

Web City Club Terms of Use

Article 1 (Purpose)

This Web City Club Terms of Use (hereinafter referred to as the “Terms”) shall be concluded between Web City Club (hereinafter referred to as the “Company”) and the individual user (hereinafter referred to as the “User”) that wishes to use the company’s service (hereinafter referred to as the “Service”) to stipulate the User’s access to and the use of the Service.

The User agrees that he/she is responsible for complying with the Terms and all applicable laws and regulations when accessing the Company’s Service. The Service cannot be used or accessed should the User not agree to such conditions or be a resident of a country that prohibits digital assets by law or a country where the Anti-Money Laundering Act is not applicable.

The copyrights and trademarks of the materials contained in the Service are protected by the applicable laws. Each clause contains more specific information for the User. We recommend carefully reading and understanding the Terms.

Article 2 (Definitions)

1. **“Web City Club”** is a digital artistic collectible that exists within the Polygon network in a form of a non-fungible token (NFT).
2. **“NFT”** refers to an irreplaceable token that exists within a blockchain network.
3. **“Artwork”** refers to art, graphics, image, design, etc. relevant to the NFT owned by the User according to the Terms.
4. **“Derivative work”** refers to a creative work that is the translation, rearrangement, modification, adaptation, imaging, video production, etc. of the artwork. However, simple duplication or modification without substantial alteration of the artwork shall not be considered a derivative work.
5. **“User”** refers to the party who wishes to use the Service of the Company.

Article 3 (Ownership)

1. **Ownership of NFT** Web City Club is an NFT based on Polygon blockchain. When the User purchases an NFT, he/she has full ownership of the purchased NFT. The transfer of NTF ownership shall solely be conducted through a smart contract within the Polygon network; the Company cannot confiscate, limit, or modify the ownership of Web City Club retained by the User without any special reason.

Article 4 (License)

1. **Personal Use** Under the premise that the User maintains compliance with the Terms, the Company, without any royalty, grants a non-exclusive license at a global scale to all the User's artwork relevant to his/her Web City Club and related derivative work that can be used for the following purposes.

- a. Personal, non-commercial use;
- b. The use as a part of the function of the exchange that allows the purchase and sale of the User's Web City Club: *Provided*, That the exchange shall examine the rights of each owner through encrypted means to only allow the actual owner to publish artwork relevant to his/her Web City Club;
- c. The use as a part of a third-party website or application that allows the inclusion or participation of the User's Web City Club: *Provided*, That the third party's website or application shall examine the rights of each owner through encrypted means to only allow the actual owner to publish the artwork, and that the artwork shall no longer be published after the owner of the relevant Web City Club withdraws from the website or application.

2. **Commercial Use of Derivative Work** Under the premise that the User maintains compliance with the Terms, the Company, without any royalty, grants a non-exclusive license at a global scale (hereinafter referred to as "commercial use") to the User that allows the creation and use of the derivative work of the artwork relevant to the Web City Club owned by the User. Examples of such commercial use include the implementation of a separate project using the derivative work, using the derivative work to manufacture and sell products (for instance, a t-shirt), or displaying copies of the derivative work. For clarification, none of this provision shall limit your following actions.

- a. The act of owning or operating an exchange that allows the general use and sale of Web City Club: *Provided*, That the exchange shall examine the rights of each owner through encrypted means to only allow the actual owner to publish artwork relevant to his/her Web City Club;
- b. Owning or operating a third-party website or application that allows the general insertion, use, or participation of Web City Club: *Provided*, that the third-party website or application shall examine the rights of each owner through encrypted means to only allow the actual owner to publish artwork relevant to his/her Web City Club, and that the artwork shall no longer be published after the owner of the relevant Web City Club withdraws from the website or application;
- c. Gaining profit from any of the actions stated above.

3. Exceptional Limitation of Use Notwithstanding the provisions above, the User shall agree upon the terms that the following actions may not be conducted by himself/herself or by another third party without the prior written agreement of the Company. Should any of the following actions be identified, the User may lose the granted use rights of the Web City Club.

- a. Any use of Web City Club and artwork (including extended work results) that may:
 - i) infringe the rights of another person through hatred, intolerance, violence, cruelty, the speech of abuse, etc.;
 - ii) have relations to narcotics (not including prescribed and general pharmaceuticals), other drugs, death, pornography, adult material or other explicit sexual conduct, massage shops, prostitution, dating or escort business;
 - iii) insult or discriminate individuals based on their race, nationality, sex, religion, disability, ethnicity, sexual orientation, sexual identity, age, health condition, political orientation or orientation of political parties;
 - iv) infringe property rights including intellectual property rights by impersonating another person, etc.;
 - v) have relations with texts, images, videos, or other forms of media that involves, promotes, or encourages illegal activities;

- b. Any use that may disrupt the business of the Company by being involved with the creation of a product or service that may compete with the projects of Web City Club or damage the business reputation or credit of the Company.

4. Intellectual Property Rights The User may not receive any rights of NFTs, and related logos of other trademarks or intellectual property rights issued by the Company without limitation other than the rights of the artwork permitted as above. Each of the above rights is explicitly reserved for the Company.

5. License Period All rights retained by the User according to the Terms can only be exercised during the period in which the User has ownership of Web City Club. The User may not exercise any of the rights according to the Terms from the point of losing the ownership from sales, transfer, endowment, or any other act of disposal of Web City Club; the use of the derivative work created by the User shall also not be available.

6. Feedback The User may decide to submit opinions, bug reports, ideas, or other feedback on the website, including methods of improving the website (hereinafter all referred to as “feedback”). By submitting feedback, the User agrees that the Company, without any reward to the User, may freely review and use the accepted feedback with a method of its choice, thereby granting a permanent, irrevocable, and non-exclusive license at a global scale to the Company so that it may integrate and utilize the feedback for any given purpose.

Article 5 (Bearing of Risk)

The User shall agree to and acknowledge the following items.

1. Regarding the sales of the User’s Web City Club, it should be noted that the change in the NFT prices may be drastic and that the fluctuation of other NFT prices may have both positive and negative effects. All risks pertaining to the purchase and sales of Web City Club shall be borne by the User. Therefore, the purchase of NFTs such as Web City Club should not be considered an item of investment, nor does Web City Club fall under the category of stocks and financial investment instruments according to the Financial Investment Services and Capital Markets Act.
2. The ownership of Web City Club refers solely to the ownership of the NFT relevant to the digital artwork. Therefore, none of the information listed on the Company’s

website (or any other document mentioned on the website) shall be considered advice or proposal for contract conclusions for investment purposes. Moreover, none of the website's content shall be considered a subscription for purchase of shares, stocks, or any other financial investment product, regardless of their adjudicative jurisdiction. Due to the artistic characteristics of this project, Web City Club has not been registered with any regulatory institute of adjudicative jurisdiction. Therefore, the User is fully responsible for the identification of the purchased Web City Club and the artwork's compliance with the adjudicative jurisdiction of the territory of residence.

3. Due to the complex nature and innate limitations of blockchain technology, the integrity, and safety of the Service cannot be fully secured. Flaws may exist in the codes of the Company's Service, leading to risks of those codes abused for hacking purposes. The Company will make its reasonable effort to prevent such an incident; however, the Company does not ensure that the User will not be exposed to risks regarding digital currencies (including digital assets), including but not limited to hardware, software, and Internet connection risks, an inflow of malicious software, and the risk of a third party having unauthorized access to the information stored in the User's wallet.
4. NFT, digital assets, and blockchain technologies are relatively new and therefore have unclear regulations. New regulations may inflict negative effects on blockchain technology, subsequently causing a negative impact on the User's Web City Club. The User shall understand such matters and bear all relevant risks.
5. The User shall bear all responsibilities arising from the adverse effect caused by the suspension of or any other matter affecting the Polygon network or Klaytn platform.
6. All NFT transactions shall be conducted on the Polygon blockchain. Therefore, the User is fully responsible for examining all his/her personal Polygon wallet's (personal keys to wallets, etc.) security and management and transactions and transactions generated on the Company's website. Furthermore, because the smart contract on Web City Club is initiated on the Klaytn network, transactions cannot be canceled, reversed, or restored.

Article 6 (Fees and Payment)

1. Should the User decide to purchase Web City Club through the Company's website, all financial transactions in which the User participates are solely conducted through

the Polygon network. The Company has no insight into or control over such payment or transactions, nor does it have the authority to cancel such an activity. The Company shall not bear the liability of claims or damages to the User or a third party that may arise from any transaction or other transaction activities conducted through the Polygon network.

2. Transaction fees ("Gas Fees") shall be paid for all transactions trades that occur within the Polygon network. Gas Fees provide funds to the computer network that operates the Polygon network. This means that the User shall pay Gas Fees for each of his/her transactions.

Article 7 (Modification of Terms of Use)

1. The Company, under its discretion, may modify the Terms. The Terms are updated consistently on the Company's website; as such, the User is recommended to check for modifications on the Terms regularly.
2. Modifications in the Terms shall be announced according to the method of paragraph 1 from seven days before the effective date to the day before the effective date, with the current Terms, and the effective date and reason for modification clarified
3. Should the User continue to connect to or use the Company's website after the update of the Terms, the User shall be regarded as having accepted the modification. Should the User not agree to the modified Terms, connection to or use of the Company's website shall not be available.

Article 8 (Minors)

The Company's website is not for children. The User must be 18 years of age or older to access the Company's website or purchase Web City Club. Any individual below the age of 18 shall be prohibited from using the Company's website. By accessing the website, the User states and ensures that he/she is 18 years of age or older.

Article 9 (Jurisdiction and Governing Law)

The Terms, including but not limited to the User's website connection and use, NFT use, and products sold or distributed through the Company's website, shall be governed by and interpreted with the Law of Hong Kong.

Addenda

1. This Terms of Use shall be effective from Dec. 5, 2022.