

# Qavala User Agreement

## Introduction

This User Agreement is an agreement between Client (further "Client" or "You/ Your") and Qavala Company (further "Qavala") as for:

ESRInternational OU, a company incorporated in Estonia with company number 14452600 and whose registered office is at Harju maakond, Estonia, Tallinn, Kesklinna Linnaosa, Narva mnt 7-634, 10117.

In all subsequent paragraphs, the basic laws to which the Agreement refers are the laws of Estonia, unless otherwise specified. All the disputes that cannot be settled directly by the Client and Qavala Company will be resolved in the Estonian court.

Privacy Policy is an integral part of the Present Agreement.

## General terms

**Account** - means the Qavala account corresponding to Client's Card consisting of one or more of Currency Wallets which together comprise Client's Usable Balance;

**Applicable Law** - Current law of the Republic of Estonia, any European Union Directive involving business activity of the Company, international treaties, ratified by the Republic of Estonia, rules, judgments of the judicial system of the Republic of Estonia and/or Rulings of the European Court of Justice.

**Business Day** - a day during Working Week (Saturday, Sunday or public holidays excluded);

**Card** - means the Qavala virtual or plastic prepaid debit payment card issued and available to Client for private use only; card can be used for purchasing goods or withdrawing cash using ATMs.

**Card PIN** - personal identification number of Qavala card issued for security purposes and personal access to account of the Client.

**Communications** - information provided relating to your Qavala Account or any Qavala Transaction, including: any agreements and policies you agree to, (e.g., these Terms) including updates to these agreements or policies; disclosures and notices, including prospectuses and reports for

transaction receipts or confirmations; Qavala Account statements and history; and payments authorizations and transaction receipts or confirmations; documents; and any other information related to your Qavala Account or the Qavala Services;

**Cryptocurrency Exchange** - a cryptocurrency exchange through which Qavala executed Cryptocurrency Transactions on your behalf.

**Qavala Cryptocashback** - cryptocurrency transaction that benefits Qavala cardholder **Fees and Limits** - the Qavala Account limits;

**Fiat** - means a currency without intrinsic value that has been established as money

**Prohibited Countries** - shall mean the Democratic People's Republic of Korea, Democratic Republic of Congo, Eritrea, Libya, Myanmar, Somalia, South Sudan, Sudan, Yemen, Iran, Cuba, Syria, North Korea, or any other country which (or with any other persons who) is sanctioned by the United Nations Security Council, or any other jurisdiction excluded or that may be excluded by the Company from the list of countries where service is provided;

**Supported Currency** - Fiat and Cryptocurrencies available to use with Qavala Services;

**Verification** - the process of verifying your Account through the submission of requested documents and proving your identity through the means approved by Qavala;

**Virtual Currency** - electronically stored value, either in Supported Fiat Currencies, or in Supported Cryptocurrencies.

## Account Terms

The Present Agreement shall commence upon successful registration of Client's account, verification and KYC procedures completion.

Client agrees that for the purpose of verification and KYC procedures Company may request to provide additional documentation, information and photographs and/ or require you to attend real-time facial recognition process through the Qavala App or external services (such as Skype). Should Client fail to complete required identification and submission of additional documents, Company reserved the right to decline your application, and/or prohibit the usage of Company's Services.

## Qavala Client Information

By accepting this Agreement, You confirm that you are at least 18 years of age and have legal capacity to enter into Agreement. All the information have been provided and/or will be provided by the Client in the future for purposes of creation Qavala Account and verification of identity is true, accurate and not misrepresented. The account is created for personal usage of Client only. Should any of the personal data you provided be changed, it is Client's responsibility to inform Company about such changes, otherwise Company may cancel the service to Client and will not be liable for loss, claims of third parties resulting from the absence of updated information.

It is Client's responsibility to secure login and password of the Account; Company will not grant access to Client's Account to third parties, unless law, government agency, requires it, therefore Company shall not be liable for unauthorized access to Client's Account.

Client accepts the obligation to cooperate with the Company on any request whether made by third party or received from the Company directly on any additional information, including but not limited to source of funds, property ownership if its required for the purposes of Anti- Money Laundry Regulations. Qavala has a right to limit, shut down or suspend accounts where Clients do not provide Qavala with required or additional information.

Client agrees to provide access to the service of viewing the card balance and the history of transactions on the card for broadcasting this information in his personal account in the mobile application and on the website.

We may confidentially verify the information you provide to Qavala or which we obtain ourselves or through third parties from secure databases. Confirming with this Agreement, you confirm that you consent to us or a third party on our behalf carrying out such verifications.

Qavala has right to limit, suspend or shut down your account if the information provided by a Client is not up to date. As a Client you acknowledge that and agree to provide Qavala with up to date information.

## Verification Process

Qavala will verify your identity for the AML/KYC Policy and to prevent any illegal use of Qavala Services. The verification process is mandatory for all users with Qavala

Account. Company may find provided Clients documents insufficient and may require to take additional actions from the Client to verify his/her identity. Documents required for verification purposes include but not limited to copy of your Government-issued proof of identity (passport copy or driving license or Government-issued National Identity Card), proof of address (utility bills, insurance statement, not older than 3 month) or may request any other document as an evidence.

Qavala verification process may take up to two weeks, or longer in case Company at its sole discretion finds Client suspicious or/and is/was involved in suspicious activity. If Company at its sole discretion finds Client or his activity subject of particular concern within the meaning of Anti-Money Laundry and Terrorism Funding Prevention Policies and Legislation, Company will report such information to authorities of the state where service is provided or state of Client residence. Subject to AML/TFP breaches, Company reserves the right to postpone, cancel, prevent from usage of Client's account block, retrain funds available on Clients card, wallet until appropriate investigation finds Client not liable for such a breach. In this case, Company will not reimburse any direct / indirect costs occurred by the Client.

## Reporting

Qavala monitors transactions for suspicious activity. Transactions that are unusual are carefully reviewed to determine if it appears that they make no apparent sense or appear to be for an illegal purpose. When such suspicious activity is detected, the Compliance Officer will determine whether a filing with any law enforcement authority is necessary.

Suspicious activity can include more than just suspected money laundering attempts. Activity may be suspicious, and Qavala may wish to make a filing with a law enforcement authority, even if no money is lost as a result of the transaction.

The Compliance Officer initially makes the decision of whether a transaction is potentially suspicious. Once the Compliance Officer has finished his review of the transaction details, he makes the decision as to whether the transaction meets the definition of suspicious transaction or activity and whether any filings with law enforcement authorities should be made.

For the purpose of the Policies, a “Suspicious Transaction” means:

1. Reasonable ground of suspicion that it may involve proceeds of criminal or other illegal activity, regardless of the value involved;
2. Appears to be made in circumstances of unusual or unjustified complexity;
3. Appears to have no economic rationale or bona fide purpose;
4. Gives rise to a reasonable ground of suspicion that it may involve financing of the activities relating to terrorism.

## Qavala Account

You are able to store multiple currencies in your Qavala Account. These currencies are subject to change from time to time. Qavala does not guarantee the availability of Fiat Services or Cryptocurrency Services in the Territory (implies jurisdiction of the client's residence). Parts of the Qavala Services may not be available in your Territory for legal and/ or regulatory reasons.

If there is a legal requirement stated in the law of dedicated Territory or request and/or demand of government authorities, Company may require you, by written notice, to exchange your balance of one or more Supported Cryptocurrencies within a period stated in the notice. If not actions were taken by the Client, Company may, at its sole discretion, exchange your balance to a Supported Fiat Currency at the prevailing Exchange Rate and deduct any applicable Fees.

Individual accounts associated with Supported Fiat Currencies for the store of Virtual Currency are administered on Qavala's behalf by the applicable Card Issuer, depending on your location. Card Issuer does not provide banking service to Client and all Client's funds will be held in one or more segregated bank accounts or multi-signature wallets, as applicable, separately from Qavala's own funds. Qavala Accounts for Supported Fiat Currencies are administered by the relevant Card Issuer.

## Restrictions in using of the Qavala Services and Account

Under no circumstances are you permitted to:

1. Breach these Agreement and/or the Card Issuer Terms (as applicable) or any other agreement or policy that you have agreed with Qavala or with the Card Issuer;

- 2. Use the Qavala Services for any illegal purposes, including, but not limited to fraud and money laundering, unlawful materials or services, counterfeit products, unlawful gambling activities, money laundering, the funding of terrorist organizations or terrorism in general, the unlawful purchase or sale of tobacco, firearms, prescription drugs, other controlled substances or other products prohibited by law (and other prohibited goods and services, restricted by your local government). Qavala will report any suspicious activity and cooperate with any relevant authorities;**
- 3. Use the Qavala Services to abuse, exploit or circumvent the usage restrictions imposed by a merchant on the services it provides, or to obtain goods or services without paying the amount due partially or in full;**
- 4. Use the Qavala Services to engage in debt-collection activities; Refuse to cooperate in an investigation or provide confirmation of your identity or any Information you provide to us;**
- 5. Control, Use or Pass a Qavala Account that is linked to another Qavala Account that has engaged in any of these Restricted Activities;**
- 6. Conduct your business or use the Qavala Services in a manner that is likely to result in or may result in complaints, disputes, reversals, chargebacks, fees, fines, penalties or other liability to Qavala, other Users, third parties or you;**
- 7. Use your Qavala Account or the Qavala Services in a manner that the Card Issuer, Visa, MasterCard, American Express, Discover or any other electronic funds transfer network reasonably believes to be an abuse of the card system or a violation of card association or network rules;**
- 8. Create more than one Qavala Account without our prior written consent;**
- 9. Use the Qavala Services to conduct activities pertaining to adult entertainment/ pornography, auction houses, charities, chemicals and allied products, dating and escort services, binary options, legal services, political or religious organisations, video game arcades or establishments and business claiming to trade in prime bank guarantees, debentures, letters of credit or medium term notes; Infringe Qavala's or any third party's copyright, patent, trademark, trade secret or other intellectual property rights, or rights of publicity or privacy;**

10. Act in a manner that is defamatory, libelous, threatening or harassing when using the Qavala Services;
11. Provide us with false, inaccurate or misleading and/or misrepresenting information;
12. Cause negative balance on your Qavala Account;
13. Take any action that imposes an unreasonable or disproportionately large load on our infrastructure; facilitate any viruses, Trojan horses, worms or other computer programming routines that may damage, detrimentally interfere with, surreptitiously intercept or expropriate any system, data or information; use an anonymizing proxy; use any robot, spider, other automatic device, or manual process to monitor or copy our Website without our prior written permission; or interfere or attempt to interfere with the Qavala Services;
14. Take any action that may result in Company's loss of Internet service providers, payment processors, or other relevant services;
15. Use the Qavala Services to test or debit credit card behaviors;
16. Use of Qavala Account that does not belong to you;
17. Use the Qavala Services in a manner that we believe may be a violation of any applicable

electronic payment network rules, card association or network rules, or applicable law; 18. Use the Qavala Services to trade FX for speculative purposes or for FX arbitrage;

19. Refuse or fail to provide further information about you or your business activities that we may reasonably be requested;

20. Conduct your business or use the Qavala Services in a manner that leads us to receive a disproportionate number of claims or chargebacks;

When using Company's services that include transactions and payments regardless of currency type, Client agrees and guarantees that such transactions or payments will only be conducted in compliance with law of the country where transaction takes place and will not violate interests of third parties, authorities, will not be used to pay or receive payment for illegal activities, money laundering, terrorism finding, purchase and sales of weapon and drugs, and any other possible criminal acts. Otherwise, Company will not be liable and responsible for any potential criminal or/and illegal activity and inform relevant authorities, law enforcement agencies about such transaction, restrain

the wallet and account of Client and reveal personal data of the Client to relevant authorities, law enforcement agencies. We reserve the right to refuse to perform a Qavala Transaction directly or indirectly associated with any Restricted Country.

If Qavala, in its sole discretion, believes that you may have breached any provision of this Agreement, Company may action to protect itself, other Users and third parties. The actions include but is not limited to:

1. Closing, suspending, or limiting your access to your Qavala Account or any or all of the Qavala Services;
2. Contacting other Users who have transacted with you; contacting your bank or credit card issuer; and/or warning other Users, law enforcement, or impacted third parties of your actions;
3. Updating inaccurate Information you have provided to us;
4. Taking legal action against you;
5. Terminating this Agreement or/ and block access to the Website;
6. Fully or partially reversing a Qavala Transaction; and/or Blocking your access to your Qavala Account and/or Qavala Dashboard temporarily or permanently.

Where possible, Qavala will provide you with the relevant information regarding the actions imposed, but we may be unable to do so in accordance with the appropriate law including avoiding disclosing protected third party information or interfering in the course of an investigation.

## Qavala Card

Upon registering your details and Qavala successfully completing the verification of your Qavala Account through the necessary KYC checks using the information you provide to us, once you have been accepted as a Qavala Account-holder, your Qavala Card is issued by the applicable Card Issuer in accordance with any completed order you place with us through the Qavala Dashboard, subject to any issuance charges, as set out in the Fees Section.

The use of prepaid Qavala co-brand card is subject to the Card Issuer Terms.

You may activate and deactivate a Qavala Card using the Qavala App. Failure to disable the Qavala Card upon becoming aware of it being lost or stolen may mean that you lose your right to any compensation for an Unauthorised Qavala Transaction.

For the avoidance of doubt and uncertainty, the purpose of this Section of Agreement is only to inform Client of availability of prepaid co-brand Qavala card and impose no liability and obligation on the Company.

## Secure Your Account

In order to secure your Account and Card from illegal and unauthorised usage, you acknowledge to undertake following steps:

1. Keep your web and mobile app in a secure space, where no one except you has an access to them;
2. Store you passwords and PIN in a secure place and do not provide anyone with this information;
3. Change your passwords and PIN on a regular basis;
4. If your password and PIN is stolen or you think that this information might be leaked and passed to a third party, you need to inform Qavala about it immediately to prevent any harm to your account and Card;
5. Use a Deactivation feature in Account's Dashboard if you've lost your Qavala Card.

## Qavala Depositing

In order to Top-Up the Virtual Currency in your Qavala Account, you will need to perform a Top-Up via a Default Payment Method, or via a Bank Transfer in a Depositing Section. You need to acknowledge that your account has certain top-up and withdrawal limits, you can see all the information about limits in you Account Dashboard. To learn more about Account Limits visit <https://account.qavala.com/portfolio/support>.

To deposit your account with a Default Payment Method, you need to add the details of the Default Payment Method to Qavala Account. In order to do that you have to be an owner of this card, so this card could not be compromised. The purchase of Virtual Currency via Default Payment Method will be for the amount and the currency defined by you, but pay attention to current exchange rates.

You may also fund your Qavala Account by entering into a Bank Transfer. To perform a Bank Transfer within the Qavala Dashboard, you will be required to add and verify your bank account (and subject to the terms of the bank mandate used by your bank to set up and maintain the authority).

Upon our receipt of the amount sent via Bank Transfer (either performed within or outside of the Qavala Dashboard), we will issue the corresponding value of Virtual Currency to your Qavala Account. The details of the bank account, belonging to Qavala, to send the money to will be set out on the Qavala Dashboard. Please be sure that you (or a bank employee) entered a correct transfer information to prevent any troubles. If the transfer will be in a different currency, that was indicated in a transfer request, you will lose some percentage due to current exchange rates, so be sure to provide matched information.

## Transactions Execution

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Qavala may refuse or postpone to conduct your transaction at any time when Company finds the activity may violate the provisions of the present Agreement or in case of technical problems at Company's side.

You can find Qavala receipts for all successful Qavala Transactions on the Qavala Dashboard and on your current linked email. Qavala will not and is not under obligation to provide you with a physical (printed) receipt or other written confirmation in connection with any Transaction. Transactions from User account to the Card are carried out with the support of Payment provider, Transactions for other accounts (internal and external) are carried out by Qavala Company.

Following the initial purchase of cryptocurrency on your Qavala Account, for Anti-Money Laundering purposes you may be prevented from transferring it outside of your Qavala Account for a period of up to 5 days from the time of the purchase of that cryptocurrency. This period might be longer if your account is under suspicion.

## Exchanging Cryptocurrency

You can exchange your Cryptocurrency storing in your Qavala Account in an Exchange section. The list of supported Cryptocurrencies will be displayed in your Dashboard and this supported list could be changed within reasonable reasons depending on current market situation. Every client will get an informational email about that in advance.

In order to use Exchange services, you must accept the Exchange Terms and Conditions. Qavala will not be liable for any potential losses incurred in connection with Exchange activities providing that such an activity be liaised with economic risks and market fluctuation.

The Exchange service will be available and in force as soon as Currency Exchange option is reflected on your account's Dashboard. The Exchange is carried out on one of the following exchange platforms: bitbay.net, dsx.uk, binance.com. Upon accepting the Exchange Terms and Conditions you provide Qavala the right to choose the exact platform with the most profitable rates.

The amount of Virtual Currency you can exchange is subject to a daily limit, specified in our Fees and Limits Terms. Visit Fees and Limits Section for more information. It is your responsibility to stay informed of any changes to the limits and fees applied to any exchanges at current market and Qavala rates.

## Cryptocurrency Terms

By using Qavala's Cryptocurrency Services you acknowledge that you accept all other Terms and Policies of Qavala and agree to use those services for legal purposes. You also need familiarize yourself with general cryptocurrency market technologies and terms, if you have a limited or no knowledge about cryptocurrency you can get a consultation from our Customer Support team.

Cryptocurrency Services will be available upon your Account activation in Exchange section and on your Dashboard.

## Qavala Cryptocurrency Services

Company uses Crypto Exchange markets when Exchanging and providing Cryptocurrency services, therefore your exchanging request will be executed on a current market price and might be different from the initial requested exchanging price.

In case of Cryptocurrency's changing executable protocol "fork", Qavala on a sole discretion will find the best possible decision for the Clients. All clients will be informed about our decision about that in advance.

Qavala will provide Clients with best technological platforms to gain access for Cryptocurrency Services. However, the Cryptocurrency Services are provided without warranty of any kind, either express or

implied. We will not guarantee Cryptocurrency Services 100% uptime. We will use reasonable endeavors to provide you with the Cryptocurrency Service as soon as possible but there are no guarantees that access will not be interrupted, or that there will be no delays, failures, errors, omissions or loss of transmitted information.

To provide Cryptocurrency Services better execution and stability, Qavala may suspend use of the Cryptocurrency Services for maintenance and Clients will be notified in advance about it. You acknowledge that this may not be possible in an emergency.

## Cryptocurrency Services

In order to use Cryptocurrency Services you need to have funds on dedicated wallet. You can use Cryptocurrency Services to buy and sell Supported Cryptocurrencies.

All Clients will be notified if new items will appear in our Supported Cryptocurrency list.

When you need to buy and sell Cryptocurrency you instruct Qavala to execute a buy or sell order on your behalf using Cryptocurrency Exchange. The choice of such an Exchange is at Company's sole discretion.

Clients will not have any direct relations with the Cryptocurrency Exchange. Qavala will be the contracting party with the Cryptocurrency Exchange and will carry out such exchanges in relation to your transaction.

Clients do not have personal Cryptocurrency Wallet and when successful Cryptocurrency transaction is completed, Client will have a beneficial interest in the requested cryptocurrency and Company will maintain a record of the amount of each User's interest indicated in a Dashboard area.

## Transfers and Spending

You will be able to transfer cryptocurrencies to other Qavala Users within the Qavala App. You cannot deposit cryptocurrency directly to your Qavala Card.

If you want to convert any part of your cryptocurrency exposure into fiat, first, this action will be recorded in your Qavala Account, and then

Qavala will automatically exchange any cryptocurrency exposure into fiat currency, settling with the merchant in the respective fiat currency.

## Fees and limits

Any applicable fees we charge for the Cryptocurrency Services will be shown at the time of making a Cryptocurrency Transaction, before you confirm the same. Fees on Cryptocurrency Services may be changed due to current market situation.

Fees charges automatically on each Client's transactions. Fees you are charged for transaction will be displayed clearly in an order section.

There are no other additional fees for signing up or using the Cryptocurrency Service.

For more information about our fees in relation to the Cryptocurrency Service, please visit: <https://account.qavala.com/portfolio/support>

## Qavala Warranty

The Qavala Services are provided on an “as is,” “as available” basis and without any representation or warranty, whether express, implied or statutory. Qavala, and the officers, directors, agents, joint venturers, employees and suppliers of Qavala, make no representation or warranty of any kind whatsoever for the services or the content, materials, information and functions made accessible by the Qavala Services used on or accessed through the Qavala Services, or for any breach of security associated with the transmission of sensitive information through the Qavala Services.

Qavala gives no warranty or guarantee as to the fitness for purpose of the Qavala Services for your needs.

Qavala does not warrant that the Qavala Services will be uninterrupted or error free. Qavala shall not be responsible for any service interruptions, including, but not limited to, system failures or other interruptions that may affect the receipt, processing, acceptance, completion or settlement of Qavala Transactions or the Qavala Services.

Qavala does not have any control over the products or services that are paid for using the Qavala Services.

Qavala is not responsible for the quality, performance, or any consequential results of the products and/or services purchased using the Qavala Services.

## Errors and Transactional Disputes

You should retain all vouchers and transaction records, transaction advices and receipts issued by merchants and ATMs, and check all transactions details and entries by reviewing your transaction records and history (which may be accessed on your Qavala Dashboard or via Customer Support) on a regular basis. We accept no responsibility for your failure to regularly review, reconcile and verify the correctness of your transaction history and details nor your failure to promptly report to us any discrepancy, errors, omissions or unauthorised transactions in relation thereto.

Details in the entries of your transaction history reflected on your Qavala Dashboard are presumed to be true and correct unless you notify us in writing of any disputes or inaccuracies thereon within two weeks from the time of transaction.

## Errors Disputes

If you believe an accounting error has occurred with regard to the Usable Balance in your Account, or your transaction history, you must notify and report such errors to us as soon as possible, in any case within two weeks from the date of the disputed transaction by contacting our Customer Support team.

You are required to provide your proof of transaction along with as much relevant information surrounding such disputed transaction as possible. Once we have received that information, we will investigate such errors and acknowledge receipt of the same in writing within five (5) business days. Where we do not acknowledge receipt, it shall be deemed that we have not received the information.

Unless you have not complied with our request for information or there are exceptional circumstances impeding our investigations (in which case we will write to you to let you know), we will complete the transaction investigations (in most cases) within forty five (45) business days of acknowledging the receipt of the information from you and notify you of the outcome. Any decision made by Qavala in the resolution of such dispute shall also be final and in the sole discretion of Qavala.

If we determine any transaction error or dispute to be attributable to our fault or the fault of our services providers (including the Card Issuer), we will take steps to rectify such errors and

make the appropriate refunds to your Card and/or Account where necessary. However, if on reasonable grounds we decide that any such errors or defaults are not attributable whether directly or indirectly to us, the Card Issuer or our service providers, we will notify you of our decision in writing and shall not be obliged to take any further action. Unless a transaction or recording error is due directly to our fault, we shall have no liability to you.

## Non-delivery or Unauthorised Transaction Disputes

Please note that you cannot stop or reverse a payment on any transaction after it has been authorised or completed. Where you would like to receive a refund after conducting a transaction you should contact the relevant merchant directly with your request. Where a merchant decides to process your request for a refund, it must issue a valid refund voucher to Qavala in order for Qavala to make a refund to you. Qavala can only credit your Account with the refund after we have received such voucher from the merchant.

Any dispute you have with a merchant relating to purchase / sale of goods or/and services procured using your Card or Account must be addressed directly to the merchant provided such goods or services.

We may (but are not obliged), at our sole and absolute discretion, file a formal dispute with a merchant on your behalf over a transaction for which you believe you are entitled for a refund, or is otherwise unauthorised, provided that you duly comply with our requests for information (including provision of proof of transaction) and make available to us all relevant documentation. Provided that the dispute is resolved by the merchant in your favour, in accordance with the rules of the applicable card network, we as the issuer of the Card will credit your Account with the disputed amount.

## Qavala Refund Policy

Any refunds, payment rebates or reversals made by a merchant to you in connection with a transaction previously made in a Supported Currency, will be credited to dedicated Currency Wallet holding that particular Supported Currency. If at the time during or after the rebate, refund or payment reversal is processed, you no longer have the applicable

Currency Wallet and you already have the maximum number of Currency Wallets allowed, we will return the equivalent amount to your Default Wallet after applying the Exchange Rate applicable at the time of the rebate, refund or reversal.

Rebates, refunds or reversals made in an Unsupported Currency will be converted at the applicable Exchange Rate to USD and returned to your Default Wallet. We will also refund any currency conversion fee charged on your original transaction, and we will not charge another currency conversion fee on the refunded amount. Note that amounts returned for Unsupported Currencies and currency conversion fees may differ from the amount deducted from your Account at the time of the original transaction due to exchange rate fluctuations.

## Suspending

We reserve the right to change, suspend or discontinue any aspect of the Qavala Services at any time, including hours of operation or availability of the Qavala Services or any Qavala Services feature, without notice and without liability.

On the happening of any event which entitles us to be compensated by you (including, but not limited to, any technical errors on our behalf or on behalf of our third-party providers), we shall be entitled to recover any sum due to us by retaining part or all of any sum that you have lodged with us under any Qavala Transaction or otherwise. You shall have no similar right of set-off. For the avoidance of doubt, this includes if one of the currency balances in your Qavala Account shows that you owe us an amount of funds for any reason or has a negative balance, Qavala may set-off the amount you owe us by using funds you maintain in that currency or in a different currency balance or by deducting amounts you owe us from money you receive into your Qavala Account, or money you attempt to withdraw or send from your

Qavala Account, or in a different Qavala Account which you control and by deducting funds from any withdrawals you attempt to make.

On the happening of any event which entitles us to be compensated by you, if for whatever reason we are unable to exercise our right of set-off, we may initiate a payment transaction for the amount we are due to be compensated by you from one of your Default Payment Methods or Your Bank Accounts.

If the amount owed to us is in a currency which is different to the Virtual Currency you hold with us, we shall convert the amount you hold with us to the currency of the amount you owe us by applying our Exchange Rates. We do not need to notify you of this conversion occurring.

If a Direct Debit Claim is raised by you pursuant to the Direct Debit Guarantee Scheme, and the claim is adjudged by Qavala to be fraudulent or erroneous, we reserve our right to set-off the claim. If for whatever reason we are unable to exercise our right of set-off, we may ask you to pay us another way and if you do not do so within 7 Business Days you authorize us to initiate a payment transaction for the amount we are due to be compensated by you from one of your Default Payment Methods or Your Bank Accounts.

## Liability

If you believe that a Virtual Currency Transfer, Qavala Bank Transfer, ATM Withdrawal and/or a Qavala Card Purchase has been incorrectly executed or was not authorised by you, you must inform us as soon as possible via the Qavala Dashboard. Failure to notify us immediately on becoming aware or within the 2 months of the date of the unauthorised or incorrectly executed Virtual Currency Transfer, Qavala Bank Transfer, ATM Withdrawal or Qavala Card Purchase will result in you losing your entitlement to have the matter corrected.

Where it is established that a Virtual Currency Transfer, Qavala Bank Transfer, ATM Withdrawal and/or a Qavala Card Purchase was not authorised by you, or was incorrectly initiated or executed by us (provided we can prove such incorrect transaction has taken place) and you have notified us in a timely manner within 2 months of the date of the unauthorised Virtual Currency Transfer, a Qavala Bank Transfer, an ATM Withdrawal or a Qavala Card Purchase, we shall refund to you the full amount debited without authorization, subject to you being liable in full for all losses incurred in respect of A Virtual Currency Transfer, a Qavala Bank Transfer, ATM Withdrawal and Qavala Card Purchase made by us which was not authorised by you, if you have acted fraudulently, or have intentionally or with gross negligence failed to comply with the obligations set out on this Agreement or you have not notified us on time.

Please note that any restriction on your liability in relation to an unauthorised or incorrectly executed payment transaction as may be set

out in applicable laws may not apply to losses in relation to virtual currency transfers and / or exchanges.

Some jurisdictions do not allow certain warranty disclaimers or limitations on liability. Only disclaimers or limitations that are lawful in the applicable jurisdiction will apply to you. Subject to the foregoing, our liability will be limited to the maximum extent permitted by the laws of your territory (implies jurisdiction of the client's residence) and in no event will Qavala, our licensors, service providers or subcontractors (if any) be liable for any indirect, special, incidental, punitive or consequential damages (including, without limitation to lost profits, loss of use, loss of data or loss of goodwill), arising out of or in connection with these terms or any terms referenced in them, or the performance or operation of the Qavala Services, whether such liability arises from any claim based upon breach of contract, breach of warranty, (including negligence), product liability or otherwise, and whether or not we, our licensors, service providers or subcontractors have been advised of the possibility of such damages, in respect of:

1. Your access to, display, use of the Qavala services, or for any delay or inability to access, display or use the Qavala services, the conveyance of any computer viruses, information,

software, linked sites, products or services obtained through the Qavala services, or the act or omission of any business using our services or other third party;

2. Any acts or omissions, whether liability is determined in respect of such third parties or not, of any cryptocurrency custodian or card issuer;

3. Any non-execution or defective execution in relation to a virtual currency transfer or Qavala bank transfer that we have made in accordance with a unique identifier given to us by you which proves to be incorrect;

4. Any delay or failure to perform our obligations under these terms (including any delay in payment) by reason of any cause beyond our reasonable control including but not limited to any action or inaction by you or any third party, any force majeure event, bank delay, postal delay, failure or delay of any fax or electronic transmission, any accident, emergency, act of god or any abnormal or unforeseeable circumstances;

5. Delays or disruptions in the Qavala services; viruses or other malicious software obtained by accessing the website or any associated site or service; glitches, bugs, errors, or inaccuracies of any kind in the Qavala services; virus, distributed denial-of-service attack, or other technologically harmful material that infects your computer equipment, computer programs, data or other proprietary material due to your use of our website or Qavala app or due to your downloading of any content on it, or on any website linked to it;

6. The content, actions, or inactions of third parties; a suspension or other action taken with respect to your Qavala account; your need to modify practices, content, or behaviour, or your loss of or inability to do business, as a result of changes to these terms or Qavala's policies; illegal actions and operations of third persons performed using counterfeited and/or illegal documents or illegally received data;

7. Any loss you incur resulting from your use of the Qavala card which shall be the sole responsibility of the card issuer and subject to the card issuer terms, as applicable;

8. Any losses as a result of a requirement imposed on us by new laws or regulations or our obligations under the laws of any jurisdiction;

9. Any loss or damage that you may suffer because of any abnormal or unforeseeable circumstances outside our reasonable control which would have been unavoidable despite all efforts to the contrary, for example, delays or failures caused by problems with another system or network, any breakdown or failure of transmission, communication, data processing or computer facilities, mechanical breakdown, an act of state or government, war, riot or terrorism, any act of god, the suspension of any market, postal or other strikes or similar industrial action or any prevention from or hindrance in obtaining any materials, energy or other supplies necessary for the performance of our obligations under the cryptocurrency terms;

10. Your use of or inability to use your card(s), the corresponding accounts and/or the Qavala dashboard, which are incurred as a result or in connection with any failed, missed, delayed, or fraudulent transactions, payment transmission errors, or any other issues related to payment or the processing, loading and/or transfer of money between you and the card issuer as the loading channel;

**11.** The card issuer's failure to convey any notice, instructions or communications to us or other third parties on your behalf, accurately, in a timely manner or at all;

**12.** Any unauthorised access to, disclosure of, wrongful or fraudulent use of your card(s), account, Qavala dashboard, personal data, pin and password to the extent not attributable to any acts or omissions on part of Qavala;

**13.** Any error, negligence, wilful default, misconduct, fraud, act, omission, breach or failure of, or contravention of applicable laws by, any other party (including you and the card issuer);

**14.** Our acting reasonably in accordance with your instructions;

**15.** For any loss suffered by you or any third party due to matters outside our control (including, but not limited to, non-delivery of mail, machine failure, system failure, strikes, failure of an atm or communication linkage failure);

**16.** For any losses which arise where you have acted negligently or have acted fraudulently, either alone or together with any other person(s);

**17.** Any losses incurred by you as a result of the card terms or card issuer terms;

**18.** Subject to the foregoing, Qavala's liability to you under these terms shall be limited to

the fees paid by you to Qavala in the 3 months preceding the breach claimed.

Nothing in these Terms shall operate to exclude liability for death or personal injury or for fraud or fraudulent misrepresentation or for any liability that cannot be excluded or amended by law.

You remain liable under these Terms in respect of:

**1.** All liabilities, financial or otherwise, incurred by the Card Issuer, Qavala, a Qavala User, or a third party caused by or arising out of your breach of these Terms, your use of the Qavala Services, and any use of your Qavala Account. You agree to reimburse the Card Issuer, Qavala, a Qavala User, or a third party for any and all such liability, to the extent not prohibited by applicable law.

2. All charges and other amounts incurred through the use of your Qavala Account at any time, irrespective of termination, suspension or closure; and

3. Complying with any and all laws, rules and regulations of your specific jurisdiction that may be applicable to you in connection with your use of the Qavala Services, including but not limited to, those related to export or import activity, taxes or foreign currency transactions. You are liable to the state and other subjects for fulfilment of all tax obligations independently. Qavala shall not be responsible for the execution of tax obligations, or calculation and transfer of taxes applied you.

You agree to defend, reimburse or compensate us (known in legal terms to “indemnify”) and hold Qavala, our third party providers, our employees or agents who are authorised to act on our behalf harmless from any claim or demand (including legal fees) made or incurred by any third party due to or arising out of your breach of these Terms, breach of any law and/or use of the Qavala Services.

We will have no liability for not displaying on the Website or Qavala App, for withdrawing or for not enacting a request to obtain or limit exposure which you submit to us.

To the maximum extent permitted by law, Qavala, Card Issuer and its Indemnitees expressly disclaim and exclude any and all INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, CONSEQUENTIAL, PUNITIVE loss or damage (including loss of business, revenue, profits, use of data, or other economic benefits) which may be suffered by you (or any person claiming under or through you) in connection with or however arising from the your access or use of the Qavala Dashboard, your Card and the corresponding Account, whether or not the same arises in contract, tort (including negligence) howsoever; such loss or damage is foreseeable and/or Qavala, Card Issuer and its Indemnitees have received prior notification of the possibility thereof.

## Termination, liquidation, and confiscation

Qavala may terminate cooperation under these terms and conditions for any reason at Qavala’s sole discretion upon noticing Client in 30 period before that.

The termination process could be launched of Either Party if:

1. The other party breached any Terms or Agreements between Client and Company and didn't reply for a notice within 30 days;
2. The other party breached any Terms or Agreements for 3 times and first 2 times are documented.
3. The other party is subject to a bankruptcy, insolvency, winding up or other similar event;
4. The result of laws, payment scheme rules, regulatory authority rules or guidance or any change in or any introduction thereof (or change in the interpretation or application thereof) means that it is unlawful or contrary to any such law, rules, order or regulations for either of the parties to perform or give effect to any of its obligations hereunder and such obligation cannot be readily severed from these Terms.

Without prejudice to any rights that have accrued under these Terms or any of the party's rights or remedies, Qavala may at any time terminate these Terms with immediate effect by giving written notice to you if:

1. Qavala cannot verify your information in the manner set out in these Terms and Agreement;
2. We have reason to believe that your use of the Qavala Services: damages, corrupts, degrades, destroys and/or otherwise adversely affects the Qavala Services, or any other software, firmware, hardware, data, systems or networks accessed or used by you;
3. There is a significant fluctuation (either positive or negative) in the aggregate number of Qavala Transactions you enter into;
4. You have acted or omitted to act in any way which we reasonably determine to diminish our or the Card Issuer's business operations and/or reputation and/or goodwill and/or which we reasonably determine or suspect to give rise to any offence or any increased risk or liability to us.

If you have breached these Terms (including a breach of your obligation to pay us any amount owing), we are otherwise entitled to terminate these Terms, or we may: suspend your use of the Qavala Services (in whole or in part) in which case we will not treat any order for a Qavala Transaction that you may wish to make as being received by us; report any Qavala Transaction or any other relevant information about you and your use of the Qavala Services to the relevant regulatory authority, law enforcement agency and/or government department; and/or if appropriate, seek damages from you.

Termination of these Terms requires the closing of your Qavala Account and the termination of all Qavala Cards and the associated Card Issuer Terms. Qavala will, in conjunction with the Card Issuer, deal with your remaining balance in accordance with these Terms and the Card Issuer Terms.

Any terms which by their nature should survive, will survive the termination of these Terms.

Qavala may at its sole discretion terminate access to and/ or confiscate any funds held in an Qavala Account indefinitely without prior notice to the Qavala Account-holder. Qavala is not obligated to and may be prevented from disclosing the reasons for such Qavala Account limitation(s) by Applicable Law.

Unless it is prohibited doing so by any applicable law, regulation, court order or instruction or guidance of a competent regulatory authority or agency, in terminating your account we may transfer the funds back to their source. Notwithstanding the foregoing or any other provision contained in these Terms, Qavala reserves the right to not to refund your account balance,

whether in whole or in part, or to restrict access to your account balance in accordance with Applicable Law if we reasonably believe that you have not acted in accordance with these Terms or that you have acted unlawfully, or where we are prohibited from allowing you access to your Qavala Account by any applicable law, regulation, court order or instruction or guidance of a competent regulatory authority or agency.

This agreement may not under any circumstances be used for the intentional receipt of benefits and harm to Qavala and and Qavala's Service Providers. In such cases any involved Clients' accounts will be terminated on a sole decision with or without termination notice' 30 days period.

## Intellectual Property

The Qavala Dashboard and the Website and all Intellectual Property Rights contained therein, including but not limited to any content, are the property of or licenced by Qavala. You may not copy, imitate, or use any Intellectual Property found on the Website or any website linked from it without our prior written consent.

Nothing in these Terms grants you or any other person or entity any legal rights in the Qavala Dashboard and/or the Website, other than as necessary to enable you to access the Qavala Dashboard. You agree not to adjust or try to circumvent or delete any notices contained on the Qavala Dashboard (including any intellectual property notices) and in particular in any digital rights or other security embedded or contained within the Qavala Dashboard.

## Communications and Support

You agree and consent to receive electronic Communications from Qavala. Main Communications are:

- Phone calls;
- Email;
- Qavala Dashboard.

You need to visit Qavala Dashboard your main email address on a regular basis to stay in touch with our Services and respond to such Communications (except no-reply Communications) in accordance with this Agreement. You are obligated to review your notices and Qavala Transaction History, and to promptly report any questions, apparent errors, or unauthorised Qavala Transactions.

We may contact you from time to time to notify you of changes or information regarding your Qavala Account, Fees and Limits, Cryptocurrency list changes and KYC clarifying. It is your responsibility to ensure you regularly check the Qavala Dashboard and that your contact information stored on your profile in the Qavala Dashboard is up to date. You may contact us in accordance with these Terms and Agreement using your Qavala Dashboard options.

To get transaction clarification, any issues with Account and Card usage please contact Customer Support by email to [support@qavala.com](mailto:support@qavala.com).