

TERMS AND CONDITIONS FOR THE SALE OF NFT

Opernring 21, 1010 Vienna, Austria
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Terms may be subject to changes as we are still in beta version.

(1) General Provisions

- (1) Artecont HD GmbH, an Austrian limited liability company, registered in the commercial register of the Vienna Regional Court under registration number FN 477025 h, with its business address Opernring 21/EG, 1010 Vienna, Austria ("**ARTECONT**") is offering digital art ("**Digital Art**") from NFT-Artists ("**NFT-Artist**") tokenized as non-fungible token ("**NFT**") for sale on the platform www.arteconft.com ("**Platform**") operated and maintained by ARTECONT.
- (2) These Terms and Conditions ("**T&C**") apply to the sale of NFT by ARTECONT to a purchaser ("**Purchaser**") via the Platform.

(2) Platform Registration

- (1) Purchasers interested in purchasing NFT from ARTECONT have to register themselves on the Platform by providing ARTECONT with valid and true information as required in the registration process ("**Registration**"). The Registration requirements depend mainly on legal requirements, such as Anti-Money Laundering (AML) regulations, and may change from time to time depending on the applicable legal framework.
- (2) For a successful registration the Purchaser needs to provide his Ethereum public address, email address, name, address, date of birth, and upload a copy of his ID card or passport (if AML requirements are applicable). If the Purchaser does not have an Ethereum Wallet, ARTECONT offers support to create the same. ARTECONT as operator of the Platform reserves the right to demand further proof or documents from the Purchaser. The Purchaser is responsible for keeping his data provided to ARTECONT up-to-date and liable for any damage or loss related to provided incorrect or incomplete data.
- (3) Purchaser must register only once on the Platform and must be of legal age. Multiple Registration is prohibited.

(3) Individual Purchase of NFT

In case the term “Request Mint” is used on the Platform, the Purchaser will be guided individually through the Registration and Purchase process. If the Purchaser does not have his own Ethereum Wallet he will be supported to set up the same.

(4) Automated Purchase of NFT

- (1) After a successful Registration, the Purchaser can provide ARTECONT with his legally binding purchase offer to purchase an NFT to the purchase conditions provided via the Platform. The purchase process is initiated by clicking on the button 'Purchase', 'Mint' or another similar phrase expressing the willingness to enter into a binding contract with ARTECONT. By initiating this purchase process, Purchasers place an order ("**Order**").
- (2) An Order is an offer to purchase the respective NFT ("**Purchase Offer**"). After placing an Order, Purchasers will immediately receive an order confirmation by email. This email is automatically generated and cannot be regarded as a confirmation for the conclusion of a purchase contract. ARTECONT reserves the right to refuse an Order, in particular if technical circumstances arise that make acceptance unfeasible.
- (3) ARTECONT confirm the acceptance of the Purchase Offer provided by the Purchaser via the Platform by transferring the purchased NFT to the Ethereum public address provided by the Purchaser in the Registration process ("**Acceptance**"). Through the Purchase Offer and its Acceptance, the binding purchase contract ("**Purchase Contract**") for the purchased NFT between the Purchaser and ARTECONT will be concluded.

(5) Payment

- (1) The payment process is initiated by selecting the preferred payment method. The Purchaser is able to pay via bank transfer. Other payment methods may be added in the future. The Purchaser will also be able to pay with the Ethereum virtual currency Ether (ETH) by transferring the price for the NFT in ETH to the Ethereum public address of ARTECONT. Payments are made using third party payment providers. Third party payment providers may charge fees for EUR payment. Payments with ETH are subject to gas fees. All fees related to the payment will be borne by the Purchaser.
- (2) When payment is made using EUR, the purchase price for the NFT is converted at the current exchange rate at the time of making the payment.
- (3) When payment is made via bank transfer, Purchasers receive an invoice with the bank account and bank details of ARTECONT. The payment period is one week. Further information may be provided during the payment process on the Platform.

(6) License

- (1) Subject to the compliance with these T&C, ARTECONT grants each Purchaser of the purchased NFT an exclusive, worldwide, limited, irrevocable, non-sublicensable and transferable (only together with a

transfer of the respective NFT, otherwise non-transferable) non-commercial right to use the Digital Art ("**NFT License**"). The NFT License includes the non-commercial right to download, print, perform, promote, share, exhibit or display the Digital Art, in particular on social media platforms, blogs, online galleries, online museums, third party marketplaces (e.g., NFT sales exchange), decentralized virtual environments, virtual worlds, video games or other online media platforms. Furthermore, the NFT License includes the right to sell, trade, transfer, or use the NFT, but not the commercial use of the Digital Art including, for example, the sale of copies or any reproduction of the Digital Art, the sale of access to the Digital Art, the sale of derivative works embodying the Digital Art, or any other commercial exploitation of the Digital Art. The right to modify the Digital Art including, without limitation, the shapes, designs, drawings, attributes, or color schemes, no matter in what way, is also excluded.

- (2) Without ARTECONT's written consent, the Purchaser may not, nor permit any third party, to do or attempt to
 - (a) modify, distort, mutilate, or perform any other modification to the Digital Art which would be prejudicial to ARTECONT or the NFT-Artist's honor or reputation;
 - (b) use the Digital Art to advertise, market, or sell any third party product or service;
 - (c) use the Digital Art in connection with images, videos, or other forms of media that depict hatred, intolerance, violence, cruelty, or anything else that could reasonably be found to constitute hate speech or otherwise infringe upon the rights of others;
 - (d) incorporate the Digital Art in movies, videos, video games, or any other forms of media for a commercial purpose, except to the limited extent that such use is expressly permitted by these T&C or solely for the Purchaser's private, non-commercial use;
 - (e) sell, distribute for commercial gain, or otherwise commercialize merchandise that includes, contains, or consists of the Digital Art;
 - (f) attempt to trademark, copyright, or otherwise acquire additional intellectual property rights in or to the Digital Art;
 - (g) attempt to mint, tokenize, or create an additional token representing the same Digital Art; or
 - (h) falsify, misrepresent, or conceal the authorship of the Digital Art.
- (3) The NFT License shall be inseparably associated with the NFT. By transferring the NFT (regardless of the legal reason), the NFT License is also automatically transferred to the subsequent legitimate NFT holder without notice and applies exclusively to the subsequent legitimate NFT holder. The NFT License of the former NFT holder (e.g., the Purchaser) shall immediately expire without notice simultaneously with the transfer of the NFT. Furthermore, the NFT License shall expire immediately and without notice if the purchase of the NFT is reversed or the NFT will be burned, disposed or relinquished for any reason. If a legitimate NFT holder breaches any of the provisions of these T&C, the NFT License granted by ARTECONT will terminate automatically.

(7) Hosting

- (1) Hosting and storage of the Digital Art by ARTECONT on InterPlanetary File System (IPFS) or the Platform is ensured for a maximum period of 60 calendar months after the conclusion of the Purchase Contract ("**Hosting Period**").
- (2) After and during the Hosting Period, the legitimate NFT holder may perform the hosting and storage of the Digital Art himself. This would terminate the hosting obligation of ARTECONT immediately. At the latest by the end of the Hosting Period the legitimate NFT holder is responsible for downloading, storage and hosting of his Digital Art.

(8) Royalties

- (1) After an NFT purchase from ARTECONT, the NFT can be resold on various NFT sales exchange (e.g., Opensea, Rarible, Binance). In order that the NFT-Artist, as the creator of the Digital Art, can also participate in the increase in value and thus in the resale of the NFT, the legitimate NFT holder may pay a percentage of the sales price to the NFT-Artist and ARTECONT. Depending on the respective NFT sales exchange, these so-called royalties ("**Royalties**") may be transferred directly to the NFT-Artist's and ARTECONT's Ethereum public address. The exact amount of the Royalties is defined in the smart contract according to the EIP-2981 standard.
- (2) For such subsequent sale of a NFT via an NFT sales exchange, the NFT-Artist and ARTECONT may receive together a percentage of the net sales price as Royalties. Any subsequent seller of the NFT must consider that when reselling a NFT via an NFT sales exchange and inform the new legitimate NFT holder accordingly.
- (3) If the respective NFT sales exchange does not directly transfer the Royalties to the NFT-Artist's or ARTECONT's Ethereum public address, no Royalties for the respective NFT sale are due. The NFT sales exchange specific regulations about Royalties and their distribution can be found in the terms and conditions of the respective NFT sales exchange.

(9) Right of Withdrawal

- (1) The Purchaser must explicitly agree to waive his 14-day right of withdrawal, from which the Purchaser as consumers would benefit according to § 11 of the Austrian Distance Selling Act (*Fern- und Auswärtsgeschäfte-Gesetz*) ("**FAGG**"), in order to enable ARTECONT in accordance with § 18 (1) no 11 FAGG to transfer the NFT (as digital content not stored on a physical data carrier) before the right of withdrawal expires.
- (2) ARTECONT transmit a confirmation of the conducted Purchase Contract and a confirmation of the Purchaser's explicit consent to waive his right of withdrawal in order to enable the transfer of the NFT by ARTECONT before the right of withdrawal expires to the Purchaser according to § 5 (2) FAGG immediately by email after the Purchase Contract was conducted.

(10) Disclaimer of Warranty and Liability

- (1) Neither the NFT-Artist nor ARTECONT is liable for the actions of the Purchaser. The Purchaser undertakes to indemnify and hold the NFT-Artist as well as ARTECONT harmless in the event of claims by third parties, which are attributable to the Purchaser and have their legal grounds in the use of the Platform or the conclusion of the Purchase Contracts.
- (2) The NFT-Artist and ARTECONT shall only be liable for gross negligence or intent within the framework of the existing statutory provisions, irrespective of the legal basis (pre-contractual, contractual, non-contractual), in case of pecuniary losses. Neither the NFT-Artist nor ARTECONT is liable for slight negligence. A liability of the NFT-Artist or ARTECONT for consequential damages, mere financial losses, lost profit, or damages from claims of third parties are excluded. Liability of the NFT-Artist or ARTECONT for personal injury of Purchasers is not excluded.
- (3) Neither the NFT-Artist nor ARTECONT does guarantee that the Platform is available to the Purchaser uninterruptedly, that all data and content are correct, complete, accurate and current or that the NFT offered meet the requirements or expectations of the Purchaser.

- (4) If ARTECONT does not object to a violation of the T&C or statutory provisions, the assertion of the claims arising from the violation shall not be waived. Any waiver to this effect must be explicitly made in writing.
- (5) Neither the NFT-Artist nor ARTECONT is liable for any damage, claims or financial losses or other issues caused by offering or transferring NFT or ETH via the Platform in particular in relation to the Ethereum blockchain, including forks, technical node issues, or any other issues having fund losses as a result. Neither the NFT-Artist nor ARTECONT does operate or control the Ethereum blockchain. The Purchaser is responsible for his transfers on the Ethereum blockchain as well as the selection of the wallet software and in particular for the safekeeping of his own private keys. Erroneous transfers on the Ethereum blockchain result in the loss of the respective NFT or ETH and are irreversible. Neither the NFT-Artist nor ARTECONT is liable for such improper use of the Ethereum blockchain or able to reverse any transfer made on the Ethereum blockchain. The Purchaser also accepts and acknowledges that neither the NFT-Artist nor ARTECONT will be responsible or liable for any communication failures, disruptions, errors, distortions or delays caused by using the Ethereum blockchain.
- (6) The Purchaser accepts and acknowledges the risks associated with storage of the Digital Art by IPFS or the Platform and accepts that neither the NFT-Artist nor ARTECONT is responsible and can be held liable for any downtime or any other issues including total loss of the Digital Art due to faulty functioning of IPFS, the Platform as well as of other data storage and/or data access and hosting systems provided by the NFT-Artist, ARTECONT or any third parties for whichever reason, including hacking or any other kind of third party attacks.

(11) Risks and Warnings

- (1) NFTs are intangible digital assets that exist only by virtue of the ownership record maintained in the Ethereum network. All smart contracts are conducted and occur on the Ethereum blockchain as a decentralized ledger. Neither the NFT-Artist nor ARTECONT make guarantees nor promises with respect to smart contracts and the Purchaser acknowledge that the connection between the respective NFT and the associated Digital Art may be subject to change as specified in the smart contract, which may lead to the respective NFT representing a new or amended Digital Art.
- (2) The value of NFTs is extremely volatile and subjective. Fluctuations in the price of other digital assets could materially and adversely affect the value of the NFT, which may also be subject to significant price volatility. ARTECONT cannot guarantee that the NFT purchased will retain its original value, as the value of collectibles is inherently subjective and numerous factors may materially impact the value and desirability of the NFT.
- (3) The Platform does not store, send, or receive NFTs. Due to NFTs exist only by virtue of the ownership record maintained on the Ethereum blockchain. Any transfer of NFTs occurs within the Ethereum blockchain, and not on the Platform.
- (4) To be able to purchase an NFT and make it visible in a wallet, the Purchaser requires a third party Ethereum compatible wallet software (e.g., Metamask). By using a third party Ethereum compatible wallet software, the Purchaser agrees that he is using that wallet software under the terms and conditions of the applicable wallet software provider. Such third party Ethereum compatible wallet software is not operated by, maintained by, or affiliated with ARTECONT or the NFT-Artist, and neither ARTECONT nor the NFT-Artist has custody or control over the contents of the used wallet software and has no ability to retrieve or transfer its contents. Each legitimate NFT holder is solely responsible for keeping his wallet software, wallet credentials and seed phrase secure. Any issues discovered with a wallet software, must be clarified with and reported to the respective third party wallet software provider.

- (5) There are risks associated with using ETH, including, but not limited to, the risk of hardware, software and internet connections, the risk of malicious software introduction, and the risk that third parties may obtain unauthorized access to information stored within the Ethereum wallets.
- (6) The regulatory regime governing blockchain technologies and digital assets is uncertain, and new regulations or policies may materially and adversely affect the potential utility or value of NFTs.
- (7) Upgrades to the Ethereum blockchain, a hard fork or a change in how transactions are confirmed on the Ethereum blockchain may have unintended, adverse effects on the Ethereum blockchain, including the potential utility or value of NFTs.

(12) Data Protection

- (1) The Purchaser undertakes to treat all information and data received within the scope of the Platform and Purchase Contract as confidential and not to make them accessible to third parties, if not stated otherwise in these T&C.
- (2) ARTECONT has the right to disclose any data to any competent authority if the data is requested to be disclosed by such authority. ARTECONT reserves the right to cooperate with such authorities to the maximum extent possible.
- (3) The processing of your personal data is carried out in strict compliance with the applicable data protection regulations as stated in the Privacy Policy of the Platform.

(13) Miscellaneous

- (1) Should a provision of this T&C be invalid, contestable or unenforceable, the validity of this T&C shall remain unaffected, provided that this corresponds to the intention of the parties to this T&C as it emerges from the provisions of this T&C in their context. If the Purchaser is not a consumer within the meaning of the Austrian Consumer Protection Law (*Konsumentenschutzgesetz*), such a provision shall then be replaced by an effective and enforceable provision which has such legal and above all economic content as the invalid one or comes closest to it.
- (2) These T&C and any non-contractual obligations arising out of or in relation to it shall be governed by and construed in all respects in accordance with Austrian law, excluding the Austrian conflict of law rules of Austrian international private law and without giving effect to any statutory conflict of law provisions or rules that would cause the application of the law of any jurisdiction other than Austria.
- (3) All disputes arising out of the Purchase Contract or related to its violation, termination or nullity shall be brought before the competent court in corporate matters (Handelsgericht) in Vienna, Austria. If the Purchaser is a consumer within the meaning of the Austrian Consumer Protection Law (*Konsumentenschutzgesetz*), the place of jurisdiction shall be the place of residence of the consumer.