TERMS AND CONDITIONS

Last Updated: 12 January 2025

These USDf and sUSDf Terms and Conditions (these “**Terms**”) constitute a legally binding agreement between you and Falcon Digital Limited (“**Falcon Finance**”, “we”, “our” or “us”). These Terms govern your use of the Account in respect of the Services.

By registering for an Account, accessing the Platform, using the Services and/or holding the Falcon Stablecoins, you agree that you have read, understood and accepted these Terms, together with any additional documents or terms referred to in these Terms, which includes the Risk Disclosure Statement and the Privacy Policy. You acknowledge and agree that you will be bound by and will comply with these Terms, as updated and amended from time to time. If you do not understand and accept these Terms in their entirety, you should not register for an Account or access or use the Platform or any Service.

We reserve the right, at our sole and absolute discretion, to amend, supplement or replace any part of these Terms at any time. You hereby agree to dispense with any requirement to provide fresh consideration in amending, supplementing or replacing any part of these Terms at any time. We will endeavour to provide you with notice of any changes by updating the revised Terms via the Website or the Platform, and changing the "Last Updated" date on this page, or by notifying you directly of such changes. Any changes to these Terms will be effective immediately upon the earlier of the time of publication on the Website or the Platform, or at the time of transmission of the direct notification to you. We encourage you to frequently review these Terms to ensure you understand the terms and conditions that apply to your access to, and use of, the Services.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

In these Terms, unless the context otherwise requires:

“Account” means one or more accounts in your name opened with Falcon;

“**Applicable Laws**” means any and all applicable laws, statutes and regulations, and any and all directives, notices, guidelines codes, practice notes, circulars, policy statements, rules, ordinances, orders, requests, requirements, judgements, decrees or writs (in each case whether or not having the force of law) of any governmental, regulatory or judicial body or agency having jurisdiction over any of the parties to these Terms (including any and all Users and Falcon) or any of the subject matters of these Terms;

“**Falcon Finance Protocol**” means our synthetic dollar protocol designed to deliver institutional-grade yields through basis spread, funding rate arbitrage and advanced risk-adjusted trading strategies;

“**Restricted Jurisdictions**” mean Crimea, Donetsk and Luhansk, Cuba, Democratic People’s Republic of Korea, Democratic Republic of the Congo, Islamic Republic of Iran, Libya, People’s Republic of China, Republic of Belarus, Russian Federation, Somalia, South Sudan, Sudan, Syria, United States of America, Yemen, any jurisdiction in which the entry into these Terms is prohibited by Applicable Laws, and any jurisdiction which is subject to United States, United Nations or other applicable sanctions or embargoes;

“**Person**” means an individual or legal entity or person;

“**Platform**” means the platform operated by Falcon Finance that provides you with access to the Services;

“**Primary User**” means any user of Services provided by Falcon Finance in respect of the Account;

"**Secondary User**" means any holder of Falcon Stablecoins that does not have access to purchase or redeem Falcon Stablecoins directly with Falcon Finance until they open and are approved for an Account;

“**USD**” means the lawful currency of the United States of America;

“**User**” or “**you**” means Primary User and/or Secondary User as the context requires;

"**U.S. Person**" means any of the following: (i) a U.S. Citizen or U.S. Resident, which includes: (A) U.S. citizens; (B) U.S. lawful permanent residents; (C) individuals who meet the “substantial presence” test described in section 7701(b)(3) of the U.S. Internal Revenue Code of 1986 (as amended); (D) protected individuals under section 1324b(a)(3) of the U.S. Immigration and Nationality Act; or (E) individuals who hold a passport issued by the United States Government; (ii) a corporation, partnership, or other entity established or organized in or under the laws of the United States; (iii) any estate of a decedent who was a citizen or a resident of the United States; (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States Persons have the authority to control all substantial decisions of the trust; and (v) any Person organized or incorporated outside the United States and its territories or insular possessions in which any of the foregoing, whether singularly or in the aggregate, directly or indirectly: (A) holds a 50 percent or greater equity interest by votes or value; (B) holds a majority of seats or memberships on the board of directors of the entity; or (C) authorizes, establishes, directs, or otherwise controls the actions, policies, personnel decisions, or day-to-day operations of the Person; and

"**Website**" means Falcon Finance's website at https://falcon.finance/ or as may be changed from time to time.

1.2. Interpretation of certain terms

In these Terms, unless the context or subject otherwise requires:

(a) any reference to time and/or date shall be construed as a reference to the British Virgin Islands time and/or date;

(b) the headings are for convenience only and shall not affect the interpretation hereof;

(c) the words "**written**" and "**in writing**" include any means of visible reproduction;

(d) references to the singular number shall include references to the plural number and vice versa, references to natural persons shall include bodies corporate, and the use of any gender shall include all genders;

(e) references to "Recitals", "Clauses", "Schedules" and "Rows" are to be construed as references to the recitals, clauses, schedules, and rows of/to these Terms; and

(f) any reference to a statutory provision shall include such provision as from time to time modified or re-enacted and any regulations made in pursuance thereto as from time to time modified or re-enacted after the date of these Terms and shall also include any provision in any other statute which replaces that present statutory provision.

2. **FALCON STABLECOINS**

2.1. USDf: The Base Synthetic Dollar

USDf is a fully collateral-backed synthetic dollar minted when Users deposit a variety of digital assets as determined by Falcon Finance in its sole discretion from time to time (the "**Eligible Collateral**"), such as stablecoins or blue-chip tokens, into the Falcon Finance Protocol. USDf serves as the base token in the system and can be staked to mint sUSDf. It acts as a fully collateral-backed synthetic dollar token that can be used as a store of value, a medium of exchange, and a unit of account.

2.2. sUSDf: The Yield-Bearing Asset

sUSDf is a yield-bearing asset that is minted when USDf is staked on the Falcon Finance Protocol. sUSDf grows in value over time through yield generated by Falcon Finance Protocol. The sUSDf:USDf ratio increases as earned yields are deposited into the Falcon Finance Protocol, reflecting accrued yield.

3. Services

3.1. To the extent you have an Account in good standing, you may, on the Platform:

(a) mint USDf by depositing the Eligible Collateral;

(b) receive sUSDf by staking USDf;

(c) redeem USDf for the the originally deposited Eligible Collateral or other stablecoins;

(d) redeem sUSDf for USDf; and/or

(e) generate yield by staking USDf and/or sUSDf,

(collectively the "**Services**").

3.2. You acknowledge that your ability to be issued Falcon Stablecoins and/or redeem your Falcon Stablecoins is conditional on (i) your possession of a corresponding amount of Falcon Stablecoins or Eligible Collateral (as the case may be), (ii) you maintaining an Account, (iii) no violation of these Terms, and (iv) no restrictions imposed by any Applicable Laws, including any changes thereto. Falcon Finance reserves the right to suspend all or part of the Services or your right to use the Services at any time and for any reason.

3.3. You agree, represent, and warrant with respect to any digital asset you sell, transfer or deliver to Falcon Finance that, (i) you are the lawful owner of such digital asset with good and marketable title thereto, and you have the absolute right to sell, assign, convey, transfer and deliver such digital asset. Such digital asset is free and clear of any and all security interests, liens, pledges, claims (pending or threatened), charges, escrows, encumbrances or similar rights, (ii) you are the lawful owner of each wallet address you provide to us and have good title thereto and (iii) each of your wallets is owned and operated solely for your benefit, and no person, other than you, has any right, title or interest in any wallet.

3.4. By using any of the Services, you acknowledge and agree that the availability and functionality of these Services may be subject to limitations, delays, and other issues inherent in the use of blockchain technology and digital assets. Under no circumstances shall any of the Indemnified Persons be responsible for any losses or damages arising from such issues, and your use of the Services is at your own risk.

4. FEES AND CHARGES

4.1. We reserve the right to charge you fees in connection with the use of your Account and/or Services, and your maintenance, termination or cancellation of your Account. You agree to pay us any and all prevailing fees charged by us from time to time.

4.2. You also acknowledge and agree that we shall have sole and absolute discretion, at any time and from time to time, to impose new fees or adjust any existing fees. If you do not agree to any changes in fees, you may terminate your Account and cease using the Services, however, you expressly acknowledge and agree that any termination of your Account and ceasing to use the Services shall not affect or otherwise extinguish any accrued fees and charges which shall still be due and immediately payable to Falcon Finance upon termination of your Account and/or seizure to use the Services.

4.3. We pass-through transactional fees to Users. This can include transfer fees related to blockchain transactions. You are solely responsible for paying any transactional fees. In addition, fees may be imposed for transacting on the blockchain or by a third-party service provider that operates your funding source. Any fees imposed by your third-party service provider may not be reflected on the Platform as these fees are not imposed by us. You are solely responsible for paying any fees imposed by the third-party service provider on you and you expressly acknowledge and agree that you shall keep the Indemnified Persons fully indemnified and harmless against any direct, indirect, special or consequential losses (including loss of profits, business, or opportunities), damages or costs by reason of, or arising from, or as a consequence of, fees imposed by such third-party service provider.

5. ACCOUNT REGISTRATION

5.1. Eligibility

(a) To be eligible to use any of the Services, the following conditions must be satisfied at all times:

(i) if you are an entity, you are duly incorporated, duly organised and validly existing under the laws of your jurisdiction and have full power to conduct your business, and if you are an individual, you are at least 18 years old or of legal age to form a binding contract under all Applicable Laws, and have full mental capacity to enter into these Terms and any other agreement entered into pursuant to, or in connection with, these Terms, and to make decisions regarding your investments or transactions;

(ii) you have not previously been suspended or removed from using the Services;

(iii) you are not an individual or entity sanctioned by any authority;

(iv) You are not incorporated or residing in a Restricted Jurisdiction;

(v) you are not prohibited from using the Services by any Applicable Laws;

(vi) all of your representations and warranties set out in these Terms and any and all agreements entered into pursuant to, or in connection with, these Terms, being true, accurate, correct, complete, complied with, and not misleading, in all respects and at all times;

(vii) you have performed and discharged, or will perform and discharge at all times, all of your covenants, agreements, obligations, or undertakings under these Terms and any and all agreements entered into pursuant to, or in connection with, these Terms; and

(viii) if you are entering into these Terms on behalf of a legal entity of which you are an employee, agent or representative, you have all necessary rights, power, and authority to bind such legal entity to these Terms.

(b) All Accounts are subject to review and approval by Falcon Finance. We reserve the right to terminate, suspend or restrict your access to any of your Accounts, as well as take any other action as we deem fit, in the event that you are not, or are no longer, eligible to use the Services. Under no circumstances shall any of the Indemnified Persons be responsible or liable to you or any other person or entity for any direct, indirect, special or consequential losses (including loss of profits, business, or opportunities), damages or costs by reason of, or arising from, or as a consequence of, any such termination, suspension or restriction of access to any Account, or any other action taken by any of the Indemnified Persons in connection with your ineligibility to use the Services.

(c) We reserve the right to monitor and investigate any transactions or activities involving the Falcon Stablecoins to ensure compliance with all the eligibility restrictions.

(d) In the event that Falcon Finance determines, in its sole discretion, that a User is a U.S. Person or has knowingly facilitated the sale or transfer of any Falcon Stablecoins to a U.S. Person, Falcon Finance may take appropriate action, including but not limited to suspension or termination of the Account, or other actions that Falcon Finance sees fit.

5.2. Restricted Locations, Access and Services

(a) You may not use the Services if you are located in, or a citizen or resident of any Restricted Jurisdictions or any state, country, territory or other jurisdiction where your use of the products and services would be illegal or otherwise violate any Applicable Laws.

(b) You may not use the products and services if you are located in, or a citizen or resident of, any state, country, territory or other jurisdiction where we have determined, at our discretion, to prohibit use of the Services.

(c) Services are only available to Users in countries where they are permitted to be offered.

(d) We may implement controls to restrict access to the Services from any jurisdiction prohibited pursuant to these Terms, including automatically blocking a User from accessing such Services.

(e) You accept and agree that you shall not attempt to access or otherwise engage in any Services that have been restricted in accordance with these Terms. A breach of this restriction constitutes a breach of these Terms and we may at our sole discretion terminate your Account in accordance with these Terms.

5.3. Account Information

(a) When registering your Account, you must provide current, complete, true and accurate information as required. You agree to provide us with any additional information, documents and/or materials we may request at any time that would facilitate our performance of customer due diligence, or compliance with Applicable Laws and/or detection of money laundering, terrorist financing, fraud, or any other offences. In providing us with such information, you confirm (a) its accuracy, authenticity, and completeness, and (b) you have not withheld any information, document or material that may influence our evaluation of you for the purposes of registering or maintaining your Account or providing Services to you.

(b) You hereby agree to permit us to keep a record of all such information for so long as we are required or permitted to do so under Applicable Laws, including after the termination of your Account. We will collect, use, disclose, process and/or store such information in accordance with our Privacy Policy.

(c) By signing up for an Account, you hereby authorise us to make inquiries, whether directly or through third parties, to verify your identity or perform screening, or to protect you and/or us against fraud or other financial crimes, and to take any action that we reasonably deem necessary based on the results of such inquiries. When we carry out these inquiries, you acknowledge and agree that the information, documents and materials provided by you may be disclosed to credit bureaus, fraud prevention or financial crime agencies, operators of commercial databases or such other third-party background screening or identity verification operators, law enforcement agencies or other competent authorities.

(d) Post-Account opening, you must ensure that such information provided to us continues to be truthful, accurate, complete, and up to date. You agree and undertake to keep us promptly updated in writing if any of the information you provided to us changes, or if there is any change in circumstance that may cause any such information provided to become outdated, false, inaccurate, or incomplete. Such updates in writing shall be provided no later than 5 calendar days after such changes have occurred.

(e) Any failure on your part to comply with any of the above requirements will constitute a breach of these Terms and we shall have the right to demand rectification of your information, or terminate, suspend or restrict your access to your Accounts, terminate the provision of all or part of the Services to you, as well as take any other action as we deem fit, whether for a specified period of time or indefinitely.

6. ACCOUNT SECURITY

6.1. You must maintain the security and confidentiality of your account information, including Account number, registered name, email or phone number and any other sensitive information related to your Accounts (the "**Account Credentials**").

6.2. It is your sole responsibility to prevent any unauthorised access and/or use of your Account, and you shall take all reasonable measures (including physical, technical, and administrative safeguards) to prevent any unauthorised access and/or use thereof.

6.3. You will be bound by, and hereby authorise us, directly or through a third party, to accept and rely on, any agreements, instructions, orders, authorisations and any other actions made, provided or taken by anyone who has accessed or used your Account regardless of whether the access is authorised or unauthorised.

6.4. You shall be solely responsible and liable for all direct, indirect, special or consequential losses (including loss of profits, business, or opportunities), damages or costs you incur that arises from or in connection with any failure by you to comply with this Clause.

6.5. Under no circumstances shall any of the Indemnified Persons be responsible or liable to you or any other person or entity for any direct, indirect, special or consequential losses (including loss of profits, business, or opportunities), damages or costs by reason of, or arising from, or as a consequence of, any:

(a) access to and/or use of (whether authorised or not) any of your Accounts by any Person;

(b) breach of security affecting your Accounts;

(c) operations effected by you or purported to be effected by you through your Accounts or otherwise referable to your Accounts;

(d) damage or interruptions caused by any computer viruses, bugs, spyware, scareware, Trojan horses, worms, malware, or other malicious code; and/or

(e) any disclosure of any Account Credentials by you to any person.

6.6. If you have any knowledge of or any reason to suspect that there may have been any unauthorised access to and/or use of your Accounts and/or Account Credentials, you must:

(a) immediately notify us as at compliance@falcon.finance and take such steps as may be necessary to prevent any further unauthorised access to and/or use of your Accounts and/or Account Credentials. This includes the freezing of your Accounts through the Platform;

(b) continue to provide accurate and up to date information as we may request throughout the duration of the incident; and

(c) take any steps that we may require to mitigate, manage, or report any such incident.

7. ACCOUNT SUSPENSION AND TERMINATION

7.1. You agree that Falcon Finance shall have the right in its sole and absolute discretion, without prior notice and liability to you or any other third party, to refuse to allow the minting, issuance or redemption of any digital asset, immediately suspend, terminate or restrict your access to your Accounts, and/or suspend, terminate or restrict your access to any of the Services, whether for a specified period of time or indefinitely, for any reason or for no reason whatsoever, including where:

(a) we are, in our sole opinion, required to do so by any Applicable Laws;

(b) we reasonably believe that we need to do so in order to protect our reputation or goodwill;

(c) you have not complied with, or we reasonably suspect you of acting in breach of, any terms, conditions or provisions in these Terms;

(d) we detect any unusual activity in or unauthorized access to your Accounts;

(e) we have determined or suspect that any transaction is erroneous, unauthorised, fraudulent or unlawful or we suspect your Accounts and/or the Services are being used in a fraudulent, unlawful or unauthorised manner;

(f) we have concerns about the security of your Accounts;

(g) we have determined or suspect that there is any occurrence of money laundering, terrorist financing, fraud, or any other financial crime, or if your activities are in breach of any sanctions related laws, regulations, orders, rules or code of conduct;

(h) we have determined or suspect that there is any occurrence or involvement of unlicensed gambling, scams, high risk business, purchase of drugs, conduct of multi-level marketing, ransomware, transactions in darknet market, transactions in high-risk exchanges, and/or transactions with sanctioned countries, individuals or entities or politically exposed persons;

(i) use of your Account is subject to any pending litigation, investigation, and/or government proceeding, and/or we perceive a heightened risk of legal or regulatory non-compliance associated with your Account;

(j) we have determined or suspect that you have directly or indirectly registered any Account in another person's name;

(k) any information that you have provided to us is untruthful, inaccurate, outdated or incomplete;

(l) these Terms have been amended, and you are unwilling to accept any of the terms, conditions or provisions of the amended Terms;

(m) you have requested that we terminate or suspend the provision of any Services to you; and/or

(n) any other circumstance (including due to external market movements and conditions) has arisen where we consider it necessary to terminate or suspend any of its Services.

7.2. You agree that you will continue to be responsible for all debts obligations related to your Account even after it is closed. Under no circumstances shall any of the Indemnified Persons be responsible or liable to you or any other person or entity for any direct, indirect, special or consequential losses (including loss of profits, business, or opportunities), damages or costs by reason of, or arising from, or as a consequence of the cancellation, suspension or termination of your Account and/or your access or use of our Services and Platform.

7.3. Upon termination of an Account, whether by you or by us, you will lose access to all Services and features provided by the Platform. Under no circumstances shall any of the Indemnified Persons be liable for any losses, damages, or consequences resulting from the termination of any Account.

8. ISSUANCE AND REDEMPTION OF FALCON STABLECOINS

8.1. Issuance of Falcon Stablecoins

(a) For the Falcon Stablecoins to be issued through the Platform, you must provide us with your wallet address and any other identity information or document as we may require for purposes of whitelisting such wallet address.

(b) Users may mint USDf by depositing Eligible Collateral into the Falcon Finance Protocol.. Users acknowledge that Falcon Finance does not guarantee the stability or value of any stablecoin and accepts no liability for any discrepancies or losses arising from market volatility or external factors influencing stablecoin prices.

(c) Once USDf has been minted, Users may stake their USDf in the Falcon Finance Protocol to receive sUSDf. The amount of sUSDf received is calculated based on the prevailing sUSDf-to-USDf ratio, which reflects the total supply of sUSDf relative to the total USDf staked and accumulated protocol yield.

(d) Under no circumstances shall any of the Indemnified Persons be responsible or liable to you or any other person or entity for any direct, indirect, special or consequential losses (including loss of profits, business, or opportunities), damages or costs by reason of, or arising from, or as a consequence of, any processing delays in connection the issuance of Falcon Stablecoins (including network or tech related errors), or your failure to provide us with the correct wallet address or instruction(s).

8.2. Redemption of Falcon Stablecoins

(a) To redeem (i) USDf for a proportional amount of the originally deposited Eligible Collateral or other stablecoins at a 1:1 ratio, or (ii) sUSDf for USDf through the Platform, you must provide us with your wallet address and any other identity information document as we may require for whitelisting, screening and verification purposes. Upon receipt of your USDf or sUSDf and the completion of any processing, screening or verification checks, the corresponding amount of the originally deposited Eligible Collateral, stablecoins or USDf (as applicable) will be transferred to your wallet address, subject to any applicable cooling period.

(b) The amount in the Eligible Collateral or USDf sent to your wallet address at redemption may be rounded down to the nearest unit at our discretion.

(c) A minimum amount for redemption of Falcon Stablecoins may be imposed by us, which may be changed from time to time at our sole and absolute discretion. We reserve the right not to process any redemption where such amount does not meet the minimum required amount.

(d) While we are committed to providing efficient transaction processing for our Users, processing times may vary depending on various factors, including the blockchain network's congestion, transaction complexity, and required confirmation or settlement. While we strive to facilitate transactions promptly, we cannot guarantee immediate processing or completion of transactions.

(e) You are responsible for ensuring the accuracy of transaction details, including recipient addresses, amounts, and digital asset types. Once a transaction has been initiated, it cannot be reversed or modified. You must verify all transaction details before submitting them for processing.

(f) We monitor and may review transactions to ensure compliance with our policies, as well as Applicable Laws. We reserve the right to delay, suspend, or cancel transactions that we suspect may involve illegal or fraudulent activities or that violate our terms and conditions. In such cases, we may be required to report the transaction to the relevant authorities.

(g) Under no circumstances shall any of the Indemnified Persons be responsible or liable to you or any other person or entity for any direct, indirect, special or consequential losses (including loss of profits, business, or opportunities), damages or costs by reason of, or arising from, or as a consequence of, any such termination, suspension or restriction of access to any Account, or any other action taken by any of the Indemnified Persons in connection with any processing delays in connection with the redemption of Falcon Stablecoins (including network or tech related errors or delays), your failure to provide us with the correct wallet address, and any errors in your instructions or communications.

9. IDENTITY VERIFICATION

9.1. For the issuance and/or redemption of Falcon Stablecoins, you will be required to provide us with any information, documents and/or materials as may be necessary to verify your identity or to facilitation compliance with Applicable Laws and/or detection of money laundering, terrorist financing, fraud, or any other offences.

9.2. You agree to provide us with current, complete, and accurate information or documents. In addition, you agree to permit us to keep a record of all such information for so long as we are required or permitted to do so under Applicable Laws, including after the termination of your Account.

9.3. Any failure on your part to comply with any of the above requirements will constitute a breach of these Terms and we shall have the right to demand rectification of your information, or terminate, suspend or restrict your access to your Accounts, terminate the provision of all or part of the Stablecoin Services to you, as well as take any other action as we deem fit, whether for a specified period of time or indefinitely.

10. COMPLIANCE WITH APPLICABLE LAWS

10.1. Your request for the issuance and/or redemption of Falcon Stablecoins, and your use of the Services or Platform, is subject to all Applicable Laws and your compliance thereof.

10.2. You agree to immediately provide us with any and all information, documents and/or materials as we may require from you from time to time, and to perform any and all such acts or things, including your forbearance to do any and all such acts or things, in each case as may be required or expedient for the purposes of complying, or facilitating our compliance with Applicable Laws, or to avoid violation of any Applicable Laws. Examples of Applicable Laws that we are subject to which may give rise to such obligations on your end include:

(a) any due diligence requirements imposed to facilitate the detection of money laundering, terrorist financing, fraud, or any other offence;

(b) any and all regulatory obligations imposed on us by any regulatory authority, including any and all obligations pertaining to the submission of regulatory returns, periodic reports or record keeping requirements; and

(c) any request for information, documents and/or materials from any regulatory authority.

11. RESTRICTED ACTIVITIES AND PROHIBITED TRANSACTIONS

11.1. In connection with the minting, issuance, holding and redemption of Falcon Stablecoins, you agree that you will not:

(a) violate (or assist any other party in violating) any Applicable Laws;

(b) intentionally try to defraud (or assist in the defrauding of) Falcon Finance or other Users;

(c) provide or disseminate false, inaccurate, or misleading information, document or material;

(d) take any action that interferes with, intercepts, or expropriates any system, data, or information;

(e) partake in any transaction involving the proceeds of illegal activity, money laundering, terrorist financing, prohibited gambling, fraud, blackmail, extortion, ransomware, unlicensed moneylending activity, sale of any weaponry, drugs or darknet material; or

(f) transmit or upload any virus, worm, or other malicious software or program;

(g) attempt to gain unauthorized access to other Accounts, the Website, or any related networks or systems;

(h) use the Services on behalf of any third party or otherwise act as an intermediary between us and any third parties;

(i) defame, harass, or violate the privacy or intellectual property rights of Falcon Finance or any other Users; or

(j) upload, display or transmit any messages, photos, videos or other media that contain illegal goods, violent, obscene or copyrighted images or materials.

11.2. Using Falcon Stablecoins for transactions related to the following is strictly prohibited, and we reserve the right to monitor and, if appropriate, block or otherwise prevent transactions that relate to:

(a) any U.S. Persons;

(b) weapons, controlled substances, gambling activities, adult content and pornography, or money-laundering/terrorist financing;

(c) ponzi schemes, pyramid schemes, or multi-level marketing programs;

(d) goods or services that infringe on copyright, trademark, or proprietary rights;

(e) credit repair services or other services that may present consumer protection risks;

(f) court-ordered payments, structured settlements, tax payments, or tax settlements;

(g) unlicensed money transmitter activity, layaway systems, or annuities;

(h) counterfeit goods or fraudulent activities, such as wash trading or market manipulation; or

(i) purchasing goods from "Darknet" markets or any other service or website that acts as a marketplace for illegal goods.

11.3. In the event we learn or reasonably suspect that you are engaging in any prohibited transactions, we may suspend or terminate your Account, potentially leading to the forfeiture of any digital assets otherwise eligible for redemption. We may also be required by Applicable Laws to inform authorities about such transactions and follow court orders regarding information and assets held in the Account.

11.4. The Falcon Stablecoins are not offered or sold, and will not be offered or sold, in the United States or to U.S. Persons. In addition, the Falcon Stablecoins have not been registered under the Securities Act of 1933, as amended (the "**Act**") or the securities laws of any other jurisdiction, and may not be offered, sold or otherwise transferred in the United States or to U.S. Persons unless the securities are registered under the Act, or an exemption from the registration requirements of the Act is available.

12. SUPPORTED BLOCKCHAINS

12.1. Falcon Stablecoins operate only on supported blockchains. You acknowledge that Falcon Finance is not responsible for preventing or resolving any cyber-attacks or any other processing or technological issues that might arise in connection with the supported blockchains.

12.2. Falcon Finance reserves the right to expand or reduce the number of supported blockchains in the future, to migrate Falcon Stablecoins from a currently supported blockchain, to cease support for a supported blockchain, and/or suspend your Account and/or all activities relating to Falcon Stablecoins during such transition period. We shall bear no responsibility for any losses that might be incurred in connection with the use or the discontinued use of any blockchain, including currently supported blockchains.

13. INTERRUPTIONS, DELAYS AND CANCELLATIONS

13.1. If any technical reasons prevent or degrade Users' ability to access the Platform or any Services, Falcon Finance may, in its sole and absolute discretion, without prior notice to you or any other Users, take one or more of the following actions (where applicable):

(a) disable or suspend the minting, issuance or redemption of any Falcon Stablecoin;

(b) disable or suspend any sign-in to Accounts; and/or

(c) disable or suspend access to the Platform, any Services, and/or any other systems or processes.

Under no circumstances shall any of the Indemnified Persons be responsible or liable to you or any other person or entity for any direct, indirect, special or consequential losses (including loss of profits, business, or opportunities), damages or costs by reason of, or arising from, or as a consequence of, Falcon Finance's decision to carry out any of the above actions.

13.2. There may be instances in which the processing of the minting, issuance or redemption of the Falcon Stablecoins is delayed or has to be cancelled due to whatever reason (including if there is any system, technical or operational issues that prohibits us from processing such minting, issuance or redemption) or no reason whatsoever. Under no circumstances shall any of the Indemnified Persons be responsible or liable to you or any other person or entity for any direct, indirect, special or consequential losses (including loss of profits, business, or opportunities), damages or costs by reason of, or arising from, or as a consequence of, any cancellation or delay in processing any minting, issuance or redemption.

13.3. We do not provide any warranty (whether express or implied) nor guarantee as to the timeline by which the minting, issuance or redemption of any Falcon Stablecoin will be successfully processed.

14. CHANGES IN APPLICABLE LAWS

14.1. Any changes in Applicable Laws may affect the minting, issuance, holding, transfer, use, and/or redemption of the Falcon Stablecoins. We reserve the right to suspend, whether for a period of time or indefinitely, your Account and/or the minting, issuance and redemption of the Falcon Stablecoins, as may be required by any changes in Applicable Laws. Under no circumstances shall any of the Indemnified Persons be responsible or liable to you or any other person or entity for any direct, indirect, special or consequential losses (including loss of profits, business, or opportunities), damages or costs by reason of, or arising from, or as a consequence of any changes in Applicable Laws.

15. WEBSITE AVAILABILITY AND ACCURACY

15.1. The Platform, Website, and/or any of the Services may be periodically unavailable during scheduled maintenance or unscheduled downtime. None of the Indemnified Persons make any (and hereby disclaims any) representations or warranties regarding the Platform, Website, and/or any of the Services including that a User will have continuous, uninterrupted, or secure access to the Platform, Website and/or any of the Services.

15.2. We strive to provide accurate and reliable information and content on the Website, but such information may not always be correct, complete, or up to date. We will update the information on the Website as necessary to provide you with the most up to date information, but you should always independently verify such information. We shall have no liability for any losses incurred as a result of actions taken in reliance on the information contained on the Website

16. THIRD-PARTY SERVICES AND LINKS

16.1. The Platform may integrate with or provide access to various third-party services, tools, or platforms (the "**Third Party Services**") to enhance the user experience and provide additional functionality. The integration or provision of access to Third Party Services does not constitute an endorsement, guarantee, or recommendation by Falcon Finance. By using these Third Party Services, you agree to their respective terms and conditions, privacy policies, and any other applicable agreements.

16.2. The Website or Platform may also contain links to third party websites, applications, events or other materials (the "**Third Party Content**"). Such information is provided for your convenience and links or references to any Third Party Content do not constitute an endorsement, guarantee, or recommendation by Falcon Finance of any products or services.

16.3. We are not responsible for the content, accuracy, reliability, or performance of any Third Party Services or Third Party Content. Under no circumstances shall any of the Indemnified Persons have any responsibility or liability for any losses incurred as a result of actions taken in respect of any Third Party Services or in reliance on the information contained in any Third Party Content.

17. NO OTHER RELATIONSHIP OR ADVICE

17.1. You acknowledge and agree that Falcon Finance is not your broker, intermediary, agent, trustee, or advisor and has no fiduciary relationship or obligation to you in connection with any decision or activity carried out by you in connection with the Services. No communication or information provided to you by Falcon Finance is intended as, or shall be considered or construed as, investment advice, financial advice, trading advice, legal advice, tax advice, or any other sort of advice (professional or otherwise).

17.2. All decisions to buy, sell, or hold digital assets are solely the responsibility of the User. Users should conduct their own research, seek professional advice, and carefully consider the risks associated with digital asset transactions before making any decisions.

17.3. To the fullest extent permitted by law, you acknowledge and agree that we owe no fiduciary duties or liabilities to you or any other party, and that to the extent any such duties or liabilities may exist at law or in equity, those duties and liabilities are hereby irrevocably disclaimed, waived, and eliminated. You further agree that the only duties and obligations that we owe you are those set out expressly in these Terms.

18. RISK DISCLOSURES

18.1. The minting, issuance and/or redemption of Falcon Stablecoins, and use of your Account and the Services involves risks and potential for financial losses. Such risks includes any operational, technological and security risks that may be caused by any hacks or other forms of cyber-attack on the blockchain or the Platform, and any custody or issuer risk relating to the issuer of any Eligible Collateral, including any default, liquidation or collapse of such issuer.

18.2. You hereby acknowledge that you have read and you understand the Risk Disclosure Statement which sets out a non-exhaustive list of risks applicable to such activities. A copy of the Risk Disclosure Statement is set out on our Website. You hereby acknowledge and agree that under no circumstances shall any of the Indemnified Persons have any responsibility or liability for any and all risks relating to the issuance or minting of Falcon Stablecoins, including the risks disclosed to you in the Risk Disclosure Statement.

19. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

19.1. By using the Services or maintaining an Account, you hereby represent, warrant, and undertake to Falcon Finance at all times that:

(a) all consents, permissions, authorisations, approvals and agreements of third parties and all authorisations, licenses, approvals, permissions, consents, registrations, declarations, filings with any regulatory authority, governmental department, commission, agency or other organisation having jurisdiction over you (and/or your representatives) which are necessary or desirable for you (and/or your representatives) to obtain in order to (i) access and use the Platform and/or the Services and (ii) enter into and perform your obligations under these Terms and any other agreements entered into pursuant to, or in connection with, these Terms, have been unconditionally obtained in writing and have been disclosed in writing to us and have not been withdrawn or amended;

(b) your access and use of the Platform and/or the Services, and the performance of your obligations under these Terms and any other agreements entered into pursuant to, or in connection with, these Terms, will not: (i) if you are an entity, result in a breach of or conflict with any provision of your constitution (or equivalent constitutive documents); (ii) result in a breach of, or constitute a default under, any instrument, agreement, document or undertaking to which you are a party or by which you or any of your property is bound or subject; and (iii) result in a breach of any Applicable Laws, or any award of any arbitrator, court or governmental or regulatory authority in any jurisdiction;

(c) all the activities that you carry out during the use of the Services will be in compliance with the requirements of all Applicable Laws as well as the various policies of Falcon Finance;

(d) you shall not:

(i) breach any of the terms and conditions of these Terms or any other agreements entered into pursuant to, or in connection with, these Terms;

(ii) violate or attempt to violate any Applicable Laws or policies of Falcon Finance;

(iii) violate Falcon Finance’s or any third party’s copyright, patent, trademark, trade secret or other intellectual property rights, or rights of publicity or privacy;

(iv) violate public interests, public ethics or other legitimate interests including taking any action that would interfere with, disrupt, negatively affect, or inhibit other Users from using the Services;

(v) act in a manner that is defamatory, trade libellous, threatening or harassing;

(vi) provide false, inaccurate, incomplete or misleading information;

(vii) engage in or assist in engaging in potentially fraudulent or suspicious activities and/or transactions;

(viii) modify, reproduce, duplicate, copy, download, store, further transmit, disseminate, transfer, disassemble, broadcast, publish, remove or alter any proprietary notices or labels, license, sublicense, sell, mirror, frame, rent, lease, private label, grant a security interest in, create derivative works of, or otherwise exploit the Services, or any portion of the Services without Falcon Finance’s prior written consent or unless otherwise permitted by Applicable Laws;

(ix) (A) access, acquire, copy, modify or monitor any portion of the Services or in any way reproduce or circumvent the navigational structure or presentation of the Services to obtain or attempt to obtain any materials, documents, or information through any means not made available through the Services, (B) attempt to gain unauthorized access to any portion or feature of the Services or any other systems or networks connected to the Services or to any Falcon Finance server or to any of the services offered on or through the Services, by hacking, password "mining," or any other illegitimate or prohibited means, (C) probe, scan, or test the vulnerability of the Services or any network connected to the Services, nor breach the security or authentication measures on the Services or any network connected to the Services, (D) reverse look-up, trace, or seek to trace any information on any other user of or visitor to the Services, (E) use any device, software, or routine to interfere with the proper working of the Services, or with any other person's use of the Services, (F) forge headers, impersonate a person, or otherwise manipulate identifiers in order to disguise your identity or the origin of any message or transmittal you send to the Services, or (G) use the Services in an unlawful manner;

(x) refuse to cooperate in any investigation or provide confirmation of your identity or the accuracy of any information, documents and/or materials you provide to us;

(xi) conduct your business or use the Platform or Services in a manner that results in or may result in complaints, disputes, claims, reversals, chargebacks, fees, fines, penalties or other liability to Falcon Finance, other Users, third parties or you;

(xii) facilitate any viruses, bugs, Trojan horses, worms or other computer programming routines that may damage, detrimentally interfere with, surreptitiously intercept or expropriate any system, data or information;

(xiii) use any robot, spider, other automatic device, or manual process to monitor or copy our Website or Platform without our prior written permission;

(xiv) use any device or software to interfere or attempt to monitor or interfere with our Website, the Platform or the Services; or

(xv) take any action that may cause us to lose any of the services from our internet service providers, or other suppliers;

(e) there is no pending claim, action, suit or proceedings at law or in equity (in any jurisdiction) before any court, tribunal, governmental body, agency, official or any arbitrator that is likely to affect the legality, validity or enforceability against you and/or the legal entity you act on behalf of, or your ability to perform the obligations under these Terms;

(f) our claim against you and/or the legal entity you act on behalf of, under these Terms: (i) if unsecured, will rank at least pari passu with the claims of all your other unsecured and unsubordinated creditors, save for those whose claims are preferred solely by any bankruptcy, insolvency, liquidation or other similar laws of general application; or (ii) if secured, will rank in priority to the claims of all subsequent encumbrances, unless we otherwise agree in writing;

(g) you and/or the legal entity you act on behalf of are generally subject to civil and commercial law and to legal proceedings, and neither you nor any of your assets or properties is entitled to any immunity or privilege from any set-off, suit, judgment, execution, attachment, injunction or other legal process; and

(h) no proceedings have been commenced or threatened, and no order or declaration has been made, against you and/or the legal entity you act on behalf of for liquidation, winding up or bankruptcy, or for the appointment of a trustee in bankruptcy, judicial manager, administrator, receiver, liquidator, or similar officer to administer any or all of your assets and you and/or the legal entity you act on behalf of have not declared bankrupt or insolvent.

19.2. Should you breach any of the above representations, warranties and/or undertakings, Falcon Finance reserves the right to take any action against you or your Accounts, whether for a specified period of time or indefinitely, including:

(a) refusing to allow the minting, issuance or redemption of any Falcon Stablecoins;

(b) suspending or terminating your Account;

(c) reporting the incident or breach to the relevant authorities;

(d) publishing the alleged breach and actions that have been taken; and/or

(e) deleting any information you published that is in breach of the representation, warranty and/or undertaking.

19.3. Under no circumstances shall any of the Indemnified Persons be responsible or liable to you or any other person or entity for any direct, indirect, special or consequential losses (including loss of profits, business, or opportunities), damages or costs by reason of, or arising from, or as a consequence of, any action taken against you or your Accounts should you breach any of the above representations, warranties and/or undertakings.

20. DISCLAIMER OF WARRANTIES, EXCLUSION OF LIABILITY AND INDEMNIFICATION

20.1. To the maximum extent permitted under Applicable Laws, the Services and any materials, product, service or other item provided by or on behalf of Falcon Finance and/or its affiliates in connection with the Services (the "**Materials**"), whether by a third party operator or otherwise, are provided on an "as is" and "as available" basis and Falcon Finance expressly disclaims, and you waive, any and all other warranties of any kind, whether express, statutory or implied, oral or in writing, including warranties of merchantability, adequacy, accessibility, fitness for a particular purpose, title or non-infringement of third party rights or warranties arising from course of performance, course of dealing or usage in trade. Without limiting the foregoing, Falcon Finance does not represent or warrant that the Website, the Services and/or the Materials are accurate, complete, reliable, current, error-free, or free of viruses or other harmful components. Except for the express statements set forth in these

Terms, you hereby acknowledge and agree that you have not relied upon any other statement or understanding, whether written or oral, with respect to your use and/or access of the Platform or the Services. Your use of the Services is at your own risk and discretion.

20.2. To the fullest extent permitted by Applicable Laws, in no event shall any of the Indemnified Persons be responsible or liable to you or any other person or entity for any loss of business, profits or opportunities, or any incidental, indirect, special, punitive, consequential or similar damages or liabilities whatsoever (including damages for loss of data, information, revenue, profits or other business or financial benefit), whether arising out of or in connection with the Website, the Platform, your Account, the Services, these Terms and/or any agreement entered into pursuant to, or in connection with, these Terms, or otherwise.

20.3. Any liability of the Indemnified Persons, to you or any person or entity in any circumstance is limited to the actual amount of loss or damage which is caused directly and is reasonably foreseeable by our breach of these Terms provided always that the Indemnified Persons' maximum aggregate liability to you for all such losses arising in connection with these Terms or otherwise shall not exceed the interest or yield paid or payable to you. Such sum shall be paid as liquidated damages by Falcon Finance to you in full and final settlement and satisfaction of our entire liability and the Indemnified Persons' entire liability for any loss or damage which is caused directly and is reasonably foreseeable by our breach of these Terms. You acknowledge and accept that damages are an adequate remedy and that you shall not be entitled to any other claims or remedies at law or in equity, including any claim in rem, injunction, and/or specific performance.

20.4. You agree to fully indemnify and hold completely harmless (a) Falcon Finance, (b) Falcon Finance's shareholders, joint venture parties, subsidiaries, affiliates and related corporations and entities, and (c) the officers, directors, employees, representatives, agents, suppliers, contractors and service providers of all the persons and entities described in (a) and (b) ((a), (b) and (c) collectively, the "**Indemnified Persons**") from and against any and all claims, actions, proceedings, investigations, demands, actions, suits, costs, charges, expenses, damages (including attorneys' fees, fines or penalties imposed by any regulatory authority), losses and liabilities which the Indemnified Persons may incur, suffer or which may be made against them as a result of, in relation to, and/or arising out of (i) your use of, or conduct in connection with, the Services, (ii) your breach of representation, warranty, agreement or undertaking by you under these Terms or our enforcement of these Terms, (iii) your violation of any Applicable Laws, (iv) any act, omission, negligence, breach, offence or default committed or attributable to you, (v) any sum or obligation expressed to be payable or liable to be performed under these Terms not being paid or performed by you by the time, on the date and otherwise in the manner specified in this Agreement, and/or any circumstances beyond our control. If you are obligated to indemnify any of the Indemnified Persons pursuant to these Terms, we will have the right, in its sole and absolute discretion, to control any action or proceeding and to determine whether we wish to settle, and if so, on what terms.

21. TAXES

21.1. It is your sole responsibility to determine what, if any, taxes apply to the payments you make or receive, and to collect, report, and remit the correct tax to the appropriate tax authority. All payments and transactions made and entered into on our Platform must be free and clear of, and without any deduction or withholding for and on account of, any taxes, duties or other deductions. We are not responsible for determining whether taxes apply to your transactions, or for collecting, reporting, or remitting any taxes arising from any transaction. However, if any Applicable Law requires us to make any tax payments or duties on your behalf, we reserve the right to withhold in part or in full or claim such payments (including any other administrative charges incurred in respect of such payments) against you on a full indemnity basis.

22. PRIVACY OF PERSONAL DATA

22.1. To the extent that you provide us with any of your personal data, you hereby consent to the collection, use, disclosure and/or processing of such personal data in accordance with and for the purposes stated in our Privacy Policy, a copy of which is available on the Website.

23. LIMITED LICENSE AND INTELLECTUAL PROPERTY RIGHTS

23.1. Subject to your continued compliance with the express terms and conditions of these Terms, Falcon Finance provides to you a revocable, limited, royalty-free, non-exclusive, non-transferable, and non-sublicensable license to access and use the Services on your computer or other internet compatible device as Falcon Finance may prescribe from time to time for your personal, internal use only (save that corporate users may access and use the Materials for internal business purposes). The content layout, formatting, and features of and access privileges for the Services shall be as specified by Falcon Finance in its sole discretion. All rights not expressly granted under these Terms are hereby reserved. Accordingly, you are hereby prohibited from using the Services in any manner that is not expressly and unambiguously authorized by these Terms. Without limiting the foregoing, you will not:

(a) resell, lease, lend, share, distribute or otherwise permit any third party to use the Services, the Platform or the Materials;

(b) modify or create derivative works of the Services, the Platform and the Materials, or any portion thereof or any data or information received by you in connection therewith;

(c) frame, display or incorporate the Services, the Platform or the Materials in any website or any other work of authorship;

(d) decompile, disassemble, reverse engineer or attempt to discover the source code of the Services, the Platform or the Materials; or

(e) use the Services, the Platform or the Materials to design, develop or create any competing product or service.

23.2. These Terms provide only a limited license to access and use the Services. Accordingly, you hereby agree that Falcon Finance transfers no ownership or intellectual property right, interest or title in and to the Services or any intellectual property to you or anyone else in connection with your use of the Services. All intellectual property rights, title and interests in and to the Services, including any text, graphics, user interfaces, visual interfaces, photographs, sounds, artwork, computer code (including html code), programs, software, products, information, and documentation as well as the design, structure, selection, coordination, expression, "look and feel," and arrangement of any content contained on or available through the Services are exclusively owned, controlled, and/or licensed by Falcon Finance or its members, parents, licensors, or affiliates.

23.3. Without prejudice to the foregoing or any other rights under these Terms or at law, you further acknowledge and agree that Falcon Finance may use and/or disclose anonymised data, which is not in personally identifiable form, for data analytics, marketing and/or business improvement purposes.

23.4. You hereby assign to us all right, title and interest to any feedback, suggestions, ideas, or other information or materials regarding Falcon Finance or the Services or the Platform that you provide, whether by email or otherwise ("**Feedback**") together with all associated intellectual property rights. We will own all Feedback and you will not be entitled to, and hereby waive any claim for, acknowledgment or compensation based on any Feedback or any modifications made based on any Feedback.

24. NO SET-OFF

24.1. You agree and acknowledge that you may not set-off any claims arising under the Falcon Stablecoins against any claims that Falcon Finance may have against it.

25. SUBSTITUTION

25.1. Falcon Finance may, without your consent, at any time substitute itself in respect of all rights and obligations arising under or in connection with the Falcon Stablecoins with any legal entity of which all shares carrying voting rights are directly or indirectly held by Falcon Finance (the "**New Issuer**"), provided that:

(a) the New Issuer is able to fulfil all obligations arising from or in connection with the Falcon Stablecoins; and

(b) Falcon Finance has issued an irrevocable and unconditional guarantee in respect of the obligations of the New Issuer under the Falcon Stablecoins.

26. ELECTRONIC NOTICES

26.1. You agree to receive electronic communications and notifications from us by way of e-mail, by posting a notice to the Website, or through other means as we may elect. You are responsible for keeping all your correspondence information (including email address, residential address, and phone number) up to date in your Account profile in order to receive any notices or alerts that we may send you from time to time.

26.2. We may from time to time make available certain information relating to the Services via the Platform or any of our social media or other channels (including email, Twitter/X, and/or Telegram channels) as we may make available from time to time. Whilst we may take reasonable steps to prevent unauthorised access to the Platform and such channels, we cannot guarantee that there will be no such unauthorised access. You acknowledge and agree that there shall be no presumption that any content made available via such channels are authentic and originate from us. You should exercise due caution and if there is any reason to doubt the authenticity and integrity of any content made available via such channels, and you must contact us to seek further verification. The Services may be accessed via only the Platform, and you must not attempt to access the Services and/or login to your Accounts using your Account Credentials on any other channels.

27. FORGE MAJEURE

27.1. No Indemnified Persons shall be liable to you or any other person for any breach of these Terms or for any delay, disruption, interruption or failure of the Services, if such breach, delay, disruption, interruption, or failure arose (directly or indirectly) in connection with any circumstances beyond our control, including any natural disaster, epidemic or pandemic, national or international crisis, emergency, war, riot, strike, labour dispute, widespread violence or acts of terrorism, breakdown in public infrastructure, any disruption, interruption, and/or failure of any system or services provided by a third party service provider to us, interruption in telecommunications or network provider services, absence of a liquid market for any digital token, significant or widespread disruptions, cessation of business or bankruptcy of any third party, disruption to the market for any digital token, or change in Applicable Laws.

28. DISPUTE RESOLUTION

28.1. If there are any concerns or disputes regarding these Terms, the Services or the Platform, you agree to first negotiate with us in good faith to resolve the dispute between you and us (which discussions shall remain confidential and be subject to applicable rules protecting settlement discussions from use as evidence in any legal proceeding). A ticket number will be assigned to you if your concerns cannot be addressed to your satisfaction at first instance. The issuance of the ticket number commences the internal dispute resolution procedure. We will attempt to resolve the dispute internally as soon as possible.

28.2. In the event that the dispute cannot be resolved between you and Falcon Finance, and you wish to initiate a formal dispute resolution procedure, then you agree to set forth the basis of such claim in writing in a “Dispute Notice” as a form of prior notice to us. The Dispute Notice must (1) be in English, (2) describe the nature and basis of the claim or dispute, (3) set forth the specific relief sought, (4) provide the original ticket number, and (5) include your Account email.

28.3. You agree that any dispute resolution proceedings, including arbitration, will be conducted only on an individual basis and not in a class, consolidated, or representative action. You hereby waive any right to participate in any class action or class-wide arbitration against Falcon Finance related to any claim or dispute.

29. MISCELLANEOUS

29.1. Entire Agreement

These Terms, along with any additional terms and policies referenced herein, constitute the entire agreement between you and Falcon Finance with respect to your use of the Services and supersede any prior agreements or understandings between the parties.

29.2. Severability

If any provision of these Terms is found to be invalid or unenforceable by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect, and the invalid or unenforceable provision shall be deemed modified to the minimum extent necessary to make it valid and enforceable.

29.3. Waiver

Falcon Finance’s rights and remedies under these Terms are cumulative and not exclusive of any rights or remedies provided by law or by any other agreement. Any failure or delay on the part of Falcon Finance to exercise any right or remedy under these Terms shall not operate as a waiver of such right or remedy. Any single or partial exercise of any right or remedy shall not preclude any other or further exercise thereof or the exercise of any other right or remedy.

29.4. Assignment

You may not assign, novate or transfer any rights, interests, liabilities and/or obligations under these Terms without the prior written consent of Falcon Finance. However, you hereby acknowledge and agree that we shall have sole and absolute discretion to novate, transfer or assign these Terms or any of our rights, interests, liabilities and/or obligations at any time to anyone else, including in connection with any merger, acquisition, amalgamation or other corporate reorganisation involving Falcon Finance.

29.5. Third Party Rights

A person who is not a party to these Terms has no rights (including rights under any Applicable Laws) to enforce or enjoy the benefit of any part of these Terms.

29.6. Language

These Terms may, at our sole and absolute discretion, be translated into a language other than the English language. You agree that any such translation shall only be for your convenience and the English text shall prevail in the event of any ambiguity, discrepancy, or omission as between the English text and any translated text.

29.7. Potential Conflicts of Interest

You acknowledge and agree that we and our affiliates, shareholders, founders, principals, directors, officers, employees, and representatives or their respective affiliates (collectively, "**Related Persons**") may directly or indirectly use the Services or engage in transactions involving the Falcon Stablecoins for ourselves and themselves. You acknowledge and agree that we and Related Persons may have potential conflicts of interest. To the extent permitted by law, you hereby waive any claim against us or Related Parties alleging breach of fiduciary duties, conflict of interest, or other similar cause of action, relating to, in connection with, or arising out of our and/or any Related Parties directly or indirectly using the Services or engaging in transactions involving the Falcon Stablecoins.

29.8. Governing Law and Jurisdiction

These Terms shall be governed by and construed in accordance with the laws of the British Virgin Islands, without regard to its conflict of laws principles.

RISK DISCLOSURE STATEMENT

1. **RISK DISCLOSURES**

1.1. Falcon Digital Limited ("**Falcon Finance**", "we", "our" or "us") is not currently licensed by any regulatory authority.

1.2. This Risk Disclosure Statement outlines various risks related to the risks associated with Falcon Stablecoins and Falcon Finance's Services. However, it does not cover all potential risks or considerations. You are responsible for understanding the risks before engaging with our Services. Falcon Finance and its affiliates (the "**Indemnified Persons**") will not be liable for any direct, indirect, special, or consequential damages, including loss of profits, business, or opportunities, arising from your reliance on this Risk Disclosure Statement or use of our Services.

1.3. Unless otherwise defined herein, all capitalised terms in this Risk Disclosure Statement shall have the same meanings given to them in the USDf and sUSDf Terms and Conditions.

2. **LEGAL AND REGULATORY RISKS**

2.1. The regulatory landscape for digital assets, including stablecoins, is evolving and uncertain. New laws and regulations may be enacted that could impact blockchain technology, digital assets, and related services. There is no assurance that such changes will not negatively affect our Services.

2.2. Falcon Stablecoins may be classified as regulated financial instruments in certain jurisdictions, potentially requiring licensing or registration. Regulatory actions could force Falcon Finance to restrict, suspend, or cease the minting, issuance, or redemption of Falcon Stablecoins. Access to our Services may also be limited based on your location or citizenship to comply with regulations.

2.3. Falcon Stablecoins are not legal tender and are not backed by any government or central bank. They do not benefit from government-sponsored insurance or protections. No authority manages their value during crises or adjusts their supply or demand.

2.4. Falcon Finance reserves the right to suspend services or reject instructions as necessary to comply with Applicable Laws or directives from authorities.

3. DIGITAL ASSET SECURITY RISKS

3.1. Digital assets, including Falcon Stablecoins, are vulnerable to security breaches or attacks, such as those exploiting computing power to disrupt blockchain operations. Falcon Finance provides no guarantees regarding blockchain functionality or protection against such breaches. You accept the risk of losses arising from security issues related to digital assets.

4. DEPEG RISK

4.1. Falcon Stablecoins may experience depegging where their values deviate from their pegged value. This risk may stem from various factors such as market fluctuations, liquidity issues, regulatory constraints, erosion of market trust, financial events, operational difficulties, and technical problems like security breaches or network congestion.

4.2. Under no circumstances shall any of the Indemnified Persons be responsible or liable to you or any other person or entity for any Losses by reason of, or arising from, or as a consequence of, any risks associated with the depegging of Falcon Stablecoins.

5. CYBERSECURITY RISKS

5.1. Using online platforms involves risks like hardware/software failures, internet issues, malware, and cyberattacks. Unauthorized access to your assets or information is possible.

5.2. You acknowledge and accept that Falcon Finance does not control internet functionality or the reliability of your devices and will not be liable for communication errors, disruptions, or delays caused by such issues.

6. PLATFORM'S OPERATIONAL RISKS

6.1. Technical issues may restrict your access to the Platform. Hardware or software failures, connectivity problems, or transmission errors may prevent you from submitting instructions or transactions. Communications with Falcon Finance may also be lost, altered, or delayed.

6.2. Scheduled maintenance may temporarily suspend platform availability, potentially delaying your transactions.

7. UNAUTHORISED INSTRUCTIONS AND ERRONEOUS TRANSMISSION

7.1. Unauthorized access to your Account could result in third parties issuing instructions without your consent. Falcon Finance is not responsible for losses caused by unauthorized access.

7.2. If Falcon Stablecoins are sent to an incorrect or incompatible address, they may be irretrievably lost. Falcon Finance does not guarantee recovery and is not obligated to assist with recovery efforts. If Falcon Finance agrees to assist, it does so at its sole discretion and may charge additional fees. You will be responsible for all costs and liabilities incurred during recovery attempts, and you agree to indemnify Falcon Finance and its affiliates for any losses arising from such efforts.

8. THIRD-PARTY RISK

8.1. Falcon Finance has no control over, and assumes no responsibility for, Falcon Stablecoins you receive from or transfer to third parties or for third-party services. Disputes or issues with third parties must be resolved directly with them.

9. ERROR CORRECTION

9.1. Falcon Finance reserves the right to refuse minting, redemption, or issuance of Falcon Stablecoins or to reject instructions even after confirmation to address errors, including technical issues.

10. JURISDICTION RISK

10.1. Certain jurisdictions may prohibit the use of Falcon Finance's Services. Changes in your tax residency, domicile, or Applicable Laws may lead to violations of regulatory or legal requirements. You are solely responsible for ensuring your compliance with all Applicable Laws when using our Services.

11. TAX RISK

11.1. Holding, issuing, or redeeming Falcon Stablecoins may result in tax obligations. You are responsible for consulting a tax advisor and ensuring compliance with all tax-related requirements.

12. RISKS RELATED TO COMMUNICATIONS WITH FALCON FINANCE

12.1. Information or explanations provided by Falcon Finance about our Services are for informational purposes only and do not constitute investment, financial, or legal advice. You are solely responsible for making decisions based on your own judgment and independent advice. Any reliance on information provided by Falcon Finance is at your own risk.

13. RISKS RELATED TO COMMUNICATION SERVICES

13.1. While Falcon Finance may verify the identity of individuals communicating with us, it is not obligated to do so. Losses may occur due to fraudulent, forged, or erroneous instructions, miscommunications, or transmission errors.

14. THIRD-PARTY DOCUMENTS AND MATERIALS

14.1. Falcon Finance may provide materials, documents, or information from third parties. These are for informational purposes only and do not constitute investment or financial advice. Falcon Finance does not guarantee their accuracy or completeness and assumes no liability for their content.

15. MISCELLANEOUS

15.1. The Risk Disclosure Statement is not exhaustive. Additional risks may exist that are not identified here. Falcon Finance and the Indemnified Persons are not liable for unforeseen risks or damages linked to Falcon Stablecoins or the Services.

15.2. The information provided in this Risk Disclosure Statement does not substitute professional advice or constitute a recommendation to engage with Falcon Stablecoins. It is neither an offer nor solicitation for investment.

15.3. By proceeding to utilize our Services, you hereby acknowledge and confirm that you and/or your representatives (i) have carefully read the above Risk Disclosure Statement; (ii) have fully analysed, understood and appreciated the risks associated with transacting in or otherwise engaging in our Services, Falcon Stablecoins, and any other products or services offered by Falcon Finance; (iii) have sought and obtained all professional advice (including tax, legal, financial, investment, accounting and other professional advice) as may be relevant and/or necessary; and (iv) are authorised and permitted, under all Applicable Laws, to enter into such transactions.