing herein will obligate us to take any action with respect to any unauthorized acquisition or disposition of the Artwork, and we will have no liability in this regard.

Limited Guarantee. The Artwork is guaranteed to constitute an authentic original digital work of fine art by the Artist. In all other respects, the Artwork and the NFT are provided strictly “as is.” We make no other representation, provide no other warranty, and assume no other liability of any kind whatsoever in connection with the Artwork, including, but not limited to, any representation, warranty, or condition, express or implied, as to merchantability, value, fitness for a particular purpose, functionality, technical quality or performance, or freedom from malware or errors, all of which representations, warranties, and conditions are expressly disclaimed. No statement made by us (or any listing platform or marketplace), whether oral or in writing, will be deemed to constitute any such representation, warranty, or condition. EXCEPT AS EXPRESSLY PROVIDED ABOVE, THE ARTWORK AND THE NFT ARE PROVIDED ENTIRELY ON AN “AS IS” AND “AS AVAILABLE” BASIS, WITHOUT WARRANTIES OR CONDITIONS OF ANY KIND, EITHER EXPRESS OR IMPLIED.

Your Knowledge & Experience. You represent and warrant that you are knowledgeable, experienced, and sophisticated in using blockchain and cryptocurrency technology and that you understand and accept the risks associated with technological and cryptographic systems such as blockchains, NFTs, cryptocurrencies, smart contracts, consensus algorithms, decentralized or peer-to-peer networks and systems, and similar systems and technologies, which risks may include malfunctions, bugs, timing errors, transfer errors, hacking and theft, changes to the protocol rules of the blockchain (e.g., forks), hardware, software and/or Internet connectivity failures, unauthorized third-party data access, and other technological risks, any of which can adversely affect the Artwork and expose you to a risk of loss, forfeiture of your digital currency or NFTs, or lost opportunities to buy or sell digital assets.

Acknowledgement of Inherent Risks. You acknowledge and accept that:

The prices of blockchain assets, including NFTs, are extremely volatile and unpredictable as the result of technological, social, market, subjective, and other factors and forces that are not within our control.

Digital assets such as the Artwork may have little or no inherent or intrinsic value.

Fluctuations in the pricing or markets of digital assets such as the Artwork could materially and adversely affect the value of the Artwork, which may be subject to significant price volatility.

Providing information and conducting business over the Internet and via related technological means with respect to cryptocurrencies and digital assets such as the NFT entails substantial inherent security risks that are or may be unavoidable.

Due to the aforementioned risks factors and other factors that cannot be predicted or

controlled, there is no assurance whatsoever that the Artwork will retain its value at the original purchase price or that it will attain any future value thereafter.

Limitation of Liability. Our maximum total liability to you for any claim arising or asserted hereunder or otherwise in connection with the Artwork will be limited to the amount paid by the original purchaser for the original primary-market purchase of the Artwork. Under no circumstances will we be liable for any other loss or damage arising in connection with the Artwork, including but not limited to, loss or damage resulting from or arising in connection with:

Unauthorized third-party activities and actions, such as hacking, exploits, introduction of viruses or other malicious code, phishing, Sybil attacks, 51% attacks, brute forcing, mining attacks, cybersecurity attacks, or other means of attack that affect the Artwork in any way.

Weaknesses in security, blockchain malfunctions, or other technical errors.

Telecommunications or Internet failures.

Any protocol change or hard fork in the blockchain on which the Artwork is recorded.

Errors by you (such as forgotten passwords, lost private keys, or mistyped addresses).

Errors by us (such as incorrectly constructed transactions or incorrectly programmed NFTs).

Unfavorable regulatory determinations or actions, or newly implemented laws or regulations, in any jurisdiction.

Taxation of NFTs or cryptocurrencies, the uncertainty of the tax treatment of NFT or cryptocurrency transactions, and any changes in applicable tax laws, in any jurisdiction.

Your inability to access, transfer, sell, or use the Artwork for any reason.

Personal information disclosures or breaches.

Total or partial loss of value of the Artwork due to the inherent price volatility of digital blockchain-based and cryptocurrency assets and markets.

UNDER NO CIRCUMSTANCES WILL WE BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES OF ANY KIND, EVEN IF WE HAVE BEEN ADVISED OR OTHERWISE WERE AWARE OF THE POSSIBILITY OF SUCH DAMAGES.

The foregoing limitations on our liability apply to all claims, whether based in contract, tort, or any other legal or equitable theory.

Notwithstanding the foregoing, nothing herein will be deemed to exclude or limit in any way our liability if it would be unlawful to do so, such as any liability that cannot legally be excluded or limited under applicable law. It is acknowledged that the laws of some jurisdictions do not allow some or all of the disclaimers, limitations or exclusions set forth herein. If these laws apply in your case, some or all of the foregoing disclaimers, limitations or exclusions may not apply to you, and you may have additional rights.

Indemnification & Release. To the fullest extent permitted under applicable law, you agree to indemnify, defend and hold harmless each of us and our respective affiliates, and our and their respective officers, employees, agents, legal representatives, successors, licensees, and assigns, as applicable (jointly and severally, the “Indemnified Parties”) from and against any and all claims, causes of action, costs, proceedings, demands, obligations, losses, liabilities, penalties, damages, awards, judgments, interest, fees, and expenses (including reasonable attorneys’ fees and legal, court, settlement, and other related costs) of any kind or nature, in law or equity, whether in tort, contract or otherwise, arising out of or relating to, any actual or alleged breach by you of the terms of this Ownership License or your use or misuse of the Artwork.

You hereby release, acquit, and forever discharge each of the Indemnified Parties from any damages, suits, or controversies or causes of action resulting from your acquisition, transfer, sale, disposition, or use of the Artwork, other than as expressly set forth in this Ownership License, and you hereby waive the provision of California Civil Code Section 1542 (if and as applicable), which says: “*A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.*” If any comparable legal provision applies in any other jurisdiction, you hereby also waive such provision to the maximum extent permitted by law.

Applicable Law. This Ownership License is governed by the laws of the State of Texas and the United States applicable to contracts to be wholly performed therein, without reference to conflicts-of-laws provisions.

Arbitration. Other than claims for preliminary injunctive relief or other pre-judgment remedies, all disputes between the parties arising hereunder shall be resolved by arbitration in New York County, New York, USA before a single retired judge or professional arbitrator with relevant subject-matter experience in accordance with the then-current JAMS International Arbitration Rules; and judgment upon any arbitral award may be entered by any having jurisdiction thereof. If no single arbitrator can be agreed upon by the parties, the arbitrator shall be selected in accordance with the rules of JAMS. The arbitrator shall be bound by the terms of this Agreement, by applicable law and by applicable guild regulations, and shall have no power to award punitive or exemplary damages. The arbitrator’s decision in any such arbitration shall be final and binding upon the parties; and the arbitrator shall be empowered to order specific performance and injunctive relief. Each party shall bear its own costs in connection with such arbitration. Judgment upon any arbitral award may be entered and enforced in any court of competent jurisdiction.

Waiver of Jury Trial. YOU AND WE WAIVE ANY AND ALL CONSTITUTIONAL AND STATUTORY RIGHTS TO SUE IN COURT AND TO HAVE A TRIAL IN FRONT OF A JUDGE OR A JURY. You and we have instead agreed that all claims and disputes arising hereunder will be resolved by arbitration, as provided above.

Waiver of Class Action. ALL CLAIMS AND DISPUTES FALLING WITHIN THE SCOPE OF ARBITRATION HEREUNDER MUST BE ARBITRATED ON AN INDIVIDUAL BASIS, AND NOT ON A CLASS-ACTION, COLLECTIVE-CLASS, OR NON-INDIVIDUALIZED BASIS. YOUR CLAIMS CANNOT BE ARBITRATED OR CONSOLIDATED WITH THOSE OF ANY OTHER OWNER OF AN NFT WORK OR OTHER WORK BY THE ARTIST. If applicable law precludes enforcement of this limitation as to a given claim for relief, the claim must be severed from the arbitration and brought in the applicable court located in the State of Texas, USA. All other claims must be arbitrated, as provided above.

Artist's Successor. After the Artist's lifetime, the rights granted to the Artist herein will be exercised by the successor owner of the Artist's IP Rights, which owner will be deemed the Artist's successor for all purposes hereunder.

Modifications & Waivers. The terms of this Ownership License cannot be amended or waived except in a written document signed by an authorized person on behalf of the Artist. Our failure in any instance to exercise or enforce any right or provision of this Ownership License will not constitute a waiver of such right or provision.

Severability. If any term, clause, or provision of this Ownership License is held to be invalid or unenforceable, it will be deemed severed from the remaining terms hereof and will not be deemed to affect the validity or enforceability of such terms.

Conflicting Terms. In the event of any conflict between the terms of this Ownership License and any terms imposed by or in connection with any platform, marketplace, or similar service or application on which the Artwork is offered, listed, sold, traded, swapped, gifted, transferred, or included, as between you and the Studio (and the Artist) the terms of this Ownership License will control.

Third-Party Beneficiary. The Artist, Art Blocks, and Pace Verso are each respectively intended to be, and will be, a third-party beneficiary of this Agreement, with a separate right to enforce any and all rights respectively afforded to each of them hereunder.

Entire Agreement. This Ownership License sets forth the entire agreement between the parties with respect to the Artwork, superseding all previous agreements, understandings, statements, discussions, and arrangements in this regard.

Contact. Inquiries regarding this Ownership License may be sent to: HYPERLINK "mailto:contact@floatingworld.io" contact@floatingworld.io.
