

# TERMS OF SERVICE





**Last Updated:** October 2025

**Website:** <https://www.redmugsy.com>

**Effective Date:** 16/October/2025

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## 1. ACCEPTANCE OF TERMS

By accessing or using the Platform (as defined below), you agree to be bound by these Terms and our Privacy Policy. If you do not agree with these Terms, do not use the Platform.

**Changes to Terms:** We may update these Terms at any time. For material changes (including changes to fee structures, user rights, dispute resolution, or core functionality), we will provide at least **30 days' written notice** via:

- Prominent banner on the website
- Email notification to registered users
- Announcement on our social channels (Discord, Telegram, Twitter/X)

Continued use of the Platform after the effective date of material changes constitutes your acceptance of the updated Terms.

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## 2. DEFINITIONS

**"Platform"** means <https://www.redmugsy.com>, including the website, services, airdrop/whitelist tools, merchandise store, Discord bot, Telegram bot, and related community channels.

**"Services"** includes information provision, community access, wallet connection functionality, airdrop participation, merchandise sales, and educational content.

**"We," "Us," "Our"** refers to Red Mugsy



"You," "User" refers to any person or entity accessing the Platform.

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## 3. WHAT WE PROVIDE & DO NOT PROVIDE

### What We Provide

- Project information and community engagement channels
- Wallet connection tooling (read-only)
- Airdrop/whitelist eligibility verification and distribution
- Merchandise store
- Educational and informational content about cryptocurrency

### What We Do NOT Provide

- Investment, financial, legal, or tax advice
- Brokerage or custodial services
- Guaranteed returns or profits
- Personalized financial recommendations
- Securities trading or underwriting
- Staking or yield services
- Insurance or liability protection

**No Investment Solicitation:** Nothing on the Platform constitutes an offer to sell, solicitation of an offer to buy, or recommendation to purchase any security, token, or financial instrument in any jurisdiction.

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## 4. ELIGIBILITY & RESTRICTIONS

### Age & Jurisdiction Requirements

You must be:





- **At least 18 years old** (or the legal age of majority in your jurisdiction)
- Legally permitted to use cryptocurrency in your jurisdiction
- Not located in, organized in, or a resident/citizen of any **Sanctioned Jurisdiction** (including countries on OFAC, UN, EU, or UK sanctions lists)
- Not on any governmental or international sanctions list
- Not owned or controlled (50%+) by any sanctioned party

## Your Representations

By using the Platform, you represent and warrant that the above eligibility requirements are satisfied.

## Sanctions Compliance

If we discover you are in a sanctioned jurisdiction or on a sanctions list, we will immediately terminate your access, suspend any pending transactions, and may be required to report the activity to relevant authorities.

## Geo-Blocking & VPN Use

We may use geo-blocking technology to restrict access from prohibited jurisdictions. **You agree not to use VPNs, proxies, or other means to circumvent geo-blocking restrictions.** Circumvention may result in account termination, forfeiture of allocations, and legal action.

## KYC/AML Requirements

We may require identity verification (Know Your Customer / Anti-Money Laundering) for certain features, including airdrop participation. Failure to provide accurate information or refusal to comply disqualifies you from participation. We will handle all KYC/AML data in accordance with our Privacy Policy.

## Void Where Prohibited

These Terms are void where prohibited by law.



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## 5. SECURITIES LAW & TOKEN DISCLAIMER

The **\$MUGSY token is not a security** and is not offered or sold by this Platform.

Nothing on the Platform constitutes:

- An offer to sell or the solicitation of an offer to buy any security or financial instrument
- A recommendation to purchase, sell, or hold any token
- An investment contract or investment opportunity
- A guarantee of value, performance, or future utility

Any future distribution of tokens (including airdrops) are made at our sole discretion, subject to:

- Eligibility requirements
- Regulatory compliance checks
- Sanctions screening
- Anti-fraud measures
- Terms acceptance and agreement

We may modify, suspend, or cancel any distribution, airdrop, or feature **at any time and for any reason without notice or liability.**

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## 6. WALLET CONNECTIONS & BLOCKCHAIN TRANSACTIONS

### Third-Party Wallet Disclaimer



MetaMask, WalletConnect, Coinbase Wallet, and other wallet services are operated by third parties. We:

- Do NOT control these wallets or their security practices
- Disclaim all liability for wallet hacks, exploits, or failures
- Do NOT have access to your private keys or seed phrases
- Do NOT execute transactions on your behalf

## Your Responsibilities

You are solely responsible for:

- Protecting your private keys and seed phrases
- Managing wallet approvals and revocations
- Verifying contract addresses before interacting
- Reviewing and approving all transactions
- Securing your devices and browsers

## Blockchain Immutability

All blockchain transactions are:

- **PUBLIC** — visible to anyone on blockchain explorers
- **IMMUTABLE** — cannot be reversed, altered, or deleted
- **IRREVERSIBLE** — sending to the wrong address or malicious contract results in permanent loss

**Always verify official contract addresses and links on our /official-links page before interacting.**

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## 7. AIRDROPS, WHITELISTS & CLAIMS

### Eligibility



Eligibility for any airdrop is determined by:

- Snapshot block height (specified at launch)
- Completion of required tasks (if any)
- Residence in non-prohibited jurisdiction
- Passing KYC/AML screening (if required)
- Absence of Sybil or automated claim activity

We may modify or cancel eligibility requirements at any time.

## **Compliance & Verification**

- We may require identity verification for all airdrop participants
- We may screen against sanctions lists and AML databases
- Failure to provide accurate information or refusal to comply voids eligibility
- Suspected fraud or manipulation may trigger investigation and claim clawback

## **Claim Deadlines**

Claims must be submitted by the posted expiry date/time. Late claims are forfeited with no recourse. **We are not responsible for user delays, technical issues, or missed deadlines.**

## **Clawback Rights**

We reserve the right to claw back, freeze, or cancel allocations if:

- Eligibility was obtained via fraud, spoofing, or Sybil activity
- User accessed Platform from prohibited jurisdiction (circumvented geo-blocking)
- KYC/AML screening fails or reveals sanctioned party involvement
- User violated these Terms or other applicable laws
- Allocation was obtained in breach of community rules
- Regulatory or legal action requires it

## **Tax Responsibility**



**You are solely responsible for all taxes arising from airdrop allocations, claims, or disposal of tokens.** This includes:

- Income tax on the fair market value at receipt
- Capital gains/losses on subsequent sales
- Reporting obligations to tax authorities

We do NOT provide tax advice. Consult a tax professional regarding your obligations.

## **No Value Guarantee**

Allocations are provided "as-is" with no guarantee of:

- Liquidity (ability to sell)
- Exchange listing
- Price or value
- Token utility or development
- Continued project existence

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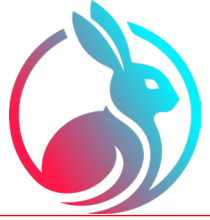
## **8. COMMUNITY & USER-GENERATED CONTENT**

### **Your Responsibilities**

You are solely responsible for all content you post in Discord, Telegram, Twitter/X, forums, and the Platform. Do NOT post:

- Spam, scams, or fraudulent offers
- Impersonation of Red Mugsy staff or other users
- Private keys, seed phrases, or sensitive credentials
- Personal information that could enable doxxing or harassment
- Copyright-infringing content
- Threats, harassment, or hateful content
- Unlawful content





## Content License

By posting or submitting content to the Platform, you grant us:

- Worldwide, non-exclusive, royalty-free license
- Transferable, sublicensable right to use, reproduce, adapt, publish, translate, and display your content
- Right to use content for operating, promoting, and marketing the Platform and community
- Right to preserve content for compliance, dispute resolution, or legal obligations

**You retain ownership of your content but grant us a perpetual, irrevocable license.**

## Moderation

We may:

- Remove, restrict, or flag content at our discretion
- Suspend or terminate user accounts for violations
- Provide content to law enforcement upon legal request

We are NOT liable for content moderation decisions, delays, or omissions.

## Copyright & IP Takedowns

If you believe your intellectual property rights have been infringed, contact:  
**[ip@redmugsy.com](mailto:ip@redmugsy.com)**

Include:

- Your contact information
- Description of the work (copyrighted, trademark, patent, etc.)
- URL or identification of the infringing content
- Statement of good faith belief that use is unauthorized
- Signature



We will investigate and respond within 10 business days. Repeat infringers may have accounts terminated.

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## 9. INTELLECTUAL PROPERTY RIGHTS

The Platform, including code, design, branding, artwork, text, and media, is owned by or licensed to Red Mugsy and protected by intellectual property laws.

### Your License

We grant you a **limited, revocable, non-transferable, non-sublicensable license** to access and use the Platform for personal, non-commercial purposes only.

### Restrictions

You may NOT:

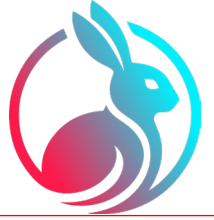
- Copy, reproduce, or distribute content without permission
- Modify, reverse engineer, or create derivative works
- Decompile or disassemble code
- Extract data without authorization
- Use content for commercial purposes
- Scrape, crawl, or automate access

### Feedback

Any feedback, suggestions, or ideas you provide to us may be used by us without restriction, acknowledgment, or compensation.

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## 10. MERCHANDISE STORE



## Products & Pricing

- We use reasonable efforts to ensure accurate product descriptions and pricing
- Pricing errors may be corrected before order confirmation
- Orders with manifestly incorrect pricing may be canceled and refunded
- We reserve the right to decline or cancel orders

## Payment Processing

- Handled securely by third-party processors (Stripe, PayPal)
- We do NOT store full credit card details
- Payment information is subject to processor privacy policies
- Chargebacks for disputed or false claims may result in account termination and legal action

## Shipping

- Estimated delivery times are NOT guaranteed
- Risk of loss transfers to you at carrier handoff
- We are NOT liable for carrier delays or damage
- You are responsible for customs, VAT, and import duties
- International orders may incur additional fees

## Returns & Refunds

- Returns must be requested within 30 days of delivery
- Original defect must be documented (photo/video)
- Digital products are NON-REFUNDABLE unless required by law
- Used/opened merchandise may have restocking fees
- Details at: <https://www.redmugsy.com/returns>

## Consumer Rights



Your statutory consumer rights under applicable law (if any) are NOT waived. If you are a consumer in the EU, UK, or other jurisdictions with mandatory consumer protection laws, those rights apply regardless of these Terms.

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## 11. PROHIBITED CONDUCT

You agree NOT to:

- Violate any applicable law or regulation
- Circumvent geo-blocking, VPNs, or access controls
- Attempt to exploit, hack, or test security vulnerabilities
- Engage in market manipulation (pump-and-dump schemes, wash trading)
- Create multiple accounts to abuse distributions or bypass restrictions
- Scrape data, run automated bots, or excessively load servers
- Use malware or viruses
- Impersonate Red Mugsy staff or other users
- Engage in fraud, scams, or deceptive practices
- Harass, threaten, or abuse other users
- Post illegal, hateful, or violent content

Violations may result in immediate account termination and forfeiture of allocations.

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## 12. THIRD-PARTY SERVICES & LINKS

The Platform may contain links to third-party websites, wallets, DEXs, bridges, oracles, analytics tools, and other services.

**We are NOT responsible for:**

- Third-party content, accuracy, or legality
- Third-party security or privacy practices





- Third-party outages, failures, or disruptions
- Any loss or damage from using third-party services

**Your use of third-party services is at your own risk and subject to their terms of service.**

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## **13. DISCLAIMERS & ASSUMPTION OF RISK**

### **"AS-IS" Disclaimer**

**THE PLATFORM IS PROVIDED "AS-IS" AND "AS-AVAILABLE."** To the maximum extent permitted by law, we disclaim all warranties (express, implied, statutory), including:

- Merchantability
- Fitness for a particular purpose
- Non-infringement
- Availability and uptime
- Accuracy or completeness
- Error-free operation
- Freedom from viruses or malware

### **Cryptocurrency Risks**

You acknowledge and accept that cryptocurrency and blockchain technology carry extreme risks, including but not limited to:

#### **Smart Contract Risk**

- Code may contain bugs or exploits
- Audits do NOT guarantee security
- Exploits may result in total loss of funds
- We disclaim liability for smart contract failures



## **Volatility Risk**

- Token price may fluctuate 50%+ daily
- Value may drop to zero
- You may lose 100% of your investment

## **Regulatory Risk**

- Government bans or restrictions could eliminate value
- Classification as securities could require delisting
- Regulatory changes could suspend operations
- We make no guarantee of continued legal status

## **Exchange Risk**

- Exchanges may be hacked, become insolvent, or cease operations
- Exchange delisting could make trading impossible
- We are NOT responsible for exchange failures

## **Liquidity Risk**

- Insufficient trading volume may prevent you from selling
- Slippage or MEV attacks may cause unfavorable prices
- You may be unable to exit at desired price

## **Rug Pull & Developer Risk**

- Core team may abandon the project
- Developers could drain liquidity pools or steal funds
- There is no guarantee the project will survive

## **DeFi Protocol Risk**

- Liquidity pools carry impermanent loss risk
- Yield farming may result in losses exceeding gains
- Governance attacks could harm token holders



- Third-party protocol failures affect your holdings

## Your Assumption of Risk

**By using the Platform and holding \$MUGSY, you assume ALL risks**, including risks not listed above. You have:

- Conducted thorough independent research
- Understood the technology and risks
- Made an informed decision to invest
- The financial capacity to absorb total loss

## No Liability for On-Chain Activities

We are NOT liable for:

- Losses from wallet compromise or hacks
- Losses from malicious smart contract interactions
- Losses from exchange failures or insolvency
- Losses from bridge exploits or cross-chain failures
- Price slippage or MEV attacks
- Regulatory action or government restrictions

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## 14. LIMITATION OF LIABILITY

### Liability Cap

To the maximum extent permitted by law:

**Our total aggregate liability for all claims, damages, and losses arising out of or relating to these Terms, the Platform, or \$MUGSY is limited to USD \$100** (or the minimum amount required by law if higher).

This cap applies to all theories of liability (contract, tort, negligence, strict liability, etc.).



## **Carve-Outs**

This liability cap does NOT apply to:

- Our fraud or willful misconduct
- Our gross negligence
- Damages that cannot be limited under mandatory applicable law
- Personal injury or death (where not limited by law)
- Violations of consumer protection laws
- Breaches of non-waivable statutory duties

## **No Liability for Indirect Damages**

We are NOT liable for:

- Indirect, incidental, or consequential damages
- Special or punitive damages
- Lost profits, revenue, or goodwill
- Loss of data or cryptocurrency
- Business interruption
- Reputational harm

## **Jurisdiction Carve-Outs**

Some jurisdictions (EU, UK, California, others) do NOT allow limitation of liability for certain damages or breaches. If you reside in such a jurisdiction:

- These limitations apply to the maximum extent permitted by law
- Your statutory rights are not waived
- We remain liable to the fullest extent required by law

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# **15. INDEMNIFICATION**





You agree to defend, indemnify, and hold harmless Red Mugsy Foundation, its officers, directors, employees, and agents from ANY claims, damages, liabilities, costs, and attorney's fees arising out of or relating to:

1. Your use of the Platform
2. Your violation of these Terms, Privacy Policy, or applicable law
3. Your breach of any third-party rights
4. Your user-generated content
5. Your on-chain transactions and wallet actions
6. Your investment decisions or losses

**LIMITATIONS:** This indemnification does NOT apply to claims arising solely from:

- Our breach of these Terms
- Our negligence or willful misconduct
- Our violation of applicable law

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## 16. PRIVACY & DATA PROCESSING

Your use of the Platform is subject to our **Privacy Policy** at <https://www.redmugsy.com/privacy>

The Privacy Policy explains:

- What data we collect
- How we use your data
- Your privacy rights (access, deletion, portability, opt-out under GDPR, CCPA/CPRA, etc.)
- Data retention and security measures
- How to submit privacy requests

### Cookies & Tracking



- Manage your cookie preferences: <https://www.redmugsy.com/cookie-preferences>
- Opt-out of data sharing (California): <https://www.redmugsy.com/privacy/do-not-sell-share>
- We honor Global Privacy Control (GPC) signals where required by law

## Electronic Communications Consent

You consent to receive communications from us electronically, including:

- Emails
- Website notices and banners
- Discord/Telegram announcements
- Text messages (if you opt-in)

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## 17. DISPUTE RESOLUTION

### Informal Negotiation

Before initiating formal proceedings, you agree to attempt informal resolution by emailing: **disputes@redmugsy.com**

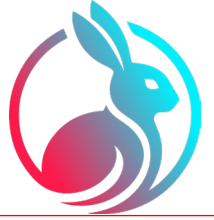
Include your Request ID (if applicable), description of the dispute, and desired resolution. We will respond within 10 business days.

### Governing Law

These Terms shall be governed by and construed in accordance with the laws of the **Kingdom of Bahrain**, without regard to conflict-of-laws principles.

### Arbitration

Any dispute arising out of or relating to these Terms, the Platform, or the \$MUGSY token shall be finally settled by **binding arbitration**:



- **Seat:** Manama, Bahrain
- **Rules:** BCDR-AAA Rules (or ICC Rules if BCDR-AAA unavailable)
- **Arbitrator:** One arbitrator
- **Language:** English
- **Confidentiality:** Proceedings and award are confidential

The arbitration award may be entered in any court of competent jurisdiction.

### Small Claims Carve-Out

Either party may bring an individual action in **small-claims court** in any jurisdiction where it is permitted. Small-claims actions are NOT subject to arbitration.

### Class Action Waiver

Disputes must be brought on an **individual basis only**. Class actions, class arbitrations, representative actions, and consolidated actions are **WAIVED**. You may NOT participate in class proceedings against us.

### 30-Day Opt-Out

You may opt out of arbitration and this entire Section 17 by emailing **legal@redmugsy.com** within **30 days of first agreeing to these Terms**. Your email must include:

- Your name
- Email address
- Statement: "I opt out of the arbitration agreement"

### Jurisdictional Limitations for Consumers

Notwithstanding the above:

- If you are a consumer resident in the **European Union, United Kingdom, or another jurisdiction with mandatory consumer protections**, you may bring proceedings in your local courts under your local consumer laws



- Mandatory consumer protections cannot be waived by arbitration agreements
- You retain all statutory consumer rights

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## 18. SUSPENSION; TERMINATION; SERVICE CHANGES

### Suspension & Termination

We may suspend or terminate your access to the Platform immediately, without notice, if we reasonably believe:

- You have violated these Terms
- You have engaged in fraud, manipulation, or abuse
- You pose a legal or compliance risk
- You are in a prohibited jurisdiction
- Your activity harms other users or the Platform
- You have engaged in illegal activity

### Service Changes

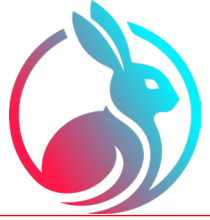
We may change, suspend, or discontinue ANY part of the Platform, including:

- Specific features or tools
- Airdrop programs
- Community channels
- Merchandise store

### We have **NO** obligation to:

- Continue any feature
- Complete any roadmap item
- Maintain any specific service level
- Provide advance notice (except for material changes to Terms)





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## 19. FORCE MAJEURE

We are NOT liable for delays or failures in performance due to events beyond our reasonable control, including but not limited to:

- Acts of God (earthquakes, floods, etc.)
- War, terrorism, or military action
- Government actions, sanctions, or regulations
- Labor disputes or strikes
- Pandemics or epidemics
- Power outages or infrastructure failures
- Cyberattacks, hacks, or cyber warfare
- Third-party service outages (hosting, DNS, blockchain networks)
- Any other event beyond our reasonable control

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## 20. MISCELLANEOUS

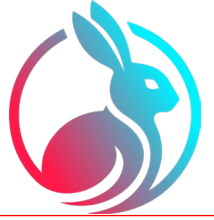
### Assignment

You may NOT assign these Terms without our prior written consent. Any attempted assignment is void.

We may assign these Terms to any affiliate, successor, or in connection with a merger, acquisition, or asset sale without your consent.

### Severability

If any provision is found to be unenforceable, it shall be severed and the remaining provisions enforced to the fullest extent possible. If a court can reform an unenforceable provision to make it enforceable, it may do so.



## **No Waiver**

Failure to enforce any provision is NOT a waiver of that provision or any other term. A single instance of non-enforcement does NOT waive the provision for other violations.

## **Entire Agreement**

These Terms of Service, together with our Privacy Policy and Risk Disclaimer, constitute the entire agreement between you and Red Mugsy regarding the Platform and \$MUGSY token. All prior agreements, understandings, and negotiations are superseded.

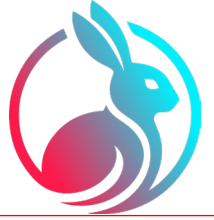
## **Survival**

The following provisions survive any termination or expiration of these Terms:

- Section 4 (Eligibility & Restrictions)
- Section 6 (Wallet Connections & Blockchain)
- Section 7 (Airdrops & Clawback)
- Section 8 (Content License)
- Section 9 (IP Rights)
- Section 11 (Prohibited Conduct)
- Section 13 (Disclaimers & Assumption of Risk)
- Section 14 (Limitation of Liability)
- Section 15 (Indemnification)
- Section 16 (Privacy & Data)
- Section 17 (Dispute Resolution)
- Section 18 (Service Changes)
- Section 19 (Force Majeure)
- Section 20 (Miscellaneous)

## **Language**

These Terms are written in English. Translations to other languages are provided for convenience only. In case of conflict, the English version controls.



## Third-Party Beneficiaries

These Terms are for your benefit and ours only. No third party (including community members, token holders, or any other person) has any rights under these Terms.

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## 21. CONTACT INFORMATION

### Legal Inquiries

**Email:** [legal@redmugsy.com](mailto:legal@redmugsy.com)

### Privacy & Data Requests

**Email:** [privacy@redmugsy.com](mailto:privacy@redmugsy.com)

**Request Form:** <https://www.redmugsy.com/privacy-request>

### Abuse & Security Incidents

**Email:** [security@redmugsy.com](mailto:security@redmugsy.com)

**Response SLA:** Best effort, 24 hours (not a legal guarantee)

### General Support

**Email:** [support@redmugsy.com](mailto:support@redmugsy.com)

### Mailing Address

Office 2153, Jazzi Business Center  
Road 218, Block 316  
Manama, Bahrain

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## ACKNOWLEDGMENT



**By using the Platform, you acknowledge that you have read, understood, and agree to be bound by these Terms of Service, our Privacy Policy, and our Risk Disclaimer.**

You further acknowledge that:

- You are at least 18 years old
- You are legally permitted to use cryptocurrency in your jurisdiction
- You are NOT in a prohibited jurisdiction or on any sanctions list
- You understand the extreme risks associated with cryptocurrency
- You have conducted your own research and made an informed decision
- You assume full responsibility for your actions on the Platform

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**Last Updated:** October 2025

**Version:** 2.0 (Final)

**Status:** Ready for Publication ✓

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**IMPORTANT:** This Terms of Service is a binding legal agreement. If you do not agree with any provision, do not use the Platform.