

IMPORTANT NOTICE

Trading in Cryptoassets (including, without limitation, digital payment tokens or/including stablecoins) and using the App and other Wallex products and services involve risks, some of which are set out below. These risks, and additional risks arising either now or in the future, could result in the loss, failure or destruction of your assets, inability to receive any benefits available to you, other losses and termination of the Exchange. You must consider carefully whether the risks set out below, as well as all other applicable risks, are acceptable to you. You should seek professional advice regarding your particular situation before trading in Cryptoassets or using the Service.

You must also check the latest terms applicable as they may change from time to time. THE RISK OF LOSS IN TRANSACTIONS INVOLVING CRYPTO ASSETS CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH TRANSACTIONS ARE SUITABLE FOR YOU IN LIGHT OF YOUR INVESTMENT OBJECTIVES, FINANCIAL CIRCUMSTANCES, YOUR TOLERANCE TO RISKS AND YOUR INVESTMENT EXPERIENCE. YOU SHOULD BE CAPABLE OF BEARING A FULL LOSS OF THE AMOUNTS INVESTED AS A RESULT OF OR IN CONNECTION WITH ANY ORDER AND ANY ADDITIONAL LOSS OVER AND ABOVE THE INITIAL AMOUNTS INVESTED THAT MAY BECOME DUE AND OWING BY YOU. IN CONSIDERING WHETHER TO TRADE OR INVEST, YOU SHOULD INFORM YOURSELF AND BE AWARE OF THE RISKS GENERALLY, AND IN PARTICULAR SHOULD NOTE THE FOLLOWING SPECIFIC RISKS.

1. Transaction and Exchange risks

1.1 Risks of Cryptoasset trading

The prices of Cryptoassets fluctuate, sometimes dramatically. The price of a Cryptoasset may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling Cryptoassets.

1.2 Nature of Cryptoassets

The Cryptoassets are not legal tender. They may not be backed by physical assets, and are not backed or guaranteed by a government. They may not have intrinsic value. Some of the Cryptoassets may not circulate freely or widely, and may not be listed on any secondary markets. Cryptoassets are generally a high-risk asset class. You should exercise caution in relation to the trading of Cryptoassets, and Cryptoassets themselves. Transactions involving Cryptoassets are irrevocable. Lost or stolen Cryptoassets may be irretrievable. Once a transaction has been verified and recorded on a blockchain, loss or stolen Cryptoassets generally will not be reversible.

1.3 Reliance on distributed ledger technology

Cryptoasset s rely on various types of distributed ledger technology. Some of this technology is open source software that is built upon experimental technology, namely blockchain. Risks arising from this reliance include the existence of technical flaws in the technology, targeting by malicious persons, majority-mining, consensus-based or other mining attacks, changes in the consensus protocol or algorithms, decreased community or miner support, rapid fluctuations in value of relevant Cryptoasset s, the existence or development of competing networks, platforms and assets, flaws in the scripting language, disputes between developers, miners and/or users and regulatory action.

1.4 Cryptoassets may be complex products

Cryptoassets may be complex products by virtue that the terms, features and/or risk are not readily understood due to the complex structure, novelty and reliance on technological features.

1.5 Volatility of Cryptoassets

The value of the Cryptoasset s may fluctuate significantly over a short period of time. The volatile and unpredictable fluctuations in price may result in significant losses over a short period of time. Any Cryptoasset may decrease in value or lose all of its value due to various factors including discovery of wrongful conduct, market manipulation, change to the nature or properties of the Cryptoasset , governmental or regulatory activity, legislative changes, suspension or cessation of support for a Cryptoasset s or other exchanges or service providers, public opinion, or other factors outside of our control. Technical advancements, as well as broader economic and political factors, may cause the value of Cryptoasset s to change significantly over a short period of time.

1.6 Market, liquidity and conversion risk

Where an order is denominated in particular Cryptoassets other than your primary reference asset, or where you convert Assets following the execution of an order, there is a risk that if the exchange markets move against you, then upon maturity or any earlier dealing the net proceeds may be significantly less than the initial amount in your primary reference asset, and any income or gains may be entirely negated. The value of a particular Cryptoasset may decline, or be completely and permanent lost, should the market for that Cryptoasset disappear. There is no assurance that a market for a particular Cryptoasset will continue to do so in the future. This is because the value of an Asset may be derived, among other things, from the continued willingness of market participants to exchange that Cryptoasset. There is the possibility for you to experience losses due to the inability to sell or convert assets into a preferred alternative asset immediately or in instances where conversion is possible but at a loss. Such liquidity risk in an asset may be caused by the absence of buyers, limited buy/sell activity or underdeveloped secondary markets. There is no assurance that a person who accepts a Cryptoasset as payment, will continue to do in the future. You may also suffer loss as a result of depreciation of

the value of the Cryptoasset paid as a result of controls imposed by a Government Agency. Repayment or payment of amounts due to you may be delayed or prevented by exchange controls or other actions imposed by governmental or regulatory bodies over Cryptoasset that they control or regulate.

1.7 Risks of assets subject to other overseas laws

Cryptoassets received or held by us may be are subject to other applicable laws and regulations of the relevant overseas jurisdictions.

1.8 Risks relating to Authorised Persons

There are substantial risks in allowing another person to trade or operate your Account or any other account you have with us, and it is possible that Instructions could be given by persons who are not properly authorised. You accept all of the risks of such an operation and irrevocably release us from all liabilities arising out of or in connection with such Instructions.

1.9 Suspension of the Exchange and Network Events

It may be difficult or impossible to liquidate a position in the Cryptoassets under certain circumstances. Certain Network Events may occur rapidly and affect the ability to conduct transactions on the Exchange. Information relating to these Network Events may be difficult to ascertain ahead of time and may be subject to limited oversight by any third-party who is capable of intervening to stabilise the network.

2. Cybersecurity and technology-related risks

2.2 Transactions irreversible

The nature of Cryptoasset transfers is that they are irreversible. This means accidental or fraudulent transactions in respect of Cryptoassets may not be recoverable.

2.4 Cyber-attacks and fraudulent activity

The technologic reliance of the Exchange on the Internet exposes you to an increased risk of fraud or cyber-attack. Cryptoassets, an Account, a Wallet, the Service may be targeted by malicious persons who may attempt to steal Cryptoassets, or otherwise intervene in the order or any of the Service. This includes (but is not limited to) interventions by way of:

- (a) distributed denial of service;
- (b) sybil attacks;
- (c) phishing;

- (d) social engineering;
- (e) hacking;
- (f) smurfing;
- (g) malware;
- (h) double spending;
- (i) majority-mining, consensus-based or other mining attacks;
- (j) misinformation campaigns;
- (k) forks; and
- (l) spoofing.

Cryptoassets, Accounts, Wallets or the Exchange may also be vulnerable to exploitation of vulnerabilities in smart contracts and other code, as well as to human error. A limited amount of your Cryptoassets may be stored in hot wallets (ie online environments which provide an interface with the internet), which can be prone to hacking or cyber-attacks. Cyber-attacks resulting in the hacking of Cryptoasset trading platforms and thefts of Cryptoassets are common. Victims may have difficulty recovering losses from hackers or trading platforms. This could result in significant loss and/or other impacts that may materially affect your interests. The above events may affect the features, functions, operation, use, access or other properties of the Cryptoassets, your Account, your Wallet or the Exchange.

2.5 Targeting by malicious persons

Malicious entities may target you in an attempt to steal any asset that you may hold, or to claim any asset that you may have purchased. This may involve unauthorised access to your Account, your private keys, your addresses, your passwords, your email or social media accounts, your log-in details or access method for the Account, as well as unauthorised access to your computer, smartphone and any other devices that you may use.

You alone are responsible for protecting yourself against such actions.

2.6 Cryptographic advancements

Developments in cryptographic technologies and techniques, including (but not limited to) the advancement of artificial intelligence and/or quantum computing, pose security risks to all

cryptography-based systems including the Cryptoassets, the Account, the Wallet or the Exchange.

Applying these technologies and techniques to the Cryptoassets, an Account, a Wallet, or the Exchange may result in theft, loss, disappearance, destruction, devaluation or other compromises of the Cryptoassets, an Account, a Wallet or the Exchange or your data (as applicable).

2.7 Reliance on the internet and other technologies

Cryptoassets and the Exchange rely heavily on the internet and other technologies. However, the public nature of the internet means that either parts of the internet or the entire internet may be unreliable or unavailable at any given time. Further, interruption, delay, corruption or loss of data, the loss of confidentiality in the transmission of data, or the transmission of malware may occur when transmitting data via the internet and/or other technologies. The result of the above may be that your order is not executed according to your instructions, at the desired time, or not at all. No authentication, verification or computer security technology is completely secure or safe. The internet or other electronic media (including without limitation electronic devices, services of third-party telecom service providers such as mobile phones or other handheld trading devices or interactive voice response systems) are an inherently unreliable form of communication, and such unreliability may be beyond Wallex 's control.

Any information (including any document) transmitted, or communication or transactions made, over the internet or through other electronic media (including electronic devices, services of third party telecommunication service provider such as mobile phones or other handheld trading devices or interactive voice response systems) may be subject to interruption, transmission blackout, delayed transmission due to data volume, internet traffic, market volatility or incorrect data transmission (including incorrect price quotation) or stoppage of price data feed due to the public nature of the internet or other electronic media.

2.8 Risks relating to timing

An order is binding upon completion of the steps described in these Terms and Conditions. Following this, the order will not be reversed unless otherwise provided in this Agreement. There is a risk that the final binding order does not occur at the same time as Instructions are provided.

You may suffer loss due to the fact that an order is not carried out at the desired time. In particular, contingent orders, such as "stop-loss" or "stop-limit" orders, may not limit your losses to the intended amounts, since market conditions may make it impossible to execute such orders.

2.9 Unauthorised access

Unauthorised third parties may access your Account and submit orders without your knowledge or authorisation, whether by obtaining control over another device or account used by you, or by other methods.

2.10 Exchange materials may not be up to date

Wallex is not obliged to provide any adaptations, enhancements and/or modifications to the Exchange Materials. This means, for example in relation to the App, that you may have an out of date version of the App, and new features may not be incorporated to the version of the App you use. It is your responsibility to ensure you update and download applicable updates and versions.

3. General risk statements

3.1 Jurisdiction-related risks

Residents, Tax residents or persons having a relevant connection with jurisdictions other than Available Jurisdictions are prohibited from using the Exchange and from submitting orders. Changes in your place of domicile or Applicable Law may result in you violating any legal or regulatory requirements of your applicable jurisdiction.

You are responsible for ensuring that any order is, and remains lawful despite changes to Applicable Law, your residence and circumstances.

3.2 Product-related risks

Wallex may have issued certain Cryptoassets, whereas other Cryptoassets are issued by third parties. In any event, you must read the applicable product terms, product information and risk disclosures carefully before entering into an order. No product term or product information has been subject to regulatory approval, unless expressly stated otherwise. You should exercise caution in respect of any such offer.

For any Cryptoasset products that have been authorised by a regulator, authorisation does not imply any official recommendation or endorsement of the product by the regulator, nor does it guarantee the commercial merits of a product or its performance. You should seek independent professional advice before making any investment decision.

3.3 Tax treatment and accounting

Some Cryptoassets and orders may be subject to the tax laws and regulations in an applicable jurisdiction. The tax treatment and accounting of Cryptoassets (and any ancillary benefits) is a largely untested area of law and practice that is subject to changes. Tax treatment of

Cryptoassets may vary amongst jurisdictions. We may receive queries, notices, requests or summons from tax authorities and as a result may be required to furnish certain information about the order. Among the accounting profession, there are no agreed standards and practices for how an auditor can perform assurance procedures to obtain sufficient audit evidence for the existence and ownership of the Cryptoassets, and ascertain the reasonableness of the valuations. If you are unsure about the tax implications of your orders, you should seek independent professional advice before carrying out an order.

3.4 Inflation Risk

Cryptoassets may, either because of the inherent design of the Cryptoasset or through Network Events, not be a fixed supply of assets. Where additional Cryptoassets are created, the asset's price may decline due to inflationary effects of adding additional Cryptoassets to the total assets available.

3.5 Concentration risk

At any point in time, one or more persons may directly or indirectly control significant portions of the total supply of any particular Cryptoasset. Acting individually or in concert, these holders may have significant influence, and may be able to influence or cause Network Events which may have a detrimental effect on price, value or functionality of the Cryptoassets. Network Participants may make decisions that are not in your best interest as a holder of Cryptoasset s.

3.6 Country risks

If a transaction is made in any Cryptoasset issued by a party subject to foreign laws or transactions made on markets in other jurisdictions, including markets formally linked to a domestic market, recovery of the sums invested and any profits or gains may be reduced, delayed or prevented by exchange controls, debt moratorium or other actions imposed by the government or other official bodies. Before you submit an order, you should satisfy yourself about any rules or laws relevant to that particular order.

Your local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should obtain independent advice about the different types of redress available in both your home jurisdiction and other relevant jurisdictions before you start to trade. If your country of residence imposes restrictions on Cryptoassets, we may be required to discontinue your access to the Account, and may not be permitted to transfer Cryptoassets back to you or permit you to transfer Cryptoassets from the Account to yourself or others, until such time as the regulatory environment permits us to do so.

3.7 Regulatory uncertainty

All Cryptoasset are potentially exposed to legal and regulatory risks. The legal and regulatory treatment of some of the Cryptoassets may change. Regulation of Cryptoasset s is unsettled and rapidly changing. Legal and regulatory treatment varies according to the jurisdiction. The effect of regulatory and legal risk is that any Cryptoasset may decrease in value or lose all of its value due to legal or regulatory change.

We may cancel or modify your order, restrict or suspend your use of the exchange or your Account to comply with Applicable Law or for other reasons as specified in the Agreement. We recommend you obtain independent legal, tax and financial advice and that you continue to monitor the legal and regulatory position in respect of the Cryptoassets and your orders.

In this document, the following terms have the following meanings, unless the contrary intention appears.

Account means an account that is established by Wallex in your name for the purposes of the Exchange, which may be available via the App or website, and or any other means as determined by Wallex at its sole discretion.

AML/CTF Requirements means any Applicable Law in relation to money laundering, terrorism financing, bribery, corruption, tax evasion, fraud, the trafficking of arms, drugs humans or wildlife, slavery, proliferation of weapons of mass destruction and so on.

App or Wallex App means the mobile application software developed, owned and made available by Wallex via its platform which allow you access one or more of the Services together with any and all updates, upgrades, supplements, releases and versions thereof.

Applicable Law means any applicable common law, principles of equity and laws made by a government or relevant authority or judicial body, including regulations, rules, decrees, court judgements, arbitral awards, office directives, requests policies, codes, circulars, guidelines or other instruments (whether or not having the force of law) and any consolidations, amendments or replacements and includes AML/CTF Requirements and Financial Crime Regulation.

Cryptoasset means virtual, electronic or cryptographic currency including tokens or blockchain assets, as may be added or removed from time to time at its sole discretion.

Exchange means the exchange that is operated by Wallex in accordance with these terms.

Government Agency means any government, semi-governmental, administrative, fiscal, judicial or quasi-judicial body, department, commission, authority, tribunal, agency or entity.

Service means the services an all related features, services, content and applications, which includes: (i) access to and use of the Exchange where you place orders to trade Cryptoassets

as well as (ii) any other products or services contained in the App or platform (as applicable) or otherwise shown on the Exchange or our official communication channel from time to time.

Wallet means any virtual asset wallet provided to you by Wallex referred to in these terms.