

Arcex Exchange

Terms of Service / T&C

Last Updated: May 26, 2024

Thank you for visiting Arcex. By visiting, accessing, or using Arcex.app and associated application program interface or mobile applications (“Arcex Platform”), you (“User”, “user”, “You” or “you”) consent to these Terms of Service (these “Terms”), so please read them carefully.

The Terms constitute the agreement and understanding regarding the use of any or all of the Services, and any manner of accessing them, between you and the following service provider: Arcex Ltd., a British Virgin Islands registered company, licensed as a Virtual Asset Service Provider (VASP).

## 1. PREAMBLE

1.1 By clicking on the “Create Account” button or by visiting the Arcex Platform, we may provide you with access and utility through our trading platform via software, API (application program interface), technologies, products, and/or functionalities. A description of the Services provided by us is contained in Clause 4 of these Terms. A list of defined terms and their meaning is contained in Clause 22 of these Terms.

1.2 You agree to be legally bound by these Terms and any terms incorporated by reference. If you have any questions regarding these Terms or the use of the Arcex Platform, please visit our Support Center for more information.

1.3 To the fullest extent permissible pursuant to Applicable Laws and Regulations and in accordance with Clause 16, we reserve the right to change or modify the Terms, and any policy or guideline of the Arcex Platform, at any time and at our sole discretion.

1.4 You agree to the Terms in effect when you access or use the platform. You must stop using our Services if you do not agree to the Terms. We encourage you to frequently review the Terms to ensure that you understand the terms and conditions that apply to your access to and use of the Services.

1.5 The Terms and any terms expressly incorporated herein apply to your access to, and use of, any services provided by us. The Terms take precedence over and do not alter in any way the terms or conditions of any other agreement you may have with us for products, services, or otherwise. If you are using the Services on behalf of a legal entity, you represent and warrant that (a) such legal entity is duly organized and validly existing under the applicable laws of the jurisdiction of its organization and (b) you are authorized to accept the Terms on such entity's behalf and that such entity agrees to be responsible to us if you violate the Terms.

1.6 You should read the Terms, and any document referred to in them, very carefully. If there is anything that you do not understand in the Terms and any document referred to herein, you should discuss this matter with us and seek the necessary clarification.

1.7 Any formal communication with you will be undertaken through electronic mail unless otherwise instructed. Documents will be sent to you by electronic mail and you should seek to send any documents to us by the same means. Please visit Support Center for assistance.

1.8 Any formal communication with you will, unless otherwise agreed, be made in the English language. In the event of any discrepancy between the English language version of the Terms or any such communications and any translation of the Terms or such communications (as applicable) in a foreign language, the respective English version shall prevail.

## **2. ELIGIBILITY AND PROHIBITION OF USING OUR SERVICES & BUSINESS**

2.1 The Services are intended solely for Users who are Natural Persons aged 18 or older. If you are a Natural Person, by accessing or using our Services, you represent and warrant that you are at least 18 years old. If you are registering to use the Service(s) on behalf of a legal entity (e.g., corporate or institutional customers), you represent and warrant that such legal entity is duly organized and validly existing under the applicable laws of the jurisdiction of its organization; you are duly authorized by such legal entity to act on its behalf, such legal entity agrees to be responsible to us if you violate these Terms, and you have not previously been suspended or removed from the Arcex Platform or Services. You also represent and warrant that you are not on and that you will not transact with anyone on any trade or economic sanctions lists of any Competent Authority.

2.2 Note that we may not make all of the Services available in all markets and jurisdictions, and may restrict or prohibit the use of all or a portion of the Services from Restricted Locations, which at this time include: Iran, North Korea, Syria, and any other jurisdiction where the Services cannot be provided as per the applicable laws. The content of the Terms shall not be excluded from the laws of the country or region under which the user belongs. As a result, if you do not meet these eligibility requirements, do not use our Services.

## **3. PROHIBITED BUSINESSES**

3.1 Any use of our Services in connection with any of the following categories of activities or businesses is prohibited (“Prohibited Businesses”), and we reserve the right at all times to monitor your transactions or accounts that are related to any of the following Prohibited Businesses:

- (a) Unlicensed money service businesses, including but not limited to payment services providers, the sale of money orders or cashier’s checks or any money transmitter activities;
- (b) Banks or financial institutions that do not maintain a physical presence in any country (a “Shell Bank”) or that have financial activities or services that do not comply with, or would cause

Arcex or its affiliates to be in violation of any applicable laws, regulations, or other legal authority;

(c) Adult content and services, including but not limited to any types of pornography and other obscene materials (including literature, imagery, and other media), sites offering any sexually-related services such as prostitution, escorts, pay-per-view, and adult live chat features;

(d) Deceptive marketing and false advertising services;

(e) Religious and/or spiritual organizations;

(f) Unlicensed sale of weapons of any kind, including but not limited to firearms, ammunition, knives, explosives, or related accessories;

(g) Certain regulated products and services, including but not limited to marijuana dispensaries and related businesses; sale of tobacco, e-cigarettes, and e-liquid; online prescription or pharmaceutical services; age-restricted goods or services; and toxic, flammable, and radioactive materials;

(h) Pseudo-pharmaceuticals - companies manufacturing and or selling untested or unapproved pharmaceuticals;

(i) Drugs and drug paraphernalia, including but not limited to, sale of narcotics, controlled substances, and any equipment designed for making or using drugs, such as bongos, vaporizers, and hookahs;

(j) Gambling activities, including but not limited to sports betting, casino games, horse racing, dog racing, lotteries, games of chance, sweepstakes, games of skill that may be classified as gambling (i.e., poker), or other activities that facilitate any of the foregoing;

(k) Money-laundering, fraud, terrorist financing, or any other type of financial crimes;

(l) Any sort of Ponzi scheme, pyramid scheme, or multi-level marketing program;

(m) Goods or services that infringe or violate any copyright, trademark, or proprietary rights under the laws of any jurisdiction;

(n) Layaway systems, or annuities;

(o) Counterfeit or unauthorized goods, including but not limited to the sale or resale of fake or "novelty" IDs and the sale of goods or services that are illegally imported or exported or which are stolen;

(p) Wash trading, front-running, insider trading, market manipulation, or other forms of market-based fraud or deceit;

(q) Purchasing goods of any type from hidden service markets or "Darknet" markets, or any other service or website that acts as a marketplace for illegal goods (even though such marketplace might also sell legal goods);

(r) Any other matters, goods, or services that from time to time we deem to be unacceptable or of high risk, and which, for example, may be restricted by our and your bank or payment partners;

(s) Any other unlawful activities which would, in our sole discretion, violate, or assist in the violation of, any law, statute, ordinance, or regulation, sanctions programs administered in the countries where we conduct business, or which would involve proceeds of any unlawful activities;

(t) Shell Banks or financial institutions that have customers that are Shell Banks;

(u) Entities with bearer share ownership;

- (v) Defense industry, firearms & munitions manufacturers;
- (w) Nuclear energy;
- (x) Restricted financial services, including but not limited to credit repair, debt settlement, refinance, bail bonds, collections agencies; or
- (y) Transactions or business involving ivory and protected species.

3.2 In the event that we learn or reasonably suspect, in our sole discretion, that your account is or may be associated with any of the Prohibited Businesses as set forth above, we will consider it to be a violation of these Terms and may suspend or terminate your account, and/or block transactions or freeze your funds immediately without notice, and we reserve the right to report any such suspected or actual Prohibited Businesses to the law enforcement authorities.

#### **4. DESCRIPTION OF OUR SERVICES**

4.1 We provide an online trading platform for Users to hold and trade Digital Assets (“Digital Assets” as defined below, and also known as virtual financial assets, cryptographic tokens, digital tokens, and/or cryptographic currency) and derivatives linked to Digital Assets or indices thereof. Users may request the withdrawal of their Digital Assets at any time, subject to the limitations as stated in the Terms.

4.2 We provide the User with trading services including:

(a) an order matching platform that automatically, and according to pre-established criteria, matches Users’ trades with open orders from other Users in respect of Digital Assets or Digital Asset-linked products;

(b) Spot Services that permit you to trade one type of Digital Asset for another type of Digital Asset with another User through an order-matching engine. You will not be able to predetermine or undertake a trade with a predetermined user. Similarly, an order may be partially filled or may be filled by multiple matching orders arising from different users;

(c) Additional Services that permit you to trade derivative products linked to Digital Assets or indices composed of them with other users. These trades are via an order matching platform that automatically, and according to pre-established criteria, matches users’ trades with open orders from other users. You will not be able to predetermine or undertake a trade with a pre-determined user.

4.3 To the extent permitted by Applicable Laws and Regulations, Margin is permitted, at our discretion, to be employed when using our Services. The parameters of Margin and leverage permitted for each of these products are set and may be varied by us in accordance with the actual market conditions at our discretion and depend upon the type of service, type of asset, and amount of collateral used in the transaction. Eligible users may select the amount of Margin or leverage they desire to use within those parameters (subject to it being offered by us). When utilizing Margin, users acknowledge, in all cases, that use of margin and other leverage

products is high-risk that may result in a loss larger than the funds in their accounts and which may require liquidation of their assets, as specified by the terms governing Margin for each product.

4.4 Other Services include, but are not limited to:

(a) P2P – a Peer to Peer matching service, allowing users to exchange their Fiat Currency and Digital Assets with each other. Users are able to buy and sell Digital Assets from each other without the need of a centralized trusted third party such as an exchange;

(b) Margin Lending – a lending service allowing users to borrow/lend Digital Assets to one another and earn rewards; and

(c) Digital Custody/Wallet – a digital wallet, maintained by us on each user's behalf, enabling each user to store any Digital Assets that are traded via the exchange services, or any P2P Digital Assets that are deposited or acquired by you through the P2P platform.

4.5 Not every Service offered by Arcex is addressed in these Terms. Additional Services are subject to other agreements specific to those Services on the Arcex Platform. For the terms governing those services, please refer to the relevant section of the Website.

4.6 In general, our Services facilitate transactions that match users with other users. In certain limited circumstances, Arcex's Related Parties may trade on the Arcex Platform or use other Services on a proprietary basis, as principal, or on behalf of others. Such trading activity may include, but is not limited to, buying or selling Digital Assets or derivatives, placing Orders to buy or sell Digital Assets or derivatives, acting as a market maker for certain Digital Assets or derivatives, and trading as a principal in Digital Asset transactions or derivatives. Orders submitted and trades executed by Arcex's Related Parties are not distinguished from other trades on the Arcex Platform. Arcex's Related Parties thus may act as a counterparty to any trade executed by you or other Users. The trading activity of Arcex's Related Parties, as described herein, may include Arcex's Related Parties engaging in transactions with multiple counterparties, including other Users, where interests may differ. Arcex and its Related Parties have no duty to act solely on your behalf and undertakes no responsibility to do so. You agree and understand that Arcex's Related Parties may use the Arcex Platform and other Services. You agree not to object to or otherwise bring a claim against Arcex and its Related Parties related to any transaction conducted by Arcex and its Related Parties.

4.7 By accepting the Terms, you expressly agree to the pooling of your Digital Assets with the Digital Assets of other users. Digital assets of users are not protected by deposit protection or deposit insurance scheme. In the case of an irreconcilable shortfall, you may not receive some or any of your deposited assets or funds.

4.8 You represent and warrant that you are the ultimate and effective legal and beneficial owner of any Digital Assets transferred to your account or wallet on the Arcex Platform, that you shall

not act as nominee or trustee for any other person and that you shall not transfer, assign, pledge, charge or otherwise create any security interest or encumbrance whatsoever over such Digital Assets.

4.9 We shall not be obliged to accept orders unless sufficient Digital Assets are available on the account for (a) the settlement of the relevant order, (b) the provision of Margin as may be required in respect of a relevant transaction in derivatives, and (c) the payment of any related charges and expenses as applicable.

4.10 While we have made every effort to ensure the accuracy of the information on our Arcex Platform, the information and content on the Arcex Platform is subject to change without notice and is provided for the sole purpose of assisting users to make independent decisions. We have taken reasonable measures to ensure the accuracy of the information on the Arcex Platform; however, we do not guarantee the accuracy, suitability, reliability, completeness, performance and/or fitness for purpose of the content of any Services or products available through the Arcex Platform, and will not accept liability for any loss or damage that may arise directly or indirectly from the content or your inability to access the Arcex Platform, for any delay in or failure of the transmission or the receipt of any instruction or notifications sent through our platform. We will not have any liability for the use or interpretation of such information.

4.11 Users shall prepare devices and bear costs as follows: 1) internet-connected device, including but not limited to computer or other internet-connected terminals; and 2) internet-accessing costs, including but not limited to internet fees, rental charges for internet-connected equipment, cellular data fees, etc.

4.12 You hereby authorize us to send you communications relating to your Account via email, SMS, mobile notification, or mailing address. You may also opt-out of certain communications by changing relevant settings on the Arcex Platform.

4.13 You acknowledge and consent that the Services are provided by us according to their current technological capacity and other conditions. While we have made every effort to ensure continuity and security of the Services, we are unable to completely foresee and hedge legal, technological and other risks including but not limited to force majeure, virus, hacker attack, system instability, flaws in third-party services, acts of government, or government agency etc. that may result in service interruption, data loss and other losses and risks.

4.14 When the Arcex Platform is unable to operate properly because of the following circumstances and the user is unable to access the Services or place or cancel an order, we assume no liability for damages. These circumstances include, but are not limited to:

(a) system downtime during maintenance as announced by the Arcex Platform;

(b) telecom or networking equipment issues;

(c) typhoon, earthquake, tsunami, flood, power failure, war, terrorist attacks, and other force majeure factors;

(d) any other issues, including hacker attacks, computer virus intrusion or attack, website or backend maintenance and upgrade, banking-related issues, government regulation or mandates, freezing order imposed by any Competent Authority and any other third-party issues; and

(e) damages to users or other third parties caused by third parties.

4.15 In relation to the Services provided by Arcex on the Arcex Platform:

(a) we reserve the right to process, cancel, correct, clawback, and/or reverse, any Digital Asset transaction or transfers or cancel abnormal transaction results in our sole discretion, even after funds may have been debited from your account(s) upon the occurrence of abnormal transactions, market interruption and other abnormal conditions caused by, arising from, or related to system failure, platform system bug(s), network failure, distributed denial of service attacks (DDoS) and other hacker attacks and other unexpected factors; or in response to a subpoena, court order, or other government order; or if we suspect the transaction may: involve money laundering, terrorist financing, fraud, or any other type of financial crime; be erroneous; or relate to a prohibited use in accordance with these Terms. For Futures, P2P, and Margin Lending, we reserve the right to rollback all the transactions of a certain period of time as described in the respective user agreement. In such instances, Arcex will reverse the transaction and debit the corresponding Digital Assets from your account(s) to recover the Losses arising from such transaction, and we are under no obligation to reinstate any purchase or sale order at the same price or on the same terms as the canceled transaction; and/or

(b) we strictly prohibit unfair trading behaviors. Arcex reserves the right to enact, under its sole discretion, and take control over your account if you: (i) are involved in price manipulation, insider dealing, market manipulation, market distortion or any other malicious wrongdoings to the market; (ii) might be harming other users or Arcex by exploiting the Service's vulnerabilities or by other unreasonable means; (iii) are involved in any other activities that Arcex deems harmful to the overall well-being of the market.

We also reserve the right to take actions, including but not limited to, close your accounts, limit trading, halt trading, cancel transactions, rollback transactions and return the relevant Digital Assets to any complainant so as to eliminate any adverse effects to the overall well-being of the market. In no event shall we be liable to you for any loss incurred when such action against you happens.

4.16 We shall not ask for any password or private keys from our users, nor shall we ask users to transmit any funds or Digital Assets, as applicable. Accordingly, we shall not be responsible for any losses caused by your transmittal of funds or Digital Assets, as applicable.

4.17 Users acknowledge that we may delist any Digital Asset from the Arcex Platform at our sole discretion.

4.18 With regard to abnormal transaction handling, while using the Services, you agree to and acknowledge the possibility of discontinuity and disruption of the Services due to connectivity problems of the Digital Asset networks or other force majeure. Users shall make sure to provide only correct information. We do not assume any responsibility for any losses caused by the aforementioned situations due to you providing incorrect information that results in our inability to reach out and to explain to you the handling procedures.

4.19 We have the right to know the purpose and background of the users who use our products or services. Users should provide comprehensive and accurate information as required. If we have reasonable grounds to suspect that the User has provided false information, we are entitled to restrict the User from the use of some or all of Services temporarily or permanently.

4.20 Any Digital Asset you purchase using a debit or credit card will be credited to your Account and our obligation in this regard will be deemed complete when the Digital Asset purchased by you is reflected in your Account. We are not responsible for any losses that may occur after that point. You are solely responsible for the management of those Digital Assets once credited.

## **5. TRADING ON THE ARCEX PLATFORM**

5.1 A User may buy or sell a Digital Asset by placing an instruction on the Arcex Platform (an "Order") in one (1) Digital Asset into another Digital Asset.

5.2 Users should verify all transaction information prior to submitting an Order. Users acknowledge and agree that it is the sole responsibility of the User to ensure the validity and accuracy of an Order, including the details of the recipient of any Assets. Arcex shall not be liable for the consequences of the User not providing valid and accurate information when placing an Order.

5.3 The Arcex Platform is accessible twenty-four (24) hours a day, seven (7) days a week and three hundred and sixty-five (365) days a year, except for any period during which scheduled maintenance or upgrades are being carried out, or in the event that the Arcex Platform encounters an interruption or outage that is unexpected or beyond its control.

5.4 Arcex may, at its sole discretion and without prior notice, close a User's Account, or suspend a User's access or use of the Arcex Platform or the Services, refuse any Order submitted, or impose limits on trading amounts on the Arcex Platform, if Arcex deems that a User may have contravened Applicable Rules and Regulations.

5.5 A User may only place an Order using the Arcex Platform if the User's Account contains sufficient Assets to cover the Order and any associated fees. If the Account does not contain

sufficient Assets to complete an Order on the Arcex Platform, the User will not be able to complete such Order on the Arcex Platform.

5.6 When a User places an Order, that quantity of the relevant Asset (including any applicable Fees) is placed on hold in the Account until the Order fills, expires, or is canceled. Any unfilled portion of an Order will remain on hold until it fills, expires, or is canceled.

5.7 A User may withdraw or cancel an Order after it is submitted, as long as such Order has not been executed pending confirmation by the relevant Digital Asset network. Digital Assets which are the subject of a pending Trade shall not be reflected in a User's Account, and shall therefore not be available for the User to trade. Users understand and agree that:

(a) Trades are irreversible once Orders are executed; and

(b) while Arcex may, at its sole discretion, reverse a Trade under certain extraordinary conditions (including but not limited to breaches of the Applicable Laws and Regulations or Financial Crime), a User does not have a right to a reversal of a Trade.

5.8 Arcex will send a confirmation to the User by email, a Notice, or any other means of communication as provided for under these Terms, every time a User places an Order, cancels an Order, and when that Order is partially or completely filled.

5.9 By entering into these Terms, Users acknowledge and agree that:

(a) by entering into a Trade on the Arcex Platform, a User is instructing Arcex to carry out the Trade at the buy price or sell price quoted on the Arcex Platform on the basis of which the User placed the Order, and the User agrees to pay any associated fees. The price of a Trade shall be determined to be the price agreed between the User and the other party to that Trade, and Arcex shall not be a party to such Trade or responsible for setting or negotiating the price of a Trade, except as set out specifically in these Terms. Users shall not claim against Arcex regarding such Trades. Arcex does not guarantee the completion of any attempted sale or purchase of Digital Assets;

(b) Arcex carries out Trades based on price-time priority;

(c) they are subject to the same price-time priority as any other Users of the Arcex Platform;

(d) Orders submitted through the API are subject to the same price-time priority as Orders received from the Arcex Platform;

(e) all filled Orders are settled immediately by debiting and crediting the relevant balances of Assets in both parties' Accounts. Users will receive immediate notification of their fill(s) via the Arcex Platform and/or via email or any other agreed means of communication and they can be viewed in a User's trading history;

(f) APIs enable a User to stream live prices into their own user interface as well as to perform the same Trade or to place the same Order that is available to the User on the Arcex Platform;

(g) in order to maintain a fair and orderly Arcex Platform, Arcex may restrict the number of Orders allowed through the API and monitor messages through the API in order to:

- (i) protect the API against denial of service attacks;
- (ii) prevent the abuse of an order book; and
- (iii) improve the overall trading experience on the Arcex Platform.

5.10 Arcex may limit the number of Orders placed through a User's Account.

5.11 Use of the API will be for legitimate trading purposes and any repeated violation of Order rate limits will result in Arcex suspending or closing the User's account in accordance with these Terms.

5.12 The transaction history provided on the Arcex Platform is the true and accurate record of a User's transactions. It is a User's responsibility to remain up to date on its transaction history and any Notices with respect to the User's Account.

5.13 Users understand and agree that there may be a delay in executing a Trade on the Arcex Platform as a result of Arcex's secure trading protocols which require Digital Asset private keys to be stored securely using a combination of online and offline storage for added security.

5.14 The User agrees and understands that part of or all of the Services may be periodically unavailable during scheduled maintenance.

5.15 Downtime may be communicated in advance to the User via a Notice published on the Arcex Platform or by other means.

5.16 The User acknowledges and agrees that Arcex shall have, at Arcex's sole discretion, the right to suspend all or part of the Services, or the User's access to all or part of the Services, whenever Arcex determines in Arcex's sole discretion that:

- (a) the User may have breached these Terms; or
- (b) the proper functioning of the Arcex Platform is in jeopardy.

5.17 For the purposes of Clause 5.16(b), the proper functioning of the Arcex Platform will be in jeopardy in the following circumstances:

- (a) when a computer or telecommunications network ceases to operate or function as a result of an accident;

- (b) in the event of a Force Majeure Event which affects the provision of the Services;
- (c) when Arcex's assets or the User's Assets, or the Arcex Platform, are the subject of an attempted or actual malicious attack which may, among other things, result in the theft or loss of such assets;
- (d) when an event affects the proper functioning of critical systems relied upon by the Arcex Platform, including the pricing system or any other system necessary for the provision of the Services;
- (e) when Arcex suspects unauthorized use of the Arcex Platform, or a breach of these Terms or Applicable Laws and Regulations;
- (f) when Arcex determines that it is necessary, in its sole discretion, to conduct investigations in light of its requirements under Applicable Laws and Regulations or to ensure the proper functioning of the Arcex Platform;
- (g) when Arcex decides to cease handling a Digital Asset based on the results of a Hard Fork that causes a chain split or changes to a Digital Asset;
- (h) when Arcex deems that the provision of the Services cannot continue due to changes in Applicable Laws and Regulations, social conditions, or factors outside Arcex's control, including but not limited to when a Digital Asset is no longer deemed an "Acceptable Digital Asset" by the Competent Authorities; or
- (i) when for any other reason, Arcex determines in its sole discretion that the suspension is necessary.

## **6. RISK DISCLOSURE**

6.1 This Clause 6 provides Users with information about the risks associated with trading in Digital Assets and any other Services provided by Arcex. Applicants and Users should read this Risk Statement carefully before applying to open an Account and executing Trades. This Risk Statement should be read in conjunction with the Risk and Compliance Disclosure.

6.2 This Clause 6 is not intended to disclose or discuss in detail

all of the risks associated with the Services or the Digital Assets. Users should consult their own legal, financial, or tax advisors with respect to their specific situations and their obligations and understand that the trading of Digital Assets is highly speculative and may lead to a loss of some or all of the invested funds.

6.3 The risks associated with Digital Assets and the Services include but are not limited to the following:

(a) **Volatility Risk**: The prices of Digital Assets are highly volatile and can fluctuate significantly over short periods of time. The value of a User's holdings can increase or decrease significantly and may become valueless. Users should be aware that they may sustain losses in excess of their original investment.

(b) **Market Risk**: The market for Digital Assets is relatively new, and the effect of new regulatory developments and the introduction of other competing Digital Assets is unknown. Market conditions can change quickly and unpredictably, which can lead to the significant loss of value.

(c) **Liquidity Risk**: Digital Assets may not be widely traded, and markets for Digital Assets can be relatively illiquid. Users may not be able to sell their Digital Assets promptly or at favorable prices.

(d) **Technology Risk**: Digital Assets rely on blockchain technology. Any malfunction, unintended function, unexpected functioning, or attack on the blockchain technology may cause Digital Assets to malfunction or function in unexpected or unintended ways.

(e) **Legal and Regulatory Risk**: The legal status of Digital Assets and regulatory framework for Digital Assets is uncertain. Changes in legislation, regulation, or policy by Competent Authorities can affect the use, transfer, exchange, and value of Digital Assets and may result in the prohibition of the possession, use, or trading of Digital Assets.

(f) **Counterparty Risk**: Trading Digital Assets involves counterparty risk. Arcex does not guarantee the solvency, reliability, or performance of any counterparties, nor does it provide any guarantees with respect to the value of Digital Assets.

(g) **Operational Risk**: Operational risks such as hardware failures, software bugs, human error, cyber-attacks, and other disruptions can affect the performance and functioning of the Arcex Platform and the provision of Services.

(h) **Custody Risk**: Digital Assets held with Arcex are held on an omnibus basis, which means that they are co-mingled with the Digital Assets of other Users. In the event of an irreconcilable shortfall, Users may not receive some or all of their Digital Assets.

(i) **Tax Risk**: The tax treatment of transactions involving Digital Assets is uncertain and may vary from jurisdiction to jurisdiction. Users are responsible for understanding and complying with any tax obligations that may arise from their transactions.

6.4 By using the Services, Users acknowledge and agree that:

(a) they understand the risks associated with Digital Assets and the Services;

(b) they have sufficient knowledge, market sophistication, professional advice, and experience to make their own evaluation of the merits and risks of entering into Trades;

(c) they accept and agree to bear all risks associated with the use of the Services and trading in Digital Assets.

## **7. FEES AND CHARGES**

7.1 By using our Services, you agree to pay all fees and charges associated with your use of the Services as stated on the Arcex Platform. Arcex reserves the right to change the fees and charges at any time and will notify Users of such changes by updating the fee schedule on the Arcex Platform or by other means.

7.2 Fees and charges may be deducted from the User's Account at the time a transaction is executed, and Users are responsible for ensuring that their Account has sufficient funds to cover any fees and charges.

7.3 In the event that a User's Account does not have sufficient funds to cover any fees and charges, Arcex reserves the right to suspend or terminate the User's access to the Services until such fees and charges are paid in full.

## **8. \*\*USER RESPONSIBILITIES AND REPRESENTATIONS\*\***

8.1 By accessing or using the Arcex Platform and Services, Users represent and warrant that:

(a) they have read and understood these Terms and agree to be bound by them;

(b) they have the legal capacity and authority to enter into these Terms and perform their obligations hereunder;

(c) their use of the Services complies with all applicable laws, regulations, and rules, including but not limited to anti-money laundering, anti-terrorist financing, and anti-corruption laws;

(d) they are not located in, under the control of, or a national or resident of any Restricted Location or any country to which the United States has embargoed goods or services;

(e) they will not use the Services for any illegal or unauthorized purpose, including but not limited to money laundering, terrorist financing, or fraud;

(f) they will not use the Services to engage in any Prohibited Business;

(g) they will provide accurate, current, and complete information about themselves as required by the registration process and will maintain and promptly update such information to keep it accurate, current, and complete;

(h) they will maintain the security and confidentiality of their Account credentials and will notify Arcex immediately of any unauthorized use of their Account or any other breach of security;

(i) they will not share their Account credentials with any third party or use another User's Account without permission.

8.2 Users are responsible for all activities that occur under their Account, whether or not authorized by them.

## **9. ACCOUNT TERMINATION**

9.1 Users may terminate their Account at any time by submitting a request to Arcex. Upon termination of an Account, any remaining balance in the Account will be transferred to the User's designated wallet address, subject to any applicable fees and charges.

9.2 Arcex reserves the right to terminate or suspend a User's access to the Services at any time, without prior notice or liability, for any reason, including but not limited to:

- (a) breach of these Terms;
- (b) violation of applicable laws, regulations, or rules;
- (c) engagement in any Prohibited Business;
- (d) engagement in any activity that Arcex deems harmful to the well-being of the Arcex Platform or other Users;
- (e) Arcex's reasonable suspicion of illegal or fraudulent activity;
- (f) compliance with a subpoena, court order, or other government request;
- (g) User's failure to pay any fees or charges owed to Arcex.

## **10. LIMITATION OF LIABILITY**

10.1 To the maximum extent permitted by applicable law, Arcex and its affiliates, officers, directors, employees, agents, and licensors shall not be liable for any direct, indirect, incidental, special, consequential, or punitive damages, including but not limited to loss of profits, loss of data, loss of use, or other intangible losses, arising out of or in connection with:

- (a) your access to or use of, or inability to access or use, the Services;
- (b) any conduct or content of any third party on the Services;

(c) any unauthorized access, use, or alteration of your Account or Digital Assets.

10.2 In no event shall Arcex's aggregate liability for all claims relating to the Services exceed the greater of \$100 USD or the amount you paid Arcex in fees for the Services in the twelve (12) months immediately preceding the date of the claim.

10.3 The limitations of liability set forth in this clause shall apply even if a party has been advised of the possibility of such damages or losses and notwithstanding the failure of essential purpose of any limited remedy.

## **11. INDEMNIFICATION**

11.1 You agree to indemnify, defend, and hold harmless Arcex and its affiliates, officers, directors, employees, agents, and licensors from and against any and all claims, liabilities, damages, losses, costs, expenses, fees (including reasonable attorneys' fees) arising out of or in connection with:

(a) your access to or use of the Services;

(b) your violation of these Terms;

(c) your violation of any applicable laws, regulations, or rules;

(d) your violation of any third-party rights, including but not limited to any intellectual property rights, privacy rights, or other proprietary rights.

## **12. GOVERNING LAW AND DISPUTE RESOLUTION**

12.1 These Terms and any dispute or claim arising out of or in connection with them shall be governed by and construed in accordance with the laws of the British Virgin Islands, without regard to its conflict of laws principles.

12.2 Any dispute, controversy, or claim arising out of or relating to these Terms, including the validity, invalidity, breach, or termination thereof, shall be settled by arbitration in accordance with the rules of the London Court of International Arbitration (LCIA). The seat of arbitration shall be London, United Kingdom. The language of the arbitration shall be English. The number of arbitrators shall be one.

12.3 Notwithstanding the foregoing, Arcex reserves the right to seek injunctive or other equitable relief in any court of competent jurisdiction to protect its intellectual property rights or confidential information.

### **13. MISCELLANEOUS**

13.1 These Terms constitute the entire agreement between you and Arcex with respect to the subject matter hereof and supersede all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

13.2 If any provision of these Terms is found to be invalid or unenforceable, the remaining provisions shall continue in full force and effect. The invalid or unenforceable provision shall be deemed modified so that it is valid and enforceable to the maximum extent permitted by law.

13.3 You may not assign or transfer any of your rights or obligations under these Terms without Arcex's prior written consent. Arcex may assign or transfer any or all of its rights and obligations under these Terms, in whole or in part, without your consent.

13.4 No waiver by Arcex of any breach or default hereunder shall be

deemed a waiver of any preceding or subsequent breach or default. Any waiver, amendment, or modification of these Terms will be effective only if in writing and signed by Arcex.

13.5 Arcex reserves the right to modify or update these Terms at any time, and will provide notice of any material changes by posting the revised Terms on the Arcex Platform or by other means. Your continued use of the Services after the effective date of the revised Terms constitutes your acceptance of the changes.

13.6 The headings in these Terms are for convenience only and do not affect the interpretation of any provision.

13.7 Nothing in these Terms shall create or be deemed to create any agency, partnership, joint venture, or other form of joint enterprise between you and Arcex.

13.8 Arcex's failure to enforce any right or provision of these Terms shall not constitute a waiver of such right or provision.

13.9 The provisions of Clauses 4, 5, 6, 7, 10, 11, 12, and this Clause 13 shall survive the termination or expiration of these Terms.

If you have any questions or concerns about these Terms or the Services, please contact Arcex customer support.

By using the Services, you acknowledge that you have read, understood, and agree to be bound by these Terms and all terms incorporated by reference.