

SAPIEN PROTOCOL TERMS OF SERVICE

Last Updated: Aug 20, 2025

1.0 Introduction

1.1 Agreement

These Terms and Conditions (the “Terms”) constitute a legally binding agreement between you (“you” or the “User”) and Sapien AI Corp., together with its affiliates and associated entities (“Sapien,” “we,” “us,” or the “Company”), governing your access to and use of the Sapien protocol, related websites, applications, products, and services (collectively, the “Services”).

These Terms shall be read together with, and incorporate by reference, the [Tokenomics](#), as well as any other official communications, policies, or notices issued by the Company through its official channels.

1.2 Protocol Purpose

The Services include access to the Sapien decentralized data foundry (the “Protocol”), which enables Users to contribute to the creation and validation of data for artificial intelligence systems through task completion, peer review, staking, and related activities. The Protocol is powered by the \$SAPIEN token (the “Token”), which functions as a utility token within the ecosystem to facilitate access, staking, task performance, validation, governance, and reward distribution.

The Protocol is stewarded by Sapien Foundation, a Cayman foundation company established to oversee the governance, development, and long-term sustainability of the Protocol. The Tokens are issued by Sapien International Ltd., a separate affiliated entity, established under the laws of the British Virgin Islands, responsible for token issuance and related compliance matters. Users acknowledge that their participation in the Protocol may involve interaction with one or more of these entities, depending on the nature of their activities.

1.3 Binding Effect

By accessing or using the Services, including participating in data annotation, staking, validation, or governance activities, you:

- (i) acknowledge that you have read, understood, and agreed to be bound by these Terms;
- (ii) represent and warrant that you are legally permitted to use the Services in your jurisdiction; and
- (iii) accept all risks associated with your participation in the Protocol, including those described in Section 7 (Specific Risk Disclosures and Disclaimers).

1.4 No Guarantee of Outcome

The Services are provided on an “as is” and “as available” basis. We do not guarantee that any part of the Protocol, the Tokens, or the Services will achieve any particular functionality, level of adoption, or economic outcome. The Tokens do not represent equity, debt, or any other form of security or financial instrument.

1.5 Eligibility

Participation in the Services is available only to natural persons or legal entities that have full legal capacity to enter into binding contracts under applicable law and who are not restricted, prohibited, or otherwise ineligible under Section 2 (Eligibility and Restrictions).

2.0 Eligibility and Restrictions

2.1 Eligibility Requirements

To access or use the Services, you represent and warrant that you:

- (i) are at least eighteen (18) years of age or the legal age of majority in your jurisdiction, whichever is higher;
- (ii) have full legal capacity and authority to enter into these Terms; and
- (iii) are not located in, a citizen of, or otherwise subject to the jurisdiction of any country or territory where use of the Services or receipt of Tokens is prohibited by applicable law, regulation, or sanction.

2.2 Restricted Jurisdictions

Without limiting Section 2.1, you are strictly prohibited from accessing or using the Services if you are located in, incorporated in, or a resident or national of Iran; North Korea; Russia; certain regions of Ukraine, including Crimea, Sevastopol, and the areas of Donetsk, Kherson, Luhansk, and Zaporizhzhia oblast not controlled by the Ukrainian government; Cuba; Yemen; Sudan; South Sudan; Libya; Lebanon; Syria, or any other country or territory subject to applicable

trade or financial sanctions (“Restricted Jurisdictions”). By using the Services, you represent and warrant that you are not subject to such restrictions.

2.3 Prohibited Users

The Services may not be used by:

- (i) individuals or entities included on any list of sanctioned or restricted parties maintained by the United Nations, the United States (including the U.S. Treasury Department’s Office of Foreign Assets Control), the European Union, the United Kingdom, or any other relevant government authority;
- (ii) individuals or entities acting on behalf of, or for the benefit of, persons in Restricted Jurisdictions; or
- (iii) competitors seeking to access the Services for purposes of reverse engineering, monitoring availability, performance, or functionality, or any other purpose not expressly authorized.

2.4 Responsibility for Compliance

You are solely responsible for ensuring that your use of the Services complies with all laws, rules, and regulations applicable to you in your jurisdiction, including those relating to digital assets, data protection, taxation, and export controls.

2.5 Right to Refuse Access

We reserve the right, at our sole discretion, to suspend or terminate your access to the Services if we believe you have violated these Terms, applicable law, or any eligibility restriction, or if your continued participation could create legal, regulatory, or reputational risk for Sapien, the Sapien Foundation, Sapien International Ltd., or any affiliated entity.

3.0 Contributor Obligations

3.1 Account Registration

To access and use the Services, you may be required to create an account. You agree to provide accurate, complete, and current information when registering and to keep such information updated at all times. You are solely responsible for maintaining the confidentiality of your account credentials and for all activities conducted under your account.

3.2 Use of Services

By participating in the Sapien protocol, you agree that you will:

- (i) use the Services only in compliance with these Terms and all applicable laws and regulations;
- (ii) not engage in any activity that disrupts, interferes with, or harms the proper functioning of the protocol, smart contracts, or related systems;
- (iii) not use automated scripts, bots, or other unauthorized means to access or interact with the Services;
- (iv) not attempt to gain unauthorized access to accounts, systems, or networks connected to the Services; and
- (v) not use the Services to conduct or facilitate any unlawful activity, including but not limited to fraud, money laundering, terrorist financing, or the violation of sanctions.

3.3 Wallet Responsibility

You are solely responsible for maintaining the security of your Digital Wallet, private keys, and seed phrases. Loss or compromise of these may result in permanent loss of Tokens. Neither Sapien Foundation nor Sapien International Ltd. has the ability to restore or replace Tokens in such cases.

3.4 Accuracy of Submissions

If you contribute data, annotations, validations, or other content to the Sapien protocol, you represent and warrant that such contributions are accurate, lawful, and made in good faith. You further agree that all contributions may be subject to validation, staking, and slashing mechanisms in accordance with the protocol rules.

3.5 Originality of Submissions

Contributors warrant that all submissions are their own original work and do not infringe the rights of any third party. Use of unauthorized, plagiarized, or automated submissions is prohibited.

3.6 Prohibited Conduct

You are strictly prohibited from:

- (i) submitting false, misleading, or fraudulent data or information;

- (ii) attempting to manipulate reputation scores, staking outcomes, or reward mechanisms;
- (iii) interfering with or undermining the peer validation process;
- (iv) using the Services to distribute malicious code, malware, or other harmful software; or
- (v) engaging in conduct that, in our reasonable opinion, could damage the Sapien ecosystem, reputation, or operations.

3.7 Consequences of Breach

Any breach of this Section may result in immediate suspension or termination of your access to the Services, forfeiture of Tokens, slashing of staked amounts, and any other remedies available at law or in equity.

4.0 Protocol Systems

4.1 Proof of Quality

The Sapien protocol operates on a system of economic and peer-enforced mechanisms collectively referred to as “Proof of Quality.” Proof of Quality is a verifiable signal of trust generated through contributor participation, staking, validation, and reputation. By using the Services, you acknowledge and agree that:

- (i) participation in the protocol requires compliance with the staking, validation, and reputation mechanisms defined herein;
- (ii) the outcomes of such mechanisms, including the attribution of rewards, penalties, or slashing, are final and binding; and
- (iii) Sapien Foundation and Sapien International Ltd. are not responsible for losses, reductions, or penalties applied under these mechanisms.

4.2 Binding Outcomes

Participation in the protocol constitutes acknowledgment and acceptance of these mechanisms. Outcomes generated by these systems, including but not limited to reputation scores, staking penalties, validation results, and reward allocations, are final and binding. Sapien Foundation and Sapien International Ltd. are not liable for any losses or penalties resulting from the application of these mechanisms.

5.0 Reputation Framework

5.1 Reputation Scores

Each Contributor is assigned a reputation score ranging from 0 to 1000. Reputation is determined by accuracy, task completion history, validation outcomes, and adherence to these Terms.

5.2 Experience Levels

Contributors progress through the following experience levels based on their reputation score and performance:

- (i) Trainee;
- (ii) Contributor;
- (iii) Expert; and
- (iv) Master.

5.3 Impact of Reputation

Reputation governs a Contributor's access to task tiers, eligibility to serve as a Validator, and eligibility for enhanced reward multipliers. Higher reputation expands access and increases potential earnings, while lower reputation restricts participation.

5.4 Loss or Suspension of Reputation

Reputation may be reduced or suspended in cases of poor performance, failed validations, slashing, breach of these Terms, or other misconduct. Severe or repeated violations may result in permanent loss of reputation and termination of participation in the protocol.

5.5 Peer Validation Hierarchy

Completed tasks are subject to peer validation according to a tiered hierarchy:

- (i) Masters validate Experts;
- (ii) Experts validate Contributors; and
- (iii) Contributors validate Trainees.

Critical tasks may require multiple Validators.

5.6 Validator Obligations

Validators must review tasks diligently, apply objective quality standards, and act in good faith. Validators shall not approve low-quality or fraudulent work, nor may they collude with Contributors to manipulate validation outcomes.

5.7 Validator Liabilities

Validators who approve poor-quality submissions may incur penalties, including slashing of their Stake, reduction of reputation, forfeiture of rewards, and suspension or termination of validation privileges.

5.8 Distributed Enforcement

The validation process replaces centralized quality assurance teams with a decentralized, peer-driven system. Contributors acknowledge that this structure is essential to protocol operation and that outcomes of validations are final and binding.

6.0 Staking Requirements

6.1 Definition of Stake

For purposes of these Terms, “Stake” means \$SAPIEN tokens locked by a Contributor as collateral in accordance with the protocol rules. Stakes shall be held in a smart contract administered by the protocol, with Contributors retaining custody over their staked tokens. All such contracts are upgradeable. The form of custody does not alter the Contributor’s obligations or risks under these Terms.

6.2 Staking Obligation

Contributors may be required to lock \$SAPIEN tokens as collateral in order to access specific task tiers or functions. The size and duration of a Stake determines eligibility for tasks, progression through experience levels, and application of reward multipliers.

6.3 Slashing Mechanics

Staked tokens are subject to partial or full forfeiture (“slashing”) in the event of misconduct, poor performance, or breach of these Terms. The escalation framework is as follows:

Violation Type	Consequences
Minor – occasional low-quality task	Warning, retraining, or temporary restrictions
Moderate – repeated issues or false validations	Up to 25% of Stake slashed, reputation penalty, requalification required
Severe – malicious behavior or fraud	Up to 100% of Stake slashed, permanent removal from the protocol

6.4 Early Withdrawal

Early withdrawal of a Stake before the completion of the lock-up period results in a twenty percent (20%) penalty and forfeiture of all multipliers accrued in connection with the Stake.

6.5 Staking Multipliers

Reward multipliers are applied based on Stake size and lock-up duration, as set out in the table below:

Stake Amount	30 Days	90 Days	180 Days	365 Days
250 SAPIEN	1.004x	1.012x	1.025x	1.050x
500 SAPIEN	1.008x	1.025x	1.049x	1.100x
1,000 SAPIEN	1.016x	1.049x	1.099x	1.200x
1,500 SAPIEN	1.025x	1.074x	1.148x	1.300x
2,000 SAPIEN	1.033x	1.099x	1.197x	1.400x
2,500 SAPIEN	1.041x	1.123x	1.247x	1.500x

6.6 Finality

All staking, slashing, and multiplier outcomes are final and binding once recorded onchain. Sapien Foundation and Sapien International Ltd. are not liable for losses resulting from staking, slashing, penalties, or Contributor error.

7.0 Rewards and Incentives

7.1 Reward Calculation

Contributor rewards are calculated based on the following formula:

Task Value × Staking Multiplier × Performance Multiplier

Task value reflects the complexity and specialization of the task. Multipliers are determined in accordance with Sections 5.0 and 6.0 of these Terms.

7.2 Payment Structure

Rewards are distributed in a combination of \$USDC and \$SAPIEN tokens. The default allocation is eighty percent (80%) in \$USDC and twenty percent (20%) in \$SAPIEN.

7.3 Adjustments to Reward Ratio

Contributors may elect to adjust their reward allocation ratio, from zero percent (0%) to one hundred percent (100%) in \$SAPIEN. Adjustments are subject to technical and protocol limitations.

7.4 Claiming Rewards

Rewards are made available through the protocol's smart contracts. Contributors must actively claim rewards via the designated platform interface. Unclaimed rewards remain within the smart contract and do not accrue interest or additional entitlements.

7.5 Token Issuer

\$SAPIEN tokens are issued by Sapien International Ltd., a company incorporated under the laws of the British Virgin Islands.

7.6 Performance Multipliers

Contributors are ranked based on Service Level Agreement ("SLA") compliance and accuracy:

- (i) Top 20% of performers: 1.5x performance multiplier;
- (ii) Meets SLA baseline: 1.0x performance multiplier;
- (iii) Below SLA threshold: No rewards and potential slashing penalties.

7.7 Tax Responsibility

Contributors are solely responsible for determining, reporting, and paying all applicable taxes related to the receipt, holding, or transfer of rewards. Sapien Foundation and Sapien International Ltd. accept no liability for Contributors' tax obligations.

7.8 Finality

All reward calculations, allocations, and distributions are final once processed onchain. No adjustments, reversals, or reimbursements shall be made except as required by law.

8.0 Referral and Growth Programs

8.1 Referral System

Contributors may participate in the referral system, under which a referring Contributor is eligible to receive a percentage of rewards generated by the referred Contributor for a defined duration. The specific percentage and duration shall be set by Sapien and may be amended from time to time at Sapien's sole discretion.

8.2 Safeguards and Anti-Fraud

Referrals must be genuine. Any attempt to abuse the referral system, including self-referrals, collusion, the use of bots, or fraudulent accounts, is strictly prohibited. Sapien may withhold or claw back referral rewards, reduce reputation scores, or terminate participation where abuse is detected.

8.3 Regional Expansion and Partnerships

Sapien may introduce additional growth initiatives, including partnerships, regional expansion programs, and skill-based incentives. Participation in such programs shall be subject to specific terms published at the time of launch and may be amended or withdrawn at Sapien's sole discretion.

9.0 Intellectual Property

9.1 Your Submissions

By submitting or labeling data, you irrevocably and fully assign to Sapien all rights, title, and interest in and to all such data and/or your work product, including, without limitation, any copyrights, patent rights, trade secret rights, trademark rights, or other intellectual property or proprietary rights of any sort throughout the world.

If, under applicable law, any such data or work product cannot be assigned, you grant to Sapien an exclusive, assignable, irrevocable, perpetual, worldwide, sublicensable (through one or multiple tiers), royalty-free, unlimited license to use, reproduce, distribute (through one or multiple tiers), create derivative works of, publicly perform, publicly display, digitally perform and display, make, have made, sell, offer for sale, and import such work product in any media now known or hereafter developed.

This provision is without prejudice to any rights you may have in relation to your personal data under applicable data protection laws and regulations, and as described in the Sapien Privacy Notice.

9.2 Our Content

All Sapien content, including but not limited to text, graphics, logos, and software, is the property of Sapien or its licensors and is protected by applicable intellectual property laws. You may not use, copy, or distribute Sapien's content without Sapien's prior written consent.

10.0 Confidentiality

10.1 Definition of Proprietary Information

During the course of participating in data submission and labeling activities and/or tasks, you may have access to and be entrusted with confidential or proprietary information related to Sapien's business or the business of Sapien's clients ("Proprietary Information"). Proprietary Information includes, but is not limited to:

- (i) Trade secrets, inventions (whether patentable or not), discoveries, and improvements;
- (ii) Concepts, know-how, ideas, techniques, processes, methodologies, testing procedures, design and functional specifications, analysis and performance information, user documentation, internal documentation, and details of our products and services;

- (iii) Algorithms, formulas, specifications, modules, scripts, data, databases, software design and architecture, computer programs, source code, object code, and other computer code;
- (iv) Technical or other representations, documentation, diagrams, schematics, and flow charts;
- (v) Names of clients, suppliers, and strategic partners;
- (vi) Technical, business, financial, marketing, customer, supplier, and product development plans, schedules, forecasts, strategies, and materials;
- (vii) Other similar information, provided it is not publicly available and not independently generated by you without reference to our Proprietary Information; and
- (viii) Proprietary or confidential information of any third party who discloses such information to Sapien in the course of our business.

10.2 Confidentiality Obligations

You acknowledge that disclosure of any Proprietary Information to any third party, except in the course of performing your duties, is strictly prohibited. Accordingly, you agree to:

- (i) Hold all Proprietary Information in strict confidence and take all reasonable precautions to protect it;
- (ii) Not divulge any Proprietary Information or derived information to any third party, including any affiliated entity;
- (iii) Use Proprietary Information only for the purpose of performing services related to the relevant task; and
- (iv) Not copy or create derivative works from any Proprietary Information.

10.3 Enforcement and Remedies

You agree that these restrictions are reasonable to protect Sapien's business interests and waive any defenses to the enforcement of Sapien's rights. Due to the unique nature of Proprietary Information, there may be no adequate remedy at law for any breach of your obligations. Any breach may result in irreparable harm, entitling Sapien to seek equitable relief in addition to legal remedies. You must notify Sapien immediately upon any unauthorized release or breach of Proprietary Information and cooperate fully to regain possession and prevent further unauthorized use or disclosure.

11.0 Data Protection & Privacy

11.1 Sapien's Role

Sapien may act as a data controller and/or data processor, depending on the nature of the tasks and services provided through the protocol. Where Sapien determines the purposes and means of processing, it acts as a controller. Where Sapien processes personal data on behalf of its clients, it acts as a processor.

11.2 Restrictions on Personal Data

You must not upload, submit, or otherwise process personal data through the protocol unless expressly authorized by Sapien and subject to applicable data protection agreements. Submissions that include personal data without authorization are strictly prohibited and may result in immediate suspension or termination.

11.3 Privacy Policy

All processing of personal data is subject to Sapien's Privacy Policy, as updated from time to time and incorporated herein by reference. You are required to review and comply with the Privacy Policy when using the protocol.

12.0 Termination and Suspension

12.1 Termination by Sapien

Sapien may suspend or terminate your access to the protocol, or participation in tasks, at any time and without prior notice if you breach these Terms, violate applicable laws, or engage in conduct that Sapien reasonably determines to be fraudulent, abusive, or harmful to the protocol or its participants.

12.2 Consequences of Termination

Upon suspension or termination:

- (i) Any staked Tokens may be subject to forfeiture or slashing in accordance with Section 5.0;
- (ii) Your reputation score may be reduced or reset, and any accrued progression through experience levels may be lost;

- (iii) Pending rewards may be withheld, cancelled, or forfeited, at Sapien's discretion; and
- (iv) You shall immediately cease use of the protocol and any related services.

12.3 Survival

Sections relating to intellectual property, confidentiality, data protection, limitation of liability, indemnification, governing law, and dispute resolution shall survive any termination or suspension of these Terms.

13.0 Disclaimer of Warranties

13.1 THE PLATFORM, THE PROTOCOL, AND ALL RELATED SERVICES ARE PROVIDED ON AN “AS IS” AND “AS AVAILABLE” BASIS, WITHOUT WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, OR STATUTORY.

13.2 TO THE MAXIMUM EXTENT PERMITTED BY LAW, SAPIEN DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT.

13.3 SAPIEN DOES NOT WARRANT THAT THE PLATFORM OR PROTOCOL WILL BE UNINTERRUPTED, SECURE, OR ERROR-FREE, THAT DEFECTS WILL BE CORRECTED, OR THAT THE PLATFORM, PROTOCOL, OR RELATED SERVICES ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.

13.4 SAPIEN MAKES NO WARRANTY AS TO THE AVAILABILITY, ACCURACY, COMPLETENESS, TIMELINESS, OR RELIABILITY OF THE PLATFORM, THE PROTOCOL, THE TOKENS, OR ANY INFORMATION MADE AVAILABLE THEREIN.

13.5 NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED FROM SAPIEN OR THROUGH THE PLATFORM OR PROTOCOL, SHALL CREATE ANY WARRANTY NOT EXPRESSLY STATED IN THESE TERMS.

14.0 Specific Risk Disclosures and Disclaimers

By accessing and using the Platform, participating in the Protocol, or engaging in any activities under these Terms and Conditions, you acknowledge and accept the following risks.

YOU ASSUME FULL RESPONSIBILITY FOR UNDERSTANDING AND MANAGING THESE RISKS, AND YOU AGREE THAT WE ARE NOT LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL LOSSES, DAMAGES OR COSTS ARISING FROM YOUR PARTICIPATION IN THE PROTOCOL.

14.1 Volatility

Digital Assets are highly volatile. Tokens received through the Protocol may experience extreme price swings or may lose all value. You should only participate if you accept that Tokens may have limited or no financial value.

14.2 Technical Risks

Blockchain transactions are irreversible. Tokens may be lost permanently due to user mistakes, forgotten private keys, or unauthorised access. By participating, you accept the risks of delays, errors, and malfunctions that may affect Token rewards

14.3 Smart Contract Vulnerabilities

The Protocol depends on smart contracts, which may contain bugs or weaknesses. Any malfunction or exploit could cause partial or total loss of Tokens.

14.4 Service Disruptions

Blockchain networks, wallet providers, or related services may face downtime or delays beyond our control. These disruptions may prevent you from claiming or using Tokens, and we are not liable for losses caused by them.

14.5 Security of Personal Wallets

You are solely responsible for securing your Digital Wallet, private keys, and seed phrases. Loss or theft of these may result in permanent loss of Tokens, and we cannot help with recovery.

14.6 Regulatory Restrictions

Digital Assets are subject to evolving regulations. Tokens may face restrictions in some jurisdictions, which could limit their use, transferability, or legality. You are responsible for complying with the laws of your jurisdiction.

14.7 Tax Obligations

Participation may create tax liabilities. You are solely responsible for identifying and meeting your tax obligations related to receiving, holding, or transferring Tokens.

14.8 Changes in Functionality

Tokens may not have features or value, and these may change over time.

14.9 No Inherent or Intrinsic Value

No promises are made regarding Token performance or value. Tokens may lack inherent value, and you may not recover any resources spent.

14.10 Loss of Private Keys

Access to Tokens requires private keys. Loss or compromise of your keys, or access by a third party, may result in permanent loss. We are not responsible for such losses.

14.11 Blockchain-Level Attacks

Tokens may be vulnerable to attacks such as double-spending, majority-mining, or selfish-mining. These attacks could compromise Token integrity and functionality.

14.12 Uncertain Regulations and Enforcement

The legal status of Tokens is unsettled in many jurisdictions. Regulators may reclassify Tokens, impose licensing, or restrict services. We may be forced to change operations or features to comply with regulatory changes.

14.13 Failure to Develop

Tokens and the related Protocol are under development. Technical issues, or market changes may prevent successful completion or use.

14.14 Unanticipated Risks

Tokens are based on new, untested technology. Additional risks may emerge that we cannot predict, including new variations or combinations of the risks listed here.

14.15 Risks Related to the Sapien Project

The Sapien ecosystem is still developing and may change significantly. Features may not match expectations, adoption may be limited, or the project may malfunction or be discontinued, all of which could affect Tokens.

14.16 Inadequate Disclosure of Information

The Sapien project and Tokens are evolving. Information available on our sites or documentation may be incomplete or updated over time. Ongoing full disclosure cannot be guaranteed.

14.17 Corporate Structure Risks

Our group structure is bespoke and may be challenged by regulators. If deemed ineffective, it could negatively impact the Sapien ecosystem and the Tokens.

14.18 Risk of Dissolution

As a start-up, the Company faces financial and operational risks. Unfavourable conditions could render the project unviable, potentially leading to dissolution of the Company or ecosystem.

14.19 Cloud Storage Risks

The Protocol may rely on decentralised cloud storage, which carries risks of cyberattacks, outages, or failures in interoperability. These could affect Token availability or project sustainability.

14.20 Forking Risks

The Protocol may be forked, creating multiple versions of the Tokens. Only Tokens on the supported chain are valid. Forks could destabilise the ecosystem and Tokens.

14.21 Lack of Market

There may never be an active or liquid market for the Tokens. They are designed for use only within the Sapien ecosystem. No guarantee of liquidity, demand, or market price is given.

15.0 Limitation of Liability

15.1 TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE COMPANY, THE SAPIEN FOUNDATION, SAPIEN INTERNATIONAL LTD., AND THEIR AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, LOSS OF DATA, LOSS OF GOODWILL, OR OTHER INTANGIBLE LOSSES, ARISING OUT OF OR IN CONNECTION WITH YOUR ACCESS TO OR USE OF THE PLATFORM, PARTICIPATION IN THE PROTOCOL, OR RELIANCE ON THE TOKENS.

15.2 TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE TOTAL LIABILITY OF THE COMPANY, THE SAPIEN FOUNDATION, SAPIEN INTERNATIONAL LTD., AND THEIR AFFILIATES FOR ANY CLAIMS ARISING OUT OF OR RELATING TO THESE TERMS, WHETHER IN CONTRACT, TORT, OR OTHERWISE, SHALL BE LIMITED TO THE GREATER OF (i) USD \$100 OR (ii) THE AMOUNT YOU PAID TO US IN CONNECTION WITH YOUR USE OF THE PLATFORM OR PARTICIPATION IN THE PROTOCOL DURING THE SIX (6) MONTHS PRECEDING THE EVENT GIVING RISE TO THE CLAIM.

15.3 SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OR LIMITATION OF CERTAIN DAMAGES OR LIABILITIES. IN SUCH JURISDICTIONS, THE LIMITATIONS SET FORTH IN THIS SECTION SHALL APPLY TO THE MAXIMUM EXTENT PERMITTED BY LAW.

16.0 Indemnification

16.1 You agree to indemnify, defend, and hold harmless the Company, the Sapien Foundation, Sapien International Ltd., and their affiliates, directors, officers, employees, and agents from and against any and all claims, liabilities, damages, losses, costs, expenses, or fees (including reasonable legal fees) arising out of or relating to:

- (i) your use of the Platform or participation in the Protocol;
- (ii) your breach of these Terms;
- (iii) any submissions, data, or work product you provide that infringes or misappropriates any intellectual property, proprietary, or other rights of any third party;
- (iv) any violation of applicable laws or regulations by you; and
- (v) any tax obligations or liabilities incurred in connection with your receipt, holding, or transfer of Tokens.

16.2 Sapien reserves the right, at your expense, to assume the exclusive defense and control of any matter subject to indemnification by you, and you agree to cooperate with our defense of such claims.

17.0 Dispute Resolution

17.1 Informal Resolution

In the event of any dispute, controversy, or claim arising out of or relating to these Terms, the Platform, the Protocol, or the Tokens, you agree to first attempt to resolve the dispute informally by contacting us at legal@sapien.io. We will attempt to resolve the dispute through good faith discussions within thirty (30) days of receiving your notice.

18.0 Governing Law

18.1 These Terms shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to its conflict of law provisions.

18.2 You agree that the United Nations Convention on Contracts for the International Sale of Goods does not apply to these Terms or to any disputes or transactions arising under them.

19.0 Amendments

19.1 Sapien may amend, modify, or update these Terms from time to time at its sole discretion.

19.2 Any changes will be posted on the Platform with an updated “Last Revised” date.

19.3 Your continued access to or use of the Platform, participation in the Protocol, or engagement with the Tokens following such changes constitutes your acceptance of the revised Terms.

20.0 Miscellaneous

20.1 Entire Agreement

These Terms, together with any documents expressly incorporated by reference, constitute the entire agreement between you and Sapien with respect to the subject matter herein and

supersede all prior or contemporaneous agreements, communications, and understandings, whether written or oral.

20.2 Severability

If any provision of these Terms is held to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect.

20.3 Assignment

You may not assign or transfer these Terms, or any rights or obligations hereunder, without Sapien's prior written consent. Any attempted assignment without such consent shall be void. Sapien may freely assign or transfer these Terms without restriction.

20.4 Waiver

No waiver of any provision of these Terms shall be effective unless in writing and signed by Sapien. The failure of Sapien to enforce any right or provision of these Terms shall not constitute a waiver of such right or provision.

21.0 Contact Information

21.1 If you have any questions about these Terms, please contact us at:

legal@sapien.io

22.0 Glossary

For purposes of these Terms, the following defined terms shall have the meanings set forth below:

- (i) "Company" means Sapien AI Corp., a corporation incorporated under the laws of Ontario, Canada.
- (ii) "Sapien Foundation" means the foundation established in the Cayman Islands responsible for stewarding the Protocol.
- (iii) "Sapien International Ltd." means the entity responsible for the issuance of Tokens.
- (iv) "Contributor" means a user participating in the Protocol by performing, submitting, or validating data tasks.
- (v) "Platform" means the digital platform made available by Sapien through which Contributors

may access the Protocol.

(vi) “Protocol” means the Sapien decentralized data annotation and collection system governed by these Terms.

(vii) “Tokens” or “\$SAPIEN” means the digital assets issued by Sapien International Ltd. and used within the Sapien ecosystem.

(viii) “Reputation” means the score assigned to Contributors under the Protocol to measure accuracy, reliability, and compliance.

(ix) “Staking” means the process by which Contributors lock Tokens to access certain task tiers and influence reward multipliers.

(x) “Slashing” means the partial or total forfeiture of staked Tokens as a penalty for low-quality submissions, false validations, or other violations.

(xi) “Validation” means the peer-review mechanism through which Contributors of higher reputation verify the accuracy of tasks.