MASTER TERM SHEET, SHAREHOLDER AGREEMENT AND SHARE SUBSCRIPTION DOCUMENT

Date: [●]

This Master Term Sheet, Shareholder Agreement and Share Subscription Document (this **Document**) sets out the principal terms on which **[Issuer Legal Name]** (the **Issuer**) may issue shares to the undersigned investor (the **Investor**). This Document is intended to function as a three-in-one instrument comprising: (a) a commercial term sheet summarizing the principal terms of the financing; (b) a built-in shareholder agreement governing certain ongoing shareholder and administrative matters between the Issuer and the Investor; and (c) a share subscription framework to be completed through the applicable closing package and acceptance by the Issuer.

This Document shall be read together with any closing package, risk acknowledgment, subscription agreement, share terms, offering memorandum or exempt distribution materials, and any other ancillary documents provided by the Issuer. Except for those provisions expressly stated to be binding, this Document is intended as a summary of principal terms for discussion and documentation purposes and does not itself constitute a final commitment by the Issuer to issue securities or by the Investor to subscribe, except upon execution of definitive documentation and acceptance by the Issuer. Notwithstanding the foregoing, upon issuance of Shares to the Investor, the shareholder governance and administrative provisions expressly stated herein to be binding shall apply between the Issuer and the Investor unless replaced by a separate written shareholder agreement or joinder accepted by both Parties.

Transaction Overview

High-Level Structure

The Issuer is the top-level holding company and subscription vehicle. Investors subscribe for Shares of the Issuer only. The Issuer then acts, directly or indirectly, as the sole investor, capital allocator, and participating equity holder in one or more underlying Bitcoin-denominated joint ventures, together with related structures such as reserves, treasury accounts, special purpose vehicles, operating subsidiaries, and ancillary transaction documents.

The underlying joint ventures may in turn participate in transactions involving approved real-world assets and, where applicable, separately documented partnership and use of partnership assets agreements, operator use arrangements, or similar ancillary operator arrangements that sit alongside the joint venture and are documented independently from the joint venture economics.

How the Structure Fits Together

At a high level, the contemplated structure operates as follows:

1. the Investor subscribes into the Issuer by purchasing Shares;

2. the Issuer pools and manages capital at the holding-company level;
3. the Issuer deploys capital into one or more underlying joint ventures as the investor-side participant;
4. each underlying joint venture may coexist with a separately documented partnership and use of partnership assets agreement, together with any related lien package, operator pledge, servicing arrangement, settlement mechanics, or other ancillary operator obligations documented outside the joint venture itself;
5. cash recoveries, principal repayments, collateral realizations, reserve releases, and other proceeds may flow back from the underlying structures to the Issuer;
6. the Issuer then manages such inflows at the corporate level, including reserves, expenses, treasury, reinvestment, debt service, working capital, and any distributions or return-of-capital decisions made in accordance with the governing documents of the Issuer.

Returns of Capital and Economic Participation

The Investor acknowledges that the Issuer’s economic participation may include returns of capital, principal recoveries, realized gains, treasury gains or losses, settlement proceeds, rebate-adjusted receipts, and other inflows arising from the underlying joint ventures and related partnership and use of partnership assets arrangements. Such amounts may be received by the Issuer in different forms and at different times, including through agreed payments, refinancings, dispositions, repossessions, insurance recoveries, reserve releases, or final settlement events.

The Investor’s economic participation is therefore at the level of the Issuer as a shareholder and not by direct look-through ownership of the underlying transactions. Any return to the Investor depends on how the Issuer as a whole receives, retains, allocates, reserves, reinvests, expenses, and distributes those inflows in accordance with its corporate documents and applicable law.

Risk Framing

The Investor acknowledges that this is a layered structure. Risks may arise at the level of the Issuer, the treasury, the underlying joint ventures, the real-world assets, the operators, the ancillary partnership and use of partnership assets agreements, the collateral package, and the legal and tax framework applicable to each layer. The existence of collateral, recourse, payment streams, return-of-capital flows, or related ancillary documents does not eliminate the possibility of delay, impairment, shortfall, write-down, illiquidity, restructuring, or total loss at the Issuer level.

The Investor further acknowledges that, because the Issuer is the sole investor in the underlying joint ventures and the subscriber invests only in the Issuer, the Investor bears entity-level risk and not only transaction-level risk. Strong performance in one or more underlying transactions does not guarantee a corresponding return on the Shares.

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1. Parties

1.1 Issuer

[Issuer Legal Name]
A corporation existing under the laws of [Jurisdiction].

1.2 Investor

[Investor Legal Name]
of [address]

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2. Issuer Structure and Purpose

2.1 Holding Company Role

The Investor acknowledges that it is subscribing for shares of the Issuer, being a holding company or parent investment vehicle, and not for a direct interest in any underlying joint venture, asset, vehicle, receivable, partnership and use of partnership assets agreement, or operator transaction.

2.2 Indirect Economic Exposure

The Issuer may, directly or indirectly, deploy capital into one or more Bitcoin-denominated joint ventures, asset-backed financings, related entities, reserves, treasury arrangements, working capital uses, special purpose vehicles, or ancillary structures. The Investor’s exposure is therefore indirect and arises solely through its ownership of shares of the Issuer.

2.3 No Direct JV Rights

The Investor shall have no direct ownership interest, voting right, creditor right, lien right, enforcement right, beneficial interest, management right, approval right, or direct claim in respect of any individual joint venture, operator, asset, or financing transaction entered into by the Issuer or its affiliates unless expressly granted in separate written documentation.

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3. Securities Being Offered

3.1 Security Type

The Issuer may issue to the Investor such class or series of shares as is specified in the applicable closing documents, including common shares, preferred shares, non-voting shares, participating shares, redeemable shares, or another authorized class of equity securities (the **Shares**).

3.2 Number of Shares

The number of Shares to be issued to the Investor shall be determined at closing based on the final closing price, final capital raised, any pre-existing capitalization adjustments, any conversion or reclassification of outstanding securities, and the final share terms approved by the Issuer.

3.3 Ownership Percentage Determined at Closing

The Investor acknowledges that its final percentage ownership of the Issuer cannot be determined until closing and shall be determined only upon completion of the applicable financing round and finalization of the Issuer's post-closing capitalization table.

3.4 No Reliance on Preliminary Ownership Estimate

Any preliminary indication of target ownership, expected percentage range, illustrative dilution case, provisional price, or estimated post-money ownership communicated prior to closing shall be informational only and shall not be binding unless expressly set out in final executed closing documents.

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4. Subscription Amount and Closing Mechanics

4.1 Subscription Amount

The Investor proposes to subscribe the aggregate amount of **[Contract Currency] [●]** (the **Subscription Amount**) for Shares of the Issuer, subject to acceptance by the Issuer.

4.2 Currency

Unless otherwise specified in the closing documents, all subscription amounts shall be funded in **[CAD / USD / other]**.

4.3 Closing Conditions

The issuance of Shares shall be subject to such conditions as the Issuer may reasonably require, including without limitation:

1. completion of know-your-client, anti-money-laundering, sanctions, and internal compliance checks;
2. receipt of executed subscription and risk documents;
3. confirmation of the Investor's eligibility under applicable securities exemptions;
4. acceptance of the subscription by the Issuer;
5. receipt of cleared funds; and
6. completion of any required corporate approvals.

4.4 Right to Accept or Reject

The Issuer reserves the right, in its sole discretion and without giving reasons, to accept or reject all or part of any subscription.

4.5 Multiple Closings

The Issuer may complete the financing in one or more closings and may accept subscriptions from different investors at different times, subject to applicable law and final capitalization adjustments.

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5. Use of Proceeds

The Issuer may use the proceeds of the financing for any lawful corporate purpose, including without limitation:

1. capital deployment into one or more underlying joint ventures or related structures;
2. reserve formation and liquidity management;
3. working capital and operating expenses;
4. legal, structuring, licensing, compliance, accounting, custodial, audit, and administration costs;
5. treasury management, including BTC-denominated or fiat-denominated holdings;
6. repayment, restructuring, or retirement of existing obligations where approved by the Issuer; and
7. such other uses as the directors or authorized officers of the Issuer determine in good faith.

The Investor acknowledges that proceeds are invested at the Issuer level and are not ring-fenced to any particular transaction unless expressly stated in writing.

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6. Economic Thesis and Business Model Acknowledgment

6.1 General Business Model

The Issuer's business model may include acting as the sole investor, capital allocator, treasury manager, structuring vehicle, or parent entity in connection with Bitcoin-denominated joint ventures, real-world asset financings, operator facilities, and related transactions.

6.2 No Guaranteed Deployment Pattern

The Issuer does not guarantee that any particular amount of proceeds will be deployed into any specific joint venture, sector, geography, asset class, or operator relationship.

6.3 No Guaranteed Return

The Investor acknowledges that there is no guaranteed yield, dividend, redemption amount, liquidity event, appreciation outcome, or return of capital unless expressly provided in final governing documents.

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7. Share Rights

7.1 Governing Documents

The rights, preferences, privileges, restrictions, and conditions attaching to the Shares shall be governed by the Issuer's articles, share terms, this Document to the extent expressly binding, any separate shareholder agreement or joinder if later adopted, and any other definitive documents entered into at closing.

7.2 Voting Rights

Voting rights, if any, shall be as set out in the definitive share terms. Unless expressly granted, no assumption shall be made that the Shares carry voting control, board rights, veto rights, or approval rights over underlying transactions.

7.3 Dividends and Distributions

Any dividends, distributions, buybacks, redemptions, or return-of-capital payments shall be made only if and when declared or approved by the Issuer in accordance with applicable law and its governing documents.

7.4 Liquidity and Transfer Restrictions

The Shares may be illiquid and subject to restrictions on resale, transfer, encumbrance, legend requirements, hold periods, internal approval rights, and securities law limitations.

7.5 Shareholder Governance Terms Built In

Upon issuance of Shares to the Investor, and unless superseded by a separate written shareholder agreement or joinder accepted by the Issuer and the Investor, Sections 7.5 through 7.9 of this Term Sheet shall constitute binding shareholder governance terms between the Issuer and the Investor with respect to the Shares.

7.6 Waiver of Annual Meetings and Notice

To the maximum extent permitted by applicable law, the Investor waives the requirement for annual shareholder meetings, consents to the conduct of annual shareholder business by written resolution, and waives formal notice, attendance, and in-person meeting procedures in respect of routine annual matters and other ordinary-course shareholder matters. If a shareholder meeting is required by applicable law and cannot validly be waived, the Investor agrees that such meeting may be held in the most streamlined form permitted by law, including by telephone, video conference, or other remote means.

7.7 Routine Written Resolutions and Housekeeping Matters

The Investor agrees to promptly execute written resolutions, waivers, consents, confirmations, and related documents for routine corporate housekeeping matters that do not materially and disproportionately adversely affect the Investor’s class rights or economic rights, including without limitation:

1. approval of annual financial statements;
2. waiver, appointment, or replacement of auditors where permitted by law;
3. election, re-election, or replacement of directors nominated by management;
4. appointment or confirmation of officers and signing authorities;
5. banking, custodial, treasury, compliance, and filing authorities;
6. annual returns, corporate records updates, registered office changes, and clerical or administrative corrections;

7. implementation of steps required for tax, audit, compliance, regulatory, exchange, custodial, or financing purposes; and
8. such other ordinary-course matters as are reasonably necessary for the administration of the Issuer and do not materially and disproportionately adversely affect the Investor.

7.8 Limited Administrative Proxy and Signing Authority

To reduce administrative burden, and to the maximum extent permitted by applicable law, the Investor irrevocably appoints any director of the Issuer designated by the Issuer as the Investor's true and lawful proxy and attorney solely for the limited purpose of signing, consenting to, or voting on ordinary-course shareholder approvals described in Section 7.7 where the Investor has not responded within [7] Business Days after written request. This limited proxy and signing authority shall not extend to any matter that materially and disproportionately adversely affects the Investor's class rights, economic rights, or transfer rights.

7.9 Reserved Matters Not Subject to Administrative Waiver

For greater certainty, Sections 7.6 through 7.8 shall not authorize action, without the Investor's separate consent where otherwise required by law or governing documents, in respect of:

1. amendment of the rights, privileges, restrictions, or conditions attaching to the Investor's class of Shares;
2. creation of a new class or series of shares ranking senior to the Investor's Shares as to dividends, distributions, or liquidation, except where such authority is already expressly built into the share terms subscribed for by the Investor;
3. amalgamation, continuance, liquidation, dissolution, or sale of all or substantially all of the Issuer's assets outside the ordinary course;
4. a related-party transaction outside the ordinary course that materially and disproportionately adversely affects the Investor; or
5. any other matter that applicable law does not permit to be waived, delegated, or handled through proxy or written consent in the manner contemplated herein.

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8. Risk and Suitability Acknowledgment

8.1 Speculative Investment

The Investor acknowledges that an investment in the Shares is speculative and involves a high degree of risk.

8.2 Layered Risk Exposure

The Investor acknowledges that the Issuer's business may involve layered risks, including corporate risk, treasury risk, Bitcoin price risk, execution risk, financing risk, legal risk, operator risk, collateral realization risk, tax risk, and regulatory risk.

8.3 Indirect Exposure Only

The Investor further acknowledges that even if one or more underlying joint ventures perform well, the Investor's actual return depends on the capitalization, expenses, liabilities, reserves, treasury management, and overall performance of the Issuer as a whole.

8.4 Separate Risk Documentation

The Investor shall execute such separate risk acknowledgment, accredited investor representation, indemnity, or other suitability documentation as the Issuer may require.

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9. Accredited Investor and Exempt Distribution Matters

9.1 Exempt Distribution

The Shares are being offered pursuant to one or more prospectus exemptions under applicable securities laws.

9.2 Investor Responsibility

The Investor shall provide such representations, warranties, acknowledgments, and supporting information as the Issuer may request in order to confirm the Investor's eligibility to purchase the Shares under applicable exemptions.

9.3 No Public Offering

The Investor acknowledges that the Shares have not been qualified by prospectus and may not be offered or sold except in compliance with applicable securities laws.

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10. Information Rights and Reporting

10.1 Reporting Standard

The Issuer may provide such reports, updates, summaries, financial statements, treasury statements, net asset summaries, transaction overviews, or other information as it determines appropriate, subject to confidentiality, privilege, competitive sensitivity, and legal constraints.

10.2 No Asset-Level Reporting Obligation

Unless expressly agreed otherwise in writing, the Issuer is not obligated to provide transaction-by-transaction reporting, operator-level financials, borrower-level disclosures, or direct access to underlying joint venture books and records.

10.3 Confidentiality

Any non-public information provided to the Investor shall be kept confidential and may not be disclosed except as required by law or with the Issuer's prior written consent.

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11. Closing Deliverables

At or prior to closing, the Issuer may require some or all of the following:

1. executed subscription agreement;
2. accredited investor certificate or equivalent representation;
3. risk acknowledgment and indemnity documentation;
4. corporate or trust documentation for non-individual investors;
5. source-of-funds or beneficial ownership information;
6. wire or payment instructions confirmation; and
7. any additional compliance or closing documents reasonably requested by the Issuer; and
8. acknowledgment that the shareholder governance provisions contained in Sections 7.5 through 7.9 apply upon closing unless replaced by a separate written shareholder agreement or joinder.

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12. Transfer Restrictions and Exit

12.1 Restricted Security

The Shares shall be subject to such resale restrictions, legends, hold periods, private transfer limitations, rights of first refusal, drag-along rights, tag-along rights, issuer repurchase rights, or other contractual and legal restrictions as may be set out in the definitive documents.

12.2 No Assured Liquidity

The Investor acknowledges that there may be no public market, no internal market, and no assured redemption or buyback mechanism for the Shares.

12.3 Future Financings and Dilution

The Issuer may issue additional securities in the future, which may dilute the Investor's ownership percentage, economic rights, and voting position, unless specific anti-dilution or pre-emptive rights are expressly granted in writing.

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13. Tax and Legal Acknowledgments

13.1 Independent Advice

The Investor acknowledges that it has been advised to obtain independent legal, tax, accounting, and investment advice regarding the subscription for Shares.

13.2 No Tax Advice

The Issuer does not provide tax advice to the Investor by issuing this Term Sheet or accepting any subscription.

13.3 Tax Reporting

The Issuer may provide such tax slips, statements, notices, or informational summaries as it determines are required by applicable law or appropriate in the circumstances, but makes no representation as to the tax characterization of the Shares or any return thereon except as required by law.

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14. Confidentiality and Non-Reliance

14.1 Confidentiality

This Document and any related non-public materials are confidential and may not be circulated, quoted, disclosed, or reproduced except for the Investor’s internal evaluation and professional advice purposes.

14.2 Non-Reliance on Informal Statements

The Investor acknowledges that it is not relying on any oral statement, informal model, draft deck, provisional cap table, illustrative return scenario, or unaudited estimate except as expressly incorporated into definitive written documents.

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15. Governing Law

This Document shall be governed by the laws of [Province/Territory] and the federal laws of Canada applicable therein, except to the extent superseded by definitive documentation.

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16. Binding and Non-Binding Provisions

16.1 Non-Binding Commercial Summary

Except as set out in Section 16.2, this Document is a non-binding summary of proposed terms only.

16.2 Binding Provisions

Sections 7.5 through 7.9 (Shareholder Governance Terms Built In), 14 (Confidentiality and Non-Reliance), 15 (Governing Law), and 16 (Binding and Non-Binding Provisions) shall be binding upon execution of this Document, provided that Sections 7.5 through 7.9 take effect as shareholder governance terms upon issuance of Shares to the Investor. All other provisions are subject to definitive documentation and final acceptance by the Issuer.

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17. Signatures

Issuer

[Issuer Legal Name]

By: ___________________________
Name: [●]
Title: [●]

Investor

[Investor Legal Name]

By: ___________________________
Name: [●]
Title: [●]

SCHEDULE A – CLOSING VARIABLES

A. Financing Round

- Financing round name: [●]
- Target raise: [●]
- Maximum raise: [●]
- Minimum subscription: [●]
- Closing date or closing window: [●]

B. Investor Subscription

- Subscription Amount: [●]
- Funding currency: [●]
- Payment instructions: [●]
- Investor type: [Individual / Corporation / Trust / Other]

C. Share Terms at Closing

- Share class / series: [●]
- Price per share at closing: [●]
- Number of Shares issued: [●]
- Post-closing ownership percentage: [To be determined at closing]
- Voting rights: [●]
- Distribution rights: [●]
- Redemption / buyback rights: [●]

D. Securities Law Matters

- Prospectus exemption relied upon: [●]
- Hold period / legend requirements: [●]
- Required investor certificates: [●]

E. Ancillary Documents

- Subscription agreement: [Yes/No]
- Risk acknowledgment: [Yes/No]
- Accredited investor certificate: [Yes/No]
- Shareholders agreement / joinder: [Included herein unless replaced / Yes/No]
- Additional compliance package: [Yes/No]

SCHEDULE B – STRUCTURE AND FLOW DIAGRAM

1. Entity and Capital Flow Diagram

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INVESTOR
   │
   │ subscribes for Shares of
   ▼
ISSUER / HOLDING COMPANY
   │
   │ pools capital, manages reserves, treasury, expenses,
   │ reinvestment, distributions, and return-of-capital decisions
   ▼
UNDERLYING JV(S)
   │
   ├─ JV equity participation in approved asset structure
   │
   └─ may sit alongside a separate partnership and use of partnership assets
agreement
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             │
             ▼
      OPERATOR + APPROVED REAL-WORLD ASSET
      (vehicle / collateral / servicing / insurance / realization)
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2. Return and Recovery Flow Diagram

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OPERATOR PAYMENTS / ASSET CASHFLOWS / REFINANCING / DISPOSITION
                     / REPOSSESSION / INSURANCE / RECOVERIES
                                 │
                                 ▼
      UNDERLYING JV + RELATED PARTNERSHIP AND USE OF
                    PARTNERSHIP ASSETS AGREEMENT
                                 │
                                 ▼
                 RETURNS OF CAPITAL / PRINCIPAL RECOVERIES /
                 SETTLEMENT PROCEEDS / RESERVE RELEASES /
                 OTHER NET INFLOWS TO ISSUER
                                 │
                                 ▼
                      ISSUER / HOLDING COMPANY LEVEL
              (expenses, reserves, treasury, redeployment,
                debt service if any, and corporate decisions)
                                 │
                                 ▼
                    SHAREHOLDER-LEVEL OUTCOMES, IF ANY
       (dividends / distributions / buybacks / redemptions /
                 return of capital, when declared or approved)
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3. Risk Layer Diagram

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LAYER 1: SHAREHOLDER / ISSUER RISK
- entity-level expenses
- treasury management risk
- dilution, liquidity, and governance risk

LAYER 2: UNDERLYING JV RISK
- BTC-denominated settlement risk
- counterparty and operator performance risk
- reserve sufficiency and realization timing risk

LAYER 3: ANCILLARY PARTNERSHIP AND USE OF
         PARTNERSHIP ASSETS AGREEMENT RISK
- delay or shortfall in agreed payment or capital recovery
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- lien, servicing, and enforcement risk
- documentation and restructuring risk

LAYER 4: REAL-WORLD ASSET RISK
- vehicle / collateral depreciation
- damage, theft, insurance, and repossession risk
- legal, tax, and jurisdictional enforcement risk
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4. Interpretive Notes

1. The Investor subscribes only for Shares of the Issuer and does not invest directly into any underlying JV.
2. The Issuer participates as the investor-side party in the underlying JV structure, directly or indirectly.
3. Any separate partnership and use of partnership assets agreement is independent from the JV economics even if both sit alongside the same asset and operator relationship.
4. Cash received by the Issuer from the underlying structures may first be applied to reserves, expenses, treasury, redeployment, restructuring, or other corporate purposes before any shareholder-level outcome is determined.
5. The diagrams in this Schedule are illustrative only and do not override the operative provisions of this Document or any definitive transaction documents.