

**SDAX VERSION 1.1**  
**VERSION DATE: JANUARY 2022**



**SDAX EXCHANGE Pte. Ltd.**

# **PLATFORM & WALLET TERMS & CONDITIONS**

**JANUARY 2022**

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## **(A) PLATFORM & SITE TERMS AND CONDITIONS**

### 1. **General**

#### 1.1 **Purpose and scope**

1.1.1 Welcome to the Platform & Site Terms of Service. These terms, combined with our Privacy Policy, Cookie Policy, Wallet Terms and any other documents referred to in these terms (collectively, the “**General Terms**”) set out the legal agreement between:

- (a) You, as the Platform user; and
- (b) The Exchange (or “we”, “our”, or “us”).

1.1.2 The Exchange may from time to time amend or update these General Terms to ensure that these General Terms are consistent with future developments, industry trends and/or any changes in legal or regulatory requirements or as we deem appropriate.

1.1.3 By accessing and/or using the Site or the Exchange Materials, you are indicating your acceptance and agreement to these General Terms. **If you do not accept these General Terms, you must stop using/accessing the Site and the Exchange Materials.**

### 2. **Definitions and interpretation**

#### 2.1 **Definitions**

2.1.1 The following terms shall have the following meanings when used in these General Terms unless the context otherwise requires:

“**Blockchain**” means a digital ledger of transactions or data established through distributed ledger technology that is established by a computer network protocol proprietary to the Exchange maintaining direct connections between various computational devices (a.k.a nodes) that participate in an agreed consensus algorithm to contain the common digital ledger.

“**Exchange**” refers to SDAX Exchange Pte. Ltd (UEN:201914688R).

“**Exchange Materials**” refers to all the content or web pages of the Site and the Platform including but not limited to the Site information, the cyber security tips information, images, links, sounds, graphics, video, software, applications and other materials displayed or made available and the functionalities or services provided in the Site and/or the Platform.

“**Indemnitees**” means the Exchange, and their Related Parties.

“**Intellectual Property Right**” includes any copyrights, trademarks, patents as well as any other intellectual property right) in relation to the products, services and all content, information and data contained in or provided on or via the Site (including all texts, graphics and logos).

“**Issuer**” means a person who has issued Security Tokens

“**Losses**” means losses, liabilities, damages, costs or expenses (including any direct, indirect, incidental, special, consequential or punitive damages or economic loss or any claims for loss of profits or loss of use).

“**Platform**” means the platform(s) operated by the Exchange which allows for the trading of

Security Tokens, and the viewing of Issuer's Information, trades and other related information on the Smart Contract. "Platform" includes the online platform which is accessible at such location as may be prescribed by the Exchange from time to time.

"**related corporation**" has the same meaning as in section 4(1) of the Companies Act, Chapter 50 of Singapore.

"**Related Party**" means, with respect to any Participant: any partner, director, officer, employee or agent of such Participant (or any person occupying a similar status or performing similar functions), which includes a related corporation or associated person of a related corporation.

"**Security Token**" means a unique Smart Contract designated with a unique Smart Contract Address that has been created to represent the holdings of securities issued by the Issuer, which may include equity, debt securities, or other investment instruments.

"**Smart Contract**" means the computer code which is executable in an Ethereum Virtual Machine and validated by the Blockchain, and used to digitally create and maintain the ledger data reflecting the ownership, transfer and transactions of Security Tokens of the participants on the Platform.

"**Site**" means the Exchange website, the Platform and all Exchange Materials.

### 3. **General use and access**

3.1 **Compliance with applicable laws:** You agree to abide by all applicable laws in the use and/or access of the Site.

3.2 **Changes to the Site and/or Exchange Materials:** We may, from time to time and without giving any reason or prior notice, upgrade, modify, suspend or discontinue the provision of or remove the Site and/or Exchange Materials (whether in whole or in part), and shall not be liable if this affects access to the Site and/or Exchange Materials.

3.3 **Restricted activities:** You agree that you will not:

- (a) violate or attempt to violate (or assist in the violation of) any law, statute, regulation, ordinance, contract, intellectual property right or other third-party right, or commit a tort while accessing the Site;
- (b) introduce or attempt to introduce to the Site any software or material that contains, or which you have reason to suspect contains any malware, virus, Trojan horses, or other harmful, malicious, destructive or corrupting material (including those which may impair or corrupt the Site's data or the Exchange Materials or damage or interfere with the operation of another user's computer or mobile device or the Site);
- (c) use or attempt to use any robot, spider, crawler, scraper, or other automated means or interface to access the Site or to extract data;
- (d) use or attempt to use the Site in any manner that could interfere with, disrupt, negatively affect, or inhibit other users from the Site, or that could damage, disable, overburden, or impair the functioning of the Site in any manner;
- (e) circumvent or attempt to circumvent any content filtering techniques the Exchange employs, or access or attempt to access any service or area of the Site that you are not authorized to access;

- (f) post, promote or transmit any materials or information through the Site which are or may be illegal, misleading, incomplete, erroneous, offensive, indecent, defamatory or which may not be lawfully disseminated under applicable laws or which are otherwise objectionable; or
- (g) use the Site other than in conformance with the acceptable use policies of any connected computer networks, any applicable Internet standards and any other applicable laws, or view, listen to, download, print or use the Exchange Materials other than as allowed under applicable laws;
- (h) impersonate any person or entity or to falsely state or otherwise misrepresent your affiliation with any person or entity while accessing the Site.

3.4 You acknowledge and agree that you have read the cyber security tips information published on the Site and will adhere to best practices to ensure security when accessing the Site.

3.5 **Contents of transmissions or communications:** With respect to all contents of transmissions or communications you make or submit through the Site, we shall be free to reproduce, use, disclose, host, publish, transmit and distribute all such contents of transmissions or communications or any part thereof to others without limitations, and you hereby grant to us and our agents, a nonexclusive, world-wide, royalty-free, irrevocable licence and right to do the same.

3.6 **Records:** You acknowledge and agree that any records created and maintained by the Exchange of the communications, transactions, instructions or operations made or performed, processed or effected through the Site or in relation to the Site by you or any person purporting to be you, acting on your behalf or purportedly acting on your behalf, with or without your consent, shall be binding on you for all purposes and shall be conclusive evidence of such communications, transactions, instructions or operations.

#### 4. **No warranty**

4.1 The Site and the Exchange Materials are made available on an “as is” and “as available” basis, and at your sole risk. The Exchange assumes no responsibility and makes no representation or warranty on the accuracy, validity or completeness of the materials or information contained in the Site, and disclaims all liability for any errors, delays or omissions in the Site, or for any action taken in reliance.

4.2 No warranty of any kind, implied, express or statutory, including but not limited to the warranties of non-infringement of third party rights, title, merchantability, satisfactory quality or fitness for a particular purpose, is given in conjunction with the Site.

4.3 We do not warrant that the Site will be provided uninterrupted, secure or free from errors or omissions, or that any identified defect will be corrected. Further, no warranty is given that the Site is free from any computer virus or other malicious, destructive or corrupting code, agent, program or macros.

4.4 The Exchange does not warrant the security of any information transmitted by you or to you through the Site or that there would be no delay, interruption or interception in data transmission. You accept the risk that any information transmitted or received through the Site may be accessed by unauthorised third parties, and that transactions over the Internet may be subject to interruption, transmission blackout, delayed transmission due to internet traffic or incorrect data transmission due to the public nature of the Internet. Regardless of any security

measures taken by the Exchange, the Exchange shall assume no responsibility whatsoever for any loss or expense resulting from such delays, interruptions and/or interceptions.

- 4.5 Any materials, information, view, opinion, projection or estimate presented via the Site is made available by the Exchange for informational purposes only, and is subject to change without notice.
- 4.6 We do not provide financial, tax, legal or other advice, and do not make any recommendations on suitability of any investments. No warranty whatsoever is given by the Exchange and no liability whatsoever is accepted by the Exchange for any loss arising whether directly or indirectly as a result of you acting on any materials, information, view, opinion, projection or estimate provided in the Site and/or the Exchange Materials. No consideration has been given to the specific investment objective, financial situation and particular needs of any specific person, and the information should not be used as a substitute for any form of advice. You should seek your own independent financial, legal, regulatory, tax or other advice before making an investment in the investments or products.
- 4.7 The Exchange controls and maintains the Site from Singapore and makes no representation that the materials or information provided on or via the Site is appropriate or available for use and/or access in other locations. If you use and/or access the Site from other locations, you are responsible for compliance with applicable local laws.
- 4.8 Where the Site contains hypertext links to third party websites, such links are not an endorsement by the Exchange of any content, products or services provided on or via such websites. The use of such links is entirely at your own risk.
- 4.9 Without prejudice to other provision in these General Terms, the Indemnitees shall not be liable for any Losses to any person (even if the Indemnitees may have been advised of, or otherwise might have anticipated, the possibility of such Losses) whatsoever or howsoever caused (regardless of the form of action) arising directly or indirectly from or in connection with the Site and/or Exchange Materials, and/or in relation to any of the following:
- (a) any access, use, misuse or inability to use **or reliance on** the Site;
  - (b) any system, server or connection failure, error, omission, interruption, interception or delay in transmission. or computer virus or other malicious, destructive or corrupting code, agent, program or macros;
  - (c) any suspension, interruption or closure of the Platform and/or any products and services provided by the Exchange;
  - (d) any use of and/or access to any third party websites linked to or provided through the Site; or
  - (e) any services, products, information, data, software or other material obtained or downloaded from the Site or from any third party websites linked to or provided through the Site.

## 5. **Password-restricted areas of the Site and Platform**

- 5.1 **Secure areas:** Access to and use of password-protected and/or secure areas of the Site and the Platform are restricted to authorised users only. You shall not obtain or attempt to obtain unauthorised access to such parts of the Site and/or the Platform, or to any other protected information, through any means not intentionally made available by us for your specific use. In

order to access and/or use the password-protected and/or secure portions of the Site, the Platform and/or the Exchange Materials, you must register for an account with us (which is subject to our approval at our absolute discretion).

## 5.2 Username and Password

- 5.2.1 If you request to create an account with us, a Username and Password may either be: (i) determined by and issued to you by us; or (ii) provided by you and accepted by us in our absolute discretion.
- 5.2.2 We may at any time in our absolute discretion forthwith suspend your account and/or invalidate the Username and/or Password without giving any reason or prior notice and shall not be liable or responsible for any loss or damage suffered by or caused by you or arising out of or in connection with or by reason of such suspension and/or invalidation.
- 5.2.3 The Username and Password is for each user's personal use only and neither may be transferred to any other person or entity. "Username", in relation to each user who has an account with us, refers to the unique login identification name or code which identifies such user, and "Password", in relation to each user who has an account with us, refers to the valid password that such user may use in conjunction with the relevant Username to access the Site and/or the Platform.
- 5.2.4 You should change your Password from time to time and to keep the Username and Password confidential and shall be responsible for the security of your account and liable for any disclosure or use (whether such use is authorised or not) of the Username and/or Password. You shall notify us immediately if you have knowledge that or have reason for suspecting your account credentials have been compromised.
- 5.2.5 **Purported use/access:** You agree and acknowledge that any use or purported use of or access to or purported access to the Site and/or the Platform and any information, data, instructions or communications, whether or not authorised by you, referable to the Username and Password shall be binding upon you and deemed to be: (i) use of or access to the Site and/or the Platform by you; and/or (ii) information, data, instructions or communications carried out, transmitted or validly issued by you.

6. **Transactions with third parties**

6.1 Under no circumstances shall it be construed that, in case of your access to and use of systems, services, content, materials, products or programmes of any third party, the Exchange is a party to any transaction, if any, between you and such third party or that the Exchange endorses, sponsors, certifies, or is involved in the provision of such systems, services, content, materials, products or programmes contained in or provided on or via the Site and/or the Exchange Materials and the Exchange shall not be liable in any way for your access to and use of systems, services, content, materials, products or programmes of any third party, or for purchases or subscription made in relation thereto, each of which shall be your responsibility or that of the relevant third party.

7. **You acknowledge and agree that you will be solely responsible for any access or use of third party systems, services, content, materials, products or programmes contained in or provided on or via the Site and/or the Exchange Materials. If you access or use such third party systems, services, content, materials, products or programmes, you must comply with the relevant terms and conditions for the access or the use thereof. Intellectual property**

7.1 The Exchange or its licensor(s) reserves and retains all Intellectual Property Rights. You may not do anything that will violate or infringe such Intellectual Property Rights and, in particular, you shall not copy, download, publish, distribute, transmit, disseminate, sell, broadcast, circulate, exploit (whether for commercial benefit or otherwise) or reproduce any of the information or content contained in or provided on or via the Site or the Exchange Materials in any form without the prior written permission of the Exchange or its licensor(s).

7.2 Further, no part or parts of the Site or any Exchange Materials may be reproduced, distributed, republished, displayed, broadcast, hyperlinked, mirrored, framed, transferred or transmitted in any manner or by any means or stored in an information retrieval system without the prior written permission of the Exchange or its licensor(s).

7.3 Subject to other applicable terms, guidelines, notices, rules and policies, the Exchange grants you a non-transferable, non-exclusive, revocable, limited license to use and access the Site solely for your own personal, informational and non-commercial use, provided that you do not modify the Exchange Materials and that you retain all copyright and other proprietary notices contained in the Exchange Materials.

7.4 Links to the Site or any Exchange Material are not permitted without the prior written consent of the Exchange.

7.5 Save as expressly provided otherwise in these General Terms, you acknowledge that you are not granted any licence, interest or right by virtue of your use of or access to the Site.



8. **Privacy and cookie policy**

8.1 We will manage any personal data that we collect through the Site or we otherwise obtain in connection with the Site and/or our products/services in accordance with our Privacy Policy, which shall form part of these General Terms. You can access our [Privacy Policy here](http://www.sdax.co/Policy/PrivacyPolicy) (www.sdax.co/Policy/PrivacyPolicy).

8.2 You can access our [Cookie Policy here](http://www.sdax.co/Policy/CookiePolicy) (www.sdax.co/Policy/CookiePolicy). Such Cookie Policy shall form part of these General Terms.

9. **Indemnity**

9.1 You will indemnify us against any liability, loss, damage, including solicitor and client costs and expenses (legal or otherwise) which we may sustain or incur, directly or indirectly, by reason of our having made available the Site and the Exchange Materials or having entered into these General Terms with you or enforcement of our rights under these General Terms or in acting upon any instructions which you may give in relation to the Site or any negligence, fraud and/or misconduct on your part or your breach of these General Terms.

10. **Termination**

10.1 You agree that the Exchange may, at its absolute discretion, deny you access to the Site for any reason, including without limitation, if the Exchange believes that you have violated or acted inconsistently with any terms or conditions set out herein, or if in the Exchange's opinion or the opinion of any regulatory authority, it is not suitable to continue providing the services relating to the Site and/or the Exchange Materials. .

11. **General**

11.1 **Governing law:** These General Terms shall be governed by and construed in accordance with Singapore law.

11.2 **Dispute Resolution:**

11.2.1 Any dispute arising out of or in connection with these General Terms, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporated by reference in this Paragraph 11.2.

11.2.2 The Tribunal shall consist of one arbitrator. The language of the arbitration shall be English.

11.2.3 The seat of the arbitration shall be Singapore.

11.2.4 For the avoidance of doubt, each Participant and Issuer agrees to expressly waive the right to appeal the decision of any arbitration and that the decision of the arbitrator will be final.

11.2.5 Where any dispute arises between Participants and/or with any Issuer without the Exchange being a party to such dispute, the disputing Participants may, subject to their mutual agreement, choose to settle the dispute by any other means as they may elect.

- 11.3 **Sub-contracting and delegation:** We may delegate or sub-contract the performance of any of our functions in connection with the Site.
- 11.4 **Assignment:** You may not assign your rights under these General Terms without our prior written consent. We may assign our rights under these General Terms to any third party.
- 11.5 **Successors and assigns:** These General Terms will bind you and us and our respective successors in title and assigns and will continue to bind you notwithstanding any change in our name or constitution or our merger, consolidation or amalgamation with or into any other entity (in which case these General Terms will bind you to our successor entity).
- 11.6 **Severability:** If any provision of these General Terms or part thereof is rendered void, invalid, illegal or unenforceable by any legislation to which it is subject, it shall be rendered void, invalid, illegal or unenforceable only to that extent and it shall in no way affect or prejudice the enforceability of the remainder of such provision or the other provisions of these General Terms. Such provision shall be struck and severed from these General Terms and the remaining provisions of these General Terms shall not be affected thereby.
- 11.7 **Waiver:** No failure or delay to exercise or enforce the Exchange's rights conferred upon it under these General Terms shall be deemed to be a waiver of any such rights or operate so as to bar the exercise or enforcement thereof at any subsequent time or times. Waiver of any right arising from a breach or non-performance of these General Terms or arising upon default under these General Terms shall be in writing and signed by the Exchange.
- 11.8 **Translation:** If these General Terms are translated into a language other than English, the English text shall prevail.
- 11.9 **Rights of Third Parties:** A person or entity who is not a party to these General Terms shall have no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore or other similar laws to enforce any of these General Terms, regardless of whether such person or entity has been identified by name, as a member of a class or as answering a particular description. Our right to vary these General Terms may be exercised without the consent of any person or entity who is not a party to these General Terms. For the avoidance of doubt, nothing in this clause shall affect the rights of any permitted assignee or transferee of these General Terms.
- 11.10 **No Internet access:** You agree and acknowledge that these General Terms, the Site and the Exchange Materials do not include the provision of Internet access or other telecommunication services by the Exchange. Any Internet access or telecommunications services (such as mobile data connectivity) required by you to access and use the Site and/or the Exchange Materials shall be your sole responsibility and shall be separately obtained by you, at your own cost, from the appropriate telecommunications or internet access service provider.

## **(B) Wallet Terms**

### **1. General**

#### **1.1 Purpose and scope**

1.1.1 The Wallet is provided by the Exchange, a recognised market operator regulated by MAS. These Wallet Terms relate to the use of the Wallet, Cash Balances and Issued Tokens and the Exchange's role and responsibilities in relation thereto.

1.1.2 These Wallet Terms form part of the General Terms, and apply to all Participants and Issuers. All capitalised terms used in these Wallet Terms are defined in Paragraph 2.1.1 or in the General Terms or elsewhere in these Wallet Terms.

#### **1.2 Change to Wallet Terms**

1.2.1 The Exchange may from time to time amend or update these Wallet Terms to ensure consistency with future developments, industry trends and/or any changes in legal or regulatory requirements or as we deem appropriate.

By accessing and/or using the Wallet, you are indicating your acceptance and agreement to these Wallet Terms. **If you do not accept these Wallet Terms, you must stop using/accessing the Site and cease to hold, use or purchase the Wallet, Cash Balances and/or Issued Tokens (as the case may be).**

#### **1.3 Compliance with requirements**

1.3.1 Each Participant/Issuer agrees to comply with any and all guidelines, notices, rules and policies pertaining to the Wallet, Cash Balances and Issued Tokens as issued or amended (as the case may be), as well as any amendments to the aforementioned, issued by the Exchange from time to time. The Exchange reserves the right to revise these guidelines, notices, rules and policies at any time and such changes will be published on the Platform and effective and binding on each Participant/Issuer upon publication or such other timing as the Exchange may specify in writing.

1.3.2 Each Participant/Issuer agrees to abide by all applicable laws in the holding, use and/or purchase of the Wallet, Cash Balances and Issued Tokens.

1.3.3 In addition to these Wallet Terms, the holding, use and/or purchase of the Wallet, Cash Balances and/or Issued Tokens (as the case may be) may be subject to additional terms and conditions to be issued by the Exchange which will apply in full force and effect.

### **2. Definitions and interpretation**

#### **2.1 Definitions**

2.1.1 The following terms shall have the following meanings when used in these Wallet Terms unless the context otherwise requires:

**"Applicant"** means a person seeking admission as an Issuer and the issuance of its Security Token on the Blockchain.

**"Business Day"** means a day on which banks are open for general banking business in Singapore

(not being a Saturday, Sunday or public holiday in Singapore).

“**Cash Balances**” means the cash balances reflected in the Participant’s/Issuer’s Wallet, representing the amount of cash that is being held in the Exchange Customers’ Monies Account on behalf of the Participant including both the available balance and the earmarked balance and subject to a minimum of zero.

“**Cash Balance Deposit**” has the meaning given to it in Paragraph 3.1.2.

“**Cash Balance Deposit Request**” has the meaning given to it in Paragraph 3.1.1.

“**Cash Balance Deposit Requestor**” has the meaning given to it in Paragraph 3.1.1.

“**Custodian**” has the meaning given to it in Paragraph 4.12.1.

“**Designated Bank Account**” means the bank account of such Participant/Issuer opened in the name of such Participant/Issuer, details of which were specified in connection with the opening of such Participant/Issuer’s account on the Platform and updated from time to time.

“**Direct Issuance**” has the meaning given to it in Paragraph 4.1.2

“**Exchange Customers’ Monies Account**” means an omnibus customers’ monies trust account maintained with a bank licensed under the Banking Act of Singapore or such other custodian that the Exchange is permitted to maintain a custody account within respect of the aggregate cash balances held on behalf of Participants/Issuers (or as otherwise required by applicable law).

“**Exchange Requirements**” means the Listing Rules, the Exchange Rules, the Platform Terms and Conditions, and any other terms, rules and requirements that are published or issued by the Exchange pertaining to Participants, Applicants and/or Issuers and the purchase and/or trading of tokens and/or the Platform, as may from time to time be amended, modified, supplemented or replaced.

“**Exchange Rules**” means the provisions of the rulebook entitled “Exchange Rules” that are published by the Exchange, which set out the requirements and obligations applying that govern the operation of the Platform, as may from time to time be amended, modified, supplemented or replaced.

“**Funding Amount**” means such cash amount in the Specified Currency that the Cash Balance Deposit Requestor is requesting to deposit into its Wallet, or an Issuer is depositing pursuant to Paragraph 4.10, as the case may be.

“**Instructions**” means instructions from a Participant in respect of the Exchange’s duties as an agent to instruct the Custodian in respect of (i) Issued Tokens which have been received via the Platform pursuant to these Wallet Terms; and/or (ii) Cash Balances (if applicable).

“**Issued Tokens**” means the Security Tokens issued or proposed to be issued for listing and trading on the Platform, and in relation to an Issuer, means the Security Tokens issued or proposed to be issued by such Issuer for listing and trading on the Platform.

“**Issuer**” means a person who has issued Security Tokens.

“**Listing Rules**” means the provisions of the rulebook entitled “Listing Rules” that are published by the Exchange, which set out the requirements and obligations applying to Issuers and Applicants, as may from time to time be amended, modified, supplemented or replaced.

“**MAS**” means the Monetary Authority of Singapore.

“**Other Payment Currency**” means such other fiat currency (which is different from the Specified Currency) that may be specified by the Exchange from time to time.

“**Participant**” a person who has opened a trading account on the Platform and whose trading account is valid and subsisting (whether or not suspended).

“**Platform**” means the platform(s) operated by the Exchange which allows for the trading of Security Tokens, and the viewing of Issuer’s Information, trades and other related information on the Smart Contract. “Platform” includes the online platform which is accessible at such location as may be prescribed by the Exchange from time to time.

“**related corporation**” has the same meaning as in section 4(1) of the Companies Act, Chapter 50 of Singapore.

“**Security Token**” means a unique Smart Contract designated with a unique Smart Contract Address that has been created to represent the holdings of securities issued by the Issuer, which may include equity, debt securities, or other investment instruments.

“**Secondary Trading**” has the meaning given to it in Paragraph 4.1.2

“**Wallet**” means, in relation to a Participant or Issuer, the digital account on the Platform, issued to each Participant or Issuer; a Wallet stores such Participant’s or Issuer’s information about their ownership with respect to the relevant Security Tokens and Cash Balances.

“**Withdrawal Amount**” means such cash amount in the Specified Currency that the Cash Balance Withdrawal Requestor is requesting to withdraw from its Wallet.

“**Withdrawal Request**” has the meaning given to it in Paragraph 3.3.1.

“**Withdrawal Requestor**” has the meaning given to it in Paragraph 3.3.1.

“**Smart Contract**” means the computer code which is executable in an Ethereum Virtual Machine and validated by the Blockchain, and used to digitally create and maintain the ledger data reflecting the ownership, transfer and transactions of Security Tokens and cash balances of the Participants on the Platform.

“**Specified Currency**” or “**\$**” means Singapore dollars, or such other fiat currency as specified in the Cash Balance Deposit Request.

“**Token Terms and Conditions**” means the terms and conditions of the relevant Issued Tokens.

“**trading account**” means a trading account maintained by a Participant or Issuer with the Exchange.

## 2.2 Interpretation

### 2.2.1 Unless the context requires otherwise:

- (a) headings and labels are for convenience only, and do not affect interpretation;
- (b) words importing the singular include the plural and vice versa, and words importing the masculine include any gender;

- (c) the meaning of general words is not limited by specific examples introduced by expressions such as, “including”, “for example”, “such as”, or such similar expressions, and the word “includes” or “including” as used in the Exchange Rules shall be construed to mean “includes without limitation” or, as the case may be, “including without limitation”;
- (d) a reference to a “person” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority;
- (e) a reference to a particular person includes the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (f) a reference to “law” includes common law, principles of equity and legislation (including regulations, rules, by-laws, ordinances and proclamations) and includes any consolidations, amendments, re-enactments or replacements of any of them;
- (g) a reference to “in writing” means in legible form and capable of reproduction on paper, and includes electronic communication;
- (h) a reference to “material” includes the ability to affect the outcome of a decision or an application;
- (i) a reference to anything (including an amount) is a reference to the whole and each part of it;
- (j) a period of time starting from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (k) if a person must do something on or by a given day and it is done after 5.00 p.m. (Singapore time), it is taken to be done on the next Business Day;
- (l) if the day on which a person must do something is not a Business Day, the person must do it on the next Business Day; and
- (m) notwithstanding anything to the contrary, where any right of the Exchange is specified to be at its “discretion”, it shall be construed to refer to the “sole, unfettered and absolute discretion” of the Exchange; any determination to be made by the Exchange or any exercise by the Exchange of any rights or entitlement may be made at the sole, unfettered and absolute discretion of the Exchange and, in every case, shall be conclusive and binding on the Issuers and the Participants.

### 3. **Cash Balances**

#### 3.1 **Cash Balance Deposits**

##### 3.1.1 **Procedure for Cash Balance Deposits**

- (a) A Participant/Issuer shall submit to the Exchange a request to make a Cash Balance Deposit indicating the aggregate Funding Amount such Participant/Issuer will deposit into the Exchange Customers’ Monies Account (such Participant/Issuer, “**Cash Balance Deposit Requestor**”, and each deposit request, a “**Cash Balance Deposit Request**”). The Cash Balance Deposit Requestor acknowledges that it has, and for all purposes the Cash Balance Deposit Requestor shall be deemed to have, personal knowledge of every Cash Balance Deposit Request placed through its trading account in relation to the Cash Balances,

including the Funding Amount, quantity, and any other information which may be entered or otherwise given through the Platform.

- (b) Upon submission of the Cash Balance Deposit Request, the Cash Balance Deposit Requestor shall within two Business Days deposit into the Exchange Customers' Monies Account from the Cash Balance Deposit Requestor's Designated Banking Account, the aggregate Funding Amount pursuant to the Cash Balance Deposit Request, in the Specified Currency (the "**Cash Balance Deposit**"). Cash Balances of the Participant's Wallet will be reflected in the Specified Currency of the Cash Balance Deposit. Where Other Payment Currency is accepted by the Exchange, the aggregate Funding Amount shall be determined based on the exchange rate as applied by the financial institution at which the Exchange Customers' Monies Account is opened with and the Cash Balances of the Participant's Wallet will be reflected in the Specified Currency.
- (c) Upon the Exchange's receipt of the Cash Balance Deposit, the Exchange will process the Cash Balance Deposit and determine whether to accept or reject the Cash Balance Deposit.
  - (i) If the Exchange accepts the Cash Balance Deposit, the Exchange shall reflect the Cash Balance Deposit as a credit in the Cash Balances of the Cash Balance Deposit Requestor's Wallet.
  - (ii) If the Exchange rejects the Cash Balance Deposit, the Exchange shall:
    - (1) within two Business Days of receiving the Cash Balance Deposit, notify the Cash Balance Deposit Requestor of its rejection of the Cash Balance Deposit Request via the Platform or such other means as the Exchange may determine; and
    - (2) within two Business Days of receiving the Cash Balance Deposit, return to the Cash Balance Deposit Requestor the Cash Balance Deposit, in the Specified Currency via bank transfer to the Cash Balance Deposit Requestor's Designated Bank Account, without payment of any interest, subject to the deduction of any handling fees payable to the Exchange. Where the return will be made in Other Payment Currency, the amount to be returned shall be determined based on the exchange rate as applied by the financial institution at which the Exchange Customers' Monies Account is opened with.

### 3.1.2 Acknowledgements

- (a) Each Cash Balance Deposit Requestor is solely responsible for ensuring the accuracy of the information provided in a Cash Balance Deposit Request and that the applicable Funding Amounts are transferred to the Exchange Customers' Monies Account in full and without errors.
- (b) The Exchange reserves the right to reject any Cash Balance Deposit Request, take longer than stipulated in Paragraph 3.1.1 to process a Cash Balance Deposit Request and/or return to the Cash Balance Deposit Requestor the aggregate Funding Amount pursuant to a rejected Cash Balance Deposit Request, if any Funding Amount is received from an account which is not a Designated Bank Account.
- (c) Save as set out in Paragraphs 3.2 and 3.4, the Cash Balances (and any purchase, ownership, receipt or possession thereof) carry no other rights, use, purpose, value, attributes,

functionalities or features, and do not represent or confer any other ownership right or stake, share, security or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Exchange and/or its related corporations.

- (d) The Exchange is not a bank or payment services provider. The value reflected in the Cash Balances of the Wallet is not a deposit, is not insured and is not the subject of any banker's guarantee.
- (e) No interest will accrue or be payable on the Cash Balances.

### 3.2 Funding Amounts

- 3.2.1 The Exchange Customers' Monies Account will only consist of the aggregate Funding Amounts for all Cash Balance Deposits and interest accrued on the amounts deposited in the omnibus account and, will be entirely segregated from the Exchange's own funds.
- 3.2.2 Each Participant/Issuer acknowledges that the Funding Amounts provided in connection with a Cash Balance Deposit Request or the Funding Amounts for the Cash Balance will not be identifiable by separate certificates or other physical documents or equivalent records.

### 3.3 Use of Cash Balances

- 3.3.1 Each Participant undertakes, represents and warrants that it may only use the Cash Balances for the sole purpose of making or receiving payment for the purchase of Issued Tokens from Issuers or other Participants via the Platform (including payment for any ancillary fees imposed by the Exchange). Save for the foregoing, each Participant acknowledges and agrees that the Cash Balances may not be transferred or sold to any person (including other Participants and Issuers), and undertakes not to create or permit to subsist any encumbrance or security interest over any of the Cash Balances, and may not do so without the prior written consent of the Exchange.
- 3.3.2 Each Issuer undertakes, represents and warrants that it may only use the Cash Balances for the sole purpose of receiving payment from Participants for the sale of Issued Tokens via the Platform and where applicable, for the payment to Participants (with Cash Balances) of dividends, interest payments, redemption or other payments to Participants that hold the relevant Issued Tokens. Save for the foregoing, each Issuer acknowledges and agrees that the Cash Balances may not be transferred or sold to any person (including other Issuers and Participants), and undertakes not to create or permit to subsist any encumbrance or security interest over any of the Cash Balances, and may not do so without the prior written consent of the Exchange.

### 3.4 Withdrawal of Cash Balances

- 3.4.1 **Procedure for the withdrawal of Cash Balances:** Save as otherwise provided in Paragraph 5.4.3(b) below:
  - (a) A Participant/Issuer shall submit to the Exchange a withdrawal request through the Platform, indicating the desired Withdrawal Amount from its Cash Balances such Participant/Issuer wishes to withdraw from his Wallet (such Participant/Issuer, "**Withdrawal Requestor**", and each withdrawal request, a "**Withdrawal Request**").
  - (b) Upon submission of the Withdrawal Request, the Exchange will process the Withdrawal Request and determine whether to accept or reject the Withdrawal Request, and the



relevant Withdrawal Amount from its Cash Balances to be withdrawn will be earmarked until released by the Exchange.

- (i) If the Exchange accepts the Withdrawal Request:
  - (1) within two Business Days of receiving the Withdrawal Request, the Exchange shall return to the Withdrawal Requestor the aggregate Withdrawal Amount from its Cash Balances to be withdrawn, (less any fees, charges, sums or monies owed by such Withdrawal Requestor to the Exchange) in the Specified Currency via bank transfer to the Withdrawal Requestor's Designated Bank Account, without payment of any interest, subject to the deduction of any handling fees payable to the Exchange. Where the return will be made in Other Payment Currency, the amount to be returned shall be determined based on the exchange rate as applied by the financial institution at which the Exchange Customers' Monies Account is opened with; and
  - (2) upon confirmation of the transfer of the aggregate Withdrawal Amount to the Withdrawal Requestor:
    - (I) the Exchange will provide the Withdrawal Requestor of such confirmation via the Platform or such other means as the Exchange may determine ("**Confirmation**") and the Exchange will deduct the applicable amount from the Cash Balances by debiting the Withdrawal Requestor's Wallet; and
    - (II) Unless the Withdrawal Requestor notifies the Exchange otherwise within three Business Days of the Confirmation, the Withdrawal Requestor shall be deemed to have accepted the amount transferred as correct, and agrees to discharge the Exchange from any liability whatsoever to such Withdrawal Requestor, including any shortfall or error in the amount of such return.
- (ii) If the Exchange rejects the Withdrawal Request, the Exchange shall within two Business Days of receiving the Withdrawal Request:
  - (1) notify the Withdrawal Requestor of its rejection of the Withdrawal Request - via the Platform or such other means as the Exchange may determine, and provide reasons for its rejection; and
  - (2) release the relevant amount Cash Balances from earmarking.

#### 3.4.2 Acknowledgements

- (a) Each Withdrawal Requestor is solely responsible for ensuring the accuracy of the information provided in a Withdrawal Request.
- (b) The Exchange reserves the right to reject any Withdrawal Request, take longer than stipulated in Paragraph 3.4.1 to process a Withdrawal Request and/or release the relevant amount of Cash Balances from earmarking pursuant to a rejected Withdrawal Request, if any Funding Amount is requested to be transferred to an account which is not a Designated Bank Account. For the avoidance of doubt, the Exchange will not approve a Withdrawal Request if any Funding Amount is requested to be transferred to an account which is not a Designated Bank Account.

- (c) Other than as provided in Paragraph 3.3.1 above or as otherwise notified to Participants/Issuers by the Exchange, the Exchange shall not be obligated to make a refund to any Participant/Issuer or to process any Participant/Issuer's request for refund on any Cash Balances.
- (d) The Cash Balances as determined by the Exchange from the records of the Exchange shall, save for manifest error, be deemed to be conclusive and binding against each Participant/Issuer.
- (e) The Exchange shall be entitled to reject a Withdrawal Request if the Exchange determines that the relevant Withdrawal Requestor has breached any of the Exchange Requirements.

### 3.5 **General acknowledgements**

#### 3.5.1 **Tax:**

Each Participant/Issuer is solely responsible for seeking his own independent tax advice in relation to the purchasing, holding Cash Balances in its Wallet and the transfer of amounts made to attempted pursuant to a Cash Balance Deposit Request (or deposit in connection with Paragraph 4.10 or Withdrawal Request (as the case may be).

In particular, any amounts that a Participant or Issuer deposits pursuant to a Cash Balance Deposit Request (or deposit in connection with Paragraph 4.10) are exclusive of all applicable taxes. Each Participant/Issuer is solely responsible for: (i) determining what, if any, taxes apply, including goods and services, sales, use, value-added and similar taxes; (ii) withholding, collecting, reporting and remitting the correct taxes to the appropriate tax authorities, and the Exchange is not responsible for withholding, collecting, reporting or remitting any taxes.

3.5.2 **Bank charges, etc:** Each Participant/Issuer shall bear all bank charges and fees that may arise in relation to the transfer of amounts made or attempted pursuant to a Cash Balance Deposit Request (or deposit in connection with Paragraph 4.10) or Withdrawal Request (as the case may be), regardless of whether such Cash Balance Deposit Request and/or Withdrawal Request is successful.

3.5.3 **Interest:** For the avoidance of doubt, no interest is accrued and payable on any cash amounts as reflected in the Cash Balances.

## 4. **Issued Tokens**

### 4.1 **General**

4.1.1 The Issued Tokens are issued by the respective Issuers, and may only be stored in Wallets and used solely on the Platform in accordance with these Wallet Terms.

4.1.2 The Issued Tokens may only be acquired from Issuers via direct issuance on the Platform as described in Paragraph 4.2.3 ("**Direct Issuance**") and/or from other Participants via secondary trading on the Platform as described in Paragraph 4.2.4 ("**Secondary Trading**"). "**Secondary Trading**" shall be deemed to include direct business (as defined in the Exchange Rules).

## 4.2 No liability

4.2.1 The Exchange shall not be liable in respect of any Issued Tokens. Issued Tokens are issued by the Issuers, and the Issuers shall be the sole entity liable under the General Terms and the applicable token terms and conditions to each Participant holding one or more Issued Tokens. The Exchange shall have no contractual relationship with any Participant and/or Issuer for the sale and purchase of the Issued Tokens.

4.2.2 In purchasing, holding and/or using any Issued Tokens, each Participant acknowledges and warrants that he has not relied on any term, condition, warranty, undertaking, inducement or representation made by or on behalf of the Issuers which has not been stated expressly in the applicable token terms and conditions or upon any descriptions or illustrations or specifications contained in any document including any material produced by either the Exchange or the Issuer.

4.2.3 Without prejudice to the foregoing: The Exchange is not liable in respect of or responsible for procuring or does not warrant that the Issuers shall comply or have complied with the Exchange Requirements, the applicable Token Terms and Conditions and/or any relevant laws or regulations.

4.2.4 The Exchange makes no representation, warranty or endorsement and undertakes no liability or responsibility with respect to the following:

- (1) no condition is made or to be implied nor is any warranty given or to be implied as to the sale, purchase, holding, use and/or fulfilment of the Issued Tokens and/or the quantity, quality, safety, legality, reliability and description of the Issuer, Issued Tokens and the assets represented by the Issued Token (as the case may be); and
- (2) the authenticity, validity or accuracy of any document or instrument given, issued, delivered, submitted or lodged by any Issuer at any time. Unless otherwise expressly stated, the Exchange merely acts as a conduit for the onward transmission of documents or instruments between the Issuers and the Participants, and merely performs the role of operating the Blockchain and the Platform, and shall not be liable or responsible in any way for any negligence, misconduct, fraud, wilful default or any other default, wrongdoing or breach of duty of any Issuer or any Participant; and
- (3) the Exchange shall not be liable for any losses suffered or incurred by any Participant arising out of or in connection with any act (including but not limited to misrepresentation), inaction, omission, fraud, negligence or insolvency of any Issuer, including any breach or failure to comply with the applicable Token Terms and Conditions.

## 4.3 Issuance of Issued Tokens

### 4.3.1 Procedure for the issuance of Issued Tokens to Participants

- (a) Any person seeking admission to the Platform to issue and list Security Tokens is subject to the Listing Rules and will need to comply with the procedure and requirements set out therein.
- (b) The primary issuance of Security Tokens by an Issuer (the “**Token Issuance**”) will be conducted via the Platform. Fundraising and the initial bookbuild (the “**Bookbuild**”) for the Token Issuance will be conducted by the Issuer or a capital markets intermediary/agent (the “**Arranger**”).

- (c) Any person (“**Token Investor**”) seeking to participate in purchasing the Security Tokens in the Token Issuance needs to be a Participant on the Platform. The Token Investor will need to ensure that its Wallet has sufficient Cash Balances in respect of the Security Tokens that it has put a request to purchase via the Bookbuild.
- (d) Upon the successful closing of the Bookbuild by the Issuer and/or Arranger, subject to the conditions for a successful Token Issuance being met, the Arranger will provide details of the final Token Issuance capitalisation table, with details of the Participants and the amount of Security Tokens that each Participant has been allocated through the Bookbuild (the “**Token Issuance Allocation Table**”). The Exchange will rely on the information provided in the Token Issuance Allocation Table by the Issuer and/or Arranger.
- (e) Upon the Exchange’s receipt of the Token Issuance Allocation Table, the Exchange will process the following on behalf of the Issuer. If a Token Investor has been allocated Security Tokens in the Bookbuild:
  - (1) the Token Investor shall have his Wallet credited with inactive Issued Tokens and the Cash Balances in his Wallet debited with the relevant amount to fund the purchase; and
  - (2) the Cash Balances of the Issuer’s Wallet will be credited with the applicable amount.
  - (3) on the date that the Issuer and the Exchange set for the Issued Tokens to be admitted to listing and trading on the Platform, and subject to meeting any other relevant requirements of the Exchange Requirements, the inactive Issued Tokens in the Token Investor’s Wallet will be activated, and be available to be traded on the Platform.

#### 4.3.2 Acknowledgements

- (a) Payment for Issued Tokens purchased from Issuers can only be made through a debit cash as reflected in the Cash Balances in the Participant’s Wallet.
- (b) Each Participant is solely responsible for ensuring the accuracy of the information provided to the Issuer or Arranger in the Bookbuild.
- (c) Save as set out in Paragraphs 4.4 and 4.5 and in the applicable Token Terms and Conditions, the Issued Tokens (and any purchase, ownership, receipt or possession thereof) carry no other rights, use, purpose, value, attributes, functionalities or features, and do not represent or confer any other ownership right or stake, share, security or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Exchange and/or its related corporations and/or the Issuers.

4.3.3 **Validity of Issued Tokens:** The validity and expiry of the Issued Tokens shall be as set out in the applicable terms and conditions imposed by the relevant Issuer and subject to any applicable laws, limitations and conditions set forth thereon and the Exchange Requirements.

#### 4.4 Secondary Trading

##### 4.4.1 Procedure for the secondary trading of Issued Tokens

- (a) Participants are able to buy Issued Tokens from another Participant using the Cash Balances in their Wallet or sell Issued Tokens to another Participant in exchange for debits from the Cash Balances of the selling Participant's Wallet will be credited to the Cash Balances in their Wallet, via the Platform, and such trades shall be conducted on the Platform in accordance with the Exchange Rules and subject to such fees and charges as the Exchange may impose in relation to such trading.
- (b) Upon submission of the relevant buy order or sell order, the relevant quantity of cash in the Cash Balances in the Wallet and Issued Tokens will be earmarked until transferred or released by the Exchange. The relevant Participants submitting the buy order/sell order acknowledge that they have personal knowledge of every buy order/sell order placed through its trading account in relation to the Secondary Trading of the Issued Tokens, including the price, quantity, type of order, and any other information which may be entered or otherwise given through the Platform.
- (c) Without prejudice to the Exchange's right to reverse trades in accordance with the Exchange Rules, once a trade has been executed, the settlement of such trade is conducted and the following actions take place instantaneously and simultaneously:
  - (i) in respect of the Participant who had placed the buy order, the applicable amount of Cash Balances will be debited from his Wallet and the applicable quantity of the relevant Issued Tokens will be credited into his Wallet; and
  - (ii) in respect of the Participant who had placed the sell order, the applicable quantity of the relevant Issued Tokens will be debited from his Wallet and the applicable amount of Cash Balances will be credited into his Wallet.
- (d) The Exchange shall within one Business Day of any executed trade provide a confirmation note to the relevant Participant which contains information relating to the name and quantity of Issued Tokens and Cash Balances credited to or debited from such Participant's Wallet.
- (e) The Exchange shall send to each Participant a monthly statement showing the transactions effected with such Participant's trading account in the preceding month and the account balances in respect of the Issued Tokens and Cash Balances in such Participant's Wallet as at the date of the statement.
- (f) Each Participant is under a duty to notify the Exchange if any errors, irregularities or discrepancies exist in any of the statements sent to such Participant in accordance with Paragraph 4.4.1(d) and Paragraph 4.4.1(e). If such errors, irregularities or discrepancies are not notified to the Exchange within (i) 5 Business Days from the date of the statement referred to in Paragraph 4.4.1(d); and (ii) 10 Business Days from the date of the statement referred to in Paragraph 4.4.1(e) said statement shall be deemed to be conclusive and binding on such Participant for all purposes and such Participant shall not thereafter be entitled to raise any objection thereto.
- (g) Any Participant seeking to trade Issued Tokens is subject to the Exchange Rules and will need to comply with the procedure and requirements set out therein.

#### 4.4.2 Acknowledgements

- (a) Payment for Issued Tokens purchased from other Participants can only be made using the Cash Balances in their Wallet.

- (b) Save as set out in this Paragraph 4.3 and Paragraph 4.5 below and in the applicable Token Terms and Conditions, the Issued Tokens (and any purchase, ownership, receipt or possession thereof) carry no other rights, use, purpose, value, attributes, functionalities or features, and do not represent or confer any other ownership right or stake, share, security or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Exchange and/or its related corporations and/or the Issuers.
- (c) **Validity of Issued Tokens:** The validity and expiry of the Issued Tokens shall be as set out in the applicable terms and conditions imposed by the relevant Issuer and subject to any applicable laws, limitations and conditions set forth thereon and the Exchange Requirements.

#### 4.5 **Use of Issued Tokens**

4.5.1 Each Participant undertakes, represents and warrants that it may only use the Issued Tokens for the sole purpose of trading with other Participants via the Platform, subject to the applicable Token Terms and Conditions. Save for the foregoing, each Participant acknowledges and agrees that the Issued Tokens may not be transferred or sold to any person (including other Participants and Issuers).

4.5.2 Each Issuer undertakes, represents and warrants that it may only use the Issued Tokens for the sole purpose of raising funds from Participants through the sale of Issued Tokens via the Platform. Save for the foregoing, each Issuer acknowledges and agrees that the Issued Tokens may not be transferred or sold to any person (including other Issuers and Participants).

#### 4.6 **Withdrawal of Issued Tokens**

4.6.1 Issued Tokens are not permitted to be withdrawn from any Wallet.

#### 4.7 **Cancellation of Issued Tokens**

##### 4.7.1 **Procedure for the cancellation of Issued Tokens**

- (a) Any Issuer seeking to delist (i.e. a voluntary delisting) or required to delist (i.e. an involuntary delisting) from the Platform, purchase and surrender Issued Tokens for cancellation or redeem Issued Tokens, is subject to the Listing Rules and will need to comply with the procedure and requirements set out therein.
- (b) **Delistings:** In the event that:
  - (i) the Issuer wishes to delist its Issued Token and the Issuer's token buy-back offer achieves the requisite level of acceptance as specified in the Listing Rules such that voluntary token delisting takes place and all other applicable requirements are met;
  - (ii) the requisite percentage of Participants have, in accordance with the applicable Token Terms and Conditions, exercised their discretion to cause the Issued Tokens to become due and payable by the Issuer ("**Tokenholder Action**") such that involuntary token delisting takes place and all other applicable requirements are met; or
  - (iii) the Issuer is required to delist by the Exchange and the Issuer's token buy-back offer achieves the requisite level of acceptance as specified in the Listing Rules such that the involuntary token delisting takes place and all other applicable

requirements are met:

- (1) The Issuer shall within two Business Days from the date on which the requisite level of acceptance is achieved deposit into the Exchange Customers' Monies Account, the aggregate Funding Amount for the full cash amount required for the token buy-back offer (or additional Funding Amount if the Issuer already has some Cash Balances in its Wallet) in the Specified Currency. Where Other Payment Currency is accepted by the Exchange, the aggregate Funding Amount shall be determined based on the exchange rate as applied by the financial institution at which the Exchange Customers' Monies Account is opened with;
  - (2) Upon the Exchange's receipt of the aggregate Funding Amount in full in the Exchange Customers' Monies Account, the Exchange will credit the Issuer's Cash Balances with the Funding Amount;
  - (3) Once the Issuer has sufficient Cash Balances in its Wallet to fund the token buyback offer and met all other relevant conditions imposed by the Exchange, the Issuer shall notify the Exchange and announce to the Participants the token delisting date via the Platform or such other means as the Exchange may determine;
  - (4) On the token delisting date, the Exchange will cancel the applicable quantity of Issued Tokens on the Blockchain and settle the transaction, with the following actions taking place instantaneously and simultaneously:
    - (I) each Participant's Wallet containing such Issued Tokens to be delisted will be debited with the applicable quantity of Issued Tokens so that the total Issued Token balance becomes zero, and his Cash Balances credited with the commensurate amount (in accordance with the accepted token buy-back offer);
    - (II) the Issuer's Cash Balances in its Wallet will be debited with the required amount to fund the token buy-back offer.
- (c) **Purchase and surrender for cancellation of Issued Tokens:** In the event the Issuer wishes to purchase and surrender for cancellation, one or more Issued Tokens:
- (i) The Issuer is able to buy Issued Tokens from the Participants using its Cash Balances via the Platform, and the Issuer shall, prior to executing any trade, deposit into the Exchange Customers' Monies Account, the aggregate Funding Amount for the full amount of Cash Balances required for the token purchase (or additional amount of Cash Balances if the Issuer already has Cash Balances in its Wallet) in the Specified Currency. Where Other Payment Currency is accepted by the Exchange, the aggregate Funding Amount shall be determined based on the exchange rate as applied by the financial institution at which the Exchange Customers' Monies Account is opened with;
  - (ii) Upon the Exchange's receipt of the aggregate Funding Amount in full in the Exchange Customers' Monies Account, the Exchange will credit the Issuer's Cash Balances with the Funding Amount;
  - (iii) Without prejudice to the Exchange's right to reverse trades in accordance with the Exchange Rules, once a trade has been executed and all other relevant

conditions imposed by the Exchange are met:

- (1) the settlement of such trade is conducted and the following actions take place instantaneously and simultaneously:
    - (I) in respect of the Issuer, the applicable amount will be debited from the Cash Balances in his Wallet (inclusive of such fees and charges as the Exchange may impose in relation to such trading) and the Exchange will cancel the applicable quantity of Issued Tokens; and
    - (II) in respect of the Participant, the applicable quantity of the relevant Issued Tokens will be debited from his Wallet and the applicable amount will be credited into the Cash Balances in his Wallet.
- (d) **Redemption of Issued Tokens:** In the event the Issuer wishes to redeem one or more Issued Tokens (whether on, or in advance of, the maturity date of the relevant Issued Tokens):
- (i) The Issuer shall, prior to executing the redemption, deposit into the Exchange Customers' Monies Account, the aggregate Funding Amount for the full cash amount required for the token redemption (or additional cash amount if the Issuer already has some Cash Balances in its Wallet) in the Specified Currency. Where Other Payment Currency is accepted by the Exchange, the aggregate Funding Amount shall be determined based on the exchange rate as applied by the financial institution at which the Exchange Customers' Monies Account is opened with.
  - (ii) Upon the Exchange's receipt of the aggregate Funding Amount in full in the Exchange Customers' Monies Account, the Exchange will credit the Issuer's Cash Balances with the Funding Amount. Once the Issuer has Cash Balances in its Wallet to fund the token redemption and met all other relevant conditions imposed by the Exchange, the Issuer shall notify the Exchange and announce to the Participants the token redemption date via the Platform or such other means as the Exchange may determine; and
  - (iii) On the token redemption date, the Exchange will cancel the applicable quantity of Issued Tokens on the Blockchain and settlement will be conducted with the following actions taking place instantaneously and simultaneously:
    - (1) each Participant's Wallet containing such Issued Tokens to be redeemed will be debited with the applicable quantity of Issued Tokens, and credited with the commensurate amount in his Cash Balances (in accordance with the applicable Token Terms and Conditions concerning the token redemption);
    - (2) the Cash Balances of the Issuer's Wallet will be debited with amount required to fund the token redemption.

#### 4.8 Replacement of Issued Tokens

- 4.8.1 The Exchange is under no obligation to issue any replacement tokens in the event that any Issued Tokens or password is lost, stolen, malfunctioning, destroyed or otherwise inaccessible.



#### 4.9 Custody of Issued Tokens

4.9.1 Issued Tokens are held in custody by one or more custodians that the Exchange has appointed (the “**Custodian**”), acting as custodian of all the Issued Tokens for the Exchange, on behalf of and for benefit of all the Participants and Issuers. The Custodians will be set out in Annex 1 of the Wallet Terms.

4.9.2 Each Participant hereby appoints the Exchange as its sole agent in respect of all necessary actions, instructions and necessary actions and other matters related with the Instructions with respect to the Custodian, and the Exchange agrees, to act as sole agent of the Participants with respect to the Custodian in regards to the Issued Tokens (and Cash Balances, if applicable) in their Wallet from time to time.

4.9.3 The Exchange performs such actions only in accordance with the Instructions from the Participant.

4.9.4 The appointment, and any authorisation in connection with such appointment, shall be effective from the issuance of the Wallet until the termination of such Wallet by the Exchange (save that in the event there are balance Issued Tokens (and/or Cash Balances, if applicable) Held by the Participant after the relevant Termination Date, until the date on which the total Issued Token (and/or Cash Balances) balance becomes zero).

4.9.5 As further provided in Paragraph 5 below, the Exchange operates the Wallets, and issues each Participant and Issuer with a unique Wallet in such Participant’s name. A separate wallet at the Custodian will be set up for each Participant and Issuer to mirror the Wallets operated by the Exchange.

The Exchange shall ensure that any wallet or account operated by a Custodian which holds the Issued Tokens of a Participant shall, on the Custodian’s books and records, be opened, maintained and designated as a custody account(s), for the benefit for such Participant, and held separately from any Issued Tokens and/or other assets of the Custodian or the Exchange.

4.9.6 Each Participant hereby authorises the Exchange to, and the Exchange shall do such actions, including making any necessary instructions to the Custodian to ensure that:

- (a) the Issued Tokens of the Participant which are received in the Wallet are held on account of such Participant;
- (b) Issued Tokens in the Wallet are accepted from Issuers pursuant to Direct Issuances and from Participants pursuant to Secondary Trading;
- (c) the relevant quantity of Issued Tokens in connection with a sell order of the Participant for the purposes of Secondary Trading are earmarked;
- (d) the Issued Tokens (in full or in part) stored in the Wallets are transferred, exchanged or delivered only as follows:
  - (i) upon the sale of the Issued Token(s) and receipt of payment thereof in the Wallet of Cash Balances, in accordance with the Instructions;
  - (ii) in exchange for or upon surrender and conversion into other securities or cash pursuant to a plan of merger, consolidation, reorganisation, recapitalisation or readjustment;

- (iii) upon conversion of the Issued Tokens pursuant to the applicable Token Terms and Conditions into other securities;
  - (iv) upon the exercise of subscription, purchase or other similar rights represented by the Issued Tokens;
  - (v) as otherwise required or permitted pursuant to these Wallet Terms and the other Exchange Requirements or any applicable laws; or
  - (vi) as otherwise directed pursuant to the Instructions.
- (e) the following actions are taken in relation to the Issued Tokens:
- (i) forward promptly to the Participant all notices and other communications relating to the Issued Tokens received by the Exchange and inform the Participant of any rights or rights entitlements attached to or otherwise arising from the Issued Tokens and seek the Participant's instructions; and
  - (ii) where applicable, facilitate the payment (with cash amounts credited to the Cash Balances) of dividends, interest payments and other entitlements, to Participants that hold the relevant Issued Tokens.

#### 4.9.7 Instructions

- (a) It is the Participant's responsibility to ensure that any information requested or required by the Exchange to carry out the Participant's Instructions is complete, clear and accurate, without the Exchange having to verify or ascertain the correctness, accuracy, authenticity or origin of these Instructions
- (b) All Instructions shall be given in English.
- (c) The Exchange maintains on the Platform a list of cut-off times in relation to certain types of Instructions. Where the Exchange receives an Instruction after a cut-off time, the Exchange will use reasonable efforts to act on the Instruction on the day requested or as soon as practicable on the next Business Day, but shall incur no liability if, having exercised reasonable efforts to act on the Instructions, it is not able to do so.
- (d) Without prejudice to the General Terms and Paragraphs 6.1.6(b) and 6.1.6(c), all Instructions provided by such Participant to the Exchange via the Platform shall continue in full force and effect until notice of any change is received by the Exchange via the Platform, and the Exchange shall be entitled to act upon and rely on all such Instructions.
- (e) Should the Exchange be unable to process any Instruction received from the Participant, the Exchange shall, to the extent practicable, promptly inform the Participant via the Platform about the reasons for said refusal.

4.9.8 **Information relating to the Issued Tokens:** The Exchange will make available (upon request) to each Participant on the Platform a record of the transactions performed or other actions taken by the Exchange in respect of the Issued Tokens stored in such Participant's Wallet.

#### 4.9.9 Lien and rights of set-off

- (a) In addition to any lien, rights of set-off and any other rights to which the Exchange may be entitled under any applicable law, each Participant grants the Exchange, and the Exchange

shall have, a general lien over the Issued Tokens and the Cash Balances in the relevant Wallet in respect of all sums properly due and payable to the Exchange by the Participant (whether actual, contingent, present or future) or to any of the Exchange's related corporations by the Participant under these Wallet Terms or other Exchange Requirements.

- (b) Notwithstanding any other provision of these Wallet Terms or other Exchange Requirements, and without prejudice to any right or power which the Exchange might have otherwise than under these Wallet Terms or other Exchange Requirements, the Exchange shall not be obliged to act upon Instructions (including the delivery of any Issued Tokens to any person) and may withhold redelivery to the Participant or to the Participant's order of any or all Issued Tokens until all the amounts due and owing to the Exchange have been paid in full.
- (c) Without prejudice to any other right or remedy which the Exchange or any of its related corporations may have under the terms of these Wallet Terms or other Exchange Requirements or otherwise, the Exchange is entitled to appropriate, sell, transfer or assign or otherwise realise the value of all or any part of the Issued Tokens in such manner and at such price as the Exchange may deem expedient without being responsible for any losses the Participant may suffer as a result and to apply the net proceeds thereof in or towards payment or discharge of any of the obligations described in Paragraph 4.9.9(a).
- (d) Without prejudice to any rights which the Exchange may have under applicable law, the Exchange shall have the right at any time to, upon notice to the Participant via the Platform or such other means as the Exchange may determine, set off any payment obligation owed to the Exchange or to any of the Exchange's related corporations by the Participant under these Wallet Terms or other Exchange Requirements against any payment obligation (whether actual, contingent, present or future) owed by the Exchange to the Participant regardless of the place of payment or currency of either obligation (and for such purpose may make any currency conversion necessary at current market rates as determined by the Exchange at its sole discretion) whether or not relating to or arising under these Wallet Terms or other Exchange Requirements. If any obligation is unliquidated or unascertained, the Exchange may set off an amount estimated by it in good faith to be the amount of that obligation.

4.9.10 Without prejudice to the generality of Paragraph **Error! Reference source not found.**, the Exchange may delegate any part or parts of its responsibilities for the performance of any of its services. In the event of any such delegation, the Exchange shall promptly notify the Participants via the Platform or such other means as the Exchange may determine, of the identity of such delegate and of any change in such persons.

4.9.11 Without prejudice to the generality of Paragraph 9.2.3, the Exchange may assign or transfer its rights, obligations or duties under this Paragraph 4.8 or any part thereof.

## 5. **Trading Account and Wallet**

### 5.1 **General**

5.1.1 The trading accounts and Wallets are issued and operated by the Exchange, and may only be used on the Platform in accordance with these Wallet Terms. The Wallets are not permitted to store other blockchain-based cryptocurrency tokens other than the Issued Tokens, and are not permitted be used outside of the Platform.

5.1.2 The only rights granted in respect of a trading account and a Wallet are as expressly set out in these Wallet Terms, and subject to any applicable laws, limitations and conditions set forth thereon and the Exchange Requirements.

## 5.2 Issuance of Trading Accounts and Wallets

5.2.1 Upon the successful onboarding as a Participant/Issuer, each Participant/Issuer will be issued a unique trading account and Wallet which will remain valid unless terminated by the Exchange. All deposits of Cash Balances and Issued Tokens are made directly to the relevant Participant/Issuer's Wallet.

### 5.2.2 Acknowledgements

- (a) Each Participant/Issuer is solely responsible for:
  - (i) the respective Wallet and all Issued Tokens and Cash Balances stored therein and all activities and transactions undertaken/taking place under using such trading account, whether authorised by such Participant/Issuer or not;
  - (ii) implementing all reasonable and appropriate measure for securing the trading account and/or Wallet, including any requisite password(s) or other credentials necessary to access the same. If any password (s) or other access credentials are lost, such Participant/Issuer may lose access to the Issued Tokens and Cash Balances; and
  - (iii) ensuring that the trading account and Wallet is used in accordance with these Wallet Terms. Transactions involving the trading account and Wallet (including the transfer of Issued Tokens or Cash Balances) can only be carried out in conjunction with a request or instruction by or on behalf of such Participant/Issuer via the trading account (or as otherwise stipulated in the Exchange Requirements).
- (b) Each Participant/Issuer undertakes not to share or use on behalf of another person, the trading account and Wallet. A Participant/Issuer shall only trade as principal for its own account and not may trade for and on behalf of any other person.
- (c) Save as set out in these Wallet Terms, the trading accounts and Wallets (and any ownership, receipt or possession thereof) carry no other rights, use, purpose, value, attributes, functionalities or features, and do not represent or confer any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Exchange and/or its related corporations.

## 5.3 Use of trading accounts and Wallets

5.3.1 Each Participant/Issuer undertakes, represents and warrants that, unless otherwise specified in the Exchange Requirements, it may only use the:

- (a) trading account for the sole purpose of making Cash Balance Deposit Requests, Withdrawal Requests, Purchase Requests, and buy and sell orders for Issued Tokens; and
- (b) Wallet for the sole purpose of making/receiving payment for the purchase/sale of Issued Tokens from/to Issuers/Participants via the Platform (including payment for any ancillary fees imposed by the Exchange) and where applicable, in relation to the payment (with Cash Balances) of dividends, interest payments and other entitlements, to Participants that hold the relevant Issued Tokens, and holding Cash Balances and/or Issued Tokens.

5.3.2 Each Participant/Issuer acknowledges and agrees that the trading account and Wallet may not be transferred or sold to any person (including other Participants and Issuers).

5.3.3 The Exchange may impose limits in relation to the trading account and Wallet, including any limits on the orders and/or requests that may be made via the trading account and the amount of Cash Balances and/or Issued Tokens that may be held in any Wallet and on the transactions undertaken using an Wallet.

#### 5.4 **Suspension or termination of trading accounts and Wallets**

5.4.1 The Exchange shall terminate a Participant's trading account and Wallet upon request from such Participant. The Exchange shall only process such request if there are no Cash Balances and Issued Tokens in such Participant's Wallet.

5.4.2 The Exchange may, at its discretion, suspend/terminate a Participant/Issuer's trading account and Wallet with immediate effect (or with effect from such later time as the Exchange may determine), including:

- (a) where such Issuer has withdrawn from the Platform or has been suspended or expelled from the Platform;
- (b) where the Exchange determines that the Participant/Issuer does not meet the continuing obligations required of a Participant/Issuer, including complying with or satisfying any additional or periodic review of know-your-customer verifications that the Exchange may conduct from time to time as notified to such Participant/Issuer;
- (c) where the Exchange determines that the Participant/Issuer has contravened these Wallet Terms or other Exchange Requirements or any applicable laws or regulations;
- (d) in the event of death, bankruptcy, winding up or insolvency of the Participant/Issuer (as the case may be);
- (e) where the Exchange is required or deems it necessary to comply with any applicable laws and regulations; and/or
- (f) where the Exchange is no longer licensed, approved, registered (or otherwise exempt from licensing, approval and/or registration requirements) to conduct regulated activities.

5.4.3 In the event of a suspension/termination pursuant to Paragraph 5.4.2:

- (a) the Exchange shall notify the Participant/Issuer of the effective date of suspension ("**Suspension Date**") or the effective date of termination ("**Termination Date**") via the Platform or such other means as the Exchange may determine;
- (b) the Participant acknowledges and accepts that in the event of termination:
  - (i) such Participant shall, prior to the Termination Date, use best endeavours to participate in Secondary Trading so as to divest as many Issued Tokens as possible, subject to any applicable laws, limitations and conditions set forth thereon and the Exchange Requirements;
  - (ii) on and from the Termination Date, such Participant/Issuer will not be able to access and/or use the trading account and Wallet, Cash Balances and/or Issued Tokens save that in the event there are balance Issued Tokens held by the Participant after

the Termination Date:

- (1) such Participant is permitted to submit sell orders solely for the purpose of divesting balance Issued Tokens. Such Participant shall be required to pay to the Exchange a monthly fee of an amount prescribed by the Exchange on the Platform from time to time, for the duration commencing on the Termination Date and ending on the date on which the total Issued Token balance becomes zero, without pro-ration for any partial month; and
  - (2) any economic benefits that accrue in relation to the balance Issued Tokens (whether in connection with the holding of such Issued Tokens or the Secondary Trading of such Issued Tokens) will be in the form of Cash Balances. Such Participant shall not be required, and shall not be able, to submit any Withdrawal Request; instead the Exchange will, on a quarterly basis or at such other intervals as it may prescribe from time to time, return to such Participant the aggregate Funding Amount for the Cash Balances held by the Participant (less any fees, charges, sums or monies owed by such Participant to the Exchange), in the Specified Currency via bank transfer to such Participant's Designated Bank Account, without payment of any interest, subject to the deduction of any handling fees payable to the Exchange. Where the return will be made in Other Payment Currency, the amount to be returned shall be determined based on the exchange rate as applied by the financial institution at which the Exchange Customers' Monies Account is opened with;
  - (iii) on the Termination Date, the Exchange will return to such Participant/Issuer the aggregate Funding Amount for the Cash Balances held by the Participant (less any fees, charges, sums or monies owed by such Participant to the Exchange), in the Specified Currency via bank transfer to such Participant's Designated Bank Account, without payment of any interest, subject to the deduction of any handling fees payable to the Exchange. Where the return will be made in Other Payment Currency, the amount to be returned shall be determined based on the exchange rate as applied by the financial institution at which the Exchange Customers' Monies Account is opened with.
  - (iv) on the Termination Date, all pending Deposit Requests, Withdrawal Requests, Purchase Requests and any pending buy order will be cancelled;
  - (v) the Participant/Issuer shall act in accordance with the directives of the Exchange in relation to any outstanding obligations of such Participant/Issuer, and any Cash Balances and/or Issued Tokens in such Participant/Issuer's Wallet.
- (c) the Participant/Issuer acknowledges and accepts that in the event of suspension and on and from the Suspension Date:
- (i) such Participant/Issuer will not be able to access and/or use the trading account and Wallet, Cash Balances and/or Issued Tokens (including undertaking any trades using the trading account);
  - (ii) all pending Deposit Requests, Withdrawal Requests, Purchase Requests and any pending buy order or sell order will be cancelled; and
  - (iii) the Participant/Issuer shall act in accordance with the directives of the Exchange in relation to any outstanding obligations of such Participant/Issuer, and any Cash

Balances and/or Issued Tokens in such Participant/Issuer's Wallet.

5.4.4 Notwithstanding the termination of a Participant/Issuer's Wallet, the former Participant/Issuer remains liable to the Exchange and other relevant persons (including other Participants or Issuers) for any liabilities incurred during the period he held any Wallet.

5.5 **Replacement of Wallet**

5.5.1 The Exchange is under no obligation to issue any replacement wallet in the event that any trading account, Wallet or password is lost, stolen, malfunctioning, destroyed or otherwise inaccessible.

6. **Further acknowledgements**

6.1 Each Participant/Issuer agrees and acknowledges that:

6.1.1 such Participant/Issuer has carefully reviewed and understood the provisions of Exchange Requirements and (in the case of a Participant) the applicable Token Terms and Conditions in relation to the Issued Tokens, and have the full power, authority and capacity to comply with such provisions;

6.1.2 such Participant/Issuer has sufficient understanding of technical and business matters (including those that relate to the Exchange), cryptographic tokens, token storage mechanisms (such as token wallets), and blockchain technology to understand the Exchange Requirements and to appreciate the risks associated with and implications of the issuance, creation and/or distribution of the trading account, Wallet, Cash Balances and Issued Tokens and/or performing any actions on the Platform;

6.1.3 such Participant/Issuer is solely responsible for maintaining sufficient and immediately available Cash Balances and/or Issued Tokens in their Wallets for the purpose of participating in Direct Issuances, undertaking Secondary Trading, paying any ancillary fees imposed by the Exchange and/or carrying on any permitted activities on the Platform, and acknowledges that insufficient balance may result in the such Participant/Issuer not being able to proceed with an order/request/action;

6.1.4 nothing contained herein or in the Exchange Requirements should be construed as granting, by implication, estoppel or otherwise, any licence or right for the Platform, trading account, Wallet, Cash Balances and/or Issued Tokens to be used for illegal, unlawful, fraudulent, unethical, or unauthorised purposes or to promote or facilitate any illegal, unlawful, fraudulent, unethical or unauthorised activities;

6.1.5 each Participant/Issuer shall not engage in and/or use or otherwise deal with the Platform, trading account, Wallet, Cash Balances and/or Issued Tokens, whether directly or indirectly, in a way that will result in the Exchange being in breach or non-compliance with applicable laws or otherwise be detrimental to the interests, integrity and reputation of the Exchange; and

6.1.6 in relation to the services provided by the Exchange in connection with the Platform (including in relation to the custody of Issued Tokens as described in Paragraph 4.9):

(a) **Authorisations:** Each Participant/Issuer authorises the Exchange to perform the services in the manner described in these Wallet Terms and the other Exchange Requirements, including the issuance and cancelling of tokens, conducting settlements and debiting and crediting of the relevant Wallets;

- (b) **Conclusiveness:** Each Participant/Issuer agrees and acknowledges that any records created and maintained by the Exchange of the communications, transactions, instructions or operations made or performed, processed or effected through the Platform trading account, and/or Wallet or in relation to Platform, trading account, Wallet, Cash Balances and/or Issued Tokens by such Participant/Issuer or any person purporting to be such Participant/Issuer, acting on behalf or purportedly acting on behalf of such Participant/Issuer, with or without the consent of such Participant/Issuer, shall be binding on such Participant/Issuer for all purposes whatsoever and shall be conclusive evidence of such communications, transactions, instructions or operations;
- (c) **No duty to enquire:** Each Participant/Issuer agrees and acknowledges that the Exchange shall not be under any duty to enquire into, investigate or ascertain whether any instruction, request or transaction is authentic, legal, valid or enforceable (as the case may be), whether any transaction or the underlying contract connected with such transaction is void or voidable, or whether any transaction is permitted under the applicable Token Terms and Conditions. Notwithstanding the foregoing, where the Exchange seeks verification, confirmation or clarification of any instruction, request or transaction received, it shall not be liable to the Participant/Issuer for any losses whatsoever in relation to any delay resulting from the Exchange seeking verification, confirmation or clarification or from any refusal to act where the Exchange does not receive in its discretion satisfactory confirmation or clarification of such instruction, request or transaction.

6.2 By purchasing and/or holding the Cash Balances and/or Issued Tokens, each Participant/Issuer expressly acknowledges and assumes the risks set out below. If any of these risks, or other additional risks presently regarded to be immaterial actually materialise, this could result in the failure of any transactions undertaken via the Platform, and/or the destruction of the Cash Balances and/or Issued Tokens:

6.2.1 **Risks arising from no governance rights:** The Cash Balances and/or Issued Tokens confer no governance rights of any kind with respect to the Exchange and may not confer any governance rights with respect to the Issuers or their related corporations. Accordingly, all decisions involving the Exchange and (where applicable) the Issuers and their related corporations will be made by the Exchange and/or the Issuers and their related corporations at their sole discretion, including decisions to create and sell more tokens, or to sell or liquidate the Exchange and/or the Issuers and their related corporations. These decisions could adversely affect the value of the Cash Balances and/or Issued Tokens.

6.2.2 **Risk associated with the Blockchain**

- (a) The Cash Balances and/or Issued Tokens are based on the Blockchain, which is a private permissioned blockchain operated by the Exchange, which is still in a relatively early development stage and is unproven for this purpose. Any malfunction, flaws or breakdown of the Blockchain may have a material adverse effect on the Issued Tokens. Furthermore, developments in cryptographic technologies and techniques or changes in consensus protocol or algorithms could present risks to the Issued Tokens, including by rendering ineffective the cryptographic consensus mechanism that underpins the Blockchain.
- (b) **Risk of theft:** The Blockchain may be exposed to attacks by hackers or other individuals that could result in theft or loss of the Cash Balances and/or Issued Tokens.

6.2.3 **Risk associated with technology and internet:** There are inherent defects in electronic distribution and data transmission over the Internet which may result in delays, omissions, transmission blackouts, interruptions, breaches of security, corruption, unavailability of access in connection with or inaccuracies in the Site, the Exchange Materials, the Cash Balances, Issued



Tokens, Wallet, the trading account and the Platform. In addition, the Site, the Exchange Materials, the Cash Balances, Issued Tokens, Wallet, the trading account and the Platform is also subject to the risk of malicious software and other computer viruses with destructive features such as computer worms, Trojan horses or spyware.

- 6.2.4 **Risk associated with token storage mechanisms:** The Cash Balances and/or Issued Tokens may only be accessed with a password. Each Participant/Issuer is responsible for implementing all reasonable and appropriate measures for securing their password.
- 6.2.5 **Risk of hacking and security weaknesses:** The Cash Balances and/or Issued Tokens may be targeted by hackers or malicious groups or organisations who may attempt to interfere with the Cash Balances and/or Issued Tokens and/or the sale/purchase of the Cash Balances and/or Issued Tokens (as the case may be) or steal the Cash Balances and/or Issued Tokens in various ways, including malware attacks, distributed denial of service, consensus-based attacks, Sybil attacks, phishing, smurfing and hacking.
- 6.2.6 **Regulatory risks:** It is possible that certain jurisdictions will apply existing regulations on, or introduce new regulations addressing, blockchain technology, which may be contrary to the Cash Balances and/or Issued Tokens and which may, inter alia, result in substantial modifications of the sale and/or use of the Cash Balances and/or Issued Tokens, including termination and the loss of the Cash Balances and/or Issued Tokens.
- 6.2.7 **Risks associated with taxation:** The tax treatment and accounting of the Cash Balances and/or Issued Tokens is uncertain and may vary amongst jurisdictions. Each Participant/Issuer must seek independent tax advice in connection with purchasing the Tokens, which may result in adverse tax consequences to such Cash Balances and/or Issued Tokens.
- 6.3 **Rights of set-off:** In relation to each Participant/Issuer, the Exchange shall be entitled to set-off against any payment due from or payable to the Exchange under these Wallet Terms, any sums such Participant/Issuer is obliged to pay or credit to the Exchange under these Wallet Terms and the Exchange may by notice to such Participant/Issuer reduce any fees or any other charges, sums or monies due or payable to such Participant/Issuer under these Wallet Terms by any amounts such Participant/Issuer is obliged to pay or credit to the Exchange under these Wallet Terms.

## 7. **Further warranties**

- 7.1 Each Participant/Issuer hereby represents, warrants and undertakes to the Exchange that:
- 7.1.1 such Participant/Issuer is purchasing Cash Balances with funds which are from legitimate sources and which do not constitute the proceeds of criminal conduct, or realisable property, or the proceeds of terrorism financing or property of terrorists, within the meaning given in the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (Chapter 65A) and the Terrorism (Suppression of Financing) Act (Chapter 325), respectively and which are not derived from or related to any unlawful activities. Such Participant/Issuer further undertakes not to use the Cash Balances to finance, engage in, or otherwise support any unlawful activities;
- 7.1.2 such Participant/Issuer's purchase, ownership, receipt and/or possession of the Cash Balances and/or Issued Tokens complies with (and is not in breach of) any applicable law, including: (i) legal capacity and any other threshold requirements in such Participant/Issuer's jurisdiction for such purchase, ownership, receipt and/or possession; (ii) any foreign exchange or regulatory restrictions applicable to such purchase, ownership, receipt and/or possession; and (iii) any governmental or other consents that may need to be obtained;

- 7.1.3 such Participant/Issuer is not a citizen or resident, or a company or other legal entity incorporated in a geographic area, in which the purchase, ownership, receipt or possession of the Cash Balances and/or Issued Tokens (including the receipt of any rights and benefits, and the undertaking of any obligations and liabilities, in connection with the Cash Balances and/or Issued Tokens) is prohibited by any applicable law; and
- 7.1.4 such Participant/Issuer will comply with any applicable tax obligations (including in such Participant/Issuer's jurisdiction) arising from his purchase, ownership, receipt and/or possession of the Cash Balances and/or Issued Tokens.

8. **Disclaimers**

8.1 The Platform, Cash Balances, Issued Tokens, trading account and Wallet are made available on an "as is" and "as available" basis, and at the Participant/Issuer's sole risk.

8.2 The Exchange assumes no responsibility and makes no representation or warranty of any kind, implied, express or statutory, including any warranties:

- (a) of title, non-infringement of third party rights, merchantability, satisfactory quality or fitness for a particular purpose of the Platform, Cash Balances, Issued Tokens, trading account and Wallet;
- (b) on the accuracy, timeliness, adequacy, reliability or completeness of the Platform, Cash Balances, Issued Tokens, trading account and Wallet;
- (c) that the purchase and/or use of the Cash Balances or Issued Tokens will be uninterrupted, secure or free from errors or omissions, or that any identified defect will be corrected;
- (d) that the Platform, Cash Balances, Issued Tokens, trading account and Wallet will meet the requirements of any persons or are free from any computer virus or other malicious, destructive or corrupting code, agent, program or macros;
- (e) on the security of any information transmitted by or to Participants/Issuers through the Platform, trading account and/or Wallet or in relation to the Platform, trading account, Wallet, Cash Balances and/or Issued Tokens or that there would be no delay, interruption or interception in data transmission.

8.3 **Each Participant/Issuer accepts the risk that any information transmitted or received through the Platform, trading account and/or Wallet may be accessed by unauthorised third parties, and that transactions over the Internet may be subject to interruption, transmission blackout, delayed transmission due to internet traffic or incorrect data transmission due to the public nature of the Internet. Regardless of any security measures taken by the Exchange, the Exchange shall assume no responsibility whatsoever for any loss or expense resulting from such delays, interruptions and/or interceptions.**

8.4 **Exclusion of liability**

8.4.1 Without prejudice to other provision in these Wallet Terms, the Exchange shall have no liability to any Participant, Issuer or to any other person for any act done or omitted to be done in the performance of its functions under these Wallet Terms.

8.4.2 Without prejudice to the generality of the foregoing, in no event will the Exchange have any liability whatsoever to a Participant or an Issuer, for claims for damages made against a Participant or an Issuer by third parties, regardless of the basis on which the Participant or Issuer

is entitled to claim damages, whether based on contract, tort or any other legal or equitable grounds. The Exchange does not undertake any contractual obligations to any party other than those with whom it has entered into contractual relations.

8.4.3 Without prejudice to other provision in these Wallet Terms, the Indemnitees shall not be liable for any Losses (even if the Indemnitees may have been advised of, or otherwise might have anticipated, the possibility of such loss, damages or expenses in relation to any of the following:

- (a) any breach of or delay or failure to comply with the Wallet Terms by any Indemnitee or any of the Participants or Issuers, any action taken by, or any inaction of, any Indemnitee or any of the Participants or Issuers in connection with the Wallet Terms or any applicable law;
- (b) any claim made by any Participant, Issuer or person on the basis of the Wallet Terms;
- (c) any negligent act or omission or wilful default, misconduct or fraud or unlawful act of any Indemnitee, Participant or Issuer;
- (d) any breach of any warranty or representation made by any person in any of the Wallet Terms;
- (e) the exercise or non-exercise by an Indemnitee of any decision-making power or discretion;
- (f) any determination, decision or ruling of any Indemnitee and/or committees established or persons appointed by the Exchange;
- (g) any failure, error, omission or negligence of any Indemnitee (including the malfunction of Platform, Blockchain, Wallet, Cash Balances and/or Issued Tokens);
- (h) any Participant or Issuer's use, misuse or inability to use the Platform, Wallet, Cash Balances and/or Issued Tokens;
- (i) any Participant or Issuer's failure to implement reasonable measures to secure its Wallet or the relevant access credentials or any loss of or unauthorised use of any access credentials;
- (j) any claim by any third party against any of the Indemnitees arising from the circumstances specified in any of the sub-clauses above.

8.4.4 Notwithstanding Paragraph 8.4.2 and any other provision of the Wallet Terms, at no time shall any Indemnitee be liable or responsible to any person for any and all pure economic loss, loss of profits, fall in the price of Issued Tokens, equitable compensation, loss of business, or any other direct, indirect or consequential losses whatsoever and howsoever caused (including whether or not resulting from any negligence, fraud or wilful default on the part of any Indemnitee) which arise out of or in connection with these Wallet Terms.

## 9. **Miscellaneous**

9.1 **Governing law:** These Wallet Terms shall be governed by and construed in accordance with Singapore law.

9.2 **Dispute resolution:**

- 9.2.1 Any dispute arising out of or in connection with these Wallet Terms, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporated by reference in this Paragraph 9.2.
- 9.2.2 The Tribunal shall consist of one arbitrator. The language of the arbitration shall be English.
- 9.2.3 The seat of the arbitration shall be Singapore.
- 9.2.4 For the avoidance of doubt, each Participant and Issuer agrees to expressly waive the right to appeal the decision of any arbitration and that the decision of the arbitrator will be final.
- 9.2.5 Where any dispute arises between Participants and/or with any Issuer without the Exchange being a party to such dispute, the disputing Participants may, subject to their mutual agreement, choose to settle the dispute by any other means as they may elect.
- 9.3 **Sub-contracting and delegation:** The Exchange may delegate or sub-contract the performance of any of its functions in connection with the trading account, Wallets, Cash Balances and/or Issued Tokens.
- 9.4 **Assignment:** All Participants and Issuers may not assign their rights under these Wallet Terms without the Exchange's prior written consent. The Exchange may assign its rights under these Wallet Terms to any third party.
- 9.5 **Successors and assigns:** These Wallet Terms will bind each Participant/Issuer and the Exchange and their respective successors in title and assigns and will continue to bind each Participant/Issuer notwithstanding any change in the Exchange's name or constitution or the Exchange's merger, consolidation or amalgamation with or into any other entity (in which case these Wallet Terms will bind each Participant/Issuer to the Exchange's successor entity).
- 9.6 **Severability:** If any provision of these Wallet Terms or part thereof is rendered void, invalid, illegal or unenforceable by any legislation to which it is subject, it shall be rendered void, invalid, illegal or unenforceable only to that extent and it shall in no way affect or prejudice the enforceability of the remainder of such provision or the other provisions of these Wallet Terms. Such provision shall be struck and severed from these Wallet Terms and the remaining provisions of these Wallet Terms shall not be affected thereby.
- 9.7 **Waiver:** No failure or delay to exercise or enforce the Exchange's rights conferred upon it under these Wallet Terms shall be deemed to be a waiver of any such rights or operate so as to bar the exercise or enforcement thereof at any subsequent time or times. Waiver of any right arising from a breach or non-performance of these Wallet Terms or arising upon default under these Wallet Terms shall be in writing and signed by the Exchange.
- 9.8 **Translation:** If these Wallet Terms are translated into a language other than English, the English text shall prevail.
- 9.9 **Rights of Third Parties:** A person or entity who is not a party to these Wallet Terms shall have no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore or other similar laws to enforce any of these Wallet Terms, regardless of whether such person or entity has been identified by name, as a member of a class or as answering a particular description. The Exchange's right to vary these Wallet Terms may be exercised without the consent of any person or entity who is not a party to these Wallet Terms. For the avoidance of doubt, nothing in this clause shall affect the rights of any permitted assignee or transferee of these Wallet Terms.

**ANNEX 1**

**CUSTODIANS**

1. HydraX Digital Assets Pte. Ltd.