

APPENDIX C

RESOLUTION REGARDING GOVERNANCE AND AUTHORISATION FOR MANAGEMENT OF CROWDSALE PROCEEDS

**Submitted for TIME Token Holder Vote Updated ChronoBank White Paper
February 2018**

Document Reference: CB-GOV-2018-001 **Status:** Proposal for Approval

RECITALS

WHEREAS:

1. ChronoBank is a blockchain-based system designed to tokenise labour-hours and enable the creation and operation of decentralised labour and asset-management platforms, coordinated through a central operating entity;
2. The ChronoBank Entity conducted a crowdsale of TIME tokens commencing in December 2016, concluding with the Token Generation Event on 27 February 2017, raising cryptocurrency proceeds intended to support ongoing research, development, infrastructure, legal arrangements, and system deployment;
3. Approximately 710,113 TIME tokens were generated during the Token Generation Event, with 88% sold during the crowdsale, 10% allocated to the ChronoBank team for ongoing research and development, and 2% allocated to advisors and early adopters;
4. The regulatory environment for cryptocurrency projects during 2017 and 2018 has presented challenges including limited access to traditional

banking services, evolving regulatory frameworks across jurisdictions, and uncertainty regarding the legal characterisation of digital assets;

5. The ChronoBank Entity has undertaken management of the Crowdsale Proceeds since the Token Generation Event in furtherance of the Project Objectives described in the White Paper;
6. It is desirable to formally document and confirm the governance framework and operational authority under which the ChronoBank Entity has operated and will continue to operate;
7. The ChronoBank Entity values the opinion of its community and investors, and has put the adoption of the Updated White Paper to a vote of TIME token holders;
8. TIME token holders are being asked to participate in a vote on the Updated White Paper through an on-chain voting mechanism;
9. The vote requires participation meeting or exceeding the quorum threshold of 210,000 TIME tokens for validity;
10. It is appropriate to document the proposed governance clarifications and authorisations for the benefit of TIME token holders and the public record;

NOW, THEREFORE, the following governance clarifications and authorisations are hereby confirmed and recorded:

ARTICLE 1: DEFINITIONS

In this Resolution, unless the context otherwise requires:

1.1 "Advance" means any payment of personal funds by an individual on behalf of the ChronoBank Entity for Project Expenses, subject to the terms of the Project Funding Note (Appendix D).

1.2 "Arm's-Length Basis" means terms and conditions that would be agreed between unrelated parties dealing independently in comparable circumstances.

1.3 "ChronoBank Entity" or "CBE" means the entity or entities responsible for coordinating the development, operation, and management of the ChronoBank system, acting in a representative capacity on behalf of the TIME token holder community.

1.4 "Crowdsale" means the sale of TIME tokens conducted by ChronoBank commencing in December 2016 and concluding with the Token Generation Event.

1.5 "Crowdsale Proceeds" means all cryptocurrency assets received by the ChronoBank Entity during or as a result of the Crowdsale, including Bitcoin (BTC), Ethereum (ETH), and any other Digital Assets received, together with any assets derived from the conversion, exchange, or investment of such assets.

1.6 "Digital Assets" means cryptocurrencies, tokens, and other blockchain-based assets, including without limitation Bitcoin, Ethereum, TIME tokens, Labour-Hour Tokens, and ERC20-compliant tokens.

1.7 "Effective Date" means the date on which this Resolution is approved by TIME token holder vote.

1.8 "Material Decision" means a decision that would significantly affect the direction, resources, or risk profile of the ChronoBank project, including but not limited to: (a) expenditure exceeding 10% of remaining Crowdsale Proceeds on a single initiative; (b) fundamental changes to the technical architecture; (c) discontinuation of major product initiatives; or (d) material changes to tokenomics.

1.9 "Project Expenses" means all costs and expenditures incurred in furtherance of the Project Objectives, including but not limited to software development, system infrastructure, legal and compliance costs, marketing and community development, and operational overhead.

1.10 "Project Objectives" means the objectives described in the White Paper and Updated White Paper, including the development and operation of the ChronoBank system for tokenising labour-hours, the TimeX exchange, the LaborX platform, and related ecosystem components.

1.11 "TIME Token" means the ERC20 token deployed at Ethereum contract address 0x6531f133e6DeeBe7F2dcE5A0441aA7ef330B4e53.

1.12 "Token Generation Event" or "TGE" means the completion of TIME token generation on 27 February 2017.

1.13 "Updated White Paper" means the revised ChronoBank white paper submitted for TIME token holder approval in February 2018, describing updated technical architecture and project direction.

1.14 "Voting Contract" means the smart contract deployed at Ethereum address 0x1592e638440957034667d9305c6dcf49e5e75dc2 used to record TIME token holder votes.

ARTICLE 2: PURPOSE AND STATUS OF THIS DOCUMENT

2.1 Purpose of this Resolution

This Resolution:

- (a) Confirms the authority of the ChronoBank Entity to manage Crowdsale Proceeds in furtherance of the Project Objectives;
- (b) Provides governance clarity regarding the scope of authorised activities and decision-making authority;
- (c) Establishes an accountability framework between the ChronoBank Entity and TIME token holders;
- (d) Clarifies the temporal scope of authorisation, including retroactive confirmation of actions taken since the Token Generation Event;
- (e) Documents the governance framework for the benefit of current and future TIME token holders.

2.2 Legal Character

- (a) This Resolution constitutes an expression of TIME token holder governance approval within the ChronoBank ecosystem.
- (b) This Resolution is not intended to create binding legal obligations enforceable under any particular national law, but rather operates as a governance instruction within the ChronoBank ecosystem.
- (c) Nothing in this Resolution shall be construed to create a partnership, joint venture, employment relationship, or fiduciary duty between the ChronoBank Entity and TIME token holders, except to the extent that such relationships may arise by operation of applicable law.

2.3 Hierarchy of Documents

- (a) This Resolution should be read together with the Updated White Paper and the other Appendices forming part of the vote materials.
- (b) In the event of any inconsistency between this Resolution and the Updated White Paper, the Updated White Paper shall prevail to the extent of the inconsistency.
- (c) This Resolution supersedes any prior informal understandings or communications regarding governance matters addressed herein.

ARTICLE 3: AUTHORITY TO MANAGE CROWDSALE PROCEEDS

3.1 General Authorisation

TIME token holders confirm and authorise that the ChronoBank Entity is authorised to manage, control, and deploy the Crowdsale Proceeds in order to pursue the Project Objectives described in the White Paper and Updated White Paper.

3.2 Specific Authorised Actions

Without limiting the generality of Article 3.1, the ChronoBank Entity is specifically authorised to:

- (a) **Treasury Management:** Hold, transfer, convert, or exchange Digital Assets comprising the Crowdsale Proceeds, including conversion between cryptocurrencies, conversion to fiat currency where necessary for operational purposes, and investment of treasury funds in accordance with prudent management principles;
- (b) **Development Expenditure:** Fund software development, smart contract development, system infrastructure, security audits, technical operations, and all other activities necessary to build and maintain the ChronoBank system and its component products;
- (c) **Operational Expenditure:** Fund marketing activities, legal services, accounting services, administrative overhead, office facilities, equipment, and all other reasonable operational costs;
- (d) **Personnel:** Engage employees, contractors, consultants, and service providers as necessary, and pay reasonable compensation for their services;
- (e) **Strategic Activities:** Enter into partnerships, joint ventures, investments, acquisitions, and other strategic arrangements that advance the Project Objectives;
- (f) **Legal and Compliance:** Engage legal counsel, establish legal entities and corporate structures, obtain necessary licenses and registrations, and take all actions required for regulatory compliance across relevant jurisdictions;
- (g) **Community Development:** Fund community initiatives, bounty programs, grants, and other activities that support ecosystem growth and TIME token holder engagement.

3.3 Limitations on Authority

The authorisation granted in this Article 3 is subject to the following limitations:

- (a) **No Distribution as Dividends:** Crowdsale Proceeds shall not be distributed to TIME token holders or any other parties as dividends, profit distributions, or similar payments without further express approval by TIME token holder vote;
- (b) **No Material Deviation:** The ChronoBank Entity shall not materially deviate from the Project Objectives described in the Updated White Paper without consulting TIME token holders through appropriate governance mechanisms;
- (c) **No Undisclosed Pledging:** Crowdsale Proceeds shall not be pledged as collateral or encumbered in any material way without disclosure to TIME token holders;
- (d) **Good Faith Requirement:** All actions taken under this authorisation shall be taken in good faith and in the reasonable belief that such actions advance the Project Objectives.

ARTICLE 4: TEMPORAL SCOPE AND RETROACTIVE RATIFICATION

4.1 Effective Period

The authorisation granted by this Resolution applies:

- (a) Retroactively from the Token Generation Event (27 February 2017) to the Effective Date; and
- (b) On a continuing basis from the Effective Date until such time as this Resolution is revoked or superseded by a subsequent TIME token holder vote.

4.2 Retroactive Ratification

TIME token holders hereby confirm and ratify all actions taken by the ChronoBank Entity from the Token Generation Event to the Effective Date that:

- (a) Were undertaken in good faith;
- (b) Were undertaken in pursuance of the Project Objectives; and
- (c) Would have been authorised under Article 3 had this Resolution been in effect at the time.

4.3 Effect of Ratification

Actions ratified under Article 4.2 shall be deemed to have been authorised as of the date on which they were originally undertaken, and no claim shall lie against the ChronoBank Entity or its representatives in respect of such actions on the basis of lack of authorisation.

ARTICLE 5: DELEGATION AND REPRESENTATIVES

5.1 Authorised Representatives

The ChronoBank Entity may designate individuals to act as authorised representatives for the purpose of managing Crowdsale Proceeds and conducting activities authorised under this Resolution.

5.2 Delegation

The ChronoBank Entity may delegate specific responsibilities to employees, contractors, or service providers, provided that:

- (a) The ChronoBank Entity retains overall responsibility for activities conducted under such delegation;
- (b) Appropriate controls and oversight mechanisms are maintained; and
- (c) Delegated parties are subject to appropriate confidentiality and duty of care obligations.

5.3 Conflicts of Interest

Authorised representatives and delegated parties shall:

- (a) Disclose any material conflicts of interest that arise in connection with their responsibilities;
 - (b) Recuse themselves from decisions where a material conflict exists; and
 - (c) Not derive personal benefit from their position except through disclosed and approved compensation arrangements.
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ARTICLE 6: LIABILITY AND RISK

ACKNOWLEDGEMENT

6.1 No Personal Guarantee

TIME token holders acknowledge that neither the ChronoBank Entity nor any individual member of the development team, management, or authorised representatives provides a personal guarantee regarding:

- (a) The performance, value, or liquidity of TIME tokens or any other Digital Assets;
- (b) The achievement of any specific milestones, features, or capabilities;
- (c) The commercial success or adoption of any ChronoBank product or service;
- (d) The regulatory treatment of TIME tokens or the ChronoBank system in any jurisdiction.

6.2 Technology Risks

TIME token holders acknowledge the inherent risks associated with blockchain technology and cryptocurrency systems, including:

- (a) **Smart Contract Risks:** Smart contracts may contain bugs, vulnerabilities, or unintended behaviours that could result in loss of funds or system malfunction;
- (b) **Blockchain Risks:** The Ethereum network or other blockchain systems on which ChronoBank operates may experience congestion, forks, attacks, or other disruptions;
- (c) **Cybersecurity Risks:** Digital assets and systems are subject to hacking, theft, and other cybersecurity threats despite reasonable security measures.

6.3 Economic Risks

TIME token holders acknowledge economic risks including:

- (a) **Market Volatility:** The value of Digital Assets including TIME tokens may fluctuate significantly and may decline to zero;
- (b) **Development Uncertainty:** Software development involves inherent uncertainty and projects may fail to achieve their objectives or may be delayed;
- (c) **Regulatory Changes:** Changes in laws, regulations, or regulatory interpretation may adversely affect the ChronoBank system or TIME tokens.

6.4 Standard of Care

(a) Decisions relating to the management or use of Crowdsale Proceeds are undertaken in a representative and operational capacity on behalf of the ChronoBank system, and not in an individual capacity.

(b) The ChronoBank Entity and its representatives shall exercise reasonable care and diligence in managing Crowdsale Proceeds and pursuing the Project Objectives.

(c) Neither the ChronoBank Entity nor its representatives shall be liable for honest errors of judgment made in good faith, provided that reasonable care was exercised.

ARTICLE 7: RELATIONSHIP TO OTHER DOCUMENTS

7.1 Integration

This Resolution forms part of an integrated set of governance documents approved by the TIME token holder vote, including:

- (a) The Updated White Paper;
- (b) Appendix A: TimeX Exchange Development Proposal;
- (c) Appendix B: LaborX Platform Development Proposal;
- (d) Appendix D: Project Funding Note.

7.2 Amendment

This Resolution may only be amended by a subsequent TIME token holder vote that:

- (a) Clearly identifies the amendments proposed;
- (b) Achieves the required quorum for valid voting; and
- (c) Achieves majority approval of participating TIME tokens.

7.3 Interpretation

- (a) Headings are for convenience only and do not affect interpretation.
- (b) Words in the singular include the plural and vice versa.
- (c) References to Articles are to articles of this Resolution unless otherwise specified.

(d) In the event of ambiguity, this Resolution shall be interpreted in a manner consistent with the Project Objectives and the reasonable expectations of TIME token holders.

ARTICLE 8: APPROVAL AND EXECUTION

8.1 Voting Mechanism

This Resolution is submitted for approval through the on-chain voting mechanism:

| Parameter | Value |
|-----------------|--|
| Voting Contract | 0x1592e638440957034667d9305c6dcf49e5e75dc2 |
| Required Quorum | 210,000 TIME |
| Voting Period | 10 days from announcement |

8.2 Conditions for Approval

This Resolution shall be deemed approved if:

- (a) Participation meets or exceeds the required quorum of 210,000 TIME tokens;
and
- (b) A majority of participating TIME tokens vote in favour of approval.

8.3 Effective Date

Upon approval, this Resolution shall take effect immediately.

SCHEDULE A: VOTING INFORMATION

On-Chain Verification

Upon completion of voting, the results may be independently verified on the Ethereum blockchain:

Contract Information

- TIME Token Contract:

0x6531f133e6DeeBe7F2dcE5A0441aA7ef330B4e53

- Voting/Lock Contract:

0x1592e638440957034667d9305c6dcf49e5e75dc2

Verification Method

Vote participation can be verified by querying TIME token deposits to the Voting Contract address during the voting window using any Ethereum block explorer or direct RPC query.

Document End

This Resolution is submitted as part of the materials for the TIME Token Holder Vote on the Updated ChronoBank White Paper.

Upon approval, publication of the voting results will constitute formal confirmation of the governance framework described herein.