

## **TERMS OF USE**

Please read through these Terms of Use (the “Agreement” or “Terms”) carefully before you (“You”) start using the services.

### **1. ACCEPTANCE OF THE TERMS**

You agree and understand that by signing up or registering an account on Nakhlex or through any of our APIs or mobile application (collectively the “Application”), you are agreeing to enter into the Agreement. The Agreement is between you and Nakhlex (also referred to as “us” or “we”), a company registered in the United Arab Emirates.

By clicking “I Agree”, and signing up, or otherwise using the Application in any way, you acknowledge that you have read, understood, and agree to be bound by the Agreement, including the risks and disclosures and other sections. If you do not agree with any part of the Agreement, your sole recourse is not to use or stop using the Application or the Services.

You affirm that you have the right, power, capacity and authority to lawfully enter into this Agreement.

We reserve the right to change or modify the terms and conditions contained in the Agreement, including but not limited to any policy or guideline of the platform, at any time and at our sole discretion. We will provide notice of these changes by posting the revised provisions and changing the “Last updated” date at the top of the Terms, or by emailing users at their provided email addresses, or by any other means as determined by us at our sole discretion. Any changes or modifications will be effective immediately upon posting the revisions to the Application or at the instant that we transmit the information. These changes will apply at that instant to all then current and subsequent users.

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.

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, unless required otherwise by us in certain cases as we see fit. You will also be able to contact us telephonically.

Any formal communication with You will, unless otherwise agreed, be made in the English or Arabic language, to be chosen in our discretion. In the event of any discrepancy between the English and Arabic language versions 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**

To be eligible to create an account with Nakhlex and use any of the Services, you must meet and continue to meet the following criteria:

- The Services are intended solely for users who are 18 years old or older. By accessing or using our Services, you represent and warrant that You are at least 18 years old and have not previously been suspended or removed from the Application or Services;
- You also represent and warrant that You are not on any trade or economic sanctions lists, such as SDN, as well as other administrative law enforcement agencies;
- If you are using the Services on behalf of a legal entity, you must be duly authorized to act on behalf of the legal entity, and the legal entity must be correctly registered and incorporated;
- You reside in a country where the Services are available;
- You have the legal power to consent to these Terms and use the Services;
- You will not use any of the Services if the laws of your country (citizenship or residency) prohibit you from doing so;
- You will provide all information (including identity, and wallet information) required by us to open your account or at any time afterward that we need to meet our obligations under applicable laws;

If at any time you do not meet any of these criteria, you must stop using the Application and the Services. We can close or suspend your account at any time when you do not meet these criteria.

### **3. DESCRIPTION OF OUR SERVICES**

We provide an online trading platform to trade cryptocurrencies as set forth in more detail below. Buyers and sellers conduct trading on our platform with each other; Nakhlex as the platform provider is NOT a buyer or seller in these transactions. Users will be able to access their cryptocurrencies in their wallets.

Nakhlex provides its users with trading services as follows:

1. Express buying/selling: these trades are made between Tether (USDT) and another type of cryptocurrency as available in the Application, allowing users to buy/sell their cryptocurrency directly from/to Nakhlex at a given price.
2. P2P- a Peer to Peer matching service, allowing users to exchange their fiat and cryptocurrencies. Users are able to buy/sell cryptocurrencies from/to each other.
3. Digital wallet – Nakhlex also offers its users a digital wallet enabling each user to see cryptocurrencies and holdings belonging to them. Nakhlex offers this service in order to expedite and facilitate acquisitions and/or disposal of cryptocurrencies. You are and will be the beneficial owner of any cryptocurrencies held in your digital wallet.

### **4. FURTHER DETAILS IN RELATION TO THE P2P MECHANISM**

To better regulate the trading of our P2P market and create a safer and more regulated trading environment, the trading rules of on Nakhlex are as follows.

Note: the following rules might be amended from time to time. The amended rules, as the case may be, will take effect upon such updates.

All users shall be subject to the principle of anti-money laundering and related rules and provisions (hereinafter referred to as “AML”):

1. Users should strictly comply with our platform's rules concerning user identity and account verification to guarantee that the corresponding accounts used on the platform are legally registered and used by users themselves in a proper and transparent manner;
2. When our platform's AML risk control is triggered, users shall fully and actively collaborate with our AML procedures, and fully and actively assist in providing relevant risk control evidence and documents as required by us given the circumstances.

## **5. REGISTRATION:**

To use our Services, you must first register with us by creating a user account. An account will only be issued once you have provided all necessary information required by us for registration and the information has been examined according to the applicable legal requirements placed upon us by the authorities. This examination and requirements include, but are not limited to, anti-money laundering and counter-terrorism regulations as well as, in the case of company accounts, the examination of the details of your business, including the beneficial owners. All the information that we request you to provide in connection with the registration must be true, accurate and complete. If we believe or suspect that the information is not true, accurate or complete, we have the right to refuse your access to the **Application**, or any of its sections, and to deny, terminate or suspend your account.

A person may only have one account at a time (except in the case of legal entities). You may not use the Services or create an account on behalf of someone other than yourself. You are not allowed to sell, borrow, share or otherwise make available your account or any detail necessary to access your account to ANYONE other than yourself.

You are responsible for maintaining adequate security and control of your username, password, authentication code or any other code or credential that you use to access the Services.

You must not provide any misleading or fraudulent information, including, but not limited to having a non-personal phone number. Providing fake information for your account, faking your country of origin or providing fraudulent identification documents is prohibited and will lead to termination or suspension of your account and we reserve the right to take any legal action if we deem it fit and necessary.

By registering and using the Services, you represent and warrant that you are in compliance with all applicable federal and state laws and regulations governing financial and cryptocurrencies sector or similar applicable regulation of the jurisdiction you are located in.

## **Company accounts**

If you wish to use our Services as a legal entity, you are required to register an account in the name of that entity as the main account for that entity. When creating a company account, you confirm that you are duly authorized and have the legal capacity to execute this Agreement and that this Agreement is legally binding on such entity.

After registration of the main company account, one or more other company sub-accounts may be registered for the same legal entity so that the company account and each sub-account is registered in the name of and operated by separate natural persons on behalf of the entity.

The same legal entity may place several advertisements on our platform, created by different company account holders, but such advertisements may not be fully overlapping (e.g., using the same trade limits with the same price in the same payment method category in the same country).

## **Identity Verification**

In order to ensure Nakhlex remains a safe platform for all of our users, and for us to comply with mandatory legal obligations which we are subjected to, we may require you to verify your identity to access the Services we offer. Identity verification may be required when you create advertisements, pass certain trade volume limits, during trade disputes, fraud investigations, and to ensure account ownership. As part of our ID verification process, we require you to provide us with your full name as well as documents and photographs that verify your identity and other details (e.g. valid passport).

In certain situations (due to the regulatory or legal requirements) we may require enhanced identity verification. This may include requirements to verify details or sources of funds regarding payments you have made or received during trades on Nakhlex as well as transactions that you have sent or received from your account.

## **6. TRADING**

You can place one or more advertisements on our platform when you wish to offer to buy or sell Tether. We have the right to restrict the number of your advertisements for security reasons and reasons of suspected misconduct or fraudulent activity.

Tether trades to either buy or sell Tethers are initiated by responding with a trade request to advertisements created by other users. With the trade request you are making a legally binding offer and agree to be bound by the terms and conditions of the trade (such as exchange rate, Tether amount and terms of payment) as determined by the advertiser to whom you are sending the trade request. When sending the trade request, you may need to select from

options made available in the advertisements or accept any freeform terms and conditions set out by the advertiser in the terms of trade field and displayed on the advertisement page. The terms and conditions of the trade must be in accordance with the terms of this Agreement. In case of discrepancy, the terms of this Agreement shall prevail.

When you are selling Tether, it is your responsibility to check that you have received payment for the full amount, that the payment is not made by a third party to the trade without that party's authorization, and that it was made according to your instructions given to the buyer. After you have released a trade to the buyer it is not possible to cancel, reverse, dispute or otherwise recover or return the Tethers to you.

Payments made by buyers must be sent by the same person or entity who is the holder of the account or the company account unless authorized in writing by the payer. Receiving, making, providing, or attempting to receive, make or provide payments to or from third parties is forbidden and considered a violation of this Agreement unless authorized by the third party.

All communication relevant to the trade must happen in the trade chat on our platform in such a way that it is readily available for Nakhlex support staff to review. Consequently, communications on our platform are not considered private communications between you and other users, but Nakhlex is also a party to such communications, and may access and otherwise process such communications in accordance with the Privacy Policy.

Communication that has not occurred on our platform or that has been hidden, encrypted or otherwise obstructed from view is not taken into consideration during dispute review and dispute resolution.

## **7. P2P DISPUTE SETTLEMENT**

When a buyer and a seller are in disagreement over a trade, either party or Nakhlex can start a dispute to initiate a mediation process on the Tether held in escrow. Disputed trades are reviewed and resolved by Nakhlex.

Disputes can only be started on trades that are open and marked as paid by the buyer but not yet released by the seller. Trades that are not marked as paid by the buyer, have been released by the seller, or already disputed and resolved are considered completed and cannot be disputed, reversed, or altered. Nakhlex support has the right to re-open trades when the payment has been made but the trade has been cancelled.

Nakhlex does not become a guarantor of any party's performance of a trade. Therefore, although Nakhlex helps in resolving disputes, you assume the risk that any party with whom you trade (counterparty) may fail to perform in accordance with your agreement with the counterparty. By using Nakhlex' Services, you release Nakhlex, indemnify and hold it harmless from any liability arising out of or related to a counterparty's failure to perform as agreed.

## **8. ADVERTISEMENTS**

You can create a trade advertisement to advertise that you want to buy or sell Tether. Other users can send trade requests to you from the advertisements that you've created. When a trade request is sent to you a Tether trade is automatically started.

When you have advertisements enabled you are required to be active and available to reply to trades started from these advertisements. If a dispute is initiated in a trade against an advertiser who is not active and available, the advertiser may be deemed unresponsive within the meaning of this Agreement and the dispute may be resolved against them.

Information and payment details you provide in advertisements and trades must at all times be correct and up to date. Disputes may be resolved against you if you include out-of-date payment details and a buyer completes payment accordingly. Refusal to complete trades or to provide payment details for trades opened from your advertisements is considered a violation of this Agreement.

The price or price equation that is defined in the advertisement details must contain any and all fees that the advertiser requires the buyer to pay. After initiation of a trade the price is locked and cannot be changed.

Multiple advertisements which are fully overlapping (e.g. using the same trade limits with the same price in the same payment method category in the same country) are not allowed.

## **9. LIMITATION, SUSPENSION, AND TERMINATION OF YOUR USER ACCOUNT**

Occasionally situations arise where we may need to limit, suspend, or terminate your account. Account limitation results in a temporary or permanent loss of access to a certain specific part or parts of our Services. Account suspension results in a temporary loss of access to most or all parts of our Services. Account termination results in permanent loss of access to all Services.

As a result of limitation, suspension or termination your access to and the withdrawal of cryptocurrencies that you have in your Nakhlex wallet may be delayed or denied. If there are Tether transactions made to the wallet addresses associated with your terminated or deleted account after the termination or the deletion, Nakhlex has no obligation to return the Tether and you agree that the Tether become the property of Nakhlex.

We have the right to limit, suspend, or terminate your account or access to our Services in any of the following scenarios:

1. we have a reason to believe that You have acted in violation of these Terms or applicable laws or regulations or if we have a reason to believe that any content or material submitted or shared by You in or through the Services violates these Terms or applicable laws or regulations or third-party rights;
2. we suspect that You use the Services to engage in, attempt to engage in, or in connection with fraudulent activity, money laundering, terrorist financing or other financial crime;

3. we have not been able to verify your identity or we have reason to believe that you have supplied false, misleading or deceptive information in connection with your registration, identity verification, trades or any other use of our Services, either to us or to another user;
4. we are required to do so under any applicable law, regulation or an order issued by an authority or court;
5. You make available content or behave in a way that libels, defames, invades privacy, stalks, pornographic, racist, abusive, harassing, threatening or is offensive;
6. if You use the Services in a manner which may cause the Services to be interrupted or damaged or such a way that the functionality of the Services is in any way impaired or attempt to bypass or break any security mechanism of the Services or if Nakhlex believes in good faith that such action is reasonably necessary to protect the security of its Services or its property or brand or the security, property and rights of its users or those of third parties;
7. You attempt any unauthorized access to user accounts or any part or component of the Services.

We will give You a notice of any limitation, suspension, or termination of your account but we may, if it is reasonable to do so (for example we consider it advisable for security reasons), limit, suspend or terminate your account without prior notice to you.

You acknowledge that our decision to limit, suspend, or terminate your account, may be based on confidential criteria that are essential to our risk management and security protocols and that we are under no obligation to disclose the details of our risk management and security procedures to You unless otherwise provided.

In the event that we limit or suspend your account we will lift the limitation or suspension as soon as possible once the reasons for such limitation or suspension no longer exist.

## **10. FEES AND PRICING**

You agree to pay the fees and charges for the use of the Services according to the price list which is available on our **Application**. Such fees may include fees for incoming and outgoing transactions and percentage-based fees for trades completed.

Unless otherwise specified, you accept that fees are automatically deducted from your Nakhlex wallet balance or deposit at the time when the service is rendered or completed.

We reserve the right to change the fees or the principles of pricing from time to time in accordance with the terms of this Agreement.

If we decide to support a new cryptocurrency, unless otherwise communicated by us, this Agreement, including any reference to current ones, shall be equally applied to the new cryptocurrency.

## **11. TERMINATION OF BUSINESS**

Although we are not contemplating doing it, we have the right to cease the Services altogether and unilaterally terminate this Agreement in case our business is terminated for whatever reason or if the business is transferred, sold to or merged with a third party, or for any other cause or reason deemed fit in our discretion. Before the cessation of Services, we will give a notice to our users and inform them of the procedure to complete outstanding trades and unresolved disputes as well as to withdraw any holdings users may have in their Nakhlex wallet. The users are guaranteed at least one (1) year time to withdraw their holdings, after which additional steps are taken to ensure lawful closure of the business, as agreed from time to time with the supervising authority, as the case may be.

## **12. INTELLECTUAL PROPERTY RIGHTS**

You acknowledge and agree that all copyrights, trademarks and all other intellectual property rights in and related to the **Application** and our Services are exclusively the property of Nakhlex and/or our licensors. We grant you a revocable, non-exclusive, non-sublicensable, non-transferable and limited license, subject to the terms of this Agreement, to access and use our Services, as well as related content, materials and information (collectively as "Content") solely for approved purposes as permitted by us from time to time. Any other use of the Content is expressly prohibited and you agree not to copy, transmit, distribute, sell, license, reverse engineer, modify, publish, or participate in the transfer or sale of, create derivative works from, or in any other way exploit any of the Content, in whole or in part.

## **13. DISCLAIMER OF WARRANTIES AND LIMITATION OF LIABILITY**

The **Application** and the Services are provided on an "as-is" and "as-available" basis without any representation or endorsement. To the maximum extent permitted by applicable law, we make no warranties of any kind, whether express or implied, in relation to the **Application** or the Services, including but not limited to, implied warranties of fitness for a particular purpose or non-infringement, or any implied warranty arising from course of dealing or usage.

Nakhlex is not associated with or does not itself support or claim to be in partnership with any of the payment methods, services or companies which may appear visible in the payment method lists or advertisement details. Also, the Services provided by Nakhlex are not authorized, approved, endorsed or sponsored by any of the payment methods listed on the **Application** or their respective trademark owners.

Nakhlex is not responsible for any user-generated content in its **Application** including but not limited to messages, feedbacks or advertisements and may remove said content without notice (unless such notice is required by applicable law) or liability at any time in its sole discretion.



Nakhlex reserves the right to modify or discontinue, temporarily or permanently, all or any part of the **Application** and/or any services in the **Application**, with or without notice, and/or to establish general guidelines and limitations on their use.

Our liability, and the liability of our affiliates, directors and employees, is limited to the maximum extent permitted by applicable law or the fee paid to us as commission, whichever is lower. In particular, we will not be liable for indirect or consequential damages.

#### **14. GENERAL**

We may transfer or assign any of our rights and obligations arising under this Agreement to any party at any time, but this will not affect your rights or our obligations under this Agreement. You may not, however, transfer or assign any of your rights or obligations under this Agreement to any other party.

This Agreement (as amended from time to time) and any document expressly referred to in them contains the entire agreement and understanding between You and us in respect of all matters which are referred to herein and supersedes any prior written or oral agreement relating to such matters. No oral explanation or oral information given by either of us shall alter the interpretation of this Agreement. You confirm that, in agreeing to accept this Agreement, You have not relied on any representation that is not expressly included herein. However, nothing in this Agreement purports to exclude liability for any fraudulent statement or act.

These Terms are written in English. If the Terms are translated into another language, the English version shall prevail.

If any part of provision in this Agreement is deemed unlawful, void or for any reason unenforceable, then that provision shall be deemed to be severable from this Agreement and shall not affect the validity and enforceability of any of the remaining provisions of the Agreement.

Our failure to enforce any right or provision in this Agreement will not constitute a waiver of such right or provision unless acknowledged and agreed to by us in writing. Except as expressly set forth in this Agreement, the exercise by either party of any of its remedies under this Agreement will be without prejudice to its other remedies under this Agreement or otherwise permitted under law.