



# White Paper es-Currencies (No MICAr)

## Note:

These **es-Currencies** Terms ("Terms") only apply to holders of any **es-Currencies** (es-USD, es-EUR, es-CHF, es-GBP, etc.) located outside of the European Economic Area ("EEA"). The **es-Currencies** are not intended to be distributed under the MICAr Regulation. To the extent that you ("you," "your," or "User") have a **es-Currencies** Mint account, these Terms augment the **es-Currencies** Mint account User Agreement in respect of, and governs your use of, the **es-Currencies** Mint account (as defined in the **es-Currencies** Mint account User Agreement) for any transactions involving **es-Currencies** Services (as defined in Section 1 below). Users with a **es-Currencies** Mint account are referred to herein as "User Type A." To the extent you do not have a **es-Currencies** Mint account but hold any **es-Currencies**, these Terms still apply to your holding and use of **es-Currencies** (such Users are referred to herein as "User Type B"). For the avoidance of doubt, Users Type B are not customers of **es-Currencies**, as Users Type B do not have a **es-Currencies** Mint account.

By obtaining and using the **es-Currencies**, you understand and expressly agree to these Terms, regardless of whether or not you are a customer of Ephelia, and you acknowledge that you have reviewed and understand each of the disclosures made in this section. Any provisions of these Terms that only apply to User Type A or User Type B will be specifically noted herein. Unless so noted, each Section of these Terms apply to both User Type A and User Type B, and any use of "you" or "your" refers to both User Type A and User Type B.

By holding or using the **es-Currencies**, or using any of the **es-Currencies** Services, you agree that you have read, understood and accept all of the terms and conditions contained in these Terms, as well as our Privacy Policy, Cookie Policy and E-Sign Consent, and you acknowledge and agree that you will be bound by these terms and policies.

Section 26 of these Terms governs how these Terms may be changed over time; the date of the last update is set forth at the top of these Terms.

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## 1. About es-Currencies

**es-Currencies** are a digital token issued by Ephelia US PS, LLC ("Ephelia") that operates on each of the blockchains listed here (collectively, as of any date of determination, the "Ephelia Supported Blockchains", and each such digital token, "**es-Currencies**"). **es-Currencies** issued by Ephelia are regulated as a form of stored value or prepaid access under the laws governing money transmission (or the statutory equivalent) in the U.S. State of Wyoming. For the avoidance of doubt, these Terms only apply to **es-Currencies** held by persons located outside of the EEA.

**es-Currencies** is fully backed by an equivalent amount of U.S. Dollar-denominated assets (or equivalent currency) held by Ephelia with U.S. regulated financial institutions in segregated accounts apart from Ephelia's corporate funds, on behalf of, and for the benefit of, Users (the "Segregated Accounts"). This means that for every **es-Currencies** issued by Ephelia and remaining in circulation, Ephelia will hold on behalf of Users either one U.S. Dollar ("USD") or an equivalent amount of USD-denominated assets (or equivalent currencies) in its Segregated Accounts (the "Reserves"). **es-Currencies** are not designed to intrinsically create returns for holders, increase in value, or otherwise accrue financial benefit to the **es-Currencies** holder.

## 2. Scope of es-Currencies and Key Terms

The following only applies to User Type A: As you have agreed to, and are subject to, the **es-Currencies** Mint account User Agreement, Ephelia makes available the following Ephelia-related Services (as defined in the Ephelia Mint account User Agreement: (i) issue **es-Currencies** for USD (or any other currency) from Ephelia, (ii) redeem **es-Currencies** for USD (or any other currency) from Ephelia, and (iii) send and receive **es-Currencies** to and/or from Ephelia Mint accounts (collectively, the "Ephelia Services"). Your use of the Ephelia Services is subject to these Terms. Any of the Ephelia Services can be discontinued at any time in accordance with Section 17 of these **es-Currencies** Terms.

You understand and agree that you may only tokenize USD (or any other currency) to **es-Currencies** and redeem **es-Currencies** for USD (or any other currency) in your Ephelia Mint account directly with Ephelia to the extent that you have a Ephelia Mint account in good standing.

If you choose to use Ephelia's "**es-Currencies** Express" service as part of the Ephelia Services, incoming financial institution fiat wires can be automatically settled as **es-Currencies** in your Ephelia Mint account, and **es-Currencies** sent from your Ephelia Mint account to another Ephelia-hosted deposit address can automatically initiate a fiat wire to the recipient's financial institution fiat account.



The following only applies to User Type B: You may not redeem **es-Currencies** with Ephelia unless and until you open a Ephelia Mint account. Eligibility for and requirements related to opening a Ephelia Mint account are set forth in the Ephelia Mint account User Agreement.

The following applies to both User Type A and User Type B: Your use of **es-Currencies** and Ephelia Services (as applicable), is subject to these Terms and Ephelia's obligations hereunder are conditional on you complying with its provisions. You understand that any violation of these Terms may result in potential consequences, including the possible loss or forfeiture of USD (or any other currency) tokenized for **es-Currencies**. For a description of the process for tokenizing USD (or any other currency) to **es-Currencies** and redeeming **es-Currencies** for USD (or any other currency), please see [here](#).

You understand and agree that sending **es-Currencies** to another address automatically transfers and assigns to the owner of that address (a "Holder"), and any subsequent Holder, the right to redeem **es-Currencies** for USD funds (or any other currency) so long as the Holder is eligible to, and does, register a Ephelia Mint account. For the avoidance of doubt, if a Holder is not eligible to register a Ephelia Mint account, or fails to do so, such Holder is not entitled to redeem **es-Currencies** with Ephelia.

Each **es-Currencies** is intended to maintain a value of one USD (or any other currency). In order to issue one **es-Currencies**, a corresponding 1 USD (or an equivalent amount of USD-denominated assets or any other currency) is held in the **es-Currencies** Reserves. Ephelia (or an affiliate designated by Ephelia) commits to redeem 1 **es-USD** for 1 USD (or any other currency), subject to these Terms, applicable law, and any fees where applicable.

While Ephelia may hold the **es-Currencies** Reserves in interest-bearing accounts or other yield-generating instruments, you acknowledge that you are not entitled to any interest or other returns earned on such funds. **es-Currencies** does not itself generate any interest or return for holders of **es-Currencies** and only represents your right to redeem **es-Currencies** for an equivalent amount of USD (or any other currency) through your account with Ephelia.

### 3. Applicable Laws and Regulations

Your holding and use of **es-Currencies**, and any use of the Ephelia Services, is subject to the laws, regulations, and rules of any applicable governmental or regulatory authority, including, without limitation, all applicable tax, anti-money laundering ("AML") and counter-terrorist financing ("CTF") provisions and sanctions. You agree to act in compliance with and be legally bound by these Terms and all applicable laws and regulations.

These Terms are conditional on your continued compliance at all times with these Terms and all applicable laws and regulations.

Applicable laws require us to prevent Restricted Persons from holding **es-Currencies** using Ephelia Services. A Restricted Person means any person that is the subject or target of any sanctions, including a person that is:

- named in any Sanctions-related list maintained by the U.S. Department of State; the U.S. Department of Commerce, including the Bureau of Industry and Security's Entity List and Denied Persons List; or



the U.S. Department of the Treasury, including the OFAC Specially Designated Nationals and Blocked Persons List, the Sectoral Sanctions Identifications List, and the Foreign Sanctions Evaders List; or any similar list maintained by any other relevant governmental authority;

- located, organized or resident in a country, territory or geographical region which is itself the subject or target of any territory-wide Sanctions (a "Restricted Territory") (currently, Cuba, Iran, Syria, North Korea, and the Ukraine regions of Crimea, Donetsk, and Luhansk); or
- owned or controlled by any such person or persons listed above.

## 4. Eligibility; Limitations

The following applies to both User Type A and User Type B: Ephelia Mint accounts, Ephelia Services and support for **es-Currencies** are currently only available to individuals and institutions (as applicable) located in supported jurisdictions.

For a complete list of currently supported jurisdictions, please see [here](#).

By holding or using **es-Currencies**, or accessing or using the Ephelia Services, you further represent and warrant that:

- you are at least 18 years old, are not a Restricted Person, and are not holding **es-Currencies** on behalf of a Restricted Person.
- you will not be using **es-Currencies** or the Ephelia Services (as applicable) for any illegal activity, including, but not limited to, illegal gambling, money laundering, fraud, blackmail, extortion, ransoming data, terrorism financing, other violent activities or any prohibited market practices, including, but not limited to, those listed under Sections 20 and 21.

You also understand that there are additional representations and warranties made by you elsewhere in (or by reference in) these Terms and that any misrepresentation by you is a violation of these Terms.

If Ephelia suspects or determines that you or any of your authorized users or customers, as applicable, have violated this these Terms, including, but not limited to, attempting to transact or transacting with Blocked Addresses (as defined in Section 13) or attempting to engage or engaging in Restricted Activities or Prohibited Transactions, and you have a Ephelia Mint account, then Ephelia may be forced to terminate your Ephelia Mint account and you may forfeit any USD (or any othe currency) funds otherwise eligible for redemption.

Notwithstanding the foregoing, Ephelia may determine not to make **es-Currencies** or the Ephelia Services, in whole or in part, available in every market, either in its sole discretion or due to legal or regulatory requirements, depending on your location.

We may also, without liability to you or any third party, refuse to let you register for a Ephelia Mint account.

The following only applies to User Type A: Use of certain Ephelia Services in a Ephelia Mint account may have further eligibility requirements that will need to be verified prior to you using such Ephelia Services, or from time to time in order to continue your use of the Ephelia Services, and may be subject to additional terms and conditions.



## 5. Support

Please visit Support here or contact Support at [customer-support@es-currencies.io](mailto:customer-support@es-currencies.io) to report any violations of these Terms or to ask any questions regarding these Terms or the Ephelia Services, as applicable.

## 6. AML and CTF Compliance

Our AML and CTF procedures are guided by all applicable laws and regulations regarding AML and CTF. These standards are designed to prevent the use of the Ephelia Services for money laundering or terrorist financing activities. We take compliance very seriously and it is our policy to take all necessary steps to prohibit fraudulent transactions, report suspicious activities, and actively engage in the prevention of money laundering and any related acts that facilitate money laundering, terrorist financing or any other financial crimes.

## 7. USA PATRIOT Act Notification

This Section 7 applies only to User Type A and if your country of residence is the United States: Please also note that Section 326 of the USA PATRIOT Act of 2001 requires all financial institutions to obtain, verify, and record information that identifies each person who registers a Ephelia Mint account. This federal requirement applies to all new users. This information is used to assist the U.S. Government in the fight against the funding of terrorism and money laundering activities. You will be required to comply with our KYC procedures in order to redeem any **es-Currencies**.

## 8. es-Currencies Support Only; Copies, Forks & Advanced Protocols Not Supported

The following only applies to User Type A: Your Ephelia Mint account supports sending and receiving **es-Currencies** and Supported Digital Currencies (as defined in the Ephelia Mint account User Agreement). If you attempt to send any other virtual currency, token, digital currency, or similar digital assets other than **es-Currencies** or Supported Digital Currencies ("Other Digital Assets") to your Ephelia Mint account, such Other Digital Assets may be lost forever.

Please refer to your Ephelia Mint account User Agreement for a list of Supported Digital Currencies. If you attempt to send **es-Currencies** from your Ephelia Mint account to a wallet or address that does not support **es-Currencies**, your **es-Currencies** will be lost forever. Ephelia bears no responsibility for any losses you might incur as a result of you sending Other Digital Assets to your Ephelia Mint account or you sending **es-Currencies** from your Ephelia Mint account to a wallet or address that does not support **es-Currencies**.



The following applies to both User Type A and User Type B: As a result of the decentralized and open source nature of **es-Currencies** it is possible that a party unaffiliated with Ephelia could create an alternative, equivalent version of **es-Currencies** either on one of the Ephelia Supported Blockchains or on an unsupported blockchain (a "copy") that operate independently from **es-Currencies**.

Similarly, it is possible that a party unaffiliated with Ephelia may create an asset and purport that such asset is collateralized by or otherwise incorporates **es-Currencies** into its design (a "wrapper"). Ephelia supports only **es-Currencies** and is under no obligation to support any copies of **es-Currencies** or wrappers and assumes no responsibility for any value that might be lost as a result of this lack of support of copies of **es-Currencies**.

As a result of the decentralized and open source nature of the blockchains on which **es-Currencies** is supported, it is possible that a party unaffiliated with Ephelia could create an alternative version of the blockchain (a "fork"). Note that in the event of a fork of one of the Ephelia Supported Blockchains, Ephelia may be forced to suspend all activities relating to **es-Currencies** (including tokenizing USD or any other currency for **es-Currencies**, redeeming **es-Currencies** for USD or any other currency, or sending and receiving **es-Currencies**) for an extended period of time until Ephelia has determined in its sole discretion that such functionality can be restored ("Downtime"). This Downtime will likely occur immediately upon a "fork", potentially with little to no warning, and during this period of Downtime you will not be able to conduct various activities involving **es-Currencies**. In the event of a fork of one of the Ephelia Supported Blockchains, Ephelia shall, in its sole discretion, determine which fork it will support, if any.

## 9. Ephelia Supported Blockchains and Smart Contract Modifications

**es-Currencies** operates on Ephelia Supported Blockchains. Ephelia does not have any ability or obligation to prevent or mitigate attacks or resolve any other issues that might arise with any Ephelia Supported Blockchain. Any such attacks or delays on any Ephelia Supported Blockchain might materially delay or prevent you from sending or receiving **es-Currencies**, and Ephelia shall bear no responsibility for any losses that result from such issues.

Note that in certain circumstances, including, but not limited to, a copy or fork of a Ephelia Supported Blockchain or the identification of a security issue with a Ephelia Supported Blockchain, Ephelia may be forced to suspend all activities relating to **es-Currencies** (including tokenizing USD or any other currency for **es-Currencies**, redeeming **es-Currencies** for USD or any other currency, or sending and receiving **es-Currencies**) for an extended period of time until such Downtime is over and Ephelia Services can be restored. This Downtime will likely occur immediately upon a copy or fork of any Ephelia Supported Blockchain, potentially with little to no warning, and during this period of Downtime you will not be able to conduct various activities involving **es-Currencies**.

Ephelia reserves the right to migrate **es-Currencies** to another blockchain or protocol in the future in its reasonable discretion. Upon Ephelia's request, you agree to take any and all actions reasonably necessary to effectuate the migration of your **es-Currencies** to another blockchain or protocol identified by Ephelia. If you fail to effectuate such migration, the **es-Currencies** may not be compatible with your Ephelia Mint account



going forward. Ephelia will not be responsible or liable for any damages, losses, costs, fines, penalties or expenses of whatever nature, whether or not reasonably foreseeable by the parties, which you may suffer, sustain or incur, arising out of or relating to your failure to effectuate such migration of your **es-Currencies** to another blockchain or protocol identified by Ephelia.

## 10. Privacy

We are committed to protecting your personal information and helping you understand exactly how your personal information is being used. You should carefully read the Ephelia Privacy Policy, as it provides details on how your personal information is collected, stored, protected, and used.

## 11. Communications

By entering into these Terms, you agree to receive electronic communications and notifications in accordance with our E-Sign Consent Policy.

These Terms are provided to you and communicated in English. We will also communicate with you in English for all matters related to **es-Currencies** and your use of Ephelia Services. Where we have provided you with a translation of the English language version of these Terms, you agree that such translation is provided for your convenience only and that the English language version of these Terms govern your holding and use of **es-Currencies**, and the Ephelia Services, as applicable.

## 12. Limited License; IP Rights

The following only applies to User Type A: We grant you a limited, non-exclusive, non-sublicensable, and non-transferable license, subject to the terms and conditions of these Terms, to access and use the Ephelia Services solely for approved purposes as determined by Ephelia. Any other use of the Ephelia Services is expressly prohibited. Ephelia and its licensors reserve all rights in the Ephelia Services and you agree that these Terms does not grant you any rights in or licenses to the Ephelia Services except for the limited license set forth above. Except as expressly authorized by Ephelia, you agree not to modify, reverse engineer, copy, frame, scrape, rent, lease, loan, sell, distribute, or create derivative works based on the Ephelia Services, in whole or in part. If you violate any portion of these Terms, your permission to access and use the Ephelia Services may be terminated pursuant to these Terms.

"Ephelia" and "**es-Currencies**", and all logos related to the Ephelia Services and **es-Currencies** (es-C, es-USD, es-CHF, etc.) are either trademarks, or registered marks of Ephelia or its licensors. Whether or not you have a Ephelia Mint account, you may not copy, imitate, or use them without Ephelia's prior written consent. All right, title, and interest in and to the Ephelia website, any content thereon, the Ephelia Services, and all technology and any content created or derived from any of the foregoing is the exclusive property of Ephelia and its licensors.



## 13. Risk Factors & Disclosures

The following list of risks associated with **es-Currencies** and the Ephelia Services is not exhaustive.

### No guarantee of price stability on Third Party Platforms

Subject to the limitations set forth in these Terms, (i) when Ephelia tokenizes USD (or any other currency) for **es-Currencies** it will always do so at a rate of 1:1, **FOR EXAMPLE** one USD (\$1) per one (1) **es-USD**; and (ii) when Ephelia redeems **es-USD** for USD, it will always redeem such **es-USD** at a rate of one USD (\$1) per one (1) **es-USD**, less fees where applicable.

Ephelia does not guarantee that the value of one (1) **es-USD** will always equal 1 USD (\$1) on other platforms. Due to a variety of factors outside of Ephelia's control, the value of **es-USD** on third-party platforms such as cryptocurrency exchange platforms could fluctuate above or below 1 USD (\$1). Although a **es-USD** is always redeemable for \$1, less applicable fees (if any), Ephelia cannot control how third parties quote or value **es-Currencies**, and Ephelia is not responsible for any losses or other issues that may result from fluctuations in the value of **es-Currencies**.

### Third-party platforms

**es-Currencies** are based on open source software and runs on Ephelia Supported Blockchains. This means that third parties can elect to support **es-Currencies** on their platforms without any authorization or approval by Ephelia or anyone else. As a result, **es-Currencies** support on any third-party platform does not imply any endorsement by Ephelia that such third-party services are valid, legal, stable or otherwise appropriate. Ephelia is not responsible for any losses or other issues you might encounter using **es-Currencies** on non-Ephelia platforms.

### You accept all consequences of sending es-Currencies

**es-Currencies** transactions are not reversible. Once you send **es-Currencies** to an address, you accept the risk that you may lose access to, and any claim on, that **es-Currencies** indefinitely or permanently. **For example**, (i) an address may have been entered incorrectly and the true owner of the address may never be discovered, (ii) you may not have (or subsequently lose) the private key associated with such address, (iii) an address may belong to an entity that will not return the **es-Currencies**, or (iv) an address belongs to an entity that may return the **es-Currencies** but first requires action on your part, such as verification of your identity. For the avoidance of doubt, nothing in these Terms is intended to obligate Ephelia to track, verify or determine the provenance of **es-Currencies** balances for Users, including any form of security interests claimed thereon.

### Blocked Addresses & Forfeited Funds

Ephelia reserves the right to "block" certain **es-Currencies** addresses and, if such addresses are Ephelia custodied addresses, freeze associated **es-Currencies** (temporarily or permanently) that it determines, in its sole discretion, may be associated with illegal activity or activity that otherwise violates these Terms ("Blocked



Addresses"). In the event that you send **es-Currencies** to a Blocked Address, or receive **es-Currencies** from a Blocked Address, Ephelia may freeze such **es-Currencies** and take steps to terminate your **es-Currencies** Account. In certain circumstances, Ephelia may deem it necessary to report such suspected illegal activity to applicable law enforcement agencies and you may forfeit any rights associated with your **es-Currencies**, including the ability to redeem **es-Currencies** for the related currency. Ephelia may also be required to freeze **es-Currencies** and/or surrender associated the associate currency held in Segregated Accounts in the event it receives a legal order from a valid government authority requiring it to do so.

## Blacklisting

**es-Currencies** are issued and redeemed in accordance with Ephelia's blacklisting policy. Ephelia reserves the right to block the transfer of **es-Currencies** to and from an address on chain as permitted under the blacklisting policy.

## Software protocols and operational challenges

You are aware of and accept the risk of operational challenges. Ephelia may experience sophisticated cyber-attacks, unexpected surges in activity or other operational or technical difficulties that may cause interruptions to the Ephelia Services. You understand that the Ephelia Services may experience operational issues that lead to delays, including delays in redeeming **es-Currencies**. You agree to accept the risk of transaction failure resulting from unanticipated or heightened technical difficulties, including those resulting from sophisticated attacks. You agree not to hold Ephelia Mint accountable for any related losses.

## Compliance

You are responsible for complying with applicable law. You agree that Ephelia is not responsible for determining whether or which laws may apply to your transactions, including tax laws. You are solely responsible for reporting and paying any taxes arising from your use of **es-Currencies** or the Ephelia Services, including any accurate reporting of the tax or legal status of **es-Currencies** in your jurisdiction.

## Legal treatment of es-Currencies transfers

The regulatory status of **es-Currencies** and blockchain technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory agencies may apply existing regulation with respect to **es-Currencies**, blockchain technology and its applications. Accordingly, it is not possible to determine whether a **es-Currencies** transfer would be recognized under applicable law by a court or regulator at the U.S. state, U.S. federal, or international level.

## Legislative and regulatory changes

Legislative and regulatory changes or actions at the U.S. state, U.S. federal, or international level may adversely affect the tokenization of currencies into **es-Currencies**, and the use, transfer, redemption and/or value of **es-Currencies**.

## No deposit insurance

**es-Currencies** held in your Ephelia Mint account is not subject to deposit insurance protection, including, but not limited to, (i) where your country of residence is the United States, the Federal Deposit Insurance



Corporation insurance or Securities Investor Protection Corporation protections; or (ii) where your country of residence is outside of the United States or equivalent scheme in your country of residence.

### Claim on funds

Only Users Type A can redeem **es-Currencies** directly with Ephelia. For Users Type A, your ability to redeem currencies with us for each **es-Currencies** is conditional on (i) your possession of a corresponding amount of **es-Currencies** associated with a registered Ephelia Mint account, (ii) no violation of these Terms or your Ephelia Mint account User Agreement, and (iii) no action, pending or otherwise, by a regulator, law enforcement or a court of competent jurisdiction that would restrict redemption.

Sending **es-Currencies** to another address automatically transfers and assigns to that Holder, and any subsequent Holder, the right to redeem **es-Currencies** associated with us so long as the Holder is eligible to, and does, register a Ephelia Mint account (and thereby becomes a User Type A).

### Encumbrances

Depending on the actions of the owners of **es-Currencies** addresses before your receipt of **es-Currencies** from another **es-Currencies** address, it is possible that the transfer of **es-Currencies** between **es-Currencies** addresses could result in the **es-Currencies** in your account becoming subject to a lien or other form of security interest before redemption.

### On-chain transactions irreversible

When **es-Currencies** are sent to a third-party **es-Currencies** address, such transaction is completed on Ephelia Supported Blockchains. This means that such transaction is irreversible and Ephelia does not have the ability to reverse or recall any transaction once initiated. You bear all responsibility for any losses that might be incurred as a result of sending **es-Currencies** to an incorrect or unintended **es-Currencies** address.

### Affiliate Activities

You understand and agree that individuals or entities affiliated with Ephelia may hold, purchase, sell, or otherwise engage in transactions using or involving **es-Currencies**. You further understand and agree that such persons may engage in this activity for any reason, including but not limited to engaging in commercial transactions, promoting transaction activity that utilizes **es-Currencies**, or otherwise supporting the use or adoption of **es-Currencies**. This activity may involve selling **es-Currencies** to other entities for provision to their end users. You understand and agree that no individual or entity, whether affiliated with Ephelia or otherwise, is under any obligation to engage in these activities, and they may be discontinued at any time.

## 14. Third Parties

You understand and agree that Ephelia does not control any products or services sold or offered by third parties using the Ephelia Services.

Ephelia is not liable for any losses or issues that may arise from such third-party transactions, including, but not limited to, failure to comply with applicable law and regulations (including any consequences for illegal



transactions that might be triggered under these Terms), the quality and delivery of such products and services, or your satisfaction with any products or services, the purchase of which is facilitated by the Ephelia Services. If you are not satisfied with any goods or services purchased from a third party using the Ephelia Services, you must handle those issues directly with the third-party seller.

## 15. Fees; Authorization

The following only applies to User Type A: Except as disclosed on the Ephelia Fee Schedule or as otherwise disclosed to you prior to completing a transaction in your Ephelia Mint account, Ephelia will not charge you any fees for tokenizing currencies for **es-Currencies**, or receiving **es-Currencies**. As disclosed on the Ephelia Fee Schedule, Ephelia does charge fees in connection with sending **es-Currencies** on chain out of the Ephelia Mint account. You should always check the **es-Currencies** Fee Schedule before completing a transaction in your Ephelia Mint account to make sure you understand exactly what fees might be incurred. You also agree to pay any other fees that may be charged by your bank in connection with sending funds to Ephelia or receiving funds from Ephelia.

## 16. Currency Conversion

The following only applies to User Type A: All tokenizations of currencies will be credited in **es-Currencies** to your Ephelia Mint account based on a rate of 1:1, for example one (1) **es-USD** per 1 USD (\$1). If you wire funds to Ephelia to complete a tokenization of USD into **es-USD**, you should denominate your wire transfer in USD. If you transmit your wire in a currency other than USD, Ephelia's banking partners will convert such funds to USD at such bank's then applicable conversion rate and may charge additional fees for completing such currency conversion. Your Ephelia Mint account will then be credited with an amount of es-USD equal to the amount of USD that results following such currency conversion and deduction of any fees charged for such currency conversion. Ephelia is not responsible for any processing delays that may result in connection with completing such currency conversion. Additionally, Ephelia's banking partners may not support all non-USD currencies, and may be forced to reject or return a wire received in a non-supported currency. Note that your Ephelia Mint account only supports **es-Currencies** amounts out to two decimal places, so all **es-Currencies** amounts will be rounded down to two decimal places.

## 17. Right to Change/Remove Features or Suspend/Delay Transactions

The following only applies to User Type A: We reserve the right to (i) change, suspend, or discontinue any aspect of the Ephelia Services at any time, including hours of operation or availability of any feature, without notice and without liability and (ii) decline to process any issuance or redemption without prior notice and may limit or suspend your use of one or more Ephelia Services at any time, in our sole discretion. Our rights



under this paragraph are subject to our obligations under applicable law and licenses, including but not limited to our reasonable suspicion of inappropriate or illegal conduct. Suspension of your use of any of the Ephelia Services will not affect your rights and obligations pursuant to these Terms. We may, in our sole discretion, delay issuances or redemptions if we reasonably believe the transaction is suspicious, may involve fraud or misconduct, violates applicable laws, or violates the terms of these Terms.

## 18. Transactions Irreversible

The following only applies to User Type A: Once a transaction has been initiated, it cannot be reversed, as further described in Section 13 above.

Except as set forth in these Terms, all transactions processed through the Ephelia Services are non-refundable. You may have additional refund or chargeback rights under your agreement with the recipient of such funds, your bank, or applicable law. You should periodically review statements from your bank, which should reflect all applicable transactions made using that payment method. You can also access the record of your transactions by logging into your Ephelia Mint account.

## 19. Insufficient Funds

The following only applies to User Type A: If a payment made to tokenize currencies for **es-Currencies** is reversed by your bank or Ephelia's banking partners after a tokenization of currencies for **es-Currencies** is completed, then Ephelia reserves the right to (i) retroactively cancel such tokenization of currencies for **es-Currencies** and deduct such **es-Currencies** from your Ephelia Mint account, (ii) deduct such amounts from future **es-Currencies** issuances to your Ephelia Mint account or otherwise received into your Ephelia Mint account, (iii) suspend your Ephelia Mint account and access to the Ephelia Services until resolved, (iv) if you maintain more than one Ephelia Mint account, set off the negative amount of **es-Currencies** in one Ephelia Mint account by applying the amount of **es-Currencies** you hold in your other Ephelia Mint account(s) against the negative amount, and (v) pursue legal action or any other means of recovery legally available. To secure your performance of these Terms, you grant to Ephelia the right to (a) block transactions involving **es-Currencies** from your account, including any non-**es-Currencies** account, and (b) set off any fees or other amounts owed by you against funds Ephelia holds on your behalf.

In the event that Ephelia is forced to engage a third party to assist with the recovery of any funds owed by you to Ephelia, you will be charged any fees or expenses that are incurred by Ephelia in connection with such recovery efforts, including, but not limited to, collection fees, legal fees or convenience fees charged by third parties. You hereby explicitly agree that all communication in relation to a funds owed by you to Ephelia or a delinquent account will be made by electronic mail or phone. Such communication may be made by Ephelia or by any third party acting on its behalf, including but not limited to a third-party collection agent. Note that if Ephelia is forced to engage such third parties in connection with recovering amounts that you owe Ephelia, your credit may be negatively impacted.



## 20. Restricted Activities

In connection with your holding or use of **es-Currencies**, or the Ephelia Services (as applicable), you hereby agree that you will not:

- violate (or assist any other party in violating) any applicable law, statute, ordinance, or regulation;
- intentionally try to defraud (or assist in the defrauding of) Ephelia or other Users;
- provide false, inaccurate, or misleading information;
- take any action that interferes with, intercepts, or expropriates any system, data, or information;
- partake in any transaction involving the proceeds of illegal activity
- transmit or upload any virus, worm, or other malicious software or program;
- attempt to gain unauthorized access to other Ephelia Mint accounts, the Ephelia website, or any related networks or systems;
- use the Ephelia Services on behalf of any third party or otherwise act as an intermediary between Ephelia and any third parties;
- collect any User information from other Users, including, without limitation, email addresses;
- defame, harass, or violate the privacy or intellectual property rights of Ephelia or any other Users; or
- upload, display or transmit any messages, photos, videos or other media that contain illegal goods, violent, obscene or copyrighted images or materials (such activities, "Restricted Activities").

## 21. Prohibited Transactions

Using **es-Currencies** or the Ephelia Services for transactions related to the following is prohibited, and Ephelia reserves the right to monitor and, if appropriate, block or otherwise prevent transactions that relate to:

- any Restricted Persons;
- weapons of any kind in contravention of applicable laws, including but not limited to, as applicable, firearms, ammunition, knives, explosives, or related accessories;
- controlled substances, including but not limited to narcotics, prescription drugs, steroids, or related paraphernalia or accessories, unless licensed and authorized by the jurisdiction in which the User is based as well as by the jurisdiction in which the transaction takes place;
- gambling activities including but not limited to sports betting, casino games, horse racing, dog racing, games that may be classified as gambling (i.e. poker), or other activities that facilitate any of the foregoing, unless licensed and authorized by the jurisdiction in which the User is based as well as by the jurisdiction in which the transaction takes place;
- money-laundering or terrorist financing;
- any sort of Ponzi scheme, pyramid scheme, or multi-level marketing program;
- goods or services that infringe or violate any copyright, trademark, or proprietary rights under the laws of any jurisdiction;
- credit repair services, or other services that may present consumer protection risks;



- court ordered payments, structured settlements, tax payments, or tax settlements;
- any unlicensed money transmitter activity;
- layaway systems, or annuities;
- counterfeit goods, including but not limited to fake or "novelty" IDs;
- wash trading, front-running, insider trading, market manipulation or other forms of market-based fraud or deceit;
- purchasing goods of any type from "Darknet" markets, or any other service or website that acts as a marketplace for illegal goods (even though such marketplace might also sell legal goods); or
- any other matters, goods, or services that from time to time we communicate to you that are unacceptable and which, for example, may be restricted by our and your bank or payment partners (such transactions, "Prohibited Transactions").

In the event that Ephelia learns you are making any such Prohibited Transactions, Ephelia will consider it to be a violation of these Terms and may also suspend or terminate your Ephelia Mint account, which can result in the potential forfeit of any currency otherwise eligible for redemption.

## 22. Taxes

The following only applies to User Type A: Ephelia will maintain a record of your transaction history pursuant to the terms of the Ephelia Mint account User Agreement. This transaction history will include all transactions you complete with Ephelia including tokenizing currencies for **es-Currencies**, redeeming **es-Currencies** for any currency, and transferring **es-Currencies**.

## 23. Indemnification; Release

The following only applies to User Type A: Section 22 of the Ephelia Mint account User Agreement is hereby incorporated into these Terms by reference and shall apply in all respects to these Terms and your use of **es-Currencies** Services and our products and services as contemplated herein.

The following only applies to User Type B: You agree to indemnify and hold Ephelia, its affiliates, and service providers, and each of their officers, directors, agents, joint venturers, employees, and representatives harmless from any claim or demand (including attorneys' fees and any losses, fines, fees or penalties imposed by any regulatory authority) arising out of your breach of these Terms, your violation of any law or regulation or your holding or use of **es-Currencies**.

For the purpose of this Section 23, the term "losses" means all net costs reasonably incurred by us or the other persons referred to in this Section which are the result of the matters set out in this Section 23 and which may relate to any claims, demands, causes of action, debt, cost, expense or other liability, including reasonable legal fees (without duplication).

If you have a dispute with one or more Users or third parties, you release Ephelia (and its affiliates and service providers, and each of their officers, directors, agents, joint ventures, employees and representatives) from



all claims, demands, and damages (actual and consequential) of every kind and nature arising out of or in any way connected with such disputes.

## 24. Limitation of Liability; No Warranty

The following only applies to User Type A: Section 23 of the Ephelia Mint account User Agreement is hereby incorporated into these Terms by reference and shall apply in all respects to these Terms and your use of Ephelia Services and our products and services as contemplated herein.

The following only applies to User Type B: YOU EXPRESSLY UNDERSTAND AND AGREE THAT EPHELIA AND OUR AFFILIATES AND SERVICE PROVIDERS, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, JOINT VENTURERS, EMPLOYEES, AND REPRESENTATIVES WILL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY DAMAGES, OR DAMAGES FOR LOSS OF PROFITS INCLUDING BUT NOT LIMITED TO, DAMAGES FOR LOSS OF GOODWILL, USE, DATA, OR OTHER INTANGIBLE LOSSES (EVEN IF EPHELIA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), WHETHER BASED ON CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE, RESULTING FROM: (I) THE USE OR THE INABILITY TO HOLD OR USE **ES-CURRENCIES**; (II) THE COST OF PROCUREMENT OF SUBSTITUTE GOODS AND SERVICES RESULTING FROM ANY GOODS, DATA, INFORMATION, OR SERVICES PURCHASED OR OBTAINED OR MESSAGES RECEIVED OR TRANSACTIONS ENTERED INTO INVOLVING **ES-CURRENCIES**; (III) UNAUTHORIZED ACCESS TO OR ALTERATION OF YOUR TRANSMISSIONS OR DATA; OR (IV) ANY OTHER MATTER INVOLVING **ES-CURRENCIES**.

SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN WARRANTIES OR THE LIMITATION OR EXCLUSION OF LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. ACCORDINGLY, SOME OF THE LIMITATIONS SET FORTH ABOVE MAY NOT APPLY TO YOU. IF YOU ARE DISSATISFIED WITH **ES-CURRENCIES**, YOUR SOLE AND EXCLUSIVE REMEDY IS TO DISCONTINUE HOLDING AND USE OF **ES-CURRENCIES**.

**ES-CURRENCIES** IS PROVIDED "AS IS" AND WITHOUT ANY REPRESENTATION OR WARRANTY, WHETHER EXPRESS, IMPLIED ORSTATUTORY. EPHELIA, OUR AFFILIATES, AND OUR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, JOINT VENTURERS, EMPLOYEES, AND SUPPLIERS SPECIFICALLY DISCLAIM ANY IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT. EPHELIA MAKES NO WARRANTY THAT (I) THE **ES-CURRENCIES** WILL MEET YOUR REQUIREMENTS, (II) THE **ES-CURRENCIES** WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, OR (III) THE QUALITY OF ANY PRODUCTS, SERVICES, INFORMATION, OR OTHER MATERIAL PURCHASED OR OBTAINED BY YOU WILL MEET YOUR EXPECTATIONS.

## 25. Force Majeure

Ephelia shall have no liability for any failure or delay resulting from any condition beyond our reasonable control, including but not limited to governmental action or acts of terrorism, earthquake, fire, flood, or other acts of God, labor conditions, power failures, equipment failures, and Internet disturbances.



## 26. Amendments

Ephelia may amend any portion of these Terms at any time by posting the revised version of these Terms with an updated revision date. The changes will become effective, and shall be deemed accepted by you, the first time you access or use **es-Currencies** or the Ephelia Services after the initial posting of the revised Terms and shall apply on a going-forward basis with respect to transactions initiated after the posting date. In the event that you do not agree with any such modification, your sole and exclusive remedy is to terminate your use of the Ephelia Services and terminate your Ephelia Mint account (if any). You agree that we shall not be liable to you or any third party as a result of any losses suffered by any modification or amendment of these Terms.

If the revised Terms includes a material change, we will provide you with prior notice via our website and/or email before the material change becomes effective. For this purpose a "material change" means a significant change other than changes that (i) are to your benefit, (ii) are required to be made to comply with applicable laws and/or regulations or as otherwise required by one of our regulators, (iii) relates to a new product or service made available to you, or (iv) otherwise clarifies an existing term.

## 27. Assignment and Third-Party Holders

You may not transfer or assign these Terms or any rights or obligations hereunder, by operation of law or otherwise and any such attempted assignment shall be void, subject to the following exception. Sending **es-Currencies** to an address will automatically transfer and assign to that Holder, and any subsequent Holder, the right to redeem **es-Currencies** for any currency supported so long as the Holder is eligible to, and does, register a Ephelia Mint account.

Each Holder is subject to all terms of these Terms as if a User including, but not limited to, the requirements to not transact with Blocked Addresses and not engage in Restricted Activities or Prohibited Transactions. We reserve the right to freely assign these Terms and the rights and obligations of these Terms to any third party at any time without notice or consent. If you object to such transfer or assignment, you may stop holding and using **es-Currencies**; further if you are a User Type A, you may also stop using our Ephelia Services, and terminate these Terms by contacting Support at [customer-support@es-currencies.io](mailto:customer-support@es-currencies.io) and asking us to close your Ephelia Mint account.

## 28. Survival

Upon termination of these Terms (and termination of your Ephelia Mint account, if you are a User Type A), all rights and obligations of the parties that by their nature are continuing will survive such termination.



## 29. Website; Third Party Content

Ephelia strives to provide accurate and reliable information and content on the Ephelia website, but such information may not always be correct, complete, or up to date. Ephelia will update the information on the Ephelia website as necessary to provide you with the most up to date information, but you should always independently verify such information. The Ephelia website may also contain links to third-party websites, applications, events or other materials ("Third Party Content"). Such information is provided for your convenience and links or references to Third Party Content do not constitute an endorsement by Ephelia of any products or services. Ephelia shall have no liability for any losses incurred as a result of actions taken in reliance on the information contained on the Ephelia website or in any Third Party Content.

## 30. Legal Compliance

The **es-Currencies** and Ephelia Services are subject to AML and CTF provisions, including Sanctions. By holding or using **es-Currencies**, or using the Ephelia Services, you represent and warrant that your actions are not in violation of Sanctions. Without limiting the foregoing, you may not hold or use **es-Currencies**, or use the Ephelia Services if you are a Restricted Person or intend to transact with or on behalf of any Restricted Persons.

## 31. Governing Law; Venue

The laws of the State of Wyoming and applicable United States federal law, including the Federal Arbitration Action as specified herein, shall govern these Terms.

## 32. Entire Agreement

The following applies to both User Type A and User Type B: The failure of Ephelia to exercise or enforce any right or provision of these Terms shall not constitute a waiver of such right or provision. If any provision of these Terms shall be adjudged by any court of competent jurisdiction to be unenforceable or invalid, that provision shall be limited or eliminated to the minimum extent necessary so that these Terms shall otherwise remain in full force and effect and remain enforceable between the parties, except as specified in Section 26. Furthermore, if any portion of these Terms, whether in whole, or in part, shall be adjudged by any court of competent jurisdiction to be unenforceable or invalid against certain persons or categories of persons that are purportedly bound by these Terms, such portion of these Terms shall otherwise remain in full force and effect and remain enforceable as to any other persons bound by these terms. The headings and explanatory text are for reference purposes only and in no way define, limit, construe, or describe the scope or extent of such section. These Terms and Ephelia's policies governing the holding or use of **es-Currencies**, the use of



the Ephelia Services referenced herein, the Privacy Policy, the Cookie Policy and the E-Sign Consent constitute the entire agreement between you and Ephelia with respect to the holding or use of **es-Currencies**, and the use of the Ephelia Services. These Terms are not intended and shall not be construed to create any rights or remedies in any parties other than you and Ephelia and other Ephelia affiliates which each shall be a third-party beneficiary of these Terms, and no other person shall assert any rights as a third-party beneficiary hereunder.

The following only applies to User Type A: Notwithstanding anything to the contrary set forth in these Terms or otherwise, in the event of a conflict between any term set forth herein and any term set forth in the Ephelia Mint account User Agreement (i) in connection with any **es-Currencies** transaction, the terms of these Terms shall control, and (ii) in respect of any other Digital Currency transaction, the terms of the Ephelia Mint account User Agreement shall control.

### 33. State-Specific Disclosures

Note that while Ephelia is licensed in the State of Wyoming as a money transmitter, not all states in which we are considering to be licensed, are regulating virtual currency activity as money transmission.

Note that this Section 33 will be continuously updated with additional state-specific disclosures once we are licensed in more States as may be required by the states in which we will hold licenses and the date of last update will be reflected directly above.

For the avoidance of doubt, although a state banking department may not regulate virtual currency activity as money transmission, such state banking department may, however, regulate **es-Currencies** issuance and transmission, if such state banking department deems **es-Currencies** to be a form of stored value and not a type of virtual currency.

**EPHELIA US PS LLC (NMLS ID: 2478862)** is incorporated in the State of New York with address 333 East 46th Street 1F, New York, NY 10017 and licensed in Wyoming by the Wyoming Division of Banking as a money transmitter (License/Registration #: 7359). If you are located in the State of Wyoming and have a complaint, please first contact Ephelia Support by visiting the Ephelia Support Portal.

If your issue is unresolved by Ephelia, either via the method above or by contacting its phone number, +1 (347)-691-8193, please submit formal complaints with the state of Wyoming, Division of Banking. Formal complaints must be in writing, please follow the procedure here:

<https://wyomingbankingdivision.wyo.gov/how-to-file-a-complaint>