

TERMS & CONDITIONS FOR DIGITAL ASSET CUSTODY SERVICES

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1. Overview

- 1.1 Zand Bank PJSC, a fully licensed bank incorporated in the United Arab Emirates (UAE), Trade License Number 244646, (referred to as the “**Custodian**”), operates a platform for Digital Assets (*as defined below*). This platform offers a custody solution designed to safeguard Digital Assets and facilitate transaction management (referred to as the “**Platform**”) in accordance with Applicable Laws (defined below). As used herein, “**Customer**” “**You**” and “**Your**” refer to the individual or entity agreeing to the terms of these Conditions either in writing or via electronic acceptance. Please read through these Conditions carefully before registering an account on the Platform (“**Account**”) and accessing or using the Services (*as defined in section 2.1 below*).
- 1.2 The Custodian holds Digital Assets in custody using blockchain-based digital wallets, denoted as “**Wallets**”. Additionally, the Custodian provides the Customer with separate accounts for the custody and management of Digital Assets (each referred to as an “**Account**”). An Account can have one or more Wallets attached to it.
- 1.3 These conditions for custody services (referred to as the “**Conditions**”) constitute the governing terms for the comprehensive contractual relationship between a Customer and the Custodian. The primary purpose of this contractual relationship is the provision of a digital account designed for the secure custody of blockchain-based virtual assets, as defined in Cabinet Resolution No. (111) of 2022 (referred to as “**Digital Assets**”).
- 1.4 By registering an Account on the Platform, or otherwise accessing or using the Services, the Customer agrees to be legally bound by these Conditions in their entirety, including any terms incorporated by reference. For the purposes of these Conditions, “Applicable Laws” means all federal, emirate-level and local laws, regulations, rules, directives, regulatory guidance, circulars and decisions of any governmental, regulatory or judicial authority having jurisdiction over the Custodian and Customer, the Services or the subject matter of these Conditions, including (without limitation) the laws and regulations of the United Arab Emirates, the Central Bank of the UAE, the Dubai Virtual Assets Regulatory Authority, the Securities and Commodities Authority, and any other relevant supervisory authority, as each may be amended, re-enacted or replaced from time to time.
- 1.5 IF YOU DO NOT AGREE TO ANY OF THESE CONDITIONS, DO NOT REGISTER AN ACCOUNT OR ACCESS OR USE THE SERVICES.

1.6 UNDER THE EXPLICIT TERMS OF THESE CONDITIONS, THE CUSTODIAN STRICTLY SERVES AS THE PROVIDER OF DIGITAL ASSETS ACCOUNTS TO THE CUSTOMER. IT IS IMPERATIVE TO NOTE THAT THE CUSTODIAN DOES NOT FUNCTION IN ANY CAPACITY AS A TRADING VENUE, INVESTMENT INTERMEDIARY, ADVISOR, DIRECT SELLER, BUYER, OR COMMISSIONER OF DIGITAL ASSETS TO THE CUSTOMER.

2. Scope of Services

2.1 By registering an Account on the Platform, the Customer will be able to access the below services (collectively, the “**Services**”):

- (i) Hold Digital Assets for Customers in their assigned Wallets;
- (ii) Document the Customer's portfolio of Digital Assets and related transactions in the individual Accounts. These Accounts are logically linked to the Digital Assets held in the Wallets;
- (iii) Execute various types of transactions on behalf of the Customer within due course (“**Transactions**”):
 - Accept deposits of Digital Assets (“**Deposit**”).
 - Process withdrawals of the Customer’s Digital Assets to external wallet addresses (“**Withdrawal**”).
 - Transfer Digital Assets from one Account to another Account within the Custodian’s Platform (“**Transfer**”).
- (iv) Provide the Customer with access to their portfolio of Digital Assets at any time. However, in the event of technical downtime for maintenance or circumstances beyond the control of the Custodian, including but not limited to disruptions during blockchain network upgrades, the Custodian shall not be held liable for any resulting delays, interruptions, or inconveniences in the services provided. The Customer acknowledges and accepts that such instances are unforeseeable and beyond the Custodian's control, and therefore, the Custodian shall make reasonable efforts to minimize any impact on Services and to promptly notify Customers of any material service disruption in a timely manner but cannot guarantee uninterrupted service during such periods.
- (v) The Custodian shall provide the Customer with the ability to monitor their Account, on a continuous basis, encompassing both incoming and outgoing transactions, as well as the tracking of transaction states within their Account. In the event that a transaction encounters an obstacle preventing its successful completion, it may transition into a "failed" state. In such instances, the Custodian shall promptly release any funds that may be previously locked by the transaction, update the available Account balance, and notify the Customer of the status change without undue delay.

2.2 A list of Digital Assets that the Custodian currently supports is available via the Platform website or available via dedicated relationship managers. The Custodian may delist a Digital Asset or blockchain, at any time and for any reason at its sole and absolute discretion, including but not limited to changes in its characteristics or due to a change in its regulatory classification. Customers are advised to refer to the updated list regularly to stay informed about the available assets. In the event of a delisting, the Custodian shall make reasonable efforts to notify affected Customers in advance and provide instructions for the withdrawal or transfer of the impacted Digital Assets, subject to Applicable Laws and regulatory requirements.

2.3 The Customer has the right to:

- (i) Order transactions of Digital Assets, provided that the Account has sufficient balance to process the requested transaction including any costs and fees incurred.
- (ii) Withdraw some or all their Digital Assets from their Wallet to external wallet addresses subject to applicable verification, security, and regulatory requirements.

The rights mentioned above shall be without limitations other than those mentioned herein. The Custodian acknowledges that, except for cases of (i) regulatory constraints, and (ii) exceptional circumstances determined at the Custodian's sole discretion, withdrawal limits shall not be applied, provided the Customer maintains an adequate and sufficient balance. Limits, if any, will solely be enforced when funds are owed to the Custodian as fees or are subject to other agreements mandating payment to a designated third party. Notwithstanding the foregoing, the Custodian reserves the right to introduce withdrawal limits from time to time and undertakes to provide prior notice to the Customer, with clear disclosure of the reasons and expected duration of such limits, in line with Applicable Laws. in the event of such limit implementations

2.4 Due to the public, permissionless, and distributed nature of the blockchain, there are specific operations or components of the blockchain that cannot be controlled or altered by the Custodian even with its full control of the cryptographic private keys which govern the Customers' Wallets. This varies with each protocol and can include but not limited to:

- (i) **Transaction confirmation time:** The actual time for processing and broadcasting a transaction on the blockchain depends on the network and its state at the time of the transaction.
- (ii) **Transaction validity, immutability, and irreversibility:** Once a transaction is confirmed and broadcasted to the blockchain, it cannot be reversed or altered.
- (iii) **Blockchain network rules and protocols:** Properties such as consensus mechanisms, block size, and network transaction fees are determined by the network's governance and are outside the Custodian's control. The Custodian maintains robust security measures to protect private keys and Wallets under its custody and will establish and



maintain effective policies and procedures. These policies will also address the loss of seed phrases or cryptographic keys associated with any Virtual Asset Wallet, in accordance with the Custody Services Rulebook issued by VARA.

- (iv) **Forking:** Decisions to fork are made by each network's community or governance and not by the Custodian.
- (v) **Blockchain network security:** The security of the blockchain network as a whole is not within the control of the Custodian. The Custodian has security measures in place to the extent where the private keys of the Wallets under its offering are concerned.
- (vi) **Token economics:** The value, supply, demand, and other economic aspects of a token are determined by market forces and its design, not by the Custodian.
- (vii) **Privacy:** Blockchain networks are open and transparent to a certain degree, where information such as transaction and balance data is recorded on the blockchain, and is visible to the public.
- (viii) Should any Digital Asset cease to be under the control of the Custodian through the Platform (example e.g., due to protocol-level events, network outages, or third-party service dependencies), the Custodian will promptly notify the Customer of the same. Throughout such periods, the Custodian shall explicitly identify the entities responsible for such Digital Assets, maintaining transparency regarding the location of said entities at all times in order to ensure that the Customer remains informed and aware of any changes in the control and liability of Digital Assets.
- (ix) Notwithstanding anything to the contrary, it is explicitly acknowledged and mutually agreed that neither Digital Assets nor Customer funds are considered deposits, as defined by the Applicable Laws, and are therefore not entitled to any form of deposit protection.

2.5 Representations and Warranties

Each party represents, warrants, and undertakes to the other party that:

- (i) It is a company duly organised, validly existing, and in good standing under the laws of the jurisdiction of its incorporation.
- (ii) It is duly authorized and will remain authorized to accept and agree to these Conditions and to perform its obligations under them. Such acceptance and performance do not contravene any applicable laws. These Conditions are subject to approval by any regulatory organization with the authority to review or approve them.

- (iii) It shall comply with all applicable personal data protection laws and privacy laws (as amended and revised from time to time) in connection with the performance of its duties hereunder;
- (iv) If either party shall become aware of any existing or proposed laws, rules or regulations that may have a material adverse effect on the custody services contemplated by these Conditions, such Party shall promptly provide the other Party with such details as are reasonably available; and
- (v) Its obligations under these Conditions (and under any other documentation as aforesaid) constitute its legal, valid and binding obligations; and
- (vi) It is not insolvent

The Customer further represents and warrants, and undertakes to the Custodian that:

- (vii) It is the beneficial owner of the Digital Assets (or otherwise has all necessary authorisations and consents to enable the Customer to deal with the Digital Assets) and, if the Customer is acting as trustee, manager or otherwise in a representative capacity in relation to the Digital Assets, that it is fully empowered to accept and/or enter into and perform its obligations under these Conditions (and under any other documentation as aforesaid) and to grant the rights and remedies to the Custodian contained herein, free from any lien, charge, or encumbrance, except as previously disclosed in writing and therein;
- (viii) The information provided under these Terms is true, accurate and complete, and the Custodian is entitled to rely on such information until the Custodian has received notice in writing from the Customer of any changes herein. The Custodian will be notified immediately in writing of any material changes in such information;
- (ix) At all times comply, with all laws and regulations applicable to its respective businesses and jurisdictions, including but not limited to, laws relating to prevention of money laundering, suspicious transaction, AML/CTF and KYC obligations (including any future obligations that may be imposed by laws or regulations, to know its customers, their source and use of funds and/or Digital Assets, and to monitor for and identify suspicious activity), regulatory filings;
- (x) Review and inform the Custodian promptly about any suspicious activities and filing suspicious transaction reports for its own accounts; and
- (xi) Provide without delay the documentary evidence obtained in the course of carrying out client due diligence measures upon request from overseas or local regulators or otherwise as reasonably required by the Custodian.



By ACCESSING ANY SERVICES THROUGH THE PLATFORM, YOU ACKNOWLEDGE AND CONSENT TO THE UNDERSTANDING THAT THE SCOPE OF SERVICES AVAILABLE TO YOU IS CONFINED TO THOSE EXPRESSLY OFFERED OR MADE ACCESSIBLE TO YOU THROUGH THE PLATFORM.

3. Amendments of these Conditions

- 3.1 To the fullest extent permissible by law, the Custodian reserves the right to make changes to these Conditions (in each case, an **“Amendment”**) at any time at its sole discretion. If changes are made, the Custodian will post the Amendment on the Platform or provide the amended Conditions directly to the Customer, as applicable, and update the "Last Updated" date above. The Custodian may also attempt to (which shall in no way include an obligation), notify the Customer by sending an email notice to the address associated with their respective account, or by providing notice through the Platform.
- 3.2 The foregoing section shall not apply to the extent that prior notice is required by Applicable Laws, in which case the Customer will be notified of any Amendment to these Conditions at least thirty (30) calendar days prior to the intended effective date of any Amendment, via email or via the Platform.
- 3.3 Notwithstanding anything to the contrary, using a particular form of notice in some instances does not obligate the Custodian to use the same form in other instances. Unless otherwise mentioned, the Amendment to these Conditions will be effective immediately and will apply to any then-current and subsequent uses of the Services or the Platform.
- 3.4 The foregoing section shall not apply to the extent that explicit written approval of any Amendment is required by Applicable Laws, in which case the amended Conditions or any section thereof shall only enter into effect upon the Customer's written approval which shall be communicated via email and/or the Platform.
- 3.5 The Customer is responsible for reviewing these Conditions each time they access or use the Platform. Continued access to and use of any Account and/or the Services after the Custodian provides notice of Amendment will constitute acceptance of the Amendment(s). If the Customer does not agree to any of the Amendment to the Conditions, they must stop accessing and using the Services and close their Account immediately.

4. Account Registration Requirements

- 4.1 Individuals and legal entities with full contractual capacity under UAE regulations are eligible to open a Digital Assets Account.
- (i) Individuals: To register an Account or use the Services, an individual Customer must be a resident of the United Arab Emirates (UAE), at least eighteen (18) years of age, and have the legal capacity to enter into these Conditions (an **“Individual”**). The Individual must

further represent that they have not previously been suspended or removed from use of the Services. Notwithstanding the above, the following categories of individuals are not permitted to open an Account, even if they reside in the United Arab Emirates:

- US citizens or individuals subject to US federal, state or territory income tax.
 - Individuals with nationality, domicile, or permanent residence in regions listed as high-risk or supervised jurisdictions by the Financial Action Task Force (FATF) or under Foreign Account Tax Compliance Act (FATCA).
 - Individuals with (tax) domicile or permanent residence in regions where the sale or purchase of Digital Assets is prohibited or only allowed under specific conditions, such as with an official permit, or where international embargoes or sanctions have been imposed by the United Nations Security Council, the European Union, or the United Arab Emirates.
- (ii) Entities: To register an Account or use the Services, the Customer must be an entity duly formed and legally authorized to operate in the United Arab Emirates (“**Entity**”). If a user is registering to use the Custodian Platform and/or Services on behalf of a legal entity (an “**Authorized User**”), the Authorized User represents and warrants that (i) such legal entity is duly organized and validly existing under the Applicable Laws of the jurisdiction of its organization; and (ii) the Authorized User is duly authorized by such legal entity to act on its behalf. The Authorized User further represents and warrants that: (a) they are at least 18 years of age, (b) have not previously been suspended or removed from using the Platform and/or Services, and (c) have all powers and authority necessary to accept these Conditions and in doing so will not violate any other agreement to which they are a party. The Custodian is not responsible or liable for relying on the representations of any Authorized User, or any other person the Custodian reasonably believes represents the Customer in the acceptance of these Conditions or in the acceptance of any other instruction through the Platform.

4.2 Unless expressly specified otherwise in writing to the Custodian, any individual designated as an Authorized User for the Custodian’s banking services shall also be deemed an Authorized User for the Digital Asset Custody Services governed by these Conditions. The Custodian shall rely on such designations for the purposes of access control, instruction execution, and service delivery. If the Customer wishes to designate different Authorized Users for the Custody Services, such instructions must be provided in writing and shall only be effective upon formal acknowledgment by the Custodian. Until such acknowledgment is issued, the Custodian shall not be held liable for any actions taken by banking Authorized Users in relation to the Custody Services. The Customer agrees to indemnify, defend, and hold harmless the Custodian, its affiliates, officers, employees, and agents from and against any and all claims, losses, liabilities, damages, costs, or expenses (including reasonable legal fees) arising out of or in connection with any actions, omissions, or instructions given by such Authorized Users, where the Custodian has not acknowledged a written change to such authorization.

- 4.3 Each Entity shall designate the Authorized User(s), authorized to act on its behalf with respect to those matters contained in these Conditions which are the functions and responsibilities of the Authorized User(s) of the Customer. Each of these Authorized Users(s) will undergo the Custodian's onboarding due diligence, requiring them to submit valid onboarding documents as required by the Custodian, and subject to the Custodian's complete screening and Know-Your-Client (KYC) approval. The actions of the Authorized User(s) shall be deemed to be fully binding on the Customer, and the Custodian shall have no obligation to seek additional approvals or clarification regarding the decisions and actions undertaken by said Authorized User(s). Once approved by the Authorized User(s), such actions shall be binding, irrevocable, and non-reservable to the Customer.
- 4.4 Each Customer or their authorized representatives may change the designation of its Authorized User(s) upon prior written notice given to the Custodian. The Custodian will acknowledge and consider such change(s) binding only upon receipt and confirmation in writing. The newly appointed Authorized Users(s) will also need to undergo the Custodian's onboarding due diligence and subject to the Custodian's complete screening and KYC approval.
- 4.5 The Customer (including any Authorized User) must strictly act solely and exclusively on its own behalf during the process of initiating a Digital Assets Account and overseeing Digital Assets.
- 4.6 Notwithstanding anything to the contrary, the Customer explicitly understands that the successful completion of the registration process does not inherently ensure the automatic opening of an Account, which remains subject to the Custodian's sole and absolute discretion.
- 4.7 The Custodian commits to treating all Customers equitably and without discrimination. To that end, transparent communication channels, such as email, virtual and in-person meetings, will be established to address Customer concerns by the Custodian. All communications will be handled promptly, fairly, and in a manner that safeguards Customer confidentiality. The Custodian shall also maintain a formal complaint handling process, including defined timelines for acknowledgment and resolution, and escalation procedures as required under Applicable Laws and Regulations.
- 4.8 The Customer is required to ensure that the information associated with their Account ("**Account Profile**") is kept updated at all times, and it is agreed that the Account Profile will be promptly updated upon any changes to Individual or Entity information that was previously provided.(including legal name, registered address, contact details, authorized signatories, beneficial ownership and tax residency information such as FATCA/CRS status). The Customer understands that eligibility to access and use the Services may be affected by changes in place of residence, the expiry or renewal of identification documents, or similar factors. The Customer further agrees to notify the Custodian immediately, and in any event without undue delay, of any such changes in the Customer's account information.

- 4.9 The management and maintenance of the security of the Account are solely the responsibility of the Customer. It is understood and acknowledged, to the extent permitted by applicable law, that the Custodian is not responsible (and will not be held responsible) for any unauthorized access to and/or use of the Account. The Customer understands and agrees that the sole responsibility for maintaining the security of the Account lies with them, achieved through periodic updating and keeping Account credentials and other forms of authentication confidential and separate. Should the Customer be aware of any suspicion of unauthorized access, they must immediately contact the Custodian in writing to file a report (the “**Report**”). The Report can be submitted to the Custodian by email on fraud@zand.ae.
- 4.10 In the event that the Custodian (i) receives a Report from any Authorized User or (ii) has reasonable grounds to suspect a compromise of the Customer’s Account, the Custodian reserves the right to take immediate action to secure the Account. This includes, but is not limited to, the freezing of any withdrawals to the fullest extent possible. It is important to note that in cases where a transaction is already being broadcasted to the blockchain or otherwise initiated, the Custodian may be unable to freeze the transaction further, and it is explicitly understood by the Customer that the Custodian shall have no responsibility to do so. This freeze may be applied to withdrawals that are pending or in transit. The Custodian will act proportionately and in good faith, making every reasonable effort to prevent unauthorized transactions during this freeze period. The Custodian will make every reasonable effort (but in no event shall have any obligation) to prevent unauthorized transactions during this freeze period. The Account will only be unlocked after the Custodian has conducted a thorough investigation, cleared any suspicion, and performed necessary validation on the Authorized Users of the Account. The Custodian shall communicate the reasons for the freeze to the Customer as soon as practicable unless prohibited by law or security considerations.
- 4.11 The Customer acknowledges and agrees that the Custodian’s actions under this section are taken in good faith and in the best interests of maintaining the security of the Account and preventing potential loss or harm.

5. Registration Process and Account Opening

- 5.1 Customers who are already utilizing the Custodian’s banking services may, at the Custodian’s sole discretion, be granted complimentary limited access to the Digital Asset Custody Services offered under these Conditions. Such access is subject to specific thresholds, restrictions, and eligibility criteria (collectively referred to as the “Limits”), as determined by the Custodian. These Limits include, but are not limited to, the following:
- (i) Up to AED 1,000,000 total Assets Under Custody (AUC) across all Portfolios and Wallets.
 - (ii) A maximum of one Portfolio for Zand Vault, with only one wallet per supported token.
 - (iii) A maximum of one Portfolio for Zand Wallet, with only one wallet per supported token.
 - (iv) Monthly limits on number of withdrawals, which resets on the first day of each calendar month:
 - a. Up to 5 per calendar month from Zand Vault.

b. Up to 20 per calendar month from Zand Wallet.

5.2 The Custodian reserves the full right, at its sole discretion, to amend the thresholds and Limits, introduce new eligibility criteria, suspend, or terminate the complimentary access to the Digital Asset Custody Services at any time, without prior notice.

5.3 The Custodian does not guarantee the availability, performance, or quality of the Digital Asset Custody Services beyond the specified Limits. Customers acknowledge and accept that any usage exceeding these Limits may result in non-standard service delivery, which may include, but is not limited to:

- (i) Extended transaction processing times;
- (ii) Reduced customer support availability or response times;
- (iii) Limited operational coverage outside standard service hours;
- (iv) Exclusion from insurance coverage or risk protections;
- (v) Deferred or batched execution of instructions.
- (vi) Restricted from access to Services via application programming interface (referred to as “API”)
- (vii) The Custodian shall not be held liable for any delays, disruptions, or limitations in service arising from usage beyond the defined Limits. Customers are advised to remain within the stated thresholds to ensure consistent service levels and coverage.

5.4 The Custodian reserves the right to monitor Customer usage of the complimentary Services to ensure compliance with the specified Limits. Any usage beyond these Limits may result in service restrictions, fees, or termination of access.

5.5 The Custodian reserves the right to charge Customers for usage of the Services that exceeds the specified Limits, in accordance with the Standard Fee Schedule set out in the Appendix. Charges may apply to, but are not limited to, excess withdrawals, increased asset volumes, or any other activity beyond the complimentary service thresholds.

5.6 To access the Custodian’s Digital Asset Custody Services, including the complimentary tier, the Customer must be an active banking client and must satisfy all applicable onboarding, KYC, AML and risk-assessment requirements. The Customer must:

- (i) Provide confirmation to the client’s dedicated relationship manager, send an email to digitalassets@zand.ae or initiate product request via the Platform.
- (ii) Where necessary, provide or update the existing board resolution which specifies the list of authorized users for services provided by the Custodian.
- (iii) Provide a valid list of users, e-mail addresses, and roles for the registration, of which the mailbox is exclusively accessible to the respective users.

5.7 The Custodian accepts the Customer’s offer to conclude a contract by granting the Customer access to the Account (the “**Contract**”).

5.8 The Customer may use the Account functions (*e.g. access the Account, whitelist external wallet addresses, view and initiate transactions*) once the Custodian has authenticated the Customer. Authentication is the procedure whereby the Custodian can verify the identity of the Customer or the authorized use of the Account, including the use of the personalized security feature of the Customer. Authentication elements are (1) knowledge elements, i.e. something that only the Customer knows (*e.g. password*), (2) possession elements, i.e. something that only the Customer has (*e.g. device for confirming the Customer's ownership*), or (3) being elements, i.e. something that the Customer is (*inherence, e.g. fingerprint as a biometric feature of the Customer*) (“**Authentication Elements**”). The Custodian authenticates the Customer based on them transmitting the knowledge element, proof of the possession element, and/or proof of the existence element to the Custodian in accordance with the Custodian's request.

6. Technical Requirements

- 6.1 To access an Account, The Customer will need a computer or mobile device with an internet connection. Unless otherwise agreed between Customer and Custodian, other methods of accessing the Account are not supported.
- 6.2 Upon receiving the Customer's authorization to use Services, all communication between the Custodian and the Customer in relation thereto will be conducted solely in electronic format, either via the respective application or through email, unless explicitly stated otherwise in these Conditions. Unless legally required, no communications will be duplicated and sent to the Customer in paper format.
- 6.3 The Customer acknowledges that printouts of the data displayed may differ from the screen display due to individual hardware or software configurations. The Custodian accepts no liability for the distribution of modified data on the online screen. The Custodian has no influence on the functionality and configuration of the Customer's devices or the availability and reliability of its internet connection.
- 6.4 Customers may access the Services via APIs provided by the Custodian. Use of the Services through API channels is subject to the Custodian's API Terms of Use, which are incorporated by reference into and form an integral part of these Conditions, and can be found at: <https://www.zand.ae/en/terms-of-use>. By accessing the Services via API, Customers agree to comply with all technical, operational, and security requirements set out in the API Terms of Use. The Custodian reserves the absolute right at its sole discretion to suspend or restrict API access at any time and without notice for any actual or suspected non-compliance, misuse, system integrity concerns, security breaches, credential compromise, abnormal activity patterns, or regulatory requirements.

7. Custodial Management

- 7.1 The Custodian safeguards the Customer's Digital Assets for each type of token within their Wallets. To maintain transparency and accountability, the Custodian meticulously maintains segregated Wallets and Accounts for each Customer.
- 7.2 The Custodian complies with claims of the Customer arising from the Digital Assets booked in the Customer's Account from the Custodian's holding in the Wallet ("**Holding**"). The Holding consists of Digital Assets of the same type held in custody for the Customer.
- 7.3 The Custodian employs blockchain wallet technology developed by Taurus SA for its digital asset custody services. Taurus SA is responsible for the development of the wallet technology, blockchain nodes, and associated infrastructure that form the blockchain layer utilized in the custody services. For the avoidance of doubt, Taurus SA does not have access to any cryptographic key material used by the Custodian for managing the Customer's digital assets, nor is Taurus SA capable of reproducing such key material.
- 7.4 A Digital Asset will be deemed fully transferred, and the Custodian will be discharged of any obligations related to the transfer of the Digital Asset, once the transaction has been confirmed on the relevant blockchain network according to the specific confirmation requirements of that blockchain. The exact number of required confirmations will be specified in the Custodian's operating procedures, ensuring that the transaction is irreversible and has achieved finality according to the standards of the respective blockchain.

8. Technical and Organizational Measures

- 8.1 The Custodian shall, within the scope of its responsibility, structure its internal organization in a manner that complies with the technical and organizational requirements for the protection of stored Digital Assets.
- 8.2 The technical and organizational measures are subject to technical progress. The Custodian shall be entitled to modify its technical and organizational measures, particularly if new technical security measures are required by market standards or recommended by the supervisory authorities or equivalent bodies provided, however, that no modification shall be permissible if it derogates from the level of protection contractually agreed upon or required by law. The Custodian shall document any substantial amendments and notify the Customer of such amendments without undue delay.
- 8.3 The Custodian shall at all times employ robust security measures to ensure the safekeeping of all entrusted assets and shall maintain regular audits and inspections conducted by independent third-party auditors and/or its regulators to verify compliance with all Applicable Laws and regulations as well as international standards for asset protection. The security protocols employed by the Custodian include but not limited to:
- (i) Threshold signature scheme where there is no single point of failure.

- (ii) Seed backup and recovery protocols with segregated accesses and geographical locations.
- (iii) Encryption of sensitive data.
- (iv) Identity management and role-based access controls based on principles of least privilege.
- (v) Zero knowledge key ceremony with the presence of independent third party.
- (vi) Continuous system and health monitoring systems.
- (vii) Robust operational protocols with segregation of duties and maker-checker approvals processes.
- (viii) Physical security measures in vault facilities.

8.4 The Customer acknowledges and agrees that, while the Custodian shall maintain limited insurance coverage in accordance with Applicable Laws and regulations, it does not make any promises or warranties with respect to any insurance policies carried by Custodian, and that the Customer will not be able to make any claims against any insurance policies carried by Custodian. The Custodian shall, upon reasonable request, disclose to the Customer the general nature of the insurance coverage maintained, provided that such disclosure does not compromise confidentiality or regulatory obligations.

8.5 The Custodian maintains comprehensive cybersecurity and data privacy policies, procedures, controls, and systems to protect Customer's assets and personal information. These includes, but not limited to

a. Information Security Policy

i. Access Control and Authentication:

- 1. Multi-factor authentication (MFA) for all Customer account access
- 2. Role-based access control (RBAC) with principle of least privilege

ii. Data Protection Measures:

- 1. End-to-end encryption for data in transit and at rest using industry-standard protocols

iii. Compliance and Audit

- 1. Regular internal and external security audits
- 2. Compliance with UAE Data Protection Laws

iv. Digital Assets Security Standard

- 1. Implementation of multi-signature wallet requirements for all Digital Asset transactions

b. Cyber Incident Response Policy:

- i. Documented incident response plan with defined roles and responsibilities

8.6 These policies are regularly reviewed and updated to address evolving threats and comply with Applicable Laws. The Custodian reserves the right to update its cybersecurity and data privacy policies as needed. Customers will be notified of any material changes to these policies.

8.7 In the event of a data breach and/or cyber incident, the Custodian will:

- (i) Immediately activate its cyber incident response plan to contain and mitigate the breach and/or compromise.
- (ii) Conduct a thorough investigation to determine the scope and impact of the incident.
- (iii) Take steps reasonably necessary to prevent further unauthorized access and/or data/financial loss.
- (iv) Cooperate with law enforcement and regulatory authorities as required.
- (v) Provide customer notification which will include description of the incident, and recommended actions to Customers if any.

The Custodian shall have in place disaster recovery and business continuity plans to ensure the uninterrupted operation of its services. These plans shall include provisions for data backup, redundancy measures, alternate storage facilities, and procedures for resuming operations in the event of a disaster or unforeseen event. The Custodian shall regularly test and update its disaster recovery and business continuity plans to maintain their effectiveness.

9. Customer Obligations

9.1 The Customer shall:

- (i) furnish necessary evidence for verifying their identity as dictated by statutory regulations and internal directives established by the Custodian to combat money laundering.
- (ii) actively engage in an identification procedure as requested by the Custodian.
- (iii) Co-operate with the Custodian in the verification of provided documents and information, including responding to any requests for additional details or clarification.

In cases where the Customer fails to meet their obligations of cooperation, they may be ineligible to open an account.

- 9.2 The Customer agrees to promptly and accurately provide all necessary information and documentation required for Know Your Customer (KYC) and Know Your Business (KYB) purposes as requested by the Custodian. The Customer shall ensure that all information provided for KYC and KYB purposes is truthful, complete, and up to date. Any changes in the business structure, ownership, or other relevant details shall be promptly communicated to the Custodian. The Customer recognizes that KYC and KYB obligations are ongoing and therefore agrees to update the Custodian promptly in the event of any material changes to the business structure, ownership, or any other factors affecting KYC and KYB compliance. The Customer further acknowledges that failure to provide such information may result in delays, restrictions, or suspension of Account access, as required under Applicable Laws and Regulations.

- 9.3 The Customer acknowledges the importance of transparent disclosure regarding beneficial ownership. Accordingly, the Customer shall furnish comprehensive details regarding the identity of beneficial owners and key stakeholders, including relevant identification documentation and consents to the Custodian verifying such information with competent authorities, regulators, in accordance with AML/CFT and sanctions compliance requirements.
- 9.4 The Customer commits to conducting its business activities in compliance with the Applicable Laws and regulations. Any changes in regulatory status or compliance shall be promptly communicated to the Custodian.
- 9.5 The Customer acknowledges that the accuracy and completeness of the information provided for KYC and KYB purposes are essential. The Customer shall be liable for any inaccuracies, omissions, or misrepresentations in the information provided. The Customer further understands and agrees that the Custodian may rely on the information provided for KYB purposes in carrying out its obligations under these Conditions, and any other agreement entered with the Customer in this context. To that effect, the Customer affirms its commitment to fulfilling the aforementioned KYC and KYB obligations, understanding the significance of transparency and compliance in maintaining a secure and trustworthy business relationship with the Custodian.
- 9.6 The Customer bears the responsibility to swiftly inform the Custodian in the event of any alterations to personal data previously provided, such as name, residence, or tax domicile (with specific consideration of FATCA and CRS status). This notification should be carried out through the designated functionality within the Account, specially provided for that purpose.
- 9.7 In accordance with the provisions outlined in the CBUAE Anti Money Laundering Act, the Custodian may find it imperative to seek supplementary information or documentation from the Customer. This request, if made, would serve to complement the existing data for compliance purposes. The Customer understands that as part of the Custodian's compliance measures ("**AML Program**"), the Account and their use of the Services will be monitored, and their background information and any transaction-related activity will be reviewed on an ongoing basis, as may be required by law and/or pursuant to internal policies and procedures. At any time, additional information or any other information reasonably requested may be required from the Customer as a condition for continued access to and use of your Account and the Services. During such periods, temporary restrictions may be placed on the Customer's access to and use of your Account and the Services.
- 9.8 The Customer must regularly check the messages received by e-mail and ensure that the mailbox has adequate storage capacity for incoming messages, where all communications circulated shall be considered duly received.
- 9.9 The Customer assumes the responsibility to:
- (i) implement reasonable precautions to safeguard their Authentication Elements against unauthorized access; and

- (ii) recognize that failure to protect these Authentication Elements may result in the misuse or unauthorized utilization of Account functions.

9.10 To secure individual Authentication Elements, the Customer should specifically consider the following measures:

- (i) maintain the secrecy of knowledge elements.
- (ii) safeguard possession elements against misuse and unauthorized access by third parties.
- (iii) utilize being elements as an authentication element on their mobile terminal only if no other person's being elements are stored on the same device and to ensure that such devices remain under the Customer's exclusive control.
- (iv) adhere to the authentication mechanism and password policy set by the Custodian for the platform.
- (v) not to share the platform authentication credentials with anyone. and acknowledge responsibility for all activity conducted under their credentials until the Custodian has been notified of a potential compromise.
- (vi) promptly report any suspicious activity or unauthorized access to their custody accounts including any suspected phishing, malware, or credential compromise.
- (vii) agree to follow the Custodian's instructions in the event of any observed malicious behaviour, data breach, and/or cyber incident on client's custody account(s).
- (viii) consent to the Custodian's user-behaviour monitoring activities, which involve collecting basic device and user information for maintaining the integrity and safety of platform, detecting potential security threats, and mitigating risks. All collected information is handled in strict compliance with UAE data protection laws and the Custodian's data privacy policy and shall not be used for any purpose unrelated to security and regulatory compliance.
- (ix) not to employ any means or tools to bypass the Custodian's security infrastructure designed to protect the platform.

9.11 The Customer must comply with the security instructions made available on the Custodian's Platform or otherwise communicated by the Custodian from time to time, regarding Digital Asset. This includes, among other measures, the safeguarding of hardware and software. The customer acknowledges its responsibility to periodically consult these instructions, recognizing that they may be subject to periodic updates the Custodian shall provide such updates in a clear and timely manner. In the event of non-compliance, any resultant risk of loss, compromise, or others arising directly from the Customer's failure to follow such instructions shall be attributed to the Customer, provided that the Custodian has exercised reasonable care over matters within its control, including the protection of private keys, custody systems, and platform security. shall be exclusively attributed to the Customer.

9.12 Prior to the processing of any transaction by the Custodian, the initiating Customer is required to grant their approval. The Customer is obligated to employ Authentication Elements, such as providing two-factor authentication as a means of confirming ownership, upon request to authorize a transaction order. The Custodian will abstain from executing a transaction order

unless it has received proper authorization from the Customer. The Custodian shall act only on authorized instructions and shall not be liable for any loss arising from fraudulent or unauthorized instructions where the Customer has failed to safeguard their Authentication Elements, provided that the Custodian has exercised reasonable care over matters within its control. The status of transaction orders and approvals can be observed through the transaction states displayed in the Customer's Account.

- 9.13 The Customer shall notify the Custodian of any unauthorized or incorrect orders as soon as they are detected. The Customer is solely responsible for monitoring the Account for unauthorized or suspicious instructions, actions, or transactions ("**Unauthorized Activity**"), and agrees that responsibility for any Unauthorized Activity will not be attributed to the Custodian, as permitted by Applicable Law. It is acknowledged and agreed that the Customer is solely responsible for any activity placed through the Account as a result of Unauthorized Activity.
- 9.14 Transaction orders must unequivocally show their contents. Transaction orders that are not entered clearly may lead to queries, which may result in delays. In particular, when giving transaction orders, the Customer must ensure that the information the Customer provides, particularly the wallet address of a recipient, additional memos for some networks, and the amount of the respective Digital Asset are complete and correct. In case the Customer approves a transaction to an incorrect wallet address the Digital Assets being part of this transaction, may be lost and might not be re-coverable.
- 9.15 Account statement will be provided to the Customer on a monthly basis. In between the issuance of each statement, the Customer can access transaction history through the Platform. The Customer must immediately examine account statements and other statements, as well as advice of execution of orders as to their correctness and completeness and immediately raise any objections relating thereto.
- 9.16 The Customer must notify the Custodian immediately if balance statements are not received. The duty to notify the Custodian also exists if other insights expected by the Customer are not received (*e.g., account statements after execution of Customer orders or regarding transactions expected by the Customer*).

10. Custodial Disclaimers and Risk Warnings

- 10.1 The Custodian expressly disclaims any technical, organizational, or legal influence over the software protocols that underlie a blockchain or the so-called Smart Contracts that are integrated into the Blockchain. These protocols play a pivotal role in defining the functions of Digital Assets. The Custodian, as such, bears no responsibility for the operation of these foundational protocols, including smart contracts. Furthermore, the Custodian does not provide any warranties regarding the functionality, availability, or security of these protocols, provided that the Custodian shall exercise reasonable care in safeguarding private keys, custody systems, and transaction processing under its control.

- 10.2 The Custodian assumes no responsibility for any operations or actions undertaken by the issuer of Digital Assets. These actions may encompass, but are not limited to, activities such as the "burning" or "minting" of tokens.
- 10.3 The Customer acknowledges that Digital Assets and their blockchain protocols involve several risks. The Customer acknowledges that transfers of Digital Assets may not be executed due to market circumstances such as – but not limited to – forks, or the absence of liquidity, insufficient tokens for network fees and/or technical issues with internet providers. A transaction may be unconfirmed for an uncertain period of time after it is ordered and may never be completed if it remains pending depending on the blockchain network's state and capacity. The Custodian shall provide timely status updates to the Customer regarding any such transaction delays or failures where information is available to the Custodian.
- 10.4 The Customer acknowledges that if they initiate the transfer of Digital Assets to an Account address for deposit or authorize a transaction to an external wallet address that may not be compatible with the underlying protocol of the Digital Assets to be deposited or transferred, they are well aware of the risk of potential loss of these Digital Assets. It is important to understand that such a loss may be permanent. Furthermore, the Customer fully understands and accepts that the Custodian, in no circumstances, shall bear any responsibility or liability for such loss.

For instance, if the Customer transmits BTC to an Account address that exclusively supports ETH, and not to the designated Account address specified for BTC deposits, there exists a substantial risk that the sent BTC may become irrevocably lost. The Customer is unequivocally aware that the Custodian holds no liability in these circumstances. The Custodian shall not be liable for such losses, except where they arise directly from the Custodian's failure to exercise reasonable care in validating or processing the transaction in accordance with Applicable Laws and Regulations.

- 10.5 Digital Assets protocols may be subject to so-called forks that can lead to alterations in the underlying blockchain protocol rules. In recognizing this, the Customer acknowledges that forks have the potential to significantly impact the value, function, or nomenclature of a Digital Asset. In the event of a fork or airdrop affecting a specific type of Digital Asset, such as the division of a Digital Asset into two separate entities (e.g. Bitcoin and Bitcoin Cash, or Ethereum and Ethereum Classic), or more, the Custodian will act in what it deems to be the best interest of the Customer at its discretion and will duly inform the Customer accordingly. Furthermore, it is acknowledged and agreed by the Customer that, at the sole discretion of the Custodian, a determination may be made not to support a forked network, and the Customer has no right, claim, or other privilege to forked assets on such unsupported forked network. It is also agreed by the Customer that the Custodian may, in its sole discretion, determine the approach to such forked assets, which may include abandoning or otherwise electing not to support such forked assets as part of the Services.

- 10.6 The Customer acknowledges that there are several risks associated with Digital Assets. Before using the Services, the Customer should ensure that they have read and understand these risks, and by accessing and using the Services, the Customer hereby represents and warrants that they have read and understand the risk disclosures. Any references to risk in these Conditions do not constitute an exhaustive list of all risks associated with Digital Assets and the Services.
- 10.7 In network fork scenarios, the Custodian shall, promptly upon gaining cognizance of the nature and implications of such alteration, evaluate its consequential effects. The Custodian is committed to maintaining transparent and comprehensive communication with all impacted Customers during the entirety of the procedure.
- (i) If the Custodian will not support the original blockchain source code version, the Custodian shall notify Customers at least thirty (30) days in advance if it decides not to support the original source code version of a blockchain following a fork. The notification will include the potential impacts on the Customers' Digital Asset holdings and relevant procedures that the Customer should adhere to.
 - (ii) If it is not practicable for the Custodian to support the original source code for reasons including but not limited to the original source code version no longer exists, not reasonably expected to continue to exist, or if the original source code version will no longer function securely and/or as originally intended, the Custodian reserves the right to terminate support earlier than initially planned. In such cases, the Custodian will provide notification to Customers as soon as practicable, detailing the reasons for the early termination and any necessary actions that Customers need to take to manage their Digital assets.
 - (iii) If the Custodian will continue to support the original blockchain source code version, the Custodian shall notify Customers, up to 60 days after the forking event. On a reasonable effort basis, the Custodian shall provide such notification before the end of the 60-day duration.
- 10.8 The Custodian has implemented a comprehensive framework for Digital Assets, particularly in the event of bankruptcy or insolvency. To that effect, the Custodian established robust internal controls and procedures, ensuring the secure safekeeping and transferring of Customers' Digital Assets in such events, all in strict adherence to Applicable Laws and regulations, including those concerning Ultimate Beneficial Ownership (UBO) and other Anti-Money Laundering (AML) measures.
- 10.9 Title to the Digital Assets shall at all times remain with the Customer and shall not transfer to the Custodian. The blockchain address used by the Custodian to hold any of the Customer's Digital Assets, and the related private keys is not an indication of individual ownership of such Digital Assets. All interests in Digital Assets that the Custodian holds for Customers are not the property of the Custodian and are not subject to the claims of the Custodian's creditors. The Custodian shall segregate Customer Digital Assets from its own assets at all times, in accordance with the applicable laws and regulations. As the owner of Digital Assets in the Account, the Customer shall bear all risk of loss of any such Digital Assets. The Custodian

shall have no liability for fluctuations in the value of Digital Assets. None of the Digital Assets held in the Account is the property of, or shall or may be loaned to, the Custodian. The Custodian does not represent or treat Digital Assets held in the Account as belonging to the Custodian. The Custodian may not grant a security interest in Digital Assets held in the Account. Except as required by law or provided herein, Digital Assets held in the Account will not be sold, transferred, loaned, or otherwise alienated by the Custodian unless instructed by the Customer. The Customer controls the Digital Assets held in the Wallet(s) as reflected in the Account. At any time, subject to outages, downtime, and other applicable policies, Digital Assets may be either sold, if permitted by the Platform, or withdrawn by the Customer, with the proceeds withdrawn away from the Custodian or by sending the Digital Assets to a different blockchain address controlled by the Customer or a third party.

- 10.10 The Customer understands and accepts that the Custodian is under no obligation to actively monitor developments within the blockchain and Digital Assets market, nor is the Custodian obliged to furnish the Customer with information regarding announced forks or airdrops by a blockchain network. In such cases, the Customer acknowledges that the Custodian holds no obligation towards the Customer in this regard.
- 10.11 The Customer acknowledges that the Custodian reserves the right to temporarily suspend the provision of Digital Asset custody services concerning a Digital Asset that has been influenced by a fork or any other events that could affect the stability of the network. The Custodian may, at its sole discretion, opt not to endorse the forked protocol altogether, or may configure its Digital Asset custody services to allow the Customer to transfer the affected Digital Assets to an alternative external Customer wallet. Furthermore, the Customer understands and accepts that it is their responsibility to supply the Custodian with an external wallet address before the event of a fork to facilitate the transfer via the client interface. The Custodian may, as it deems fit, take measures to address the effects of a fork on the Digital Assets it holds. Such measures shall be taken on a reasonable efforts basis, with due regard to industry practice, the technical limitations of the protocol, and Applicable Laws and Regulations. It is important to note that the Custodian's actions in response to such events are at its sole discretion, and the Customer acknowledges and agrees to this arrangement. The Custodian shall notify the Customer, within a reasonable period, of the approach taken in relation to a fork and the potential impact on the Customer's holdings.
- 10.12 The Customer acknowledges that the value of a Digital Asset can experience rapid and substantial fluctuations, resulting in extreme volatility within a brief time frame. Engaging in the trading of Digital Assets involves inherent risks, including the potential for a complete loss of the invested amount. The Customer is fully aware of and accepts the risks associated with Digital Assets deposited with the Custodian, which encompass but are not limited to market risk, the risk of financial loss, and other risks that may arise in connection with these Digital Assets. It is crucial for the Customer to comprehend that the Custodian holds no liability for the consequences of these risks, and the Customer willingly assumes these risks in relation to their Digital Assets held by the Custodian.

- 10.13 The Custodian is not responsible for the correctness or timeliness of the entries on the blockchain, as these are beyond the sphere of influence of the Custodian.
- 10.14 The Customer acknowledges that: (i) the Custodian does not provide investment advice with regard to the acquisition of Digital Assets (ii) the Customer uses the services at its own risk (iii) Digital Assets under custody do not benefit from any form of deposit protection; and (iv) the information provided on the Platform interface is legally non-binding information or risk advice which does not constitute personal recommendations to the Customer.
- 10.15 In the event where the Custodian receives legal documentation or other information indicating the death of an Individual Account holder, the Account will be temporarily suspended. During this suspension period, no activity will occur in the Account until either: (i) the designated fiduciary opens a new account with the Custodian and instructs the Custodian to transfer the entire Account to this new account; or (ii) reasonably satisfactory proof is provided that the account holder has not passed away. If there is a suspicion of the Account holder's death without sufficient proof, the Custodian is authorized to conduct necessary inquiries, directly or through third parties, to ascertain the status. Upon receiving satisfactory proof of the Account holder's death, the fiduciary designated in a valid will or similar testamentary document must open a new Custodian account, either through the Platform or by contacting the Custodian, as applicable. If no fiduciary is designated, the Custodian reserves the right to: (a) consider as the fiduciary any person entitled to inherit the Account, determined by the Custodian based on documentation deemed necessary, in its sole and absolute discretion, including (but not limited to) a will, a living trust, or a court order; or (b) request an order designating a fiduciary from a court with competent jurisdiction over the estate. In cases of uncertainty regarding the validity of the designation, the Custodian reserves the right to require a court order resolving the issue before taking any action concerning the Account.
- 10.16 The Customer acknowledges the functional differences between hot and dynamic cold wallets, as well as the associated risks. Industry best practices recommend maintaining only the assets needed for day-to-day transactions in hot wallets, while storing the majority of Digital Assets in cold wallets. The Customer will undergo a suitability assessment by the Custodian to assess if the Customer has sufficient understanding or experience in managing digital assets or blockchain wallets. If the Customer passes the assessment, the Customer will be deemed sufficient knowledgeable and is responsible for allocating its Digital Assets across the different wallet types in accordance with its regulatory, risk, and operational requirements. If the Customer fails the assessment, the Customer shall declare their allocation of short-term assets vis-a-vis the total token holdings for each token and maintain the allocation. The Custodian reserves the right to allocate the Customer's tokens between hot and dynamic cold wallets in order to meet the Customer's allocation needs. For this purpose, the Customer shall always maintain sufficient number of coins for the blockchain transaction fees payment. If insufficient, the Custodian shall deposit such coins in the Customer's wallets. The costs incurred by the Custodian for this service shall be billed to the Customer. The Customer can opt out of this by providing a disclaimer letter to the Custodian,

which can be attained from your respective relationship manager. The Custodian shall provide the Customer with clear guidance on wallet allocation options and associated risks, and retains the right, acting reasonably and in good faith, to allocate the Customer's tokens between hot and dynamic cold wallets where necessary to meet the Customer's allocation needs, in line with Applicable Laws and Regulations.

11. Banking Secrecy and Information Disclosure

- 11.1 Both Parties agree to keep all confidential information, to include all non-public information disclosed between the Parties, including financial data, reports, trade secrets, and operational details secure and not disclose it to any third party except (a) As required by law or regulatory authorities and (b) To employees or agents on a need-to-know basis, provided they are bound by confidentiality obligations. The confidentiality obligations survive 5 years after termination.
- 11.2 The Custodian is committed to upholding banking secrecy. This commitment encompasses ensuring the utmost confidentiality with respect to all Customer-related information, facts, or assessments within its knowledge.
- 11.3 Notwithstanding the above, the Custodian may disclose Customer information in adherence to the following stipulations:
- (i) When compelled to do so by the mandates of Applicable Laws or regulations.
 - (ii) With the Customer's clear and voluntary consent for the intended disclosure.

12. Blocking of Accounts

- 12.1 The Custodian will block the Account at the Customer's instigation, in particular in the event of misuse of the access data to the Account or in case of loss, theft or misuse of an Authentication Element as described in section 5.3 of these Conditions. If the Customer becomes aware of the loss or theft, the misuse or other unauthorized use of an Authentication Element, or one of the Customer's personal security features, the Customer must notify the Custodian of this without undue delay ("**Blocking Notification**"). The Customer may submit a Blocking Notification to the Custodian at any time via the contact information provided separately by the Custodian herein.
- 12.2 The Custodian is also entitled to block the Account if:
- (i) there is a threat of unauthorized or improper use of the Customer's Account;
 - (ii) there is a suspicion of unauthorized or fraudulent use of an Authentication Element;
 - (iii) material grounds relating to the security of the Authentication Elements justify it; or
 - (iv) the Customer repeatedly violates material contractual obligations.

- 12.3 The Custodian is entitled to block the Account and freeze the Digital Assets of a Customer therein, if the Custodian is required by statutory obligations, e.g. in case of suspected money laundering or other financial crimes.
- 12.4 The Custodian uses tools provided by Sum & Substance Ltd., third party solutions provider for Know-Your-Transaction (KYT), fraud risk monitoring, Travel Rule; compliance, sanctions screening, and other regulatory risk controls and other solutions as necessary to monitor AML and fraud risks.

13. Digital Asset Services Fee Schedule

- 13.1 The Custodian will charge the Customer the fees specified in the custody agreement executed with the Custodian, based on the fees outlined in the table in the Appendix to these Conditions.
- 13.2 The Custodian shall not charge for any service which it is required to provide by law or pursuant to a contractual accessory obligation or which it performs in its own interest, unless such charge is legally permissible and levied in accordance with the relevant statutory provisions.
- 13.3 Any potential claim made against the Custodian for the reimbursement of expenses depends on the statutory provisions. The Custodian shall provide the Customer with not less than ninety (90) calendar days' prior written notice of any introduction of new fees or increase of existing fees, as required under the VARA Fees and Charges Rulebook.
- 13.4 For any bespoke or customized service offerings, the Customer should engage with their dedicated relationship manager to discuss the scope of such services. This may include, but is not limited to, quicker transaction turnaround times, operational support outside business hours, enhanced data analytics reporting, and dedicated insurance coverage. Due to the highly customized nature of these services, fee quotes can only be provided after the Custodian's assessment. The Custodian's approach to pricing these services is designed to be flexible, competitive, and aligned with the value provided to Customers. By considering direct and indirect costs, market standards, and the specific benefits delivered, the Custodian ensures that pricing is fair and reflective of the superior service quality it aims to provide.
- 13.5 Gas Fees: The Customer is responsible for paying the gas fee for any deposits or withdrawals. The Custodian may provide an estimate of the market network gas fee, which may change at the time of transaction broadcast on the blockchain. The Custodian is not responsible for any differences between estimated and actual fees incurred, as this is dependent on blockchain conditions. The Custodian does not earn any fees on gas charges.

14. Balance Statements for Accounts

14.1 The Customer will receive a transaction confirmation from the Custodian for every transaction carried out.

14.2 The respective balance of Digital Assets of the same type will be communicated to the Customer. Unless otherwise agreed, the Customer shall receive a balance statement for the Customer's Digital Assets booked in the Account at the end of each calendar month. The statement will include the Customer's entity name, Customer's client identification number, balance for each token, and reference market value of the asset.

15. Novation and Assignment

15.1 Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned or novated by any of the parties hereto, without the prior written consent of the parties. The Client shall not assign or novate the whole or any part of its rights and obligations under this Agreement or any benefit or interest therein, without the prior written consent of the Custodian.

16. Lien in Favor of the Custodian

16.1 The Customer and the Custodian agree that the Custodian acquires a lien on all claims and rights the Customer has or may in future have against the Custodian arising from the Digital Asset custody services relationship (e.g. Account balances). In addition, the Custodian also acquires a lien on cryptographic private keys and other items that have come or may come into the Custodian's possession within the scope of Digital Asset custody services.

16.2 The lien serves to secure all existing, future and contingent claims arising from the Digital Asset custody services relationship which the Custodian is entitled to against the Customer.

16.3 If Digital Assets come into the power of disposal of the Custodian under the reserve that they may only be used for a specified purpose, the Custodian's lien does not extend to these assets. Moreover, the lien extends neither to the profit-participation rights issued by the Custodian itself nor to the Custodian's non-securitized subordinated liabilities.

17. Liability and Contributory Negligence

17.1 Liability for Cardinal Obligations: The Custodian is liable for substantiated direct damages caused by its staff and individuals engaged to perform cardinal obligations. Cardinal obligations are essential contractual duties vital for the proper performance of this agreement, breach of which could jeopardize the agreement's purpose. In cases of negligent breach of cardinal obligations, the Custodian's liability is limited to typically foreseeable and occurring substantiated direct damages within these Conditions.

17.2 Liability for Other Contractual Obligations: Data breach and/or cybersecurity incident: The Customer must notify the Custodian of any data breach and/or cybersecurity breach within 24 hours to be considered eligible for re-imbursement, which the Custodian shall then investigate and take corrective measures to address the breach. In the event of a confirmed data breach and/or cybersecurity incident affecting the Digital Assets due to the Custodian's negligence, the Custodian shall re-imburse the Customer for direct losses incurred, subject to the terms outlined in these Conditions. Losses resulting from third party actions, market conditions, factors not directly within the control of the Custodian or the Customer's negligence are excluded. The Customer is responsible for maintaining the security of its access credentials and multi-factor authentication, and failure to do so may limit the Custodian's liability in the event of an incident.

For other contractual obligations: The Custodian is liable only in cases of intent and gross negligence by its staff and individuals engaged to fulfill these duties.

17.3 Limitation of Liability: Accounts registered with the Custodian on the Platform, the Services provided by the Custodian, use of the Account(s), and any other Services provided in connection therewith are offered by the Custodian, its affiliates and any other service providers on an "as-is" and "as available" basis and without warranty of any kind, to the maximum extent permitted by Applicable Law. Furthermore, there is no warranty that the Services provided by the Custodian will be error-free, uninterrupted, timely, reliable, complete, or accurate. Liability will not be imposed on the Custodian for any losses arising out of, related to, or resulting from the Account, the Services, or use of the Services, except to the extent and only to the extent that losses are actual and have been finally determined by a court of competent jurisdiction or arbitration panel to have resulted solely from the gross negligence, intentional misconduct, or fraud of the Custodian or any of its officers, directors, managers, partners, employees, or independent agents or contractors. None of the Custodian or any of its officers, directors, managers, partners, employees, or agents shall be liable for any losses that are not direct damages, including without limitation, indirect, special, incidental, punitive, consequential, or exemplary damages.

17.4 Liability of Representatives and Entities: The aforementioned limitations extend to the Custodian's legal representatives, staff, individuals engaged by the Custodian, or entities within the same group if claims are directly asserted against them.

17.5 Exceptions to Liability: Liability for damages to life, body, health, or other damages resulting from intentional or grossly negligent breaches of duty remains unaffected.

17.6 Third-Party Services: If an order typically involves the Custodian entrusting a third party for execution, the Custodian's liability is confined to the careful selection and instruction of the third party.

- 17.7 **Exemption for Third-Party Services:** The Custodian is not responsible for third-party services and disclaims liability for damages, costs, or other consequences due to blockchain network issues, system failures, errors, interruptions, or other events affecting Digital Asset accessibility.
- 17.8 **Contributory Negligence:** Customers contributing to losses through their own fault (e.g., *violating cooperation duties*) will share responsibility with the Custodian according to contributory negligence principles.
- 17.9 **Force Majeure and External Events:** Customers share economic and legal consequences affecting Holdings due to force majeure, riots, war, natural events, or third-party actions. The Custodian is not liable for losses resulting from such events or administrative acts of the authorities.

18. Termination Rights of the Customer

- 18.1 Customers can, upon notice to the Custodian, terminate:
- (i) Contracts without term,
 - (ii) Contracts with a term with good cause.
- 18.2 Notwithstanding Clause 18.1, any termination by the Customer shall only take effect once the Custodian has completed an orderly wind-down and transfer process in respect of the Customer's Digital Assets and any related Services. The Custodian shall complete such wind-down process within thirty (30) calendar days from receipt of the Customer's termination notice (or such shorter period as the Custodian may determine in its discretion). During this period, the Custodian shall continue to safeguard the Digital Assets, and the Customer shall remain responsible for all fees, costs and charges accruing up to the effective date of termination. For the avoidance of doubt, any pre-paid or unutilized service allocations shall not be refundable in the event of early termination by the Customer.
- 18.3 If the Custodian and the Customer have agreed to a term or a diverging termination provision for a particular business relation, such relation may only be terminated without notice if there is reasonable cause therefor which makes it unacceptable to the Customer to continue the business relationship even taking into account the legitimate interests of the Custodian.
- 18.4 Statutory termination rights shall not be affected.

19. Termination Rights of the Custodian

- 19.1 The Custodian has the right to suspend and/or terminate services in whole or in part for good cause, in particular for regulatory and supervisory reasons, for non-payment of the Custodians fees, for breach of these Conditions and as further defined in these Conditions. In the event of a complete or partial discontinuation of services, the provisions of the following sections shall apply accordingly. In the event of a suspension, the Customer may request the reinstatement



of Services following the resolution of the underlying issue(s) that led to the suspension. The Custodian shall review the request promptly and may reinstate Services at its sole and absolute discretion upon satisfactory resolution of the issues and compliance with any remedial actions specified by the Custodian.

19.2 The Custodian shall have the right to terminate the Contract by providing the Customer with thirty (30) calendar days' notice. Termination of the business relationship without notice is permitted if there is reasonable cause that makes it unacceptable for the Custodian to continue the relationship, even after considering the legitimate concerns of the Customer. Reasonable cause includes, but is not limited to, instances where the Customer has provided false or misleading information regarding the origin of their Digital Assets.

19.3 If reasonable cause is given due to the breach of a contractual obligation, termination shall only be permitted after expiry, without result, of a reasonable period of time fixed for corrective action by the Customer or after a warning to the Customer has proved unsuccessful, unless this provision can be dispensed with owing to the special features of a particular case.

20. Settlement Following Termination

20.1 In the event of termination without notice, the Custodian shall allow the Customer a reasonable period of time for settlement, unless it is necessary to attend immediately thereto.

20.2 In the event of termination, the Customer shall provide the Custodian with a valid external wallet address to which the Customer's Digital Assets can be transferred. Any outstanding Fees or charges owed to the Custodian shall be settled prior to the transfer of Digital Assets and may be offset by the Custodian at the latter's discretion.

20.3 Upon termination of the Services, the Custodian will delete all data within the Custodian's systems to the extent permitted by Applicable Law. The data created in connection with the Wallet on a blockchain cannot be deleted due to its immutability and its character as a continuous register.

21. Applicable Law; Place of Jurisdiction for Customers who are Businesspersons or Public-Law Entities

21.1 The contractual relationship is subject to the laws of the United Arab Emirates applicable in Dubai. The contract language is English.

21.2 If the Customer is an entrepreneur or business and if the business relation in dispute is attributable to the conducting of such businessperson's trade, the Custodian may sue such Customer before the court having jurisdiction for the Custodian office keeping the Account or before any other competent court; the same applies to legal entities under public law and separate funds under public law. The Custodian itself can only be sued by these Customers before the court that has jurisdiction over the Custodian's crypto account-keeping entity.

21.3 The agreement upon the place of jurisdiction shall also apply to Customers who conduct a comparable trade or business abroad and to foreign institutions which are comparable with domestic legal entities under public law or a domestic separate fund under public law.

21.4 Unless the Customer is a consumer, the assignment of claims from the contractual relationship is excluded.

22. Complaints and Alternative Dispute Resolution Proceedings

22.1 Complaints: The Customer has the following out-of-court options:

- (i) The Customer may address a complaint to the Custodian in writing to: customerservice@zand.ae; or
- (ii) P.O. Box 62593, Dubai, United Arab Emirates.

22.2 Dispute Resolution:

If any dispute claim, controversy or difference between the Parties arises out of or in connection with these conditions, including any question regarding its existence, validity, interpretation or termination (**“Dispute”**), then the Parties agree that the Dispute shall be finally determined by arbitration in accordance with the Arbitration Rules of the DIFC Arbitration Centre (**“Arbitration Rules”**), which rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one (1), who shall be appointed in accordance with the Arbitration Rules. The seat, or legal place of the arbitration, shall be the Dubai International Financial Centre. The arbitration proceedings and award shall be conducted and written in the English language.

APPENDIX – Standard Fee Schedule

Digital Asset Custody Fee Schedule

Account Setup and Closure Fee	Fee
Account opening, activation and User setup	AED 4,500
User / Platform training ¹	AED 750 / hour
Account closing (closure within 6 months)	AED 20,000

¹ For every new account, user guidance to navigate the platform of up to 2 hours is included as part of the setup. This fee is for sessions beyond the allocated time.

Deposit Fee	Fee
Deposit processing fees	Waived
Travel Rule fees	Waived
Screening fees	Waived

Assets under Custody²	Fee rate	Tier
Up to US\$1M	0.40% p.a.	1
US\$1M to US\$10M	0.35% p.a.	2
US\$10M to US\$50M	0.30% p.a.	3
US\$50M to US\$100M	0.25% p.a.	4
US\$100M to US\$250M	0.20% p.a.	5
US\$250M to US\$500M	0.15% p.a.	6
US\$500M to US\$1,000M	0.10% p.a.	7
> US\$1,000M	0.05% p.a.	8

² Refers to the allocation of the USD value of digital assets based on spot rates that are captured daily to be maintained on the Zand Digital Asset Custody platform. This fee is accrued on a monthly basis. In the event this fee exceeds the allocated amount, overage rates shall apply. Please refer to Article 1 – Definitions – “Overage Rates” for more details.

Aggregated Annual Withdrawal Volume³	Fee⁴
Up to US\$25M	0.030%
US\$25M to US\$200M	0.025%
US\$200M to US\$1.0B	0.020%
US\$1.0B to US\$2.5B	0.015%
US\$2.5B to US\$5.0B	0.010%
> US\$5.0B	0.005%

³ Refers to the aggregated allocated USD value of withdrawals over the contract period. Should the aggregated withdrawal allocation be exceeded, the overage rates will apply. This fee is accrued as at every Withdrawal. In the event the Withdrawal value exceeds the Withdrawal Allocation amount, overage rates shall apply. Please refer to Article 1 – Definitions – “Overage Rates” for more details.

⁴ This is the withdrawal processing fee, which should not be confused with the blockchain network or gas fees. Gas fees are deducted directly from your native coin wallet for each blockchain transaction. For clarity, the blockchain network fees are fees applied by the blockchain network and not from Zand Bank.

New Token & Blockchain Network Support	Fee
New token request application ⁵	AED 15,000
New blockchain network request application ⁵	AED 30,000
Blockchain and Token listing ⁶	Subject to assessment

⁵ One-time fees for a custom request to support a particular token or network. Any blockchain or token on Zand must undergo internal review and approval in accordance with Zand's Virtual Asset and Blockchain Listing Policy. This fee does not include any downstream cost required for the launch of the blockchain or token, e.g. wallet support and KYT.

⁶ Subject to agreement between both Parties in writing prior to engagement of the service and commencement of support activities.

User Accounts & Wallets	No. of User Accounts	Additional User Account Fee	No. of Wallets per token	Additional Wallet Fee
Tier 1	Up to 8	AED 3,000 per annum	Up to 2	AED 100 per annum
Tier 2	Up to 10		Up to 4	
Tier 3	Up to 15		Up to 8	
Tier 4	Up to 20		Up to 10	
Tier 5	Up to 25		Up to 20	
Tier 6	Up to 30		Up to 50	

Tier 7	Unlimited	-	Unlimited	-
Tier 8				

Account documentation and other miscellaneous charges	Fee
Historical account statements (beyond 12 most recent months)	AED 200 per month that beyond 12 most recent months
Custody confirmation letter	AED 300

Disclaimer:

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