

Terms of Use

Last Updated 20 March 2023

1. YOUR RELATIONSHIP WITH US

- 1.1 Welcome to <https://kintsugi.interlay.io/> (the “Website”), provided by Kintsugi Labs (“Company”, “we” or “us”). We are registered in the Cayman Islands and our registered office is at Silverside Management Ltd., Whitehall Chambers, 2nd Floor Whitehall House, 238 North Church Street, George Town, Cayman Islands.
- 1.2 This document (the “Terms”) forms an agreement between you and us and sets forth the terms and conditions by which you may access and use our applications and content (including but not limited to the Website) (collectively, the “Interface”). For purposes of these Terms, “you” and “your” means you as the user of the Interface.
- 1.3 The Terms form a legally binding agreement between you and us. Please read them carefully and we recommend that you seek legal advice on these Terms to understand your use of the Interface. If you do not agree to these Terms, you must not access or use the Interface.

2. INTERFACE

- 2.1 The Interface provides functionality for you to interact with the Kintsugi decentralized network, i.e., any functions that are exhibited by the code executed by the participants of the decentralized network. This includes but is not limited to:
 - (a) minting and redeeming the Bitcoin-backed asset kBTC or interBTC (iBTC), and exchanging and swapping it for other crypto assets;
 - (b) transferring crypto assets which exist on the Kintsugi decentralized network between user accounts;
 - (c) checking the balances of accounts which exist on the Kintsugi decentralized network,
 - (d) staking a KINT utility token;
 - (e) claiming a KINT utility token as part of gratuitous airdrops (subject to terms and conditions);
 - (f) earning interest on whitelisted crypto assets that are supplied to a lending pool, which are subsequently borrowed by other users;
 - (g) borrowing crypto assets against whitelisted crypto assets that are supplied to a lending pool; and
 - (h) pooling crypto assets to provide asset liquidity for traders to swap between assets, and earning rewards on the pooled liquidity.
- 2.2 For the avoidance of doubt, the Company does not own, control or operate the Kintsugi decentralized network and that network is managed, controlled and operated by the holders of the KINT utility tokens. Although we may participate in the governance arrangements via which holders of the KINT utility tokens control the Kintsugi decentralized network from time to time (the “Governance Arrangements”) if we hold KINT utility tokens, we are under no obligation to do so. If we choose to participate in the Governance Arrangements, we may do so only to the same extent as any other holders of KINT utility tokens. In particular, we do not have special rights or powers over the software that comprises the Kintsugi decentralized

network or special rights to propose or implement changes to the software. Furthermore, if we choose to participate in the Governance Arrangements we will do so acting exclusively in our own commercial interests and for our own corporate benefit.

2.3 For further information on the Kintsugi decentralized network, please visit: <https://docs.interlay.io/> and <https://spec.interlay.io/>. Such information is provided for information-purposes only and we do not make any representation or warranty in any form whatsoever in relation to such information.

2.4 The KINT utility token is the native token of the Kintsugi decentralized network. It may be used for:

- (a) participating in network governance;
- (b) staking, as part of the network governance noting that KINT utility tokens must be locked to be eligible for voting on proposals; and/or
- (c) paying for transaction fees.

3. FEES

3.1 Neither the Company, nor any of its parents, subsidiaries, and affiliates, and each of their respective officers, directors, employees, agents and advisors, charges or receives any form of fee from any user of the Kintsugi decentralized network for operating, maintaining or developing the Interface.

4. ACCEPTING THE TERMS

4.1 By accessing or using the Interface, and/or cryptographically signing an on-chain message, you confirm that you can form a binding contract with us, that you accept these Terms and that you agree to comply with them. Your access to and use of the Interface is also subject to our Privacy Policy, the terms of which can be found directly on the Website, and is incorporated herein by reference.

4.2 If you are accessing or using the Interface on behalf of a business or entity, then (a) “you” and “your” includes you and that business or entity, (b) you represent and warrant that you are an authorized representative of the business or entity with the authority to bind the entity to these Terms, and that you agree to these Terms on the entity’s behalf, and (c) your business or entity is legally and financially responsible for your access or use of the Interface.

4.3 You can accept the Terms by accessing or using the Interface. You understand and agree that we will treat your access or use of the Interface as acceptance of the Terms from that point onwards.

4.4 You should print off or save a local copy of the Terms for your records.

5. CHANGES TO THESE TERMS AND TO THE INTERFACE

5.1 We may amend these Terms from time to time, for instance when we update the functionality of the Interface or when there are regulatory changes. We may use commercially reasonable efforts to generally notify all users of any material changes to these Terms, such as through a notice on the Interface, however, you should look at the Terms regularly to review the most up-to-date version and to check for such changes. We will also update the “Last Updated” date at the top of these Terms, which reflect the effective date of such Terms. Your continued access or use of the Interface after the date of the new Terms constitutes your acceptance of the new Terms. If you do not agree to the new Terms, you must stop accessing or using the Interface.

6. ACCESSING THE INTERFACE AND PROHIBITED ACTIVITIES

6.1 Your access to and use of the Interface is subject to these Terms and all applicable laws and regulations. You may not, either directly or through a third party:

- (a) access or use the Interface if you are not fully able and legally competent to agree to these Terms;
- (b) modify, adapt, translate, reverse engineer, disassemble, decompile or create any derivative works based on the Interface, including any files, tables or documentation (or any portion thereof);
- (c) distribute, license, transfer, reproduce, duplicate, copy, sell or resell, in whole or in part, any of the Interface or any derivative works thereof except as authorized by these Terms;
- (d) market, rent or lease the Interface for a fee or charge, or use the Interface to advertise or perform any commercial solicitation;
- (e) interfere with or attempt to interfere with the proper working of the Interface, disrupt the Interface or any networks connected to the Interface, or bypass any measures we may use to prevent or restrict access to the Interface;
- (f) incorporate the Interface or any portion thereof into any other program or product. In such case, we reserve the right to refuse service, terminate accounts or limit access to the Interface in our sole discretion;
- (g) use automated scripts to collect information from or otherwise interact with the Interface; or
- (h) impersonate any person or entity, or falsely state or otherwise misrepresent you or your affiliation with any person or entity.

6.2 We reserve the right, at any time and without prior notice, to remove or disable access to content at our discretion for any reason or no reason.

6.3 You further agree that you will not use the Interface to perform any type of illegal activity of any sort or take any action that negatively affects the performance of the Interface. You may not engage in any of the following activities, either directly or through a third party:

- (a) attempt to gain unauthorized access to the Interface or another user's account; or
- (b) engage in any activity that is abusive or interferes with or disrupts the Interface. Use of the Interface in connection with any activity involving illegal products or services is prohibited.

6.4 We may suspend your access to the Interface in the event of any breach of these Terms.

6.5 By using the Interface you represent and warrant that you:

- (a) do not reside;
- (b) are not located;
- (c) do not have a place of business; and
- (d) are not conducting any business,

(any of which makes you a "Resident") in any jurisdiction in which your use of the Interface is prohibited by any applicable statutes, laws (including common law), ordinances, rules,

regulations, codes, orders (including any temporary, preliminary or permanent order, judgment, injunction, decree, ruling or other similar event or action), or government or regulatory agency orders or guidance (collectively, “Laws”) or where under such Laws the operator of the Interface would be required to be registered or licensed, to seek any consent or approval, or to make any filing with respect to your use of the Interface.

6.6 By using the Interface you represent and warrant that you are not a Resident of the United States or a “U.S. person” within the meaning of Rule 902(k) under the United States Securities Act of 1933 (the “Securities Act”).

6.7 By using the Interface you represent and warrant that you are not a Resident of any state or country:

(a) that requires entities engaged in token sales or token offerings to be registered or licensed; or

(b) where the sale or purchase of the tokens pursuant to the Terms would be unlawful.

7. INTELLECTUAL PROPERTY RIGHTS

7.1 We respect intellectual property rights and ask you to do the same. As a condition of your access to and use of the Interface, you agree not to use the Interface to infringe on any intellectual property rights. We reserve the right, with or without notice, at any time and in our sole discretion to block access to any user who infringes or is alleged to infringe any copyrights or other intellectual property rights.

8. INDEMNITY

8.1 You agree to defend, indemnify, and hold harmless the Company, its parents, subsidiaries, and affiliates, and each of their respective officers, directors, employees, agents and advisors from any and all claims, liabilities, costs, and expenses, including, but not limited to, attorneys’ fees and expenses, arising out of a breach by you of these Terms or arising out of a breach of your obligations, representation and warranties under these Terms.

9. EXCLUSION OF WARRANTIES

9.1 Nothing in these Terms shall affect any statutory rights that you cannot contractually agree to, alter or waive and are legally always entitled to as a user.

9.2 The Interface is provided “as-is” and we make no warranty or representation to you with respect to them. In particular we do not represent or warrant to you that:

(a) your use of the Interface will meet your requirements;

(b) your use of the Interface will be uninterrupted, timely, secure or free from error;

(c) any information obtained by you as a result of your use of the Interface will be accurate, complete, current or reliable; and

(d) defects in the operation or functionality of any software provided to you as part of the Interface will be corrected.

9.3 No conditions, warranties or other terms (including any implied terms as to satisfactory quality, fitness for purpose or conformance with description) apply to the Interface except to the extent that they are expressly set out in the Terms. We may change, suspend, withdraw or restrict the availability of all or any part of our platform for business and operational reasons at any time without notice.

10. LIMITATION OF OUR LIABILITY

10.1 Nothing in these Terms shall exclude or limit our liability for losses which may not be lawfully excluded or limited by applicable law. This includes liability for death or personal injury caused by our negligence or the negligence of our employees, agents or subcontractors and for fraud or fraudulent misrepresentation.

10.2 Subject to paragraph 10.1, we shall not be liable to you for any:

- (a) loss of:
 - (i) profit;
 - (ii) goodwill;
 - (iii) opportunity;
 - (iv) data suffered by you;(in each case whether direct or indirect)
- (b) indirect or consequential losses which may be incurred by you; or
- (c) loss or damage which may be incurred by you as a result of:
 - (i) any reliance placed by you on the completeness, reliability, currentness, accuracy or existence of any advertising or other information obtained as a result of the Interface;
 - (ii) any changes which we may make to the Interface, or for any permanent or temporary cessation in the provision of the Interface (or any features within the Interface);
 - (iii) the deletion of, corruption of, or failure to store, any content and other communications data maintained or transmitted by or through your use of the Interface; or
 - (iv) your failure to provide us with accurate account information.

10.3 Subject to paragraphs 10.1 and 10.2, our total aggregate liability to you, whether based on an action or claim in contract, tort (including negligence), breach of statutory duty or otherwise arising out of, or in relation to, these Terms, the Interface or service, will be limited to USD 50.00.

10.4 Unless you notify us that you intend to make a claim in respect of an event within the notice period, we shall have no liability for that event. The notice period for an event shall start on the day on which you became, or ought reasonably to have become, aware of your grounds to make a claim in respect of the event and shall expire six (6) months from that date. The notice must be in writing and must identify the event and the grounds for the claim in reasonable detail.

11. ANTI-MONEY LAUNDERING, ECONOMIC SANCTIONS, ANTI-BRIBERY AND ANTI-BOYCOTT REPRESENTATIONS

11.1 You represent and warrant that neither you, nor any of your directors, officers, or to the best of your knowledge and belief, your employees, affiliates or associates or anyone acting on your behalf (as applicable) is:

- (a) the subject or target of economic or financial sanctions, trade embargoes or export controls administered, enacted or enforced from time to time by the United States of

America (“U.S.”) (including those administered by the U.S. Treasury Department’s Office of Foreign Assets Control or the U.S. Department of State), the United Nations Security Council, the European Union (“EU”), any EU member state, or the United Kingdom (collectively “Sanctions”);

- (b) organised, operating from, incorporated or resident in a country or territory which is the subject or target of comprehensive export, import, financial or investment embargoes under any Sanctions (which, as of the date of these Terms are Cuba, Iran, North Korea, the Crimea region of Ukraine and Syria); or
- (c) is a senior political figure or any immediate family member or close associate of a senior political figure.

11.2 For the purposes of this paragraph 11.1:

- (a) a “senior political figure” is a senior official in the executive, legislative, administrative, military or judicial branches of a government (whether elected or not), a senior official of a major political party, or a senior executive of a government-owned corporation. In addition, a “senior political figure” includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior political figure;
- (b) an “immediate family member” of a senior political figure are such person’s parents, siblings, spouse, civil partner, children, step-children and in-laws; and
- (c) a “close associate” of a senior political figure is a person who is widely and publicly known to maintain an unusually close relationship with the senior political figure, and includes a person who is in a position to conduct substantial financial transactions on behalf of the senior political figure.

11.3 You further represent and warrant that your use of the Interface will comply with all applicable laws and Sanctions and will not cause us to violate Sanctions or any applicable laws, including, but not limited to, anti-money laundering, anti-bribery, anti-boycott or anti-terrorism Laws such as the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, the EU Fourth Money Laundering Directive (2015/849/EU), the EU Fifth Money Laundering Directive (2015/849/EU), the UK Money Laundering Regulations 2017 (SI 2017/692), the UK Bribery Act 2010, the UK Criminal Financing Act 2017 and the UK Proceeds of Crime Act 2002.

12. GENERAL

12.1 Security

- (a) We do not guarantee that the Interface will be secure or free from bugs or viruses. You are responsible for configuring your information technology, computer programmes and platform in order to access the Interface. You should use your own virus protection software.
- (b) You must not misuse the Interface by knowingly introducing viruses, Trojans, worms, logic bombs or other material which is malicious or technologically harmful. You must not attempt to gain unauthorised access to the Interface, the server on which the Interface is stored or any server, computer or database connected to the Interface. You must not attack the Interface via a denial-of-service attack or a distributed denial-of-service attack. By breaching this provision, you acknowledge that you commit a criminal offence under the Computer Misuse Act 1990 (as amended, extended or re-enacted from time to time). We will report any such breach to the relevant law enforcement authorities and we will co-operate with those authorities by disclosing your identity to them. In the event of such a breach, your right to use the Interface will cease immediately.

12.2 **Linking To Our Website**

- (a) You may link to our home page, provided you do so in a way that is fair and legal and does not damage our reputation or take advantage of it. You must not establish a link in such a way as to suggest any form of association, approval or endorsement on our part where none exists.
- (b) You must not establish a link to our Website in any website that is not owned by you. Our Website must not be framed on any other website, nor may you create a link to any part of our Website other than the home page.
- (c) We reserve the right to withdraw linking permission without notice. If you wish to make any use of content on our Website other than that set out above, please contact: contact@interlay.io.

12.3 **Third Party Links**

- (a) Where the Interface contains links to other websites and resources provided by third parties, these links are provided for your information only. We have no control over the contents of those websites or resources.

12.4 **Applicable Law and Jurisdiction**

- (a) These Terms, its subject matter and its formation (and any non-contractual disputes or claims arising out of or in connection with the Terms) are governed by laws of the Cayman Islands.
- (b) Any dispute, controversy, difference or claim arising out of or relating to these Terms, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be finally resolved by the courts of the Cayman Islands.

12.5 **Entire Agreement**

- (a) These Terms constitute the whole legal agreement between you and the Company and govern your use of the Interface and completely replace any prior agreements between you and the Company in relation to the Interface.

12.6 **No Waiver**

- (a) Our failure to insist upon or enforce any provision of these Terms shall not be construed as a waiver of any provision or right.

12.7 **Severability**

- (a) If any court of law, having jurisdiction to decide on this matter, rules that any provision of these Terms is invalid, then that provision will be removed from the Terms without affecting the rest of the Terms, and the remaining provisions of the Terms will continue to be valid and enforceable.

12.8 **Contact Us**

- (a) If you have any questions, please contact us at: contact@interlay.io.