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## **Client Agreement**



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<p>You should not deal in any Investment unless you understand the nature of the product you are dealing in or contract you are entering into, the extent of your exposure to risk and unless you are satisfied that the product is appropriate for you. Your assessment should include a consideration of a variety of potential risks. Further non-exhaustive information on certain risks arising in relation to Transactions in Investments is set out in the Risk Disclosure Statement relating to these Terms of Business and in Schedule 1 (Risk Factors). By transacting business with us, you are deemed to have acknowledged, understood and accepted those risks, as well as confirming that you understand such risks cannot be taken to be, and are not, a comprehensive or exhaustive list of all possible risks.</p>	
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## 1. **Definitions, interpretation and single agreement**

1.1. In these Terms of Business, the following words and expressions have the following meanings, unless otherwise expressly stated or the context requires otherwise:

**“Applicable Regulations”** means any applicable laws, charters, bylaws, rules and regulations of any jurisdiction, any applicable order of any court of competent jurisdiction, in each case as the same may be made, remade, modified or re-enacted from time to time;

**“Associate”** means any entity within MCCOIN Virtual Assets L.L.C, any appointed representative (as defined in the Regulatory Rules) of such an entity and any other person whose relationship with such an entity might reasonably be expected to give rise to a common interest between them which may involve a conflict in dealing with third parties;

**“Base Currency”** means such currency as you and we may agree but in the absence of such further agreement shall be USD;

**“Charges”** means sums payable to us or our agents in respect of fees – including transfer fees, registration fees, and any other fees that arise in the context of the provision of Services to you – and in respect of turns, commissions and any other charges charged under these Terms of Business or any Trading Agreement. Please refer to Schedule 2 – Fees to know more about the current applicable fees for our Services;

**“Client”** means the person with whom we have entered into these Terms of Business;

**“Client Money”** has the meaning given to it in the VARA Rules;

**“Client Money Rules”** means the rules under Part IV of the VARA Compliance and Risk Management Rulebook;

**“Client Personal Data”** has the meaning given to such term in sub-clause 21.5(i);

**“Collateral”** means any cash, Digital Asset or any other asset or property which is acceptable to us;



**"Confirmation"** means any confirmations which may be issued by us to you as a record of the terms of any Transaction;

**"Conflicts of Interest Policy"** means our conflicts of interest policy as may be amended from time to time;

**"Digital Asset"** or **"Virtual Asset"** means any cryptographically secured digital representation of value (including any digital or virtual asset, currency, coin or token, howsoever described) as communicated by us to you (including electronically via email or by way of publication on the relevant website) from time to time. The Digital Asset in respect of a Transaction will be specified in the applicable Confirmation;

**"Digital System"** means any blockchain or distributed ledger system, digital custodian or other third party operating or undertaking any activity in relation to a Digital Asset, including the Digital Wallet or public-private key pair in respect of such Digital Asset;

**"Digital Wallet"** means, in respect of a Client, the Client's self-custody wallet or a custodian wallet operated by a third-party digital custodian or other third party in respect of such Client;

**"Disruption Event"** means any event or circumstance which we determine, in our sole and absolute discretion, would have a material adverse effect on a party's ability to perform its obligations in respect of any Transaction or otherwise;

**"Engagement Letter"** means the letter of engagement or introductory email (as the case may be) from us to you into which these Terms of Business are incorporated;

**"Equivalent Collateral"** means Collateral of the same type, nominal value (if applicable), and description as Collateral that has been previously deposited or transferred;

**"Indemnified Parties"** means the officers, partners, directors, employees and agents of us and/or any of our Associates;

**"Insolvency Official"** means a trustee, receiver, liquidator, conservator, administrator, custodian or other similar official;

**"Institutional Investor"** means an institutional investor for the purposes of the Regulatory Rules;

**"Instructions"** means any instructions given by you in respect of any Transaction;

**"Investments"** means any Digital Asset and cash in any currency;

**"Loss"** means any loss, obligation, penalty, action, damages, judgment, suit, liability, costs, expenses or disbursement of any kind or nature whatsoever, including any cost of enforcement;

**"Master Trading Agreement"** means any trading agreement entered into from time to time between you and us in relation to the trading of one or more over-the-counter derivatives transactions (including contracts for difference and/or deliverable forwards or swaps) relating to Digital Assets and/or foreign exchange;

**"MCCOIN"** means MCCOIN Virtual Assets L.L.C.;

**"Obligation"** means obligations, present or future, actual, contingent or prospective, owed, or which may become owing, by you to us under any Transaction or designated by us in writing (including via email);

**“Order Execution Policy”** means our order execution policy as may be amended from time to time;

**“Qualified Investor”** means a qualified investor for the purposes of the Regulatory Rules.

**“Regulatory Rules”** means:

- I. the rules of a competent UAE Regulatory Authority for the time being in force; and
- II. the VARA Market Conduct Rulebook.

**“Retail Client”** means a Client who is neither a Qualified Investor nor an Institutional Investor;

**“Risk Disclosure Statement”** means any risk disclosure statement provided to you relating to risks in connection with Transactions entered into pursuant to these Terms of Business or any relevant Trading Agreement;

**“Services”** means general investment and dealing services, including, but not limited to (i) reception and transmission of orders, (ii) execution of orders on behalf of clients and (iii) dealing on own account, in any kind of Investment, ancillary services (supporting services to effect Services provided to you), electronic services (such as the use of the website and the opening of an account), valuation, and settlement services as specified in these Terms of Business and any Trading Agreement;

**“Spot Transaction”** means any spot transaction concluded by you with us, whether orally, via electronic means or otherwise, pursuant to these Terms of Business or a Trading Agreement and as may be subsequently confirmed by us to you in writing in the relevant Confirmation;

**“Substitute Collateral”** means, in the event that it is illegal, impossible or otherwise impractical for us to return Equivalent Collateral to you, we may, in good faith and using commercially reasonable endeavors, return to you collateral that may not be of the same type, nominal value and description as that Equivalent Collateral;

**“Taxes”** means taxes, duties, imposts and fiscal charges of any nature, wherever and whenever imposed by the taxation authority, court or tribunal of any jurisdiction where we operate, including value-added taxes, stamp, other documentary taxes as well as any taxes imposed on profits, capital gain, sales, payroll, social security contribution, transfer taxes, stamp duties, and any other similar taxes, charges, duties, funds, and levies, including any interest, penalties, additions to tax or additional taxes that may become payable in respect thereof;

**“Termination Amount”** means the aggregate of the following amounts (in each case, to the extent that any such amount is unpaid):

- I. the amount that is payable or deliverable to you by us, or by you to us, as a result of any action taken by us in respect of any Spot Transactions pursuant to clause 16 (*Termination*) of these Terms of Business;
- II. any Early Termination Amount (as defined in the relevant Trading Agreement) or such other similar amount determined pursuant to any Trading Agreement in respect of any termination or close-out of any Transaction thereunder;
- III. the market value of any Posted Collateral Balance as determined by us in our sole and absolute discretion; and
- IV. any other amount not included within (i) to (iii) above, which has become payable or deliverable to you by us, or by you to us, pursuant to these Terms of Business or any Trading Agreement and remains unpaid, each such amount as converted by us, where necessary, to an equivalent amount expressed in the Base Currency having regard to prevailing market rates.

**“Terms of Business” or “Client Agreement”** means all provisions of these Terms of Business, including the Schedule to the extent applicable, and including, where the context requires or permits, the provisions of any relevant ancillary documentation, including (without limitation) the Engagement Letter, any Trading Agreements and our Order Execution Policy;

**“Trading Agreement”** means any Master Trading Agreement and any other agreement or document entered into from time to time between you and us setting out additional terms to these Terms of Business in respect of Services provided by us to you;

**“Transaction”** means any transaction entered into between us pursuant to these Terms of Business and any Trading Agreement (including any Spot Transaction and any Derivative Transaction);

**“UAE Law”** means any applicable laws, charters, bylaws, rules and regulations of the United Kingdom and any applicable order of any court of the United Arab Emirates, in each case as the same may be made, remade, modified or re-enacted from time to time;

**“UAE Money Laundering Regulations”** means the UAE Federal Law No. 20 of 2018, UAE Federal Cabinet Decision No. 10 of 2019, and UAE Federal Law No. 7 of 2014 (all as amended);

**“UAE Regulatory Authority”** means the Virtual Assets Regulatory Authority of the United Arab Emirates (as the context requires) or any regulatory authority which may succeed them as the regulator(s) of MCCOIN in the United Arab Emirates;

**“VARA”** means the Virtual Assets Regulatory Authority of the United Arab Emirates or its successors;

**“VARA Compliance and Risk Management Rulebook”** means VARA’s Compliance and Risk Management Rulebook;

**“VARA Market Conduct Rulebook”** means the Virtual Assets Regulatory Authority’s market conduct rulebook issued on 7 February 2023; and

**“VARA Rules”** means the rules and guidance issued by the VARA from time to time, including without limitation, the VARA Market Conduct Rulebook and the VARA Compliance and Risk Management Rulebook.

1.2. In these Terms of Business, unless otherwise expressly stated or the context requires otherwise:

- I. “We” and “us” and related expressions mean MCCOIN or its successors;
- II. “You” and related expressions mean the Client, being the person with whom we have entered into these Terms of Business;
- III. “Person” includes any person, firm, partnership, association of persons or body corporate, and any such persons acting jointly, and the personal representatives or successors in title of any such person;
- IV. “Writing” and related expressions include all documents and correspondence of all kinds, including (without limitation) email, telex, cable, facsimile transmission and other electronic communication media apart from those solely for oral communication;
- V. References to statutory and regulatory provisions include any supplementation, amendment, modification, re- enactment, re- making, consolidation or replacement thereof, including any provisions made after the date hereof, and references to rules issued by a regulatory authority include references to equivalent provisions of any rules issued by any successor regulatory authority;

- VI. References to clauses, sub-clauses, Schedules and paragraphs are to clauses, sub-clauses, Schedules and paragraphs of and to these Terms of Business;
- VII. Subject to the express definitions set out herein and unless the context otherwise requires, words used have the same meanings as in the Regulatory Rules;
- VIII. Headings are for ease of reference only and do not form part of these Terms of Business; and
- IX. References to the masculine include the feminine and neuter and the singular includes the plural and vice versa as the context requires or permits.

- 1.3. All Transactions are entered into in reliance on the fact that these Terms of Business, including the Schedules hereto, each Disclosure Statement, all Confirmations and each Trading Agreement, will together form a single agreement between you and us, and that neither we nor you would otherwise enter into any Transaction.

## 2. **Regulatory information**

MCCOIN is authorized and regulated by the Dubai Virtual Assets Regulatory Authority with registered number [1206677 ]. We are registered in Dubai under [The Department of Economy and Tourism ]. Our registered office is located at [501, International Business Tower, Al Amaal Street, Business Bay, Dubai, UAE].

## 3. **Provision of services**

- 3.1. These Terms of Business set out the terms under which we shall provide Services.
- 3.2. By registering with us, you acknowledge that you have read, understood, and agree to be bound by all these Terms of Business and any further Agreements entered into with us. If you do not agree to be bound, do not access or use the Services.
- 3.3. These Terms of Business supersede any previous agreement between you and us, other than any Trading Agreements that you have entered into with us and that have not otherwise been terminated. These Terms of Business constitute a legally binding agreement with you upon your acceptance thereof. By transacting business with us, you are deemed to have accepted these Terms of Business.
- 3.4. If you enter or have entered into any separate Trading Agreements with us in respect of any additional Services and Transactions, such Trading Agreement(s) and these Terms of Business shall both apply. To the extent that there is any conflict between the terms of any such Trading Agreement and these Terms of Business in relation to such additional Services and Transactions, the provisions of the relevant Trading Agreement will prevail, save that clause 21(*Handling client information, confidentiality and data protection*) shall always prevail except to the extent overridden by specific reference made in a Trading Agreement to clause 21(*Handling client information, confidentiality and data protection*), and any provision of these Terms of Business will prevail where it is necessary or desirable for it to do so in order for us to comply with Applicable Regulations.
- 3.5. All Transactions are subject to Applicable Regulations. To the extent that there is any conflict between (i) (on one hand) these Terms of Business or any Trading Agreements and (ii) (on the other hand) any Applicable Regulations, the Applicable Regulations shall prevail. We may take or omit to take any action we consider appropriate to ensure compliance with Applicable Regulations and all such actions will be binding on you.
- 3.6. Neither Client Digital Assets nor Client Money benefit from any form of deposit protection.



- 3.7. Where third parties are engaged with the provision of Services to you, this will be made clear to you. Further information on this can be made available upon request.
- 3.8. You will have been notified of your classification as a Qualified Investor or Institutional Investor, and you will be treated as such unless we agree otherwise. You should notify us immediately if, at any point in time, you consider that you would no longer fall within the definition of a per se Qualified Investor or an elective Qualified Investor. As a reminder, you have a right to request a different categorisation at any time. However, we will be unable to provide any Services to you if you request re- categorisation as a Retail Client. On consultation about your categorisation, you will be informed about any limitations to the level of client protection that a different categorisation would entail, prior to any provision of further Services to you.
- 3.9. The following Digital Assets are in scope: is externally attached in the file “ List of Assets (Currencies)
- 3.10. [Mccoin shall strictly follow and regularly update clients upon major and impactful evens like airdrops and forks in accordance to the pool owner and its institutional account maintainer, which shall be in this case OKX.])In the event of a conflict between the provisions of clauses and the provisions of an applicable Schedule to these Terms of Business, the provisions of such applicable Schedule shall prevail.
- 3.11. We shall not change a service, or any part of a service, or Digital Asset activity, on your behalf unless requested by you.

#### 4. **Assessment and understanding**

You should not deal in any Investment unless you understand the nature of the product you are dealing in or contract you are entering into, the extent of your exposure to risk and unless you are satisfied that the product is appropriate for you. Your assessment should include a consideration of a variety of potential risks. Further non-exhaustive information on certain risks arising in relation to Transactions in Investments is set out in the Risk Disclosure Statement relating to these Terms of Business and in Schedule 1 (*Risk Factors*). By transacting business with us, you are deemed to have acknowledged, understood and accepted those risks, as well as confirming that you understand such risks cannot be taken to be, and are not, a comprehensive or exhaustive list of all possible risks.

#### 5. **No advice**

- 5.1. We will not make any personal recommendation to you, nor advise you on the merits or suitability of any Transaction or trading strategy or otherwise provide you with investment advice. We may provide, make available or otherwise communicate to you (whether orally or in writing) information, and our views on trading ideas, trading suggestions, market color or economic climate. Any such information shall be provided, made available or communicated merely for your information and shall be incidental to the provision of other Services by us to you. For the avoidance of doubt, we will not provide any tax, legal or accounting advice and we shall not at any time be deemed to be under a duty to provide tax, legal or accounting advice. You should understand the tax, legal and accounting implications of any Transactions and Investments that you hold or enter (including in respect of any Digital Assets) and seek any independent professional advice you consider necessary or desirable. By transacting business with us, you are deemed to have confirmed that you have been given the opportunity to ask questions and to take independent professional advice if you had so wished.

- 5.2. We will undertake Transactions with you solely on an execution-only basis. You will take all trading decisions in reliance on your own judgment. We give you no representation, warranty or guarantee as to the accuracy or completeness of any information provided to you. You acknowledge that market information provided may be based upon information which is incomplete and/or unverified and that the information provided to you at any given time may be different from information provided to any other of our clients due to individual analysis of fundamental and technical factors by different personnel associated with us. Such information may not be consistent with our investments or those of any of our Associates, directors, employees or agents.

6. **Publications**

We may, in accordance with Applicable Regulations, on occasion communicate to you advertisements or other publications which constitute financial promotions within the meaning of any competent Regulatory Authority. Where any such financial promotion contains a restriction on the person or category of persons for whom that financial promotion is intended or to whom it may be distributed, you agree that you will not pass on any such financial promotion to any other persons or category of persons.

7. **Material interests and conflicts**

- 7.1. You understand that MCCOIN is involved in broker-dealer services and Virtual Asset management and investment services.
- 7.2. We and any of our Associates will deal in investments as principal. We may hold a long or short position or a derivative interest in, or act as a market maker in, the instruments or assets in which you may hold a position or we may conduct trading activities, including hedging, in connection with any Transaction, which may have an adverse impact on you.
- 7.3. Such market making may include managing risk, sourcing liquidity and other activities of a market maker. It may also include execution on a systematic, automated basis through the use of algorithms or other execution methodologies and it may trade prior to or alongside a client's transaction. Such market making activity can have an impact on the price that we may offer and the liquidity at levels necessary to execute a transaction. MCCOIN will not deliberately carry out market making activity with the intention of harming client interests and will endeavor to minimize any market impact. MCCOIN may realize a profit, or equally, a loss, in connection with market making activity.
- 7.4. You understand and agree that neither your relationship with us nor any Service we provide to you, nor any other matter, will give rise to any fiduciary or equitable duties on our or on any Associate's part. In particular, we and any Associate may from time to time act in more than one capacity (for example, as both market maker and/or as principal), and in those capacities we may receive fees or commissions from more than one client (including you). You agree that we may act in such capacities and provide any other Services (under these Terms of Business, any Trading Agreement or otherwise) or carry out any business with or for you, any Associate or any other client.
- 7.5. You understand and agree that neither we nor any of our Associates will be required to:  
(i) have regard to any information known to us, or to any of our Associates, which is a material interest; (ii) disclose any such information to you; or (iii) utilise any such information for your benefit. You further acknowledge that from time to time we may receive general market information in the course of our provision of Services to you, which we may utilise in the ordinary course of our business as principal.

- 7.6. You understand that from time to time we may refer you to one of our Associates. When doing so, we assume no responsibility to you as a result of such referral. Any services provided to you by that Associate will be provided under arrangements separately agreed between you and that Associate.
- 7.7. We have put in place and will maintain effective policies and procedures with a view to taking all appropriate steps to identify and manage conflicts of interest between us and our clients and relevant third parties, so as to prevent conflicts of interest from adversely affecting the interests of our clients. This includes conflicts of interest caused by the receipt of any inducement from third parties or our own remuneration and other incentives structures.

In cases where such policies and procedures are not sufficient to ensure, with reasonable confidence, that the risks of damage to your interests will be prevented, we will inform you of the nature and/or sources of the relevant conflicts of interest and the steps taken to mitigate those risks in order to allow you to make an informed decision as to whether to continue to transact with us. We reserve the right at all times to decline to act for you where we are not able to manage a conflict of interest in any other way. We maintain a Conflicts of Interest Policy, a summary of which will be provided to the extent required by Applicable Regulations on our website at [<https://www.mccoin.com/policies>]. Further details about our Conflicts of Interest Policy are available on request from your relationship manager.

In order to manage risks to which we may be exposed to, should a transaction subsequently be executed, either on a standalone or portfolio basis, Mc.Coin may pre-hedge such risks in the market either on a principal basis or by placing orders in the market for the relevant financial instruments. MCCOIN may also unwind or adjust hedge positions on an ongoing basis. Such pre-hedging activity may contribute to market movements that could adversely affect counterparty's interests in the transaction.

MCCOIN may also unwind or adjust hedge positions on an ongoing basis. Such pre-hedging activity may contribute to market movements that could adversely affect counterparty's interests in the transaction.

In transacting with MCCOIN you acknowledge and agree (i) that MCCOIN may enter into pre-hedging transactions in order to manage its risk position

- I. that MCCOIN will not be responsible for any effect of this pre-hedging activity on the counterparty's interests, provided that MCCOIN has acted within internal guidelines and applicable regulation; and
- II. to MCCOIN's risk management practices.

You irrevocably waive any claim you may have against us or any Associate (and release us and them from all liability) in respect of any material interest or conflict that we or any Associate may have, whether or not disclosed to you. We need not disclose to you, or any other client, the nature or extent of any interest we or any Associate may have in any Transaction or in any resulting transactions, that we may owe duties to other clients which otherwise conflict with our duties owed to you, or that we may have a relationship which gives rise to a conflict of interest, unless obliged to do so under Applicable Regulations. We shall be entitled to retain any profit or benefit arising as if no such interest, other duties or relationship existed.

- 7.8. In the course of providing services to you, we may pay or receive fees, commissions or other non-monetary benefits to or from third parties where we are satisfied that the payment or receipt of such fee, commission or non-monetary benefit is: (i) designed to enhance the quality of the service we are providing to you; and (ii) does not impair compliance with our duty to act honestly, fairly and professionally in accordance with the best interests of our clients.

- 7.9. Additional detailed information of such amounts can be provided to you upon written request.

8. **Instructions and orders**

- 8.1. Every order which we may take shall be accepted and executed on the basis that we act on our own account as principal and not as your agent.
- 8.2. You may communicate with us, and receive documents and other information from us, in the English language, or such other languages as we may mutually agree to communicate with you from time to time.
- 8.3. With respect to Instructions and Orders, you may communicate with us or provide Instructions to us, by any reasonable means such as your registered email ID and phone number at support@mccoin.com and +97144509115 and we shall be entitled to rely and act on any such communications or Instructions (by whatever means transmitted, including by telephone and not confirmed in writing) if we reasonably believe that such communications or Instructions have been given by you or a person acting on your behalf, without further enquiry as to the genuineness, authority or identity of the person giving or purporting to give such communication or Instruction. We shall not be bound to act in accordance with the communications or Instructions of any person other than you. Our liabilities shall be fully discharged by acting on any such communications or Instructions, notwithstanding any notice received that your authority to act on behalf of your principal has been revoked or varied.
- 8.4. We may, in accordance with Applicable Regulations and at our discretion, refuse to accept Instructions, including (but not limited to) cases where Instructions require us to make any payment or incur any liability before receipt of sufficient cleared funds from you.
- 8.5. Where we send trade Confirmations or contract notes to you, and except in the case of manifest error, the terms set out in such document will take precedence over any other agreement relating to the same subject matter to the extent that there is a conflict.
- 8.6. You consent to and acknowledge that we may communicate with you and provide you with relevant information in an electronic format (including, without limitation, by use of websites or by means of email sent by us to any email address provided by you to us for the purposes of our provision of Services to you), including where we are required to provide you with information by way of a durable medium, to the extent permitted by Applicable Regulations. Any communication between us using electronic signatures shall be binding as if it were in writing as permitted by Applicable Regulations. You waive any right to object to any error caused by such communication, including lack of data security.
- 8.7. Where you provide Instructions to us other than by way of telephone or electronic communications, such communications must be made in a durable medium in electronic format (including, in the case of face-to-face conversations or meetings, by use of written minutes or notes).
- 8.8. Where you provide Instructions to us by way of an electronic order routing system, such Instructions will become an order when we send an acceptance of the Instruction. You

shall immediately inform us if you do not receive an acceptance of your Instruction promptly or if the acceptance received is inaccurate in any way.

- 8.9. If you are categorized as a Qualified Investor, we shall provide you with information on orders carried out on your behalf to the extent you do not already possess such information. If you are categorized as an Institutional Investor, we shall provide you with information on such orders with such content and at such times as are mutually agreed between us.
- 8.10. To the extent we owe the duty to achieve the best possible result when executing your orders, we will comply with our Order Execution Policy when executing orders on your behalf or when placing orders with, or passing orders to, other entities for execution. Specifically, we have the discretion to offer different prices or services to different counterparties for the same or substantially similar transactions. The current version of our Order Execution Policy is provided to you separately. You confirm that you acknowledge and accept, and agree to be bound by, the provisions of the Order Execution Policy to the extent applicable.

9. **Settlement**

- 9.1. If we accept your order in respect of a Transaction, we may (at our discretion and without prior disclosure to you) arrange for the order to be effected with, or through the agency of, ourselves or any Associate.
- 9.2. If we are required to deliver Digital Assets to you in respect of a Transaction, we shall (subject to the other terms in this clause) transfer the relevant Digital Assets to the Digital Wallet(s) agreed between us and you from time to time. We give no assurance that our delivery of Digital Assets will be sufficient in any relevant jurisdiction to transfer legal or beneficial titles in such Digital Assets to you.
- 9.3. Upon our request and within the time frame requested, you will provide us with all information required including that required by any relevant Digital System, to settle any Transaction on your behalf.
- 9.4. We will not be obliged to settle any Transaction and shall owe no payment or delivery obligation to you until we (or our settlement agent) have received all necessary documents or cleared funds from you. We shall not be deemed to be holding property on your behalf pending settlement of a Transaction.
- 9.5. Our obligation to deliver Investments to you or to account to you for the proceeds of the disposal of Investments will be conditional on prior receipt by us of appropriate documents or cleared funds from you.
- 9.6. If we are not in possession of an Investment at the time you instruct us to sell it on your behalf, you undertake to deliver that Investment to us prior to the relevant settlement date. In the event of non-delivery, you irrevocably authorise us to purchase an equivalent Investment to cover your position and to charge any resulting Loss to you. You undertake, before the maturity of any Transaction which constitutes a short position, to provide us with all the necessary documents relating to delivery of the relevant Investment. If you fail to do so, we may, without demand or notice, cover the position in the manner we consider most appropriate.

9.7. Unless we expressly agree to the contrary, all amounts of every kind which are payable by us to you and vice versa will be payable on a “delivery versus payment” basis. However, we may at our discretion effect the settlement of any Transactions with you on a “net” basis as determined by us.

9.8. If a Disruption Event occurs in respect of a Transaction we may, in our sole and absolute discretion, make such changes, conversions, adjustments or modifications to the exercise, settlement, payment or any other terms of such Transaction as we determine to be appropriate (which may include canceling any relevant Transaction and calculating any payment due to or from you based on the closing prices we reasonably deem to be appropriate). When making such a determination, we may have regard to preserving the economic terms of the affected Transactions, market practice in respect of the Disruption Event and its consequences, and the effect of the Disruption Event on our hedging positions.

#### 10. **Client Money**

10.1. When we receive Collateral in the form of cash from you, you agree that the full ownership of such cash is transferred to us for the purpose of providing the services and covering your Obligations and you acknowledge that it is appropriate for Collateral in the form of cash to be transferred to us in order that we may provide the services to you.

10.2. As full ownership of such cash is transferred to us on the basis of a cash repayment obligation, we will not hold such cash on your behalf as Client Money under the VARA Rules. You understand and acknowledge that any Collateral in the form of cash that we receive from you will consequently not receive the protections afforded under VARA's Client Money Rules.

#### 11. **Representations and warranties**

11.1. You acknowledge that in accepting these Terms of Business you have not relied upon, and we and our Associates, directors, partners, employees, officers and agents have not made any statements, representations, promises or undertakings whatsoever that are not expressly contained in these Terms of Business.

11.2. We do not make any warranties, representations or other statements whatsoever in respect of the validity or sufficiency of Investments, the enforceability of any rights or interests relating to Investments or whether it is appropriate, necessary or desirable to take or omit to take any action in relation thereto. These matters shall be your exclusive concern.

11.3. You represent, warrant and undertake to us at the time these Terms of Business are entered into and on a continuing basis, and on each occasion that any Trading Agreement is entered into and on a continuing basis, that:

- I. You are duly organised and validly existing under the laws of your jurisdiction of establishment and, if relevant under such laws, you are in good standing;
- II. You have and will have full power and capacity and have taken and will have taken all necessary corporate and other actions to authorise you to enter into these Terms of Business and any Trading Agreement and the Transactions contemplated thereunder and to perform your obligations hereunder;
- III. You have obtained or, if not yet required, will obtain and will continue to maintain in effect all necessary authorisations and consents and approvals of any governmental or regulatory body or

authority for you to use the Services and enter into the Transactions contemplated by these Terms of Business and any Trading Agreement and to perform your obligations thereunder;

- IV. You will comply with the terms of any authorisations, consents and approvals as referred to in paragraph (III) above and with all Applicable Regulations and directives of such bodies or authorities and will upon demand deliver to us copies of all such authorisations, consents and approvals and evidence of compliance with them and any such Applicable Regulations and directives as we may require;
  - V. You shall provide to us upon demand all such information as may be required to be filed or disclosed and you will send a copy to us promptly upon filing all such reports, letters and other communications as may be required from time to time (and within any applicable time periods) pursuant to Applicable Regulations. We may forward a copy of the same to any relevant broker;
  - VI. By entering into and performing the Transactions contemplated by these Terms of Business and any Trading Agreement, you will not breach any Applicable Regulations or any agreement or instrument by which you are bound;
  - VII. You have the necessary experience and knowledge to understand the risks involved in relation to each Transaction you enter into pursuant to these Terms of Business.
  - VIII. You are entering into these Terms of Business for commercial purposes;
  - IX. At the time of transfer by you to us of any Investments under any Transaction contemplated by these Terms of Business or any Trading Agreement, you will have full and unqualified rights to make such transfer without the consent of or notification to any third party, and upon such transfer we (as transferee) will receive all rights, title and interests in and to those Investments free from any lien, claim, charge or encumbrance;
  - X. Unless you notify us otherwise in writing and we agree, you will not, and do not intend to, distribute Investments or services that we distribute;
  - XI. You confirm that you will not be entitled to claim immunity from suit, execution, attachment or other legal process in any proceedings taken in respect of yourself or any of your assets in any jurisdiction in relation to any Transaction; and
  - XII. All information given by you to us is complete, accurate and not misleading.
- 11.4. You shall notify us immediately in writing if any of the representations or warranties made by you under this clause or otherwise ceases to be true and accurate or, with the service of notice or passage of time, would cease to be true and accurate.

## 12. **Limitation of liability and responsibility**

- 12.1. Neither we nor any Associate nor any of the Indemnified Parties shall be liable for any Loss arising from any act or omission in the course of or relating to the activities to which these Terms of Business or any Trading Agreement apply (whether in tort (including for negligence or breach of statutory duty), except to the extent that such Loss is caused by gross negligence, wilful default or fraud on the part of us or an Associate or any Indemnified Party (subject to this clause).
- 12.2. Neither we nor any Associate or Indemnified Party provides any guarantee, or shall incur any liability, in respect of the acts or omissions or level of solvency of any Digital System, bank, nominee, broker or other third party.
- 12.3. Neither we nor any Associate or Indemnified Party shall incur any liability by reason of any delay or change in market conditions before any particular Transaction is effected.
- 12.4. Neither we nor any Associate or Indemnified Party shall be responsible for facilitating access to your Digital Wallet, Digital System or Digital Assets, nor incur any liability for any loss, theft or cyberattack in respect of any Digital Assets held by you or any losses you may suffer in connection with any Digital Assets, Digital Wallet or Digital System.

- 12.5. Our Associates' and the Indemnified Parties' total aggregate liability to you under these Terms of Business and any Trading Agreement shall be limited to the value of any Posted Collateral Balance at the relevant time.
- 12.6. Nothing in this clause excludes or limits our Associates' or the Indemnified Parties' liability for:
- I. death or personal injury caused by our negligence;
  - II. fraud or fraudulent misrepresentation; or
  - III. any other liability which cannot be limited or excluded under applicable law.
- 12.7. We shall be liable for the Digital Assets under our control during the provision of the Digital Assets activities, in accordance with these Terms of Business and any applicable laws and regulations.
- 12.8. If any Digital Assets are no longer under our control during the provision of the Digital Assets activities, we shall immediately and clearly identify the entity or entities liable for such Digital Assets and its location at all times.

13. **Indemnity and co-operation**

- 13.1. You undertake to indemnify and hold us, our Associates (including in respect of any Associate that is a broker) and the Indemnified Parties harmless against any Loss which any of the foregoing may suffer or incur directly or indirectly in connection with or as a result of anything done or omitted to be done for the purpose of carrying out any Transaction for your account or providing any Service to you or otherwise acting on your Instructions under these Terms of Business or any Trading Agreement, whether suffered before or after your liquidation, but, in each case, except to the extent that such Loss is caused by gross negligence, wilful default or fraud on the part of us or any Associate or Indemnified Party.
- 13.2. Unless otherwise agreed with you, to the extent that we receive, or we are required to make a payment of, any amounts in respect of penalties levied with respect to a Transaction undertaken by you, you agree that these will be for your account and we will credit any penalties in your favour and you will pay (and will authorise us to debit any cash sums held by us) any amounts due from you.
- 13.3. If any action or proceeding arises between (i) (on one hand) us, an Associate or Digital System and (ii) (on the other hand) a third party, in relation to any act or omission arising out of these Terms of Business or any Trading Agreement, including in relation to any Investment or Transaction effected on your Instructions, you agree to co-operate with us or any Associate or Digital System at our request to the fullest extent possible in the defence or prosecution of such action or proceeding.

14. **Force majeure and events beyond our control**

- 14.1. In the event of any failure, interruption or delay in the performance of our obligations resulting from acts, events or circumstances not reasonably within our or any Associate's control, neither we nor any Associate shall be liable or have any responsibility for any Loss whatsoever thereby incurred or suffered by you, and we shall not be obliged to take or refrain from taking any action in such circumstances. For the purposes of this clause, acts, events and circumstances not reasonably within our or any Associate's control shall include, but are not limited to: industrial disputes; acts or regulations of any governmental or supranational body, authority, Digital System, data repository, broker or postal service; the breakdown, failure or malfunction of any telecommunications or computer service; acts of war, terrorism, insurrection or revolution; nuclear fusion, fission or



radiation; hacking or cyber-attacks in respect of any Digital Assets or Digital System; and acts of God.

15. **Events of default**

15.1. Each of the following shall constitute an “**Event of Default**”:

- I. You fail to make any payment or to deliver any property when due under these Terms of Business, or to observe or perform any other provision of these Terms of Business.
- II. You become insolvent or unable to pay your debts as they become due, or make a general assignment or composition with or for the benefit of creditors, or become the subject of insolvency, bankruptcy or similar proceedings, or a petition is presented for your winding- up or liquidation or an Insolvency Official is appointed over all or substantially all of your assets;
- III. Any representation or warranty made or given or deemed made or given by you under these Terms of Business proves to have been false or misleading in any material respect as at the time it was made or given or deemed made or given;
- IV. You are dissolved, or, if your capacity or existence is dependent upon a record in a formal register, such registration is removed or ends, or any procedure is commenced seeking or proposing your dissolution, removal from such a register or ending of such registration;
- V. An event of default or equivalent event occurs under a Trading Agreement or under any other agreement between you and us or any of our Associates; and/or
- VI. An event occurs that we consider it necessary to characterise as an Event of Default in order to prevent a violation of any Applicable Regulations or good standards of market practice or for our own protection, or an event occurs which in our view might have a material adverse effect upon your ability to perform any of your obligations under these Terms of Business or any Trading Agreement.

15.2. You shall immediately notify us if an Event of Default occurs in relation to you.

15.3. Without prejudice to clauses 16 (*Termination*) and 17 (*Consequences of termination*), if, upon the scheduled settlement date of any Transaction, any amount which is due and payable by you to us remains unpaid as at such date, we may defer such date in our sole and absolute discretion.

16. **Termination**

16.1. Upon the occurrence of an Event of Default or at any time after we have determined, in our sole and absolute discretion, that you have not performed (or we reasonably believe that you will not be able or willing in the future to perform) any of your obligations to us, we shall be entitled without prior notice to you:

- I. to close out, terminate, accelerate, cancel, replace or reverse any Transaction, buy, sell, borrow or lend any Investment or enter into any other Transaction or take, or refrain from taking, such other action at such time or times and in such manner as we consider (at our discretion) necessary or appropriate to cover, reduce or eliminate our loss or liability under or in respect of any of your Transactions, contracts, positions or commitments, including refraining from delivering any Investments due to you; and/or
- II. to terminate these Terms of Business immediately.

16.2. These Terms of Business may be terminated by notice at any time by either party, and such notice shall be effective on the date that the later of: (a) fifteen (15) calendar days following notice, and (b) the latest settlement date in respect of any Transaction entered under these Terms of Business or any Trading Agreement. Such notice shall be given to us at [info@mccoin.com] and if given to you, shall be sent in accordance with your contact details provided to us at the time of your account

opening and will be deemed to have been received (whether or not actually received) by you on the date on which we send you such notice. For the avoidance of doubt, (i) we shall be under no obligation to enter into any Transaction with you (whether before or after the date that the termination notice has been transmitted), and (ii) the serving of a termination notice under this clause is without prejudice to our right to exercise our right under clause 16.1 above.

17. **Consequences of termination**

- 17.1. At any time after termination of these Terms of Business, we shall be entitled without notice to you to:
- I. in respect of any termination pursuant to clause 16 (*Termination*), determine the Termination Amount;
  - II. receive from you all Charges, costs, expenses and liabilities accrued or incurred under these Terms of Business up to the date of termination, including, where termination is by you or as a result of your default (whether actual or anticipated), any additional expenses or Loss incurred in terminating these Terms of Business (including, without limitation, legal fees); and/or
  - III. deduct or withhold from any amount which is received by us for your account or which is payable by us to you or, at our option, debit to any account(s) of yours held with us or any Associate, any amount which is owed by you to us in the appropriate currency or, at our option, the equivalent of that amount (at current market rates as determined by us) in any other currency or currencies in which any balance on the relevant account or accounts may then be denominated.
- 17.2. At any time after termination of these Terms of Business, we will as soon as reasonably practicable, and subject to the other provisions of these Terms of Business or any Trading Agreement, refund any Charges you have paid in advance.
- 17.3. Subject to the provisions of this clause, termination of these Terms of Business pursuant to clause 16 (*Termination*) will not affect any outstanding orders or Transactions or any legal rights or obligations which may already have arisen. Any such orders or Transactions will be completed by us as soon as practicable.
- 17.4. Termination of these Terms of Business shall not affect the following provisions of these Terms of Business which shall survive such termination: clauses 1 (*Definitions and interpretation*); 11 (*Representations and warranties*); 12 (*Limitation of liability and responsibility*); 13 (*Indemnity and co-operation*); 17 (*Consequences of termination*); 19 (*Withholding Taxes*); 21 (*Handling client information, confidentiality and data protection*); 22 (*Recording of telephone calls and other communications*); 23 (*Use of name*); 25 (*Severability*); 27 (*Determination*); 28 (*No waiver*); 29 (*Non-assignment*); and 34.1 (*Governing law and jurisdiction*).

18. **Charges**

- 18.1. You shall pay Charges to us calculated on such basis and at such intervals as may be agreed between you and us or, in default of any such agreement, on such basis and at such intervals as we consider reasonable, together with any applicable withholding Taxes or equivalent as may be applicable. We will provide you with information on Charges arising in the context of the provision of Services to you as required by Applicable Regulations.
- 18.2. You will be responsible for payment of any Taxes, Charges and all other liabilities, costs and expenses payable or incurred by us in connection with the provision of Services by us to you.
- 18.3. Any Charges due and payable to us for our own account (or to allow us to pay the charges due to agents used by us) plus any applicable Taxes may be deducted from any amounts owed by us to

you or, at our discretion, shall be paid by you as stated in the relevant contract note or advice note or at settlement.

- 18.4. In addition to the costs set out above, additional costs as agreed with you from time to time will be payable by you by virtue of the fact that these Terms of Business or any Trading Agreement are entered into via email, telephone or fax. You should be aware of the possibility that other Taxes or costs may exist that are not paid through or imposed by us.

- 18.5. We shall charge you the following amounts for the services provided to you:

TBC by VARA

19. **Withholding taxes**

- 19.1. All sums payable by you are exclusive of all applicable withholding, other Taxes or equivalent which are payable (in cash or kind) by you at the same time as the sums to which they relate. Such payments should be made to us in such a way that the net amount actually received by us will equal the full amount we would have received had no such deduction or withholding been required.
- 19.2. We may deduct all forms of Taxes, including but not limited to withholding taxes, from any payment if obliged to do so under any Applicable Regulations. In accounting for Taxes, or making deductions or withholding of Taxes, we may estimate the amounts concerned. Any excess of such estimated amounts over the final confirmed liability shall be credited or sent to you and any shortfall shall be paid to us as soon as reasonably practicable.

20. **Payments and interest**

- 20.1. All payments to us under these Terms of Business or any Trading Agreement shall be made in same-day funds in such currency or in such Digital Asset as we may from time to time specify to the bank account or digital wallet designated by us for such purpose. All such payments or transfers shall be made by you without any deduction or withholding of any taxes or equivalent.
- 20.2. If you default in paying any amount when it is due, interest will be payable by you to us on the overdue amount. You will pay on demand interest on any sums due hereunder from the date when they are due until full settlement (both before and after judgment). Such interest shall be calculated by us on the normal basis for the currency or Digital Asset concerned. In respect of any Digital Asset, the interest may, at our election, accrue by reference to the value of the relevant amount of such Digital Asset converted into the Base Currency and the rate applicable in respect of the Base Currency. The payment of interest by you shall be without prejudice to any other rights we may have against you arising from your failure to pay any amount when it is due.

21. **Handling client information, confidentiality and data protection**

- 21.1. Protecting the confidentiality and security of client information is an important part of how MCCOIN conducts its business. MCCOIN has internal policies, procedures and controls in place that are designed to protect a client's confidential information, both internally (on a "need to know" basis) and externally as well as to adhere to and abide by any applicable regional laws, rules and regulations regarding the handling of client information. There may be instances where MCCOIN makes use of client information. In instances where this occurs, MCCOIN exercises care in limiting the sharing and use of such information only for the intended purpose.

- 21.2. Neither party may disclose any confidential information relating to the other except as permitted under this clause.
- 21.3. Each party may disclose confidential information relating to the other:
- I. Where required or permitted to do so by Applicable Regulations;
  - II. To its professional advisers, provided that such professional advisers must be required to hold such confidential information on the same terms as under these Terms of Business;
  - III. To a third party when assigning or sub- contracting, procuring goods or services for, or outsourcing any part of its normal business functions, provided that such third party must be required to hold such confidential information on the same terms as under these Terms of Business; or
  - IV. To a third party where required for the purposes of novation or for the purposes of transferring or managing risk, liquidity or capital requirements, provided that such third party must be required to hold such confidential information on the same terms as under these Terms of Business.
- 21.4. We may disclose confidential information relating to you where we believe it is necessary or desirable in connection with the performance or exercise of our duties or rights under these Terms of Business or any Trading Agreement. We may also from time to time provide information, which may include confidential information, to our Associates.
- 21.5. You acknowledge that:
- I. We may, in connection with these Terms of Business, Investments or Transactions, process, collect, use, share and store personal and financial data about you (if you are an individual), your employees and other individuals whose details you or a person acting on your behalf provide to us, including but not limited to contact details of individuals (such as telephone numbers and e-mail addresses) and personal identifiers, such as copies of identification documents ("**Client Personal Data**").
  - II. You shall provide to us all relevant personal data required by us for the purpose of MCCOIN's compliance with the UAE Federal Law No. 20 of 2018, UAE Federal Cabinet Decision No. 10 of 2019, and UAE Federal Law No. 7 of 2014 (all as amended) or applicable Money Laundering Regulations (and all related implementing legislation), such as passport details for know your client ("**KYC**") and anti-money laundering checks from time to time. Failure to provide this personal data could mean that we are unable to provide or to continue to provide Services to you until such time as all relevant checks are completed;
  - III. For the purposes of completing all relevant KYC and customer due diligence checks, we may obtain Client Personal Data from various sources (including from our client onboarding forms, third parties and publicly available sources) which may be included in the information we hold about you (or relevant employees); and
  - IV. Where transacting in Digital Assets, certain limited information will be made publicly available by virtue of the records made on the relevant blockchain or distributed ledger, or as a consequence of the operation of the relevant Digital System.
- 21.6. MCCOIN acts as data controller of the relevant Client Personal Data. We may process the Client Personal Data for the following purposes:
- I. For the provision of the Services to you and the administration, operation and development of your Investments and Transactions by staff from across the MCCOIN acting on behalf of MCCOIN;
  - II. For the management of your wider relationship with us and our Associates;
  - III. For the prevention of money laundering or terrorist financing in accordance with the UAE or applicable Money Laundering Regulations and/or any Applicable Regulations which implement

such Directive and the conduct of all relevant customer due diligence or enhanced due diligence required by such Applicable Regulations from time to time;

- IV. For other credit control, fraud prevention and legal, tax or regulatory compliance purposes, including (without limitation) any KYC or other background checks carried out in relation to you or a person connected to you; and
- V. To provide further information to you in relation to the business or activities of MCCOIN from time to time.

21.7. We confirm that we will process the Client Personal Data on the basis of either taking steps to enter into a contract or for the performance of a contract or for compliance with legal or regulatory obligations or for MCCOIN's legitimate interests in providing Services to you as our client (including for the purposes of the prevention of fraud) and such other grounds for processing that apply to our use of the Client Data from time to time.

21.8. We may share the Client Personal Data with our Associates and service providers acting on our behalf in order to provide the Services to you (including where required for the purpose of the MCCOIN's internal business management systems and internal controls) and where required, to regulators, governmental agencies, credit reference agencies and other organisations that help us and others to make credit decisions and reduce the incidence of fraud, but only to the extent reasonably required.

21.9. The processing referred to in this clause may include transfers of Client Personal Data to countries outside the UAE, which do not have data protection laws as strict as those in the UAE. Where this is the case, we will put appropriate safeguards in place to protect the transferred Client Personal Data, including the use of standard contractual clauses or such other methods as we consider appropriate for such transfers.

21.10. You shall:

- I. Ensure that, before you or a person acting on your behalf provide us with Client Personal Data relating to any individual, that individual has been given the information set out in this clause and informed that they have rights of access to, and correction or restriction of, their information, or to request that we erase their information or that we do not use their information to send them marketing materials, which they may exercise by contacting us in writing;
- II. Ensure that such information above is provided to all those individuals whose information has already been provided to us for the purpose of any client relationship we have had with you under previous terms of business;
- III. Provide us with such information as is necessary to keep the Client Personal Data accurate and up to date;
- IV. Immediately notify us of any notice of non-compliance with applicable data protection law which you receive and which may be relevant to our processing of the Client Personal Data;
- V. Contact your usual contact at MCCOIN or the MCCOIN's Data Protection Officer on [it@mccoin.com] if you have any concerns around the use of the Client Personal Data as provided in this clause; and
- VI. Have the right to lodge a complaint with us in relation to our use of Client Personal Data.

21.11. We shall hold the Client Personal Data for such period as you are a client of MCCOIN and/or for as long as is necessary for the relevant processing activity and otherwise in accordance with all relevant statutory or other regulatory requirements and (in the case of information provided under the UAE Money Laundering Regulations) for such period specified from time to time in the UAE or applicable money laundering regulations in any other jurisdiction, and Applicable Regulations. Such record keeping will also be in line with internal policies and procedures.

21.12. We may amend and supplement terms relating to Client Personal Data from time to time and, without limitation, may notify you of amended or supplemental terms during the client onboarding process.

22. **Recording of telephone calls and other communications**

22.1. We will monitor and record any telephone and electronic communications, including (without limitation) emails, telephone conversations and trading activity between us and you (and any of your authorised, connected or affiliated persons) that result or are intended to result in Transactions, irrespective of any Transactions that do in fact result from such communications.

22.2. The content of any face-to-face conversations with you that result or are intended to result in Transactions may be recorded by us using written minutes or notes.

22.3. The records kept shall be provided to you upon request without undue delay for a period of five years and, where requested by a competent Regulatory Authority, for a period of up to seven years.

22.4. We may monitor and/or record any electronic communications, including (without limitation) telephone conversations and trading activity between us and you (and any of your authorised, connected or affiliated persons) for the purposes of assessing the quality of service and compliance with regulatory requirements; complying with Applicable Regulations; and/or maintaining internal records.

22.5. Recordings may take place without the use of a warning tone or any other further notice and will be our sole property and accepted by you as conclusive evidence of orders or instructions given.

23. **Use of name**

You agree that you will not use the name of any member of the MCCOIN in any way without our prior written approval.

24. **Amendments**

24.1. We shall notify you with any amendments to these Terms of Business at least thirty (30) calendar days prior to any change taking effect.

24.2. Any other amendment requested by you will only become effective when we confirm, in writing, our agreement to it.

25. **Severability**

Each provision of these Terms of Business is severable, and if any provision is or becomes invalid or contravenes Applicable Regulations, the remaining provisions will not be affected.

26. **Time of the essence**

Time shall be of the essence with respect to your obligations under these Terms of Business.

27. **Determination**

Where matters are referred to in these Terms of Business as being for determination by us or otherwise within our discretion in any way (regardless of the words used), such determination shall, in the absence of manifest error, be conclusive and binding upon you.

28. **No waiver**

- 28.1. No waiver by us of any breach of any obligation arising under these Terms of Business shall constitute a waiver of any other breach and no failure to exercise or partial exercise by us of any remedy shall constitute a waiver of the right subsequently to exercise that or any other remedy.
- 28.2. Our rights, remedies, powers and privileges under these Terms of Business are cumulative and are not exclusive of any rights, remedies, powers or privileges provided by law or by any other agreement.

29. **Non-assignment**

- 29.1. Your rights under these Terms of Business and/or any Trading Agreement and/or any Transaction entered into thereunder are not capable of assignment and your obligations shall not, without our consent, be capable of performance by another person.
- 29.2. These Terms of Business, any Trading Agreement and any Transaction shall remain in effect notwithstanding any amalgamation or merger that may be effected by us with any other company, and, in the event of the sale and/or transfer of the whole or part of our undertaking or assets to another entity, may be assigned to, and enforced by, such entity as if such entity had been named herein instead of us. These Terms of Business and any Trading Agreement shall be for the benefit of and binding upon our and your successors and assigns.
- 29.3. We may make a transfer of all or any part of our interest in any amount (if any) payable to us under the terms of any Transaction entered into under the terms of these Terms of Business or any Trading Agreement.
- 29.4. Any purported transfer not in compliance with this clause shall be void.

30. **Joint clients and trustees**

- 30.1. Where you are constituted by more than one legal person, any Instruction, notice, demand, acknowledgement or request to be given by or to you under these Terms of Business and any Trading Agreement, as applicable, may be given by or to any one of the persons constituting you. We need not enquire as to the authority of that person, and that person may give us an effective and final discharge in respect of any of our obligations. The liabilities of each person constituting you under or in connection with these Terms of Business are joint and several.
- 30.2. Where you are one or more trustees, you confirm that, on the basis of competent legal advice, all persons constituting you are satisfied that each of them has and will continue to have all the necessary powers to enter into these Terms of Business and any Trading Agreement, as applicable, and the Investments and Transactions in respect of which such Instructions are given. You shall, further, notify us in writing of any changes in trustee(s) of the relevant trust.

31. **Third party rights**

A person who is not a party to these Terms of Business or any Trading Agreement, as applicable, has no rights to enforce any term of these Terms of Business or any Trading Agreement.

32. **Notices**

32.1. To the extent permitted by Applicable Regulations, we may despatch or transmit any contract notes, advice notes, periodic statements, written notices and other communications under these Terms of Business or any Trading Agreement to you at your address or other contact details (including, without limitation, an email address or facsimile number) as shown in our records. Any such communication shall be conclusive and binding on you unless objection in writing is received by us within two business days of the date thereof. In proving delivery, it shall be sufficient for us to prove that the communication was despatched or transmitted to the address or other contact details last actually notified (and not only deemed to have been notified) by you to us. You shall be responsible for ensuring that we have been actually notified (and not only deemed to have been notified) of your current address and other contact details from time to time. Nothing in this clause 32.1 will prevent us from correcting an error or omission in any communication that we have delivered to you.

32.2. Subject to clause 8 and clause 32.1, all notices, letters and other written communications will be sent by you to our registered office and by us to your registered office. Any such notice will be deemed to be given as follows:

- I. If in writing, when in the ordinary course of business they would have been received; and
- II. If by facsimile or email, when received.

A notice given in accordance with this clause 32.2 but received on a non-working day or after business hours in the place of receipt will only be deemed to be given at opening of business on the next working day in the same place.

**33. Third-Party Service Providers**

33.1. We acknowledge that certain services provided under these Terms of Business may rely on the involvement of third-party service providers.

33.2. In accordance with clause 33.1 above, We involved the following third-party service providers to provide certain services:

- I. OKX Middle East Fintech FZE: such third-party service provider shall provide exchange services for the services and transactions subject to these Terms of Business.
- II. Custodian Name (TBC later as per the VARA's Meeting): such third-party service provider shall provide custody services for the Digital Assets subject to these Terms of Business
- III. SUMSUB TECHNOLOGY LLC,: such third-party service provider shall provide your KYC verification and compliance services subject to these Terms and Business.

33.3. We shall maintain transparency regarding the involvement of third-party service providers throughout the provision of services under these Terms of Business. We shall communicate any changes or updates to the roles and responsibilities of these third-party service providers to you in a clear and timely manner.



## 34. **Complaints and Support management**

- 34.1. If you have a complaint about our conduct under these Terms of Business in relation to any Applicable Regulations, you should raise it in accordance with the Complaints Handling Procedures, which are made available upon request, and can be found on [https://www.mccoin.com]. In addition this, for filing a complaint, to seek assistance or support or to raise a general inquiry you can reach out to us at:

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

**Phone number:** +97144509115

**URL for support page :** <https://mccoinvirtualassetsllc.freshdesk.com/support/home>

Upon receipt of your complaint, request for support or assistance or general inquiry, we will reach out to immediately to your registered email address and/or phone number within 1 working day.

## 35. **Governing law and jurisdiction**

- 35.1. Any claim, counterclaim or dispute of any kind or nature whatsoever, directly or indirectly, shall be governed by, and construed in accordance with the laws of the Emirate of Dubai.
- 35.2. You acknowledge and agree that in the event of any dispute, controversy, difference or claim, including the existence, validity, interpretation, performance, breach or termination of the Agreement or any dispute arising out of or relating to the Agreement ("**Dispute**"), the Parties shall first refer to the dispute resolution mechanism.
- 35.3. If either Party gives the other Party a written notice claiming that any Dispute has arisen and the Parties are unable to resolve the Dispute within ten (10) Business Days of service of that notice, then the Parties must:
1. Use their best endeavors to ensure that a meeting is held in an effort to resolve the Dispute; and
  2. Make available a representative who has authority to settle the Dispute to attend that meeting.
- 35.4. Submission to Arbitration. If the meeting either:
1. Takes place and the Parties are unable to resolve the Dispute within ten (10) Business Days of the meeting taking place; or
  2. Does not take place for any reason whatsoever within twenty (20) Business Days of service of the notice, then either Party to the Dispute is entitled to refer the Dispute to arbitration.
- 35.5. Any Dispute must be referred to and finally resolved by binding arbitration administered by the Dubai International Arbitration Center ("DIAC") in accordance with the DIAC Arbitration Rules ("Rules").

## 36. **Languages and Copies of the Agreement**

- 36.1. This Agreement shall be executed in English in two (2) original copies. You shall receive one (1) original copy which shall be valid and enforceable.
- 36.2. We shall maintain a record of all versions of this Agreement and its amendments, if applicable.

## **SCHEDULE 1 RISK FACTORS**

### **I. General risks**

This Risk Disclosure Statement outlines a non-exhaustive list of risks which may be associated with the Services we offer, relating in particular to entering into Transactions. In this Risk Disclosure Statement, references to “**MCCOIN**” or “**we**”, “**us**” or “**our**” means MCCOIN Virtual Assets L.L.C.

This Risk Disclosure Statement does not set out all risks arising in relation to the Investments and Services we may offer, and should not be relied upon as doing so. The risks applicable to any particular Investment or Service will depend on your particular circumstances and the terms of the relevant transaction. You should not deal in any Investment unless you understand the nature of the product you are dealing in (or a contract you are entering into), the extent of your exposure to risk, and unless you are satisfied that the product is appropriate for you.

You should consider carefully whether or not any product is suitable for you in light of your circumstances and financial position, and if in any doubt, seek professional advice.

All financial products carry a degree of risk and even low-risk investment strategies contain an element of uncertainty. Prices may fluctuate and there is a risk you may lose some or all of your investment, and in some cases, more than the amount equal to your entire original investment. The types of risk that might be of concern will depend on various matters. The specific risks of a particular product will depend upon the nature of the asset and the circumstances of the relevant parties involved.

The nature and extent of investment risks varies with, amongst other things, the type of investment, the diversification or concentration in a portfolio and the complexity of the transaction. The price or value of an investment will depend on fluctuations in the financial markets and current performance, past performance, stimulated past performance or forecast performance are no indicator of future performance.

Types of risks that may have an impact on your investment include (without limitation) liquidity risk, market risk (including volatility risk and the impact of market conditions), settlement risk, currency risk, credit risk, operational risk, business risk, tax risk, regulatory risk, legal risk, barriers to or restrictions on divestment, risks inherent in “over the counter trading” and/or risks as a result of you assuming additional obligations in relation to the investment. These risks may occur simultaneously and may have an unpredictable effect on the value of your investment. The types of risks outlined in this Risk Disclosure Statement are not an exhaustive list of the risks which may occur in relation to Investments and you should consider any and all additional material provided to you in connection with your investment when assessing your risk exposure.

Risks arising generally in relation to Investments include:

- a. Risk relating to market conditions: the price of an Investment and its disinvestment risk may each be affected by factors relating to wider market conditions, both positive and negative, and such market conditions will affect each Investment differently.
- b. Disinvestment risk: Investments may be affected by impediments to disinvestment, (e.g., Investments may prove illiquid or difficult to sell and/or may be difficult to sell at a price equal to or greater than the transaction price at the point in time that you wish to sell).

### **II. Over-the-counter-transactions**

The Transactions you enter with us will be over-the-counter transactions and therefore will be off-exchange. There are different levels of liquidity in the over-the-counter markets for specific instruments,

and while some markets are highly liquid, transactions in off-exchange, over-the-counter transactions may involve greater risk than investing in on-exchange transactions due to low liquidity as there is no exchange market on which to close out an open position. It may be difficult and, in some cases, impossible to liquidate in full or in part an existing position or assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk associated with holding or liquidating the position. In over-the-counter markets, offer and bid prices need not be quoted, and even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price or valuation for a specific instrument.

### **III. Default and termination**

If any Event of Default occurs in relation to you, or at any time after we have determined, in our sole and absolute discretion, that you have not performed (or we reasonably believe that you will not be able or willing in the future to perform) any of your obligations to us, we shall be entitled without prior notice to you (i) to close out, terminate, accelerate, cancel, replace or reverse any Transaction, buy, sell, borrow or lend any Investment or enter into any other Transaction or take, or refrain from taking, such other action at such time or times and in such manner as we consider (at our discretion) necessary or appropriate to cover, reduce or eliminate our loss or liability under or in respect of any of your Transactions, contracts, positions or commitments, including refraining from delivering any Investments due to you and/or (ii) terminate any Transaction and to terminate the Terms of Business immediately. A termination may involve the payment of a Termination Amount from you, which may be netted and/or set-off against other payment obligations due between us and you.

### **IV. Disruption Events**

If a Disruption Event occurs we may, in our sole and absolute discretion, make such changes, conversions, adjustments or modifications to the exercise, settlement, payment or any other terms of such Transaction as we determine to be appropriate (which may include cancelling any relevant Transaction and calculating any payment due to or from you based on the closing prices we reasonably deem to be appropriate). We make no assurances in relation to the nature of any adjustments we decide to make.

### **V. Collateral**

You may be required to transfer Collateral to us on demand, in such amounts and types as we may require in our absolute discretion, which may be in the form of cash or Digital Assets as specified by us prior to the entry into a Transaction and from time to time during the term of a Transaction. Collateral may be required in relation to any Transaction, whether entered under the Terms of Business or any Trading Agreement.

We reserve the right to vary the amount and type of Collateral required at our sole and absolute discretion. You are responsible for ensuring arrangements are in place to deal at all times with calls for further and/or replacement Collateral to be transferred, including sourcing Collateral of the type we require to be delivered (in the event you do not already hold such Collateral at the relevant time).

Any Collateral which is paid or delivered to us will be by way of outright transfer of ownership and will not be held by us in an account on your behalf and our only obligation to you in relation to such Collateral will be a contractual obligation to return an equivalent amount or asset if we decide such Collateral is no longer required. As such, you will not enjoy the same protections in relation to the Collateral that you would otherwise have enjoyed had the Collateral been placed in an account held with a third party. This creates the risk that, in the event we were subject to insolvency proceedings, you may not recover some or all of any Collateral that we were due to return to you.

Allowing for only the partial collateralisation of a position (for example, in relation to contracts for difference) creates leverage and this can work for you or against you. A small price movement in your favour can result in a high return on the Collateral transferred to us in relation to the contract for difference but conversely a small price movement against you may result in substantial losses.

## **VI. Foreign currency risks**

Entering into Transactions involving foreign exchange exposes you to the risk of adverse changes in foreign currency exchange rates. Foreign currency exchange rates can be volatile and are driven by a variety of factors relating to the economics of the territories whose currencies are being traded. A movement in foreign currency exchange rates may have a favourable or an unfavourable effect on the gain or loss achieved on such Transactions. The profit or loss on Transactions in foreign currency-denominated contracts (whether they are traded in your own or another jurisdiction) may be affected by fluctuations in currency exchange rates where there is a need due to the nature of the instrument or otherwise to conduct conversion from the currency denomination of the contract to another currency. If you enter into Transactions involving foreign exchange, you are exposed to the risk that exchange rates may significantly change (including changes due to devaluation of one of the underlying currencies) and the risk that the relevant authorities with jurisdiction over one of the underlying currencies may impose or modify certain exchange controls. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate.

## **VII. Digital Assets risks**

- a. **The nascent nature of Digital Assets:** Digital Assets are a new and evolving asset class and are part of a new and rapidly evolving industry that is subject to a high degree of uncertainty. The characteristics of particular Digital Assets within the “class” may differ significantly, and the investment characteristics of Digital Assets as an asset class differ from those of traditional currencies, securities and commodities. Digital Assets present a constantly changing environment in which the associated risks are also constantly changing. Accordingly, the risks described herein, which may become outdated, are only a brief summary of certain aspects of the risks associated with investing in Digital Assets and are not exhaustive.
- b. **Price volatility:** The price of a Digital Asset is ultimately based on the perceived value of the Digital Asset and can be subject to changes in sentiment, which may make these products highly volatile. You should be aware of the potentially extreme price volatility of some Digital Assets and the possibility of rapid and substantial price movements, which could result in significant losses, including the loss of the full value, and in some cases, more than the amount equal to the full value of such Digital Assets. Moreover, Digital Assets are not backed by a central bank, a national or international organisation, assets or other forms of credit, although in some specific cases may be backed to an extent by physical assets. Digital Assets may have no inherent value; in most cases, the price of Digital Assets is entirely dependent on the value that market participants place on them, meaning that any increase or loss of confidence in Digital Assets may affect their value.

Digital Assets may also be subject to momentum pricing due to speculation regarding future appreciation in value, leading to greater volatility. Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for future appreciation in value, if any. It is possible that momentum pricing of Digital Assets has resulted, and may continue to result, in speculation regarding future appreciation in the value of Digital Assets, making Digital Asset prices more volatile. As a result, Digital Assets may be more likely to fluctuate in value due to changing investor confidence, which could impact future appreciation or depreciation in Digital Assets prices.

There is no assurance that Digital Assets will maintain their long-term value or become more widely adopted (whether as a form of currency or otherwise). On the contrary, they may cease to be used altogether.

- c. **Valuation:** It may prove difficult to determine the value of a given Digital Asset from time to time, due to price volatility and the fragmentation of the Digital Asset markets. Published Digital Asset prices may deviate significantly between different exchanges and other market venues as a result of liquidity imbalances, and weighted average prices may not provide an accurate representation of value. We do not guarantee that the price we provide in respect of any Digital Asset will be better than the price available from another exchange or market venue.
- d. **Liquidity:** Liquidity risk exists when particular investments are difficult to purchase or sell, possibly preventing you from selling out of these illiquid investments at an advantageous price, or at all. Thin markets can also amplify volatility and cause significant delays in executing trades. Any markets for these investments can be expected to involve wider price spreads and more sensitivity to buying and selling pressures than is found in more active markets. Illiquidity can be caused by various factors, including but not limited to market conditions, regulatory actions, technological issues, or other unforeseen circumstances. Illiquidity may impact the ability to open or close positions, leading to potential losses or delays in accessing funds.

Digital Assets may be illiquid investments that are not easily and readily convertible into fiat currencies, and some Digital Asset markets may be thinner than others.

- e. **Cybersecurity and malicious activity:** Digital Assets are subject to increased cybersecurity risks when compared to other asset classes. The cybersecurity risks of Digital Assets and related “wallets” or spot exchanges include hacking vulnerabilities, and a risk that publicly distributed ledgers may not be immutable. A cybersecurity event could potentially result in a substantial, immediate and irreversible loss for market participants that trade Digital Assets, including you and your holding of Digital Assets. Even a minor cybersecurity event in a Digital Asset is likely to result in downward price pressure on that product and potentially other Digital Assets. Digital Assets may be subject to fraud, manipulation and theft (which are not uncommon), not only through hacks but through other means, such as targeted schemes, and you may not benefit from legal protections in such circumstances. Moreover, cybersecurity risks may arise by virtue of the structure of one or a series of smart contracts or decentralised finance applications in ways that do not technically constitute exploitation of a “bug” or flaw in the smart contract or application. If such features are exploited in the context of a decentralised finance (“DeFi”) application, this could also trigger certain second order consequences which may ultimately (and adversely) affect the value of the Digital Asset native to any associated blockchain network(s). The occurrence of any of the abovementioned risks could result in significant loss and/or other market impacts (such as greater price volatility) that may adversely impact your interests.

Similarly, Digital Asset networks, platforms and exchanges may be subject to attack by malicious persons, entities or malware. For instance, a malicious actor or group of actors could obtain a majority of the processing or ‘hash’ power on a particular Digital Asset network, and could implement modifications to the network in a way that is detrimental to the liquidity or value of the Digital Asset (commonly referred to as a ‘51% attack’), such as preventing transactions from posting accurately on the blockchain, or at all, and/or allowing certain coins to be spent more than once. To the extent that such malicious person(s) does not yield its majority control of the processing power on the network, reversing any changes made to the source code or blockchain may not be possible. Malicious activities such as these may reduce confidence in Digital Assets and result in greater price volatility, and could adversely affect your investment in Digital Assets.

- f. **Development and maintenance of Digital Assets networks:** Several Digital Assets networks operate on an open-source protocol maintained by a group of uncompensated volunteer developers. Consequently, there may be a lack of financial incentive for developers to maintain or develop the network, and the developers may lack the resources to adequately address emerging issues with the relevant Digital Asset protocol. There can be no assurance that the core developers of a Digital Asset network will continue to be involved in the network, or that new volunteer developers will emerge to replace them. To the extent that material issues arise with a Digital Asset protocol and the developers are unable or unwilling to address the issues adequately or in a timely manner, the Digital Asset may diminish in value or become worthless.

In addition, several Digital Assets rely on decentralised participants to operate the Digital Asset network through verifying transactions in Digital Assets on an ongoing basis. The failure of decentralised participants to continue to maintain a network by verifying Digital Asset transactions may result in the relevant Digital Asset losing value or becoming worthless.

- g. **Risks of ‘proof of stake’ consensus mechanisms:** Certain Digital Assets rely in whole or in part on a “proof of stake” method of generating a distributed consensus. Proof of stake algorithms do not rely on resource intensive calculations to validate transactions and create new blocks in a blockchain; instead, the validator of the next block is determined by reference to the amount of Digital Assets a user has “staked” and the amount of time it has been “staked,” which generates payments to such user in additional Digital Assets. While the advantage of a “proof of stake” system is that it is far less energy intensive than a “proof of work” system, this may result in lower barriers for entry, which may allow for increased participation by malicious actors with small stakes that attempt to manipulate the blockchain or increase the risk that the Digital Asset will experience one or more forks, which could impact its value.

Founders of Digital Assets or Digital Asset networks may retain large amounts of the generated Digital Asset, which large positions may result in such founders having an effective veto or ability to control the Digital Asset or its associated blockchain network. As returns associated with staking are connected to the amount of the wealth staked, “proof of stake” systems may encourage hoarding of the Digital Asset. While there are advantages to having users “buy in” to a Digital Asset and support its development, excessive hoarding reduces the “decentralised” nature of verification of the blockchain and may impair the spread of such Digital Asset, including interfering with the widespread adoption of such Digital Assets for use in transactions.

- h. **Opaque market:** Digital Asset balances are generally maintained as an address on the blockchain and are accessed through private keys, which may be held by a market participant or a custodian. Although Digital Asset transactions are not typically private and are publicly available on a blockchain or distributed ledger, the public address does not identify the controller, owner or holder of the private key. Unlike bank and brokerage accounts, Digital Asset exchanges and custodians that hold Digital Assets do not always identify the owner. The opaque underlying or spot market may pose asset verification challenges for market participants, regulators and auditors and potentially give rise to an increased risk of manipulation and fraud.
- i. **Legality of Digital Assets:** It may be illegal, now or in the future, to own, hold, sell or use Digital Assets in one or more countries. Although currently most Digital Assets are not regulated or are lightly regulated in most countries, one or more countries may take regulatory actions in the future that severely restrict the right to acquire, own, hold, sell or use Digital Assets or to exchange Digital Assets for fiat currency. Such actions may restrict your ability to hold or trade Digital Assets (directly or indirectly).
- j. **24/7 markets:** Unlike conventional securities exchanges and other similar exchanges that are only available for transactions during standard trading hours, Digital Assets may be traded 24

hours a day, 7 days a week so long as the network that the Digital Assets exist on is operational. Most Digital Asset networks are available at any time and are supported by global cryptocurrency exchanges with continuous availability. As such, Digital Asset investments will likely be subject to changing market conditions at all times. This phenomenon may result in situations where you may not be able to respond to rapidly changing market conditions outside of regular business hours.

- k. **Digital asset exchanges, intermediaries and custodians:** Digital asset exchanges are relatively new and largely unregulated in many jurisdictions. The opaque underlying spot market and lack of regulatory oversight potentially creates a risk that a digital asset exchange may not hold sufficient digital assets and funds to satisfy its obligations to its customers and that such deficiency may not be easily identified or discovered. Many digital asset exchanges have experienced significant outages, downtime and transaction processing delays and may have a higher level of operational risk than regulated futures or securities exchanges. The same sorts of risks apply to other intermediaries, custodians and vendors used to facilitate digital assets transactions. This poses risks to the customers of such digital assets exchanges, intermediaries, custodians and vendors and may have adverse consequences for the Digital Assets that are the subject of any Transaction, and the digital assets markets more generally.
- l. **Custody and security risks:** Customers of third-party service providers for digital asset custody, trading, lending, staking or other purposes may not directly control the digital assets held through such third-party service providers. The obligations associated with these custodial and other arrangements to safeguard digital assets involve unique risks and uncertainties that are not present in arrangements for safeguarding conventional assets. For example, due to the unique characteristics of digital assets and the lack of legal precedent, there are significant legal questions surrounding how such arrangements would be treated in a court proceeding arising from an adverse event (e.g., fraud, loss, theft or bankruptcy).

Furthermore, as compared to many common arrangements to safeguard assets for third parties, there are significantly fewer regulatory requirements for holding digital assets or entities may not be complying with regulatory requirements that do apply, which results in increased risks. In addition, the contractual terms with custodians (particularly liability terms) may be less favourable than contractual terms typically negotiated with custodians in respect of other assets and, in the event of any disputes under the terms of the custody agreement between the customer and the relevant custodian, the customer may be in a worse position than if it had appointed a custodian in respect of other assets. The financial institutions, exchanges or other third parties appointed to act as custodians may become insolvent, causing the relevant customer to lose all or a portion of the digital assets held by those custodians. In the event of bankruptcy of a third-party service provider, digital assets held by a third party may, in certain circumstances, be considered property of the bankruptcy estate and the customer could be treated as a general unsecured creditor in bankruptcy proceedings.

The aforementioned risks may apply to you to the extent you engage third-party service providers in relation to digital asset custody, trading, lending, staking or other purposes, and could potentially lead to substantial losses (that we are not responsible for). They may also pose indirect risks, as we may rely on third-party service providers in relation to Digital Assets and/or Transactions from time to time.

- m. **Loss or destruction of private keys:** Digital Assets are generally only controllable by the possessor of the unique private key or keys relating to the wallet in which the Digital Asset is held. These keys are typically created by and stored within software known as a “digital wallet.” While each Digital Asset network may require a public key be published when used in a transaction, any private keys linked with such public key must be safeguarded and kept private in order to prevent

a third party from accessing the Digital Asset held in a digital wallet. To the extent a private key is lost, destroyed or otherwise compromised and no backup of the private key is accessible, you (or any custodian acting on your behalf) will be unable to access the Digital Assets held in the related wallet and, in most cases, the private key will not be capable of being restored. The loss or destruction of a private key required to access a Digital Asset may be irreversible. Any loss of private keys relating to Digital Assets could lead to substantial losses. The risk of loss due to losses of private keys or similar methodologies of secure access is generally greater for Digital Assets than that of other asset classes, given the variations in the sophistication of access methodologies and the inherent technological designs of Digital Assets.

- n. **Risks in respect of blockchain technology:** Digital Assets and Digital Asset networks typically involve cryptographic and other algorithmic protocols governing the issuance of Digital Assets that represent a new and rapidly evolving industry that is subject to a variety of factors that are difficult to evaluate. As Digital Asset networks continue to develop and grow, certain technical issues might be uncovered and the troubleshooting and resolution of such issues will likely require the attention and efforts of decentralised development communities. Moreover, in the past, flaws in the source code for Digital Asset networks have been exposed and exploited, including flaws that disabled some functionality for users, exposed users' personal information and/or resulted in the theft of users' Digital Assets. The cryptography underlying Digital Assets could prove to be flawed or ineffective, or developments in mathematics and/or technology, including advances in digital computing, algebraic geometry and quantum computing, could result in such cryptography becoming ineffective. In any of these circumstances, a malicious actor may be able to misappropriate your Digital Assets. Moreover, functionality of Digital Asset networks may be negatively affected such that it is no longer attractive to users, thereby reducing demand for the relevant Digital Asset.

Even if only a particular Digital Asset was affected by such circumstances, any reduction in confidence in the source code or cryptography underlying Digital Assets generally could negatively affect the demand for Digital Assets.

- o. **Uneven protocol adoption and forking:** Often, there is no official developer or group of developers that formally controls a given Digital Asset network. Any individual can download the software that facilitates the operation of a Digital Asset network, and generally any user can make any desired modifications to such software. Such modifications in the protocol governing the Digital Asset network are proposed to users of the Digital Asset network through software downloads and upgrades. A substantial economic majority of users may need to consent to such software modifications by downloading and running the modified software in order for the proposed modifications to become part of the Digital Asset network. This process ensures that the Digital Asset network remains coherent over time. However, to the extent that the substantial economic majority of users do not accept a proposed modification to a Digital Asset network, but a material portion of the users do consent to the modification, it can create "forks" in the Digital Asset network's blockchain. Such forks create two alternative versions of the blockchain, starting from the point of the fork forward, and essentially cause the creation of two versions of the Digital Asset recorded on the blockchain. Such a fork in a blockchain typically would be addressed by community-led efforts to merge the forked blockchains, and several prior forks have been so merged. However, there can be no assurance that a fork in a blockchain will be resolved and permanent forks in blockchains have resulted.

While theoretically the "splitting" of a Digital Asset that occurs when there is a hard fork in the blockchain should result in each user owning two assets that collectively are valued at the same level as the pre-split assets, this may not always be the case. The post-fork value of Digital



Assets can be volatile and unpredictable. This could result in the holder owning the same asset after the fork as before the fork, but at a lower market value. Further, one or both of the post-fork Digital Asset(s) may not be supported by an adequate amount of network participants or developers and may be vulnerable to attacks and other risks. A market participant holding a Digital Asset may also be adversely impacted if its custodian does not allow its customers to participate in a fork that creates a new product. To the extent that Digital Assets in which you invested experience a fork in their blockchains, you could experience significant losses.

Additionally, in certain circumstances forks may be deliberately created by malicious actors. In the event that a majority of the users, or processing power, associated with a Digital Asset have adopted an adverse amendment to a protocol, the investment in such Digital Asset, or the ability to trade such Digital Asset, may be materially impacted. Therefore, responding to Digital Asset forks requires a strategic approach and assessment that consider various factors. Our proposed strategic approach is as follows:

- 1. Understand the fork:**
  - Assess the type of fork occurring. Is it a soft fork, a hard fork, or a network upgrade?
  - Understand the reason behind the fork, such as protocol changes, disagreement among community members, or new feature implementation.
- 2. Evaluate Impact:**
  - Evaluate how the fork may impact the value, security, and functionality of the virtual asset.
  - Consider the potential effects on stakeholders, including investors, users, miners, and developers.
- 3. Develop a Response Plan:**
  - Based on the evaluation, develop a response plan that aligns with our goals and objectives.
  - Determine whether to support the fork, remain neutral, or take a stance against it.
  - Consider the technical and operational aspects of implementing the response plan.
- 4. Communication Strategy:**
  - Communicate our stance on the fork to you clearly and transparently.
  - Provide updates and information regarding any actions taken in response to the fork.
  - Address concerns and questions from you promptly and effectively.
- 5. Implement Risk Management Measures:**
  - Implement risk management measures to mitigate potential risks associated with the fork, such as security vulnerabilities or market volatility.
  - Ensure that appropriate security protocols are in place to safeguard assets during and after the fork.
- 6. Monitor Developments:**
  - Continuously monitor developments related to the fork, including network upgrades, consensus changes, and community sentiment.
  - Stay informed about any updates or announcements from the fork's development team or community leaders.
- 7. Adapt and Adjust:**
  - Be prepared to adapt and adjust the response plan based on evolving circumstances and new information.
  - Remain flexible and open to changes that may arise during the fork process.
- 8. Compliance and Legal Considerations:**
  - Ensure compliance with relevant legal and regulatory requirements governing Digital Assets and blockchain technology.
  - Seek legal advice if necessary, especially in cases where the fork may have legal implications.
- 9. Post-Fork Analysis:**

- Conduct a post-fork analysis to evaluate the effectiveness of the response plan and identify any lessons learned.
- Assess the impact of the fork on our operations, reputation, and relationships with stakeholders and all clients.

#### 10. Long-Term Strategy:

- Develop a long-term strategy for managing future forks and changes within the Digital Asset ecosystem.
  - Consider implementing governance mechanisms and protocols to facilitate decision-making and consensus-building within the community.
- p. **Regulatory uncertainty:** The value and liquidity of Digital Asset markets may be influenced by new laws, regulations, policies and guidance which may vary significantly among international, federal, state and local jurisdictions and are subject to significant uncertainty. The regulatory environment for Digital Assets is constantly evolving, and new regulations or policies may materially adversely affect your ability to invest in Digital Assets. Regulation of Digital Assets may also vary significantly among international, federal, state, and local jurisdictions and is subject to a level of uncertainty. Various legislative and executive bodies in the United States and in other countries may in the future adopt laws, regulations, or guidance, or take other actions, which may severely impact the use of Digital Assets generally and the technology behind them or the means of transacting in or transferring them. Failure by you to comply with any current or future laws, rules and regulations, some of which may be subject to change, could result in a variety of adverse consequences.
- q. **Irreversibility and irrecoverability:** Digital Asset transactions and transfers are generally irreversible without the consent and active participation from the recipient of the transaction. To the extent that any of your Digital Assets are incorrectly or fraudulently transferred, they are likely to be irretrievable. Furthermore, where Digital Assets have been lost, stolen or destroyed under circumstances rendering a party liable to you, then you may have limited recourse against the responsible party. For example, as to a particular event of loss, the only source of recovery might be limited to your custodian or, to the extent identifiable, other responsible third parties (e.g. a thief or terrorist), which may not have the financial resources (including liability insurance coverage) to satisfy a valid claim.
- r. **Risks in relation to stablecoins:** Stablecoins are Digital Assets that seek to minimise volatility and maintain a stable value, including by being backed by an asset or portfolio of assets, such as fiat currency, or other methods, such as algorithmically controlled supply. There is a risk that the sponsor or issuer (including a smart contract) of a stablecoin does not hold the corresponding asset underlying each stablecoin in circulation and is therefore unable to fulfil one-for-one or other forms of redemptions. Alternatively, software designed to maintain the value of a stablecoin may be subject to errors, flaws, bugs or be subject to hacking or manipulation. Such risks may result in losses in the wider digital assets markets.

In addition, stablecoin issuers or sponsors (including smart contracts and their programmers) may be unregulated and may not provide transparent disclosure regarding their compliance with applicable licensing and regulatory requirements or the financial institutions that hold the underlying assets. Moreover, statements from the regulators in certain jurisdictions suggest that stablecoins may be regulated as securities in those jurisdictions, and some have initiated and settled enforcement proceedings. If a stablecoin issuer or sponsor fails to maintain required licenses to issue a stablecoin, it could subject the issuer or sponsor to regulatory enforcement and injunctive actions, such as freezing funds underlying the stablecoin. The stablecoin issuer or sponsor could also lose its relationships with banks and bank accounts where the underlying assets are deposited if it is engaged in unlicensed activities. If any of these events occur, the value of the affected stablecoins could materially decline, which could have an adverse effect on any Transaction you have entered in respect of such stablecoin.

## **VIII. Instructions and settlement**

We may, in accordance with Applicable Regulations and at our discretion, refuse to accept Instructions from you, including (but not limited to) cases where Instructions require us to make any payment or incur any liability before receipt of sufficient cleared funds from you. Similarly, we will not be obliged to settle any Transaction or make certain payments or deliveries to you until we (or our settlement agent) have received all necessary documents or cleared funds from you. We shall not be deemed to be holding property on your behalf pending settlement of a Transaction.

## **IX. Liability, indemnity, and force majeure**

Neither we nor any Associate nor any of the Indemnified Parties shall be liable for any Loss arising from any act or omission in the course of or relating to the activities to which the Terms of Business or any Trading Agreement apply, subject to certain limitations. Moreover, you undertake to indemnify and hold us, our Associates (including in respect of any Associate that is a broker) and the Indemnified Parties harmless against any Loss which any of the foregoing may suffer or incur directly or indirectly in connection with or as a result of anything done or omitted to be done for the purpose of carrying out any Transaction for your account or providing any Service to you or otherwise acting on your Instructions under these Terms of Business or any Trading Agreement, subject to certain limitations. You shall also pay any penalties arising in respect of the Transactions you enter. In the event of any failure, interruption or delay in the performance of our obligations resulting from acts, events or circumstances not reasonably within our or any Associate's control, neither we nor any Associate shall be liable or have any responsibility for any Loss whatsoever thereby incurred or suffered by you, and we shall not be obliged to take or refrain from taking any action in such circumstances.

## **X. No investment advice**

Information provided by MCCOIN does not constitute investment advice, financial advice, trading advice, or any other type of advice whatsoever and is presented rather as general market commentary. We shall not provide any investment advice in relation to a transaction in the form of personal recommendations or advise on the merits of buying, selling, or otherwise dealing in particular instruments and/or investments or executing particular transactions, any tax, legal or other economic consequences or any other rights or obligations attaching to such instruments, investments or transactions. Therefore, you must rely solely on your own judgment in deciding to enter into or close a transaction and we make no assessment of the suitability of such actions for you. We give no warranty as to the performance or profitability of any transaction or investment that you may effect through us. We will not be held responsible for any investment decisions made based on the information provided by MCCOIN.

## **XI. You are not acting as intermediary**

We will deal with you on the basis that you act as principal and not as agent acting on behalf of or for the benefit of a principal. Furthermore, your failure to inform us that another person or any software and/or algorithm is operating your account on your behalf may result in us terminating the agreement, voiding any transactions, undertaking or closing any open transactions.

## **XII. Charges, fees and taxes**

Interest, taxes, costs, spreads, fees, and charges may be payable by you to us when you trade or on such other basis as agreed between us or as notified by us to you from time to time. These taxes, charges, costs, spreads and fees will reduce your trading net profits (if any) or increase your trading losses. It is possible that your intended treatment of the Services provided by us to you under the Terms of Business or any Trading Agreement may be challenged by tax authorities. You must seek your own tax advice as to such services which may result in adverse tax consequences to you.

## **XIII. Conflicts of interest**

While we have put in place and will maintain effective organisational and administrative arrangements with a view to taking all appropriate steps to identify and manage conflicts of interest between us and our

clients and relevant third parties, conflicts of interest may nevertheless arise. You irrevocably waive any claim you may have against us or any Associate (and release us and them from all liability) in respect of any material interest or conflict that we or any Associate may have, whether or not disclosed to you. If we cannot avoid conflicts of interest after using all reasonable efforts, we will disclose such conflicts to affected clients. Otherwise, we need not disclose to you, or any other client, the nature or extent of any interest we or any Associate may have in any Transaction or in any resulting transactions, that we may owe duties to other clients which otherwise conflict with our duties owed to you, or that we may have a relationship which gives rise to a conflict of interest, unless obliged to do so under Applicable Regulations. We shall be entitled to retain any profit or benefit arising as if no such interest, other duties or relationship existed.

#### **XIV. Acknowledgement**

By entering into any Transaction, you understand, acknowledge and agree that:

- a. you have received a copy of this Risk Disclosure Statement and read and understood the nature and consequences of the risk factors described herein and have had an opportunity to raise questions and to discuss those risks with any advisors as you have deemed to be necessary or desirable;
- b. the risk factors cannot disclose all the risks and other significant aspects of the Transactions to be entered into with us and thus cannot be taken as a comprehensive or exhaustive list of all possible risks;
- c. you are acting on your own account and have reviewed carefully your specific financial needs and investment objectives before entering into any Transaction, and you have made your own independent decision to enter into any Transaction and as to the legality, suitability and appropriateness of any Transaction based upon your own judgment and upon advice from such advisers as you have deemed necessary or desirable;
- d. you confirm that neither MCCOIN, nor any Associate of MCCOIN, is acting as a fiduciary for or an adviser to you in respect of any Transaction;
- e. you are not relying on any communication (written or oral) from MCCOIN or from any Associate of MCCOIN as investment advice or as a recommendation to enter into any Transaction and you understand that the information and explanations of the terms of any Transaction as contained in any Confirmation shall not be considered to be investment advice or a recommendation to enter into such Transaction;
- f. you understand the tax implications of any Transactions, particularly as regards to Transactions involving Digital Assets, in your jurisdiction including, without limitation, income tax, corporation tax, capital gains tax or any sales tax or value added tax and any other tax framework in place within your country of residence for tax purposes;
- g. MCCOIN assumes no responsibility for your portfolio or for any investment or Transaction which you have entered into, and any opinions, projections, estimates, forecasts and/or targets expressed in any communication (written or oral) from MCCOIN should not be construed as or relied upon in any manner as investment, legal, tax or other advice, are provided for informational purposes only, and are subject to change without notice;
- h. in the event of any inconsistency between the English version of this document and any translation, the English version will prevail and that if you are in any doubt as to the meaning of the English language version or the accuracy of any translation, you should seek independent advice before entering into any Transaction;
- i. this Risk Disclosure Statement may be varied, amended or supplemented from time to time and by using the Services after any changes to the Risk Disclosure Statement is varied, amended or supplemented, your agreement to such variations, amendments or supplementation is deemed to have been given to MCCOIN;
- j. no communication (written or oral) received from MCCOIN or from any Associate of MCCOIN shall be deemed to be an assurance or guarantee as to the expected results of any Transaction;

- k. you are a professional investor, market counterparty or equivalent definition as set out under the applicable law in your country of residence/registration and you are eligible, in accordance with the applicable law, to request such information and/or be offered/avail of one or more of the products/services indicated herein;
- l. you have approached MCCOIN on your own exclusive initiative and that this approach does not come about as a result of any direct or indirect contact, solicitation, intervention, marketing and/or pre-marketing, arranging, advice, offering or placement efforts nor as result of any form of general solicitation or advertising such as media advertising or public seminars by or on behalf of MCCOIN and its Associate;
- m. to the extent you have already received any of the information, documentation above and/or any other communication concerning MCCOIN, this information, documentation, including this form and/or communication was sent to the undersigned at and after your request and otherwise only upon your own initiative;
- n. the decision to avail yourself of our services/products is/will be based solely on your own due diligence and review of information and materials received/to be received at your request; and
- o. if any of the above become untrue or inaccurate, you will promptly inform us in writing, acknowledging that this may cause MCCOIN to stop or otherwise refrain from providing you with its services/products.

## **SCHEDULE 2 - Fees**

The following fees are applicable for the purpose of our Services:

Tier	Assets (USD)	30-day trading volume (USD)	Maker fee	Taker fee	24h crypto withdrawal limit (USD)
VIP 1	≥ 100,000	≥ 5,000,000	0.045%	0.050%	12,000,000

Please note that the fees are subject to change according to market fluctuations and a prior notice will be announced to all users of the platform.