

EXCHANGE TERMS AND CONDITIONS

These Exchange Terms and Conditions (hereinafter “**Agreement**” or “**Terms and Conditions**”) constitute the main set of terms and conditions for the access and use of your Account, the Exchange and Custody provided to you by Paxos Trust Company, LLC (“**Paxos**”) and accessible via your App Provider’s platform or application (whether desktop or mobile) (the “**App**”). References to “Paxos,” “we,” “our” or “us” are to Paxos, and references to “you” or “your” are to the User who is bound by these Terms and Conditions.

THIS AGREEMENT IS A LEGAL CONTRACT BETWEEN YOU AND PAXOS. YOU SHOULD TREAT IT AS ANY OTHER LEGAL CONTRACT BY READING ITS PROVISIONS CAREFULLY, AS THEY WILL AFFECT YOUR LEGAL RIGHTS. BY USING THE EXCHANGE OR CUSTODY IN ANY MANNER, YOU ARE DEEMED TO HAVE READ, UNDERSTOOD AND AGREED TO BE BOUND BY ALL OF THE TERMS CONTAINED IN THIS AGREEMENT. YOU MAY NOT PICK AND CHOOSE WHICH TERMS APPLY TO YOU. IF YOU DO NOT AGREE WITH ALL OF THE TERMS IN THIS AGREEMENT, YOU MUST NOTIFY PAXOS IMMEDIATELY AND CEASE ALL ACCESS AND USE OF THE EXCHANGE, AND PAXOS WILL RETURN ANY PROPERTY TO YOU THAT WE ARE HOLDING AS CUSTODIAN. NOTHING IN THIS AGREEMENT IS INTENDED TO CREATE ANY ENFORCEMENT RIGHTS BY THIRD PARTIES.

Should you have any questions or comments regarding any Paxos services and products, please reach out to our customer support team by submitting a support ticket via this link: <https://help.paxos.com/hc/en-us/requests/new>

If you fail to indicate your agreement to this Agreement, you understand and agree that you will not be allowed to utilize the Exchange.

1. DEFINITIONS

“**Account**” means your account with the Exchange.

“**App Provider**” means OANDA Corporation.

“**Custody**” means the custody services provided by Paxos to you with respect to fiat currency or crypto assets.

“**Exchange**” means the crypto asset exchange owned and managed by Paxos and made available for use to you via the App.

“**General Terms and Conditions**” means the Paxos terms and conditions provided at <https://www.paxos.com/general-terms-and-conditions/>.

“**Market Data**” means the market value data compiled and published by Paxos, including bid prices, ask prices, trade prices and trading volume. Trading volume is calculated by adding together the notional values of trades executed on the Exchange.

“**Marketplace Rules**” means those rules relevant to the exchange provided at <https://www.paxos.com/market-manipulation-protection/>.

“**Omnibus Account**” means a pooled custodial account maintained by Paxos to hold your funds.

“**Site**” means any website managed by Paxos with domains ending with “itbit.com” and “paxos.com.”

“**User**” means any individual, institution or other person or entity that accesses and/or uses the Exchange or Custody.

2. THE EXCHANGE

2.1 The Exchange allows Users to trade crypto assets, with the Exchange acting in an agency capacity. All crypto assets exchanged or traded by and between our Users, are sourced from the Users themselves. All crypto assets transferred to us by Users for use in trading on the Exchange are deposited by the Exchange into, and are held in, an omnibus client account, controlled by the Exchange. The Exchange enables Users to offer a trade at a given price, or to accept a trade at a price that another User has offered. When the Exchange matches orders of its Users (i.e., a User accepts a trade offered by another User), a trade occurs. This trade transfers ownership between

Users and is reflected in adjustments to Users' fiat currency and crypto asset balances on our ledger. All trading activity on the Exchange is "off-chain" and is not broadcast to the applicable blockchain.

2.2 Crypto assets available on the Exchange for trading for Custody with Paxos include Bitcoin (BTC), Ethereum (ETH), Litecoin (LTC), Bitcoin Cash (BCH), PAX Gold (PaxG), Chainlink (LINK), Polygon (MATIC), Aave (AAVE) and Uniswap (UNI), all of which were approved for customers of Paxos through specific approval from the New York Department of Financial Services (NYDFS). Additional crypto assets may be made available on the Exchange in future upon NYDFS approval. Paxos does not accept fees or other monetary or in-kind compensation from the issuers of these supported tokens, except that we may earn interest and/or other earnings where we custody reserves backing U.S. dollar stablecoins, as described in the General Terms and Conditions. Restrictions may apply in accordance with applicable law.

3. DISCLAIMER; RISK FACTORS

3.1 Third-Party Information.

You acknowledge and agree that, in order for Paxos to provide you access to the Exchange or the ability to buy and sell crypto assets on the Exchange, certain information must be received from your App Provider ("**Required Information**"). YOU ACKNOWLEDGE AND AGREE THAT PAXOS MAY RELY ON SUCH REQUIRED INFORMATION PROVIDED BY YOUR APP PROVIDER.

3.2 No Guarantee.

We are providing you a method by which you can exchange, trade, and/or store certain crypto assets, and we make no representations or warranties concerning the value, stability, or legality of any such crypto assets. Trades offered by Users may not reflect the fair market value of the crypto asset offered. Liquidity on the Exchange may vary. Certain types of trades, such as market orders, may fill partly at or near fair market value and partly at a price that does not reflect fair market value. Trade with caution, and limit your trading to types of trades that are suitable for you and your risk tolerance. For additional information regarding the difference between order types supported for trading, please consult the Paxos Member Guide, available at <https://help.paxos.com/hc/en-us/articles/360041904312-Difference-Between-Order-Types-Supported-for-Trading>. TO THE FULLEST EXTENT PERMITTED BY LAW, PAXOS MAKES NO REPRESENTATION REGARDING THE LIKELIHOOD OR PROBABILITY THAT ANY ACTUAL OR PROPOSED TRADES ON THE EXCHANGE WILL IN FACT ACHIEVE A PARTICULAR OUTCOME OR GOAL. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE SUCCESS, AND IN FACT VOLATILITY MEANS THAT RETURNS IN ANY PERIOD MAY BE FAR ABOVE OR BELOW THOSE OF PREVIOUS PERIOD.

4. EXCHANGE MARKET DATA

4.1. Paxos compiles and publishes Market Data. You understand, acknowledge and agree that, due to technical and other restrictions, the crypto asset values displayed on our Site and in the Market Data may be delayed and therefore not reflect the current, live market value of such crypto asset. Nonetheless, you agree that the values displayed on our Site control your Account and your use of the Site, the Exchange and the Services. You agree that we are not responsible for any adverse consequences that you may experience, or costs that you may incur, arising from any lapse, failure, outage or error in receiving Market Data from Paxos.

4.2. Paxos may share (including by sale or license) the Market Data with third parties. Such Market Data will not identify any particular User nor attribute trade(s) to a particular User by name, subject Section 16 below.

5. OPENING YOUR ACCOUNT; KNOW YOUR CUSTOMER.

In order to use the Exchange, you must create an Account. Your Account will be used to store various crypto asset amounts and fiat currency amounts as deposited and/or received by you.

5.1 Data Privacy.

As necessary to open your Account and to provide you access to the Exchange and Custody, you consent to the collection, use and disclosure of your personally identifiable information in accordance with Paxos' Privacy Policy available at this link: <https://www.paxos.com/privacy-policy/> the terms and conditions of which are incorporated herein by reference.

5.2 Customer Identification Program.

Paxos has developed and implemented a Customer Identification Program (“**CIP**”) that establishes procedures for verifying the identity of each customer that opens a new Account. It is Paxos’ policy to ensure that it has reasonably identified each customer who uses the Exchange. As such, App Provider or the App may provide certain information to us (including personally identifiable information) in order for Paxos to appropriately perform its CIP checks.

5.3. Account Opening Procedures.

Additionally, Paxos will, as part of its account opening process: (i) cross-check the names of users against compliance databases such as the OFAC Specially Designated Nationals list and other governmental watch lists; (ii) require users to verify and validate their identity and identification documents presented at onboarding; and (iii) not permit any activity on platform with incomplete account opening information.

5.4. Illegal Activities.

By your use of the Services, you represent that such use is legal in your local jurisdiction, and you agree that you will not use the Services if such use is prohibited or otherwise violates the laws of the country, state, province, or other jurisdiction in which you reside or of which you are a citizen

6. **FUNDING YOUR ACCOUNT**

6.1. Depositing Funds.

You can fund your Account via the App with U.S. dollars transferred from your account(s) with your App Provider. At the time you designate such U.S. dollars to be utilized in connection with the Exchange via the App, you are providing explicit authorization to Paxos to draw such funds from account(s) maintained by your App Provider and transfer them to the Omnibus Account held by Paxos, or from the Omnibus Account held by Paxos to account(s) maintained by your App Provider (an “**Authorized Transfer**”). You agree that Paxos may temporarily hold funds that have been designated for use pursuant to an Authorized Transfer in an account maintained by your App Provider. When funds are transferred between the account(s) held by your App Provider and the Omnibus Account, your App Provider will credit or debit your Account for that amount of fiat currency on its ledgers. Fiat currency transfers will be subject to the transfer rules of your App Provider and may be delayed due to bank holidays or internal processes of, or other actions taken by, your App Provider. U.S. dollar deposits may not be credited outside of normal banking hours. In certain situations, fiat currency deposits may be delayed in connection with Downtime (as defined below). We make no representations or warranties regarding the amount of time needed to complete processing for deposits of fiat currency.

6.2. Funding Requirement.

You must provide an Authorized Transfer prior to placing an order through the Exchange. All orders on the Exchange must be pre-funded or they will not be accepted by Paxos or the Exchange. You are not allowed to receive funds in your Account from a sender other than yourself. If we reasonably determine that you are not the owner of funds in your Account, we reserve the right to dispose of those funds in accordance with applicable law and in our sole discretion, which may include returning the funds to the originator or to a charity of our choosing.

6.3. Withdrawing Funds From Your Account.

You may only withdraw U.S. dollars from your Account at any time via the App and pursuant to an Authorized Transfer. Such U.S. dollar withdrawals will then be credited to your account at your App Provider. Withdrawals may take up to three (3) days to complete, provided that larger withdrawals may take up to thirty (30) days to complete. Please note that any withdrawal of fiat currency may be delayed as necessary to comply with applicable law and/or the Exchange’s compliance program, including verification of customer identification and anti-money laundering procedures.

7. **YOUR FIAT CURRENCY**

7.1. Your Account (and any available assets held in such account) is not a bank account or a deposit account. We hold your fiat currency deposits in one or more Omnibus Accounts at U.S. depository institutions (each, a

“Bank”), in accounts holding debt instruments that are expressly guaranteed by the full faith and credit of the United States Government, including money-market funds composed of such debt instruments, or converted in whole or in part to an equivalent amount of PAX tokens or BUSD tokens, which in turn are fully backed by U.S. dollars or debt instruments that are expressly guaranteed by the full faith and credit of the United States Government, held in segregated Omnibus Accounts. Each Omnibus Account is: (i) in our name and under our control, (ii) separate from our business and operating Bank accounts and (iii) established for the benefit of Paxos customers.

7.2. Paxos maintains U.S. dollars held in custody on behalf of Paxos’ customers only in one or more of the following forms: (i) fiat currency held in FDIC-insured Bank accounts; (ii) (a) direct investments (including through repurchase agreements) in debt instruments that are expressly guaranteed by the full faith and credit of the United States Government and/or (b) money-market funds composed of such debt instruments; and (iii) fiat currency held at FDIC-insured Banks in excess of FDIC-insured limits, only to the extent that Paxos in its reasonable discretion believes that such funds need to remain liquid and readily available to service customers and that option is therefore impracticable.

7.3. As described in Section 7.2., Paxos takes reasonable measures to maximize the amount of fiat or fiat-equivalent funds that are backed by United States Government guarantees. In addition, for liquidity purposes, Paxos maintains certain funds in Bank accounts in excess of FDIC-insured limits, which may be subject to Bank counterparty risk. Amounts backed by debt instruments that are expressly guaranteed by the full faith and credit of the United States Government are subject to market risk.

7.4. Your fiat currency deposits are not treated as our general assets and are fully owned by you.

7.5. Our products and services are not financial instruments.

7.6. Notwithstanding anything set forth in this Agreement, you agree and understand that (i) we may hold some or all of your fiat currency deposits in a manner which generates interest and/or other earnings and, (ii) in such case, you agree to pay us a fee equal to the amount of any such interest and/or earnings attributable or allocable to your fiat currency deposits as payment for the Custody services we provide to you. You agree and understand that we shall collect such payment, equal to the amount of such allocable interest and/or other earnings, simultaneously upon being paid such interest and/or other earnings to the Omnibus Accounts. You agree and understand that all such fees will be retained by us and that you will not receive any portion of such interest and/or earnings.

7.7. Except as expressly stated in this Agreement, all assets directly held by Paxos are not insured by Paxos or by any government agency.

7.8. You should note the following information about each of our Omnibus Accounts:

- (i) In accepting your fiat currency deposits, we are acting as a custodian;
- (ii) We do not have a reversionary interest in any of our Omnibus Accounts;
- (iii) Your rights in our Omnibus Accounts are limited to the specific amount of fiat currency held in your Account; and
- (iv) You direct the movement of fiat currency into and out of the Omnibus Accounts by providing direction to us as specified in this Agreement, including via an Authorized Transfer.

8. CRYPTOCURRENCY

8.1. **Buying.** You can instruct Paxos to buy crypto assets via the Exchange using the fiat currency available in your Account. If you provide such instruction, Paxos will follow the below procedure:

- (i) rates for buying crypto assets via the Exchange will be displayed in the App;
- (ii) you can then instruct Paxos to buy those crypto assets from a counterparty on the Exchange via the App (provided there are sufficient fiat funds in your Account). You acknowledge that at times, for reasons beyond Paxos’ control, we may not be able to complete a transaction. If a transaction is not completed, Paxos will provide notice to you; and

(iii) if a transaction is successfully completed, the applicable fiat currency will be withdrawn from your Account and Paxos will hold the purchased crypto assets for you in your Account.

8.2. **Selling.** You can instruct Paxos to sell crypto assets in your Account to another User via the Exchange. If you provide such instruction, Paxos will follow the below procedure:

(i) rates for selling crypto assets via the Exchange will be displayed on the App;

(ii) you can then instruct Paxos to sell your crypto assets to a counterparty on the Exchange via the App provided you have sufficient crypto assets in your Account. You acknowledge that at times, for reasons beyond Paxos' control, we may not be able to complete a transaction. If a transaction is not completed, Paxos will provide notice to you; and

(iii) if a transaction is successfully completed, the applicable crypto assets will be withdrawn from your Account and Paxos will credit your Account with the fiat currency proceeds from the sale.

You understand that you cannot receive the proceeds from a sale in any other way.

8.3. **Holding.** Paxos is a limited purpose trust company chartered by the New York State Department of Financial Services. As such, we are licensed to provide Custody on your behalf. Your Account (and any available assets held in such Account) is not a bank account or a deposit account.

9. SUSPENSION AND TERMINATION OF YOUR ACCOUNT

9.1. Suspension and Termination.

Without limiting other remedies that may be available to us, we reserve the right, in our sole and absolute discretion, to block access to or to suspend, close or terminate your Account, refuse to let you purchase or redeem your crypto assets, and freeze all funds or assets in your Account, at any time, with or without advance notice, if:

(i) we believe, in our sole and absolute discretion, that you have breached any terms and conditions of this Agreement, including, but not limited to, the Marketplace Rules;

(ii) you engage in abusive behavior, as determined in our sole and absolute discretion;

(iii) we are unable to verify or authenticate any information you provide to us;

(iv) we believe, in our sole and absolute discretion, that your actions may cause legal liability for you, our Users or us;

(v) you add any type of currency to your Account using any source that you do not have the legal right from which to transfer funds;

(vi) we have reasonable suspicion that you are directly or indirectly accessing or using the Exchange in violation of applicable law or regulation, or this Agreement;

(vii) we are directed to do so by law enforcement, regulatory authority or court order;

(viii) we are required to do so by applicable law or regulation;

(ix) your Account is subject to pending litigation, investigation or governmental proceeding;

(x) we believe that someone is attempting to gain unauthorized access to your Account;

(xi) we believe there is unusual activity in your Account;

(xii) your Account has no funds and has not been accessed in the prior year; or

(xiii) for any other reason in our sole and absolute discretion.

9.2. Marketplace Rules Violations.

For the avoidance of doubt, by agreeing to this Agreement, you will be bound to comply with the Marketplace Rules and the terms therein.

9.3. Loss of Value on Suspension or Closure.

We are not responsible for any loss of value in your Account, or of any crypto asset or fiat currency, resulting from the suspension or closing of your Account for any of the reasons listed above, including your violation of this Agreement or from any government seizure or forfeiture. You agree that neither Paxos nor any third party acting on our behalf shall be liable to you for any termination of your access to the Exchange or your Account in accordance with this Agreement.

9.4. Your Obligations on Suspension or Closure.

You agree that if your access is terminated by us, you will not attempt to regain access to the Exchange or your Account – using the same or different username or other attempted identification – without our prior written consent. If we terminate your Account, we will return the assets in your Account to you, less the value of any damages to which we are entitled pursuant to this Agreement, subject to applicable law. You authorize us to return your funds (less damages to which we are entitled) to any bank account linked to your Account, unless otherwise required by law. If you have not previously provided banking details, you agree to provide banking details to us within seven (7) calendar days of receiving notice of the closure so that we may remit your balance to you. If there is a balance of crypto assets remaining in your Account, Paxos may require, in our sole discretion, that you take either of the following actions within seven (7) calendar days of receiving notice of the closure of your Account: (i) liquidate your crypto asset balances in order to transfer your holdings to a bank account or (ii) provide us with an address so that we may remit the remaining crypto assets to you. If you fail to provide a crypto asset address as may be required by this section, you agree that we are permitted to sell any crypto assets on the open market at the prevailing market price and return the proceeds (less damages to which we are entitled) to any bank account linked to your Account. You agree that we will not be liable to you for any losses that you may incur as a result of such conversion of crypto assets to fiat currency in connection with the closure of your Account.

10. UNCLAIMED ASSETS

If we are holding assets in your Account and there has been no activity in your Account for a period of time prescribed by applicable law, we may be required to report such remaining assets in your Account as unclaimed property in accordance with abandoned property and escheat laws. If this occurs, we will use reasonable efforts to provide written notice to you. If you fail to respond to any such notice within seven (7) business days of receipt, or as otherwise required by law, we may be required to deliver any such assets to the applicable jurisdiction as unclaimed property. We reserve the right to deduct a dormancy fee or other administrative charges from such unclaimed assets (in addition to any fees charged as set forth in this Agreement), as permitted by applicable law.

11. SERVICE INTERRUPTION

From time to time due to technological factors, scheduled software updates and the performance of other maintenance, as well as factors beyond or within our control, the Exchange or your Account may be temporarily interrupted (“**Downtime**”). Information on scheduled maintenance windows can be found on our Site. Open orders and/or exchanges will be held during Downtime and processed normally following Downtime. Following any Downtime, market conditions and prices may differ significantly from conditions and prices prior to such Downtime.

12. FORKS AND UNSUPPORTED ASSETS

12.1. You understand, acknowledge and agree that the underlying operating rules of certain crypto assets may change from time to time in such a way as to result in more than one related version of an existing crypto asset (each instance of any such change, a “**Fork**”). If a Fork occurs, it will result in the creation of a new crypto asset (the “**New Forked Asset**”) related to an existing crypto asset (the “**Prior Asset**”). As a result, we will hold an amount of the New Forked Asset proportional to our holdings of the Prior Asset. You further understand, acknowledge and agree that each Fork may materially affect the value, function, and/or name, of the original crypto asset that we custody on your behalf or you hold in your Account, and that the New Forked Asset may have minimal or no value.

12.2. WE HAVE NO CONTROL OVER, NOR DO WE HAVE THE ABILITY TO INFLUENCE, THE CREATION OR IMPLEMENTATION OF A FORK OR OF THE NEW FORKED CURRENCY. WE CAN PROVIDE NO ASSURANCES ABOUT THE SECURITY, FUNCTIONALITY OR SUPPLY OF ANY CRYPTO ASSET, INCLUDING BOTH THE NEW

FORKED ASSET AND THE PRIOR ASSET. YOU UNDERSTAND, ACKNOWLEDGE AND AGREE THAT WE ASSUME NO LIABILITY RELATING TO ANY CHANGE IN THE VALUE OF ANY CRYPTO ASSET (WHETHER OR NOT RESULTING FROM A FORK).

12.3. If a Fork occurs, you understand, acknowledge and agree that we may temporarily suspend the operations of the Exchange (with or without advance notice to you) while we determine, in our sole discretion, whether to support either or both of the New Forked Asset and the Prior Asset. In addition, while we will endeavor to make this determination expeditiously, we have the right to continue the suspension of the Exchange for such length of time as we deem prudent in order to make such determination. You understand, acknowledge and agree that the Exchange is unlikely to support trading in all New Forked Assets

12.4. You understand, acknowledge and agree that you have no right, claim or privilege in, or with respect to, any New Forked Asset. If we do not support a New Forked Asset, you may not be able to trade the New Forked Asset on our platform for fiat currency or other crypto assets; and you may lose any value associated with such New Forked Asset. If we determine not to support a New Forked Asset, we may, in our sole discretion, (i) obtain and retain the New Forked Asset as property belonging to us; or (ii) make the New Forked Asset available to you on a one-time basis, based on your holding of the Prior Asset at the time of the Fork, subject to the withholding and retention by us of an amount reasonably calculated to fairly compensate us for the cost of making such New Forked Asset available.

12.5. You understand, acknowledge and agree that if you or a third party deposits an amount of a New Forked Asset (or any other crypto asset) that the Exchange does not support into our omnibus client account for crypto assets, we have the right to and will account for any such unsupported crypto asset (including unsupported New Forked Assets) as belonging to us. We have, and assume, no obligation or duty to return the crypto asset transmitted to one of our accounts. If we determine, in our sole and absolute discretion, to return the unsupported crypto asset, we retain the right to charge transaction and/or other fees in connection with the transfer of the unsupported crypto asset off of our platform.

13. AIRDROPS

You understand, acknowledge and agree that in the event that a third party attempts to or does distribute (sometimes called “airdropping” or “bootstrapping”) a crypto asset (whether or not supported by the Exchange) to crypto asset addresses, we will treat such airdropped crypto asset as we would treat all unsupported crypto assets, as set forth in Section 9.5 above. You further agree and understand that airdropped crypto assets do not create a relationship between us and the transferor, or sender, and/or the related network that created the airdropped crypto asset; and, further that we are not subject to any obligation as it may relate to the transferor and/or the related network.

14. FEES

Paxos charges a fee or fees for your access and use of the Exchange and/or Custody. Any fees due and payable to Paxos may either (i) be included in the total price of any transaction to buy or sell crypto assets or any Custody fees charged by App Provider or (i) be collected by or paid by App Provider. App Provider will disclose to you any fees that are due and payable to Paxos.

15. MARKET MAKERS

15.1. We may engage one or more market makers (each, an “**MM**”) to act as liquidity providers on the Exchange. You understand and agree that we may provide information concerning bids and offers placed by participants on the Exchange (including you) to such MMs prior to posting such bids and offers to the Exchange. The MMs will have the opportunity, but not the obligation, to accept and fill such bids and offers prior to the other participants on the Exchange (including you), should such bids be matched at lower prices and such offers be matched at higher prices (i.e., a more favorable bid or ask price) than they otherwise would have received had the originally proposed bids and offers been routed directly through the Exchange.

15.2. A Market Maker acting in a principal capacity may be affiliated with us (“**Affiliated MM**”) and may engage in transactions on the Exchange as well as in over-the-counter transactions with Users, provided, however, that (i) Affiliated MM trading will always be designed to be revenue-neutral over the long term (i.e. we do not profit from these transactions as a whole), and (ii) no Affiliated MM will use earlier or different access to information about Exchange bids and offers from what is available to other API-integrated Users.

16. NOTICE

16.1. Notice.

Any notice we are required to give you under this Agreement may be provided by email, postal mail, or facsimile utilizing the contact information provided by you to establish your Account. Notices from you to us shall be given by ticket submission to: <https://help.paxos.com/hc/en-us/requests/new>, unless otherwise specified in this Agreement.

16.2. When Notice is Effective.

Notices shall be deemed effective upon delivery. Notices delivered by a nationally recognized overnight carrier (e.g., United States Express Mail or Federal Express) shall be deemed delivered on the business day following mailing. Notices mailed by United States Mail, postage prepaid, registered or certified with return receipt requested, shall be deemed delivered five (5) days after mailing. Notices by email and facsimile transmission, with confirmation from the transmitting machine that the transmission was completed, are acceptable under this Agreement provided that they are deemed delivered one (1) hour after transmission if sent during the recipient's business hours, or otherwise at 9:00 a.m. (recipient's time) the next business day.

16.3. Refused, Unclaimed, or Undeliverable Notice.

Any correctly addressed notice that is refused, unclaimed or undeliverable shall be deemed effective as of the first date that said notice was refused or deemed undeliverable by the postal authorities, messenger, facsimile machine, email server or service provider, or overnight delivery service.

17. **INDEMNIFICATION AND RELEASE**

17.1. Indemnification.

To the maximum extent permitted by applicable law, you agree to defend, indemnify, and hold harmless Paxos, its parent company, affiliates and subsidiaries and each of their respective officers, directors, shareholders, members, partners, attorneys, employees, independent contractors, telecommunication providers, and agents (collectively, the "**Indemnified Parties**"), from and against any and all claims (including third-party claims), actions, loss, liabilities, expenses, costs, or demands, including, without limitation, legal and accounting fees (collectively, "**Losses**"), directly or indirectly, resulting from or by reason of (i) your (or you under another person's authority) use, misuse, or inability to use the Services (ii) any regulatory inquiry, legal action, litigation, dispute or investigation related to your Account and to your use of your Account or the Services; or (iii) your breach of this Agreement.

Paxos shall notify you by electronic mail, mail, or other appropriate means, of any such claim or suit, and reasonably cooperate (at your expense) in the defense of such claim or suit. We reserve the right to participate in the defense of any such claim or choose our own legal counsel but are not obligated to do so.

17.2. Release.

To the maximum extent permitted by applicable law, you hereby discharge, acquit, and otherwise release the Indemnified Parties, from any and all allegations, counts, charges, debts, causes of action, claims and Losses, relating in any way to the use of the Exchange or Custody, including, but not limited to, claims relating to the following: negligence, intentional interference with contract or advantageous business relationship, defamation, privacy, publicity, misrepresentation, any financial loss not due to the fault of Paxos, false identities, fraudulent acts by others, invasion of privacy, release or misuse of personal information, failed transactions, unavailability of the Exchange or your Account and any other technical failure that may result in inaccessibility to the Exchange or your Account, or any claim based on vicarious liability for torts committed by Users encountered or transacted with or through the Exchange, including, but not limited to, fraud, computer hacking, theft or misuse of personal information, assault, battery, stalking, rape, cheating, perjury, manslaughter, or murder.

The above list is intended to be illustrative only, and not exhaustive of the types or categories of claims released by you. This release is intended by the Parties to be interpreted broadly in favor of Paxos, and thus any ambiguity shall be interpreted in a manner providing release of the broadest claims. This release is intended to be a full release of claims, and the parties acknowledge the legally binding nature of this provision, and the nature of the rights given up in connection therewith.

If you are a California resident, you hereby waive California Civil Code Section 1542, which states:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY HIS OR HER SETTLEMENT WITH THE DEBTOR."

If you are a resident of another jurisdiction with a comparable statute or doctrine, you hereby waive such statute or doctrine to the extent permissible under applicable law.

18. LIMITATION OF LIABILITY

18.1. Limitation of Liability.

Except to the extent prohibited by applicable laws, in no event shall Paxos (or its licensors, agents, suppliers, resellers, service providers, or any other subscribers or suppliers) be liable to you, or any other third party, for any direct, special, indirect, incidental, consequential, exemplary, or punitive damages, including without limitation, damages for loss of profits, loss of information, business interruption, loss of revenue, or loss of goodwill, which may arise from any person's use, misuse, or inability to access or use your Account or the Exchange, including any loss caused in whole or in part by any inaccuracies, incompleteness or delays, interruptions in your Account or the Exchange, even if we have been advised of the probability of such damages and regardless of whether such liability is asserted on the basis of contract, tort or otherwise.

18.2. Third-Party Disputes.

TO THE FULLEST EXTENT PERMITTED BY LAW, ANY DISPUTE YOU HAVE WITH ANY THIRD PARTY ARISING OUT OF YOUR USE OF THE EXCHANGE (OTHER THAN A DISPUTE WITH THE APP PROVIDER WITH RESPECT TO SERVICES RELATED TO YOUR ACCOUNT, CUSTODY AND THE EXCHANGE) IS DIRECTLY BETWEEN YOU AND SUCH THIRD PARTY, AND YOU IRREVOCABLY RELEASE PAXOS FROM ANY AND ALL CLAIMS, DEMANDS AND DAMAGES (ACTUAL AND CONSEQUENTIAL) OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, ARISING OUT OF OR IN ANY WAY CONNECTED WITH SUCH DISPUTES.

18.3. Force Majeure.

Neither we (nor any Bank where our deposit accounts are held) will be liable for our failure to perform any obligations under this Agreement due to events beyond our control, and the time provided for performing such obligations shall be extended by a period of time equal to the duration of such events. Events beyond our control include, but are not limited to, acts of God, war, riot, arson, embargoes, civil commotion, strikes, labor disputes, equipment failures, bank failures, crypto asset market collapse or fluctuations, fiat currency conversion rate fluctuations, fire, flood, earthquake, hurricanes, tropical storms or other natural disaster or casualty, shortages of labor or material, shortage of transportation, facilities, fuel, energy, pandemic, government regulation or restriction, acts of civil or military authority or terrorism, fiber cuts, weather conditions, breaches or failures to perform by third parties, technical problems, including hardware and software crashes and other malfunctions, failure of the telecommunications or information services infrastructure, hacking, SPAM or failure of any computer, server or software disruptions on account of or caused by vandalism, theft, phone service outages, power outage, Internet disruptions, viruses, and mechanical, power or communications failures.

If any law, regulation, rule, regulation or decision of any self-regulatory organization, or ordinance, whether international, federal, state, or local, becomes effective which substantially alters our ability to offer the Services hereunder, we shall have the right to cancel this Agreement, with notice, if reasonably possible, effective upon the earlier of (i) the date upon which we are unable to provide access to the Exchange or your Account; or (ii) thirty (30) days following notice.

18.4. Maximum Liability.

In no event shall our maximum total aggregate liability hereunder for direct damages exceed the total fees actually paid by you for use of the Exchange for a period of more than three (3) months from the accrual of the applicable cause or causes of action. Because some jurisdictions prohibit the exclusion or limitation of liability for consequential or incidental damages, the above limitation may not apply to you (in whole or in part).

18.5. Right of Set Off.

To the extent allowable by law, we reserve the right to set-off any damages or amounts owed to us by you for your breach of this Agreement, your indemnification obligations, or for your other obligations under this Agreement against funds in your Account (including, without limitation, transaction fees, funds transfer fees and dormancy fees).

19. CONFIDENTIALITY AND COMPLIANCE WITH LEGAL PROCESS

19.1. Permitted Disclosure.

We may share information concerning you and your Account:

- (i) with our Banks and other financial institutions that we use or may use to process funds in connection with the Services;
- (ii) with law enforcement, regulatory authorities, tax authorities (including the US Internal Revenue Service pursuant to the Foreign Account Tax Compliance Act, to the extent this applies), self-regulatory organizations (such as those that operate crypto asset derivative exchanges) and officials, or other third parties when we are compelled to do so by a subpoena, court order, or similar legal procedure, or when we believe in good faith that the disclosure of your information is necessary to prevent physical harm or financial loss, to report suspected illegal activity or to investigate violations of this Agreement or any other applicable policies;
- (iii) with third parties, such as vendors, agents, contractors and our advisors (e.g., legal, financial, business or other advisors), in order to administer our services, including to verify your identity and conduct screening and due diligence checks;
- (iv) in connection with a merger, acquisition or otherwise as set forth in Section 19.1; or
- (v) as permitted or required by applicable law.

Please refer to our Privacy Policy for more information on the use of your personal information.

19.2. Legal Process.

You agree and understand that we may comply with any writ of attachment, execution, garnishment, tax levy, restraining order, subpoena, warrant or other legal process, that we in good faith believe to be valid. We may, but are not required to, notify you of such process. We may charge you for associated costs, including attorneys' fees. You agree that we may honor any legal process, regardless of the method or location of service.

20. **ARBITRATION; STATUTE OF LIMITATIONS**

20.1. Arbitration.

If a dispute arises between the parties arising out of or otherwise relating to this Agreement, the parties shall meet and negotiate in good faith to attempt to resolve the dispute. If the parties are unable to resolve the dispute through direct negotiations, then, except as otherwise provided herein, either party must submit the issue to binding arbitration in accordance with the applicable arbitration ordinance. Claims subject to arbitration ("**Arbitral Claims**") shall include, but are not limited to, contract and tort claims of all kinds, and all claims based on any federal, state or local law, statute, or regulation, excepting only claims by us under applicable worker's compensation law, unemployment insurance claims, along with actions (regardless of the underlying cause of action) by us seeking injunctions, attachment, garnishment, and other equitable relief. You agree to arbitrate solely on an individual basis, and understand, acknowledge and agree that this Agreement does not permit class arbitration or any claims of any type brought as a plaintiff or class member in any class or representative arbitration proceeding.

Any dispute arising out of or relating to this Agreement, or the breach thereof, shall be finally settled on an individual basis by arbitration in New York, New York administered by the American Arbitration Association in accordance with its Consumer Arbitration Rules. The language of the arbitration shall be English and the Agreement shall be governed by the laws of the State of New York.

An arbitral decision resulting from the above may be enforced in any court, and a prevailing party in any action or proceeding to enforce this Agreement shall be entitled to costs and attorney's fees.

The Arbitrator shall have no authority to award any punitive or exemplary damages, certify a class action (or join the claims of one party with any other party), add any parties, or vary or ignore the provisions of this Agreement. The arbitrator shall render a written opinion setting forth all material facts and the basis of his or her decision within thirty (30) days of the conclusion of the arbitration proceeding.

If for any reason this arbitration clause is not applicable or litigation proceeds in court, then you agree that:

(i) You may bring claims against Paxos only in your individual capacity and not as a plaintiff or class member in any purported class or representative action; and

(ii) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAWS AND REGULATIONS, YOU HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY AS TO ANY ISSUE IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER MATTER INVOLVING US ARISING OUT OF THE EXCHANGE OR YOUR ACCOUNT.

20.2. No Waiver of Right to Arbitration.

There shall be no waiver of the right to arbitration unless such waiver is provided affirmatively and in writing by the waiving party to the other party. There shall be no implied waiver of this right to arbitration. No acts, including the filing of litigation, shall be construed as a waiver or a repudiation of the right to arbitrate.

20.3. Waiver of Statute of Limitations.

Notwithstanding the period of limitation prescribed by applicable laws for the bringing of any relevant action or claim the Parties hereby mutually agree that no action, regardless of form, arising out of or in conjunction with the subject matter of this Agreement, except for claims involving intellectual property, claims to recover outstanding amounts due to us and claims for indemnification, may be brought by any party more than one (1) year after the cause of action arose, following which either party shall have no further claim whatsoever against the other party.

20.4. Right to Injunctive Relief.

You agree that due to the nature of our business, monetary damages for a breach of your obligations under this Agreement would be inadequate to compensate us. Accordingly, you agree and understand that any violation or threatened violation by you of your obligations under this Agreement will cause irreparable injury to us and that, in addition to any other remedies that may be available, in law, in equity or otherwise, we will be entitled to obtain injunctive relief against any threatened breach of this Agreement or the continuation of such breach without the necessity of proving actual damages.

21. COMPLAINTS

If you would like to contact us with a complaint, please contact Customer Support using one of the following methods:

(i) Submit a support ticket to <https://help.paxos.com/hc/en-us/requests/new>

(ii) Write to Customer Support at:
Paxos Trust Company, LLC
450 Lexington Ave, Suite 3952
New York, NY 10163

(iii) You may also direct your complaint to the attention of: New York State Department of Financial Services, One State Street, New York, NY 10004-1511; +1 (212) 480-6400. Please visit www.dfs.ny.gov for additional information.

(iv) If you are a customer of Paxos in the State of Texas, you may also direct your complaint to the attention of: Texas Department of Banking, 2601 North Lamar Blvd., Austin, TX 78705; +1 (877) 276-5554. Please visit dob.texas.gov for additional information.

(v) If you are a customer of Paxos in the State of Connecticut, you may also direct your complaint to the attention of: Connecticut Department of Banking, 260 Constitution Plaza, Hartford CT 06103-1800; 860-240-8299. Please visit <https://portal.ct.gov/DOB> for additional information.

(vi) If you are a customer of Paxos in the State of Tennessee, you may also direct your complaint to the attention of: Tennessee Department of Financial Institutions, Tennessee Tower 26th Floor, 312 Rosa L. Parks Avenue, Nashville, TN 3724; 800-778-4215. Please visit tn.gov/tdfi/tdfi-how-do-i-file-a-complaint.html for additional information.

(vii) If you reside or are domiciled in the state of Georgia, you will be deemed to be a customer of Paxos Global Pte. Ltd. ("**Paxos Global**"), an affiliate of Paxos, with respect to certain money transmitter services, but you will be a customer of Paxos for all other purposes, including with respect to trading and custody of

fiat currency and crypto assets. With respect to customers of Paxos Global for the purposes described in the previous sentence, this Agreement constitutes a contract between such customer and Paxos Global and references to Paxos will include Paxos Global as the context may require. If you are a customer of Paxos Global in the State of Georgia, you may also direct your complaint to the attention of: Georgia Department of Banking and Finance, 22990 Brandywine Road, Suite 200, Atlanta, GA 30341-5565; (770) 986-1633. Please visit <https://dbf.georgia.gov/> for additional information.

22. MISCELLANEOUS PROVISIONS

22.1. Assignment.

Neither this Agreement, nor any of your rights and obligations hereunder, may be transferred by you, but may be assigned by us without restriction. Any attempted transfer or assignment by you in violation hereof shall be null and void. This Agreement shall be binding and inure to the benefit of the parties hereto, our successors, and permitted assigns.

In the event that we are acquired by or merged with a third-party entity, we reserve the right, in any of these circumstances, to transfer or assign the information we have collected from you as part of such merger, acquisition, sale, or other change of control. See also our Privacy Policy for additional information.

22.2. Severability.

If for any reason a court of competent jurisdiction or an arbitrator finds any provision of this Agreement, or any portion thereof, to be invalid, unenforceable or illegal, such invalidity, unenforceability or illegality shall not affect the remainder of this Agreement, which will continue to be in full force and effect, and any prior, effective provision of the Agreement that was superseded by such invalid, unenforceable or illegal provision shall be deemed valid and enforceable to the fullest extent.

22.3. No Waiver.

No waiver or action made by us shall be deemed a waiver of any subsequent default of the same provision of this Agreement. No failure or delay in exercising or enforcing any privilege, right, remedy, or power hereunder shall be deemed a waiver of such provision by us. All waivers must be in writing.

22.4. Headings.

All headings are solely for the convenience of reference and shall not affect the meaning, construction or effect of this Agreement.

22.5. Complete Agreement.

This Agreement constitutes the entire agreement between the parties with respect to your access and use of your Account, the Exchange or Custody. This Agreement, together with our Privacy Policy, supersedes and replaces all prior understandings or agreements, written or oral, regarding such subject matter.

22.6. Other Jurisdictions.

We make no representation that your Account or the Exchange are appropriate or available for use in other locations, and access to them from territories where their content or function may be illegal or is otherwise prohibited.

22.7. Survival.

All provisions of this Agreement which by their nature extend beyond the expiration or termination of this Agreement, including without limitation, sections pertaining to suspension or termination, debts owed, general use of the Exchange, disputes with us, and general provisions, shall survive the termination or expiration of this Agreement.