



**PROPAGANDA DEPARTMENT NFT LICENSE
#01-211013**

1. Definitions.

Art means any art, design, and drawings that may be associated with an NFT that you Own.

NFT means any blockchain-tracked, non-fungible token, such as those conforming to the ERC-721 standard and other standards.

Own means, with respect to an NFT, an NFT that you have purchased or otherwise rightfully acquired from a legitimate source, where proof of such purchase is recorded on the relevant blockchain.

Extensions means third party designs that: (i) are intended for use as extensions or overlays to the Art, (ii) do not modify the underlying Art, and (iii) can be removed at any time without affecting the underlying Art.

Propaganda Dept means Propaganda Department, the creator of the NFT.

Purchased NFT means an NFT that you Own.

Series NFT means a Purchased NFT that is sold as part of a series of identical NFTs.

Third Party IP means any third-party patent rights (including, without limitation, patent applications and disclosures), copyrights, trade secrets, trademarks, know-how or any other intellectual property rights recognized in any country or jurisdiction in the world.

Unique NFT means and Purchased NFT that is sold as a one-of-a-kind item.

2. Ownership.

You acknowledge and agree that Propaganda Dept (or, as applicable, its licensors) owns all legal right, title and interest in and to the Art, and all intellectual property rights therein. The rights that you have in and to the Art are limited to those described in this License. Propaganda Dept reserves all rights in and to the Art not expressly granted to you in this License.



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PROPAGANDA DEPT MAKES NO EXPRESS OR IMPLIED WARRANTIES TO YOU REGARDING ANY PURCHASED NFT OR ASSOCIATED ART, OTHER THAN THE WARRANTIES THAT MAY BE CONTAINED IN THIS LICENSE.

3. License.

a. General Use. Subject to your continued compliance with the terms of this License, Propaganda Dept grants you a worldwide, non-exclusive, non-transferable, royalty-free license to use, copy, and display the Art for your Purchased NFTs, along with any Extensions that you choose to create or use, solely for the following purposes: (i) for your own personal, non-commercial use; (ii) as part of a marketplace that permits the purchase and sale of your NFTs, provided that the marketplace cryptographically verifies each NFT owner's rights to display the Art for their Purchased NFTs to ensure that only the actual owner can display the Art; or (iii) as part of a third party website or application that permits the inclusion, involvement, or participation of your NFTs, provided that the website/application cryptographically verifies each NFT owner's rights to display the Art for their Purchased NFTs to ensure that only the actual owner can display the Art, and provided that the Art is no longer visible once the owner of the Purchased NFT leaves the website/application.

b. Commercial Use of Unique NFTs. Subject to your continued compliance with the terms of this License, Propaganda Dept grants you a limited, worldwide, non-exclusive, non-transferable license to use, copy, and display the Art for your Purchased NFTs that are Unique NFTs for the purpose of commercializing your own merchandise that includes, contains, or consists of the Art associated with your Unique NFTs ("Commercial Use"), provided that such Commercial Use does not result in you earning more than One Hundred Thousand Dollars (\$100,000) in gross revenue each year. For the sake of clarity, nothing in this Section 3.b will be deemed to restrict you from (i) owning or operating a marketplace that permits the use and sale of NFTs generally, provided that the marketplace cryptographically verifies each NFT owner's rights to display the Art for their Purchased NFTs to ensure that only the actual owner can display the Art; (ii) owning or operating a third party website or application that permits the inclusion, involvement, or participation of NFTs generally, provided that the third party website or application cryptographically verifies each NFT owner's rights to display the Art for their Purchased NFTs to ensure that only the actual owner can display the Art, and provided that the Art is no longer visible once the owner of the Purchased NFT leaves the website/application; or (iii) earning



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revenue from any of the foregoing, even where such revenue is in excess of \$100,000 per year.

This Section 3.b does not apply to Series NFTs. You are not allowed to make any Commercial Use of a Purchased NFT that is a Series NFT.

4. Restrictions.

You agree that you may not, nor permit any third party to do or attempt to do any of the foregoing without Propaganda Dept's express prior written consent in each case: (i) modify the Art associated with your Purchased NFT in any way, including, without limitation, the shapes, designs, drawings, attributes, or color schemes (your use of Extensions will not constitute a prohibited modification hereunder); (ii) use the Art for your Purchased NFTs to advertise, market, or sell any third party product or service; (iii) use the Art associated with Purchased NFTs 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; (iv) use the Art associated with Purchased NFTs in movies, videos, or any other forms of media, except to the limited extent that such use is expressly permitted in Section 3(b) above or solely for your own personal, non-commercial use; (v) sell, distribute for commercial gain (including, without limitation, giving away in the hopes of eventual commercial gain), or otherwise commercialize merchandise that includes, contains, or consists of the Art associated with Purchased NFTs, except as expressly permitted in Section 3(b) above; (vi) attempt to trademark, copyright, or otherwise acquire additional intellectual property rights in or to the Art associated with Purchased NFTs; or (vii) otherwise utilize the Art associated with Purchased NFTs for your or any third party's commercial benefit. To the extent that Art associated with Purchased NFTs contains Third Party IP (e.g., licensed intellectual property from a celebrity, athlete, or other public figure), you understand and agree as follows: (w) that you will not have the right to use such Third Party IP in any way except as incorporated in the Art, and subject to the license and restrictions contained herein; (x) that the Commercial Use license in Section 3(b) above will not apply; (y) that, depending on the nature of the license granted from the owner of the Third Party IP, Propaganda Dept may need to pass through additional restrictions on your ability to use the Art; and (z) to the extent that Propaganda Dept informs you of such additional restrictions in writing (email is permissible), you will be responsible for complying with all such restrictions



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from the date that you receive the notice, and that failure to do so will be deemed a breach of this license. The restriction in Section 4 will survive the expiration or termination of this License.

5. Terms of License.

The license granted in Section 3 above applies only to the extent that you continue to Own the applicable Purchased NFT. If at any time you sell, trade, donate, give away, transfer, or otherwise dispose of your Purchased NFT for any reason, the license granted in Section 3 will immediately expire with respect to those NFTs without the requirement of notice, and you will have no further rights in or to the Art associated with those NFTs, and all such rights will pass to the new owner. If you exceed the \$100,000 limitation on annual gross revenue set forth in Section 3.b above, you will be in breach of this License, and must send an email to Propaganda Dept at admin@propagandadept.org within fifteen (15) days, with the phrase “NFT License – Commercial Use” in the subject line, requesting a discussion with Propaganda Dept regarding entering into a broader license agreement or obtaining an exemption (which may be granted or withheld in Propaganda Dept’s sole and absolute discretion). If you exceed the scope of the license grant in Section 3.b without entering into a broader license agreement with or obtaining an exemption from Propaganda Dept, you acknowledge and agree that: (i) you are in breach of this License; (ii) in addition to any remedies that may be available to Propaganda Dept at law or in equity, Propaganda Dept may immediately terminate this License, without the requirement of notice; and (iii) you will be responsible to reimburse Propaganda Dept for any costs and expenses incurred by Propaganda Dept during the course of enforcing the terms of this License against you.

6. Your Responsibilities.

a. Your Purchased NFT may be subject to ongoing NFT payments. You alone are responsible for determining whether there are any ongoing NFT payments, including any automated fees, commissions, or royalties, in the NFT smart contract, which may be due by you to the Propaganda Dept or other third party upon a subsequent transfer of the NFT by you to a third party, and by any purchasers of the NFT going forward. Propaganda Dept is not responsible to you for any reason in connection with any ongoing NFT payments, including for making any separate disclosures to you in connection therewith. Ongoing NFT



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payments that are triggered by a sale itself are deducted from the proceeds of sale.

- b. You are responsible for conducting adequate due diligence on the smart contract for minting the NFT to confirm the smart contract executes as it is intended to execute.
- c. You acknowledge that all NFTs are sold “as is” and Propaganda Department does not provide any guarantee in relation to a Purchased NFT other than what is expressly set forth herein.
- d. You acknowledge and agree that there are risks associated with purchasing, holding, and using NFTs. By purchasing, holding and using a Purchased NFT, you expressly acknowledge and assume all risks including, but not limited to: user error such as forgotten passwords, mistyped addresses or incorrectly constructed transactions, incorrectly programmed NFTs, mining attacks, cybersecurity attacks, weaknesses in platform security, blockchain malfunctions or other technical errors, telecommunications failure, malicious software, unfavourable regulatory determinations or actions in one or more jurisdictions (including with respect to NFTs or cryptocurrencies), taxation of NFTs or cryptocurrencies, personal information disclosure, uninsured losses, unanticipated risks, volatility risks, server failure or data loss, corrupted or otherwise inaccessible digital wallets, unauthorised access to applications, inability to access or transfer the NFT, inability to access or display the Art, risks arising from third-party providers, including third-party providers that may mint the NFT and/or store the Art, and any unauthorised third party activities, including without limitation the introduction use of viruses or other malicious code, the use of phishing, sybil attacks, 51% attacks, bruteforcing. changes to the protocol rules of the blockchain (i.e., “forks”), or other means of attack that affect, in any way, the NFT or the Art.
- e. You acknowledge that you have a sufficient understanding of the functionality, usage, storage, transmission mechanisms and other material characteristics of, blockchain technology, NFTs, digital assets, digital wallets, and cryptocurrencies to understand this License and to appreciate the risks and implications of purchasing NFTs. You acknowledge that you have obtained sufficient information to make an informed decision to purchase an NFT, including reviewing the code of the smart contract, the NFT metadata, and the NFT, as well as the storage system used for the digital asset, and fully understand and accept the functions of the same. By making a payment online



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with Ethereum or other cryptocurrency, you (i) warrant that you are the lawful holder of the Ethereum or other cryptocurrency; and (ii) acknowledge that Propaganda Dept has no liability for your payment not reaching us, including, but not limited to, instances where payment through the blockchain is unsuccessful. It is solely your responsibility to confirm with your third-party wallet provider, that the payment has been accepted.

f. You acknowledge that we do not guarantee that you will be able to receive, access or view the lot and/or digital asset. We do not provide any application or other service to enable you to view receive, access or view the lot and/or digital asset, and that it is your responsibility to procure a digital wallet or other means to allow us or the seller to transfer the lot to you and for you to access or view the digital asset upon such transfer.

g. You acknowledge and represent that there is substantial uncertainty as to the characterization of NFTs and other digital assets under applicable law. You acknowledge that your purchase of an NFT complies with applicable laws and regulation in your jurisdiction.

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