

Digital Assets Custody Services Supplement

This Digital Assets Custody Services Supplement (the “DACs”) supplements, forms part of and is subject to, the Terms of Business (the “Terms”) and sets out certain additional terms and conditions applicable to the provision of Digital Assets Custody Services (as defined below) by the Company.

1. Defined Terms

1.1 All defined words and phrases in the Terms shall have the same meaning where used in this DACs. The following words and phrases shall, unless the context otherwise requires, have the following meanings:

“**Clearance Wallet**” means a Wallet established by the Company for the purposes of receiving your Digital Assets from a public blockchain address or a Wallet you control (as the case may be) and/or facilitating withdrawals of Digital Assets to a public blockchain address or a Wallet you control (as the case may be);

“**Compliance Procedures**” means the Company’s internal compliance procedures, including (without limitation) its anti-money laundering and terrorist financing policies, controls, systems and procedures;

“**Custody Wallet**” means a Wallet established by the Company for the purposes of holding your Digital Assets and will either be (i) a unique Wallet which will hold only your Digital Assets, or (ii) a pooled Wallet which will hold Digital Assets of a number of the Company’s clients but in no event shall any Digital Assets belonging to the Company be co-mingled with your Digital Assets;

“**Digital Asset**” means unique electronic assets, secured by cryptography and administered via public distributed ledger, which are issued by a company or organisation and/or traded via a decentralised peer to peer electronic system;

“**Digital Asset Custody Services**” means the provision by ITI of Digital Asset Custody Services for the Digital Assets that ITI, in its sole and absolute discretion, accepts into custody pursuant to clause 2 of this DACs;

“**Forked Digital Assets**” means any new Digital Assets created where a permanent divergence in a blockchain results in two or more versions of a single Digital Asset (otherwise known as a “fork”);

“**Regulated Token**” means Digital Assets which are determined by ITI, in its sole and absolute discretion, to be specified investments for the purposes of The Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 and/or financial instruments under the Markets in Financial Instruments Directive (2004/39EC), as subsequently amended and supplemented from time to time;

“**Risk Criteria**” means the Company’s discretionary risk parameters applied to Digital Assets delivered to the Company for Digital Assets Custody Services, including (without limitation) any review carried out of Digital Assets and their source pursuant to Compliance Procedures and/or the determination as to whether the Digital Assets are Regulated Tokens or Unregulated Tokens;

“**Third Party**” means a third party service provider appointed by the Company;

“Token Rights” means any purchase, conversion, exchange, voting, subscription or redemption rights, rights to discounts, dividends, distributions or other profit share, profit allocation, buy back options, options or other rights attaching to any Digital Assets;

“Unregulated Tokens” means Digital Assets which are determined by ITI, in its sole and absolute discretion, not to be Regulated Tokens;

“Wallet” means an electronic wallet established by a party for the purposes of facilitating the receipt into, withdrawal from or holding of Digital Assets.

- 1.2 For the purposes of clause 12 of the Terms, Digital Assets shall be included in the definition of Custody Assets.
- 1.3 For the avoidance of doubt, Digital Asset Custody Services shall be a “Service” for the purposes of the Terms.
- 1.4 In the event of an inconsistency between this DACS and the Terms, the provisions of this DACS shall take precedence.

2. Digital Assets Custody Services

- 2.1 If requested by you, and in its sole and absolute discretion and subject to the terms of this DACS, the Company may open, or cause to be opened, such Accounts as are necessary to record your Digital Asset holdings. We will identify, record and hold all your Digital Assets separately from any of our own Digital Assets, and in such a way that we can identify your Digital Assets at any time.
- 2.2 For these purposes, ITI will create a Clearance Wallet (or Wallets) for the purposes of receiving your Digital Assets from either a public blockchain address or a Wallet you control (as the case may be) and facilitating withdrawals to either a public blockchain address or a Wallet you control (as the case may be).
- 2.3 Following receipt of the Digital Assets into the Clearance Wallet, the Company will carry out such checks and perform such evaluations as it, in its sole and absolute discretion, deems necessary and appropriate to determine whether the Digital Assets fall within the Company’s Risk Criteria for providing Digital Asset Custody Services.
- 2.4 If pursuant to clause 2.3, the Digital Assets meet the Risk Criteria, the Company will transfer the Digital Assets from the Clearance Wallet to the Custody Wallet.
- 2.5 If pursuant to clause 2.3, the Digital Assets are determined to be Regulated Tokens, or otherwise do not pass the Risk Criteria, the Company will, subject to Compliance Procedures and while remaining in compliance with all laws and regulations which are, or which the Company, in its sole and absolute discretion, deems to be, applicable to the Company, initiate a transfer of the Digital Assets in question back to a Wallet you control. We will, before initiating such transfer, request that you supply us with the blockchain address of a Wallet you control to which the Digital Assets in question are to be transferred. Following receipt of such address, we will initiate the transfer. For the avoidance of doubt, unless otherwise agreed the Company will not provide Digital Asset Custody Services for Regulated Tokens.
- 2.6 In providing Digital Asset Custody Services we may at our sole and absolute discretion at any time and from time to time use the services of one or more Third Parties. Such Third Parties will establish an account or accounts designated and identified as belonging to, and held for the

benefit of, the Company's clients. This account will not commingle the Digital Assets with any of (i) the Third Party's own proprietary Digital Assets; (ii) the Third Party's own customers' Digital Assets, or (iii) the Company's Digital Assets. The Company shall be responsible for the duration of any agreement with such Third Party for satisfying itself as to the ongoing suitability of the Third Party to provide the Digital Asset Custody Services and shall maintain an appropriate level of supervision of the Third Party and make appropriate enquiries periodically to confirm that the obligations of the Third Party continue to be competently discharged. The Company shall not be liable for the default or the acts of omission of any such Third Party save where we have failed to exercise due skill and care in the selection and monitoring of such Third Party.

- 2.7 For the avoidance of doubt, Instructions shall be provided by the Client pursuant to, and subject to, paragraph 7 of the Terms.

3. Token Rights

- 3.1 Provided that the Company receives the requisite information, it will use reasonable endeavours to notify you of all matters in respect of Token Rights as soon as reasonably practicable after receipt. No representation or warranty, whether express or implied, is or will be made by the Company in relation to the accuracy or completeness of any information provided in connection with such Token Rights, and no liability or responsibility is or will be accepted by the Company in relation to such information.
- 3.2 Where there are alternate rights or elections in respect of Token Rights, including for these purposes any voting rights, you shall be solely responsible for making any decisions and for providing us with Instructions in relation to such Token Rights. For the avoidance of doubt, the Company shall not be obliged to act on any such Instructions but may agree to do so at our sole and absolute discretion and at your cost. In the absence of any Instructions, or if Instructions are not received by the deadline we convey to you, the Company shall have no liability for failing to take any action relating to the exercise of such rights.
- 3.3 Subject to the provisions of clause 3.4, any Forked Digital Assets which relates to any of your Digital Asset holdings which are held either in a Clearance Wallet or a Custody Wallet will belong to you and the Company will hold any Forked Digital Assets as if they were Custody Assets.
- 3.4 Clause 3.3 will only apply where the Company's Third Party service providers have confirmed to the Company that they intend to support any fork which will result in the creation of the relevant Forked Digital Assets. The Company will notify you promptly following receipt of any confirmation from its Third Party service providers that they intend to support the relevant fork or not. The Company will be under no obligation to support, or procure the support from its Third Party service providers, of any relevant fork.

4. Regulated Tokens

- 4.1 Notwithstanding clause 2.4 of this supplement, if at any time the Company determines in its sole and absolute discretion acting in good faith that a Digital Asset subject to the Digital Asset Custodian Services (i) was incorrectly characterised as an Unregulated Token, or (ii) for whatever reason, now needs to be re-characterised as a Regulated Token, the Company will notify you and, unless we agree otherwise, shall initiate a transfer of the Regulated Tokens in question back to the a public blockchain address or a Wallet you control.

4.2 For the avoidance of doubt, for the purposes of the application of this DACS, the Company's determination as to whether a Digital Asset is a Regulated Token or an Unregulated Token shall be final.

5. Protections and Security

5.1 The Client must manage and keep secure any and all information or devices associated with the verification requirements of receipt or withdrawal of Digital Assets into or from the Digital Assets Custody Services.

5.2 The Digital Asset Custody Services provided pursuant to this DACS are not covered by the requirement for regulatory authorisations or permissions, are not subject to FCA regulation and constitute unregulated business. As a result, the protections provided to you pursuant to the FCA Rules, including (without limitation) the Custody Rules and the Client Money Rules, shall not apply.

5.3 The Crypto Custody Services provided in this CCS are not covered by the Financial Services Compensation Scheme.