



# Terms of Use

Last updated December 28 2021

Hi there 🙌

These are our Terms of Use which detail the agreement between you and Stablegains for using the Stablegains services.

If you have any questions, please reach out to us on [support@stablegains.com](mailto:support@stablegains.com)

## 1. About the User Agreement

This agreement (or 'Terms of Use') defines the relationship between Stablegains, Inc. ('Stablegains', 'we' or 'us') and you, the person accessing the Stablegains website and/or registering for the Services (defined below).

You should read this document along with our [Privacy Policy](#).

## 2. This agreement is legally binding

These Terms of Use are a legally binding contract between you and Stablegains. Please read it carefully.

By using our Services, including signing up for an account and/or making a deposit, you acknowledge that you have read, understood, and accepted this agreement.

## 3. Changes to this agreement

As Stablegains grows and changes, these terms may change too. If we do change them, we will notify you by sending an email, or by posting a prominent notice on our website. We will also update the date and version number above.

Any minor, non-material changes or clarifications go into effect immediately. Any material changes go into effect 14 days after we provide notice.

## **4. Who can use Stablegains?**

You may use our Services only if you are age 18 or older and not barred from using banking or investment services under the laws of the US or other applicable jurisdiction.

You may use our Services as a business entity by registering as a business and going through our KYB and business onboarding process. Only individuals who are authorized signatories of their organisation to this agreement can sign up for our business services.

Each person is allowed only one Stablegains account, and you may not create additional accounts on behalf of any other individual.

## **5. Where can I use Stablegains?**

Our services are available in the following states:

- California
- Delaware
- Illinois
- Pennsylvania
- South Carolina
- Utah
- Virginia
- Wisconsin

We continue to add more states as soon as we can. By accessing or using a particular service, you affirm that you are a resident in the jurisdiction where the service is provided and using the service in a permissible jurisdiction.

We currently do not service non-U.S. residents.

## **6. Communication**

You can contact us by email at [support@stablegains.com](mailto:support@stablegains.com).

We do our best to respond as quickly as possible, and typically respond within 24 hours. We'll contact you in English via email.

You should read this document along with our [Privacy Policy](#).

By using our Services, you consent to receiving communications from us electronically and that you do not need any other communications in writing.

We may also send you notifications via email when you use our services to deposit into lending platforms or when you make withdrawals.

## **7. You agree to us using your information**

By accepting this agreement, you agree to us using your information to provide you our services. If you're no longer happy for us to use your information, we'll have to close your account. But we may keep your personal data and use it where we have lawful grounds to do so. For example, any records we need to keep for regulatory reasons (see our [Privacy Policy](#)).

## **8. What Stablegains is**

Stablegains is a website facilitating savings in stablecoins (cryptocurrencies pegged to the US dollar) using digital finance protocols.

I.e. Stablegains enables you to simply deposit stablecoins and to direct those into digital finance protocols that we support where they are lent out to earn a yield (the 'Services').

## **9. Digital finance protocols**

Digital finance protocols are open, blockchain-based permissionless protocols that are not controlled by Stablegains and that everyone can access. Stablegains finds relevant protocols and presents them to users in the Stablegains dashboard. Users can then choose to direct funds into either of the protocols. Stablegains then performs the necessary steps to deposit your funds with the protocol. This might include conversions between stablecoins and engaging with the protocols' software (executing smart contracts).

Currently Stablegains offers users to deposit with the open lending protocol, Anchor. You can read more about lending protocols and Anchor [here](#).

Stablegains reserves the right to add or remove digital finance protocols from the Stablegains dashboard. If Stablegains removes a digital protocol where you have stablecoins deposited, you will be notified and your funds go back to your Stablegains account where you can deposit them into other protocols or withdraw them entirely.

## **10. How Stablegains works**

Stablegains allows you to earn interest by depositing stablecoins and directing those into digital finance protocols where they are lent out.

As you sign up with Stablegains you get access to your Stablegains account where you can deposit funds. In the Stablegains dashboard you can see the protocols that Stablegains engages with that you can choose to direct your funds to.

As you direct your funds into the digital finance protocols, you earn interest which is reflected in your balance on the dashboard.

You can read more about the terms that apply to depositing and withdrawing funds, directing funds into digital finance protocols, as well as earning interest, below.

## **11. Stablegains only deals with virtual stablecoins**

While this may change in the future, Stablegains only takes deposits and withdrawals in virtual stablecoins. This means Stablegains at no time will be exchanging your deposits into volatile cryptocurrencies such as Bitcoin and ETH. Also at no time does fiat money enter Stablegains' custody.

Stablegains currently only supports the USDC and UST stablecoins. USDC are used for all users' deposits and withdrawals to and from Stablegains (see the sections on 'Depositing funds' and 'Withdrawing funds' below). UST is used to deploy funds into the Anchor protocol (read more in 'Directing funds into digital finance protocols').

Stablegains may amend the list of accepted stablecoins from time to time by revising these terms. Should any cryptocurrency be removed from the list of permitted collateral, deposits already made with such cryptocurrency shall remain in force, unless Stablegains informs you otherwise.

It is very important to note, that stablecoins (such as USDC and UST) are not legal tender, are not backed by any government, and value balances on Stablegains are not subject to FDIC or Securities Investor Protection Corporation (SIPC) protections.

Further, Stablegains is not a bank and does not offer checking accounts, savings accounts, or any fiduciary services.

## 12. Depositing with Stablegains

Stablegains takes deposits in USDC over the Ethereum blockchain network. You may transfer USDC to your Stablegains account via a USDC wallet.

You are at risk of losing your deposit if:

- You send any token other than USDC, e.g. ETH, to our USDC wallet
- You send us USDC over any blockchain network other than Ethereum
- You send USDC to a wallet address not provided by us in your Stablegains dashboard

Stablegains cannot be held liable in cases listed above.

You may also deposit USD fiat currency via bank wire transfers or ACH transfers using our partners Plaid and Circle. All fiat deposits are handled and custodied by our partners. Our partners convert the fiat currency into USDC which in turn is deposited with Stablegains. Stablegains never hold customers' fiat currencies.

We process deposits every 24 hours. You should see your deposit in your Stablegains dashboard within 48 hours of making the deposit.

## 13. Directing funds into digital finance protocols

When you deposit funds with Stablegains, you agree to Stablegains moving your funds into Anchor Protocol where they are lent out to earn a yield.

While we plan to support deposits into various protocols in the future, for now, Stablegains only supports Anchor protocol. You can read more about Anchor [here](#).

To deposit your funds with a protocol, Stablegains might need to exchange your USDC deposit into another stablecoin that can be deployed with the relevant protocol.

For instance, Anchor only takes deposits and pays interest in UST.

Stablegains retains the right to determine when deposits into the protocols are executed. We typically process deposits into the protocols every 24 hours, i.e. most often your deposit is already deployed with a protocol the day after you make the deposit. However, under some circumstances, including when the UST/USDC rate is

unstable, which can happen during extreme market volatility, Stablegains may wait for the price to stabilize before executing the deposit into the lending platform. In these cases, you will be informed in the dashboard that deposits might take longer than usual.

Importantly, choosing to have Stablegains direct your deposit into a digital finance protocol involves risk. Under no circumstances shall Stablegains be liable for any losses or damages incurred, which relates to the failure of the digital finance protocols, including smart contract failures, hacking, and/or rug pulls.

Similarly, due to the decentralized and permissionless nature of the protocols, it is unlikely that users will be able to have any recourse against the protocols for any losses. While protocols might offer insurance, your deposit is not guaranteed.

In the unlikely event of a loss due to a failure on the protocol level, the amount lost will be distributed on a prorata basis across Stablegains users.

Stablegains will notify users as quickly as possible, and latest after 72 hours of becoming aware of a potential security breach on the protocol.

## **14. Earning interest**

You earn interest when your funds are deployed with a digital finance protocol. Typically, you start to earn interest from the day your deposits are shown in your dashboard.

Interest accrues daily and is updated in your Stablegains dashboard daily.

Whereas we aim to provide a high return for the user for as long as possible, no rate is guaranteed and the rate might decrease in the future. The interest rates reflected are as of the current date and time, and may change at any time, before or after the account is opened on Stablegains.

Please note that when funds are deployed with Anchor, your interest is earned in UST. While UST typically trades 1:1:1 with USDC and USD fiat, in times of extreme market volatility your actual holdings may not equal the exact USD amount shown in your dashboard. Under no circumstances shall Stablegains be held liable for any losses realised due to the exchange rate between USD, USDC and UST. Please see more under 'Withdrawing funds' below.

Importantly, Stablegains guarantees no returns and holds the right to change the interest rate at all times. Any projections are hypothetical in nature. Past performance is

not a guarantee of future results. You are solely responsible for evaluating the risk associated with use of the Stablegains service.

## 15. Withdrawing funds

If you have a money balance in your Stablegains account, you may withdraw it by requesting a withdrawal back to your USDC address.

We process withdrawals every 24 hours and typically USDC withdrawals are instant. You may also withdraw funds to your bank via wire or ACH transfers. It typically takes a couple of days for the banks to process the transaction before you will see it in your bank balance.

In potential times of extreme market volatility where UST trades significantly below its 1 USD peg, Stablegains holds the right to offer users to wait with their withdrawal until the peg is restored (which usually happens within a couple of days) or allow the user to withdraw USDC or UST up to the full amount of UST that was deposited plus the interest earned in UST. It's important to note for users that the value in USDC might be lower at that point in time until the peg UST/USD/USDC peg is restored. If this situation occurs, the user will be notified in the dashboard before making their withdrawal.

## 16. Custody and control of your account

Stablegains holds custody over your cryptocurrency from when we have received your USDC deposit until the withdrawal back to your relevant wallet. Stablegains needs custody over your funds in order to facilitate the depositing into the lending protocols. If you deposit fiat currency via our partners Circle and Plaid, our partners will exchange your fiat deposit into USDC, which is then converted into cryptocurrency which Stablegains withdraws and custodies from that point.

Please be advised, that while we do everything we can to keep your deposits safe, it is possible that you could lose part of or all of your balance in Stablegains. This includes any of your deposits plus any interest earned. This could happen in the unlikely scenario that either the security of Stablegains or the lending platforms were breached. You can see more about how we deal with those risks [here](#). Unfortunately, Stablegains cannot provide any guarantees for any interest accumulated nor for the initial stablecoins deposited with Stablegains or fiat currencies deposited with our partners. Therefore, Stablegains shall NOT be liable for the loss of any of your deposit, any interest accumulated, or any stablecoins held in your account that are lost, stolen, or

otherwise irretrievable in the event that Stablegains experiences a hack or other security breach.

You can read more about the security of your funds [here](#).

## **17. Account security**

You are responsible for maintaining adequate security and control of any and all username, IDs, passwords, or any other codes that you use to access your account.

You are solely responsible for the activities of anyone accessing the Stablegains service using your password, even if you did not authorize the activities. You must notify us at [support@stablegains.com](mailto:support@stablegains.com) immediately of any unauthorized use or suspected unauthorized use of your password.

If you know or suspect your password has been compromised, you must promptly change your password. Even if you give us notice, you could be held liable for your loss, e.g. if a malicious third party makes a withdrawal on your behalf which Stablegains has processed, prior to receiving your notice. Stablegains may freeze your account, if they receive a notice from you, or if they suspect themselves any suspicious activity. You will be notified of such a suspension.

## **18. If something goes wrong**

To protect yourself from unauthorized activity in your account, you should regularly log into your account and review your account statement.

In case of Errors, contact us at [support@stablegains.com](mailto:support@stablegains.com). An Error means the following:

1. When the balance on your account does not reflect your deposits made plus interest earned either because funds have been incorrectly taken from your account or incorrectly placed into your account.
2. You initiate a purchase and the incorrect amount is debited from your account.
3. You withdraw cryptocurrency from your account and the transaction is incorrectly documented in your account.
4. An incorrect amount is credited to your account.
5. A transaction is missing from or not properly identified in your account statement.



6. There is a computational or mathematical error related to your account.

We will determine if an error has occurred within 10 days after being notified. If we need more than 10 days to determine if an error occurred, we will provisionally credit your account.

## 19. Rectifying errors

Please e-mail us at [support@stablegains.com](mailto:support@stablegains.com) if you discover an error or if you need more information about a transaction.

We will rectify any processing error that we discover. If the error results in:

1. You receiving less than the correct amount to which you were entitled, then we will credit your account for the difference between what you should have received and what you actually received.
2. You receiving more than the correct amount to which you were entitled, then we will debit your account for the difference between what you actually received and what you should have received.

We will not rectify errors if:

1. Through no fault of ours, you did not have enough available funds or cryptocurrency to complete the transaction;
2. Our system was not working properly, and you knew about the breakdown when you started the transaction; or
3. The error was due to extraordinary circumstances outside our control (such as fire, flood or loss of Internet connection), despite our reasonable precautions.

We will determine if an error has occurred within 10 days after being notified. If we need more than 10 days to determine if an error occurred, we will provisionally credit your account.

You agree to contacting us within 180 days of the Error occurring. We are not liable for any losses associated with Errors for which you do not contact us within 180 days.

## 20. Fees

Stablegains earns the remaining yield paid by the lending protocols after returning a set rate to the user.

The fees charged by Stablegains for deposits and withdrawals depend on the fees of our bank & USDC transaction processing partners. Stablegains aims not to charge any fees on top of that.

Similarly Stablegains does not add additional fees to deposit or withdraw from our lending partners.

Please note that there might be additional fees imposed by your bank or blockchain network used when making transactions.

We will provide reasonable notice of any fees and will give you the opportunity to terminate your deposits before such fees become effective.

Stablegains reserves the right to change its fee structure at any point. Any fee changes will be communicated to you via notifying you using one of our usual channels (see 'Communication' above).

Your continued use of Stablegains after any fee change(s) comes into effect constitutes your agreement to pay the fees. Except as required by law, fees are non-refundable.

## **21. Use of Stablegains by Investment Advisors**

A person that uses or accesses the Services or deposits funds on behalf of another, such as an investment advisor, shall be referred to as an "Advisor." Advisors must have written permission from each of the Advisor's clients to deposit funds with Stablegains and access the Services. Each Advisor must inform its clients of the risks involved with using the Services before the Advisor accesses the Services.

All Advisor that (1) access the Services on behalf of their clients and (2) that either reside in the United States or that advise clients that resided in the United States must be registered as an investment advisor with the applicable jurisdiction (be it the U.S. Securities and Exchange Commission or the requisite state regulator) or be exempt from such registration under law or regulation.

To the maximum extent permitted by applicable law, the Advisor will indemnify and hold harmless Stablegains and each of its members, managers, partners, directors, officers, employees, and affiliates (each, an "Indemnified Person") who was or is made a party to, or is threatened to be made a party to, or is involved in any threatened, pending, or contemplated action, suit or proceeding, whether civil or criminal, administrative,

arbitrative, or investigative (a “Proceeding”), or any appeal in or from any Proceeding, relating to that Indemnified Person’s performance, rendering, or participation in the performance of the Services, from and against any and all losses, claims, damages, liabilities (joint and/or several), expenses (including reasonable attorneys’ and expert witness fees and expenses), judgments, fines, settlements, and other amounts (“Losses”) that relate to any Proceeding, except to the extent those Losses arose from actions or failures to act by the Indemnified Person that are finally determined to have constituted gross negligence (determined in accordance with Delaware law) or a willful violation of law.

This agreement is for the sole benefit of the parties hereto and nothing express or referred to in this agreement will be construed to give any person, including any clients of an Advisor, any legal or equitable right, remedy, or claim under or with respect to this agreement or any provision of this agreement, whether as third-party beneficiary or otherwise.

## **22. Stablegains is not an investment advisor**

Stablegains is not an investment advisor. Stablegains does not provide investment advice. No content published on the website constitutes a recommendation that any particular cryptocurrency, digital assets, or digital finance protocols are suitable for any specific person.

Stablegains is not acting and cannot act as an advisor, including as to any financial, legal, investment, insurance and/or tax matters. Any information provided by Stablegains is for general information only.

Stablegains is not an investor and does not invest on your behalf. It is solely your choice to have Stablegains direct your funds into an open DeFi protocol. It is also your choice which protocol the funds are directed to.

## **23. Stablegains is not a loan broker**

Stablegains is not a loan broker nor do we facilitate any lending and borrowing.

## **24. Your tax obligations**

The value of any gains related using digital finance protocols may constitute taxable income.

Please consult your tax advisor as we do not provide tax advice.

## **25. Regulatory changes**

The US regulations on cryptocurrencies are subject to significant uncertainty and are evolving rapidly.

While we are making every effort to comply with applicable rules and regulations in the U.S. and internationally with respect to our operations, we cannot predict nor guarantee that your use, transfer or exchange of cryptocurrencies on our system will not be subject of any such regulations. Any change of cryptocurrency regulations may have a material negative impact on your ability to use and transfer such cryptocurrencies and may cause you to lose all or a portion of the value of such cryptocurrencies.

The use, transfer and exchange of cryptocurrencies may be subject to applicable federal and state laws, including rules and regulations promulgated by various regulatory agencies, such as the Securities Exchange Commission, Financial Crimes Enforcement Network (FinCEN), Commodity Futures Trading Commission, Office of the Comptroller of the Currency, Internal Revenue Services and state money transmission or virtual currency business licensing agencies.

## **26. Disclaimer of Warranties; No Guarantee; Limitation of Liability**

We hope to make our Services available at all times, but at times we may need to temporarily disable the mobile app or website. The Services may be modified, suspended or discontinued at any time without notice or liability.

Stablegains will not be liable if all or part of the services is unavailable at any time.

Our Services are provided on an 'as in' and 'as available' basis. Stablegains hereby disclaims all warranties of any kind, either express or implied, statutory or otherwise, including any warranties of merchantability, non-infringement, and fitness for particular purpose.

In the event of a dispute, our liability and yours will be limited to the maximum extent permitted by law. In no event shall either party be liable for any indirect, incidental, special, exemplary or consequential damages arising out of or in connection with the services.

## 27. Dispute resolution

If you have a complaint, please contact us at [support@stablegains.com](mailto:support@stablegains.com) and we'll do our best to fix the problem.

We're always here to help, but in the unlikely event that Stablegains has not been able to resolve a dispute after 60 days, you agree to follow the procedure outlined in the 'Arbitration' section below.

## 28. Arbitration

**Please note:** Read this section carefully because it requires the parties to arbitrate their disputes and limits the manner in which you can seek relief from Stablegains.

For any dispute with Stablegains, you agree to first contact us at [support@stablegains.com](mailto:support@stablegains.com) and attempt to resolve the dispute with us informally.

In the unlikely event that Stablegains has not been able to resolve a dispute after 60 days, Stablegains and you agree to resolve any claim or dispute arising in connection with this agreement by binding arbitration by Court of Chancery ('COC').

The arbitration will be conducted in Delaware, unless agreed otherwise.

COC may require you to pay a fee for the initiation of your case, unless you successfully obtain a fee waiver from COC. The award rendered by the arbitrator may include your costs of arbitration, your reasonable attorney's fees, and your reasonable costs for expert and other witnesses.

You may sue in a small claims court of competent jurisdiction without first engaging in arbitration, but this does not absolve you of your commitment to engage in the informal dispute resolution process.

Nothing shall prevent Stablegains from seeking injunctive or other equitable relief from the courts as necessary to prevent the actual or threatened infringement, misappropriation, or violation of our data security, intellectual property rights or other proprietary rights.

By entering into these Terms of Use, you agree to bringing any claims in individual capacity, and not as a class action, collective action, private attorney general action or representation of any kind.

## 29. General terms

This agreement will always be available on our website.

We can make changes to it for any reason (see 'Changes to this agreement') and/or may terminate this agreement at any time by suspending or terminating access to the website or services by notifying you using one of our usual channels (see 'Communication' above).

If you don't agree to these changes or no longer wish to abide by these Terms of Use, you can let us know and we'll close your account. We'll transfer any money in the account to another account of yours. If we don't hear from you, we'll assume that you're happy with the changes we've made.

You can see when these Terms of Use were last revised at the top of this site.

### **30. Other agreements**

These Terms of Use are the sole entire agreement between you and Stablegains with respect to the Services. Any prior understandings, agreements or representations and warranties with respect to our Services are superseded by this agreement.

You cannot assign or transfer any rights or obligations under this agreement without prior written consent from Stablegains. If we do not assert a right or provision under these Terms of Use, this shall not constitute a waiver of such right or provision.

If any provision of these Terms of Use is held by a court to be invalid, illegal, or unenforceable by any reason, such provision shall be modified to reflect the parties' and ensure the remaining provisions of this agreement will continue in full force and effect.