InteractiveBrokers

EXCHANGE TERMS AND CONDITIONS

These Exchange Terms and Conditions (hereinafter "**Agreement**" or "**Terms and Conditions**") between you and Paxos Trust Company, N.A. ("**Paxos**") 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 and accessible via Interactive Brokers LLC's ("**IB**") 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, EXCEPT AS OTHERWISE EXPLICITLY INDICATED. 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. PAXOS DOES NOT PROVIDE TAX ADVICE AND ENCOURAGES YOU TO CONSULT WITH YOUR TAX PROFESSIONAL.

These Terms and Conditions govern the access and use of all Accounts on the Exchange with one or more individual owners. If you fail to indicate your agreement to this Agreement, you understand and agree that you will not be allowed to utilize the Exchange.

I. INTRODUCTION.

1. **CRYPTOCURRENCY RISKS**

1.1 As cryptocurrencies are not legal tender and not backed by the government, they are subject to enhanced risks. These risks include (but are not limited to) the following:

1. accounts and value balances of cryptocurrencies are not subject to Federal Deposit Insurance Corporation or Securities Investor Protection Corporation protections;

2. legislation and regulation (or lack thereof) of cryptocurrency or crypto exchanges can change at any time which may adversely affect the use, transfer, exchange, and/or value of cryptocurrencies;

3. once executed, a cryptocurrency transaction may be irreversible, and accordingly, losses due to fraudulent or accidental transactions may not be recoverable;

4. some cryptocurrency transactions shall be deemed to be made when recorded on a public ledger (e.g., a blockchain), which is not necessarily the date or time that the customer initiates the transaction;

5. the value of cryptocurrency may be derived from the continued willingness of market participants to exchange fiat currency for cryptocurrency, which may result in the potential for permanent and total loss of value of a particular cryptocurrency should the market for cryptocurrencies collapse;

6. there is no assurance that a person who accepts a cryptocurrency as a payment today will continue to do so in the future;

7. the volatility and unpredictability of the price of cryptocurrency relative to fiat currency may result in significant loss over a short period of time;

8. the value of a particular cryptocurrency may fall at any time, if, for example a new, better cryptocurrency is created or software developers make unexpected changes to how the cryptocurrency works;

9. as cryptocurrency is digital currency and therefore intangible, this means that like any other digital system, cryptocurrencies are at risk of fraud, cyber attacks, and being affected by technical problems or difficulties which could result in you losing your crypto assets or delaying or preventing your ability to access or use them; and

10. any bond or trust account maintained by Paxos for the benefit of its customers may not be sufficient to cover all losses incurred by its customers.

For additional information regarding trading risks, please review the contents of Section III.3 below.

1.2 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.

2. **CUSTOMER IDENTIFICATION**

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, IB or the App may provide certain information to us (including personally identifiable information) in order for Paxos to appropriately perform its CIP checks.

3. **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.

4. **SUPPORT**

Should you have any questions or comments regarding this Agreement, the Exchange, your Account or 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.

Should you have any questions, comments or issues regarding the App or other services provided by IB, please contact IB directly using the method specified in the agreement between you and IB.

5. **CONSENT TO E-DELIVERY**

You agree that Paxos may provide you with electronic notification via the App of certain notices or information, including your Form 1099 or other tax documentation.

In the event you would like any such tax documentation to be delivered to you by any other means (e.g., via mail), you must submit a ticket to https://help.paxos.com/hc/en-us/requests/new and indicate your preferred address for receipt of such communications.

6. **AMENDMENT; MODIFICATION**

We may amend or modify this Agreement at any time by posting the revised agreement on the App and/or providing a copy to you (a "Revised Agreement"). Your continued use of the Exchange shall be deemed acceptance of the Revised Agreement. You agree that all modifications or changes to this Agreement are in force and enforceable immediately upon posting the Revised Agreement. The Revised Agreement supersedes any prior versions immediately upon posting, and the prior version is of no continuing legal effect unless the Revised Agreement specifically refers to the prior version and explicitly states that the prior version (or portions thereof) will remain in effect. If you do

not wish to be bound by the Revised Agreement, your sole and exclusive remedy is to terminate your use of the Exchange and close your Account.

II. ACCOUNT SPECIFIC TERMS AND CONDITIONS.

The below account-specific terms and conditions will only apply to you in the event that you create an Account that has the below characteristics. If you do not create an Account with any of the below characteristics, only the terms of Sections I and III of this Agreement will apply to your use of the Exchange.

PREPAID TRADING ACCOUNTS

DEFINITIONS

"**Prepaid Trading Account**" means an Account which may hold both fiat and crypto assets, and for which you have made an election that (i) all purchases of crypto assets will be funded with fiat currency held in such Account (and not in your IB account) and (ii) all fiat currency proceeds of the sale of crypto assets will be deposited into such Account (and not into your IB account).

"**New Tokens**" means Aave (AAVE), Chainlink (LINK), Uniswap (UNI), Polygon (MATIC) cryptocurrencies as well as any other cryptocurrencies that are made available for sale and custody via the Prepaid Trading Account from time to time.

FUNDING

You may transfer U.S. dollars to your Prepaid Trading Account by following the instructions provided to you in the App. Upon such transfer the fiat currency will be moved to the Omnibus Wallet (as defined below).

We will also hold your fiat currency in your Prepaid Trading Account until you instruct us to transfer such fiat currency to another financial institution or back to your account at IB.

For the avoidance of doubt, Accounts that utilize a financial advisor will not be eligible to fund via a Prepaid Trading Account.

YOUR FIAT CURRENCY

Your Prepaid Trading Account (and any available fiat currency held in such account) is not a bank account or a deposit account. We will hold or reinvest your fiat currency (including U.S. Dollars) through one or more of the following forms, and we maintain full discretion as to which of these forms we use: (i) holding your fiat currency deposits in one or more Omnibus Wallets at U.S. depository institutions (each, a "Bank"), (ii) investing your fiat currency in accounts holding debt instruments that are expressly guaranteed by the full faith and credit of the United States Government or money-

market funds composed of such debt instruments, or (iii) converting your fiat currency in whole or in part to an equivalent amount of PAX Dollar (USDP) tokens or Binance USD (BUSD) tokens, which are tokens issued by Paxos and that are 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 Wallets. Fiat currency held in Bank accounts will be eligible for FDIC insurance, subject to applicable limits, and may be held in excess of FDIC insured limits, but only to the extent that Paxos in its reasonable discretion believes that such funds need to remain liquid and readily available to service customers. Each Omnibus Wallet is: (i) in our name and under our control, (ii) separate from our business and operating Bank accounts and (iii) established and titled for the benefit of Paxos customers. USDP and BUSD tokens are backed one-for-one by cash and cash equivalents (such as short term U.S. Treasury Bills), issued by Paxos and approved and regulated by the New York State Department of Financial Services. These tokens are only in existence when the corresponding dollars are in Paxos' custody.

As described above, 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. Your fiat currency deposits are not treated as our general assets and are fully owned by you. Our products and services are not financial instruments. Except as expressly stated in this Agreement, all assets directly held by Paxos are not insured by Paxos or by any government agency.

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 Wallets. 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.

You should note the following information about each of our Omnibus Wallets:

- In accepting your fiat currency deposits, we are acting as a custodian;
- We do not have a reversionary interest in any of our Omnibus Wallets;
- Your rights in our Omnibus Wallets are limited to the specific amount of fiat currency held in your Prepaid Trading Account; and

- You direct the movement of fiat currency into and out of the Omnibus Wallets by providing direction to us or IB as specified in this Agreement.

NEW TOKENS

As further specified in Section III.2.2 below, the New Tokens will only be available for sale and custody via your Prepaid Trading Account. IB and Paxos will no longer support buying New Tokens via the Prepaid Trading Account or other means.

JOINT ACCOUNTS

DEFINITIONS

"**Account Holder**" means you and/or any other individual who has an ownership right to your Account (as defined below) and becomes a User (as defined below) by agreeing to these Terms and Conditions. For the avoidance of doubt, these Joint Account specific provisions do not apply to an Account with a single Account Holder.

"**Joint Account**" means an Account with more than one Account Holder.

JOINT ACCOUNT TRANSACTIONS

All Account Holders agree that each Account Holder is authorized to transact any business on behalf of the Account as fully and completely as if each Account Holder were the sole owner of the Account. Paxos may accept orders on the Exchange, and instructions, written or oral, with respect to the Account from each Account Holder, without notice to any other Account Holder, for the purchase, sale, exchange, or other disposition of crypto assets. Paxos reserves the right to require joint written instructions by all Account Holders or a court order at any time with regard to the purchase or disposition of crypto assets or with regard to any transactions in the Account.

TYPES OF JOINT ACCOUNTS

A Joint Account can be associated with one of the following general types:

- Joint Tenants with Rights of Survivorship - A form of ownership in which two or more parties have equal interests in the Account and in which title to the entire account goes to the survivor(s) upon the death of one of the Account Holders. This process avoids court probate of the property but may have some tax consequences which should be reviewed with a tax professional prior to opening the Account.

- Tenants in Common - A form of ownership in which two or more parties have equal interests in the Account and in which ownership of an Account Holder's interest goes to the estate of the deceased upon the death of one of the Account Holders.

- Community Property - Community Property is property received by a husband and wife during the marriage, except inheritances and specific gifts to one of the spouses. This form of ownership is recognized only in certain states which have community property laws and each spouse has an undivided one-half interest in the account. The states with community property laws at this time are: Louisiana, Arizona, California, Texas, Washington, Idaho, Nevada, New Mexico and Wisconsin. Upon the death of one spouse, the community property in the Account generally passes to the other spouse with certain exceptions, including Texas, Nevada and New Mexico.

- Tenancy by the Entirety - A form of ownership where the owners are married and each spouse has an equal and undivided interest in the property (e.g., each spouse mutually owns the property). If one spouse was to die, the full title of the property passes to the surviving spouse.

JOINT OWNERSHIP OF PROPERTY ENTAILS IMPORTANT LEGAL AND TAX CONSEQUENCES. PLEASE CONSULT YOUR ATTORNEY AND/OR TAX PROFESSIONAL REGARDING WHICH FORM OF JOINT OWNERSHIP IS APPROPRIATE FOR YOUR CIRCUMSTANCES AND IN YOUR PLACE OF RESIDENCE. PAXOS DOES NOT PROVIDE ANY ADVICE REGARDING YOUR CHOICE OF JOINT OWNERSHIP.

IN THE EVENT NO DESIGNATION OF ACCOUNT TYPE IS MADE, UPON DEATH OF AN ACCOUNT HOLDER, THE ACCOUNT WILL CONVERT TO AN ACCOUNT IN THE NAME OF THE SURVIVING ACCOUNT HOLDER(S).

CHANGE IN OWNERSHIP OF A JOINT ACCOUNT

In the event of the death of an Account Holder, divorce of married Account Holder, assignment of an Account Holder's interest or other event that causes a change in ownership of the account or of any property held in the account, all Account Holders or the surviving Account Holder(s) as the case may be, shall immediately give Paxos written notice thereof, and Paxos may, in such event, take such action, including requiring such documents or imposing such restrictions on the account as Paxos may deem necessary. The estate of a deceased Account Holder and a departing Account Holder by assignment or divorce shall remain liable, jointly and severally, with the remaining or surviving Account Holder(s), for any obligations of the account arising before Paxos receives such notice, or incurred in liquidation of the account or the adjustment of the interests of the Account Holder.

In the event of any such change in ownership of the Account, Paxos is authorized to divide or retitle the Account in accordance with the form of legal ownership of the Account as reflected on the records of Paxos, or by written instructions from the remaining or surviving Account Holder(s), or in accordance with a court order provided by the Account Holder(s) to Paxos, as Paxos may reasonably determine is appropriate or in accordance with what Paxos, in good faith, understands is required by applicable law. For example, unless agreed otherwise among the Account Holder in a writing

provided to Paxos, Joint Accounts designated "with right of survivorship" (e.g., JTWROS) shall vest the interest of a deceased Account Holder in the surviving Account Holder(s) and Accounts designated "without right of survivorship" (e.g., TIC) shall entitle the estate of a deceased Account Holder and the surviving Account Holder(s) to equal shares of the account. Each of the Account Holders agree to indemnify Paxos for any liability, loss or expense incurred from acting in accordance with this Agreement in the event of a change in ownership of the Account.

JOINT ACCOUNT INSTRUCTIONS

All statements, notices or other communications sent or given to one Account Holder by Paxos shall be considered notice to all Account Holders. In the event Paxos (i) receives inconsistent instructions from two or more Account Holders, (ii) reasonably believes instructions received from one Account Holder are not mutually agreeable to all Account Holders, or (iii) receives a court order with respect to the Account, Paxos may, but is not obligated to, restrict activity in the Account, require that all instructions be in writing signed by all Account Holders, suspend or terminate any services being provided by Paxos and/or file an interpleader action in an appropriate court at the Account Holder's expense, which shall include, but not be limited to, legal fees.

INDEMNITY

Without limiting your indemnification obligations in Section III.15 below, to the maximum extent permitted by applicable law, you agree to defend, indemnify, and hold harmless Paxos Indemnified Parties (as defined below), from and against any and all Losses (as defined below), directly or indirectly, resulting from or by reason of Paxos' reliance on any instructions provided by another Account Holder.

JOINT ACCOUNT TRANSITIONS

If you wish to complete an Account Transition as described in Section III.5.3 for a Joint Account, each Account Holder must provide the signed Account Access Transition Request Form and the resulting Paxos-hosted Account (once successfully created) will have one single username and login regardless of the amount of Account Holders under such Joint Account.

TRUST ACCOUNTS

DEFINITIONS

"**Beneficiary**" means an individual or group or individuals for whom a Trust Account is created.

"**Trust**" means a fiduciary relationship in which one party, the Trustor, gives another party, the Trustee, the right to hold title to property or assets for the benefit of a third party, the Beneficiary. For purposes of these terms and Conditions the Trust is a User.

"**Trust Account**" means an Account with the Exchange in which the Trustee maintains the right to hold crypto assets and the fiduciary duty to manage such assets for the benefit the Beneficiary.

"**Trustee**" means the person or firm that holds and administers property or assets for the benefit of the Beneficiary in the Trust Account. For purposes of these Terms and Conditions, the Trustee is a User.

NO OTHER TRUSTEES

Trustees represent that there are no Trustees other than those listed in the Trust Account documentation and application.

INSTRUCTIONS; REPRESENTATIONS

The Trustee certifies that Paxos may follow instructions from any Trustee and deliver crypto assets to any Trustee or on any Trustee's instructions, including delivery to a Trustee personally. Paxos, in its sole discretion, may require written consent of any or all Trustees prior to following any instruction of a Trustee.

Trustees certify that they have the power under the Trust's governing documents and applicable law to enter into this Agreement, open the Trust Account, and enter transactions and issue instructions. Such powers include, without limitation, the authority to buy, sell, hold, transfer, and withdraw crypto assets.

Should only one Trustee enter into this Agreement, Trustee represents and warrants that such Trustee has the authority to enter into this Agreement and open a Trust Account without the consent of the other Trustees.

Trustees certify that all instructions directing Paxos to execute orders or any other type of transaction on the Exchange will comply with the Trust's governing documents and applicable law, and that all activity in the Trust Account will be consistent with the powers delegated to the Trustees by the Trust's governing documents and with the fiduciary duties of the Trustees to the Trust and the Beneficiaries of the Trust.

Trustees also certify that Trustees will inform any Beneficiaries of the Trust of the activity in the Trust Account as required by the Trust's governing documents and applicable law.

In the event Paxos (i) receives inconsistent instructions from two or more Account Trustees, (ii) reasonably believes instructions received from one Trustee are not mutually agreeable to all Trustees, or (iii) receives a court order with respect to the Trust Account, Paxos may, but is not obligated to, restrict activity in the Trust Account, require that all instructions be in writing signed by all Trustees, suspend or terminate any services being provided by Paxos and/or file an interpleader action in an appropriate court at the Trust's expense, which shall include, but not be limited to, legal fees.

INDEMNITY

Without limiting the indemnification obligations in Section III.15 below, to the maximum extent permitted by applicable law, the Trust and the Trustees, jointly and severally, agree to defend, indemnify, and hold harmless the Paxos Indemnified Parties from and against any and all Losses, directly or indirectly, resulting from or by reason of Paxos' reliance on any instructions provided by Trustees, including, but not limited to, instructions to buy, sell, hold, transfer or withdraw crypto assets, even if such instructions may be interpreted to be beyond the scope of the Trustee's authority.

NOTICE

Trustees will provide Paxos with immediate notice if the authority of the Trustees changes in any manner relating to this Agreement or the Trust Account, including, but not limited to, any change affecting the accuracy of any representations, warranties, or certifications made herein.

NO DUTY TO REVIEW

Paxos has no duty to review or enforce the legal terms of any Trust that opens a Trust Account with the Exchange and Paxos may rely entirely on the instructions of the Trustees or persons apparently authorized to act on behalf of the Trust, regardless of whether Paxos has some or all of the Trust documents in its possession.

III. GENERAL TERMS AND CONDITIONS APPLICABLE TO ALL ACCOUNTS.

1. **DEFINITIONS**

"**Account**" means your account with the Exchange. For the avoidance of doubt, use of the term Account shall also be deemed to include a Prepaid Trading Account, Joint Account, or Trust Account where the context requires.

"**Custody**" means the custody services provided by Paxos to you with respect to crypto assets.

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

"**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 Wallet**" means one or more pooled custodial wallets maintained by Paxos to hold your crypto assets and fiat currency, in the case of a Prepaid Trading Account.

"**Site**" means any website managed by Paxos with domains ending with "itbit.com", "paxos.com" and "ibkr.paxosclients.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, the Omnibus Wallet, 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' 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, Ethereum, Litecoin, and Bitcoin Cash. In addition, if you utilize a Prepaid Trading Account, any New Tokens held will also be available to sell exclusively via the Site located at ibkr.paxosclients.com and custody within the Prepaid Trading Account. For the avoidance of doubt, the New Tokens will not be available via the App, regardless of whether you are utilizing a Prepaid Trading Account. Each of the foregoing crypto assets were approved for customers of Paxos through specific approval from the New York Department of Financial Services. 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. 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 IB or the App. YOU ACKNOWLEDGE AND AGREE THAT PAXOS MAY RELY ON SUCH INFORMATION PROVIDED BY YOUR FINANCIAL INSTITUTION OR THE APP, AND PAXOS WILL NOT BE LIABLE IN ANY WAY TO YOU OR YOUR FINANCIAL INSTITUTION FOR ANY FAILURES CAUSED OR EXACERBATED BY AN ACT OR OMISSION OF YOUR FINANCIAL INSTITUTION

OR THE APP, OR A FAILURE BY YOUR FINANCIAL INSTITUTION TO PROVIDE RELEVANT INFORMATION AND/OR ASSISTANCE TO YOU.

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.

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 17 below.

5. **OPENING YOUR ACCOUNT; KNOW YOUR CUSTOMER; ACCOUNT TRANSITIONS**

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, as applicable.

5.1 Account Opening Procedures.

In addition to its CIP process referenced above, 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; (iii) require certain information related to your tax status; and (iv) not permit any activity on platform with incomplete account opening information.

Paxos or IB may also require that you provide certain tax information, including a W-9, W-8BEN or W-8BEN-E prior to opening your Account. By doing so you are confirming that the information contained therein is true, complete and accurate. If any of the information is found not to be true, complete and accurate, Paxos reserves the right to freeze and/or terminate your Account without any further notice to you.

5.2 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.

5.3 Account Transitions

You may choose to transition your Account that is accessible via the App to a Paxos-hosted account access channel (an "**Account Transition**"). In order to initiate an Account Transition, you must first contact account_transition@paxos.com and indicate your desire to transition your account access method from the App to the Paxos-hosted access channels.

Upon receipt of your notice, a Paxos representative will require you to verify and validate your identity and provide you with an Account Access Transition Request Form. You must complete and return a signed copy of this form to such Paxos representative. Paxos will confirm successful completion of your Account Access Transition Request Form or notify you that additional information or documentation is required within five (5) business days of receipt.

After notification from Paxos that the Account Access Transition Request Form has been successfully completed, Paxos will disable your ability to submit any transactions through the App and will cancel any open orders with respect to your Account. Paxos agrees not to take the foregoing actions without providing you with five (5) business days' notice.. Once you have completed these steps, you must register for a new login at http://account.paxos.com/.

Once you have registered for a new login with Paxos, please notify Paxos at account_transition@paxos.com and provide the email address with which you created the login. Within five (5) business days of your login creation, your cryptocurrency assets will be made accessible to you for trading through Paxos-hosted access channels. You will not be able to submit new orders until all of the foregoing steps have been completed.

Please note that Account Transitions are one-way, permanent, and exclusive. Once you update your account access method, you will no longer be able to access your Account through the App or any of IB's user interfaces or APIs.

Further, in the event of an insolvency of IB (or IB otherwise ceasing its business operations), Paxos will immediately unlink your Account from the App, and will send you an email to initiate the Account Transition process.

If you have any questions regarding this process, please contact your Paxos representative at account_transition@paxos.com.

5.4 Opening an Account Directly with Paxos; Transfers in Kind

You may choose to open a standalone account directly with Paxos in addition to your Account via the App (the "**Standalone Paxos Account**") by visiting https://account.paxos.com/login and completing the registration prompts and procedures for opening an account with Paxos as described in this Agreement.

Once you have successfully opened a Standalone Paxos Account, you may elect at any time and from time to time thereafter to transfer some or all of your crypto assets from your Account to the Standalone Paxos Account (an "Asset Transfer").

In order to initiate an Asset Transfer, you must first contact account_transfers@paxos.com and indicate your desire to transfer assets from your Account opened and accessed via the App to an open Standalone Paxos Account. Upon receipt of your correspondence, a Paxos representative will contact you with the steps required for you to complete the Asset Transfer process, including the steps to verify and validate your identity.

For the avoidance of doubt, Paxos will not initiate any Asset Transfer if there are not sufficient assets in your Account to complete the transfer in the amount you request.

6. **BUYING AND SELLING CRYPTOCURRENCY**

6.1 Buying. You can instruct Paxos to buy crypto assets via the Exchange Services using the fiat currency available in your IB account or accounts or Prepaid Trading Account, as applicable. If you provide such instruction, Paxos will follow the below procedure:

1. rates for buying crypto assets via the Exchange will be displayed in the App;

2. you can then instruct Paxos to buy those crypto assets from a counterparty on the Exchange via the App (provided you have sufficient fiat funds in your IB account or Prepaid Trading Account, as applicable). 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

3. if a transaction is successfully completed, the applicable fiat currency will be withdrawn from your IB account or Prepaid Trading Account, as applicable and Paxos will hold the purchased crypto assets for you in your Account.

6.2 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:

1. rates for selling crypto assets via the Exchange will be displayed in the App;

2. 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

3. if a transaction is successfully completed, the applicable crypto assets will be withdrawn from your Account and Paxos will transfer the fiat currency proceeds from the sale to your IB account or prepaid Trading Account, as applicable.

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

6.3 Holding.

Paxos is a limited purpose trust company chartered by the New York State Department of Financial Services. As such, we are licensed to custody crypto assets on your behalf. However, your fiat currency will continue to be held by IB or its banking partners and not by Paxos, unless you create a Prepaid Trading Account. Your Account (and any available assets held in such account) is not a bank account or a deposit account.

7. **CRYPTO TRANSFERS**

7.1 Subject to the payment of any applicable blockchain fees (as further specified in Section 13 below), you may withdraw crypto assets that are supported by Paxos and the App to external wallets held by third parties and not hosted by Paxos ("**Crypto Transfers**") via the Site located at ibkr.paxosclients.com. Insufficient payment of third-party network or other fees may cause a Crypto Transfer to remain in a pending state outside of Paxos' control and Paxos is not responsible for delays or loss incurred as a result of an error in the initiation of the transaction.

7.2 Once a Crypto Transfer has been successfully completed, Paxos will recognize the Crypto Transfer on the relevant block-chain, if applicable, and once the Crypto Transfer has the required number of blockchain confirmations, IB will provide notice via the App. Prior to completion, Crypto Transfers may reflect a pending transaction status and will not be available to you or others while the transaction is pending.

7.3 Among other compliance related activities related to Crypto Transfers, Paxos and/or IB may conduct blockchain monitoring with respect to external third-party wallet addresses. If any such third-party wallet address is flagged by Paxos' or IB's blockchain monitoring service, Paxos or IB will perform a manual compliance review of such address (a "**Manual Compliance Review**"). During the period of any Manual Compliance Review, the relevant crypto assets will not be available for use. Following Paxos' or IB's successful completion of a Manual Compliance Review, the impacted crypto assets will be promptly made available for a Crypto Transfer.

7.4 Paxos reserves the right to reject any Crypto Transfer that it deems, in its sole discretion, poses an excessive risk, or as required by any court or applicable law. Paxos will not complete any Crypto Transfer if the crypto assets are not supported by the Exchange and available within the Site at the time of the Crypto Transfer.

7.5 YOU ARE ARE RESPONSIBLE FOR VERIFYING THE ACCURACY AND COMPLETENESS OF ALL TRANSACTION INFORMATION SUBMITTED IN RESPECT OF A CRYPTO TRANSFER (INCLUDING, BUT NOT LIMITED TO, THE APPLICABLE DESTINATION ADDRESS AND THE AMOUNT AND TYPE OF CRYPTO ASSETS). YOU UNDERSTAND AND AGREE THAT PAXOS BEARS NO LIABILITY OR RESPONSIBILITY IN THE EVENT THAT (I) YOU PROVIDE INCORRECT TRANSACTION INFORMATION, (II) YOU ATTEMPT TO INITIATE A CRYPTO TRANSFER FOR CRYPTO ASSETS THAT ARE NOT SUPPORTED BY PAXOS AND/OR THE DESTINATION ADDRESS, OR (III) PAXOS OR IB REJECT A CRYPTO TRANSFER.

YOU FURTHER UNDERSTAND AND AGREE THAT CRYPTO TRANSFERS CANNOT BE REVERSED ONCE THEY HAVE BEEN BROADCAST TO THE RELEVANT BLOCKCHAIN NETWORK OR COMMUNICATED TO THE EXCHANGE OR THE SITE (EVEN WHEN IN A PENDING STATE). PAXOS DOES NOT CONTROL THE BLOCKCHAIN NETWORK AND MAKES NO GUARANTEES THAT ANY CRYPTO TRANSFER WILL BE CONFIRMED BY THE APPLICABLE NETWORK.

FOR THE AVOIDANCE OF DOUBT, CRYPTO TRANSFERS WILL ONLY BE MADE AVAILABLE TO INDIVIDUAL, JOINT AND INSTITUTIONAL ACCOUNTS. ANY ACCOUNT THAT UTILIZES A FINANCIAL ADVISOR WILL NOT BE PERMITTED TO ACCESS CRYPTO TRANSFERS. IN ADDITION, CRYPTO TRANSFERS WILL ONLY BE MADE AVAILABLE TO YOU VIA THE SITE LOCATED AT IBKR.PAXOSCLIENTS.COM AND NOT VIA THE APP.

8. **SUSPENSION AND TERMINATION OF YOUR ACCOUNT**

8.1 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:

1. 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;

2. you engage in abusive behavior, as determined in our sole and absolute discretion;

3. we are unable to verify or authenticate any information you provide to us;

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

5. you add any type of fiat currency (with respect to a Prepaid Trading Account) or crypto asset to your Account using any source from which you do not have the legal right to transfer funds;

6. 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;

7. we are directed to do so by law enforcement, regulatory authority or court order;

8. we are required to do so by applicable law or regulation;

9. your Account is subject to pending litigation, investigation or governmental proceeding;

10. we believe that someone is attempting to gain unauthorized access to your Account;

11. we believe there is unusual activity in your Account;

12. your Account has no crypto assets and has not been accessed in the prior year; or

13. for any other reason in our sole and absolute discretion.

8.2 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.

8.3 Loss of Value on Suspension or Closure.

We are not responsible for any loss of value in your Account, or of any crypto asset, 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.

8.4 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 assets (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, or Paxos will take (as applicable) 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.

9. **UNCLAIMED FUNDS AND/OR CRYPTO ASSETS**

If we are holding funds and/or crypto assets in your Account or Prepaid Trading Account, as applicable, and there has been no activity in your Account or Prepaid Trading Account for a period of time prescribed by applicable law, we may be required to report such remaining funds and/or crypto assets in your Account or Prepaid Trading 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 funds and/or crypto assets to the applicable jurisdiction as unclaimed property. We reserve the right to deduct a dormancy fee or other administrative charges from such unclaimed funds and/or crypto assets (in addition to any fees charged as set forth in this Agreement), as permitted by applicable law.

10. **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.

11. **FORKS AND UNSUPPORTED ASSETS**

11.1 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.

11.2 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).

11.3 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

11.4 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.

11.5 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 Wallet 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.

12. **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 10.5 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.

13. **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 IB or (i) be collected by or paid by IB. IB will disclose to you any fees that are due and payable to Paxos.

14. **MARKET MAKERS**

14.1 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.

14.2 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.

15. **NOTICE**

15.1 Notices; Delivery of Information and Documentation.

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.

15.2 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.

15.3 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.

15.4 Notices from You.

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. **INDEMNIFICATION AND RELEASE**

16.1 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.

16.2 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.

17. **LIMITATION OF LIABILITY**

17.1 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.

17.2 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, INCLUDING, BY WAY OF EXAMPLE AND NOT LIMITATION, YOUR FINANCIAL INSTITUTION, OR ANY OTHER THIRD PARTY 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.

17.3 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.

17.4 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).

17.5 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 assets in your Account (including, without limitation, transaction fees, funds transfer fees and dormancy fees).

18. **CONFIDENTIALITY AND COMPLIANCE WITH LEGAL PROCESS**

18.1 Permitted Disclosure.

We may share information concerning you and your Account:

1. with our Banks and other financial institutions that we use or may use to process funds in connection with the Services;

2. 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;

3. 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;

4. in connection with a merger, acquisition or otherwise as set forth in Section 20.1; or

5. as permitted or required by applicable law.

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

18.2 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.

19. **ARBITRATION; STATUTE OF LIMITATIONS**

19.1 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 without reference to the conflict of laws provisions thereof.

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:

1. Any action brought on or with respect to this Agreement shall be brought only in the state or federal courts located in New York County, New York;

2. You (a) consent to jurisdiction in such courts; (b) waive any objection to venue in any of such courts; and (c) waive any objection that any of the such courts is an inconvenient forum;

3. 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

4. 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.

19.2 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.

19.3 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.

19.4 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.

20. **COMPLAINTS**

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

1. Submit a support ticket to https://help.paxos.com/hc/en-us/requests/new

2. Write to Customer Support at: Paxos
   450 Lexington Ave, Suite 3952
   New York, NY 10163

3. 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.

4. If you are a customer of Paxos Trust Company, N.A. 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.

5. If you are a customer of Paxos Trust Company, N.A. 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.

6. If you are a customer 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.

7. If you are a customer of Paxos Global Pte. Ltd. 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 https://dbf.georgia.gov/ for additional information.

21. **MISCELLANEOUS PROVISIONS**

21.1 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.

21.2 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.

21.3 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.

21.4 Headings.

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

21.5 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.

21.6 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.

21.7 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.