

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM C**

**UNDER THE SECURITIES ACT OF 1933**

(Mark one.)

- ☒ Form C: Offering Statement  
☐ Form C-U: Progress Update  
☐ Form C/A: Amendment to Offering Statement  
    ☐ Check box if Amendment is material and investors must reconfirm within five business days.  
☐ Form C-AR: Annual Report  
☐ Form C-AR/A: Amendment to Annual Report  
☐ Form C-TR: Termination of Reporting

***Name of Issuer:***

The Catholic Herald USA LLC

***Legal status of Issuer:***

***Form:***

Limited Liability Company

***Jurisdiction of Incorporation/Organization:***

Delaware

***Date of Organization:***

September 26, 2023

***Physical Address of Issuer:***

9 West 57th Street, 49th Floor, New York, NY 10019

***Website of Issuer:***

<https://thecatholicherald.com>

***Is there a co-issuer?*** \_\_\_ yes X no.

***Name of Intermediary through which the Offering will be Conducted:***

OpenDeal Portal LLC dba Republic

***CIK Number of Intermediary:***

0001751525

***SEC File Number of Intermediary:***

007-00167

***CRD Number of Intermediary:***

283874

***Amount of compensation to be paid to the Intermediary, whether as a percentage of the Offering amount or as a dollar amount, or a good faith estimate if the exact amount is not available at the time of the filing, for conducting the Offering, including the amount of referral and any other fees associated with the Offering:***

At the conclusion of the Offering, the Issuer shall pay the Intermediary the greater of (A) a fee of six percent (6%) of the dollar amount raised in the Offering or (B) a cash fee of fifteen thousand dollars (\$15,000.00).

***Any other direct or indirect interest in the Issuer held by the Intermediary, or any arrangement for the Intermediary to acquire such an interest:***

The Intermediary will also receive compensation in the form of securities equal to two percent (2%) of the total number of the securities sold in the Offering.

***Type of Security Offered:***

SAFE (Simple Agreement for Future Equity)

***Target Number of Securities to be Offered:***

75,000

***Price (or Method for Determining Price):***

\$1.00

***Target Offering Amount:***

\$75,000

***Oversubscriptions Accepted:***

- ☒ Yes  
☐ No

***Oversubscriptions will be Allocated:***

- ☐ Pro-rata basis  
☒ First-come, first-served basis  
☐ Other: At the Intermediary's discretion

***Maximum Offering Amount (if different from Target Offering Amount):***

\$1,235,000

***Deadline to reach the Target Offering Amount:***

May 18, 2025

**If the sum of the investment commitments does not equal or exceed the Target Offering Amount at the Deadline to reach the Target Offering Amount, no Securities will be sold in the Offering, investment commitments will be canceled and committed funds will be returned.**

***Current Number of Employees:***

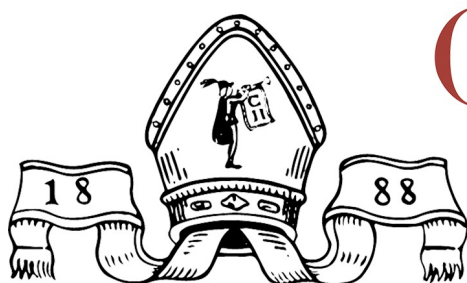
1

	<b>Most recent fiscal year-end (2024)</b>	<b>Prior fiscal year-end (2023)</b>
<b>Total Assets</b>	\$541,594	\$561,435
<b>Cash &amp; Cash Equivalents</b>	\$135,589	\$219,005
<b>Accounts Receivable</b>	\$37,713	\$10,910
<b>Short-term Debt</b>	\$356,341	\$324,772
<b>Long-term Debt</b>	\$602,718	162,961
<b>Revenues/Sales</b>	\$1,003,028	\$1,001,117
<b>Cost of Goods Sold</b>	\$311,561	\$316,121
<b>Taxes Paid</b>	n/a	n/a
<b>Net Income/(Loss)</b>	(\$753,744)	(\$579,800)

***The jurisdictions in which the Issuer intends to offer the securities:***

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District Of Columbia, Florida, Georgia, Guam, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virgin Islands, U.S., Virginia, Washington, West Virginia, Wisconsin, Wyoming, American Samoa, and Northern Mariana Islands

THE CATHOLIC HERALD USA LLC



# CATHOLIC HERALD

SPIRITED THINKING SINCE 1888

**A crowdfunding investment involves risk. You should not invest any funds in this Offering unless you can afford to lose your entire investment.**

**In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Offering, including the merits and risks involved. These Securities have not been recommended or approved by any federal or state securities commission or regulatory authority. Furthermore, these authorities have not passed upon the accuracy or adequacy of this document.**

**The U.S. Securities and Exchange Commission does not pass upon the merits of any Securities offered or the terms of the Offering, nor does it pass upon the accuracy or completeness of any Offering document or literature.**

**These Securities are offered under an exemption from registration; however, the U.S. Securities and Exchange Commission has not made an independent determination that these Securities are exempt from registration.**

THESE SECURITIES INVOLVE A HIGH DEGREE OF RISK THAT MAY NOT BE APPROPRIATE FOR ALL INVESTORS. THERE ARE ALSO SIGNIFICANT UNCERTAINTIES ASSOCIATED WITH AN INVESTMENT IN THIS OFFERING AND THE SECURITIES. THE SECURITIES OFFERED HEREBY ARE NOT PUBLICLY TRADED. THERE IS NO PUBLIC MARKET FOR THE SECURITIES AND ONE MAY NEVER DEVELOP. AN INVESTMENT IN THIS OFFERING IS HIGHLY SPECULATIVE. THE SECURITIES SHOULD NOT BE PURCHASED BY ANYONE WHO CANNOT BEAR THE FINANCIAL RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME AND WHO CANNOT AFFORD THE LOSS OF THEIR ENTIRE INVESTMENT. SEE THE SECTION OF THIS FORM C TITLED “*RISK FACTORS*”.

THE SECURITIES OFFERED HEREBY WILL HAVE TRANSFER RESTRICTIONS. NO SECURITIES MAY BE PLEDGED, TRANSFERRED, RESOLD OR OTHERWISE DISPOSED OF BY ANY INVESTOR EXCEPT PURSUANT TO RULE 501 OF REGULATION CF. PROSPECTIVE INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. THE SECURITIES MAY HAVE FURTHER TRANSFER RESTRICTIONS NOT PROVIDED FOR BY FEDERAL, STATE OR FOREIGN LAW.

NO ONE SHOULD CONSTRUE THE CONTENTS OF THIS FORM C AS LEGAL, ACCOUNTING OR TAX ADVICE OR AS INFORMATION NECESSARILY APPLICABLE TO YOUR PARTICULAR FINANCIAL SITUATION. EACH INVESTOR SHOULD CONSULT THEIR OWN FINANCIAL ADVISER, COUNSEL AND ACCOUNTANT AS TO LEGAL, TAX AND RELATED MATTERS CONCERNING THEIR INVESTMENT.

THIS OFFERING IS ONLY EXEMPT FROM REGISTRATION UNDER THE LAWS OF THE UNITED STATES AND ITS TERRITORIES. NO OFFER IS BEING MADE IN ANY JURISDICTION NOT LISTED ABOVE. PROSPECTIVE INVESTORS ARE SOLELY RESPONSIBLE FOR DETERMINING THE PERMISSIBILITY OF THEIR PARTICIPATING IN THIS OFFERING, INCLUDING OBSERVING ANY OTHER REQUIRED LEGAL FORMALITIES AND SEEKING CONSENT FROM THEIR LOCAL REGULATOR, IF NECESSARY. THE INTERMEDIARY FACILITATING THIS OFFERING IS LICENSED AND REGISTERED SOLELY IN THE UNITED STATES AND HAS NOT SECURED, AND HAS NOT SOUGHT TO SECURE, A LICENSE OR

WAIVER OF THE NEED FOR SUCH LICENSE IN ANY OTHER JURISDICTION. THE ISSUER, THE ESCROW AGENT AND THE INTERMEDIARY, EACH RESERVE THE RIGHT TO REJECT ANY INVESTMENT COMMITMENT MADE BY ANY PROSPECTIVE INVESTOR, WHETHER FOREIGN OR DOMESTIC.

**SPECIAL NOTICE TO FOREIGN INVESTORS**

INVESTORS OUTSIDE OF THE UNITED STATES, TAKE NOTICE IT IS EACH INVESTOR'S RESPONSIBILITY TO FULLY OBSERVE THE LAWS OF ANY RELEVANT TERRITORY OR JURISDICTION OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY PURCHASE OF THE SECURITIES, INCLUDING OBTAINING REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER REQUIRED LEGAL OR OTHER FORMALITIES. WE RESERVE THE RIGHT TO DENY THE PURCHASE OF THE SECURITIES BY ANY FOREIGN INVESTOR.

**NOTICE REGARDING THE ESCROW AGENT**

THE ESCROW AGENT SERVICING THE OFFERING, HAS NOT INVESTIGATED THE DESIRABILITY OR ADVISABILITY OF AN INVESTMENT IN THIS OFFERING OR THE SECURITIES OFFERED HEREIN. THE ESCROW AGENT MAKES NO REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGMENT ON THE MERITS OF THE OFFERING OR THE SECURITIES OFFERED HEREIN. THE ESCROW AGENT'S CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER.

## TABLE OF CONTENTS

ABOUT THIS FORM C .....	i
CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS .....	i
THE OFFERING AND THE SECURITIES .....	1
The Offering.....	1
The Deal Page .....	1
The Securities.....	2
COMMISSION AND FEES .....	5
Other Compensation .....	5
RISK FACTORS.....	6
Risks Related to the Issuer’s Business and Industry.....	6
Risks Related to the Offering.....	10
Risks Related to the Securities.....	12
Description of the Business.....	15
Business Plan .....	15
The Issuer’s Products and/or Services .....	15
Customer Base .....	15
Intellectual Property .....	16
Governmental/Regulatory Approval and Compliance.....	16
Litigation.....	16
USE OF PROCEEDS.....	17
DIRECTORS, OFFICERS, MANAGERS, AND KEY PERSONS .....	19
Indemnification .....	19
CAPITALIZATION, DEBT AND OWNERSHIP .....	20
Capitalization .....	20
Outstanding Debt .....	21
Ownership .....	22
FINANCIAL INFORMATION .....	25
Cash and Cash Equivalents .....	25
Liquidity and Capital Resources .....	25
Capital Expenditures and Other Obligations .....	25
Valuation.....	25
Material Changes and Other Information .....	25
Previous Offerings of Securities .....	25
TRANSACTIONS WITH RELATED PERSONS AND CONFLICTS OF INTEREST.....	26
TAX MATTERS.....	27
LEGAL MATTERS.....	27
ADDITIONAL INFORMATION.....	28

## ABOUT THIS FORM C

You should rely only on the information contained in this Form C. We have not authorized anyone to provide any information or make any representations other than those contained in this Form C, and no source other than OpenDeal Portal LLC dba Republic (the “**Intermediary**”) has been authorized to host this Form C and the Offering. If anyone provides you with different or inconsistent information, you should not rely on it. We are not offering to sell, nor seeking offers to buy, the Securities (as defined below) in any jurisdiction where such offers and sales are not permitted. The information contained in this Form C and any documents incorporated by reference herein is accurate only as of the date of those respective documents, regardless of the time of delivery of this Form C or the time of issuance or sale of any Securities.

Statements contained herein as to the content of any agreements or other documents are summaries and, therefore, are necessarily selective and incomplete and are qualified in their entirety by the actual agreements or other documents. Prior to the consummation of the purchase and sale of the Securities, the Issuer will afford prospective Investors (defined below) an opportunity to ask questions of, and receive answers from, the Issuer and its management concerning the terms and conditions of this Offering and the Issuer. Potential purchasers of the Securities are referred to herein as “**Investors**” or “**you**”. The Issuer is referred to herein as the “**Issuer**” or “**we**”.

In making an investment decision, you must rely on your own examination of the Issuer and the terms of the Offering, including the merits and risks involved. The statements of the Issuer contained herein are based on information believed to be reliable; however, no warranty can be made as to the accuracy of such information or that circumstances have not changed since the date of this Form C. For example, our business, financial condition, results of operations, and prospects may have changed since the date of this Form C. The Issuer does not expect to update or otherwise revise this Form C or any other materials supplied herewith.

This Form C is submitted in connection with the Offering described herein and may not be reproduced or used for any other purpose.

## CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This Form C and any documents incorporated by reference herein contain forward-looking statements and are subject to risks and uncertainties. All statements other than statements of historical fact or relating to present facts or current conditions included in this Form C are forward-looking statements. Forward-looking statements give our current reasonable expectations and projections regarding our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as “anticipate,” “estimate,” “expect,” “project,” “plan,” “intend,” “believe,” “may,” “should,” “can have,” “likely” and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

The forward-looking statements contained in this Form C and any documents incorporated by reference herein are based on reasonable assumptions we have made in light of our industry experience, perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances. As you read and consider this Form C, you should understand that these statements are not guarantees of performance or results. Although we believe that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect our actual operating and financial performance and cause our performance to differ materially from the performance anticipated in the forward-looking statements. Should one or more of these risks or uncertainties materialize, or should any of these assumptions prove incorrect or change, our actual operating and financial performance may vary in material respects from the performance projected in these forward-looking statements.

Investors are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statements made in this Form C or any documents incorporated by reference herein are accurate only as of the date of those respective documents. Except as required by law, we undertake no obligation to publicly update any forward-looking statements for any reason after the date of this Form C or to conform these statements to actual results or to changes in our expectations.

## THE OFFERING AND THE SECURITIES

### The Offering

The Issuer is offering a minimum amount of \$75,000 (the “**Target Offering Amount**”) and up to a maximum amount of \$1,235,000 (the “**Maximum Offering Amount**”) of SAFE (Simple Agreement for Future Equity) (the “**Securities**”) on a best efforts basis as described in this Form C (this “**Offering**”). The Minimum Individual Purchase Amount is \$100.00 and the Maximum Individual Purchase Amount is \$123,500. The Issuer reserves the right to amend the Minimum Individual Purchase Amount and Maximum Individual Purchase Amount, in its sole discretion. In particular, the Issuer may elect to participate in one of the Intermediary’s special investment programs and may offer alternative Minimum Individual Purchase Amounts and Maximum Individual Purchase Amounts to Investors participating in such programs without notice. The Issuer must raise an amount equal to or greater than the Target Offering Amount by May 18, 2025 (the “**Offering Deadline**”). Unless the Issuer receives investment commitments, which are fully paid for and meet all other requirements set by this Offering, in an amount not less than the Target Offering Amount by the Offering Deadline, no Securities will be sold in this Offering, all investment commitments will be canceled and all committed funds will be returned.

The price of the Securities was determined arbitrarily, does not necessarily bear any relationship to the Issuer’s asset value, net worth, revenues or other objective established criteria of value, and should not be considered indicative of the actual value of the Securities.

In order to purchase the Securities, you must make a commitment to purchase by completing the purchase process hosted by the **Intermediary** (as defined above), including complying with the Intermediary’s know your customer (KYC) and anti-money laundering (AML) policies. **If an Investor makes an investment commitment under a name that is not their legal name, they may be unable to redeem their Security indefinitely, and neither the Intermediary nor the Issuer are required to correct any errors or omissions made by the Investor.**

Investor funds will be held in escrow with a qualified third party escrow agent meeting the requirements of Regulation CF (“**Escrow Agent**”) until the Target Offering Amount has been met or exceeded and one or more closings occur. Investors may cancel an investment commitment until up to 48 hours prior to the Offering Deadline or an intermediate close, using the cancellation mechanism provided by the Intermediary. **Investors using a credit card to invest must represent and warrant to cancel any investment commitment(s) by submitting a request through the Intermediary at least 48 hours prior to the Offering Deadline, instead of attempting to claim fraud or claw back their committed funds. If the Investor does not cancel an investment commitment before the 48-hour period prior to the Offering Deadline, the funds will be released to the Issuer and the Investor will receive their Securities.**

Investment commitments made in this Offering will be represented by a pro rata beneficial interest (based on the amount invested) subject to the terms the Instrument (attached as Exhibit B), Custody Agreement (attached as Exhibit C), and Omnibus Nominee Trust Agreement (attached as Exhibit D). Securities sold in this Offering will be deposited into a custodial account (“**Custodial Account**”) with BitGo Trust Company, Inc., who will serve as the custodian, nominee, and legal record holder (the “**Custodian**” or “**Nominee**”). In order to receive Securities from this Offering, Investors will be required to establish, or verify that they already have, an account with the Custodian. The legal title to the Securities purchased by the Investor in this Offering will be held in the name of a trust established by and maintained by the Nominee for the purposes of safeguarding the Securities and providing for efficiencies with respect to tax reporting, distributions and estate planning purposes related to the Securities pursuant to the terms and conditions of the Omnibus Nominee Trust Agreement attached hereto as Exhibit D.

The Issuer will notify Investors when the Target Offering Amount has been reached through the Intermediary. If the Issuer reaches the Target Offering Amount prior to the Offering Deadline, it may close the Offering early *provided* (i) the expedited Offering Deadline must be twenty-one (21) days from the time the Offering was opened, (ii) the Intermediary must provide at least five (5) business days’ notice prior to the expedited Offering Deadline to the Investors and (iii) the Issuer continues to meet or exceed the Target Offering Amount on the date of the expedited Offering Deadline.

### The Deal Page

A description of our products, services and business plan can be found on the Issuer’s profile page on the Intermediary’s website under <https://republic.com/catholicherald> (the “**Deal Page**”). The Deal Page can be used by

prospective Investors to ask the Issuer questions and for the Issuer to post immaterial updates to this Form C as well as make general announcements. You should view the Deal Page at the time you consider making an investment commitment. Updates on the status of this Offering can also be found on the Deal Page.

### **Material Changes**

If any material change occurs related to the Offering prior to the current Offering Deadline the Issuer will provide notice to Investors and receive reconfirmations from Investors who have already made commitments. If an Investor does not reconfirm their investment commitment after a material change is made to the terms of the Offering within five (5) business days of receiving notice, the Investor's investment commitment will be canceled and the committed funds will be returned without interest or deductions.

### **Intermediate Closings**

In the event an amount equal to two (2) times the Target Offering Amount is committed and meets all required terms of the Offering prior to the Offering Deadline on such date or such later time the Issuer designates pursuant to Rule 304(b) of Regulation CF, the Issuer may conduct the first of multiple closings of the Offering early, *provided* (i) the early closing date must be twenty-one (21) days from the time the Offering opened and (ii) that all Investors will receive notice of such early closing date at least five (5) business days prior to such new offering deadline (absent a material change that would require an extension of the Offering and reconfirmation of all investment commitments). Investors who committed on the date such notice is provided or prior to the issuance of such notice will be able to cancel their investment commitment until 48 hours before such early closing date.

If the Issuer conducts an initial closing (the "**Initial Closing**"), the Issuer agrees to only withdraw seventy percent (70%) of the proceeds that are in escrow and will only conduct such Initial Closing if there are more than twenty-one (21) days remaining before the Offering Deadline as of the date of the Initial Closing. The Issuer may only conduct another close (a "**Subsequent Closing**") before the Offering Deadline if the amount of investment commitments made as of the date of such Subsequent Closing exceeds two times the Target Offering Amount as of the date of the Initial Closing and there are more than twenty-one (21) days remaining before the Offering Deadline as of the date of such Subsequent Closing.

Any investment commitments received after an intermediate closing will be released to the Issuer upon a subsequent closing and the Investor will receive evidence of the Securities via electronic certificate/PDF in exchange for their investment commitment as soon as practicable thereafter.

The Issuer has agreed to return all funds to Investors in the event a Form C-W is ultimately filed in relation to this Offering, regardless of whether multiple closings are conducted.

Investment commitments are not binding on the Issuer until they are accepted by the Issuer, which reserves the right to reject, in whole or in part, in its sole and absolute discretion, any investment commitment. If the Issuer rejects all or a portion of any investment commitment, the applicable prospective Investor's funds will be returned without interest or deduction.

### **The Securities**

We request that you please review this Form C and the Instrument attached as Exhibit B, in conjunction with the following summary information.

#### ***Not Currently Equity Interests***

The Securities are not currently equity interests in the Issuer and merely provide a right to receive equity at some point in the future upon the occurrence of certain events (which may or may not occur).

#### ***Dividends and/or Distributions***

The Securities do not entitle Investors to any dividends.

#### ***Conversion***

Upon the next sale (or series of related sales) by the Issuer of its Equity Securities to one or more third parties resulting in gross proceeds to the Issuer of not less than \$1,000,000 cash and cash equivalent (each an “**Equity Financing**”), the Securities are convertible into units of the securities issued in said Equity Financing, at the option of the Issuer.

Conversion Upon an Equity Financing Event

Upon an Equity Financing, the Investor will receive the number of securities equal to the greater of the quotient obtained by dividing the amount the Investor paid for the Securities (the “**Purchase Amount**”) by (a) or (b) immediately below:

(a) the quotient of \$12,934,268 (“**Valuation Cap**”) divided by the aggregate number of issued and outstanding units of Equity Securities, assuming full conversion or exercise of all convertible and exercisable securities then outstanding, including units of convertible preferred interests and all outstanding vested or unvested options or warrants to purchase Equity Securities, but excluding (i) units of Equity Securities reserved for future issuance under any equity incentive or similar plan, (ii) convertible promissory notes, (iii) any Simple Agreements for Future Equity, including the Securities (collectively, “**SAFEs**”), and (iv) any Equity Securities that are issuable upon conversion of any outstanding convertible promissory notes or **SAFEs**;

OR

(b) if the pre-money valuation of the Issuer immediately prior to the Equity Financing is less than or equal to the Valuation Cap, the lowest price per unit of the securities sold in such Equity Financing”.

Such conversion price shall be deemed the “**Equity Financing Price**”.

Conversion Upon a Liquidity Event

In the case of the Issuer’s undergoing an **IPO** (as defined below) of its Equity Securities (as defined in the Security), a **Direct Listing** (as defined below), or a **Change of Control** (as defined below) of the Issuer (either of these events, a “**Liquidity Event**”) prior to any Equity Financing, the Investor will receive, at its option and within thirty (30) days of receiving notice (whether actual or constructive), either (i) a cash payment equal to the Purchase Amount subject to the following paragraph (the “**Cash Out Option**”) or (ii) a number of units of Equity Securities of the Issuer equal to the Purchase Amount divided by the quotient of (a) \$12,934,268 divided by (b) the number, as of immediately prior to the Liquidity Event, of units of the Issuer’s Equity Securities outstanding (on an as-converted basis), assuming the exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, but excluding: (w) units of Equity Securities reserved for future issuance under any equity incentive or similar plan; (x) any **SAFEs**; (y) convertible promissory notes; and (z) any Equity Securities that are issuable upon conversion of any outstanding convertible promissory notes or **SAFEs**.

In connection with the Cash Out Option, the Purchase Amount (or a lesser amount as described below) will be due and payable by the Issuer to the Investor immediately prior to, or concurrent with, the consummation of the Liquidity Event. If there are not enough funds to pay the Investors and the holders of other **SAFEs** (collectively, the “**Cash-Out Investors**”) in full, then all of the Issuer’s available funds will be distributed with equal priority and pro rata among the Cash-Out Investors in proportion to their Purchase Amounts.

“**Change of Control**” as used above, means (i) a transaction or series of related transactions in which any person or group becomes the beneficial owner of more than fifty percent (50%) of the outstanding voting securities entitled to elect the Issuer’s board of managers, (ii) any reorganization, merger or consolidation of the Issuer, in which the outstanding voting security holders of the Issuer fail to retain at least a majority of such voting securities following such transaction or (iii) a sale, lease or other disposition of all or substantially all of the assets of the Issuer.

“**Direct Listing**” means, in the event the Issuer is restructured as a corporation, the Issuer’s initial listing of its Common Stock (other than shares of Common Stock not eligible for resale under Rule 144 under the Securities Act) on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Issuer with the SEC that registers shares of existing Capital Stock of the Issuer for resale, as approved by the Issuer’s board of directors. For the avoidance of doubt, a Direct Listing will not be deemed to be an underwritten offering and will not involve any underwriting services.

“**IPO**” as used above, means: (A) the completion of an underwritten initial public offering of Equity Securities by the Issuer pursuant to: (I) a final prospectus for which a receipt is issued by a securities commission of the United States or of a province of Canada, or (II) a registration statement which has been filed with the United States Securities and Exchange Commission and is declared effective to enable the sale of Equity Securities by the Issuer to the public, which in each case results in such Equity Securities being listed and posted for trading or quoted on a recognized exchange; (B) the Issuer’s initial listing of its Equity Securities (other than units of Equity Securities not eligible for resale under Rule 144 under the Securities Act) on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Issuer with the SEC that registers units of existing Equity Securities of the Issuer for resale, as approved by the Issuer’s board of managers, where such listing shall not be deemed to be an underwritten offering and shall not involve any underwriting services; or (C) the completion of a reverse merger or take-over whereby an entity (I) whose securities are listed and posted for trading or quoted on a recognized exchange, or (II) is a reporting issuer in the United States or the equivalent in any foreign jurisdiction, acquires all of the issued and outstanding Equity Securities of the Issuer.

### ***Dissolution***

If there is a **Dissolution Event** (as defined below) or a Liquidity Event before the Securities terminate, the Issuer will distribute all proceeds legally available for distribution with the following priority: (i) junior to payment of outstanding indebtedness and creditor claims, including contractual claims for payment and convertible promissory notes (to the extent such convertible promissory notes are not actually or notionally converted into Equity Securities); (ii) on par with payments for other SAFEs, whether this Series or otherwise, and/or Preferred Interests, and if the applicable proceeds are insufficient to permit full payments to the Investor and such other SAFEs and/or Preferred Interest holders, the applicable proceeds will be distributed pro rata to the Investor and such other SAFEs and/or Preferred Interest holders in proportion to the full payments that would otherwise be due; and (iii) all holders of Equity Securities.

A “**Dissolution Event**” means (i) a voluntary termination of operations by the Issuer, (ii) a general assignment for the benefit of the Issuer’s creditors or (iii) any other liquidation, dissolution or winding up of the Issuer (excluding a Liquidity Event), whether voluntary or involuntary.

### ***Termination***

The Securities terminate (without relieving the Issuer of any obligations arising from a prior breach of or non-compliance with the Securities) upon the earlier to occur of: (i) the issuance of units in the converted securities to the Investor pursuant to the conversion provisions of the SAFE agreement or (ii) the payment, or setting aside for payment, of amounts due to the Investor pursuant to a Liquidity Event or a Dissolution Event.

### ***Nominee***

The title holder of the Securities will be a trust established by and maintained by Nominee for the purposes of safeguarding the Securities and providing for efficiencies with respect to tax reporting, distributions and estate planning purposes related to the Securities. Pursuant to the terms of the Omnibus Nominee Trust Agreement (attached as Exhibit D), Investors are engaging Nominee as its limited agent to safeguard and provide certain limited services with respect to the Securities held in trust. Investors are appointing Nominee to act as nominee for the Investors, to serve in such capacity until the appointment and authority conferred is revoked, for the limited purpose of causing to be held, and holding, in the name of Nominee alone, title to the Securities beneficially owned by the Investors and acquired by Nominee for the benefit of Investors or otherwise conveyed to Nominee in accordance with the directions of the Investors, with power and authority limited to registering and holding the Securities in Nominee’s name, and otherwise acting with respect to the Securities in accordance with the instructions of the Investors, as provided in the Omnibus Nominee Trust Agreement or as may be given by the Investors from time to time. The Nominee will have no right or authority to act with respect to the Securities, except upon the instructions of the Investors. An Investor may, at any time, in its absolute discretion, terminate the Omnibus Nominee Trust Agreement in whole or in part; provided, however, that no such termination will be effective with respect to any Securities the transfer of which is restricted by contract, law, edict or otherwise unless consented to by the Issuer thereof (including by blanket consent). Nominee’s sole function during the term of the Omnibus Nominee Trust Agreement will be to hold nominal legal title to the Securities for the benefit of the Investors under and subject to the Investor’s instructions.

### ***Voting and Control***

Neither the Securities **nor the securities issuable upon the conversion** of the Securities have voting rights unless otherwise provided for by the Issuer. In addition, to facilitate the Offering SAFE Investors being able to act together and cast a vote as a group, to the extent any securities acquired upon conversion of the Securities confer the holder with voting rights (whether provided by the Issuer's governing documents or by law), the Lead will act on behalf as proxy on behalf of Investors in respects to instructions related to the Securities. The Lead will vote consistently with the direction of the largest holder of the Securities and subsequently, the largest holder of any securities converted or exchanged from the Securities (the "**Lead**").

The Issuer does not have any voting agreements in place or any member or equity holder agreements in place, other than the limited liability company agreement of the Issuer.

#### ***Anti-Dilution Rights***

The Securities do not have anti-dilution rights, which means that future equity issuances and other events will dilute the ownership percentage that Investors may eventually have in the Issuer.

#### ***Restrictions on Transfer***

Any Securities sold pursuant to Regulation CF being offered may not be transferred by any Investor of such Securities during the one-year holding period beginning when the Securities were issued, unless such Securities are transferred: (1) to the Issuer; (2) to an accredited investor, as defined by Rule 501(d) of Regulation D promulgated under the Securities Act; (3) as part of an IPO; or (4) to a member of the family of the Investor or the equivalent, to a trust controlled by the Investor, to a trust created for the benefit of a member of the family of the Investor or the equivalent, or in connection with the death or divorce of the Investor or other similar circumstances. "Member of the family" as used herein means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse or spousal equivalent, sibling, mother/father/daughter/son/sister/brother-in-law, and includes adoptive relationships. Each Investor should be aware that although the Securities may legally be able to be transferred, there is no guarantee that another party will be willing to purchase them.

In addition to the foregoing restrictions, prior to making any transfer of the Securities or any Equity Securities into which they are convertible, such transferring Investor must either make such transfer pursuant to an effective registration statement filed with the SEC or provide the Issuer with an opinion of counsel reasonably satisfactory to the Issuer stating that a registration statement is not necessary to effect such transfer.

In addition, the Investor may not transfer the Securities or any Equity Securities into which they are convertible to any of the Issuer's competitors, as determined by the Issuer in good faith.

Furthermore, upon the event of an IPO, the Equity Securities into which the Securities are converted will be subject to a lock-up period and may not be lent, offered, pledged, or sold for up to 180 days following such IPO.

If a transfer, resale, assignment or distribution of the Security should occur prior to the conversion of the Security or after, if the Security is still held by the original purchaser directly, the transferee, purchaser, assignee or distributee, as relevant, will be required to sign an Omnibus Nominee Trust Agreement (as defined in the Security).

#### ***Other Material Terms***

- The Issuer does not have the right to repurchase the Securities.
- The Securities do not have a stated return or liquidation preference except as set forth in the Instrument.

### **COMMISSION AND FEES**

#### **Cash Commission**

At the conclusion of the Offering, the Issuer shall pay the Intermediary the greater of (A) a fee of six percent (6%) of the dollar amount raised in the Offering or (B) a cash fee of fifteen thousand dollars (\$15,000.00).

#### **Other Compensation**

The Intermediary will also receive compensation in the form of the Securities equal to two percent (2%) of the total number of the Securities sold in the Offering. The total number of Securities outstanding after the Offering is subject to increase in an amount equal to the Intermediary's fee of two percent (2%) of the Securities issued in this Offering.

## **RISK FACTORS**

*Investing in the Securities involves a high degree of risk and may result in the loss of your entire investment. Before making an investment decision with respect to the Securities, we urge you to carefully consider the risks described in this section and other factors set forth in this Form C. In addition to the risks specified below, the Issuer is subject to the same risks that all companies in its business, and all companies in the economy, are exposed to. These include risks relating to economic downturns, political and economic events and technological developments (such as hacking and the ability to prevent hacking). Additionally, early-stage companies are inherently riskier than more developed companies. Prospective Investors should consult with their legal, tax and financial advisors prior to making an investment in the Securities. The Securities should only be purchased by persons who can afford to lose all of their investment.*

### **Risks Related to the Issuer's Business and Industry**

***We have a limited operating history upon which you can evaluate our performance, and accordingly, our prospects must be considered in light of the risks that any new company encounters.***

The Issuer is still in an early phase and we are just beginning to implement our business plan. There can be no assurance that we will ever operate profitably. The likelihood of our success should be considered in light of the problems, expenses, difficulties, complications and delays usually encountered by early stage companies. The Issuer may not be successful in attaining the objectives necessary for it to overcome these risks and uncertainties.

***Global crises and geopolitical events, including without limitation, COVID-19 can have a significant effect on our business operations and revenue projections.***

A significant outbreak of contagious diseases, such as COVID-19, in the human population could result in a widespread health crisis. Additionally, geopolitical events, such as wars or conflicts, could result in global disruptions to supplies, political uncertainty and displacement. Each of these crises could adversely affect the economies and financial markets of many countries, including the United States where we principally operate, resulting in an economic downturn that could reduce the demand for our products and services and impair our business prospects, including as a result of being unable to raise additional capital on acceptable terms, if at all.

***The amount of capital the Issuer is attempting to raise in this Offering may not be enough to sustain the Issuer's current business plan.***

In order to achieve the Issuer's near and long-term goals, the Issuer may need to procure funds in addition to the amount raised in the Offering. There is no guarantee the Issuer will be able to raise such funds on acceptable terms or at all. If we are not able to raise sufficient capital in the future, we may not be able to execute our business plan, our continued operations will be in jeopardy and we may be forced to cease operations and sell or otherwise transfer all or substantially all of our remaining assets, which could cause an Investor to lose all or a portion of their investment.

***We may face potential difficulties in obtaining capital.***

We may have difficulty raising needed capital in the future as a result of, among other factors, our lack of revenues from sales, as well as the inherent business risks associated with our Issuer and present and future market conditions. We will require additional funds to execute our business strategy and conduct our operations. If adequate funds are unavailable, we may be required to delay, reduce the scope of or eliminate one or more of our research, development or commercialization programs, product launches or marketing efforts, any of which may materially harm our business, financial condition and results of operations.

***We may implement new lines of business or offer new products and services within existing lines of business.***

As an early-stage company, we may implement new lines of business at any time. There are substantial risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed. In developing and marketing new lines of business and/or new products and services, we may invest significant time and resources. Initial timetables for the introduction and development of new lines of business and/or new products or services may not be achieved, and price and profitability targets may not prove feasible. We may not be successful in introducing new products and services in response to industry trends or developments in technology, or those new products may not achieve market acceptance. As a result, we could lose business, be forced to price products and services on less advantageous terms to retain or attract clients or be subject to cost increases. As a result, our business, financial condition or results of operations may be adversely affected.

***We rely on other companies to provide components and services for our products.***

We depend on suppliers and contractors to meet our contractual obligations to our customers and conduct our operations. Our ability to meet our obligations to our customers may be adversely affected if suppliers or contractors do not provide the agreed-upon supplies or perform the agreed-upon services in compliance with customer requirements and in a timely and cost-effective manner. Likewise, the quality of our products may be adversely impacted if companies to whom we delegate manufacture of major components or subsystems for our products, or from whom we acquire such items, do not provide components which meet required specifications and perform to our and our customers' expectations. Our suppliers may be unable to quickly recover from natural disasters and other events beyond their control and may be subject to additional risks such as financial problems that limit their ability to conduct their operations. The risk of these adverse effects may be greater in circumstances where we rely on only one or two contractors or suppliers for a particular component. Our products may utilize custom components available from only one source. Continued availability of those components at acceptable prices, or at all, may be affected for any number of reasons, including if those suppliers decide to concentrate on the production of common components instead of components customized to meet our requirements. The supply of components for a new or existing product could be delayed or constrained, or a key manufacturing vendor could delay shipments of completed products to us adversely affecting our business and results of operations.

***We rely on various intellectual property rights, including trademarks, in order to operate our business.***

The Issuer relies on certain intellectual property rights to operate its business. The Issuer's intellectual property rights may not be sufficiently broad or otherwise may not provide us a significant competitive advantage. In addition, the steps that we have taken to maintain and protect our intellectual property may not prevent it from being challenged, invalidated, circumvented or designed-around, particularly in countries where intellectual property rights are not highly developed or protected. In some circumstances, enforcement may not be available to us because an infringer has a dominant intellectual property position or for other business reasons, or countries may require compulsory licensing of our intellectual property. Our failure to obtain or maintain intellectual property rights that convey competitive advantage, adequately protect our intellectual property or detect or prevent circumvention or unauthorized use of such property, could adversely impact our competitive position and results of operations. We also rely on nondisclosure and noncompetition agreements with employees, consultants and other parties to protect, in part, trade secrets and other proprietary rights. There can be no assurance that these agreements will adequately protect our trade secrets and other proprietary rights and will not be breached, that we will have adequate remedies for any breach, that others will not independently develop substantially equivalent proprietary information or that third parties will not otherwise gain access to our trade secrets or other proprietary rights. As we expand our business, protecting our intellectual property will become increasingly important. The protective steps we have taken may be inadequate to deter our competitors from using our proprietary information. In order to protect or enforce our patent rights, we may be required to initiate litigation against third parties, such as infringement lawsuits. Also, these third parties may assert claims against us with or without provocation. These lawsuits could be expensive, take significant time and could divert management's attention from other business concerns. The law relating to the scope and validity of claims in the technology field in which we operate is still evolving and, consequently, intellectual property positions in our industry are generally uncertain. We cannot assure you that we will prevail in any of these potential suits or that the damages or other remedies awarded, if any, would be commercially valuable.

***The Issuer's success depends on the experience and skill of the board of managers, its executive officers and key employees.***

We are dependent on our members, any manager duly appointed by the members and the sole executive officer. These persons may not devote their full time and attention to the matters of the Issuer. The loss of our members, any manager,

the executive officer and any key employees could harm the Issuer's business, financial condition, cash flow and results of operations.

***Although dependent on certain key personnel, the Issuer does not have any key person life insurance policies on any such people.***

We are dependent on certain key personnel in order to conduct our operations and execute our business plan, however, the Issuer has not purchased any insurance policies with respect to those individuals in the event of their death or disability. Therefore, if any of these personnel die or become disabled, the Issuer will not receive any compensation to assist with such person's absence. The loss of such person could negatively affect the Issuer and our operations. We have no way to guarantee key personnel will stay with the Issuer, as many states do not enforce non-competition agreements, and therefore acquiring key man insurance will not ameliorate all of the risk of relying on key personnel.

***Damage to our reputation could negatively impact our business, financial condition and results of operations.***

Our reputation and the quality of our brand are critical to our business and success in existing markets, and will be critical to our success as we enter new markets. Any incident that erodes consumer loyalty for our brand could significantly reduce its value and damage our business. We may be adversely affected by any negative publicity, regardless of its accuracy. Also, there has been a marked increase in the use of social media platforms and similar devices, including blogs, social media websites and other forms of internet-based communications that provide individuals with access to a broad audience of consumers and other interested persons. The availability of information on social media platforms is virtually immediate as is its impact. Information posted may be adverse to our interests or may be inaccurate, each of which may harm our performance, prospects or business. The harm may be immediate and may disseminate rapidly and broadly, without affording us an opportunity for redress or correction.

***Our business could be negatively impacted by cyber security threats, attacks and other disruptions.***

We continue to face advanced and persistent attacks on our information infrastructure where we manage and store various proprietary information and sensitive/confidential data relating to our operations. These attacks may include sophisticated malware (viruses, worms, and other malicious software programs) and phishing emails that attack our products or otherwise exploit any security vulnerabilities. These intrusions sometimes may be zero-day malware that are difficult to identify because they are not included in the signature set of commercially available antivirus scanning programs. Experienced computer programmers and hackers may be able to penetrate our network security and misappropriate or compromise our confidential information or that of our customers or other third-parties, create system disruptions, or cause shutdowns. Additionally, sophisticated software and applications that we produce or procure from third-parties may contain defects in design or manufacture, including "bugs" and other problems that could unexpectedly interfere with the operation of the information infrastructure. A disruption, infiltration or failure of our information infrastructure systems or any of our data centers as a result of software or hardware malfunctions, computer viruses, cyber-attacks, employee theft or misuse, power disruptions, natural disasters or accidents could cause breaches of data security, loss of critical data and performance delays, which in turn could adversely affect our business.

***Security breaches of confidential customer information, in connection with our electronic processing of credit and debit card transactions, or confidential employee information may adversely affect our business.***

Our business requires the collection, transmission and retention of personally identifiable information, in various information technology systems that we maintain and in those maintained by third parties with whom we contract to provide services. The integrity and protection of that data is critical to us. The information, security and privacy requirements imposed by governmental regulation are increasingly demanding. Our systems may not be able to satisfy these changing requirements and customer and employee expectations, or may require significant additional investments or time in order to do so. A breach in the security of our information technology systems or those of our service providers could lead to an interruption in the operation of our systems, resulting in operational inefficiencies and a loss of profits. Additionally, a significant theft, loss or misappropriation of, or access to, customers' or other proprietary data or other breach of our information technology systems could result in fines, legal claims or proceedings.

***The use of Individually identifiable data by our business, our business associates and third parties is regulated at the state, federal and international levels.***

The regulation of individual data is changing rapidly, and in unpredictable ways. A change in regulation could adversely affect our business, including causing our business model to no longer be viable. Costs associated with information security – such as investment in technology, the costs of compliance with consumer protection laws and costs resulting from consumer fraud – could cause our business and results of operations to suffer materially. Additionally, the success of our online operations depends upon the secure transmission of confidential information over public networks, including the use of cashless payments. The intentional or negligent actions of employees, business associates or third parties may undermine our security measures. As a result, unauthorized parties may obtain access to our data systems and misappropriate confidential data. There can be no assurance that advances in computer capabilities, new discoveries in the field of cryptography or other developments will prevent the compromise of our customer transaction processing capabilities and personal data. If any such compromise of our security or the security of information residing with our business associates or third parties were to occur, it could have a material adverse effect on our reputation, operating results and financial condition. Any compromise of our data security may materially increase the costs we incur to protect against such breaches and could subject us to additional legal risk.

***The Issuer is not subject to Sarbanes-Oxley regulations and may lack the financial controls and procedures of public companies.***

The Issuer may not have the internal control infrastructure that would meet the standards of a public company, including the requirements of the Sarbanes Oxley Act of 2002. As a privately-held (non-public) issuer, the Issuer is currently not subject to the Sarbanes Oxley Act of 2002, and its financial and disclosure controls and procedures reflect its status as a development stage, non-public company. There can be no guarantee that there are no significant deficiencies or material weaknesses in the quality of the Issuer's financial and disclosure controls and procedures. If it were necessary to implement such financial and disclosure controls and procedures, the cost to the Issuer of such compliance could be substantial and could have a material adverse effect on the Issuer's results of operations.

***We operate in a highly regulated environment, and if we are found to be in violation of any of the federal, state, or local laws or regulations applicable to us, our business could suffer.***

We are also subject to a wide range of federal, state, and local laws and regulations, such as local licensing requirements, and retail financing, debt collection, consumer protection, environmental, health and safety, creditor, wage-hour, anti-discrimination, whistleblower and other employment practices laws and regulations and we expect these costs to increase going forward. The violation of these or future requirements or laws and regulations could result in administrative, civil, or criminal sanctions against us, which may include fines, a cease and desist order against the subject operations or even revocation or suspension of our license to operate the subject business. As a result, we have incurred and will continue to incur capital and operating expenditures and other costs to comply with these requirements and laws and regulations.

***We seek to enter into an exclusive license with Catholic Herald Limited, with whom we are under common control.***

We intend to enter into a certain Exclusive License, Distribution and Use for Services Agreement with Catholic Herald Limited, with whom we are under common control, and under which it is expected that we will have following rights, among others:

- The Issuer shall have the exclusive right to publish, distribute and exhibit the Catholic Herald Magazine (CHM) in a certain territory via all formats now known or later devised (including without limitation physical print publication in such territory and publication via a certain website, mobile sites and social networking pages.
- The Issuer shall have the right to translate the certain digital content into English and the sole and exclusive right to distribute (and to collect and retain fees and royalties from the distribution of) to certain third-party platforms all certain international digital content in the English language available from a certain international digital platform; and the non-exclusive right to distribute (and to collect and retain fees and royalties from the distribution of) to certain third-party platforms such international digital content in all languages other than the English language available from certain international digital platform.
- The Issuer shall have the exclusive right to develop, produce, create, and exploit certain derivative rights and certain derivative works within a certain territory.
- The Issuer shall have the non-exclusive right to access and use the Catholic Herald Limited's certain international digital platform under certain terms and conditions, which right of access and use enables the Issuer to translate certain international digital content into a certain native language and to publish it online through certain websites and mobile sites.

If we fail to enter into such agreement, we may not be able to pursue our business plan or otherwise delivery on our intended services. Further, even if we enter into such agreement, we may face significant challenges in integrating the technologies and products. If the products are not successfully completed and integrated, the anticipated benefits of the transactions may not be realized fully or may take longer to realize than expected. Such agreement may not further our business strategy as we expect and we may experience unanticipated costs or liabilities associated with the agreement, which could adversely affect our business or operating results and potentially cause impairment to our business and its value. If any such agreement is terminated by the Catholic Herald Limited, or if we are in breach or default of such agreement or have otherwise violated any of its terms or applicable laws, any license in any such agreement may terminate and our business would adversely suffer and the value of your investment would be reduced. Regardless, we may be unable to negotiate such agreement within any specified timeframe or under terms that are acceptable to us. If we are unable to do so, we may not acquire any right or license in or to any intellectual property rights of Catholic Herald Limited, potentially blocking our ability to pursue a program of interest to us. There is no guarantee that our efforts will be successful, or that we will receive any financial or other benefits from any such agreement.

***Going Concern note.***

Our independent accountant's review report for the years ended December 31, 2024, and 2023, accompanying this Form C provides that certain conditions indicate that the Issuer may be unable to continue as a going concern, and the accompanying financial statements do not include any adjustments that might be necessary should the Issuer be unable to continue as a going concern.

***We are not currently registered to conduct business in the State of New York.***

The Issuer is formed in and licensed to do business in the State of Delaware. The Issuer has not filed all appropriate documentation, obtained necessary authorizations, paid all fees and any taxes owed or obtained all licensing or approvals necessary to conduct business in New York. The Issuer intends to engage in all such actions as promptly as possible.

**Risks Related to the Offering**

***State and federal securities laws are complex, and the Issuer could potentially be found to have not complied with all relevant state and federal securities law in prior offerings of securities.***

The Issuer has conducted previous offerings of securities and may not have complied with all relevant state and federal securities laws. If a court or regulatory body with the required jurisdiction ever concluded that the Issuer may have violated state or federal securities laws, any such violation could result in the Issuer being required to offer rescission rights to investors in such offering. If such investors exercised their rescission rights, the Issuer would have to pay to such investors an amount of funds equal to the purchase price paid by such investors plus interest from the date of any such purchase. No assurances can be given the Issuer will, if it is required to offer such investors a rescission right, have sufficient funds to pay the prior investors the amounts required or that proceeds from this Offering would not be used to pay such amounts.

In addition, if the Issuer violated federal or state securities laws in connection with a prior offering and/or sale of its securities, federal or state regulators could bring an enforcement, regulatory and/or other legal action against the Issuer which, among other things, could result in the Issuer having to pay substantial fines and be prohibited from selling securities in the future.

***The Issuer could potentially be found to have not complied with securities law in connection with this Offering related to a Reservation Campaign (also known as "Testing the Waters").***

Prior to filing this Form C, the Issuer engaged in a Reservation Campaign (also known as "testing the waters") permitted under Regulation Crowdfunding (17 CFR 227.206), which allows issuers to communicate to determine whether there is interest in the offering. All communication sent is deemed to be an offer of securities for purposes of the antifraud provisions of federal securities laws. Any Investor who expressed interest prior to the date of this Offering should read this Form C thoroughly and rely only on the information provided herein and not on any statement made prior to the Offering. The communications sent to Investors prior to the Offering are attached as Exhibit E. Some of these communications may not have included proper disclaimers required for a Reservation Campaign.

***The U.S. Securities and Exchange Commission does not pass upon the merits of the Securities or the terms of the Offering, nor does it pass upon the accuracy or completeness of any Offering document or literature.***

You should not rely on the fact that our Form C is accessible through the U.S. Securities and Exchange Commission's EDGAR filing system as an approval, endorsement or guarantee of compliance as it relates to this Offering. The U.S. Securities and Exchange Commission has not reviewed this Form C, nor any document or literature related to this Offering.

***Neither the Offering nor the Securities have been registered under federal or state securities laws.***

No governmental agency has reviewed or passed upon this Offering or the Securities. Neither the Offering nor the Securities have been registered under federal or state securities laws. Investors will not receive any of the benefits available in registered offerings, which may include access to quarterly and annual financial statements that have been audited by an independent accounting firm. Investors must therefore assess the adequacy of disclosure and the fairness of the terms of this Offering based on the information provided in this Form C and the accompanying exhibits.

***The Issuer's management may have broad discretion in how the Issuer uses the net proceeds of the Offering.***

Unless the Issuer has agreed to a specific use of the proceeds from the Offering, the Issuer's management will have considerable discretion over the use of proceeds from the Offering. You may not have the opportunity, as part of your investment decision, to assess whether the proceeds are being used appropriately.

***The Intermediary Fees paid by the Issuer are subject to change depending on the success of the Offering.***

At the conclusion of the Offering, the Issuer shall pay the Intermediary the greater of (A) a fee of six percent (6%) of the dollar amount raised in the Offering or (B) a cash fee of fifteen thousand dollars (\$15,000.00). The compensation paid by the Issuer to the Intermediary may impact how the Issuer uses the net proceeds of the Offering.

***The Issuer has the right to limit individual Investor commitment amounts based on the Issuer's determination of an Investor's sophistication.***

The Issuer may prevent any Investor from committing more than a certain amount in this Offering based on the Issuer's determination of the Investor's sophistication and ability to assume the risk of the investment. This means that your desired investment amount may be limited or lowered based solely on the Issuer's determination and not in line with relevant investment limits set forth by the Regulation CF rules. This also means that other Investors may receive larger allocations of the Offering based solely on the Issuer's determination.

***The Issuer has the right to extend the Offering Deadline.***

The Issuer may extend the Offering Deadline beyond what is currently stated herein. This means that your investment may continue to be held in escrow while the Issuer attempts to raise the Target Offering Amount even after the Offering Deadline stated herein is reached. While you have the right to cancel your investment in the event the Issuer extends the Offering Deadline, if you choose to reconfirm your investment, your investment will not be accruing interest during this time and will simply be held until such time as the new Offering Deadline is reached without the Issuer receiving the Target Offering Amount, at which time it will be returned to you without interest or deduction, or the Issuer receives the Target Offering Amount, at which time it will be released to the Issuer to be used as set forth herein. Upon or shortly after the release of such funds to the Issuer, the Securities will be issued and distributed to you.

***The Issuer may also end the Offering early.***

If the Target Offering Amount is met after 21 calendar days, but before the Offering Deadline, the Issuer can end the Offering by providing notice to Investors at least 5 business days prior to the end of the Offering. This means your failure to participate in the Offering in a timely manner, may prevent you from being able to invest in this Offering – it also means the Issuer may limit the amount of capital it can raise during the Offering by ending the Offering early.

***The Issuer has the right to conduct multiple closings during the Offering.***

If the Issuer meets certain terms and conditions, an intermediate close (also known as a rolling close) of the Offering can occur, which will allow the Issuer to draw down on seventy percent (70%) of Investor proceeds committed and captured in the Offering during the relevant period. The Issuer may choose to continue the Offering thereafter. Investors should be mindful that this means they can make multiple investment commitments in the Offering, which may be subject to different cancellation rights. For example, if an intermediate close occurs and later a material change occurs as the Offering continues, Investors whose investment commitments were previously closed upon will not have the right to re-confirm their investment as it will be deemed to have been completed prior to the material change.

### **Risks Related to the Securities**

***Investors will not have voting rights, even upon conversion of the Securities and will grant a third-party nominee broad power and authority to act on their behalf.***

In connection with investing in this Offering to purchase a SAFE (Simple Agreement for Future Equity), Investors will designate the Lead (as defined above) to act on behalf as proxy on behalf of Investors in respects to instructions related to the Securities. The Lead will be entitled, among other things, to exercise any voting rights (if any) conferred upon the holder of the Securities or any securities acquired upon their conversion, and to execute on behalf of an investor all transaction documents related to the transaction or other corporate event causing the conversion of the Securities. Thus, by participating in the Offering, investors will grant broad discretion to a third party (the Lead and its agents) to take various actions on their behalf, and investors will essentially not be able to vote upon matters related to the governance and affairs of the Issuer nor take or effect actions that might otherwise be available to holders of the Securities and any securities acquired upon their conversion. Investors should not participate in the Offering unless he, she or it is willing to waive or assign certain rights that might otherwise be afforded to a holder of the Securities to the Lead and grant broad authority to the Lead to take certain actions on behalf of the investor.

***The Custodian shall serve as the legal title holder of the Securities. Investors will only obtain a beneficial ownership in the Securities.***

The Issuer and the Investor shall appoint and authorize the qualified third-party Custodian for the benefit of the Investor, to hold the SAFE and any securities that may be issued upon conversion thereof in registered form in the Custodian's name or the name of the Custodian's nominees for the benefit of the Investor and Investor's permitted assigns. The Custodian may take direction from the Lead who will act on behalf of the Investors, and the Custodian may be permitted to rely on the Lead's instructions related to the Securities. Investors may never become an equity holder, merely a beneficial owner of an equity interest.

***The Securities will not be freely tradable under the Securities Act until one year from when the securities are issued. Although the Securities may be tradable under federal securities law, state securities regulations may apply, and each Investor should consult with their attorney.***

You should be aware of the long-term nature of this investment. There is not now and likely will not ever be a public market for the Securities. Because the Securities have not been registered under the Securities Act or under the securities laws of any state or foreign jurisdiction, the Securities have transfer restrictions and cannot be resold in the United States except pursuant to Rule 501 of Regulation CF. It is not currently contemplated that registration under the Securities Act or other securities laws will be effected. Limitations on the transfer of the Securities may also adversely affect the price that you might be able to obtain for the Securities in a private sale. Investors should be aware of the long-term nature of their investment in the Issuer. Each Investor in this Offering will be required to represent that they are purchasing the Securities for their own account, for investment purposes and not with a view to resale or distribution thereof. If a transfer, resale, assignment or distribution of the Security should occur prior to the conversion of the Security or after, if the Security is still held by the original purchaser directly, the transferee, purchaser, assignee or distribute, as relevant, will be required to sign a new Omnibus Nominee Trust Agreement (attached as Exhibit D). Additionally, Investors will only have a beneficial interest in the Securities, not legal ownership, which may make their resale more difficult as it will require coordination with the Custodian.

***Investors will not become equity holders until the Issuer decides to convert the Securities or until there is a change of control or sale of substantially all of the Issuer's assets. The Investor may never directly hold equity in the Issuer.***

Investors will not have an ownership claim to the Issuer or to any of its assets or revenues for an indefinite amount of time and depending on when and how the Securities are converted, the Investors may never become equity holders of the Issuer. Investors will not become equity holders of the Issuer unless the Issuer receives a future round of financing

great enough to trigger a conversion. In certain instances, such as a sale of the Issuer or substantially all of its assets, an initial public offering or a dissolution or bankruptcy, the Investors may only have a right to receive cash, to the extent available, rather than equity in the Issuer.

***Investors will not have voting rights, even upon conversion of the Securities.***

Investors will not have the right to vote upon matters of the Issuer even if and when their Securities are converted (the occurrence of which cannot be guaranteed). Under the terms of the Securities, a third-party designated by the Issuer will exercise voting control over the Securities. Upon conversion, the Securities will **continue** to be voted in line with the designee identified or pursuant to a voting agreement related to the Equity Securities the Security is converted into. For example, if the Securities are converted in connection with an offering of Series B Preferred Interests, Investors would directly or beneficially receive securities in the form of units of Series B-CF Preferred Interests and such units would be required to be subject to the terms of the Securities that allows a designee to vote their units of Series B-CF Preferred Interests consistent with the terms of the Security. Thus, Investors will essentially never be able to vote upon any matters of the Issuer unless otherwise provided for by the Issuer.

***Investors will not be entitled to any inspection or information rights other than those required by law.***

Investors will not have the right to inspect the books and records of the Issuer or to receive financial or other information from the Issuer, other than as required by law. Other security holders of the Issuer may have such rights. Regulation CF requires only the provision of an annual report on Form C and no additional information. Additionally, there are numerous methods by which the Issuer can terminate annual report obligations, resulting in no information rights, contractual, statutory or otherwise, owed to Investors. This lack of information could put Investors at a disadvantage in general and with respect to other security holders, including certain security holders who have rights to periodic financial statements and updates from the Issuer such as quarterly unaudited financials, annual projections and budgets, and monthly progress reports, among other things.

***Investors will be unable to declare the Security in “default” and demand repayment.***

Unlike convertible notes and some other securities, the Securities do not have any “default” provisions upon which Investors will be able to demand repayment of their investment. The Issuer has ultimate discretion as to whether or not to convert the Securities upon a future equity financing and Investors have no right to demand such conversion. Only in limited circumstances, such as a liquidity event, may Investors demand payment and even then, such payments will be limited to the amount of cash available to the Issuer.

***The Issuer may never elect to convert the Securities or undergo a liquidity event and Investors may have to hold the Securities indefinitely.***

The Issuer may never conduct a future equity financing or elect to convert the Securities if such future equity financing does occur. In addition, the Issuer may never undergo a liquidity event such as a sale of the Issuer or an initial public offering. If neither the conversion of the Securities nor a liquidity event occurs, Investors could be left holding the Securities in perpetuity. The Securities have numerous transfer restrictions and will likely be highly illiquid, with no secondary market on which to sell them. If a transfer, resale, assignment or distribution of the Security should occur prior to the conversion of the Security or after, if the Security is still held by the original purchaser directly, the transferee, purchaser, assignee or distributee, as relevant, will be required to sign a new Omnibus Nominee Trust Agreement (as defined in the Security). The Securities are not equity interests, have no ownership rights, have no rights to the Issuer’s assets or profits and have no voting rights or ability to direct the Issuer or its actions.

***Any Equity Securities acquired upon conversion of the Securities may be significantly diluted as a consequence of subsequent equity financings.***

The Issuer’s Equity Securities will be subject to dilution. The Issuer intends to issue additional equity to employees and third-party financing sources in amounts that are uncertain at this time, and as a consequence holders of Equity Securities resulting from the conversion of the Securities will be subject to dilution in an unpredictable amount. Such dilution may reduce the Investor’s control and economic interests in the Issuer.

The amount of additional financing needed by the Issuer will depend upon several contingencies not foreseen at the time of this Offering. Generally, additional financing (whether in the form of loans or the issuance of other securities) will be intended to provide the Issuer with enough capital to reach the next major corporate milestone. If the funds

received in any additional financing are not sufficient to meet the Issuer's needs, the Issuer may have to raise additional capital at a price unfavorable to their existing investors, including the holders of the Securities. The availability of capital is at least partially a function of capital market conditions that are beyond the control of the Issuer. There can be no assurance that the Issuer will be able to accurately predict the future capital requirements necessary for success or that additional funds will be available from any source. Failure to obtain financing on favorable terms could dilute or otherwise severely impair the value of the Securities.

***Any Equity Securities issued upon conversion of the Securities may be substantially different from other equity securities offered or issued by the Issuer at the time of conversion.***

The Issuer will convert the Securities into Equity Securities that are materially different from the Equity Securities being issued to new investors at the time of conversion in many ways, including, but not limited to, liquidation preferences, dividend rights, or anti-dilution protection. Additionally, any Equity Securities issued at the Equity Financing Price (as defined in the SAFE agreement) shall have only such preferences, rights, and protections in proportion to the Equity Financing Price and not in proportion to the price per unit paid by new investors receiving the Equity Securities. Upon conversion of the Securities, the Issuer may not provide the holders of such Securities with the same rights, preferences, protections, and other benefits or privileges provided to other investors of the Issuer.

The forgoing paragraph is only a summary of a portion of the conversion feature of the Securities; it is not intended to be complete, and is qualified in its entirety by reference to the full text of the SAFE agreement, which is attached as Exhibit B.

***There is no present market for the Securities and we have arbitrarily set the price.***

The offering price was not established in a competitive market. We have arbitrarily set the price of the Securities with reference to the general status of the securities market and other relevant factors. The offering price for the Securities should not be considered an indication of the actual value of the Securities and is not based on our asset value, net worth, revenues or other established criteria of value. We cannot guarantee that the Securities can be resold at the offering price or at any other price.

***In the event of the dissolution or bankruptcy of the Issuer, Investors will not be treated as debt holders and therefore are unlikely to recover any proceeds.***

In the event of the dissolution or bankruptcy of the Issuer, the holders of the Securities that have not been converted will be entitled to distributions as described in the Securities. This means that such holders will only receive distributions once all of the creditors and more senior security holders, including any holders of preferred interests, have been paid in full. No holders of any of the Securities can be guaranteed any proceeds in the event of the dissolution or bankruptcy of the Issuer.

***While the Securities provide mechanisms whereby holders of the Securities would be entitled to a return of their purchase amount upon the occurrence of certain events, if the Issuer does not have sufficient cash on hand, this obligation may not be fulfilled.***

Upon the occurrence of certain events, as provided in the Securities, holders of the Securities may be entitled to a return of the principal amount invested. Despite the contractual provisions in the Securities, this right cannot be guaranteed if the Issuer does not have sufficient liquid assets on hand. Therefore, potential Investors should not assume a guaranteed return of their investment amount.

***There is no guarantee of a return on an Investor's investment.***

There is no assurance that an Investor will realize a return on their investment or that they will not lose their entire investment. For this reason, each Investor should read this Form C and all exhibits carefully and should consult with their attorney and business advisor prior to making any investment decision.

**IN ADDITION TO THE RISKS LISTED ABOVE, RISKS AND UNCERTAINTIES NOT PRESENTLY KNOWN, OR WHICH WE CONSIDER IMMATERIAL AS OF THE DATE OF THIS FORM C, MAY ALSO HAVE AN ADVERSE EFFECT ON OUR BUSINESS AND RESULT IN THE TOTAL LOSS OF YOUR INVESTMENT.**

## BUSINESS

### Description of the Business

The Issuer is a legacy Catholic news and media publication, originally founded in 1888, now undergoing a digital transformation and U.S. expansion. The Issuer was formed as a limited liability company on September 26, 2023 in the State of Delaware. The Issuer publishes print and digital content, covering Catholic news, faith, culture, and politics, with a subscription-based revenue model supplemented by advertising, sponsorships, and content licensing. The Issuer conducts business through the internet throughout the United States and internationally.

The Issuer conducts business through Catholic Herald Limited, a private company, limited by shares, registered in England and Wales, incorporated on May 25, 1934 (“CHL” or “**Catholic Herald Limited**”).

As of the date of this Form C, CHL is under common control with the Issuer: (1) Mr. Christopher Brown, our President, is the ultimate beneficial owner of 105,708 ordinary shares of CHL, which constitutes approximately ninety percent (90%) of the capital stock of CHL; and (2) Mr. Brown is the sole holder of the membership interests of the Issuer.

The Issuer has agreed in principle with CHL, Mr. Brown and the holder of approximately ten percent (10%) of the capital stock of CHL (the “**Other Holder**”) to enter into a written agreement formalizing Mr. Brown’s and such holder’s exchange of their respective holdings of capital stock of CHL for membership units of the Issuer. At the closing of any such contemplated transaction, the Issuer expects that: (1) the Issuer will wholly own CHL, (2) Mr. Brown will hold ninety percent (90%) of the membership interests of the Issuer, and (3) the Other Holder will hold ten percent (10%) of the membership interests of the Issuer. The Issuer understands that such transactions are scheduled for formal ratification by the governing board of CHL at the next scheduled board meeting, no later than May 1, 2025.

### Business Plan

The Issuer aims to modernize and expand its digital presence while maintaining print circulation through a streamlined model. Key strategies include:

- Subscription Growth: Scaling digital and print subscriber base.
- Advertising Expansion: Targeting faith-aligned financial institutions, conservative media buyers, and direct sponsorships.
- Foreign Licensing: Entering Spanish-language U.S. market and expanding in key Catholic regions.
- AI-Powered Archive Monetization: Licensing historical content for documentaries, podcasts, and syndication.
- E-Commerce & Digital Upgrades: Improving user experience for ad revenue and subscription conversions.

### The Issuer’s Products and/or Services

Product / Service	Description	Current Market
Print & Digital Media Content	Faith-based news & opinion content - print, video and podcast audio form	Global Catholic community

### Customer Base

Digital & Print Subscribers: Primarily U.S., U.K., and Irish Catholic readers, expanding globally.

Advertising Clients: Faith-based financial firms, Catholic brands, conservative media sponsors.

Foreign Licensing Partners: Catholic publishers in U.S. (Spanish), Latin America, and the Philippines.

Archive Content Clients: Documentary producers, education platforms, and conservative media outlets.

### Competition:

Established Catholic media with digital & TV reach:

National Catholic Register

EWTN

Word on Fire – Faith-based digital media & app-driven engagement.

Mainstream Conservative Media (Daily Wire, Epoch Times, Newsmax) – Competes for faith-based audiences.

### **Supply Chain**

Print & Distribution: U.K.-based printing, shipping to subscribers & bulk buyers (parishes, schools).

Digital Infrastructure: Website upgrade & AI-powered content management handled by outsourced developers (Malta).

Advertising & Licensing: Direct sales & partnerships for sponsored content, ad placements, and archive licensing.

### **Intellectual Property**

The Issuer has no registered trademarks, nor any pending applications for registration of any trademarks.

The Issuer and Catholic Herald Limited intend to execute an Exclusive License, Distribution and Use for Services Agreement under which it is expected that the Issuer shall have following rights, among others:

- The Issuer shall have the exclusive right to publish, distribute and exhibit the Catholic Herald Magazine (CHM) in a certain territory via all formats now known or later devised (including without limitation physical print publication in such territory and publication via a certain website, mobile sites and social networking pages).
- The Issuer shall have the right to translate the certain digital content into English and the sole and exclusive right to distribute (and to collect and retain fees and royalties from the distribution of) to certain third-party platforms all certain international digital content in the English language available from a certain international digital platform; and the non-exclusive right to distribute (and to collect and retain fees and royalties from the distribution of) to certain third-party platforms such international digital content in all languages other than the English language available from certain international digital platform.
- The Issuer shall have the exclusive right to develop, produce, create, and exploit certain derivative rights and certain derivative works within a certain territory.
- The Issuer shall have the non-exclusive right to access and use the Catholic Herald Limited's certain international digital platform under certain terms and conditions, which right of access and use enables the Issuer to translate certain international digital content into a certain native language and to publish it online through certain websites and mobile sites.

### **Governmental/Regulatory Approval and Compliance**

The Issuer is subject to and affected by the laws and regulations of U.S. federal, state and local governmental authorities. These laws and regulations are subject to change.

### **Litigation**

The Issuer is not subject to any current litigation or threatened litigation.

## USE OF PROCEEDS

The following table illustrates how we intend to use the net proceeds received from this Offering. The values below are not inclusive of payments to financial and legal service providers, fees associated with bad actor checks, payment processing fees, and escrow related fees, all of which were incurred in the preparation of this Offering and are due in advance of the closing of the Offering.

Use of Proceeds	% of Proceeds if Target Offering Amount Raised	Amount if Target Offering Amount Raised	% of Proceeds if Maximum Offering Amount Raised	Amount if Maximum Offering Amount Raised
Intermediary Fees	20%	\$15,000 (minimum fee for Target Offering Amount)	6%	\$74,100
Digital Growth and Infrastructure	25%	\$18,750	30%	\$370,500
U.S. Market Expansion	20%	\$15,000	25%	\$308,750
Archive Monetization and Expansion	15%	\$11,250	18%	\$222,300
Revenue Stream Diversification	10%	\$7,500	12%	\$148,200
Lean Operational Enhancements	10%	\$7,500	9%	\$111,150
<b>Total</b>	<b>100%</b>	<b>\$75,000</b>	<b>100%</b>	<b>\$1,235,000</b>

Below is the proposed use of proceeds aimed at building a scalable digital business model, opening new revenue streams, and expanding the Issuer's reach globally, with a particular focus on the U.S. market.

### 1. Digital Growth and Infrastructure

- i. *Website Redesign and Platform Upgrades:* Modernize web infrastructure to optimize user experience, enhance ad revenue
- ii. *Content Creation:* Develop U.S.-focused digital content to attract broader audiences and advertisers.
- iii. *Consultancy Support:* Engage specialized consultants to accelerate digital transformation and drive revenue growth.

### 2. U.S. Market Expansion

- i. *Local Content Development:* Hire lean U.S. editorial team supported by freelancers/digital experts.
- ii. *Institutional Partnerships:* Collaborate with U.S. Catholic groups to distribute content

### 3. Archive Monetization and Expansion

- i. *Archive Utilization*: Develop revenue-generating material based on a 136-year archive.
- ii. *Licensing Opportunities*: Invest in securing international licensing deals to generate recurring revenue.
- iii. *Global Positioning*: Market the archive as a premium asset, enhancing the overall value proposition for investors and stakeholders.

**4. Revenue Stream Diversification**

- i. *Advertising Partnerships*: Improve digital capabilities to attract premium advertisers.
- ii. *Licensing Model*: Extend Global Emerging Markets Group's proven licensing strategies to Catholic Herald's global operations, replicating successes like L'Officiel.

**5. Lean Operational Enhancements**

- i. *Cost Management*: Reduce print production to 8-10 special editions annually, reallocating funds to digital-first initiatives.
- ii. *Strategic Alignment*: Focus on content areas like culture, politics, and sports, drawing from successful case studies in conservative and faith-based media.

## MANAGERS, OFFICERS, MANAGERS, AND KEY PERSONS

The managers, officers, managers, and key persons of the Issuer are listed below along with all positions and offices held at the Issuer and their principal occupation and employment responsibilities for the past three (3) years.

Name	Positions and Offices Held at the Issuer	Principal Occupation and Employment Responsibilities for the Last Three (3) Years	Education
Christopher Brown	President	<p>March 2022 - March 2025, Founder &amp; director, GEM Group: Oversees all managerial and investment operations</p> <p>January 2023 - March 2025, Chairman, The Catholic Herald &amp; President, Catholic Herald USA LLC: Oversees operations and growth of the business</p>	University College Los Angeles (1985)
Mark Ackermann	Chief Executive Officer	<p>March 2022 - March 2025, Principal, Mark Ackermann Associates: Manages internal operations and client obligations for consulting firm.</p> <p>January 2023 - March 2025, CEO, The Catholic Herald: Oversees executive decision-making and business operations of The Catholic Herald</p>	Catholic University of America (1978)

**Christopher Brown** is the founder of Global Emerging Markets Group. Today, through its US affiliate, Gem Investments America LLC, he oversees a portfolio of dozens of global companies at GEM's New York office. He served on the board of directors of the Global Leadership Foundation and has been the co-chairman of L'Officiel Inc. As President of The Catholic Herald USA LLC and Chairman of Catholic Herald Limited, he supports many Catholic foundations and events in the US and UK.

**Mark Ackermann** is CEO of The Catholic Herald. He has more than forty years of management experience and recently served as the Executive Director of the New York State Eucharistic Congress for the Ordinaries of the eight Dioceses of New York State. He served for 25 years in various senior management positions at Saint Vincent's Hospital and Medical Center Healthcare System which included six hospitals and four nursing homes. Mr. Ackermann was then responsible for all aspects of the Pastoral Visit to The Archdiocese of New York by His Holiness Pope Benedict XVI. He also assisted in the planning and execution of Pope Francis's visit to New York and coordinated the Time/Fortune Global Forum at the Vatican.

### Indemnification

Under the Issuer's limited liability company agreement, a Member, Manager, or Officer, agent, employee or former Member, Manager, Officer or other person acting on behalf of the Issuer (the "**Indemnified Party**") shall have no liability to the Issuer or to any other Member, Manager, or Officer for his or her good faith reliance on the provision of this Agreement including, without any limitation, provisions that relate to the scope of duties, including the fiduciary duties, of Members, Managers, and Officers. Subject to such standards and restrictions as set forth in Issuer's Certificate of Formation and limited liability company agreement, the Issuer shall indemnify any and all its Members, Managers, Officers, or any persons, or such persons testate or intestate. who may have served at its request, or by its election or by its appointment as a Member, Manager, or Officer, against expenses, including attorney's fees, actually

and necessarily incurred by them in connection with the defense or settlement of any action, suit, or proceeding in which they, or any of them, are made parties, or a party, by reason of being or having been Members, Managers, or Officers of the Issuer, except in relation to matters as to which any such Member, Manager, or Officer, either current or former, or personal shall be adjudged in such action, suit or proceeding to be liable for willful misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability as set forth therein, and may advance such expenses, all in accord with the laws of Delaware and Title 6 of the Delaware Code Chapter 18, Limited Liability Act. The indemnification provided hereby shall not be deemed exclusive under any agreement or otherwise, as both to action in his official capacity and as to action in another capacity while holding such office. The Issuer may purchase and maintain insurance on behalf of any Member, Manager, Officer against any liability asserted against and incurred by them to the extent the Issuer would have the power to indemnify them against such liability under the provision of this Agreement and the laws of Delaware. Notwithstanding a written agreement to the contrary, no Member shall be personally liable to the Issuer or any other Member for damages of any breach of duty in such capacity, provided that such liability shall be limited and shall not apply (and aptly the Member will be solely liable) if a judgment or other final adjudication adverse to such Member establishes that their acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law or that he personally gained, in fact, a financial profit or other advantage to which he was not legally entitled or that his acts violated Delaware law regarding indemnification, or is for any act which is an intentional violation of criminal law.

## **CAPITALIZATION, DEBT AND OWNERSHIP**

### **Capitalization**

The Issuer's First Amended and Restated Operating Agreement, dated April 1, 2025 (attached as Exhibit F), authorizes the issuance of up to 10,000,000 units of membership interests, and such membership interests constitute the share of profits and losses, gains, deductions, credits, cash, assets, and other distributions (liquidations and otherwise) and allocations of a Member or, in the case of an assignee, the rights of the assigning Member (the "**Membership Interests**").

### ***Outstanding Capital Interests***

As of the date of this Form C, the Issuer's outstanding Capital Interests consists of:

<b>Type</b>	<b>Membership Interests</b>
<b>Amount Outstanding</b>	5,000,000 Units
<b>Par Value Per Unit</b>	n/a
<b>Voting Rights</b>	1 vote per Unit
<b>Anti-Dilution Rights</b>	None
<b>How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF</b>	Additional membership interests may be issued with preferential and priority rights.
<b>Percentage ownership of the Issuer by the holders of such security (assuming conversion prior to the Offering if convertible securities).</b>	100%*

The Issuer has agreed in principle with CHL, Mr. Brown and the holder of approximately ten percent (10%) of the capital stock of CHL (the "**Other Holder**") to enter into a written agreement formalizing Mr. Brown's and such holder's exchange of their respective holdings of capital stock of CHL for membership units of the Issuer. At the closing of any such contemplated transaction, the Issuer expects that: (1) the Issuer will wholly own CHL, (2) Mr. Brown will hold ninety percent (90%) of the membership interests of the Issuer, and (3) the Other Holder will hold ten percent (10%) of the membership interests of the Issuer. The Issuer understands that such transactions are scheduled for formal ratification by the governing board of CHL at the next scheduled board meeting, no later than May 1, 2025.

***Outstanding Options, SAFEs, Convertible Notes, Warrants***

As of the date of this Form C, the Issuer has no additional securities outstanding.

**Outstanding Debt**

As of the date of this Form C, the Issuer has the following debt outstanding:

<b>Type</b>	Loan
<b>Creditor</b>	The Catholic Herald Institute
<b>Amount Outstanding</b>	\$40,000
<b>Interest Rate and Amortization Schedule</b>	4%
<b>Description of Collateral</b>	n/a
<b>Other Material Terms</b>	n/a
<b>Maturity Date</b>	02/24/2028
<b>Date Entered Into</b>	11/20/2023

<b>Type</b>	Loan
<b>Creditor</b>	The Catholic Herald Institute
<b>Amount Outstanding</b>	\$50,000
<b>Interest Rate and Amortization Schedule</b>	4%
<b>Description of Collateral</b>	n/a
<b>Other Material Terms</b>	n/a
<b>Maturity Date</b>	02/24/2028
<b>Date Entered Into</b>	09/22/2023

<b>Type</b>	Loan
<b>Creditor</b>	The Catholic Herald Institute
<b>Amount Outstanding</b>	\$50,000
<b>Interest Rate and Amortization Schedule</b>	4%
<b>Description of Collateral</b>	n/a
<b>Other Material Terms</b>	n/a
<b>Maturity Date</b>	02/24/2028
<b>Date Entered Into</b>	06/28/2023

<b>Type</b>	Loan
<b>Creditor</b>	The Catholic Herald Institute
<b>Amount Outstanding</b>	\$50,000
<b>Interest Rate and Amortization Schedule</b>	4%
<b>Description of Collateral</b>	n/a
<b>Other Material Terms</b>	n/a
<b>Maturity Date</b>	02/24/2028
<b>Date Entered Into</b>	05/03/2023

<b>Type</b>	Loan
<b>Creditor</b>	The Catholic Herald Institute
<b>Amount Outstanding</b>	\$50,000
<b>Interest Rate and Amortization Schedule</b>	4%
<b>Description of Collateral</b>	n/a
<b>Other Material Terms</b>	n/a
<b>Maturity Date</b>	02/24/2028
<b>Date Entered Into</b>	02/24/2023

<b>Type</b>	Loan
<b>Creditor</b>	Catholic Herald Limited
<b>Lender</b>	GEM Global Yield LLC SCS
<b>Amount Outstanding</b>	\$83,721
<b>Interest Rate and Amortization Schedule</b>	4%
<b>Description of Collateral</b>	n/a
<b>Other Material Terms</b>	n/a
<b>Maturity Date</b>	09/01/2027
<b>Date Entered Into</b>	09/20/2024

<b>Type</b>	Loan
<b>Creditor</b>	Catholic Herald Limited
<b>Lender</b>	GEM Global Yield LLC SCS
<b>Amount Outstanding</b>	\$38,075
<b>Interest Rate and Amortization Schedule</b>	4%
<b>Description of Collateral</b>	n/a
<b>Other Material Terms</b>	n/a
<b>Maturity Date</b>	09/01/2027
<b>Date Entered Into</b>	10/24/2024

<b>Type</b>	Loan
<b>Creditor</b>	Catholic Herald Limited
<b>Lender</b>	GEM Global Yield LLC SCS
<b>Amount Outstanding</b>	\$56,900
<b>Interest Rate and Amortization Schedule</b>	4%
<b>Description of Collateral</b>	n/a
<b>Other Material Terms</b>	n/a
<b>Maturity Date</b>	09/01/2027
<b>Date Entered Into</b>	11/29/2024

<b>Type</b>	Loan
<b>Creditor</b>	Catholic Herald Limited
<b>Lender</b>	GEM Global Yield LLC SCS
<b>Amount Outstanding</b>	\$51,100
<b>Interest Rate and Amortization Schedule</b>	4%
<b>Description of Collateral</b>	n/a
<b>Other Material Terms</b>	n/a
<b>Maturity Date</b>	09/01/2027
<b>Date Entered Into</b>	12/12/2024

## Ownership

The table below lists the beneficial owners (including individuals and entities) of twenty percent (20%) or more of the Issuer's outstanding voting Equity Securities, calculated on the basis of voting power, are listed along with the amount they own.

Name	Amount and Type or Class Held	Percentage Ownership (in terms of voting power)
Christopher Brown	5,000,000 Units	100%*

\* The Issuer has agreed in principle with CHL, Mr. Brown and the holder of approximately ten percent (10%) of the capital stock of CHL (the “**Other Holder**”) to enter into a written agreement formalizing Mr. Brown's and such holder's exchange of their respective holdings of capital stock of CHL for membership units of the Issuer. At the closing of any such contemplated transaction, the Issuer expects that: (1) the Issuer will wholly own CHL, (2) Mr. Brown will hold ninety percent (90%) of the membership interests of the Issuer, and (3) the Other Holder will hold ten percent (10%) of the membership interests of the Issuer. The Issuer understands that such transactions are scheduled for formal ratification by the governing board of CHL at the next scheduled board meeting, no later than May 1, 2025.

## FINANCIAL INFORMATION

**Please see the financial information listed on the cover page of this Form C and attached hereto in addition to the following information. Financial statements are attached hereto as Exhibit A.**

### **Cash and Cash Equivalents**

As of March 31, 2025 the Issuer had an aggregate of \$62,408 in cash and cash equivalents, leaving the Issuer with approximately 4-6 months of runway. Runway is calculated by dividing cash-on-hand by average monthly net loss (if any).

### **Liquidity and Capital Resources**

The proceeds from the Offering are essential to our operations. We plan to use the proceeds as set forth above under the section titled “*Use of Proceeds*”, which is an indispensable element of our business strategy.

### **Capital Expenditures and Other Obligations**

The Issuer does not intend to make any material capital expenditures in the near future.

### **Valuation**

Although the Securities provide certain terms, which may include a valuation cap, the Intermediary has ascribed no pre-Offering valuation to the Issuer; the Securities are priced arbitrarily and the Issuer makes no representations as to the reasonableness of any specified valuation cap.

### ***Trends and Uncertainties***

After reviewing the above discussion of the steps the Issuer intends to take, potential Investors should consider whether achievement of each step within the estimated time frame will be realistic in their judgment. Potential Investors should also assess the consequences to the Issuer of any delays in taking these steps and whether the Issuer will need additional financing to accomplish them.

Please see the financial statements attached as Exhibit A for subsequent events and applicable disclosures.

### **Material Changes and Other Information**

None.

## Previous Offerings of Securities

We have made the following issuances of securities within the last three years:

Security Type	Principal Amount of Securities Sold	Amount of Securities Issued	Use of Proceeds	Issue Date	Exemption from Registration Used or Public Offering
5,000,000 Units*	\$10,000	100% of membership interests	General corporate purposes	11/8/2024	Section 4(a)(2)

\* The Issuer has agreed in principle with CHL, Mr. Brown and the holder of approximately ten percent (10%) of the capital stock of CHL (the “**Other Holder**”) to enter into a written agreement formalizing Mr. Brown’s and such holder’s exchange of their respective holdings of capital stock of CHL for membership units of the Issuer. At the closing of any such contemplated transaction, the Issuer expects that: (1) the Issuer will wholly own CHL, (2) Mr. Brown will hold ninety percent (90%) of the membership interests of the Issuer, and (3) the Other Holder will hold ten percent (10%) of the membership interests of the Issuer. The Issuer understands that such transactions are scheduled for formal ratification by the governing board of CHL at the next scheduled board meeting, no later than May 1, 2025.

See the section titled “*Capitalization and Ownership*” for more information regarding the securities issued in our previous offerings of securities.

## TRANSACTIONS WITH RELATED PERSONS AND CONFLICTS OF INTEREST

From time to time the Issuer may engage in transactions with related persons. Related persons are defined as any manager or officer of the Issuer; any person who is the beneficial owner of twenty percent (20%) or more of the Issuer’s outstanding voting Equity Securities, calculated on the basis of voting power; any promoter of the Issuer; any immediate family member of any of the foregoing persons or an entity controlled by any such person or persons. Additionally, the Issuer will disclose here any transaction since the beginning of the issuer's last fiscal year, or any currently proposed transaction, to which the issuer was or is to be a party and the amount involved exceeds five percent (5%) of the aggregate amount of capital raised by the issuer in reliance on section 4(a)(6), including the Target Offering Amount of this Offering, and the counter party is either (i) any manager or officer of the issuer; (ii) any person who is, as of the most recent practicable date but no earlier than 120 days prior to the date the offering statement or report is filed, the beneficial owner of twenty percent (20%) or more of the issuer's outstanding voting Equity Securities, calculated on the basis of voting power; (iii) if the issuer was incorporated or organized within the past three years, any promoter of the issuer; or (iv) any member of the family of any of the foregoing persons, which includes a child, stepchild, grandchild, parent, stepparent, grandparent, spouse or spousal equivalent, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, and shall include adoptive relationships. The term *spousal equivalent* means a cohabitant occupying a relationship generally equivalent to that of a spouse.

The Issuer has conducted the following transactions with related persons:

1. Christopher Brown entered into the limited liability company agreement with the Issuer on November 8, 2024, under which he contributed \$10,000 to the Issuer and was issued all the membership interests of the Issuer.
2. On February 24, 2023, May 3, 2023, June 28, 2023, September 22, 2023 and November 20, 2023, the Issuer entered into various loan agreements under which the Issuer borrowed the aggregate of \$240,000 from Catholic Herald Institute, an organization exempt from federal income tax under Internal Revenue Code 501(c)(3) and which is under common control with the Issuer. Such borrowings mature on February 24, 2028, and accrue interest at the rate of four percent (4%) per annum.

3. On September 20, 2024, October 24, 2024, November 29, 2024, and December 12, 2024, Catholic Herald Limited entered into various loan agreements under which it borrowed the aggregate of \$229,796 from Gem Global Yield LLC SCS (“**GEM**”), a Luxembourg-based private alternative investment group, which is wholly owned by Mr. Christopher Brown, our President. Such borrowings mature on September 1, 2027, and accrue interest at the rate of four percent (4%) per annum.
4. The Issuer has agreed in principle with CHL, Mr. Brown and the holder of approximately ten percent (10%) of the capital stock of CHL (the “**Other Holder**”) to enter into a written agreement formalizing Mr. Brown’s and such holder’s exchange of their respective holdings of capital stock of CHL for membership units of the Issuer. At the closing of any such contemplated transaction, the Issuer expects that: (1) the Issuer will wholly own CHL, (2) Mr. Brown will hold ninety percent (90%) of the membership interests of the Issuer, and (3) the Other Holder will hold ten percent (10%) of the membership interests of the Issuer. The Issuer understands that such transactions are scheduled for formal ratification by the governing board of CHL at the next scheduled board meeting, no later than May 1, 2025.

### **TAX MATTERS**

**EACH PROSPECTIVE INVESTOR SHOULD CONSULT WITH THEIR OWN TAX AND ERISA ADVISOR AS TO THE PARTICULAR CONSEQUENCES TO THE INVESTOR OF THE PURCHASE, OWNERSHIP AND SALE OF THE INVESTOR’S SECURITIES, AS WELL AS POSSIBLE CHANGES IN THE TAX LAWS.**

**TO ENSURE COMPLIANCE WITH THE REQUIREMENTS IMPOSED BY THE INTERNAL REVENUE SERVICE, WE INFORM YOU THAT ANY TAX STATEMENT IN THIS FORM C CONCERNING UNITED STATES FEDERAL TAXES IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING ANY TAX-RELATED PENALTIES UNDER THE UNITED STATES INTERNAL REVENUE CODE. ANY TAX STATEMENT HEREIN CONCERNING UNITED STATES FEDERAL TAXES WAS WRITTEN IN CONNECTION WITH THE MARKETING OR PROMOTION OF THE TRANSACTIONS OR MATTERS TO WHICH THE STATEMENT RELATES. EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER’S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.**

**Potential Investors who are not United States residents are urged to consult their tax advisors regarding the United States federal income tax implications of any investment in the Issuer, as well as the taxation of such investment by their country of residence. Furthermore, it should be anticipated that distributions from the Issuer to such foreign investors may be subject to United States withholding tax.**

**EACH POTENTIAL INVESTOR SHOULD CONSULT THEIR OWN TAX ADVISOR CONCERNING THE POSSIBLE IMPACT OF STATE TAXES.**

### **LEGAL MATTERS**

Any Investor should consult with its own counsel and advisors in evaluating an investment in the Offering and conduct independent due diligence.

**The Issuer has certified that all of the following statements are TRUE for the Issuer in connection with this Offering:**

- (1) Is organized under, and subject to, the laws of a State or territory of the United States or the District of Columbia;
- (2) Is not subject to the requirement to file reports pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 (the “**Exchange Act**”) (15 U.S.C. 78m or 78o(d));

- (3) Is not an investment company, as defined in Section 3 of the Investment Company Act of 1940 (the “**Investment Company Act**”)(15 U.S.C. 80a-3), or excluded from the definition of investment company by Section 3(b) or Section 3(c) of the Investment Company Act (15 U.S.C. 80a-3(b) or 80a-3(c));
- (4) Is not ineligible to offer or sell securities in reliance on Section 4(a)(6) of the Securities Act of 1933 (the “**Securities Act**”) (15 U.S.C. 77d(a)(6)) as a result of a disqualification as specified in § 227.503(a);
- (5) Has filed with the SEC and provided to investors, to the extent required, any ongoing annual reports required by law during the two years immediately preceding the filing of this Form C; and
- (6) Has a specific business plan, which is not to engage in a merger or acquisition with an unidentified company or companies.

#### **Bad Actor Disclosure**

The Issuer is not subject to any bad actor disqualifications under any relevant U.S. securities laws.

The Issuer is not subject to any matters that would have triggered disqualification but occurred prior to May 16, 2016.

#### **Ongoing Reporting**

Following the first sale of the Securities, the Issuer will file a report electronically with the Securities & Exchange Commission annually and post the report on its website, no later than 120 days after the end of the Issuer’s fiscal year.

Once posted, the annual report may be found on the Issuer’s website at <https://thecatholicherald.com>.

The Issuer must continue to comply with the ongoing reporting requirements until:

- (1) the Issuer is required to file reports under Section 13(a) or Section 15(d) of the Exchange Act;
- (2) the Issuer has filed at least three annual reports pursuant to Regulation CF and has total assets that do not exceed \$10,000,000;
- (3) the Issuer has filed at least one annual report pursuant to Regulation CF and has fewer than 300 holders of record;
- (4) the Issuer or another party repurchases all of the Securities issued in reliance on Section 4(a)(6) of the Securities Act, including any payment in full of debt securities or any complete redemption of redeemable securities; or
- (5) the Issuer liquidates or dissolves its business in accordance with applicable state law.

Neither the Issuer nor any of its predecessors (if any) previously failed to comply with the ongoing reporting requirement of Regulation CF.

#### **ADDITIONAL INFORMATION**

The summaries of, and references to, various documents in this Form C do not purport to be complete and in each instance reference should be made to the copy of such document which is either an appendix to this Form C or which will be made available to Investors and their professional advisors upon request.

Prior to making an investment decision regarding the Securities described herein, prospective Investors should carefully review and consider this entire Form C. The Issuer is prepared to furnish, upon request, a copy of the forms of any documents referenced in this Form C. The Issuer’s representatives will be available to discuss with prospective Investors and their representatives and advisors, if any, any matter set forth in this Form C or any other matter relating to the Securities described in this Form C, so that prospective Investors and their representatives and advisors, if any, may have available to them all information, financial and otherwise, necessary to formulate a well-informed investment decision. Additional information and materials concerning the Issuer will be made available to prospective Investors and their representatives and advisors, if any, at a mutually convenient location upon reasonable request.

## SIGNATURE

Pursuant to the requirements of Sections 4(a)(6) and 4A of the Securities Act of 1933 and Regulation Crowdfunding (§ 227.100 et seq.), the Issuer certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form C and has duly caused this Form C to be signed on its behalf by the duly authorized undersigned.

**THE CATHOLIC HERALD USA LLC**  
(Issuer)

By:

/s/

(Signature)

Christopher Brown

(Name)

President

(Title)

Pursuant to the requirements of Sections 4(a)(6) and 4A of the Securities Act of 1933 and Regulation Crowdfunding (§ 227.100 et seq.), this Form C has been signed by the following persons in the capacities and on the dates indicated.

/s/

(Signature)

Christopher Brown

(Name)

Managing Member

(Title)

April 4, 2025

(Date)

### ***Instructions.***

1. The form shall be signed by the issuer, its principal executive officer or officers, its principal financial officer, its controller or principal accounting officer and at least a majority of the board of directors or persons performing similar functions.
2. The name of each person signing the form shall be typed or printed beneath the signature. Intentional misstatements or omissions of facts constitute federal criminal violations. See 18 U.S.C. 1001.

**EXHIBIT A**

*Financial Statements*

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# **THE CATHOLIC HERALD USA LLC**

**REVIEWED CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024, AND 2023**  
*(Unaudited)*

## INDEX TO FINANCIAL STATEMENTS

(UNAUDITED)

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	Page
INDEPENDENT ACCOUNTANTS' REVIEW REPORT .....	1
CONSOLIDATED FINANCIAL STATEMENTS:	
Consolidated Balance Sheets .....	2
Consolidated Statements of Operations .....	3
Consolidated Statements of Changes in Members' Equity .....	4
Consolidated Statements of Cash Flows .....	5
Notes to Consolidated Financial Statements .....	6

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## **INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

To the Board of Members of  
The Catholic Herald, LLC  
New York, NY

We have reviewed the accompanying consolidated financial statements of the Catholic Herald, LLC (the "Company,"), which comprise the consolidated balance sheets as of December 31, 2024 and December 31, 2023, and the related consolidated statements of operations, consolidated statements of members' equity, and consolidated cash flows for the year ending December 31, 2024 and December 31, 2023, and the related notes to the consolidated financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries from company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Accountant's Responsibility**

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

### **Going Concern**

As discussed in Note 11, certain conditions indicate that the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

*Set Apart Accountancy Corp.*

March 7, 2025  
Los Angeles, California

**THE CATHOLIC HERALD USA LLC**  
**CONSOLIDATED BALANCE SHEETS**  
**(UNAUDITED)**

<b>As of December 31,</b>	<b>2024</b>	<b>2023</b>
(USD \$ in Dollars)		
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash & Cash Equivalents	\$ 135,589	\$ 219,005
Accounts Receivable, net	37,713	10,910
Loan Receivable	304,958	210,194
Prepays and Other Current Assets	7,006	18,688
<b>Total Current Assets</b>	<b>485,266</b>	<b>458,797</b>
Property and Equipment, net	-	6,599
Intangible Asset	16,724	28,116
Right-of-Use Asset	39,604	67,923
<b>Total Assets</b>	<b>\$ 541,594</b>	<b>\$ 561,435</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 124,115	\$ 73,901
Current Portion of Lease Liability	31,284	31,284
Current Portion of Promissory Notes and Loans	82,909	96,652
Deferred Revenue	116,333	96,523
Other Current Liabilities	1,700	26,412
<b>Total Current Liabilities</b>	<b>356,341</b>	<b>324,772</b>
Promissory Notes and Loans	594,398	126,322
Lease Liability	8,320	36,639
<b>Total Liabilities</b>	<b>959,059</b>	<b>487,733</b>
<b>MEMBERS' EQUITY</b>		
Members' Equity	(417,465)	73,702
<b>Total Members' Equity</b>	<b>(417,465)</b>	<b>73,702</b>
<b>Total Liabilities and Members' Equity</b>	<b>\$ 541,594</b>	<b>\$ 561,435</b>

*See accompanying notes to consolidated financial statements.*

**THE CATHOLIC HERALD USA LLC**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(UNAUDITED)**

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<b>For Fiscal Year Ended December 31,</b>	<b>2024</b>	<b>2023</b>
(USD \$ in Dollars)		
Net Revenue	\$ 1,003,028	\$ 1,001,117
Cost of Goods Sold	311,561	316,121
<b>Gross Profit</b>	<b>691,467</b>	<b>684,996</b>
<b>Operating Expenses</b>		
General And Administrative	1,432,212	1,245,390
Sales And Marketing	708	5,524
<b>Total Operating Expenses</b>	<b>1,432,920</b>	<b>1,250,914</b>
<b>Net Operating Loss</b>	<b>(741,453)</b>	<b>(565,918)</b>
Interest Expense	8,989	10,484
Other Loss	3,302	3,398
<b>Loss Before Provision For Income Taxes</b>	<b>(753,744)</b>	<b>(579,800)</b>
Provision/(Benefit) For Income Taxes	-	-
<b>Net Loss</b>	<b>\$ (753,744)</b>	<b>\$ (579,800)</b>

*See accompanying notes to consolidated financial statements.*

**THE CATHOLIC HERALD USA LLC**  
**CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' EQUITY**  
**(UNAUDITED)**

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<b>(in , \$US)</b>	<b>Members' Equity</b>
<b>Balance—December 31, 2022</b>	<b>\$ (606,239)</b>
Members' Contribution	1,338,841
Foreign Currency Translation Adjustment	(79,100)
Net Loss	(579,800)
<b>Balance—December 31, 2023</b>	<b>\$ 73,702</b>
Members' Contribution	226,134
Foreign Currency Translation Adjustment	36,443
Net Loss	(753,744)
<b>Balance—December 31, 2024</b>	<b>\$ (417,465)</b>

*See accompanying notes to consolidated financial statements.*

**THE CATHOLIC HERALD USA LLC**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

For Fiscal Year Ended December 31,	2024	2023
(USD \$ in Dollars)		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss	\$ (753,744)	\$ (579,800)
<b>Adjustments To Reconcile Net Loss To Net Cash Used In Operating Activities:</b>		
Depreciation of Property	4,301	10,711
Amortization of Intangibles	9,840	15,414
<b>Changes In Operating Assets And Liabilities:</b>		
Accounts receivable, net	(26,803)	(3,311)
Prepays and Other Current Assets	11,682	1,786
Accounts Payable	50,214	(233,047)
Deferred Revenue	19,810	45,118
Other Current Liabilities	(24,712)	(106,659)
<b>Net Cash Used in Operating Activities</b>	<b>(709,412)</b>	<b>(849,788)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases of Property and Equipment	-	(9,954)
Purchases of Intangible Assets	-	(15,287)
Loan Receivable	(94,764)	(210,194)
<b>Net Cash Used in Investing Activities</b>	<b>(94,764)</b>	<b>(235,435)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Capital Contribution	226,134	1,338,841
Repayment of Promissory Notes and Loans	454,333	(26,318)
<b>Net Cash Provided by Financing Activities</b>	<b>680,467</b>	<b>1,312,523</b>
<b>Effect Of Exchange Rate Changes On Cash</b>	<b>40,293</b>	<b>(79,100)</b>
<b>Change In Cash and Cash Equivalents</b>	<b>(83,416)</b>	<b>148,200</b>
Cash and Cash Equivalents—Beginning Of Year	219,005	70,805
<b>Cash and Cash Equivalents—End Of Year</b>	<b>\$ 135,589</b>	<b>\$ 219,005</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash Paid During The Year For Interest	\$ 8,989	\$ 10,484

*See accompanying notes to consolidated financial statements.*

**THE CATHOLIC HERALD USA LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024, AND DECEMBER 31, 2023**

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**1. NATURE OF OPERATION**

The Catholic Herald, LLC was formed on September 26, 2023, in the state of Delaware. The company has a subsidiary Catholic Herald Limited registered in England and Wales. The consolidated financial statements of the Catholic Herald, LLC (which may be referred to as the "Company", "we", "us", or "our") are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Company's headquarters are located in New York, NY.

The Catholic Herald is a for-profit Catholic media company generating revenue through digital and print subscriptions, content licensing, and advertising sales. As it transitions to a digital-first model, the company focuses on direct-to-consumer subscriptions, archival content monetization, and strategic media partnerships. Revenue streams are supported by internal sales operations, digital marketing, and institutional collaborations.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The summary of significant accounting policies is presented to assist in understanding the Company's financial statements. The accounting policies conform to accounting principles generally accepted in the United States of America ("GAAP" and "US GAAP").

**Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with US GAAP and the Company has adopted the calendar year as its basis of reporting.

**Basis of Consolidation**

The Company's consolidated financial statements include accounts of subsidiaries over which the Company exercises control. All significant intercompany transactions and accounts have been eliminated.

**Use of Estimates**

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash & Cash Equivalents**

Cash and cash equivalents include all cash in banks, cash on hand and all highly liquid investments with original maturities of three months or less at the time of purchase. As of December 31, 2024, and 2023, the Company's cash & cash equivalents did not exceed FDIC insured limits.

**Accounts Receivable**

Accounts receivable are carried net of allowance for expected credit losses. The allowance for expected credit losses is increased by provision charged to expense and reduced by accounts charged off, net of recoveries. The allowance is maintained at a level considered adequate to provide for potential account losses based on management's evaluation of the anticipated impact on the balance of current economic conditions, changes in character and size of the balance, past and expected future loss experience and other pertinent factors.

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instrument – Credit Losses.". This ASU, and the related ASUs issued subsequently by the FASB introduce a new model for recognizing credit loss on financial assets not accounted for at fair values through net income, including loans, debt securities, trade receivables, net investment in leases and available-for-sale debt securities. The new ASU broadens the information that an entity must consider in developing estimates of expected credit losses and requires an entity to estimate credit losses over the life of an exposure based on historical information, current information and reasonable supportable forecasts.

**THE CATHOLIC HERALD USA LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024, AND DECEMBER 31, 2023**

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The Company adopted this ASU on January 1, 2023, using the modified retrospective approach. The adoption of this ASU did not have a material impact on financial statements as the Company's customers are direct consumers and pay at the time of purchase. As of December 31, 2024, and 2023, the Company determined that no allowance for expected credit loss is needed.

**Property and Equipment**

Property and equipment are stated at cost. Expenditures for additions, major renewals and betterments are capitalized, and expenditures for maintenance and repairs are charged against income as incurred. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in statements of operations.

Depreciation and amortization of property and equipment are computed using the straight-line method over the estimated useful lives of the respective assets. Leasehold improvements are amortized on a straight-line basis over either the useful life of the improvement or the remainder of the related lease term, whichever is shorter.

Estimated useful lives for property and equipment are as follows:

<b>Category</b>	<b>Useful Life</b>
Computer Equipment	5 years
Office Equipment	5 years
Furniture and Fixtures	5 years

**Intangibles**

Intangible assets with finite lives, such as a website, are amortized on a straight-line basis over their estimated useful lives.

**Impairment of Long-Lived Assets**

Long-lived assets, including property and equipment and intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. An impairment loss is recorded in the period in which it is determined that the carrying amount is not recoverable. The determination of recoverability is made based on an estimate of undiscounted future cash flows resulting from the use of the asset and its eventual disposition. The measurement of the impairment for long-lived assets is based on the asset's estimated fair value. No such impairment was recorded for the year ended December 31, 2024, and 2023.

**Revenue Recognition**

The Company recognizes revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled to in exchange for those goods or services. In determining when and how revenue is to be recognized from contracts with customers, the Company performs the following five step analysis laid under Accounting Standard Codification ("ASC") 606, *Revenue from Contracts with Customers*: (1) identification of contract with customers, (2) determination of performance obligations, (3) measurement of the transaction price, (4) allocation of transaction price to the performance obligations, and (5) recognition of revenue when or as the company satisfies each performance obligation.

Revenue is recognized at the point in time or over time, depending on the nature of the performance obligations, as follows:

- **Subscription Sales:** Revenue from digital and print subscriptions is recognized over the subscription period as the content is delivered and the Company satisfies its performance obligation.
- **Content Licensing & Syndication:** Revenue from licensing agreements is recognized when content is delivered and the customer obtains control, or over time if the agreement provides ongoing access to content.

**THE CATHOLIC HERALD USA LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024, AND DECEMBER 31, 2023**

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- Advertising & Sponsorships: Revenue from advertising placements is recognized over the period the advertisement is displayed, while sponsored content revenue is recognized when the content is published as per contractual terms.

**Cost of Sales**

Cost of sales includes the cost of books sold, paper and print, etc.

**Research and Development Costs**

Costs incurred in research and development of the Company's product are expensed as incurred.

**Income Taxes**

The Company has been organized as a limited liability company and has elected to be taxed as a partnership, which is not a tax-paying entity for federal income tax purposes and therefore, no provision for federal income taxes is reflected in its records. The income or loss of the limited liability company is passed through to the members and reported on their individual income tax returns.

**Leases**

The Company determines if an arrangement is a lease at inception by determining whether the agreement conveys the right to control the use of the identified asset for a period of time, whether the Company has the right to obtain substantially all of the economic benefits from use of the identified asset, and the right to direct the use of the asset. Lease liabilities are recognized at the commencement date based upon the present value of the remaining future minimum lease payments over the lease term using the rate implicit in the lease or the Company's incremental borrowing rate. The incremental borrowing rate is defined as the rate of interest the Company would have to pay to borrow on a collateralized basis over a similar term in an amount equal to the lease payments in a similar economic environment. The Company's lease terms include options to renew or terminate the lease when it is reasonably certain that it will exercise the option.

The lease right-of-use assets are initially measured at the carrying amount of the lease liability and adjusted for any prepaid or accrued lease payments, remaining balance of lease incentives received, unamortized initial direct costs, or impairment charges relating to the right-of-use-asset. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

Variable lease expenses include payments related to the usage of the leased assets (utilities, real estate taxes, insurance, and variable common area maintenance) and are expense as incurred.

**Fair Value of Financial Instruments**

The carrying value of the Company's financial instruments included in current assets and current liabilities (such as cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, accounts payable and accrued expenses approximate fair value due to the short-term nature of such instruments.

The inputs used to measure fair value are based on a hierarchy that prioritizes observable and unobservable inputs used in valuation techniques. These levels, in order of highest to lowest priority, are described below:

**Level 1** — Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities.

**Level 2** — Observable prices that are based on inputs not quoted on active markets but corroborated by market data.

**Level 3** — Unobservable inputs reflecting the Company's assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

**THE CATHOLIC HERALD USA LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024, AND DECEMBER 31, 2023**

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**Advertising & Promotional Costs**

Advertising and promotional costs are expensed as incurred. Advertising and promotional expenses for the years ended December 31, 2024, and December 31, 2023, amounted to \$708 and \$5,524, which are included in sales and marketing expenses.

**Subsequent Events**

The Company considers events or transactions that occur after the balance sheet date, but prior to the issuance of the financial statements to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. Subsequent events have been evaluated through March 7, 2025, which is the date the financial statements were available to be issued.

**3. DETAILS OF CERTAIN ASSETS AND LIABILITIES**

Prepaid and other current assets consist of the following:

<b>As of December 31,</b>	<b>2024</b>	<b>2023</b>
VAT Receivable	\$ 7,006	\$ 13,230
Prepayment	-	5,458
<b>Total Prepays and Other Current Asset</b>	<b>\$ 7,006</b>	<b>\$ 18,688</b>

Other current liabilities consist of the following:

<b>As of December 31,</b>	<b>2024</b>	<b>2023</b>
Accruals	\$ 1,700	\$ 26,412
<b>Total Other Current Liabilities</b>	<b>\$ 1,700</b>	<b>\$ 26,412</b>

Loan Receivable consist of the following:

<b>As of December 31,</b>	<b>2024</b>	<b>2023</b>
Catholic Herald Institute	\$ 304,958	\$ 210,194
<b>Total Loan Receivable</b>	<b>\$ 304,958</b>	<b>\$ 210,194</b>

In 2024 and 2023, the Company provided a loan totaling \$304,958 to Catholic Herald Institute, a separate non-profit entity. The loan is interest-free and has no defined maturity date.

**4. PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

<b>As of December 31,</b>	<b>2024</b>	<b>2023</b>
Computer Equipment	\$ 37,528	\$ 38,170
Office Equipment	22,614	23,000
Furniture and Fixtures	74,265	75,535
<b>Property and Equipment, at cost</b>	<b>134,407</b>	<b>136,705</b>
Accumulated Depreciation	(134,407)	(130,106)
<b>Property and Equipment, net</b>	<b>\$ -</b>	<b>\$ 6,599</b>

Depreciation expense for the years ended December 31, 2024, and 2023 was \$4,301 and \$10,711, respectively.

**THE CATHOLIC HERALD USA LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024, AND DECEMBER 31, 2023**

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## **5. INTANGIBLE ASSETS**

Intangible assets consist of the following:

<b>As of December 31,</b>	<b>2024</b>	<b>2023</b>
Website	\$ 105,619	\$ 107,171
<b>Intangible Assets, at cost</b>	<b>105,619</b>	<b>107,171</b>
Accumulated Amortization	(88,895)	(79,055)
<b>Intangible Assets, net</b>	<b>\$ 16,724</b>	<b>\$ 28,116</b>

Amortization expense for the years ended December 31, 2024, and 2023 was \$9,840 and \$15,414, respectively.

Estimated annual amortization expense subsequent to December 31, 2024, is as follows:

<b>Period</b>	<b>Amortization Expense</b>
2025	\$ 9,840
2026	6,884
2027	-
2028	-
Thereafter	-
<b>Total</b>	<b>\$ 16,724</b>

## **6. LEASES**

The Company has an operating lease for business premises in Cromwell Place, London, the UK, which terms are maturing through 2026. The annual rent is GBP 42,000. Rent expense is recorded on a straight-line basis over the lease term.

The weighted average discount rate for operating leases as of December 31, 2024, and 2023 was 10%.

Minimum future lease payments under non-cancellable operating leases as of December 31, 2024, are as follows:

<b>As of December 31,</b>	<b>2024</b>
2025	\$ 33,557
2026	8,389
2027	-
2028	-
Thereafter	-
Present Value Discount	(2,342)
<b>Total</b>	<b>\$ 39,604</b>

**THE CATHOLIC HERALD USA LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024, AND DECEMBER 31, 2023**

**7. DEBT**

The Company had outstanding term loans/ notes payables with varying maturities. Details of loans are as follows:

Debt Instrument Name	Principal Amount	Interest Rate	Borrowing Period	Maturity Date	As of December 31, 2024			As of December 31, 2023		
					Current Portion	Non-Current Portion	Total Indebtedness	Current Portion	Non-Current Portion	Total Indebtedness
SIR ROCCO FORTE- Written off	£ 55,000	0.00%	05/03/2020	Written off in 2024	\$ -	\$ -	\$ -	\$ -	\$ 70,015	\$ 70,015
NatWest - BANK LOAN	£ 50,000	10.71%	19/03/2020	2025	3,432	-	3,432	15,225	3,432	18,657
NatWest - CBILS LOAN	£ 97,500	8.06%	05/03/2020	2026	24,406	8,135	32,541	25,415	32,507	57,922
Brooks Newmark Loan	£ 30,000	0.00%	08/06/2021	05/09/2021	37,548	-	37,548	38,190	-	38,190
SIR ROCCO FORTE	£ 14,000	2.00%	05/03/2020	05/03/2022	17,522	-	17,522	17,822	-	17,822
SIR ROCCO FORTE	£ 16,000	2.00%	26/02/2024	20/02/2026	-	20,026	20,026	-	20,368	20,368
GEM GLOBAL YIELD LLC	£ 117,092	6.00%	2024	2027	-	146,552	146,552	-	-	-
GEM GLOBAL YIELD LLC	£ 150,000	6.00%	07/02/2025	07/02/2027	-	150,000	150,000	-	-	-
GEM GLOBAL YIELD LLC	£ 215,473	6.00%	2024	2027	-	269,686	269,686	-	-	-
<b>Total</b>					<b>\$ 82,909</b>	<b>\$ 594,398</b>	<b>\$ 677,307</b>	<b>\$ 96,652</b>	<b>\$ 126,322</b>	<b>\$ 222,974</b>

The summary of the future maturities is as follows:

As of December 31,	2024
2025	\$ 82,909
2026	28,160
2027	566,237
2028	-
Thereafter	-
<b>Total</b>	<b>\$ 677,307</b>

**8. EQUITY**

The ownership percentages of the members as of December 31, 2024, are as follows:

Member's Name	Ownership Percentage
Christopher Francis Brown	100.0%
<b>Total</b>	<b>100.0%</b>

Management by Members or Managers:

The company is managed by its members, each with voting rights based on their ownership interest. Major decisions, such as amending the agreement or issuing new membership interests, require the approval of at least 51% of the members. A member can be expelled only by unanimous vote of the others. Management by managers is optional and can be defined in the Operating Agreement if desired.

Voting and Decision-Making:

Decisions at meetings require a majority vote of interests present, unless a higher threshold is mandated by law or the Certificate of Formation. Each member's vote is weighted based on their ownership percentage.

Distributions:

The company makes periodic distributions to members, typically in proportion to each member's capital contribution:

**THE CATHOLIC HERALD USA LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024, AND DECEMBER 31, 2023**

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- Distributions cannot be made if it would cause the company to be unable to meet its liabilities or if the company's assets fall below its liabilities.
- The distribution allocation is based on each member's contribution as of the last day of the calendar month.

## **9. CONTINGENCIES AND COMMITMENTS**

### **Contingencies**

The Company's operations are subject to a variety of local, state, and federal regulations. Failure to comply with these requirements may result in fines, penalties, restrictions on operations, or losses of permits, which will have an adverse impact on the Company's operations and might result in an outflow of economic resources.

### **Litigation and Claims**

From time to time, the Company may be involved in or exposed to litigation arising from operations in the normal course of business. As of December 31, 2024, and December 31, 2023, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of the Company's operations.

## **10. RELATED PARTY TRANSACTIONS**

In 2024, the Company received loans from GEM GLOBAL YIELD LLC, a related party due to common ownership. The loans bear an interest rate of 6%, with a maturity date set for three years from the date the funds were received. As of December 31, 2024, and December 31, 2023, the outstanding balance due to GEM GLOBAL YIELD LLC was \$566,237 and \$0, respectively.

## **11. GOING CONCERN**

The accompanying consolidated financial statements have been prepared on a going-concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has a net operating loss of \$741,453, an operating cash flow loss of \$709,412 and liquid assets in cash of \$135,589, which is less than a year's worth of cash reserves as of December 31, 2024. These factors normally raise substantial doubt about the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern in the next twelve months following the date the financial statements were available to be issued is dependent upon its ability to produce revenues and/or obtain financing sufficient to meet current and future obligations and deploy such to produce profitable operating results.

Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs. During the next twelve months, the Company intends to fund its operations through debt and/or equity financing.

There are no assurances that management will be able to raise capital on terms acceptable to the Company. If it is unable to obtain sufficient amounts of additional capital, it may be required to reduce the scope of its planned development, which could harm its business, financial condition, and operating results. The accompanying financial statements do not include any adjustments that might result from these uncertainties.

**EXHIBIT B**

*Form of Security*

THIS INSTRUMENT HAS BEEN ISSUED PURSUANT TO SECTION 4(A)(6) OF THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), AND NEITHER IT NOR ANY SECURITIES ISSUABLE PURSUANT HERETO HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD, OR OTHERWISE TRANSFERRED, PLEDGED, OR HYPOTHECATED EXCEPT AS PERMITTED BY RULE 501 OF REGULATION CROWDFUNDING UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR EXEMPTION THEREFROM.

IF THE INVESTOR LIVES OUTSIDE THE UNITED STATES, IT IS THE INVESTOR’S RESPONSIBILITY TO FULLY OBSERVE THE LAWS OF ANY RELEVANT TERRITORY OR JURISDICTION OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY PURCHASE OF THE SECURITIES, INCLUDING OBTAINING REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER REQUIRED LEGAL OR OTHER FORMALITIES. THE ISSUER RESERVES THE RIGHT TO DENY THE PURCHASE OF THE SECURITIES BY ANY FOREIGN PURCHASER.

**THE CATHOLIC HERALD USA LLC**

**SAFE**

**(Simple Agreement for Future Equity)**

**Series 2025**

THIS CERTIFIES THAT in exchange for the payment by [Investor Name] (the “**Investor**”, and together with all other Series 2025 SAFE holders, the “**Investors**”) of \$[ ] (the “**Purchase Amount**”) on or about [Date of SAFE], The Catholic Herald USA LLC, a Delaware limited liability company (the “**Issuer**”), hereby issues to the Investor the right to certain units of the Issuer’s Equity Securities (defined below), subject to the terms set forth below.

The “**Pre-Money Valuation Cap**” is \$12,934,268. See Section 2 for certain additional defined terms.

**1. Events**

(a) **Equity Financing Event.** If an Equity Financing (defined below) occurs before this instrument terminates in accordance with Sections 1(b)-(d), the Issuer shall promptly notify the Investor of the closing, or anticipated closing, of the Equity Financing and issue to the Investor a number of units of Equity Securities, as applicable, sold in the Equity Financing, subject to the terms of this Section 1. The number of units of Equity Securities shall equal the quotient obtained by dividing (x) the Purchase Amount by (y) the **Equity Financing Price** (as defined below).

(b) **Liquidity Event.** If there is a Liquidity Event before the termination of this SAFE (whether pursuant to Sections 1(a), (c) or (e)), the holder of this SAFE will automatically be entitled (subject to the liquidation priority set forth below in Section 1(d)) to receive a portion of Proceeds, due and payable to the holder of this SAFE immediately prior to, or concurrent with, the consummation of such Liquidity Event, equal to the **greater of** (1) the Purchase Amount (or a lesser amount as described below) (the “**Cash-Out Amount**”) or (2) the amount payable on the number of units of Equity Securities equal to the Purchase Amount (or a lesser amount as described below) divided by the Liquidity Price (the “**Conversion Amount**”).

Notwithstanding the foregoing, if the Issuer's manager(s) (or board of directors if the Issuer becomes a corporation) determines in good faith that delivery of Equity Securities to the holder of this SAFE pursuant to this Section 1(b) would violate applicable law, rule or regulation, then the Issuer shall deliver to the holder of this SAFE in lieu thereof, a cash payment equal to the fair market value of such Equity Securities, as determined in good faith by the Issuer's manager(s) (or board of directors if the Issuer becomes a corporation).

(c) **Dissolution Event.** If there is a Dissolution Event (defined below) before termination of this SAFE, this SAFE's holder will automatically be entitled (subject to the liquidation priority set forth in Section 1(d) below) to receive a portion of Proceeds (defined below) equal to the Cash-Out Amount, due and payable to the holder of this SAFE immediately before the consummation of the Dissolution Event.

(d) **Liquidation Priority.** In a Liquidity Event or Dissolution Event, this SAFE is intended to operate like standard non-voting Preferred Interests. The holder of this SAFE's right to receive its Cash-Out Amount is:

(i) Junior to payment of outstanding indebtedness and creditor claims, including contractual claims for payment and convertible promissory notes (to the extent such convertible promissory notes are not actually or notionally converted into Equity Securities);

(ii) On par with payments for other SAFEs, whether this Series or otherwise, and/or Preferred Interests, and if the applicable Proceeds are insufficient to permit full payments to the Investor and such other SAFEs and/or Preferred Interests, the applicable Proceeds will be distributed pro rata to the Investor and such other SAFEs and/or Preferred Interest holders in proportion to the full payments that would otherwise be due; and

(iii) Senior to payments for Common Interests.

The holder of this SAFE's rights to receive their Conversion Amount is (A) on par with payments for Common Interests and other SAFEs (whether this Series of SAFEs or alternative SAFEs) and/or Preferred Interests who are also receiving Conversion Amounts or Proceeds on a similar as-converted to Equity Securities basis, and (B) junior to payments described in clauses (i) and (ii) above (in the latter case, to the extent such payments are Cash-Out Amounts or similar liquidation preferences).

(e) **Termination.** This SAFE automatically terminates (without relieving the Issuer or holder of this SAFE of any obligations arising from a prior breach of or non-compliance with this instrument) upon the earlier to occur: (i) the issuance of Equity Securities to the holder of this SAFE pursuant to Section 1(a); or (ii) the payment, or setting aside for payment, of amounts due to the holder of this SAFE pursuant to Section 1(b) or Section 1(c) as subject to Section 1(d).

## 2. Definitions

**"Capital Interests"** means the capital interests of the Issuer, including, without limitation, Common Interests and Preferred Interests.

**"Change of Control"** means (i) a transaction or series of related transactions in which any "person" or "group" (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), becomes the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended), directly or indirectly, of more than 50% of the outstanding voting securities of the Issuer having the right to vote for the election of members of the Issuer's board of directors or manager(s), (ii) any reorganization, merger or consolidation of the Issuer, other than a transaction or series of related

transactions in which the holders of the voting securities of the Issuer outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Issuer or such other surviving or resulting entity or (iii) a sale, lease or other disposition of all or substantially all of the assets of the Issuer.

**“Common Interests”** means common limited liability company membership units of the Issuer or common stock of the Issuer, if the Issuer is restructured as a corporation, including the securities issuable upon the conversion of this instrument pursuant to Section 1(a) or Section 1(b). For the purposes of this SAFE, “common limited liability company membership units” refers to those interests in the Issuer that, as of the relevant event, would be last to receive a repayment of all capital contributions made in respect of such interests.

**“Custodian”** means BitGo Trust Company, Inc. and its successors and assigns.

**“Direct Listing”** means, in the event the Issuer is restructured as a corporation, the Issuer’s initial listing of its Common Stock (other than units of Common Interests not eligible for resale under Rule 144 under the Securities Act) on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Issuer with the SEC that registers shares of existing Equity Securities of the Issuer for resale, as approved by the Issuer’s manager(s) (or board of directors if the Issuer becomes a corporation). For the avoidance of doubt, a Direct Listing will not be deemed to be an underwritten offering and will not involve any underwriting services.

**“Dissolution Event”** means (i) a voluntary termination of operations, (ii) a general assignment for the benefit of the Issuer’s creditors, (iii) the commencement of a case (whether voluntary or involuntary) seeking relief under Title 11 of the United States Code, or (iv) any other liquidation, dissolution or winding up of the Issuer (excluding a Liquidity Event), whether voluntary or involuntary.

**“Equity Financing”** shall mean the next sale (or series of related sales) by the Issuer of its Equity Securities to one or more third parties following the date of this instrument from which the Issuer receives gross proceeds of not less than \$1,000,000 in cash or cash equivalent (excluding the conversion of any instruments convertible into or exercisable or exchangeable for Equity Securities, such as SAFEs or convertible promissory notes) with the principal purpose of raising capital.

**“Equity Financing Price”** shall mean (x) if the pre-money valuation of the Issuer immediately prior to the Equity Financing is less than or equal to the Pre-Money Valuation Cap, the lowest price per unit of the Equity Securities sold in the Equity Financing or (y) if the pre-money valuation of the Issuer immediately prior to the Equity Financing is greater than the Pre-Money Valuation Cap, the SAFE Price.

**“Equity Securities”** shall mean Capital Interests (whether Common Interests or Preferred Interests), any other capital or profits interest of the Issuer or any securities convertible into, exchangeable for or conferring the right to purchase (with or without additional consideration) Common Interests or Preferred Interests, except in each case, (i) any security granted, issued and/or sold by the Issuer to any director, officer, employee, advisor or consultant of the Issuer in such capacity for the primary purpose of soliciting or retaining his, her or its services, (ii) any convertible promissory notes issued by the Issuer, and (iii) any SAFEs issued.

**“Fully Diluted Capitalization”** shall mean the aggregate number, as of immediately prior to the Equity Financing, of issued and outstanding units of Equity Securities, assuming full conversion or exercise of all convertible and exercisable interests then outstanding, including units of convertible Preferred

Interests and all outstanding vested or unvested options or warrants to purchase Equity Securities, but excluding (i) the issuance of all units of Equity Securities reserved and available for future issuance under any of the Issuer's existing equity incentive plans, (ii) convertible promissory notes issued by the Issuer, (iii) any SAFEs, and (iv) any Equity Securities that are issuable upon conversion of any outstanding convertible promissory notes or SAFEs.

**"Intermediary"** means OpenDeal Portal LLC, a registered securities crowdfunding portal CRD#283874, or a qualified successor.

**"IPO"** means: (A) the completion of an underwritten initial public offering of Equity Securities by the Issuer pursuant to: (I) a final prospectus for which a receipt is issued by a securities commission of the United States or of a province of Canada, or (II) a registration statement which has been filed with the United States Securities and Exchange Commission and is declared effective to enable the sale of Equity Securities by the Issuer to the public, which in each case results in such equity securities being listed and posted for trading or quoted on a recognized exchange; (B) the Issuer's initial listing of its Equity Securities (other than units of Equity Securities not eligible for resale under Rule 144 under the Securities Act) on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Issuer with the SEC that registers units of existing Equity Securities of the Issuer for resale, as approved by the Issuer's manager(s) (or board of directors if the Issuer becomes a corporation), where such listing shall not be deemed to be an underwritten offering and shall not involve any underwriting services; or (C) the completion of a reverse merger or take-over whereby an entity (I) whose securities are listed and posted for trading or quoted on a recognized exchange, or (II) is a reporting Issuer in the United States or the equivalent in any foreign jurisdiction, acquires all of the issued and outstanding Equity Securities of the Issuer.

**"Liquidity Capitalization"** means the number, as of immediately prior to the Liquidity Event, of units of the Issuer's Equity Securities (on an as-converted basis) outstanding, assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, but **excluding**: (i) the Unissued Option Pool; (ii) any SAFEs; (iii) convertible promissory notes; and (iv) any Equity Securities that are issuable upon conversion of any outstanding convertible promissory notes or SAFEs.

**"Liquidity Event"** means a Change of Control, a Direct Listing, or an IPO.

**"Liquidity Price"** means the price per unit equal to (x) the Pre-Money Valuation Cap divided by (y) the Liquidity Capitalization.

**"Lock-up Period"** means the period commencing on the date of the final prospectus relating to the Issuer's IPO, and ending on the date specified by the Issuer and the managing underwriter(s). Such period shall not exceed 180 days, or such other period as may be requested by the Issuer or an underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports, and (ii) analyst recommendations and opinions.

**"Preferred Interests"** means the preferred limited liability company membership interests of the Issuer or preferred stock of the Issuer, if the Issuer is restructured as a corporation.

**"Proceeds"** means cash and other assets (including without limitation stock consideration) that are proceeds from the Liquidity Event or the Dissolution Event, as applicable, and legally available for distribution.

**“Promised Options”** means promised but ungranted Options that are the greater of those (i) promised pursuant to agreements or understandings made prior to the execution of, or in connection with, the term sheet or letter of intent for the Equity Financing or Liquidity Event, as applicable (or the initial closing of the Equity Financing or consummation of the Liquidity Event, if there is no term sheet or letter of intent), (ii) in the case of an Equity Financing, treated as outstanding Options in the calculation of the Preferred Interest price per unit, or (iii) in the case of a Liquidity Event, treated as outstanding Options in the calculation of the distribution of the Proceeds.

**“Reg. CF”** means Regulation Crowdfunding promulgated under the Securities Act.

**“SAFE”** means any simple agreement for future equity (or other similar agreement), including a SAFE, which is issued by the Issuer for bona fide financing purposes and which may convert into Equity Securities in accordance with its terms.

**“SAFE Price”** means the price per unit equal to (x) the Pre-Money Valuation Cap divided by (y) the Fully Diluted Capitalization.

**“Unissued Option Pool”** means all units of Equity Securities that are reserved, available for future grant and not subject to any outstanding Options or Promised Options (but in the case of a Liquidity Event, only to the extent Proceeds are payable on such Promised Options) under any equity incentive or similar Issuer plan.

### **3. Custodian; Securities Entitlement**

(a) The Issuer and the Investor appoints and authorizes the Custodian for the benefit of the Investor, to hold the SAFE and any securities that may be issued upon conversion thereof in registered form in the Custodian’s name or the name of the Custodian’s nominees for the benefit of the Investor and the Investor’s permitted assigns. The Investor acknowledges and agrees that upon acceptance of the SAFE, the Issuer shall issue and deliver the SAFE to the Custodian, who shall solely hold such SAFE and any securities that may be issued upon conversion thereof for the benefit of the Investor and shall be a “protected purchaser” of such SAFE within the meaning of Section 8-303 of the Delaware Uniform Commercial Code, which shall be in book-entry uncertificated form, and that the Investor shall hold and acquire only a “securities entitlement” within the meaning of Section 8-501 of the Delaware Uniform Commercial Code in the SAFE and any securities that may be issued upon conversion thereof equal to the ratio of the Investor’s purchase amount to the aggregate purchase amounts of the SAFE in the Offering.

(b) Issuer and Investor acknowledge and agree that the Custodian may assign any and all of its agreements with Investor, delegate its duties thereunder, and transfer Investor’s SAFE and any securities that may be issued upon conversion thereof to any of its affiliates or to its successors and assigns, whether by merger, consolidation or otherwise, in each case, without the consent of the Investor or the Issuer. Investor acknowledges and agrees that Investor may not assign or transfer any of its rights or obligations under such agreements without the Custodian’s prior written consent, and any attempted transfer or assignment in violation hereof shall be null and void.

### **4. Issuer Representations, Warranties and Covenants**

The Issuer represents, warrants, and covenants to the Investor and the Intermediary as follows:

(a) The Issuer is a limited liability company duly organized, validly existing and in good standing under the laws of the state of its organization, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) The execution, delivery and performance by the Issuer of this instrument is within the power of the Issuer and, other than with respect to the actions to be taken when equity is to be issued to Investor, has been duly authorized by all necessary actions on the part of the Issuer. This instrument constitutes a legal, valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity. To the knowledge of the Issuer, it is not in violation of (i) its current organizational documents; (ii) any material statute, rule or regulation applicable to the Issuer; or (iii) any material indenture or contract to which the Issuer is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Issuer.

(c) The performance and consummation of the transactions contemplated by this instrument do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to the Issuer; (ii) result in the acceleration of any material indenture or contract to which the Issuer is a party or by which it is bound; or (iii) result in the creation or imposition of any lien upon any property, asset or revenue of the Issuer or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to the Issuer, its business or operations.

(d) No consents or approvals are required in connection with the performance of this instrument, other than: (i) approvals from the Issuer's manager or board of managers; (ii) any qualifications or filings under applicable securities laws; and (iii) necessary corporate approvals for the authorization of units of Equity Securities issuable pursuant to Section 1.

(e) If the Issuer, prior to the conversion of this instrument, is restructured as a corporation, then it shall reserve from its authorized but unissued shares of Capital Stock for issuance and delivery upon the conversion of this instrument, such number of shares of the Capital Stock as necessary to effect the conversion contemplated by this instrument, and, from time to time, will take all steps necessary to amend its charter to provide sufficient authorized numbers of shares of the Capital Stock issuable upon the conversion of this instrument. All such shares shall be duly authorized, and when issued upon any such conversion, shall be validly issued, fully paid and non-assessable, free and clear of all liens, security interests, charges and other encumbrances or restrictions on sale and free and clear of all preemptive rights, except encumbrances or restrictions arising under federal or state securities laws.

(f) The Issuer is (i) not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act, (ii) not an investment company as defined in Section 3 of the Investment Company Act of 1940 (the "ICA"), and is not excluded from the definition of investment company by Section 3(b) or Section 3(c) of the ICA, (iii) not disqualified from selling securities under Rule 503(a) of Reg. CF, (iv) not barred from selling securities under Section 4(a)(6) of the Securities Act due to a failure to make timely annual report filings, (vi) not planning to engage in a merger or acquisition with an unidentified company or companies, and (vii) organized under, and subject to, the laws of a state or territory of the United States or the District of Columbia.

(g) The Issuer hereby authorizes the Custodian to hold this SAFE and the securities issuable upon conversion thereof in registered form in its name or the name of its nominees for the benefit of the Investors, which shall be in uncertificated form. The Issuer agrees that the Custodian is an intended third-party beneficiary to the representations made by the Investor and the Issuer via the SAFE, including, without limitation, any representations, warranties, and covenants made by the Issuer and the Investor.

## 5. Investor Representations, Warranties, and Covenants

The Investor represents, warrants and covenants to the Issuer, the Issuer's representatives and agents, and Intermediary, as follows:

(a) The Investor has full legal capacity, power and authority to execute and deliver this SAFE and to perform its obligations hereunder. This SAFE constitutes a valid and binding obligation of the Investor, enforceable per its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(b) The Investor has been advised that this instrument and the underlying securities (collectively, the "**Securities**") have not been registered under the Securities Act or any state securities laws and are offered and sold hereby pursuant to Section 4(a)(6) of the Securities Act. The Investor understands that the Securities may be resold or otherwise transferred unless they are registered under the Securities Act and applicable state securities laws or pursuant to Rule 501 of Reg. CF, in which case certain state transfer restrictions may apply.

(c) The Investor understands that the Securities have not been, and will not be, registered under the Securities Act or any state securities laws, by reason of specific exemptions under the provisions thereof which depend upon, among other things, the bona fide nature of the investment intent and the accuracy of each Investor's representations as expressed herein.

(d) The Investor acknowledges, and is purchasing the Securities in compliance with, the investment limitations set forth in Rule 100(a)(2) of Reg. CF, promulgated under Section 4(a)(6)(B) of the Securities Act.

(e) The Investor acknowledges that the Investor has received all the information the Investor has requested from the Issuer and the Investor considers necessary or appropriate for deciding whether to acquire this instrument and the Securities, and the Investor represents that the Investor has had an opportunity to ask questions and receive answers from the Issuer regarding the terms and conditions of this instrument and the Securities and to obtain any additional information necessary to verify the accuracy of the information given to the Investor. In deciding to subscribe to this instrument, the Investor is not relying on the advice or recommendations of the Issuer or of the Intermediary and the Investor has made its own independent decision that an investment in this instrument and the Securities is suitable and appropriate for the Investor. The Investor understands that no federal or state agency has passed upon the merits or risks of an investment in this instrument and the Securities or made any finding or determination concerning the fairness or advisability of this investment.

(f) The Investor understands and acknowledges that the Securities provide the Investor no voting, information or inspection rights, aside from any disclosure requirements the Issuer is required to make under relevant securities regulations.

(g) The Investor understands that no public market now exists for any of the Securities issued by the Issuer, and that the Issuer has made no assurances that a public market will ever exist for this instrument and the Securities to be acquired by the Investor hereunder.

(h) The Investor is not (i) a citizen or resident of a geographic area in which the purchase of or holding of the Securities, or any securities convertible or issuable therefrom, is prohibited by applicable law, decree, regulation, treaty, or administrative act, (ii) a citizen or resident of, or located in, a geographic area that is subject to U.S. or other applicable sanctions or embargoes, or (iii) an individual, or an individual

employed by or associated with an entity, identified on the U.S. Department of Commerce's Denied Persons or Entity List, the U.S. Department of Treasury's Specially Designated Nationals List, the U.S. Department of State's Debarred Parties List or other applicable sanctions lists. Investor hereby represents and agrees that if Investor's country of residence or other circumstances change such that the above representations are no longer accurate, the Investor will immediately notify the Issuer. The Investor further represents and warrants that it will not knowingly sell or otherwise transfer any interest in the Securities, or any securities convertible or issuable therefrom, to a party subject to U.S. or other applicable sanctions.

(i) If the Investor is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended), the Investor hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation, purchase and payment for, and continued ownership of, its beneficial interest in the Securities, or any securities convertible or issuable therefrom, will not violate any applicable securities or other laws of the Investor's jurisdiction, including (i) the legal requirements within its jurisdiction for the purchase of its beneficial interest in the Securities, or any securities convertible or issuable therefrom; (ii) any foreign exchange restrictions applicable to such purchase; (iii) any governmental or other consents that may need to be obtained; and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, conversion, redemption, sale, or transfer of its beneficial interest in the Securities, or any securities convertible or issuable therefrom. The Investor acknowledges that the Issuer has taken no action in foreign jurisdictions with respect to the Securities, or any securities convertible or issuable therefrom, (and the Investor's beneficial interest therein) and the underlying securities.

(j) If the Investor is a corporate entity: (i) such corporate entity is duly incorporated, validly existing and in good standing under the laws of the state of its incorporation, and has the power and authority to enter into this SAFE; (ii) the execution, delivery and performance by the Investor of the SAFE is within the power of the Investor and has been duly authorized by all necessary actions on the part of the Investor; (iii) to the knowledge of the Investor, it is not in violation of its current charter or bylaws, any material statute, rule or regulation applicable to the Investor; and (iv) the performance of the SAFE does not and will not violate any material judgment, statute, rule or regulation applicable to the Investor; result in the acceleration of any material indenture or contract to which the Investor is a party or by which it is bound, or otherwise result in the creation or imposition of any lien upon the Purchase Amount.

(k) The Investor further acknowledges that it has read, understood, and had ample opportunity to ask the Issuer questions about its business plans, "Risk Factors," and all other information presented in the offering documents related to this transaction.

(l) The Investor represents that the Investor understands the substantial likelihood that the Investor will suffer a **TOTAL LOSS** of all capital invested, and that Investor is prepared to bear the risk of such total loss.

(m) This SAFE has been duly authorized, executed and delivered by the Investor and, upon due authorization, execution and delivery by the Issuer, will constitute the valid and legally binding agreement of the Investor enforceable in accordance with its terms against the Investor, except as such enforceability may be limited by (i) bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws of general application relating to or affecting the enforcement of creditors' rights and remedies, as from time to time in effect; (ii) application of equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law); and (iii) considerations of public policy or the effect of applicable law relating to fiduciary duties.

(n) Investor directs the Issuer to issue the Securities that are ultimately issued pursuant to this SAFE in the name of the Custodian, and the Investor acknowledges and agrees that the Custodian will hold

the Securities in registered form in its for the benefit of the Investors, which shall be in uncertificated form. To the extent otherwise agreed upon in writing between the Investor and the Custodian, Custodian may take direction from the Lead (as defined below) who will act on behalf of the Investors, and the Issuer, the Intermediary and the Custodian may be permitted to rely on the Lead's instructions relating to the Securities. The Investor agrees that the Custodian is an intended third-party beneficiary to the representations made by the Investor and the Issuer via the SAFE, including, without limitation, any representations, warranties, and covenants made by the Issuer and the Investor.

(o) The Investor will maintain an account in good standing with Custodian pursuant to a valid and binding Custody Account Agreement. To the extent any of the provisions of such Custody Account Agreement contradict this instrument, the Custody Account Agreement shall be provided precedence.

(p) The Investor agrees any action contemplated by this instrument and requested by the Issuer must be completed by the Investor within thirty (30) calendar days of receipt of the relevant notice (whether actual or constructive) to the Investor or the Custodian as Investor's agent.

## **6. Transfer Restrictions.**

(a) The Investor hereby agrees that during the Lock-up Period it will not, without the prior written consent of the managing underwriter: (A) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any units of Equity Securities or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Equity Securities (whether such units or any such securities are then owned by the Investor or are thereafter acquired); or (B) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities; whether any such transaction described in clause (A) or (B) above is to be settled by delivery of Equity Securities or other securities, in cash, or otherwise.

(b) The foregoing provisions of Section 6(a) will: (x) apply only to the IPO and will not apply to the sale of any of the Issuer's securities issued to an underwriter pursuant to an underwriting agreement; (y) not apply to the transfer of any Issuer's securities to any trust for the direct or indirect benefit of the Investor or the immediate family of the Investor, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer will not involve a disposition for value; and (z) be applicable to the Investor only if all managers of the Issuer are subject to the same restrictions and the Issuer uses commercially reasonable efforts to obtain a similar agreement from all members individually owning more than 5% of the outstanding Equity Securities or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Equity Securities. Notwithstanding anything herein to the contrary, the underwriters in connection with the IPO are intended third-party beneficiaries of Section 5(a) and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto. The Investor further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with the IPO that are consistent with Section 5(a) or that are necessary to give further effect thereto.

(c) In order to enforce the foregoing covenant, the Issuer may impose stop transfer instructions with respect to the Investor's registrable securities of the Issuer (and the Issuer securities of every other person subject to the foregoing restriction) until the end of the Lock-up Period. The Investor agrees that a legend reading substantially as follows will be placed on all certificates representing all of the Investor's registrable securities of the Issuer (and the securities of the Issuer held by every other person subject to the restriction contained in Section 5(a)):

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A LOCK-UP PERIOD BEGINNING ON THE EFFECTIVE DATE OF THE ISSUER'S REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AS SET FORTH IN AN AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE ISSUER'S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SECURITIES.

(d) Without in any way limiting the representations and warranties set forth in Section 4 above, the Investor further agrees not to make any disposition of all or any portion of this instrument or the underlying securities unless and until the transferee has agreed in writing for the benefit of the Issuer to make the representations and warranties set out in Section 4 and the undertaking set out in Section 5(a) and:

(i) There is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(ii) The Investor shall have notified the Issuer of the proposed disposition and shall have furnished the Issuer with a detailed statement of the circumstances surrounding the proposed disposition and, if reasonably requested by the Issuer, the Investor shall have furnished the Issuer with an opinion of counsel reasonably satisfactory to the Issuer that such disposition will not require registration of such securities under the Securities Act.

(e) If the Investor intends to transfer the SAFE ("**Transfer**"), the party accepting transfer ("**Transferee**") must pass and continue to comply with any applicable know your customer ("**KYC**") and anti-money laundering ("**AML**") policies and, at the Issuer's sole determination, execute an Omnibus Nominee Trust Agreement, provided in connection with the Transfer. The Investor understands that the Transferee's failure to pass the requisite KYC and AML procedures or to execute an Omnibus Nominee Trust Agreement contemporaneously with the Transfer, if determined necessary in the Issuer's sole discretion, may render the Transfer void, null, unenforceable, and the Transferee will be unable to redeem their security.

(f) The Investor understands and agrees that the Issuer will place the legend set forth below or a similar legend on any book entry or other forms of notation evidencing this SAFE and any certificates evidencing the underlying securities, together with any other legends that may be required by state or federal securities laws, the Issuer's charter or bylaws, any other agreement between the Investor and the Issuer or any agreement between the Investor and any third party:

THIS INSTRUMENT HAS BEEN ISSUED PURSUANT TO SECTION 4(A)(6) OF THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND NEITHER IT NOR ANY SECURITIES ISSUABLE PURSUANT HERETO HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED BY RULE 501 OF REGULATION CROWDFUNDING UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR EXEMPTION THEREFROM.

## **7. Tokenization and Fractionalization**

(a) The Issuer has the right, but not the obligation, to mint and distribute to, or for the benefit of, the Investor digital tokens (“**Tokens**”) on a blockchain network, which may serve as a digital representation of, or economic arrangement to, the Securities or as a technological means of providing a transfer instruction to the Issuer or an entitlement order to a securities intermediary holding this SAFE on behalf of others. The Tokens, if issued, may embody certain rights, preferences, privileges, and restrictions of the respective Securities to which they relate or may provide the means to give such instructions or entitlement orders.

(b) The Securities, whether in the form of Tokens or otherwise, may be issued in whole or fractional parts, in the Issuer's sole discretion.

## **8. Miscellaneous**

(a) The Investor agrees to execute an Omnibus Nominee Agreement contemporaneously and in connection with the purchase of this SAFE. The Investor agrees and understands that the Investor's failure to execute an Omnibus Nominee Agreement contemporaneously with this SAFE may render the SAFE void, null and unenforceable.

(b) The Investor agrees to take any and all actions determined in good faith by the Issuer's manager(s) or equivalent governance body to be advisable to reorganize this instrument and any units of Equity Securities issued pursuant to the terms of this instrument.

(c) Any provision of this SAFE may be amended, waived or modified only upon the written consent of the Company and at the direction of the largest holder of the Securities and subsequently, the largest holder of any securities converted or exchanged from the Securities (the “**Lead**”). The Lead shall act in accordance with the principals of good faith and fair dealing in the performance of their role as Lead.

(d) The Investor is not entitled, as a holder of this instrument, to vote or receive dividends, distributions or be deemed the holder of Equity Securities for any purpose, including with respect of any allocations of profit or loss of the Issuer, nor will anything contained herein be construed to confer on the Investor, as such, any of the rights of a member of the Issuer or any right to vote for the election of directors/manager(s) or upon any matter submitted to member at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive purchase rights or otherwise until units have been issued upon the terms described herein.

(e) Neither this instrument nor the rights contained herein may be assigned, by operation of law or otherwise, by either party without the prior written consent of the Issuer and the Investor; *provided, however*, that this instrument and/or the rights contained herein may be assigned without the Issuer's consent by the Investor to any other entity who directly or indirectly, controls, is controlled by or is under common control with the Investor, including, without limitation, any general partner, managing member, officer or director of the Investor, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or units the same management company with, the Investor; and *provided, further*, that the Issuer may assign this instrument in whole, without the consent of the Investor, in connection with a reincorporation to change the Issuer's domicile or organizational form.

(f) In the event any one or more of the terms or provisions of this instrument is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the terms or provisions of this instrument operate or would prospectively operate to invalidate this instrument, then such term(s) or provision(s) only will be deemed null and void and will not affect any

other term or provision of this instrument and the remaining terms and provisions of this instrument will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

(g) Custodian through this SAFE and related Omnibus Nominee Agreement entered into between the Investor and Custodian shall be considered legal record holder of the SAFE and any units of securities convertible thereon, including Equity Securities.

(h) All rights and obligations hereunder will be governed by the laws of the State of Delaware, without regard to the conflicts of law provisions of such jurisdiction.

(i) For United States federal and state income tax purposes this Safe is not intended to be characterized as an interest in the capital or profits of a partnership for any purpose under the Internal Revenue Code of 1986, as amended. The parties agree to treat this Safe consistent with the foregoing intent for all United States federal and state income tax purposes (including, without limitation, on their respective tax returns or other informational statements).

(j) Any dispute, controversy or claim arising out of, relating to or in connection with this instrument, including the breach or validity thereof, shall be determined by final and binding arbitration administered by the American Arbitration Association (the “AAA”) under its Commercial Arbitration Rules and Mediation Procedures (“**Commercial Rules**”). The award rendered by the arbitrator shall be final, non-appealable and binding on the parties and may be entered and enforced in any court having jurisdiction. There shall be one arbitrator agreed to by the parties within twenty (20) days of receipt by respondent of the request for arbitration or, in default thereof, appointed by the AAA in accordance with its Commercial Rules. The place of arbitration shall be New York, New York. Except as may be required by law or to protect a legal right, neither a party nor the arbitrator may disclose the existence, content or results of any arbitration without the prior written consent of the other parties.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and delivered.

**INVESTOR:**

**ISSUER:**

**THE CATHOLIC HERALD USA LLC**

By:

Name:

Date:

By:

Name: Christopher Brown

Date:

Email: cbrown@gemny.com

Address: 9 West 57<sup>th</sup> Street, 49<sup>th</sup> Floor, New York, NY 10019

**EXHIBIT C**

*Custody Agreement*

## BITGO CUSTODIAL SERVICES AGREEMENT

This Custodial Services Agreement (this “Agreement”) is made as of the later date of the signatures below (the “Effective Date”) by and between:

CLIENT (ENTITY OR INDIVIDUAL) NAME

(“CLIENT”)

[ADDRESS]

and Custodian. This Agreement governs Client’s use of the Custodial Services and the Wallet Services (each as defined below, and collectively, the “Services”) provided or made available by Custodian.

### Definitions:

- (a) “Agreement” means this Custodial Agreement, as it may be amended from time to time, and includes all schedules and exhibits to this Custodial Agreement, as they may be amended from time to time.
- (b) “Applicable Law” means any applicable statute, rule, regulation, regulatory guideline, order, law, ordinance or code; the common law and laws of equity; any binding court order, judgment or decree; any applicable industry code, rule, guideline, policy or standard enforceable by law (including as a result of participation in a self-regulatory organization), and any official interpretations of any of the foregoing.
- (c) “Assets” means, as applicable, Digital Assets, Securities, and/or Fiat Currency.
- (d) “Authorized Persons” means any person authorized by the Client to give Instructions to the Custodian or perform other operations through the Company Site on behalf of the Client (i.e. viewer, admin, enterprise owner, viewer with additional video rights, etc.).
- (e) “Bank” means either (a) a U.S. banking institution insured by the Federal Deposit Insurance Corporation (FDIC) or (b) an organization that is organized under the laws of a foreign country, or a territory of the United States that is recognized as a bank by the bank supervisory or monetary authority of the country of its organization or the country in which its principal banking operations are located.
- (f) “Custodian” means BitGo Trust Company, Inc., a South Dakota trust company duly organized and chartered under § 51A-6A-1(12A) of the South Dakota Banking Law and licensed to act as custodian of Client’s Assets on Client’s behalf.
- (g) “Digital Assets” means digital assets, virtual currencies, tokens, or coins, held for Client under the terms of this Agreement.
- (h) “Fiat Currency” means certain supported fiat currencies, such as U.S. Dollars.
- (i). “Platform Provider” means the third-party hosted application that electronically refers Client to the Custodian for access to the Services with no integration agreement via API.
- (j) “Securities” means, without limitation, common stock and other equity securities, shares, units, bonds, debentures and other debt securities, notes, mortgages, or other obligations, and any instruments representing rights to receive, purchase, or subscribe for the same, or representing any other rights or interests therein.

### 1. SERVICES.

**1.1. Custodian.** Client authorizes, approves, and directs Custodian to establish and maintain one or more custody accounts on its books (each a “Custodial Account”), pursuant to the terms of this Agreement, for the receipt, safekeeping, and maintenance of supported Digital Assets, Fiat Currency, and Securities (“Custodial Services”).

**1.2. Wallet Software and Non-Custodial Wallet Service.**

- (a) Custodian also provides Client with the option to create non-custodial wallets that support certain Digital Assets via an API and web interface (“Wallet Services”). Wallet Services are provided by BitGo, Inc, an affiliate of Custodian (“BitGo Inc.”). Wallet Services provide access to wallets where BitGo Inc. holds a minority of the keys, and Client is responsible for holding a majority of the keys (“Client Keys”).
- (b) The Wallet Services do not send or receive Fiat Currency or Digital Assets. The Wallet Services enable Client to interface with virtual currency networks to view and transmit information about a public cryptographic key commonly referred to as a blockchain address. As further set forth in Section 3.5, Client assumes all responsibility and liability for securing the Client Keys. Further, Client assumes all responsibility and liability for creation, storage, and maintenance of any backup keys associated with accounts created using the Wallet Services.
- (c) Client’s use of the Wallet Services is subject to the terms and conditions set forth at <https://www.bitgo.com/terms> (the “Wallet Terms”), as they may be amended from time to time. In the event of a conflict between the Wallet Terms and the terms of this Agreement, the terms of this Agreement shall control.

**1.3. Fiat Services.**

- (a) As part of Custodial Services, Client may use Custodian to safeguard Fiat Currency in a Custodial Account for Client’s benefit (“Fiat Services”). Custodian will custody Fiat Currency in one or more of the following “Customer Omnibus Accounts”, as determined by Custodian: (i) deposit accounts established by Custodian with a Bank (each an “Omnibus Deposit Account”); (ii) money market accounts established by Custodian at a Bank (each, a “Money Market Account”) and/or (iii) such other accounts as may be agreed between Client and Custodian in writing from time to time.
- (b) Each Customer Omnibus Account shall be titled in the name of Custodian or in the name of Custodian for the benefit of its customers, in either case under the control of Custodian. Each Customer Omnibus Account shall be maintained separately and apart from Custodian’s business, operating, and reserve accounts. Each Omnibus Account constitutes a banking relationship between Custodian and the relevant Bank and shall not constitute a custodial relationship between Custodian and Bank.
- (c) Client acknowledges and agrees that Custodian may hold some or any portion of Fiat Currency in accounts that may or may not receive interest or other earnings. Client hereby agrees that the amount of any such interest or earnings attributable to such Fiat Currency in Customer Omnibus Accounts shall be retained by Custodian as additional consideration for its services under this Agreement, and nothing in this Agreement entitles Client to any portion of such interest or earnings. In addition, Custodian may receive earnings or compensation for a Customer Omnibus Account in the form of services provided at a reduced rate or similar compensation. Client agrees that any such compensation shall be retained by Custodian, Client understands and agrees that Client is not entitled to any portion of such compensation, and no portion of any such compensation shall be paid to or for Client. Client further acknowledges that Client’s rights in the Customer Omnibus Accounts is

limited to the specific amount of Fiat Currency Client custodies via the Fiat Services, as may be limited herein and by applicable law.

- (d) Client acknowledges and agrees that it may send Fiat Currency to Custodian or from Custodian to an external account either by wire deposit or Automated Clearing House (“ACH”) transfer. Wire deposits and ACH transfers are subject to differing processes, rules, and timelines. Client agrees to the terms and conditions presented in Appendix 2 of this Agreement (the “ACH Transfer Terms & Conditions”), which will apply to any ACH transfer that Client chooses to initiate to or from Custodian.
- (e) Wire deposits sent before 4 PM ET by domestic or international wire from Client’s account(s) at a depository institution that has been approved by Custodian will typically settle and be credited to Custodian’s Omnibus Account on the same day or next business day. Wire withdrawals initiated before 4 PM ET will typically be processed on the same day or next business day. Wire deposits may not be credited and wire withdrawals may not be processed outside of normal banking hours. Client agrees and understands that wire deposit settlement times and wire withdrawal transfer times are subject to factors outside of Custodian’s control, including, among other things, processes and operations related to the Customer Bank Account and the Custodian’s Bank.

#### **1.4. Securities Services.**

- (a) To Custodial Account. Subject to the terms of this Agreement, Client may transfer Securities from itself, an external provider, or other third parties to a Custodial Account. Prior to any transfer of Securities to a Custodial Account, Client will send Instructions to Custodian. The Custodian is not obligated to credit any Securities to the Account before the Custodian actually receives such Securities by final settlement.
  - i. Upon receiving such Instructions and verifying the transferred Securities and that such Instructions comply with Section 2.3, Custodian will provide Client with settlement instructions, including specific account details and delivery instructions. Client will initiate the transfer by instructing their current holding institution or broker to deliver the Securities to the Custodian. The transfer will be executed following established industry practices and relevant regulations.
  - ii. Custodian will reconcile the received Securities with the Client's Account records and confirm the successful transfer to the Account.
- (b) From Custodial Account. Subject to the terms of this Agreement, Client may initiate the transfer of Securities from the Custodial Account by sending Instructions to Custodian.
  - i. Upon receiving the Instructions and verifying the request complies with Section 2.3, Custodian will provide Client with settlement instructions for the requested transfer. Client will follow the provided instructions to initiate the transfer from the Custodial Account.
  - ii. Custodian will provide Client with a confirmation of the pending transfer.
  - iii. If Instructions would result in the transfer of Securities exceeding the available balance in the Account, Custodian may reject such Instructions at its sole discretion.

- iv. If Client separately maintains one or more blockchain-based tokens, including self-custodied blockchain-based tokens, associated with securities entitlements in the Account (“Security Instruction Token(s)” or “SIT(s)”), and Client subsequently sells or otherwise transfers SITs on a third-party securities exchange, alternative trading system, or similar trading venue, Client acknowledges and agrees that Custodian will recognize such transfer as an Instruction by Client to Custodian, and Custodian shall transfer a corresponding amount of securities entitlements from the Client’s Account to the account of the acquirer of such SITs.

**1.5. Third-Party Payments.** The Custodial Services are not intended to facilitate third-party payments of any kind, which shall include the use of Fiat Currency, Securities, and/or Digital Assets. As such, Custodian has no control over, or liability for, the delivery, quality, safety, legality or any other aspect of any goods or services that Client may purchase or sell to or from a third party (including other users of Custodial Services) involving Assets that Client intends to store, or have stored, in Client’s Custodial Account.

**1.6. API Access.**

- (a) Most Services are provided through <https://www.bitgo.com/> or any associated websites or application programming interfaces (“APIs”) (collectively, the “Company Site”). Client may elect to utilize the APIs either directly or indirectly within an independently developed application (“Developer Application”).
- (b) All API-based Services are subject to usage limits and the terms and conditions set forth at <https://www.bitgo.com/legal/services-agreement> (the “API Terms”), as they may be amended from time to time. In the event of a conflict between the API Terms and the terms of this Agreement, the terms of this Agreement shall control. If Client exceeds a usage limit, Custodian may provide assistance to seek to reduce Client usage so that it conforms to that limit. If Client is unable or unwilling to abide by the usage limits, Client will order additional quantities of the applicable Services promptly upon request or pay Custodian’s invoices for excess usage.

**1.7. Fees.** The fees associated with the Services shall be calculated, invoiced and paid in accordance with Schedule A (“Fee Schedule”). Custodian reserves the right to revise its Fee Schedule at any time following the Initial Term, provided that Custodian will provide Client with at least thirty (30) days’ advance notice of any such revision. Within such 30-day period, Client may terminate this Agreement in accordance with Section 5.4 and discontinue the Services hereunder at no additional charge to Client.

**1.8. Acknowledgement of Risks.**

- (a) General Risks; No Investment, Tax, or Legal Advice; No Brokerage. CLIENT ACKNOWLEDGES THAT CUSTODIAN DOES NOT PROVIDE INVESTMENT, TAX, OR LEGAL ADVICE, NOR DOES CUSTODIAN BROKER TRANSACTIONS ON CLIENT’S BEHALF. CLIENT ACKNOWLEDGES THAT CUSTODIAN HAS NOT PROVIDED AND WILL NOT PROVIDE ANY ADVICE, GUIDANCE OR RECOMMENDATIONS TO CLIENT WITH REGARD TO THE SUITABILITY OR VALUE OF ANY DIGITAL ASSETS OR SECURITIES, AND THAT CUSTODIAN HAS NO LIABILITY REGARDING ANY SELECTION OF A DIGITAL ASSET OR SECURITY THAT IS HELD BY CLIENT THROUGH CLIENT’S CUSTODIAL ACCOUNT AND THE CUSTODIAL SERVICES OR THE WALLET SERVICES. ALL DEPOSIT AND WITHDRAWAL TRANSACTIONS ARE EXECUTED BASED ON CLIENT’S INSTRUCTIONS, AND CLIENT IS SOLELY RESPONSIBLE FOR DETERMINING WHETHER ANY INVESTMENT, INVESTMENT STRATEGY, OR RELATED

TRANSACTION INVOLVING DIGITAL ASSETS OR SECURITIES IS APPROPRIATE FOR CLIENT BASED ON CLIENT'S INVESTMENT OBJECTIVES, FINANCIAL CIRCUMSTANCES, AND RISK TOLERANCE. CLIENT SHOULD SEEK LEGAL AND PROFESSIONAL TAX ADVICE REGARDING ANY TRANSACTION.

(b) Material Risk in Investing in Digital Currencies. CLIENT ACKNOWLEDGES THAT:

- (1) VIRTUAL CURRENCY IS NOT LEGAL TENDER, IS NOT BACKED BY THE GOVERNMENT, AND ACCOUNTS AND VALUE BALANCES ARE NOT SUBJECT TO FEDERAL DEPOSIT INSURANCE CORPORATION OR SECURITIES INVESTOR PROTECTION CORPORATION PROTECTIONS;
- (2) LEGISLATIVE AND REGULATORY CHANGES OR ACTIONS AT THE STATE, FEDERAL, OR INTERNATIONAL LEVEL MAY ADVERSELY AFFECT THE USE, TRANSFER, EXCHANGE, AND VALUE OF VIRTUAL CURRENCY;
- (3) TRANSACTIONS IN VIRTUAL CURRENCY MAY BE IRREVERSIBLE, AND, ACCORDINGLY, LOSSES DUE TO FRAUDULENT OR ACCIDENTAL TRANSACTIONS MAY NOT BE RECOVERABLE;
- (4) SOME VIRTUAL CURRENCY TRANSACTIONS SHALL BE DEEMED TO BE MADE WHEN RECORDED ON A PUBLIC LEDGER, WHICH IS NOT NECESSARILY THE DATE OR TIME THAT THE CUSTOMER INITIATES THE TRANSACTION;
- (5) THE VALUE OF VIRTUAL CURRENCY MAY BE DERIVED FROM THE CONTINUED WILLINGNESS OF MARKET PARTICIPANTS TO EXCHANGE FIAT CURRENCY FOR VIRTUAL CURRENCY, WHICH MAY RESULT IN THE POTENTIAL FOR PERMANENT AND TOTAL LOSS OF VALUE OF A PARTICULAR VIRTUAL CURRENCY SHOULD THE MARKET FOR THAT VIRTUAL CURRENCY DISAPPEAR;
- (6) THERE IS NO ASSURANCE THAT A PERSON WHO ACCEPTS A VIRTUAL CURRENCY AS PAYMENT TODAY WILL CONTINUE TO DO SO IN THE FUTURE;
- (7) THE VOLATILITY AND UNPREDICTABILITY OF THE PRICE OF VIRTUAL CURRENCY RELATIVE TO FIAT CURRENCY MAY RESULT IN SIGNIFICANT LOSS OVER A SHORT PERIOD OF TIME;
- (8) THE NATURE OF VIRTUAL CURRENCY MAY LEAD TO AN INCREASED RISK OF FRAUD OR CYBER ATTACK;
- (9) THE NATURE OF VIRTUAL CURRENCY MEANS THAT ANY TECHNOLOGICAL DIFFICULTIES EXPERIENCED BY THE LICENSEE MAY PREVENT THE ACCESS OR USE OF A CUSTOMER'S VIRTUAL CURRENCY; AND
- (10) ANY BOND OR TRUST ACCOUNT MAINTAINED BY THE LICENSEE FOR THE BENEFIT OF ITS CUSTOMERS MAY NOT BE SUFFICIENT TO COVER ALL LOSSES INCURRED BY CUSTOMERS.

(c) CLIENT ACKNOWLEDGES THAT USING DIGITAL ASSETS AND ANY RELATED NETWORKS AND PROTOCOLS, INVOLVES SERIOUS RISKS. CLIENT AGREES THAT IT HAS READ AND ACCEPTS THE RISKS LISTED IN THIS SECTION 1.6, WHICH IS NON-EXHAUSTIVE AND WHICH MAY NOT CAPTURE ALL RISKS ASSOCIATED WITH CLIENT'S ACTIVITY. IT IS CLIENT'S DUTY TO LEARN ABOUT ALL THE RISKS INVOLVED WITH DIGITAL ASSETS AND ANY RELATED PROTOCOLS AND NETWORKS. CUSTODIAN MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE VALUE OF DIGITAL ASSETS OR THE SECURITY OR PERFORMANCE OF ANY RELATED NETWORK OR PROTOCOL.

- (d) **Risks in Relation to Securities Transactions.** SUBJECT TO THE TERMS OF THIS AGREEMENT, THE CLIENT MAY TRANSFER SECURITIES FROM ITSELF, AN EXTERNAL PROVIDER, OR OTHER THIRD PARTIES TO A CUSTODIAL ACCOUNT. THE CLIENT WILL BEAR THE SOLE RISK AND EXPENSE ASSOCIATED WITH THE TRANSFER OF SECURITIES, INCLUDING ANY DELAYS OR INABILITY TO ACHIEVE FINAL SETTLEMENT AS REQUIRED BY THIS AGREEMENT. THE CUSTODIAN WILL FOLLOW ESTABLISHED INDUSTRY PRACTICES AND RELEVANT REGULATIONS TO FACILITATE THE TIMELY SETTLEMENT OF SECURITIES TRANSACTIONS. HOWEVER, THE CUSTODIAN WILL NOT BE LIABLE FOR ANY DELAYS OR FAILURES IN SETTLEMENT ARISING FROM CIRCUMSTANCES BEYOND ITS REASONABLE CONTROL OR THAT ARE ATTRIBUTABLE TO THE ACTIONS OR OMISSIONS OF THIRD PARTIES INVOLVED IN THE SETTLEMENT PROCESS. THE CLIENT ACKNOWLEDGES THAT THE SETTLEMENT OF SECURITIES MAY INVOLVE INTERMEDIARY ENTITIES, SUCH AS CLEARINGHOUSES, DEPOSITORIES, OR TRANSFER AGENTS, AND THAT THE CUSTODIAN'S ROLE IS LIMITED TO THE CUSTODY, AND TRANSFER, AND PROVISION OF OTHER SERVICES WITH RESPECT TO OF THE SECURITIES AS INSTRUCTED BY THE CLIENT.

## **2. CUSTODIAL ACCOUNT.**

### **2.1. Registration; Authorized Persons**

- (a) To use the Custodial Services, Client must create a Custodial Account by providing Custodian with all information requested. Custodian may, in its sole discretion, refuse to allow Client to establish a Custodial Account, limit the number of Custodial Accounts, and/or decide to subsequently terminate a Custodial Account.
- (b) Client will maintain an updated and current list of Authorized Persons at all times on the Company Site and will immediately notify Custodian of any changes to the list of Authorized Persons by updating the list on the Company Site, including for termination of employment, or otherwise. Client shall make available all necessary documentation and identification information, as reasonably requested by Custodian to confirm: (i) the identity of each Authorized Person; (ii) that each Authorized Person is eligible to be deemed an "Authorized Person" as defined in this Agreement; and (iii) the party(ies) requesting the changes in the list of Authorized Persons have valid authority to request changes on behalf of Client.

- 2.2. General.** The Custodial Services allow Client to deposit supported Assets to Client's Account, and to withdraw supported Assets from Client's Custodial Account to an external location, in each case, pursuant to Instructions Client provides through the Company Site (each such transaction is a "Custody Transaction"). The Assets stored in Client's Custodial Account will not be commingled with other Assets without express action taken by Client and will be held in custody pursuant to the terms of this Agreement. Custodian reserves the right to refuse to process or to cancel any pending Custody Transaction: as required by Applicable Law; to enforce transaction, threshold, and condition limits; or if Custodian reasonably believes that the Custody Transaction may violate or facilitate the violation of any Applicable Law, regulation or rule of a governmental authority or self-regulatory organization. Custodian cannot reverse a Custody Transaction which has been broadcast to a Digital Asset network.

### **2.3. Instructions.**

- (a) Custodian acts upon instructions ("Instructions") given by Authorized Persons that are received and verified by Custodian in accordance with its procedures and this Agreement.
- (b) Instructions will be required for any action requested of the Custodian. Instructions shall continue in full force and effect until canceled (if possible) or executed.
- (c) The Custodian shall be entitled to rely upon any Instructions it receives from an Authorized Person (or from a person reasonably believed by the Custodian to be an Authorized Person) pursuant to this Agreement.
- (d) The Custodian may assume that any Instructions received hereunder are not in any way inconsistent with the provisions of organizational documents of the Client or of any vote, resolution, or proper authorization and that the Client is authorized to take the actions specified in the Instructions.
- (e) Client must verify all transaction information prior to submitting Instructions to the Custodian. The Custodian shall have no duty to inquire into or investigate the validity, accuracy or content of any Instructions.
- (f) If any Instructions are ambiguous, incomplete, or conflicting, Custodian may refuse to execute such Instructions until any ambiguity, incompleteness, or conflict has been resolved. Custodian may refuse to execute Instructions if, in its sole opinion, such Instructions are outside the scope of its duties under this Agreement or are contrary to any Applicable Law.
- (g) Client is responsible for Losses (as defined below) resulting from inaccurate Instructions (e.g., if Client provides the wrong destination address for executing a withdrawal transaction). Custodian does not guarantee the identity of any user, receiver, requestee, or other party to a Custody Transaction. Custodian shall have no liability whatsoever for failure to perform pursuant to such Instructions except in the case of Custodian's gross negligence, fraud, or willful misconduct.
- (h) Unless otherwise directed by Client and confirmed by Custodian in writing, Client expressly acknowledges and agrees that the Platform Provider shall constitute an Authorized Person. Any and all Instructions received by the Custodian, whether electronically or otherwise, from the Platform Provider will be deemed as proper Instructions.

#### **2.4. Digital Asset Deposits and Withdrawals.**

- (a) Prior to initiating a deposit of Digital Assets to Custodian, Client must confirm that Custodian offers Custodial Services for that specific Digital Asset. The list of supported Digital Assets is currently available at: <https://www.bitgo.com/resources/coins>. The foregoing list or foregoing URL may be updated or changed from time to time in Custodian's sole discretion. By initiating a deposit of Digital Assets to a Custodial Account, Client attests that Client has confirmed that the Digital Asset being transferred is supported by Custodian.
- (b) Client must initiate any withdrawal request through Client's Custodial Account to a Client wallet address. Custodian will process withdrawal requests for amounts under \$250,000, either in a single transaction or aggregated in a series of transactions, during a rolling 24 hour period without video verification, to a Client-whitelisted address which has been previously used to which Client has made a withdraw to at least once. The time of such a request shall be considered the time of transmission of such notice from Client's Custodial Account. Custodian reserves the right to request video verification for any transaction or series of transactions under the threshold of \$250,000. Custodian will require video verification for withdrawal requests greater than \$250,000 or requests

made to a new address, either in a single transaction or aggregated in a series of transactions, during a rolling 24 hour period; provided, Custodian can require video calls for amounts less than \$250,000 if it deems necessary for security, compliance, or any other purposes in its sole discretion. The initiation of the 24 hour time period to process the withdrawal request shall be considered at the time at which client completes video verification.

- (c) As further set forth in Section 3.5, Client must manage and keep secure any and all information or devices associated with deposit and withdrawal procedures, including YubiKeys and passphrases or other security or confirmation information. Custodian reserves the right to charge or pass through network fees (e.g. miner fees or validator fees) to process a Digital Asset transaction on Client's behalf. Custodian will notify Client of the estimated network fee at or before the time Client authorizes the transaction.

## **2.5. Access Time.**

- (a) Custodian requires up to 24 hours (excluding weekends and US federal holidays) between any request to withdraw Digital Assets or Securities from Client's Custodial Account and submission of Client's withdrawal to the applicable Digital Asset network.
- (b) Custodian reserves the right to take additional time beyond the 24 hour period if such time is required to verify security processes for large or suspicious transactions. Any such processes will be executed reasonably and in accordance with Custodian documented protocols, which may change from time to time at the sole discretion of Custodian.
- (c) Custodian makes no representations or warranties with respect to the availability and/or accessibility of the Digital Assets or Securities. Custodian will make reasonable efforts to ensure that Client initiated deposits are processed in a timely manner, but Custodian makes no representations or warranties regarding the amount of time needed to complete processing of deposits which is dependent upon factors outside of Custodian's control.

**2.6. Supported Digital Assets.** The Custodial Services are available only in connection with those Digital Assets that Custodian supports (list currently available at <https://www.bitgo.com/resources/coins>). The Digital Assets that Custodian supports may change from time to time in Custodian's discretion. Custodian assumes no obligation or liability whatsoever regarding any unsupported Digital Asset sent or attempted to be sent to it, or regarding any attempt to use the Custodial Services for Digital Assets that Custodian does not support. Custodian may, from time to time, determine types of Digital Assets that will be supported or cease to be supported by the Custodial Services. Custodian will use commercially reasonable efforts to provide Client with thirty (30) days' prior written notice before ceasing to support a Digital Asset, unless Custodian is required to cease such support sooner to comply with Applicable Law or in the event such support creates an urgent security or operational risk in Custodian's reasonable discretion (in which event Custodian will provide as much notice as is practicable under the circumstances). Under no circumstances should Client attempt to use the Custodial Services to deposit or store any Digital Assets that are not supported by Custodian. Depositing or attempting to deposit Digital Assets that are not supported by Custodian will result in such Digital Asset being unretrievable by Client and Custodian.

**2.7. Advanced Protocols.** Unless specifically announced on the Custodian or Company website, Custodian does not support airdrops, side chains, or other derivative, enhanced, or forked protocols, tokens, or coins which supplement or interact with a Digital Asset supported by Custodian (collectively, "Advanced Protocols"). Client shall not use its Custodial Account to

attempt to receive, request, send, store, or engage in any other type of transaction involving an Advanced Protocol. Custodian assumes absolutely no responsibility whatsoever in respect to Advanced Protocols.

## **2.8. Operation of Digital Asset Protocols.**

- (a) Custodian does not own or control the underlying software protocols which govern the operation of Digital Assets supported on the Custodian platform. By using the Custodial Services, Client acknowledges and agrees that (i) Custodian is not responsible for operation of the underlying protocols and that Custodian makes no guarantee of their functionality, security, or availability; and (ii) the underlying protocols are subject to sudden changes in operating rules (a.k.a. “forks”), and (iii) that such forks may materially affect the value, function, and/or even the name of the Digital Assets that Client stores in Client’s Custodial Account. In the event of a fork, Client agrees that Custodian may temporarily suspend Custodian operations with respect to the affected Digital Assets (with or without advance notice to Client) and that Custodian may, in its sole discretion, decide whether or not to support (or cease supporting) either branch of the forked protocol entirely. Client acknowledges and agrees that Custodian assumes absolutely no liability whatsoever in respect of an unsupported branch of a forked protocol or its determination whether or not to support a forked protocol.
- (b) Client agrees that all “airdrops” (free distributions of certain Digital Assets) and forks will be handled by Custodian pursuant to its fork policy (the “Fork Policy”) (currently available at [www.bitgo.com/resources/bitgo-fork-policy](http://www.bitgo.com/resources/bitgo-fork-policy)). Client acknowledges that Custodian is under no obligation to support any airdrops or forks, or handle them in any manner, except as detailed above and in the Fork Policy. Client further acknowledges that Custodian, at its sole discretion, may update the Fork Policy from time to time and/or the URL at which it is available and Client agrees that Client is responsible for reviewing any such updates. Client is under no obligation to provide notification to Client of any modification to the Fork Policy.

## **2.9. Account Statements.**

- (a) Custodian will provide Client with an electronic account statement every calendar quarter. Each statement will be provided via the Custodian’s website and notice of its posting will be sent via electronic mail.
- (b) The Client will have forty-five (45) days to file any written objections or exceptions with the Custodian after the posting of a Custodial Account statement online. If the Client does not file any objections or exceptions within a forty-five (45) day period, this shall indicate the Client’s approval of the statement and will preclude the Client from making future objections or exceptions regarding the information contained in the statement. Such approval by the Client shall be full acquittal and discharge of Custodian regarding the transactions and information on such statement.
- (c) To value Digital Assets held in the Client’s account, the Custodian will electronically obtain USD equivalent prices from digital asset market data with amounts rounded up to the seventh decimal place to the right. Custodian cannot guarantee the accuracy or timeliness of prices received and the prices are not to be relied upon for any investment decisions for the Client’s account.

- 2.10. Independent Verification.** If Client is subject to Rule 206(4)-2 under the Investment Advisers Act of 1940, Custodian shall, upon written request, provide Client’s authorized independent public accountant confirmation of, or access to, information sufficient to confirm (i) Client’s

Digital Assets as of the date of an examination conducted pursuant to Rule 206(4)-2(a)(4), and (ii) Client's Digital Assets are held either in a separate account under Client's name or in accounts under Client's name as agent or trustee for Client's clients.

- 2.11. Support and Service Level Agreement.** Custodian will use commercially reasonable efforts: (i) to provide reasonable technical support to Client, by email or telephone, during Custodian's normal business hours (9:30 AM to 6 PM ET); (ii) to respond to support requests in a timely manner; (iii) resolve such issues by providing updates and/or workarounds to Client (to the extent reasonably possible and practical), consistent with the severity level of the issues identified in such requests and their impact on Client's business operations; (iv) abide by the terms of the Service Level Agreement currently made available at <https://www.bitgo.com/resources/bitgo-service-level-agreement> (as Service Level Agreement or the URL at which it is made available may be amended from time to time); and (vii) to make Custodial Accounts available via the internet 24 hours a day, 7 days a week.

**2.12. Clearing and Settlement Services.**

- (a) Custodian may offer clearing and settlement services (the "Settlement Services") that facilitate the settlement of transactions of Digital Assets, Securities, or Fiat Currency between Client and Client's trade counterparty that also has a Custodial Account with Custodian ("Settlement Partner"). Client acknowledges that the Settlement Service is an API product complemented by a Web user interface (UI). Clients may utilize the Settlement Services by way of settlement of one-sided requests with counterparty affirmation or one-sided requests with instant settlement; and two-sided requests with reconciliation. Client understands that the Assets available for use within the Settlement Services may not include all of Client's Assets under custody. For the avoidance of doubt, use of the API product is subject to the terms and conditions set forth in Section 1.4 of this Agreement.
- (b) The Settlement Services allow Client to submit, through the Custodian's settlement platform, a request to settle a purchase or sale of Assets with a Settlement Partner. Client authorizes Custodian to accept Client's cryptographic signature submitted by way of the Settlement Services API. When a cryptographic signature is received by way of the Settlement Services along with the settlement transaction details, Client is authorizing Custodian to act on Client's direction to settle such transaction.
- i. A one-sided request with counterparty affirmation requires Client to submit a request, including its own cryptographic signature on the trade details, via API calls. Custodian will notify the Settlement Partner and lock funds of both parties while waiting for the Settlement Partner to affirm the request. Custodian will settle the trade immediately upon affirmation and the locked funds will be released.
  - ii. A one-sided request with instant settlement requires one side of the trade to submit a request, including cryptographic signatures of both parties to the trade, via API calls. Custodian will settle the trade immediately.
  - iii. A two-sided request with reconciliation requires that both Client and Settlement Partner submit requests via API calls, with each party providing their own cryptographic signatures. Custodian will reconcile the trades and settle immediately upon successful reconciliation.
  - iv. In any one-sided or two sided request, the Settlement Partner must be identified and selected by Client prior to submitting a settlement request.

- v. Client may submit a balance inquiry through the settlement platform, to verify that Settlement Partner has a sufficient balance of the applicable Asset(s) to be transacted before the Parties execute a transaction. This balance inquiry function is to be utilized only for the purpose of executing a trade transaction to ensure the Settlement Partner has sufficient Assets to settle the transaction. Client hereby expressly authorizes and consents to Custodian providing access to such information to Client's Settlement Partner in order to facilitate the settlement.
  - vi. Client and Settlement Partner's Custodial Accounts must have sufficient Assets prior to initiating any settlement request. The full amount of assets required to fulfill a transaction are locked until such order has been completed. All orders are binding on Client and Client's Custodial Account. Custodian does not guarantee that any settlement will be completed by any Settlement Partner. Client may not be able to withdraw an offer (or withdraw its acceptance of an offer) prior to completion of a settlement and Custodian shall not be liable for the completion of any order after a cancellation request has been submitted.
  - vii. Client acknowledges and accepts responsibility for ensuring only an appropriate Authorized Person of its Custodial Account has access to the API key(s).
  - viii. Client further understands and agrees that Client is solely responsible for any decision to enter into a settlement by way of the Settlement Services, including the evaluation of any and all risks related to any such transaction and has not relied on any statement or other representation of Custodian. Client understands that Custodian is a facilitator and not a counterparty to any settlement; and, as a facilitator, Custodian bears no liability with respect to any transaction and does not assume any clearing risk.
  - ix. Any notifications that Client may receive regarding the Settlement Services are Client's responsibility to review in a timely manner.
- (c) Upon execution of the settlement, the Settlement Services shall provide Client, by electronic means, a summary of the terms of the transaction, including: the type of Digital Asset or Securities purchased or sold; the delivery time; and the purchase or sale price. Settlement of a transaction is completed in an omnibus account by way of offsetting ledger transactions.
  - (d) Custodian reserves the right to refuse to settle any transaction, or any portion of any transaction, for any reason, at its sole discretion. Custodian bears no responsibility if any such order was placed or active during any time the Settlement Services system is unavailable or encounters an error; or, if any such order triggers certain regulatory controls.
  - (e) Client understands and agrees that Custodian may charge additional fees for the Settlement Services furnished to Client as indicated in the Fee Schedule attached as Schedule A and any amendments to Schedule A.
  - (f) Clearing and settlement transactions shall be subject to all Applicable Law.

### 3. USE OF SERVICES.

- 3.1. Company Site and Content.** Custodian hereby grants Client a limited, nonexclusive, non transferable, revocable, royalty-free license, subject to the terms of this Agreement, to access and

use the Company Site and related content, materials, information (collectively, the “Content”) solely for using the Services in accordance with this Agreement. Any other use of the Company Site or Content is expressly prohibited and all other right, title, and interest in the Company Site or Content is exclusively the property of Custodian and its licensors. Client shall not copy, transmit, distribute, sell, license, reverse engineer, modify, publish, or participate in the transfer or sale of, create derivative works from, or in any other way exploit any of the Content, in whole or in part. “www.bitgo.com,” “BitGo,” “BitGo Custody,” and all logos related to the Custodial Services or displayed on the Company Site are either trademarks or registered marks of Custodian or its licensors. Client may not copy, imitate or use them without Custodian’s prior written consent in each instance.

- 3.2. Website Accuracy.** Although Custodian intends to provide accurate and timely information on the Company Site, the Company Site (including, without limitation, the Content, but excluding any portions thereof that are specifically referenced in this Agreement) may not always be entirely accurate, complete, or current and may also include technical inaccuracies or typographical errors. In an effort to continue to provide Client with as complete and accurate information as possible, such information may be changed or updated from time to time without notice, including without limitation information regarding Custodian policies, products and services. Accordingly, Client should verify all information before relying on it, and all decisions based on information contained on the Company Site are Client’s sole responsibility and Custodian shall have no liability for such decisions. Links to third-party materials (including without limitation websites) may be provided as a convenience but are not controlled by Custodian. Custodian is not responsible for any aspect of the information, content, or services contained in any third-party materials or on any third-party sites accessible from or linked to the Company Site.
- 3.3. Third-Party or Non-Permissioned Users.** Client acknowledges that granting permission to a third party or non-permissioned user to take specific actions on Client’s behalf does not relieve Client of any of Client’s responsibilities under this Agreement and may violate the terms of this Agreement. Client is fully responsible for all activities taken on Client’s Custodial Account (including, without limitation, acts or omissions of any third party or non-permissioned user with access to Client’s Custodial Account). Further, Client acknowledges and agrees that Client will not hold Custodian responsible for, and will indemnify, defend and hold harmless the Custodian Indemnitees (as defined below) from and against any Losses arising out of or related to any act or omission of any party using Client’s Custodial Account (including, without limitation, acts or omissions of any third party or non-permissioned user with access to Client’s Custodial Account). Client must notify Custodian immediately if a third party or non-permissioned user accesses or connects to Client’s Custodial Account by contacting Client’s Custodial Account representative or by emailing [security@bitgo.com](mailto:security@bitgo.com) from the email address associated with Client’s Custodial Account.
- 3.4. Prohibited Use.** Client acknowledges and agrees that Custodian may monitor use of the Services and the resulting information may be utilized, reviewed, retained and or disclosed by Custodian in aggregated and non-identifiable forms for its legitimate business purposes or in accordance with Applicable Law. Client will not use the Services, directly or indirectly via the Developer Application, to: (i) upload, store or transmit any content that is infringing, libelous, unlawful, tortious, violate privacy rights, or that includes any viruses, software routines or other code designed to permit unauthorized access, disable, erase, or otherwise harm software, hardware, or data; (ii) engage in any activity that interferes with, disrupts, damages, or accesses in an unauthorized manner the Services, servers, networks, data, or other properties of Custodian or of its suppliers or licensors; (iii) develop, distribute, or make available the Developer Application in any way in furtherance of criminal, fraudulent, or other unlawful activity; (iv) make the

Services available to, or use any Services for the benefit of, anyone other than Client or end users of the Developer Application; (v) sell, resell, license, sublicense, distribute, rent or lease any Services, or include any Services in a Services bureau or outsourcing offering; (vi) permit direct or indirect access to or use of any Services in a way that circumvents a contractual usage limit; (vii) obscure, remove, or destroy any copyright notices, proprietary markings or confidential legends; (viii) to build a competitive product or service; (ix) distribute the Developer Application in source code form in a manner that would disclose the source code of the Services; or (x) reverse engineer, decrypt, decompile, decode, disassemble, or otherwise attempt to obtain the human readable form of the Services, to the extent such restriction is permitted by applicable law. Client will comply with the restrictions set forth in Appendix 1.

### **3.5. Security; Client Responsibilities.**

- (a) Client is responsible for maintaining adequate security and control of any and all Client Keys, IDs, passwords, hints, personal identification numbers, non-custodial wallet keys, API keys, yubikeys, 2-factor authentication devices or backups, or any other codes that Client uses to access the Services. Any loss or compromise of the foregoing information and/or Client's personal information may result in unauthorized access to Client's Custodial Account by third parties and the loss or theft of Assets. Client is responsible for keeping Client's email address and telephone number up to date in Client's profile in order to receive any notices or alerts that Custodian may send Client. Custodian assumes no responsibility for any loss that Client may sustain due to compromise of login credentials due to no fault of Custodian and/or failure to follow or act on any notices or alerts that Custodian may send to Client. In the event Client believes Client's Custodial Account information has been compromised, Client will contact Custodian Support immediately at [security@bitgo.com](mailto:security@bitgo.com).
- (b) Client will ensure that all Authorized Persons will be adequately trained to safely and securely access the Services, including understanding of general security principles regarding passwords and physical security of computers, keys, and personnel.
- (c) Client will immediately notify Custodian of any unauthorized access, use or disclosure of Client's Account credentials, or any relevant breach or suspected breach of security (including breach of Client's systems, networks or developer applications). Client will provide Custodian with all relevant information Custodian reasonably requests to assess the security of the assets, Custodial Accounts and wallets.

**3.6. Taxes.** The Client will, for all tax purposes, be treated as the owner of all Assets held by the Custodian pursuant to this Agreement. It is the Client's sole responsibility to determine whether and to what extent Taxes and Tax reporting obligations may apply to the Client with respect to its Assets, Custodial Accounts, and transactions, and the Client will timely pay all such taxes and will file all returns, reports, and disclosures required by Applicable Law. Client is solely responsible for any taxes applicable to any deposits or withdrawals Client conducts through the Custodial Services, and for withholding, collecting, reporting, and/or remitting the correct amount of taxes to the appropriate tax authorities. Client's deposit and withdrawal history is available by accessing Client's Custodial Account through the Company Site or by contacting Custodian directly. If Custodian or an affiliate of Custodian has a legal obligation to pay or collect taxes for which Client is responsible, Client will be invoiced for the relevant amount and Client will pay that amount unless Client provides the Custodian or relevant affiliate of Custodian with a valid tax exemption certificate authorized by the appropriate taxing authority.

**3.7. Third Party Providers.** Client acknowledges and agrees that the Services may be provided from time to time by, through or with the assistance of affiliates of or vendors to Custodian, including

BitGo Inc. as described above. Custodian shall remain liable for its obligations under this Agreement in the event of any breach of this Agreement caused by such affiliates or any vendor.

### **3.8. Developer Applications.**

- (a) Subject to Custodian's acceptance of Client as a developer, and subject to Client's performance of its obligations under this Agreement, Custodian grants Client a nonassignable, non-transferrable, revocable, personal and non-exclusive license under Custodian's applicable intellectual property rights to use and reproduce the Custodian software development kit for Developer Applications.
- (b) Client agrees that all end users of any Developer Application will be subject to the same use restrictions that bind Client under this Agreement (including under Section 3.4 (Prohibited Use) and Appendix 1).
- (c) Client is solely responsible and has sole liability for Client's end users that access or use the Services via the Developer Application and all acts or omissions taken by such end users will be deemed to have been taken (or not taken) by Client. Client is responsible for the accuracy, quality and legality of Developer Application content and user data. Client will comply with, and ensure that Client's Developer Application and end users comply with all Applicable Law.

## **4. CUSTODIAN OBLIGATIONS.**

- 4.1. Insurance.** Custodian will obtain and/or maintain insurance coverage in such types and amounts as are commercially reasonable for the Custodial Services provided hereunder. Client acknowledges that any insurance related to theft of Digital Assets will apply to Custodial Services only (where keys are held by Custodian) and not Wallet Services for non-custodial accounts (where keys are held by Client).
- 4.2. Standard of Care.** Custodian will use commercially reasonable efforts in performing its obligations under this Agreement. Subject to the terms of this Agreement, Custodian shall not be responsible for any loss or damage suffered by Client as a result of the Custodian performing such duties unless the same results from an act of gross negligence, fraud, or willful misconduct on the part of the Custodian. Custodian shall not be responsible for the title, validity or genuineness of any of the Assets (or any evidence of title thereto) received or delivered by it pursuant to this Agreement.
- 4.3. Business Continuity Plan.** Custodian has established a business continuity plan that will support its ability to conduct business in the event of a significant business disruption ("SBD"). This plan is reviewed and updated annually, and can be updated more frequently, if deemed necessary by Custodian in its sole discretion. Should Custodian be impacted by an SBD, Custodian aims to minimize business interruption as quickly and efficiently as possible. To receive more information about Custodian's business continuity plan, please send a written request to [security@bitgo.com](mailto:security@bitgo.com).

## **5. TERM; TERMINATION.**

- 5.1. Initial Term; Renewal Term.** This Agreement will commence on the Effective Date and will continue for one (1) year, unless earlier terminated in accordance with the terms of this Agreement (the "Initial Term"). After the Initial Term, this Agreement will automatically renew for successive one-year periods (each a "Renewal Term"), unless either party notifies the other of its intention not to renew at least sixty (60) days prior to the expiration of the then-current Term. "Term" means the Initial Term and any Renewal Term.

**5.2. Termination for Breach.** Either party may terminate this Agreement if the other party breaches a material term of this Agreement and fails to cure such breach within thirty (30) calendar days following written notice thereof from the other party.

**5.3. Suspension, Termination, or Cancellation by Custodian.**

- (a) Custodian may suspend or restrict Client's access to the Custodial Services and/or deactivate, terminate or cancel Client's Custodial Account if:
- i. Custodian is so required by a facially valid subpoena, court order, or binding order of a government authority;
  - ii. Custodian reasonably suspects Client of using Client's Custodial Account in connection with a Prohibited Use or Prohibited Business, as set forth in Appendix 1 to this Agreement;
  - iii. Custodian perceives a risk of legal or regulatory non-compliance associated with Client's Custodial Account activity or the provision of the Custodial Account to Client by Custodian (including but not limited to any risk perceived by Custodian in the review of any materials, documents, information, statements or related materials provided by Client after execution of this Agreement);
  - iv. Custodian service partners are unable to support Client's use;
  - v. Client takes any action that Custodian deems as circumventing Custodian's controls, including, but not limited to, opening multiple Custodial Accounts, abusing promotions which Custodian may offer from time to time, or otherwise misrepresenting of any information set forth in Client's Custodial Account;
  - vi. Client fails to pay fees for a period of 90 days; or
  - vii. Client's Custodial Account has no Digital Assets, Fiat Currency, or Securities for 180 consecutive days.
- (b) If Custodian suspends or restricts Client's access to the Custodial Services and/or deactivates, terminates or cancels Client's Custodial Account for any reason, Custodian will provide Client with notice of Custodian's actions via email unless prohibited by Applicable Law. Client acknowledges that Custodian's decision to take certain actions, including limiting access to, suspending, or closing Client's Custodial Account, may be based on confidential criteria that are essential to Custodian's compliance, risk management, or and security protocols. Client agrees that Custodian is under no obligation to disclose the details of any of its internal risk management and security procedures to Client.
- (c) If Custodian terminates Client's Custodial Account, this Agreement will automatically terminate on the later of (i) the effective date of such cancellation or (ii) the date on which all of Client's funds are withdrawn.

**5.4. Effect of Termination.** On termination of this Agreement, (A) Client will shall withdraw all Assets associated with Client's Custodial Account within ninety (90) days after Custodial Account termination or cancellation unless such withdrawal is prohibited by Applicable Law (including but not limited to applicable sanctions programs or a facially valid subpoena, court order, or binding order of a government authority); (B) Client will pay all fees owed or accrued to Custodian through the date of Client's withdrawal of funds, which may include any applicable withdrawal fee; (C) Client authorizes Custodian to cancel or suspend any pending deposits or withdrawals as of the effective date of termination; and (D) the definitions set forth in this Agreement and Sections 1. 7, 1. 8, 5.4, 6, 8, 9.1, 10, 11, and 12 will survive.

**5.5. Early Termination.** Client may terminate this Agreement before the end of the current term if Client: (a) provides Custodian at least thirty (30) days written notice of Client's intent to exercise

its termination right under this Section, (b) pays all outstanding amounts due under this Agreement through the date of termination and (c) pays a one-time early termination fee equal to the highest monthly fees due, excluding any Onboarding Fee, for any month of Services before such termination multiplied by the number of months remaining in the term, including partial months (the “Early Termination Fee”). Such termination will not be deemed effective unless and until (1) Client removes all assets from Custodial Accounts and Wallet Services, and (2) BitGo receives such Early Termination Fee, which Client understands and acknowledges will not be deemed a penalty but a figure reasonably calculated to reflect remaining payment due to Custodian in return for Client’s term commitment. Client may not cancel the subscription of Services before the expiration of their current term, except as specified herein.

**6. DISPUTE RESOLUTION. THE PARTIES AGREE THAT ALL CONTROVERSIES ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE USE OF THE SERVICES (“DISPUTES”), WHETHER ARISING PRIOR, ON, OR SUBSEQUENT TO THE EFFECTIVE DATE, SHALL BE ARBITRATED AS FOLLOWS:** The Parties irrevocably agree to submit all Disputes between them to binding arbitration conducted under the Commercial Dispute Resolution Procedures of the American Arbitration Association (the “AAA”), including the Optional Procedures for Large Complex Commercial Disputes. The place and location of the arbitration shall be in Sioux Falls, South Dakota. All arbitration proceedings shall be closed to the public and confidential and all related records shall be permanently sealed, except as necessary to obtain court confirmation of the arbitration award. The arbitration shall be conducted before a single arbitrator selected jointly by the parties. The arbitrator shall be a retired judge with experience in custodial and trust matters under South Dakota law. If the parties are unable to agree upon an arbitrator, then the AAA shall choose the arbitrator. The language to be used in the arbitral proceedings shall be English. The arbitrator shall be bound to the strict interpretation and observation of the terms of this Agreement and shall be specifically empowered to grant injunctions and/or specific performance and to allocate between the parties the costs of arbitration, as well as reasonable attorneys’ fees and costs, in such equitable manner as the arbitrator may determine. Judgment upon the award so rendered may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of any award and an order of enforcement, as the case may be. In no event shall a demand for arbitration be made after the date when institution of a legal or equitable proceeding based upon such claim, dispute or other matter in question would be barred by the applicable statute of limitations. Notwithstanding the foregoing, either party shall have the right, without waiving any right or remedy available to such party under this Agreement or otherwise, to seek and obtain from any court of competent jurisdiction any interim or provisional relief that is necessary or desirable to protect the rights or property of such party, pending the selection of the arbitrator hereunder or pending the arbitrator’s determination of any dispute, controversy or claim hereunder.

**7. REPRESENTATIONS, WARRANTIES, AND COVENANTS.**

**7.1. By Client.** Client represents, warrants, and covenants to Custodian that:

- (a) To the extent applicable, Client operates in full compliance with all Applicable Law in each jurisdiction in which Client operates, including without limitation applicable securities and commodities laws and regulations, efforts to fight the funding of terrorism and money laundering, sanctions regimes, licensing requirements, and all related regulations and requirements. Client ensures full compliance with all Applicable Laws in each jurisdiction where they engage in activities. This includes adherence to laws and regulations on securities and commodities, combating

terrorism financing and money laundering, sanctions, licensing requirements, and other relevant legal obligations and requirements.

- (b) To the extent Client creates receive addresses to receive Digital Assets from third-parties, Client represents and warrants that the receipt of said Digital Assets is based on lawful activity.
- (c) Client shall have conducted and satisfied any and all due diligence procedures required by Applicable Law with respect to such third parties prior to placing with Custodian any Digital Assets, Securities or Fiat Currency associated with such third party.
- (d) Client will not use any Services for any illegal activity, including without limitation illegal gambling, money laundering, fraud, blackmail, extortion, ransomware, the financing of terrorism, other violent activities or any prohibited market practices, including without limitation the prohibited activities and business set forth in Appendix 1.
- (e) To the extent applicable, Client is currently and will remain at all times in good standing with all relevant government agencies, departments, regulatory or supervisory bodies in all relevant jurisdictions in which Client does business and Client will immediately notify Custodian if Client ceases to be in good standing with any applicable regulatory authority;
- (f) Client will promptly provide such information as Custodian may reasonably request from time to time regarding: (i) Client's policies, procedures, and activities which relate to the Custodial Services in any manner, as determined by Custodian in its sole and absolute discretion; and (ii) any transaction which involves the use of the Services, to the extent reasonably necessary to comply with Applicable Law, or the guidance or direction of, or request from any regulatory authority or financial institution, provided that such information may be redacted to remove confidential commercial information not relevant to the requirements of this Agreement;
- (g) Client either owns or possesses lawful authorization to transact with all Assets involved in the Custody Transactions;
- (h) Client has the full capacity and authority to enter into and be bound by this Agreement and the person executing or otherwise accepting this Agreement for Client has full legal capacity and authorization to do so;
- (i) All information provided by Client to Custodian in the course of negotiating this Agreement and the on-boarding of Client as Custodian's customer and user of the Custodial Services is complete, true, and accurate in all material respects, including with respect to the ownership of Client, no material information has been excluded; and no other person or entity has an ownership interest in Client except for those disclosed in connection with such onboarding; and
- (j) Client is not owned in part or in whole, nor controlled by any person or entity that is, nor is it conducting any activities on behalf of, any person or entity that is (i) the subject of any sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, or any other Governmental Authority with jurisdiction over Custodian or its affiliates with respect to U.S. sanctions laws; (ii) identified on the Denied Persons, Entity, or Unverified Lists of the U.S. Department of Commerce's Bureau of Industry and Security; or (iii) located, organized or resident in a country or territory that is, or whose government is, the subject of U.S. economic sanctions, including, without limitation, the Crimean, Donetsk, and Luhansk regions of Ukraine, Cuba, Iran, North Korea, or Syria.

**7.2. By Custodian.** Custodian represents, warrants, and covenants to Client that:

- (a) Custodian will safekeep the Digital Assets and segregate all Digital Assets from both the (i) property of Custodian, and (ii) assets of other customers of Custodian, except for Digital Assets specifically moved into shared accounts by Client;
- (b) Custodian will maintain adequate capital and reserves to the extent required by Applicable Law;
- (c) Custodian is duly organized, validly existing and in good standing under the applicable South Dakota laws, has all corporate powers required to carry on its business as now conducted, and is duly qualified to do business in each jurisdiction where such qualification is necessary; and
- (d) Custodian has the full capacity and authority to enter into and be bound by this Agreement and the person executing or otherwise accepting this Agreement for Custodian has full legal capacity and authorization to do so.

**7.3. Notification.** Without limitation of either party's rights or remedies, each party shall immediately notify the other party if, at any time after the Effective Date, any of the representations, warranties, or covenants made by it under this Agreement fail to be true and correct as if made at and as of such time. Such notice shall describe in reasonable detail the representation, warranty, or covenant affected, the circumstances giving rise to such failure and the steps the notifying party has taken or proposes to take to rectify such failure.

**8. DISCLAIMER.** EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE SERVICES ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT ANY REPRESENTATION OR WARRANTY, WHETHER EXPRESS, IMPLIED OR STATUTORY. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, CUSTODIAN SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND/OR NON-INFRINGEMENT. CUSTODIAN DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES THAT ACCESS TO THE COMPANY SITE, ANY PART OF THE SERVICES, OR ANY OF THE MATERIALS CONTAINED IN ANY OF THE FOREGOING WILL BE CONTINUOUS, UNINTERRUPTED, OR TIMELY; BE COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEM OR OTHER SERVICES; OR BE SECURE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR-FREE.

**9. CONFIDENTIALITY, PRIVACY, DATA SECURITY.**

**9.1. Confidentiality.**

- (a) As used in this Agreement, "Confidential Information" means any non-public, confidential or proprietary information of a party ("Discloser") including, without limitation information relating to Discloser's business operations or business relationships, financial information, pricing information, business plans, customer lists, data, records, reports, trade secrets, software, formulas, inventions, techniques, and strategies. A party receiving Confidential Information of Discloser ("Recipient") will not disclose it to any unrelated third party without the prior written consent of the Discloser, except as provided in subsection (B) below and has policies and procedures reasonably designed to create information barriers with respect to such party's officers, directors, agents, employees, affiliates, consultants, contractors and professional advisors. Recipient will protect such Confidential Information from unauthorized access, use and disclosure. Recipient shall not use

Discloser's Confidential Information for any purpose other than to perform its obligations or exercise its rights under this Agreement. The obligations herein shall not apply to any (i) information that is or becomes generally publicly available through no fault of Recipient, (ii) information that Recipient obtains from a third party (other than in connection with this Agreement) that, to recipient's best knowledge, is not bound by a confidentiality agreement prohibiting such disclosure; or (iii) information that is independently developed or acquired by Recipient without the use of or reference to Confidential Information of Discloser.

- (b) Notwithstanding the foregoing, Recipient may disclose Confidential Information of Discloser to the extent required under Applicable Law; provided, however, Recipient shall first notify Discloser (to the extent legally permissible) and shall afford Discloser a reasonable opportunity to seek a protective order or other confidential treatment. For the purposes of this Agreement, no affiliate of Custodian shall be considered a third party and Custodian may share Client's Confidential Information with affiliates, as authorized by Client; provided that Custodian causes such entity to undertake the obligations in this Section 9.1.
- (c) Confidential Information includes all documents and other tangible objects containing or representing Confidential Information and all copies or extracts thereof or notes derived therefrom that are in the possession or control of Recipient and all of the foregoing shall be and remain the property of the Discloser. Confidential Information shall include the existence and the terms of this Agreement. At Discloser's request or on termination of this Agreement (whichever is earlier), Recipient shall return or destroy all Confidential Information; provided, however, Recipient may retain one copy of Confidential Information (i) if required by law or regulation, or (ii) pursuant to a bona fide and consistently applied document retention policy; provided, further, that in either case, any Confidential Information so retained shall remain subject to the confidentiality obligations of this Agreement. For the avoidance of doubt, aggregated Depersonalized Information (as hereinafter defined) shall not be Confidential Information. "Depersonalized Information" means data provided by or on behalf of Client in connection with the Custodial Services and all information that is derived from such data, that has had names and other personal information removed such that it is not reasonably linkable to any person, company, or device.

**9.2. Privacy.** Client acknowledges that Client has read the BitGo Privacy Notice, available at <https://www.bitgo.com/privacy>.

**9.3. Security.** Custodian has implemented and will maintain a reasonable information security program that includes policies and procedures that are reasonably designed to safeguard Custodian's electronic systems and Client's Confidential Information from, among other things, unauthorized disclosure, access, or misuse, including, by Custodian and its affiliates. In the event of a data security incident Custodian will provide all notices required under Applicable Law.

## **10. INDEMNIFICATION.**

**10.1. Indemnity.** Client will defend, indemnify and hold harmless Custodian, its affiliates and service providers, and each of its or their respective officers, directors, agents, employees, and representatives, from and against any liabilities, damages, losses, costs and expenses, including but not limited to reasonable attorneys' fees and costs resulting from any third-party claim, demand, action or proceeding (a "Claim") arising out of or related to Client's (i) use of Services; (ii) breach of this Agreement, or (iii) violation of any Applicable Law in connection with its use of Services.

**10.2. Indemnification Process.**

- (a) Custodian will (i) provide Client with prompt notice of any indemnifiable Claim under Section 10.1 (provided that the failure to provide prompt notice shall only relieve Client of its obligation to the extent it is materially prejudiced by such failure and can demonstrate such prejudice); (ii) permit Client to assume and control the defense of such action upon Client's written notice to Custodian of Client's intention to indemnify, with counsel acceptable to Custodian in its reasonable discretion; and (iii) upon Client's written request, and at no expense to Custodian, provide to Client all available information and assistance reasonably necessary for Client to defend such Claim. Custodian shall be permitted to participate in the defense and settlement of any Claim with counsel of Custodian's choice at Custodian's expense (unless such retention is necessary because of Client's failure to assume the defense of such Claim, in which event Client shall be responsible for all such fees and costs). Client will not enter into any settlement or compromise of any such Claim, which settlement or compromise would result in any liability to any Custodian Indemnitee or constitute any admission of or stipulation to any guilt, fault or wrongdoing, without Custodian's prior written consent.
- (b) Client acknowledges and agrees that any Losses imposed on Custodian (whether in the form of fines, penalties, or otherwise) as a result of a violation by Client of any Applicable Law, may at Custodian's discretion, be passed on to Client and Client acknowledges and represents that Client will be responsible for payment to Custodian of all such Losses.

## **11. LIMITATIONS OF LIABILITY.**

- 11.1. NO CONSEQUENTIAL DAMAGES.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW AND SUBJECT TO THE EXCEPTIONS PROVIDED IN SECTION 11.3 BELOW, IN NO EVENT SHALL CUSTODIAN, ITS AFFILIATES AND SERVICE PROVIDERS, OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, EMPLOYEES OR REPRESENTATIVES, BE LIABLE FOR ANY LOST PROFITS OR ANY SPECIAL, INCIDENTAL, INDIRECT, INTANGIBLE, OR CONSEQUENTIAL DAMAGES, WHETHER BASED IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE, ARISING OUT OF OR IN CONNECTION WITH AUTHORIZED OR UNAUTHORIZED USE OF THE COMPANY SITE OR THE SERVICES, OR THIS AGREEMENT, EVEN IF CUSTODIAN HAS BEEN ADVISED OF OR KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.
- 11.2. LIMITATION ON DIRECT DAMAGES.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW AND SUBJECT TO THE EXCEPTIONS PROVIDED IN SECTION 11.3 BELOW, IN NO EVENT SHALL THE AGGREGATE LIABILITY OF CUSTODIAN, ITS AFFILIATES AND SERVICE PROVIDERS, OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, EMPLOYEES OR REPRESENTATIVES, EXCEED THE FEES PAID OR PAYABLE TO CUSTODIAN UNDER THIS AGREEMENT DURING THE 3-MONTH PERIOD IMMEDIATELY PRECEDING THE FIRST INCIDENT GIVING RISE TO SUCH LIABILITY.
- 11.3. EXCEPTIONS TO EXCLUSIONS AND LIMITATIONS OF LIABILITY.** THE EXCLUSIONS AND LIMITATIONS OF LIABILITY IN SECTION 11.1 AND SECTION 11.2 WILL NOT APPLY TO CUSTODIAN'S FRAUD, WILLFUL MISCONDUCT, OR GROSS NEGLIGENCE. CUSTODIAN'S LIABILITY FOR GROSS NEGLIGENCE SHALL BE LIMITED TO THE VALUE OF THE AFFECTED ASSETS .

## **12. MISCELLANEOUS.**

- 12.1. Notice.** All notices under this Agreement shall be given in writing, in the English language, and shall be deemed given when personally delivered, when sent by email, or three days after being sent by prepaid certified mail or internationally recognized overnight courier to the addresses set forth in the signature blocks below (or such other address as may be specified by party following written notice given in accordance with this Section).
- 12.2. Publicity.** Client hereby consents to Custodian's identification of Client as a customer of the Services, including in marketing and/or investor materials, and Custodian hereby consents to Client's use of Custodian's name and/or approved logos or promotional materials to identify Custodian as its custodial service provider as contemplated by this Agreement. Notwithstanding the foregoing, Custodian may revoke its consent to such publicity under this Section at any time for any reason, and upon notice, Client will cease any further use of Custodian's name, logos, and trademarks and remove all references and/or postings identifying Custodian as soon as possible.
- 12.3. Entire Agreement.** This Agreement, any appendices or attachments to this Agreement, the BitGo Privacy Policy, and all disclosures, notices or policies available on the BitGo website that are specifically referenced in this Agreement, comprise the entire understanding and agreement between Client and Custodian as to the Custodial Services, and supersedes any and all prior discussions, agreements, and understandings of any kind (including without limitation any prior versions of this Agreement) and every nature between and among Client and Custodian with respect to the subject matter hereof. Section headings in this Agreement are for convenience only and shall not govern the meaning or interpretation of any provision of this Agreement.
- 12.4. Computer Viruses.** Custodian shall not bear any liability, whatsoever, for any damage or interruptions caused by any computer viruses, spyware, scareware, Trojan horses, worms or other malware that may affect Client's computer or other equipment, or any phishing, spoofing or other attack, unless such damage or interruption directly resulted from Custodian's gross negligence, fraud, or willful misconduct. Custodian advises the regular use of a reputable and readily available virus screening and prevention software. Client should also be aware that SMS and email services are vulnerable to spoofing and phishing attacks and should use care in reviewing messages purporting to originate from Custodian. Client should always log into Client's Custodial Account through the Company Site to review any deposits or withdrawals or required actions if Client has any uncertainty regarding the authenticity of any communication or notice.
- 12.5. No Waiver.** The waiver by a party of any breach or default will not constitute a waiver of any different or subsequent breach or default.
- 12.6. Amendments.** Any modification or addition to this Agreement must be in a writing signed by a duly authorized representative of each of the parties. Client agrees that Custodian shall not be liable to Client or any third party for any modification or termination of the Custodial Services, or suspension or termination of Client's access to the Custodial Services, except to the extent otherwise expressly set forth herein.
- 12.7. Assignment.** Client may not assign any rights and/or licenses granted under this Agreement without the prior written consent of Custodian. Custodian may not assign any of its rights without the prior written consent of Client; except that Custodian may assign this Agreement without the prior consent of Client to any Custodian affiliates or subsidiaries or pursuant to a transfer of all or substantially all of Custodian's business and assets, whether by merger, sale of assets, sale of stock, or otherwise. Any attempted transfer or assignment in violation hereof shall be null and void. Subject to the foregoing, this Agreement will bind and inure to the benefit of the parties, their successors, and permitted assigns.

- 12.8. Severability.** If any provision of this Agreement shall be determined to be invalid or unenforceable, such provision will be changed and interpreted to accomplish the objectives of the provision to the greatest extent possible under any applicable law and the validity or enforceability of any other provision of this Agreement shall not be affected.
- 12.9. Survival.** All provisions of this Agreement which by their nature extend beyond the expiration or termination of this Agreement, including, without limitation, sections pertaining to suspension or termination, Custodial Account cancellation, debts owed to Custodian, general use of the Company Site, disputes with Custodian, indemnification, and general provisions, shall survive the termination or expiration of this Agreement.
- 12.10. Governing Law.** The laws of the State of South Dakota, without regard to principles of conflict of laws, will govern this Agreement and any claim or dispute that has arisen or may arise between Client and Custodian, except to the extent governed by federal law of the United States of America.
- 12.11. Force Majeure.** Custodian shall not be liable for delays, suspension of operations, whether temporary or permanent, failure in performance, or interruption of service which result directly or indirectly from any cause or condition beyond the reasonable control of Custodian, including but not limited to, any delay or failure due to any act of God, natural disasters, act of civil or military authorities, act of terrorists, including but not limited to cyber-related terrorist acts, hacking, government restrictions, exchange or market rulings, civil disturbance, war, strike or other labor dispute, fire, interruption in telecommunications or Internet services or network provider services, failure of equipment and/or software, other catastrophe or any other occurrence which are beyond the reasonable control of Custodian.
- 12.12. Relationship of the Parties.** Nothing in this Agreement shall be deemed or is intended to be deemed, nor shall it cause, Client and Custodian to be treated as partners, joint ventures, or otherwise as joint associates for profit, or either Client or Custodian to be treated as the agent of the other.

*[Remainder of page intentionally left blank. Signature page follows.]*

**IN WITNESS WHEREOF**, this Agreement is executed as of the Effective Date.

**BITGO TRUST COMPANY, INC.**

**[CLIENT NAME]**

By:

By:

Name:

Name:

Title:

Title:

Date:

Date:

Address for Notice:

Address for Notice:

6216 Pinnacle Place  
Suite 101  
Sioux Falls, SD 57108  
Attn: Legal  
Email: [legal@bitgo.com](mailto:legal@bitgo.com)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Attn:

Email:

## APPENDIX 1: PROHIBITED USE, PROHIBITED BUSINESSES AND CONDITIONAL USE

**1.1 Prohibited Use.** Client may not use Client's Custodial Account to engage in the following categories of activity ("Prohibited Uses"). The Prohibited Uses extend to any third party that gains access to the Custodial Services through Client's account or otherwise, regardless of whether such third party was authorized or unauthorized by Client to use the Custodial Services associated with the Custodial Account. The specific types of use listed below are representative, but not exhaustive. If Client is uncertain as to whether or not Client's use of Custodial Services involves a Prohibited Use, or have questions about how these requirements applies to Client, please contact Custodian at [trustonboarding@bitgo.com](mailto:trustonboarding@bitgo.com).

By opening a Custodial Account, Client confirms that Client will not use Client's Custodial Account to do any of the following:

- **Unlawful Activity:** Activity which would violate, or assist in violation of any law, statute, ordinance, or regulation, sanctions programs administered in the countries where Custodian conducts business, including, but not limited to, the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), or which would involve proceeds of any unlawful activity; publish, distribute or disseminate any unlawful material or information.
- **Abusive Activity:** Actions which impose an unreasonable or disproportionately large load on Custodian's infrastructure, or detrimentally interfere with, intercept, or expropriate any system, data, or information; transmit or upload any material to the Site that contains viruses, Trojan horses, worms, or any other harmful or deleterious programs; attempt to gain unauthorized access to the Site, other Custodial Accounts, computer systems or networks connected to the Site, through password mining or any other means; use Custodial Account information of another party to access or use the Site; or transfer Client's Custodial Account access or rights to Client's Custodial Account to a third party, unless by operation of law or with the express permission of Custodian.
- **Abuse Other Users:** Interfere with another Custodian user's access to or use of any Custodial Services; defame, abuse, extort, harass, stalk, threaten or otherwise violate or infringe the legal rights (such as, but not limited to, rights of privacy, publicity and intellectual property) of others; incite, threaten, facilitate, promote, or encourage hate, racial intolerance, or violent acts against others; harvest or otherwise collect information from the Site about others, including, without limitation, email addresses, without proper consent.
- **Fraud:** Activity which operates to defraud Custodian, Custodian users, or any other person; provide any false, inaccurate, or misleading information to Custodian.
- **Gambling:** Lotteries; bidding fee auctions; sports forecasting or odds making; fantasy sports leagues with cash prizes; Internet gaming; contests; sweepstakes; games of chance.
- **Intellectual Property Infringement:** Engage in transactions involving items that infringe or violate any copyright, trademark, right of publicity or privacy or any other proprietary right under the law, including but not limited to sales, distribution, or access to counterfeit music, movies, software, or other licensed materials without the appropriate authorization from the rights holder; use of Custodian intellectual property, name, or logo, including use of Custodian trade or service marks, without express consent from Custodian or in a manner that otherwise harms Custodian, or Custodian's brand; any action that implies an untrue endorsement by or affiliation with Custodian.

- **Written Policies:** Client may not use the Custodial Account or the Custodial Services in a manner that violates, or is otherwise inconsistent with, any operating instructions promulgated by Custodian.

**1.2. Prohibited Businesses.** The following categories of businesses, business practices, and sale items are barred from the Custodial Services (“Prohibited Businesses”). The specific types of use listed below are representative, but not exhaustive. If Client is uncertain as to whether or not Client’s use of the Custodial Services involves a Prohibited Business or has questions about how these requirements apply to Client, please contact us at [trustinboarding@bitgo.com](mailto:trustinboarding@bitgo.com).

By opening a Custodial Account, Client confirms that Client will not use the Custodial Services in connection with any of the following businesses, activities, practices, or items:

- Individuals convicted of an offense related to drug trafficking, financial crimes, arms trafficking, human smuggling, or human trafficking
- Individuals or entities that own or operate virtual currency mixers or wallets with built-in mixers.
- Shell banks (a shell bank is a financial institution that does not have a physical presence in any country, unless it is controlled by, or is under common control with, a depository institution, credit union, or another foreign financial institution that maintains a physical presence either in the U.S. or a foreign country).
- Anonymous and fictitiously named accounts
- Companies that issue bearer shares.
- Business involved in the sale of narcotics or controlled substances.
- Any individual or entity designated under any trade, economic, or financial sanctions laws, regulations, embargoes, or restrictive measures imposed, administered, or enforced by the U.S. or the United Nations, including Specially Designated Nationals (“SDNs”) and Blocked Persons.
- Any unlicensed/unregulated banks, remittance agents, exchanges houses, casa de cambio, bureaux de change or money transfer agents.
- Individuals and entities who trade in conflict diamonds, which are rough diamonds that have not been certified in accordance with the Kimberley Process Certification Scheme.
- Individuals and entities designated as a Primary Money Laundering Concern by the U.S. Treasury under Section 311 of the USA PATRIOT Act.
- Any foreign banks operating with a banking license issued by a foreign country that has been designated as non-cooperative with international AML principles or procedures by FATF; or a banking license issued by a foreign country that has been designated by the Secretary of the Treasury as warranting special measures due to money laundering concerns.

## BITGO CUSTODIAL SERVICES AGREEMENT FEE SCHEDULE A AND ADDITIONAL TERMS

This Schedule A forms part of the Custodial Services Agreement by and between Client and Custodian (the "Agreement") and is effective as of the Effective Date. The parties hereto agree that the fees associated with Services (as defined below) for Client shall be as set forth below. All capitalized terms not defined herein shall have the meaning ascribed in the Agreement.

**I. Expanded Definition of Services.** Under this fee structure, Client may be provided access to additional services provided by Custodian or its affiliates. As such, the definition of "Services" as used in the Agreement shall be modified to mean Custodial Services, Wallet Services and the additional services set forth below. **Each additional service is subject to additional terms and conditions and risk disclosures as set forth in Appendix 1 to this Fee Schedule.**

- MMI Services, including access to one or more MMI wallets.
- NFT Custody.
- Staking (where available).

**II. Fees.** The Fees associated with Services for Client are as follows:

**1. Onboarding Fee.**

The Client implementation fee set forth below is a one-time flat fee assessed to cover onboarding and implementation costs (the "Onboarding Fee").

The Onboarding Fee will be \$\_\_\_\_\_.

**2. Digital Asset Storage Fee and Fixed Monthly Fee.**

The "Digital Asset Storage Fee" is calculated at the end of each calendar month based on the aggregate USD market value of average holdings held by Client in (i) Custodial Accounts, (ii) wallets provided as Wallet Services; and (iii) MMI wallets.

Throughout the Term, Client will be assessed a fixed monthly Asset Storage Fee (subject to overage fees), as set forth below:

Product	Fixed Monthly Storage Fee
Wallet Services (exclusive of NFT holdings)	

Custodial Accounts (exclusive of NFT holdings)	\$ _____
MMI wallets (exclusive of NFT holdings)	
NFTs held in Wallet Services, Custodial Accounts and MMI wallets	

The Digital Asset Storage Fee is a tiered fee, as applicable, as defined in the schedule below. Tiers are cumulative.

Digital Asset Storage Fee:	
Range of Digital Assets Stored (\$ USD) <sup>1</sup>	Basis Points (bps)
0 to \$[_____]	Included as part of the Fixed Monthly Asset Storage Fee
\$[_____] or greater	[ ] bps per month “Overage Fee”

Fiat Currency Transaction Fees:

Transaction Type	Transaction Fee	Frequency
Wire - Domestic (in)	\$0	Per Transaction
Wire - Domestic (out)	\$15	Per Transaction

<sup>1</sup> For the purpose of calculating fees, please consult: <https://www.bitgo.com/resources/price-feeds> for current information on how BitGo computes USD value of digital currencies.

Wire - International (in)	\$15	Per Transaction
Wire - International (out)	\$25	Per Transaction
Wire - Recall	\$50	Per Transaction
ACH (in/out)	\$0.40	Per Transaction
ACH - Chargeback	\$15	Per Non-Sufficient Funds Paid & Returned
Fraudulent Return	\$150	Per Return

### 3. Transaction Fees.

Transaction fees are charged at the end of each calendar month based on all outgoing transactions from Custodial Accounts and Wallet Services during that month. However:

- Transaction Fees shall not be charged on outgoing transactions from MMI wallets.
- Transaction Fees shall not be charged on internal transfers by Client between Client's Custodial Accounts, Wallet Services and MMI wallets.

Transaction Fees are exclusive of any network fees charged by the underlying blockchain, and these network fees shall be collected from Client.

Transaction Fees are tiered, as applicable, as defined in the schedule below. Transaction Fees are cumulative and as defined in the schedule below, based on the aggregate USD market value of the Transaction Volume (i.e., all outgoing transactions from Custodial Accounts and Wallet Services) during that month. Tiers are cumulative.

Transaction Fee:	
Range of Transaction Volume (\$ USD) <sup>2</sup>	Basis Points (bps)
Up to \$[_____]	Included as part of the Fixed Monthly Digital Asset Storage Fee

<sup>2</sup> For the purpose of calculating fees, please consult: <https://www.bitgo.com/resources/price-feeds> for current information on how BitGo computes USD value of digital currencies.

\$[ ] and greater	10 bps "Overage Fee"

#### 4. NFT Services.

The Digital Asset Storage Fee covers up to [ ] NFTs in all products, in aggregate.

Overage fee: \_\_\_\_\_

**5. Staking Services Fee.** As described in the additional terms and conditions applicable to Staking Services.

**6. Payment Terms.** Client shall pay such fees and expenses to Custodian within 7 days after the date of Custodian's invoice. Invoices may be provided by electronic delivery. Payments shall be made to Custodian in U.S. Dollars, Bitcoin, USDC or USDT. If any invoice is disputed in good faith, Client shall pay all undisputed amounts and the disputed amount will be due and payable within 7 days after any such dispute has been resolved either by agreement of the parties or in accordance with dispute resolution procedures in the Agreement. All late payments and any disputed payments made after the resolution of such dispute shall bear interest accruing from the original payment due date through the date that such amounts are paid at the lower interest rate of (A) 1.0% per month and (B) the highest interest rate allowed by Applicable Law. Notwithstanding the foregoing, failure to pay fees and expenses by Client 45 days after the date of Custodian's invoice (or the date enumerated in the Fee Schedule) for undisputed payments, or 45 days after the resolution of disputed amounts, shall constitute a material breach of the Agreement. Client agrees that, without limitation of Custodian's other rights and remedies, Custodian shall have the right and authority, in its discretion, to liquidate any and all Assets in Client's Account to cover any unpaid fees and expenses.

If a correct taxpayer number is not provided to Custodian, Client understands and agrees that Client may be subject to backup withholding tax at the appropriate rate on any interest and gross proceeds paid to the account for the benefit of Client. Backup withholding taxes are sent to the appropriate taxing authority and cannot be refunded by Custodian.

**7. Initial Payment.** Concurrent with the execution of this Schedule A, Client shall make an up-front non-refundable payment to Custodian of an amount equal to the Onboarding Fee plus the initial Fixed Monthly Digital Asset Storage Fee.

**8. Prior Fee Schedules.** In the event that Client has previously entered into a fee schedule under the Agreement, this Schedule A and Additional Terms shall replace the previous fee schedule.

**IN WITNESS WHEREOF**, this Parties have duly executed this Fee Schedule and indicated their mutual intent to be bound hereby with the signatures of their respective authorized representatives below:

**BITGO TRUST COMPANY, INC.**

**[CLIENT NAME]**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **APPENDIX 1**

### **ADDITIONAL TERMS**

**I. MMI SERVICES:** MMI Services are provided by BitGo, Inc, an affiliate of Custodian, subject to the terms and conditions set forth at <https://www.bitgo.com/terms> (“Inc. Services Agreement”), as they may be amended from time to time. MMI Services are made available through ConsenSys Software Inc. (“ConsenSys”) and are governed by ConsenSys’s Terms of Use (located at <https://consensys.net/terms-of-use/>). When you use the MMI Services, you agree to such Terms of Use. The MMI Services are Third Party Services as defined in the Inc. Services Agreement.

**II. NFT SERVICES:** See <https://www.bitgo.com/legal/nft-service-terms>

**III. STAKING SERVICES:** See <https://www.bitgo.com/legal/staking-and-delegation-services-terms>

## APPENDIX 2: ACH TRANSFER TERMS & CONDITIONS

1.1 Introduction. These Terms and Conditions (“ACH Transfer Terms”) apply to your use of a designated bank account for any transfers you may make to BitGo Trust Company, Inc. (“BitGo”). These ACH Transfer Terms also apply to any transfers you may request from BitGo’s designated bank account, including those related to the return of U.S. Dollars that result from the sale of your Digital Assets (as defined in the Agreement executed between you and BitGo). Please read and keep these ACH Transfer Terms.

If you choose to use a bank account as your transfer method, you accept and agree to these ACH Transfer Terms on the date of each transfer.

BitGo’s external transfer services allow you to transfer funds to your eligible accounts held at BitGo and from other eligible accounts held by you at other U.S. financial institutions, and to eligible accounts held by a third party at BitGo or other U.S. financial institutions. External transfers may only be requested:

- If the transfer is permitted by your or a third party’s external financial institution, as applicable; and
- If the transfer is permitted by law.

BitGo reserves the right to obtain such additional information as we deem reasonably necessary. You agree to promptly update your records if your email address or other information changes.

1.2 Information. You authorize BitGo to validate the external accounts through the use of a test transaction, in which one or more low value payments will be both credited to and debited from the account. The test credit will always be of the same or less amount, so that the balance in any of your accounts will never be less than the actual balance. BitGo may not use test transactions with respect to its relationship with you.

Once the test transaction is complete, we may ask you to access your account to tell us the amount of the test credit or debit or any additional information reported by your bank. We may also verify your external accounts by requiring you to submit proof of ownership of the account. Other account verification methods may also be employed at the sole discretion of BitGo.

1.3 Accounts. By using BitGo external transfer service, you represent and warrant to BitGo that you have the right to authorize and permit us to process such funds transfers or for any other purpose authorized by this agreement, and you assure us that by disclosing and authorizing us to use such information you are not violating any third-party rights. You warrant and represent that the information you are providing us is true, current, correct and complete. You hereby authorized and permit BitGo to use information submitted by you to accomplish these purposes and to configure the service to be compatible with the accounts.

You understand and agree that at all times your relationship with each account provider is independent of BitGo and your use of this service. BitGo will not be responsible for any acts or omissions by the financial institution or other provider of any account, including without limitation any modification, interruption or discontinuance of any account by such provider.

Not all types of accounts are eligible for this service. Be sure to check with your financial institution for restrictions regarding transfers among your retirement, savings, trusts, custodial, business, corporate and other account types. BitGo is not responsible for any costs or losses incurred from transfers that are not permitted under such restrictions by the provider of your account or those imposed by applicable law.

1.4 Transfer Limitations. You may use the external transfer service to transfer funds to or from an eligible BitGo account and another account held by you or a third party at another U.S. financial institution. Transfers may be scheduled to occur one time, for a future date, or on a specific recurring basis.

We reserve the right to impose and/or change transfer limits on your account from time to time in our sole discretion. We reserve the right to suspend or restrict access to use the external transfer service immediately and without prior written notice to you. You understand and agree that such action is reasonable for us to take in order to protect ourselves from loss.

1.5 Initiating and Scheduling Transfers. The cut off time for same business day transfers is [4:45 pm ET]. Any transfer initiated after the applicable cut off time will be considered as being initiated on the next business day. Any transfer initiated on Saturday, Sunday or on a bank holiday will be considered as being initiated on the next business day.

Transfer can be scheduled on either a one time or recurring basis. Processing of one-time transfers may be initiated immediately or scheduled for initiation on a future date. Recurring transfers may be used when a set amount is transferred at regular intervals.

Your transfer must be payable in U.S. dollars. Transfers that we process using your bank account will be identified as “BitGo Trust Company, Inc.” (or similar identifier) on the statement issued by your bank or other financial institution holding your account.

All questions relating to any transactions made using your bank account by us should be initially directed to us, but may also require involvement of your bank.

1.6 Recurring Transfers. In addition to authorizing one-time transfers, you can request that BitGo facilitate recurring periodic transfers from your designated bank account on a daily, weekly or monthly basis. If you have established a weekly recurring transfer, then your transfer will be scheduled to occur on the same day of each week as the initial transfer in such recurring transfer (for example, every Wednesday). If you have established a monthly recurring transfer, then your transfer will be scheduled to occur on either the first or the fifteenth day of each month, based on your election when you initiate the recurring transfer. Your initial recurring transfer will not occur until you have submitted your recurring ACH transfer request and BitGo has had a reasonable amount of time to act upon it.

Any termination or cancellation of your recurring ACH transfer instructions will be effective as soon as BitGo has received your request and had a reasonable amount of time to act upon it.

BitGo may terminate any future recurring transfer without notice at any time for any reason.

1.7 Processing Time. When setting up a new external transfer account, please allow 3 business days to process validation of the test transaction.

Once the test transaction is completed for an external account, you should allow up to 3 business days for processing a transfer.

Please note the receiving financial institution could place a hold on the funds or delay availability. With respect to withdrawals, contact the receiving financial institution for information on their funds availability policy.

1.8 Errors. You understand that we must rely on the information provided by you and you authorize us to act on any instruction which has been or reasonably appears to have been requested by you, to submit

transfer instructions on your behalf. You understand that financial institutions receiving the transfer instructions may rely on such information. We are not obliged to take any further steps to confirm or authenticate such instructions and will act on them without getting further confirmation. You understand that if you provide us with incorrect information or if there is any error in your instructions we will make all reasonable efforts to reserve or delete such instructions, but you accept full responsibility for losses resulting from any of your errors, duplications, ambiguities or fraud in the information that you provide. You agree not to impersonate any person or use a name that you are not authorized to use. If any information you provide is untrue, inaccurate, not current or incomplete, without limiting other remedies, BitGo reserves the right to recover from you any costs or losses incurred as a direct or indirect result of the inaccurate or incomplete information.

We are not responsible for errors, delays and other problems caused by or resulting from the action or inaction of financial institutions holding the account. Although we will use reasonable efforts to try to assist you in resolving any such problems, you understand that any such errors, delays or other problems are the responsibility of the relevant financial institution. Any rights you may have against a financial institution for such errors, delays or other problems are subject to the terms of the agreements you have with such financial institutions, including any time limits during which complaints must be made.

#### 1.9 Unlawful or Prohibited Use.

You warrant to us that you will not use this service for any purpose that is unlawful or not permitted, expressly or implicitly, by the terms of this agreement or by any applicable law or regulation. You further warrant and represent that you will not use this service in any manner that could damage, disable, overburden or impair the service or interfere with any other party's use of the service.

All transfers are subject to the rules and regulations governing the relevant accounts, whether held at BitGo or elsewhere. You agree not to process any transfer from or to an account that is not allowed, under the rules and regulations applicable to such accounts.

**1.10 Rejection of Transfers.** We reserve the right to decline any transfer, to submit transfer instructions or to carry out change or cancellation requests for any reason. We may, at any time, decline any transfer that we believe may violate applicable law, or where we believe there are not sufficient funds in your account to process any requested transfer. BitGo, in its sole discretion, may require that any or all Digital Assets purchased with funds from an ACH transfer be held in your BitGo Wallet for a period of up to 60 days.

**1.11 Electronic Signature and ACH Authorization.** You understand that to process your transfer instruction we utilize the Automated Clearing House (ACH), using applicable ACH Rules, to debit one of your accounts and credit another of your accounts. By choosing your bank account as your transfer method, you agree that: (a) you have read, understand and agree to these ACH Transfer Terms, and that this agreement constitutes a "writing signed by you" under any applicable law or regulation, (b) you consent to the electronic delivery of the disclosures contained in these ACH Transfer Terms, (c) you authorize BitGo (or its agent) to make any inquiries we consider necessary to validate any dispute involving your transfer, which may include ordering a credit report and performing other credit checks or verifying the information you provide against third party databases, (d) you authorize BitGo (or its agent) to initiate one or more ACH debit entries (withdrawals) for specified amount(s) from your bank account, and you authorize the financial institution that holds your bank account to deduct such transferred amounts (including any transfers to be made on a recurring basis, as applicable), (e) you authorize BitGo (or its agent) to initiate one or more ACH credit entries (direct deposits) for specified amount(s) to your bank account, and you authorize the financial institution that holds your bank account to credit such transferred amounts, (f) once a sale is complete and an ACH transfer is initiated, the transaction cannot be cancelled; and (g) funds sent to you via ACH typically take two to four business days to reach your financial institution, and BitGo is not responsible for any delays

in the availability of funds, which may vary based on your financial institution's ACH processing procedures and settlement.

If the debit side fails or is returned for any reason and the credit side has been released and cannot be collected, you authorize us to collect from the account to which the credit side of the funds transfer was sent. We reserve the right to resubmit a debit, or a portion of the debit, in the event of an insufficient or uncollected funds return and if we cannot collect the amount credited. To process this collection, you understand and authorize us to debit the credited account or the debited account in either the same dollar amount as the original funds transfer or a portion of the debt. As discussed in more detail below, there may be a fee associated with such collection imposed by the financial institution holding the account.

In the event that a debit to any of your accounts, or any portion of any such debit, has failed and the credit side of such transaction has been released and cannot be collected, and we are unable to debit either the debited or the credited account as set forth above, we reserve the right, and you hereby authorize us, to debit any of your other accounts to the extent necessary to offset any resulting deficiency. We do not undertake to notify you in such event, other than by posting any such transfer or transfers to the applicable account in accordance with this agreement.

**1.12 Fees.** Because these are electronic transfers, these funds may be withdrawn from your designated bank account immediately. In the case of an ACH debit transaction that is rejected for insufficient funds, you understand that BitGo may at its discretion attempt to process the debit in the amount of the applicable requested transfer again within 30 days and BitGo may separately impose a fee of up to \$25 for each transaction returned for insufficient funds, as permitted by applicable law. You certify that you are an authorized user of your bank account and you will not dispute these scheduled transactions with such bank so long as the transactions correspond to these ACH Transfer Terms and any other applicable agreement related to your accounts with BitGo and its affiliates or such transfer.

You must notify BitGo in writing if you dispute any portion of any fees paid or payable by you under these ACH Transfer Terms or any related agreement. You must provide that written notice to BitGo within 60 days of the applicable charge, and BitGo will work with you to resolve the applicable dispute promptly. If you do not provide BitGo with this written notice of your fee dispute within this 60-day period, you will not be entitled to dispute any fees paid or payable by you.

All amounts and fees stated or referred to in these ACH Transfer Terms are exclusive of taxes, duties, levies, tariffs, and other governmental charges (collectively, "Taxes"). You shall be responsible for payment of all Taxes and any related interest and/or penalties resulting from any transfers made hereunder, other than any taxes based on BitGo's net income.

**1.13 Service Changes and Discontinuation.** We may modify or discontinue the Service or your use of some or all accounts within the service, with or without notice, without liability to you, any other user or any third-party. We may from time to time make available additional or new features to the service, including but not limited to, a higher dollar limit service. You will be approved or declined for any such additional service at our sole discretion and additional terms and conditions may apply. We reserve the right, subject to applicable law, to terminate your account within the Service and your right to use the service at any time and for any reason, including without limitation if we, in our sole judgment, believe you have engaged in conduct or activities that violate any of the Terms or the rights of BitGo, or if you provide us with false or misleading information or interfere with other users or the administration of the service. We reserve the right to charge a fee for the use of the service and any additional services or features that we may introduce. You understand and agree that you are responsible for paying all applicable fees associated with the use of our services.

1.14 Returned Transactions. You understand and agree that if any previously-initiated debit entry hereunder is returned for any reason (including because of insufficient funds), BitGo will be entitled to exercise remedies in accordance with the Custodial Services Agreement, including freezing your any assets held in any account held with BitGo or any affiliate thereof and reversing any Digital Asset purchases made and delivered to such account.

1.15 Your Liability for Unauthorized Transactions. Federal law limits your liability for any fraudulent, erroneous unauthorized transaction from your bank account based on how quickly you report it to your financial institution. As general rule, you should report any fraudulent, erroneous or unauthorized transactions to your bank within 60 days after the questionable transaction FIRST appeared on your bank account statement. You should contact your bank for more information about the policies and procedures that apply to your account and any unauthorized transactions, including any limits on your liability.

1.16 Our Liability. If we fail to debit or credit your bank account in accordance with these ACH Transfer Terms, in the correct amount or in the correct amount of time, we may be liable for certain losses directly caused by our failure as the law may impose in such cases. However, there are some exceptions. For instance, we will not be liable where: (1) you do not have enough money in your bank account; (2) your bank account is closed or deposits or withdrawals restricted; (3) any terminal or system was not working properly and you were advised of that before you initiated the transfer; (4) the failure was related to circumstances beyond our control (such as flood, fire, power outages, mechanical or system failures); (5) your financial institution refuses to honor an ACH debit or credit; (6) your instructions are lost or delayed in transmission to us; (7) a reasonable security concern, such as unauthorized use, causes us not to honor your instructions; (8) this transfer option has been discontinued or suspended; (9) we advise you that your request will not be processed; (10) you submit a cancellation request with respect to recurring ACH transfer instructions and BitGo is unable to process it prior to your next scheduled transfer and (11) other exceptions are allowed by law.

Except as otherwise required by law, BitGo shall in no event be liable for any other losses and/or damages other than those arising from gross negligence or willful misconduct on our part, and in such case will be limited to actual damages.

You agree that we shall not be liable for any costs, fees, losses or damages of any kind incurred as a result of any charges imposed by any provider of accounts of fund transfers or any funds transfer limitations set by the financial institutions or other providers of the accounts.

1.17 Limitation of Warranty and Liability. You understand and agree that the service is provided “as-is.” Except as otherwise provided in this agreement or as required by law, we assume no responsibility for the timeliness, deletion, mis-delivery or failure to store any user communications. You understand and expressly agree that use of the service is at your sole risk, that any materials and/or data downloaded or otherwise obtained through the use of the service is downloaded or obtained at your own discretion and risk and that you will be solely responsible for any damages, including without limitation damage to your computer system or loss of data that results from the download or the obtaining of such material and/or data. Except as expressly set forth on the BitGo website or in this agreement, we disclaim all warranties of any kind, express or implied, including without limitation any warranty of merchantability, fitness for a particular purpose or non-infringement of intellectual property or third party rights, and we make no warranty or representation regarding the results that may be obtained from the use of the service, the accuracy or reliability of any information obtained through the service, the accuracy of any information retrieved by us from the accounts or that the service will meet any user’s requirements, be uninterrupted, timely, secure or error free. We will not be liable for any direct, indirect, incidental, special, consequential or punitive damages of any kind resulting from the use or the inability to use the service, any inaccuracy of any information or amount retrieved by us from the accounts, any breach of security caused by a third party,

any transactions entered into based on the service, any loss of, unauthorized access to or alteration of a user's transmissions or data or for the cost of procurement of substitute goods and services, including but not limited to damages for loss of profits, use, data or other intangibles, even if we had been advised of the possibility of such damages.

1.18 Agreement Changes. We may in our discretion change these ACH Transfer Terms at any time without notice to you. If any change is found to be invalid, void, or for any reason unenforceable, that change is severable and does not affect the validity and enforceability of any other changes or the remainder of these ACH Transfer Terms. We reserve the right to subcontract any of our rights or obligations under these ACH Transfer Terms.

YOUR CONTINUED USE OF YOUR BANK ACCOUNT AS A METHOD OF MAKING ANY TRANSFER TO OR RECEIVING ANY TRANSFER FROM BITGO (INCLUDING ANY RECURRING TRANSFER) AFTER WE CHANGE THESE ACH TRANSFER TERMS OR ANY OF THE OTHER TERMS INCORPORATED IN THESE ACH TRANSFER TERMS CONSTITUTES YOUR ACCEPTANCE OF THESE CHANGES.

1.19 Communications. If you have registered for this service and wish to withdraw your consent, you must cancel any pending transfer requests and contact our Trust Operations Department at [TrustOperations@bitgo.com](mailto:TrustOperations@bitgo.com).

In the event of suspension, you may request reinstatement of the service by contacting our [name] Department at [TrustOperations@bitgo.com](mailto:TrustOperations@bitgo.com). We reserve the right, in our sole discretion, to grant or deny reinstatement of the service.

**EXHIBIT D**

*Omnibus Nominee Trust Agreement*

## OMNIBUS NOMINEE AGREEMENT

THIS OMNIBUS NOMINEE AGREEMENT (this “Nominee Agreement”), dated as of [DATE], is entered into by and between BitGo Trust Company, Inc. (the “Nominee”) and the undersigned (the “Beneficial Owner”).

### RECITALS

WHEREAS, the Beneficial Owner has invested and/or intends to invest in one or more exempt securities offerings pursuant to which the Beneficial Owner may acquire securities (each, a “Security” and as each such Security is described from time to time on Exhibit A hereto, the “Property”);

WHEREAS, the Property is, or upon issuance will be, 100% beneficially owned by the Beneficial Owner;

WHEREAS, the title holder of the Property will be one or more trusts established by and maintained by Nominee for the purposes of safeguarding the Property and providing for efficiencies with respect to tax reporting, distributions and estate planning purposes related to such Property;

WHEREAS, Beneficial Owner wishes to engage Nominee as its limited agent to safeguard and provide certain limited services with respect to the Property held in trust; and

WHEREAS, the Beneficial Owner and the Nominee wish to establish a nominee relationship upon the terms and conditions, and for the limited purposes, set forth in this Nominee Agreement.

### AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants contained in this Nominee Agreement, the parties agree as follows:

1. Appointment. The Beneficial Owner hereby appoints the Nominee to act as nominee for the Beneficial Owner, to serve in such capacity until the appointment and authority conferred shall be revoked, for the limited purpose of causing to be held, and holding, in the name of the Nominee alone, title to the Property beneficially owned by the Beneficial Owner and acquired by the Nominee for the benefit of Beneficial Owner or otherwise conveyed to the Nominee pursuant to this Nominee Agreement in accordance with the directions of the Beneficial Owner, with power and authority limited to registering and holding the Property in the Nominee name, and otherwise acting with respect to the Property in accordance with the instructions of the Beneficial Owner, as provided in this Nominee Agreement or as may be given by the Beneficial Owner from time to time. In the context of investments made on or after the date hereof, the Beneficial Owner hereby directs the Nominee to acquire, on behalf of the Beneficial Owner, any Security that the Beneficial Owner subscribes for directly from the issuer thereof in the name of

the Nominee. The Beneficial Owner acknowledges and agrees that it shall pay the aggregate subscription amount due in respect of any such Security at the time and in the manner contemplated in the related subscription agreement, and that the Nominee will have no obligation to make any payments on behalf of the Beneficial Owner in respect of its acquisition of any Security. The Beneficial Owner acknowledges and agrees that the issuer of a Security may have the right to reject the Beneficial Owner's subscription for any given Security, and that the Nominee will have no liability for the failure of any Security to be issued pursuant to any subscription entered into by the Beneficial Owner, and the Beneficial Owner waives, to the fullest extent permitted by law, any claims of any kind it may have against the Nominee for executing any documents on behalf of, or for the benefit of the Beneficial Owner pursuant to this Agreement and agrees that the Nominee will have no liability (whether direct or indirect) to the Beneficial Owner in respect of any claim or to any person asserting a claim on behalf of or in right of the Beneficial Owner.

2. Acceptance. The Nominee hereby accepts the appointment described in Paragraph 1 above, upon the terms and conditions set forth in this Nominee Agreement and will always faithfully and promptly carry out and observe the instructions of the Beneficial Owner regarding the acquisition, holding of title to or otherwise acting with respect to the Property of the Beneficial Owner transferred to the Nominee hereunder and with respect to the Property. The Nominee acknowledges that it shall have no right or authority to act with respect to the Property, except upon the instructions of the Beneficial Owner.

3. Revocation. The Beneficial Owner may, at any time, in their absolute discretion, terminate this Nominee Agreement in whole or in part; provided, however, that no such termination will be effective with respect to any Property the transfer of which is restricted by contract, law, edict or otherwise ("Restricted Property") unless consented to by the issuer thereof (including by blanket consent). To be effective, any such termination shall be in writing, signed by the Beneficial Owner and delivered to the Nominee in accordance with the provisions of Paragraph 13 hereof with instructions for the return of the Property to the Beneficial Owner or their designee without consideration.

4. Custody of Property. Throughout the term of this Nominee Agreement, the Property will be held in the custody of the Nominee and the Nominee will take all actions reasonably necessary to assure the safekeeping of such Property. In taking any action with respect to the Property, the Nominee shall be acting solely as the agent and nominee of the Beneficial Owner. Property shall include any funds, securities, or other assets acquired through the benefit of holding the Securities (including by conversion of any convertible, exchangeable or redeemable Security (collectively "Convertible Instruments"))).

5. No Beneficial Interest. The Nominee's sole function during the term of this Nominee Agreement shall be to hold nominal legal title to the Property for the benefit of the Beneficial Owner under and subject to the Beneficial Owner's instructions. If third parties may require that they be furnished with documents executed by the Nominee as such holder of legal title to the Property, the Beneficial Owner shall prepare such documents, and the Nominee shall execute such documents in accordance with the Beneficial Owner's instructions. The Nominee shall have no discretionary authority to exercise any control over the Property, except as set forth herein, it being expressly understood that the Nominee shall have no real interest in the Property,

except to perform ministerial tasks at the instructions of the Beneficial Owner. The Nominee acknowledges that the Beneficial Owner is, and during the entire term of this Nominee Agreement shall remain, the true and actual owner of the Property. The Nominee and the Beneficial Owner hereby acknowledge and agree that, with respect to the Property, the Beneficial Owner will have the rights of an entitlement holder under Article 8 of the Uniform Commercial Code as in effect in the State of South Dakota. Neither the Nominee nor any officer, director, employee, or shareholder of the Nominee will have or claim any beneficial interest whatsoever in the Property nor any right to vote on matters that relate to the Property. Further, the Nominee will not hold itself out as having, or represent to any person that it has, any beneficial interest whatsoever in the Property. Notwithstanding the foregoing, with respect to Property that consists of shares of stock of a domestic or foreign corporation or other entity, the Nominee may, if so, instructed by the Beneficial Owner, register such shares on the books of the issuing entity in the Nominee's name alone, without indication of any nominee or other fiduciary capacity.

6. Instructions From the Beneficial Owner. Pursuant to the written (including electronic form) instructions of the Beneficial Owner, the Nominee will promptly execute and deliver all contracts, consents, assignments, powers of attorney, resolutions, proxies, waivers, disclaimers, and other instruments, general or specific, affecting or relating to the Property; provided, however, that the Beneficial Owner hereby provides standing instructions to the Nominee to consent to the conversion of any Convertible Instrument provided, further, and for the avoidance of doubt, while the Nominee shall consent to any other instrument that requires consent for conversion thereof it shall not do so without written instructions from the Beneficial Owner if such conversion consent is tied to an amendment or change in terms to the Convertible Instrument. Immediately upon receipt by the Nominee, the Nominee will transmit all funds received with respect to the Property to the Beneficial Owner, together with an accounting therefor, and will deliver to the Beneficial Owner all correspondence, notices, invoices, proxies, certificates, and other documents received with respect to the Property.

7. Signatures Required. The signature of the Beneficial Owner, as contemplated in this Nominee Agreement will be sufficient to bind the Nominee for all purposes of this Nominee Agreement, including, without limitation, the sale, assignment, pledge, hypothecation, or other transfer, encumbrance, or disposition of the Property.

8. Indemnification. The Beneficial Owner will, at all times, hold harmless and indemnify the Nominee and each of the officers, directors, attorneys, and employees of the Nominee from and against any and all costs, expenses, damages, claims, demands, and liabilities of every kind of character that relate to the Property and may arise out of this Nominee Agreement or the performance of the duties imposed by this Nominee Agreement, or that may be incurred with respect to the Property or with respect to any acts or omissions directed by the Beneficial Owner; provided, however, that the foregoing indemnification will not apply to costs, expenses, damages, claims, demands, and liabilities that may arise or be imposed upon the Nominee or any officer, director, attorney or employee of the Nominee by reason of that person's intentional misconduct or gross negligence.

9. Binding Effect. This Nominee Agreement will inure to the benefit of and bind the parties and their respective successors and assigns.

10. Counterparts. This Nominee Agreement may be signed in any number of counterparts, each of which shall be an original and all of which together shall constitute one instrument. This Nominee Agreement may be executed by signatures, electronically or otherwise, delivered by email, and a copy hereof that is properly executed and delivered by a party will be binding upon that party to the same extent as an original executed version hereof.

11. Governing Law. This Nominee Agreement shall be construed in accordance with and governed by the laws of the State of South Dakota. Any dispute concerning the terms or enforceability of this Nominee Agreement shall be brought in a court subject to the jurisdiction of the State of South Dakota.

12. Notices. All notices demands, consents, elections, offers, requests or other communications (collectively, a “notice”) required or permitted hereunder shall be in writing and shall be deemed effective upon delivery as follows: (a) if to the Beneficial Owner, when sent via email to the email address below or otherwise on record for the Beneficial Owner and (b) if to Nominee, when sent via email to [legal@bitgo.com](mailto:legal@bitgo.com). Any such notice, in either case, must specifically reference that it is a notice given under this Nominee Agreement.

13. Termination. This Nominee Agreement may be terminated by (i) the Nominee at any time by providing the Beneficial Owner with not less than ten days advance written notice and (ii) the Beneficial Owner if the Nominee is in material breach of this Nominee Agreement or with respect to any registered Property, by providing the Nominee with not less than ten days advance written notice. Upon termination, the Nominee will execute all documents reasonably necessary to resign as Nominee and to transfer legal title ownership of the Property to the Beneficial Owner or their designee provided, however, any Restricted Property will be transferred to a qualified successor to the Nominee, as determined in the Nominee’s reasonable discretion unless allowed by Paragraph 3 of this Nominee Agreement.

IN WITNESS WHEREOF, the Nominee and the Beneficial Owner have adopted this Nominee Agreement to be effective as of the date first written above.

**BENEFICIAL OWNER**

**BITGO TRUST COMPANY, INC.**

Signature:

Signature:

Name:

Name:

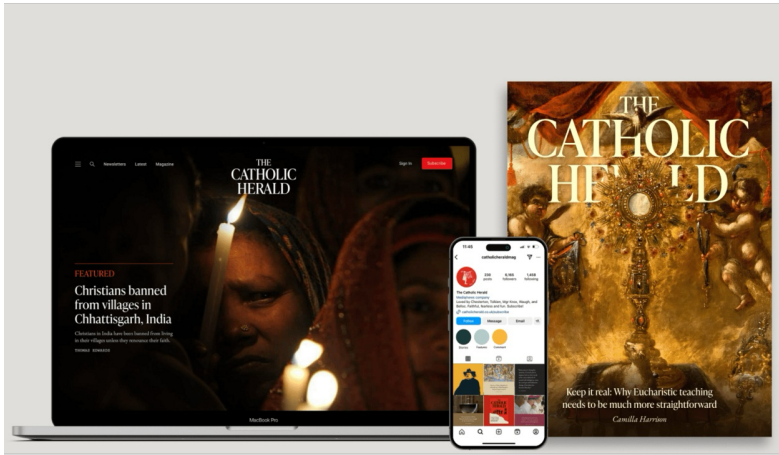
Title:

Title:

Email for Notices:

## **EXHIBIT E**

*Testing the Waters Communications*



Tags B2C, Creator Economy, Social Justice, Wellbeing & Longevity, News & Journalism, Publishing & Literature, Companies  
Summary

- Founded in 1888, among world's oldest remaining Faith media outlets
- Under new ownership with offices in New York City, expanding in U.S
- Work underway to position for sustainable success in modern media space
- Extensive digital upgrades underway - Content, payroll, analytics
- Targeting +50mn U.S. Catholics & +1bn globally
- Raising new capital from committed Catholics to fund this expansion effort

Opportunity

**Our mission**

The Catholic Herald, one of the world's oldest Christian magazines, is **primed for global expansion and a full digital transition**.

Under new ownership with **offices in New York City, we are raising new capital from committed Catholics** and supporters of faith-based, traditional content to fund our expansion efforts. Help us grow by owning a piece of our future.

We are **building a trusted, digital-first hub for Catholic news**, commentary, and opinion through video, podcasts, long-form journalism, and other engaging formats.

With **135 years of history**, a global faith audience, and a need for reliable media in today's fragmented landscape, we see strong growth potential in faith-based media.

CURRENT ISSUE

DECEMBER 2024/JANUARY 2025



AMERICA'S FRESH START

This January sees the inauguration of Donald Trump as President of the United States for the second time. Although it

FEATURES

**Light in the darkness**

A safe house helping victims of trafficking and exploitation

COLUMNS

Fasting and feasting: the vocation to both

GAVIN ASHENDEN



should be an occasion for Americans to unite under a new presidency, the truth is likely to be bleaker. The US was profoundly divided by the election and is unlikely to be any more unified under President Trump, at least in the short term. It would be pleasant if the inauguration sees him seeking to bring the nation together and to heal some of its divisions. Nonetheless, many Americans will feel a renewed sense of optimism at this fresh start.

THE CATHOLIC HERALD

SIMON CALDWELL

### Return of the Donald

US-Vatican relations: what happens now?

JOHN ALLEN

### A new chapter for Notre-Dame-de-Paris

Victor Hugo's novel, and a modern manuscript

SERENHEDD JAMES

The intrusion of eternity into time

KEN CRAYCRAFT

### The whole Twelve Days

NIALL GOOCH

### A Child's Christmas

OLESKA HAMILTON

Traction

#### 135 Years of Tradition: Poised for Global Growth

The Catholic Herald has a strong legacy audience and solid digital foundation to grow from:

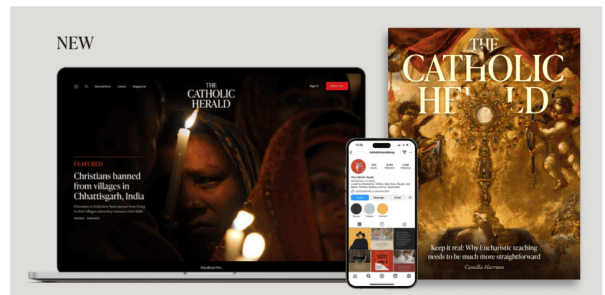
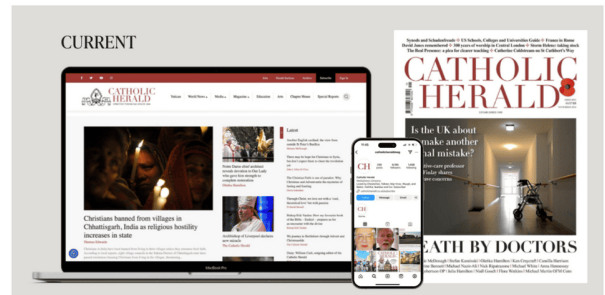
- +300,000 monthly website views
- +35,000 newsletter subscribers
- 100,000 Twitter/X followers
- ~\$850,000 revenue in 2022 & 2023

## Maintain Legacy, Capture Growth

Building on 135 years of tradition and legacy, our plans include:

- **U.S. and Global Expansion** – Target Catholics worldwide with a faith-based perspective on contemporary events
- **Modernize Brand and Content** – Move to a digital-first business model, update brand (images of digital rebrand underway, completion Q1 2025)

CATHOLIC HERALD



Actively working to grow our distribution channels through Colleges and Catholic communities in The United States, Latin America, and other global markets with discussions underway with publishers, faith-based investors and others.

Business Model

#### Streamline legacy costs, invest in digital growth

Since 2023, new ownership had focused on:

- Streamlining print operations and **reducing legacy costs**
- **Upgrading digital capabilities**, including content, paywall, and analytics
- **Expanding US focus**, modernizing content to appeal to broader and younger faith readership

## Business Growth Strategy: Lean, Digital-First

### Current Priorities (December 2024)

- Streamlining print operations, reducing legacy costs
- Upgrading digital capabilities - content, paywall, analytics
- Expanding U.S. focus, sourcing global licensing partners

### Growth Projections (2025-2027)

- **2025:** Enhanced digital upgrades complete, strong U.S. market growth
- **2026:** Global content licensing, open new revenue streams via archive content



October 16, 2024  
Trump opts for 'New Normal' and 'Mental Health' during medical emergencies at rally  
The Catholic Herald



October 15, 2024  
University of Notre Dame wants to help over AI use toward faith-based ethics  
John Larmann / 'Crisis'



October 14, 2024  
New York's largest Catholic university cancels Columbus Day  
The Catholic Herald

- 2027: Projected \$4mn revenue, with at least 70% from digital and global markets, archive content

Leadership

Catholic Herald - Board Of Directors - December 2024



Christopher Brown, Chairman      Sean Hehir      Peter De Svastich      Sir Rocco Forte      Daniel Keegan

The Catholic Herald's senior leadership team includes:

Business Leadership

Chris Brown: Chairman of The Catholic Herald & Founder of GEM Group


Mark Ackermann: CEO of The Catholic Herald with 40+ years of management experience in prominent Catholic organizations


Editorial Leadership

Serenhedd James: Editor-in-Chief

Andy Leisinger: Chief Operating Officer

Team

 Jack Hennessy    Director of Growth & Investor Engagement

 Mark Ackermann CEO

Perks  
FAQ

**EXHIBIT F**

*Issuer's First Amended and Restated Operating Agreement, dated April 1, 2025*

**FIRST AMENDED AND RESTATED  
LIMITED LIABILITY COMPANY AGREEMENT  
OF  
THE CATHOLIC HERALD USA LLC  
A DELAWARE LIMITED LIABILITY COMPANY**

This First Amended and Limited Liability Company Agreement (this “**Agreement**” or the “**Operating Agreement**”) of THE CATHOLIC HERALD USA LLC, a Delaware limited liability company (the “**Company**”), is entered into as of April 1, 2025, by and among the Company, and Christopher Francis Brown, and any other Person who, after the date hereof, becomes a Member in accordance with the terms of this Agreement (collectively, the “**Members**”). Unless otherwise noted or defined elsewhere in this Agreement, capitalized terms used in this Agreement have the meanings ascribed herein, as more fully set forth below. This Agreement amends and restates in its entirety that Limited Liability Company Agreement of the Company dated on or about November 8, 2024 (the “**Prior Agreement**”).

For and in consideration of the mutual convenience herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Members executing this Agreement, made pursuant to Title 6 of the Delaware Code Chapter 18, Limited Liability Act, as amended from time to time (the “**Act**”) do hereby agree to the terms and conditions of this Agreement.

THE INTERESTS REFERRED TO HEREIN (“**INTERESTS**”) HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**1933 ACT**”). SUCH INTERESTS ARE BEING OFFERED AND SOLD UNDER THE EXEMPTION PROVIDED BY SECTION 4(a)(2) OF THE 1933 ACT AND/OR PURSUANT TO RULE 506 THEREUNDER AND/OR PURSUANT TO REGULATIONS UNDER THE 1933 ACT.

A PURCHASER OF ANY INTEREST MUST BE PREPARED TO BEAR THE ECONOMIC RISK OF THE INVESTMENT FOR AN INDEFINITE PERIOD OF TIME BECAUSE THE INTERESTS HAVE NOT BEEN REGISTERED UNDER THE 1933 ACT AND, THEREFORE, CANNOT BE SOLD UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE. THERE IS NO OBLIGATION OF THE ISSUER TO REGISTER THE INTERESTS UNDER THE 1933 ACT.

THE LIMITED LIABILITY COMPANY OPERATING AGREEMENT PROVIDES FOR FURTHER RESTRICTIONS ON TRANSFER OF THE INTERESTS. ACCORDINGLY, PURCHASE OF THE INTERESTS IS ONLY SUITABLE FOR INVESTORS WILLING AND ABLE TO ACCEPT THE ECONOMIC RISK OF THE INVESTMENT AND LACK OF LIQUIDITY.

## **ARTICLE I**

### **Definitions**

#### SECTION 1.1.

For purposes of this Operating Agreement, and unless the context indicates otherwise, the word or words set forth below and in other provisions hereof within quotation marks shall be deemed to have the meaning set forth below or in such provision (or as such term is defined in this Agreement):

- A. "Additional Member" - A Member, other than an Initial Member, who has acquired a Membership Interest from the Company.
- B. "Articles" - The formation documents and Certificates filed with the Secretary of State of Delaware.
- C. "Assignee" - The transferee of a Member's Membership Rights.
- D. "Admission Agreement" - The Agreement between an Additional Member and the Company as described in this Agreement.
- E. "Bankrupt Member"- A Member who has filed a petition commencing a voluntary case under the Bankruptcy Code; a general assignment by a Member for the benefit of creditors; an admission in writing by a Member of his or her inability to pay his or her debts as they become due, the filing by a Member of any petition or answer in any proceeding seeking for himself or herself, or consenting to, or acquiescing in, any insolvency, receivership, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law, or regulation, or the filing by a Member of an answer or other pleading admitting or failing to deny, or to contest, the material allegations of the petition filed against him or her in any such proceeding; the seeking or consenting to, or acquiescence by a Member in, the appointment of any trustee, receiver or liquidator of him or her, or any part of his or case under the Bankruptcy Code, or a proceeding under any receivership, composition, readjustment, liquidation, insolvency, dissolution, or like law or statute, which case or proceeding is not dismissed or vacated within 60 days.
- F. "Certificate" - The Certificate of Formation as properly adopted and amended from time to time by the Members and other documents filed with the Secretary of State of Delaware.
- G. "Dissolution" - Those events of dissolution set forth herein and (1) In the case of a Member who is acting as a Member by virtue of being a trustee of a trust, the termination of the trust (but not merely the substitution of a new trustee); (2) in the case of a Member that is a partnership, the dissolution and commencement of winding up of the partnership; (3) in the case of a Member that is a corporation, the filing of a Certificate of Dissolution, or its equivalent, for the corporation or its equivalent, for the limited liability Company, or the involuntary dissolution by a non-appealable order of a court; or (4) in the case of an estate, the distribution by the fiduciary of the estate's entire Membership Interest.
- H. "Initial Members" - Those persons identified on Schedule A attached hereto and made a part hereof by this reference who have executed this Agreement.

- I. "Member" - Each of the persons signatory hereto either by signing this Agreement or agreeing to be obligated by the terms of this Agreement and any other person or persons who may subsequently be designated as a Member of this Company pursuant to the terms of this Agreement. The member's capital contribution ("Capital Contribution") is noted on the attached Schedule "A".
- J. "Membership Interest" - The share of profits and losses, gains, deductions, credits, cash, assets, and other distributions (liquidations and otherwise) and allocations of a Member or, in the case of an Assignee, the rights of the assigning Member.
- K. "Membership Rights" - The rights of a Member which are comprised of a Member's (I) Membership Interest. -
- L. "Person" - An individual, business entity, business trust, estate, trust, association, joint venture, government, governmental subdivision or agency or any other legal or commercial entity.
- M. "Resignation" - The decision or determination of a Member to no longer continue as a Member.
- N. "Retirement" - The withdrawal of a Member or Manager from the Company upon such times and events as are provided in this Agreement which will permit withdrawal of a Member without violating or breaching the terms of this Agreement.
- O. "Substitute Member" - An Assignee or other person who has admitted to all of the rights of membership pursuant to this Agreement, as applicable.
- P. "Transfer" means to sell, transfer, assign, gift, pledge, encumber, hypothecate, or similarly dispose of, directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, or to enter into any contract, option, or other arrangement or understanding with respect to the sale, transfer, assignment, gift, pledge, encumbrance, hypothecation, or similar disposition of, any Membership Interests or any interest (including a beneficial interest) therein. "Transfer" when used as a noun shall have a correlative meaning.

## **ARTICLE II**

### **Organization of the Company**

#### **SECTION 2.1 BUSINESS OF THE COMPANY.**

The Company may engage in any lawful business for which limited liability companies may be organized in the State of Delaware, or the laws of any jurisdiction in which the Company may do business. The Company shall have the authority and power to do all things necessary or convenient to accomplish its purpose and operate the business as described herein. The terms of this Agreement and the laws of the State of Delaware shall govern the operation of this Company.

#### **SECTION 2.2 COMPANY NAME.**

The Company name shall be as set forth above. The Members shall be Members in the Company and shall continue to do business under the name, as permitted by law, until the name of the Company or the Company shall terminate.

SECTION 2.3 PRINCIPAL and REGISTERED OFFICE.

The principal Commercial Office of the Company is in the state of New York at 9 West 57<sup>th</sup> Street, 49<sup>th</sup> Floor, New York, NY 10019, or such other place or places as the Managers may determine. The Managers will give notice to the Members promptly after any change in the location of the principal office of the Company.

The REGISTERED OFFICE is in the State of Delaware at c/o CSC, 251 Little Falls Drive, Wilmington, Delaware 19808

SECTION 2.4 REGISTERED AGENT FOR SERVICE OF PROCESS.

There must be at least one registered agent for the service of process for the Company and the registered office shall be that person and location set forth in the Certificate of Formation or Certificate as filed in the office of the Secretary of State. The Members or Managers, may, from time to time, change the registered agent or office through appropriate filings with the Secretary of State. In the event the registered agent ceases to act as such for any reason or the registered office shall change, the Members or Managers shall promptly designate a replacement registered agent or file a notice of change of address as the case may be. If the Members shall fail to designate a replacement registered agent or change of address of the registered office, any Member or Manager may designate a replacement registered agent or file a notice of change of address.

SECTION 2.5 DURATION.

The term of the Company commenced on the date and time the Certificate of Formation was filed with the Secretary of State of the State of Delaware and shall continue in existence perpetually/until the date specified in the Certificate of Formation] or until any earlier date when the Company is terminated in accordance with the provisions of this Agreement or as provided by law.

SECTION 2.6 TAX STATUS.

The Company shall be treated as a partnership for federal and Delaware tax purposes unless classified otherwise for federal income tax purposes. If otherwise classified for federal tax purposes, the Company shall be classified in the same manner for Delaware tax purposes. Capital accounts of the Company shall be maintained in accordance and consistent with United States Internal Revenue Code§ 704 and the regulations thereunder, as amended from time to time.

SECTION 2.7 FISCAL YEAR.

The fiscal and tax year for the Company shall be the calendar year ending on December 31 of each year.

## **ARTICLE III**

### **Members**

#### SECTION 3.1 NUMBER.

There shall be at least one Member. The names, mailing addresses, and Membership Interests of the Members are set out in Schedule A attached hereto (the "Members Schedule"). The Manager shall maintain and update the Members Schedule upon the issuance or Transfer of any Membership Interests to any new or existing Member in accordance with this Agreement.

#### SECTION 3.2 ORIGINAL MEMBERS.

The original Members of the Company shall be those persons who have signed this Agreement and are admitted as a Member of the Company upon the later occurrence of either (a) the formation of the Company or (b) the time provided in and upon compliance with the Certificate of Formation or this written Agreement. If neither so provides, then (c) a person is admitted as a Member when their admission is reflected in the records of the Company.

#### SECTION 3.3 ADDITIONAL MEMBERS.

Additional Members may be admitted from time to time in connection with the issuance of Membership Interests by the Company, subject to compliance with the provisions of this Agreement, including that under Section 10. In order for any Person not already a Member of the Company to be admitted as a Member, whether pursuant to an issuance or a Transfer (including any other type of transfer) of Membership Interests, such Person shall have executed and delivered to the Company a Company approved joinder agreement and, if such Person is an individual who has a spouse, an executed written undertaking substantially in the form of a spousal consent. Upon the amendment of the Members schedule by the Manager and the satisfaction of any other applicable conditions, including, if a condition, the receipt by the Company of payment for the issuance of the applicable Membership Interests, such Person shall be admitted as a Member, shall be a party hereto, shall be deemed listed as such on the books and records of the Company, and thereupon shall be issued his, her, or its Membership Interests. The Manager shall also adjust the Capital Accounts of the Members as necessary in accordance with Section 7 hereto.

#### SECTION 3.4 MEETINGS OF MEMBERS.

All meetings of the Members shall be held at such place within or without the State of Delaware as shall be designated from time to time by the Members or Managers and stated in the notice of the meeting.

(a) Meetings of the Members may be called by (i) the Manager or (ii) a Member or group of Members holding more than 25% of the Membership Interests.

(b) Written notice stating the place, date, and time of the meeting and, in the case of a meeting of the Members not regularly scheduled, describing the purposes for which the meeting is called, shall be delivered not fewer than 5 days and not more than 7 days before the date of the meeting to each Member, by or at the direction of the Manager or the Member(s) calling the meeting, as

the case may be. The Members may hold meetings at the Company's principal Commercial Office or at such other place, as the Manager or the Member(s) calling the meeting may designate in the notice for such meeting.

(c) Any Member may participate in a meeting of the Members by means of conference telephone or other communications equipment by means of which all Persons participating in the meeting hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

(d) On any matter that is to be voted on by the Members, a Member may vote in person or by proxy, and such proxy may be granted in writing, by means of electronic transmission, or as otherwise permitted by applicable law. Every proxy shall be revocable in the discretion of the Member executing it unless otherwise provided in such proxy; *provided*, that such right to revocation shall not invalidate or otherwise affect actions taken under such proxy prior to such revocation.

(e) The business to be conducted at such meeting need not be limited to the purpose described in the notice and can include other business to be conducted by the Members; provided, that the Members shall have been notified of the meeting in accordance with the terms hereunder. Attendance of a Member at any meeting shall constitute a waiver of notice of such meeting, except where a Member attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(f) A quorum of any meeting of the Members shall require the presence, whether in person or by proxy, of the Members holding 51% of the Membership Interests. Subject to the terms herein, no action may be taken by the Members unless the appropriate quorum is present at a meeting.

(g) Subject any other provision of this Agreement or the Act requiring the vote, consent, or approval of a different percentage of the Membership Interests, no action may be taken by the Members at any meeting at which a quorum is present without the affirmative vote of the Members holding 51% of the Membership Interests.

Notwithstanding the provisions herein, any matter that is to be voted on, consented to, or approved by Members may be taken without a meeting, without prior notice, and without a vote if consented to, in writing or by electronic transmission, by a Member or Members holding not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which each Member entitled to vote on the action is present and votes/all Members entitled to vote on the matter. A record shall be maintained by the Manager of each such action taken by written consent of a Member or Members.

### SECTION 3.9. QUORUM.

Except as otherwise provided by law, the Certificate of Formation or this Agreement, the holders of a majority of the interests issued, outstanding and entitled to vote thereafter, present in person or represented by proxy, shall constitute a quorum at all meetings of the Members for the transaction of business. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote present in person or represented by proxy, shall have the power to adjourn the meeting, until a quorum shall be present or represented. Such

adjourned meeting, at which a quorum shall be present or represented, shall constitute the meeting as originally notified.

#### SECTION 3.10. VOTE.

When a quorum is present at any meeting, the vote of the holders of a majority of the interests having voting power present, in person or represented by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of the Act, law or the Certificate of Formation, a different vote is required in which case such express provision shall govern and control the decision of such question.

#### SECTION 3.11. MEMBER'S VOTING RIGHTS.

Unless stated otherwise by law, the Certificate of Formation or this Agreement, each Member shall be entitled to one vote weighted in proportion to the Member's respective per capita interest in the Company as reflected in Schedule A hereto, as amended from time to time. For purposes of this Agreement, the term "majority of the Members" shall mean the majority of the ownership interest percentage of the Company as determined by the records of the Company on the date of the action.

#### SECTION 3.12. MEMBERS ONLY POWERS.

Without the written approval of 51% of the Membership Interests], the Company shall not, and shall not enter into any commitment to:

- (a) Amend, modify, or waive any provisions of the Certificate of Formation or this Agreement; provided that the Manager may, without the consent of the other Members, amend the Members Schedule following any new issuance, redemption, repurchase, or Transfer of Membership Interests in accordance with this Agreement (but may not admit new Members without proper protocol (as so noted in (b) below).
- (b) Issue additional Membership Interests, admit additional Members to the Company or other securities or, except in connection with the terms of this Agreement.
- (c) Incur any indebtedness, pledge or grant liens on any assets, or guarantee, assume, endorse, or otherwise become responsible for the obligations of any other Person, in each case in excess of \$25,000 in a single transaction or series of related transactions, or in excess of \$100,000 in the aggregate at any time outstanding.
- (d) Make any loan or advance to, or a Capital Contribution or investment in, any Person, in excess of \$100,000.
- (e) Enter into or effect any transaction or series of related transactions involving the purchase, lease, license, exchange, or other acquisition (including by merger, consolidation, sale of stock, or acquisition of assets) by the Company of any assets and/or equity interests, other than in the ordinary course of business consistent with past practice.
- (f) Enter into or effect any transaction or series of related transactions involving the sale, lease, license, exchange, or other disposition (including by merger, consolidation, sale of stock,

or sale of assets) by the Company of any assets and/or equity interests, other than sales of inventory in the ordinary course of business consistent with past practice.

- (g) Settle any lawsuit, action, dispute, or other proceeding or otherwise assume any liability with a value in excess of \$100,000 or agree to the provision of any equitable relief by the Company.
- (h) Dissolve, wind up, or liquidate the Company or initiate a bankruptcy proceeding involving the Company.

#### SECTION 3.13. MEMBER WITHDRAWAL.

Subject to the parameters herein, each Member shall be entitled to withdraw by giving at least six months prior written notice to the other Members of the Company at their respective addresses as shown on the Company's books and records. Such withdrawal shall not relieve the Member of any of its/their obligations to the Company.

#### SECTION 3.14. EVENTS OF WITHDRAWAL.

A person shall cease to be a Member of the Company upon the occurrence of any of the following events:

- a. Such person withdraws;
- b. Such person resigns;
- c. Such person becomes a Bankrupt Member;
- d. Such person dies;
- e. Such person is adjudicated incompetent to manage his or her person or property;
- f. Such person is a trustee and the trust is terminated (not merely the substitution of a new trustee); or
- g. Such person is an estate, Company, partnership or other limited liability Company that is dissolved or wound up.

#### SECTION 3.15. EXPULSION OF A MEMBER.

A Member may be expelled by unanimous vote of the other members.

### **ARTICLE IV**

#### **Management of the Company**

(Note: In Delaware, a Company may be managed by its Members; it is not necessary to elect Managers to manage the Company. If a Company chooses not to elect Managers, then the references to Managers can be deleted, as applicable)

#### SECTION 4.1. MANAGEMENT.

The business and affairs of the Company shall be managed by or under the direction of the Members pursuant to the authority granted by the law of Delaware. The Members have elected to manage the Company as follows:

- a. The management of the Company shall be vested in the Members or in Managers duly appointed as such by the Members. Except as otherwise provided in the Certificate of Formation or this Agreement, the Members have the right and authority to manage the affairs of the Company and to make all decisions with respect thereto. This right and authority includes the right to elect officers who shall manage the Company and have the power to bind the Company in all transactions, subject to contrary provisions or limitations in this Agreement.

## **ARTICLE V**

### **Managers**

#### SECTION 5.1. APPOINTED MANAGERS.

If this Agreement provides for management by appointed Managers, then such persons shall have the right and authority to manage the business and affairs of the Company subject to limitations placed in the Certificate of Formation or by written Agreement. Unless otherwise provided, such persons shall be designated, appointed, elected, removed or replaced by the approval of the majority vote of the Members.

#### SECTION 5.2. QUALIFICATION OF MANAGERS.

Managers need not be Members of the Company or natural persons. A Manager who is both a Member and a Manager has the rights and powers of both a Member and a Manager, subject to any restrictions and limitations placed in the Certificate of Formation or this written Agreement.

#### SECTION 5.3. INFORMATION TO MEMBERS.

The Managers shall provide reports at least annually to the Members at such time and in such manner as the Managers may determine reasonable. The Managers shall provide all Members with those information returns required by the Internal Revenue Code and the laws of the State of Delaware or any other state having jurisdiction over this Company.

#### SECTION 5.4. NUMBER OF MANAGERS.

The number of Managers of the Company shall be set by the Members.

#### SECTION 5.5. TERM OF MANAGERS.

Each Manager shall hold office until:

- A. The next annual meeting of Members or until his or her successor shall have been elected and qualified;
- B. the resignation of such Manager from the Company;
- C. Removal of such Manager by the Members of the Company in the manner set forth in this Agreement.

#### SECTION 5.6 DUTY OF MANAGER.

A Manager of the Company shall perform his or her duties as a Manager, including his or her duties as a member of any Committee upon which he or she may serve, in good faith and that are necessary and convenient to carry out the business and affairs of the Company, in a manner he or she reasonably believes to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. In performing his or her duties, a Manager shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by persons and groups listed in paragraphs (A), (B) and (C) of this Section. But he or she shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A person who so performs his or her duties shall not have any liability by reason of being or having been a Manager of the Company. Those persons and groups whose information, opinions, reports and statements a Manager is entitled to rely upon are:

- A. One or more employees or other agents of the Company whom the Manager reasonably believes to be reliable and competent in the matters presented;
- B. Counsel, public accountants, or other persons as to matters which the Manager reasonably believes to be within such persons' professional or expert competence; and
- C. A Committee appointed by the Managers upon which he or she does not serve, duly designated in accordance with the provision of this Agreement, as to matters within its designated authority, which Committee the Manager reasonably believes to merit confidence.

#### SECTION 5.7. RESIGNATION OF MANAGER.

Any Manager may resign at any time by giving written notice to the Company. The resignation of such Manager shall take effect upon the receipt thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance, of such resignation shall not be necessary to make it effective. When one or more Managers shall resign, effective at a future date, a majority of the Managers then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

#### SECTION 5.8. REMOVAL OF MANAGER.

Any Manager may be removed from office at any time with or without cause by the vote of Members then entitled to vote at an election of Managers.

#### SECTION 5.9. VACANCY.

Any vacancy occurring in the Managers may be filled by the affirmative vote of a majority of the remaining Managers entitled to vote though less than a quorum of the Managers. A Manager elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. Any Manager position to be filled by reason of an increase in the number of Managers may be filled by election by the Managers for a term of office continuing only until the next election of Managers by the Members.

#### SECTION 5.10. AUTHORITY OF MANAGERS.

All other Managers, if any, shall have such authority and shall perform such duties as may be specified from time to time by the Members and as noted in this Agreement.

#### SECTION 5.11. COMMITTEE OF MANAGERS.

The managers may designate two or more managers to constitute a Committee(s) ("Committee"). any of which shall have such authority in the management of the Company as the Managers shall so designate.

#### SECTION 5.12. LOANS.

No loans shall be contracted on behalf of the Company and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Managers (or a majority of the Members, as applicable). Such authority may be general or confined to specific instances.

#### SECTION 5.13. CONTRACTS.

A. No contract or transaction between the Company and one or more of its Managers, or between the Company and any other limited liability company, partnership, association, or other organization in which one or more of its Managers are Managers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the Manager is present at or participates in the meeting of the Managers, or applicable Committee thereof which authorizes the contract or transaction, or solely because their votes are counted for such purpose, if:

1. The material facts as his/her relationship or interest and as to the contract or transaction are disclosed or are known to the Managers or the Committee, and the Manager or Committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Managers, even though the disinterested Managers be less than a quorum; or
2. The material facts as to his/her relationship, interest and as to the contract or transaction are disclosed or are known to the Members entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the Members; or
3. The contract or transaction is fair for the Company as of the time it is authorized, approved or ratified, by the Managers, a Committee thereof, or the Members.

B. Common or interested Managers may be counted in determining the presence of a quorum at a meeting of the Managers or a Committee which authorizes the contract or transaction.

#### SECTION 5.14. MANAGERS MEETINGS.

The Managers of the Company may hold meetings, both regular and special, either within or without the State of Delaware.

#### SECTION 5.15. ANNUAL MEETING OF MANAGERS.

Annual meetings of newly elected Manager(s) shall be held after the meeting of Members. and notice of such meeting shall not be necessary to the newly elected Managers in order to hold a valid meeting, so long as a quorum shall be present. In the event of the failure of the Members to

fix the time or place of such first meeting of the newly elected Managers, or in the event such meeting is not held at the time and place so fixed by the Members, the meeting may be held at such time and place as shall be specified in a notice given as provided for in this Agreement, or as shall be specified in a written waiver signed by all of the Managers.

#### SECTION 5.16. MANAGERS MEETINGS.

Regular meetings of the Managers may be held within or without the state of Delaware with at least five (5) days' notice or any such meeting given by the Manager or Members calling the meeting, unless it is a regularly scheduled meeting. Such meeting shall be held with either written or in- person notice, unless oral notice is reasonable under the circumstances. Written notice shall be sufficient when given by telephone, telegraph, teletype or other form of wireless communication, or by mail or private carrier. If such forms of written notice are impracticable, notice may be communicated by a newspaper of general circulation in the area where published or by radio, television. or other form of broadcast communication.

#### SECTION 5.17. QUORUM AND VOTE AT MANAGERS MEETINGS.

At all meetings of the Managers, a majority of the Managers shall constitute a quorum for the transaction of business. However, in order for a Manager to vote, such Manager must also be a Member of the Company. If a quorum shall not be present at any meeting of the Managers, the Managers present thereafter may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Each Manager shall have one vote, unless otherwise provided in this Agreement.

#### SECTION 5.18. DELEGATION OF MANAGER DUTIES.

The Members may from time to time delegate the powers or duties of any Manager of the Company, in the event of his absence or failure to act otherwise to any other Manager or Member or Person whom they may select.

#### SECTION 5.19. COMPENSATION OF MANAGER.

The compensation of each manager shall be such as the Members may from time to time determine. The Managers may be paid their expenses, if any, of attendance at each meeting of the Managers and may be paid a fixed sum for attendance at each meeting of the Managers or a stated salary as Manager. No such payment shall preclude any Manager from serving the Company in any other capacity and receiving compensation therefrom. Members of special or standing Committees may be allowed like compensation for attending Committee meetings.

### **ARTICLE VI** **Officers**

#### SECTION 6.1. OFFICERS AND RELATED PROVISIONS.

In the event the Members elect to manage the Company directly without appointing a Manager, the Members shall elect and appoint officers for the Company who shall act in the name of, or under the direction and management of the Members pursuant to this written Agreement. In the

event that Managers manage the Company, the Managers shall elect and appoint officers. The officers of the Company shall include a President, one or more Vice Presidents (the number shall be determined by the Members or Managers), a Secretary and a Treasurer, each of whom shall be elected and appointed by the Members or Managers. Any two or more offices of the Company may be held by the same person.

#### SECTION 6.2. ELECTION AND TERM OF OFFICE.

The officers of the Company shall be elected by a majority vote of the Members or Managers annually at the first meeting of the Members or as soon thereafter as is convenient, or by the Managers, as the case may be under this Agreement. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or resignation or removal in the manner hereinafter provided. Such appointment to a position as officer of the Company does not, in and of itself, create contract rights on the part of the officer of the Company.

#### SECTION 6.3 REMOVAL OF OFFICERS.

Any officer or agent appointed by the Members may be removed by the Members whenever, in their judgment, the best interest of the Company would be served thereby, but such removal shall be without the contract rights, if any, of the person or entity so removed. Any officer or agent appointed by Managers may be removed by the Managers.

#### SECTION 6.4. VACANCIES.

A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Members or Managers for the unexpired portion of the term and until the successor shall have been chosen and qualified.

#### SECTION 6.5. THE PRESIDENT.

The President shall be the principal executive officer of the Company and, subject to the control of the Members or Manager, shall in general supervise and control all the business and affairs of the Company. He shall preside at all meetings of the Members or Managers. He may sign, with the Secretary or any other proper officer of the Company thereunto authorized by the Members or Managers, any deed, mortgages, bonds, contracts, or other instruments which the Members or Managers have authorized to be executed, except in cases where the execution thereof shall be expressly delegated by the Members or by this written Agreement to some other officer or agent of the Company, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Members or Managers from time to time.

#### SECTION 6.6 THE VICE PRESIDENT.

In the absence of the President or in the event of his death, inability or refusal to act, the Vice President (or in the event there be more than one vice president, the vice presidents in the order designated at the time of their election) shall perform the duties of the President. When so acting, such vice president shall have all the powers of and be subject to any and all restrictions placed

upon the President. Any vice president shall perform such other duties as from time to time may be assigned by the President or by the Members or Managers.

#### SECTION 6.7. THE SECRETARY.

The Secretary shall: (a) keep the minutes of the Members' and Managers' meetings in one or more books provided for that purpose; (b) see that all notices are fully given in accordance with the provisions of this Agreement or as required by law; (c) be a custodian of the records of the Company; (d) keep a register of the post office address of each Member which shall be furnished to the Secretary by each Member; (e) certify the Members' resolutions and other documents of the Company as true and correct; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Members or Managers, as the case may be.

#### SECTION 6.8. THE TREASURER.

The Treasurer shall be the chief financial officer of the Company and shall have charge and custody of and be responsible for all funds and securities of the Company and shall keep regular books of all receipts and disbursements of the Company, and in general shall perform such other duties as may be assigned to him by the President or by the Members or Managers. The Treasurer shall disburse out of the funds of the Company payment of such just demands against the Company as may from time to time be authorized by the Members or Managers. The Treasurer shall sign or countersign all checks, notes and such other instruments or obligations as require his signature, and shall perform all duties incident to his office, or that are properly required of him by the President or Members or Managers, provided however, that by resolution of authority and responsibility for the signing of check, notes, and other obligations may be assigned to either the President or Treasurer or other such officer or officers as the Members or Managers may designate from time to time.

#### SECTION 6.9. COMPENSATION.

The salaries of the principal officers shall be fixed from time to time by the Members or Managers. No officer shall be prevented from receiving his salary by reason of the fact that he is also a Member or Manager of the Company.

#### SECTION 6.10. INDEMNIFICATION OF MEMBERS, MANAGERS AND OFFICERS, AGENTS AND EMPLOYEES.

A Member, Manager, or Officer, agent, employee or former Member, Manager, Officer or other person acting on behalf of the Company (the "Indemnified Party") shall have no liability to the Company or to any other Member, Manager, or Officer for his or her good faith reliance on the provision of this Agreement including, without any limitation, provisions that relate to the scope of duties, including the fiduciary duties, of Members, Managers, and Officers. Subject to such standards and restrictions as set forth in the Certificate of Formation and this Agreement, the Company shall indemnify any and all its Members, Managers, Officers, or any persons, or such persons testate or intestate, who may have served at its request, or by its election or by its

appointment as a Member, Manager, or Officer, against expenses, including attorney's fees, actually and necessarily incurred by them in connection with the defense or settlement of any action, suit, or proceeding in which they, or any of them, are made parties, or a party, by reason of being or having been Members, Managers, or Officers of the Company, except in relation to matters as to which any such Member, Manager, or Officer, either current or former, or personal shall be adjudged in such action, suit or proceeding to be liable for willful misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability as set forth therein, and may advance such expenses, all in accord with the laws of Delaware and the Act. The indemnification provided hereby shall not be deemed exclusive under any agreement or otherwise, as both to action in his official capacity and as to action in another capacity while holding such office. The Company may purchase and maintain insurance on behalf of any Member, Manager, Officer against any liability asserted against and incurred by them to the extent the Company would have the power to indemnify them against such liability under the provision of this Agreement and the laws of Delaware. Notwithstanding a written agreement to the contrary, no Member shall be personally liable to the Company or any other Member for damages of any breach of duty in such capacity, provided that such liability shall be limited and shall not apply (and aptly the Member will be solely liable) if a judgment or other final adjudication adverse to such Member establishes that their acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law or that he personally gained, in fact, a financial profit or other advantage to which he was not legally entitled or that his acts violated Delaware law regarding indemnification, or is for any act which is an intentional violation of criminal law.

## **ARTICLE VII**

### **Capital**

#### SECTION 7.1 CAPITAL CONTRIBUTIONS.

The Members have contributed to the Company in exchange for their membership interests the cash, services and other property as set forth on Schedule A, annexed hereto (also the "Capital Contribution"). The Membership Interests shall be designated by units ("Units"). The Company is authorized to issue up to 10,000,000 Units; provided, however, that the number of Units shall automatically increase without the consent or approval of any other Member as necessary to reflect the issuance of Membership Units otherwise in accordance with this Agreement.

#### SECTION 7.2 ADDITIONAL CAPITAL CONTRIBUTIONS.

Except as expressly provided in this Agreement, no Member shall be required to make any additional contributions to the capital of the Company.

#### SECTION 7.3 NO INTEREST.

No interest shall be paid on the Capital Account of any Member.

#### SECTION 7.4 CAPITAL ACCOUNTS.

An individual capital account shall be established and maintained for each Member of the Company ("Capital Account"). The Capital Account of each Member shall consist of his or her original Capital Contribution, increased by (a) additional capital contributions made by him or her, and (b) his or her share of the Company's gains and profits, and decreased by (i) distributions of such profits and capital to him or her, and (ii) his or her share of Company losses.

#### SECTION 7.5 OBLIGATION OF MEMBER.

Each Member is obligated to the Company to perform any promise contained in this Agreement to contribute cash or property or perform services, even if he or she is unable to perform because of death, disability, or any other reason. The obligation of a Member to make a contribution the Company may be compromised only by a written consent signed by all the Members of the Company.

#### SECTION 7.6 NO WITHDRAWAL OF CAPITAL CONTRIBUTION.

No Member shall have the right to withdraw or be repaid any cash or property contributed to the Company and as set forth on Schedule A attached hereto, except as provided in this Agreement.

#### SECTION 7.7 ADDITIONAL MEMBER CAPITAL CONTRIBUTION.

Each Additional Member shall make the applicable contribution and shall perform the obligations described in the Admission Agreement entered into between the Additional Member and the Company and which shall adjust Schedule A hereto in accordance with the terms of such Admission Agreement.

### **ARTICLE VIII Distributions to Members**

#### SECTION 8.1. DISTRIBUTIONS TO MEMBERS.

The Company shall make distributions to the Members of the Company, from time to time, except that no distribution may be made which would not be in accordance with the law or if, after such distribution, the Company would not be able to pay its debts as they become due in the usual course of business, or the Company's assets would be less than the sum of its total liabilities (except liabilities to Members), unless otherwise stated in the Articles. For purposes of this Agreement, distributions shall be allocated among the Members in proportion to each Member's total Capital Contribution on the last day of each calendar month during the year, to the total Capital Contributed by all Members pursuant to this Agreement, without regard to the number of days during such month in which the person was a Member.

#### SECTION 8.2 DISTRIBUTIONS ON DISPOSITION OF ASSETS.

In addition to the distributions pursuant to Section 8.1 of this Agreement, upon any sale, transfer, or other disposition of any capital asset of the Company (hereinafter referred to a "Disposition"), the proceeds of such Disposition shall first be applied to the payment or repayment of any selling or other expenses incurred in connection with the Disposition and to the payment of any indebtedness secured by the asset subject to the Disposition immediately prior thereto. All proceeds remaining thereafter (the "Net Proceeds") shall be retained by the Company or to be

distributed, at such time or times as shall be determined by the Managers, to the Members in proportion to their respective percentages of Membership Interest; provided however that for purposes of Sections 702 and 704 of the Internal Revenue Code of 1986, or the corresponding provisions of any future federal internal revenue law, or any similar tax law of any state or jurisdiction, that each Member's distributive share of all items of income, gain, loss, deduction, credit, or allowance in respect of any such Disposition shall be made and based upon such Member's basis in such capital asset.

#### SECTION 8.3. DISTRIBUTION TO RESIGNED MEMBER.

Upon resignation of a Member, a resigning Member is entitled to receive only the distributions to which they are entitled under this Agreement (accrued to the date of said resignation).

#### SECTION 8.4 DISTRIBUTION IN KIND.

A Member, regardless of the nature of his or her contribution, has no right to demand and receive any distribution from the Company in any form other than cash. However, a Member shall be required and compelled to accept the distribution of any asset in kind from the Company, as determined from time to time by the Managers, in accordance with this Agreement, whether the

percentage of the asset distributed to him or her exceeds the percentage of that asset which is equal to that Member's Membership Interest in the Company.

### **ARTICLE IX Profits and Losses**

#### SECTION 9.1. PROFIT AND LOSSES DEFINED.

The "Net Profits and Net Losses" of the Company shall be the net profits and net losses of the Company as determined for Federal income tax purposes.

#### SECTION 9.2. DISTRIBUTION OF PROFITS AND LOSSES.

The Net Profits and Net Losses of the Company and each item of income, gain, loss, deduction or credit entering into the computation thereof, shall be allocated to the Members in the same proportions that they share in distributions as set forth in this Agreement. A member shall not be compelled to accept a distribution of any asset in kind to the extent that the percentage of the asset distributed to the member exceeds the Member's Membership Interest percent.

#### SECTION 9.3. MEMBER'S DISTRIBUTIVE SHARE.

For purposes of Sections 702 and 704 of the Internal Revenue Code of 1986, or the corresponding provisions of any future federal internal revenue law, or any similar tax law of this state or jurisdiction, the determination of each Member's distributive share of all items of income, gain, loss, deduction, credit or allowance of the Company for any period or year, shall be made in accordance with, and in proportion to, such Member's percentage of the total Membership Interest of all Members as it may then exist. The Net Profits and Net Losses of the Company and each item

of income gain/loss deduction or credit entering into the computation thereof, shall be allocated to the Members in the same proportions that they share in distributions pursuant to Section 8.1.

**SECTION 9.4. MEMBER'S OBLIGATION TO RETURN DISTRIBUTION.**

A. If, at any time, a Member receives in distribution the return of any part of his contribution without violation of law, the Certificate of Formation of this Company or this Agreement, such Member is liable to this Company for a period of one (1) year after receipt of such contribution, for the amount of such returned contribution, but only to the extent necessary to discharge the Company's liabilities to creditors who extended credit to the Company during the period the contribution was held by the Company.

B. In the event that a return of any part of a Member's contribution is made in violation of the law, the Certificate of Formation of Incorporation of this Company, such Member is liable to this Company for a period of six (6) years after the receipt of such contribution, for the amount wrongfully returned.

**ARTICLE X**

**Admission and Withdrawal of a Member; Transfer of Member's Interest**

**SECTION 10.1. SALE OF MEMBER'S INTEREST, AND RIGHT OF FIRST REFUSAL.**

A Member who wishes to sell his Member's Interest in the Company in whole or in part (the "selling Member") shall:

- (1) Give written notice to the Company of his intent and give first offer of his/her/its interest to the Company. The Company shall then have the option to purchase the interest at the price ("Set Price"), if any, as provided in the Certificate of Formation or this Agreement. Such decision by the majority of remaining Members or Managers (not to include the selling Member or Manager), of the Company will be communicated in writing to the selling Member within thirty (30) days from receipt of this Member's written notice of request to sell. If the Company's decision is to purchase the interest, the purchase price will be paid in cash and the closing will take place within ninety (90) days of the notification to the selling Member or upon such terms as agreed by the Company and selling Member.
- (2) If the Company decides not to purchase the offered selling Member's Interest in whole or in part, then the other Members shall have the option of purchasing the offered Member's Interest at the Set Price, if any, on a pro rata basis based upon the remaining Member's percentage ownership interest in the Company. Should a Member choose not to purchase his proportional share of the offered interest, the other Members shall have the option of purchasing this share on a pro rata basis. After written notice from the selling Member, Members shall have thirty (30) days to provide notice to the selling Member of their intention to purchase. The purchase price will be paid in cash and closing will take place within ninety (90) days of notice to the selling Member or upon such terms as agreed by the Company and selling Member.
- (3) If neither (1) nor (2) are applicable, the selling Member may sell share interest to a non-member. A non-member purchaser of a Member's Company interest cannot exercise any rights or receive any benefits of a Member unless a majority of the other Members consent to his becoming an Additional Member upon such terms as are set forth in an Admission Agreement.

However, a non-member purchaser of a selling Member's Interest will be entitled to share, to the extent of such selling Member's percentage interest, in any distribution, allocation or profits, losses, deductions, allocation credits or any similar item in the percentage to which the selling Member Interest sold to him would have been entitled. A non-member purchaser, by his purchase, agrees to be subject to all the terms of the Certificate of Formation and this Agreement as if he were a Member, including any calls for capital contribution.

#### SECTION 10.2. ASSIGNMENT OF MEMBER'S INTEREST.

A Member may assign his/hers/its Company Membership Interest, in whole or in part, only upon the unanimous written approval of the Members. Such an assignment entitles the Assignee to share in the profits and losses and to receive distributions to which the assignor was entitled, to the extent of the interest assigned. Such an approved assignment does not dissolve the Company or entitle the Assignee to become a Member or to exercise rights of a Member in the Company until he may be admitted as a Member. A Member who assigns their entire interest ceases to be a Member or to have the power to exercise any rights of a Member once all the Assignees become Additional Members, subject to the other Member's right to remove the assignor Member earlier pursuant to this Agreement. A pledge of, grant of security interest in, lien against, or other encumbrance in or against any or all of a Member's Company interest is not an assignment of this interest and shall neither cause the Member to cease to be a Member nor to cease to have the power to exercise any rights or powers of a Member. A Member's Interest may be held by a trustee as set forth in law.

#### SECTION 10.3 COSTS OF SALE, ASSIGNMENT, ETC. OF MEMBER'S INTEREST.

All costs and expenses incurred by the Company in connection with the transactions set forth in this Section or any similar transaction(s) concerning a Member's Interest, including any costs for disbursement, publishing, counsel fees, shall be paid or assessed against such Member's Interest.

#### SECTION 10.4 ADDITIONAL MEMBERS.

The Members may admit Additional Members and determine the Capital Contributions of such Members as set forth in this Agreement and the Admission Agreement to be entered into between the Additional Member and the Company; provided, however, if the Admission Agreement or this Agreement so provides, that each Member consents in writing prior to the addition of such Additional Member.

#### SECTION 10.5. AGREEMENT BINDING ON ALL MEMBERS.

Each person, who becomes a Member or Additional Member in the Company, shall and does hereby ratify and agrees to be bound by the terms and conditions of this Agreement.

### **ARTICLE XI**

#### **Conversion and Merger with Other Entities**

#### SECTION 11.1. MERGER AND CONVERSION.

Upon a unanimous vote of the Members and pursuant to any provisions in the Certificate of Formation or this Agreement, the Company may enter into a lawful conversion and merger with

or into one or more business entities. Such merger shall take place pursuant to a written plan of merger, unanimously agreed upon by the Members, setting forth the constituent business entity planning to merge and the name of the surviving business entity resulting from such merger, the terms and conditions of the merger and the manner and basis upon which the Members' particular interests will be converted. Subsequent to approval of such agreement, this merger plan may be abandoned upon the unanimous consent of the Members.

## **ARTICLE XII**

### **Dissociation, Dissolution, Winding up & Termination**

#### **SECTION 12.1 EVENTS OF DISSOLUTION.**

The Company shall be dissolved and its affairs wound up only upon the occurrence of any of the following events:

- (a) An election to dissolve the Company made by holders of 51% of the Membership Interests;
- (b) The sale, exchange, involuntary conversion, or other disposition or Transfer of all or substantially all the assets of the Company; or
- (c) The entry of a decree of judicial dissolution under § 18-802 of the Act

#### **SECTION 12.2. EFFECTIVENESS OF DISSOLUTION.**

Dissolution of the Company shall be effective on the day on which the event described in this Section 12 occurs, but the Company shall not terminate until the winding up of the Company has been completed, the assets of the Company have been distributed as provided in this Section and the Certificate of Formation shall have been cancelled.

#### **SECTION 12.3 LIQUIDATION.**

If the Company is dissolved, the Company shall be liquidated and its business and affairs wound up in accordance with the Delaware Act and the following provisions:

- (a) The Manager, or another Person selected by the Manager (or if no Manager a majority of the Members), shall act as liquidator to wind up the Company (the "Liquidator"). The Liquidator shall have full power and authority to sell, assign, and encumber any or all of the Company's assets and to wind up and liquidate the affairs of the Company in an orderly and business-like manner.
- (b) As promptly as possible after dissolution and again after final liquidation, the Liquidator shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company's assets, liabilities, and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable.
- (c) The Liquidator shall liquidate the assets of the Company and distribute the proceeds of such liquidation in the following order of priority, unless otherwise required by mandatory provisions of applicable law:
  - (i) First, to the payment of the Company's debts and liabilities to its creditors (including Members, if applicable) and the expenses of liquidation (including sales commissions incident to any sales of assets of the Company);

- (ii) Second, to the establishment of and additions to reserves that are determined by the Manager to be reasonably necessary for any contingent unforeseen liabilities or obligations of the Company; and
- (iii) Third, to the Members, on a pro rata basis, in accordance with the positive balances in their respective Capital Accounts, as determined after taking into account all Capital Account adjustments for the taxable year of the Company during which the liquidation of the Company occurs.

Upon completion of the winding up of the Company, the Liquidator shall make all necessary filings required by the Act.

#### SECTION 12.4. LIQUIDATION STATEMENT TO MEMBERS.

Each Member shall be furnished with a statement, reviewed by the Company's accountants, which shall set forth the assets and liabilities of the Company as of the date of the Company's liquidation. Upon completion of the liquidation, the Company shall execute and cause to be filed dissolution Certificates and any and all other documents necessary with respect to termination of the Company with the appropriate officials of the State of Delaware.

#### SECTION 12.5. REVOCATION OF DISSOLUTION.

The Company may revoke the dissolution at any time prior to the expiration of 120 days following the effective date of filing dissolution documents with the appropriate State office. Revocation of dissolution shall be authorized when each Member consents in writing to such action being taken by the Company. Such revocation of dissolution becomes effective as of the date of the Company's dissolution being revoked and the Company shall resume carrying on its business as if dissolution never occurred.

### **ARTICLE XIII Books and Reports**

#### SECTION 13.1 BOOKS AND RECORDS; INSPECTION.

Accurate and complete books of account shall be kept by the Managers and entries promptly made therein, of all of the transactions of the Company, and such books of account shall be maintained at the principal office of the Company and shall be open at all times to the inspection and examination of the Managers and Members of the Company. The books shall be kept on the basis of accounting selected by the accountant regularly servicing the Company, and the fiscal year of the Company shall be the calendar year. A compilation, review, or audit of the Company, as shall be determined by the Managers in accordance with this Agreement, shall be made as of the closing of each fiscal year of the Company by the accountants who shall then be engaged by the Company.

#### SECTION 13.2. INSPECTION BY MEMBERS.

The Company shall maintain the books of account, and the following records at the principal office of the Company, subject to inspection and copying during ordinary business hours at the reasonable request and expense of any Member upon such Member's written request:

- A. A current list of the full name and last known business and/or residential address of each

- Member, former Member and other holder of a Membership interest;
- B. A copy of the Certificate of Formation and all Certificates and amendments thereto of the Company, together with any executed powers of attorney pursuant to which any certificate was executed;
  - C. A copy of this Agreement, Admission Agreements and any amendments thereto;
  - D. A copy of the Company's federal, state, and local income tax returns for the three most recent fiscal years;
  - E. The Company's financial statements for the three most recent fiscal years;
  - F. A writing setting forth:
    - 1. The amount of cash and/or property along with relevant statements as to the agreed value of the property and/or services contributed or agreed to be contributed by each Member;
    - 2. Any agreed upon time or event causing the Members to make additional contributions to the Company;
    - 3. Any agreed upon events, other than those stated in this Agreement, the happening of which will cause the Company to be dissolved.
  - G. Copies of records that would enable a member to determine the relative voting rights, if any, of the Members; and
  - H. Such other information as may be required by law or if specified in this Agreement, an Admission Agreement or otherwise agreed by all the Members or Managers from time to time.

## **ARTICLE XIV**

### **Miscellaneous**

#### **SECTION 14.1. NOTICES.**

Any notice or other communication under this Agreement shall be in writing and shall be considered given when mailed by registered or certified mail, return receipt requested, to the parties at the following addresses (or at such other address as a party shall have previously specified by notice to the others as the address to which notice shall be given to him):

- A. If to the Company, to it or in care of any one or all of the Managers at the address of the Company.
- B. If to any one or all of the Managers, to them at the address of the Company.
- C. If to any Member, to him at his address set forth on the books and records of the Company.

#### **SECTION 14.2 WAIVER OF NOTICE.**

Whenever any notice is required to be given under the provisions of the Act, the Certificate of Formation or this Agreement, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

#### **SECTION 14.3 COMPLETE AGREEMENT.**

This Agreement and exhibits attached hereto and thereto set forth all (and are intended by all parties hereto to be an integration of all) of the promises, agreements, conditions, understandings, warranties and representations among the parties hereto with respect to the Company, and there

are no promises, agreements, conditions, understandings, warranties, or representations, oral or written, express or implied, among them other than as set forth herein of all of the arrangements among the parties with respect to the Company and cannot be changed or terminated orally or in any manner other than by a written agreement executed by all of the Members. This Agreement amends and restates, and supersedes, in its entirety the Prior Agreement. There are no representations, agreements, arrangements or understandings, oral or written, between or among the parties relating to the subject matter of this Agreement which are not fully expressed in this Agreement.

#### SECTION 14.4 CONSTRUCTION OF THIS AGREEMENT.

This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted. All parties have been advised to see their own counsel.

#### SECTION 14.5 EFFECT OF INVALIDITY.

Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to law. In the event there is any conflict between any provision of this Agreement and any statute, law, ordinance, or regulation contrary to which the Members or, the Company have no legal right to contract, the latter shall prevail. In such event, the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to conform to said requirement of law. In the event that any part, article, section, paragraph, or clause of this Agreement shall be held to be indefinite, invalid, or otherwise unenforceable, the entire Agreement shall not fail on account thereof, and the balance of the Agreement shall continue in full force and effect.

#### SECTION 14.6 BINDING EFFECT.

This Agreement shall be binding upon, and inure to the benefit of all parties hereto, their personal and legal representatives, guardians, successors, and assignors to the extent, but only to the extent, that assignment is provided for in accordance with, and permitted by, the provisions of this Agreement.

#### SECTION 14.7 GOVERNING LAW.

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware applicable to agreements made and to be performed in the State of Delaware.

#### SECTION 14.8 CAPTIONS, ETC.

The captions and table of contents in this Agreement are solely for convenience of reference and shall not affect its interpretation. The headings herein are inserted only as a matter of convenience and reference, and in no way define or describe the scope of the Agreement or the intent of any provisions thereof.

#### SECTION 14.9 GENDER NEUTRAL.

Throughout this Agreement, where such meanings would be appropriate (a) the masculine gender shall be deemed to include the feminine and the neuter, and vice versa, and (b) the singular shall be deemed to include the plural, and vice versa.

SECTION 14.10 TAX MATTERS.

The Members may make any tax elections for the Company allowed under the Internal Revenue Code or the tax laws of the State of Delaware, or other jurisdiction having taxing jurisdiction over the Company.

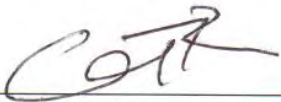
SECTION 14.11. EXECUTION.

This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which shall be deemed to constitute a single document.

**IN WITNESS WHEREOF**, the parties hereto, have executed this Agreement effective as of the day and year first above written.

**MEMBER:**

**CHRISTOPHER FRANCIS BROWN**

By:   
\_\_\_\_\_  
Christopher Francis Brown  
Date Executed: April 1, 2025

***SCHEDULE A***

**LIST OF MEMBERS CAPITAL CONTRIBUTIONS, NAMES AND ADDRESSES:**

**Name and Address**

**Christopher Francis Brown (Sole Beneficial Owner)**

**Capital Contribution**

**\$10,000.00**

**Total Value of Capital Contributions in Cash**

**\$10,000.00**

**Percentage Interest**

**100% (One Hundred Percent)**

**Membership Units**

**5,000,000 Units**