

Tokenholder Agreement

2022

BetaCarbon Pty Ltd
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betacarbon.com
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BetaCarbon acknowledges and pays respect to the Australian Aboriginal and Torres Strait Islander peoples, the first inhabitants of the nation and the Traditional Custodians of the lands where we live, learn and work. BetaCarbon strives to align to their concepts of land, waters and community.

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1. Introduction

- 1.1 This Tokenholder Agreement (the Agreement) is between BetaCarbon Pty Ltd ABN 26 649 985 759 (BetaCarbon) and any legal or natural person that accepts its terms (the Token Holder), by buying an Australian Carbon Token (BCAU) either:

1.1.1 directly from BetaCarbon; or

1.1.2 via any Exchange that lists the Australian Carbon Token (BCAU),

- 1.2 BetaCarbon's address on the Ethereum blockchain is 0xa64EFD5Fe826f62E310a951332b519e1E3871489. The Ethereum blockchain is a distributed ledger on which self-enforcing agreements called smart contracts are deployed and provide global consensus for enforcement of transactions

- 1.3 The Token Holder is identified as follows:

1.3.1 if the Token Holder buys the Australian Carbon Token (BCAU) directly from BetaCarbon, by the public address on the Ethereum blockchain and must have a Wallet to hold any Australian Carbon Tokens (BCAU) issued under this Agreement;

1.3.2 if the Token Holder buys the Australian Carbon Token (BCAU) from an Exchange, the person for whom

the Exchange holds both the public and private keys for the Australian Carbon Token (BCAU) on bare trust as recorded in the Exchange's records;

1.3.3 if the Token Holder buys the Australian Carbon Token (BCAU) from an Exchange but the Exchange enables the Token Holder to specify their own Wallet for the purchase, by the public address on the Ethereum blockchain and the Token Holder must have a Wallet to hold any Australian Carbon Tokens (BCAU) issued under this Agreement; or

1.3.4 if the Token Holder buys the Australian Carbon Token (BCAU) from an Exchange and the Exchange initially holds the public and private keys on bare trust for the Token Holder but the Token Holder later transfers the Australian Carbon Token (BCAU) to their own Wallet in accordance with the Exchange's terms and conditions, by the public address on the Ethereum blockchain and the Token Holder must have a Wallet to hold any Australian Carbon Tokens (BCAU) transferred from the Exchange.

- 1.4 BetaCarbon develops and mints tokens referred to as Australian Carbon Tokens (BCAU) in this Agreement. Australian Carbon Tokens (BCAU) are nominally backed by ACCUs as a result of BetaCarbon contractually agreeing to hold ACCUs



in relation to minted Australian Carbon Tokens (BCAU), such that demand for Australian Carbon Tokens (BCAU) will drive demand for ACCUs, but Token Holders have no rights in any way, shape or form to any ACCU held by BetaCarbon, as set out in this Agreement.

- 1.5** This Agreement contains the terms and conditions that apply to the

Australian Carbon Tokens (BCAU) by the Token Holder.

- 1.6** The Token Holder is subject to and bound by this Agreement by virtue of buying an Australian Carbon Token (BCAU) whether directly from BetaCarbon or via an Exchange. An Exchange's terms and conditions may also provide that any purchase of an Australian Carbon Token (BCAU) is subject to this Agreement.

2. Issue and Transfer

- 2.1** BetaCarbon will mint Australian Carbon Tokens (BCAU) at the rate of 1,000 Australian Carbon Tokens (BCAU) for every 1 ACCU BetaCarbon holds in a Registry Account for this purpose. Therefore, one Australian Carbon Token (BCAU) will notionally represent 0.001 of an ACCU.

- 2.2** An ACCU represents one tonne of carbon dioxide equivalent (tCO₂-e). This means that 1 Australian Carbon Token (BCAU) is notionally backed by 1 kilogram of tCO₂-e or 1,000 Australian Carbon Tokens (BCAU) represent 1 tonne of tCO₂-e.

- 2.3** BetaCarbon undertakes not to mint new Australian Carbon Tokens (BCAU) if BetaCarbon does not hold a sufficient number of ACCUs to maintain the required ratio of Australian Carbon Tokens (BCAU) to ACCUs. In such a case, before minting new Australian Carbon Tokens (BCAU), BetaCarbon undertakes to acquire further ACCUs and will release new Australian Carbon Tokens (BCAU) in a quantity consistent with the ACCUs or derivatives over ACCUs acquired.

- 2.4** BetaCarbon has appointed the

Custodian to hold all ACCUs purchased to meet the requirements contained in this Agreement in respect of minted Australian Carbon Tokens (BCAU) in a Registry Account held in the Custodian's name. In its capacity as custodian, the Custodian cannot effect transactions in respect of ACCUs held in the Custodian's Registry Account, except to transfer the ACCUs back to BetaCarbon if they no longer nominally back Australian Carbon Tokens (BCAU).

- 2.5** Australian Carbon Tokens (BCAU) are issued to a Token Holder in exchange for any fiat currency, coin, token, cryptocurrency, digital currency or digital asset that is listed on:

- 2.5.1** the Website from time to time that BetaCarbon accepts as payment in its absolute discretion; or

- 2.5.2** any Exchange.

- 2.6** All transactions are final and cannot be reversed once the Australian Carbon Token (BCAU) Smart Contract has been executed on the Ethereum blockchain. This relates to 'on chain' transactions only that are conducted on the Ethereum network.



Transactions conducted “off-chain” will be subject to the specific terms & conditions of the trading venue and are the token holders accept sole responsibility by transacting in these venues.

2.7 The Token Holder acknowledges and agrees that:

2.7.1 BetaCarbon will issue Australian Carbon Tokens (BCAU) to the Wallet address specified in the Australian Carbon Token (BCAU) Smart Contract;

2.7.2 If the Token Holder:

2.7.3 directly purchases the Australian Carbon Token (BCAU) from BetaCarbon, the Token Holder is solely responsible for specifying a correct, valid and current Wallet address;

2.7.4 purchases the Australian Carbon Token (BCAU) from an Exchange and the Exchange holds the public and private keys for the Australian Carbon Token (BCAU) on bare trust for the Token Holder, the Exchange on behalf of the Token Holder is solely responsible for specifying a correct, valid and current Wallet address that the Australian Carbon Token (BCAU) will be held on bare trust for the Token Holder;

2.7.5 purchases the Australian

Carbon Token (BCAU) from an Exchange but the Exchange enables the Token Holder to specify their own Wallet for the purchase, the Token Holder is solely responsible for specifying a correct, valid and current Wallet address that the Australian Carbon Token (BCAU) will be held on bare trust for the Token Holder; or

2.7.6 if the Token Holder buys the Australian Carbon Token (BCAU) from an Exchange and the Exchange initially holds the public and private keys on bare trust for the Token Holder but the Token Holder later transfers the Australian Carbon Token (BCAU) to their own Wallet in accordance with the Exchange's terms and conditions, the Token Holder is solely responsible for specifying a correct, valid and current Wallet address that the Australian Carbon Token (BCAU) will be transferred from the Exchange.

2.7.7 BetaCarbon will not be responsible or liable if the Wallet address is incorrect, invalid or has expired; and

2.7.8 BetaCarbon will not be responsible or liable for Australian Carbon Tokens (BCAU) once they have been transferred to the specified Wallet address.

3. Eligibility to purchase

3.1 It is a pre-condition to purchasing an Australian Carbon Token (BCAU) that the Token Holder be either:

3.1.1 an individual who is at least 18 years old; or

3.1.2 an Entity;

The Token holder warrants it meets this condition.

3.2 BetaCarbon may request any information to validate that the Token Holder is eligible and satisfies the eligibility criteria outlined in clause



3.3 The offer of Australian Carbon Tokens (BCAU) is intended for residents in Australia and any other Approved Country and is not intended to be offered or made available to a person who resides outside of these countries. If a Token Holder purchases an Australian Carbon Token (BCAU) outside of Australia or an Approved

Country, then they do so at their own risk and it is the responsibility of the Token Holder to follow any rules, and laws in their country of residence.

4. Fees and Tax

4.1 BetaCarbon will charge the Token Holder a Transaction Fee at the time any Australian Carbon Tokens (BCAU) are purchased from BetaCarbon. The Token Holder must pay the Transaction Fee as part of the Australian Carbon Token (BCAU) Smart Contract being processed.

Australian Carbon Tokens (BCAU) on the Ethereum blockchain.

4.2 Additional fees may be charged or levied by third parties or protocols in relation to Australian Carbon Tokens (BCAU). The Token Holder will be responsible for payment of any additional fees that are not imposed by BetaCarbon, including (but not limited to):

4.3 BetaCarbon may list on its Website the value of any additional fees that it is aware of from time to time that may be built into the Australian Carbon Token (BCAU) Smart Contracts for any transactions conducted on a secondary market.

4.2.1 An Exchange or secondary market that imposes fees upon transactions involving the Australian Carbon Tokens (BCAU); and

4.4 The Token Holder must ensure that it holds sufficient assets in their Wallet to meet any additional fees referred to in clause 4.2. The Token Holder acknowledges and agrees that a transaction in relation to an Australian Carbon Token (BCAU) may not be processed if the Token Holder does not pay those additional fees referred to in clause 4.2.

4.2.2 Any fee, cost, charge or gas incurred in relation to any transaction involving the

4.5 The Token Holder is solely responsible for the payment of any tax liabilities that arise from the purchase, transfer, sale, trade or any other transaction with respect to any Australian Carbon Tokens (BCAU).

5. Token Features and Rights

5.1 The Token Holder may exchange, sell or buy Australian Carbon Tokens (BCAU) from any Exchange that lists the Australian Carbon Token (BCAU).

BetaCarbon in accordance with clause 2.4 and no other person will hold or be entitled to any legal, equitable or any other ownership rights in all ACCUs held in the Custodian's Registry Account.

5.2 At all times, the Custodian will hold legal title to all ACCUs held in the Custodian's Registry Account for

5.3 The Token Holder does not have any legal, equitable or other any entitlement to any ACCUs by virtue of



holding the Australian Carbon Token (BCAU), including but not limited to:

- 5.3.1** No legal or beneficial title to any ACCU or part thereof;
- 5.3.2** No right to have any ACCU or part thereof transferred to the Token Holder's legal name; and
- 5.3.3** No right to exchange the Australian Carbon Token (BCAU) for any ACCU or any other thing whatsoever.
- 5.4** The Token Holder only has an entitlement to buy, sell or transfer the Australian Carbon Token (BCAU) in accordance with this Agreement and, if applicable, any terms and conditions that apply to an Exchange from which the Token Holder purchases an Australian Carbon Token (BCAU).
- 5.5** The Token Holder participates in the market for Australian Carbon Tokens (BCAU) on the understanding that, by doing so, the Token Holder can drive demand for ACCUs without needing to own them, by virtue of the fact BetaCarbon is contractually required to hold ACCUs in relation to Australian Carbon Tokens (BCAU).
- 5.6** The Token Holder will hold:

- 5.6.1** if the Token Holder purchases the Australian Carbon Token (BCAU) directly from BetaCarbon, the legal and beneficial title to the Australian Carbon Token (BCAU), subject to any terms and conditions of the Wallet that holds the Australian Carbon Token (BCAU);
- 5.6.2** if the Token Holder purchases the Australian Carbon Token (BCAU) via an Exchange and the Exchange holds the public and private keys on bare trust for the

Token Holder, the beneficial title to the Australian Carbon Token (BCAU), subject to any terms and conditions of the Exchange;

- 5.6.3** if the Token Holder purchases the Australian Carbon Token (BCAU) via an Exchange but the Exchange enables the Token Holder to specify their own Wallet for the purchase, the legal and beneficial title to the Australian Carbon Token (BCAU), subject to any terms and conditions of the Wallet that holds the Australian Carbon Token (BCAU);
- 5.6.4** if the Token Holder buys the Australian Carbon Token (BCAU) from an Exchange and the Exchange initially holds the public and private keys on bare trust for the Token Holder but the Token Holder later transfers the Australian Carbon Token (BCAU) to their own Wallet in accordance with the Exchange's terms and conditions, the legal and beneficial title to the Australian Carbon Token (BCAU) once the transfer has been effected.
- 5.7** For the avoidance of doubt, the Token Holder acknowledges and agrees that the Australian Carbon Token (BCAU) does not provide the Token Holders with any rights in relation to any thing, including but not limited to:
 - 5.7.1** in relation to BetaCarbon, including (but not limited to) voting, distribution, redemption, liquidation, intellectual property or any other rights; or
 - 5.7.2** in relation to other carbon emissions units;



5.7.3 in relation to any other asset; or

5.7.4 in relation to any other coin, token, cryptocurrency, digital currency or digital asset that BetaCarbon at any time mints, issues or creates.

5.8 The Token Holder may transfer their Australian Carbon Token (BCAU), or use the Australian Carbon Token (BCAU) in relation, to any decentralised application built on the Ethereum blockchain (DApp), subject to any applicable terms and conditions. The Token Holder acknowledges and agrees it will be solely responsible for any costs or

Liability that arises in relation to the use of any DApp.

5.9 From time to time, BetaCarbon or third parties may denominate the purchase price of any good, commodity, service or other thing in Australian Carbon Tokens (BCAU). Where this is the case, the Token Holder may use Australian Carbon Tokens (BCAU) to make purchases, but the Australian Carbon Token (BCAU) does not give the Token Holder a right to any good, commodity, service or other thing by virtue of the fact BetaCarbon or a third party has chosen to denominate a price in Australian Carbon Tokens (BCAU).

6. Record Keeping

6.1 BetaCarbon undertakes to, and / or to ensure the Custodian will (as applicable):

6.1.1 comply with any applicable laws that apply to the purchase of ACCUs or the use and operation of the Custodian's Registry Account; and

6.1.2 maintain records of the ACCUs that are held in the Custodian's Registry Account that back the Australian Carbon Tokens (BCAU) minted and in circulation.

6.2 BetaCarbon will have in place policies and procedures to ensure that:

6.2.1 there are sufficient ACCUs held in the Custodian's Registry Account to back the Australian Carbon Tokens (BCAU) minted;

6.2.2 It maintains appropriate records of any ACCUs that back the Australian Carbon Tokens (BCAU); and

6.2.3 any ACCUs that back the Australian Carbon Tokens (BCAU) cannot be

6.3 used for any purpose other than in accordance with this Agreement

7. Verification Rights

7.1 BetaCarbon will engage an accredited audit firm, to audit that:

7.1.1 the Australian Carbon Tokens (BCAU) minted and in circulation are fully backed by ACCUs on a 1000 to 1 basis;

7.1.2 any ACCUs that back the Australian Carbon Tokens (BCAU) minted and in circulation are held in the Custodian's Registry Account; and

7.1.3 BetaCarbon has complied with clause 6.2.



7.2 BetaCarbon will ensure that an audit is conducted in accordance with clause 7.1 at least annually.

7.3 Subject to the auditor's consent, the latest report of factual findings will be made available to Token Holders.

8. Compliance

8.1 8.1 BetaCarbon will have in place appropriate regulatory and legal frameworks to ensure compliance with any requirements under this Agreement or applicable laws in relation to the Australian Carbon Tokens (BCAU).

8.2 BetaCarbon may freeze or seize for any period of time in its absolute discretion any Australian Carbon Tokens (BCAU) in a Wallet in order to comply with clause 8.1.

9. Risks Of Trading And Holding Digital Assets

General Risk

9.1 The purchase, holding, sale or trading of any digital asset, including the Australian Carbon Token (BCAU), involves significant risks and the potential to incur significant loss.

9.2 The Token Holder acknowledges and agrees that the Australian Carbon Tokens (BCAU) may be subject to a range of risks. This clause 9 outlines some of the risks that may be relevant to the Australian Carbon Tokens (BCAU) but is not intended to be an exhaustive list of all relevant risks. The Token Holder should consider all of the risks that may be relevant to Australian Carbon Tokens (BCAU) and assess whether those risks are acceptable to the Token Holder having regard to their financial circumstances and risk tolerance. If the Token Holder

is unsure, the Token Holder should consider obtaining financial, tax or professional advice.

Loss of Private Key and Wallet Security

9.3 A private key, or a combination of private keys, is necessary to control the Australian Carbon Token (BCAU) stored in the Token Holder's Wallet.

9.4 The loss of any private key that is associated with the Token Holder's Wallet storing the Australian Carbon Token (BCAU) will result in loss of the Australian Carbon Token (BCAU).

9.5 It is the responsibility of the Token Holder to:

9.5.1 restrict access to the private key it holds from any third parties;

9.5.2 safeguard and protect access to the private key and Wallet that the Australian Carbon Token (BCAU) is stored in if the Token Holder holds the private key and the Australian Carbon Token (BCAU) is purchased from their Wallet (and not via an Exchange) or the Australian Carbon Token (BCAU) is transferred to their Wallet from an Exchange; and

9.5.3 to select a Wallet that is safe and compatible with the storage of the Australian Carbon Token (BCAU).

9.6 If the Token Holder buys the Australian Carbon Token (BCAU) from an Exchange and the Exchange holds the Australian Carbon Token (BCAU) on bare trust for the Token Holder, the Token Holder will not hold the private keys and will be subject to Exchange counterparty risk. That is, if the Exchange suffers



an insolvency event or cannot otherwise comply with its obligations, the Token Holder may not be able to access or recover their Australian Carbon Tokens (BCAU).

9.7 It is important for the Token Holder to take precautions when transferring and storing the Australian Carbon Tokens (BCAU). The Token Holder should be familiar with the security measures available when selecting and using a Wallet and ensure passwords remain secure when operating in a digital environment.

9.8 The Token Holder acknowledges and agrees that, once BetaCarbon has transferred an Australian Carbon Token (BCAU) to the Token Holder's Wallet or to an Exchange that holds the Australian Carbon Token (BCAU) on bare trust for the Token Holder, BetaCarbon is not liable for any loss or Liability that arises any time after that transfer under any circumstance and the Token Holder indemnifies BetaCarbon from any such loss or Liability in accordance with clauses 10 and 11.

Lost Tokens

9.9 The Token Holder acknowledges and agrees that:

9.9.1 In the event that the Token Holder loses access to their Wallet, the Token Holder is aware and understands that BetaCarbon may not be able to access that Wallet on the Token Holder's behalf and there is a risk that any digital assets (including the Australian Carbon Token (BCAU)) will no longer be accessible.

9.9.2 In the event that the Token Holder purchases an Australian Carbon Token (BCAU), and the Australian Carbon Token (BCAU)

is incompatible with the Token Holder's chosen Wallet, then the Australian Carbon Token (BCAU) may not transfer to the Token Holder's Wallet and it may become a lost token.

9.9.3 Where an Australian Carbon Token (BCAU) is lost, the Token Holder will not have any recourse against BetaCarbon under any circumstance and the Token Holder may not exercise any rights in respect of the lost tokens.

Updates to Technology

9.10 In the event that BetaCarbon updates any relevant technological systems, for example:

9.10.1 transferring the Australian Carbon Tokens (BCAU) to a new blockchain; or

9.10.2 undertaking a fork or airdrop on the blockchain,

BetaCarbon will provide at least 30 days' prior written notice to the Token Holder or Exchange (as applicable).

9.11 The Token Holder acknowledges that BetaCarbon is not responsible for any Liability that the Token Holder suffers as a result of the Token Holder's failure or Exchange's failure (as applicable) to take steps to ensure that the Token Holder will be able to access and use the Australian Carbon Tokens (BCAU) following notification of an update in accordance with clause 9.10.

Ethereum

9.12 The Australian Carbon Token (BCAU) is an ERC20 token that has been built on the Ethereum blockchain but will have its own protocol. This means that any malfunction, breakdown or abandonment of the Ethereum



blockchain is likely to have a material adverse effect on the Australian Carbon Token (BCAU).

Attacks or Hacks

9.13 Tokens that are built on the Ethereum blockchain, such as Australian Carbon Tokens (BCAU), are susceptible to attacks by miners in the course of validating Australian Carbon Token (BCAU) transactions on the Ethereum blockchain, including, but not limited to, double-spend attacks, majority mining power attacks, and selfish-mining attacks.

9.14 There is a risk that hackers or other organisations may attempt to interfere with the Australian Carbon Token (BCAU) in a variety of ways. The Ethereum blockchain is open-sourced meaning that there is a risk of a hacker corrupting the underlying protocol.

Secondary markets

9.15 BetaCarbon is not obliged to operate or facilitate any secondary trading of Australian Carbon Tokens (BCAU), but reserves the right to do so at any time in its absolute discretion.

9.16 Token Holder that utilises secondary trading markets such as Exchanges are responsible for ensuring that they are safe and secure. The value of the Australian Carbon Token (BCAU) on a secondary market is not determined by BetaCarbon.

Other risks

9.17 Digital assets are constantly evolving, in addition to the risks that have been outlined in this clause 9, there are many other risks associated with the Australian Carbon Token (BCAU). Token Holders should be aware and consider these risks prior to purchasing the Australian Carbon Token (BCAU).

10. Indemnity and liability

10.1 To the maximum extent permitted by law, the Token Holder hereby agrees to indemnify BetaCarbon, and its partners, officers, directors, employees and agents against any Liability of any nature arising under tort, statute, equity, contract or some other cause of action that we suffer as a result of:

10.1.1 the Token Holder's negligent or wrongful acts or omissions;

10.1.2 the Token Holder's breach of any law, regulation or rules;

10.1.3 any damage that the Token Holder causes;

10.1.4 the Token Holder's violation of this Agreement or Privacy Policy;

10.1.5 but the Token Holder will not be liable for any Liability to the extent such Liability is the direct result of the negligent or wrongful acts or omissions of BetaCarbon.

10.2 If a Token Holder purchases the Australian Carbon Token (BCAU) from an Exchange, the Token



Holder acknowledges and agrees that the indemnity in clause 10.1 equally applies even if the Liability arises from any act or omission of the Exchange.

10.3 BetaCarbon disclaims and will not accept any liability for any act or omission by any person, smart contract, protocol or DApp that may impact an Australian Carbon Token (BCAU) after BetaCarbon has issued the Australian Carbon Token (BCAU) to the Token Holder's Wallet.

10.4 BetaCarbon is not responsible or liable for any Australian Carbon Tokens (BCAU) once they are transferred to the Token Holder's Wallet or to an Exchange that holds the Australian Carbon Token (BCAU) on bare trust for the Token Holder.

10.5 BetaCarbon will not take any responsibility for misappropriation, loss or theft of the Token Holder's Australian Carbon Tokens (BCAU) and the Token Holder will hold BetaCarbon harmless.

10.6 If the Token Holder or Exchange (as applicable) provides the wrong Wallet address for the receiving the Australian Carbon Token (BCAU), or provides a Wallet address that is not ERC20 compatible, this may result in the loss of the Token Holder's Australian Carbon Tokens (BCAU) and BetaCarbon will not be responsible or liable for such loss if it has issued the Australian Carbon Tokens (BCAU) to the Wallet address specified by the Token Holder or Exchange (as applicable).

11. Limitation on Liability

11.1 To the maximum extent permitted by law, BetaCarbon will not be held liable for any fines, penalties, taxes (except GST) and any exemplary, aggravated or punitive damages, liquidated damages or any indirect or consequential loss (including but not limited to loss of profit, loss of revenue, loss of business, loss of opportunity, loss of data, loss of contract, loss of production or loss of any digital assets or tokens).

11.2 To the extent BetaCarbon is liable under this Agreement, then BetaCarbon's total aggregate financial liability in respect of claims based on events arising out of or in connection with this Agreement, whether in contract or tort (including negligence) or otherwise, will in no circumstances exceed the value of the Australian Carbon Tokens (BCAU) held by the Token Holder or by an Exchange on bare trust for the Token Holder (as applicable).

12. Changes To Terms And Conditions

12.1 BetaCarbon reserves the right to change, amend, modify, add or delete any of these clauses in this Agreement, at any time. For the avoidance of doubt, this includes varying any fees payable under clause 4.

12.2 The Agreement shown on the Website is considered the current Agreement. Any amendments, modifications, additions or deletions apply as soon as they are

displayed on the Agreement.

12.3 It is the responsibility of the Token Holder to ensure that they regularly review the Website and are aware of the current Agreement that applies to Australian Carbon Tokens (BCAU) and any amendments that have been made in accordance with this clause 12.

12.4 If the Token Holder does not agree with the amended Agreement, the Token Holder should immediately sell or exchange the Australian Carbon Token (BCAU).



13. Intellectual Property

13.1 The Token Holder acknowledges and agrees that BetaCarbon owns and retains all Intellectual Property Rights in and connected with the design, operation or structure of the Australian Carbon Token (BCAU), Australian Carbon Token (BCAU) Smart Contract and underlying protocol.

13.2 The Token Holder must not to use,

reverse engineer, disassemble or otherwise attempt to construct, copy, modify, replicate or alter any of BetaCarbon's Intellectual Property Rights for any reason without the BetaCarbon's prior written consent.

14. Waiver Of Rights

14.1 In the event that any party fails to exercise or enforce any right granted by this Agreement, that failure cannot be taken as a waiver of such right or provision.

14.2 If any provision of this Agreement is found by a court to be invalid, the parties agree that all other

provisions of this Agreement remain in full force and effect.

15. Notices

15.1 A notice, consent, information, application or request that must or may be given or made to a party under this Agreement is only given or made if it is in writing and sent in one of the following ways:

15.1.1 delivered or posted to that party.

15.1.2 emailed to that party.

15.1.3 in the case of BetaCarbon, when displayed on the Website.

15.2 If a party gives the other party three (3) business days' notice of a change of its address or email address, a notice, consent, information, application or request is only given or made by that other party if it is delivered, posted or emailed to the latest address or email address.

15.3 A notice, consent, information, application or request is to be treated as given or made at the following time:

15.3.1 if it is delivered, when it is left at the relevant address.



15.3.2 if it is sent by post, three (3) business days after it is posted.

15.3.3 if it is sent by email, as soon as the sender's information system sends the email to the recipient's email box provided that the sender does not receive a message sent by the recipient's information system advising the sender that the recipient has not received the email.

15.3.4 If posted on the Website, when it is posted on the Website.

15.4 If a notice, consent, information, application or request is delivered, or an error free transmission report in relation to it is received, on a day that is not a business day, or if on a business day, after 5pm on that day in the place of the party to whom it is sent, it is to be treated as having been given or made at the beginning of the next business day.

16. Privacy

16.1 Any information that BetaCarbon collects about Token Holder will be used and disclosed in accordance with the Privacy Policy accessed at <https://support.betacarbon.com/hc/en-gb/articles/7513633791001-BetaCarbon-Privacy-Policy>

16.2 The Token Holder is subject to and bound by BetaCarbon's Privacy Policy by virtue of acquiring a Carbon Token

17. Anti-Money Laundering

17.1 BetaCarbon complies in all respects with the AML/CTF Regulations and any other relevant laws relating to money laundering, counter terrorism, economic and trade sanctions or fraud management.

17.2 The Token Holder may be required to provide information to BetaCarbon and/or other exchanges or trading venues for the purposes of complying with the AML/CTF Regulations. The issue of any Australian Carbon Token (BCAU) may be conditional upon the Token Holder satisfying this requirement.

18. Miscellaneous

Assignment

18.1 The Token Holder must not assign any of its rights or obligations under this Agreement without the prior written consent of BetaCarbon.

Entire agreement

18.2 This Agreement contains everything the parties have agreed in relation to the matters it deals with. No party can rely on an earlier document, or anything said or done by another party, or by a director, officer, agent or employee of that party, before this Agreement was executed, except as permitted by law.

18.3 This Agreement supplants and supersedes any previous written or oral negotiations or preliminary agreement between the parties, which ceased to be legally effective from the date on which the parties enter into this Agreement.

Severability

18.4 If a clause or part of a clause of this Agreement can be read in a way that makes it illegal, unenforceable or invalid, but can also be read in a way that makes it legal, enforceable and valid, it must be read in the latter way. If any clause or part of a clause is illegal, unenforceable or invalid, that clause or part is to be treated as removed from this Agreement, but the rest of this Agreement is not affected.

Approvals, consent and waiver



18.5 Except as otherwise set out in this Agreement, a party may give or withhold an approval or consent to be given under this Agreement in that party's absolute discretion and subject to any conditions determined by the party. A party is not obliged to give its reasons for giving or withholding a consent or for giving a consent subject to conditions.

18.6 The fact that a party fails to do, or delays in doing, something the party is entitled to do under this Agreement, does not amount to a waiver of any obligation of, or breach of obligation by, another party. A waiver by a party is only effective if it is in writing. A written waiver by a party is only effective in relation to the particular obligation or breach in respect of which it is given. It is not to be taken as an implied waiver of any other obligation or breach or as an implied waiver of that obligation or breach in relation to any other occasion.

Governing Law

18.7 This Agreement is governed by the laws of New South Wales, Australia and this Agreement. All parties agree to submit to the exclusive jurisdiction of the courts of New South Wales, Australia.

Force Majeure

18.8 No party will be liable to the other party for any failure to perform its obligations under this Agreement during the time and to the extent that such performance is prevented by a Force Majeure Event. The party subject to a Force Majeure Event (the non-performing party) must notify the other party of the relevant details as soon as practicable after the Force Majeure Event occurs and endeavour to mitigate and remedy the effect of the Force Majeure Event and minimise the impact of the event on the

other party.

Third Party Exchanges

18.9 Where trades are conducted on third party venues and exchanges directly, this Token Holders Agreement does not regulate the relationship between the token holder and third-party exchange, and that such relationships will be entirely regulated in accordance with the external exchange's own terms and conditions.

19. Definitions

19.1 ACCU means an Australian carbon credit unit, which is a unit issued by the Regulator under section 147 of the Carbon Act.

19.2 AML/CTF Regulations means the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), Anti-Money Laundering and Counter-Terrorism Financing Rules 2006 (Cth) and any guidance issued by AUSTRAC.

19.3 Approved Country means any country listed on the Website from time to time that BetaCarbon specifies offers of Australian Carbon Tokens (BCAU) may be made to in its absolute discretion.

19.4 Australian Carbon Token (BCAU) means the ERC-20 token minted by BetaCarbon at a rate of 1,000 tokens for every ACCU held by BetaCarbon in the Custodian's Registry Account in accordance with this Agreement.

19.5 Carbon Act means the Carbon Credits Farming (Carbon Farming Initiative) Act 2011 (Cth).

19.6 Entity means one of the following:

- a. a proprietary company;
- b. an unlisted public company;
- c. a listed public company;



- d. a trust (including, but not limited to, discretionary trusts, unit trusts, managed investment schemes and superannuation funds (including self-managed super funds));
- e. a partnership;
- f. an association; or
- g. a cooperative.

19.7 Australian Carbon Token (BCAU) Smart Contract means the smart contract BetaCarbon has designed and deployed on the Ethereum blockchain that is used to execute any transaction in relation to an Australian Carbon Token (BCAU).

19.8 Custodian means Carbon Swap Pty Ltd or any other company that BetaCarbon has appointed as a custodian to hold all ACCUs that back all Australian Carbon Tokens (BCAU) minted by BetaCarbon.

19.9 Exchange means any centralised or decentralised cryptocurrency or digital currency exchange or other platform from which the Australian Carbon Token (BCAU) can be bought, exchanged or sold.

19.10 Force Majeure Event means an event or circumstance beyond the reasonable control of any party (including a natural event or disaster, pandemic, act of war, revolution, strikes, lockouts and acts of government) which makes it impossible, impracticable or illegal for a party to perform its obligations under this Agreement, but does not include lack of funds for any reason.

19.11 Intellectual Property Rights means all means all present and future intellectual and industrial property rights conferred by law and wherever existing, including:

- 19.11.1** goodwill, patents, designs, copyright, rights in circuit layouts, trademarks, know how, brand names, domain

names, inventions, product names, trade secrets and any other rights subsisting in the results of intellectual effort in any field, whether or not registered or capable of registration;

19.11.2 any application or right to apply for registration of any of these rights;

19.11.3 any registration of any of those rights or any registration of any application referred to in paragraph 19.8.2 of this definition; and

19.11.4 all renewals and extensions of these rights.

19.12 Liability means any action, demand, proceeding, liability (whether actual or prospective), loss, damage, cost or expense of any description, arising under any theory of liability, including but not limited to tort, statute, breach of contract or equity, and including legal fees on a solicitor and own client basis.

19.13 Registry Account means an account established in the Australian National Registry of Emissions Units, which is a secure electronic system designed to track the location and ownership of ACCUs in accordance with the Australian National Registry of Emissions Units Act 2011 (Cth)

19.14 Regulator means the Clean Energy Regulator.

19.15 Transaction Fee means the transaction fee or such other fee listed on the Website that is charged at the time a Carbon Token is issued.

19.16 Wallet means a cryptocurrency wallet (whether hot, warm or cold) that is compatible with the Ethereum blockchain and enables the safe storage of the public keys and private keys of cryptocurrency.

19.17 Website means www.betacarbon.com