



BLOCKCHAIN FOR ARTISTS

MUSIQ NETWORK LITEPAPER

# PLUG INTO THE MUSIC. POWER THE MUSIQ

A Participation-Based Digital Infrastructure  
for Musiq Ownership

## **Notice of Review and Pending Ratification**

This document is currently under compliance review and is subject to approval and ratification by Musiq Node Software License Holders through a formal voting process. Content, structure, and implementation details may be modified prior to final adoption.

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## FORWARD-LOOKING STATEMENT

This document may contain forward-looking statements regarding the anticipated development, functionality, adoption, and performance of the Musiq Network, Lyric digital rewards, Musiq Nodes, and the broader ecosystem. These statements are based on current expectations and assumptions and are subject to risks and uncertainties that may cause actual results to differ materially. Such statements may include references to roadmap execution, ecosystem growth, planned features, and reward or emission models, and are not guarantees of future performance. The Musiq Network is an evolving system dependent on factors including user adoption, technological development, regulatory conditions, and community governance. No representation or warranty is made as to the accuracy of these statements, and no obligation is undertaken to update them. Participants should rely only on the current functionality and design of the system.

## EXECUTIVE SUMMARY

# A Network Where Participation Drives Ownership

Musiq has become one of the most valuable forces in the world—yet the people who create it and participate in it rarely own it.

Today's platforms extract value. They control distribution, dictate visibility, and capture the majority of economic upside. Creators, fans, and communities generate the activity—but do not share in the ownership.

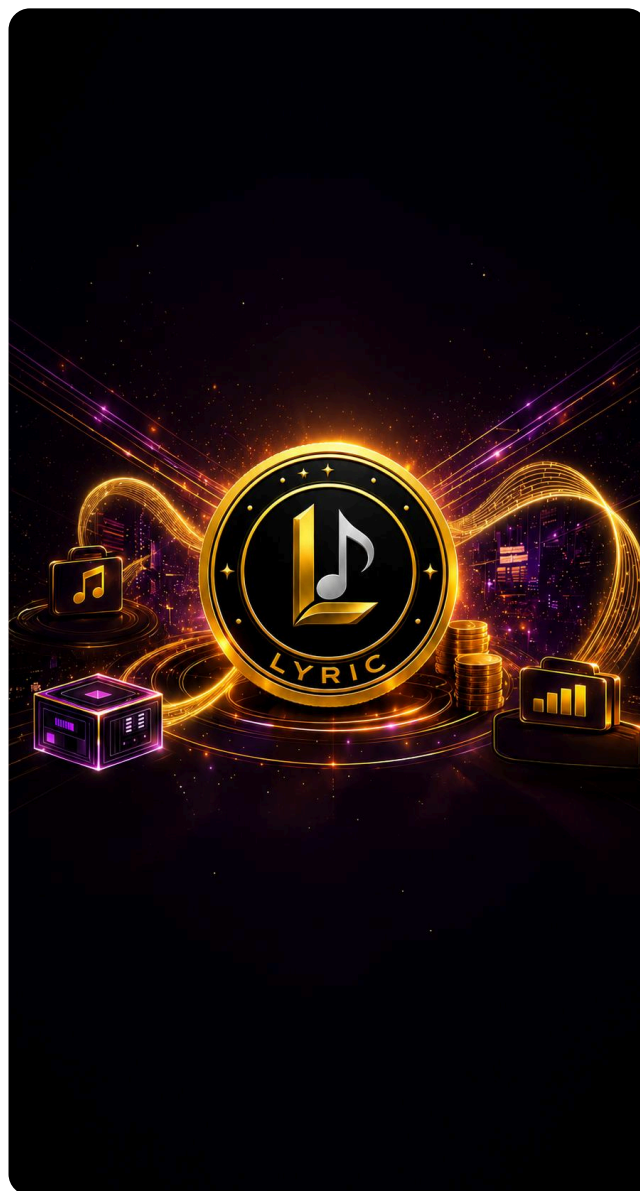
The Musiq Network introduces a different model.

It is a decentralized infrastructure where value is created through participation, verified through technology, and distributed across the ecosystem. Instead of rewarding capital, the network rewards contribution. Instead of relying on platforms, it is powered by infrastructure.

Built on the Gnode blockchain and supported by Musiq Nodes, the network transforms cultural activity—music, media, events, and engagement—into measurable, verifiable participation.

**Participation becomes value.**

**Value becomes ownership.**



### DISCLAIMER

Musiq Network is a decentralized, community-governed blockchain network and application designed to enhance music, artists, and cultural events through digital engagement and ecosystem participation. Participation is voluntary. Lyric digital rewards do not represent ownership, equity, investment, or any entitlement to profit. Users are solely responsible for compliance with applicable laws. The Musiq ecosystem operates under the stewardship of the Musiq Forward Foundation, a Wyoming-registered foundation governed by its charter and node-license-holder ratification. Lyric digital rewards are designed solely for use within the ecosystem and are not intended to have monetary value or be redeemable for fiat. Their availability and functionality depend on network activity and governance, not any guarantee by Block Reign, Inc. Governance decisions, software upgrades, and reward issuance are executed via protocol rules and smart contracts without centralized control. As with all public blockchains, data recorded on-chain is immutable and cannot be modified or deleted once written.

## THE PROBLEM

### The Current System Extracts Value

Modern cultural platforms are highly efficient at distribution—but fundamentally misaligned in how they allocate value.

Creators depend on centralized systems to reach audiences. Algorithms determine visibility. Monetization is fragmented, opaque, and often insufficient.

At the same time, the audience—the fans, listeners, and communities—actively fuels the ecosystem. They stream, share, promote, and engage. Their participation drives growth, yet they receive no meaningful share of the value they help create.

These systems are closed, non-transparent, and disconnected from real participation.

The result is a cultural economy where:

**Ownership is  
centralized**

**Participation is  
undervalued**

**Value flows upward, not  
outward**

## THE SOLUTION

### A Network That Returns Ownership to Musiq

The Musiq Network replaces extraction-based platforms with a participation-based system.

At its core, the network aligns three elements:

- Participation
- Infrastructure
- Verification

Every action within the ecosystem—streaming music, attending events, engaging with content—can be measured, verified, and rewarded.

This creates a system where:

- Creators maintain control over their work
- Participants are recognized for their contribution
- Value flows through the network, not through intermediaries

The result is a new type of digital infrastructure—one designed not to capture Musiq, but to support it.

## CORE PRINCIPLES

### Designed for Participation. Built for Ownership.

The Musiq Network is governed by a set of principles that define how value is created, distributed, and sustained.

<b>Earned, Not Sold</b> Rewards are generated through real participation. They are not purchased, allocated, or speculated on.	<b>Proof of Action</b> All participation is verified and recorded on-chain, ensuring transparency and integrity across the network.	<b>Transparency by Design</b> All activity, validation, and reward logic are recorded on-chain and publicly auditable.
<b>Separation of Roles</b> Participants, operators, and the protocol each serve distinct roles. No single group controls the system.	<b>Open Access</b> Participation does not require financial capital or technical expertise. Anyone can engage.	<b>Cultural Ownership</b> Creators and communities retain control over how value is generated and distributed.

## HOW THE NETWORK WORKS

### From Participation to Ownership

The Musiq Network transforms everyday engagement into verifiable, rewarded participation.

<b>1</b> <b>Participate</b> Users engage with content, events, and communities.	<b>2</b> <b>Earn</b> Participation generates digital rewards through the Lyric system.	<b>3</b> <b>Validate</b> Musiq Nodes verify that activity is real, unique, and legitimate.	<b>4</b> <b>Settle</b> All activity is recorded on the Gnode blockchain, creating a transparent and immutable record.
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This process ensures that value is tied directly to real human activity—not assumptions, estimates, or intermediaries.



## PARTICIPATION, NOT SPECULATION

### A Different Kind of System

The Musiq Network is intentionally designed to operate outside of speculative financial models.

Lyric is not a digital reward designed for trading or investment. It is a participation-based digital reward—earned through engagement and used within the ecosystem.

There are:

- No token sales
- No promises of financial return
- No reliance on market speculation

Instead, value is derived from:

- Access
- Participation
- Utility within the network

This structure aligns incentives toward activity and contribution, not accumulation.

## UTILITY & USE CASES

### Access. Participation. Engagement.

Lyric digital rewards are designed for active use within the Musiq Network ecosystem. Utility is derived from participation and engagement across applications and experiences.

Use cases include:

- Access to exclusive content, music, and digital releases
- Entry to live events, experiences, and community activations
- Participation in fan campaigns, promotions, and artist engagement
- Unlocking premium features within network applications
- Governance participation and community initiatives
- Incentives for creators, promoters, and ecosystem contributors

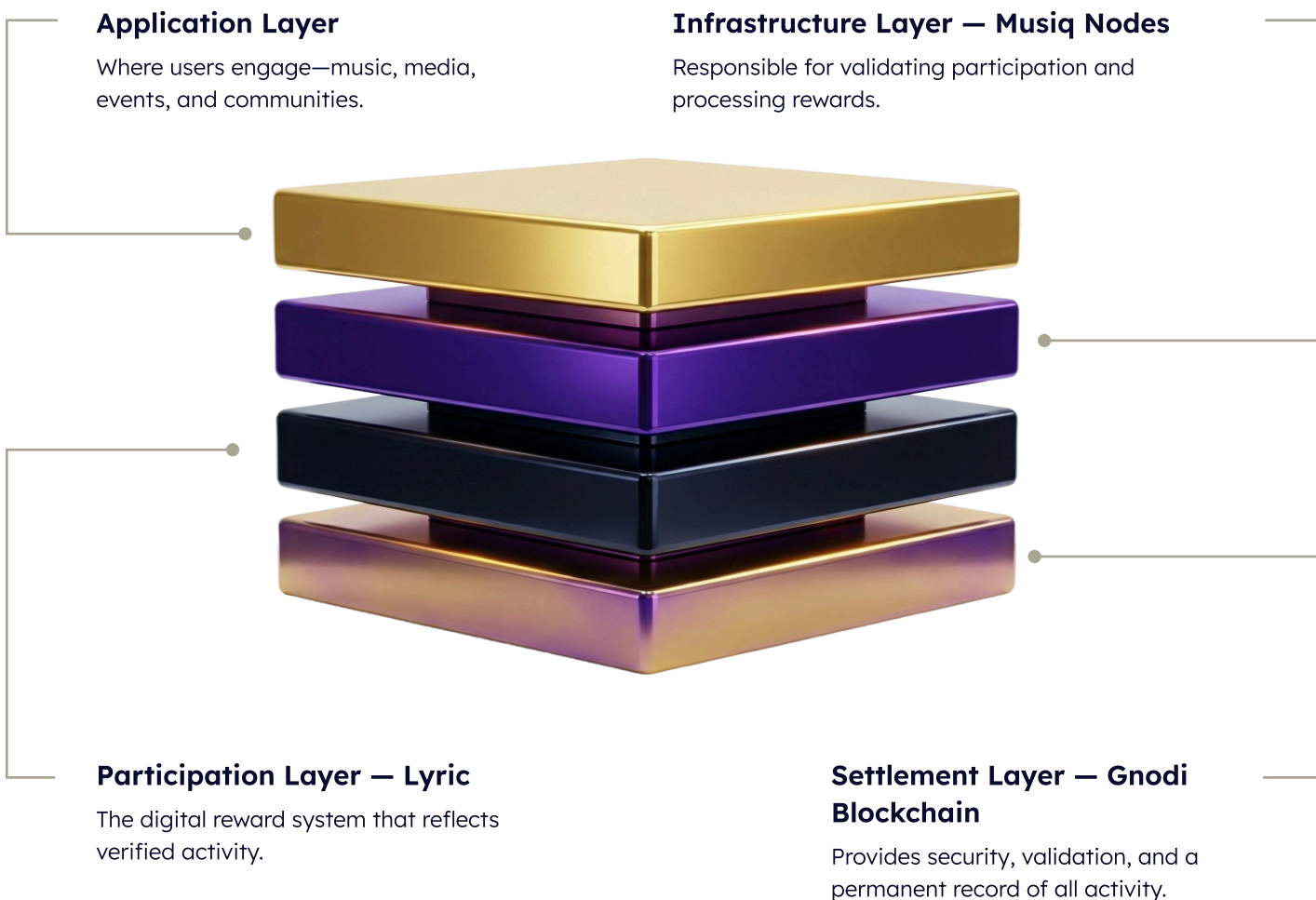
As the network expands, additional use cases are expected to emerge across commerce, media, and digital environments where participation creates value.

The result is a new type of digital infrastructure—one designed not to capture Musiq, but to support it.

# NETWORK ARCHITECTURE

## A Multi-Layered Infrastructure

The Musiq Network operates across four coordinated layers:



The Musiq Network is designed as a participation-based network and application-layer system built on top of the Gnodi blockchain, which serves as the underlying Layer 1 settlement and validation layer. Rather than operating as a separate Layer 2, the network is structured to work directly with the underlying blockchain.

This architecture enables the network to coordinate participation, validation, and reward distribution without introducing a separate execution or consensus layer—reducing complexity and operational cost while maintaining direct integration with the underlying blockchain.

By leveraging the existing Layer 1 for settlement, the Musiq Network benefits from established security, avoids fragmentation across layers, and allows infrastructure to remain focused on validating real-world participation rather than maintaining additional blockchain overhead.

Each layer plays a distinct role, working together to ensure that participation is accurately captured and fairly rewarded.

## MUSIQ NODES

### Owning the Infrastructure

Musiq Nodes are the backbone of the network.

They validate participation events, ensure data integrity, and support the distribution of rewards. Without them, the system cannot function. Node operators contribute infrastructure—and are compensated for that contribution. This creates a balanced system where:

- Participants generate activity
- Nodes validate and process it
- The protocol ensures fairness and consistency

Infrastructure is no longer centralized—it is owned and operated by the network itself. Musiq Nodes operate within the Infrastructure Layer of the network architecture, serving as the bridge between off-chain participation and on-chain.



### NODE OPERATOR OVERVIEW

Operating a Musiq Node provides the ability to participate directly in the infrastructure layer of the Musiq Network by validating real-world participation and supporting reward distribution.

Unlike traditional blockchain nodes that focus solely on transaction validation, Musiq Nodes extend functionality by validating off-chain participation events and reporting verified activity to the blockchain for settlement.

**Validating off-chain activity (e.g., streaming, events, engagement)**

**Verifying that participation is real, unique, and compliant with protocol rules**

**Supporting the distribution of activity points and Lyric digital rewards**

Musiq Nodes function similarly to RPC infrastructure in that they are available to process requests and perform work, but differ in that they actively validate and attest to participation data before it is recorded on-chain. Musiq Nodes are designed to be accessible while maintaining performance and reliability standards. Baseline requirements (subject to refinement as the network evolves):

- Server with linux-based operating system
- Minimum 1 GB Memory (subject to increase based on network workload)
- 20 GB File Storage (or higher)
- A fast, reliable and always-on internet connection
- Hardware requirements may be updated over time as node software, validation workloads, and network demand evolve

Participation as a node operator is operational in nature and requires ongoing system availability, monitoring, and maintenance. Nodes may be operated:

- Independently (self-hosted)
- Through cloud providers (AWS, DigitalOcean, etc.)
- Via approved third-party hosting services

## TOKEN MODEL — LYRIC

# A Reward System Designed for Participation

Lyric coordinates engagement, infrastructure, and ecosystem activity—without reliance on speculation.



### OVERVIEW

Lyric is a participation-based digital reward system designed to coordinate fan engagement, artist promotion, and operator infrastructure within the Musiq Network music ecosystem.

It connects activity to value by rewarding real participation across the network. Rewards are dynamic and inversely proportional to network participation density.

MAX SUPPLY	1,000,000,000 (1B)
MODEL	Participation-Based
DISTRIBUTION	Activity-Driven
	No Token Sales

### CORE CHARACTERISTICS

#### Earned, Not Purchased

Rewards are generated through verified activity.

#### Used for Access

Redeemed for experiences, content, and ecosystem interactions.

#### Circulation-Focused

Designed for use—not accumulation or passive holding.

### EMISSION MODEL

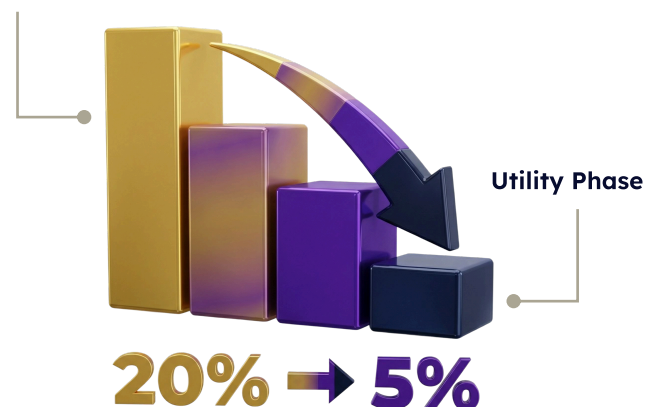
## Predictable, Declining Issuance

Lyric follows a stepped emission model—starting at 20% in Year 1 and gradually decreasing over time.

This structure:

- Supports early adoption
- Reduces long-term supply pressure
- Enables transition to usage-driven activity

#### Incentive Phase



## REWARD POOLS

### Fixed Allocation Across All Years\*

# 60%

#### Proof of Action

- Fans, artists, engagement
- Streaming, events, sharing
- Community participation

# 30%

#### Proof of Contribution

- Node operators
- Infrastructure providers
- Campaign processing

# 10%

#### Protocol Commitment

- Voluntary lockups
- Time-based participation
- Ecosystem coordination

\*Pool allocations are fixed at the protocol level and do not change over time.

## EMISSION TABLE

### 10-Year Distribution Schedule

By separating reward pools, the network avoids competition between participants and operators.

As emissions decline:

- Incentives decrease
- Participation becomes organic
- Utility becomes primary

The system transitions from incentive-driven growth → usage-driven sustainability.

Year	%	Emission	Action (60%)	Contribution (30%)	Commitment (10%)	Cumulative
1	20%	200M	120M	60M	20M	20%
2	16%	96M	96M	48M	16M	36%
3	14%	84M	84M	42M	14M	56%
4	11%	66M	66M	33M	11M	61%
5	9%	54M	54M	27M	9M	70%
6	8%	48M	48M	24M	8M	78%
7	6%	36M	36M	18M	6M	84%
8	6%	36M	36M	18M	6M	90%
9	5%	30M	30M	15M	5M	95%
10	5%	30M	30M	15M	5M	100%

## REWARD DISTRIBUTION LOGIC

### How Rewards Are Calculated

#### 1 PROOF OF CONTRIBUTION (NODE OPERATORS)

$$\text{Operator Reward} = \frac{\text{Operator Points}}{\text{Total Pool Points}} \times \text{Daily Contribution Pool Distribution}$$

#### 2 PROOF OF ACTION (PARTICIPANTS / FANS / ARTISTS)

$$\text{Participant Reward} = \frac{\text{Participant Activity Points}}{\text{Total Activity Points}} \times \text{Daily Action Pool Distribution}$$

#### 3 PROTOCOL COMMITMENT (LOCKED PARTICIPATION)

$$\text{Commitment Reward} = \frac{\text{User Locked Amount}}{\text{Total Locked Amount}} \times \text{Daily Commitment Pool Distribution}$$

## NETWORK CONTRIBUTION EXAMPLE

### WORKING EXAMPLE — NODE OPERATOR POOL (YEAR 1)

COMMITMENT REWARD	ASSUME NODE OPERATORS	CALCULATION
<b>Total Supply</b> 1,000,000,000	<b>Eligible Node operators</b> 10,500	<b>Operator share</b> $100 \div 1,050,000$
<b>Year 1 emission</b> 200,000,000	<b>Points per Node</b> 100	<b>Daily reward</b> $0.00009523 \times 164,384$
<b>Contribution pool (30%)</b> 60,000,000 / yr	<b>Total daily points</b> 1,050,000	
<b>Daily distribution</b> $\approx 164,384$ Lyric Digital Rewards		

% share

**0.009523%**

Daily reward

**$\approx 15.68$  Lyric**

## NETWORK ACTIVITY EXAMPLE

### Activity Points Breakdown

Streams	17,000 × 10	<b>170,000 pts</b>	Concert attendees	14,000 × 100	<b>1,400,000 pts</b>
Artists	4 × 1,000	<b>4,000 pts</b>	Crew	32 × 100	<b>3,200 pts</b>
Studio hours	17 × 100	<b>1,700 pts</b>	Albums	8,700 × 10	<b>87,000 pts</b>
Early node operators	1,500 × 10	<b>15,000 pts</b>			
<b>Total proof of action points</b>					<b>1,680,900</b>

### Daily proof of action distribution — Year 1

Annual PoA pool	<b>120,000,000</b>
Lyric	

Daily distribution	<b>328,767.12</b>
Lyric / day	

### Final reward calculation

<b>POINTS EARNED</b>		<b>FORMULA</b>
Streams (10 × 10)	100 pts	$\text{Reward} = \frac{220}{1,680,900} \times 328,767.12$ <p>Reward ≈ 43.02 Lyric</p>
Concert (1 × 1,000)	100 pts	
Album (1 × 10)	10 pts	
Node (1 × 10)	10 pts	
<b>Total</b>	<b>220 pts</b>	
<b>Points earned</b>	<b>220 pts</b>	<b>Pool share</b>
		<b>0.013%</b>
		<b>Daily reward</b>
		<b>43.02 Lyric</b>

## COMMITMENT POOL — WORKING EXAMPLE (YEAR 1)

### Protocol Commitment (Locked Participation)

#### Assumptions

Total commitment pool

**20,000,000**

Lyric — 10% of 200M Year 1 emission

Daily distribution

**54,795**

Lyric / day

Total locked in network

**50,000,000**

Lyric

User locked amount

**25,000**

Lyric

$$\text{User Reward} = \frac{\text{User Locked Amount}}{\text{Total Locked Amount}} \times \text{Daily Commitment Distribution}$$

#### Calculation (Step-by-step)

User share

$$25,000 \div 50,000,000$$

**0.05%**

Apply to daily pool

$$0.0005 \times 54,795$$

**27.40 Lyric**

Locked amount

**25,000 Lyric**

Pool share

**0.05%**

Daily reward

**27.40 Lyric**

## PROOF OF ACTION

### Verifying Real Participation

At the center of the Musiq Network is Proof of Action.

This mechanism ensures that all rewards are tied to real, verifiable activity.

When a user participates:

- The action is submitted by an application
- Validation is performed using a combination of application-level data, behavioral verification, and protocol-defined rules to ensure activity authenticity and prevent manipulation.
- The activity is recorded and timestamped
- Rewards are distributed based on protocol rules

This eliminates ambiguity and ensures that value is tied to actual engagement—not estimates or artificial metrics.

ACTIVITY	POINTS TOWARD EARNING LYRIC DIGITAL REWARDS	FREQUENCY
Stream a featured playlist (30 min)	5 Points	Daily
Share content on social media	3 Points	Per share
Refer a new verified member	10 Points	Per referral
Referral purchases a Node License	50 Points	Per conversion
Create a public artist playlist	15 Points	Per playlist
Cast a governance vote	10 Points	Per proposal
Attend a Town Hall / live event	10 Points	Per event
Maintain node uptime (30 days, 95%+)	100 Points	Monthly
Host a community event / Space	30 Points	Per event
Publish educational content	20 Points	Per piece
Refer an artist who joins	25 Points	Per artist

### Validation Integrity

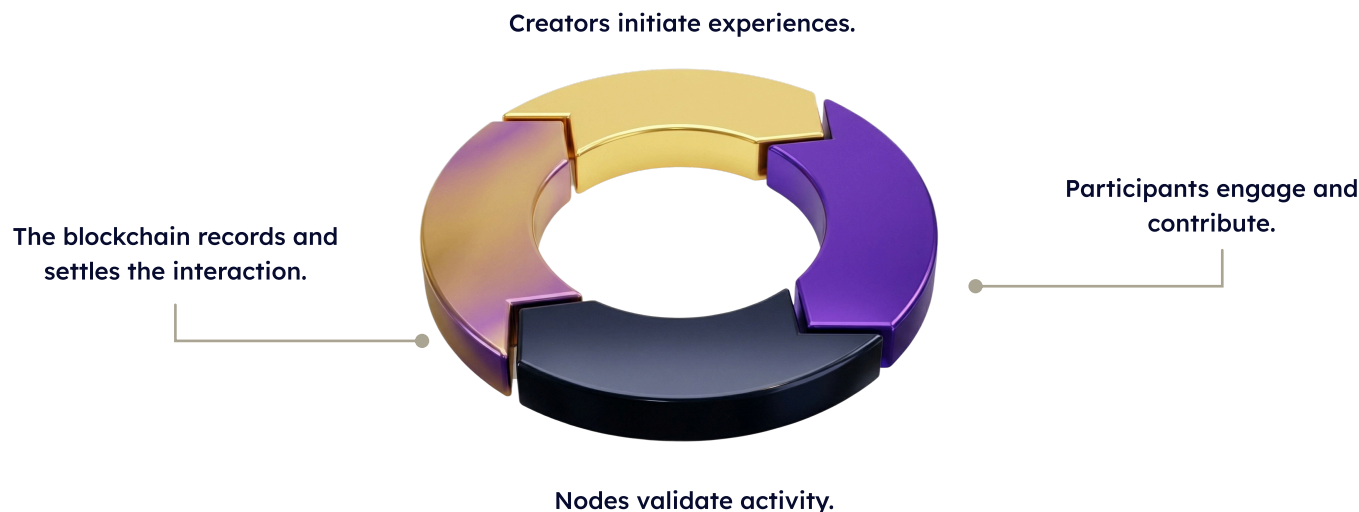
The integrity of the network depends on accurate validation of participation. The protocol is designed to evolve its validation methods over time to address fraud, automation, and manipulation, ensuring that rewards reflect genuine human activity.

## ECONOMIC MODEL

### A System That Sustains Itself

The Musiq Network is designed to function without reliance on token sales or speculative inflows.

Value moves through a simple, transparent cycle:



As participation increases:

- Network usage grows
- Infrastructure demand increases
- The ecosystem expands organically

This creates a system where growth is driven by activity—not capital.

## NODE LICENSE MODEL

### Verifying Real Participation

Musiq Node Licenses represent the right to operate infrastructure within the network. Licenses may be issued in structured phases aligned with network growth and participation. Specific acquisition terms, pricing, and availability are defined separately and are not part of this document.

The Musiq Network is supported by a finite number of software-based infrastructure licenses designed to ensure long-term network scalability, decentralization, and operational integrity. The Musiq Forward Foundation has designated a maximum of 50,000 Musiq Node Software Licenses. Of these:

- Up to 10,000 licenses have been allocated for early network development, including infrastructure partners, ecosystem contributors, and founding participants to support initial deployment and adoption.
- The remaining licenses are intended for broader network participation and may be made available over time in alignment with network growth and governance decisions.

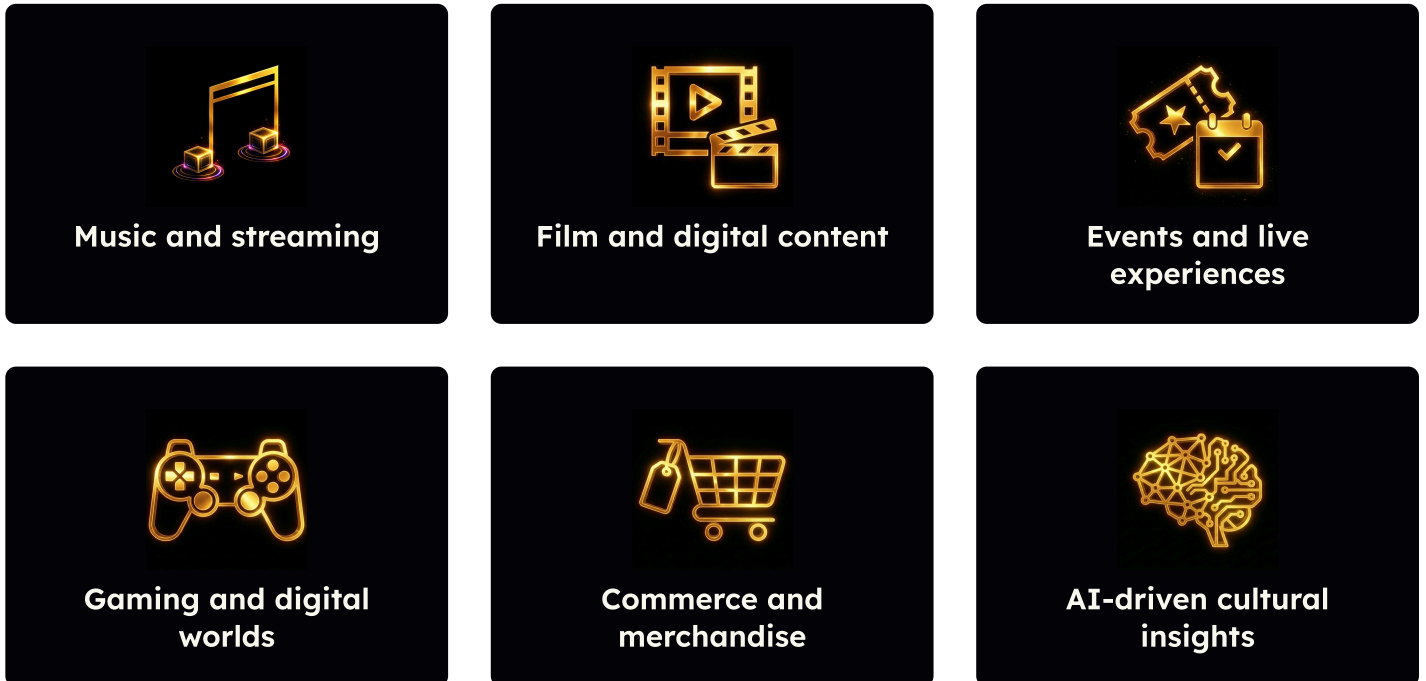
License availability, distribution mechanisms, and participation requirements are determined by the Foundation and evolve as the network matures. This document does not constitute an offer to sell or a solicitation of any kind.

## ECOSYSTEM

### Where Musiq Expands

The Musiq Network begins with music—but is designed to extend across all forms of Musiq.

This includes:



Any environment where participation creates value can be integrated into the network.

## GOVERNANCE

### Structured, Not Centralized

Governance within the Musiq Network is intentionally limited and clearly defined.

The Musiq Network Foundation stewards protocol standards and ecosystem alignment. Operational entities build and deploy applications. Node operators participate in governance related to infrastructure and network parameters.

Importantly:

- Governance does not grant ownership, equity, or financial rights.
- The protocol governs rules.
- The network executes them.
- The protocol enforces system rules.

The Musiq Forward Foundation stewards long-term mission alignment and ecosystem development.

Node operators participate through governance, including charter ratification and voting on network parameters.

No single entity unilaterally controls the system. Governance is distributed across defined roles.

## COMPLIANCE & DESIGN

### A Non-Financial System by Design

The Musiq Network is structured as a participation-based infrastructure—not a financial instrument.

Participants do not receive:

- Equity
- Revenue share
- Profit guarantees

The system does not offer or promote investment opportunities.

Value is derived from:

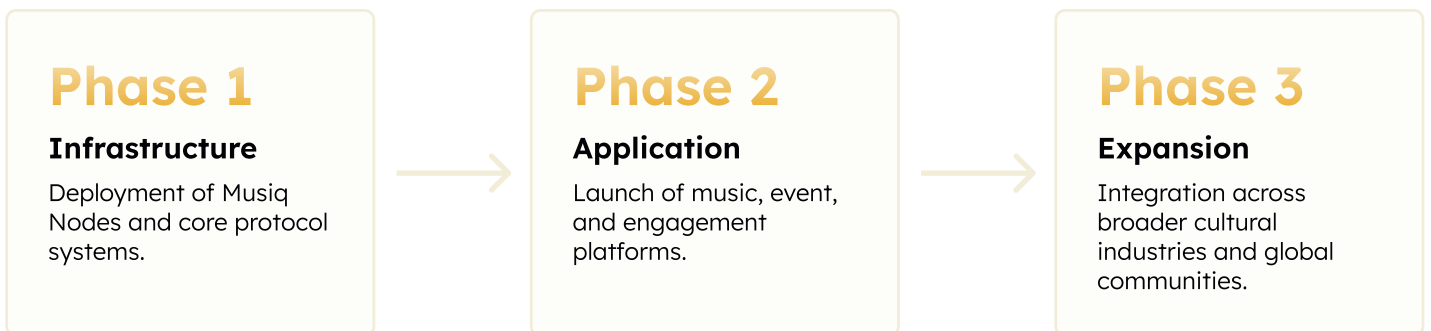
- Access to the ecosystem
- Participation in cultural experiences
- Engagement with network applications

This design ensures alignment with utility-based frameworks and avoids reliance on speculative models.

## ROADMAP

### Building the Network

The Musiq Network will evolve in phases:



Each phase builds on the last—driven by participation, not speculation.

## PARTNERS



### WEB3Gang

The Web3Gang movement is all about putting the Musiq in control. We're building a real ecosystem where the artists, creators, and fans who make things happen actually own a piece of it. With Lyric we're making sure hip-hop and the people who support it can tap into concerts, albums, and experiences in a whole new way... making sure we own what we create and have a stake in where it goes next.



### YBCS

As blockchain technology continues to evolve and influence nearly every sector of business, the need for secure, scalable, and practical decentralization solutions has become essential. YBCS partners with forward-thinking companies design and deploy application and layer-2 blockchain infrastructures and tokenized ecosystems that replace outdated, inefficient systems with modern, resilient architecture. With regulatory shifts in the United States and rapid advancements in blockchain technology, the opportunity for intelligent innovation has never been greater



### Block Reign

Block Reign is a blockchain integration and commercialization firm that connects real-world products and services to blockchain infrastructure, transforming everyday interaction into measurable digital rewards. By providing seamless access to a fully deployed Layer 1 ecosystem, it enables companies to attract, engage, and retain customers through participation-based reward systems.

Block Reign serves as the Service Agent for the Musiq Network, supporting the deployment, integration, and ongoing operation of its participation-driven reward economy.

## Interested in Participating as a Network Oracle or Ecosystem Partner?

Organizations and infrastructure providers interested in contributing to the Musiq Network may contact [support@Musiqnetwork.io](mailto:support@Musiqnetwork.io) for additional information. Participation is subject to network requirements and alignment with ecosystem standards.

# GLOSSARY

## Participation

Any measurable user activity within the network, including engaging with content, attending events, or interacting with applications. Participation is the primary driver of value creation.

## Musiq Nodes

Independent infrastructure operators responsible for validating participation events, ensuring data integrity, and supporting reward distribution across the network.

## Lyric

A participation-based digital reward earned through verified activity within the Musiq Network. It is designed for access and utility, not for trading or investment.

## Gnodi Blockchain

The underlying Layer 1 blockchain that provides settlement, validation, and immutable record-keeping for all network activity.

## Application Layer

The user-facing layer where participation occurs, including music platforms, events, media, and community interactions.

## Infrastructure Layer

The operational layer composed of Musiq Nodes that validate participation, process data, and support reward distribution.

## Settlement Layer

The blockchain layer where all validated activity is recorded permanently, ensuring transparency and immutability.

## Participation Layer

The reward coordination layer powered by Lyric, reflecting verified user activity across the network.

## Digital Rewards

Non-financial, utility-based units earned through participation within the ecosystem. These are designed for access and engagement, not investment or speculation.

## Proof of Contribution

The reward mechanism that compensates node operators and infrastructure providers based on their participation in validating and supporting the network.

## Protocol Commitment

A reward category tied to voluntary lockups or time-based participation that supports long-term ecosystem alignment.

## Activity Points

A quantifiable measurement of user participation used to calculate reward distribution within the Proof of Action system.

## Reward Pools

Predefined allocations within the protocol that distribute rewards across participation categories, including Proof of Action, Proof of Contribution, and Protocol Commitment.

## Emission Model

The structured distribution schedule of Lyric over time, designed to decrease issuance and transition the network from incentive-driven growth to utility-driven sustainability.

## Node Operator

An individual or entity that runs a Musiq Node, contributing infrastructure and receiving rewards for validating participation.

## Participation-Based Economy

An economic model where value is created and distributed based on verified user activity rather than capital investment or speculation.

## GLOSSARY (CONT.)

### **Immutable Record**

A permanent, tamper-proof record of activity stored on the blockchain that cannot be altered once written.

### **Protocol**

The set of rules, smart contracts, and mechanisms that govern how the network operates and distributes rewards.

### **Governance**

The Musiq Network operates under a structured governance model where the protocol enforces system rules, the Musiq Forward Foundation stewards long-term mission alignment and ecosystem development, and node operators participate in governance through charter ratification and voting on network parameters. No single entity unilaterally controls the system. Governance is distributed across defined roles, ensuring both strategic direction and decentralized participation.

### **Musiq Forward Foundation**

The governing body responsible for stewarding protocol standards, ecosystem alignment, and long-term network integrity.

### **Service Agent**

An operational entity (e.g., Block Reign) responsible for deploying, integrating, and supporting applications and infrastructure within the network.

### **Participation Event**

Any measurable and verifiable user action (e.g., streaming, attending events, sharing content) that qualifies for reward calculation.

### **Validation**

The process by which Musiq Nodes confirm that participation is real, unique, and compliant with protocol rules.

## LEGAL & RISK DISCLOSURES

By engaging with the Musiq Network, participants acknowledge and accept the risks outlined in this section.

### **Nature of the Network**

The Musiq Network is a decentralized, participation-based digital infrastructure designed to enable engagement, verification, and reward distribution across cultural ecosystems. Lyric digital rewards are designed for use within the network and do not represent equity, ownership, or any financial interest in any entity.

### **No Investment Intent**

Participation in the Musiq Network does not constitute an investment. Lyric digital rewards are not offered as securities, commodities contracts, or financial instruments. Participation does not involve an expectation of profit derived from the efforts of others.

### **No Offer or Solicitation**

This document is provided for informational purposes only and does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation of any financial product, instrument, or transaction. Any access to network components, including software licenses or infrastructure participation, is governed by separate agreements and terms.

### **Utility and Consumptive Use**

Lyric is designed solely for participation, access, and interaction within the Musiq Network ecosystem. It is not intended for speculative trading, investment purposes, or passive income generation. Any value derived from Lyric is based on its utility within the network and the level of ecosystem participation.

### **Decentralization and Governance**

The Musiq Network operates through protocol-defined rules and community governance structures. No single entity controls network operations, reward distribution, or ecosystem outcomes. Governance decisions are subject to community participation and may evolve over time.

## LEGAL & RISK DISCLOSURES (CONT.)

### Regulatory Considerations

Regulation of blockchain technologies and digital assets continues to evolve. Interpretive guidance issued in March 2026 by the U.S. Securities and Exchange Commission and the Commodity Futures Trading Commission provides additional clarity regarding distinctions between certain digital assets, including functional and participation-based tokens. The Musiq Network has been designed as a participation-based system, and Lyric digital rewards are intended to function as utility-based instruments within the ecosystem. However, regulatory interpretations are subject to change, and no assurance can be given as to how any regulatory authority may classify digital assets, network participation, or related activities now or future.

### No Guarantees

No representations or guarantees are made regarding:

- Network performance or uptime
- Participation outcomes or reward levels
- Ecosystem growth or adoption
- Future functionality or feature availability

All participation is voluntary and subject to inherent uncertainties.

### Technology and Security Risks

Participation in blockchain-based systems involves technical risks, including but not limited to:

- Software bugs or vulnerabilities
- Network outages or degraded performance
- Cybersecurity threats or unauthorized access
- Smart contract or protocol failures

Data recorded on blockchain systems is immutable and cannot be altered or reversed once confirmed.

### Adoption and Ecosystem Risk

The utility and effectiveness of the Musiq Network depend on user adoption, partner participation, and ongoing ecosystem development. There is no guarantee that sufficient participation will occur to sustain or expand the network.

### Third-Party Dependencies

Applications, integrations, and services interacting with the Musiq Network may be developed and operated by independent third parties. These third parties may introduce additional risks, including service interruptions, data inconsistencies, or operational failures beyond the control of the network.

### Node Infrastructure Participation

Operation of Musiq Nodes involves technical, operational, and compliance responsibilities. Participation as a node operator does not guarantee any level of reward and is dependent on network activity, protocol rules, and system performance.

### Jurisdiction and Compliance

Participants are solely responsible for understanding and complying with all applicable laws and regulations in their respective jurisdictions. Availability of Musiq Network or its components may be restricted or prohibited in certain regions.

### Forward-Looking Statements

This document may contain forward-looking statements regarding anticipated development, functionality, adoption, and performance of the Musiq Network. These statements are based on current expectations and assumptions and are subject to risks and uncertainties that may cause actual results to differ materially.

## CLOSING

### Be Part of the Network That Owns Musiq

The Musiq Network represents a shift in how value is created and shared. It replaces centralized control with decentralized infrastructure. It replaces passive consumption with active participation. It replaces extraction with ownership. This is not a new platform. It is a new foundation for Musiq itself.

## Notice of Review and Pending Ratification

This document is currently under compliance review and is subject to approval and ratification by Musiq Node Software License Holders through a formal voting process. Content, structure, and implementation details may be modified prior to final adoption.

