

## **TERMS OF USE**

The following terms of use (**Terms, Terms of Use or Agreement**) govern your use (the term **"Use"** will mean any access, downloading, reproduction, installing, copying, playing, demonstrating and/or other use, as applicable) of our Waves Exchange software developed by WX Development Ltd. (reg. number 212764) (either in the form of desktop software, Web or mobile-version) (**Software or Software platform or Waves Exchange**) and related services enabling you to issue, manage, transfer, burn, lease, and exchange tokens within the Waves blockchain and exchange other tokens for the tokens compatible with the Waves blockchain, and other related features, tools, materials and services made on the Software platform by third parties (**Services**).

WX Development Ltd. is not a financial organization or a bank and is currently not under the supervision of any monetary supervisory authority. Therefore, your deposited crypto assets are not protected by any public authorities, including but not limited, state insurance corporations or agencies.

Please read these Terms of Use carefully before using the Software platform and related Services. These Terms of Use form a binding agreement between the WX Development Ltd. (**Company, us, we**) and you as the **User**.

The terms **you** or the **User** refers to any person or entity browsing, accessing, downloading, reproducing, installing, copying, playing, demonstrating and/or otherwise using the Services, or receiving any Services. A copy of these Terms of Use may be downloaded, saved and printed for your reference.

Specific terms (if applicable) always take precedence over these Terms. Specific terms may be accessed via the links to external resources.

**BY ACCESSING AND USING THE SOFTWARE AND THE SERVICES, YOU ACCEPT AND AGREE TO BE BOUND BY AND COMPLY WITH THESE TERMS OF USE. IF YOU DO NOT ACCEPT AND AGREE TO BE BOUND BY THESE TERMS OF USE, PLEASE DO NOT ACCESS, OR USE THE WAVES EXCHANGE SOFTWARE AND SERVICES.**

**THE COMPANY BELIEVES THAT THE INFORMATION PRESENTED IS ACCURATE AND THAT THE INFORMATION WAS OBTAINED FROM SOURCES THAT THE COMPANY BELIEVES TO BE RELIABLE. HOWEVER, THE COMPANY DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF THE INFORMATION. SUCH INFORMATION IS SUBJECT TO CHANGE WITHOUT NOTICE. DECISIONS TO USE, HOLD, TRANSFER, TRADE OR MAKE OTHER TRANSACTIONS WITH CRYPTO-ASSETS INVOLVE A HIGH DEGREE OF RISK AND**

**ARE BEST MADE BASED ON THE ADVICE OF QUALIFIED FINANCIAL PROFESSIONALS. ANY DEALING WITH CRYPTOCURRENCIES AND OTHER CRYPTO-ASSETS INVOLVES A RISK OF SUBSTANTIAL LOSSES. THEREFORE, BEFORE UNDERTAKING ANY ACTION AND USING WAVES EXCHANGE SOFTWARE AND SERVICES, YOU SHOULD CONSULT A QUALIFIED PROFESSIONAL. PLEASE CONSIDER CAREFULLY WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION AND ABILITY TO BEAR FINANCIAL RISKS. UNDER NO CIRCUMSTANCES SHALL WE BE LIABLE FOR ANY LOSS OR DAMAGE YOU OR ANYONE ELSE INCURS AS A RESULT OF ANY CRYPTO-TRANSFER AND/OR EXCHANGE OR INVESTMENT ACTIVITY THAT YOU OR ANYONE ELSE ENGAGES THROUGH OUR SOFTWARE AND/OR SERVICES.**

**THE COMPANY IS NOT RESPONSIBLE FOR PREVENTING OR MANAGING INFORMATION BROADCASTED ON A BLOCKCHAIN.**

The most current version of the Terms of Use will be provided at [https://waves.exchange/files/Terms\\_Of\\_Use\\_Waves.Exchange.pdf](https://waves.exchange/files/Terms_Of_Use_Waves.Exchange.pdf). If an amendment is essential, as determined by the sole discretion of the Company, the Company will notify you by providing the notice, which can be published at Waves Exchange website <https://waves.exchange/> (Website). Changes will be effective no sooner than the day they are publicly posted. If you do not want to agree to any changes made to the Terms of Use, you should stop using the Software and/or related Services because by continuing to use the Software and/or related Services, you indicate your Agreement to be bound by the updated terms.

The Company may, from time to time, set up and/or change the terms and limits to the provided Software and Services. The Company reserves the right at any time and in its sole discretion to suspend and/or cancel the provision of the Services or Software for any users for their violation of the present Terms and/or otherwise at the Company's own discretion. The Company may terminate the provision of Services or Software in part or in full at any time.

## **1. ELIGIBILITY**

You may not use our Website, Software and related services if you are a citizen, resident, habitant or legal entity incorporated in Restricted Use Areas as described below.

By using the Software and Services, you confirm that:

- you are at least 18 (eighteen) years old;
- you are of legal age to accept this Agreement according to your residence country legislation;
- you comply with the laws and regulations of your country of residence;

- you have a full capacity and authority to enter into this Agreement;
- you have a valid User address or will create a valid User address for using Waves Exchange.

If you are using the Services on behalf of a legal entity, you represent and warrant that:

- (a) such legal entity is duly organized and validly existing under the applicable laws of the jurisdiction of its organization;
- (b) you are duly authorized by such legal entity to act on its behalf;
- (c) any beneficial owner of the legal entity, director, employee, services provider or any other individual in any way connected with your company has not been placed on any of the sanctions lists, published and maintained by the United Nations, European Union, any EU country, UK Treasury and US Office of Foreign Assets Control (OFAC).

## 2. WAVES EXCHANGE SERVICES

Waves Exchange is a multi-purpose hybrid Software enabling users to experience the full functionality of the Waves blockchain by providing Users with the tools to issue, manage, transfer, burn, lease, and exchange tokens within the Waves blockchain (“Interface”), exchange other tokens for the Waves blockchain compatible tokens and some other Services developed by third parties on the Software platform.

Primary functionality Waves Exchange provides the User with:

- **Exchange** – a decentralized exchange for the interchange and trading of cryptocurrency, tokens, digital coins, and other digital assets (crypto-assets);
- **Waves Exchange Wallet** – decentralized instrument providing Users with an interface to manage, send and receive Waves blockchain compatible tokens;
- **Waves Exchange Gateways** – centralized instrument for conversion of tokens of third-party blockchains to their analogues on the Waves blockchain and back;
- **Waves Leasing** – decentralized instrument for leasing of Waves token value to third parties holding Waves nodes;
- **Waves Issue and Burn Transactions** – decentralized instrument for the issuance and erasure (burning) of tokens on the Waves blockchain;
- **ProviderWeb** developed by Waves Exchange implements a Signature Provider for [Signer](#) protocol library;

- **ProviderCloud** developed by Waves Exchange implements a Signature Provider for [Signer](#) protocol library;
- «Lambo staking» (USDT and USDC). Please find the terms of use of this Service here: <https://waves.exchange/investments/lambo/faq#howInvestLambo>;
- «Algo staking» (2 BTC, 2 ETH, 3 USDT and 3 USDC strategies). Please find the terms of use of this Service here: <https://waves.exchange/investments/algorithmictrading/USDT>;
- «LP staking» (BTC, ETH, USDT, USDC). Please find the terms of use of this Service here: <https://waves.exchange/investments/LPStaking/USDT>.

WE ARE NOT RESPONSIBLE FOR ACTIONS AND/OR OMISSIONS OF TEAMS THAT HAVE DEVELOPED SERVICES USING THE WAVES BLOCKCHAIN. THE USER FULLY UNDERSTANDS AND ACCEPTS THE POSSIBILITY TO LOSE HIS OR HER ASSETS IN FULL. IT IS THE OBLIGATION OF THE USER TO STUDY THE SPECIFIC TERMS OF ALL SERVICES MADE ON THE PLATFORM. FOR MORE INFORMATION ABOUT THE TERMS OF THE SPECIFIC SERVICES, PLEASE FOLLOW THE SPECIAL LINKS TO THEIR TERMS.

To use Waves Exchange Software and Services you must have and provide Waves Exchange with Waves blockchain generated address owned by you exclusively and under your sole and full control (**User address**).

Using the Waves Exchange, you are solely responsible for keeping the secret phrase for accessing your User address (**Seed**). We will encrypt your Seed with a password you set for Waves Exchange locally at your device. Also, you can use your e-mail to get access to the Services of the Software platform. We do not store or have control over your Seed or your Waves Exchange password or your e-mail and never send them to any servers. **This secret information is stored locally on your devices.** The Company is not liable for any losses that Users may suffer due to unauthorized access to your User address.

We do not have access to or control over your crypto assets stored on the Waves blockchain. The private keys to these assets are encrypted and stored on the blockchain within a smart contract and available only with your Seed.

Waves Exchange Software and Services are available for use by the User in the following forms:

- Desktop application that can be downloaded from <https://waves.exchange/>.
- Mobile application “WX Network” that can be installed through AppStore and Google

Play.

- Web-version that you can use via website <https://waves.exchange/>.

### **3. USER WARRANTIES AND REPRESENTATIONS**

By entering these Terms and using the Software and Services you shall warrant and represent that:

- you have full capacity to contract under applicable law;
- you will only be transacting via the Software platform and the Services with legally-obtained funds that belong to you;
- you will not be performing, undertaking, engaging in, aiding, or abetting any unlawful activity through your relationship with us or through your use of the Software and the Services, including money laundering of criminal proceeds, transfer or receipt of payment for planning, preparation or commitment of crime, for financing the terrorism and illegal trade;
- you guarantee that you are not a US citizen, resident or entity, nor are you using Software platform or signing on behalf of a US Person;
- you guarantee that you are not a Chinese resident, nor are you using Software platform or signing on behalf of a Chinese resident;
- you guarantee that you are not a South Korean resident, nor are you using Software platform or signing on behalf of a South Korean resident;
- you guarantee that you do not live in a jurisdiction which is qualifying digital tokens as securities;
- you guarantee that you understand the use of cryptocurrencies and their associated risks;
- you will not use the Software and the Services for any purpose prohibited by these Terms or in any manner that could damage, disable, overburden, or impair the Company;
- you will be complying with and obeying all applicable laws, including but not limited to securities and capital market legislation, anti-money laundering and counterfeiting terrorism.

You agree and understand that you are responsible at all times for your own conduct, acts and omissions. The Company is not liable for any losses that Users may suffer due to making transactions or making other actions (or inactions) through or with the help of the Waves Exchange.

You agree to indemnify and hold harmless the Company and any of its affiliated persons against all suits, claims, costs, losses, damages or demands (including w/r/t property loss, tax claims, infringements of intellectual or personal rights) in case of your non-compliance with these Terms.

#### **4. ACCOUNT PASSWORD AND SECURITY**

You hereby represent and warrant that you are fully able and competent to enter the terms, conditions, obligations, affirmations, representations and warranties set forth in these Terms and abide by and comply with these Terms.

When using Waves Exchange Software and Services, you will be responsible for keeping your own account secret fifteen-word seed phrase for access to any of your user addresses and a separate password for Waves Exchange which you choose and set up. Waves Exchange Software encrypts this information locally at your computer with a Waves Exchange password you provide. We never receive and/or send any of your secret information (including Seed phrase and Waves Exchange password) to any servers.

You agree to (a) never use the same password for Waves Exchange that you have ever used outside of Waves Exchange, (b) keep your secret information and password confidential and do not share them with anyone else. The Company cannot and will not be liable for any loss or damage arising from breaches of security and confidentiality which are out of our control.

#### **5. PROVIDERWEB AND PROVIDERCLOUD**

ProviderWeb is a framework that User may download to facilitate access to any third-parties websites by using Waves Exchange account data like seed phrase.

Waves Exchange account data is stored in User's device. We do not have any access to User's data. We do not keep such kind of User's data.

ProviderCloud is a framework that User may download to facilitating access to any third-parties websites by using Waves Exchange account data like e-mail. We do not have any access to such kind of User's data.

#### **6. EXCHANGE**

The Software platform provides Users with the ability to trade crypto-assets for another type of crypto-assets. The Exchange does not provide fiat trading services. The Exchange is a peer-to-peer trading platform and not buyer or seller in trades made between Users. The Exchange does not act as a party to any transactions made through or with the help of the Exchange Services. The Exchange is also not a market maker.

Exchange Software uses the Matcher software, providing the algorithm-based matching of user orders for the exchange of pairs of assets available on the Exchange between Users (Matcher). The Matcher is the **open-source software** released under MIT License (<https://matcher.waves.exchange/api-docs/index.html>).

The Matcher's functions are the following:

- tracking of buying and selling orders of Exchange Users and/or their cancellation;
- matching the corresponding buy and sell orders of Exchange Users;
- forming an exchange transaction and sending (reporting) it to the Waves blockchain.

An order is a binding offer made by the User to buy or sell a certain quantity of crypto assets. The orders can be made for a limited price or for a market price (limit order and market orders). Orders at a limited price (limit orders): for "buy order" – an offer to buy specified crypto-assets at a price less or equal to the specified limit price (maximum purchase price), for "sell orders" - an offer to sell specified crypto-assets at a price more or equal to the specified limit price (minimum selling price). Orders at a market price (market orders): for "buy order" - an offer to buy crypto-assets immediately at the lowest price obtainable in the market (according to the corresponding sell orders available at the Exchange), for "sell order" - an offer to sell crypto-assets immediately at the highest price possible in the market (according to the corresponding buy orders available at the Exchange).

The Matcher may set limits for the setting of orders for a particular crypto-assets and/or pair of crypto assets, on the number of orders which can be made from a User address and/or with respect to particular crypto-assets, on the volume of orders, and/or may set other limits as it may deem necessary.

The Matcher also may set limits with respect to order value attributes, such as minimum and maximum order price limit, the minimum and maximum amount of the order, minimum price increment, minimum volume increment.

The amount of exchanged crypto-asset set out in the order is deemed frozen by the Matcher on the respective User address until the full matching of the order or its cancellation by the User (whichever comes first).

If any value attribute of the offer specified by the User is not valid according to the limits allowed by the Matcher or is greater than the amount available to the User (considering all open orders of the User), it will be rejected.

If at any time after the setting of an order, the total amount of the exchanged crypto-asset at the User address is or becomes less than the total amount of the exchanged crypto-asset set in the User's order, the order is cancelled automatically.

All set orders shall be assigned a time stamp.

The main algorithm (rule) for ranking of orders is based firstly upon best price/net price and secondly by first in – first out rule.

Orders can be matched in part or in full. If not fully matched, the remainder of the order is stored in the order book in descending buy-price order or ascending sell-price order and joins the queue of orders having the same price according to time priority.

Users acknowledge, agree, and accept that the sequence and procedure of matching the orders are determined automatically based on the Matcher algorithm, and other orders may have a priority over User's order in accordance with the algorithm.

Users acknowledge, agree, and accept that there may be delays and technical difficulties in setting up an order, an order set up on the Matcher may not be matched (completed) in full or in part, or its matching may be substantially delayed, according to reasons on the side of the Matcher, and Users indemnify and hold us harmless against any and all claims that may arise in this regard.

The prices quoted on the Exchange are for information purposes only and do not imply that certain crypto assets can be redeemed at a specific price. The market conditions for a crypto asset may change drastically within a short period of time, and we are not in any way responsible for or liable for the significant change in terms of performance of the order and/or failure to match the order, which is dependent on the total number of orders, their range, the availability of corresponding orders, market liquidity etc.

When you send the buy or sell order via the Matcher Services, you authorize us to match



your order within the set expiration time and in accordance with the terms stipulated in the order, and to submit the resulted exchange transaction in crypto assets to the Waves blockchain in accordance with the present Terms.

Users may cancel his/her order unless it is matched with the other order (and to that extent).

When the orders are matched, the exchange transaction is formed and sent to the Waves blockchain by Matcher. Any exchange transaction formed and sent to the Waves blockchain cannot be revoked by the Matcher.

Users acknowledge, agree, and accept that the process of the cancellation of the order may be delayed or impossible due to technical difficulties (incl. on the side of the Matcher), and indemnify and hold us harmless against any and all claims that may arise within this regard.

We shall not incur any liability because of losses sustained by you by reason of cancellation, delay in cancellation or failure to cancel any orders, including in cases where such delay or failure have led to the matching of the order in full or in part.

Please note that the Matcher does not itself process and write down (record) the exchange transaction formed by the Matcher into the Waves blockchain and is not responsible for that. All transactions are processed and recorded into Waves blockchain by the consensus of the miners of the Waves blockchain according to Waves blockchain algorithm. Therefore, Users acknowledge, agree, and accept that there is a risk of a non-performance of the exchange transaction matched and formed by the Matcher due to technical difficulties and/or other reasons associated with the blockchain (incl. due to rollbacks, forks, losses and technical delays).

The Matcher may collect from the Users the fee to be paid to miners for the mining (recording) of the transaction formed by the Matcher, as well for its own Services. The fees are subject to change by the Company.

By accessing the Waves Exchange, you agree that you will be responsible for the full amounts of any fees associated with the Services. You agree that by the use of the Services the fee and charges may be collected from your user address automatically.

The completed transaction (recorded in the blockchain) cannot be reversed.

Matcher provides matching services only and, as well as the Waves Exchange, does not act

as a buyer or seller in exchange transactions made between users. Matcher does not collect and/or process any assets from the users. The Company is not a trading agent and does not provide financial or investment services or advice to the Users.

The Exchange and the Matcher do not verify or review any crypto-asset or User addresses when tacking and matching orders. The Exchange is an open system built for the opensource Waves blockchain, which means that it can be prone to scams and market manipulations.

We are trying to maintain the Waves Exchange available 24/7, every day of the year, except for maintenance works.

We may suspend and/or cancel Exchange services in part (with respect to the certain crypto-assets or pair of crypto-assets) or in full either for technical or regulatory reasons or at its own discretion.

The Company may, at any time and in its sole discretion, use any technical measures to restrict access to the Exchange services to any User, User address and/or crypto-assets, refuse any trade, impose limits on the trade amount, restrict trades from certain locations, require completion of KYC procedures or impose any other conditions or restrictions upon User, User address or crypto-assets without prior notice and without recovering any losses. However, as only you hold the Seed to your Waves address, we do not have access to your Waves address and cannot block your access or apply any kind of limitations to crypto assets on your Waves address.

## **7. TOKENS IN THE WAVES.EXCHANGE ECOSYSTEM**

With the help of the Issue functionality of the Software and the Services, you may issue Waves blockchain compatible tokens.

“Issue” functionality through the interface of our Software and Services the User is able to issue Waves blockchain compatible tokens at the Waves blockchain and choose the settings for the issued tokens, such as its name (designation), number, reissuance features, and any other settings that may be required at the time of issuance. All issued Tokens will be issued at and written to Waves blockchain.

Token may be managed by the issuer through the Software and the Services provided by the Exchange or its partners. If token breaches any applicable laws or these Terms, the Company has the right to counteract this breach.

The Company provides Users only with an interface and technical opportunities. Users are solely liable for any losses, damages, claims caused by or related to all possible operations with tokens. The Company assumes no responsibility or liability related to User' operations on the Exchange via the Software and the Services. Nothing in the Software and the Services shall be construed as an endorsement, sponsorship, advice, facilitation, affiliation, approval, backing, participation, underwriting of any Waves blockchain compatible token or any User issuing Waves blockchain compatible tokens by the Company.

By using the functionality of the Software and the Services, you shall act in good faith, and you warrant and represent that you have received all approvals, authorizations, licenses, or registrations required by the competent authority and/or third parties in the jurisdiction of your residence or any other applicable jurisdictions.

The Company reserves the right to block (blacklist) and/or delist any Waves blockchain compatible tokens issued (reissued) by any User and any LP token (Liquidity Provider Token) if, at Company's discretion, such issued (LP) tokens are illegal, breaching any rights of the Company or third persons, suspicious, offensive, and/or issued in bad faith for the purpose of spam, fraud or are otherwise not in compliance with the present Terms. If the Company blocks (blacklists)/delists the (LP) tokens, other Users of Waves Exchange Software and Services will not see such tokens by default. If you need more information, please contact support at [support@waves.exchange](mailto:support@waves.exchange).

## **8. WAVES EXCHANGE GATEWAYS**

Waves blockchain enables users to store and perform a non-direct transfer of other blockchains' tokens within it. The User sends a supported token to the User address and, in return, receives its representation in the form of a specific Software platform's native token. The User can transfer that token directly within the blockchain or make a withdraw via Waves Exchange Gateways and receive original tokens to the desired address.

Waves Exchange Gateway(s) is an instrument providing an interface for accessing several crypto gateways, some of which are operated by the Company (Exchange Gateways), and others are run by third parties.

The list of Gateways we operate is here: <https://waves.exchange/gatewayfees>. The Gateways and limits for the use of the Exchange Gateways Services and transfer of Tokens are changing. Please review the aforementioned link before use Gateways Services. Also, it

is used PePe Gateway as one of possible third-party gateways: <https://bridge.pepe.team/>.

The Exchange Gateways cannot process transfers of Tokens made from cryptocurrency exchanges and/or with the use of smart contracts. Transfer of Tokens made from cryptocurrency exchanges and/or with the use of smart contracts may lead to the complete loss of transferred tokens.

The validity of all Token transfers made through the Exchange Gateways is contingent upon the confirmation process on the involved blockchain. As such, transfers of Tokens (deposits and withdrawals) are pending during the confirmation process and only complete once confirmation on the blockchain is completed. Accordingly, all technical difficulties of the involved blockchains (including forks, rollbacks, loss of data, suspension or cancellation of service) may affect the transfers made through Exchange Gateways Services.

The Company reserves the right at any time and in its sole discretion to discontinue the Exchange Gateways Services for any and/or all the listed Tokens in case the Company suspects a security risk or Tokens become inactive or due to other reasons at Company's discretion. The Company will announce the discontinuation of Exchange Gateways Services in full or in part. Following such announcement, transferring of such Tokens through the Exchange Gateways will cease immediately (the operation of third-party gateway services may remain unaffected).

The Company reserves the right at any time and in its sole discretion to suspend and/or cancel the provision of the Exchange Gateways Services for any users for their violation of the present Terms and/or otherwise at the Company's own discretion.

The Company may, from time to time, set up and/or change the terms and limits to the provided Exchange Gateways Services.

The Company may from time to time suspend or cancel the provision of Exchange Gateways Services with respect to Tokens in part or in full of or without notice to users and bears no liability for losses that may be incurred by you due to inability to use the Exchange Gateways Services.

By using the Exchange Gateways Services, you agree to provide to the Company the information of User address through which you use the Exchange Gateways Services and to pay such fees and charges (including costs and expenses related to the collection by the Company of overdue payments) as the Company may set out for the use of the Exchange Gateways Services in respect of transfers.

The Company may collect fees applicable to the transfers of Tokens through the Exchange Gateways Services, which become due and payable by you immediately upon requesting a transfer of Tokens. The fees are subject to change by the Company.

By accessing the Exchange Gateways, you agree that you will be responsible for the full amounts of any fees associated with the Services. You agree that using the Exchange Gateways and the Services, the fee and charges may be collected from your address automatically.

The Company may, at any time and in its sole discretion, within its technical capabilities, restrict access to the Exchange Gateways services to any User, User address and crypto-assets, impose limits on input and output of Tokens, restrict services from certain locations, require completion of KYC procedures or impose any other conditions or restrictions upon any User, User address or crypto-assets without prior notice and without recovering any losses. However, as only you hold the Seed to your Waves address, we do not have access to your Waves address and cannot block your access or apply any kind of limitations to crypto assets on your Waves address.

The Company does not undertake any responsibility for the services and other activities carried out by third parties and does not take any part in the relationship that may arise between third parties and Users of the Software. By using services of third parties, you agree to be bound by third parties' terms of services. If you do not agree to these terms of services, then do not use the services of third parties.

THIRD-PARTY SERVICES MAY BE CHARGEABLE AND BE OPERATED ON THE TERMS OTHER THAN THE TERMS STIPULATED BY THE US HEREUNDER. PLEASE READ THE TERMS AND CONDITIONS OF THIRD-PARTY GATEWAYS CAREFULLY BEFORE USING THIRD PARTY GATEWAYS.

The Company has no opportunity to affect the process of providing these third parties services and their results. Provision of section 16 «THIRD-PARTY WEBSITES AND CONTENT» is applicable with respect to any third-party services, including third-party crypto gateway services.

## **9. WAVES LEASING**

You may use Waves Leasing functionality of the Waves Exchange for Waves tokens only, which provides an interface enabling Users to make “lease” and “cancel lease” transactions at the Waves blockchain and lease the value of their Waves tokens to a third-party holding Waves node at their discretion, increasing stake of such third party Waves node (or cancel such leasing at their discretion).

Please note that the “lease” transaction to lease the value of Waves tokens to a third-party holding Waves node takes is processed by (written to) the Waves blockchain after 1000 (one thousand) blocks have been written to the Waves blockchain.

The User holding Waves node to which third parties leased value of their Waves tokens may, ***at its discretion***, pay the lessors the commission for the leasing.

The “lease” and “cancel lease” transactions at the Waves blockchain facilitated by the transactions are written directly to the decentralized Waves blockchain, and that the Waves Exchange Leasing Services are of decentralized nature.

Therefore, we do not store, control, or manage the lease of any Waves Tokens by Users, lease terms, cancellation of lease and/or payment of commission for the leasing by and to Users and are not responsible for any actions with leased Waves Tokens made by any User. You have to make your own decisions on the lease of Waves Tokens and bear the responsibility and consequences thereof. The Company provides no financial or investment services or advice to the Users with respect to the use of the Waves Leasing functionality.

## **10. WAVES EXCHANGE WALLET**

Waves Exchange Wallet is a software interface allowing you to manage Waves blockchain compatible tokens that you hold on to your User address, send and receive such tokens to and from your User address.

Waves Exchange Wallet functionality enables you to make the following transactions at the Waves blockchain with the help of our interface:

- transfer
- mass transfer
- sponsorship
- set asset script

Waves Exchange Wallet supports only Waves blockchain compatible tokens.

Some crypto tokens may not be supported by Waves Exchange Wallet. The Company

assumes no responsibility and liability in connection to any attempt to use Waves Exchange Wallet for the crypto tokens that are not supported by Waves Exchange Wallet or not compatible with the Waves blockchain.

Please note that all Waves blockchain tokens are stored, and all transfer transactions with such tokens are made (written) directly on the decentralized Waves blockchain and that the Waves Exchange Wallet Services are of decentralized nature.

Therefore, Users agree and acknowledge that we do not store, control or manage your Waves blockchain compatible tokens and are not responsible for any actions with them made by the User or any other person who gained the access of the User address through Waves Exchange Wallet. The Company does not store your Seed phrase and password and has no access to the cryptocurrencies and other crypto assets managed through the interface and with the help of Waves Exchange Wallet Services. The Company provides no financial or investment services or advice to the Users.

The mining fee for the miners of the Waves blockchain for the recording (mining) of the transfers and other Waves blockchain transactions made through the interface and with the help of the Waves Exchange Wallet has collected at the completion of the transaction automatically. Such fee is determined, raised, and may be changed by the miners of the Waves blockchain and not by the Company.

By making Waves blockchain transactions through the interface and with the help of the Services of the Waves Exchange Wallet, you acknowledge that the transactions with cryptocurrencies and other crypto assets recorded at the blockchain are irreversible. The Company cannot be liable under any circumstances for any transfers and transactions made by you using Waves Exchange Wallet. The Company has no control over, or liability for, the delivery, quality, safety, legality or any other aspect of any crypto assets that you may purchase or sell to or from a third party (including other Users of the Software).

Any dispute you have concerning a transaction with cryptocurrencies you shall resolve with such a third party directly without involving the Company. However, if you believe that a third party behaved in a fraudulent, misleading, or inappropriate manner, or if you cannot adequately resolve a dispute with a third party, you may notify our support team via e-mail [support@waves.exchange](mailto:support@waves.exchange) for assistance so that we may consider what action to take if any.

## **11. LAUNCHPAD**

Waves Exchange provides you with decentralized software tools allowing any team to launch

the Initial Liquidity Offering («ILO») in order to attract liquidity to a certain token's liquidity pool of that team.

A liquidity pool is a crowdsourced pool of tokens locked in a smart contract that is used to facilitate trades between the assets on Waves Exchange and provide asset liquidity for traders to swap between tokens. Attracting and retaining liquidity providers is essential for tokens listed on Waves Exchange, as low liquidity can result in huge price swings in the value of the token when there are insufficient tokens held in the liquidity pool to absorb trades.

Tokens can be acquired during the ILO according to the Transaction Terms of a particular team. The User can make a contribution into a smart contract system in a certain token's liquidity pool and receive another type of token in exchange in accordance with the specific ILO Transaction Terms of a particular team.

Transaction Terms means the terms that were created by a particular team and on which you agree.

Adding liquidity into a liquid pool and becoming a liquidity provider is not risk-free. When the market price of tokens fluctuates greatly, the staking income may be lower than the income of ordinary holding of the tokens, and losses may even occur.

By participating in ILO, Users declare to understand and assume the following risks:

- Collapse in liquidity with respect to a virtual asset;
- Slippage;
- Extreme fluctuations in prevailing fees and uncertainty with respect to other transaction parameters.
- Faults, defects, hacks, exploits, errors or unforeseen circumstances occurring in respect of the technologies on which Waves Exchange depends.
- Failure or non-availability of technologies on which Waves Exchange depends, including the Internet, and technological advancement rendering certain technologies obsolete.
- Attacks on Waves Exchange or technologies on which Waves Exchange depends, including without limitation:
  - ✓ distributed denial of service;
  - ✓ Sybil attacks;
  - ✓ phishing;
  - ✓ social engineering;
  - ✓ hacking;



- ✓ smurfing;
- ✓ malware;
- ✓ double spending;
- ✓ majority-mining, consensus-based or other mining attacks;
- ✓ misinformation campaigns;
- ✓ forks; and
- ✓ spoofing.

You acknowledge, agree, and warrant that you have been warned of all potential risks involved by participating in Launchpad as well as that there may be other risks involved, which are not specified herein and that you fully accept such risks.

## **12. COMMUNICATIONS AND WRITTEN NOTICES**

Unless the contrary is specifically provided in these Terms, any notice, instruction, request or other communication to be given to us by the User under these Terms shall be in writing and shall be sent to the email address below (or to any other address which we may from time to time specify to the User for this purpose) and shall be deemed delivered only when actually received by us at:

WX Development Ltd., [support@waves.exchange](mailto:support@waves.exchange)

Any communications sent to the User (documents, notices, confirmations, statements etc.) are deemed received:

- If posted within Waves Exchange Service, within one hour after it has been posted;
- If sent by email, within 24 hours after emailing it;
- If sent by Waves Exchange online support channel within one hour after sending it;
- If sent by telephone, once the telephone conversation has been finished;
- If sent by post, seven calendar days after sending it;
- If sent via courier service, at the date of signing of the document on receipt of such notice.

## **13. INTELLECTUAL PROPERTY**

We grant you limited, non-exclusive, non-transferable revocable permission to make use of the Software and the Services. This Access shall remain in effect until and unless terminated

by you or by us.

You acknowledge and agree that the Software and the Services contain proprietary and confidential information that is protected by applicable intellectual property and other laws. Except as expressly authorized by the Company, you agree not to copy, modify, rent, lease, loan, sell, distribute, perform, display or create derivative works based on the Software and the Services, in whole or in part.

The Company software, including without limitation the Software and the Services, is not in any way sold or transferred to you.

You cannot and have no right to use any Waves or Waves Exchange trademarks, service marks, trade names, logos, domain names, and any other features, whether for commercial or noncommercial use.

You agree to abide by our user guidelines and not to use the Software and the Services or any part thereof in any manner not expressly permitted by the Terms. Except for the rights expressly granted to you in the Terms, Company grants no right, title, or interest to you in the Software and the Services.

Third-party software (for example, open-source software) included in the Software and the Services are made available to you under the relevant third party software's license terms.

#### **14. PROHIBITED ACTIVITIES**

You agree that you will not use the Software and the Services to perform any type or sort of illegal activity or to take any action that negatively affects the performances of the Service. You may not engage via the Services of the following activities, nor help a third party in any such activity to:

- attempt to gain unauthorized access to our Software and Services or another user's orders or User address;
- make any attempt to bypass or circumvent any security features;
- violate any law, statute, ordinance, regulation, or these Terms;
- reproduce, duplicate, copy, sell or resell the Software and Services for any purpose except as authorized in these Terms;
- engage in any activity that is abusive or interferes with or disrupts our Software and Services (for example, DDoS attacks).

If you are blocked from accessing the Software and Services, you agree not to implement any measures to circumvent such blocking. Use of our Software and Services in connection with

any transaction involving illegal services, purposes or tokens is prohibited.

## **15. LIMITATION ON LIABILITY**

YOU ACKNOWLEDGE AND AGREE THAT YOU ASSUME FULL RESPONSIBILITY FOR YOUR USE OF THE SOFTWARE AND SERVICES. YOU ACKNOWLEDGE AND AGREE THAT ANY INFORMATION YOU SEND OR RECEIVE DURING YOUR USE OF THE SOFTWARE AND SERVICES MAY NOT BE SECURE AND MAY BE INTERCEPTED OR LATER ACQUIRED BY UNAUTHORIZED PARTIES. YOU ACKNOWLEDGE AND AGREE THAT YOUR USE OF THE SOFTWARE AND SERVICES IS AT YOUR OWN RISK. RECOGNIZING SUCH, YOU UNDERSTAND AND AGREE THAT, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, NEITHER COMPANY NOR ITS AFFILIATED PERSONS OR REPRESENTATIVES WILL BE LIABLE TO YOU FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY OR OTHER DAMAGES OF ANY KIND, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER TANGIBLE OR INTANGIBLE LOSSES OR ANY OTHER DAMAGES BASED ON CONTRACT, TORT, STRICT LIABILITY OR ANY OTHER GROUND (EVEN IF COMPANY HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), RESULTING FROM THE SERVICE; THE USE OR THE INABILITY TO USE SOFTWARE AND SERVICES; UNAUTHORIZED ACCESS TO OR ALTERATION OF YOUR TRANSMISSIONS OR DATA; STATEMENTS OR CONDUCT OF ANY THIRD PARTY ON THE SOFTWARE AND SERVICES; ANY ACTIONS WE TAKE OR FAIL TO TAKE AS A RESULT OF COMMUNICATIONS YOU SEND TO US; HUMAN ERRORS; TECHNICAL MALFUNCTIONS; FAILURES, INCLUDING PUBLIC UTILITY OR INTERNET OUTAGES; OMISSIONS, INTERRUPTIONS, LATENCY, DELETIONS OR DEFECTS OF ANY DEVICE OR NETWORK, PROVIDERS, OR SOFTWARE; ANY INJURY OR DAMAGE TO COMPUTER EQUIPMENT; INABILITY TO FULLY ACCESS THE SOFTWARE AND SERVICES OR USE THE SOFTWARE AND SERVICES; THEFT, TAMPERING, DESTRUCTION, OR UNAUTHORIZED ACCESS TO, IMAGES OR OTHER CONTENT OF ANY KIND; DATA THAT IS PROCESSED LATE OR INCORRECTLY OR IS INCOMPLETE OR LOST; TYPING, PRINTING OR OTHER ERRORS, OR ANY COMBINATION THEREOF; OR ANY OTHER MATTER RELATING TO THE SOFTWARE AND SERVICES.

The Company shall not have any liability or responsibility for any errors or omissions in the performance of the Software and the Services, for your action or inaction in connection with the Software and Services or for any damage to your computer or data or funds or any other damage you may incur in connection with the Software and the Services. Your use of the

Software and the Services is at your own risk. In no event shall the Company be liable for any direct, indirect, punitive, incidental, special or consequential damages arising out of or in any way connected with the use of the Software and the Services, the delay or inability to use the Software and the Services or otherwise arising in connection with the Software and Services whether based on contract, tort, strict liability or otherwise, even if advised of the possibility of any such damages.

You expressly understand and agree that your use of the Software and the Services is at your sole risk. The Software and the Services are provided on an “AS IS” and “as available” basis, without warranties of any kind, either express or implied, including, without limitation, implied warranties of merchantability, fitness for a particular purpose or non-infringement. You acknowledge that the Company has no control over, and no duty to take any action regarding: which users gain access to or use the Software and the Services; which third party websites and services you use with the help of or through the Software and the Services; how you may use the Software and Services; or what actions you may take with the help of the Software and the Services. You release the Company from all liability for you having acquired or not acquired Content through the Software and the Services. The Company makes no representations concerning any content contained in or accessed through the Software and the Services.

You acknowledge that the Company is not responsible for transferring, safeguarding, or maintaining your private keys, Waves Exchange password or any crypto-assets accessible therewith. If you lose, mishandle or have stolen Waves Exchange password or private keys, you acknowledge that you may not be able to recover your crypto-assets accessible via such private keys and passwords and that the Company is not responsible for such loss. You acknowledge that the Company is not responsible for any loss, damage or liability arising from your failure to comply with the Terms hereunder.

## **16. THIRD-PARTY WEBSITES AND CONTENT**

The Software and the Services may contain links to websites or services owned or operated by parties other than the Company (including, but not limited to, third-party crypto gateway services). Such links are provided for your reference only. The Company does not monitor or control resources outside the Software and the Services and is not responsible for their content. The inclusion of links to third party resources does not imply any endorsement of the material in the Software and the Services or unless expressly disclosed otherwise, any sponsorship, affiliation or association with its owner, operator, or sponsor, nor does such

inclusion of links imply that the

Company is authorized to use any trade name, trademark, logo, legal or official seal, or copyrighted symbol that may be reflected in the linked website. The Company does not control the third-party content or monitor it for compliance with any requirement (e.g. truthfulness, integrity, legality). Accordingly, the Company does not bear any liability arising in connection with your access or use of the third-party content.

## **17. INDEMNITY**

You agree to release and to indemnify, defend and hold harmless Company and its parents, subsidiaries, affiliates and agencies, as well as the officers, directors, employees, shareholders and representatives of any of the foregoing entities, from and against any and all losses, liabilities, expenses, damages, costs (including attorneys' fees and court costs) claims or actions of any kind whatsoever arising or resulting from your use of the Software and Services, your violation of these Terms of Use, and any of your acts or omissions that implicate publicity rights, defamation or invasion of privacy. Company reserves the right, at its own expense, to assume exclusive defense and control of any matter otherwise subject to indemnification by you and, in such case, you agree to cooperate with the Company in defense of such matter.

## **18. FORCE MAJEURE**

A Force Majeure Event includes without limitation each of the following:

- Government actions, the outbreak of war or hostilities, the threat of war, acts of terrorism, national emergency, riot, civil disturbance, sabotage, requisition, or any other international calamity, economic or political crisis;
- Act of God, earthquake, tsunami, hurricane, typhoon, accident, storm, flood, fire, epidemic, pandemic or other natural disasters;
- Labour disputes and lock-out;
- Breakdown, failure or malfunction of any electronic, network and communication lines (not due to our fault);
- Any event, act, or circumstances not reasonably within our control and the effect of that event(s) is such that Waves Exchange support is not in a position to take any reasonable action to cure the default.

## **19. COMPLAINTS**

In the event that an alleged breach, controversy, claim, dispute or difference (a Dispute) arises between you and us out of or in connection with your use of the Service and/or these Terms (including but not limited to the validity, performance, breach or termination thereof), the parties shall seek to resolve the matter by negotiation by referring the matter first to:

- if to you – to any member of your executive management in case of legal persons, or you personally if you are acting as a natural person;
- if to Waves Exchange - to the Waves Exchange Customer Support Department.

If you wish to report an error or a Dispute, you must send an email to Waves Exchange Customer Support at [support@waves.exchange](mailto:support@waves.exchange).

The following information will need to be included:

- your name and surname;
- your e-mail address (or other recognition details);
- detailed enquiry description;
- the date and time that the issue arose.

Additionally, you must inform us about any error in the Software and Services within 24 hours from the error time, otherwise, Waves Exchange support will not be able to investigate the error.

## **20. DISPUTE RESOLUTION, PLACE OF JURISDICTION AND GOVERNING LAW**

These Terms shall exclusively be governed by and construed in accordance with the substantive laws of the Republic of Seychelles.

If Parties could not find a good resolution by negotiations according to paragraph 18, the Company and the User accept any dispute, controversy, or claim arising out of or in relation to these Terms, including the validity, invalidity, breach, or termination thereof, shall be settled by arbitration in accordance with the Federation Rules of International Arbitration of the Federation Chambers of Commerce in force on the date when the Notice of Arbitration is submitted in accordance with these Rules. The arbitration panel shall consist of one arbitrator only. The seat of the arbitration shall be Victoria, the Republic of Seychelles. The arbitral proceedings shall be conducted in English.

With respect to all persons and entities, regardless of whether they have obtained or used the Website for personal, commercial, or other purposes, all disputes, controversies or claims must be brought in the parties' individual capacity and not as a plaintiff or class

member in any purported class action, collective action or other representative proceedings. This waiver applies to class arbitration, and unless we agree otherwise, the arbitrator may not consolidate more than one person's claims. You agree that, by accepting these Terms, you and we are each waiving the right to a trial by jury or to participate in a class action, collective action, or other representative proceeding of any kind.

These Terms shall exclusively be governed by and construed in accordance with the substantive laws of the Republic of Seychelles.

## **21. RISKS**

**Third-Party Services and Websites.** You acknowledge and agree that the Company is not responsible for the third-party services and websites you use and interact with the help of Waves Exchange Software and Services, and that you shall assess the trustworthiness of any third-party websites, products, smart-contracts, or content you access or use through the Waves Exchange Software and Services independently. You further expressly acknowledge that third-party websites and services can be maliciously or negligently harmful, causing mistakes and/or failures of Waves Exchange operation and that the Company cannot be held liable for your interaction with such third-party websites and services and related loss of property or even identity.

**Risk of Blockchain Technology Usage.** You understand that blockchain technologies including Waves blockchain technology and other associated and related technologies, are new and untested and outside of your or the Company's control and adverse changes in market forces or the technology, broadly construed, may cause the nonperformance by the Company under this Agreement including temporary interruption or permanent termination of your access to the Software and Services, forks, rollbacks or bugs causing loss of your crypto-assets. By utilizing the Software and Services or interacting with the content in any way, you represent that you understand the inherent risks associated with blockchain systems; and warrant that you have an understanding of the usage and intricacies of blockchain-based software systems and crypto tokens.

**Risk of Software Weaknesses.** Risk of software weaknesses: You understand and accept that the underlying software is still in an early development stage and unproven, why there is no warranty that the Services will be uninterrupted or error-free and why there is an inherent risk that the Software could contain weaknesses, vulnerabilities, inter alia, the complete loss of your crypto-assets.

**Risk of Theft or Unauthorized Access.** Risk of theft or unauthorized access: You

understand and accept that the underlying software application and the Software platform (i.e. the Waves, Bitcoin and Ethereum blockchains, etc.) may be exposed to attacks by hackers or other individuals that could result in theft or loss of your crypto-assets. Advances in code cracking or technical advances such as the development of quantum computers may present risks to crypto-assets and Service, which could result in the theft or loss of your crypto-assets.

**Volatility of Cryptocurrencies.** You understand that crypto-assets and other blockchain technologies and associated currencies or tokens are highly volatile due to many factors, including but not limited to adoption, speculation, regulatory changes, technology and security risks. Forks and changes in relevant network may result in significant and sudden changes to the value and/or usability of your crypto-assets. You acknowledge these risks and represent that Company cannot be held liable for such risks and related costs.

**Sophistication.** The services of Waves Exchange are complex and carry a high level of risk, and are not appropriate for Users who do not possess the appropriate level of knowledge and experience to deal with crypto-assets. The Company is under no obligation to assess the suitability of the services for Users and any comment or statement which may be made by the Company as to the suitability of the Services to the User should under no circumstances be considered as investment or legal advice and should not be received or relied upon as such.

**Risk of Loss of Funds.** The trading market for crypto-assets is highly unstable. Prices for cryptoassets can and do fluctuate at any given moment for any reason. Due to such price fluctuations, you may gain or lose value in your crypto assets at any given moment. Any asset or trading position may be subject to large swings in value and may even become worthless. You should have deep expertise in trading crypto assets. Moreover, the User shall bear any loss resulted in his/her own fault or error. The risk of loss in trading or holding crypto-assets can be substantial. Therefore, you should carefully consider whether trading or holding crypto-assets is suitable for you in light of your financial condition.

**Internet transmission and failures in functionality.** You acknowledge that there are risks associated with utilizing Waves Exchange including, but not limited to, the failure of hardware, software, and Internet connections. You acknowledge that the Company shall not be responsible for any communication failures, disruptions, errors, distortions or delays you may experience when trading via Waves Exchange, however, caused. You acknowledge that there are risks inherent in internet connectivity and technologies that could result in the loss



of your privacy, confidential information and property.

**Unfavorable regulatory environment.** Cryptocurrencies, blockchain technologies have been the subject of scrutiny by various regulatory bodies around the world. The functioning of the Software and maintenance of the Services could be impacted by one or more regulatory inquiries or actions, including but not limited to restrictions of use of crypto-assets.

The Company and its third-party service providers have implemented and maintained commercially reasonable technical and organizational security measures designed to meet the following objectives: (a) ensure the security and confidentiality of your data; (b) protect against anticipated threats or hazards to the security or integrity of your data; (c) protect against unauthorized access to or use of your data. However, we cannot guarantee that unauthorized third parties will never be able to defeat those measures to access your data for improper purposes. Herewith you acknowledge and agree that you access and use the Software and Services at your own risk. The risk of loss of value of held and traded crypto-assets can be substantial. You should, therefore, carefully consider whether such trading is suitable for you in light of your circumstances and financial resources.

These warnings and others later provided by the Company in no way evidence or represent an on-going duty to alert you of all of the potential risks of utilizing the Software and Services.

## **22. OTHER INFORMATION**

### **Entire Agreement/assignment**

These Terms (and any additional terms, rules and conditions of participation that Company may post with respect to the provision of the Software and Services) constitute the entire Agreement between you and Company with respect to the Software and Services and supersedes any prior agreements, oral or written, between you and Company. In the event of a conflict between these Terms and the additional terms, rules and conditions of participation, the latter will prevail over the Terms to the extent of the conflict. We may assign these Terms to our parent company, affiliate, or subsidiary, or in connection with a merger, consolidation, or sale or other disposition of all or substantially all its assets.

### **Waiver and Severability of Terms**

The failure of Company to exercise or enforce any right or provision of the Terms shall not constitute a waiver of such right or provision. If any provision of the Terms is found by an

arbitrator or court of competent jurisdiction to be invalid, the parties nevertheless agree that the arbitrator or court should endeavor to give effect to the parties intentions as reflected in the provision, and the other provisions of the Terms remain in full force and effect.

### **Taxation**

You bear the sole responsibility to determine if your use of the Service and/or any other action or transaction you made through Waves Exchange Service have tax implications for you and for payment of all applicable taxes.

By using the Services, and to the extent permitted by law, you agree not to hold us liable for any tax liability associated with or arising from the operation of the Services or any other action or transaction related to Waves Exchange.