

TERMS AND CONDITIONS FOR REALWORLD PLATFORM

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1. Introduction

1.1 Platform

- a. The RealWorld Finance platform (the "**Platform**") is a blockchain-based platform operated by Real World Finance Inc. (the "**Operator**") allowing users who register for an account on the Platform ("**Users**" or "**You**"):
 - to take ownership of minted tokenized representations of real-world assets (such as fine wine, gold, and precious gems) (each tokenized representation, an "**NFT**") and
 - to fractionalize the NFT either by creating on-chain fractional interests in the NFT (the fractionalised NFT, the "**f-NFT**") or – in case of peer-to-peer ("**P2P**") repurchase ("**Repo**") transactions – by creating contractual (co-)ownership rights in the NFT in question (the fractionalised NFT, the "**r-NFT**").
- b. The Platform enables users to engage in trading of NFTs and f-NFTs as well as P2P Repo transactions with r-NFTs solely through the deployment of smart contracts. Subject to Section 2.5 below, the Platform does not have custody or control over the digital tokens, blockchains, or third parties the User interacts with, nor does it execute, facilitate, or intermediate the User's purchases, transfers, or sales of NFTs, f-NFTs, or r-NFTs. The User is solely responsible for all interactions and transactions conducted through the Platform's smart contracts.
- c. The Platform supports various blockchains for NFT issuance and transaction execution, which may include, but are not limited to Polygon, an Ethereum-compatible network, and other blockchain networks supported at RealWorld's discretion (each, a "**RealWorld-Supported Blockchain**").
- d. The Platform does not provide investment, tax, legal, or financial advisory services, nor does it engage in financial intermediation.
- e. The Platform is not responsible for any financial losses resulting from transactions between users.
- f. The Platform is not responsible for interaction and/or consequences of interaction between the Users, such interaction being by nature direct and peer-to-peer.

1.2 Use of the service

Users may engage in the following activities:

- Onboarding and tokenization – upon completion of KYC/AML checks set out in Section 2.1 below and opening an account as set out in Sections 2.1 and 2.4 below, moving a physical asset into an insured bonded Freeport facility/Custodial Facility and minting a 1:1 NFT representing the asset;
- Fractionalization and trading – trading NFTs and creating on-chain fractional interests in an NFT to enable fractional ownership and f-NFT trading;
- P2P financing – engaging in P2P Repo transactions with r-NFTs and settlement in USDC; and
- Redemption and physical delivery – burning NFTs to trigger physical delivery of the underlying asset from the bonded storage.

1.3 Scope of Terms and Conditions

These Terms and Conditions ("**Terms**") govern the creation, ownership, and use of NFTs, f-NFTs, and r-NFTs generated by Users on the Platform. If You do not agree with the Terms, You

must refrain from participating in any NFT-related activities. Using NFTs, f-NFTs, or r-NFTs means engaging with one or more of the services listed in Section 1.2 above.

2. Onboarding and tokenization

2.1 Your account

- a. In order to register an account on the Platform ("**Account**"), You must provide a blockchain address and connect either directly to a third-party RealWorld-Supported Blockchain node or indirectly through any RealWorld-Supported Blockchain cryptocurrency wallet application that interacts with the node (each, a "**Wallet**"). You have the option to either use your own Wallet or request the Platform to broker the creation of a Wallet for you through a third-party provider. If you choose to have a Wallet brokered, the Platform will facilitate the setup process in accordance with the terms and conditions of the selected provider. You agree that the information you provide is accurate, complete, and not misleading, and that you will keep it up to date at all times.
- b. Users are solely responsible for maintaining the confidentiality of their Account and accept full responsibility for all activities that occur under their Account. If you believe that your Account is no longer secure, you should immediately notify us at info@realworld.fi.
- c. By using a Wallet in connection with the Platform, You acknowledge and agree that You are doing so under the terms and conditions of the applicable Wallet provider. Wallets are not operated, maintained, or affiliated with the Platform, and – subject to Section 2.5 below – the Platform does not have custody or control over the contents of your Wallet nor any ability to retrieve or transfer its contents.
- d. The Platform accepts no responsibility for, and bears no liability to You in connection with, Your use of a Wallet. Furthermore, the Platform makes no representations or warranties regarding how the Service will operate with any specific Wallet. You are solely responsible for keeping Your Wallet secure and shall never share your Wallet credentials or seed phrase with anyone. If You experience an issue with your Wallet, please contact your Wallet provider directly.
- e. You acknowledge and agree that any use of services available on the Platform which are operated by third parties — including, but not limited to, crypto-fiat and fiat-crypto bridging services — is solely at your own risk and discretion. You agree to comply fully with the terms of use, policies, and requirements imposed by such third-party service providers. The Operator shall bear no responsibility or liability whatsoever for any interactions, transactions, or lack thereof between you and any third party, including any losses, damages, or disputes arising therefrom.

2.2 Privacy Policy

RealWorld collects, processes, and otherwise uses Users' information in accordance with the Privacy Policy accessible via: <https://asset.realworld.fi/privacy-policy/terms.pdf>

2.3 KYC

- a. In order to make use of services listed in Section 1.2 above, a successful completion of the KYC/AML requirements by the User providing all required data is required.
- b. The following information is required for onboarding if the User is a natural person:
 - aa) all names and surnames of the User;
 - bb) the declared place of residence including the complete address;
 - cc) the User's date of birth;
 - dd) the User's place of birth;

- ee) the nationality of the User;
- ff) the number of an identity card or passport which has been issued by the competent authority to the User;
- gg) an e-mail address of the User;
- hh) proof of address of the User through document(s) established by common practice.

Additional information may be required in the due diligence processes, including the enhanced due diligence process.

- c. The following information is required for onboarding if the User is a legal person:
 - aa) complete legal form of the User;
 - bb) the User's registered office or, if applicable, the statutory place of business as recorded in a public registry, including the complete address;
 - cc) the User's registry number from the commercial registry or a comparable public registry, if applicable;
 - dd) names, addresses, and numbers of identity cards or passports of the statutory authorized representatives of the User;
 - ee) an e-mail address of the User;
 - ff) information on ultimate beneficial owners of the User, including names, addresses, and numbers of identity cards or passports, if applicable.

Additional information may be required in the due diligence processes, including the enhanced due diligence process.

- d. In order for the onboarding to be successful it is required that the information provided by the User is
 - aa) complete; and
 - bb) that there is no indication that the User provided incorrect data.
- e. Audit and notifications

The Operator is entitled but not obligated to audit the data provided during the onboarding process by a qualified third party. The Operator notifies the User if the onboarding and the completion of the KYC/AML requirements was successful. The respective User is then considered as green listed. The User is obligated to notify the Operator immediately if any of the information provided has changed.

2.4 Eligibility

By using the Platform, You acknowledge and/or confirm that:

- a. You are at least 18 years old and legally capable of entering into a binding contract with the Operator.
- b. You are accessing the Platform's services from a jurisdiction where the acquisition and trading of NFTs, f-NFTs, and r-NFTs are legally permitted without requiring additional regulatory approvals, specific registrations, or authorizations.
- c. You are not subject to any restrictions or prohibitions on minting, acquiring or holding NFTs, f-NFTs, or r-NFTs under the laws of your jurisdiction.
- d. You ensure that all payments or transfers You initiate originate from lawful sources and are not connected to sanctioned governments, blocked property under OFAC regulations, illegal

activities, or accounts or virtual currency addresses in jurisdictions subject to international sanctions.

- e. You comply with all applicable local laws, ensure the lawful sourcing of funds, and adhere to AML and CFT regulations.
- f. You are responsible for ensuring that Your use of the Platform aligns with all applicable legal and contractual obligations related to Your activities.
- g. The purchase, sale, holding, or use of NFTs, f-NFTs, or r-NFTs on the Platform: (i) does not constitute a loan, capital contribution, or any other form of investment in Real World Ventures GmbH or any affiliated entity; (ii) does not grant You any ownership interest, equity, security, or rights to the assets, properties, revenues, or profits of Real World Ventures GmbH; (iii) does not confer governance rights, voting influence, or decision-making authority in the Operator or any affiliated entity, and (iv) does not create or imply any fiduciary, agency, or other obligations of the Operator or any of its representatives, officers, employees, or agents towards You.
- h. You have sufficient knowledge and experience in blockchain technology and digital assets, including RealWorld-supported blockchains, NFTs, and smart contracts. You have independently assessed the Platform and its associated risks and have not relied on any oral or written representations or statements from the Operator, except as explicitly set forth in these Terms. This includes Your explicit understanding of RealWorld's reliance on third party physical asset-related services including but not limited to custody, Trust and/or related Trustee services, value and/or provenance appraisal, market making, insurance, transportation and logistics.
- i. You are solely responsible for assessing, reporting, and remitting any taxes and/or fulfilling any regulatory responsibilities that may arise in connection with Your use of the Platform, including but not limited to taxes related to the purchase, sale, or redemption of NFTs, f-NFTs, and r-NFTs. "**Taxes**" include all duties, levies, tariffs, and governmental charges that you may be required to collect and remit, including municipal, national, and international taxes.

2.5 Restriction or Termination of Access to the Platform, Compliance Measures

- a. The Operator reserves the right to restrict or suspend access to the Platform, in whole or in part, if there are legitimate security-related reasons for doing so. Such restrictions may be imposed particularly if there is a suspicion of unauthorized and/or abusive access or if such access is reasonably feared.
- b. The Operator may also initiate a restriction or suspension if it is entitled to terminate the User agreement for cause, provided that the circumstances justifying termination are attributable to the User.
- c. The Operator may take necessary actions in cases of fraud prevention, regulatory compliance, or as mandated by laws governing anti-money laundering (AML), counter-terrorist financing (CTF), sanctions compliance, or other financial crime regulations. Such actions may include, but are not limited to, transaction monitoring, temporary or permanent account restrictions, or reporting to relevant authorities.
- d. The Operator will notify the User of any restriction or suspension without undue delay, unless legal or security-related considerations prevent such notification.

2.6 Tokenisation

- a. The Platform enables Users to tokenize high-value real-world assets that are stored in insured bonded Freeport facilities, or other secure Custodial Facilities, by minting them as blockchain-based NFTs on RealWorld-Supported Blockchains. Users are solely responsible

for assessing whether the Freeport facilities/Custodial Facilities are suitable for their needs, considering the value and nature of the asset, their individual requirements and circumstances, as well as any other relevant factors. Users acknowledge that Freeport facilities/Custodial Facilities may charge fees for asset safekeeping, access, insurance, and other related services. Such costs shall be borne by the User, to whom RealWorld shall pass all such costs together with the applicable determined and disclosed RealWorld margin.

- b. Eligible assets include, but are not limited to, fine wine, gold, precious gems, and other tangible assets that meet the Platform's reasonable verification criteria, including but not limited to the availability of safe custody and of asset appraisal and validation services, as well as all and any such other services as may be reasonably expected by Platform Users. Only verified assets stored in insured bonded Freeport facilities/Custodial Facilities are eligible for tokenization. If an asset fails verification or is found ineligible after minting, the Platform reserves the right to burn or freeze improperly minted NFTs to maintain compliance and ensure the integrity of the system.
- c. Each NFT represents a digital tokenization of an underlying real-world asset and serves as a unique, on-chain proof of ownership in that asset.
- d. Upon tokenization, the respective User retains ownership of any rights they lawfully hold in the underlying real-world asset associated with the NFT, subject to the rights and restrictions set forth in these Terms.
- e. By taking advantage of NFTs minted on the Platform, the User grants the Platform a worldwide, non-exclusive, royalty-free license to use, reproduce, distribute, and display the associated metadata, images, and asset descriptions solely for operational and promotional purposes, including the operation of the Platform, User engagement, and marketing activities. This license does not affect Users' ownership rights in the NFT or the underlying asset.

2.7 Asset Representation and Compliance

- a. You confirm that You:
 - You have the necessary rights and capacities to tokenize the underlying real-world asset;
 - The tokenization and minting of the NFT does not infringe any third-party rights, including but not limited to intellectual property rights, any and all other ownership rights, contractual rights, or regulatory restrictions;
 - The asset backing the NFT is authentic, legally acquired, and free from encumbrances that would prevent its transfer.
- b. The Platform delegates asset custody, appraisal, authenticity verification, proof of provenance, market making through the virtue of bid and/or ask price creation, liquidity provision and such other asset-related functions, to third parties and does not custodize any asset in its own facilities and does not itself verify the authenticity, legality, or ownership of the underlying asset and assumes no responsibility for the accuracy or validity of any representations made by You or second or third parties or other Users. The Platform makes all such information available and the User understands and accepts both the fact and the risk of such arrangements.

3. Fractionalization and trading

3.1 Fractionalization of NFTs

- a. Once minted, NFTs may be fractionalized into f-NFTs or r-NFTs. In case of f-NFTs, NFTs are fractionalized into tokens which can be transferred on-chain. In case of r-NFTs, instead of a direct on-chain transfer of r-NFT fractions, a constructive possession arrangement

(*mittelbares Besitzkonstitut*) within the meaning of Section 868 of the German Civil Code is established. The r-NFT serves as a digital representation of co-ownership rights in the fractionalized NFT, similar to a global certificate (*Globalurkunde*), while the Repo buyer holds a (co-)ownership claim ((*Mit*)(*E*)(*e*)*igentumsanspruch*) to the respective r-NFT.

- b. NFTs, f-NFTs, and r-NFTs are linked to a Uniform Resource Identifier ("URI") that identifies the associated asset and its relevant metadata. For f-NFTs and r-NFTs, the URI also reflects the fractional ownership structure and contractual rights embedded in the smart contract.
- c. The fractionalization process does not alter the original NFT but enables its economic divisibility, allowing multiple Users to hold interests in a single tokenized asset.
- d. Fractionalization is only reversible in compliance with the Platform's repurchase mechanism or contractual consolidation procedures. Meaning that once an NFT is fractionalized it cannot be restored to a single undivided NFT outside those policies.
- e. Users acknowledge that f-NFTs and r-NFTs do not grant direct possession or physical control over the underlying real-world asset but rather serve as a digital representation of shared ownership interests in accordance with the smart contract terms.

3.2 Trading of NFTs and f-NFTs

- a. NFTs and f-NFTs may be traded on the Platform in accordance with applicable legal and regulatory requirements.
- b. Users acknowledge that f-NFTs may qualify as transferable securities under Directive 2014/65/EU (MiFID II) and agree to comply with all applicable laws when transferring, selling, or holding f-NFTs. The Platform does not guarantee liquidity, resale value, or regulatory compliance of f-NFT transactions outside its ecosystem. Users are solely responsible for understanding the regulatory implications of engaging in f-NFT transactions in their jurisdictions.
- c. Trades of NFTs and f-NFTs are executed P2P through on-chain transactions, with all terms enforced by smart contracts. The Platform does not act as a counterparty in f-NFT trades.
- d. The Platform reserves the right to impose transfer restrictions in compliance with regulatory requirements or contractual obligations. Transfers that violate applicable laws, these Terms, or contractual agreements may be blocked or reversed by smart contract functionality.

4. P2P Repo transactions

4.1 Nature of Repo transactions, role of the Platform

- a. The Platform enables Users to engage in P2P Repo transactions involving r-NFTs and f-NFTs; NFTs or other digital assets are not eligible.
- b. A Repo transaction involves a sale of r-NFTs or f-NFTs from the Seller to the Buyer, with the Seller contractually agreeing to repurchase the same type and quantity of r-NFTs or f-NFTs at a pre-agreed repurchase price on a specified date.
- c. The Platform only provides smart contract functionality to facilitate Repo transactions between Users and does not act as an intermediary, custodian, or counterparty to any Repo agreement.

4.2 No ownership in the underlying real-world asset

The Buyer acknowledges and agrees that:

- The acquisition of r-NFTs or f-NFTs in a Repo transaction does not grant ownership rights over the underlying real-world asset linked to the r-NFTs or f-NFTs.

- The Buyer cannot demand delivery or transfer of the real-world asset unless explicitly permitted under Section 4.4 below.
- Ownership of the underlying real-world asset remains with the Seller and is not transferred by virtue of the Repo transaction.

4.3 Repurchase obligation

- a. The Seller is contractually obligated to repurchase the r-NFTs or f-NFTs from the Buyer at the pre-agreed time and prices specified in the Repo agreement.
- b. The Buyer cannot demand early repurchase or modification of the Repo terms unless both parties mutually agree.

4.4 Default and potential asset transfer

- a. If the Seller fails to repurchase the r-NFTs or f-NFTs by the agreed deadline, the Buyer may:
 - (i) sell the r-NFTs or f-NFTs to recover their value; or
 - (ii) initiate a claim for the physical delivery of the underlying asset; or (iii) do nothing by retaining the r-NFT or the f-NFT in respect of the which a Default has occurred and thus become the legal owner of the underlying real-world asset.
- b. The Platform does not have custody or control over any real-world assets, nor does it enforce their transfer. The possibility of physical delivery is subject to contractual arrangements and applicable regulations.

5. Redemption and physical delivery

5.1 Redemption rights

Users holding NFTs, f-NFTs, or r-NFTs may redeem them to take physical possession of the underlying asset, subject to any restrictions imposed by these Terms, the custodians, or regulatory requirements governing such assets. Redemption requests must be initiated by the User through the Platform in by clicking the ‘Redeem item’ button.

5.2 Redemption restrictions

The Operator reserves the right to refuse or delay redemption i.a. in the following circumstances:

- Outstanding Platform and/or third party fees remaining unpaid;
- The asset being subject to legal, regulatory, or logistical restrictions;
- The storage facility imposing limitations on redemption;
- The redemption request not complying with the Platform’s Redemption Procedure;

5.3 Non-Redeemable Assets

Certain assets may be designated as non-redeemable, as indicated on the Platform. Users acknowledge that in such cases, NFTs, f-NFTs, or r-NFTs represent only an interest in the asset without the right to claim physical delivery. Such designations may be imposed for legal, operational, asset characteristic or market-related reasons.

5.4 Redemption fees

Users acknowledge that redemption may incur additional costs, including but not limited to:

- shipping, handling, and logistics costs;
- insurance and security fees;
- storage fees, if applicable at the time of redemption;
- any applicable taxes or customs duties;
- Platform fees arising from the above factors.

All fees related to redemption will be specified on the Platform, and Users must settle any outstanding amounts before redemption is processed.

5.5 Finality of redemption

Once an NFT, f-NFT, or r-NFT is redeemed, it will be burned or otherwise rendered non-transferable to reflect the asset's physical delivery. The redemption process is final and irreversible. Users acknowledge that any subsequent resale or reassignment of the physical real-world asset must be conducted outside the Platform.

6. Fees and costs

The User agrees to the Platform's applicable costs and fees as determined by RealWorld and disclosed to each User. Users are responsible for reviewing the current fee schedule before engaging in any transactions or utilizing the Platform's services and User engagement in transactions is taken to mean User acceptance of any and all Platform fees, Terms & Conditions and general arrangements.

7. Amendments to Terms

7.1 The Issuer reserves the right to amend these Terms to reflect changes in applicable laws, regulatory requirements, or operational needs.

7.2 Amendments will be published in an updated version of these Terms on <https://asset.realworld.fi/user-agreement/terms.pdf>

8. Governing law and dispute resolution

8.1 These Terms are governed by the laws of Germany. The statutory provisions on the limitation of choice of law and the applicability of mandatory provisions, particularly those of the state in which the Token Holder, as a consumer, has their habitual residence, remain unaffected.

8.2 If the Token Holder is not a consumer, any disputes arising from these Terms shall be resolved through arbitration under the rules of the German Arbitration Institute (DIS). The place of arbitration shall be Berlin, Germany, and the language of the arbitration shall be English.

9. Limitation of liability

9.1 The Token Holder's claims for damages are excluded. This does not apply to claims for damages arising from injury to life, body, or health, or from the breach of essential contractual obligations (cardinal obligations), as well as liability for other damages caused by intentional or grossly negligent breaches of duty by the Issuer, its legal representatives, or vicarious agents. Essential contractual obligations are those whose fulfilment is necessary to achieve the purpose of the Terms. The provisions of the Product Liability Act remain unaffected.

9.2 In the event of a breach of essential contractual obligations, the Issuer shall only be liable for typical, foreseeable damages if such damages were caused by simple negligence, unless they are claims for damages arising from injury to life, body, or health.

9.3 The limitations in paragraphs 1 and 2 also apply in favour of the Issuer's legal representatives and vicarious agents if claims are asserted directly against them.

10. Contact information

Real World Ventures GmbH

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10823 Berlin-Schöneberg

Germany

Email: info@realworld.fi

11. Severability

If any provision of these Terms is, or becomes, invalid or unenforceable in whole or in part for any reason, including due to a legal violation, this shall not affect the validity of the remainder of

this agreement or the validity of any agreements concluded in connection with this agreement.
The same shall apply in the event of a contractual gap.