

**SDAX VERSION 1.2**  
**VERSION DATE: OCTOBER 2024**



**SDAX Exchange Pte. Ltd.**  
**SDAX Capital Markets Pte. Ltd.**

# **PLATFORM & WALLET TERMS & CONDITIONS**

**OCTOBER 2024**

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## **(A) PLATFORM & SITE TERMS AND CONDITIONS**

### **1. General**

#### **1.1 Purpose and scope**

1.1.1 Welcome to the Platform & Site Terms of Service. These terms, combined with our Privacy Policy, Cookie Policy, Wallet Terms and any other documents referred to in these terms (collectively, the “**General Terms**”) set out the legal agreement between:

- (a) You, as the Participant and/or Issuer on the Platform; and
- (b) SDAX (or “we”, “our”, or “us”)

1.1.2 SDAX may from time to time amend or update these General Terms to ensure that these General Terms are consistent with future developments, industry trends and/or any changes in legal or regulatory requirements or as we deem appropriate.

1.1.3 By accessing and/or using the Site or the Platform Materials, you are indicating your acceptance and agreement to these General Terms. **If you do not accept these General Terms, you must stop using/accessing the Site and the Platform Materials.**

### **2. Definitions and interpretation**

#### **2.1 Definitions**

2.1.1 The following terms shall have the following meanings when used in these General Terms unless the context otherwise requires:

“**Blockchain**” means a digital ledger of transactions or data established through distributed ledger technology that is established by a computer network protocol proprietary to SDAX maintaining direct connections between various computational devices (a.k.a nodes) that participate in an agreed consensus algorithm to contain the common digital ledger.

“**Exchange**” or “**SEPL**” refers to SDAX Exchange Pte. Ltd (UEN:201914688R).

“**Indemnitees**” means SDAX, and their Related Parties.

“**Intellectual Property Right**” includes any copyrights, trademarks, patents as well as any other intellectual property right) in relation to the products, services and all content, information and data contained in or provided on or via the Site (including all texts, graphics and logos).

“**Issuer**” means a person who has issued Security Tokens

“**Losses**” means losses, liabilities, damages, costs or expenses (including any direct, indirect, incidental, special, consequential or punitive damages or economic loss or any claims for loss of profits or loss of use).

“**Platform**” means the platform(s) jointly comprising of the Exchange Platform and the Capital Markets Platform operated by SDAX which allows, among other things, for the issuance and the trading of Security Tokens, and the viewing of Issuer’s Information, trades and other related information related to Security Tokens. “Platform” includes the online platform which is accessible at such location as may be prescribed by SDAX from time to time.

“**Platform Materials**” refers to all the content or web pages of the Site and the Platform including but not limited to the Site information, the cyber security tips information, images, links, sounds, graphics, video, software, applications and other materials displayed or made available and the functionalities or services provided in the Site and/or the Platform.

“**related corporation**” has the same meaning as in section 4(1) of the Companies Act 1967 of Singapore.

“**Related Party**” means, with respect to any Participant: any partner, director, officer, employee or agent of such Participant (or any person occupying a similar status or performing similar functions), which includes a related corporation or associated person of a related corporation.

“**SCM**” refers to SDAX Capital Markets Pte. Ltd. (UEN: 201607263W).

“**SDAX**” means collectively, the Exchange and SCM.

“**Security Token**” means a unique Smart Contract designated with a unique Smart Contract Address that has been created to represent the holdings of securities issued by the Issuer, which may include equity, debt securities, or other investment instruments.

“**Smart Contract**” means the computer code which is executable in and validated by the Blockchain, and used to digitally create and maintain the ledger data reflecting the issuance ownership, transfer and transactions of Security Tokens of the participants on the Platform.

“**Site**” means SDAX website, the Platform and all Platform Materials.

### 3. **Platform registration**

3.1 All applications to be registered as a user of the Platform must be accompanied by the prescribed information and documents and meet any additional verification procedures (including conducting credit checks) that SDAX may require from time to time.

3.2 You will be duly notified by SDAX if your application to register with the Platform is successful (the “**Client Registration**”). SDAX reserves the right to (act at its discretion):

- (a) decline an application to register with the Platform without assigning any reason; and/or
- (b) suspend or revoke any Client Registration from time to time in accordance with the General Terms or in compliance with any other regulations or guidelines that may be issued by a competent authority in Singapore.

3.3 Following successful registration, you will be allocated with a virtual account on the Platform (the “**Platform Account**”) with a unique Username and Password which may either be: (i) determined by and issued to you by us; or (ii) provided by you and accepted by us in our absolute discretion.

3.3.1 We may at any time in our absolute discretion forthwith suspend your account and/or invalidate the Username and/or Password without giving any reason or prior notice and shall not be liable or responsible for any loss or damage suffered by or caused by you or arising out of or in connection with or by reason of such suspension and/or invalidation.

3.3.2 The Username and Password is for each user’s personal use only and neither may be transferred to any other person or entity. “Username”, in relation to each user who has an account with us, refers to the unique login identification name or code which identifies such user, and “Password”, in relation to each user who has an account with us, refers to the valid password that such user

may use in conjunction with the relevant Username to access the Site and/or the Platform.

3.3.3 You should change your Password from time to time and to keep the Username and Password confidential and shall be responsible for the security of your account and liable for any disclosure or use (whether such use is authorised or not) of the Username and/or Password. You shall notify us immediately if you have knowledge that or have reason for suspecting your account credentials have been compromised. For the avoidance of doubt, you will continue to be liable for any instructions issued or transactions effected via your Platform Account before such notification is received by SDAX.

3.3.4 **Purported use/access:** You agree and acknowledge that any use or purported use of or access to or purported access to the Site and/or the Platform and any information, data, instructions or communications, whether or not authorised by you, referable to the Username and Password shall be binding upon you and deemed to be: (i) use of or access to the Site and/or the Platform by you; and/or (ii) information, data, instructions or communications carried out, transmitted or validly issued by you.

#### 4. **General use and access**

4.1 **Compliance with applicable laws:** You agree to abide by all applicable laws in the use and/or access of the Site.

Where applicable, participation on the Platform may be subject to meeting the prescribed criteria under The “Suitability Assessment Test”, as defined in the MAS’s “Guidelines on Personal Offers Made Pursuant to the Exemption for Small Offers”.

4.2 We may from time to time and at least annually, require you to review, acknowledge and reconfirm the information that you have provided, including where applicable;

(a) The prescribed criteria of “Knowledge of Experience Test” or “Suitability Assessment Test”; and

(b) The “Risk Disclosure Statement” as prescribed by the MAS.

4.2.2 Failure to review acknowledge and reconfirm or meet the prevailing requirements as prescribed by the relevant laws and regulations may prevent or limit participation on the Platform.

4.3 **Changes to the Site and/or Platform Materials:** We may, from time to time and without giving any reason or prior notice, upgrade, modify, suspend or discontinue the provision of or remove the Site and/or Platform Materials (whether in whole or in part), and shall not be liable if this affects access to the Site and/or Platform Materials.

4.4 **Restricted activities:** You agree that you will not:

(a) violate or attempt to violate (or assist in the violation of) any law, statute, regulation, ordinance, contract, intellectual property right or other third-party right, or commit a tort while accessing the Site;

(b) introduce or attempt to introduce to the Site any software or material that contains, or which you have reason to suspect contains any malware, virus, Trojan horses, or other harmful, malicious, destructive or corrupting material (including those which may impair or corrupt the Site’s data or the Platform Materials or damage or interfere with the operation of another user’s computer or mobile device or the Site);

- (c) use or attempt to use any robot, spider, crawler, scraper, or other automated means or interface to access the Site or to extract data;
- (d) use or attempt to use the Site in any manner that could interfere with, disrupt, negatively affect, or inhibit other users from the Site, or that could damage, disable, overburden, or impair the functioning of the Site in any manner;
- (e) circumvent or attempt to circumvent any content filtering techniques SDAX employs, or access or attempt to access any service or area of the Site that you are not authorized to access;
- (f) post, promote or transmit any materials or information through the Site which are or may be illegal, misleading, incomplete, erroneous, offensive, indecent, defamatory or which may not be lawfully disseminated under applicable laws or which are otherwise objectionable; or
- (g) use the Site other than in conformance with the acceptable use policies of any connected computer networks, any applicable Internet standards and any other applicable laws, or view, listen to, download, print or use the Platform Materials other than as allowed under applicable laws;
- (h) impersonate any person or entity or to falsely state or otherwise misrepresent your affiliation with any person or entity while accessing the Site.

4.5 You acknowledge and agree that you have read the cyber security tips information published on the Site and will adhere to best practices to ensure security when accessing the Site.

4.6 **Contents of transmissions or communications:** With respect to all contents of transmissions or communications you make or submit through the Site, we shall be free to reproduce, use, disclose, host, publish, transmit and distribute all such contents of transmissions or communications or any part thereof to others without limitations, and you hereby grant to us and our agents, a nonexclusive, world-wide, royalty-free, irrevocable licence and right to do the same.

4.7 **Records:** You acknowledge and agree that any records created and maintained by SDAX of the communications, transactions, instructions or operations made or performed, processed or effected through the Site or in relation to the Site by you or any person purporting to be you, acting on your behalf or purportedly acting on your behalf, with or without your consent, shall be binding on you for all purposes and shall be conclusive evidence of such communications, transactions, instructions or operations.

## 5. **No warranty**

5.1 The Site and the Platform Materials are made available on an “as is” and “as available” basis, and at your sole risk. SDAX assumes no responsibility and makes no representation or warranty on the accuracy, validity or completeness of the materials or information contained in the Site, and disclaims all liability for any errors, delays or omissions in the Site, or for any action taken in reliance.

5.2 No warranty of any kind, implied, express or statutory, including but not limited to the warranties of non-infringement of third party rights, title, merchantability, satisfactory quality or fitness for a particular purpose, is given in conjunction with the Site.

5.3 SDAX does not warrant that the Site will be provided uninterrupted, secure or free from errors

or omissions, or that any identified defect will be corrected. Further, no warranty is given that the Site is free from any computer virus or other malicious, destructive or corrupting code, agent, program or macros.

- 5.4 SDAX does not warrant the security of any information transmitted by you or to you through the Site or that there would be no delay, interruption or interception in data transmission. You accept the risk that any information transmitted or received through the Site may be accessed by unauthorised third parties, and that transactions over the Internet may be subject to interruption, transmission blackout, delayed transmission due to internet traffic or incorrect data transmission due to the public nature of the Internet. Regardless of any security measures taken by SDAX, SDAX shall assume no responsibility whatsoever for any loss or expense resulting from such delays, interruptions and/or interceptions.
- 5.5 SDAX reserves the right (at its sole discretion) to vary or modify any of the features or functionality of the Platform or to suspend or terminate the operations of the Platform at any time, as SDAX deems fit, without notice or giving any reasons.
- 5.6 Any materials, information, view, opinion, projection or estimate presented via the Site is made available by SDAX for informational purposes only, and is subject to change without notice.
- 5.7 We do not provide financial, tax, legal or other advice, and do not make any recommendations on suitability of any investments. No warranty whatsoever is given by SDAX and no liability whatsoever is accepted by SDAX for any loss arising whether directly or indirectly as a result of you acting on any materials, information, view, opinion, projection or estimate provided in the Site and/or the Platform Materials. No consideration has been given to the specific investment objective, financial situation and particular needs of any specific person, and the information should not be used as a substitute for any form of advice. You should seek your own independent financial, legal, regulatory, tax or other advice before making an investment in the investments or products.
- 5.8 All data and information available on the Site is strictly for information purposes only and should not be regarded as an offer, solicitation, invitation, advice or recommendation to buy or sell any securities
- 5.9 SDAX controls and maintains the Site from Singapore and makes no representation that the materials or information provided on or via the Site is appropriate or available for use and/or access in other locations. If you use and/or access the Site from other locations, you are responsible for compliance with applicable local laws.
- 5.10 Where the Site contains hypertext links to third party websites, such links are not an endorsement by SDAX of any content, products or services provided on or via such websites. The use of such links is entirely at your own risk.
- 5.11 Without prejudice to other provision in these General Terms, the Indemnitees shall not be liable for any Losses to any person (even if the Indemnitees may have been advised of, or otherwise might have anticipated, the possibility of such Losses) whatsoever or howsoever caused (regardless of the form of action) arising directly or indirectly from or in connection with the Site and/or Platform Materials, and/or in relation to any of the following:
- (a) any access, use, misuse or inability to use **or reliance on** the Site;
  - (b) any system, server or connection failure, error, omission, interruption, interception or delay in transmission. or computer virus or other malicious, destructive or corrupting code, agent, program or macros;

- (c) any suspension, interruption or closure of the Platform and/or any products and services provided by SDAX;
- (d) any use of and/or access to any third party websites linked to or provided through the Site; or
- (e) any services, products, information, data, software or other material obtained or downloaded from the Site or from any third party websites linked to or provided through the Site.

## 6. **Password-restricted areas of the Site and Platform**

6.1 **Secure areas:** Access to and use of password-protected and/or secure areas of the Site and the Platform are restricted to authorised users only. You shall not obtain or attempt to obtain unauthorised access to such parts of the Site and/or the Platform, or to any other protected information, through any means not intentionally made available by us for your specific use. In order to access and/or use the password-protected and/or secure portions of the Site, the Platform and/or the Platform Materials, you must register for an account with us (which is subject to our approval at our absolute discretion).

## 7. **Transactions with third parties**

7.1 Under no circumstances shall it be construed that, in case of your access to and use of systems, services, content, materials, products or programmes of any third party, SDAX is a party to any transaction, if any, between you and such third party or that SDAX endorses, sponsors, certifies, or is involved in the provision of such systems, services, content, materials, products or programmes contained in or provided on or via the Site and/or the Platform Materials and SDAX shall not be liable in any way for your access to and use of systems, services, content, materials, products or programmes of any third party, or for purchases or subscription made in relation thereto, each of which shall be your responsibility or that of the relevant third party.

## 8. **You acknowledge and agree that you will be solely responsible for any access or use of third party systems, services, content, materials, products or programmes contained in or provided on or via the Site and/or the Platform Materials. If you access or use such third party systems, services, content, materials, products or programmes, you must comply with the relevant terms and conditions for the access or the use thereof. Intellectual property**

8.1 SDAX or its licensor(s) reserves and retains all Intellectual Property Rights. You may not do anything that will violate or infringe such Intellectual Property Rights and, in particular, you shall not copy, download, publish, distribute, transmit, disseminate, sell, broadcast, circulate, exploit (whether for commercial benefit or otherwise) or reproduce any of the information or content contained in or provided on or via the Site or the Platform Materials in any form without the prior written permission of SDAX or its licensor(s).

8.2 Further, no part or parts of the Site or any Platform Materials may be reproduced, distributed, republished, displayed, broadcast, hyperlinked, mirrored, framed, transferred or transmitted in any manner or by any means or stored in an information retrieval system without the prior written permission of SDAX or its licensor(s).

8.3 Subject to other applicable terms, guidelines, notices, rules and policies, SDAX grants you a non-transferable, non-exclusive, revocable, limited license to use and access the Site solely for your own personal, informational and non-commercial use, provided that you do not modify the Platform Materials and that you retain all copyright and other proprietary notices contained in



the Platform Materials.

8.4 Links to the Site or any Platform Material are not permitted without the prior written consent of SDAX.

8.5 Save as expressly provided otherwise in these General Terms, you acknowledge that you are not granted any licence, interest or right by virtue of your use of or access to the Site.

## 9. **Acting on Instructions**

9.1 Applicable only to SCM, SCM may be instructed by you to perform tasks in respect of the Platform on your behalf. However, SCM will not be obliged to accept and act on such instructions.

9.2 If SCM elects to accept and act on instructions given by you, such instructions will be irrevocable and binding on you.

9.3 In consideration of SCM accepting and acting on instruction given by you by post, by email, by fax or in any other mode or manner, you:

- (a) will not to dispute any instruction or communication so given;
- (b) acknowledge and accept all risks that may arise from giving such instructions (including, the risk of fraud, forgery, delay and misunderstanding and the risk that the information transmitted may not be secured);
- (c) will not to hold SCM liable if any instruction is delayed, intercepted, lost or failed to be received during delivery, transmission or dispatch or if the content of such instruction is disclosed to any third party during transit; and
- (d) will indemnify and hold harmless SCM (on a full indemnity basis) from and against all actions, proceedings, liabilities, losses, damage, claims, demands and expenses (including legal fees) which SCM may incur as a result of acting on the instructions or purported instructions.

## 10. **Privacy and cookie policy**

10.1 We will manage any personal data that we collect through the Site or we otherwise obtain in connection with the Site and/or our products/services in accordance with our Privacy Policy, which shall form part of these General Terms. You can access our [Privacy Policy here](http://www.sdax.co/Policy/PrivacyPolicy) (www.sdax.co/Policy/PrivacyPolicy).

10.2 You can access our [Cookie Policy here](http://www.sdax.co/Policy/CookiePolicy) (www.sdax.co/Policy/CookiePolicy). Such Cookie Policy shall form part of these General Terms.

## 11. **Indemnity**

11.1 You will indemnify us against any liability, loss, damage, including solicitor and client costs and expenses (legal or otherwise) which we may sustain or incur, directly or indirectly, by reason of our having made available the Site and the Platform Materials or having entered into these General Terms with you or enforcement of our rights under these General Terms or in acting upon any instructions which you may give in relation to the Site or any negligence, fraud and/or misconduct on your part or your breach of these General Terms.

## 12. **Termination**

12.1 You agree that either the Exchange or SCM may, at its absolute discretion, deny you access to the Site for any reason, including without limitation, if SDAX believes that you have violated or acted inconsistently with any terms or conditions set out herein, or if in SDAX's opinion or the opinion of any regulatory authority, it is not suitable to continue providing the services relating to the Site and/or the Platform Materials. .

13. **General**

13.1 **Governing law:** These General Terms shall be governed by and construed in accordance with Singapore law.

13.2 **Dispute Resolution:**

13.2.1 Any dispute arising out of or in connection with these General Terms, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporated by reference in this Paragraph 13.2.

13.2.2 The Tribunal shall consist of one arbitrator. The language of the arbitration shall be English.

13.2.3 The seat of the arbitration shall be Singapore.

13.2.4 For the avoidance of doubt, each Participant and Issuer agrees to expressly waive the right to appeal the decision of any arbitration and that the decision of the arbitrator will be final.

13.2.5 Where any dispute arises between Participants and/or with any Issuer without SDAX being a party to such dispute, the disputing Participants may, subject to their mutual agreement, choose to settle the dispute by any other means as they may elect.

13.3 **Sub-contracting and delegation:** We may delegate or sub-contract the performance of any of our functions in connection with the Site.

13.4 **Assignment:** You may not assign your rights under these General Terms without our prior written consent. We may assign our rights under these General Terms to any third party.

13.5 **Successors and assigns:** These General Terms will bind you and us and our respective successors in title and assigns and will continue to bind you notwithstanding any change in our name or constitution or our merger, consolidation or amalgamation with or into any other entity (in which case these General Terms will bind you to our successor entity).

13.6 **Severability:** If any provision of these General Terms or part thereof is rendered void, invalid, illegal or unenforceable by any legislation to which it is subject, it shall be rendered void, invalid, illegal or unenforceable only to that extent and it shall in no way affect or prejudice the enforceability of the remainder of such provision or the other provisions of these General Terms. Such provision shall be struck and severed from these General Terms and the remaining provisions of these General Terms shall not be affected thereby.

13.7 **Waiver:** No failure or delay to exercise or enforce SDAX's rights conferred upon it under these General Terms shall be deemed to be a waiver of any such rights or operate so as to bar the exercise or enforcement thereof at any subsequent time or times. Waiver of any right arising from a breach or non-performance of these General Terms or arising upon default under these General Terms shall be in writing and signed either by the Exchange or SCM.

- 13.8 **Translation:** If these General Terms are translated into a language other than English, the English text shall prevail.
- 13.9 **Rights of Third Parties:** A person or entity who is not a party to these General Terms shall have no right under the Contracts (Rights of Third Parties) Act 1999 of Singapore or other similar laws to enforce any of these General Terms, regardless of whether such person or entity has been identified by name, as a member of a class or as answering a particular description. Our right to vary these General Terms may be exercised without the consent of any person or entity who is not a party to these General Terms. For the avoidance of doubt, nothing in this clause shall affect the rights of any permitted assignee or transferee of these General Terms.
- 13.10 **No Internet access:** You agree and acknowledge that these General Terms, the Site and the Platform Materials do not include the provision of Internet access or other telecommunication services by the Exchange or SCM. Any Internet access or telecommunications services (such as mobile data connectivity) required by you to access and use the Site and/or the Platform Materials shall be your sole responsibility and shall be separately obtained by you, at your own cost, from the appropriate telecommunications or internet access service provider.

## **(B) Wallet Terms**

### **1. General**

#### **1.1 Purpose and scope**

1.1.1 The Wallet is provided by SDAX, where the Platform is jointly operated by the Exchange and SCM. The Exchange is a recognised market operator regulated by MAS, and SCM is a holder of capital markets services license issued by the MAS. These Wallet Terms relate to the use of the Wallet, Cash Balances and Security Tokens and SDAX's role and responsibilities in relation thereto.

1.1.2 For the avoidance of doubt, where a function of the Platform pertains to an activity regulated under the Applicable Laws, such function will only be carried out by the relevant SDAX entity permitted and/or licensed to do so. Reference to "SDAX" in this regard might refer only to the Exchange or SCM depending on the context.

1.1.3 These Wallet Terms form part of the General Terms, and apply to all Participants and Issuers. All capitalised terms used in these Wallet Terms are defined in Paragraph 2.1.1 or in the General Terms or elsewhere in these Wallet Terms.

#### **1.2 Change to Wallet Terms**

1.2.1 SDAX may from time to time amend or update these Wallet Terms to ensure consistency with future developments, industry trends and/or any changes in legal or regulatory requirements or as we deem appropriate.

By accessing and/or using the Wallet, you are indicating your acceptance and agreement to these Wallet Terms. **If you do not accept these Wallet Terms, you must stop using/accessing the Site and cease to hold, use or purchase the Wallet, Cash Balances and/or Security Tokens (as the case may be).**

#### **1.3 Compliance with requirements**

1.3.1 Each Participant/Issuer agrees to comply with any and all guidelines, notices, rules and policies pertaining to the Wallet, Cash Balances and Security Tokens as issued or amended (as the case may be), as well as any amendments to the aforementioned, issued by SDAX from time to time. SDAX reserves the right to revise these guidelines, notices, rules and policies at any time and such changes will be published on the Platform and effective and binding on each Participant/Issuer upon publication or such other timing as the Exchange may specify in writing.

1.3.2 Each Participant/Issuer agrees to abide by all applicable laws in the holding, use and/or purchase of the Wallet, Cash Balances and Security Tokens.

1.3.3 In addition to these Wallet Terms, the holding, use and/or purchase of the Wallet, Cash Balances and/or Security Tokens (as the case may be) may be subject to additional terms and conditions to be issued by SDAX which will apply in full force and effect.

### **2. Definitions and interpretation**

#### **2.1 Definitions**

2.1.1 The following terms shall have the following meanings when used in these Wallet Terms

unless the context otherwise requires:

**“Applicant”** means a person seeking to be approved as an Issuer and the issuance of its Security Token on the Blockchain.

**“Approved Products”** means Securities or Collective Investment Schemes

**“Business Day”** means a day on which banks are open for general banking business in Singapore (not being a Saturday, Sunday or public holiday in Singapore).

**“Capital Markets Platform”** means the relevant sections of the Platform operated by the SCM.

**“Cash Balances”** means the cash balances reflected in the Participant’s/Issuer’s Wallet, representing the amount of cash that is being held in the relevant Customers’ Monies Account on behalf of the Participant/Issuer including both the available balance and the earmarked balance and subject to a minimum of zero.

**“Cash Balance Deposit”** has the meaning given to it in Paragraph 3.1.2.

**“Cash Balance Deposit Request”** has the meaning given to it in Paragraph 3.1.1.

**“Cash Balance Deposit Requestor”** has the meaning given to it in Paragraph 3.1.1.

**“Custodian”** has the meaning given to it in Paragraph 4.12.1.

**“Designated Bank Account”** means the bank account(s) of such Participant/Issuer opened in the name of such Participant/Issuer, details of which were specified in connection with the opening of such Participant/Issuer’s account on the Platform and updated from time to time.

**“Direct Issuance”** has the meaning given to it in Paragraph 4.1.2

**“Customers’ Monies Account”** means the relevant omnibus customers’ monies trust account maintained with a bank licensed under the Banking Act of Singapore or such other custodian that each of the Exchange and SCM is permitted to maintain a custody account with in respect of the aggregate cash balances held on behalf of Participants/Issuers (or as otherwise required by applicable law).

**“Exchange Requirements”** means the Listing Rules, the Exchange Rules, the Platform Terms and Conditions, and any other terms, rules and requirements that are published or issued by the Exchange pertaining to Trading Participants, Applicants and/or Issuers and the purchase and/or trading of tokens and/or the Platform, as may from time to time be amended, modified, supplemented or replaced.

**“Exchange Platform”** means the relevant sections of the Platform operated by the Exchange.

**“Exchange Rules”** means the provisions of the rulebook entitled “Exchange Rules” that are published by the Exchange, which set out the requirements and obligations applying that govern the operation of the Platform, as may from time to time be amended, modified, supplemented or replaced.

**“Funding Amount”** means such cash amount in the Specified Currency that the Cash Balance Deposit Requestor is requesting to deposit into its Wallet, or an Issuer is depositing pursuant to Paragraph 4.10, as the case may be.

**“Instructions”** means instructions from a Participants or Isuer in respect of the Exchange’s duties

as an agent to instruct the Custodian in respect of (i) Security Tokens which have been received via the Platform pursuant to these Wallet Terms; and/or (ii) Cash Balances (if applicable).

**“Issued Tokens”** means the Security Tokens issued or proposed to be issued on the Platform. Where applicable, such Issued Tokens may be listed for trading on the Exchange Platform.

**“Issuer”** means a person who has issued Security Tokens.

**“Listed Approved Products”** means Approved Products which have been approved for listing by the Exchange, and available to be held in Security Token form on the Platform

**“Listing Rules”** means the provisions of the rulebook entitled **“Listing Rules”** that are published by the Exchange, which set out the requirements and obligations applying to Issuers and Applicants, as may from time to time be amended, modified, supplemented or replaced.

**“MAS”** means the Monetary Authority of Singapore.

**“Non-Trading Participant”** means a person who has been approved by SDAX to open a Non-Trading Account on the Platform and whose Non-Trading Account is valid and subsisting (whether or not suspended).

**“Non-Trading Account”** means an account maintained on the Platform that is not able to conduct Secondary Trading on the Platform.

**“Other Payment Currency”** means such other fiat currency (which is different from the Specified Currency) that may be specified by SDAX from time to time.

**“Participant”** means a Trading Participant or a Non-Trading Participant.

**“Platform”** means the platform jointly comprising of the Exchange Platform and the Capital Markets Platform, which allows for the issuance and trading of Security Tokens (such trading only being conducted on the Exchange Platform), and the viewing of Issuer’s Information, transactions and other related information on the Smart Contract. “Platform” includes the online platform which is accessible at such location as may be prescribed by the SDAX from time to time.

**“Platform Account”** means a Trading Account or a Non-Trading Account

**“related corporation”** has the same meaning as in section 4(1) of the Companies Act 1967 of Singapore.

**“Security Token”** means a unique Smart Contract designated with a unique Smart Contract Address that has been created to represent the holdings of securities or units of collective investment schemes issued by the Issuer, which may include equity, debt securities, or other investment instruments.

**“Secondary Trading”** has the meaning given to it in Paragraph 4.1.2

**“Wallet”** means, in relation to a Participant or Issuer, the digital account on the Platform, issued to each Participant or Issuer; a Wallet stores such Participant’s or Issuer’s information about their ownership with respect to the relevant Security Tokens and Cash Balances.

**“Withdrawal Amount”** means such cash amount in the Specified Currency that the Cash Balance Withdrawal Requestor is requesting to withdraw from its Wallet.

**“Withdrawal Request”** has the meaning given to it in Paragraph 3.3.1.

**“Withdrawal Requestor”** has the meaning given to it in Paragraph 3.3.1.

**“Smart Contract”** means the computer code which is executable in an Ethereum Virtual Machine and validated by the Blockchain, and used to digitally create and maintain the ledger data reflecting the ownership, transfer and transactions of Security Tokens and cash balances of the Participants on the Platform.

**“Specified Currency”** or **“S\$”** means Singapore dollars, or such other fiat currency as specified in the Cash Balance Deposit Request.

**“Token Terms and Conditions”** means the terms and conditions of the relevant Security Tokens.

**“Trading Account”** means a trading account maintained by a Participant or Issuer with SDAX that is able to trade on the Exchange.

**“Trading Participant”** means an account maintained on the Platform that is able to conduct Secondary Trading on the Exchange Platform.

## 2.2 Interpretation

### 2.2.1 Unless the context requires otherwise:

- (a) headings and labels are for convenience only, and do not affect interpretation;
- (b) words importing the singular include the plural and vice versa, and words importing the masculine include any gender;
- (c) the meaning of general words is not limited by specific examples introduced by expressions such as, “including”, “for example”, “such as”, or such similar expressions, and the word “includes” or “including” as used in the Exchange Rules shall be construed to mean “includes without limitation” or, as the case may be, “including without limitation”;
- (d) a reference to a “person” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority;
- (e) a reference to a particular person includes the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (f) a reference to “law” includes common law, principles of equity and legislation (including regulations, rules, by-laws, ordinances and proclamations) and includes any consolidations, amendments, re-enactments or replacements of any of them;
- (g) a reference to “in writing” means in legible form and capable of reproduction on paper, and includes electronic communication;
- (h) a reference to “material” includes the ability to affect the outcome of a decision or an application;
- (i) a reference to anything (including an amount) is a reference to the whole and each part of it;
- (j) a period of time starting from a given day or the day of an act or event, is to be calculated exclusive of that day;

- (k) if a person must do something on or by a given day and it is done after 5.00 p.m. (Singapore time), it is taken to be done on the next Business Day;
- (l) if the day on which a person must do something is not a Business Day, the person must do it on the next Business Day; and
- (m) notwithstanding anything to the contrary, where any right of SDAX is specified to be at its “discretion”, it shall be construed to refer to the “sole, unfettered and absolute discretion” of SDAX; any determination to be made by SDAX or any exercise by SDAX of any rights or entitlement may be made at the sole, unfettered and absolute discretion of the SDAX and, in every case, shall be conclusive and binding on the Issuers and the Participants.

### 3. **Cash Balances**

#### 3.1 **Cash Balance Deposits**

##### 3.1.1 **Procedure for Cash Balance Deposits**

- (a) A Participant/Issuer shall submit to SDAX a request to make a Cash Balance Deposit indicating the aggregate Funding Amount such Participant/Issuer will deposit into the relevant Customers’ Monies Account (such Participant/Issuer, “**Cash Balance Deposit Requestor**”, and each deposit request, a “**Cash Balance Deposit Request**”). The Cash Balance Deposit Requestor acknowledges that it has, and for all purposes the Cash Balance Deposit Requestor shall be deemed to have, personal knowledge of every Cash Balance Deposit Request placed through its Platform Account in relation to the Cash Balances, including the Funding Amount, quantity, and any other information which may be entered or otherwise given through the Platform.
- (b) Upon submission of the Cash Balance Deposit Request, the Cash Balance Deposit Requestor shall within two Business Days deposit into the prescribed Customers’ Monies Account from the Cash Balance Deposit Requestor’s Designated Banking Account, the aggregate Funding Amount pursuant to the Cash Balance Deposit Request, in the Specified Currency (the “**Cash Balance Deposit**”). Cash Balances of the Participant’s Wallet will be reflected in the Specified Currency of the Cash Balance Deposit. Where Other Payment Currency is accepted by SDAX, the aggregate Funding Amount shall be determined based on the exchange rate as applied by the financial institution at which the applicable Customers’ Monies Account is opened with and the Cash Balances of the Participant’s Wallet will be reflected in the Specified Currency.
- (c) Upon SDAX’s receipt of the Cash Balance Deposit, SDAX will process the Cash Balance Deposit and determine whether to accept or reject the Cash Balance Deposit.
  - (i) If SDAX accepts the Cash Balance Deposit, SDAX shall reflect the Cash Balance Deposit as a credit in the Cash Balances of the Cash Balance Deposit Requestor’s Wallet.
  - (ii) If SDAX rejects the Cash Balance Deposit, SDAX shall:
    - (1) within two Business Days of receiving the Cash Balance Deposit, notify the Cash Balance Deposit Requestor of its rejection of the Cash Balance Deposit Request via the Platform or such other means as SDAX may determine; and
    - (2) within two Business Days of receiving the Cash Balance Deposit, return to the



Cash Balance Deposit Requestor the Cash Balance Deposit, in the Specified Currency via bank transfer to the Cash Balance Deposit Requestor's Designated Bank Account, without payment of any interest, subject to the deduction of any handling fees payable to SDAX. Where the return will be made in Other Payment Currency, the amount to be returned shall be determined based on the exchange rate as applied by the financial institution at which the relevant Customers' Monies Account is opened with.

### 3.1.2 **Acknowledgements**

- (a) Each Cash Balance Deposit Requestor is solely responsible for ensuring the accuracy of the information provided in a Cash Balance Deposit Request and that the applicable Funding Amounts are transferred to the prescribed Customers' Monies Account in full and without errors.
- (b) SDAX reserves the right to reject any Cash Balance Deposit Request, take longer than stipulated in Paragraph 3.1.1 to process a Cash Balance Deposit Request and/or return to the Cash Balance Deposit Requestor the aggregate Funding Amount pursuant to a rejected Cash Balance Deposit Request, if any Funding Amount is received from an account which is not a Designated Bank Account.
- (c) Save as set out in Paragraphs 3.2 and 3.4, the Cash Balances (and any purchase, ownership, receipt or possession thereof) carry no other rights, use, purpose, value, attributes, functionalities or features, and do not represent or confer any other ownership right or stake, share, security or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Platform and/or its related corporations.
- (d) The Platform is not a bank or payment services provider. The value reflected in the Cash Balances of the Wallet is not a deposit, is not insured and is not the subject of any banker's guarantee.
- (e) No interest will accrue or be payable on the Cash Balances.

### 3.2 **Funding Amounts**

- 3.2.1 The Customers' Monies Account in respect of the Exchange will only consist of the aggregate Funding Amounts attributable to such Customers' Monies Account of the Exchange, for all applicable Cash Balance Deposits and interest accrued on the amounts deposited in the omnibus account and, will be entirely segregated from each of the Exchange's own funds.
- 3.2.2 The Customers' Monies Account in respect of SCM will only consist of the aggregate Funding Amounts attributable to such Customers' Monies Account of SCM, for all applicable Cash Balance Deposits and interest accrued on the amounts deposited in the omnibus account and, will be entirely segregated from each of the SCM's own funds.
- 3.2.3 Each Participant/Issuer acknowledges that the Funding Amounts provided in connection with a Cash Balance Deposit Request or the Funding Amounts for the Cash Balance will not be identifiable by separate certificates or other physical documents or equivalent records.

### 3.3 **Use of Cash Balances**

- 3.3.1 Each Participant undertakes, represents and warrants that it may only use the Cash Balances for the sole purpose of making or receiving payment for the purchase of Security Tokens from Issuers

or other Participants (Secondary Trading only applicable only for Trading Accounts) via the Platform (including payment for any ancillary fees imposed by the SDAX). Save for the foregoing, each Participant acknowledges and agrees that the Cash Balances may not be transferred or sold to any person (including other Participants and Issuers), and undertakes not to create or permit to subsist any encumbrance or security interest over any of the Cash Balances, and may not do so without the prior written consent of the SDAX.

3.3.2 Each Issuer undertakes, represents and warrants that it may only use the Cash Balances for the sole purpose of receiving payment from Participants for the sale of Listed Approved Products via the Platform and where applicable, for the payment to Participants (with Cash Balances) of dividends, interest payments, redemption or other payments to Participants that hold the relevant Security Tokens. Save for the foregoing, each Issuer acknowledges and agrees that the Cash Balances may not be transferred or sold to any person (including other Participants and Participants), and undertakes not to create or permit to subsist any encumbrance or security interest over any of the Cash Balances, and may not do so without the prior written consent of the SDAX.

### 3.4 **Withdrawal of Cash Balances**

3.4.1 **Procedure for the withdrawal of Cash Balances:** Save as otherwise provided in Paragraph 5.4.3(b) below:

- (a) A Participant/Issuer shall submit to SDAX a withdrawal request through the Platform, indicating the desired Withdrawal Amount from its Cash Balances such Participant/Issuer wishes to withdraw from his Wallet (such Participant/Issuer, “**Withdrawal Requestor**”, and each withdrawal request, a “**Withdrawal Request**”).
- (b) Upon submission of the to accept or reject the Withdrawal Request, and the relevant Withdrawal Amount from its Cash Balances to be withdrawn will be earmarked until released by SDAX.
  - (i) If the SDAX accepts the Withdrawal Request:
    - (1) within two Business Days of receiving the Withdrawal Request, SDAX shall return to the Withdrawal Requestor the aggregate Withdrawal Amount from its Cash Balances to be withdrawn, (less any fees, charges, sums or monies owed by such Withdrawal Requestor to SDAX) in the Specified Currency via bank transfer to the Withdrawal Requestor’s Designated Bank Account, without payment of any interest, subject to the deduction of any handling fees payable to SDAX. Where the return will be made in Other Payment Currency, the amount to be returned shall be determined based on the exchange rate as applied by the financial institution at which the relevant Customers’ Monies Account is opened with; and
    - (2) upon confirmation of the transfer of the aggregate Withdrawal Amount to the Withdrawal Requestor:
      - (I) SDAX will provide the Withdrawal Requestor of such confirmation via the Platform or such other means as SDAX may determine (“**Confirmation**”) and SDAX will deduct the applicable amount from the Cash Balances by debiting the Withdrawal Requestor’s Wallet; and
      - (II) Unless the Withdrawal Requestor notifies SDAX otherwise within three Business Days of the Confirmation, the Withdrawal Requestor shall be

deemed to have accepted the amount transferred as correct, and agrees to discharge SDAX from any liability whatsoever to such Withdrawal Requestor, including any shortfall or error in the amount of such return.

- (ii) If SDAX rejects the Withdrawal Request, SDAX shall within two Business Days of receiving the Withdrawal Request:
  - (1) notify the Withdrawal Requestor of its rejection of the Withdrawal Request - via the Platform or such other means as SDAX may determine, and provide reasons for its rejection; and
  - (2) release the relevant amount Cash Balances from earmarking.

### 3.4.2 Acknowledgements

- (a) Each Withdrawal Requestor is solely responsible for ensuring the accuracy of the information provided in a Withdrawal Request.
- (b) SDAX reserves the right to reject any Withdrawal Request, take longer than stipulated in Paragraph 3.4.1 to process a Withdrawal Request and/or release the relevant amount of Cash Balances from earmarking pursuant to a rejected Withdrawal Request, if any Funding Amount is requested to be transferred to an account which is not a Designated Bank Account. For the avoidance of doubt, SDAX will not approve a Withdrawal Request if any Funding Amount is requested to be transferred to an account which is not a Designated Bank Account.
- (c) Other than as provided in Paragraph 3.3.1 above or as otherwise notified to Participants/Issuers by SDAX, SDAX shall not be obligated to make a refund to any Participant/Issuer or to process any Participant's/Issuer's request for refund on any Cash Balances.
- (d) The Cash Balances as determined by SDAX from the records of SDAX shall, save for manifest error, be deemed to be conclusive and binding against each Participant/Issuer.
- (e) SDAX shall be entitled to reject a Withdrawal Request if SDAX determines that the relevant Withdrawal Requestor has breached any of the applicable Exchange Requirements.

### 3.5 General acknowledgements

#### 3.5.1 Tax:

Each Participant/Issuer is solely responsible for seeking his own independent tax advice in relation to the purchasing, holding Cash Balances in its Wallet and the transfer of amounts made to attempted pursuant to a Cash Balance Deposit Request (or deposit in connection with Paragraph 4.10 or Withdrawal Request (as the case may be).

In particular, any amounts that a Participant or Issuer deposits pursuant to a Cash Balance Deposit Request (or deposit in connection with Paragraph 4.10) are exclusive of all applicable taxes. Each Participant/Issuer is solely responsible for: (i) determining what, if any, taxes apply, including goods and services, sales, use, value-added and similar taxes; (ii) withholding, collecting, reporting and remitting the correct taxes to the appropriate tax authorities, and SDAX is not responsible for withholding, collecting, reporting or remitting any taxes.

- 3.5.2 **Bank charges, etc:** Each Participant/Issuer shall bear all bank charges and fees that may arise in relation to the transfer of amounts made or attempted pursuant to a Cash Balance Deposit

Request (or deposit in connection with Paragraph 4.10) or Withdrawal Request (as the case may be), regardless of whether such Cash Balance Deposit Request and/or Withdrawal Request is successful.

3.5.3 **Interest:** For the avoidance of doubt, no interest is accrued and payable on any cash amounts as reflected in the Cash Balances.

#### 4. **Security Tokens**

##### 4.1 **General**

4.1.1 The Security Tokens are issued by the respective Issuers, and may only be stored in Wallets and used solely on the Platform in accordance with these Wallet Terms.

4.1.2 The Security Tokens may only be acquired from Issuers via direct issuance on the Platform as described in Paragraph 4.2.3 (“**Direct Issuance**”) and/or, in the case of Trading Accounts, from other Participants via secondary trading on the Platform as described in Paragraph 4.2.4 (“**Secondary Trading**”). “**Secondary Trading**” shall be deemed to include direct business (as defined in the Exchange Rules). For the avoidance of doubt, Secondary Trading will not be applicable to Non-Trading Accounts and Non-Trading Participants.

##### 4.2 **No liability**

4.2.1 The Exchange and SCM shall not be liable in respect of any Security Tokens. Security Tokens are issued by the Issuers, and the Issuers shall be the sole entity liable under the General Terms and the applicable token terms and conditions to each Participant holding one or more Security Tokens. SDAX shall have no contractual relationship with any Participant and/or Issuer for the sale and purchase of the Security Tokens.

4.2.2 In purchasing, holding and/or using any Security Tokens, each Participant acknowledges and warrants that he has not relied on any term, condition, warranty, undertaking, inducement or representation made by or on behalf of the Issuers which has not been stated expressly in the applicable token terms and conditions or upon any descriptions or illustrations or specifications contained in any document including any material produced by either SDAX or the Issuer.

4.2.3 Without prejudice to the foregoing: SDAX is not liable in respect of or responsible for procuring or does not warrant that the Issuers shall comply or have complied with the applicable Exchange Requirements, the applicable Token Terms and Conditions and/or any relevant laws or regulations.

4.2.4 SDAX makes no representation, warranty or endorsement and undertakes no liability or responsibility with respect to the following:

(1) no condition is made or to be implied nor is any warranty given or to be implied as to the sale, purchase, holding, use and/or fulfilment of the Security Tokens and/or the quantity, quality, safety, legality, reliability and description of the Issuer, Security Tokens and the assets represented by the Security Tokens(as the case may be); and

(2) the authenticity, validity or accuracy of any document or instrument given, issued, delivered, submitted or lodged by any Issuer at any time. Unless otherwise expressly stated, SDAX merely acts as a conduit for the onward transmission of documents or instruments between the Issuers and the Participants, and merely performs the role of operating the Blockchain and the Platform, and shall not be liable or responsible in any way for any negligence, misconduct, fraud, wilful default or any other default,

wrongdoing or breach of duty of any Issuer or any Participant; and

- (3) SDAX shall not be liable for any losses suffered or incurred by any Participant arising out of or in connection with any act (including but not limited to misrepresentation), inaction, omission, fraud, negligence or insolvency of any Issuer, including any breach or failure to comply with the applicable Token Terms and Conditions.

#### 4.3 Issuance of Security Tokens

##### 4.3.1 Procedure for the issuance of Security Tokens to Participants

- (a) Any person seeking admission to the Platform to (i) issue Security Tokens is subject to the requirements and contractual obligations set out between SDAX and the Issuer, and (ii) list Approved Products is subject to the Listing Rules, and will need to comply with the procedure and requirements set out therein.
- (b) The primary issuance of Security Tokens by an Issuer (the “**Token Issuance**”) will be conducted via the Platform. Fundraising and the initial bookbuild (the “**Bookbuild**”) for the Token Issuance will be conducted by the Issuer, SCM or a capital markets intermediary/agent (the “**Arranger**”).
- (c) Any person (“**Token Investor**”) seeking to participate in purchasing the Security Tokens in the Token Issuance needs to be a Participant on the Platform. The Token Investor will need to ensure that its Wallet has sufficient Cash Balances in respect of the Security Tokens that it has put a request to purchase via the Bookbuild.
- (d) Upon the successful closing of the Bookbuild by the Issuer and/or Arranger, subject to the conditions for a successful Token Issuance being met, the Arranger will provide details of the final Token Issuance capitalisation table, with details of the Participants and the amount of Security Tokens that each Participant has been allocated through the Bookbuild (the “**Token Issuance Allocation Table**”). SDAX will rely on the information provided in the Token Issuance Allocation Table by the Issuer and/or Arranger.
- (e) Upon the SDAX’s receipt of the Token Issuance Allocation Table, SDAX will process the following on behalf of the Issuer. If a Token Investor has been allocated Security Tokens in the Bookbuild:
  - (1) the Token Investor shall have his Wallet credited with inactive Security Tokens and the Cash Balances in his Wallet debited with the relevant amount to fund the purchase; and
  - (2) the Cash Balances of the Issuer’s Wallet will be credited with the applicable amount.
  - (3) on the date that the Issuer and SDAX set for the Approved Product to be admitted to listing and trading on the Platform, and subject to meeting any other relevant requirements of the Exchange Requirements, the inactive Security Tokens in the Token Investor’s Wallet will be activated, and be available to be traded on the Platform.

##### 4.3.2 Acknowledgements

- (a) Payment for Security Tokens purchased from Issuers can only be made through a debit cash as reflected in the Cash Balances in the Participant’s Wallet.

- (b) Each Participant is solely responsible for ensuring the accuracy of the information provided to the Issuer or Arranger in the Bookbuild.
- (c) Save as set out in Paragraphs 4.4 and 4.5 and in the applicable Token Terms and Conditions, the Security Tokens (and any purchase, ownership, receipt or possession thereof) carry no other rights, use, purpose, value, attributes, functionalities or features, and do not represent or confer any other ownership right or stake, share, security or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to SDAX and/or its related corporations and/or the Issuers.

4.3.3 **Validity of Security Tokens:** The validity and expiry of the Security Tokens shall be as set out in the applicable terms and conditions imposed by the relevant Issuer and subject to any applicable laws, limitations and conditions set forth thereon and the applicable Exchange Requirements.

#### 4.4 **Secondary Trading**

4.4.1 Secondary Trading is not applicable to Non-Trading Accounts and Non-Trading Participants. Any Participant seeking to trade Security Tokens is subject to the Exchange Rules and will need to comply with the procedure and requirements set out therein.

#### 4.4.2 **Acknowledgements**

- (a) Payment for Security Tokens purchased from other Participants can only be made using the Cash Balances in their Wallet.
- (b) Save as set out in this Paragraph 4.4 and Paragraph 4.5 below and in the applicable Token Terms and Conditions, the Listed Approved Products (and any purchase, ownership, receipt or possession thereof) carry no other rights, use, purpose, value, attributes, functionalities or features, and do not represent or confer any other ownership right or stake, share, security or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to SDAX and/or its related corporations and/or the Issuers.
- (c) **Validity of Listed Approved Products:** The validity and expiry of the Listed Approved Products shall be as set out in the applicable terms and conditions imposed by the relevant Issuer and subject to any applicable laws, limitations and conditions set forth thereon and the Exchange Requirements.

#### 4.5 **Use of Security Tokens**

4.5.1 Each Participant undertakes, represents and warrants that it may only use the Security Tokens for the purpose of its investment, and in the case of a Trading Participant, also for trading with other Participants via the Platform, subject to the applicable Token Terms and Conditions.

4.5.2 Each Issuer undertakes, represents and warrants that it may only use the Listed Approved Products for the sole purpose of raising funds from Participants (as may be applicable to Participants or Non-Trading Participants) through the sale of Security Tokens via the Platform.

#### 4.6 **Withdrawal of Issued Tokens**

4.6.1 Issued Tokens are not permitted to be withdrawn from any Wallet.

#### 4.7 Replacement of Security Tokens

4.7.1 SDAX is under no obligation to issue any replacement tokens in the event that any Security Tokens or passwords are lost, stolen, malfunctioning, destroyed or otherwise inaccessible.

#### 4.8 Custody of Security Tokens traded on the Exchange

4.8.1 Security Tokens which are traded and held by Trading Participants on the Exchange are held in custody by one or more custodians that the Exchange has appointed (the “**Custodian**”), acting as custodian of all the Security Tokens for the Exchange, on behalf of and for benefit of all the Participants and Issuers. The Custodians will be set out in Annex 1 of the Wallet Terms. SDAX may from time to time also appoint other Custodians to act as custodian for Security Tokens issued on the Capital Markets Platform which will be subject to the same terms as set out in this clause 4.8.

4.8.2 Each Participant hereby appoints the Exchange as its sole agent in respect of all necessary actions, instructions and necessary actions and other matters related with the Instructions with respect to the Custodian, and the Exchange agrees, to act as sole agent of the Participants with respect to the Custodian in regards to the Security Tokens (and Cash Balances, if applicable) in their Wallet from time to time.

4.8.3 The Exchange performs such actions only in accordance with the Instructions from the Participant.

4.8.4 The appointment, and any authorisation in connection with such appointment, shall be effective from the issuance of the Wallet until the termination of such Wallet by the Exchange (save that in the event there are balance Security Tokens (and/or Cash Balances, if applicable) held by the Participant after the relevant Termination Date, until the date on which the total Security Token (and/or Cash Balances) balance becomes zero).

4.8.5 As further provided in Paragraph 5 below, SDAX operates the Wallets, and issues each Participant and Issuer with a unique Wallet in such Participant’s or Issuer’s name. A separate wallet at the Custodian will be set up for each Participant and Issuer to mirror the Wallets operated by the Exchange.

SDAX shall ensure that any wallet or account operated by a Custodian which holds the Security Tokens of a Participant shall, on the Custodian’s books and records, be opened, maintained and designated as a custody account(s), for the benefit for such Participant, and held separately from any Security Tokens and/or other assets of the Custodian or SDAX.

4.8.6 Each Participant hereby authorises SDAX to, and SDAX shall do such actions, including making any necessary instructions to the Custodian to ensure that:

- (a) the Security Tokens of the Participant which are received in the Wallet are held on account of such Participant;
- (b) Security Tokens in the Wallet are accepted from Issuers pursuant to Direct Issuances and from Participants pursuant to Secondary Trading (where applicable);
- (c) the relevant quantity of Security Tokens in connection with a sell order of the Participant for the purposes of Secondary Trading (where applicable) are earmarked;
- (d) the Security Tokens (in full or in part) stored in the Wallets are transferred, exchanged or delivered only as follows:

- (i) where applicable, upon the sale of the Security Token(s) and receipt of payment thereof in the Wallet of Cash Balances, in accordance with the Instructions;
  - (ii) in exchange for or upon surrender and conversion into other securities or cash pursuant to a plan of merger, consolidation, reorganisation, recapitalisation or readjustment;
  - (iii) upon conversion of the Security Tokens pursuant to the applicable Token Terms and Conditions into other securities;
  - (iv) upon the exercise of subscription, purchase or other similar rights represented by the Security Tokens;
  - (v) as otherwise required or permitted pursuant to these Wallet Terms and the other applicable Exchange Requirements or any applicable laws; or
  - (vi) as otherwise directed pursuant to the Instructions.
- (e) the following actions are taken in relation to the Security Tokens:
- (i) forward promptly to the Participants all notices and other communications relating to the Security Tokens received by SDAX and inform the Participants of any rights or rights entitlements attached to or otherwise arising from the Security Tokens and seek the Participant's instructions; and
  - (ii) where applicable, facilitate the payment (with cash amounts credited to the Cash Balances) of dividends, interest payments and other entitlements, to Participants that hold the relevant Security Tokens.

#### 4.8.7 Instructions

- (a) It is the Participant's responsibility to ensure that any information requested or required by SDAX to carry out the Participant's Instructions is complete, clear and accurate, without SDAX having to verify or ascertain the correctness, accuracy, authenticity or origin of these Instructions.
- (b) All Instructions shall be given in English.
- (c) SDAX maintains on the Platform a list of cut-off times in relation to certain types of Instructions. Where SDAX receives an Instruction after a cut-off time, SDAX will use reasonable efforts to act on the Instruction on the day requested or as soon as practicable on the next Business Day, but shall incur no liability if, having exercised reasonable efforts to act on the Instructions, it is not able to do so.
- (d) Without prejudice to the General Terms and Paragraphs 6.1.6(b) and 6.1.6(c), all Instructions provided by such Participant to SDAX via the Platform shall continue in full force and effect until notice of any change is received by SDAX via the Platform, and SDAX shall be entitled to act upon and rely on all such Instructions.
- (e) Should SDAX be unable to process any Instruction received from the Participant, SDAX shall, to the extent reasonable and practicable, promptly inform the Participant via the Platform, or any means prescribed by SDAX from time to time, about the reasons for said refusal.



4.8.8 **Information relating to the Security Tokens:** SDAX will make available (upon request) to each Participant on the Platform a record of the transactions performed or other actions taken by SDAX in respect of the Security Tokens stored in such Participant's Wallet.

4.8.9 **Lien and rights of set-off**

- (a) In addition to any lien, rights of set-off and any other rights to which SDAX may be entitled under any applicable law, each Participant grants the SDAX, and SDAX shall have, a general lien over the Security Tokens and the Cash Balances in the relevant Wallet in respect of all sums properly due and payable to SDAX by the Participants (whether actual, contingent, present or future) or to any of the SDAX's related corporations by the Participant under these Wallet Terms or other applicable Exchange Requirements.
- (b) Notwithstanding any other provision of these Wallet Terms or other applicable Exchange Requirements, and without prejudice to any right or power which SDAX might have otherwise than under these Wallet Terms or other Exchange Requirements, SDAX shall not be obliged to act upon Instructions (including the delivery of any Security Tokens to any person) and may withhold redelivery to the Participant or to the Participant's order of any or all Security Tokens until all the amounts due and owing to SDAX have been paid in full.
- (c) Without prejudice to any other right or remedy which SDAX or any of its related corporations may have under the terms of these Wallet Terms or other applicable Exchange Requirements or otherwise, SDAX is entitled to appropriate, sell, transfer or assign or otherwise realise the value of all or any part of the Security Tokens in such manner and at such price as SDAX may deem expedient without being responsible for any losses the Participant may suffer as a result and to apply the net proceeds thereof in or towards payment or discharge of any of the obligations described in Paragraph 4.8.9(a).
- (d) Without prejudice to any rights which SDAX may have under applicable law, SDAX shall have the right at any time to, upon notice to the Participant via the Platform or such other means as SDAX may determine, set off any payment obligation owed to SDAX or to any of the SDAX's related corporations by the Participant under these Wallet Terms or other applicable Exchange Requirements against any payment obligation (whether actual, contingent, present or future) owed by SDAX to the Participant regardless of the place of payment or currency of either obligation (and for such purpose may make any currency conversion necessary at current market rates as determined by SDAX at its discretion) whether or not relating to or arising under these Wallet Terms or other applicable Exchange Requirements. If any obligation is unliquidated or unascertained, SDAX may set off an amount estimated by it in good faith to be the amount of that obligation.

4.8.10 Without prejudice to the generality of Paragraph 4.9.9, SDAX may delegate any part or parts of its responsibilities for the performance of any of its services. In the event of any such delegation, SDAX shall promptly notify the Participants via the Platform or such other means as SDAX may determine, of the identity of such delegate and of any change in such persons.

4.8.11 Without prejudice to the generality of Paragraph 9.2.3, SDAX may assign or transfer its rights, obligations or duties under this Paragraph 4.8 or any part thereof.

5. **Platform Account and Wallet**

5.1 **General**

5.1.1 The Platform Accounts and Wallets are issued and operated by SDAX, and may only be used on

the Platform in accordance with these Wallet Terms. The Wallets are not permitted to store other blockchain-based cryptocurrency tokens other than the Security Tokens, and are not permitted to be used outside of the Platform.

5.1.2 The only rights granted in respect of a Trading Account, Non-Trading Account and a Wallet are as expressly set out in these Wallet Terms, and subject to any applicable laws, limitations and conditions set forth thereon and the Exchange Requirements.

## 5.2 Issuance of Trading Accounts and Wallets

5.2.1 Upon the successful onboarding as a Participant/Issuer, each Participant/Issuer will be issued a unique Trading Account or Non-Trading Account, and Wallet which will remain valid unless terminated by SDAX. All deposits of Cash Balances and Security Tokens are made directly to the relevant Participant's/Issuer's Wallet.

### 5.2.2 Acknowledgements

- (a) Each Participant/Issuer is solely responsible for:
  - (i) the respective Wallet and all Security Tokens and Cash Balances stored therein and all activities and transactions undertaken/taking place under using such Platform Account, whether authorised by such Participant/Issuer or not;
  - (ii) implementing all reasonable and appropriate measures for securing the Platform Account and/or Wallet, including any requisite password(s) or other credentials necessary to access the same. If any password (s) or other access credentials are lost, such Participant/Issuer may lose access to the Security Tokens and Cash Balances; and
  - (iii) ensuring that the Platform Account and Wallet is used in accordance with these Wallet Terms. Transactions involving the Platform Account and Wallet (including the transfer of Security Tokens or Cash Balances) can only be carried out in conjunction with a request or instruction by or on behalf of such Participant/Issuer via the Platform Account (or as otherwise stipulated in the Exchange Requirements).
- (b) Each Participant/Issuer undertakes not to share or use on behalf of another person, the Platform and Wallet. A Participant/Issuer shall only trade as principal for its own account and not may trade for and on behalf of any other person.
- (c) Save as set out in these Wallet Terms, the Platform Accounts and Wallets (and any ownership, receipt or possession thereof) carry no other rights, use, purpose, value, attributes, functionalities or features, and do not represent or confer any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to SDAX and/or its related corporations.

## 5.3 Use of Platform Accounts and Wallets

5.3.1 Each Participant/Issuer undertakes, represents and warrants that, unless otherwise specified in the applicable Exchange Requirements, it may only use the:

- (a) Trading Account for the sole purpose of making Cash Balance Deposit Requests, Withdrawal Requests, Purchase Requests, and buy and sell orders for Security Tokens; and
- (b) Wallet for the sole purpose of making/receiving payment for the purchase/sale of Security

Tokens from/to Participants/Participants via the Platform (including payment for any ancillary fees imposed by SDAX) and where applicable, in relation to the payment (with Cash Balances) of dividends, interest payments and other entitlements, to Participants that hold the relevant Security Tokens, and holding Cash Balances and/or Security Tokens.

- 5.3.2 Each Non-Trading Participant undertakes, represents and warrants that, unless otherwise specified in the Exchange Requirements, it may only use the:
- (a) Non-Trading Account for the sole purpose of making Cash Balance Deposit Requests, Withdrawal Requests and Purchase Requests; and
  - (b) Wallet for the sole purpose of making/receiving payment for the purchase/sale of Security Tokens from/to Issuers via the Platform (including payment for any ancillary fees imposed by SDAX) and where applicable, in relation to the payment (with Cash Balances) of dividends, interest payments and other entitlements, to Participants that hold the relevant Security Tokens, and holding Cash Balances and/or Security Tokens.
- 5.3.3 Each Participant/Issuer acknowledges and agrees that the Platform Account and Wallet may not be transferred or sold to any person (including other Participants and Issuers).
- 5.3.4 SDAX may impose limits in relation to the Platform Accounts and Wallet, including any limits on the orders and/or requests that may be made via the Platform Account and the amount of Cash Balances and/or Security Tokens that may be held in any Wallet and on the transactions undertaken using a Wallet.
- 5.4 **Suspension or termination of Platform Accounts and Wallets**
- 5.4.1 SDAX shall terminate a Participant's Platform Account and Wallet upon request from such Participant. SDAX shall only process such request if there are no Cash Balances and Security Tokens in such Participant's Wallet.
- 5.4.2 SDAX may, at its discretion, suspend/terminate a Participant's/Issuer's Platform and Wallet with immediate effect (or with effect from such later time as SDAX may determine), including:
- (a) where such Issuer has withdrawn from the Platform or has been suspended or expelled from the Platform;
  - (b) where SDAX determines that the Participant/Issuer does not meet the continuing obligations required of a Participant/Issuer, including complying with or satisfying any additional or periodic review of know-your-customer verifications that SDAX may conduct from time to time as notified to such Participant/Issuer;
  - (c) where SDAX determines that the Participant/Issuer has contravened these Wallet Terms or any applicable Exchange Requirements or any applicable laws or regulations;
  - (d) in the event of death, bankruptcy, winding up or insolvency of the Participant/Issuer (as the case may be);
  - (e) where the Exchange or SCM is required or deems it necessary to comply with any applicable laws and regulations; and/or
  - (f) where the Exchange or SCM is no longer licensed, approved, registered (or otherwise exempt from licensing, approval and/or registration requirements) to conduct regulated activities.

5.4.3 In the event of a suspension/termination pursuant to Paragraph 5.4.2:

- (a) SDAX shall notify the Participant/Issuer of the effective date of suspension (“**Suspension Date**”) or the effective date of termination (“**Termination Date**”) via the Platform or such other means as SDAX may determine;
- (b) the Participant acknowledges and accepts that in the event of termination:
  - (i) on and from the Termination Date, such Participant/Issuer will not be able to access and/or use the Platform and Wallet, Cash Balances and/or Security Tokens save that in the event there are balance Security Tokens held by the Participant after the Termination Date:
    - (1) in relation to a Participant, such Participant is permitted to submit sell orders solely for the purpose of divesting balance Security Tokens. Such Participant shall be required to pay to the Exchange a monthly fee of an amount prescribed by the Exchange on the Platform from time to time, for the duration commencing on the Termination Date and ending on the date on which the total Security Token balance becomes zero, without pro-ration for any partial month; and
    - (2) any economic benefits that accrue in relation to the balance Security Tokens (whether in connection with the holding of such Security Tokens or the Secondary Trading of such Security Tokens) will be in the form of Cash Balances. Such Participant shall not be required, and shall not be able, to submit any Withdrawal Request; instead SDAX will, on a quarterly basis or at such other intervals as it may prescribe from time to time, return to such Participant the aggregate Funding Amount for the Cash Balances held by the Participant (less any fees, charges, sums or monies owed by such Participant to SDAX), in the Specified Currency via bank transfer to such Participant’s Designated Bank Account, without payment of any interest, subject to the deduction of any handling fees payable to SDAX. Where the return will be made in Other Payment Currency, the amount to be returned shall be determined based on the exchange rate as applied by the financial institution at which the relevant Customers’ Monies Account is opened with;
  - (ii) on the Termination Date, SDAX will return to such Participant/Issuer the aggregate Funding Amount for the Cash Balances held by the Participant (less any fees, charges, sums or monies owed by such Participant to SDAX), in the Specified Currency via bank transfer to such Participant’s Designated Bank Account, without payment of any interest, subject to the deduction of any handling fees payable to SDAX. Where the return will be made in Other Payment Currency, the amount to be returned shall be determined based on the exchange rate as applied by the financial institution at which the relevant Customers’ Monies Account is opened with.
  - (iii) on the Termination Date, all pending Deposit Requests, Withdrawal Requests, Purchase Requests and any pending buy order will be cancelled;
  - (iv) the Participant/Issuer shall act in accordance with the directives of SDAX in relation to any outstanding obligations of such Participant/Issuer, and any Cash Balances and/or Security Tokens in such Participant’s/Issuer’s Wallet.
- (c) the Participant/Issuer acknowledges and accepts that in the event of suspension and on

and from the Suspension Date:

- (i) such Participant/Issuer will not be able to access and/or use the Platform Account and Wallet, Cash Balances and/or Security Tokens (including undertaking any trades using a Trading Account);
- (ii) all pending Deposit Requests, Withdrawal Requests, Purchase Requests and any pending buy order or sell order will be cancelled; and
- (iii) the Participant/Issuer shall act in accordance with the directives of SDAX in relation to any outstanding obligations of such Participant/Issuer, and any Cash Balances and/or Security Tokens in such Participant's/Issuer's Wallet.

5.4.4 Notwithstanding the termination of a Participant's/Issuer's Wallet, the former Participant/Issuer remains liable to SDAX and other relevant persons (including other Participants or Issuers) for any liabilities incurred during the period he held any Wallet.

## 5.5 Replacement of Wallet

5.5.1 SDAX under no obligation to issue any replacement wallet in the event that any Platform Account, Wallet or password is lost, stolen, malfunctioning, destroyed or otherwise inaccessible.

## 6. Further acknowledgements

6.1 Each Participant/Issuer agrees and acknowledges that:

6.1.1 such Participant/Issuer has carefully reviewed and understood the provisions of Exchange Requirements and (in the case of a Participant) the applicable Token Terms and Conditions in relation to the Security Tokens, and have the full power, authority and capacity to comply with such provisions;

6.1.2 such Participant/Issuer has sufficient understanding of technical and business matters (including those that relate to SDAX), cryptographic tokens, token storage mechanisms (such as token wallets), and blockchain technology to understand the applicable Exchange Requirements and to appreciate the risks associated with and implications of the issuance, creation and/or distribution of the Platform Account, Wallet, Cash Balances and Security Tokens and/or performing any actions on the Platform;

6.1.3 such Participant/Issuer is solely responsible for maintaining sufficient and immediately available Cash Balances and/or Security Tokens in their Wallets for the purpose of participating in Direct Issuances, undertaking Secondary Trading, paying any ancillary fees imposed by SDAX and/or carrying on any permitted activities on the Platform, and acknowledges that insufficient balance may result in the such Participant/Issuer not being able to proceed with an order/request/action;

6.1.4 nothing contained herein or in the Exchange Requirements should be construed as granting, by implication, estoppel or otherwise, any licence or right for the Platform, Platform Account, Wallet, Cash Balances and/or Security Tokens to be used for illegal, unlawful, fraudulent, unethical, or unauthorised purposes or to promote or facilitate any illegal, unlawful, fraudulent, unethical or unauthorised activities;

6.1.5 each Participant/Issuer shall not engage in and/or use or otherwise deal with the Platform, Platform Account, Wallet, Cash Balances and/or Security Tokens, whether directly or indirectly, in a way that will result in SDAX being in breach or non-compliance with applicable laws or otherwise be detrimental to the interests, integrity and reputation of SDAX; and

6.1.6 in relation to the services provided by SDAX in connection with the Platform (including in relation to the custody of Security Tokens as described in Paragraph 4.9):

- (a) **Authorisations:** Each Participant/Issuer authorises SDAX to perform the services in the manner described in these Wallet Terms and the other applicable Exchange Requirements, including the issuance and cancelling of tokens, conducting settlements and debiting and crediting of the relevant Wallets;
- (b) **Conclusiveness:** Each Participant/Issuer agrees and acknowledges that any records created and maintained by SDAX of the communications, transactions, instructions or operations made or performed, processed or effected through the Platform Account, and/or Wallet or in relation to Platform, Trading Account, Non-Trading Account, Wallet, Cash Balances and/or Security Tokens by such Participant/Issuer or any person purporting to be such Participant/Issuer, acting on behalf or purportedly acting on behalf of such Participant/Issuer, with or without the consent of such Participant/Issuer, shall be binding on such Participant/Issuer for all purposes whatsoever and shall be conclusive evidence of such communications, transactions, instructions or operations;
- (c) **No duty to enquire:** Each Participant/Issuer agrees and acknowledges that SDAX shall not be under any duty to enquire into, investigate or ascertain whether any instruction, request or transaction is authentic, legal, valid or enforceable (as the case may be), whether any transaction or the underlying contract connected with such transaction is void or voidable, or whether any transaction is permitted under the applicable Token Terms and Conditions. Notwithstanding the foregoing, where SDAX seeks verification, confirmation or clarification of any instruction, request or transaction received, it shall not be liable to the Participant/Issuer for any losses whatsoever in relation to any delay resulting from SDAX seeking verification, confirmation or clarification or from any refusal to act where SDAX does not receive in its discretion satisfactory confirmation or clarification of such instruction, request or transaction.

6.2 By purchasing and/or holding the Cash Balances and/or Security Tokens, each Participant/Issuer expressly acknowledges and assumes the risks set out below. If any of these risks, or other additional risks presently regarded to be immaterial actually materialise, this could result in the failure of any transactions undertaken via the Platform, and/or the destruction of the Cash Balances and/or Security Tokens:

6.2.1 **Risks arising from no governance rights:** The Cash Balances and/or Security Tokens confer no governance rights of any kind with respect to SDAX and may not confer any governance rights with respect to the Issuers or their related corporations. Accordingly, all decisions involving SDAX and (where applicable) the Issuers and their related corporations will be made by SDAX and/or the Issuers and their related corporations at their sole discretion, including decisions to create and sell more tokens, or to sell or liquidate SDAX and/or the Issuers and their related corporations. These decisions could adversely affect the value of the Cash Balances and/or Security Tokens.

6.2.2 **Risk associated with the Blockchain**

- (a) The Cash Balances and/or Security Tokens are based on the Blockchain, which is a private permissioned blockchain operated by SDAX, which is still in a relatively early development stage and is unproven for this purpose. Any malfunction, flaws or breakdown of the Blockchain may have a material adverse effect on the Security Tokens. Furthermore, developments in cryptographic technologies and techniques or changes in consensus protocol or algorithms could present risks to the Security Tokens, including by rendering ineffective the cryptographic consensus mechanism that underpins the Blockchain.

(b) **Risk of theft:** The Blockchain may be exposed to attacks by hackers or other individuals that could result in theft or loss of the Cash Balances and/or Security Tokens.

6.2.3 **Risk associated with technology and internet:** There are inherent defects in electronic distribution and data transmission over the Internet which may result in delays, omissions, transmission blackouts, interruptions, breaches of security, corruption, unavailability of access in connection with or inaccuracies in the Site, the Platform Materials, the Cash Balances, Issued Tokens, Wallet, the Platform Account and the Platform. In addition, the Site, the Platform Materials, the Cash Balances, Security Tokens, Wallet, the Platform Account and the Platform is also subject to the risk of malicious software and other computer viruses with destructive features such as computer worms, Trojan horses or spyware.

6.2.4 **Risk associated with token storage mechanisms:** The Cash Balances and/or Security Tokens may only be accessed with a password. Each Participant/Issuer is responsible for implementing all reasonable and appropriate measures for securing their password.

6.2.5 **Risk of hacking and security weaknesses:** The Cash Balances and/or Security Tokens may be targeted by hackers or malicious groups or organisations who may attempt to interfere with the Cash Balances and/or Security Tokens and/or the sale/purchase of the Cash Balances and/or Security Tokens (as the case may be) or steal the Cash Balances and/or Security Tokens in various ways, including malware attacks, distributed denial of service, consensus-based attacks, Sybil attacks, phishing, smurfing and hacking.

6.2.6 **Regulatory risks:** It is possible that certain jurisdictions will apply existing regulations on, or introduce new regulations addressing, blockchain technology, which may be contrary to the Cash Balances and/or Security Tokens and which may, inter alia, result in substantial modifications of the sale and/or use of the Cash Balances and/or Security Tokens, including termination and the loss of the Cash Balances and/or Security Tokens.

6.2.7 **Risks associated with taxation:** The tax treatment and accounting of the Cash Balances and/or Security Tokens is uncertain and may vary amongst jurisdictions. Each Participant/Issuer must seek independent tax advice in connection with purchasing the Security Tokens, which may result in adverse tax consequences to such Cash Balances and/or Security Tokens.

6.3 **Rights of set-off:** In relation to each Participant/Issuer, SDAX shall be entitled to set-off against any payment due from or payable to SDAX under these Wallet Terms, any sums such Participant/Issuer is obliged to pay or credit to SDAX under these Wallet Terms and SDAX may by notice to such Participant/Issuer reduce any fees or any other charges, sums or monies due or payable to such Participant/Issuer under these Wallet Terms by any amounts such Participant/Issuer is obliged to pay or credit to SDAX under these Wallet Terms.

## 7. **Further warranties**

7.1 Each Participant/Issuer hereby represents, warrants and undertakes to SDAX that:

(a) such Participant/Issuer is purchasing Cash Balances with funds which are from legitimate sources and which do not constitute the proceeds of criminal conduct, or realisable property, or the proceeds of terrorism financing or property of terrorists, within the meaning given in the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992 of Singapore and the Terrorism (Suppression of Financing) Act 2002 of Singapore, respectively and which are not derived from or related to any unlawful activities. Such Participant/Issuer further undertakes not to use the Cash Balances to finance, engage in, or otherwise support any unlawful activities;

- (b) such Participant/Issuer's purchase, ownership, receipt and/or possession of the Cash Balances and/or Security Tokens complies with (and is not in breach of) any applicable law, including: (i) legal capacity and any other threshold requirements in such Participant/Issuer's jurisdiction for such purchase, ownership, receipt and/or possession; (ii) any foreign exchange or regulatory restrictions applicable to such purchase, ownership, receipt and/or possession; and (iii) any governmental or other consents that may need to be obtained;
- (c) such Participant/Issuer is not a citizen or resident, or a company or other legal entity incorporated in a geographic area, in which the purchase, ownership, receipt or possession of the Cash Balances and/or Security Tokens (including the receipt of any rights and benefits, and the undertaking of any obligations and liabilities, in connection with the Cash Balances and/or Security Tokens) is prohibited by any applicable law; and
- (d) such Participant/Issuer will comply with any applicable tax obligations (including in such Participant/Issuer's jurisdiction) arising from his purchase, ownership, receipt and/or possession of the Cash Balances and/or Security Tokens.
- (e) in the the case as a natural person, they are of sound mind, legal age and legal competence and (ii) in the case as a legal person, they are duly organised and validly existing under the laws of the jurisdiction in which they were organised or incorporated and are in good standing under such laws;

## 8. **Disclaimers**

8.1 The Platform, Cash Balances, Security Tokens, Platform Accounts and Wallet are made available on an "as is" and "as available" basis, and at the Participant/Issuer's sole risk.

8.2 SDAX assumes no responsibility and makes no representation or warranty of any kind, implied, express or statutory, including any warranties:

- (a) of title, non-infringement of third party rights, merchantability, satisfactory quality or fitness for a particular purpose of the Platform, Cash Balances, Security Tokens, Platform Account and Wallet;
- (b) on the accuracy, timeliness, adequacy, reliability or completeness of the Platform, Cash Balances, Security Tokens, Platform Account and Wallet;
- (c) that the purchase and/or use of the Cash Balances or Security Tokens will be uninterrupted, secure or free from errors or omissions, or that any identified defect will be corrected;
- (d) that the Platform, Cash Balances, Security Tokens, Platform Account and Wallet will meet the requirements of any persons or are free from any computer virus or other malicious, destructive or corrupting code, agent, program or macros;
- (e) on the security of any information transmitted by or to Participants/Issuers through the Platform, Platform Account and/or Wallet or in relation to the Platform, Platform Account, Wallet, Cash Balances and/or Security Tokens or that there would be no delay, interruption or interception in data transmission.

8.3 **Each Participant/Issuer accepts the risk that any information transmitted or received through the Platform, Platform Account and/or Wallet may be accessed by unauthorised third parties, and that transactions over the Internet may be subject to interruption, transmission blackout, delayed transmission due to internet traffic or incorrect data transmission due to the public**



**nature of the Internet. Regardless of any security measures taken by SDAX, SDAX shall assume no responsibility whatsoever for any loss or expense resulting from such delays, interruptions and/or interceptions.**

#### 8.4 Exclusion of liability

8.4.1 Without prejudice to other provision in these Wallet Terms, SDAX shall have no liability to any Participant, Issuer or to any other person for any act done or omitted to be done in the performance of its functions under these Wallet Terms.

Without prejudice to the generality of the foregoing, in no event will SDAX have any liability whatsoever to a Participant or an Issuer, for claims for damages made against a Participant or an Issuer by third parties, regardless of the basis on which the Participant or Issuer is entitled to claim damages, whether based on contract, tort or any other legal or equitable grounds. SDAX does not undertake any contractual obligations to any party other than those with whom it has entered into contractual relations.

8.4.2 Without prejudice to other provision in these Wallet Terms, the Indemnitees shall not be liable for any Losses (even if the Indemnitees may have been advised of, or otherwise might have anticipated, the possibility of such loss, damages or expenses in relation to any of the following:

- (a) any breach of or delay or failure to comply with the Wallet Terms by any Indemnitee or any of the Participants or Issuers, any action taken by, or any inaction of, any Indemnitee or any of the Participants or Issuers in connection with the Wallet Terms or any applicable law;
- (b) any claim made by any Participant, Issuer or person on the basis of the Wallet Terms;
- (c) any negligent act or omission or wilful default, misconduct or fraud or unlawful act of any Indemnitee, Participant or Issuer;
- (d) any breach of any warranty or representation made by any person in any of the Wallet Terms;
- (e) the exercise or non-exercise by an Indemnitee of any decision-making power or discretion;
- (f) any determination, decision or ruling of any Indemnitee and/or committees established or persons appointed by SDAX;
- (g) any failure, error, omission or negligence of any Indemnitee (including the malfunction of Platform, Blockchain, Wallet, Cash Balances and/or Security Tokens);
- (h) any Participant or Issuer's use, misuse or inability to use the Platform, Wallet, Cash Balances and/or Security Tokens;
- (i) any Participant or Issuer's failure to implement reasonable measures to secure its Wallet or the relevant access credentials or any loss of or unauthorised use of any access credentials;
- (j) any claim by any third party against any of the Indemnitees arising from the circumstances specified in any of the sub-clauses above.

8.4.3 Notwithstanding Paragraph 8.4.2 and any other provision of the Wallet Terms, at no time shall any Indemnitee be liable or responsible to any person for any and all pure economic loss, loss of profits, fall in the price of Security Tokens, equitable compensation, loss of business, or any other

direct, indirect or consequential losses whatsoever and howsoever caused (including whether or not resulting from any negligence, fraud or wilful default on the part of any Indemnitee) which arise out of or in connection with these Wallet Terms.

9. **Miscellaneous**

9.1 **Governing law:** These Wallet Terms shall be governed by and construed in accordance with Singapore law.

9.2 **Dispute resolution:**

9.2.1 Any dispute arising out of or in connection with these Wallet Terms, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporated by reference in this Paragraph 9.2.

9.2.2 The Tribunal shall consist of one arbitrator. The language of the arbitration shall be English.

9.2.3 The seat of the arbitration shall be Singapore.

9.2.4 For the avoidance of doubt, each Participant and Issuer agrees to expressly waive the right to appeal the decision of any arbitration and that the decision of the arbitrator will be final.

9.2.5 Where any dispute arises between Participants and/or with any Issuer without SDAX being a party to such dispute, the disputing Participants may, subject to their mutual agreement, choose to settle the dispute by any other means as they may elect.

9.3 **Sub-contracting and delegation:** SDAX may delegate or sub-contract the performance of any of its functions in connection with the Platform Account, Wallets, Cash Balances and/or Security Tokens.

9.4 **Assignment:** All Participants and Issuers may not assign their rights under these Wallet Terms without SDAX's prior written consent. The Exchange may assign its rights under these Wallet Terms to any third party.

9.5 **Successors and assigns:** These Wallet Terms will bind each Participant/Issuer and SDAX and their respective successors in title and assigns and will continue to bind each Participant/Issuer notwithstanding any change in the Exchange or SCM's name or constitution or SDAX's merger, consolidation or amalgamation with or into any other entity (in which case these Wallet Terms will bind each Participant/Issuer to SDAX's successor entity).

9.6 **Severability:** If any provision of these Wallet Terms or part thereof is rendered void, invalid, illegal or unenforceable by any legislation to which it is subject, it shall be rendered void, invalid, illegal or unenforceable only to that extent and it shall in no way affect or prejudice the enforceability of the remainder of such provision or the other provisions of these Wallet Terms. Such provision shall be struck and severed from these Wallet Terms and the remaining provisions of these Wallet Terms shall not be affected thereby.

9.7 **Waiver:** No failure or delay to exercise or enforce SDAX's rights conferred upon it under these Wallet Terms shall be deemed to be a waiver of any such rights or operate so as to bar the exercise or enforcement thereof at any subsequent time or times. Waiver of any right arising from a breach or non-performance of these Wallet Terms or arising upon default under these Wallet Terms shall be in writing and signed by SDAX.

- 9.8 **Translation:** If these Wallet Terms are translated into a language other than English, the English text shall prevail.
- 9.9 **Rights of Third Parties:** A person or entity who is not a party to these Wallet Terms shall have no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore or other similar laws to enforce any of these Wallet Terms, regardless of whether such person or entity has been identified by name, as a member of a class or as answering a particular description. The Exchange's right to vary these Wallet Terms may be exercised without the consent of any person or entity who is not a party to these Wallet Terms. For the avoidance of doubt, nothing in this clause shall affect the rights of any permitted assignee or transferee of these Wallet Terms.

**ANNEX 1**

**CUSTODIANS**

1. HydraX Digital Assets Pte. Ltd.