



## **MEMORANDUM OF UNDERSTANDING** **REGARDING A STRATEGIC COLLABORATION**

### **PARTIES**

This Memorandum of Understanding regarding a strategic collaboration ("MoU") is made and entered into this 3rd day of March, 2022 by and between the City of Lugano (herein referred to as "Lugano") represented by the Mayor Michele Foletti and the Secretary General Robert Bregy on behalf of the City's Executive Council and Tether Operations Limited represented by its CEO Jean-Louis van der Velde and CTO Paolo Ardoino (herein referred to as "Tether", and together with Lugano, the "Parties").

Lugano is the economic capital of Southern Switzerland, a stylish and affluent city with a mild Mediterranean climate and an attractive and cosmopolitan destination for businesses and enterprising expatriates. Lugano is also home to renowned academic institutions and research centers, notably in the field of artificial intelligence and computing. A blend of the Swiss and Italian cultures, Lugano is less than one hour from Milan and well connected to the Zurich area. As stated in the City Development Strategy, Lugano aims at becoming a "main hub for digital innovation with a focus on blockchain technology".

Tether is a BVI company and part of the Tether group of companies that issues a variety of world-leading stable coins.

The Parties believe in the benefits that the blockchain technology can bring to people, businesses and institutions and ultimately the whole society, by enabling efficient, transparent, accountable and sustainable processes, while ensuring data protection and privacy.

### **PURPOSE**

The purpose of this MoU is to establish a strategic collaboration on specific initiatives between the Parties to strengthen the international positioning of Lugano as a main Swiss and European hub for digital innovation with a focus on blockchain technology through concrete projects and solutions.

### **INITIATIVES**

The Parties have identified the following initiatives and shared goals for their collaboration and will use their good faith efforts to successfully achieve them:

- Support blockchain, bitcoin and stablecoins education; including collaborations with local academic institutions and research centers
- Build a flourishing environment for crypto/blockchain related startups in Lugano; including finding suitable office spaces and communal areas for small events and gatherings and facilitating access to services for companies and staff arriving in Lugano (legal, tax, accounting, real estate services, etc...)
- Create a fund, supported by the Parties and a consortium of companies, to offer grants / investments to startups that build blockchain based services for the local territory and globally
- Organize and promote international events relating to blockchain and crypto; a first such event will take place on 27 – 29 October 2022 in Lugano
- Assess the feasibility of implementing bitcoin mining solutions using local green energy

- Explore solutions to facilitate access to credit facilities, including peer to peer solutions
- Give visibility to Lugano as attractive place for companies and professionals, highlighting existing favourable framework conditions and high quality of life
- Join the 3Achain initiative (the PoA blockchain created by the City of Lugano) network bringing know-how to the network and its participants
- Support the development of public administrations solutions based on blockchain technology (digital identity, voting through DAO, etc.), using Lugano as a case study/ laboratory before scale up

Further to the above, the Parties strive to achieve additional initiatives and shared goals to be identified during their collaboration.

## COMMUNICATION TO THE PUBLIC

All communications to the public by one Party about the topics covered by this MoU require prior approval by the other Party to ensure that any representation is consistent with the respective Parties' communication policies.

## ETHICAL PRINCIPLES AND CONDUCT

The Parties adhere to the highest standards of integrity, transparency, excellence, honesty and fairness. Through their behavior they pursue excellence in a process of continuous improvement, bringing added value to the region and improving the global environmental balance. They avoid and condemn the use of unlawful or otherwise improper conduct in order to achieve their objectives, which must be pursued exclusively through excellence in terms of innovation, quality, economic, social and environmental sustainability.

## AMENDMENT

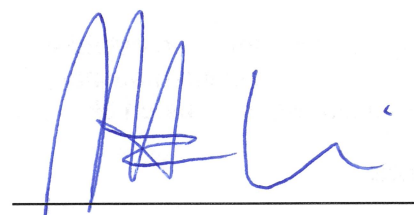
Either Party to this MoU may propose that the MoU be amended, whereupon the Parties shall confer to consider such an amendment. No amendment to this MoU will be effective unless set forth in writing and executed by both Parties.

## TERM


This MoU shall be effective upon execution by both Parties and have a minimum duration of 4 years. The Parties reserve the right to terminate it at any time with immediate effect and without right of appeal for violation of the principles of the MoU or, without justification, provided that it does not cause prejudice to the other Party.



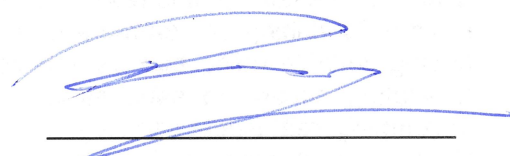
Jean-Louis van der Velde, CEO  
Tether Operations Limited



Michele Foletti, Mayor  
City of Lugano



Paolo Ardoino, CTO  
Tether Operations Limited



Robert Bregy, Secretary General  
City of Lugano