

KRAKEN EEA TERMS OF SERVICE

Effective Date: 20 January, 2026

Summary of Kraken EEA Terms of Service

The EEA (European Economic Area) comprises the EU member states plus Iceland, Liechtenstein, and Norway.

This summary provides an overview of our Terms of Service that apply to your use of our website, platforms, trading and other services. This summary is not legally binding and is purely for informational purposes. While we hope this summary section is helpful, please read the complete Terms of Service below for the legally binding terms.

Applicable Terms. The Terms of Service apply to clients using our services in the European Economic Area (EEA). If you are located outside of the EEA, we have separate Terms of Service that will apply to you.

Account and Eligibility. The Terms of Service sets forth certain criteria for your eligibility to use our services and platforms. It also includes requirements about who may create an account and what you cannot do with your account.

Our Services. Below, you will find terms about how you can use our services. There are fees associated with our services, and the Terms of Service provide more information on those fees and how they may be paid by you. There are also a number of ways in which you are prohibited from using our services or platforms, some of which are covered below.

Supported Crypto-Assets and Availability of Services. Certain crypto-assets or services may not be available or may only be available in certain jurisdictions. We also may stop supporting certain crypto-assets or may stop providing certain services.

Changes. The Terms of Service discuss changes we can make to our services, platforms, or the terms themselves, including how we can suspend or terminate the services or your account, and when and how we will give you advance notice of those changes. Continued use of our services and platforms means that you consent to the Terms of Service and any changes to them.

Risks and Liability. There are risks associated with using our services, and the Terms of Service cover some of these risks. The Terms also cover your responsibility for taking on risk, limit our liability to you, and limit the remedies you may have against us and how you may seek those remedies.

No Insurance. We are not a bank or other depository institution. Your account is not a deposit account or bank account. Unless specifically stated in relation to a particular service, your account and crypto-assets are not covered by insurance against losses or subject to protections from any deposit insurance or investor protection organisation in the world.

Parts. You may have the opportunity to use additional services we provide. The Parts to the Terms of Service contain terms and conditions on additional services.

Dispute Resolution. We hope to avoid disputes, but if a dispute arises, the applicable governing law and jurisdiction will depend on which Kraken entity provides the services to you. Non-consumers are required to arbitrate disputes with us under the LCIA Rules in London, UK, with proceedings conducted in English. More comprehensive details are covered below.

Termination of Account. You may terminate the Agreement (and close your Account) at any time by giving notice to us at <https://support.kraken.com/hc/en-us/forms>. Certain terms of our relationship survive termination of your Account, and these terms are detailed below.

PART A: GENERAL TERMS

1. This Agreement

1.1 Your agreement with Kraken. These terms and conditions (the “**Agreement**”) are a contract between you, the client (“**client**”, “**you**”, “**your**”), and (depending on which of our services you use and the location you use them from) each of:

- Payward Europe Solutions Limited, a company registered in Ireland with registration number 711781 and registered address at 70 Sir John Rogerson’s Quay, Dublin Docklands, Dublin 2, Ireland D02 R296, which is authorised by the Central Bank of Ireland as a crypto-asset service provider under Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on markets in crypto-assets and European Union (Markets in Crypto-Assets) Regulations 2024 S.I. No. 607/2024 with register number C468360 (“**PESL**”);
- Payward Ireland Limited, a company registered in Ireland with registration number 688569, VAT registration number 3792937OH and registered address at 70 Sir John Rogerson’s Quay, Dublin Docklands, Dublin 2, Ireland D02 R296, which is authorised by the Central Bank of Ireland as an electronic money institution (“**EMI**”) under the European Communities (Electronic Money) Regulations 2011 with register number C453020 (“**PIL**”).
- Payward Europe Digital Solutions (CY) Limited, a company registered in Cyprus with registration number HE 356603 and registered address at Athalássas, 62, MEZZANINE, Stróvolos 2012, Nicosia, Cyprus, which is authorised by the Cyprus Securities and Exchange Commission as a Cypriot investment firm under the Investment Services Law 87(I)/2017 with register number 342/17 (“**PEDSL**”);
- Kraken Continuance, Inc., a company registered in the Cayman Islands with registered address C/O CO Services Cayman Limited, PO Box 1008, Willow House Cricket Square, Grand Cayman KY1-1001 (“**KC**”);
- Payward Trading Ltd, a company registered in the British Virgin Islands with registered address at 2nd floor Water’s Edge Building, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (“**PTL**”); and
- Payward Commercial Ltd., a company registered in the British Virgin Islands with registration number 2110761 and registered address at Road Town PO Box 4301, Tortola British Virgin Islands (“**PC**”).
- Payward Wallet LLC, a company registered in the United States of America with registered address at 1209 Orange St., Wilmington, Delaware, 19801 (“**PWLLC**”).

1.2 Applicable Kraken contracting entity. References in this Agreement to “**Kraken**”, “**we**”, “**our**” or “**us**”, are to the applicable Kraken entity listed above. The applicable Kraken entity for each of our services, and whether that service is regulated, is shown in the table below.

Part	When will it apply?	EEA Kraken provider?	Regulated?
Part A: General Terms	Applies to all clients whichever services you are using.	PESL; PIL; PEDSL; KC; PTL; PC	No
Part B: Definitions and Interpretation	Applies to all clients whichever services you are using.	PESL; PIL; PEDSL; KC; PTL; PC	No
Part C: Core Services Terms	Applies to all clients who use our Crypto-asset Core Services.	PESL	Yes
	Applies to all clients who use our E-money Core Services.	PIL	Yes
Part D: Portfolio Management Services Terms	Applies to all clients who use our Portfolio Management Services.	PESL	Yes
Part E: OTC Services and Prime Terms	Applies to all clients who use our OTC or Prime Services.	PESL	Yes
Part F: PEDSL, Derivatives and xStocks Terms	Applies to all clients who use our PEDSL Products.	PEDSL	Yes
Part G: Staking Services Terms	Applies to all clients who use our Staking Services.	PC	No
Part H: kBTC Services Terms	Applies to all clients who use our kBTC Services.	PC	No
Part I: Kraken+ Terms	Applies to all clients who use Kraken+.	PESL	No
Part J: Kraken Verify Terms	Applies to all clients who use Kraken Verify.	KC	No
Part K: Margin Trading Services Terms	Applies to all clients who use our Margin Trading Services.	PTL	No
Part L: Opt-In Rewards Program Terms	Applies to all clients who use our Opt-In Rewards Program.	PTL	No
Part M: Kraken Launch Terms	Applies to all clients who use our Kraken Launch Services	PESL	Yes
Part N: Krak Card Terms	Applies to all clients who use our Krak Card Services	PIL, PESL*	Yes*
Part O: Wallet Access Service	Applies to all clients who use our Wallet Access Service	PWLLC	No

**KRAK CARD IS ISSUED BY UAB MONAVATE, AUTHORISED BY THE BANK OF LITHUANIA. THE KRAKEN E-MONEY WALLET ASSOCIATED WITH THE KRAK CARD IS PROVIDED BY PIL.*

PIL IS AUTHORISED BY CENTRAL BANK OF IRELAND (CBI) AS AN EMI TO PROVIDE E-MONEY CORE SERVICES

PESL IS AUTHORISED BY THE CBI AS A CASP TO PROVIDE CRYPTO-ASSET CORE SERVICES, PORTFOLIO MANAGEMENT SERVICES, OTC SERVICES AND PRIME SERVICES AND KRAKEN LAUNCH SERVICES.

PEDSL IS AUTHORISED BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION (CySEC) AS A MIFID II INVESTMENT FIRM.

ADDITIONAL TERMS APPLY FOR SERVICES THAT ARE OFFERED BY KRAKEN ENTITIES THAT ARE NOT REGULATED SERVICES, BEING STAKING SERVICES (OFFERED BY PC), KBTC SERVICES (OFFERED BY PC), KRAKEN+ (OFFERED BY PESL), KRAKEN VERIFY (OFFERED BY KC), THE OPT-IN REWARDS PROGRAM (OFFERED BY PTL) AND MARGIN TRADING SERVICES (OFFERED BY PTL). THESE SERVICES ARE NOT REGULATED ACTIVITIES IN THE EEA AND AS A RESULT THE ENTITIES PROVIDING THESE SERVICES ARE NOT PRUDENTIALY REGULATED BY THE CBI, CySEC OR ANY OTHER EEA REGULATOR IN RESPECT OF THESE SERVICES. ACCORDINGLY, CLIENTS ENGAGING IN THOSE SERVICES DO NOT HAVE THE SAME PROTECTIONS AND SAFEGUARDS AVAILABLE TO THEM AS WHEN THEY ARE ACCESSING SERVICES THAT ARE REGULATED AND ARE EXPOSED TO A NUMBER OF OTHER RISKS.

- 1.3 Geographic restrictions.** All of our services listed in the table above are available to clients that are resident and located in the EEA (although some of our services may not be available in certain EEA jurisdictions). If you are resident or located outside of the EEA, this Agreement does not apply to you. We may change the services that are available in the EEA from time to time by giving notice to you in accordance with section 1.7.
- 1.4 Entering into this Agreement.** This Agreement governs the provision of our services to you. By making an application for an Account or by otherwise accessing or using our services or the Platform, you agree that you have read, understood, and agree to be bound by all of the terms of this Agreement (including our policies where applicable). You can print or download a copy of this Agreement at any time.
- 1.5 Data Privacy.** This Agreement is supplemented by our [Privacy Notice](#), which is applicable when you open an Account.
- 1.6 Definitions.** Unless otherwise set out in this Agreement, capitalised words used in this Agreement will have the meaning given in Part B: Definitions and Interpretation.
- 1.7 Amending this Agreement.** We may make changes to this Agreement (including amending our fees or introducing new fees) from time to time as part of how we administer the manner in which we provide services to you or so that we can manage our business better. Reasons for such changes may include changes in general law or for the purpose of meeting regulatory requirements, industry guidance and codes of practice or reflecting other cost increases or reductions associated with providing the services. We will:
- provide at least 30 days' notice in advance of any proposed material changes to this Agreement, where we are required to do so under applicable law. The revised Agreement will apply to you 30 days after we provide you with the notice;
 - provide more than 30 days' notice in advance of any proposed changes to parts of this Agreement, where we are required to do so under applicable law. We have provided more information on this within the relevant parts of this Agreement;

- make any other amendments to the Agreement at any time by posting the revised Agreement on the Site or by providing a copy of it to you. The revised Agreement will apply to you from the time it is posted on the Site or provided to you (unless stated otherwise).

We will never apply changes retroactively.

You will be considered as having accepted the revised Agreement if you continue to use your Account or any of our services after the changes are applied to you.

If you do not agree with any changes to the Agreement, you should close your Account with us and cease to use our services.

1.8 Order of precedence. If there's a conflict between this Part A of the Agreement and any other Part, the other Part will take priority. You may be required to sign additional contracts that will apply alongside this one and relate to similar topics, which are intended to be consistent with this Agreement and each other, but in the event of conflict with this Agreement, this Agreement will take priority. In the event of any translation of this Agreement, the English version will take priority, except as otherwise required under applicable law. Notwithstanding the above, with respect to your agreement with PEDSL, should there be any conflict between these Terms and any other terms of services agreed directly with PEDSL (the “**Standalone PEDSL Terms**”), such Standalone PEDSL Terms will prevail in your contractual relationship with PEDSL.

1.9 Partnerships. If you are introduced to us through one of our partners, the terms of this Agreement will be modified as set out in section 16.10 of this Part A. You should read section 16.10 carefully in connection with your review of this Agreement.

1.10 Consent to use the English language. In some jurisdictions, you may have the right to receive this Agreement and/or information related to the Agreement in your local language. **To the extent permitted by applicable law, by making an application for an Account or by otherwise accessing or using our services or the Platform, you agree to waive this right and you explicitly consent to receive this Agreement and all information relating to this Agreement in English.**

1.11 No advice. We do not provide you with any investment, legal, tax or other form of advice, nor can you rely on any statements made by us.

You are solely responsible for any decisions taken in respect of any and all products and services that you choose to use under this Agreement.

You should seek independent financial, legal, regulatory, tax, or other advice before making any investment decisions. If you choose not to seek such advice, you should carefully consider whether the investment or product is appropriate for you.

2. Eligibility Requirements

2.1 Eligibility Conditions. To use our services and to create an Account, you must meet the following conditions (“Conditions”):

- if you are an individual, you must be old enough to legally form a binding contract in your jurisdiction (in most countries, that’s 18 years old, but it may be different where you live);
- if you are an entity, you must be duly organised and validly existing under the applicable laws of the jurisdiction of your organisation;

- you must have a current and valid email address, mobile phone number, and street address;
- you must have full power and authority to enter into this Agreement without violating any other agreement you have made or laws that apply to you;
- you must not have been previously restricted from using our services;
- you must be located in an EEA jurisdiction; and
- if you are (i) an individual, you must not be, or be acting at the direction of, or in any way connected to, a person who is, or (ii) an entity, you must not be (or be directly or indirectly owned or controlled by any person who is) or be acting at the direction of, or in any way connected to, a person who is:
 - a terrorist or terrorist organisation;
 - listed on any applicable list of sanctioned parties/persons (including the lists of restricted parties issued by the United Nations, United States, European Union, Ireland, Cyprus and UK); or
 - ordinarily resident in or organised under the laws of any jurisdiction subject to comprehensive or other territory-wide sanctions imposed by the United Nations, United States, European Union, Ireland, Cyprus or UK.

2.2 Satisfaction of Eligibility Criteria. To create an Account or use the services, you must meet all of the Conditions and any other applicable eligibility criteria as stated on the Site for each of our services and updated from time to time (together, the “Eligibility Criteria”). Additional Eligibility Criteria may apply depending on your country of residence. You must have an Account with us in order to use any of our services.

If you stop meeting any of the Eligibility Criteria, you must immediately notify us and stop using your Account and the services. We may require proof that you meet the Eligibility Criteria from time to time. Even if you meet the Eligibility Criteria, we may, in our sole discretion, determine that you are not eligible to have an Account or use the services, in which case your application for an Account will be rejected and/or your access to the services will be terminated. If you are a Consumer, we will not do this unless we have a valid reason.

2.3 Enquiries. You authorise us to make enquiries, whether directly or through third parties:

- that we consider necessary to verify your identity,
- to confirm the Eligibility Criteria,
- to protect you or us against fraud or other financial crime, and
- as we determine may be necessary to facilitate compliance with this Agreement and applicable laws.

You understand and agree that we may take action we reasonably consider necessary based on the results of such enquiries, that we have no obligation to inform you of the results of any enquiry and that you expressly waive any obligation we may have to take, or advise you of, any possible remedial measures. **By making an application for an Account or by otherwise accessing or using our services or the Platform, you acknowledge and agree that your personal data may be disclosed to credit reference and fraud prevention or financial crime agencies and that these agencies may respond to our enquiries in full.**

2.4 Client verification. Under applicable law, we must apply client identification procedures and client due diligence when establishing a business relationship with a client and/or carrying out an occasional transaction with a client (where applicable). You will not be considered our client unless all our internal checks, including anti-money laundering checks, have been duly satisfied. We reserve the right at all times to monitor, review, retain and/or disclose any information as necessary to satisfy any applicable law, regulation, sanctions programs, legal process or governmental request.

2.5 Verification information sources. We will rely on the KYC information and verification processes conducted when you open an Account through the Site and we might require additional information to satisfy any regulatory requirements applicable to the services. We may decide to verify or otherwise re-confirm your identity at any time as long as you hold an Account, which may involve using third party verification providers. If you don't respond to a request from us to verify or re-confirm your Account within the timeframe specified in that request, we may suspend your Account.

2.6 Verification information you provide. You agree to provide us with all information that we reasonably request in order to verify your identity in accordance with our obligations under applicable law.

This may include a copy of your passport, a proof of address or other identifying documents or information that may be requested from time to time, including any other information as set out on the Site. In providing us with this, or any other information that may be required, you confirm that the information is true, accurate and complete, and you have not withheld any information that may influence our evaluation of you for your application for an Account or the provision of services to you.

You must notify us immediately of any material change in the information previously provided to us under this section.

We will retain any documentation or information provided by you to allow us to verify your identity and will continue to hold such information following the termination of this Agreement in accordance with the periods specified under applicable law or regulation.

2.7 Proof of funds. To protect the integrity of our services and to ensure our compliance with applicable law, we reserve the right to:

- require proof of source of funds, assets and/or wealth from you;
- obtain confirmation of your control of your Crypto-assets address(es);
- investigate any suspected breach of this Agreement, or any other suspicious activity or behaviour; and
- suspend your Account, including due to repetitive losses and to assess the appropriateness of the services for you.

2.8 Corporate clients. If you are a corporate client, you are entitled to appoint certain representatives who may access and operate your Account on your behalf. You acknowledge and agree that you take full responsibility for all activities undertaken by your users on the Platform in respect of the services. When you appoint users, you must provide us with the full legal names of those users and keep us updated as to any changes to the identity of your users. You represent and warrant that (i) your users comply with applicable provisions of this Agreement when accessing the services; (ii) your users have appropriate skills, knowledge and expertise to use the Platform to access the services; (iii) each user has the appropriate authority to bind you to transactions using our services made under this Agreement; and (iv) that your users meet the applicable Eligibility Criteria.

2.9 Third-party sign-in. We may allow you to create or access your account using third-party sign-in services (e.g., Google or Apple). Those services are provided by third parties and are subject to their own terms and privacy policies. We do not control those services and do not receive your third-party passwords. If you revoke Kraken's access in your Google or Apple settings, you may need to add another sign-in method to continue accessing your account. We may suspend or restrict access where a third-party provider indicates your sign-in is compromised or fraudulent. Your ability to use third-party sign-in depends on the availability of those third-party services. Interruptions or changes by Google or Apple do not constitute a Kraken breach; we may provide alternative sign-in methods where feasible.

If you use Apple's "Hide My Email," you agree that we may contact you at the private relay address for account, security, and regulatory communications. Using a relay address does not limit your responsibility to review communications we send. Where our applications offer third-party sign-in on iOS, we also offer Sign in with Apple as an equivalent option, subject to Apple's platform rules.

If you create an account with one method (for example, email and password) and later use a third-party sign-in tied to the same verified email or phone number, we may link or merge those sign-in methods for the same Kraken account, subject to our security checks. We may require additional verification (including multi-factor authentication) before linking or merging.

3. Our Services

3.1 Our services. We provide services in relation to Crypto-assets, electronic money and certain financial instruments from a number of group entities. These include:

- Crypto-asset exchange services;
- Crypto-asset transfers;
- Custody of Crypto-assets;
- Crypto-asset staking services;
- E-money wallet provision and related payment services;
- Portfolio management services in relation to Crypto-assets;
- Crypto-asset derivatives trading;
- Rewards programs; and
- xStocks trading.

3.2 Changing the services. We may in our sole discretion where we have a valid reason, add, amend or discontinue any aspect of our services. Where this change would materially impact your rights, we will notify you in advance to the extent required by applicable law via the email address associated with your Account.

3.3 No advice. Unless specified, our services are provided on a non-advised basis, meaning that we will not provide you with any advice as to the merits of any particular product or service or whether a particular product or service is suitable for you.

3.4 No reliance. You agree not to rely upon any statement or content on our services, Site or Platform, or that is otherwise attributed to us, as a recommendation, advice, or guidance regarding trades, investments, tax, or any other similar issues.

Except as otherwise set out herein, we are not acting as your bank, broker, intermediary, agent, advisor, or as your fiduciary in any capacity, including with respect to the services.

Except for the express statements set out in this Agreement, you acknowledge that you have not relied on any other statements or understandings, whether written or oral, regarding your use and access of our services and Platform.

3.5 Supported Crypto-assets and Fiat Currency. Our services are available only in connection with Crypto-assets (and networks) and Fiat Currencies that we support, and we support different types of Crypto-asset and Fiat Currency in relation to different services. You can check which [Crypto-assets](#) (and networks) and [Fiat Currencies](#) we support in relation to each of our services on our Site, although this may be updated by us from time to time.

You must not attempt to use our services in relation to any unsupported crypto-assets or networks and it is your responsibility to monitor which Crypto-assets, networks and Fiat Currencies we support. If you attempt to use any crypto-asset that our services don't support, you may permanently lose that crypto-asset. If this happens, we won't be liable for your loss and we have no obligation to add support for, or aid your recovery of, the lost crypto-asset. If we, in our sole discretion, attempt to identify and return those assets for you, we may charge you a fee, which may be withheld from the assets that we return to you.

3.6 Ending support for Crypto-assets or Fiat Currency. We may in our sole discretion end our support for any Crypto-asset or Fiat Currency. You acknowledge and agree that we may take any action necessary to discontinue our support of a Crypto-asset or Fiat Currency, including cancelling your Orders, requiring you to remove or liquidate your holdings of discontinued Crypto-assets or Fiat Currency from your Account in a reasonable period of time, or exchanging such assets for other supported assets.

3.7 Operation of Protocols. We do not own or control the underlying software protocols which govern the operation of Crypto-assets. Generally, the underlying protocols are 'open source' and anyone can use, copy, modify, and distribute them.

We assume no responsibility for the operation of the underlying protocols and we do not guarantee the functionality or security of network operations.

3.8 Supplemental Protocols Excluded. Unless specifically announced on the Site, or otherwise set out in this Agreement, the Crypto-assets we support exclude all other protocols and/or functionality which supplement or interact with those Crypto-assets. This exclusion includes: metacoins, colored coins, side chains, or other derivatives, enhanced or forked protocols, tokens, or coins or other functionality, such as staking, protocol governance, and/or any smart contract functionality, which may supplement or interact with a Crypto-asset (collectively, "Supplemental Protocols"). Do not use your Account to attempt to receive, request, send, store, or engage in any other type of transaction or functionality involving any such Supplemental Protocols, as the Platform is not configured to detect, secure, or process these transactions and functionalities. Any attempted transactions in such items may result in loss of the item.

You acknowledge and agree that other than as set out herein, Supplemental Protocols are excluded from the Crypto-assets we support and that we are not required to add support for any Supplemental Protocols and have no liability for any losses related to Supplemental Protocols.

4. Payments and Fees

4.1 Fees. We may charge you fees for our services. Details of our fees for each of our services is set out in the service specific terms within this Agreement, and can be found on our Site. We may change the fees from time to time in our sole discretion by notice to you in accordance with applicable law. It is your responsibility to ensure that you are aware of our current applicable fees. Fees are exclusive of any applicable taxes unless otherwise stated.

4.2 How to pay. Fees must be paid in accordance with the procedures made available via the Platform. Any attempts to pay fees other than via an available method will be rejected. Unless we have agreed otherwise, all fees arising in connection with the provision of our services will be due and payable by you to us immediately. If you fail to pay the relevant fee or you have insufficient Crypto-assets / Fiat Currency on your Account to cover the value of the fee, then your use of our services may be suspended, and any transaction you may submit may be rejected or cancelled.

4.3 Settlement. All fees or other amounts owed by you to us may be settled by us at our sole discretion on the day they fall due by debiting your Account with the relevant amount payable by you.

If there are insufficient Crypto-assets / Fiat Currency in your Account to satisfy all fees and other amounts owed by you, you acknowledge that any amount due and payable from you under this Agreement is a debt immediately due and owing by you to us.

You will be liable in full to us for all losses, costs and expenses we incur due to your failure to pay any amounts which are due from you. Such losses, costs and expenses include our legal costs, interest on overdue payments and third party costs reasonably incurred in recovering any sums from you.

- 4.4 Deductions and Withholdings.** All amounts owed to us will be settled in such Crypto-assets / Fiat Currency as solely determined by us from time to time and will be free of deduction or withholdings (if applicable). If you are required to effect such deductions or withholdings, then the amount due to us will be increased by such amount as will result in us receiving an amount equal to the amount we should have received in the absence of such deduction or withholding.
- 4.5 Repayment.** If for any reason we cannot effect payment or repayment to you in a particular Crypto-asset in which payment or repayment is due, we may effect payment or repayment in an equivalent amount of any other Crypto-assets selected by us based on a rate of exchange solely determined by us, acting reasonably, at the relevant time.
- 4.6 Set off.** Without affecting any legal right of set-off under this Agreement or applicable law, you acknowledge and agree that we may set off any and all amounts which are due or owing from you (or, where appropriate, from the relevant entity for whom you are acting) or to you (or, where appropriate, to the relevant entity for whom you are acting) in respect of the services and/or any other services provided to you through the Platform or otherwise.
- 4.7 Interest.** If any amount you owe (except interest) is not paid within seven calendar days of its due date, we may charge you interest from the due date until payment is received in full at 2% above Central Bank of Ireland base rate from time to time; provided that, where mandated by applicable law, the interest charged will not exceed the maximum interest we are allowed to charge under such applicable law. If you have asked us in writing to pay you an amount that is due and payable by us to you and we have not paid the amount due within five Business Days of receipt by us of that request, we will pay you interest on the unpaid amount at the Central Bank of Ireland base rate from time to time.
- 4.8 Taxes.** There may be taxes or costs which apply to you that aren't charged by us or paid through us. You are solely responsible for reporting and paying any applicable taxes arising from transactions using our services. You must reimburse us for any applicable taxes, duties, disbursements, costs and/or other expenses we incur in connection with providing the services to you or otherwise in connection with your Account. You understand that we may report information with respect to your transactions, payments, transfers, or distributions made by or to you with respect to your activities using our services to a tax or governmental authority to the extent such reporting is required by applicable law. We will withhold or add taxes applicable to your transactions or to payments or distributions made or considered made to you to the extent such withholding or addition is required by applicable law. From time to time, we may require you to provide tax documentation or certification of your taxpayer status as required by applicable law, and any failure by you to comply with this request in the time frame identified may result in withholding and/or remission of taxes to a tax authority. You should conduct your own due diligence and consult your own tax advisors before using any of our services.
- 4.9 Currency conversions.** We may convert from one Fiat Currency or Crypto-asset in your PEDSL Account to any other Fiat Currency or Crypto-asset relevant to a particular Service or Order, or relevant to settle any amounts you owe us or we owe you, or any profit or loss on open positions. Orders will be executed and settled in the Fiat Currency that the Order is quoted in unless otherwise stated. A mark-up may apply during any conversion that may need to take place in order to remit any profit or loss to you. Conversions will be at prevailing market

rates reasonably available to us. We are entitled to charge you all commission and costs incurred by us in Fiat Currency or Crypto-Asset conversions, if we are required to carry out any such conversion.

5. Representations and Warranties

5.1 General representations. When you enter into this Agreement, and each time you use our services, you agree to, and represent and warrant (on an ongoing basis) that you:

- have full power and authority to enter into this Agreement and, in doing so, will not violate any other agreement to which you are a party, or applicable law;
- have provided and will provide accurate, complete, truthful, and updated information at all times when submitting an application for or using any Account or service and when otherwise prompted by any screen displayed within the services or on our Platform;
- comply with all the applicable terms and conditions of this Agreement, including the Eligibility Criteria;
- have had the opportunity to take independent financial advice before applying for an Account with us and/or before using any of our services, and you have not relied on any information and/or recommendation provided by us in using any of our services and you acknowledge that any information and/or recommendation provided by us does not constitute or amount to investment advice but is merely a tool for you to make your own investment decisions;
- act as principal, solely in your own name and for your own benefit, and will not use your Account for the benefit of any person other than you (except if approved by Kraken, where you are a corporate user);
- will only deliver to us monies (including Crypto-assets and Fiat Currency) that belong exclusively to you (except if approved by Kraken or where you are a corporate user), and which are free of any lien, charge, pledge and any other encumbrance and are in no direct or indirect way the proceeds of any illegal activity including money laundering or used or intended to be used for money laundering and/or terrorist financing;
- are not a politically exposed person and do not have any relationship (for example relative or business associate) with a person who holds or held in the last twelve months a prominent public position. If at any stage during this Agreement you become a politically exposed person, you will inform us as soon as possible;
- take responsibility for all activities that occur under your Account, and accept all risks of any authorised or unauthorised access to your Account, to the maximum extent permitted under applicable law;
- maintain the security of your Account, including by using a strong password for your Account that you do not use anywhere else, and will not share your Account or password with anyone else; and
- maintain the security of the email account registered to your Account and any cloud storage platform that you might use to save your passwords and/or connected with your authenticator apps.

6. Events of Default

6.1 Events of Default. It will be an “Event of Default” under this Agreement if, in our reasonable opinion:

- you have repeatedly or materially failed to comply with or perform any of your obligations under this Agreement;

- you have repeatedly or materially failed to comply with or perform any obligation under any other agreement with us relating to our services to you;
- any representation, warranty or undertaking made by you to us under or in connection with this Agreement is untrue, inaccurate, incomplete or misleading in any respect at the time when made by you or later becomes untrue, inaccurate, incomplete or misleading in any respect and you fail to inform us of the true position as soon as reasonably practicable;
- if you are an individual, you become deceased, bankrupt or commence action (or have any action commenced against you) to place you into bankruptcy or personal insolvency or you are otherwise unable to pay your debts as and when they fall due;
- if you are acting on behalf of a partnership, any of the partners thereof become deceased, bankrupt or commence action (or have any action commenced against them) to place them into bankruptcy or personal insolvency or are otherwise unable to pay their debts as and when they fall due or if any action is commenced to dissolve the partnership;
- if you are a legal entity or are acting on behalf of a legal entity, the legal entity becomes unable to pay its debts as and when they fall due, or action is commenced to place the legal entity in insolvency, judicial management, receivership, examinership, administrative management, or any similar or analogous proceedings;
- any investigation, claim, action or proceeding of any nature is commenced against you (including investigation into suspected market abuse, manipulation or other criminal conduct), you have breached applicable laws or steps are taken by any person to enforce any security interest against you;
- a credible allegation of fraud, misconduct, embezzlement, money laundering, insider trading, market manipulation abuse or other material illegality, breach of regulation or impropriety is made against you or we otherwise reasonably believe that you have conducted any of the foregoing activities or that you have used our services with improper intent;
- you become ineligible to use any of our services in accordance with our Eligibility Criteria set out in this Agreement; or
- we reasonably believe that any of the circumstances set out under the above bullet points are likely to happen and we also reasonably believe that any action described in section 7 (Consequences of Default) below is necessary, desirable or expedient to protect our interests or the interests of our other clients.

7. Consequences of Default

7.1 Consequences of Event of Default. In the case of an Event of Default, we may immediately or any time thereafter whilst the Event of Default is continuing, do any one or more of the following without prior notice:

- suspend, cancel or terminate any Account or any services provided to you in accordance with section 8.4, or prohibit you from opening any Account with Kraken and/or accelerate any and all of your liabilities to us (including any and all fees, interest, commission, and charges owed by you to us) so that they will become immediately due and payable;
- refuse to complete, or place on hold, block, cancel or reverse a transaction you have authorised (even after funds or assets have been debited from your Account);

- at such times and manner as we may reasonably determine based on factors including market conditions and portfolio health, sell or otherwise transfer any Crypto-assets or other property which we (or another Kraken entity on your behalf, as the case may be) may hold for you or which has been transferred to us by you and apply the proceeds to the discharge of your obligations, subject to our rights to set-off and net amounts owed as between you and us as set out herein or under applicable law;
- apply any positive balance in your Account against any amounts which you owe us, or generally exercise our rights of netting and set-off as set out herein or under applicable law, and to then demand any shortfall from you, or hold any excess pending full settlement of any other of your obligations, or pay any excess to you by way of any methods considered appropriate by us;
- restrict your ability to withdraw or transfer (as the case may be) any Crypto-assets or Fiat Currency which we (or another Kraken entity on your behalf, as the case may be) may hold for you; and/or
- if the Event of Default is due to your potential breach of applicable law (including for fraud, misconduct, embezzlement, money laundering, insider trading or market abuse), we reserve the right (without liability to you or any third party) to unwind or reverse any Orders, freeze any or all amounts allocated to your account, and/or deduct any amounts allocated to your account that relate to or arise out of any services entered into by you in connection with your potential breach of applicable law.

7.2 Costs of enforcement. To the extent permitted under applicable law, you will be responsible for the reasonable costs and expenses of collection of any unpaid fees, charges or balance in your Account (including legal counsel's fees incurred by us), and will be responsible for any other reasonable costs and expenses incurred by us in exercising any of our rights under this section pursuant to any Event of Default.

8. Suspension and Termination

8.1 Your right to cancel this Agreement. If you are a Consumer, because your agreement with us is a distance contract, you have the right under the Distance Marketing Directive as implemented in Ireland or the EEA jurisdiction in which you are resident, to withdraw from this Agreement, within 14 days of (a) accepting it, or (b) the date that you accessed this Agreement incorporating the information required by the Directive as implemented, whichever is later. If you do not cancel the Agreement during the 14-day period it will continue until it is terminated in accordance with its terms. Should you wish to cancel this Agreement, please contact us at <https://support.kraken.com/hc/en-us/forms>. You will not be charged for cancellation or termination of the Agreement in accordance with this section, although you will be required to pay any amounts owed to us and from the date of cancellation you will no longer be able to use our services.

8.2 Your right to terminate. You may terminate the Agreement (and close your Account) at any time and for whatever reason by contacting us through <https://support.kraken.com/hc/en-us/forms>, following which we will redeem any Fiat Currency remaining in your Kraken Fiat Wallet as set out in section 6.5 of Part C (Redemption on termination). Your right to terminate this Agreement will be subject to the settlement of all trades to which you are a party as at the date we receive the notice of termination. In order to comply with anti-money laundering laws that apply to us, we may need to verify your identity before we allow you to withdraw funds.

8.3 Our right to terminate. We may terminate this Agreement (and close your Account) at any time and for whatever reason upon giving you two months' written notice via the contact details provided on your Account. You will need to ensure that you withdraw any Crypto-assets and/or legal tender balances from your Account as soon as possible following your receipt of a notification of termination, and in any event by no later than two months following the date of that notification.

8.4 Suspension, termination and cancellation. In addition to our termination rights under section 8.3, we may immediately and without prior notice, suspend, cancel or terminate your Account or any services provided to you:

- in an Event of Default, as set out in section 6.1;
- if we are required by applicable law or a governmental authority to do so; or
- if we otherwise feel it is necessary, in our reasonable opinion, in order to protect us, the Site or the Platform.

8.5 Notice of suspension or termination. If we suspend, restrict or close your Account, and/or suspend or terminate your use of our services, we will (unless it would compromise reasonable security measures or would be unlawful for us to do so) provide you with notice of our actions and the reasons for termination, suspension or closure, and where appropriate, with the procedure for correcting any factual errors that led to the termination, suspension or closure of your Account. We will lift the suspension as soon as reasonably practicable once the reasons for suspension no longer exist.

8.6 Consequences of termination or suspension. On termination or suspension of our services under this Agreement for any reason, unless prohibited by applicable law or by any court or other order to which we are subject in any jurisdiction, you will be permitted to access your Account for a maximum of 15 calendar days to close out trades and withdraw your Crypto-assets/Fiat Currency. You are not permitted to use the services or your Account for any other purpose during this period and we may, in our discretion, limit the functionality of the Platform or access to the Site for you accordingly. If we do not permit you to access your Account after termination or suspension of our services under this Agreement, or if you do not close out trades and withdraw your Crypto-assets / Fiat Currency, then, unless prohibited by applicable law or by any court or other order to which we are subject in any jurisdiction, we will close your Account and return Crypto-assets / Fiat Currency held in your Account to an external crypto-asset wallet / bank account linked to your Account.

8.7 Consequences of termination. Where we consider it reasonably necessary under applicable law, we may freeze the balances of Crypto-assets and/or Fiat Currency held on your Account at the time that we terminate your Account. Where we terminate this Agreement as a result of our reasonable suspicion that you are involved in any fraudulent or criminal activity, we reserve the right to take any further or other action against you in such respect.

8.8 Fees on closure. Any fees we charge relating to your use of your Account and our services will be payable by you proportionally up to the termination of your Account. Any fees for transactions made before the closure of your Account (including those transactions that are not capable of being cancelled and have been initiated but not completed before closure of your Account) will not be refunded.

9. Liability

- 9.1 Release of Kraken.** If you have a dispute with one or more users of our services (other than Kraken), you agree that neither we nor our affiliates or service providers, nor any of our respective officers, directors, agents, joint venturers, employees, and representatives, will be liable for any claims, demands, and damages (actual and consequential, direct or indirect) of any kind or nature arising out of or in any way connected with such disputes.
- 9.2 Indemnification.** You agree to indemnify us, our affiliates, and service providers, and each of our, or their, respective officers, directors, agents, employees, and representatives, in respect of any costs (including reasonable legal costs and any fines, fees, or penalties imposed by any regulatory authority) that have been reasonably incurred in connection with any claims, demands, or damages arising out of or related to your breach of this Agreement, including any fraudulent, negligent or reckless act, omission or default or your misuse of the services.
- 9.3 Limitation of our liability.** Kraken's total aggregate liability to you for any individual claim or series of connected claims for losses, costs, liabilities, or expenses which you may suffer arising out of, or in connection with, any breach by Kraken of this Agreement will be limited to the aggregate value of the Crypto-assets and Fiat Currency in your Account at the time of the breach by Kraken giving rise to your claim. Where we are considering a specific claim relating to a specific service, Kraken's total aggregate liability will be limited to the greater of: (i) the total fees paid by you for the service in dispute in the 12 months preceding the event giving rise to the claim; or (ii) (if applicable) the maximum value of the Collateral held in relation to the transaction in dispute.
- 9.4 Exclusion of liability.** In addition to the liability cap set out at section 9.3 above, you acknowledge and agree that Kraken disclaims and has no responsibility for any of the below listed losses, liability, or damage you may incur, directly or indirectly, in connection with our services:
- (i) any loss of profits or loss of expected revenue or gains, including any loss of anticipated trading profits and / or any actual or hypothetical trading losses, (ii) any loss of, or damage to, reputation or goodwill, any loss of business or opportunity, or any other loss of revenue or actual or anticipated savings, (iii) any special, incidental, intangible or consequential damages, and for each of (i)-(iii) whether direct or indirect, even if we are advised of or knew or should have known of the possibility of the same;
 - (i) any loss of use of hardware, software, or data and/or any corruption of data; (ii) any losses or damages arising out of or relating to any inaccuracy, defect, or omission of Crypto-asset price data; (iii) any error, delay, or interruption in the transmission of such data; (iv) viruses or other malicious software obtained by accessing our Site, Platform, services, software, systems operated by us or on our behalf or any website or services linked to our Site; or (v) interruptions, errors, defects, glitches, bugs, or inaccuracies of any kind in our Site, Platform, services, software, systems operated by us or on our behalf;
 - any third party disruptions of or unauthorised access to our Site, Platform or services;
 - any suspension, restriction or termination of any services or your Account; or
 - any loss or damage whatsoever which does not arise directly as a result of our breach of this Agreement, whether or not you are able to prove such loss or damage (for example where the cause is due to a technical failure in a Crypto-asset protocol, the fork of a Crypto-asset protocol or an action by another client or a third party).

9.5 Applicable law. Nothing in this Agreement will limit our liability resulting from our negligence or wilful default, fraud or fraudulent misrepresentation, deliberate misconduct, or for death or personal injury resulting from either our or our subcontractors' negligence. Additionally, nothing in this Agreement will limit our liability in relation to our duties under applicable law unless otherwise expressly excluded or limited by this Agreement in accordance with applicable law.

9.6 No Warranties. Our services and Platform are provided on an "as is" and "as available" basis, without any warranties, either express or implied. Specifically, we disclaim all implied warranties of title, merchantability, fitness for a particular purpose, and non-infringement. We do not guarantee continuous, uninterrupted, timely, or error-free access to our Platform or services, or to any of the materials contained therein. Any materials, information, views, opinions, projections, or estimates made available through our Platform are for informational purposes only and are subject to change without notice. You are responsible for conducting your own evaluation of the relevance, timeliness, accuracy, adequacy, commercial value, completeness, and reliability of any such materials or information. Accordingly, we provide no warranty and accept no liability for any loss arising, directly or indirectly, from your reliance on such materials or information.

10. Accessing Our Site

10.1 Access to our Site. Access to our Site may be impaired or unavailable during periods of significant volatility or high volume, potentially restricting access to your Account or the Platform or Site. This may affect your ability to initiate or complete transactions and could result in delayed response times from our support team. While we aim to deliver uninterrupted service and ensure transactions are processed efficiently, we cannot guarantee continuous access to the Site, the execution or completion of any orders, the recording or maintenance of open orders, or uninterrupted Account access. Additionally, customer support response times may be extended during periods of significant volatility or transaction volumes.

10.2 Processing times. We will make reasonable efforts to ensure that transactions and requests for debits and credits are processed in a timely manner, but we make no guarantees regarding the time needed to complete processing, which may be affected by factors beyond our control.

10.3 Site maintenance. We reserve the right to suspend access to the Site or Platform as needed for maintenance, repairs, upgrades, or development without notice, though we will endeavour to notify you of this in advance where reasonably practicable. We will not be liable for any damages resulting from service interruptions, transaction processing delays, the inability to execute transactions, or delayed support responses.

11. Intellectual Property

11.1 Our Content. We or our licensors own (1) our services, Site and Platform, (2) all content, materials, software, and trademarks found on them (including, for example, our pricing data), (3) the selection and arrangement of them, and (4) all intellectual property rights and confidential information in them (collectively, "**Our Content**"). Subject to your compliance with this Agreement, we permit you to use our services, and Our Content made available to you as part of our services, but only for approved purposes as permitted by us and for your own benefit. We can take away this permission at any time for any reason. Except as set out in the previous sentence, you do not have and will not acquire any rights to Our Content. If you wish to use Our Content for any other purpose you must seek prior permission to do so by contacting marketdata@kraken.com.

11.2 Your Content. You may have the opportunity to transmit content or materials in or through our services or Platform (excluding personal data, “**your Content**”). You grant us a perpetual, irrevocable, royalty-free, worldwide, fully sublicensable, non-exclusive right and licence to use and exploit your Content in any manner and for any purpose.

11.3 Feedback. Provided that you have the rights to do so, you may provide us with feedback, suggestions, or ideas relating to our services or Platform (“**Feedback**”). You agree that we will own all Feedback, and you hereby irrevocably assign all right, title, and interest in and to all Feedback to us.

11.4 Other Content and Services. When using our services or Platform, you may come across links to third party content, or you may have the opportunity to use third party services in connection with our services or Platform. We do not control or endorse any third party content or services and are not liable to you for third party content or services in any way. Your use of third party content or services may be subject to additional terms and conditions with third party providers, and we are not part of those terms or conditions. For example, we use Google’s Places API to mitigate errors in account address records during account creation, which may delay account creation and verification. Your use of Google’s Places API during account creation is subject to Google’s Terms of Service and Google’s Privacy Policy. If any third party terms and conditions conflict with this Agreement, you agree that the terms of this Agreement will prevail.

11.5 Restrictions. When you use our services, you agree not to:

- use Our Content to engage in, pay for, or support any illegal, fraudulent, deceptive, or manipulative conduct, including illegal gambling activities, money-laundering, or terrorist activities;
- use Our Content in any way or for any purpose that infringes, misappropriates, or otherwise violates any intellectual property rights or other rights of us or any third party, or applicable law, or in a way that is prohibited by this Agreement;
- remove, delete, alter, or obscure any trademarks, specifications, warranties, or disclaimers, or any intellectual property or proprietary rights notices from Our Content;
- copy, modify, disassemble, decompile, or reverse engineer Our Content (except to the extent such restrictions are prohibited by applicable law);
- licence, sublicense, sell, resell, transfer, assign, distribute or otherwise commercially exploit or make available to any third party Our Content in any way;
- take any action or use Our Content in any manner that could damage, destroy, disrupt, violate the security of, interfere with, disable, impair, overburden, or otherwise impede or harm in any manner Our Content, or interfere with any other party’s use of Our Content;
- bypass, breach, avoid, remove, deactivate, impair, descramble, or otherwise circumvent any security device, protection, or technological measure implemented by us or any of our service providers to protect Our Content;
- use any device, software, or routine that interferes with the function of Our Content or transmit in or through Our Content, or use in connection with Our Content, any virus, trojan horse, worm, backdoor, time bomb, malware, or other software or hardware devices designed to permit unauthorised access to, or disable, erase, or otherwise harm, any computer, systems, or software;

- access or use Our Content to build or support products or services competitive to our services;
- use any web scraping, web harvesting, or data extraction methods to extract any data from Our Content, or create, use, operate, or employ any bots, robots, parsers, spiders, scripts, programs, routines, or any other forms of automation to engage in any activity on Our Content;
- develop any third party applications that interact with Our Content without our prior written consent;
- use or attempt to use another client's account without authorisation;
- access or attempt to access any of our services that are not available in your location;
- use or attempt to use Our Content for any person other than yourself; or
- encourage, permit, or enable any other person or entity to do any of the foregoing.

12. Security

12.1 Your Data. We hold and process your data including regarding your identity, address, company details, or other information you provide us with. We will hold your data on secure servers which may be located outside of the jurisdiction of the Platform or your local jurisdiction. For more details see our [Privacy Notice](#) on the Site. We will protect your data in accordance with good industry practice and we will not sell any of your data or licence it to third parties. We will apply security and verification measures (such as two-factor authentication) from time to time, including when you access your Account, initiate transactions or carry out actions that could present a payment fraud or other security risk.

12.2 Security credentials. As part of the Account opening process, you will be required to set up your unique security credentials ("**Security Credentials**"). Security Credentials may include information such as a username, password, PIN, personal email address, phone number, authenticator app, items of memorable information and any other security items we may require from time to time. You should not share your Security Credentials with anyone (except, where you are a corporate client, in accordance with section 2.8 above).

12.3 Updating your Security Credentials. If we reasonably believe it is necessary to prevent fraud or for security reasons, we may request that you change or update your Security Credentials at any time and you agree to change or update your Security Credentials if we request you to do so. We will never ask you to confirm your Security Credentials by phone. In the event that someone does so, purporting to be us, you should contact us via <https://support.kraken.com/hc/en-us/forms>.

12.4 Your security obligations. You are responsible for keeping your Security Credentials, any other security measures implemented on your Account, and electronic devices and email or other accounts through which our services are accessed, safe and secure. This includes taking all reasonable steps to avoid the loss, theft or misuse of electronic devices and ensuring that electronic devices and any accounts are password protected. Information about how to secure your Account and the measures that we take to verify you is available on our [Site](#). Any loss or compromise of electronic devices, accounts or security details may result in unauthorised access of your Account by third parties and the loss or theft of any Crypto-assets and/or funds which we (or another Kraken entity on your behalf, as the case may be) may hold for you and the misuse of any associated accounts, including linked bank account(s) and credit/debit card(s).

12.5 Access using your Security Credentials. Whenever your Account (including your Kraken E-Money Wallet) is accessed using your unique Security Credentials, it authorises us to act on any instructions we receive as if they were from you, even if your Security Credentials are being used by an unauthorised third party. Unless we receive a notification from you under this section, we will treat all activity made on your Account as authorised activity. If you make a notification under this section and we request certain information to confirm your identity to us, you must provide it in order to continue using our services.

12.6 Security Breach. If you suspect that your Account, Security Credentials or other security measures have been compromised, misused or stolen, or if you become aware of any fraud or attempted fraud or any other security incident (including a cyber-security attack) affecting you and/or Kraken (collectively, a “**Security Breach**”), you must: (A) notify us immediately via <https://support.kraken.com/hc/en-us/forms> or the contact methods provided in section 14.1; (B) provide accurate and up-to-date information throughout the duration of the Security Breach; and (C) take any steps that we reasonably require to mitigate or manage any Security Breach.

12.7 Notification of security risks. To ensure the security of your Account, we will notify you of any potential fraud or security risk in connection with your Account, of which we are aware.

13. Privacy and Confidentiality

13.1 Personal Data. You acknowledge that we may process personal data about you (if you are an individual), and personal data that you have provided (or in the future provide) to us about your employees and other associated individuals (if you are not an individual), in connection with this Agreement or the services we provide. We will process this personal data in accordance with our Privacy Notice (as updated from time to time). Accordingly, you represent and warrant that:

- your disclosure to us of any personal data relating to individuals other than yourself was or will be made in accordance with all applicable laws, and is accurate, up to date and relevant when disclosed;
- before providing any personal data to us, you acknowledge that you have read and understood our Privacy Notice, and, in the case of personal data relating to an individual other than yourself, have (or will at the time of disclosure have) provided the individual with a copy of, or directed the individual towards a webpage containing that Privacy Notice; and
- if from time to time we provide you with a replacement version of the Privacy Notice, you will promptly read it and provide updated copies of the Privacy Notice to, or re-direct towards a webpage containing the updated Privacy Notice, any individual whose personal data you have provided to us.

13.2 Privacy of Others. If you receive information about another client through our services, you must keep the information confidential and only use it for the purposes stated herein. You may not disclose or distribute a client’s information to a third party or use the information except as reasonably necessary to carry out a transaction and other connected functions such as support, reconciliation and accounting unless you receive the client’s express consent to do so. You may not send unsolicited communications to another client through the Platform, Site or our services.

14. Communications

14.1 How to contact us. You can contact us via:

- The Chat Function on the Kraken Apps or Sites; or

- Our online support portal, available at <https://support.kraken.com/hc/en-us/forms>.
- 14.2 How we contact you.** We usually contact you via email. You agree and consent to receive electronically all service communications, agreements, documents, notices and disclosures that we provide in connection with your Account and your use of our services. We recommend you keep copies of all communications we send or make available to you. You must at all times maintain at least one valid email address in your Account and you must check for incoming messages regularly and frequently. You understand and agree that if we send you an email (including any legally required notices) but you do not receive it because the email address you have provided is incorrect, out-of-date, blocked by your service provider, or you are otherwise unable to receive emails, you will still be deemed to be in receipt of the email.
- 14.3 Withdrawing consent.** You may withdraw your consent to receive communications from us electronically by contacting us via the methods set out in section 14.1 above. If you fail to provide or if you withdraw your consent to receive communications in the specified manner, we reserve the right to immediately terminate this Agreement and close your Account, or charge you additional fees for paper copies of communications.
- 14.4 Legal notices.** We will send you any legally required notices by email to the primary email address associated with your Account and any notice sent in such manner will be considered to have been delivered to you on the Business Day following the day we send the email. You must send your notices to <https://support.kraken.com/hc/en-us/forms>. Your notices will be considered delivered on the Business Day following the submission of that notice to us.
- 14.5 Language.** This Agreement, related pre-contractual information and any information or notifications that you or we are to provide will be in English, except as otherwise required under applicable law or requested by you in accordance with applicable law. Any information that you are required to provide should be provided in English, except where otherwise requested by you in accordance with applicable law.

15. Dispute Resolution

- 15.1 Complaints.** If you have a support issue, you should submit this to us via the contact details set out in section 14.1 above for our support team to resolve. If you have a complaint about us or the services we provide, you should submit this to us using the Complaint Submission Form available at <https://support.kraken.com/hc/en-us/articles/complaint-handling-process>. We will handle your complaint in accordance with our complaint handling process, which is set out at the link above and is described below.
- 15.2 Responding to complaints.** We will acknowledge receipt of your complaint without undue delay. We will then aim to provide you with an answer or resolution to your complaint within the timeframes and in the manner required by applicable law. Should this not be possible due to exceptional circumstances not within our control, we will contact you setting out the reasons why the complaint remains ongoing, requesting further information on the complaint (where appropriate) and specifying the deadline by which you will receive a response.
- 15.3 Your right to complain to an alternative dispute resolution service.** If on receipt of (or in absence of) our final response to your complaint within the timeframe required by applicable law, we have not been able to resolve your complaint, you may escalate your complaint via the dispute processes set out in this section as applicable to you.
- For PEDSL Products, you may refer the matter to the Financial Ombudsman, whose address is Kipranoros 15, 1061, Nicosia, Cyprus.

- For E-money Core Services provided by PIL or any services provided by PESL, you may refer the matter to the Financial Services and Pensions Ombudsman, whose address is Lincoln House, Lincoln Place, Dublin 2, Ireland (Telephone: [+353 1 567 7000](tel:+35315677000), Website: [Financial Services and Pensions Ombudsman \(FSPO\) | Ireland](https://www.fsppo.ie/)).

If you are resident in an EEA country other than Ireland, you may also be entitled to submit a complaint to a local Ombudsman or equivalent body. Additionally, you may have the option to use the European Commission's online dispute resolution platform to facilitate the online resolution of your dispute. The platform is available at <http://ec.europa.eu/odr>. However, please note that we are not obliged to participate in EU's online dispute resolution process.

If your complaint relates to any other service, or for any other complaint or dispute arising out of or in connection with this Agreement that cannot be resolved via the complaints process outlined in sections 15.1 and 15.2 above, you agree to submit to the exclusive jurisdiction of the Irish Courts, or to arbitrate disputes, as applicable in accordance with section 15.4 below. You and Kraken agree to notify each other in writing prior to initiating any proceeding. Notice to Kraken must be sent to legal@kraken.com.

15.4 Governing law and jurisdiction. Without prejudice to any mandatory rights available to Consumers, any dispute or claim arising out of or in connection with this Agreement or our relationship with you (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the following:

- If you are a Consumer, the governing law will be the laws of Ireland, and any disputes (including any question regarding the Agreement's existence, validity or termination) will be subject to the exclusive jurisdiction of the Irish courts; or
- If you are not a Consumer, the governing law (including the governing law of this arbitration agreement) will be the laws of Ireland, and any disputes (including any question regarding the Agreement's existence, validity or termination) will be referred to and finally resolved by arbitration under the LCIA Rules, which Rules are deemed to be incorporated by reference into this section. The seat, or legal place, of arbitration will be London, UK. The language to be used in the arbitral proceedings will be English.

16. General

16.1 Abusive Trading. Internet connectivity delays and price feed errors sometimes create a situation where the price feeds displayed on the Platform do not actually reflect the market rates. The concept of arbitrage and "scalping", or taking advantage of these internet delays is not permitted by us and transactions that rely on price latency or arbitrage opportunities may be revoked by us. We reserve the right to make necessary corrections or adjustments on any Account involved. Any dispute arising from quoting or execution errors will be resolved by us in our sole discretion. If we determine that an abusive trading technique has been used, we reserve the right to take action as we see fit including blocking access to the services, terminating your Account and freezing or reclaiming all funds and assets held in or associated with your Account.

- 16.2 Assignment.** Your Account is personal to you and is non-assignable. We can assign or transfer any right or obligation under this Agreement, in whole or in part, without your consent, subject to compliance with applicable laws. In addition, if we are acquired by or merged with a third party entity, we reserve the right to transfer or assign the information we have collected from you and our relationship with you (including this Agreement) as part of such merger, acquisition, sale, or other change of control. If that is the case, we will inform you if your details are being transferred to a third party entity. Subject to the foregoing, this Agreement will bind and inure to the benefit of the parties, their successors and permitted assigns.
- 16.3 Compliance with applicable law.** Your use of our services, Platform and Site is subject to your compliance with applicable law, including export restrictions, end-user restrictions, antiterrorism laws, and economic sanctions. **You acknowledge and agree to hold us harmless for any losses caused by delays or refusals to process a transaction that result from our obligation to ensure compliance with applicable export controls or sanctions.**
- 16.4 Conflicts of Interest.** As part of acting in the best interests of our clients, we have implemented, and will on an ongoing basis maintain, robust policies and procedures that identify, prevent, manage, and disclose any conflicts of interest that may from time to time arise between us and any third party or between two or more clients.
- 16.5 Duration of this Agreement.** This Agreement has no fixed duration and will last until one of us terminates it.
- 16.6 Enforceability.** If any part of this Agreement is found to be invalid, illegal, or unenforceable, the rest of the terms of the Agreement will still apply and be enforceable. If any such invalid, illegal, or unenforceable provision can be modified so as to be valid and enforceable as a matter of law, then such provision is not considered severed from the Agreement and instead is considered to have been modified so as to be valid and enforceable to the maximum extent permitted by law.
- 16.7 Entire Agreement.** This Agreement and all of its Parts (and including documents incorporated by reference herein) is the complete and only agreement between you and us in relation to the services described in and provided under this Agreement. It replaces all previous discussions, agreements, and understandings about these services. Each party agrees that it will have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Agreement.
- 16.8 Force majeure.** We are not responsible or liable for any error, delay, loss, or damage arising from any event beyond our reasonable control (each, a “**Force Majeure Event**”) and we reserve the right to take or omit to take any actions that we consider appropriate in the circumstances to protect ourselves and our clients as a whole (including suspension of trading, voiding open positions, adjusting prices or changing Collateral Requirements). Force Majeure Events include flood, extraordinary weather conditions, earthquake, or other act of God, fire, war, insurrection, riot, labour dispute, accident, action of government, communications, power failure, equipment or software malfunction, or the suspension or closure of any index / market / exchange or the abandonment or failure of any event upon which we base, or to which we may relate our quotes, with the result that we are in our reasonable opinion unable to maintain an orderly trading market or provide our services.
- 16.9 Further Information.** You can find further information about your rights when making and receiving payments in Europe on our Site.

16.10 Partnerships. From time to time we may offer our services in partnership with a third party partner. If you are introduced to us through one of our partners, the following terms will apply to you (notwithstanding any terms to the contrary in this Agreement):

- You may only be able to access your Account and/or our services through our partner's platform or app, in which case access to your Account and our services will be subject to:
 - the availability of our partner's platform or app;
 - our partner's terms and conditions; and
 - your compliance with our partner's terms and conditions, as well as this Agreement.
- You may not be able to access all of our services, or all of the Crypto-assets and Fiat Currencies that we support, through a partner's platform or app.
- You may be required to satisfy additional onboarding requirements from our partners as well as the Eligibility Criteria set out in this Agreement.
- Your personal data will be processed by our partner as well as by us (the privacy notices of our partners will explain how they will process your data).
- The fees that you pay for using our services through a partner's platform or app may be different to the fees stated on our Site, but we will still notify you of all applicable fees for any transactions in advance.
- Your account with a partner may be debited or credited by the partner on our behalf in order to settle fees you owe us or transactions you have made using our services.
- You may communicate with us, and/or receive communications from us, through our partner instead of through the communication methods set out in this Agreement (although you always have the right to communicate with us directly if you wish to raise a formal complaint about our services).
- In addition to our termination rights outlined in section 8, there may be circumstances in which we will need to terminate your Account and liquidate your holdings if our partner terminates your access to their platform for any reason.

16.11 Survival. All provisions of this Agreement which by their nature extend beyond the expiration or termination of this Agreement, including the sections relating to suspension or termination, Account cancellation, payments to us, general use of the Platform or Site, disputes with us, and general provisions will continue to be binding and operate after the termination or expiration of this Agreement.

16.12 Relationship. Nothing in this Agreement will be considered to or is intended to, nor will it, cause you and us to be treated as partners, joint venturers, or otherwise as joint associates for profit, nor will it authorise you to act as our agent.

16.13 Third party rights. Kraken Group entities may enforce the terms of this Agreement. Except as set forth in the preceding sentence, a person who is not a party to this Agreement will not have any rights under or in connection with it.

16.14 Waiver. If we choose not to enforce any of our rights under this Agreement at any time, we are not waiving those rights and may enforce our rights at any time.

PART B: DEFINITIONS AND INTERPRETATION

In this Agreement, unless the context requires otherwise:

- words defined in applicable law will have the same meaning as in applicable law, unless defined below;
- words importing the singular will be considered to include the plural and vice versa;
- use of the words “include” or “including” are not to be interpreted as words of limitation and the use of these or similar words will not be given a restrictive meaning because they are followed or preceded by particular examples;
- references to statutory provisions, regulations, notices or applicable law will include those provisions, regulations, notices or rules as amended, extended, consolidated, substituted or re-enacted from time to time; and
- defined words used in any Part of the Agreement will have the same meaning as set forth below unless they are expressly defined differently, in which case, the definitions in that Part will apply.

Section and Part headings are for guidance only and will not affect the interpretation of the Agreement.

Term	Meaning
“Account”	means the account held in your name on the Platform via which you receive our services.
“Agreement”	means these terms and conditions between you and us
“API”	means application programming interfaces
“Assets”	means all Collateral and all other securities, cash, financial assets, security entitlements, general intangibles and other property delivered by you to the Platform, including in your Account
“Authentication Methods”	means the devices, accounts (including e-mail), credentials, and authenticator(s) used to access your Wallet under Part O (Wallet Access).
“Attestations”	means verified, on-chain credentials issued through Kraken Verify that are related to your Account
“Bundle”	means a pre-selected portfolio of Crypto-assets that you choose when using our bundles product as part of the Portfolio Management Services

"Bid Price"	means the lower of the two prices quoted by us for the same market
"Business Day"	means: <ul style="list-style-type: none"> • in respect of services relating to the PEDSL Products, any day other than a Saturday or a Sunday or a public holiday in Cyprus, and • in respect of all of our other services, any day other than a Saturday or a Sunday or a public holiday in Ireland
"Client Money"	means any Fiat Currency that is considered to be client money in accordance with the Client Money Rules
"Client Money Rules"	means the CySEC's Directive DI87-01 for the Safeguarding of Financial Instruments and Funds belonging to Clients
"Collateral"	means a specified minimum amount of Fiat Currency approved by us to qualify as collateral, maintained in your Account at all times during the term of an open Derivative Order
"Collateral Requirement"	means the amount of Collateral that must be provided to open or maintain a Derivatives position, as determined by us and shown to you on the Platform
"Consumer"	means an individual acting for purposes that are wholly or mainly outside that individual's trade, business, craft or profession
"Core Services"	means the Crypto-asset Core Services and the E-money Core Services
"Counterparty"	means the counterparty to an Order entered into by the client
"Crypto-asset"	means any digital currency, stablecoin or other digital representation of value that is able to be transferred and stored using distributed ledger technology, and that is available in connection with our services, but does not include NFTs

<p>"Crypto-asset Core Services"</p>	<p>means:</p> <ul style="list-style-type: none"> ● exchanging Crypto-assets for Fiat Currency or other Crypto-assets; ● adding Crypto-assets into your Account and withdrawing Crypto-assets from your Account; ● transferring Crypto-assets from your Account to another Account; and ● custody of Crypto-assets
<p>"CySEC"</p>	<p>means the Cyprus Securities and Exchange Commission</p>
<p>"Derivatives"</p>	<p>means trading contracts that reference Crypto-assets as the underlying reference asset</p>
<p>"Derivative Services"</p>	<p>means the receipt of Orders from you via the Platform in relation to Derivatives and the subsequent transmission of those Orders to Execution Venues as agent on your behalf for execution against a Counterparty</p>
<p>"DeFi"</p>	<p>means decentralized finance.</p>
<p>"Downstream Protocols"</p>	<p>means an additional Protocol into which a Protocol may deploy your Crypto-assets under Part O (Wallet Access).</p>
<p>"Durable Medium"</p>	<p>means any instrument which enables you to store information addressed personally to you in a way accessible for future reference for a period of time adequate for purposes of the information and which allows the unchanged reproduction of the information stored</p>

<p>“E-money Core Services”</p>	<p>means:</p> <ul style="list-style-type: none"> ● opening and closing your Kraken E-Money Wallet; ● issuing Fiat Currency to your Kraken E-Money Wallet when you make a corresponding deposit or receive a payment from a third party; ● redeeming Fiat Currency in your Kraken E-Money Wallet when you make a corresponding withdrawal or instructing us to make a payment from your Kraken E-Money wallet; ● issuing or redeeming Fiat Currency in your Kraken E-Money Wallet when you: <ul style="list-style-type: none"> ◆ elect to make a purchase or sale of Crypto-assets using our services; and/or ◆ receive or transmit Fiat Currency to or from another Kraken client; ● transferring Fiat Currency from your Kraken E-Money Wallet to a bank account nominated by you by way of a credit transfer
<p>“E-money Core Services Terms”</p>	<p>means the E-money Core Services terms set out in Part C of this Agreement, together with other terms in this Agreement set out in Part A, Part B or Part C that form the ‘framework contract’ (as defined under applicable law) governing your use of the E-money Core Services</p>
<p>“EEA”</p>	<p>means the European Economic Area</p>
<p>“Elective Professional Client”</p>	<p>means a client who requests to be treated as a Professional Client and who meets the qualitative and quantitative tests as set out in our Client Categorisation Policy</p>
<p>“Eligible Asset”</p>	<p>means any of the specified assets that are eligible to contribute to the Opt-In Rewards Program, listed at https://support.kraken.com/hc/en-us/articles/360044886311-Overview-of-Opt-In-Rewards-on-Kraken</p>
<p>“EMIR”</p>	<p>means the European Market Infrastructure Regulation No. 648/2012 on derivatives and all related delegated, supplementing or successive regulations, as amended</p>
<p>“Event of Default”</p>	<p>means any of the circumstances listed in section 6 of Part A (Events of Default)</p>

"Execution Venue"	means a regulated market, a multilateral trading facility, a systematic internaliser, a market maker or other liquidity provider or an entity that performs a similar function in a third country to the functions performed by any of the foregoing, as defined under Delegated Regulation 2017/565, which was selected by us, based on the provisions of our Order Execution Policy, to execute your Orders
"Fiat Currency"	means government-issued currency that is not backed by a commodity, including U.S. Dollars, British Pound, and Euro, or any electronic representation of such a currency, and that is available in connection with our services
"Investor Compensation Fund"	means the compensation fund established in Cyprus for clients of investment firms pursuant to the Investment Services Law 144(I)/2007, as amended, and Directive 144-2007-15, and supervised by the Cyprus Securities and Exchange Commission. Further information is available here
"kBTC"	means an ERC-20 token minted exclusively by PC, for use on Ethereum-based networks
"kBTC Services"	means the option to exchange BTC for kBTC and vice versa at a 1:1 exchange rate within your Account
"Kraken+"	means our premium subscription service offering users certain benefits in exchange for a monthly fee
"Kraken E-Money Wallet"	means a Kraken Fiat Currency Account
"Kraken Verify"	means a service that provides access to on-chain verification, allowing you to issue verified credentials related to your Account
"KYC"	means Know Your Customer
"Leaders"	means (in relation to the Portfolio Management Services) clients whose trading activities can be replicated by other users

"Liquidity Pool"	means the pool of Kraken's funds set aside to support our equity protection process for certain PEDSL Products to increase Position Liquidations and Position Assignments before a Position Unwind is required (further information is available at https://support.kraken.com/hc/en-us/articles/futures-liquidity-pool)
"MIFIR"	means Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012
"Obligations"	(in relation to section 6 of Part D (Security Interest)) of the PEDSL Terms of Service any and all of your obligations, liabilities or monies whatsoever at any time now or hereafter owing, due, incurred or payable by you to us under this Agreement or otherwise, whether present or future, actual or contingent, solely or jointly or whether as principal or surety
"Offer Price"	means the higher of the two prices quoted by us for the same market
"Opt-In Rewards Program"	means the option to contribute and earn rewards on eligible, available and idle Crypto-asset balances in your Account
"Opt-Out"	means a request for a complete or partial return of your contributed Eligible Assets from the Opt-In Rewards Program
"Order"	means: <ul style="list-style-type: none"> • in respect of PEDSL Products, a request made via the Platform to enter into or close out a contract for a PEDSL Product, and • in respect of our Core Services, a request made via the Platform to purchase or sell Crypto-assets
"Paylink"	means a payment link used to select a recipient for transferring funds within the Kraken Platform, utilising the "Paylinks" feature
"P&L Model"	means our proprietary model used to calculate the profit and loss of your open Derivatives positions
"PEDSL Account"	Means your account with PEDSL, which is linked to your Account
"PEDSL Products"	means any or all of the Derivatives, or xStocks, as appropriate

"Platform"	means our online platforms for the provision of our services, <i>including any other interfaces we make available, such as third-party messaging applications, through which you may access or place instructions for our services.</i>
"Protocol"	means an automated, non-custodial smart-contract system on a blockchain operated by Third-Party Providers into which you may elect to move your Crypto-assets under Part O (Wallet Access).
"Portfolio Management Services"	means our services in managing portfolios of Crypto-assets in accordance with instructions given by you
"Position Assignment"	means where we cannot liquidate some or all of your open positions, and so we assign some or all of your remaining open positions to another client who has previously agreed to receive assignments of positions for this purpose
"Position Covered Liquidation"	means where we cannot use Position Assignment and we instead attempt to liquidate your remaining open positions to another client, and to cover any remaining negative balance of required Collateral from the Liquidity Pool
"Position Liquidation"	means where your Collateral is lower than your Collateral Requirement and we cancel your open Orders and/or liquidate some or all of your open positions
"Position Unwind"	means where we unwind some or all of your open positions
"Professional Client"	has the meaning given in Annex II of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on Markets in Financial Instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (" MIFID II ")
"Rebalancing"	means (in relation to the Portfolio Management Services) the automatic adjustment of your Bundles at a frequency and according to the allocation parameters set by us
"Reportable Transactions"	means trades made via PEDSL that must be reported under applicable law, including EMIR, MIFIR, and applicable CySEC rules
"Retail Client"	means any client that is not categorised as a Professional Client

"Rewards"	means (in relation to the Opt-In Rewards Program only) periodic payments which participation in the Opt-In Rewards Program entitles you to receive
"Security Credentials"	means your unique security credentials that are required as part of the Account opening process
"Site"	means kraken.com and our associated websites, APIs and mobile applications
"Stake"	means electing to stake or restake a Supported Crypto-asset
"Staking Tokens"	means receipt tokens that allow users to directly participate in staking.
"Staking Rewards"	means the applicable staking rewards received from the Staked Crypto-asset protocol attributable to your Staked Crypto-assets
"Staking Services"	means the option to Stake and earn rewards on eligible Crypto-assets that you hold in your Account
"Suitability Assessment"	means the assessment of whether the Portfolio Management Services and Crypto-assets related to the Portfolio Management Services are suitable for you that we are required to conduct, in accordance with applicable law, prior to you receiving any Portfolio Management Services and on a regular basis afterwards
"Supplemental Protocols"	means metacoins, colored coins, side chains, or other derivative, enhanced, or forked protocols, tokens, or coins or other functionality, such as staking, protocol governance, and/or any smart contract functionality, which may supplement or interact with a Crypto-asset
"Supported Crypto-asset"	means the Crypto-assets in relation to which the Staking Services are available
"Supported Network"	means a blockchain network that is eligible for kBTC Services
"Supporting Services"	means the provision of supplementary supporting services where requested by you or necessary for the purposes of executing services in relation to PEDSL Products

“TEE”	means trusted execution environment, which is a cloud-based secure area that enables the creation and caching of private keys, used to authorise on-chain transactions initiated by you.
“TPP”	means a third party service provider licensed by applicable law
“Third-Party Provider”	means any person or entity that builds or operates a Protocol, blockchain network, wallet infrastructure component, TEE provider, relay, paymaster, data source, or other service accessible through the Wallet Access Service under Part O (Wallet Access).
“TTCA”	means a title transfer collateral arrangement
“TTCA Terms”	means terms relating to the TTCA that will be set out in a document and made available to you on our Site
“xStocks”	means the digital assets issued by Backed Assets (JE) Limited, which are tokenized debt instruments that represent real-world US stocks and exchange-traded funds, and are backed 1:1 by the Underlying Securities
“xStocks Services”	means the receipt of Orders from you via the Platform in relation to xStocks and the subsequent execution of those Orders as principal and Counterparty
“Underlying Securities”	means a stock, exchange-traded fund, or treasury that is used as a reference for an xStock and is purchased and held by or on behalf of Backed Assets (JE) Limited
“Wallet”	means a self-custodied on-chain wallet that you set up and control under Part O (Wallet Access). The Wallet is separate from your Account balance(s).
“Wallet Access Service”	means our provision of user interfaces, connectivity and related tooling that allow you to manage your Wallet under Part O (Wallet Access).

PART C: CORE SERVICES TERMS

Our provision of the E-money Core Services and the Crypto-asset Core Services is regulated by the Central Bank of Ireland.

1. Core Services

1.1 Core Services. Our Core Services are made up of the primary services that our clients use, including services that may be needed in order to access our non-Core Services.

Before using any of our Core Services, you should ensure you have read and understood the risk warnings in relation to our Core Services, which are set out in section 18. We have outlined some of the other substantial risks associated with using our services, including submitting Orders, on our [Legal Disclosures page](#), which is incorporated into this Agreement by reference. You should carefully review these risks to determine if our services are suitable for you, considering your circumstances, knowledge, and financial resources.

1.2 Crypto-asset Core Services. Within our Core Services, our Crypto-asset Core Services are provided by PESL. Our Crypto-asset Core Services include:

- Exchanging Crypto-assets for Fiat Currency or other Crypto-assets;
- Adding Crypto-assets into your Account and withdrawing Crypto-assets from your Account;
- Transferring Crypto-assets between your Account and other Accounts, external parties or wallets; and
- Custody of Crypto-assets.

1.3 E-money Core Services. Within our Core Services, our E-money Core Services are provided by PIL. Our E-money Core Services include:

- Opening and closing a Kraken Fiat Currency Account for you (your “**Kraken E-Money Wallet**”);
- Issuing Fiat Currency to your Kraken E-Money Wallet when you make a corresponding deposit;
- Redeeming Fiat Currency in your Kraken E-Money Wallet when you make a corresponding withdrawal;
- Issuing or redeeming Fiat Currency in your Kraken E-Money Wallet when you:
 - ◆ elect to make a purchase or sale of Crypto-assets using our services; and/or
 - ◆ receive or transmit Fiat Currency to or from another Kraken client;
- Transferring Fiat Currency from your Kraken E-Money Wallet to a bank account nominated by you by way of a credit transfer.

1.4 Core Services products. Our Core Services include certain products, set out below, which may be available to certain categories of clients or via certain applications, as stated on the Site. These Core Services may be updated from time to time without notice as part of how we administer the manner in which we provide those services to you, or so that we can manage our business better (further details of how we can make changes to this Agreement are set out in section 1.7 of Part A).

- **Instant Buy/Sell** – this service allows you to submit Orders to instantly buy, sell or convert Crypto-assets via the Platform, with us as your counterparty;
- **Spot Crypto** – this service involves submitting Orders on the order book with us as your agent and broker;
- **P2P** – this service enables transfers of Crypto-assets between existing Kraken clients; and
- **Crypto-asset Transfers** – this service enables existing Kraken clients to send or receive transfers of Crypto-assets to or from external parties or wallets.

1.5 Executing Core Services. We will provide the Core Services in accordance with the instructions we receive from you. You should verify all transaction information prior to submitting instructions to us. We will have no liability or responsibility for ensuring that the information you provide is accurate and complete. We may refuse to process or cancel any pending transaction in relation to the Core Services as required by law, regulation or any court or other authority to which we are subject in any jurisdiction, for instance, if there is suspicion of money laundering, terrorist financing, breaches of international sanctions, fraud, or any other financial crime.

1.6 Timing. If we receive instructions from you in relation to our Core Services on a non-Business Day or after 5.00pm (Dublin time) on a Business Day, we may treat those instructions as if they were received by us on the following Business Day. You cannot withdraw your consent to any transactions that you ask us to make immediately, but you can withdraw your consent in relation to transactions that you have asked us to make on a future date (if we receive your request to withdraw before our cut-off times). To cancel a future transaction relating to your Kraken E-Money Wallet, follow the instructions on our Platform and Site.

1.7 Conflicts of interest. In accordance with applicable law, we have disclosed the general nature and sources of conflicts of interest, along with the measures taken to mitigate those conflicts in our Conflicts of Interest Policy which is available here: www.kraken.com/legal/MiCAR.

By using our Core Services, you acknowledge and agree that you are aware this may cause a conflict of interest and that you still wish to proceed to use these services.

1.8 Applicable law. Our provision of Crypto-asset Core Services is governed by applicable law. In accordance with applicable law:

- We publish certain disclosures relating to the principal adverse impacts on the climate and other environment-related adverse impacts of the consensus mechanism used to issue each Crypto-asset that we provide services in respect of. These disclosures may be copied from Crypto-asset white papers and are available to view here: <https://www.kraken.com/legal/mica-whitepapers>.

- We maintain records of the Crypto-asset Core Services we provide and the activities and transactions in relation to these in accordance with our internal document retention policies. We will provide a copy of the records applicable to your use of the Crypto-asset Core Services if you request it from us.
 - Where we hold your funds, Crypto-assets or the means of accessing your Crypto-assets, we have adequate arrangements in place to safeguard your ownership rights, especially in the event of our insolvency, and to prevent the use of clients' Crypto-assets or funds for our own account.
- 1.9 Assignment.** If you use our Crypto-asset Core Services and we merge with a third party entity or transfer all or part of our Crypto-asset Core Services to a third party entity, we will provide you with two months' notice to enable you to make alternative arrangements. We will ensure that all outstanding business with you is properly completed prior to any merger or transfer, or inform you of how continuity of service will be provided following any merger or transfer.

2. Fees

- 2.1 Core Services fees.** The fees applicable to our Core Services are available on our [Site](#) and may be changed by us in accordance with applicable law.
- 2.2 Payment of fees.** Fees payable by you will be deducted from your Kraken E-Money Wallet balance (or, if we give you the option to change your fee currency for a particular transaction, and you exercise that option, fees payable by you will be deducted from the available Crypto-asset balance you select). Transaction fees will be charged when the transaction is executed, including where you instruct us to make a payment. Reversal or chargeback fees will be deducted when they occur.
- 2.3 How fees are calculated.** Our fees are either expressed as a percentage of the transaction or as a fixed amount in EUR. Where fixed fee amounts are displayed in a currency other than EUR, this is for information purposes only. If fees are deducted from a balance or a transaction denominated in a different currency, the EUR fee amount will be converted into an equivalent fee in that other currency based on the Kraken E-Money Wallet wholesale exchange rates applicable at the time and then deducted. We will not apply a foreign exchange fee on currency conversions of fees.
- 2.4 Insufficient funds.** If we determine there are insufficient funds to pay any fees, you authorise us to deduct Fiat Currency or sell Crypto-assets from your Account to pay any fees due.
- 2.5 Fees in other currencies.** To the extent fees must be paid in a particular denomination of Fiat Currency, you authorise us to receive the proceeds of any sale of Crypto-assets in such denomination of Fiat Currency or to convert any Fiat Currency held in your Account to the required denomination. You are responsible for any and all additional fees that may be incurred to sell Crypto-assets or convert Fiat Currency denominations in order for the fees to be paid to us.
- 2.6 External Fees.** Our list of fees does not include any network or transaction fees that are charged externally when you send Crypto-assets from an external wallet to your Account, or when you send Crypto-assets from your Account to an external wallet. Additionally, our list of fees does not include any third party or banking fees that are charged by third parties when, for example, you upload Fiat Currency to your Kraken E-Money Wallet or withdraw Fiat Currency out of your Kraken E-Money Wallet.

E- MONEY CORE SERVICES

3. Kraken E-Money Wallet

3.1 Your Kraken E-Money Wallet. If we accept your Account application, we will open a Kraken E-Money Wallet for you. You need a Kraken E-Money Wallet to enjoy the full use of services offered by Kraken under this Agreement.

3.2 Not a bank account. Your Kraken E-Money Wallet is not a bank account. By submitting an application for an Account with us you expressly acknowledge that the Irish Deposit Guarantee Scheme does not apply to your Kraken E-Money Wallet. In the event that we become insolvent, you may lose the Fiat Currency held in your Kraken E-Money Wallet. However, we are subject to laws which are designed to ensure the safety and liquidity of funds held with us.

3.3 Multiple Fiat Currencies. Your Kraken E-Money Wallet may hold Fiat Currency denominated in different currencies and we will show the Fiat Currency balance for each currency that you hold.

3.4 No interest. Any Fiat Currency held in your Kraken E-Money Wallet will not expire, but it will not earn interest.

3.5 Regular information. We will provide you with regular information relating to payment transactions on your Kraken E-Money Wallet by making the following information available in your Account on the Platform:

- a reference enabling you to identify each payment transaction and, where appropriate, information relating to the payer (i.e., the person or party who made the payment) and the recipient (i.e., the person or party that was paid);
- the amount of the payment transaction in the currency in which your Fiat Currency is debited or in the currency used for the payment instruction;
- the amount of any charges for the payment transaction and, where applicable, a breakdown of the amounts of such charges;
- where applicable, the exchange rate used in the payment transaction by us, and the amount of the payment transaction after that currency conversion; and
- the debit value date or the date of receipt of the payment instruction.

You may also request a statement containing the above information from us at any time.

3.6 Information on transactions you initiate. Where a Fiat Currency transaction is initiated by you, we will provide you with the following information upon your request or otherwise in accordance with applicable law:

- the maximum execution time;
- any charges payable by you; and
- where applicable, a breakdown of the amounts of any changes.

3.7 Using your personal information. In order for us to provide the E-money Core Services under this Agreement, you agree to us accessing, processing, and retaining any information you provide to us. This does not affect any rights and obligations you or we have under data protection laws. You can withdraw this consent by closing your Kraken E-Money Wallet. If you do this, you will no longer be able to access any of our services and we'll stop using your data for this purpose, but may continue to process your data for other purposes in line with our [Privacy Notice](#).

3.8 Keeping your Kraken E-Money Wallet safe. In order to keep your Kraken E-Money Wallet safe, you must:

- keep all Security Credentials safe;
- take care when using Security Credentials (for example, making sure that nobody else can see or hear you using them and that you log out of any device that is accessible to someone else);
- inform us immediately if there is reason to believe someone else knows the Security Credentials or if the Security Credentials have, or may have, been misused or stolen;
- not choose Security Credentials that other people would easily guess;
- not let anyone else access or use your Security Credentials, or share your Security Credentials; and
- not write down any Security Credentials in a way that other people would understand.

4. Use of Third Parties

4.1 TPP services. You may permit third party service providers licensed by applicable law (each a "TPP") to:

- provide account information services to access information about your Kraken E-Money Wallet on your behalf; and
- provide payment initiation services to initiate transactions from your Kraken E-Money Wallet on your behalf.

4.2 Use of a TPP. If you use a TPP, this Agreement will still apply to you, in addition to any agreement you might make with the TPP. You should check that any TPP you use is appropriately authorised or licensed.

4.3 TPP Access. If you give your consent, we will allow the TPP access to Kraken E-Money Wallet information and you will be able to make the same E-money Core Services transactions through the TPP that you are permitted to make with us (directly) under this Agreement. Information will include details about who you make transactions to and from.

4.4 Unauthorised TPPs. To protect you, we may refuse to allow a TPP to access your Kraken E-Money Wallet if we are concerned that the TPP is unauthorised or acting fraudulently. We will tell you if we do this, unless it would be unlawful or would compromise our security measures. If you think a transaction made through a TPP was unauthorised or incorrect, you must contact us as soon as you can via <https://support.kraken.com/hc/en-us/forms>.

5. Refunds for Unauthorised or Incorrect Transactions

- 5.1 Contact us.** As soon as you become aware of an issue with a transaction, you must notify us via <https://support.kraken.com/hc/en-us/forms> so that we can investigate what happened.
- 5.2 Unauthorised transactions.** In the event of an unauthorised payment transaction on your Kraken E-Money Wallet (such as an Order or fiat withdrawal that was not authorised by you), provided you have notified us, we will normally refund your Kraken E-Money Wallet by the end of the next Business Day. We'll refund the amount of the payment transaction and put your Kraken E-Money Wallet in the position it would have been in but for the unauthorised payment transaction.
- 5.3 When we won't refund you.** If we later become aware that we were not responsible for the unauthorised payment transaction, we may reverse the refund. We will not make a refund if we can show:
- you did authorise the payment transaction;
 - you have acted fraudulently;
 - you intentionally or negligently failed to keep your Security Credentials safe as required under sections 12.4 of Part A (Your security obligations) and 3.8 of this Part C; or
 - (in respect of transactions made before you notified us) you intentionally or negligently failed to notify us as soon as you became aware that either (1) your Security Credentials were lost or stolen, or (2) that an unauthorised payment was taken from your Account.
- 5.4 Incorrect transactions.** We are responsible to you for making payment transactions correctly under this Agreement. If you ask us to make a payment to another person (including another Kraken entity) and the payment is not made properly or the person you are paying does not receive it, you should notify us via <https://support.kraken.com/hc/en-us/forms> so that we can investigate what went wrong. We will refund the amount of the transaction (and any fees and charges you paid as a result), unless we can show that the payment was received by the recipient's bank or you provided us with incorrect details.
- 5.5 Incorrect payment details.** If you provided us with incorrect details, we are not responsible but if you ask us, we will make reasonable efforts to recover the payment and will tell you the outcome. We may charge you our reasonable costs for doing so.
- 5.6 Delayed payments.** If a payment is made late due to our error, you can ask us to request that the recipient's bank adds the payment to the recipient's account as if it had been made on time. We won't be responsible if you ask us to make a payment to another person and the recipient's bank delays crediting the money to the recipient's account. This could happen if, for example, they need to carry out security checks.
- 5.7 Time limits.** Subject to the above conditions on when you may be entitled to a refund, you will usually not be liable for losses incurred due to unauthorised or incorrect transactions after you have notified us. To be eligible for any refund, you must notify us as soon as possible and within 13 months of the date of the first affected transaction.
- 5.8 Checking your transaction information.** You should check the transaction information that we provide or make available to you relating to your Kraken E-Money Wallet regularly and contact us at <https://support.kraken.com/hc/en-us/forms> immediately if you have any questions or concerns.

5.9 Disputes. If we discover that you were not entitled to a refund after we have given it to you, we will take it back. If we take back a refund, we'll put your Kraken E-Money Wallet in the position it would have been in had we not provided a refund in the first place.

6. Issuing and Redeeming Fiat Currency

6.1 Issuance. Whenever you upload or receive Fiat Currency to your Kraken E-Money Wallet using any payment methods we accept from time to time, we will issue you with Fiat Currency in the form of e-money of the same value. Such funds will usually be available for your use immediately. However, from time to time, we may need to carry out certain checks before funds are made available to you and shown in the balance on your Kraken E-Money Wallet. Funds of an equivalent value to the Fiat Currency held in your Kraken E-Money Wallet will be 'safeguarded' in accordance with applicable law. For further information on how we safeguard, please visit our Site.

6.2 Reversals. If you receive funds into your Kraken E-Money Wallet that were not intended to be transferred to you (e.g. because we've credited your Kraken E-Money Wallet incorrectly), then we will be entitled to remove these funds from your Kraken E-Money Wallet.

6.3 Redemption. You can request a redemption of all or part of the Fiat Currency held in your Kraken E-Money Wallet at any time at 'par value' by selecting the relevant option in the Kraken E-Money Wallet and following the instructions. This includes where you make a payment using your Fiat Currency. The Fiat Currency will be redeemed and any applicable withdrawal fee (available on our [Site](#)) will be deducted before the funds will be transferred to the bank account you have registered with us during Account setup (or any other bank account that has been approved by us; or (ii) used to make the payment that you have requested, as set out in more detail at section 8 of this Part C below.

6.4 Checks before redemption. Before redeeming Fiat Currency from your Kraken E-Money Wallet, we may conduct checks for the purposes of preventing fraud, money laundering, terrorist financing and other financial crimes, and as required by applicable law. This may mean you are prevented or delayed from withdrawing, or making a payment using Fiat Currency from your Kraken E-Money Wallet until those checks are completed.

6.5 Redemption on termination. If you or we terminate this Agreement, we will redeem any Fiat Currency remaining in your Kraken E-Money Wallet. If this happens, then unless restricted by applicable law, we will transfer funds to the bank account you have registered with us, or any other bank account that has subsequently been approved by us, by no later than the next Business Day after we are deemed to have received your request. We will confirm the details we require at the time of the redemption.

6.6 Unsuccessful transactions. If a payment to load funds into your Kraken E-Money Wallet is not successful, you authorise us, in our sole discretion, either to cancel any related transaction or to debit your other payment methods, in any amount necessary to complete the transaction in question. You are responsible for maintaining an adequate balance and/or sufficient credit limits in order to avoid overdraft fees, or similar fees charged by your payment provider.

7. Transferring Fiat Currencies to other Kraken Users

- 7.1 Initiating and authorising a transfer.** To initiate a transfer of Fiat Currency from your Kraken E-Money Wallet, you (the sender) must provide instructions to Kraken by telling us (i) the amount of Fiat Currency in your Account that you wish to transfer, and (ii) the intended recipient of the transfer (the “**Kraken Pay Instructions**”). By submitting the Kraken Pay Instructions and confirming the transaction, you authorise us to transfer Fiat Currency to the recipient you have selected.
- 7.2 Limits.** You may only transfer Fiat Currency to a recipient if the Fiat Currency is also available in the recipient’s jurisdiction. We may decide to add or remove a Fiat Currency available in any jurisdiction. Your use of the E-money Core Services is also subject to certain limits (for example, in the amount and/or frequency of transactions you may make within a period of time). We may change these limits from time to time. You can ask us for further details.
- 7.3 Selecting your recipient.** You may select the Kraken user that you wish to make a transfer to by entering the Kraktag or email (if enabled) associated with the recipient’s Kraken Account or by selecting the “Paylinks” feature. If you select Paylinks as your recipient, a payment link (“**Paylink**”) will be generated, which you may share with the intended recipient through your own chosen communication method. Once a Paylink has been generated, the Fiat Currency you have selected for transfer will no longer be available in your Kraken E-Money Wallet. While a recipient of the Paylink does not need a Kraken account to receive the Paylink, the recipient must create a Kraken Account, pass identity verification checks and satisfy our Eligibility Criteria before they can claim the Fiat Currency you have designated for transfer through the Paylink. A Paylink may only be redeemed once and will expire 14 days after we share it with you. If the designated Fiat Currency is not claimed through the Paylink within that time, the Fiat Currency will be re-issued to your Kraken E-Money Wallet. You are responsible for ensuring that the Paylink is sent to the correct recipient.
- 7.4 Timing.** When you submit Kraken Pay Instructions and confirm the transaction, we will begin processing the transfer immediately and the relevant Fiat Currency will leave your Kraken E-Money Wallet as soon as you confirm the transaction and reach the recipient by no later than the end of the next business day. You should carefully check all transaction information prior to submitting Kraken Pay Instructions as the transfer may not be cancelled or reversed once it is submitted.
- 7.5 Pending and failed transactions.** From time to time, we may tell you that a transaction has a “Pending” status. This could be for a number of reasons, including that we need to apply checks before processing the transaction. We will then confirm whether the transaction has been successfully processed or failed.

8. Making a third party payment using Fiat Currency

- 8.1 Payment instructions.** You may instruct us to make a payment using the Fiat Currency in your Kraken E-money Wallet and you can do so using, and as set out in, the Krak App. Any payment you instruct us to make will be made by us first redeeming the required value of Fiat Currency followed by us sending the resultant funds to the identified recipient.
- 8.2 Payment authentication.** We may require you to authenticate any payment instruction (i.e. give us the information that we need to be sure that it is you giving us the instruction) such as providing us with your Security Credentials (as defined below). If you are not able to do so, we may not be able to make the payment.
- 8.3 Cancelling your payment instruction.** Once you provide your payment instruction to us, you may not cancel it.

8.4 Payment timings. A payment instruction is deemed to be received by us when the complete information required for execution of the payment reaches us. If your payment instruction is received after 4pm on a business day or on a day that is not a business day, then the instruction will be treated as received on the next business day. Once received, we will credit the recipient's bank or payment service provider (as the case may be) by the end of the next business day.

9. Restrictions on E-money Core Services

9.1 Limits on your Kraken E-Money Wallet. Unless we tell you otherwise (and except as otherwise set out in this Agreement), there are no spending limits in place and you are permitted to spend the balance of your Kraken E-Money Wallet at any time. We may however, at our discretion, impose limits on the amount and value of payments you can make, including money you send for purchases. Where we do so, you can view any sending limit by logging into your Kraken E-money Wallet. To request that we increase your sending limit, you must follow the steps that we will notify to you or publish from time to time (which we may set out in your account overview).

9.2 Refusing payment transactions. We may refuse to execute a payment transaction where:

- you do not have enough balance in your Kraken E-Money Wallet for the payment;
- you have not provided us with information that we need to make the payment;
- the payment exceeds any limits we tell you about when you try to make it;
- we reasonably suspect fraud or other criminal activity in connection with your request;
- we reasonably believe that following your instructions might put us in breach of applicable law or at risk of action by one of our regulators; or
- we have reasonable concerns about the security of your Kraken E-Money Wallet.

9.3 What happens if we refuse. Unless the law prevents us from doing so, we will inform you of our refusal and, where applicable, any steps you can take to enable us to execute your payment transaction.

9.4 Blocking your Kraken E-Money Wallet. We can block or suspend access to your Kraken E-Money Wallet (and associated Security Credentials and ability to provide us with payment instructions) if we reasonably:

- suspect there has been unauthorised or fraudulent use of your Kraken E-Money Wallet;
- have concerns about the security of your Kraken E-Money Wallet; or
- believe that it is required in order to meet a legal or regulatory obligation that applies to us.

We will let you know if we do this, and why, unless it would be unlawful for us to tell you or it would affect the security of your account. If possible, we will tell you before we put a block in place but, if we cannot do this, we will tell you immediately after we have done it.

We will remove a block as soon as the reason for it ends. We may replace your payment device or get you to change your security credentials if we reasonably believe this is necessary to keep your account secure.

10. Disruptions to our E-money Core Services

10.1 Our liability. We will not be responsible for any losses to you if we cannot perform the E-Money Core Services because of abnormal or unforeseeable circumstances beyond our control (or the control of any third parties acting for us, such as agents and sub-contractors), the consequences of which were unavoidable despite all efforts to the contrary, for example the failure of a payments system that prevents us from making payments for you.

11. Amending the E-money Core Services Terms

11.1 Notice of changes to these E-money Core Services Terms. Subject to section 11.4 of this Part C and notwithstanding section 1.7 of Part A (Amending this Agreement), we may make changes to these E-money Core Services Terms (including amending our fees or introducing new fees) at any time by giving you no less than two months' notice.

11.2 How we will notify you. We will give notice to you of any proposed changes by sending an email to the primary email address registered with us.

11.3 When changes come into effect. Any proposed changes will come into effect two months after the date that you receive notice, unless you have given us notice that you object to the proposed changes before the changes come into effect under section 11.5.

11.4 When we can make changes sooner. Amendments that make these terms more favourable to you and/or are related to the addition of new e-money and/or payment services which do not change the terms relating to the existing e-money and/or payment services, will come into effect immediately.

11.5 Your right to object. You have the right to object to any proposed changes and, in doing so, terminate these E-money Core Services Terms immediately and without charge by providing written notice to us, provided that you do so before such changes come into effect. If you exercise this right, then your Kraken E-Money Wallet will be closed and all Fiat Currency held in your Account will be redeemed as described in section 6.5 above.

11.6 If you do not object. If we do not hear from you before such changes come into effect, you will be deemed to have accepted the changes and the amended terms will apply from the date included in the notice.

12. Terminating the E-money Core Services Terms

12.1 Our right to terminate the E-money Core Services without delay. Notwithstanding section 8.4 of Part A (Suspension, termination and cancellation), we may close your Kraken E-Money Wallet and will provide you with notice without delay if:

- we consider that your conduct in relation to someone acting for us or on our behalf amounts to an offence under certain specific laws (such as those relating to public order, harassment, abuse, and other threatening behaviours); or
- you provided us with certain incorrect information before, or when entering into, the E-Money Core Services Terms, and had the correct information been provided we would not have entered into such terms.

13. Disputes relating to the E-Money Core Service Terms

13.1 Complaints. If you have a complaint about our E-money Core Services, you can send it to us by following the process set out in section 15.1 of Part A (Complaints).

13.2 Responding to complaints. Notwithstanding section 15.2 of Part A (Responding to complaints), we will respond to complaints relating to our E-money Core Services as follows:

- We will acknowledge receipt of your complaint within five Business Days.
- We will provide you with the name of the individual(s) who will be the point of contact in relation to your complaint and will provide you with regular updates on the progress of the complaint at least every 20 calendar days.
- We will then aim to provide you with an answer or resolution to your complaint within the timeframes and in the manner required by applicable law and at the latest within 15 Business Days. Should this not be possible due to exceptional circumstances not within our control, we will contact you setting out the reasons why the complaint remains ongoing, requesting further information on the complaint (where appropriate) and specifying the deadline by which you will receive a response.
- In any event, we will send a final reply to you, addressing all points raised in your complaint, at the latest within 35 business days of our receipt of the complaint.
- In our final reply, we will inform you of (i) the outcome of the investigation, (ii) terms of any offer/settlement, (iii) that the matter can be referred to the FSPO and (iv) contact details of the FSPO.

CRYPTO-ASSET CORE SERVICES

14. Purchasing, Selling and Exchanging Crypto-assets

14.1 Orders. Subject to your fulfilment of all applicable Eligibility Criteria, the Core Services allow you to purchase Crypto-assets using Fiat Currency or other Crypto-assets, and to sell Crypto-assets in exchange for Fiat Currency or other Crypto-assets, all by submitting an order through the Platform (each an “Order”). Your Order must include all information required by us and we will let you know what information is required before you submit the Order. You should carefully check all details in your Order before it is submitted. Please refer to our [Trading Guide](#) for more information regarding submitting Orders to buy and sell Crypto-assets.

If you don't understand everything in our Trading Guide: don't submit any Orders.

14.2 Authorisation. When you submit an Order, that Order is binding on you and you authorise us to execute a transaction in accordance with the Order and to charge you any applicable fees and taxes. By submitting an Order to make a purchase, you are consenting to us making a transfer of Fiat Currency of the equivalent value on your behalf to the relevant Kraken entity from your Kraken E-Money Wallet. If the Order type you choose for an Order is set to execute only at a certain price or only if certain contingencies are met (for example, a limit order), we cannot guarantee that the Order will ever be executed in whole or in part.

14.3 Order cancellation. All Orders are final, non-refundable and non-cancellable, including before or after we execute an Order, unless otherwise provided in this Agreement. In some circumstances, you may have the opportunity to request cancellation of an Order before we execute it, but we may refuse any cancellation request at our sole discretion.

14.4 Order Information. Where an Order is submitted by you, we will provide you with the following information upon your request or otherwise in accordance with applicable law:

- the maximum execution time;
- any charges payable by you; and
- where applicable, a breakdown of the amounts of any charges.

14.5 Order confirmations. We will notify you of the Orders we have executed via e-mail and/or through automatic confirmations on the Site. A list of all successfully executed Orders will also be available on your Account. Proceeds from a successfully executed Order will be credited to your Account, less any applicable fees, and the Crypto-assets or Fiat Currency you traded for such proceeds will be removed from your Account.

14.6 Rejecting Orders. We will determine in our sole discretion whether or not to accept any Order. We will notify you if an Order is rejected, but we will not be required to explain why your Order was rejected.

14.7 Pricing. The price of any Order will be displayed on the Platform and we will execute each Order at the price displayed at the time when your Order is submitted. However, we cannot guarantee any Order will trade at any particular exchange rate and the exchange rates that may be used for your Order may differ from rates provided by third parties. We are not responsible for matching any third party rate or providing you any particular rate. The actual rate at which an Order is executed may be different from the current market exchange rate indicated by our Platform at the time of your Order (due to fluctuations in the rate or other factors outside our control), and we are not liable for any such difference or any price fluctuations. Any rate shown on our Platform is only valid during a specific period and may not be current.

14.8 Completing Orders. If your Order is not executed successfully or your payment method does not have sufficient Fiat Currency or Crypto-assets to complete the Order, you authorise us, in our sole discretion, to cancel the Order or to use alternative Crypto-assets and Fiat Currency in your Account or to debit any other payment methods you have provided us with up to the value necessary to complete the Order or part of the Order or resolve any resulting shortfall or negative balance, including to exchange Crypto-assets or Fiat Currency in your Account for alternative types of Crypto-assets or Fiat Currency and deduct any applicable fees and taxes. You should ensure that you have sufficient available funds available to fulfil any Orders you make. Otherwise, you may incur fees or charges from your bank or other payment service provider.

14.9 Order errors. In the event of an error, whether via our Platform or otherwise, in an Order confirmation, in processing your purchase, in funding your Account, in transferring Fiat Currency or Crypto-assets, or any other transaction, we reserve the right, and you authorise us, to correct such error, including by revising the transaction (including charging the correct price), cancelling the transaction, or taking any other action to resolve the error (including exchanging Fiat Currency or Crypto-assets in your Account for alternative types of Fiat Currency or Crypto-assets and deducting any applicable fees and taxes to correct the error).

14.10 Transaction limits. Your transaction and trade size limits may vary depending on your payment method, verification steps you have completed, and other factors. Details of these limits are published on our [Site](#). We reserve the right to change applicable limits as we consider necessary. No Order which exceeds our set maximum trade size can be submitted unless agreed otherwise by us. No Order which is less than our minimum trade size can be submitted unless agreed otherwise by us.

14.11 Order Execution. We will carry out Core Services that involve the execution of Orders on your behalf in accordance with our Order Execution Policy. We will notify you if we make any significant changes to our Order execution arrangements or Order Execution Policy.

By using our Core Services, you acknowledge and agree: (1) to our Order Execution Policy; and (2) that, as set out in our Order Execution Policy, your Orders may from time to time be executed outside a trading platform.

14.12 Order Execution Policy. Our Order Execution Policy sets out how we execute Orders on your behalf and contains the steps we take when executing Orders to obtain the best possible result for you. The best possible result is not solely determined by price; we also consider other factors like execution speed and the likelihood of an Order being executed successfully. All Orders processed under our Order Execution Policy are routed to an execution venue, where Orders are filled as soon as market conditions permit, in accordance with same price-time priority rules. We regularly review the execution venues we use against criteria such as regulatory compliance, operational resilience and market abuse. We also conduct ongoing monitoring of the effectiveness of our Order execution arrangements through metrics such as how quickly we complete Orders, how many Orders we complete before they expire or are cancelled, and how much prices move between when you place the Order and when we execute it. Further details about our Order Execution Policy are available at www.kraken.com/legal/MiCAR.

15. Order Types

15.1 Order types. Please refer to our [order types](#) page for a description of the various types of Orders that our Core Services may permit you to make. Certain Order types may not be available to you or may be subject to additional terms and conditions set forth in this Agreement. We can remove or change any Order types in our discretion at any time.

15.2 Kraken as counterparty or agent. Trades in which you enter an Order with a specified trading pair and quantity after receiving a quote from us providing indicative trade terms and fees (for instance our Instant Buy/Sell service) are filled by us as your counterparty. Trades in which you submit limit or market buy and sell Orders (such as our Kraken Pro Spot Crypto service) are executed by us on an agency basis, on your behalf.

15.3 Recurring and custom Orders. You may have the option to submit Orders on a recurring or custom basis using our services. If you elect to make recurring or custom Orders, you authorise us to initiate recurring or custom electronic purchases or sales using Crypto-assets and Fiat Currency in your Account in accordance with your selections and based on your time period selection. Your authorisation will remain effective until the expiration of your chosen time period or until you change your recurring or custom Order settings in your Account, whichever occurs first. Changes in your recurring or custom Order settings may take up to one calendar day to become effective. You agree to keep your payment method updated in your Account as long as you have recurring or custom Orders active or scheduled. You should regularly check the status of your recurring and custom Orders. You acknowledge that:

- while we may attempt to execute your recurring Order on the day that you select, transaction times may vary;
- the amount of any Crypto-asset you purchase or sell in each recurring Order will depend on the market price at the time of the Order and will only be determined once the Order is executed;
- Custom Trade Orders will execute at the target price or better. This means that the underlying market could hit your target price and we would not execute the order, if we are unable to lock in a price at or better than the target price;;

- we may reject, cancel, suspend or delay a recurring or custom Order (in whole or in part) for any reason at any time without incurring liability and we will not be liable for any recurring or custom Order or any failure to make a recurring or custom Order;
- we will not verify the information or details of your recurring or custom Orders and so you agree that the information and details of your recurring and custom Orders as provided by you are accurate and complete and as such may be treated and acted upon by us; and
- we may, at any time and without liability, terminate recurring or custom Orders by providing notice to you, unless such notice is prohibited by law.

16. Adding and Withdrawing Crypto-assets

16.1 Adding Crypto-assets. To fund your Account, you may receive Crypto-assets from external wallets and add them into your Account. When you do this, you agree to comply with all applicable laws regarding the source and legality of the added Crypto-assets and you represent and warrant that the Crypto-assets do not originate from illegal activities, money laundering, terrorist financing or other illegal sources.

16.2 Verifying added Crypto-assets. We reserve the right to verify the source of any Crypto-assets added into your Account and may take appropriate action, including freezing or blocking funds or assets, if we suspect any violation of this Agreement or applicable law.

16.3 Withdrawing Crypto-assets. You may transfer Crypto-assets out of your Account by making a withdrawal from your Account to an external destination wallet chosen by you. You must have sufficient Crypto-assets in your Account to cover the Crypto-assets to be withdrawn and any applicable fees associated with the withdrawal. You cannot make a withdrawal if the balance of Crypto-assets in your Account is less than any minimum balance requirements, any amounts needed to satisfy any of your open positions, or any fees owed by you.

16.4 Verifying withdrawals. You are fully responsible for the destination wallet details that you provide to us and we accept no responsibility for your Crypto-assets if the details given are incorrect. If you make a withdrawal of Crypto-assets from your Account we may require you to provide us with additional information so that we can review and verify the destination wallet, in order to comply with our legal obligations. Our review may result in us taking any of the actions set out in section 7.1 of Part A (Consequences of Default), in our sole discretion.

16.5 Processing additions and withdrawals. We don't control or make any guarantees about the amount of time it takes to complete an addition or withdrawal of Crypto-assets to/from your Account, as this time frame depends upon the performance of third parties. We can, at any time and without notice, reject any addition or withdrawal of Crypto-assets to/from your Account or impose limits on the additions and withdrawals you can make (for example in size or frequency).

16.6 No cancellation. Additions and withdrawals of Crypto-assets to/from your Account are final and non-refundable once made, and may not be cancellable once initiated.

16.7 Compliance with applicable law. Where you make a request to withdraw Crypto-assets from your Account, we will carry out that withdrawal as a transfer service in accordance with applicable law. Further details on the nature and arrangements relating to our transfer services can be found on our Site.

17. Transferring Crypto-assets

17.1 P2P product. Our P2P product allows you to send or receive Crypto-assets to or from other Kraken clients that have an Account with us. You cannot use the P2P product to transfer Crypto-assets to a Kraken client: (1) that does not satisfy our Eligibility Criteria; or (2) that is in another jurisdiction where the type of Crypto-asset being transferred is not supported by us in that jurisdiction.

17.2 Crypto-asset Transfers product. Our Crypto-asset Transfers product allows you to send or receive Crypto-assets to or from external parties. Transfers to or from external parties will only be executed by us where the external party passes our client verification checks in accordance with applicable law, and for transfers of Crypto-assets to external parties, the external party must also satisfy our Eligibility Criteria and create an Account with us. Where we have insufficient information to meet our requirements we may reject or return any transferred assets received.

17.3 Staked assets. You cannot transfer Staked Crypto-assets using our P2P product or our Crypto-asset Transfers product (together, the “**Transfer Services**”).

17.4 Sending Crypto-assets. To send Crypto-assets using the Transfer Services, you must provide us with instructions on the transfer by confirming:

- the type and amount of Crypto-assets in your Account that you wish to transfer;
- the intended recipient of the transfer (e.g. by providing their wallet address, Kraktag and/or email); and
- any other details we request on the Platform.

By submitting these instructions to us through the Platform, you authorise us to transfer the designated Crypto-assets to the recipient you have selected. You must not submit instructions for a transfer of more Crypto-assets than you hold in your Account, or for a type of Crypto-asset that you do not have in your Account. From submission of your instructions, you will no longer own the Crypto-assets that you have designated to be transferred and they will be removed from your Account.

17.5 Paylinks. If you send Crypto-assets using the Crypto-asset Transfers product, once you have submitted instructions on the transfer, we will generate a Paylink for the recipient to use to claim the transferred Crypto-assets and will share the Paylink with you. You are responsible for sending the Paylink to the intended recipient. We do not share the Paylink with anyone except you and will have no liability or responsibility in the event an individual other than the intended recipient claims the Crypto-assets through the Paylink.

17.6 Claiming Crypto-assets through Paylink. Once you have shared the Paylink with the intended recipient, the recipient will need to create a Kraken Account, pass identity verification checks, and satisfy our Eligibility Criteria before they can claim the Crypto-assets you have designated for them to receive through the Paylink. A Paylink may only be redeemed once and will expire 14 days after we share it with you. If the designated Crypto-assets are not claimed through the Paylink within that time, the Crypto-assets will be returned to your Account.

17.7 Receiving Crypto-assets. To receive Crypto-assets using the Transfer Services, you will need to share your public crypto wallet address with the sender. We reserve the right to verify the source of any Crypto-assets transferred into your Account and may take appropriate action, including freezing or blocking funds or assets, if we suspect any violation of this Agreement or applicable law.

17.8 No cancellation. Transfers using the Transfer Services are final, non-refundable and non-reversible once made, and may not be cancellable once initiated. Once you have submitted instructions for a transfer using the Transfer Services, the instruction cannot be withdrawn or amended. In some circumstances, you may have the opportunity to request cancellation or reversal of a transfer, but we may refuse any request at our sole discretion.

17.9 Your responsibilities. It is your responsibility to make sure the transfer instructions that you submit to us are correct, and that the type of Crypto-asset being transferred is supported by the recipient wallet address. You acknowledge that any errors may result in the irreversible loss of your Crypto-assets.

17.10 Transfer Services reporting. At least once per month, we will provide you with information about your transfers using the Transfer Services by making this information available to view in your Account, including:

- the names of the sender and the recipient, and each of their distributed ledger addresses or Account numbers;
- a reference enabling you to identify each transfer of Crypto-assets;
- the amount and type of Crypto-assets transferred or received;
- the debit value date or the credit value date of the transfer of Crypto-assets; and
- the amount of any charges, fees or commissions relating to the transfer of Crypto-assets and, where applicable, a breakdown of the amounts of such charges.

17.11 Transfer Services failure. Transfers of Crypto-assets may fail for a variety of reasons. If a transfer using the Transfer Services fails for any reason, we will notify you of this, the reason it failed and (if applicable) how to remedy this, and the amount of fees you have incurred and whether any reimbursement is possible. The Crypto-assets that were designated to be transferred will be returned to your Account. You will then have the opportunity to submit new transfer instructions to re-initiate the failed transfer.

17.12 Processing times. We will act on your transfer instructions as soon as they are correctly submitted, but we don't control or make any guarantees about the amount of time it takes to complete a transfer of Crypto-assets to/from your Account, as this time frame depends upon the performance of third parties.

17.13 Restrictions on Transfer Services. The Transfer Services are only available in relation to the types of Crypto-assets that are available in the recipient's jurisdiction. We can, at any time and without notice, reject any transfers using the Transfer Services or impose limits on the transfers you can make using the Transfer Services (for example in size or frequency).

17.14 Compliance with applicable law. Where you request a Crypto-asset Transfer, we will carry out that Crypto-asset Transfer as a transfer service in accordance with applicable law. Further details on the nature and arrangements relating to our transfer services, including a description of the security systems we use, can be found on our Site.

17.15 Taxes. Sending or receiving Digital Assets may constitute a taxable transaction in certain situations. You alone are responsible for determining whether your use of Kraken Pay is subject to tax and for reporting and remitting the correct taxes to the appropriate tax authorities. You agree that we have no responsibility or liability for determining whether a transaction is subject to tax and what taxes apply or for collecting, reporting, withholding, or remitting any taxes arising from your use of Kraken Pay, unless otherwise required by law. Notwithstanding anything herein to the contrary, you acknowledge and accept that Kraken may have a legal obligation to make reports, and will make such reports as required, to the relevant tax authorities regarding Kraken Pay.

17.16 This section 17.16 is only applicable to Payment Service Providers that use Kraken Pay. Payment Service Providers (“Channel Partners”) utilizing the Kraken Pay platform—for services including payroll, invoicing or contractor payment platforms, and merchant payment processors—are solely responsible for ensuring compliance with all applicable tax reporting and withholding obligations related to the payments they facilitate. Given their direct relationship with payment recipients and, in certain instances, their specific knowledge concerning the nature, purpose, or character of the payments, Channel Partners acknowledge and agree that they assume full responsibility for any required tax reporting and withholding.

Kraken shall have no responsibility or liability for tax reporting or withholding on transactions processed by Channel Partners, except where Kraken is expressly required to withhold or report under applicable law. In such cases, Kraken will perform the necessary withholding and reporting to the extent mandated.

By using the Kraken Pay platform, Channel Partners agree to indemnify and hold Kraken harmless from any claims, liabilities, penalties, or costs arising from their failure to comply with applicable tax reporting and withholding obligations.

If you have any questions about your tax obligations, please consult with a tax professional for advice.

18. Custody of Crypto-assets

18.1 Title to Crypto-assets. Except as provided herein, you own the Crypto-assets in your Account and these Crypto-assets are assets held in custody by us for you and these Crypto-assets are assets held in custody by us upon trust, for you absolutely.

As you are the owner of the Crypto-assets in your Account, we will not have any liability for fluctuations in the value of the Crypto-assets held on your behalf by us in your account.

18.2 Our custodial obligations. None of the Crypto-assets in your Account should be subject to the claims of our creditors. We acknowledge that we hold these assets on trust for you, and we undertake fiduciary obligations consistent with our role as trustee. Except as required by law, or as set forth in this Agreement, we won't sell, transfer, loan, hypothecate, or otherwise alienate any Crypto-assets in your Account unless you instruct us to.

18.3 Segregation of Crypto-assets. We maintain separate ledgers for your Account and our accounts. Additionally, we will legally and operationally segregate the Crypto-assets we hold in custody for you from our own assets in accordance with applicable law and will ensure client assets are clearly identified and protected in the event of our insolvency. These assets are held on trust for you and are subject to the fiduciary obligations arising from our role as trustee.

18.4 Storage of Crypto-assets. We may hold Crypto-assets in your Account in a variety of different ways, including across multiple blockchain protocols, such as "Layer 2" networks, alternative "Layer 1" networks, or side chains. In connection with holding your Crypto-assets, we may transfer those Crypto-assets off the primary blockchain protocol and onto shared blockchain addresses we control or on alternative blockchain protocols in forms compatible with such protocols. You agree that all forms of the same Crypto-asset may be treated as fungible and the equivalent of each other, including those that are held and made available across multiple blockchain protocols and without regard to (a) whether any form of the Crypto-assets is wrapped or (b) the blockchain protocol on which any form of the Crypto-assets is stored.

18.5 Voting rights. The underlying protocols for certain Crypto-assets offer holders the ability to vote on matters related to the governance of the protocol or exercise other rights attached to the Crypto-assets. We do not support voting or exercise of voting rights for Crypto-assets held in your Account with us and we will not exercise voting rights in relation to these Crypto-assets on your behalf. To participate in protocol governance or exercise other voting rights attached to Crypto-assets, you must withdraw your Crypto-assets to a personal wallet and use the respective protocol's interface.

18.6 Underlying protocol changes. As stated in section 3.7 of Part A (Operation of Protocols) above, we do not own or control the underlying software protocols that govern the operation of Crypto-assets and these may be subject to sudden changes in operating rules (including forks or airdrops). Any operating changes may materially affect the availability, value, functionality, name of the Crypto-asset you store in your Account and/or require a response from you. We do not control the timing or features of these operating changes but we will provide you with any information about operations on Crypto-assets that require a response from you as soon as possible after we become aware of them. It is your responsibility to make yourself aware and informed of upcoming operating changes to determine whether to continue to transact in the affected Crypto-asset using your Account.

In the event of any such operational change, we reserve the right in our sole discretion to take any steps that may be necessary to protect the security and safety of assets held on the Platform, including temporarily suspending operations for the affected Crypto-asset, or deciding not to support any new Crypto-asset fork. In such circumstances you may not be entitled to any Crypto-assets or any rights newly created.

You acknowledge and accept the risks of operating changes to Crypto-asset protocols and agree that we are not responsible for them or for any loss of value you may experience as a result of those changes in operating rules. You acknowledge and agree that:

- **we have no responsibility to assist you with unsupported crypto-assets or protocols,**
- **we have no responsibility to support new Crypto-asset forks or operating changes for Crypto-assets, and**
- **you are not entitled to any Crypto-assets or rights created on the basis of any such changes or events.**

18.7 Custody Policy. We have a Custody Policy in place which contains our internal rules and procedures to ensure the safekeeping and/or control of your Crypto-assets, and the means of access to your Crypto-assets, and which is designed to minimise the risk of a loss of client Crypto-assets due to fraud, cyber threats or negligence. A summary of our Custody Policy, together with a description of the security systems we use, is available here: www.kraken.com/legal/MiCAR.

18.8 Account statements. You have continuous access to real-time and historic account information via the Platform. Through the Documents Interface within the Platform, you may generate and download an Account statement at any time. Each Account statement will identify the amount and value of each Crypto-asset in your Account at the end of the period and on a look-back basis, and will set out details of all transactions carried out via your Account during that period. As a result of this information being available to you on a real-time basis, we do not proactively send statements to you unless agreed with you separately.

18.9 Our custodial liability. In respect of our provision of custody services to you as set out in this section 17, our liability to you will be limited as set out in this section 17.9. To the extent this section 17.9 conflicts with section 9.3 of Part A (Limitation of our liability) or section 9.4 of Part A (Exclusions of liability), this section will take precedence.

We will be liable to you for the loss of any Crypto-asset or of the means of access to the Crypto-asset as a result of an incident that is attributable to us, up to a maximum amount equal to the market value of the Crypto-asset that was lost, at the time the loss occurred.

In no event will we be liable for losses of Crypto-assets where the loss occurred as a result of incidents that were not directly attributable to us.

For the purposes of this Agreement, this includes any event that occurred independently of our provision of services to you, or independently of our operations, including:

- any problem inherent in the operation of any distributed ledger underlying any Crypto-asset,
- your failure to verify the details of any Crypto-asset transfer before executing it,
- breaches of our security that occur notwithstanding our compliance with our security obligations under this Agreement,

- any compromise of custodial account login credentials due to no fault of ours, and/or
- your failure to follow or act on any notices or alerts that we send to you relating to the security of your Crypto-assets.

19. Risk Warnings

19.1 Digital asset risks. You acknowledge that using or undertaking transactions involving digital assets, their networks and protocols, involves serious risks. It is your duty to learn and understand all risks involved with digital assets, their protocols and networks. For example, the value of digital assets can change rapidly, increase or decrease unexpectedly. We have no control over, and makes no representations regarding the value of digital assets, or the security of their networks or protocols. We have set out some of these risks below. You should read and ensure that you understand all of these risks before using any of our Core Services.

19.2 DeFi Tokens. DeFi tokens are cryptoassets that are linked with decentralised financial applications. Examples of DeFi tokens are 1inch (1INCH), Aave (AAVE), Ankr (ANKR) and Aerodrome Finance (AERO).

- Market abuse risk: Bad actors could attempt to scam purchasers by launching tokens without then developing the underlying DeFi project, resulting in the exploitation of investors and loss of funds. Alternatively large token holders could flood the market by selling lots of tokens at once, causing unexpected sudden price drops.
- Protocol complexity risk: DeFi applications and tokens can be complex, making them challenging to understand.
- Regulatory risk: DeFi applications operate in a decentralised manner, often without intermediaries or financial controls, which makes them vulnerable to global regulatory changes impacting the use, value, or legality of DeFi applications or tokens.
- Smart contract / data risk: DeFi applications rely on the integrity of data and security of smart contracts. Vulnerabilities in smart contracts (like a coding error) can be exploited and lead to significant losses for DeFi applications, impacting the valuation of DeFi tokens. Similarly, reliance by a DeFi app on external data sources could result in disruption and devaluation, as the data sources may be vulnerable to attack.

19.3 Meme Tokens. Meme tokens are cryptoassets that derive their value from community interest and online trends. Examples of meme tokens are Pepe (PEPE), Floki (FLOKI), Apu Apustaja (APU) and Doland Tremp (TREMP).

- Emotional risk: Meme tokens are often bought based on investor sentiment, but emotional reactions can lead to impulsive or irrational decisions and amplify losses.
- Market abuse risk: The lack of intrinsic value or utility in a meme token also makes it highly vulnerable to market manipulation schemes where the token value can crash instantly.
- Transparency risk: Limited information about a meme token, such as its development team, goals and financials, can make it difficult to evaluate the credibility and value of a meme token.

- Volatility risk: As meme token value is reliant on popularity, community interest, social media trends and speculation, extreme price volatility is common, causing rapid and unpredictable price fluctuations.

19.4 Stablecoins. Stablecoins are cryptoassets where the value of the cryptoasset is pegged to another underlying asset such as a fiat currency and reserves held in the pegged asset are used to maintain the stability of the stablecoin's value. Examples of stablecoins are Global Dollar (USDG), USD Coin (USDC) and PayPal USD (PYUSD).

- Algorithm risk: Some stablecoins rely on an algorithm to maintain price stability of the stablecoin, rather than by holding reserves of the underlying asset. If the algorithm fails, the stablecoin could become de-pegged, meaning the value of the stablecoin would no longer match the value of the underlying asset.
- Counterparty risk: The maintenance of reserves in the underlying asset may be done by a third party, which could become insolvent, suffer a cyber-attack or fail to perform correctly.
- Price fluctuation risk: Changes to the value of the underlying asset might affect the price stability of the stablecoin. Additionally, exchange rate fluctuations in the underlying asset could impact the value of your investment.
- Redemption risk: Although an asset may have functionality to be redeemable for the underlying asset, redemption processes might not work efficiently during market volatility or operational incidents.

19.5 Staking Tokens. Staking tokens are cryptoassets that have functionality to allow the cryptoassets to be locked into a blockchain protocol to enable operation of the proof of stake consensus mechanism to validate blockchain transactions. In return, those locked cryptoassets may receive rewards. Examples of tokens that can be staked are Ethereum (ETH), Solana (SOL), Chainlink (LINK), Polkadot (DOT) and Cardano (ADA).

- APY risk: The annual percentage yield gained from staked assets is variable and is subject to external factors, so any yield cannot be guaranteed.
- Liquidity risk: Staking tokens often involves a lock-up period, a bonding period and an unbonding period. During these periods, the staked tokens cannot be sold or used for any other activities.
- Protocol risk: As staking protocols are developing all the time, there is a possibility that future changes may introduce vulnerabilities, bugs or unforeseen consequences.
- Slashing risk: If the validator that your tokens are staked with is penalised by the protocol for not validating transactions correctly, the staked assets may be slashed (i.e. lost).

19.6 Wrapped Tokens. Wrapped tokens represent cryptoassets pegged to the value of another asset that are used to facilitate interaction between blockchains. Stablecoins were one of the first types of wrapped tokens. Other examples of wrapped tokens are Wrapped Bitcoin (WBTC) and Wrapped Ethereum (WETH).

- Collateral risk: If sufficient reserves of the underlying tokens are not held, or the mechanisms to ensure sufficient collateral fail, the value of the wrapped token might fall.
- Counterparty risk: The underlying assets may be held by a third party, which could become insolvent, suffer a cyber-attack or fail to perform correctly.

- Smart contract risk: Wrapped tokens use smart contracts to ensure their value remains pegged to the underlying asset. Vulnerabilities in these smart contracts (like a coding error) can be exploited and impact the valuation of wrapped tokens, leading to significant losses.
- Bridging risk: If there are technical issues with the integration layers that facilitate the bridging of cryptoassets between protocols, this could impact on the utility of the token or unwrapping of the token.

PART D: PORTFOLIO MANAGEMENT SERVICES TERMS

Our provision of the Portfolio Management Services is regulated by the Central Bank of Ireland.

1. Portfolio Management Services

1.1 Portfolio Management Services overview. In addition to our Core Services, we may offer services in managing portfolios of Crypto-assets in accordance with instructions given by you to us (“**Portfolio Management Services**”), subject to your fulfilment of the Eligibility Criteria and the terms of this Agreement, including this Part D.

These services relate to crypto-assets, which involve special risks related to the specific features of the crypto-asset. The price of crypto-assets depends on fluctuations in the financial and crypto-asset markets that are outside of our control. Past performance or future forecasts do not constitute reliable indicators of future performance. We have set out some of the main risks associated with using our Portfolio Management Services in section 9 below. You should read these in full before you decide to use our Portfolio Management Services.

1.2 Portfolio Management Services products. Our Portfolio Management Services include certain products, which are set out below and may be updated from time to time without notice. More information about these products is available on our Site.

- **Bundles** – these are portfolios of Crypto-assets that are automatically rebalanced in the background by us, allowing you to invest in a range of Crypto-assets at once, while the rebalancing keeps portfolios on track so that when the market changes, the portfolio still captures your same investment preference. This product is available to all clients subject to successful completion of our client Suitability Assessment as set out in section 2.
- **Copy trading** – this product allows you to automatically copy the trades of other traders in real time, linking accounts so that your positions are adjusted synchronously on a pro rata basis, while ensuring you maintain full control over your Account, including the ability to start or stop copying at any time. This product is available to all eligible clients subject to successful completion of our client Suitability Assessment as set out in section 2.

1.3 Portfolio Management Policy. We will carry out the Portfolio Management Services (including Suitability Assessments, as described below) in accordance with our Portfolio Management Policy and related procedures. These policies and procedures are designed to establish a comprehensive framework for providing our Portfolio Management Services and set out the arrangements and systems we use for monitoring and ensuring compliance with applicable law.

1.4 Connection with Core Services. Where you use the Portfolio Management Services (including authorising transactions to buy or sell Crypto-assets, or holding Crypto-assets within your portfolio), the terms of this Part D apply to you in addition to the terms of Part C: Core Services Terms (and, for the avoidance of doubt, Part A: General Terms, which always apply). To the extent of any conflict, the terms of this Part D will take precedence.

1.5 Periodic Statements. We will provide you with a periodic statement of the Portfolio Management Services we have provided to you in an electronic format that is a Durable Medium. These periodic statements will be provided every three months while you use the Portfolio Management Services and will either be made available for you to access in your Account on demand (in which case we will notify you every time a new periodic statement is made available), or provided to you by email. The periodic statements will contain:

- a statement of the contents and the valuation of your portfolio, including details of each Crypto-asset held, its market value, or fair value if market value is unavailable and the Fiat Currency balance, all at the beginning and at the end of the reporting period;
- the performance of your portfolio during the reporting period (including any Crypto-assets received through staking activities);
- the total amount of fees and charges incurred during the reporting period, itemising total management fees and total costs associated with execution (where relevant, we will provide a more detailed breakdown at your request);
- where applicable, a comparison of performance during the period covered by the statement with the performance benchmark (if any) agreed between us and you;
- for each transaction executed during the period, the main characteristics of the relevant transaction;
- an explanation of how the Portfolio Management Services undertaken during the period meet your preferences, objectives and other characteristics; and
- the date of the last Suitability Assessment or its review and, if relevant, on which basis it was last updated.

1.6 Disruption to Portfolio Management Services. We cannot guarantee uninterrupted or error-free operation of the Portfolio Management Services or that we will correct all defects or prevent disruptions or unauthorised access. We may suspend or discontinue the Portfolio Management Services in our sole discretion at any time and without notice. In the event of any disruptions, suspension, or discontinuance of the Portfolio Management Services, rebalancing trades, copy trades or other trades in connection with the management of your portfolio may not be executed in full or at all, and your portfolio may be closed, causing Crypto-assets held in the portfolio to be sold at a lower value than when they were purchased.

2. Suitability Assessments

2.1 Suitability Assessments. Prior to receiving any Portfolio Management Services and on a regular basis afterwards, we are required to conduct an assessment of whether the Portfolio Management Services are suitable for you, in accordance with applicable law (each a “**Suitability Assessment**”). After the initial Suitability Assessment is successfully completed, we will review and update the Suitability Assessment at least every two years after that if you continue to use Portfolio Management Services.

2.2 Provision of information. You must provide us with up-to-date, accurate and complete information when we request it in connection with each Suitability Assessment. If there is a change to your knowledge, experience, financial situation, or investment objectives, including your risk tolerance, you should advise us. We are not liable for any losses that you suffer as a result of providing false, misleading or inaccurate information as part of your Suitability Assessment, including where this leads to us making a Portfolio Management Service available to you that might not be suitable for you.

2.3 Conduct of Suitability Assessment. The purpose of the Suitability Assessment is to ensure that we only offer Portfolio Management Services that are suitable for your needs, financial situation and risk tolerance. As part of this, we will take into consideration your knowledge and experience in investing in crypto-assets, your investment objectives (including risk tolerance) and your financial situation (including your ability to bear losses).

2.4 Suitability Assessments for legal entities or groups. Where you are a legal person or a natural person represented by another natural person, the financial situation and investment objectives will be assessed in light of those of the underlying client (the legal person or the natural person that is being represented), whereas the knowledge and experience we will assess will be that of the representative. As part of this we will require verification that the representative is indeed authorised to carry out transactions on behalf of the client, in accordance with applicable law. Where you are a group of two or more natural persons and no representative is foreseen under applicable law and we agree to provide Portfolio Management Services to you, we will either invite you to designate a representative, or collect information about and assess the suitability for each individual client that is part of the group.

2.5 Outcome of Suitability Assessment. We will determine the outcome of Suitability Assessments in our absolute discretion. In certain circumstances where we determine our Portfolio Management Services are not suitable for you, we may in our discretion give you an opportunity to retake the Suitability Assessment.

- If we determine that the Portfolio Management Services are suitable for you, you will receive a notification of this and will then be able to access Portfolio Management Services in your Account that we deem suitable for you.
- If we determine that the Portfolio Management Services are not suitable for you or if you do not provide sufficient information for us to complete a Suitability Assessment, you will receive a notification of this and will not be able to access any Portfolio Management Services in your Account.
- We may determine that only some Portfolio Management Services are suitable for you, in which case only those services will be accessible in your Account.

3. Your Portfolio

3.1 Authorisation. By using any of our Portfolio Management Services, you give us a mandate and authorise us to execute Orders on your behalf in accordance with the parameters that you have set for that portfolio (such as the amount of money you wish to invest). Once you have allocated Fiat Currency to a portfolio in connection with our Portfolio Management Services, we will then automatically execute Orders for you in accordance with the applicable product. We will not obtain your confirmation before we execute Orders carried out as part of our provision of Portfolio Management Services. Execution of Orders carried out as part of our provision of Portfolio Management Services will not require any prior consultation, consent or approval.

3.2 Your instructions. You can give us instructions in relation to your portfolio by updating the trading parameters for the portfolio in your Account at any time. It is your responsibility to keep your trading parameters up to date. We may, in our discretion, delay or not carry out instructions until we can contact you to clarify or check your instructions, or where your portfolio does not hold sufficient assets or funds for us to follow your instruction. We will not be liable for any loss or expense that you incur as a result of such a delay or refusal, provided that we have acted reasonably.

- 3.3 Limits and restrictions.** Use of any of our Portfolio Management Services may be subject to minimum or maximum thresholds on portfolio size and value, and/or transactions executed. Use of our Portfolio Management Services is also subject to the transaction and trade size limits set out in section 13.10 of Part C (Transaction Limits).
- 3.4 Claiming returns.** Returns may be generated from your portfolio through increases in the price of held Crypto-assets, Crypto-assets received from staking activities, or Crypto-assets received via air-drops. As the owner of the Crypto-assets held in your portfolio, you may be required to take certain actions to claim returns generated from Crypto-assets in your portfolio.
- 3.5 Reinvestment of returns.** Unless you have expressly instructed us not to, we will reinvest all returns received from your portfolio, including from increases in the price of held Crypto-assets, Crypto-assets received from staking activities, or Crypto-assets received via air-drop.

4. Bundles

- 4.1 Bundles product.** When you use our bundles product, you will first need to choose a pre-selected portfolio of Crypto-assets (each a “**Bundle**”) from a number of themed Bundles available. In certain cases we may give you the option to customise a Bundle for example by adjusting Crypto-asset weightings or selecting specific Crypto-assets you wish to include in the Bundle, although this feature will not always be available.
- 4.2 Weightings.** When you allocate Fiat Currency to the portfolio, we will execute trades to purchase the Crypto-assets listed for that Bundle at the same weightings of Crypto-assets as is allocated in the Bundle unless agreed otherwise with you. However, where this would involve us executing trades below the minimum trade size, these trades will not be executed.
- 4.3 Rebalancing.** We will automatically rebalance your Bundles at a frequency and according to the allocation parameters set by us (“**Rebalancing**”), unless agreed otherwise with you. Allocation parameters could be set so that your portfolio is updated to mirror the Crypto-assets and weightings of the Bundle, or according to other factors as further set out on our Site. By using our Bundles product, you are authorising us to execute trades to buy and sell Crypto-assets in your portfolio at a frequency set by us, to reallocate weightings of Crypto-assets in your portfolio according to the allocation parameters.
- 4.4 Allocations.** We may update the allocation parameters or weightings within a Bundle at any time in our sole discretion without prior notice by adding or removing Crypto-assets or changing the weightings of Crypto-assets in a Bundle, for instance as new Crypto-assets are added or removed from our Platform, or as market caps change. Unless we give you the option to opt-out of Rebalancing and you choose to opt-out, your portfolio will be updated during Rebalancing to mirror the updated Bundle composition, according to the updated allocation parameters and weightings.
- 4.5 Risk acknowledgement.** You acknowledge that you are fully responsible for deciding which Bundle to invest in (if any) and we do not provide investment advice or personal recommendations. You understand that market conditions may impact the effectiveness of rebalancing strategies and that we give no representations or warranties about the current or future performance of Bundles or Rebalancing.

5. Copy Trading

- 5.1 Copy trading product.** Our copy trading product allows you to copy the trading activity of other select clients (“Leaders”). When a Leader makes a trade, we will automatically execute the same trade (on a proportionate basis according to the amount you have allocated to your portfolio) on behalf of all of our clients that are copying that Leader.
- 5.2 Allocating Fiat Currency.** When you allocate Fiat Currency to a copy trading portfolio, you must select a Leader to copy. We will then copy trades executed by the Leader in your portfolio, at the same proportion as is allocated in the Leader’s portfolio. However, copied trades that would be below the minimum trade size will not be executed.
- 5.3 Timing.** We will endeavour to execute your Orders as soon as reasonably practicable following submission of the Leader’s Orders. However, there may be occasional delays. The execution price of your Order may differ from that of the Leader, which may result in a price differential that may or may not be to your advantage.
- 5.4 Starting copy trading.** When you open a copy trading portfolio, you can choose to copy either:
- all Crypto-assets which are currently held in the Leader’s portfolio as well as any new Crypto-assets which are added to the Leader’s portfolio after you begin to copy the Leader, in which case we will execute Orders for the currently held Crypto-assets at the prevailing market price at the time you open your copy trading portfolio (rather than the price at the time when the held Crypto-assets were originally purchased by the Leader); or
 - only new Crypto-assets which are added to the Leader’s portfolio after you begin to copy the Leader (i.e., we will not copy any Crypto-assets already held in the Leader’s portfolio at the time you started copying them), in which case we will execute Orders on your behalf to copy the Leader solely on a going-forward basis, as and when the Leader executes Orders.
- 5.5 Restrictions on copying.** If you are restricted from trading a Crypto-asset that is traded by a Leader you are copying, for example because the Crypto-asset is not available in your jurisdiction, or for any other reason in our sole discretion, then we may, in our sole discretion:
- execute a substitute trade for your portfolio in place of the restricted trade. If we substitute a trade for you the composition of your portfolio will no longer match that of the Leader, and we cannot guarantee that the performance of the substitute trade will match that of the restricted trade; or
 - not substitute the restricted trade, in which case your portfolio will not change and the composition of your portfolio will no longer match that of the Leader.
- 5.6 Monitoring copied traders.** We will monitor the trading activities of Leaders. We reserve the right to suspend or block any Leader at any time and without notice in our sole discretion, in which case your copy trading portfolio for that Leader will be terminated and the Crypto-assets from that portfolio will remain in your Account.
- 5.7 Risk acknowledgement.** You acknowledge that you are fully responsible for deciding which Leader to copy (if any) and we do not provide investment advice or personal recommendations. You understand that we give no representations or warranties about the current or future performance of Leaders.

6. Fees

6.1 Portfolio Management Services fees. The fees applicable to our Portfolio Management Services are available on our [Site](#) and may be changed by us with notice to you, where required in accordance with applicable law. We have provided a summary of our fee structure in relation to our Portfolio Management Services products below for your information only and if there is a conflict between the information below and the information on our Site, the information on our Site will take precedence:

- **Bundle fees.** Fees for use of the Bundle product will be charged as a percentage of the price of buy and sell transactions, with no charges for rebalancing your Bundle portfolio.
- **Copy Trading fees.** The fees for the Copy Trading product will align with those of the Spot Trading product, with the addition of a revenue share percentage paid by the follower to the leader being copied. The percentage of revenue share payable will be agreed between us and the Leader and will be displayed in your Account and accessible at the time of selecting the Leader

6.2 No third party commission. We will not accept or retain fees, commissions or any monetary or non-monetary benefits paid or provided by an issuer, offeror, person seeking admission to trading, or any third party, or a person acting on behalf of a third party, in relation to the provision of Portfolio Management Services to our clients.

7. Events of Default

7.1 Events of Default. In addition to the Events of Default set out in section 6.1 of Part A (Events of Default), in relation to the Portfolio Management Services it will be an “**Event of Default**” under this Agreement if: we have notified you of a material change to, or discontinuation of, any of our Portfolio Management Services, either generally or in relation to you specifically, that requires you to close or reduce the size of any of your open portfolios, or change the portfolio parameters in your Account, and you have failed to follow our instructions within the relevant notice period.

7.2 Consequences of Event of Default. In the case of an Event of Default, in addition to our rights under section 7 of Part A (Consequences of Default), we may immediately or any time thereafter whilst the Event of Default is continuing, liquidate any of your open portfolios by selling the Crypto-assets in those portfolios, close the portfolios, deduct any amounts owed by you from the Fiat Currency received and transfer the remaining Fiat Currency received into your Account.

8. Closing Your Portfolio

8.1 Failure to meet minimum threshold. If the value of your portfolio falls below the applicable minimum threshold, we may sell the Crypto-assets in that portfolio, close the portfolio and transfer the Fiat Currency received into your Account.

8.2 Account closure. If you choose to close your Account (in accordance with section 8.2 of Part A (Your right to terminate)) without first withdrawing all of your assets and funds from your open portfolios, we will close your Account as soon as reasonably practicable after we have received your request, and we have sold the Crypto-assets in your open portfolios, closed the open portfolios and transferred the Fiat Currency received into your Account, cancelled all Orders, and all of your obligations under this Agreement have been discharged. You authorise us to cancel or suspend any pending transactions at the time of cancellation.

9. Risk Warnings

9.1 Limitations to the Portfolio Management Services. Our Portfolio Management Services do not include the provision of any personalised investment recommendations, investment advice, tax related advice or other financial related advice of any kind. Any explanation or information which we give to you as part of our Portfolio Management Services (including performance of any products or Crypto-assets) is not intended to be, and should not be considered as advice. This information is provided by us solely for informational purposes.

9.2 Risks of Portfolio Management Services. Investing in Crypto-assets carries risks, including that the value of your investments may go down as well as up. You should be sure to retain enough emergency cash outside your portfolio. Our Portfolio Management Services are not a guarantee that the investments in your portfolio will perform as you or we expect. Past performance is not a reliable indicator of future performance and we do not represent or guarantee that you will achieve profits or losses similar to past performance shown for any product or portfolio.

9.3 Specific risks of Portfolio Management Services. We have set out some of the main risks associated with using our Portfolio Management Services below. Please also refer to section 18 of Part C (Risk Warnings) for more information on the key risks associated with trading Crypto-assets. In choosing to use our Portfolio Management Services, you accept the following risks:

- **Volatility risk:** the value of Crypto-assets in your portfolio might fluctuate as Crypto-assets are a highly volatile asset class and are based on decentralised monetary protocols which are still in experimental stage and may change at any time;
- **Risk of losses:** the Crypto-assets that you purchase might be subject to full or partial losses and you are not certain to make a profit on any trade or portfolio. You may make a loss and you may lose your entire investment;
- **Liquidity risk:** the Crypto-assets in your portfolio might not be liquid due to market conditions or other factors, limiting your ability to trade the Crypto-assets, and the market price of the Crypto-assets may significantly increase or decrease by the time there is sufficient liquidity for you to sell the Crypto-asset;
- **No investor protections:** Crypto-assets are not covered by any investor compensation schemes including under Directive 97/9/EC or any deposit guarantee schemes including under Directive 2014/49/EU.
- **Return expectation risk:** We may publish anticipated return rates for our Portfolio Management Services and related products. These rates are forward-looking statements that reflect current expectations regarding future events, involve significant risks and uncertainties, should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such performance or results will be achieved. Forward-looking statements are in no way a form of advice, solicitation or offering of or for the Portfolio Management Services and should not be interpreted as such. Returns under the Portfolio Management Services are in no way guaranteed.

PART E: OTC SERVICES AND PRIME SERVICES TERMS

Our provision of the OTC Services and Prime Services is regulated by the Central Bank of Ireland.

1. OTC Services and Prime Services

1.1 OTC Services and Prime Services overview. In addition to our Core Services, we may offer over-the-counter services (“OTC Services”) and prime trade execution services (“**Prime Services**”) to clients that meet the Eligibility Criteria, including the service specific eligibility criteria for OTC Services stated on our [Site](#) and the service specific eligibility criteria for Prime Services which is set by us in our discretion, each of which may be updated by us at any time. The OTC Services and Prime Services enable clients to trade Crypto-assets with us as your counterparty.

The use of our OTC Services and Prime Services involves significant risks and potential financial loss. You should ensure you understand these risks before you decide to use our OTC Services or Prime Services. These services relate to crypto-assets, which involve special risks related to the specific features of the crypto-asset. The price of crypto-assets depends on fluctuations in the financial and crypto-asset markets that are outside of our control. Past performance or future forecasts do not constitute reliable indicators of future performance.

1.2 Connection with Core Services. Where you use the OTC Services or Prime Services the terms of this Part E apply to you in addition to the terms of Part C: Core Services Terms (and, for the avoidance of doubt, Part A: General Terms and Part B: Definitions and Interpretation, which always apply). To the extent of any conflict, the terms of this Part E will take precedence.

1.3 Conflict of interest disclosure. You understand that in all trades we are your counterparty, not your agent or your broker. Our interests and the interests of other parties trading with us may diverge from yours. By using the OTC Services or Prime Services, you agree and understand that we are the exclusive counterparty for all trades and that the affiliation between us and any other Kraken affiliates may give rise to certain potential or actual conflicts of interest. If we act in circumstances where we – or any of our affiliates – have a material interest or conflict of interests, we will take reasonable steps to ensure that you are treated fairly. We, in our discretion, may also decline to act in such circumstances. The following are examples (without limitation) of such potential conflicts of interest: (i) that certain Kraken affiliates have not established, and do not intend to establish, relationships with unaffiliated liquidity providers for purposes of the OTC Services or Prime Services, regardless of whether the terms and fees offered by such unaffiliated liquidity providers are more favourable than those offered by us; (ii) that we (or any of our Kraken affiliates) may make a profit in respect of a transaction on which you do not; and/or (iii) that we may share various resources with other Kraken affiliates, including office space, personnel, and systems.

1.4 Commercial policy. We will provide the OTC Services and Prime Services in accordance with a non-discriminatory commercial policy that indicates, in particular, the type of clients we agree to transact with and the conditions that shall be met by such clients.

- 1.5 Ownership.** You acknowledge and agree that, at the time you make use of any of the OTC Services or Prime Services, you have the legal right to control and manage the Crypto-assets and Fiat Currency you use for the OTC Services or Prime Services (whether held on the Platform or in a third-party wallet or bank account), and such Crypto-assets and Fiat Currency may not necessarily be owned by you but are free and clear of any liens and encumbrances.
- 1.6 Additional terms.** Use of our OTC Services and Prime Services may be subject to additional terms as agreed between you and Kraken. These additional terms apply in addition to the terms of this Agreement, and will take precedence to the extent of any conflict with the Terms of this Agreement.
- 1.7 Order handling and outcomes.** When you use the OTC Services or Prime Services, we will endeavour to handle your trades in a manner designed to achieve a favourable overall outcome for you. In practice, this means we may seek to balance a range of factors across your trading activity so that your trades, taken together, are executed in a way that supports your overall interests. Our Order Execution Policy does not apply to the OTC Services or Prime Services.
- 1.8 Limits and restrictions.** Use of our OTC Services and Prime Services may be subject to additional or different minimum or maximum thresholds on trade size and value, and/or transactions executed.
- 1.9 Disruption to OTC Services and Prime Services.** While we employ measures to ensure that the OTC Services and Prime Services are available 24 hours a day and 7 days a week, we cannot guarantee uninterrupted or error-free operation of the OTC Services or Prime Services or that we will correct all defects or prevent third-party disruptions or unauthorised third party access.

2. Quotes and Spreads

- 2.1 Quoting Services.** You may have the option to submit electronic messages to us for the purpose of soliciting a quote for a trade (a “**Request for Quote**” or “**RFQ**”) and to receive quotes for a trade from us (a “**Quote**”) via (i) our online RFQ service or (ii) via direct communication with our traders (together, the “**Quoting Services**”). Quotes are valid for any time period specified and if you do not accept a Quote within that time period, the Quote will expire and you will no longer be able to accept it.
- 2.2 Accepted Quotes.** By accepting a Quote obtained via either of the Quoting Services, you place an Order with us to execute the trade in accordance with your instructions. Accepted Quotes are final, binding, and cannot be modified. Proceeds from a successfully executed trade will be credited to you, less any applicable fees, and the Crypto-assets or Fiat Currency you traded for those proceeds may be removed from your Account.
- 2.3 Spreads and fees.** You understand and agree that any spread or fee may be in addition to the quoted price, or the quoted price may be inclusive of all spreads and fees.

PART F: PEDSL, DERIVATIVES, XSTOCKS TERMS

Our provision of the PEDSL Products is regulated by the Cyprus Securities and Exchange Commission.

The terms and conditions applicable to all products and services provided by Payward Europe Digital Solutions (CY) Limited ("PEDSL"), including derivative trading, xStocks and related investment services, are set out separately and form part of this Agreement by reference.

You can view the full set of PEDSL Terms, including the applicable Risk Disclosure, at:

- <https://eu.kraken.com/legal/payward-europe-digital-solutions-cy-terms-conditions>

By accessing or using any PEDSL-provided services, you confirm that you have read, understood, and agree to be bound by those terms (as amended from time to time).

PART G: STAKING SERVICES TERMS

Our provision of Staking Services is not regulated.

1. Staking Services

1.1 Staking Services overview. We may provide you with the option to lock up and earn rewards on eligible Crypto-assets that you hold in your Account (the “**Staking Services**”) subject to the terms and conditions of this Agreement (including this Part G) and your fulfilment of all applicable Eligibility Criteria. Our Staking Services are provided by PC.

These services relate to crypto-assets, which involve special risks related to the specific features of the crypto-asset. Past performance or future forecasts do not constitute reliable indicators of future performance. We have set out some of the main risks associated with using our Staking Services in section 5 below. You should read these in full before you decide to use our Staking Services.

1.2 Supported Crypto-assets. Our Staking Services are only available in relation to certain Crypt-assets, which are specified on our [Site](#) (each a “**Supported Crypto-asset**”). We may update the list of Supported Crypto-assets at any time in our sole discretion.

1.3 Staking Services products. Our Staking Services include certain products, which are only available to certain categories of clients. These are set out below and may be updated from time to time without notice.

- **On-Chain Staking** – This service allows clients to earn rewards by locking up Crypto-assets with third party node operators to be used in transaction validation activities on blockchain proof-of-stake protocols, and is available to all clients. Further information about how staking works and the Supported Crypto-assets for On-Chain Staking is available on our [Site](#). Depending on the Crypto-asset, you may have the option for On-chain Staking to be either:
 - ◆ **Bonded**, where Crypto-assets elected for staking must go through a protocol bonding period before they start to earn rewards, and when you choose to unstake them, your Crypto-assets will be subject to a wait time, known as the onchain unbonding period, before you can sell or transfer the Crypto-assets out of your Account; or
 - ◆ **Flexible**, allowing you to stake and unstake without any bonding or unbonding periods.
- **Restaking** – This service gives clients who participate in On-Chain Staking the ability to restake their staked Crypto-assets with third party node operators that will redeploy staked Crypto-assets to be simultaneously used in transaction validation activities on other blockchain protocols, and is available to Kraken Pro clients. Further information about how restaking works and the Supported Crypto-assets for Restaking is available on our [Site](#).

1.4 Provision of Staking Services. The Staking Service is a separate and distinct IT service, which means it is a general commercial activity provided to you by means of a technical IT infrastructure. We may perform any or all of the Staking Services directly or through our affiliates and service providers.

1.5 Disruption to Staking Services. We cannot guarantee uninterrupted or error-free operation of the Staking Services or that we will correct all defects or prevent disruptions or unauthorised access. We may suspend or discontinue the Staking Services in our sole discretion at any time. In the event of any disruptions, suspension, or discontinuance of the Staking Services, any Staked Crypto-assets may stop generating Staking Rewards and you may not receive any (and you may forfeit all) Staking Rewards whatsoever.

2. Staking

2.1 Electing to Stake. When you elect to stake or restake, (collectively, “**Stake**”) a Supported Crypto-asset, the Staked Crypto-asset will be locked for the duration that it is Staked (including any bonding and unbonding time) and you will not be able to sell or transfer the Staked Crypto-asset until it has been unstaked and any unbonding period has elapsed. When you elect to Stake a Supported Crypto-asset, you consent to us moving that Supported Crypto-asset from your Account into a dedicated staking wallet (still visible in your Account) to reflect that the Staked Crypto-asset is now locked.

2.2 Ownership. If you elect to Stake, we, either directly or delegated to an affiliate or relevant third party, will perform blockchain operations involving your Supported Crypto-assets as described above. This instruction to stake does not affect the ownership of your Supported Crypto-assets in any way. You retain ownership of each Supported Crypto-asset that is Staked, and each Staked Crypto-asset remains your property while Staked. We will hold the Staked Crypto-assets on custody for you, in accordance with section 17 of Part C (Custody of Crypto-assets).

2.3 Flexible On-Chain Staking. Where you use our Flexible On-Chain Staking product, we will only Stake a portion of the Supported Crypto-assets that you have elected to Stake. The remainder will be held by us so that we can maintain adequate liquidity in the relevant Supported Crypto-asset to enable clients to stake and un stake without any bonding or unbonding periods. If there is insufficient liquidity available in a particular Supported Crypto-asset, we reserve the right, in our sole discretion, to delay the release of any of Staked Crypto-assets that you have elected to un stake, until after the relevant unbonding period for the Staked Crypto-asset protocol has elapsed.

2.4 Bonded On-Chain Staking. Where you use our Bonded On-Chain Staking product, you are instructing us to commit the Supported Crypto-assets that you elect to Stake to the relevant protocol’s bonding and/or unbonding period and you won’t be able to access your Staked Crypto-assets, or earn Staking Rewards on the Staked Crypto-assets, during that bonding and/or unbonding period.

2.5 Restrictions. We may limit the number and type of Crypto-assets that you can elect to Stake at any time in our sole discretion. Details of these limits will be published on our Site and/or Platform.

2.6 Network Events. If there’s a fork or an airdrop, we may take any steps we consider appropriate to protect your staked Crypto-assets and the Platforms. This could include suspending or terminating our Staking Services, or amending any terms that apply to these services or your staked Crypto-assets. Any action we take will be consistent with our legal and regulatory obligations. If an airdrop relates directly to your staked Crypto-assets, we are not obligated to transfer or make available those new assets to you.

3. Staking Rewards and Fees

- 3.1 Staking Rewards.** If you elect to Stake Supported Crypto-assets, then once any applicable bonding period is completed, we will remit to you the applicable staking rewards received from the Staked Crypto-asset protocol attributable to your Staked Crypto-assets (“**Staking Rewards**”). We will not distribute any Staking Rewards that are less than the smallest decimal precision supported by the Platform.
- 3.2 Compounding Staking Rewards.** If the applicable Staked Crypto-asset protocol distributes any Staking Rewards in unstaked form, we will use commercially reasonable efforts to Stake those Staking Rewards on your behalf. You may request to unstake your accrued Staking Rewards at any time.
- 3.3 Fluctuations in Staking Rewards.** Staking Rewards are not guaranteed and the rates of return on a Staked Crypto-asset will vary. Unless otherwise specified, the Staking Rewards annual percentage rates published on our Site are an estimated annualised historical rate based on the Staking Rewards generated by us in providing Staking Services to our clients for that Supported Crypto-asset before any deduct of fees or commission and these rates change over time. The amount of Staking Rewards you receive and the timing of our distributions of the Staking Rewards:
- will be determined by us in our sole discretion;
 - will vary depending on the Staked Crypto-asset protocol;
 - may be more or less than the actual Staking Rewards we receive from the Staked Crypto-asset protocol; and
 - will be further detailed in your Account.
- 3.4 Staking fees.** We may charge transaction fees and/or commission in return for carrying out Staking Services. Commission will be charged as a proportion of the Staking Rewards, to compensate us for administering the Staking Services and distributing the Staking Rewards to you. We will deduct the applicable commission and transaction fees before we add the Staking Rewards to your Account. Details of our fees in relation to the Staking Services are available on our [Site](#) and can be changed by us at any time as part of how we administer the manner in which we provide services to you or so that we can manage our business better.

4. Slashing Penalties

- 4.1 Slashing.** If a third party node validator or staking operator behaves dishonestly or fails to perform in relation to the validation of transactions on a Supported Crypto-asset protocol, that validator or operator may be subject to a slashing penalty, where the applicable protocol removes Crypto-assets that were Staked with that validator or operator. Clients that Stake Crypto-assets may lose part, or all, of their Staked Crypto-assets and Staking Rewards if the validator or operator that the Crypto-assets are Staked with is subject to a slashing penalty.
- 4.2 Slashing compensation.** Subject to section 4.3 below, if your Staked Crypto-assets are affected by a slashing penalty, we will compensate you by replacing any slashed Staked Crypto-assets and supplementing your Staking Rewards with our own Crypto-assets to bring your Staking Rewards up to the amount we consider you would have received if there had not been a slashing penalty.
- 4.3 Compensation exclusions.** We will not compensate you for a slashing penalty where it is the result of:
- your acts or omissions,

- protocol level failures, maintenance, bugs, upgrades or errors,
- acts by a malicious actor or hacker,
- breaches of this Agreement, whether by you or any other person or entity, or
- Force Majeure Events.

5. Risk Warnings

5.1 In choosing to Stake, you accept the following risks:

- **Liquidity risk:** You may not be able to sell or withdraw your Staked Crypto-assets immediately due to the mechanics of bonded and flexible staking discussed above. The market price of Staked Crypto-assets may significantly increase or decrease by the time the unbonding period expires and your Crypto-assets are unstaked.
- **Smart contract risk:** A bug within the proof-of-stake network could cause loss of Staked Crypto-assets.
- **Slashing risk:** Your Staked Crypto-assets and Staking Rewards could be affected or lost due to the Staked Crypto-asset protocol imposing a slashing penalty.

PART H: kBTC Services

Our provision of the kBTC Services set out in this Part H is not regulated.

1. kBTC Services

1.1 kBTC. Kraken Wrapped Bitcoin (“kBTC”) is an ERC-20 token minted exclusively by PC, for use on Ethereum-based networks. kBTC is not available for trading on our Platform.

These services relate to crypto-assets, which involve special risks related to the specific features of the crypto-asset. We have set out some of the main risks associated with using our kBTC Services in section 5 below. You should read these in full before you decide to use our kBTC Services.

1.2 kBTC Services overview. We may provide you with the option to exchange BTC that you hold in your Account at a 1:1 exchange rate for kBTC, and to exchange kBTC that you hold in your Account at a 1:1 exchange rate for BTC (“kBTC Services”), subject to the terms and conditions of this Agreement (including this Part H) and your fulfilment of all applicable Eligibility Criteria.

1.3 Contracting Kraken entity. Our kBTC Services are provided by PC. Where you use our kBTC Services, the terms in this Part H apply to you in addition to the terms of Part C: Core Services Terms (and, for the avoidance of doubt, Part A: General Terms and Part B: Definitions and Interpretation, which always apply). To the extent of any conflict, the terms of this Part H will take precedence. Further information on our kBTC Services is available on our [Site](#).

1.4 BTC for exchange requests. PC has engaged Payward Financial, Inc. to hold an amount of BTC which is kept at all times at a level equal to the amount of kBTC then in issue. These amounts are held in a segregated vault by Payward Financial, Inc. on PC’s behalf, for the purpose of fulfilling kBTC holders’ exchange requests on the Platform. You can verify the value of these BTC amounts that we hold by following the instructions on our [Site](#).

1.5 Supported networks. Our kBTC Services are only available in relation to certain blockchain networks like Ethereum (each a “Supported Network”), which are listed on our [Site](#). We may update the list of Supported Networks at any time in our sole discretion.

1.6 kBTC exchanges. You can obtain kBTC by initiating a withdrawal of BTC from your Account to an external wallet on a Supported Network. You can convert kBTC back to BTC by depositing kBTC into your Account, where we will automatically convert it back to BTC. Approximate processing times for exchanges on each Supported Network are available on our Site.

1.7 Service disruptions. We cannot guarantee uninterrupted or error-free operation of the kBTC Services or that we will correct all defects or prevent disruptions or unauthorised access. We may suspend or discontinue the kBTC Services in our sole discretion at any time.

2. Fees

2.1 kBTC fees. When you request an exchange from BTC to kBTC, we will charge you a network withdrawal fee. We do not charge any additional fees for kBTC conversion.

3. Disclaimers

- 3.1 Blockchain events.** kBTC is intended for use on the Supported Networks, which are various decentralized and open source blockchains and protocols over which we have no control. In the event that any such blockchain or protocol experiences a “fork”, we reserve the right to suspend the kBTC Services temporarily or indefinitely or change the Supported Networks, on little or no notice, while we determine, in our sole discretion, which fork we will support, if any. We will have no liability or responsibility for any loss, liability, or damage you may incur as result of our determination to support or not support any particular blockchain or protocol or fork thereof.
- 3.2 Compatibility.** In addition to the Supported Networks, kBTC may be compatible with other protocols or software or technology provided by third parties, but we make no guarantee as to such compatibility and we are not responsible for any losses of kBTC or other issues you may experience through use of such third-party protocols, software or technology.
- 3.3 Delays.** You agree that we will not be liable for any delays in processing a kBTC exchange, regardless of the reason for that delay, or if we are unable to complete a kBTC exchange for any reason, including because of: (i) any direct or indirect actions taken by you that result in a mistaken or accidental transfer (such as providing inaccurate or insufficient instructions); (ii) insufficient Crypto-assets in your Account to complete the kBTC exchange; (iii) any malfunction of the kBTC Services due to circumstances beyond our control; or (iv) any suspension or discontinuance of the kBTC Services.
- 3.4 Restrictions.** We impose minimum thresholds for withdrawals or deposits of kBTC in relation to each Supported Network and details of these thresholds are available on our [Site](#). We may change these thresholds, or limit the number or size of withdrawals and deposits that you can make using the kBTC Services, at any time in our sole discretion. Details of these limits and thresholds will be published on our Site and/or Platform.
- 3.5 Blacklisted addresses.** We may, in our discretion, add or remove specific addresses to an internal blacklist in the kBTC smart contract, including in response to law enforcement demands, sanctions requirements or suspected fraudulent activity. Addresses on this blacklist will be blocked from receiving or transferring kBTC.

4. Right to Withdraw

- 4.1 Eligibility.** If you are a Retail Client and are resident in the EEA, this section 4 applies to you, notwithstanding section 8.1 of Part A (Your right to cancel this Agreement). If you do not meet both of those criteria, this section does not apply to you.
- 4.2 Right to withdraw.** You have the right to withdraw from your agreement to exchange BTC for kBTC without incurring any fees or costs and without being required to give reasons. This right to withdraw begins on the date that you make the exchange of BTC for kBTC, and expires 14 calendar days from that date. To exercise this right to withdraw, please contact us using one of the methods set out in section 14.1 of Part A (How to contact us).
- 4.3 Reimbursement of fees.** If you have paid any fees in relation to the exchange of BTC for kBTC that you are withdrawing from, we will reimburse these without undue delay and in any event no later than 14 calendar days from the date that we receive notice from you that you are exercising your right to withdraw.

5. Risk Warnings

- 5.1** By using the kBTC Services, you agree to and accept the following risks:

- **Price volatility risk:** We are not responsible for any change in value of your kBTC. Although at the time of withdrawal one kBTC will always equal one BTC, we do not guarantee that the value of one kBTC will always equal the value of one BTC on third-party platforms;
- **Wrapping risk:** Wrapped tokens are typically underpinned by, and represent, other crypto-assets, and are created to facilitate compatibility and interaction across different blockchain protocols. In addition to the general risks associated with crypto-assets, wrapped tokens like kBTC have some unique risks. Learn more about kBTC risks in the [whitepaper](#); and
- **Regulatory risk:** Legislative and regulatory changes and requirements may adversely affect the value of, and ability to transact in, kBTC, including the ability to withdraw and deposit kBTC.

PART I: KRAKEN PLUS SUBSCRIPTION SERVICES

Our provision of the Kraken+ subscription services set out in this Part I is not regulated.

1. Kraken Plus Subscription

- 1.1 Kraken+ overview.** We may provide you with the option to sign up to our premium subscription service, which gives users certain benefits in exchange for payment of a monthly fee (“**Kraken+**”). Use of Kraken+ is subject to the terms and conditions of this Agreement and your fulfilment of all applicable Eligibility Criteria.
- 1.2 Contracting Kraken entity.** Kraken+ is provided by PESL. Where you use Kraken+, the terms in this Part I apply to you in addition to the terms of Part C: Core Services Terms (and, for the avoidance of doubt, Part A: General Terms and Part B: Definitions and Interpretation, which always apply). To the extent of any conflict, the terms of this Part I will take precedence. Further information on Kraken+ is available on our [Site](#).
- 1.3 Kraken+ benefits.** If you are subscribed to Kraken+, you may receive certain benefits, some of which are set out below. These benefits may be available to certain categories of clients or via certain applications, or may be only available in certain countries. The benefits available to you will be stated on the Platform and may be updated by us at any time in accordance with our business and compliance requirements.
- **Kraken Trading Fee Waiver** – Instant Buy/Sell trading fees (further details of which are set out in section 2 of Part C (Fees)) are waived for Kraken+ subscribers, provided that the transaction is still subject to a spread that is included in the transaction price. All other Kraken fees (including Kraken Pro fees), funding provider fees, and credit card fees continue to apply. There is a limit on the total amount of fees that can be waived in a month, which can be changed in our discretion without notice. You can view applicable limits and the remaining amount of fees that will be waived in a month under the “subscription management” tab of your Account. If you exceed your zero-fee limit, standard trading fees will apply for the remainder of the month.
 - **Early Access** – Kraken+ grants access to exclusive projects via Kraken curated airdrops and other perks, through participation in Kraken Reef.
- 1.4 Subscribing.** To subscribe to Kraken+, select the Kraken+ option on our Platform, which will take you to the Apple App Store or Google Play Store to complete the subscription process. Once you have subscribed, Kraken+ will automatically renew unless and until (i) you cancel your subscription; (ii) your Account is suspended or terminated pursuant to the Agreement; or (iii) Kraken+ is suspended or terminated by us (with each of (i), (ii) and (iii) being a “**Subscription Termination Event**”).
- 1.5 Restrictions.** Each Kraken+ subscription is specific to the Account where the subscription was purchased and cannot be shared across multiple accounts. Kraken+ applies only to Kraken (app and web) and does not apply to other Kraken products such as Kraken Pro (Spot & Futures), Kraken Desktop, or Kraken Wallet.

2. Fees

- 2.1 Kraken+ fees.** We charge fees for Kraken+, which are set out on our [Site](#) and can be changed by us at any time, with effect from the beginning of your next subscription billing period.

- 2.2 Billing.** We will bill you for Kraken+ subscription fees in advance and will debit these from the bank account linked to your Account, starting on the date you subscribe and then on an on-going basis the day immediately following the end of your prior subscription billing period. We will stop billing you for Kraken+ subscription fees from the day immediately following the end of the subscription billing period where a Subscription Termination Event occurs.
- 2.3 Billing period.** The length of your subscription billing period depends on the subscription plan you signed up for (e.g. monthly, annually where offered, or other), which you can view in the “subscription management” tab of your Account.

3. Promotional Subscription Offers

- 3.1 Promotional subscription offers.** We may offer free trials or other promotional subscription offers of Kraken+. Promotional subscriptions of Kraken+ are subject to the terms in this section.
- 3.2 Eligibility.** Only one promotional subscription offer is available per user and Kraken may, at its discretion, limit the ability for users to combine promotional subscription offers with other offers. Eligibility for promotional subscription offers is determined by Kraken at its sole discretion.
- 3.3 Payments.** For some promotional subscription offers, you may be required to provide your payment details in order to use the promotional subscription offer. Kraken will not notify you when the promotional subscription offer ends. To avoid paying subscription fees, you must cancel Kraken+ before the end of the promotional subscription period as described below.

By providing payment details you agree that at the end of your promotional subscription offer period, Kraken+ will automatically renew and you will be charged the subscription fees as set out in section 2 above.

4. Ending your Subscription

- 4.1 Your right to cancel Kraken+.** You may cancel Kraken+ at any time within the Apple App Store or Google Play Store. Cancellation will take effect at the end of your current subscription billing period and you will continue to benefit from Kraken+ until that date. All Kraken+ benefits will immediately cease from the day after the end of your last subscription billing period.
- 4.2 Our right to cancel Kraken+.** We may suspend or cancel your Kraken+ subscription at any time in our discretion. If we cancel your Kraken+ subscription under this section 4.2, we will refund payments made by you of subscription fees in relation to the interrupted subscription billing period on a pro rata basis, calculated from the end of the month during which we cancel your Kraken+ subscription.
- 4.3 Automatic cancellation of Kraken+.** In addition to our right to suspend or cancel your Kraken+ subscription under section 4.2, your Kraken+ subscription will automatically terminate if your Account is suspended or terminated pursuant to this Agreement, on the date that your Account is suspended or terminated. We will not refund you for any payments made in respect of subscription fees, including where Kraken+ is terminated part way through a subscription billing period.

PART J: KRAKEN VERIFY SERVICES

Our provision of the Kraken Verify set out in this Part J is not regulated.

1. Kraken Verify

1.1 Kraken Verify overview. We may provide you with the option to access our on-chain verification services (“**Kraken Verify**”) to allow you to issue verified, on-chain credentials related to your Account (“**Attestations**”). Kraken Verify is deployed on the Ink network and is enabled by the Ethereum Attestation Service. Use of Kraken Verify is subject to the terms and conditions of this Agreement and your fulfilment of all applicable Eligibility Criteria.

1.2 Contracting Kraken entity. Kraken Verify is provided by KC. Where you use Kraken Verify, the terms in this Part J apply to you in addition to the terms of Part C: Core Services Terms (and, for the avoidance of doubt, Part A: General Terms and Part B: Definitions and Interpretation, which always apply). To the extent of any conflict, the terms of this Part J will take precedence. Further information on Kraken Verify is available on our [Site](#).

1.3 Attestations. Attestations may be used to establish your identity and reputation when interacting with certain decentralized applications on-chain. An Attestation issued by you is stored on-chain, and therefore is public and viewable by anyone indefinitely, even if the Attestation is later revoked.

If you do not wish to share your wallet address or the fact that you are a Kraken client publicly, do not use Kraken Verify.

1.4 Service disruption. We cannot guarantee uninterrupted or error-free operation of Kraken Verify or that we will correct all defects or prevent disruptions or unauthorised access. We may suspend or discontinue Kraken Verify in our sole discretion at any time.

2. Using Kraken Verify

2.1 Eligibility. To use Kraken Verify, you must:

- have an identity verified Account,
- be in good standing and eligible to transact on the Platform, and
- have executed at least one trade.

2.2 Usage restrictions. We may refuse to allow you to use Kraken Verify, and/or may revoke any Attestations that we have issued, if:

- any of the information you provided to apply for an Account (as described in section 2 of Part A (Eligibility Criteria) above) is incomplete or inaccurate,
- you breach any terms of this Agreement or applicable law,
- you engage in behaviour that harms our services (for example, by engaging in fraudulent activity or attempting to circumvent this Agreement or our policies),
- if your Account is subject to any type of restriction or review, or
- any Event of Default applies.

- 2.3 Using Kraken Verify.** To start using Kraken Verify, you can sign up through the [Ink Platform](#) by connecting your wallet (which can be held with Kraken or a third party), signing a verification request and then confirming ownership of your Account by signing in. An Attestation will then be published on-chain linking your wallet to your Account.
- 2.4 Fees and expenses.** We reserve the right to charge fees and expenses in relation to Kraken Verify. In the event we charge fees and expenses, we will notify you.
- 2.5 Using Attestations.** Certain decentralized applications (“Dapps”) may provide you with access to their applications because you hold an Attestation. Unless otherwise specified, we do not have any affiliation with any Dapp that you may gain access to by virtue of holding Attestations, and your use of any Dapp will be subject to the terms and conditions between you and the Dapp. Third party service providers may offer certain services that leverage Attestations. Your use of those third party services may be subject to separate terms and conditions with those third parties, and we will not be a party to those terms and conditions. You agree that we have no responsibility for Dapps that we are not affiliated with, or for products and services provided by third parties.

3. Attestations

- 3.1 Information you provide for Attestations.** By using Kraken Verify, you agree that information you provide to us may be used to issue Attestations. This includes information you provided when you created your Account and other information we collect in accordance with our Privacy Notice (for example from your use of our services). If you choose to issue an Attestation, you agree that information related to your Account will be stored on-chain, and therefore will be public and viewable by anyone.
- 3.2 Quality of information.** An Attestation relies on the completeness, accuracy and correctness of information provided by you, which you are ultimately responsible for. You represent and warrant that:
- all the information you provide in order to issue an Attestation is complete, accurate and correct,
 - you have not impersonated another user or entity to obtain an Attestation, and
 - you own and control the private keys associated with the self-hosted wallet that you specify for receipt of any Attestation issued to you.
- 3.3 Information from third parties for Attestations.** An Attestation may also be based on data supplied to us by third parties, including government agencies, third party suppliers of identity verification services. These third parties may change or may change their policies or services, in which case we may be required to amend the provision and scope of any Attestation, and we may do so at any time at our discretion without notice.
- 3.4 Use of Attestation information.** We may use information related to Attestations for the purposes of complying with any tax reporting obligations that we may become subject to as a result of any funds or assets that are distributed to a self-hosted wallet in connection with an Attestation.
- 3.5 Attestations are non-transferable.** Attestations are non-transferrable and are for your personal use only. You must not transfer any Attestations to any third party. Purchasing, selling, lending, or renting an Attestation is strictly prohibited.

3.6 Accuracy of Attestations. Any Attestation related to your Account represents the status of your Account as of the time the Attestation is issued, and changes to the status of your Account that result in the Attestation no longer being true may not be reflected immediately in the Ethereum Attestation Service. We do not represent, warrant or guarantee that the information contained in or represented by any Attestation is complete, accurate, or correct. The processes that we use to verify the identities of customers may differ by jurisdiction.

3.7 Relying on Attestations. Any Attestation that is issued to you is provided for informational purposes only and unless otherwise expressly specified by us, is not intended to be relied upon for any legal, compliance or contractual purpose. You agree that any reliance by you will be at your own risk. Subject to the provisions in section 9 of Part A (Liability), we will have no liability to you or any third party resulting from such reliance.

4. Revoking Attestations

4.1 Ending use of Kraken Verify. You can stop using Kraken Verify at any time by choosing “Revoke” on your Kraken Verify dashboard.

4.2 Revoking Attestations. We may revoke any Attestation that we have issued to you at our discretion, without notice, including in the circumstances set out in section 2.2 above.

4.3 Transferring private keys. If you transfer the private keys associated with the self-hosted wallet to which an Attestation has been issued to a third party, we can revoke that Attestation and take any other action with respect to your Account that we deem appropriate and/or necessary in our sole discretion.

4.4 Consequences of revocation. If any of your Attestations are revoked for any reason, you may not be able to use Dapps or third party services that were conditional on holding that Attestation, and your access to these Dapps or services may be terminated without notice.

PART K: MARGIN TRADING SERVICES TERMS

Our provision of Margin Extensions is not regulated.

1. Margin Extensions

1.1 Margin Extensions. When you trade Crypto-assets for Fiat Currency or vice versa, you may pay in full with your own funds, or we may extend, and you may return to us from time to time, Crypto-assets (each a “**Margin Extension**”) to make Spot Crypto trades (each trade, a “**Margin Transaction**”) through your Account (your “**Margin Enabled Account**”).

Conducting Margin Transactions involves significant risks and potential financial loss. You should ensure you read and understand these risks, and this Part K, before you decide to conduct Margin Transactions. Margin Transactions relate to crypto-assets, which involve special risks related to the specific features of the crypto-asset. The price of crypto-assets depends on fluctuations in the financial and crypto-asset markets that are outside of our control. Past performance or future forecasts do not constitute reliable indicators of future performance.

1.2 Contracting Kraken entity. Margin Extensions are provided exclusively and directly to you by PTL and so the terms set out in this Part K are between you and PTL. Where you conduct Margin Transactions, the terms of this Part K apply to you in addition to the terms of Part C: Core Services Terms (and, for the avoidance of doubt, Part A: General Terms and Part B: Definitions and Interpretation, which always apply). To the extent of any conflict, the terms of this Part K will take precedence.

1.3 Margin Extensions eligibility. To be eligible to conduct Margin Transactions, you must be at least 18 years old and satisfy all of the Eligibility Criteria, including the service specific eligibility criteria for Margin Extensions stated on our [Site](#) and in this Part K.

1.4 Consumers are not eligible to receive Margin Extensions. A Margin Extension by means of the Margin Enabled Account is available only to individuals acting for the purpose of their business, trade or profession, specifically, for the purposes of profit generation.

1.5 Margin Extension representations and warranties. By using a Margin Extension by means of the Margin Enabled Account, you represent and warrant that you:

- are acting wholly for the purposes of your business, trade or profession - specifically, for profit generation - and are not acting as a “consumer” as defined by measures for the protection of the interests of natural persons acting wholly or partly for purposes outside of their trade business or profession including, strictly without limitation, (i) national measures implementing the Consumer Credit Directive 2023/2225, the Unfair Contract Terms Directive 1993/13 and the Distance Marketing Directive 2023/2673; and (ii) domestically derived national measures for the purposes of the protection of these persons, in all cases, as those measures may be amended or substituted from time to time and including any of their predecessors or successors);
- understand, acknowledge and agree that as a result, there are certain remedies and protections, including those referenced in the preceding bullet point, which will not be afforded to you when using a Margin Extension by means of the Margin Enabled Account;

- acknowledge that you have had the opportunity to take independent legal advice before using the Margin Extension by means of the Margin Enabled Account, have had the benefit of such legal advice prior to conducting Margin Transactions and fully understand and accept the implications of the risk warnings set out at section 6 of this Part K; and
- acknowledge and confirm that you independently initiated contact with us, without any prior solicitation or inducement on our part, for the express purpose of seeking to avail of a Margin Extension through the use of the Margin Enabled Account. This approach was made solely at your discretion and based on your own assessment of your financial needs and objectives. Furthermore, you confirm that this decision was made without any prior marketing or promotional efforts directed at you by us and that your engagement with us relating to a Margin Extension is entirely voluntary and self-directed on your part.

1.6 Geographic Restrictions. Margin Extensions are only available to clients located in certain countries in the EEA. We may vary the list of such countries from time to time to comply with any applicable legal or regulatory obligations and/or our internal policies and requirements. You may not use Margin Extensions if you are located in or are a national or resident of any jurisdiction in which we are not authorised to provide Margin Extensions, or any jurisdiction where your use of Margin Extensions would be illegal or otherwise violate any applicable law of that jurisdiction.

1.7 Tax treatment. For tax purposes, in the case of a Margin Transaction, it is intended that, absent a change in law or administrative practice to the contrary, the transfer and delivery of the Crypto-assets or Fiat Currency used for a Margin Extension shall be treated as a loan and not be treated as an exchange of property for other property differing materially in kind or extent.

1.8 Margin Extensions. The Crypto-asset which your Margin Extension is denominated in will depend on the order type (buy or sell) and the base and quote asset for a given trading pair. For example:

- If you place a sell order on the BTC/ETH trading pair, you will receive a Margin Extension in Bitcoin. By contrast, if you place a buy order on the same trading pair, you will receive a Margin Extension in Ether.

1.9 If you place a sell order on the BTC/USD trading pair, you will receive a Margin Extension in Bitcoin. By contrast, if you place a buy order on the same trading pair, you will receive a Margin Extension in a Crypto-asset which references the value of the USD (“**Borrowed Stablecoin**”) (by way of example only, USDC for USD-quoted pairs), and upon disbursement of that Borrowed Stablecoin to you, you instruct and authorise it to be converted into the relevant Fiat Currency quote asset for the trading pair, solely to facilitate execution and settlement of the Margin Transaction. The principal, interest, fees and any other amounts owed in respect of such a Margin Extension are, and will remain, denominated and payable exclusively in the Borrowed Stablecoin.

2. Participating in Margin Trading

- 2.1 Criteria for Margin Extensions.** In order to receive a Margin Extension, you must post Crypto-assets or Fiat Currency in your Margin Enabled Account (“**Collateral Assets**”). Doing so will require you to have an Account with PESL and PIL. The amount of Collateral Assets that you must post in relation to a Margin Extension is determined by us and is shown on the Platform when you initiate a Margin Transaction (the “**Maintenance Margin Requirements**”). You must meet or exceed our Maintenance Margin Requirements for your Margin Enabled Account to qualify for a Margin Extension. We are not under any obligation to make any Margin Extensions to you, and we may decline a request to initiate a Margin Extension in our sole discretion.
- 2.2 Received Assets.** When you use a Margin Extension to conduct a Margin Transaction, we record the transfer of ownership of the applicable Crypto-asset or Fiat Currency resulting from the Margin Transaction by registering you as the owner of the Crypto-asset or Fiat Currency purchased by you (“**Received Assets**”) on our internal books and records. For example, you might use an Ether Margin Extension from us to buy Bitcoin, and the Bitcoin you buy using that Margin Extension would be Received Assets.
- 2.3 No term limits.** There are no term limits on margin obligations, meaning that you may elect to maintain a Margin Extension for an unlimited duration, as long as you continue to meet the Maintenance Margin Requirements and all applicable Eligibility Criteria.
- 2.4 Maintenance Margin Requirement.** You agree to maintain in your Margin Enabled Account, at all times during the term of a Margin Extension, Collateral Assets at or exceeding the specified Maintenance Margin Requirements. A complete list of eligible Collateral Assets is available on our [Site](#). It is your responsibility to constantly monitor your Collateral Assets and to ensure that they remain equal to, or higher than, your Maintenance Margin Requirement at any given time. If this is not the case, it is your responsibility to immediately deposit additional Fiat Currency or Crypto-assets into your Margin Enabled Account so that your Collateral Assets are equal to or higher than your Maintenance Margin Requirement.
- 2.5 Maintenance Margin Requirement calculation.** Collateral Assets will be valued on a continuous basis at fair market value as determined by us, and adjusted by any applicable discounts, to assess your compliance with the Maintenance Margin Requirements. For instance a discount may be applied to non-USD denominated Collateral Assets to account for the fees incurred by us in its conversion. More information can be found on our [Site](#). Due to market conditions, including lack of liquidity and high price volatility, your Collateral Assets may be converted at a rate inclusive of the discount. Valuation of Crypto-assets will be based on the prevailing value of each Crypto-asset on one or more crypto-asset exchanges chosen by us, including those operated by our affiliates. Valuation of Fiat Currency balances will be based on the prevailing market price on one or more third-party indices chosen by us.
- 2.6 Margin Call.** If the Collateral Assets supporting your Margin Extension decline in value below the Maintenance Margin Requirement, we may (but are not obliged to) notify you that you need to deposit additional Crypto-assets or Fiat Currency to your Margin Enabled Account, to meet the Maintenance Margin Requirement (“**Margin Call**”). You authorise us (without notice to you) to sell Crypto-assets or Fiat Currency in your Margin Enabled Account (including Received Assets), in order to maintain a balance that meets or exceeds the Maintenance Margin Requirement.

3. Security Interest

- 3.1 No third party security interest.** You cannot and must not create security over your Collateral Assets or Margin Enabled Account unless you have obtained our prior approval in writing. You represent and warrant that the Collateral Assets in your Margin Enabled Account are free and clear of all liens and encumbrances other than those arising hereunder, and that you have the right to grant a first priority security interest hereunder.
- 3.2 Secured Assets.** Any and all Collateral Assets delivered by you to your Margin Enabled Account ("**Secured Assets**") will be held, notwithstanding any provision or instructions to the contrary, as security on a continuous basis and will be subject to a general lien and right of set-off in favour of us for any and all of your obligations, liabilities or monies whatsoever at any time now or hereafter owing, due, incurred or payable by you to us in respect of any Margin Extensions provided under this Agreement and for any other obligations you have to us arising hereunder, whether present or future, actual or contingent, solely or jointly or whether as principal or surety ("**Margin Obligations**").
- 3.3 Security Interest.** As continuing security for the Margin Obligations, you hereby charge by way of first fixed charge and assign by way of security (the "**Security Interest**"), in favour of us, all of your rights, title and interest in the Secured Assets. The Security Interest is a continuing security that shall attach upon provision of the Margin Extension and will remain in full force and effect notwithstanding any settlement, compromise or intermediate payment made in respect of your Margin Obligations. The Security Interest will immediately and automatically terminate upon the return and repayment in full of the Margin Extension and all related fees and expenses. You agree that, where PESL or PIL holds or custodies Secured Assets on your behalf, that entity is entitled to exercise any of our rights set out in this section to enforce the Security Interest or give effect to any of our other rights under, and in accordance with, this Agreement.
- 3.4 Maintaining the Security Interest.** You will take all action that may be necessary and that we may reasonably request so as at all times to maintain the validity, perfection, enforceability and priority of the Security Interest, and to enable us to protect, exercise or enforce our rights hereunder. Notwithstanding any other terms of this Agreement, no part of the Secured Assets may, unless and until your Margin Obligations have been duly paid and discharged in full, be withdrawn, assigned or otherwise disposed of or encumbered except where you have requested and obtained our prior consent.
- 3.5 Withdrawals and transfers.** You may request to transfer, withdraw, or otherwise deal with your Secured Assets, however, where doing so may result in an Event of Default or a breach of your Margin Obligations, you may be required to terminate your Margin Extension beforehand.
- 3.6 Enforcing Security Interest.** We may immediately enforce the Security Interest without notice or further demand if:
- an Event of Default occurs with respect to you; or
 - the balance in your Margin Enabled Account falls below the Maintenance Margin Requirements.

3.7 Exercising Security Interest. In exercising our rights to enforce the Security Interest, we will be entitled, without notice or further demand, immediately to exercise all our rights, powers and remedies in accordance with applicable law as chargee and assignee of the Secured Assets and to: (A) demand and receive all and any amounts due under or arising out of your Margin Enabled Account; (B) exercise in relation to the Secured Assets all such rights as you were then entitled to exercise in relation to the Secured Assets or might exercise; and (C) apply, set-off or transfer all or any part of the Secured Assets in or towards the payment or other satisfaction of the Margin Obligations or any part of them.

3.8 Authorisation. In exercising our rights to enforce the Security Interest and without limiting any other rights or remedies under this Agreement or applicable law, you hereby irrevocably authorise us to sell, appropriate or otherwise realise any and all Secured Assets and to apply the proceeds of sale in order to satisfy your Margin Obligations in such order and manner as we think fit, including in or towards payment of all costs and expenses incurred by us in connection with such sale or realisation. If we exercise our right of appropriation to any Secured Assets, we will be entitled to determine their value in good faith and in a commercially reasonable manner.

4. Events of Default

4.1 Events of Default. In addition to the Events of Default set out in section 6.1 of Part A (Events of Default), in relation to the provision of Margin Extensions it will be an “Event of Default” under this Agreement if:

- the Collateral Assets in your Margin Enabled Account fall below the applicable Maintenance Margin Requirement, or you are, or appear to be, unable to meet your obligations in respect of one or more Margin Extensions; or
- we have notified you of a material change to, or discontinuation of, our services in relation to Margin Extensions, either generally or in relation to you specifically, that requires you to terminate your existing Margin Extensions, and you have failed to do so within the relevant notice period.
- **Consequences of Event of Default.** In the case of an Event of Default, in addition to our rights under section 7 of Part A (Consequences of Default), we may immediately or any time thereafter whilst the Event of Default is continuing, without prior notice, vary the applicable Maintenance Margin Requirement, or exercise our power to liquidate, sell, or convert the Secured Assets, Received Assets or part thereof, at a price which we consider appropriate in the circumstances, in order to repay an outstanding Margin Extension and terminate the Margin Transaction.

4.2 Our sole recourse against you in relation to the satisfaction of any of your obligations, liabilities, interest, fees, costs, losses or shortfalls arising out of or in connection with a Margin Extension (“**Margin Liabilities**”) is limited to our rights under section 7 of Part A (Consequences of Default) and Section 4.2 of this Part K (**Consequences of Event of Default**). You shall not be obliged to transfer, post or otherwise provide additional funds or assets in respect of a Margin Extension where any shortfall remains after we exercise our rights under Section 4.2 of this Part K (**Consequences of Event of Default**).

5. Termination of Margin Extensions

- 5.1 Termination by you.** You may terminate a Margin Extension, partially or wholly, by delivering to us Crypto-assets of the same type the Margin Extension is denominated in (e.g. if you obtained a Margin Extension in Ether to buy Bitcoin, you could deposit a sufficient amount of Ether to your Margin Enabled Account to settle the Margin Extension), or by selling the Received Assets for a sufficient amount of the same type of Crypto-asset as the Margin Extension is denominated in (e.g. if you obtained a Margin Extension in Ether to buy Bitcoin, you could close your Margin Transaction by selling the Bitcoin for the sufficient amount of Ether to repay the Margin Extension).
- 5.2 Return of certain Crypto-assets.** Upon the termination of a Margin Extension by you, you must return to us any Crypto-assets received due to a Margin Extension, which are not Received Assets. This applies if the Margin Extension (and not the Received Assets) enabled you to receive assets (i) where new Crypto-assets are distributed to holders (an airdrop), or (ii) where changes in blockchain rules create new asset versions (a fork).
- 5.3 Negative equity.** If the value of your Collateral Assets falls below the value of your Margin Extension, this may result in negative equity in your Margin Enabled Account. In these circumstances, we may, in our sole discretion, impose restrictions on your Margin Enabled Account, including suspending or limiting your ability to trade or withdraw. You may deposit additional Collateral Assets to restore your Margin Enabled Account to positive equity, following which we may, at our discretion, remove or adjust such restrictions.
- 5.4 Termination upon loss of eligibility.** If you are not (or are no longer) eligible to receive Margin Extensions, each of your then-existing Margin Extensions will become due and must be terminated immediately by you upon loss of eligibility. If you don't immediately terminate your Margin Extensions in full, then we may, without further notice to you: (a) sell your Secured Assets and/or Received Assets and apply the proceeds to the termination of the Margin Extension; and (b) liquidate other Crypto-assets or Fiat Currency balances in your Margin Enabled Account, in the manner and amount practicable, in our reasonable discretion, to terminate the Margin Extension.
- 5.5 Discontinuing Margin Extensions.** We may in our sole discretion terminate the provision of new or existing Margin Extensions, provided that we will notify you in advance to the extent required by applicable law including, where we are in a position to do so and this is required by applicable law, providing reasonable notice, via the email address associated with your Account. If you do not terminate your existing Margin Extensions during this time, it will be an Event of Default and we may take any of the actions set out in section 7 of Part A (Consequences of Default) or in section 4.2 above.

6. Fees

- 6.1 Margin fees.** Fees charged on and in connection with any Margin Extension will be at the applicable rates and methods of computation specified in the [Fee Schedule](#) (the “**Margin Fees**”).
- 6.2 Maximum legal limit on Margin Fees.** If the Margin Fees on any Margin Extension provided under this Part K exceeds the maximum rates we may charge under applicable law, the Margin Fees will be reduced automatically to the maximum Margin Fees we may charge under applicable law.

7. Risk Warnings

- 7.1** By initiating Margin Transactions, you accept the following risks:

- **Financial risk:** Using margin poses a high degree of financial risk and is not suitable for everyone. Margin trading can rapidly lead to large losses, including losses of all the Crypto-assets or Fiat Currency in your Margin Enabled Account. You should examine your financial objectives, financial resources and risk tolerance to determine whether receiving Margin Extensions secured by the Crypto-assets or Fiat Currency in your Margin Enabled Account is appropriate for you.
- **Margin Calls:** The prices of Crypto-assets are highly volatile and a decline in the value of Crypto-assets that are traded on margin may require you to deposit additional Crypto-assets or Fiat Currency to your Margin Enabled Account, on short notice or with no notice, to meet the Maintenance Margin Requirement and avoid the automatic liquidation of assets in your Margin Enabled Account.
- **No obligation for Margin Call notification:** We are not obligated to contact you for a Margin Call to be valid and we may liquidate assets in your Margin Enabled Account without notification. While we may attempt to inform you of Margin Calls, it's not mandatory. Furthermore, even if we have contacted you and set a specific deadline to meet a Margin Call, we may still proceed with asset liquidation without notice and before the deadline.
- **No extensions on a Margin Call:** While we might grant you an extension of time to meet Maintenance Margin Requirements under certain conditions, you don't have a right to any extension, and our granting of an extension in one case does not mean it will be extended in any future cases (even if similar). Moreover, even if we have agreed to an extension of time to meet Maintenance Margin Requirements, we may still immediately sell assets in your Margin Enabled Account without notice to you and without waiting for the expiration of the extension of time to meet a Margin Call.
- **Maintenance Margin Requirements:** We may increase the Maintenance Margin Requirements without advance notice, which may result in the issuance of a Margin Call. Your failure to satisfy the Maintenance Margin Requirements may cause us to liquidate or sell assets in your Margin Enabled Account. We are not responsible for delays in the release of funds intended to satisfy the Margin Call, including internal holds on funds exceeding verification limits, delays in the transfer of funds from external accounts maintained by third-party financial institutions, and failure of proper routing of funds through financial networks. The funds will not count towards meeting the Maintenance Margin Requirements until the funds are released.
- **Asset liquidation without notice:** If the equity in your Margin Enabled Account is below the Maintenance Margin Requirement, you authorize us to sell your assets (including Crypto-assets and Fiat Currency) in your Margin Enabled Account to cover the margin deficiency. As crypto-asset markets are open 24 hours a day, 7 days a week, Margin Calls and liquidations may occur at any time, including outside of normal business hours.

7.2 Risk Acknowledgment. You understand, acknowledge, and agree that:

- before initiating a Margin Transaction, you will read and you agree to this Part K in full;
- You are solely responsible for, and you assume in full, all risks regarding Margin Enabled Accounts, Margin Extensions, and Margin Transactions, including all risks disclosed in this section, as well as additional risks; and

- initiating a Margin Transaction means you have determined that such activities are appropriate for you;

PART L: OPT IN REWARDS PROGRAM TERMS

Our provision of the Opt-In Rewards Program is not regulated.

1. Opt-In Rewards Program

1.1 Opt-In Rewards Program. We may provide you with the option to contribute and earn rewards on eligible, available and idle Crypto-assets balances held in your Account (the “**Opt-In Rewards Program**”) subject to the terms and conditions of this Agreement (including this Part L) and your fulfilment of all applicable Eligibility Criteria. The Opt-In Rewards Program is provided by PTL and so the terms set out in this Part L are between you and PTL.

We have set out the main risks associated with using the Opt-In Rewards Program in section 5 below. The Opt-In Rewards Program involves a title transfer arrangement whereby you lend your crypto-assets to us as an unsecured creditor and you will have to accept the risk of potential loss in the event of our insolvency. While we have title to your contributed Crypto-assets, we will only use them to support Kraken programs such as fully collateralised lending programs, liquidity provisioning or risk management activities. We will not use or deploy any assets you allocate to participate in our Opt-In Rewards program for general operating expenses or speculative trading purposes. Before participating in the Opt-In Rewards Program, it's important to understand its specific and unique risks. You should carefully review this Part L in full before you decide to use the Opt-In Rewards Program.

Crypto-assets you contribute to the Opt-In Rewards Program can be in one of two states:

- **"Unutilized OIR Assets":** Eligible Assets which you have opted into the Opt-In Rewards Program but which we have not yet drawn upon or borrowed. Section 17 of Part C (Custody of Crypto-assets) continues to apply while they are Unutilized OIR Assets. This means your Unutilized OIR Assets will remain in custody with PESL and will continue to be held on trust for you by PESL until such time as they become Utilized OIR Assets.
- **"Utilized OIR Assets":** Eligible Assets which you have opted into the Opt-In Rewards Programme and which we have drawn upon and borrowed from you. When Eligible Assets become Utilized OIR Assets, title in those assets transfers to us and they are no longer held in custody for you by PESL as a regulated Crypto-asset custody service, and will instead be transferred to and controlled by us on an unregulated, non-custodial basis. Section 17 of Part C (Custody of Crypto-assets) does not apply in relation to any Crypto-assets whenever they are Utilized OIR Assets. Utilised Opt-In Assets will be marked as such in your Account.

1.2 Transfer of Crypto-assets out of custody. Transfer of Crypto-assets out of custody.

When you opt in to the Opt-In Rewards Program, you are giving us advance permission to borrow your contributed Eligible Assets if and when we call them. Whenever we decide Eligible Assets become Utilized OIR Assets, you lend those Crypto-assets to us and title in those Crypto-assets transfers from you to us at that point in time. Note that when your Eligible Assets become Utilized OIR Assets, they are not available to you for trading and they may not be withdrawn to an external (non-Kraken) account or wallet until you initiate a request to Opt-Out in accordance with Section 2 of this Part.

Lending, and transferring title to, your Crypto-assets to us subjects you to additional risk, as if we were to become insolvent you would be an unsecured creditor and may not receive repayment of your contributed Crypto-assets in full or at all.

By contributing Crypto-assets to the Opt-In Rewards Program, you acknowledge the associated risks set out herein and give your informed consent to lend and transfer title in the contributed Crypto-assets to us. You agree that because you have lent and transferred title in these Crypto-assets to us, these contributed Crypto-assets will, once they become Utilized OIR Assets, not be held in accordance with PESL's custodial obligations that are set out in Section 17 of Part C (Custody of Crypto Assets).

- 1.3 Eligible Assets.** You can participate in the Opt-In Rewards Program by contributing eligible available Crypto-assets from your Account. Only certain Crypto-assets are eligible to contribute to the Opt-In Rewards Program. A list of assets that are currently eligible for the Opt-In Rewards Program in your region is available at <https://support.kraken.com/hc/en-us/articles/360044886311-Overview-of-Opt-In-Rewards-on-Kraken> (each an “**Eligible Asset**”). We may update the list of Eligible Assets in any country or region at any time at our sole discretion.
- 1.4 Geographic Restrictions.** The Opt-In Rewards Program is only available to clients located in certain countries in the EEA. We may vary the list of such countries from time to time to comply with any applicable legal or regulatory obligations and/or our internal policies and requirements. You may not use the Opt-In Rewards Program if you are located in or are a national or resident of any jurisdiction in which we are not authorised to provide the Opt-In Rewards Program, or any jurisdiction where your use of the Opt-In Rewards Program would be illegal or otherwise violate any applicable law of that jurisdiction.
- 1.5 Disruption to Opt-In Rewards Program.** We cannot guarantee uninterrupted or error-free operation of the Opt-In Rewards Program or that we will correct all defects or prevent disruptions or unauthorised access. We may suspend or discontinue the Opt-In Rewards Program at our sole discretion at any time. In the event of any disruptions, suspension, or discontinuance of the Opt-In Rewards Program, your contributed Eligible Assets may stop generating Rewards and you may not receive any (and you may forfeit all then-accrued) Rewards whatsoever.
- 1.6 Fees and expenses.** We reserve the right to charge fees and expenses in relation to the Opt-In Rewards Program. In the event we charge fees and expenses, we will notify you.

2. Participating in the Opt-In Rewards Program

- 2.1 Opting in to the Opt-In Rewards Program.** You can opt-in to the Opt-In Rewards Program through your Account. You will need to confirm the number and type of Eligible Assets from your Account that you wish to contribute. You may only contribute Eligible Assets that comprise available and idle Account balances that you initially deposited and that are reflected in your Account. We will update your Account to show the Eligible Assets that you have contributed to the Opt-In Rewards Program when we receive them. Your Account will show whether they are Unutilized OIR Assets or Utilized OIR Assets as the case may be.

2.2 Participating Eligible Assets. By contributing Eligible Assets to the Opt-In Rewards Program, you provide a standing instruction to lend those contributed Eligible Assets to us and authorisation to us to borrow those contributed Eligible Assets from you, if and when we call them, and further acknowledge that upon exercising our ability to borrow such Eligible Assets, title in those Eligible Assets transfers to us. You may not be able to access, transfer, stake, withdraw or otherwise use the Eligible Assets that you contributed, until you Opt-Out (as defined below).

2.3 Opting Out from the Opt-In Rewards Program. You may request a complete or partial return of your contributed Eligible Assets from the Opt-In Rewards Program at any time through your Account ("**Opt-Out**"). You will need to confirm the number and type of contributed Eligible Assets that you wish to Opt-Out. When you Opt-Out, you are making an on demand request to us to remove the assets from the Opt-In Rewards Program. Where you make such a request with respect to:

- Unutilized OIR Assets, then such assets will be removed from the Opt-In Rewards Program.
- Utilized OIR Assets, then we will return to your Account assets of the same number and type as the contributed Eligible Assets

2.4 Return of contributed Eligible Assets. Upon receipt of your request to Opt-Out, we will initiate the Opt-Out process in accordance with section 2.3 of this Part L. The relevant assets which at the time of your request are:

- Unutilized OIR Assets will be processed immediately, and such assets will be immediately available for trading.
- Utilized OIR Assets will be processed and returned to your Account (with title to them returning to you) as soon as possible but may be subject to a delay of up to seven calendar days after you submit your request, except where you have contributed Eligible Assets to the Opt-In Rewards Program on a bonded basis, in which case the return will be subject to the un-bonding period selected by you at the time of contribution.

3. Rewards

3.1 Rewards. The Opt-In Rewards Program entitles you to receive periodic payments, on a weekly basis ("**Rewards**") as interest payments for the lending of your contributed Eligible Assets to us, subject to the terms of this Part L. Rewards will accrue on a weekly basis and will be paid to you as an upward adjustment to your contributed Eligible Assets balance in your Account.

3.2 Rewards rates. Reward rates will be determined in our sole discretion based on factors including the type of Eligible Asset contributed and market conditions. You acknowledge and agree the amounts you receive may vary from week to week.

3.3 Rewards calculation. Rewards will be calculated and paid with the decimal precision described at <https://support.kraken.com/hc/en-us/articles/360044886311-Overview-of-Opt-In-Rewards-on-Kraken>, as may be updated by us from time to time in our sole discretion.

4. Our Rights

- 4.1 Use of contributed Eligible Assets.** By participating in the Opt-In Rewards Program, you acknowledge and agree that you have granted us discretion to treat the Eligible Assets as either Unutilized OIR Assets, or as Utilized OIR Assets for our own account (subject to those restrictions on our use which are detailed in section 1.1 of this Part L), and without further notice to you being required; provided that if you Opt-Out for any reason, we will return assets to you (subject to Sections 2.3 and 2.4 of this Part L), together with your accrued Rewards.
- 4.2 Our rights.** In addition to our rights set out herein, in relation to the Opt-In Rewards Program we reserve the right to:
- determine which Eligible Assets are treated as Utilized OIR or Unutilized OIR Assets;
 - reject or remove any contribution from the Opt-In Rewards Program;
 - establish minimum or maximum contribution amounts; and
 - close the Opt-In Rewards Program.
- 4.3 Facilitating return of contributed Eligible Assets.** In the event we elect to return contributed Eligible Assets to you pursuant to section 4.2, you agree to promptly Opt-Out the contributed Eligible Assets and to undertake any other actions we reasonably request in order to facilitate that return.
- 4.4 Opt-Out limits.** We may apply Opt-Out limits based on frequency or volume at any time and will notify these to you through the Platform or our Site. In certain market conditions, for instance due to high volatility or lack of liquidity in the Eligible Asset markets, we may impose other restrictions on opting out from the Opt-In Rewards Programs. We are not responsible for any loss you may suffer as a result of any delay due to such market conditions in returning the contributed Eligible Assets to your Account.

5. Risk Warnings

- 5.1 Risks of using the Opt-In Rewards Program.** The Opt-In Rewards Program is not for everyone. You should examine your objectives, financial resources and risk tolerance to determine whether contributing Crypto-assets to the Opt-In Rewards Program is appropriate for you. Some, but not all, of the risks and uncertainties associated with the Opt-In Rewards Program are:
- **Counterparty Risk:** Where contributed Eligible Assets are treated by us as Utilized OIR Assets, you have lent and transferred title in them to us, and you are subject to the risk that if we were to become insolvent you would be an unsecured creditor and may not receive repayment of any Unutilized OIR Assets in full or at all.
 - **Rewards Expectation Risk:** We may publish anticipated Reward rates for the Opt-In Rewards Program. These rates are forward-looking statements that reflect current expectations regarding future events, involve significant risks and uncertainties, should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such performance or results will be achieved. Forward-looking statements are in no way a form of advice, solicitation or offering of or for the Opt-In Rewards Program and should not be interpreted as such.

- **Regulatory risks:** Legislative and regulatory changes or actions in your country of residence may adversely affect: (i) the use, transfer, and value of Eligible Assets you contribute; (ii) the operations and profitability of the Opt-In Rewards Program; (iii) the tax treatment of the Opt-In Rewards Program; and (iv) your ability to Opt-Out contributed Eligible Assets in a timely manner or at all.

5.2 Timing of return of assets. As set out in section 2.4 of this Part L, when you Opt-Out we will return your contributed Eligible Assets but this can in some circumstances take a number of days to complete. You should therefore be aware that when you contribute Eligible Assets into the Opt-In Rewards Program, they may not be immediately available to you if you need them to be returned quickly at a later date.

5.3 Not a bank account. We are not a bank or other depository institution. Your Account is not a deposit account or a bank account. The Opt-In Rewards Program is not a depository or bank program. Eligible Assets which you contribute are not covered by insurance against losses or the protections of any organisation anywhere in the world.

5.4 Risk acknowledgment. You understand, acknowledge, and agree that:

- before using the Opt-In Rewards Program, you will read and you agree to this Part L in full;
- you are solely responsible for, and you assume in full, all risks regarding the Opt-In Rewards Program, including all risks disclosed in this section, as well as additional risks; and
- using the Opt-In Rewards Program, you have determined that such use is appropriate for you.

6. Taxes

6.1 Intended tax treatment. The transfer of Crypto-assets by you to us under the Opt-In Rewards Program is intended to be treated as a loan of those Crypto-assets for tax purposes. Accordingly, any Rewards you receive under the Opt-In Rewards Program are intended to be characterized as interest income by you.

6.2 No representations. Nothing in Section 6.1 constitutes a representation or warranty by us that any court or tax authority will respect the treatment set forth herein. Tax laws and their interpretation are subject to change and may vary by jurisdiction and individual circumstances. You should consult your tax adviser regarding the tax consequences of participating in the Opt-In Rewards Program, including the application of tax rules to your individual circumstances.

6.3 Withholding taxes. We may withhold (or cause there to be withheld, as the case may be) from any amounts otherwise due or payable to you such federal, national, provincial, local income non-income, or other taxes as may be required to be withheld pursuant to any applicable law or regulation of any jurisdiction or taxing authority. We shall have no obligation to increase (“gross-up”) any payment to you to offset any such tax withholding or deduction.

PART M: KRAKEN LAUNCH TERMS

Our provision of Kraken Launch is regulated by the Central Bank of Ireland.

1. Kraken Launch

1.1 Kraken Launch Overview. We offer eligible Kraken users the opportunity to participate in early token sales conducted by emerging crypto projects before their token generation event (“TGE”).

Kraken Launch relates to crypto-assets, which involve special risks related to the specific features of the crypto-asset. The price of crypto-assets depends on fluctuations in the financial and crypto-asset markets that are outside of our control. Past performance or future forecasts do not constitute reliable indicators of future performance. We have set out some of the main risks associated with using Kraken Launch in section 5 below. You should read these in full before you decide to use Kraken Launch.

1.2 Connection with Core Services. Where you use Kraken Launch, the terms of this Part M Kraken Launch Terms will apply to you in addition to the terms of [Part C: Core Services Terms](#) (and, for the avoidance of doubt, [Part A: General Terms](#), and [Part B: Definitions and Interpretation](#), which always apply). To the extent of any conflict, the terms of this Part M will take precedence.

1.3 Eligibility. Participation in Kraken Launch is subject to satisfaction of the Eligibility Criteria, including any Kraken Launch specific eligibility requirements determined by Kraken and the applicable project, which are notified to you through the Platform or our Site. We reserve the right to restrict or deny access to Kraken Launch to any user at our sole discretion.

1.4 Disclosures. As part of Kraken Launch, when we share a new opportunity to participate in an early token sale, we will provide you with access to the whitepaper for that Crypto-asset, which you should review. Please also note the standard disclosures we have made in relation to our Crypto-asset Services.

1.5 Additional terms. Participation in Kraken Launch may be subject to additional terms set by the crypto project organising the early token sale – we’ll notify you where these apply. These additional terms apply in addition to the terms of this Agreement, and will take precedence to the extent of any conflict with the terms of this Agreement

2. Pledging for Tokens

2.1 For each token offered through Kraken Launch, there will be an allocation window of a fixed duration during which you may pledge certain of your Crypto-assets (“Pledged Assets”) to be used as payment to purchase tokens subject to an eventual TGE (the “**Launch Tokens**”).

2.2 These Pledged Assets will be locked until the results of the token sale are announced, which will be around the time of TGE. Pledged Assets remain yours at all times and continue to be held in custody with PESL in accordance with Part C of these Terms, pending the completion of the sale.

2.3 At the end of the allocation window, Kraken will assess all customers who have Pledged Assets against a number of factors to ensure a “merit-based” allocation, as outlined on the Kraken Launch platform for each relevant sale.

2.4 If you are successful, your pledge converts to a purchase from the minimum allocation up to your total pledged allocation depending on demand and supply, and you will receive the

relevant Launch Tokens in your Account. The minimum allocation for each token sale will be specified in the relevant sale terms.

- 2.5 If you are not successful, your Pledged Assets will be unlocked, and you will be free to use them.
- 2.6 Kraken Launch fees. We charge a percentage fee on each order you submit to participate in a Kraken Launch early token sale. Details of the applicable percentage are available on our [Site](#).
- 2.7 Delivery of the Launch Tokens to you is conditional on the project completing its TGE and providing us with the ordered Launch Tokens in accordance with its obligations. We do not guarantee or warrant that any token sale will be completed or that Launch Tokens will be issued or delivered on time, or at all.
- 2.8 In the event a project's TGE is not completed, we will unlock your Pledged Assets, and they will become available to use as normal in your Account.

3. Right to Withdraw

- 3.1 **Eligibility.** If you are a Retail Client and are resident in the EEA, this section 3 applies to you, notwithstanding [section 8.1 of Part A \(Your right to cancel this Agreement\)](#). If you do not meet both of those criteria, this section does not apply to you.
- 3.2 **Right to withdraw.** You have the right to withdraw from your agreement to participate in any Kraken Launch early token sale without incurring any fees or costs and without being required to give reasons, providing that the Crypto-asset in question has not already been listed on any platform for secondary trading. This right to withdraw begins on the date that you pledge your assets to participate in a Kraken Launch sale, and expires 14 calendar days from that date, or if earlier, the point at which your Pledged Assets are converted and the Launch Tokens are credited to your account. To exercise this right to withdraw, please contact us using one of the methods set out in [section 14.1 of Part A \(How to contact us\)](#).
- 3.3 **Unlock and Reimbursement.** We will unlock your Pledged Assets and reimburse you any fees you have paid in relation to your participation in a Kraken Launch sale without undue delay, and in any event no later than 14 calendar days from the date that we receive notice from you that you are exercising your right to withdraw.

4. Risk Disclosure

- 4.1 By participating in Kraken Launch, you agree to and accept the following risks:
 - Kraken Launch facilitates access to token sales but does not issue or create the tokens, nor does it provide any guarantee as to their value, utility, legality, or performance.
 - The sale of these Launch Tokens does not constitute an offer of securities or investment advice. Purchasers are solely responsible for evaluating the risks and merits of participation.
 - Launch Tokens do not represent shares, equity, or ownership in the issuer or exchange, and confer no rights to dividends, governance, or participation beyond their intended utility within the relevant protocol.
 - Participation in Kraken Launch involves significant risks, including the potential loss of all funds, regulatory uncertainty, and lack of liquidity. Tokens may have no value and there is no guarantee of listing or secondary market availability.
 - The timing, structure, and success of TGEs are not guaranteed and may be subject to change or cancellation.

PART N: KRAK CARD TERMS

Krak Card is issued by UAB Monavate, authorised by the Bank of Lithuania. The Kraken E-Money Wallet associated with the Krak Card is provided by Payward Ireland Limited which, trading as Kraken, is regulated by the Central Bank of Ireland.

1. Krak Card Overview

1.1 Krak Card Terms Overview. This Part N (the “**Krak Card Terms**”) governs the provision of Card services provided by us. As set out in Part A of this Agreement, the Crypto-asset Core Services are provided to you by PESL and the E-Money Core Services are provided to you by PIL.

Before using our Card services, you should ensure you have read and understood the risk warnings in relation to our Core Services, which are set out in [section 18 of Part C](#) of this Agreement. We have outlined some of the other substantial risks associated with using our services, including submitting Orders, on our [Legal Disclosures page](#), which is incorporated into this Agreement by reference. You should carefully review these risks to determine if our services are suitable for you, considering your circumstances, knowledge, and financial resources.

1.2 Connection with Core Services. Where you use the Card services, the terms of this Part N apply to you in addition to the terms of [Part C: Core Services Terms](#) (and, for the avoidance of doubt, [Part A: General Terms](#) and [Part B: Definitions and Interpretation](#) which always apply). To the extent of any conflict, the terms of this Part N will take precedence. We have used definitions in these Krak Card Terms wherever we think it will be helpful, and capitalised terms used but not defined in these Krak Card Terms shall have the meanings given to them in Part B of this Agreement.

2. Krak Card Services Overview

2.1 The Card. We may offer you the ability to obtain a payment card (“**Card**”), which is issued to you by UAB Monavate (“**Monavate**”). The Card is governed by separate [terms and conditions](#) you enter into with Monavate (“**Monavate Terms**”), which should be read alongside these Krak Card Terms. The Card will be linked to your Kraken E-Money Wallet and will allow you to spend your Krak ‘Everyday’ balance in the Krak app to buy goods and services or withdraw cash in fiat currencies from merchants or cashpoints that accept the Card. You agree that you will also use the Card in accordance with the Monavate Terms.

2.2 About Monavate. UAB Monavate is a company incorporated under the laws of Lithuania with registered company number 305628001. Its registered address is Konstitucijos pr. 21a, LT-08130, Vilnius. UAB Monavate is authorised by the Bank of Lithuania (“**BOL**”) (authorisation code: LB002139901097) to issue electronic money and provide payment services.

2.3 About the Card services. When you make a Card transaction, you will be using your Card to instruct us to make a payment for you. We will do so by transferring the fiat currency amount required by us to send to Monavate so that Monavate can onward transfer the correct amount to the merchant via the relevant card scheme (“**Card Scheme**”). The amount that will be due from you in total to cover this will be the amount of the Card transaction, plus any accompanying fees, converted at the applicable exchange rate (together the “**Total Transaction Price**”). The funds that you will use to make a payment will be taken from:

- the Fiat Currency balance of your Kraken E-Money Wallet, in which case the necessary amount of Fiat Currency which will be redeemed and the proceeds of which will be used to settle the Total Transaction Price; or
- your available Crypto-asset balance, in which case PESL will sell Crypto-assets (a “**Crypto-asset Transaction**”) and the proceeds of which will be used to settle the Total Transaction Price; or
- a combination of these two.

All Crypto-asset Transactions are part of the Crypto-asset Core Services, governed by Part C of this Agreement that set out your trading of Crypto-assets, and the same considerations and restrictions apply. This means that, among other things, there are a number of situations in which a Crypto-asset Transaction may be rejected, declined or fail, as explained in Part C.

If the Total Transaction Price is not deducted immediately, we reserve the right to deduct this amount at a later point in time. If, as a result of this, a transaction is completed by us for where the Total Transaction Price is greater than both the total balance of your Kraken E-Money Wallet and/or your sale price of the Crypto-assets you hold at the point at which we go to settle this amount, then you will owe this to us as a debt and you must put your Kraken E-Money Wallet into a positive balance as soon as possible so that you may continue to use your Kraken-E Money Wallet and Card without interruption.

2.4 Your authorisation. By taking out a Card, you expressly authorise us to use any Fiat Currency balance(s) and/or Crypto-assets in your Account in order to settle Card transactions. You may give instructions at any time through the Krak app if there are any Fiat Currency balances and/or Crypto-assets that you do not want to be available to settle Card transactions. You can find details of any restrictions on the way in which we will use your Fiat Currency balances and/or Crypto-assets in the Krak app. If, at the point of the transaction, there are insufficient funds to settle the Card transaction, then we reserve the right to decline the transaction as set out in more detail at section 6.1 of this Part N.

2.5 Availability of Crypto-assets. Not all Crypto-assets that you hold in your Account are available for Card transactions and the Crypto-assets that are available may change from time to time. You will be notified when any additional Crypto-assets become available to be used to settle Card transactions. From time to time, there may also be restrictions on the availability of the Crypto-assets that you hold to be used to settle Card transactions (for example, if at the time of the Card transaction, there is a shortage of a particular Crypto-asset in the market).

3. Krak Card Transactions

3.1 Using the Card. You will need to authorise each Card transaction by following the procedures required for the type of payment you are making. You may need to take steps to authorise a transaction at the time you are paying, for example, by entering your Card details on a merchant’s online payment page, tapping your Card at the point of sale in-store or entering your PIN on the key pad. Depending on the circumstances, you may be required to undergo some further security checks at the time such as providing biometric data (e.g. a fingerprint).

3.2 Authorisation. If the Card, card number and PIN, biometric data or other of your Security Credentials have been used, we will assume you have authorised the transaction. You must therefore tell us immediately if you do not recognise a transaction based on the information we provide to you. Please see section 5.5 below for information on how best to contact us.

3.3 Cancelling. You cannot cancel a Card transaction after it has been authorised. You can, however, cancel payments that you have authorised to be made on a future date, for example, if you have set up a recurring payment. To cancel a recurring payment relating to your Card, please contact Monavate at <https://www.monavate.com/contact>.

3.4 Timing. Below are the timings that apply to transactions under these terms:

- Where you are settling the transaction with Crypto-assets, any required Crypto-asset Transaction will be executed by PESL following your authorisation/pre-authorisation of the relevant Card transaction in line with Part C of this Agreement; and
- Where you are settling the transaction with your Fiat Currency balance, we will transfer the Card transaction monies to Monavate in response to the merchant's settlement processes and in accordance both with the Card Scheme's corresponding request and the Card Scheme's settlement timing requirements.

The maximum execution time of the Card transaction itself is not wholly within our or Monavate's control and is dependent on actions being taken by the merchant and the Card Scheme. Monavate will comply with and adhere to the Card Scheme's and our settlement timing requirements.

3.5 Chargebacks. We accept no responsibility for the goods or services purchased by you with your Card. All such disputes must be addressed directly with the merchant providing the relevant goods or services. Once you have authorised your Card to make a purchase, we cannot stop that Card transaction. However, where you have used your Card to buy goods or services, you may have a claim against the merchant if the goods or services are unsatisfactory, not supplied, supplied only in part or do not match the supplier's description. You must notify us of any dispute and the chargeback will only be applied to your Kraken E-Money Wallet in the currency your card is denominated in if successfully secured from the merchant. If you wrongly make a chargeback claim, we will be entitled to charge you any fees we reasonably incur in pursuing the chargeback claim and we will be entitled to debit your Kraken E-Money Wallet with the amount of any such fees.

3.6 Refund rights where you've been charged more than you expected. You may claim a refund for a Card transaction that you authorised provided that the following three conditions apply:

- your authorisation did not specify the exact amount when you consented to the transaction;
- the amount of the transaction exceeded the amount that you could reasonably have expected it to be (taking into account your previous spending pattern, these Krak Card Terms and the circumstances of this case); and
- you requested a refund from us within 8 weeks of the date the transaction took place.

When you request a refund under this section, we may require you to provide us with evidence to substantiate your claim. We will refund you within 10 Business Days of receiving your claim for a refund or, where applicable, within 10 Business Days of receiving any further information we requested - or we will provide you with reasons for refusing the refund. The refund shall be equal to the amount of the relevant transaction. If the transaction in question was funded by a Crypto-asset Transaction or Fiat Currency in a currency that is not in your Card's primary currency ("**Settlement Currency**"), you will only receive any refund as the equivalent amount of Fiat Currency issued to your Account in your Card's Settlement Currency; we will not credit the original Crypto-asset(s) used to fund the payment transaction.

3.7 Unauthorised Card transactions. If it is established a Card transaction has been executed without your consent, we will provide you with a refund. Any such refund will only be made if you comply with your obligations set out herein and will be subject to [section 5 \(Refunds for Unauthorised or Incorrect Transactions\) of Part C](#) of this Agreement. If a refund is granted, we will credit your Kraken E-Money Wallet in your Card's Settlement Currency. We will not credit the original Crypto-asset(s) used to fund the payment transaction.

3.8 Errors. In the event of an error with respect to any Crypto-asset Transaction (for example, accidentally using a Crypto-asset to settle a Card transaction that you have told us should not be available for Card transactions), this will be dealt with in accordance with [section 13.9 \(Order Errors\) of Part C](#) of this Agreement. Part A of this Agreement sets out further details of any liability potentially owed to you.

3.9 Limits. Our limits on your Card use are set out in the Krak app.

4. Charges and Currency Conversion

4.1 Settlement of transactions. When Monavate issues your Card, it will be denominated in Euro. If you attempt to make a payment using your Card in a currency that is different to the currency in which the Card is denominated (even if you hold that currency in your Kraken E-Money Wallet), the payment will be automatically processed using a currency conversion rate to Euro.

4.2 Charges. When we sell Crypto-assets in the context of a Card transaction, we will include a spread in the price quoted. You can find information on charges [here](#); the Krak app and our website will show details of the spread applied.

4.3 Exchange Rates. Currency conversions between a transaction you attempt to make and the currency that denominates your Card, as well as on Crypto-asset Transactions, will be subject to the exchange rate at the time of the given Card transaction. You can find information on the exchange rates we use [here](#); the Krak app and our website will show details of the exchange rate applied. Any conversion is final at the point at which we authorise the transaction.

4.4 Changes to Charges and Exchange Rates. We may make changes to the applicable charges and exchange rates from time to time in accordance with [section 10.1 \(Notice of changes to these E-money Core Services Terms\) of Part C](#) of this Agreement.

4.5 Tax. You are responsible for determining and fulfilling any tax obligations that may arise in connection with your use of the Krak Card and/or any Cashback you may receive, including but not limited to rewards related to Crypto-assets such as bitcoin. You can find more information on taxes [here](#).

5. Communications

5.1 General information. You may request a copy of these Krak Card Terms at any time.

5.2 Communications from Monavate. As set out in the Monavate Terms, if Monavate needs to communicate with you in relation to the Card that they have issued you, such communications will be made through us (Kraken) using the methods set out in the Monavate Terms.

5.3 Information about Card transactions. We will provide you with regular information about your Card transactions in accordance with [section 3.5 \(Regular Information\) of Part C](#) of this Agreement.

5.4 Keeping your Card and its details safe. You must:

- keep your Card, Card number, 3-digit security code and PIN safe;
- not give your Card or its details (including the PIN) to anyone else;
- not permit any other person to use your Card;
- inform yourself about common scams, such as phishing; and
- take all reasonable precautions to prevent the misuse of your Card and/or its details.

5.5 Telling us if your Card is lost, stolen or misused. If you believe that:

(1) your Card has been lost, stolen or misused (whether for the making of unauthorised Card transactions or in any other way); and/or

(2) Card transactions in respect of your Card have either not been executed or have been defectively-executed; then

you must inform us immediately through the Krak app.

5.6 Amending this Part N. Subject to section 7.11 of this Part N (Krak Card Rewards), we may make changes to this Part N at any time in accordance with [section 10 \(Amending the E-money Core Services Terms\) of Part C](#) of this Agreement.

5.7 Your right to object to changes. You have the right to object to any proposed changes and, in doing so, terminate this Part N and the Monavate Terms immediately and without charge by providing written notice to us, provided that you do so before the changes come into effect. If you exercise this right, then your Card and any pending transactions will be cancelled. If we do not hear from you before such changes come into effect, you will be deemed to have accepted the changes and the amended terms will apply from the date included in the notice.

6. Suspension, Cancellation and Termination

6.1 Refusal and Suspension. We may refuse or decline a Card transaction you attempt and/or terminate your access to the Card and/or any or all of the related services with immediate effect where:

- we are, in our reasonable opinion, required to do so by applicable law or any court or other authority to which we are subject in any jurisdiction;
- we have concerns that a Card transaction is erroneous or about the security of your Card, your Kraken E-Money Wallet or we suspect our services are being used in a fraudulent or unauthorised manner;
- we suspect money laundering, terrorist financing, fraud, or any other financial crime;
- you have insufficient Fiat Currency and/or Crypto-assets in your Account to cover the Total Transaction Price of a relevant Card transaction;
- you have not provided us with information that we need to make the payment or we need to carry out further checks;
- the payment exceeds any limits we tell you about when you try to make it;
- a third party prevents us from making the payment (for example, a card scheme); and/or
- we have suspended your Account.

We may also suspend your use of the Card (and associated Security Credentials) if we reasonably:

- suspect there has been unauthorised or fraudulent use of your Card;

- have concerns about the security of your Card; or
- believe that it is required in order to meet a legal or regulatory obligation that applies to us.

If we refuse to approve a Card transaction and/or suspend your use of the Card and any related services in this way, we will (unless it would be unlawful for us to do so) provide you with notice of our actions and the reasons for the refusal or suspension where appropriate, with the procedure for correcting any factual errors that led to us taking that action. In the event that we decline a Card transaction and/or suspend your use of the Card and any related service, we will lift the suspension as soon as reasonably practicable once the reasons for declining and/or suspension no longer exist. Monavate has additional rights to refuse Card transactions and suspend the use of the Card, as set out in the Monavate Terms.

6.2 Cancellation and termination of these Krak Card Terms by you. You may cancel these Krak Card Terms within 14 days of accepting them and you may terminate these Krak Card Terms at any time by giving notice of such termination to us. You will not be charged by us for such cancellation or termination, although you will be required to pay any amounts owed to us under any outstanding Card transactions and from the date of cancellation will no longer be able to use the Card. If you cancel or terminate these Krak Card Terms you will also simultaneously cancel or terminate the Monavate Terms and we will notify Monavate on your behalf to confirm this.

6.3 Termination of these Krak Card Terms by us. We may terminate this Part N at any time in accordance with [section 8.3 \(Our right to terminate\) of Part A](#) of this Agreement. In addition to our rights to terminate for cause under [section 11 \(Terminating the E-money Core Services Terms\) of Part C](#) of this Agreement, we may terminate this Part N immediately and without prior notice to you if:

- we are, in our reasonable opinion, required to do so by applicable law or any court or other authority to which we are subject in any jurisdiction;
- we reasonably suspect you of acting in breach of these Krak Card Terms, this Agreement or the Monavate Terms;
- we reasonably suspect our services are being used by you in a fraudulent or unauthorised manner; or
- we reasonably suspect you of being engaged in money laundering, terrorist financing, fraud, or any other financial crime.

6.4 Termination of this Agreement and the Monavate Terms. These Krak Card Terms will terminate automatically upon termination of this Agreement and/or the Monavate Terms. In the event of such termination, we may notify you that any pending Card transactions are suspended or declined. In any event, you will be required to pay any outstanding amounts owed to us.

7. Krak Card Rewards

7.1 Eligible Cashback. Every time you make a Card transaction which is an eligible purchase, we will reward you with “**Cashback**” and give you back a percentage of the amount of the Card transaction. We explain what eligible purchases are in the Krak App and [here](#). Cashback is a reward by us (and not Monavate, as issuer of your Card, nor any other party) for making a Card transaction, so it does not impact any offers merchants may also give you.

7.2 Ineligible transactions. The following transactions will not be eligible for Cashback:

- taking out cash (including withdrawing cash from a cash machine)

- transactions under 0.49 in your Card's Settlement Currency.

We reserve the right to change this list of ineligible transactions at any time.

7.3 How Cashback is calculated. The amount of any Cashback we will reward you with for any Card transaction is a percentage of the value of the Card transaction. The percentage that any Cashback is calculated on will be explained in the Krak App. We reserve the right to change the percentages of Cashback awarded at any time. We may set out multiple possible percentages in the Krak App and impose eligibility requirements that will determine which percentage is used to calculate Cashback on your Card transactions at that point in time. If you do not qualify for any possible percentages, none of your Card transactions will be an eligible purchase and you will not receive any Cashback for making a Card transaction.

7.4 Timing of Cashback. Any Cashback that arises from a Card transaction will be calculated in accordance with these Krak Card Terms and made available to you shortly after settlement of that specific Card transaction in line with section 3.4 of this Part N.

7.5 Form of Cashback. Any Cashback due to you by us will be paid either in:

- your Card's Settlement Currency. Here any Cashback will be credited by PIL to your Kraken E-Money Wallet in the form of e-money as part of the settlement of your Card transaction; or
- in bitcoin. Here, we will instruct PESL to transfer the required value of bitcoin (calculated at the point of settlement of the transaction) to your account.

You can tell us that you wish to change the form your Cashback is paid to you in using the Krak App. The form in which Cashback is paid is subject to availability and we reserve the right to restrict or change the available and/or any default forms at any time.

7.6 Refunded Card Transactions. If a Card transaction is refunded then it immediately ceases to become an eligible purchase and you agree that:

- you are no longer eligible to receive Cashback for that Card transaction; and
- you will immediately return any Cashback that we have rewarded you with in relation to that Card transaction. Where you are required to return any Cashback, you authorise us to take any steps required to do so in relation to your Kraken E-Money Wallet and account including but not limited to redeeming any e-money held in your Kraken E-Money Wallet, transferring any Crypto-assets out of your account, and/or setting off any amounts that we may otherwise owe you.

7.7 Disputed Card Transactions. You are also required to return Cashback that we have paid to you in error as well as for transactions where you acted fraudulently and/or misused or 'gamed' Krak Card Rewards. Where you are required to return any Cashback, you authorise us to take any steps required to do so in relation to your Kraken E-Money Wallet and account including but not limited to redeeming any e-money held in your Kraken E-Money Wallet, transferring any Crypto-assets out of your account, and/or setting off any amounts that we may otherwise owe you.

7.8 Missing Cashback: If you think you are missing Cashback, you need to tell us through the Krak App within 60 days of you making the relevant Card transaction. If, following consideration, we decide you should have earned Cashback, we will pay it to you.

7.9 Reward Disclaimer. All rewards are offered solely by us and not by Monavate (the issuer of your Card). Monavate is not responsible for, nor involved in, the provision or administration of any rewards associated with your Card.

7.10 Abuse of Krak Card Rewards. If we reasonably suspect any fraud or misuse by you relating to Krak Card Rewards, or if you breach the Krak Card Terms, we may disqualify you from earning Cashback.

7.11 Changes to Krak Card Rewards. We may make changes to the terms applying to Krak Card Rewards, as well as withdraw it, at any time. You can check the Krak App at any time to find the latest Krak Card Rewards available to you.

PART O: WALLET ACCESS SERVICE TERMS

1. Introduction

- 1.1. This Part describes an optional, non-custodial technology service provided by Payward Wallet LLC (“**PWLLC**”, “**we**”, “**us**”). This service does not constitute an investment service or any other regulated activity. Nothing in this Part is, or should be treated as, an invitation or inducement to engage in any investment activity.
- 1.2. This Part O supplements the General Terms (Part A) and applies where you choose to use the Wallet Access Service or any connected features. Capitalised terms have the meanings given in Part B unless defined here. If there is any conflict between Part B and this Part O, this Part O prevails to the extent of the conflict for the Wallet Access Service only.

2. Service Description

- 2.1. The Wallet Access Service is a software which provides a user interface for you to:
 - Create a Wallet;
 - View and initiate transactions using that Wallet (including moving Crypto-assets from your Account to your Wallet and from your Wallet to your Account); and
 - View, through the Wallet interface, certain blockchain data or information relating to Crypto-assets and your interactions with Protocols, as sourced directly from on-chain records or Third-Party Providers.
- 2.2. In providing the Wallet Access Service to you, we do not:
 - Take possession of, exercise control over, or have access to, your Wallet, or the means of access to it;
 - Store, control, or have access to, your private keys;
 - Provide investment, legal, tax or financial advice;
 - Recommend, endorse, operate, or manage any Protocol;
 - Guarantee any yield, return or airdrop; or
 - Intermediate, batch or net your transactions as agent or principal.
- 2.3. All Protocols accessible via the Wallet Access Service are operated by independent Third-Party Providers. They are not controlled or operated by us.

3. Use of the Wallet

- 3.1. On-Chain Interactions.** You may use your Wallet to initiate and sign on-chain transactions that interact directly with Protocols. Each transaction is executed on-chain under your sole control using your private keys and we have no ability to initiate, or exercise control over, any such transactions or your private keys.
- 3.2. Transfers to Protocols.** As a result of such transactions, you may transfer Crypto-assets from your Wallet to a Protocol to access that Protocol's functionality, such as lending, staking, liquidity provision, or other decentralised activities. Any Crypto-assets transferred in this way are no longer held in your Wallet and become subject solely to the relevant Protocol's terms and smart contract logic. The timeliness or availability of such transfers may vary depending on on-chain conditions or the Protocol's own terms or smart contract logic. We have no control over any such Protocols, their functionalities or transactions interacting with such Protocols and we are not liable for any delays, restrictions, errors, or failures related to transfers of Crypto-assets from your Wallet to a Protocol.
- 3.3. Asset Conversions (to Protocols).** Following a transfer to a Protocol, you acknowledge that the selected Protocol or its associated smart contracts may automatically convert, wrap, or otherwise transform the transferred Crypto-assets into another type of Crypto-asset required by the Protocol to perform its functions. Such conversions occur on-chain, under the control of the relevant smart contracts or Protocol, and outside PWLLC's control or responsibility.
- 3.4. Downstream Protocols.** Following a transfer of Crypto-assets from your Wallet to a Protocol, that Protocol may, in accordance with its own smart contract logic, terms, or governance, deploy, lend, stake, or otherwise transfer those Crypto-assets to or through one or more additional Protocols ("**Downstream Protocols**"). You acknowledge and agree that:
- Such further transfers or deployments occur automatically on-chain under the control of the relevant Protocol or its smart contracts, and we have no control over such further transfers or deployments;
 - We do not select, approve, recommend, endorse, or monitor any Downstream Protocols and we have no control over how your Crypto-assets are used once they leave your Account;
 - Each Downstream Protocol is operated by independent Third-Party Providers, and the performance, security, or redemption of assets within them are solely governed by their respective terms and code and we have no control over such Downstream Protocols; and
 - We are not responsible or liable for any act, omission, malfunction, failure, loss, or unavailability of any Protocol to which you transfer your Crypto-assets, or any Downstream Protocols to which those Crypto-assets may subsequently be deployed.
- 3.5. Protocol and Downstream Protocol Risks.** Where a Protocol or any Downstream Protocol lends, stakes, transfers, or otherwise deals with Crypto-assets in accordance with its own terms, governance, code, or smart contract logic, there is a risk that those Crypto-assets may be lost, become inaccessible, or depreciate in value. Such risks may arise, for example, where:

- Crypto-assets are deployed into liquidity pools, lending pools, or similar mechanisms that are subsequently liquidated, under-collateralised, exploited, or otherwise fail;
- The Protocol or Downstream Protocol incurs bad debt, experiences a shortfall in collateral, experiences liquidity constraints, or socialises losses among participants; or
- Market conditions, oracle failures, or governance actions cause adverse changes to pool parameters, redemption values, or reward structures.

You acknowledge that these events may reduce or eliminate the number or value of Crypto-assets ultimately returned to you when you instruct a withdrawal or redemption from a Protocol. We are not liable for, nor do we guarantee, insure, or make you whole for any loss of Crypto-assets or reduction in value resulting from the operation, performance, or failure of any Protocol or Downstream Protocol.

- 3.6. Receipt Tokens and Evidence of Position.** Following a transfer to a Protocol, your Wallet may receive receipt tokens, derivative tokens, or other digital representations evidencing your on-chain position or claim to Crypto-assets deposited with, or managed by, that Protocol. These tokens are created, managed, and governed by the relevant Protocol or its community. We do not issue, custody, select, approve, recommend, or endorse any such tokens, or guarantee the value or redeemability of any such tokens.
- 3.7. Transfers from Protocols.** You may initiate a transfer of Crypto-assets from a Protocol to your Wallet in accordance with that Protocol's functionality and terms. The timeliness or availability of such transfers may vary depending on Protocol liquidity, on-chain conditions, or the Protocol's own terms or smart contract logic. We have no control over, and are not liable for, any delays, restrictions, errors, or failures related to transfers of Crypto-assets from a Protocol to your Wallet.
- 3.8. Asset Conversions (from Protocols).** When you transfer Crypto-assets from a Protocol to your Wallet, the Protocol's terms and smart contract logic may dictate that the same type of Crypto-assets you originally transferred to the Protocol are returned to you. This means that Crypto-assets you initially transferred—if automatically converted, wrapped, or otherwise transformed by the Protocol or its associated smart contracts for compatibility—may be re-converted or un-wrapped to the original Crypto-asset type when you initiate a withdrawal or transfer from the Protocol to your Wallet.
- 3.9. Display of Information.** The Wallet Access Service may display aggregated or summarised information about Crypto-assets transferred to or from Protocols, including balances, yields, or receipt tokens associated with your Wallet. Such information is displayed for convenience and informational purposes only, on an as-is basis from blockchain or third party sources. We do not verify, audit, or guarantee data obtained from third-party sources, and displayed information may not accurately reflect your actual on-chain positions or entitlements.

3.10. Protocol Returns and Performance. You acknowledge that any returns, yields, or rewards stated to be generated or distributed by a Protocol are estimates only and are subject to the Protocol's own terms, governance decisions, and prevailing on-chain conditions. The actual returns you may receive from a Protocol may differ from any stated or estimated rate and may be zero. We do not guarantee any such returns and we are not liable for any failure by a Protocol to achieve or distribute any particular return or outcome.

3.11. Third Parties. The creation, signing, and broadcasting of on-chain transactions may occur through Third-Party Providers, including blockchain networks, relays, and TEE infrastructure operators. We are not responsible for any failure, breach or downtime affecting such providers.

4. TEE Functionality and User Control

4.1. The Wallet is non-custodial. This means:

- Your private keys are generated and stored within a TEE either locally (e.g. on your device) or within a cloud-based TEE maintained by an independent TEE Provider. A TEE Provider forms part of the broader category of Third-Party Providers.
- We do not control, or have access to, your private keys, seed phrases, or Authentication Methods at any time. All cryptographic signing occurs locally within the TEE using the hardware of your device or a TEE environment controlled by a Third-Party Provider.
- Transactions are signed within the TEE and broadcast to the blockchain by you and we have no ability to initiate or execute any transactions from your Wallet on your behalf.
- You are solely responsible for:
 - maintaining control of the devices, accounts (including e-mail), credentials, and authenticator(s) used to access your Wallet (together, "**Authentication Methods**");
 - ensuring that your device software, firmware, and security settings are current; and
 - safeguarding any available encrypted backups or recovery materials.
- We may be unable to restore, recover, or recreate your private keys, cached data, or Wallet access, including if your Authentication Methods or the TEE environment are lost, corrupted, disabled, or otherwise unavailable.
- Loss of access to your Authentication Methods, or the corruption, disablement, or failure of the TEE, may result in permanent loss of your access to the Wallet and any Crypto-assets associated with it.

- The ongoing operation of the Wallet depends on the availability and performance of the relevant TEE Provider, including its hardware, firmware, or other infrastructure. These are operated independently and are outside our control. Your use of these services may be subject to separate terms and privacy policies. We do not warrant or guarantee the functionality, integrity, or continuity of any TEE Provider, device manufacturer, or related Third-Party Provider.
 - Vulnerabilities, firmware revocations, manufacturer updates, or actions taken by a TEE Provider or device manufacturer may affect your ability to access or use the Wallet, and may result in the permanent loss of access to your Wallet and any Crypto-assets associated with it. We are not responsible or liable for any delay, malfunction, outage, or data loss arising from such events.
- 4.2.** By using the Wallet Access Service, you acknowledge and accept all risks associated with the TEE, including potential compromise, service disruption, manufacturer or provider failure, and the permanent loss of access to your Crypto-assets.

5. Eligibility

- 5.1.** You must meet the eligibility criteria set out in Part A and any additional criteria published in the App or interface. We may decline, restrict or withdraw access to the Wallet Access Service for legal, regulatory, or operational reasons.
- 5.2.** You must not:
- use the Wallet or any connected Protocol for any activity prohibited or restricted under section 11.5 of Part A, or otherwise in any manner which breaches the Agreement;
 - circumvent geographic or sanctions controls; or
 - engage in activity that is illegal in your jurisdiction.
- 5.3.** You are solely responsible for:
- safeguarding and recovering your Authentication Methods;
 - ensuring the legality of your Protocol interactions; and
 - maintaining appropriate security and backups of your Wallet and Authentication Methods.
- 5.4.** The Wallet Access Service and any displayed Protocol options may be added, changed, suspended, or removed at any time without notice. Removal of an option from our interface does not affect your on-chain positions.

6. Fees and Taxes

- 6.1.** You are responsible for all blockchain network (gas) fees and any Protocol-level fees incurred in connection with your transactions.
- 6.2.** A total fee of 25% of the rewards earned is deducted by the Protocols from the protocol rewards earned before they are credited to your Wallet.

6.3. We may in the future introduce service fees for the Wallet Access Service. Any such fees will be disclosed before they apply.

6.4. You are solely responsible for all taxes, including, but not limited to, income, capital gains, wealth, and any filing/reporting arising from your on-chain activity and Protocol interactions.

We do not provide investment or tax advice, including in connection with your use of the services set forth herein. You agree not to rely upon any statement or content on our services or Platforms, or that is otherwise attributed to us, as a recommendation, advice, or guidance regarding trades, investments, tax, or any other similar issues. We also are not acting as your bank, broker, intermediary, agent, advisor, or as your fiduciary in any capacity, including with respect to the services described herein.

Notwithstanding anything herein to the contrary, you acknowledge and accept that Kraken may have a legal obligation to make reports, and will make such reports as required, to the relevant tax authorities regarding any services hereunder.

7. Third Party Protocols and Content

7.1. Protocols (including any vaults or strategies) surfaced through the Wallet Access Service interface are automated, non-custodial smart contract functionality operated by independent Third-Party Providers. They are not financial instruments or investment services (including portfolio management or the operation of a collective investment undertaking) or any other regulated activity, and nothing shown in the Wallet interface is an invitation or inducement to invest. Neither PWLLC nor any Third-Party Provider guarantees performance, yield or outcomes, assumes any fiduciary, advisory or custodial duties, or should be relied upon for any financial decision or expectation of return.

7.2. Display of a Protocol, vault, strategy, APR or similar data is for information only and does not constitute an endorsement, recommendation, or verification.

7.3. When you interact with a Protocol, you enter into a direct relationship with its operators, DAO, or smart contracts. We are not a party to such relationships and we are not responsible for Protocol performance, code security, redemptions, or governance.

8. Controls and Compliance

8.1. We may block interface access to certain Protocols, Crypto-assets, or addresses to comply with legal or sanctions requirements. These measures do not enable us to seize or freeze Crypto-assets in your Wallet or initiate any transactions from your Wallet.

8.2. You must maintain reasonable security on your devices and install updates to any Wallet components surfaced in our interface. We do not warrant the security of any Third-Party Provider or TEE environment.

9. Support

- 9.1. We may provide general information on setting up and using the Wallet Access Service. We will not be obliged to Protocol-level support, troubleshooting, or recovery for Wallets, third-party smart contracts, DAOs, or TEE environments.

10. Termination

- 10.1. You may elect to terminate your access to the Wallet Access Service at any time and for whatever reason by contacting us through <https://support.kraken.com/hc/en-us/forms>. Where you do so, you may have the opportunity to port your Wallet. If you choose not to take up this opportunity, your Wallet and any associated Crypto-assets contained within it, or transferred to any Protocols from it and in respect of which you may have rights, may be lost permanently. We may not be able to recover, restore, or recreate your Wallet or any associated Crypto-assets once access is terminated, and we shall not be responsible for any resulting loss of access or value.
- 10.2. We may suspend or terminate your access to the Wallet Access Service at any time and for whatever reason upon giving you two months' written notice via the contact details provided on your Account. You will need to ensure that you port your Wallet as soon as possible following your receipt of a notification of termination, and in any event by no later than two months following the date of that notification. If you do not do so, your Wallet and any associated Crypto-assets contained within it, or transferred to any Protocols from it and in respect of which you may have rights, may be lost permanently. We may not be able to recover, restore, or recreate your Wallet or any associated Crypto-assets once access is terminated, and we shall not be responsible for any resulting loss of access or value.
- 10.3. In addition to our termination rights under section 10.2 of Part O (above), and without prejudice to any of our other rights or remedies under this Agreement or at law, we may immediately and without prior notice, suspend, cancel or terminate the provision of the Wallet Access Service to you:
- In any of the events set forth in section 5.2;
 - If we are required by applicable law, regulation, sanction, or directive issued by a governmental, judicial or regulatory authority to do so; or
 - If we otherwise feel it is necessary, in our reasonable opinion, in order to protect us, the Site or the Platform.
- 10.4. Where we elect to terminate your access in accordance with section 10.3 of Part O (above), we may give you the opportunity to port your Wallet, provided that doing so would not:
- Breach, or risk breaching, any applicable law, regulation, sanction, or directive issued by a governmental, judicial or regulatory authority; or
 - Contravene any applicable security, anti-money-laundering, counter-terrorist-financing, or sanctions controls.

- 10.5.** If you choose not to take up this opportunity, your Wallet and any associated Crypto-assets contained within it, or transferred to any Protocols from it and in respect of which you may have rights, may be lost permanently. We may not be able to recover, restore, or recreate your Wallet or any associated Crypto-assets once access is terminated, and we shall not be responsible for any resulting loss of access or value.
- 10.6.** Termination of your access to the Wallet Access Service does not affect your ability to access your Wallet using compatible third-party tools where available, provided you have successfully ported your Wallet. Following termination, we will have no further visibility or control over, or responsibility for, your Wallet or any transactions executed through it.

11. Liability

- 11.1.** With respect to liability in contract, tort (including negligence), breach of statutory duty, breach of warranty or otherwise arising out of, or in connection with, this Agreement, you are solely responsible for your on-chain activity, wallet security, and risk assessment. We are not liable for any losses, delays, or outcomes resulting from your use of Protocols or Third-Party Providers.
- 11.2.** Our total aggregate liability to you in contract, in tort (including negligence), breach of statutory duty, breach of warranty or otherwise arising out of, or in connection with this Agreement or the Wallet Access Service shall not exceed the total service fees (if any) paid by you in the twelve (12) months preceding your first claim against us in connection with the Wallet Access Service. We shall not be liable for any indirect, special, incidental, or consequential damages, or any direct or indirect loss of profits, data, or access.
- 11.3.** You agree to indemnify, and hold harmless, us, our affiliates, and our and their directors, officers, employees, and agents against any claim or loss arising from your breach of these terms or misuse of the Wallet Access Service.

12. Risks

- 12.1.** Use of the Wallet Access Service and interaction with Protocols involves significant risks, including potential loss of Crypto-assets. You should not use the Wallet Access Service or interact with Protocols unless you understand and accept these risks. By using the Wallet Access Service, you acknowledge the potential risks associated with Protocols, and Crypto-assets and the use of or participation in Protocols and related activities, which include, but are not limited to:
- **Risk Associated with Protocols and Downstream Protocols.** As Crypto-assets are based on blockchain protocols, any malfunction, breakdown or abandonment of the Protocol or Downstream Protocol or other technological difficulties may have a material adverse effect on or prevent access to or use of Crypto-assets. These include, but are not limited, to the non-exhaustive list set out below:
 - ineffectiveness of the informal groups of developers contributing to the protocols;
 - ineffectiveness of the network validators, miners, block producers, and/or of the consensus mechanisms to secure a blockchain network against confirmation of invalid transactions;

- disputes among the developers or validators;
 - changes in the consensus or validation schemes that underlie a blockchain network, including, but not limited to, shifts between so-called “proof of work” and “proof of stake” schemes which negatively affect the blockchain network;
 - the failure of cybersecurity controls or security breaches of a blockchain network;
 - undiscovered technical flaws in a blockchain network;
 - the development of new or existing hardware or software tools or mechanisms that could negatively impact the functionality of the systems;
 - decrease in value of Crypto-assets associated with a blockchain network; and
 - infringement of intellectual property rights by a blockchain network’s participants.
 - any malfunction, breakdown, abandonment, unintended function, unexpected functioning of or attack on the Protocol or Downstream Protocol may have an adverse effect on Crypto-assets transferred to it, including causing the smart contracts to malfunction or function in an unexpected or unintended manner.
- **Regulatory Risks.** Regulatory actions could negatively impact the Protocol, Downstream Protocol or the development or deployment of DeFi strategies or smart contracts in various ways. In such a case, there is a risk that you and PWLLC may need to pause or restructure the collaboration.
 - **Weaknesses or Exploitable Breakthroughs in the Field of Cryptography.** Advances in cryptography, or technical advances such as the development of quantum computing, could present risks to cryptocurrencies, Protocols and Downstream Protocols by rendering ineffective the consensus mechanism that underpins the protocol, which could result in the theft, loss or decreased utility of DeFi strategies or smart contracts. Smart contracts, blockchain application software and blockchain platform protocols are still in an early development stage and relatively unproven.
 - **Unanticipated Risks.** Cryptographic tokens and smart contracts are a relatively new and comparatively untested technology. There are risks that we cannot anticipate. Further risks may materialize as unanticipated combinations or variations of the discussed risks or the emergence of new risks.
 - **Smart Contracts Risks.** A smart contract is an open-source autonomous computerized algorithm capable of executing code to implement the terms of an agreement. Smart contracts create a variety of new risks to you with no legal recourse, including, but not limited to, coding errors (where an error in the implementation of the smart contract causes financial loss to the you), rug pulls (where the smart contract developers intentionally create backdoors in the code to withdraw funds or cause other losses), governance issues (where the holders of the governance Crypto-assets vote to take a decision which negatively affects the value of the funds in the smart contract), high “gas” fees (where the transaction fees to execute the smart contract climb to high levels due to demand), etc.

- **Bridging and Wrapping Risks.** Use of wrapped, bridged, or otherwise synthetic representations of Crypto-assets may result in loss of peg or parity with the underlying asset, non-redeemability, or inability to unwrap or convert due to bridge, custodian, or smart contract failure. Any such divergence or failure may cause partial or total loss of value.
- **Redemption Controls and Delays.** Access to, redemption from, or withdrawal of Crypto-assets from Protocols or Downstream Protocols may be delayed, limited, or prevented by protocol-level controls, including cooldown periods, queues, redemption gates, rate limits, pauses, or similar mechanisms. These controls are outside our control and may apply without notice.
- **Consequences of Loss.** If a Protocol, Downstream Protocol, or associated smart contract fails, or if assets are lost due to liquidity shortfall, bad debt, exploit, or other technical or governance events, you may not recover your Crypto-assets. We do not guarantee or insure the return of any Crypto-assets or the performance of any Protocol or Downstream Protocol.
- **Price and Display Divergence.** Displayed prices, yields, notional balances, or other informational outputs may be indicative, stale, or sourced from third parties and may not reflect on-chain execution or settlement outcomes. Amounts ultimately returned from Protocols or Downstream Protocols may differ materially from displayed or notional values.
- **DeFi Application Risks.** Each Downstream Protocol holds specific risks, which include:
 - Liquidity risks.
 - Risks related to the malfunctioning of algorithms.
 - Other technical risks: the smart contracts not behaving as intended by the developers. It is very difficult to code error-free, so there is always some level of technical risk that exists, even after the code has been audited.
 - Risk related to external information influencing how the smart contracts operate to the detriment of other users: for example, an oracle could provide malicious data, and an administrator could change a system parameter or governance procedures could be co-opted.
 - Economic incentive failure risk: Many Downstream Protocols, especially in the DeFi space, rely on economic incentives to encourage network participants to perform certain actions. These incentives could fail to encourage the right behavior or not be adequate enough, leading to other users being adversely impacted.

- **Liquid Staking.** Staking Tokens are receipt tokens that allow users to directly participate in staking while also maintaining the ability to use their Staking Tokens elsewhere in DeFi ecosystems or transfer ownership of their original staked tokens. Staking Tokens provide increased liquidity and capital efficiency to the DeFi markets, but they are a new product with an uncertain legal and regulatory regime. The primary risk of liquid staking is that the value of any Staking Tokens may de-peg from the value of the original or underlying tokens. Staking Tokens aren't automatically pegged to the original or underlying staked tokens through algorithmic means and may trade freely on the market, where prices are determined by market forces. This means that Staking Tokens may start selling for much lower than their original or underlying tokens during a bear market or a liquidity crunch. For example, in June 2022, the stETH token, based on Ethereum (ETH), also depegged about 7% from ETH because of market pressures.
 - Staking Tokens have an uncertain legal and regulatory regime in some jurisdictions and there may be significant changes and developments in the future.
 - Finally, Staking Tokens have lower liquidity compared to the regular or underlying tokens. While the Staking Token market has grown significantly, Staking Tokens do not benefit from the same liquidity as the underlying staked tokens.

- **Immutable Transaction Risks.** Blockchain is a chronologically ordered ledger of all validated transactions across certain digital asset networks. It is shared among users for each applicable digital asset network. Each "block" in the "chain" contains a confirmed transaction. Just as the blockchain creates a public record of certain digital asset network transactions, it also creates an immutable one. Transactions that have been verified, and thus recorded as a block on the blockchain, generally cannot be undone. Even if the transaction turns out to have been in error, or due to theft of a user's Crypto-assets, the transaction is not reversible. The blockchain may be susceptible to hacking or other attacks that seek to manipulate the ledger. Blockchains that are less established or not as widely used are typically more susceptible to these types of attacks.

- **Failure of Blockchain Projects.** Blockchain technologies, Crypto-assets, and digital asset sales are rapidly evolving areas from a regulatory, technology and utility perspective. Due to the technically complex nature of the blockchain networks and platforms created by new projects and companies, they may from time to time face unforeseeable and/or unresolvable difficulties. Accordingly, the development of the blockchain networks or platforms could fail, terminate or be delayed at any time for any reason (including, but not limited to, the lack of funds). Such development failure or termination may render the Crypto-assets untransferable, reduced, with no utility or obsolete.

- **Open-Source Networks Risks.** Open-source blockchain networks use a cryptographic protocol to govern the peer-to-peer interactions between computers. The code that sets forth the protocol is typically informally managed by a development team known as the core developers. Some of the inherent risks include:
 - core developers may propose amendments to a network's source code through software upgrades that alter the protocols and software of the network and the properties of the underlying Crypto-assets. To the extent that a significant majority of the users on a network install such software upgrade, the network would be subject to new protocols and software that may adversely affect its value;

- core developers and contributors are generally not directly compensated for their contributions in maintaining and developing the network protocol. Consequently, there is a lack of financial incentive for developers to maintain or develop the blockchain network and the core developers may lack the resources to adequately address emerging issues with the protocol. Even if a protocol is currently supported by core developers, there can be no guarantee that such support will continue or be sufficient in the future;
 - the source codes may contain bugs, defects, inconsistencies, flaws or errors, which may disable some functionality, create vulnerabilities or cause instability in the network.
- **Price Manipulation Risks.** The number of Crypto-assets traded for a given network and the number of venues available for trading may be very low, making the market price of the Crypto-assets more easily manipulated. While the risk of market manipulation exists in connection with any markets, the risk may be greater for Crypto-assets.
 - **Fluctuation in Prices.** The price of Crypto-assets has fluctuated widely over the past few years and is likely to continue to experience significant price fluctuations. Digital asset markets have historically experienced extended periods of flat or declining prices, in addition to sharp fluctuations. The global market for Crypto-assets is characterized by supply and demand constraints that generally are not present in the markets for commodities or other assets such as gold and silver. There is no assurance that Crypto-assets will maintain their long-term value in terms of future purchasing power or that the acceptance of digital asset payments by mainstream retail merchants and commercial businesses will continue to grow.
 - **Loss of Private Keys.** A private key, or a combination of private keys, is necessary to control and dispose of Crypto-assets stored in digital wallets or vaults. Accordingly, loss of requisite private keys associated with these digital wallets or vaults will result in the loss of such Crypto-assets, and the private keys will not be capable of being restored by the network.
 - **Malicious Actors.** If a malicious actor or botnet obtains control of more than fifty percent (50%) of the processing power on a network, such actor or botnet could manipulate the network. If a malicious actor or botnet (a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains a majority of the processing power dedicated to mining on a network, it may be able to alter the blockchain on which the network and most transactions rely by constructing fraudulent blocks or preventing certain transactions from completing in a timely manner, or at all. The malicious actor or botnet could control, exclude or modify the ordering of transactions. The malicious actor could “double-spend” its own Crypto-assets and prevent the confirmation of other users’ transactions. To the extent that such a malicious actor or botnet did not yield its control of the processing power on the network or the community did not reject the fraudulent blocks as malicious, reversing any changes made to the blockchain may not be possible.

- **Cryptographic Protection.** Cryptography is evolving, and security, in general, cannot be guaranteed to exist at all times. Advancement in cryptography technologies and techniques, including, but not limited to, code-cracking, hacking and the development of artificial intelligence or quantum computers, could be identified as risks to all cryptography-based systems, including Crypto-assets themselves. When such technologies or techniques are applied, adverse outcomes such as theft, loss, disappearance, destruction, devaluation or other compromises of Crypto-assets may result. Hackers or other malicious groups or organizations may attempt to interfere with the Crypto-assets in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Further, many networks rely on open-source software and un-permissioned distributed ledgers. Accordingly, anyone may intentionally or unintentionally compromise the core infrastructural elements of a network and its underlying technologies. Consequently, such compromise may result in the loss of Crypto-assets. Therefore, the security of Crypto-assets cannot be guaranteed, due to the unpredictability of cryptography or security innovations or interference by hackers or other malicious groups or organizations.

- **Risks of Participation in DeFi Protocols and Related Activities.** Participation in DeFi protocols, applications, or activities involves additional and distinct risks from those associated with holding or transacting in Crypto-assets. DeFi systems are often experimental, open-source, and highly composable, meaning that the functioning of one protocol can depend on the reliability or integrity of others. Failures or vulnerabilities in any component protocol, liquidity pool, or integration partner may have cascading effects on your' positions or Crypto-assets.

- You should be aware of the following non-exhaustive risks specific to DeFi participation:
 - Protocol Interdependence and Composability Risk: DeFi protocols frequently interact with other smart contracts or liquidity sources. A malfunction, exploit, or change in one linked protocol may adversely affect the performance or security of another.
 - Governance and Administrative Risks: DeFi protocols may rely on decentralised or community-based governance mechanisms. Decisions by governance token holders or administrators, such as contract upgrades, parameter changes, or fee adjustments, may negatively impact you or result in loss of value.
 - Liquidity and Market Depth Risks: Liquidity in DeFi protocols can be volatile and dependent on market incentives. Sharp withdrawal activity or the removal of liquidity providers can lead to slippage, loss of access, or inability to unwind positions at expected values.
 - Third-Party Integration Risks: Interfaces, wallets, data oracles, and analytic tools used to access DeFi protocols may be operated by unaffiliated third parties. Any security failure, data inaccuracy, or interruption in these tools may result in financial loss or transaction failure.
 - Automated Liquidation and Slashing Risks: Certain DeFi mechanisms employ automatic liquidation or slashing logic triggered by on-chain conditions or oracle data. You may lose part or all of their contributed assets due to automated actions without prior notice or recourse.

- Regulatory and Jurisdictional Risks: DeFi protocols may operate without a defined legal entity or clear regulatory framework. Regulatory developments could impact the ability to access, use, or continue supporting DeFi activities, and may require changes to participation models or user interfaces.

You should evaluate your technical understanding and risk tolerance before engaging with Protocols. Participation is entirely at your discretion and responsibility, and there is no assurance that any DeFi system will function as intended or maintain continued availability.