

## **FRAMEWORK AGREEMENT TERMS AND CONDITIONS FOR PROVISION OF EXSCUDO SERVICES**

*Last update: November 13, 2019*

**IMPORTANT NOTICE: DEAR VISITOR, PLEASE NOTE THAT OUR SERVICES (AS DEFINED BELOW) ARE NOT DIRECTED TO AND SHALL NOT BE AVAILABLE TO U.S. PERSONS (AS DEFINED BELOW) OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES AND TO THE RESIDENTS OF RESTRICTED COUNTRIES (AS DEFINED BELOW).**

BY CLICKING THE "SIGN UP" BUTTON BELOW YOU REPRESENT AND WARRANT TO EXSCUDO THAT:

- (I) YOU HAVE READ, UNDERSTOOD AND ACCEPTED THESE TERMS AND CONDITIONS;
- (II) YOU ARE NOT A U.S. PERSON (AS DEFINED BELOW);
- (III) YOU ARE NOT A PERSON IN RELATION TO WHOM A RESPECTIVE COURT WOULD CONFER A PERSONAL JURISDICTION WITH A REFERENCE TO THE APPLICABLE LAWS OF ANY STATE OF THE USA AND/OR A PERSON WHO HAS OR IS LIKELY TO HAVE ANY CONNECTIONS/TIES WITH THE USA;
- (IV) YOU ARE NOT A RESIDENT/CITIZEN OF ANY RESTRICTED COUNTRY AND HAVE NO LINKS/TIES TO THE RESTRICTED COUNTRIES; AND/OR
- (V) IT IS LAWFUL FOR EXSCUDO TO PROVIDE YOU WITH THE SERVICES (AS DEFINED BELOW);
- (VI) YOU ARE NOT A SPECIALLY DESIGNATED NATIONAL OR BLOCKED PERSON AS DESIGNATED BY THE U.S. DEPARTMENT OF THE TREASURY OR ACTING ON BEHALF SUCH PERSON;
- (VII) YOU ARE AT LEAST 18 YEARS OLD.

IF YOU DO NOT AGREE, DO NOT USE THIS SITE OR ANY OF ITS SERVICES.

NOTHING IN OUR SERVICES CONSTITUTES AN OFFER OF SECURITIES AND/OR CRYPTOCURRENCY (AS DEFINED BELOW) FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

OUR SERVICES PERMIT YOU TO ACQUIRE, TRADE, LEND, BORROW AND TRANSMIT EON TOKENS (AS DEFINED BELOW). THE EON TOKENS HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE EON TOKENS MAY NOT BE OFFERED, SOLD, LENT, BORROWED, PLEDGED OR OTHERWISE TRANSFERRED TO OR FOR THE ACCOUNT OR BENEFIT OF A PERSON NOT KNOWN TO THE TRANSFEROR AND/OR KNOWN TO BE A U.S. PERSON (AS DEFINED BELOW) AND/OR WITHIN THE UNITED STATES AND/OR WITHIN ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

You should read the entire Agreement, of which these terms and conditions are an inseparable part, carefully before you use this Site, create an Account/Channels Account and/or use any of our Services.

In order to start using certain Services, where applicable under mandatory provisions of laws of the Republic of Estonia, you shall duly provide us with all information required under our KYC and AML Policy (as defined below) and be approved by our compliance.

By starting using any of our Services, you have affirmed that you are at least 18 years old, have the legal capacity and eligible for entering into this Agreement with Exscudo OÜ (a limited liability company incorporated and existing under the laws of Republic of Estonia, and having the commercial registry code 14172383) and using the Services. You unconditionally agree to be legally bound by the terms and conditions of this Agreement, Privacy Policy (as defined below), KYC and AML Policy (as defined below), Fees Policy (as defined below), Exscudo Yield

Enhancement Program (as defined below) and all policies published on this Site (exscudo.com), as amended from time to time.

Please note, that it shall be at all times your sole and personal responsibility to monitor and comply with any Applicable Laws attributable to you in connection with any matter directly or indirectly arising out of this Agreement and/or the Services.

Provided that you unconditionally agree to and comply with this Agreement, EXSCUDO shall grant to you, as a User, and subject to this Agreement, a personal, non-exclusive, non-transferable, royalty-free, non-assignable and limited right to access and use the Site and/or the Services.

YOU SHOULD BE AWARE THAT THE RISK OF LOSS IN INVESTING, EXCHANGING, LENDING, BORROWING, TRADING AND/OR HOLDING CRYPTOCURRENCIES OR DIGITAL ASSETS OF SIMILAR NATURE CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER INVESTING, TRADING, LENDING, BORROWING, EXCHANGING AND/OR HOLDING CRYPTOCURRENCIES OR DIGITAL ASSETS OF SIMILAR NATURE IS SUITABLE FOR YOU DEPENDING ON YOUR FINANCIAL POSITION.

IF YOU DO NOT AGREE TO BE LEGALLY BOUND BY THIS AGREEMENT IN ITS ENTIRETY, PLEASE, DO NOT ACCESS THE SITES, DO NOT USE ANY OF THE SERVICES.

## **1. SCOPE OF AGREEMENT**

- 1.1.** Unless otherwise specifically provided herein or agreed between you, as a USER, and EXSCUDO, these terms shall constitute a legally binding FRAMEWORK agreement executed in electronic form between the User and EXSCUDO which shall apply to ALL SERVICES, WEBSITES, POLICIES, CONTENT AND ALL RELATIONSHIPS (EXISTING AND/OR FUTURE) BETWEEN THE USER AND EXSCUDO AND ITS AFFILIATES IN REGARDS TO ANY MATTER WHATSOEVER.
- 1.2.** The Services allow all Eligible Users (a) to trade, lend, borrow and/or exchange Cryptocurrencies and/or EON against other Cryptocurrencies and/or Fiat Funds with other Eligible Users and vice versa; (b) transmit Cryptocurrencies and/or EON to other Eligible Users; and/or (c) exchange/communicate with other Users using text messages, photo, audio, video and other files.
- 1.3.** Each User shall be entitled to have and operate no more than one Account, one Channels Account and/or one EON-ID.
- 1.4.** In order to use Channels and/or Wallet Services you shall have certain mobile devices, software and Internet connection, which are not provided by us. EXSCUDO shall not guarantee that your mobile device, software and/or Internet connection is compatible with the Services. For as long as you use Channels and/or Wallet Services, you unconditionally and at your own risk for damage to your mobile device, software and/or data, consent to downloading and installing updates thereto, including automatically.
- 1.5.** Subject to Clause 1.6 hereof and unless otherwise expressly provided herein, the Eligible User hereby unconditionally and irrevocably acknowledges and agrees that, when executing Trading Transactions, they are trading/exchanging directly with other Eligible

Users, and that EXSCUDO ACTS ONLY AS A SOFTWARE, CONTENT AND SYSTEM SERVICE PROVIDER OF SELL/BUY/BORROW/LEND/EXCHANGE ORDERS MATCHING SYSTEM BY HOSTING, MAINTAINING AND PROVIDING OUR SERVICES VIA THE INTERNET. FOR AVOIDANCE OF DOUBT, UNLESS OTHERWISE EXPRESSLY PROVIDED HEREIN, (1) EXSCUDO SHALL NOT BE A COUNTERPARTY TO ANY TRANSACTIONS BETWEEN THE USERS AND SHALL NOT HAVE ANY FIDUCIARY DUTIES IN RELATION TO ANY OF THE USERS AND (2) EXSCUDO IS NOT ACTING AS YOUR BROKER, INTERMEDIARY, AGENT, ADVISOR AND/OR IN ANY FIDUCIARY CAPACITY.

- 1.6.** Where the Eligible User is willing to conduct/initiate any Trading Transactions using and/or holding any Fiat Funds within EXSCUDO system, such Eligible User's Fiat Funds will be held at and operated within EXSCUDO'S non-segregated corporate account(s) held with one or more respective authorized payment institutions and/or E-money institutions registered and operating in one or more jurisdictions of EEA or other countries of the world being FATF members, such Eligible User may from time to time be requested to execute/ adhere to a respective instrument/agreement, which shall be deemed to be an integral part hereof. PLEASE NOTE THAT: (1) THE FIAT FUNDS HELD BY EXSCUDO WITH AUTHORISED PAYMENT INSTITUTIONS AND/OR E-MONEY INSTITUTIONS ARE NOT PROTECTED BY DEPOSIT INSURANCE AND/OR PROTECTION SCHEMES OF SIMILIAR NATURE, AND (2) SUCH FIAT FUNDS WILL NOT GENERATE ANY INTEREST.

## **2. COMMENCEMENT AND TERMINATION**

- 2.1.** Subject to Clause 2.2 hereof, this Agreement shall come into effect from the date when the User adheres hereto by way of submitting "click-wrap" signature and, subject to Clause 22.10 (Surviving Provisions), shall be in force until terminated in accordance with Clause 21 (Amendments) and/or Clause 22 (Termination).
- 2.2.** Clause 7 (Cryptocurrency Loans and Margin Transactions) hereof shall come into effect upon expiration of 60 (sixty) day period from the date first above written.

## **3. IDENTITY VERIFICATION**

- 3.1.** By submitting your personal information under KYC and AML Policy (as amended from time to time) you shall be deemed to (a) represent and warrant that you have provided to us accurate, complete and comprehensive information; (b) irrevocably undertake to keep us informed, should any of the information provided to us change and immediately notify us in writing; (c) authorize EXSCUDO, its Affiliates and/or advisors to, directly or through third parties make any inquiries we may consider necessary to verify your identity and/or protect against fraud, including to request identity information contained in public domain (including without limitation your name, tel. number, country of residence, address, date of birth etc.); and (d) to take any appropriate action as we, in our absolute, but reasonable discretion, may consider necessary based on the results of such inquiries and their results.

- 3.2.** You agree to keep cooperating at all times with EXSCUDO, its Affiliates and/or any of our third-party service providers (including without limitation respective authorized payment institutions and/or E-money institutions and their affiliates/agents) on any matter arising out of or in connection with KYC and AML Policy (as amended from time to time).
- 3.3.** We reserve the right to close, suspend or limit access to your Account, Channels Account and/or our Services in the event we are unable to obtain, verify such information or you do not comply with our KYC and AML Policy (as amended from time to time). If at any time we believe that your information is outdated, incomplete and/or inaccurate, we are entitled to contact you and request further information. This is User's sole responsibility to ensure that the information on your EXSCUDO Account and Channels Account is accurate, complete and up-to-date at all times.
- 3.4.** Please note, that depending on your profile and/or any other criteria determined by us at our sole and absolute discretion, and/or without any reason whatsoever, we are entitled to impose any limits on your Trading Transactions and/or using any of our Services.

#### **4. ACCOUNT ACCESS AND SECURITY**

- 4.1.** Once you select your password or any other piece of information as part of our security and/or Account/Channels Account setting up procedures, you must treat such information as confidential. You must not disclose it to any third party and ensure that your Account's/Channels Account's credentials, including, but not limited to your ID, EON-ID, password, email, wallet address, balance information, and of all activity conducted via the Account (including but not limited to Trading Transactions) / Channels Account, are kept safe and secure at all times.
- 4.2.** EXSCUDO shall under no circumstances be liable for, and the User shall bear all risks and liability associated with any damage incurred by the User as a result of inadequate management, wrong or improper use, leakage, disclosure, fraudulent use or the use by any unauthorized person of the User's password, ID, EON-ID and/or any other Account's/Channels Account's credentials. Regardless of whether or not the User ID, EON-ID and password were input by the User, EXSCUDO shall not be liable for direct or indirect losses incurred following identity verification by EXSCUDO using a respective ID, EON-ID and password combination. The same refers to the cases in which your ID, EON-ID password other Account's/Channels Account's credentials are stolen from third-party services such as e.g. email clients used by the User.
- 4.3.** Please note, that no member of EXSCUDO and its Affiliates' staff shall be entitled to request your password – any misbehavior shall be immediately reported by you to us at [help@exscudo.com](mailto:help@exscudo.com).
- 4.4.** You are solely responsible for monitoring your Account/Channels Account, any information contained therein and keeping your mobile device and computer systems safe and secure from risks of unauthorized use or access by third parties.
- 4.5.** Should any of the e-mail addresses registered with your Account/Channels Account be compromised, the User should promptly after becoming aware of this contact us at [help@exscudo.com](mailto:help@exscudo.com) and other respective parties.

- 4.6.** Should you become aware or suspect that anyone other than you knows and/or uses your ID, EON-ID and/or password, you must promptly notify us at [help@exscudo.com](mailto:help@exscudo.com) and also contact an appropriate Governmental Entity.

## **5. ACCOUNT/CHANNELS ACCOUNT CLOSURE**

- 5.1.** You are entitled to close your Account/Channels Account at any time excluding as provided in Clause 5.2, provided that no rights and obligations incurred prior to the Account/Channels Account closure date shall be affected. You may be required to either cancel or complete all open Orders and, in accordance with the provisions of this Agreement, provide transfer instructions of where to transfer any Fiat Funds, Cryptocurrency and/or EON remaining in your Account/Channels Account. You shall also have the obligation to pay any fees, costs, expenses, charges, or obligations (including, but not limited to, attorney and court fees or transfer costs of Fiat Funds, Cryptocurrency and/or EON) associated with the closing of your Account/Channels Account. EXSCUDO has the right to unilaterally set off the amounts equal to such costs and expenses against the funds on your Account/Channels Account before closing your Account/Channels Account. In the event that the costs of closing of your Account/Channels Account exceed the value in your Account/Channels Account, you shall be obliged to promptly reimburse the balance difference to EXSCUDO.
- 5.2.** You shall not be entitled to close your Account/Channels Account to avoid paying any fees otherwise due or to avoid any examination related to our KYC and AML Policy (as amended from time to time).
- 5.3.** Should for any reason whatsoever EXSCUDO be unable to return your Cryptocurrency, EON and/or Fiat Funds to your External Account (as per Clause 6.4) after a period of inactivity stated in Clause 22.7 (i.e. 6(six) months), then EXSCUDO shall be entitled (but not obliged) at its sole and absolute discretion to exchange all or any part of your Cryptocurrency and/or EON into Fiat Funds at the respective market rates applicable at the Platform (and/or other licensed/regulated platforms) on the exchange date and/or seek for an advice from any external legal counsel/notary public/accountant/trustee and/or any other similar practitioners from the respective jurisdiction for further actions. These legal/accountancy and similar costs shall be reimbursed/funded from your Account and respective Fiat Funds.

## **6. TRANSACTIONS**

- 6.1.** The Services allow the Eligible Users to submit Orders to purchase, sell, lend, borrow and/or exchange Cryptocurrencies and/or EON against other Cryptocurrencies and/or Fiat Funds and vice versa. Upon submitting an Order via the Services, you authorize EXSCUDO, its Affiliates and/or third-party service providers (as applicable) as your payment and/or transactional processor to execute a Trading Transaction in accordance with such Order on a spot basis and charge you any applicable Fees. EXSCUDO will undertake commercially reasonable efforts to settle Trading Transactions on a spot basis within 2 (two) Business Days of the date upon which users have agreed to execute a trade via the Services.

- 6.2.** All Cryptocurrencies and/or EON sales, purchases and/or exchanges by EXSCUDO are subject to availability. EXSCUDO has the right to discontinue the sale, purchase, lending, borrowing and/or exchange of Cryptocurrencies and/or EON without any notice.
- 6.3.** For executing your Order and/or Trading Transaction via the Services, you shall first top up your Account/Channels Account with Fiat Funds, Cryptocurrency and/or EON (as applicable) using one of the External Accounts registered with the Services. Such transfer may trigger charging any fees by the respective External Account service provider. In such a case, it shall be the transferor's sole responsibility to cover these fees and for the management and security of any External Account and EXSCUDO shall not be responsible for any External Account fees and costs. Since the topping up of your Account/Channels Account depend amongst others on the performance of third parties with maintain your External Account, EXSCUDO is not able to and does not provide any guarantee in relation to the timely completion of the transfer and assumes no liability for any loss or damage suffered therefrom.
- 6.4.** Please note that the Fiat Funds held in your Account/Channels Account are **exclusively for the purchase/selling of Cryptocurrencies and/or EON and/or withdrawal to the External Account acceptable to EXSCUDO's compliance, which shall be legally and beneficially owned and controlled by you.** Proceeds from the sale of Cryptocurrencies and/or EON will be credited to your fiat sub-account held with EXSCUDO, less any Fees or applicable transactional costs (if any).
- 6.5.** When you request EXSCUDO to top up Fiat Funds, Cryptocurrencies and/or EON onto your Account/Channels Account from your External Account or request that EXSCUDO transfers Fiat Funds, Cryptocurrencies and/or EON to your External Account from your Account/Channels Account, you are deemed to have simultaneously authorized EXSCUDO, its Affiliates and/or respective third-party services providers (as applicable) to execute such transaction via the Services.
- 6.6.** The User acknowledges that an Order should only be submitted after careful consideration and the User understands and accepts consequences of its execution. Unless otherwise herein provided, **the User agrees that once the Order is executed, this transaction is final, irreversible and cannot be cancelled.** Unless otherwise herein provided, Trading Transactions will be executed instantly upon the matching of the Buyer's/Borrower's and the Seller's/Lender's Orders, without prior notice to the Seller/Lender and the Buyer/ Borrower, and shall be deemed to have taken place at the execution date and time.
- 6.7.** Should any error occur, whether via our Services or not, EXSCUDO shall be entitled (but not obliged) to correct such error and revise the Trading Transaction accordingly (including charging the correct price) or to cancel the Trading Transaction and refund any amount received. User's sole remedy in the event of an error is to cancel their Order and receive a refund of any respective amount.
- 6.8.** Minimum and maximum Order amount vary for each trading pair and can be seen on the Trade Page when placing an Order.

**6.9.** In case the User becomes aware of transaction activity, including but not limited to unidentified deposits and withdrawals, on their Account or Channels Account that was not initiated by the User, the User shall immediately notify EXSCUDO at help@exscudo.com of such activity.

## **7. CRYPTOCURRENCY LOANS AND MARGIN TRANSACTIONS**

**7.1. Loans in Cryptocurrency.** Subject to Clause 7.7 hereof, each Eligible User and/or EXSCUDO acting as Borrower or Lender (as applicable) may, from time to time, seek to initiate a transaction via their Exchange Accounts (ONLY) in which Lender will lend to Borrower respective Cryptocurrency (maintained by the Platform for lending/marginal trading purposes) to purchase another Cryptocurrency. Borrower and Lender shall agree on the terms of each Loan (which terms may be amended during the Loan), the amount of Cryptocurrency to be lent, interest, the amount of Collateral to be transferred by Borrower, and any additional terms. Such agreement shall be confirmed by a schedule listing the Cryptocurrency provided through the Platform. Such confirmation (the "Confirmation"), together with this Agreement, shall constitute conclusive evidence of the terms agreed between Borrower and Lender with respect to the Loan to which the Confirmation relates. In the event of any inconsistency between the terms of such Confirmation and this Agreement, this Agreement shall prevail.

7.1.1. Notwithstanding any other provision hereof regarding when a Loan commences, unless otherwise notified by EXSCUDO, a Loan hereunder shall not occur until the Loaned Cryptocurrency and/or the Collateral therefore have been transferred to the respective parties of the Loan.

7.1.2. Notwithstanding any other provision hereof to the contrary, all Eligible Users engaged in the margin trading shall at all times maintain in their Exchange Account a sufficient amount of Cryptocurrency to meet any mandatory minimum balance requirements imposed by EXSCUDO from time to time. In case the Eligible User does not have sufficient Cryptocurrency to meet such mandatory minimum margin balance requirements, then EXSCUDO may automatically close some or all of such Eligible User's open positions without notice. Please note that EXSCUDO may modify such mandatory minimum margin balance requirements from time to time, in its sole and absolute discretion. EXSCUDO is entitled to prohibit an Eligible User to trade on the insufficient margin balance. **For avoidance of doubt and unless otherwise provided herein, any Eligible User's Cryptocurrency located on any Accounts/Channel Accounts other than Exchange Accounts cannot be used for marginal trading and/or Collateral purposes and shall not be subject to Margin-Out.**

7.1.3. In case the Eligible User's margin balance becomes insufficient, the Eligible User shall immediately pay the respective amount owed to EXSCUDO. **EXSCUDO is not obliged to notify Eligible User of any failure to meet margin requirements prior to EXSCUDO exercising its rights hereunder, including but not limited to its right to liquidate positions in Eligible User Exchange Account(s) (the "Margin-Out").** Please note, that EXSCUDO does not provide any "grace periods" for margin compliance, Eligible User acknowledges that EXSCUDO generally will not issue margin calls; generally, will not allow a grace period in Eligible User's Exchange Account for Eligible User to meet intraday or other margin

**deficiencies; and is authorised to liquidate account positions immediately in order to satisfy margin requirements without prior notice.**

**7.2. Collateral.** Any and all Cryptocurrency purchased by the Borrower using borrowed Cryptocurrency shall be automatically deemed Lender's Collateral being a security for Borrower's obligations in respect of such Loan and for any other obligations of Borrower to Lender hereunder. Unless otherwise notified by the Lender, Borrower shall, prior to or concurrently with the transfer of the Loaned Cryptocurrency to Borrower, transfer to Lender Collateral with a market value at least equal to the Margin Threshold.

Borrower shall be deemed to have transferred Collateral to Lender by crediting Lender's Exchange Account carried by Borrower with Collateral with a Market Value at least equal to the Margin Threshold of the Market Value of the Loaned Cryptocurrency. The Collateral transferred by Borrower to Lender, as adjusted pursuant to Clause 7.4, shall be security for Borrower's obligations in respect of such Loan and for any other obligations of Borrower to Lender hereunder. Borrower hereby pledges with, assigns to, and grants Lender a continuing first priority security interest in, and a lien upon, the Collateral, which shall attach upon the transfer of the Loaned Cryptocurrency by Lender to Borrower and which shall cease upon the transfer of the Loaned Cryptocurrency by Borrower to Lender.

7.2.1. Except as otherwise provided herein, upon transfer to Lender of the Loaned Cryptocurrency on the day a Loan is terminated pursuant to Clause 7.5, Lender shall be obligated to transfer, and hereby authorizes Borrower and/or EXSCUDO to effect the transfer of, the Collateral (as adjusted pursuant to Clause 7.4) to Borrower on such day or, if such day is not a day on which a transfer of such Collateral may be effected, the next day on which such a transfer may be effected.

7.2.2. If Borrower transfers Collateral to Lender, as provided in Clause 7.2, and Lender does not transfer the Loaned Cryptocurrency to Borrower, Borrower shall have the absolute right to the return of the Collateral and authorizes EXSCUDO to effect the transfer of the Collateral; and if Lender transfers Loaned Cryptocurrency to Borrower and Borrower does not transfer Collateral to Lender as provided in Clause 7.2, Lender shall have the absolute right to the return of the Loaned Cryptocurrency and authorizes EXSCUDO to effect the Loaned Cryptocurrency return.

**7.3. Loan Income.** Unless otherwise agreed by the parties and/or provided under Exscudo Yield Enhancement Program, Borrower agrees to pay Lender interest on the borrowed Cryptocurrency (as applicable) ("Interest"), computed and accrued on a daily basis.

7.3.1. Unless otherwise agreed, Interest payable hereunder shall be payable within 2 (Two) Business Days following the last Business Day in which such Interest was incurred.

**7.4. Mark to Market.** Borrower shall at all times monitor and mark to market any Loan hereunder and in the event that at the Market Value of the Collateral for any Loan to Borrower is less than Margin Threshold applicable to all the outstanding Loaned Cryptocurrency subject to such Loan, Borrower shall immediately transfer additional Collateral so that the Market Value of such additional Collateral, when added to the Market Value of the other Collateral for such Loan, shall be not less than Margin Threshold. As agreed by the parties or if Lender determines in its sole discretion that applicable laws or market circumstances so require, the Borrower shall deposit additional Collateral greater than Margin Threshold.



7.4.1. In addition to any rights of Lender under Clause 7.4, if at any time the aggregate Market Value of all Collateral for Loans by Lender shall be less than the Margin Threshold of the Market Value of all the outstanding Loaned Cryptocurrency subject to such Loans (a "Margin Deficit"), Borrower shall immediately transfer additional Collateral so that the Market Value of such additional Collateral, when added to the Market Value of the other Collateral for such Loan, shall be equal or exceed the Margin Threshold.

7.4.2. Subject to Borrower's obligations under Clause 7.4, if at any time the Market Value of all Collateral for Loans to Borrower shall be greater than the Margin Threshold of the Market Value of all the outstanding Loaned Cryptocurrency subject to such Loans (a "Margin Excess"), Lender hereby authorizes Borrower and/or EXSCUDO (as applicable) to transfer to Borrower such amount of the Collateral selected by Borrower so that the Market Value of the Collateral for such Loans, after deduction of such amounts, shall thereupon not exceed the Margin Threshold.

**7.5. Termination of the Loan.** Unless otherwise agreed or provided herein, either party may terminate a Loan on a termination date established by notice given to the other party. Unless an earlier date is agreed by the parties, the termination date established shall be the next calendar day following such notice.

7.5.1. Notwithstanding Clause 7.5 and unless otherwise agreed, Borrower may terminate a Loan on calendar day, effective as of such calendar day, by transferring the Loaned Cryptocurrency to Lender on such day.

7.5.2. Unless otherwise agreed, Borrower shall, on or before 6 p.m. on the termination date of a Loan, transfer the Loaned Cryptocurrency to Lender; provided, however, that upon such transfer by Borrower, Lender shall transfer the Collateral (as adjusted pursuant to Clause 7.4) to Borrower in accordance with Clause 7.2.1 hereof.

**7.6. Events of Default.** Notwithstanding with anything herein to the contrary, all margin transaction and/or Loans hereunder may, at the option of the non-defaulting party (which option shall be deemed to have been exercised immediately upon the occurrence of an Act of Insolvency/Bankruptcy), be terminated immediately upon the occurrence of any one or more of the following events (individually, a "Default"):

7.6.1. if any Loaned Cryptocurrency shall not be transferred to Lender upon termination of the Loan as required by Clause 7.5;

7.6.2. if any Collateral shall not be transferred to Borrower upon termination of the Loan as required by Clauses 7.2.1 and 7.5;

7.6.3. if either party shall fail to transfer Collateral as required by Clause 7.4;

7.6.4. if an Act of Insolvency/Bankruptcy occurs with respect to either party;

7.6.5. if any representation made by either party in respect of this Agreement or any Loan or Loans hereunder shall be incorrect or untrue in any material respect during the term of any Loan hereunder;

7.6.6. if either party notifies the other of its inability to or its intention not to perform its obligations hereunder or otherwise disaffirms, rejects or repudiates any of its obligations hereunder; or

7.6.7. if either party (a) shall fail to perform any material obligation under this Agreement not specifically set forth in clauses 7.6.1 through 7.6.6 (inclusive), above, including but not limited to the payment of Interest as required by Clause 7.3, (b) shall have been notified of such failure by the other party, and (c) shall not have cured such failure by 6 p.m. on the next day following the day on which such obligation falls due.

The non-defaulting party shall (except upon the occurrence of an Act of Insolvency Bankruptcy) give notice as promptly as practicable to the defaulting party of the exercise of its option to terminate all Loans hereunder pursuant to this Clause 7.6.

7.7. Notwithstanding with anything herein to the contrary, Cryptocurrency borrowed by EXSCUDO (as Borrower) from Eligible User (as Lender), shall be subject to Exscudo Yield Enhancement Program ([https://exscudo.com/docs/Yield\\_Enhancement\\_Program.pdf](https://exscudo.com/docs/Yield_Enhancement_Program.pdf)). In case of contradictions between this Agreement and Exscudo Yield Enhancement Program, the latter shall control. The Eligible User shall acknowledge and agree that they have read, understood and agree to participate in Exscudo Yield Enhancement Program. For avoidance of doubt, unless otherwise notified via [help@exscudo.com](mailto:help@exscudo.com), each Eligible User shall be automatically deemed to have agreed participating in the Exscudo Yield Enhancement Program.

7.8. The Eligible User shall acknowledge and agree that they have read the Margin Risk Disclosure Statement and understand the risks involved with margin trades (see Schedule 2 hereto).

## 8. TRADING TRANSACTIONS FEES

8.1. All Trading Transactions executed via our Services are subject to Fees which are set in the Fees Policy <https://my.exscudo.com/#/fee>, as amended from time to time. The Fees Policy constitutes an integral part of this Agreement.

8.2. Please note, that in addition to the Fees, your External Account provider (where applicable) may impose fees in connection with your use of your nominated External Account via the Services. Such fees imposed by your External Account provider will not be shown via the Services and it is your own responsibility to be aware of such fees imposed by an External Account provider and for paying these fees.

8.3. All transfers/refunds/withdrawals of your Fiat Funds, Cryptocurrencies and/or EON from your Account/Channels Account onto your External Account are subject to availability of sufficient funds to fully cover any arising fees, costs and commissions, as applicable. If the amount of User's funds is not sufficient to cover such fees, costs and commissions, EXSCUDO shall have the right not to execute the transaction and the User's request shall be deemed automatically cancelled. You will be able to repeat the request for the transfer/refund/withdrawal once you have sufficient funds on your Account or Channels Account to cover the respective fees, costs and commissions. **Please note that upon the closure of the Account or Channels Account all remaining funds balances which are not withdrawn by the User to their External Account ONLY due to insufficiency of funds to cover respective fees, costs and commissions shall be deemed a fee to be paid by the respective User to EXSCUDO for Account/Channels Account closure service and the User shall be deemed to have waived any rights and claims whatsoever in respect of those remaining funds balances paid to EXSCUDO.**

## **9. TRANSACTIONS LIMITS**

**9.1.** For regulatory and fraud prevention purposes, EXSCUDO reserves the right to impose, without prior notification and at our sole and absolute discretion certain transactions limits at any time we consider proper and relevant. We shall not be obliged to disclose our reasoning and criteria.

## **10. SUSPENDING THE SERVICES**

**10.1.** We reserve the right to change, suspend and/or discontinue any of Services at any time and without disclosing the grounds therefor without any liability to you. Where practically possible, we may undertake reasonable endeavors to give you a 2 (two) month's prior written notice of such event. The User agrees and consents that any changes to the Services shall take effect without User's separate consent thereto.

## **11. INTELLECTUAL PROPERTY**

**11.1.** Subject to Clause 11.3 hereof, all intellectual property rights vested in any content located in or attributable to the Services are owned by EXSCUDO. No User is allowed to copy, distribute, reproduce, republish, upload, transmit, modify or otherwise employ in any way any such content unless our prior written consent is given.

**11.2.** EXSCUDO's property or that of our Affiliates, vendors and/or licensors is protected by patent, trademark and/or copyright laws and may not be used without our prior written consent.

**11.3.** EXSCUDO does not claim ownership of the information that you submit for your Account/Channels Account and/or via our Site and/or Services. You shall have appropriate rights in relation to such information which you submit for your Account/Channels Account and/or via our Site and/or Services, including the right to grant the rights and licenses hereinunder. In order to operate and provide the Services, the Eligible User shall grant EXSCUDO a worldwide, non-exclusive, royalty-free, sublicensable, and transferable license to use, reproduce, distribute, create derivative works of, display, and perform the information (including the content) that the Eligible User uploads, submits, stores, sends and/or receives via the Services. The rights the Eligible User grants hereby are for the limited purpose of operating and providing the Services.

## **12. REPRESENTATIONS AND WARRANTIES**

**12.1.** You represent and warrant that the following statements are true, accurate and complete, and you acknowledge that we may refuse to process your requests and may close your Account/Channels Account forthwith, if we find at any stage that they are not true or complete:

- 12.1.1. you are an individual over the age of 18 (eighteen);
- 12.1.2. you have full authority and capacity under Applicable Laws to enter into this Agreement and use all the Services;
- 12.1.3. you are acting on your own behalf and in your own interest under this Agreement;
- 12.1.4. you are NOT a U.S. Person
- 12.1.5. you are not acting for the account or benefit of U.S. Persons and
- 12.1.6. the electronic mail address that you gave us to which you receive e-mails from us is provided by an e-mail service provider operating outside of the United States;
- 12.1.7. you are NOT a person in relation to whom a respective court would confer a Personal Jurisdiction with a reference to the Applicable Laws of any State of the USA and/or a person who has is likely to have any connections/ties with the USA;
- 12.1.8. you are not using Services in connection with any offer or solicitation in any place where offers and solicitations are not permitted by law;
- 12.1.9. you are not subject to reporting pursuant to the Foreign Account Tax Compliance Act ("FATCA");
- 12.1.10. you are not a resident/citizen of any Restricted Country and have no links/ties to the Restricted Countries;
- 12.1.11. to the extent applicable, Borrower represents and warrants that it has, or will have at the time of transfer of any Collateral, the right to grant a first priority security interest therein subject to the terms and conditions hereof;
- 12.1.12. to the extent applicable, Lender represents and warrants that it has, or will have at the time of transfer of any Loaned Cryptocurrency/Fiat Funds, the right to transfer the Loaned Cryptocurrency/Fiat Funds subject to the terms and conditions hereof; AND/OR
- 12.1.13. IT IS LAWFUL FOR EXSCUDO TO PROVIDE YOU WITH THE SERVICES (AS DEFINED IN THESE TERMS).

**12.2.** You shall be deemed to repeat these representations and warranties as true, accurate and complete every time you access your Account/Channels Account and/or use any of the Services.

### **13. INDEMNITIES**

**13.1.** To the full extent permitted by Applicable Laws, the User unconditionally and irrevocable undertakes and agrees to protect, defend, indemnify and hold harmless at all times EXSCUDO, its officers, directors, employees, agents, Affiliates and/or third-party service providers from and against any and all fees, claims, demands, costs, expenses, losses, Taxes, liabilities and/or damages of every kind and nature (including, without limitation, reasonable legal fees) imposed upon or incurred by EXSCUDO and/or its Affiliates in connection with or arising from:

- 13.1.1. the User's use of and access to the Platform and/or the Services;
- 13.1.2. the User's breach of any provision of this Agreement as amended from time to time; and/or
- 13.1.3. the User's infringement of any third-party right, including without limitation any intellectual property or other proprietary right.

**13.2.** Each indemnity in this Agreement:

- 13.2.1. is a separate and independent obligation from the other obligations in this Agreement;
- 13.2.2. gives rise to a separate and independent cause of action;
- 13.2.3. applies whether or not any indulgence is granted by EXSCUDO; and
- 13.2.4. shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Agreement, or any other judgment or order.

**13.3.** The indemnification obligations under this Clause 13 shall survive any termination or expiration of this Agreement.

**14. RESTRICTIONS ON THE USE OF THE SERVICES**

**14.1.** You may use the Site for lawful purposes ONLY. You may NOT use the Site:

- 14.1.1. In any way that breaches any Applicable Laws, including, but not limited to fraud and money laundering, directly/indirectly posting and/or reposting abusive, racist violent and/or spam messages (materials), unlawful sexually oriented materials or services, counterfeit products, unlawful gambling activities, fraud, money laundering, the funding of terrorist organizations, the unlawful purchase or sale of tobacco, firearms, prescription drugs, other controlled substances or other products prohibited by law, from time to time;
- 14.1.2. In any way that is unlawful or fraudulent, or has any unlawful or fraudulent purpose or effect;
- 14.1.3. For the purpose of harming or attempting to harm in any manner or any malevolent purpose towards any person in any way;
- 14.1.4. To transmit, or procure the sending of, any unsolicited or unauthorized advertising or promotional material or any other form of similar solicitation (spam);
- 14.1.5. To knowingly transmit any data, send or upload any material that contains viruses, Trojan horses, worms, time-bombs, keystroke loggers, spyware, adware or any other harmful programs or similar computer code designed to adversely affect the operation of any computer software or hardware, take any action that imposes an unreasonable or disproportionately large load on our infrastructure.

**14.2.** You also unconditionally agree:

- 14.2.1. Not to infringe EXSCUDO's or any third party's copyright, patent, trademark, trade secret or other intellectual property rights, or rights of publicity or privacy;
- 14.2.2. Not to access without authority, interfere with, damage or disrupt:
  - 14.2.2.1. any part of our Site;
  - 14.2.2.2. any equipment or network on which our Site is stored;
  - 14.2.2.3. any software used in the provision of our Site; and/or
  - 14.2.2.4. any equipment or network or software owned or used by any third party.

**14.3.** THE USER HEREBY ACKNOWLEDGES AND AGREES THAT ANY BREACH OF THIS CLAUSE 14 SHALL BE DEEMED AS MATERIAL BREACH OF THE AGREEMENT ON PART OF THE USER AND GIVES EXCUDO THE RIGHT TO TERMINATE THE AGREEMENT WITHOUT ANY PRIOR NOTICE. EXCUDO SHALL ALSO HAVE ANY RIGHTS AVAILABLE UNDER APPLICABLE LAWS TO COMMUNICATE AND ADDRESS RELEVANT BREACHES TO APPROPRIATE GOVERNMENTAL ENTITIES.

## **15. SET-OFF**

**15.1.** EXCUDO shall be entitled (but not obliged) to apply any credit balance (whether or not then due) to which the User is at any time beneficially entitled on the respective Account/Channels Account with EXCUDO in (or towards) satisfaction of any sum then due and payable (but unpaid) by the User to EXCUDO arising out of or in connection with this Agreement. If such balances are in different Cryptocurrencies and/or Fiat Funds (as applicable), EXCUDO may convert either balance at a market rate of the Platform for the purpose of the set-off. We shall not be obliged to notify you of such conversion in advance.

**15.2.** This Clause 15 (Set-off) shall be for benefit of EXCUDO only. Subject to mandatory provisions of Applicable Laws, the User shall not have the right to set-off unless with EXCUDO's prior consent.

## **16. ASSIGNMENT AND TRANSFER**

**16.1.** To the extent permitted by mandatory provisions of Applicable Laws, a User may not assign any of its rights and/or transfer any of its rights and/or obligations under this Agreement.

**16.2.** To the extent permitted by mandatory provisions of Applicable Laws, EXCUDO shall be entitled to assign and/or transfer any and/or all of its rights and obligations under this Agreement, in whole or in part, without obtaining your consent or approval.

## **17. LIMITATION OF LIABILITY**

**17.1.** TO THE EXTENT PERMITTED BY MANDATORY PROVISIONS OF APPLICABLE LAWS, EXCUDO SHALL NOT BE HELD LIABLE FOR ANY DAMAGES, LOSS OF PROFIT, LOSS OF REVENUE, LOSS OF BUSINESS, LOSS OF OPPORTUNITY, LOSS OF DATA, INDIRECT OR CONSEQUENTIAL LOSS UNLESS THE LOSS SUFFERED ARISING FROM GROSS NEGLIGENCE AND/OR WILFUL MISCONDUCT AND/OR FRAUD. NOTHING IN THESE TERMS EXCLUDES OR LIMITS THE LIABILITY OF EITHER PARTY FOR FRAUD, DEATH OR PERSONAL INJURY CAUSED BY ITS NEGLIGENCE, BREACH OF TERMS IMPLIED BY OPERATION OF APPLICABLE LAWS, OR ANY OTHER LIABILITY WHICH MAY NOT BY LAW BE LIMITED OR EXCLUDED.

**17.2.** SUBJECT TO THE FOREGOING, EXSCUDO'S TOTAL LIABILITY IN RESPECT OF CLAIMS BASED ON EVENTS ARISING OUT OF OR IN CONNECTION WITH ANY SINGLE USER'S USE OF THE SITE AND/OR SERVICES SHALL IN NO CIRCUMSTANCES EXCEED THE TOTAL AMOUNT OF FIAT FUNDS, CRYPTOCURRENCIES AND/OR EONS HELD ON THE RESPECTIVE USER'S ACCOUNT/CHANNELS ACCOUNT MAKING A CLAIM LESS ANY FEES OR OTHER AMOUNTS THAT MAY BE DUE AND PAYABLE IN RESPECT OF SUCH ACCOUNT/CHANNELS ACCOUNT TO EXSCUDO.

**17.3.** PLEASE NOTE THAT EXSCUDO DOES NOT PROVIDE ANY FINANCIAL, INVESTMENT OR LEGAL ADVICE IN CONNECTION WITH THE SERVICES. ANY DECISION TO EXCHANGE, BUY AND/OR SELL CRYPTOCURRENCIES AND/OR EONS IS THE USER'S OWN DECISION, TAKEN AT ITS OWN RISK. EXSCUDO WILL NOT BE LIABLE FOR ANY LOSS SUFFERED. PRIOR TO ENTERING INTO ANY TRADING TRANSACTION YOU MUST MAKE YOUR OWN INDEPENDENT ASSESSMENT AS TO WHETHER IT IS APPROPRIATE TO ENTER INTO A TRADING TRANSACTION BASED UPON YOUR OWN JUDGMENT AND UPON SUCH ADVICE FROM SUCH ADVISERS AS YOU CONSIDER RELEVANT AND APPROPRIATE. IT IS AN EXPRESS TERM OF EVERY TRADING TRANSACTION WHICH YOU ENTER INTO THAT YOU ARE NOT RELYING UPON ANY COMMUNICATION (WRITTEN OR ORAL) MADE BY EXSCUDO AS CONSTITUTING ADVICE ABOUT OR A RECOMMENDATION TO ENTER INTO TRADING TRANSACTION. PLEASE ALSO NOTE, THAT UNDER CERTAIN MARKET CONDITIONS (E.G. WITHOUT LIMITATION, DURING MARKET ILLIQUIDITY, HIGH VOLUMES OR VOLATILITY PERIODS), THE ACTUAL MARKET RATE AT WHICH A MARKET ORDER OR TRADING TRANSACTION IS EXECUTED MAY BE DIFFERENT FROM THE PREVAILING RATE INDICATED VIA THE SERVICES AT THE TIME OF YOUR ORDER OR TRADING TRANSACTION. YOU ACKNOWLEDGE AND AGREE, THAT SUBJECT TO MANDATORY PROVISIONS OF APPLICABLE LAWS, WE SHALL NOT BE HELD LIABLE FOR ANY SUCH PRICE FLUCTUATIONS. IN THE EVENT OF A MARKET DISRUPTION OR EVENT OF FORCE MAJEURE EVENT, EXSCUDO SHALL BE ENTITLED TO DO ONE OR MORE OF THE FOLLOWING: (A) SUSPEND ACCESS TO THE SERVICES; OR (B) PREVENT YOU FROM COMPLETING ANY ACTIONS VIA THE SERVICES, INCLUDING CLOSING ANY OPEN POSITIONS. FOLLOWING ANY SUCH EVENT, WHEN TRADING RESUMES, YOU ACKNOWLEDGE THAT PREVAILING MARKET RATES MAY DIFFER SIGNIFICANTLY FROM THE RATES AVAILABLE PRIOR TO SUCH EVENT.

**17.4.** PLEASE NOTE, THAT UNDER CERTAIN MARKET CONDITIONS (E.G. WITHOUT LIMITATION, DURING MARKET ILLIQUIDITY PERIODS), IT MAY BE DIFFICULT OR EVEN IMPOSSIBLE TO EXECUTE YOUR TRADING POSITION WHICH MAY RESULT IN FULL OR PARTIAL NON-EXECUTION OF YOUR CONTINGENT ORDERS (E.G. "STOP-LOSS" OR "TAKE-PROFIT" ORDERS), AND THEREFORE YOU WILL NOT BE ABLE TO LIMIT YOUR LOSSES AS INTENDED. YOU ACKNOWLEDGE AND AGREE THAT, SUBJECT TO MANDATORY PROVISIONS OF APPLICABLE LAWS, EXSCUDO SHALL NOT BE HELD LIABLE FOR SUCH LOSSES AND/OR DAMAGES.

**17.5.** PLEASE NOTE THAT THE THIRD PERSONS MAINTAINING YOUR OR YOUR TRANSACTION PARTY'S EXTERNAL ACCOUNTS MAY REJECT FROM TIME TO TIME YOUR FIAT FUNDS, CRYPTOCURRENCIES AND/OR EON OR MAY OTHERWISE BE UNAVAILABLE. YOU ACKNOWLEDGE AND AGREE THAT,

SUBJECT TO MANDATORY PROVISIONS OF APPLICABLE LAWS, EXSCUDO SHALL NOT BE HELD LIABLE FOR ANY LOSSES AND/OR DAMAGES DIRECTLY OR INDIRECTLY RESULTING FROM TRANSACTIONS REJECTED BY PERSONS OTHER THAN EXSCUDO.

## **18. NO WARRANTY**

**18.1.** EXSCUDO, ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AFFILIATES, VENDORS AND/OR THIRD-PARTY SERVICE PROVIDERS PROVIDE SERVICES "AS IS" AND WITHOUT ANY WARRANTY OR CONDITION, EXPRESS, IMPLIED OR STATUTORY. EXSCUDO, ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AFFILIATES, VENDORS AND/OR THIRD-PARTY SERVICE PROVIDERS SPECIFICALLY DISCLAIM ANY IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

## **19. TAXES**

**19.1.** The User irrevocably and unconditionally undertakes to pay all their Taxes (if any), arising out of or in connection with using the Services and/or this Agreement.

**19.2.** For avoidance of doubt EXSCUDO undertakes NO responsibility for any Tax matters attributable to the User and shall not be held liable for any mistakes, breaches, misconduct and/or violations made by the User under respective Applicable Laws.

## **20. NOTICES**

**20.1.** Subject to mandatory provisions of the Applicable Laws, this Agreement and any other agreements, notices or other communications regarding your Account/Channels Account and/or using of the Services ("**Communications**"), may be provided to you in electronic format via the Site, Platform, Channels, Wallet Services, e-mail, by sending an SMS or text message to a mobile phone number that you provide or other means of notification in reproducible in writing form and you agree to receive all Communications from EXSCUDO in reproducible in writing form. All Communications shall be deemed to have been received on the day of dispatching, unless the addressee proves not to have received the Communication by this term. All Communication shall be sent at such contact data as provided by you upon registration as User or as you may change via your Account/Channels Account.



## **21. AMENDMENTS**

- 21.1.** Subject to Clause 21.2 below, and unless otherwise provided in instruments/agreements referred to in Clause 1.6 hereof (if any), EXSCUDO may amend this Agreement unilaterally by providing you with a 2 (two) month's advance notice. These changes will be deemed to have been accepted unless you notify to the contrary before the proposed date of the entry into force of such amendments. Should you notify us on your disagreement with the proposed amendments, your notification will be deemed to be a notice that you wish to close your Account/Channels Account and terminate this Agreement on the date upon which the changes are to take effect.
- 21.2.** Where an amendment to the Agreement is required by Applicable Laws or a Governmental Entity authorized to supervise the provision of the Service, the amendment may be made without prior notice to you and shall be effective immediately. Should you not agree to such amendment, you shall have the right to terminate this Agreement by 1 month's advance notice.

## **22. TERMINATION**

- 22.1.** A User may close its Account/Channels Account and terminate this Agreement in accordance with Clause 5 hereof by giving a 1 (one) month's prior notification to EXSCUDO.
- 22.2.** EXSCUDO shall be entitled suspend, freeze or terminate a User's Account/Channels Account and this Agreement at any time immediately upon written notice to the User for any reason, including without limitation: (1) attempts to gain unauthorized access to the User's Account/Channels Account or another User's Account/Channels Account or providing assistance to others attempting to do so; (2) circumventing software security features limiting use of or protecting any content; (3) usage of the Services to perform illegal activities such as money laundering, terrorism financing and/or other criminal activities, (4) breaches of this Agreement; (5) failure to pay or fraudulent payment for Trading Transactions, (6) unexpected operational difficulties; and/ or (7) requests by law enforcement or other Governmental Entities.
- 22.3.** EXSCUDO is entitled by notice to Users to modify the Platform, Channels, Wallet Services and/or by notifying the Users and publishing the revised version of this Agreement on the Site to revise this Agreement any time by 2 month's advance notice. Users are deemed to have accepted these revisions to the extent that they continue using the Platform, Channels, Wallet Services and/or Site (as applicable).
- 22.4.** Subject to this Agreement and Applicable Laws, within 60 days of closure of a User's Account/Channels Account, whether by the User or EXSCUDO, we shall attempt to transfer User's Fiat Funds, Cryptocurrency and/or EONs to the User's External Account in accordance with subject to the terms provided in Clause 5 hereof.

**22.5.** EXSCUDO is entitled to retain from any amounts which may otherwise be payable to the User on closure of its Account/Channels Account any amount payable by the User to EXSCUDO, including without limitation any Fees, in accordance with Clause 15.

**22.6.** The User also agrees that EXSCUDO shall be entitled, in its sole and absolute discretion by giving notice, terminate Users' access to the Platform, Channels, Wallet Services, prohibit access to the Platform, Channels, Wallet Services and its content, Services and tools, delay or remove hosted content, and take technical and legal steps to prevent the User's access to the Services if EXSCUDO, in its sole and absolute discretion, believes that the User has breached or is likely to breach any of their obligations under this Agreement.

**22.7.** In addition, EXSCUDO reserves the right to terminate the Account/Channels Account which have been inactive for a period of 6 months. The User agrees that EXSCUDO will not be liable to them or to any third party for termination of their Account/Channels Account or access to the Platform, Channels, Wallet Services and/or other Services.

**22.8.** Notwithstanding any suspension and/or termination of a User's Account/Channels Account, the User remains liable for all Fees and debt payable in respect of the Account/Channels Account and/or any Trading Transaction entered and/or incurred prior to the suspension and/or termination.

**22.9.** Subject to Clause 22.10 hereof, termination of this Agreement shall not affect Clause 8 (Trading Transaction fees), 11 (Intellectual Property), 12 (Representations and Warranties), Clause 14 (Restriction on the Use of the Services), Clause 15 (Set-off), Clause 16 (Assignment and Transfer), Clause 18 (No Warranty), Clause 13 (Indemnities), Clause 17 (Limitation of Liability), Clause 19 (Taxes), Clause 20 (Notices), Clause 23 (Governing law and Jurisdiction) and Clause 24 (Miscellaneous) hereof which shall continue in full force and effect for a period of 15 (fifteen) years from the date of this Agreement's termination.

**22.10.** Any provisions of this Agreement which by their nature should survive, will survive.

## **23. GOVERNING LAW AND JURISDICTION**

**23.1.** This Agreement and any dispute or claim arising out of, or in connection with, it or its subject matter or formation shall be governed by, and construed in accordance with, the laws of the Republic of Estonia.

**23.2.** To the extent permitted under mandatory provisions of the Applicable Laws, any and all non-contractual matters shall be governed by the laws of the Republic of Estonia.

**23.3.** To the extent permitted by mandatory provisions of Applicable Laws, the parties to this Agreement irrevocably agree that, *Harju Maakohus* in Tallinn shall have exclusive jurisdiction to settle any dispute or claim that arises out of, or in connection with, this Agreement or its subject matter or formation.

## **24. MISCELLANEOUS**

- 24.1.** This Agreement is drawn up, and all Communications between the Parties shall be, in the English language. Should this Agreement be translated into Estonian or other language, the English text shall control.
- 24.2.** If EXSCUDO is unable to perform the Services hereunder due to factors beyond its control including but not limited to an Event of Force Majeure, an act, failure to act or faulty performance by any third party and/or change of Applicable Laws, EXSCUDO shall not have any responsibility to the User under this Agreement during a period of time when a respective Event of Force Majeure takes place.
- 24.3.** Unless the context otherwise requires, words in the singular include the plural and in the plural the singular and a reference to one gender shall include a reference to the other genders.
- 24.4.** A reference to a Clause or Schedule is to a clause of, or schedule to this Agreement unless the context requires otherwise and references to paragraphs are to paragraphs of the relevant schedule unless the context requires otherwise. A reference to this Agreement (or any provision of it) or any other document shall be construed as a reference to this agreement, that provision or that document as it is in force for the time being and as amended, varied or supplemented in accordance with its terms or with the agreement of the relevant parties.
- 24.5.** A reference to a time of day is to Central European Time.
- 24.6.** Clause, Schedule and paragraph headings shall not affect the interpretation of this Agreement.

## SCHEDULE 1 — DEFINITIONS AND RULES OF INTERPRETATION

### Definitions

“Account” means an Exchange Account or any other account registered by the Eligible User on the EXSCUDO Platform.

“Act of Insolvency/Bankruptcy” shall mean, with respect to any party, (a) making a general assignment for the benefit of, or entering into a reorganization, arrangement, or composition with creditors; (b) stating in writing that it is unable to pay its debts as they become due; (c) seeking, consenting to or acquiescing in the appointment of any restructuring advisor, trustee, administrator, receiver or liquidator or analogous officer of it or any material part of its property; (d) the presentation or filing of a petition in respect of it (other than by the other party to this Agreement in respect of any obligation under this Agreement) in any court or before any agency alleging or for the bankruptcy, winding-up or insolvency of such party (or any analogous proceeding) or seeking any reorganization, arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition not having been stayed or dismissed within 30 days of its filing (except in the case of a petition for winding-up or any analogous proceeding in respect of which no such 30 day period shall apply); (e) the appointment of a restructuring advisor, receiver, administrator, liquidator or trustee or analogous officer of such party over all or any material part of such party's property; (f) the convening of any meeting of its creditors for the purpose of considering a voluntary arrangement (or any analogous proceeding).

“Affiliate” means, in relation to EXSCUDO, any person, which, directly or indirectly, through one or more intermediaries, Controls, is Controlled by or is under common Control with, such person, in each case, from time to time.

“Agreement” means this agreement;

“Applicable Laws” means: (a) all applicable laws, statutes, regulations, ordinances and rules which have binding effect in any jurisdiction; and (b) any directives, administrative requirements, codes, edicts, judgments, injunctions, decrees, orders and by-laws of any Governmental Entity or any similar items which have binding effect in any jurisdiction.

“Borrower” means an Eligible User who has borrowed Cryptocurrency under this Agreement.

“Buyer” means the Eligible User who submits an Order to buy/exchange Cryptocurrencies and/or EON via the Platform.

“Business Day” a day (other than a Saturday or a Sunday) on which commercial banks are open for general business in Tallinn, Vilnius, Riga, Frankfurt, Luxembourg, Valetta, London, Moscow, Singapore, Hong Kong and New York.

“Channels” means a mobile application allowing the Users and/or Eligible Users (as applicable) to (a) create their Channels Account with a chosen nickname and/or a profile picture (if any); (b) exchange/communicate with other Users and/or Eligible Users (as applicable) using text messages, photo, audio, video and other files, (c) to trade/exchange Cryptocurrency/EON against other Cryptocurrency and/or Fiat Funds and vice versa, (d) search for their contacts who already are registered with the Channels; and/or (e) add new contacts using QR-code.

“Channels Account” means any type of accounts registered by the User and/or the Eligible User (as applicable) on the Channels.

“Collateral” shall mean, whether now owned or hereafter acquired and to the extent permitted by applicable law any Cryptocurrencies, Cryptocurrency, Fiat Funds and/or property which Borrower and Lender agree prior to the Loan shall be acceptable collateral and which is transferred to Lender pursuant to Clause 7.2.

“Communications” has the meaning given to it in Clause 20.1.

“Confirmation” has the meaning given to it in Clause 7.1.

“Control” means the power of a person (together with any persons acting in concert with such person) to secure that the affairs of another person are conducted directly or indirectly in accordance with the wishes of that person (together with any persons acting in concert with such person).

“Cryptocurrency” means the following virtual currency (as defined under Estonian Money Laundering and Terrorist Financing Prevention Act, as amended from time to time): Bitcoin, Bitcoin Cash, Ethereum, Ethereum Classic and any other virtual currency and/or assets listed on the Platform from time to time.

“Default” has the meaning given to it in Clause 7.6.

“EEA” shall mean European Economic Area.

“Eligible User” means a registered User who is being compliant with EXSCUDO’s KYC and AML Policy and who, under respective Applicable Laws, has full capacity and authority to enter into and execute Trading Transactions and/or use any Services under this Agreement.

“EON” means a cryptographic unique software utility token elaborated and employed by EXSCUDO in order to procure interconnection between the Services using EXSCUDO’s proprietary blockchain.

“EON-ID” means a unique identification number attributable to the Eligible User within EXSCUDO Services environment.

“Event of Force Majeure” means an event which is beyond the reasonable control of an affected party including without limitation any market disruption, acts or restraints of Governmental Entity, war, revolution, strikes or other industrial action, fire, flood, natural disaster, explosion, terrorist action, the suspension or limitation of trading by any execution venue, or any breakdown, failure, defective performance or malfunction of any telecommunications settlement or other equipment or systems, and to the extent permitted by mandatory provisions of Applicable Laws, any cyber-attacks and/or third-party actions of similar nature.

“Exchange Account” means an account registered by the User and/or the Eligible User (as applicable) with EXSCUDO a.o. for getting exchange data, holding, buying, selling, lending and/or borrowing of Cryptocurrency and/or EON within the Platform.

“EXSCUDO” means Exscudo OÜ, a limited liability company incorporated and existing under the laws of Republic of Estonia and having a commercial registry code 14172383.

“Exscudo Yield Enhancement Program” shall mean a deposit scheme allowing Eligible Users to get interest income on their Cryptocurrency held with the Platform.

“External Account” means any Financial Account and/or virtual currency account maintained within EEA by a licensed third-party service provider outside of the Services: (i) from which Cryptocurrencies, EON and/or Fiat Funds may be transferred onto Eligible User’s Account/Channels Account, and (ii) to which the Eligible User may transfer Cryptocurrencies, EON and/or Fiat Funds from their Account/Channels Account.

“Fee” means an amount levied as payment to the Company for arranging and matching a Trading Transaction. A Fee is generally levied as a percentage of the value of a Trading Transaction as specified in the Fees Policy.

“Fees Policy” means EXSCUDO’s Fees policy, as amended from time to time and located at <https://my.exscudo.com/#/fee>.

“Fiat Funds” means lawful currency of the Eurozone (EUR, or Euro) and/or any other applicable fiat currency maintained under the Services from time to time.

“Financial Account” means any financial account that is maintained within EEA by a licensed third-party service provider outside of the Services, including, but not limited to third-party payment service accounts or accounts maintained by third party financial institutions.

“Governmental Entity” means (a) any national, state, municipal or local governmental agency, authority, commission, department, official, regulator or any other body exercising any regulatory, taxing or other governmental or any person authorised to exercise public supervisory or executive functions in any jurisdiction; or (b) any court or tribunal in any jurisdiction.

“Interest” has the meaning given to it in Clause 7.3.

“KYC and AML Policy” means EXSCUDO know-your-customer and anti-money laundering policy, as amended from time to time and located at <https://exscudo.com/docs/kycamlp.pdf>.

“Lender” means an Eligible User who has lent Cryptocurrency under this Agreement.

“Loaned Cryptocurrency” shall mean Cryptocurrency eligible for (marginal) lending transactions and maintained by the Platform from time to time.

“Margin Excess” has the meaning given to it in Clause 7.4.2.

“Margin Deficit” has the meaning given to it in Clause 7.4.1.

“Margin-Out” has the meaning given to it in Clause 7.1.3.

“Margin Risk Disclosure Statement” shall the statement described in Schedule 2 hereto.

“Margin Threshold” shall mean the figure being equal to the minimal Market Value of the Collateral required by the Lender from time to time in order to secure Borrower’s obligations under respective Loan (a set of Loans). Generally, the Margin Threshold shall not be less than 30 (Thirty) % of the respective Loaned Cryptocurrency’s Market Value as altered from time to time.

“Market Value” shall mean a value of Loaned Cryptocurrency and/or Collateral reasonably determined by EXSCUDO in accordance with its standard practices for valuing Cryptocurrencies.

“Order” means Eligible User’s instruction to exchange, buy or sell Fiat Funds, Cryptocurrency and/or EON on certain conditions.

“Personal Information” shall mean any information relating to an identified or identifiable natural person using our Site and/or Services and/or Platform.

“Personal Jurisdiction” means an authority by which a court of any respective jurisdiction may recognize and decide cases involving the User.

“Privacy Policy” means our privacy policy which can be found on the Site at <https://exscudo.com/docs/pp.pdf>.

“Platform” means a platform encompassing matching mechanism consisting of respective software, hardware and technical means allowing to trade and/or exchange Fiat Funds, Cryptocurrencies and/or EON.

“Restricted Country” means Libya, Myanmar (Burma), Somalia, Southern Sudan, Sudan, Tunisia, Iraq, Eritrea, Republic of Guinea, Guinea-Bissau, Iran, Syria, Bosnia and Herzegovina, Burundi, Central African Republic, North Korea, DR Congo, Cote D’Ivoire, Egypt, Venezuela, Zimbabwe, Yemen and/or other respective jurisdictions as amended from time to time (e.g. see <https://www.sanctionsmap.eu/#/main>).

“Seller” means an Eligible User who submits an Order to sell/exchange Cryptocurrencies and/or EON via the Platform.

“Services” mean all and any service provided by EXSCUDO via the Site, Platform, Channels and/or Wallet Services.

“Site” means EXSCUDO’s general website, the web address of which is <https://exscudo.com/>.

“Tax” means any tax, levy, impost, duty or other charge, fee, deduction or withholding of a similar nature (including any penalty or interest payable in connection with the failure to pay, or delay in paying, any of these).

“Trade Page” means the webpage within the Site to which the Eligible User has a personal access and may execute Trading Transactions.

“Trading Transaction” means the exchange, borrow, lend, purchase or sale of Cryptocurrencies and/or EON arising from an Order.

“USA” means the United States of America and/or any of its territories, possessions, any state of the United States of America or the District of Columbia.

“User”, “you” or “your” means you being an individual over 18 years who has agreed to these terms and conditions of this Agreement.

“U.S. Person” means a U.S. Person as defined by the Regulation S of the Securities Act 1933.

“Wallet Services” means wallet service allowing the Eligible Users to (a) trade, store, transmit and/or exchange Cryptocurrencies and/or EONs to/with other Eligible Users via the Platform/Channels; and/or (b) get up-to-date information on their Cryptocurrencies and/or EON balance and their recent Cryptocurrencies and/or EON transactions.

## SCHEDULE 2 — MARGIN RISK DISCLOSURE STATEMENT

When the Eligible User purchases Cryptocurrency, the Eligible User may pay in full or may borrow part of the purchase price from EXSCUDO and/or other Eligible Users (as applicable). The Cryptocurrency purchased are Lender's Collateral for the loan to the Borrower. If the Market Value of Cryptocurrency in the Borrower's Exchange Account declines to the extent that it does not support the Borrower's loan, the Lender is entitled to take action, such as to sell Cryptocurrency in the Borrower's Exchange Account, in order to maintain mandatory minimum balance requirements in the Exchange Account (Margin Threshold).

It is important that the Eligible User fully understands the risks involved in trading assets on margin.

These risks include without limitation the following:

- The Borrower can lose more funds than they deposit in the Exchange Account. A decline in the Market Value of Cryptocurrency that are purchased or sold on margin may require the Borrower to provide additional funds to the Lender to avoid the forced sale of Cryptocurrency in the Borrower's Exchange Account (Margin Out).
- EXSCUDO is entitled to force the sale of Cryptocurrency in Borrowers Exchange Account. If the margin level in Borrower's Exchange Account falls below mandatory minimum margin balance requirements, EXSCUDO can sell Cryptocurrency in Borrower's Exchange Account to cover the margin deficiency. Borrower will also be responsible for any shortfall in the Exchange Account after such a sale.
- EXSCUDO is entitled to sell all or a part of respective Cryptocurrency without contacting the Borrower.
- EXSCUDO is entitled at its sole discretion to increase maintenance margin requirements at any time and are not required to provide Borrower with advance written notice. These maintenance margin requirements normally take effect immediately. Borrower's failure to satisfy maintenance margin requirements may cause EXSCUDO to liquidate or sell Cryptocurrency in Borrower's Exchange Account.