

# Know Freedom Blockchain Charter

## ARTICLE I — PURPOSE AND SCOPE

This Charter (hereinafter, the "Charter") sets forth the governance structure, operational framework, and guiding principles of the Know Freedom Blockchain (the "Blockchain"). The Blockchain constitutes a decentralized ledger-based platform administered and operated under the authority of Know Freedom Foundation LLC, a nonprofit limited liability company organized under the laws of the State of Wyoming (the "Foundation").

The Blockchain is designed to promote transparency, service verification, digital rewards, and mission-aligned innovation through decentralized technology infrastructure.

The Foundation expressly affirms that SERV Digital Rewards (SERV DR) are not investment instruments and do not constitute securities. SERV DR are earned through verifiable acts of service or participation in software node operations and are not sold or marketed as profit-generating assets. To preserve the non-security status of SERV DR and ensure full regulatory compliance:

## ARTICLE II — DEFINITIONS

As used herein, the following capitalized terms shall have the meanings set forth below:

**“Foundation”** means Know Freedom Foundation LLC, a Wyoming nonprofit entity that owns and governs the Know Freedom Blockchain.

**“Board” or “Board of Directors”** refers to the duly appointed directors of the Foundation, serving as the ultimate governance authority.

**“Charter”** means this Know Freedom Blockchain Charter, including all subsequent amendments duly adopted in accordance with Article IX.

**“Software Node License Holder”** means any individual or legal entity that has lawfully acquired a license from the Foundation granting rights to operate node software within the Blockchain ecosystem.

**“Validator Node”** means a node operator who has fulfilled the staking and eligibility requirements established by the Foundation to perform block validation and secure network consensus.

**“Community Node”** means a standard entry-level node license authorized by the Foundation for individual participation in network operations.

**“Impact Node”** means a premium license operated by high-capacity or institutional participants, eligible to earn higher rewards and participate in validator workflows.

**“Foundation Node”** means a node license held by or allocated by the Foundation to trusted contributors, composed of Community and Impact Nodes held for mission advancement.

**“SERV DR” or “SERV Digital Rewards”** means non-tradable digital reward units earned through verified service and participation in the Blockchain.

**“Gas Fee”** means the transactional fee required to process and confirm operations on the Blockchain.

**“Quorum”** means the minimum percentage of Software Node License Holders required to participate in a vote for said vote to be considered valid.

**“Proposal”** means any suggested change to Blockchain operations, protocol-level configurations, or governance mechanics, whether advisory or subject to ratification by the Board.

## **ARTICLE III — NODE LICENSE TYPES**

The Blockchain shall be operated by a distributed network of software node operators, each holding a valid license issued under authority of the Foundation. The types of licenses shall be as follows:

**Section 3.1 — Community Nodes** Community Nodes shall be entry-level licenses issued to individual operators to support network functionality and validate Proof of Service data. Community Nodes shall be eligible to receive daily reward distributions at a base rate.

**Section 3.2 — Impact Nodes** Impact Nodes shall be premium-tier licenses issued to larger contributors, institutional partners, or high-availability operators. Impact Nodes may participate in validator workflows and shall be eligible for enhanced reward distributions at up to twenty (20) times the base rate.

**Section 3.3 — Foundation Nodes** Foundation Nodes shall be held in reserve and allocated by the Foundation for strategic and mission-aligned purposes. Such nodes may include a mix of Community and Impact Nodes and shall be deployed to support ecosystem growth, early adoption, and nonprofit alignment.

**Section 3.4 — Validator Nodes** Validator Nodes shall be designated operators that meet eligibility criteria and staking thresholds established by the Foundation. Validator Nodes shall be responsible for block validation, transaction processing, and maintaining consensus. Validator Nodes receive the largest portion of gas fees from transactions.

## **ARTICLE IV — COMMUNITY GOVERNANCE**

**Section 4.1 — Proposal Submission** Software Node License Holders shall have the right to submit proposals to amend operational parameters of the Blockchain, including but not limited

to: (a) Transaction fees and allocation; (b) Reward rate adjustments; (c) Validator eligibility; (d) Proof of Service mechanics.

All proposals must be submitted in accordance with formal submission protocols published by the Foundation and shall be reviewed by the Board or its designee for completeness, legal compliance, and alignment with the Foundation's nonprofit mission.

**Section 4.2 — Voting Procedure** Each Software Node License shall carry a defined voting weight as published by the Foundation. As of the date of this Charter, Community Node Licenses carry one (1) vote, and Impact Node Licenses carry five (5) votes. To be considered valid, a vote must: (a) Achieve quorum of at least twenty-five percent (25%) of all active Software Node License Holders; and (b) Receive affirmative votes from at least two-thirds (2/3) of those participating.

**Section 4.3 — Ratification Requirement** The outcome of any community vote shall be deemed advisory in nature and shall not be binding unless ratified by a majority of the Board of Directors. The Board shall have discretion to withhold ratification if such proposal is found to conflict with the Foundation's legal obligations, nonprofit status, or mission.

**Section 4.4 — Community Forum** The Foundation shall maintain or designate a forum, dashboard, or other communication mechanism for discussing proposals and community participation.

**Section 4.5 — Governance Evolution** The Foundation affirms its intent to progressively decentralize governance of the Blockchain to the community of Software Node License Holders. The Board shall periodically review and, at its discretion, expand the rights and roles of Software Node License Holders in proposing, voting on, and ratifying amendments, protocol changes, and operational decisions.

The Foundation may publish a Governance Expansion Plan ("GEP") outlining milestones, criteria, or phases by which additional community governance powers shall be delegated, subject always to compliance with nonprofit regulations.

In alignment with its nonprofit mission, the Foundation upholds a set of guiding principles titled "The Way We Serve." These expectations reflect the values of service, inclusivity, and accountability that apply to all participants in the Know Freedom Blockchain community. Observing these principles is a condition of participation and may inform decisions related to platform access, node license status, or community recognition.

## **ARTICLE V — TOKENOMICS AND GAS FEES**

### **Section 5.1 — Total Supply and Annual Distribution**

The SERV Digital Reward (SERV DR) is pre-minted at fifty billion (50,000,000,000) tokens, held in a multi-signature treasury wallet controlled by the Foundation. Distribution follows a structured

release schedule via a time-locked smart contract. The release is designed to ensure gradual, sustainable rewards and to prevent inflation. The release schedule is as follows:

- Year 1: 20% (10B SERV DR)
- Year 2: 18% (9B SERV DR)
- Year 3: 16% (8B SERV DR)
- Year 4: 14% (7B SERV DR)
- Year 5: 12% (6B SERV DR)
- Year 6: 10% (5B SERV DR)
- Year 7: 8% (4B SERV DR)
- Year 8: 2% (1B SERV DR)

### **Section 5.2 — Distribution Mechanism**

The Foundation shall maintain a Distribution Mechanism smart contract that converts earned points into SERV DR during each distribution cycle. Points are earned through two primary categories:

1. Node Contributions — Points awarded for operating licensed node software and maintaining uptime.
2. Service & Community Actions — Points earned for verified participation in service initiatives, volunteer leadership, education, or mission-aligned programs.

At the end of each daily distribution cycle, rewards are calculated based on cumulative point totals:

- 40% of the daily SERV DR is allocated to Software Node Contributions.
- 60% is allocated to Service & Community Actions.

### **Section 5.3 — Daily Rewards**

The Foundation shall define specific point values and eligible actions in published guidelines. All point tracking shall be logged and accessible to node holders and participants. Daily reward pools are distributed automatically based on verified point totals.

### **Section 5.4 — Gas Fees**

All Blockchain transactions shall be subject to a Gas Fee, payable in SERV DR. Validator Nodes shall receive a significant portion of Gas Fees collected.

### **Section 5.5 — Staking (If Applicable)**

Validator Nodes shall meet eligibility and performance standards as defined by the Foundation. Staking requirements, if any, shall be set forth in Foundation policy.

### **Section 5.6 — Distribution Schedule Amendments**

The multi-year distribution schedule described in Section 5.1 may only be amended by a vote of Software Node License Holders in accordance with this Charter. Any such amendments must uphold the Foundation's principles of long-term sustainability, discourage inflationary practices, and prevent speculative activity.

## **ARTICLE VI — ROLE OF THE FOUNDATION**

The Foundation shall retain exclusive authority to: (a) Own and license the software and infrastructure comprising the Blockchain; (b) Approve amendments, protocol upgrades, and validator onboarding; (c) Oversee the governance framework and community voting procedures; (d) Approve grantmaking or technology partnerships using Foundation resources; (e) Ensure compliance with IRS regulations and nonprofit law; (f) Foster and facilitate the transition toward increased Software Node License Holder governance, while preserving the Foundation's legal and fiduciary obligations as a nonprofit organization; (g) Protect User Privacy: The Foundation shall implement and maintain appropriate measures to protect user data in accordance with applicable privacy laws. Any third-party service providers, platforms, or contractors engaged by the Foundation shall be contractually required to adhere to data protection standards that are equivalent to those required of the Foundation.

## **ARTICLE VII — OPERATIONS AND DISPUTE RESOLUTION**

### **Section 7.1 — Dispute Resolution**

Disputes arising between Software Node License Holders, or between any participant and the Foundation, shall be addressed in accordance with mediation and resolution procedures adopted by the Foundation. The Board may, at its discretion, designate an independent advisory body to assist in dispute resolution. All participants shall act in good faith to resolve disputes through these internal processes prior to pursuing external remedies.

### **Section 7.2 — License Termination**

The Foundation may revoke or suspend a Software Node License in the event of documented violations including, but not limited to, fraud, protocol manipulation, abuse of validator privileges, or actions contrary to the Foundation's mission. The affected party shall be notified in writing and provided a thirty (30) day window to appeal the decision to the Board. The Board's determination shall be final and binding.

### **Section 7.3 — Security and Audits**

The Foundation shall conduct annual security audits of the Blockchain infrastructure and supporting software systems, performed by qualified independent firms. At the Board's discretion, a summary of the audit findings may be shared with Software Node License Holders to promote transparency and network integrity.

## **ARTICLE VIII — INDEMNIFICATION**

To the fullest extent permitted by applicable law, the Foundation shall indemnify, defend, and hold harmless its directors, officers, employees, agents, advisors, and authorized contractors, including those participating in node operations, validation, or governance processes (collectively, the "Indemnitees"), from and against any and all liabilities, damages, losses, claims, costs, and expenses (including reasonable attorneys' fees) arising out of or related to actions taken in good faith and within the scope of authority granted under this Charter.

Indemnification shall apply only to actions that are explicitly authorized in writing by the Foundation and directly related to Foundation or Blockchain operations. This protection shall not apply in cases involving gross negligence, fraud, or willful misconduct.

## **ARTICLE IX — AMENDMENTS**

This Charter may be amended by: (a) A two-thirds (2/3) vote of the full Board of Directors; or (b) A two-thirds (2/3) vote of all active Software Node License Holders, provided such amendment is reviewed and ratified by the Board for compliance with governing law and charitable purpose.

## **ARTICLE X — REGULATORY STATEMENT AND DISCLAIMER**

The Foundation affirms that SERV Digital Rewards (SERV DR) are not investment instruments and shall not be construed as securities under applicable laws. SERV DR are earned through participation in mission-aligned activity and are not sold or offered for speculative purposes.

To preserve the non-security status of SERV DR and ensure compliance with all applicable regulations: (a) The Foundation is a nonprofit entity that does not distribute profits or financial returns to participants; (b) Digital wallets and node software are hosted and maintained by independent technology providers; (c) Redemption and utility of SERV DR occur through platforms that are not marketed or operated as investment services. These platforms may be managed by independent providers or, where mission-aligned, developed by entities affiliated with the Foundation, provided they maintain operational independence and do not distribute profits to participants; (d) Verification of service may be conducted by independent partners or through decentralized protocols, including Foundation-developed systems that maintain auditability and do not grant financial interest or control to participants; (e) No pooling of funds or revenue sharing mechanisms exist; and (f) Participation in the Blockchain is based solely on contribution, not speculation.

IN WITNESS WHEREOF, this Charter has been duly adopted by resolution of the Board of Directors of Know Freedom Foundation LLC and shall govern the operations of the Know Freedom Blockchain as of the effective date hereof.

This Charter shall be published publicly on the Foundation's website and made available for review by any interested party.

Effective Date: June 1, 2025