

B.PROTOCOL
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OF USE

THE TERMS OF USE CONTAINED HEREIN (THESE “**TERMS**”) GOVERN YOUR USE OF B.PROTOCOL, WHICH IS A DECENTRALIZED PROTOCOL ON THE ETHEREUM BLOCKCHAIN (the “**PROTOCOL**”)

THAT *enables a backstop liquidity mechanism* FOR DECENTRALIZED LENDING PLATFORMS (“**DLPs**”). THESE TERMS ARE A MULTI-PARTY CONTRACT AMONG YOU AND ALL OTHER CONTRIBUTORS, PARTICIPANTS AND USERS OF THE PROTOCOL, INCLUDING: (I) CONTRIBUTORS TO THE PROTOCOL’S CODE; (II) USERS (DEPOSITORS OF CRYPTOCURRENCIES); AND (III) LIQUIDITY PROVIDERS.

PLEASE READ THESE TERMS CAREFULLY, INCLUDING ALL DISCLAIMERS AND RISK FACTORS, BEFORE USING THE PROTOCOL. BY USING THE PROTOCOL, YOU ARE IRREVOCABLY CONSENTING TO BE BOUND BY THESE TERMS.

IF YOU DO NOT AGREE TO ALL OF THESE TERMS, DO NOT USE THE PROTOCOL. YOUR RIGHT TO USE THE PROTOCOL IS SUBJECT AND DEPENDENT BY YOUR AGREEMENT TO ALL TERMS AND CONDITIONS SET FORTH HEREIN, WHICH AGREEMENT SHALL BE EVIDENCED BY YOUR USE OF THE PROTOCOL.

Minors Prohibited: The Protocol is not directed to individuals under the age of eighteen (18) or the age of majority in your jurisdiction if the age of majority is greater. If you are under the age of eighteen or the age of majority (if greater), you are not authorized to access or use the Protocol. By using the Protocol, you represent and warrant that you are above such age.

Please be advised that these Terms contain provisions, including an Agreement to Arbitrate, that govern how claims that you may have or assert relating to the Protocol or the use thereof or these Terms are resolved, which will require the parties to submit claims they may have against one another to binding and final arbitration. Under the Agreement to Arbitrate, the parties will (1) only be permitted to pursue claims against each other on an individual basis, not as a plaintiff or class member in any class or representative action or proceeding and (2) only be permitted to seek relief (including monetary, injunctive, and declaratory relief) on an individual basis.

1. The Protocol

(a) The Protocol is a suite of smart contracts running on the Ethereum blockchain, that enables a backstop liquidity mechanism for decentralized lending platforms. Given the nature of a decentralized blockchain protocol, the Protocol operates in a decentralized, automatic manner, and it is not controlled by any person or entity. The source code underlying the Protocol has been released in open source form, and is available at <https://github.com/backstop-protocol>.

(b) **Therefore, although the original code for the Protocol was written by Smart Future Labs Ltd. (“SFL”), since the protocol was released and launched on the Ethereum**

blockchain, SFL has no control over it or its operation, and the Protocol's code at any given time may have been changed or modified by other parties and may not reflect the original code released by SFL. AS AN OPEN SOURCE, DECENTRALIZED PROTOCOL, THAT CAN BE MODIFIED BY OTHER PARTIES AT ANY TIME, SFL

DISCLAIMS ANY RESPONSIBILITY OR LIABILITY OF ANY TYPE OR NATURE OR UNDER ANY LEGAL THEORY FOR YOUR USE OF THE PROTOCOL, WHICH WILL BE MADE AT YOUR SOLE AND EXCLUSIVE RISK. YOU ARE RESPONSIBLE FOR VERIFYING THE PROPER OPERATION, PERFORMANCE, FUNCTIONALITY AND SECURITY OF THE PROTOCOL BEFORE USING IT, AND ASSUME FULL RISK AND RESPONSIBILITY FOR YOUR USE OF THE PROTOCOL AND/OR ANY DLP.

(c) The DLP's are third party protocols and/or services, unaffiliated with SFL. Your use of the Protocol to access or interact with a DLP is at your sole risk and responsibility. We urge you to carefully review the terms and conditions, operation, functionality, performance and security of each DLP prior to using the Protocol to interact with it.

2. License; No Warranties; Limitation of Liability

- (a) The software underlying the Protocol is licensed for use in accordance with the 3-clause BSD License, which can be accessed here: <https://opensource.org/licenses/BSD-3-Clause>.
- (b) THE PROTOCOL IS PROVIDED BY THE COPYRIGHT HOLDERS AND CONTRIBUTORS "AS IS", "WITH ALL FAULTS" and "AS AVAILABLE" AND ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE DISCLAIMED.
- (c) IN NO EVENT SHALL THE COPYRIGHT HOLDER OR CONTRIBUTORS BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES; LOSS OF USE, DATA, OR PROFITS; OR BUSINESS INTERRUPTION) HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, WHETHER IN CONTRACT, STRICT LIABILITY, OR TORT (INCLUDING NEGLIGENCE OR OTHERWISE) ARISING IN ANY WAY OUT OF THE USE OF THIS SOFTWARE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

3. Transactions; Risk Disclaimers

- (a) The Protocol enables you to deposit certain blockchain-based cryptocurrencies, to interact with certain DLPs and provides a smart contract that provides additional rules regarding the liquidation process (each such event a "**Transaction**"). The choice to enter into Transactions is solely your own. You acknowledge that SFL does not offer or undertake to verify the identity of any counterparty with which you may interact or otherwise using the Protocol and does not assume any responsibility or liability for any actions or omissions of any other party using the Protocol.
- (b) It is not possible to 'cancel' or 'undo' Transactions that you perform using the Protocol and SFL shall have no liability for any Transactions which you enter into mistakenly.
- (c) Carefully review the risk factors for using the Protocol located at: <https://bprotocol.org/app>. These risk factors may be updated from time to time, so we urge you to check them periodically. By utilizing the Protocol, you represent that you understand the inherent risks associated with cryptographic systems; and warrant that you have an understanding of the usage and intricacies of cryptographic tokens, digital assets, blockchains and other distributed and decentralized systems, and smart contracts.

(d) By using the Protocol, you acknowledge and recognize that use of the Protocol and/or the DLP and deposit of cryptocurrencies or other digital assets in the Protocol or DLP is at your own risk and will be subject to the rules encoded within the Protocol and the

DLP, including as to when any deposited cryptocurrencies or other digital assets may be liquidated, neither of which SFL can influence or has any control over.

- (e) The Protocol, DLP and blockchain networks are decentralized, open source systems and may still be under active development (a) may contain bugs, errors and defects, (b) may function improperly or be subject to periods of downtime and unavailability, (c) may result in total or partial loss or corruption of cryptocurrencies deposited within them and/or data and (d) may be modified at any time, including through the release of subsequent versions, all with or without notice to you. SFL will not be liable or responsible for any losses or damages to you as a result of any of the foregoing.
- (f) Where you attempt to enter into a transaction, there may be a delay between your initiation of that transaction and its eventual execution, or may other malfunction. Such delays and malfunctions may be caused by delays inherent in the functioning of the underlying blockchain.

4. Use Restrictions; Compliance

There are certain conducts which are strictly prohibited when using the Protocol. By using the Protocol, you represent and warrant that you will not: (a) use the Protocol for any illegal, immoral, unlawful and/or unauthorized purposes; (b) interfere with or violate Users' rights to privacy and other rights, or harvest or collect personally identifiable information about Users without their express consent, whether manually or with the use of any robot, spider, crawler, any search or retrieval application, or use other manual or automatic device, process or method to access the Protocol and retrieve, index and/or data-mine information; (c) interfere with or disrupt the operation of the Protocol or the servers or networks that host the Site, or disobey any laws, regulations, requirements, procedures, or policies of such servers or networks; (d) bypass any measures we may use to prevent or restrict access to the Site and/or the Interface; (e) sell, license, or exploit for any commercial purposes any use of or access to the Site and/or the Interface; (f) frame or mirror any part of the Protocol other than as permitted by the BSD License; or (g) permit others to access the Protocol using your digital asset wallets or otherwise engage in transactions using the Protocol for any person other than yourself.

The Protocol may not be appropriate for use in certain jurisdictions. By accessing or using the Protocol, you agree that you are solely and entirely responsible for compliance with all laws and regulations that may apply to you. By using the Protocol, you represent and warrant that you are not a citizen, resident, or member of any jurisdiction or group that are designated as high risk by the Financial Action Task Force, that are subject to embargos or sanctions implemented by the United Nations, Israel, the European Union, or the Office of Foreign Asset Control of the United States Treasury Department (each, a "Prohibited Jurisdiction"), and that you will not use the Protocol in connection with or which would involve proceeds of any unlawful activity.

5. Governing Law; Jurisdiction; Agreement to Arbitrate; No Class Action; Waiver of Right to Jury Trial

Any claim or dispute relating to the Protocol or the use thereof or these Terms will be governed by and interpreted in accordance with the laws of England and Wales, without reference to its conflict-of-laws principles and the United Nations Convention Relating to a Uniform Law on the International Sale of Goods may not be applied.

All claims and disputes arising out of or in connection with these terms, the Protocol and/or the use thereof shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The arbitration will be conducted in the English language and held by teleconference or, if teleconference is not possible, in London, England (the “**Agreement to Arbitrate**”).

You must bring any and all such claims or disputes in your individual capacity and not as a plaintiff in or member of any purported class action, collective action, private attorney general action, or other representative proceeding. This provision applies to class arbitration.

By using the Site and/or the Interface, you agree not to initiate or participate, and waive the right to participate in, any class action lawsuit or a class wide arbitration against SFL and/or its Affiliates.

You waive the right to demand a trial by jury.

6. Severability

If any provision hereof is adjudged by any court of competent jurisdiction to be unenforceable, that provision shall be limited or eliminated to the minimum extent necessary so that these Terms shall otherwise remain in full force and effect while most nearly adhering to the intent expressed herein.